

# RABOBANK GROUP

## CONSOLIDATED BALANCE SHEET

<i>(in EUR millions)</i>	30-06-2003	31-12-2002	30-06-2002
<b>Assets</b>			
Cash	6,371	3,807	3,140
Short-term government paper	2,619	1,813	6,109
<i>Professional securities transactions</i>	<i>30,201</i>	<i>40,053</i>	<i>44,969</i>
<i>Other banks</i>	<i>14,263</i>	<i>7,176</i>	<i>8,555</i>
Banks	44,464	47,229	53,524
<i>Public sector lending</i>	<i>2,015</i>	<i>797</i>	<i>4,912</i>
<i>Private sector lending</i>	<i>221,688</i>	<i>212,323</i>	<i>202,105</i>
<i>Professional securities transactions</i>	<i>13,460</i>	<i>12,132</i>	<i>10,095</i>
Lending	237,163	225,252	217,112
Interest-bearing securities	82,831	71,320	70,868
Shares	13,642	11,062	13,452
Participating interests	199	184	207
Property and equipment	3,900	3,870	3,862
Other assets	4,996	4,519	4,145
Prepayments and accrued income	6,182	5,664	4,730
<b>Total assets</b>	<b>402,367</b>	<b>374,720</b>	<b>377,149</b>

**These interim figures are unaudited.**

<i>(in EUR millions)</i>	<i>30-06-2003</i>	<i>31-12-2002</i>	<i>30-06-2002</i>
<b>Group equity and liabilities</b>			
<i>Professional securities transactions</i>	20,002	21,808	26,300
<i>Other banks</i>	64,889	64,078	57,491
<b>Banks</b>	<b>84,891</b>	<b>85,886</b>	<b>83,791</b>
<i>Savings</i>	69,104	66,272	64,934
<i>Professional securities transactions</i>	10,487	6,031	7,580
<i>Other funds entrusted</i>	101,287	99,329	93,812
<b>Funds entrusted</b>	<b>180,878</b>	<b>171,632</b>	<b>166,326</b>
<b>Debt securities</b>	<b>76,484</b>	<b>61,739</b>	<b>67,835</b>
<b>Other liabilities</b>	<b>11,826</b>	<b>7,699</b>	<b>16,091</b>
<b>Accruals and deferred income</b>	<b>7,391</b>	<b>8,218</b>	<b>6,123</b>
<b>Provisions</b>	<b>18,923</b>	<b>18,338</b>	<b>18,460</b>
	<b>380,393</b>	<b>353,512</b>	<b>358,626</b>
<i>Fund for general banking risks</i>	1,679	1,679	1,679
<i>Subordinated loans</i>	109	111	112
<i>Reserves</i>	15,469	14,911	13,245
<i>Third-party interests</i>	4,717	4,507	3,487
<b>Group equity</b>	<b>21,974</b>	<b>21,208</b>	<b>18,523</b>
<b>Total Group equity and liabilities</b>	<b>402,367</b>	<b>374,720</b>	<b>377,149</b>
<b>Contingent liabilities</b>	<b>7,373</b>	<b>7,655</b>	<b>8,238</b>
<b>Irrevocable facilities</b>	<b>28,577</b>	<b>27,151</b>	<b>26,652</b>

**These interim figures are unaudited.**

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

<i>(in EUR millions)</i>	<i>First half 2003</i>	<i>Second half 2002</i>	<i>First half 2002</i>
<b>Income</b>			
Interest	2,952	2,649	2,742
Income from securities and participating interests	228	171	358
Commission	869	880	915
Results on financial transactions	69	215	70
Other income	375	287	277
Total income	4,493	4,202	4,362
<b>Expenses</b>			
<i>Staff costs</i>	<i>1,822</i>	<i>1,823</i>	<i>1,859</i>
<i>Other administrative expenses</i>	<i>921</i>	<i>932</i>	<i>857</i>
Staff costs and other administrative expenses	2,743	2,755	2,716
Depreciation	177	185	183
Operating expenses	2,920	2,940	2,899
Value adjustments to receivables	275	237	263
Value adjustments to financial fixed assets	69	225	27
Fund for general banking risks	-	-	-
Total expenses	3,264	3,402	3,189
Operating profit before taxation	1,229	800	1,173
Tax on operating profit	356	154	360
Operating profit/Group profit after taxation	873	646	813
Third-party interests	125	91	118
<b>Net profit</b>	<b>748</b>	<b>555</b>	<b>695</b>

