ROBECO

Condensed consolidated interim financial statements

for the six month period ended 30 June 2011

Robeco Direct N.V.

11

CONTENTS

GENERAL INFORMATION

Supervisory Board Robeco Direct N.V.
Roderick M.S.M. Munsters, chairman
Hans A.A. Rademaker
Jurgen B.J. Stegmann (as from 9 June 2011)

Management Board Robeco Direct N.V.
Leni M.T. Boeren, chairman
Hester W.D.G. Borrie
Peter T.N. Bruin

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REPORT OF THE SUPERVISORY BOARD

for the six month period ended 30 June 2011

Condensed Consolidated Interim Financial Statements 2011

We herewith present the Condensed consolidated interim financial statements 2011 of Robeco Direct N.V. together with the Report of the Management Board for the six month period ended 30 June 2011.

Composition of the Supervisory Board

Mr. Jurgen Stegmann became a member of the Supervisory Board as from 9 June 2011.

Meetings of the Supervisory Board

In the first half of 2011 the Supervisory Board met twice. In the meeting held in April the Board approved the Annual report 2010 and discussed the Audit report 2010 of Ernst & Young. Both documents had been discussed in the previous meeting of the Audit Committee. In the meeting held in February the state of affairs of the implementation of the Code Banken was discussed, an issue that was on the agenda of the previous meeting of the Audit Committee. Other issues discussed in the Supervisory Board meetings were, amongst others, the analysis of the Asset-Backed Securities portfolio and the impairment process, the exposure on Ireland and Southern Europe as well as the project of analyzing and implementing the Basel III regulations.

Meetings of the Audit Committee

In the first half of 2011 the Audit Committee met three times. In the meeting held in January the report '*Robeco Groep/Robeco Direct – Assessment van Code Banken en Governance & Interne Beheersing 2010*' drafted by Internal Audit was discussed. Both the adoption and implementation of the Code Banken and the assessment of the governance and internal controls were extensively discussed. Both Group Internal Audit and the external auditors reported positively on the way the Code Banken was implemented.

In its meeting held in March the Audit Committee discussed the Annual report 2010 and the Audit report by Ernst & Young. In its meetings, the Audit Committee paid also attention to matters such as the development of the results and the financial position, progress of ICT projects, internal audit, risk management and compliance (quarterly) reports, valuation developments and impairments.

Composition of the Management Board

The composition of the Management Board did not change in the first half of 2011.

Rotterdam, 12 August 2011

On behalf of the Supervisory Board of Robeco Direct N.V.

Roderick M.S.M. Munsters, chairman

REPORT OF THE MANAGEMENT BOARD

for the six month period ended 30 June 2011

Corporate information

Robeco Direct N.V. is a bank established in the Netherlands. All shares of Robeco Direct N.V. are owned through Robeco Groep N.V. by Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (referred to as "Rabobank Nederland"), which is also the ultimate parent.

Robeco Direct offers a broad array of investment funds, saving products, mortgages and several other services to retail clients enabling them to achieve their financial goals with regard to wealth management. In addition, the Company employs its banking infrastructure for structuring, co-investing and seeding activities and for supporting other entities within the Robeco group.

General

We hereby present Robeco Direct's Condensed consolidated interim financial statements for the six month period ended 30 June 2011. The interim financial statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union. These Condensed consolidated interim financial statements have been drawn up in accordance with IAS 34 and the Transparency Directive.

We summarize the important events of the first six months of 2011 and the impact thereof on the interim financial statements, and identify the principal risks and uncertainties for the remaining six months. No significant changes in the control framework have occurred in the current interim period.

Important events

We have been able to surprise our retail clients with a complete new online experience. The Robeco retail website, currently named My Robeco, has been improved radically, especially in terms of usability, site performance (uptime), clarity of information and trade execution. The new website has been welcomed by our clients with high satisfaction scores.

Robeco started a new brand positioning campaign "Different angle, different approach" that concentrates on showing Robeco's capabilities in several strategic areas (research and quantitative techniques, responsible investing, inflation, pensions and food & agriculture). Although this is a message relevant across all clients being served by Robeco, it is of high interest to our retail customers as it helps them better understand how investment decisions are being made. What does Robeco see as important trends in the world and how does the interpretation of these trends result in specific investment decisions and solutions? A new means of educating and challenging our clients, while offering transparent and meaningful solutions.

In line with the above, we continued to assess our line of products. We discontinued the majority of the range of our principal protected products, as the continuing low level of interest rates does not enable our product specialists to structure products with the required return characteristics. Meanwhile some investment funds have been rationalized, merged or discontinued and we have spent ample efforts on informing and communicating our clients on these changes.

In accordance with the strategy to further focus on our activities in asset management, we were able to announce the sale of the Paris-based Banque Robeco S.A. to the French bank Oddo& Cie in December 2010. Oddo & Cie is a family-owned and independent financial services group. By doing so, the private banking arm will continue to develop in France thanks to the experience and prominence of Oddo & Cie. We worked on finalizing this transaction during the first quarter and were able to close the transaction at 31 March 2011.

Market developments

The global economy is slowing down. This is in itself a normal phenomenon during a move towards recovery and we consider fears of a recession premature at this stage. The slowdown is in fact attributable in part to a temporary interruption in global supply chains in the aftermath of the tsunami and the nuclear crisis in Japan. Mounting global inflation, boosted by rising food and energy prices, has forced the monetary authorities in emerging markets to take cautious but sustained steps to tighten monetary policy. In developed markets, the European Central Bank (ECB) has adopted a policy of gradual interest-rate hikes, although the developments of this summer will at least delay further hikes. In the United States, an eased monetary policy will be continued for the foreseeable future. Governments in the developed world are facing major challenges in resolving their debt positions and this will have a dampening effect on the world economy. Households will also have to reduce their debt positions, whereas companies in general have healthy balance sheets and ample cash reserves.

The positive sentiment in the global equity markets of the second half of 2010 continued into early 2011. At the beginning of March, the situation in Portugal cast the first doubts in the minds of investors. A package of support measures became necessary when the Portuguese government toppled and new debt had to be raised in the capital market at the same time. This uncertainty resulted in a sharp decline in the European and US stock markets. That same month, Japan was struck by an earthquake and a tsunami which caused problems with the Fukushima nuclear power plant. This natural disaster brought about a drastic decline in the Japanese stock market. In late March and April, the global stock markets made a strong recovery. May and June were characterized by increasing unrest, fuelled by doubts as to whether an agreement would be reached on bailing Greece out a second time. This again led to a decline in the global stock markets.

Thanks to the positive start to the year, many stock markets registered positive returns in local currency terms for the first half of 2011. However, the Japanese market has not been able to fully recover from the effects of the natural disaster that took place in March, whereas markets such as Brazil, India and Greece also suffered losses. As a result of the stronger euro, even relative to many emerging currencies, global stock indices posted a negative performance in euro terms.

Outlook, principal risks and uncertainties
We still expect investors to remain hesitant in the second half of the year. In a turbulent summer period, investors became alarmed as doubts rapidly mounted over the tenability of debt burden of not only Southern European nations, like Italy and Spain, but also the United States. This caution has been accompanied by consistently high volatility in the equity and currency markets. How stock markets will react strongly depends on the measures taken in the euro zone to support the shared currency, the euro, as well as the development of economic growth in Europe and the United States. Assuming a moderate sustained rate of global economic growth, driven particularly by the emerging countries, we expect the stock markets may start moving higher again by the end of the summer. Healthy corporate balance sheets and strong cash positions, which enable corporate takeovers, are important factors in this regard.

For the euro zone, the economic outlook is moderately positive, although it is evident that the north-south divide is widening steadily. The forced austerity measures in many of the Southern European countries will put the brakes on growth in the short term. At the same time, it can be seen that the northern member states, headed by Germany, are in economic ascent mainly as a result of improved world trade. The debt crisis that has flared up again inside the euro zone might curb the appetite of companies to invest and individuals' propensity to consume. As a result, the uncertainty about an economic recovery in Europe has risen en the ECB may delay further monetary tightening measures. Expectations are that the inflation level for the region as a whole will drop before the winter.

The indecisive actions of the European leaders thus far in dealing with the debt problem in three small peripheral economies have led to further escalation. Italy's relatively high government debt (2011: 120% of gross domestic product) and the trend towards low growth (less than 1%) have given rise to a growing risk premium for Italian government debt, despite a relatively healthy banking system and a relatively modest budget deficit. The higher interest rates could lead to an Italian debt spiral. The present euro-zone infrastructure is not sufficiently developed to provide enough help for Italy in an emergency, in the form of EFSF loans for instance: Italy is 'too big to bail'. An important countermeasure against widening credit spreads are recent acquisitions of government bonds by the ECB. However, the European leaders cannot stand by idly watching as the problems in Italy continue to unfold: Italy is 'too big to fail'. Further reform of fiscal and economic policies is necessary to ensure the euro's tenability in the longer run. Only pressed by financial markets steps will be made, of which the last step is still to follow. Therefore, tensions are likely to rise from time to time at the risk of the process possibly derailing due to a lack of political support.