**These interim figures are unaudited.**

**Rabobank Nederland**

Communications, P.O. Box 17100, 3500 HG Utrecht, tel. 31 30 216 3904, fax 31 30 216 19 16, [www.rabobank.com](http://www.rabobank.com)

**CASH FLOW STATEMENT (for the first half year)***(in EUR millions)*

	<i>First half</i> 2003	<i>First half</i> 2002
<b>Cash flow from operating activities</b>		
Operating profit/Group profit after taxation	873	813
<i>Adjustments for:</i>		
- depreciation	177	183
- value adjustments to receivables	275	263
- value adjustments to financial fixed assets	69	27
- movements in technical reserves relating to the insurance business	643	466
- movements in other provisions	(58)	(342)
- movements in accrued and deferred items	(1,345)	3,573
	<u>(239)</u>	<u>4,170</u>
Cash flow from business operations	634	4,983
Movements in short-term government paper	(806)	(798)
Movements in securities trading portfolio	(12,813)	1,845
Movements in securitised loans	379	(30)
Movements in banks	1,732	(10,459)
Movements in lending	(12,186)	(8,761)
Movements in funds entrusted	9,246	(5,848)
Other movements from operating activities	2,703	1,655
	<u>(11,745)</u>	<u>(22,396)</u>
<b>Net cash flow from operating activities</b>	<b>(11,111)</b>	<b>(17,413)</b>
<b>Cash flow from investing activities</b>		
Investing activities concerning:		
- investment portfolio	(716)	6,943
- participating interests	(51)	62
- tangible fixed assets	(207)	(264)
<b>Net cash flow from investing activities</b>	<b>(974)</b>	<b>6,741</b>
<b>Cash flow from financing activities</b>		
Movements in subordinated loans	(2)	60
Movements in debt securities	14,745	9,321
Payment on Rabobank Membership Certificates and Trust Preferred Securities	(133)	(95)
<b>Net cash flow from financing activities</b>	<b>14,610</b>	<b>9,286</b>
<b>Net cash flow</b>	<b>2,525</b>	<b>(1,386)</b>

The cash flow statement provides a summary of the net movements in operating, investing and financing activities.

Cash and cash equivalents consist of legal tender and balances available on demand with central banks.

**These interim figures are unaudited.**

### Accounting policies

The accounting policies are the same as those applied to the financial statements.

Some prior-year figures have been reclassified where necessary for comparative purposes.

### Movements in reserves were as follows:

<i>(in EUR millions)</i>	<i>First half 2003</i>	<i>Second half 2002</i>	<i>First half 2002</i>
Balance at 1 January / 1 July	14,911	13,245	13,030
Issue of Rabobank Membership Certificates	0	1,575	0
Profit for the first / second half year	748	555	695
Revaluation	33	(136)	(17)
Goodwill	(107)	(325)	(310)
Payment on Rabobank Membership Certificates/ Trust Preferred Securities	(133)	(111)	(95)
Other movements	17	108	(58)
Balance at 30 June / 31 December	15,469	14,911	13,245

### Analysis by business unit

<i>(in EUR millions)</i>	Retail banking	Wholesale banking	Asset management	Insurance	Leasing
2003 I					
Total income	2,384	994	310	447	271
Total operating expenses	1,635	439	226	346	142
Operating profit	749	555	84	101	129
2002 I					
Total income	2,282	975	281	399	251
Total operating expenses	1,637	443	227	315	140
Operating profit	645	532	54	84	111

**These interim figures are unaudited.**