Key figures

<u>Operating results</u>
During the first half of 2011, the Dutch banks continued to pay elevated interest rates to retail clients when compared to market rates. This trend is expected to continue as, due to the implementation of Basel III, demand for retail savings as a stable funding source for banks will continue to increase. The yield of the bank's assets – such as loans, mortgages and government bonds – showed a similar pattern, although to a much lesser extent. The interest

margin, though healthy in the first six months, is therefore expected to come under some pressure in the second half of 2011.

The Dutch residential mortgage market has difficulty finding a new equilibrium: economic and fiscal conditions remain unclear, while funding remains costly for many of the loan providers. The bank observed a low production of mortgages due to this uncertainty. The net fee and commission income reduced on the sale of Banque Robeco and reduced distribution rates, resulting in less distribution income from retail banking activities.

The results on financial assets rose to a EUR 12.7 million gain in the first half of 2011, from a EUR 1.7 million loss in the same period of 2010. The increase stemmed from positive results on equities (benefiting from the development of the U.S. dollar rate and the rates of private equity titles), which was partially mitigated by adverse results on bonds due to rising yields and widening credit spreads in the first half of 2011.

We were able to significantly decrease our operating expenses, taking advantage of the full effect of the cost reduction program in combination with the sale of Banque Robeco and the closure of our Belgian activities. The turmoil in the asset-backed securities markets experienced in previous years and leading to illiquid markets and low prices, further ebbed away. Positive fair value adjustments of earlier impaired titles (EUR 5.9 million; first half of 2010: EUR -1.8 million) contributed to the result over the first half of 2011. The EUR 0.4 million addition to the mortgage provisions was similar to that in the first half of 2010.

Thanks to the almost 40% lower operating expenses, the operating result before tax over the first 6 months of 2011 (EUR 32.4 million) strongly improved over the same period last year (2010: EUR 11.6 million), while the net profit for the period rose to EUR 24.8 million (2010: EUR 8.6 million).

<u>Composition of the statement of financial position</u>
The Company's total assets declined from EUR 8.9 billion at year-end 2010 to EUR 8.6 million at 30 June 2011. The investments decreased by EUR 0.7 billion in the first half of 2011 to EUR 7.7 billion, with primarily the available-for-sale and held-for-trading financial assets declining due to reducing Southern European and Irish bond positions and maturing investments.

The entrusted savings fell slightly to EUR 7.5 billion from EUR 7.6 billion as at year-end 2010. Within the savings mix, ExcellentSparen (withdrawal limitation) and BonusSparen (quarterly bonus incentive) compensated for lower savings on the Roparco accounts, resulting in rising cost of funding. Furthermore, third-party money decreased during the first 6 months of 2011.

<u>Exposure to Southern European and Irish bonds</u>
Given the tense situation on the European bond markets, the Bank closely monitors its bond holdings in the various European countries. The below table represents the Bank's exposure to Southern European and Irish government and corporate bonds, indicating by country the nominal and fair values, the fraction of sovereigns and the remaining maturity (in years) as at 30 June 2011.

Country	**Notional**	**Fair value**	**Sovereigns**	**Duration**
	in millions of euro	in millions of euro	fraction (in %)	in years
Greece	5.0	5.0	0%	0.0
Ireland	55.0	47.7	92%	2.5
Italy	171.5	172.7	85%	4.3
Portugal	32.0	30.6	62%	0.8
Spain	105.4	105.5	77%	1.9
Total	**368.9**	**361.5**	**81%**	**3.0**

<u>Capital base</u>
The Company's total equity increased by EUR 34.4 million to EUR 445.4 million at 30 June 2011 (31 December 2010: EUR 411.0 million). Apart from the net profit for the first half of 2011, positive unrealized available-for-sale results contributed to the improved capital base.

At 30 June 2011, Core Tier 1 Ratio amounted to 16.4% (31 December 2010: 15.0%). At the same time, the Solvency Ratio (BIS II) amounted to 17.0% (31 December 2010: 15.9%), with the required regulatory minimum set by DNB, the Dutch Central Bank, being 8%.

Rotterdam, 12 August 2011

Management Board Robeco Direct N.V.

Leni M.T. Boeren, chairman

Hester W.D.G. Borrie

Peter T.N. Bruin

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
for the period ended 30 June 2011
Robeco Direct N.V.

CONDENSED CONSOLIDATED INCOME STATEMENT
for the six month period ended 30 June

In millions of euro	Notes	2011	2010
		unaudited	*unaudited*
Interest income	1	127.1	133.8
Interest expense	2	100.1	102.0
Net interest income		**27.0**	**31.8**
Fee and commission income		18.1	25.4
Fee and commission expense		2.1	3.1
Net fee and commission income		**16.0**	**22.3**
Results on financial assets designated at fair value through profit or loss	3	-10.3	15.2
Results on financial assets available-for-sale		2.3	2.3
Results on financial assets held for trading	4	20.7	-19.2
Other income		0.6	2.0
Net operating income		**56.3**	**54.4**
Employee benefits expenses		2.2	6.2
Administrative expenses		29.2	34.2
Depreciation and amortization expenses		0.1	0.3
Impairment loss / reversal	5	-5.5	2.1
Operating expenses		**26.0**	**42.8**
Results from group companies	6	2.1	-
Operating result before tax		**32.4**	**11.6**
Income tax		7.6	3.0
Result for the period		**24.8**	**8.6**
Attributable to:			
- Equity holder of the parent		25.1	8.2
- Non-controlling interests		-0.3	0.4
Result for the period		**24.8**	**8.6**

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the six month period ended 30 June

In millions of euro	Notes	2011	2010
		unaudited	*unaudited*
Result for the period		**24.8**	**8.6**
Realized gains and losses on financial assets available-for-sale reclassified to the income statement on disposal		-2.3	-2.3
Net unrealized results on financial assets available-for-sale		15.3	59.2
Impairment of financial assets available-for-sale	5	-5.9	1.8
Income tax effect		-2.2	-15.0
Other comprehensive income		**4.9**	**43.7**
Exchange differences on translation of foreign operations		-0.9	-
Other comprehensive income for the period, net of taxes		**4.0**	**43.7**
Total comprehensive income for the period, net of taxes		**28.8**	**52.3**
Attributable to:			
- Equity holder of the parent		29.1	51.9
- Non-controlling interests		-0.3	0.4
Total comprehensive income for the period, net of taxes		**28.8**	**52.3**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(before appropriation of result)

In millions of euro	Notes	30 June 2011	31 Dec. 2010
		unaudited	*audited*
ASSETS			
Cash and balances with central banks		135.1	133.7
Due from banks	7	597.7	264.7
Derivative financial instruments	8	17.1	25.5
Financial assets held for trading	9	572.8	722.2
Financial assets designated at fair value through profit or loss		1,742.0	1,760.6
Loans and advances		2,197.0	2,183.2
Financial assets available-for-sale	10	3,086.8	3,469.9
Financial assets held-to-maturity	11	124.5	222.2
Deferred tax assets		0.8	0.7
Other assets		91.4	118.7
Assets classified as held for sale	6	-	31.4
Total assets		**8,565.2**	**8,932.8**

In millions of euro	Notes	30 June 2011	31 Dec. 2010
		unaudited	*audited*
EQUITY AND LIABILITIES			
Due to banks		1,044.9	1,105.8
Derivative financial instruments	8	280.5	401.8
Due to customers		6,489.1	6,524.0
Issued securities	12	198.3	271.7
Other liabilities	13	69.3	126.9
Subordinated loans		37.7	37.7
Liabilities directly associated with assets classified as held for sale	6	-	53.9
Total liabilities		**8,119.8**	**8,521.8**
Issued share capital		0.3	0.3
Share premium		245.4	245.4
Available-for-sale reserve		-30.0	-34.9
Foreign currency translation reserve		-1.6	-0.7
Retained earnings		225.4	200.3
Total equity attributable to the equity holder of the parent		**439.5**	**410.4**
Non-controlling interests		5.9	0.6
Total equity		**445.4**	**411.0**
Total equity and liabilities		**8,565.2**	**8,932.8**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six month periods ended 30 June 2011 and 2010

In millions of euro	Attributable to equity holder of the parent						Non-con-trolling interests	Total equity
	Issued share capital	Share pre-mium	Available-for-sale reserve	Foreign currency translation reserve	Retained earnings	Total		
At 1 January 2011	**0.3**	**245.4**	**-34.9**	**-0.7**	**200.3**	**410.4**	**0.6**	**411.0**
Result for the period	-	-	-	-	25.1	25.1	-0.3	24.8
Other comprehen-sive income	-	-	4.9	-0.9	-	4.0	-	4.0
Total comprehen-sive income	**-**	**-**	**4.9**	**-0.9**	**25.1**	**29.1**	**-0.3**	**28.8**
Movements in non-controlling interests	-	-	-	-	-	-	5.6	5.6
At 30 June 2011	**0.3**	**245.4**	**-30.0**	**-1.6**	**225.4**	**439.5**	**5.9**	**445.4**

In millions of euro	Attributable to equity holder of the parent						Non-con-trolling interests	Total equity
	Issued share capital	Share pre-mium	Available-for-sale reserve	Foreign currency translation reserve	Retained earnings	Total		
At 1 January 2010	**0.3**	**245.4**	**-76.9**	**-**	**170.3**	**339.1**	**16.6**	**355.7**
Result for the period	-	-	-	-	8.2	8.2	0.4	8.6
Other comprehen-sive income	-	-	44.3	-	-0.6	43.7	-	43.7
Total comprehen-sive income	**-**	**-**	**44.3**	**-**	**7.6**	**51.9**	**0.4**	**52.3**
Movements in non-controlling interests	-	-	-	-	-	-	-3.6	-3.6
At 30 June 2010	**0.3**	**245.4**	**-32.6**	**-**	**177.9**	**391.0**	**13.4**	**404.4**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
for the six month period ended 30 June

In millions of euro	Notes	2011	2010
		unaudited	*unaudited*
Operating activities			
Operating result before tax from continuing operations		32.4	11.6
Non-cash adjustments to operating result		-18.2	-33.9
Other movements from operations	16	-232.0	-255.8
Net cash flows (used in) operating activities		**-217.8**	**-278.1**
Investing activities			
Net cash flow from financial assets at fair value through profit or loss		33.1	-117.7
Net cash flow from loans and advances		-10.5	9.8
Net cash flow from financial assets available-for-sale		385.0	259.6
Net cash flow from financial assets held to maturity		97.1	178.6
Net cash flow from property and equipment		-	-0.1
Net cash flow from intangible assets		-	-0.2
Net cash flows from investing activities		**504.7**	**330.0**
Financing activities			
Net cash flows from financing activities		-	-
Net movement in cash and cash equivalents		**286.9**	**51.9**
Cash and cash equivalents at 1 January	17	326.4	522.5
Cash and cash equivalents at 30 June	17	**613.3**	**574.4**
Cash flows from interests and dividends			
Interest paid		-93.1	-101.9
Interest received		166.2	142.6
Dividends received		1.4	1.8

BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation
The Condensed consolidated interim financial statements for the six month period ended 30 June 2011 have been prepared in accordance with IAS 34, *Interim Financial Reporting*.

The Condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should therefore be read in conjunction with the Annual report 2010 of Robeco Direct N.V. Selected notes to the income statement and the statement of financial position have been presented only in case of relatively significant or unusual items or movements. Although the semi-annual financial statements are considered to be condensed, in each statement the same headings and (sub)totals are disclosed that were included in the Consolidated financial statements over 2010.

Transparency Directive
To comply with EU Transparency Directive 2004/109/EC, a Report of the Management Board and a Responsibility statement have been added to the Condensed consolidated interim financial statements for the period ended 30 June 2011.

Accounting policies
The same accounting policies and presentations as in the Consolidated financial statements of Robeco Direct N.V. over 2010 have been applied in the preparation of these Condensed consolidated interim financial statements.

There were no significant changes in the accounting policies, calculation methods or management estimates compared to the 2010 Annual report having a material impact on the current interim period. Moreover, no material events occurred after the end of the interim period not reflected in the Condensed consolidated interim financial statements.

Composition of the entity
No new business combinations or acquisitions took place during the interim period. The sale of Banque Robeco agreed upon with Oddo & Cie in December 2010 was completed on 31 March 2011, resulting in the entity no longer being consolidated as from 1 April 2011. Refer for details to Note 6, Results of group companies.

In accordance with the control criteria in IAS 27, certain investment funds have been added to or removed from the scope of the Condensed consolidated interim financial statements for the period ended 30 June 2011 depending on whether control over these investment funds is exerted at balance sheet date.

Seasonal or cyclical effects
The figures in the Condensed consolidated interim financial statements for the period ended 30 June 2011 are not subject to material seasonal or cyclical effects.

NOTES TO THE CONDENSED CONSOLIDATED INCOME STATEMENT

1. Interest income

Interest income can be broken down as follows:

In millions of euro	30 June 2011	30 June 2010
Cash and balances with central banks	0.8	0.8
Due from banks	2.2	2.1
Loans and advances	50.5	51.0
Financial assets available-for-sale	42.5	48.7
Financial assets held-to-maturity	2.4	6.5
Interest income on financial assets not at fair value through profit or loss	**98.4**	**109.1**
Derivative financial instruments	7.6	6.1
Financial assets held for trading	5.4	2.7
Financial assets designated at fair value through profit or loss	15.7	15.9
Interest income on financial assets at fair value through profit or loss	**28.7**	**24.7**
Total	**127.1**	**133.8**

2. Interest expense

Interest expense can be broken down as follows:

In millions of euro	30 June 2011	30 June 2010
Due to customers	70.6	72.9
Due to banks	0.3	0.9
Subordinated loans	0.3	0.2
Interest expense on financial assets not at fair value through profit or loss	**71.2**	**74.0**
Derivative financial instruments	28.9	28.0
Interest expense on financial assets at fair value through profit or loss	**28.9**	**28.0**
Total	**100.1**	**102.0**

3. Results on financial assets designated at fair value through profit or loss

Results on financial assets designated at fair value through profit or loss can be broken down as follows:

In millions of euro	30 June 2011	30 June 2010
Results on debt securities	-11.2	15.2
Results on equity securities	0.9	-
Total	**-10.3**	**15.2**

Results on debt securities in the first half of 2011 fell on increasing market interest rates and widening credit spreads. The results of the first half of 2010 benefited from opposite movements in interest rates and credit spreads.

4. Results on financial assets held for trading

Results on financial assets held for trading can be broken down as follows:

In millions of euro	30 June 2011	30 June 2010
Results on debt securities	8.0	-26.1
Results on equity securities	1.7	23.9
Results on derivative financial instruments	8.3	-13.5
Results on foreign currencies	2.8	-3.1
Other results	-0.1	-0.4
Total	**20.7**	**-19.2**

Results on equity securities include dividends received in the first half of 2011 totaling EUR 1.4 million (first half of 2010: EUR 1.8 million).

5. Impairment loss/ reversal

Impairment loss/reversal can be broken down as follows:

In millions of euro	30 June 2011	30 June 2010
Impairment of financial assets available-for-sale:		
- asset-backed securities	-6.1	0.8
- other debt securities	0.2	1.0
Value adjustments on credits to customers	0.4	0.3
Total	**-5.5**	**2.1**

The impairment of financial assets available-for-sale relates to asset-backed securities and real estate bonds. Based on the economic circumstances and market situation in 2011, the Bank made an assessment of its entire investments portfolio. The outcome of this in-depth analysis led to a further impairment of real estate bonds, which effect was more than offset by positive fair value changes of earlier impaired asset-backed securities. Positive fair value changes of earlier impaired titles are recognized in the income statement if their credit ratings did not deteriorate in the half year. Value adjustments on credits to customers regard additions to the mortgage provision.

6. Results from group companies

In December 2010, Robeco signed a binding sale and purchase agreement with Oddo & Cie to sell Banque Robeco. Ownership was consequently transferred to Oddo & Cie on 31 March 2011. Results from group companies regard a EUR 2.1 million reversal of impairment as the results over the first quarter of 2011 exceeded expectations and the signing of a new rental agreement with favorable conditions by Robeco in April 2011.

NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

7. Due from banks

Due from banks can be broken down as follows:

In millions of euro	30 June 2011	31 Dec. 2010
Banks - available on demand	478.2	192.7
Banks - not available on demand	58.3	66.8
Cash receivables securities	61.2	5.2
Total	**597.7**	**264.7**

8. Derivative financial instruments

In millions of euro	30 June 2010			31 December 2010		
	Contract/ Notional	Fair value Assets	Fair value Liabilities	Contract/ Notional	Fair value Assets	Fair value Liabilities
Funded total return swaps	174.5	0.2	174.7	255.6	0.7	256.3
Equity swaps	10.9	2.5	13.4	16.2	2.3	18.5
Interest rate swaps	2,446.1	10.7	91.3	2,626.6	18.3	125.5
Swaptions	-	0.6	0.6	-	1.0	1.0
Credit default swaps	73.2	-	0.4	83.7	-	0.5
Foreign currency forwards	165.4	3.1	0.1	189.4	3.2	-
Total		**17.1**	**280.5**		**25.5**	**401.8**

9. Financial assets held for trading

Financial assets held for trading include equity securities amounting to EUR 243.1 million (31 December 2010: EUR 291.2 million) held to back total return swaps to meet specific investment objectives of bondholders bearing the investment risk arising from financial assets held for trading. The fair values of financial assets held for trading can be broken down as follows:

In millions of euro	30 June 2011	31 Dec. 2010
Debt securities	170.0	228.8
Equity securities	402.8	493.4
Total	**572.8**	**722.2**

10. Financial assets available-for-sale

Financial assets available-for-sale can be broken down as follows:

In millions of euro	30 June 2011	31 Dec. 2010
Government bonds	1,015.9	1,345.9
Bank bonds	920.5	1,030.3
Asset-backed securities	819.2	809.3
Other debt securities	268.7	221.1
Equity securities	62.5	63.3
Total	**3,086.8**	**3,469.9**

Accrued interest on impaired financial assets totals EUR 0.2 million (31 December 2010: EUR 0.2 million).

11. Financial assets held-to-maturity

Financial assets held-to-maturity can be broken down as follows:

In millions of euro	30 June 2011	31 Dec. 2010
Government bonds	107.0	207.5
Bank bonds	17.5	14.7
Total	**124.5**	**222.2**

12. Issued securities

Issued securities can be broken down as follows:

In millions of euro	30 June 2011	31 Dec. 2010
Issued securities designated at fair value through profit or loss	196.4	269.6
Issued securities at amortized cost	1.9	2.1
Total	**198.3**	**271.7**

At 30 June 2011, the nominal amount equals EUR 211.7 million (31 December 2010: EUR 278.2 million). The Bank issued principal-protected (notional amount: EUR 50.6 million; fair value: EUR 48.3 million) and non principal-protected (notional amount: EUR 161.1 million; fair value: EUR 155.0 million) structured notes. All notes are linked to the Bank's private equity, commodity trading advisor and fixed-income capabilities.

13. Other liabilities

Other liabilities can be broken down as follows:

In millions of euro	30 June 2011	31 Dec. 2010
Accrued interest payable	56.8	107.4
Creditors	12.5	19.5
Total	**69.3**	**126.9**

Accrued interest payable as of 31 December 2010 is based on a full-year calculation, while the same accrual as of 30 June 2011 is computed for six months.

14. Contingent liabilities

The Bank committed itself to repurchase specific bonds at the bondholders' request; it can unwind these securities with a nominal amount of EUR 512.4 million (31 December 2010: EUR 570.4 million) without any loss. The Bank had EUR 594.5 million in irrevocable credit facilities related to mortgages, credits and guarantees at 30 June 2011 (31 December 2010: EUR 576.3 million); these are all secured by customers' assets. Regarding the Bank's co-investments in private equity funds, it has EUR 67.0 million in capital commitments (31 December 2010: EUR 66.2 million).

Pledged assets can neither be sold nor repledged by the counterparties unless a default event occurs. They can be broken down as follows:

Amounts in millions of euro	30 June 2011		31 Dec. 2010	
	Carrying	Notional	Carrying	Notional
Financial assets at FV through profit or loss	8.5	8.3	-	-
Financial assets available-for-sale	421.0	404.5	330.0	312.8
Financial assets held-to-maturity	52.0	50.0	152.5	150.0
Total	**481.5**	**462.8**	**482.5**	**462.8**

15. Segment information

The Bank's segmental reporting is determined based on operating segments; these are organized and managed separately to the nature of the products and services provided. Below tables presents the financial segment information in line with the way the Management Board assesses the performance of the operating segments and reviews their results in relation to decision making on the allocation of resources to those segments.

The Bank's current operating segments are:
- Retail Banking: Banking activities and distribution services;
- Structured Finance: Structuring, co-investment and seeding activities.

Segmentation 30 June 2011 In millions of euro	**Note**	**Retail Banking**	**Structured Finance**	**Total**
Income statement				
Interest income		123.1	4.0	127.1
Interest expense		-94.4	-5.7	-100.1
Fee and commission income		16.9	1.2	18.1
Fee and commission expense		-1.0	-1.1	-2.1
Results on financial assets at FV through profit or loss		-11.2	0.9	-10.3
Results on financial assets available-for-sale		0.7	1.6	2.3
Results on financial assets held for trading		8.3	12.4	20.7
Other income		0.5	0.1	0.6
Net operating income		**42.9**	**13.4**	**56.3**
Operating expenses				-26.0
Result from group companies				2.1
Operating result before tax				**32.4**
Income tax				7.6
Result for the year				**24.8**
Statement of financial position				
Segment assets		8,144.8	420.4	8,565.2
Total assets		**8,144.8**	**420.4**	**8,565.2**
Segment liabilities		7,732.2	387.6	8,119.8
Total equity				445.4
Total equity and liabilities		**7,732.2**	**387.6**	**8,565.2**
Other segmental information				
Interest, fee and commission income:				
- External		44.6	-1.6	43.0
- Domestic		*41.3*	*-1.4*	*39.9*
- Foreign		*3.3*	*-0.2*	*3.1*
Other material non-cash items:				
- Depreciation and amortization expenses		-0.1	-	-0.1
- Impairment loss / reversal		5.7	-0.2	5.5
- Result from group companies		2.1	-	2.1

Segmentation 30 June 2010 In millions of euro	Note	Retail Banking	Structured Finance	Total
Income statement				
Interest income		130.5	3.3	133.8
Interest expense		-100.9	-1.1	-102.0
Fee and commission income		24.2	1.2	25.4
Fee and commission expense		-1.9	-1.2	-3.1
Results on financial assets at FV through profit or loss		13.1	2.1	15.2
Results on financial assets available-for-sale		1.7	0.6	2.3
Results on financial assets held for trading		-14.0	-5.2	-19.2
Other income		2.0	-	2.0
Net operating income		**54.7**	**-0.3**	**54.4**
Operating expenses				-42.8
Operating result before tax				**11.6**
Income tax				3.0
Result for the year				**8.6**
Statement of financial position				
Segment assets		8,439.1	942.3	9,381.4
Total assets		**8,439.1**	**942.3**	**9,381.4**
Segment liabilities		8,040.5	936.5	8,977.0
Total equity				404.4
Total equity and liabilities		**8,040.5**	**936.5**	**9,381.4**
Other segmental information				
Interest, fee and commission income:				
- External		154.7	4.5	159.2
- Domestic		*147.0*	*4.8*	*151.8*
- Foreign		*7.7*	*-0.3*	*7.4*
Capital expenditures:				
- Property and equipment		0.1	-	0.1
- Intangible assets		0.2	-	0.2
Other material non-cash items:				
- Depreciation and amortization expenses		-0.3	-	-0.3
- Impairment loss / reversal		-1.1	-1.0	-2.1

NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

16. Other movements from operating activities

The Other movements from operating activities consist of movements in the held-for-trading portfolio, income tax paid and movements in other short-term assets and liabilities.

17. Cash and cash equivalents

Cash and cash equivalents at the beginning of the interim periods are as follows:

In millions of euro	**1 Jan. 2011**	**1 Jan. 2010**
Cash and balances at central banks	133.7	163.8
Due from other banks (available on demand)	192.7	358.7
Total	**326.4**	**522.5**

Cash and cash equivalents at the end of the interim periods are as follows:

In millions of euro	**30 June 2011**	**30 June 2010**
Cash and balances at central banks	135.1	148.9
Due from other banks (available on demand)	478.2	425.5
Total	**613.3**	**574.4**

RESPONSIBILITY STATEMENT

The Management Board of Robeco Direct N.V. confirms to the best of its knowledge that:

- the Condensed consolidated interim financial statements prepared in accordance with IAS 34, *Interim Financial Reporting* give a true and fair view of the Company's consolidated assets, liabilities, financial position and result.

- the Report of the Management Board includes a fair review of the developments and performance of the Company's business and the position in the financial six-month period together with a description of the principal risks and uncertainties that it faces for the remaining six months.

The Report of the Management Board and the Condensed consolidated interim financial statements are neither audited nor reviewed by an external auditor, except for the comparative figures in the Condensed consolidated statement of financial position.

Rotterdam, 12 August 2011

Management Board Robeco Direct N.V.

Leni M.T. Boeren, chairman

Hester W.D.G. Borrie

Peter T.N. Bruin