INTERIM REPORT
JUNE 30, 2013

FMO

Entrepreneurial
Development
Bank

Contents

Key figures

	June 30, 2013	December 31, 2012 Restated*
BALANCE SHEET		
Net loans	2,859,041	2,816,503
Equity investments portfolio (including associates)	973,079	913,686
Total assets	5,821,204	5,563,630
Shareholders' equity	1,899,308	1,815,422
Debt securities and debentures / notes	3,384,321	3,291,650
Committed investment portfolio	6,338,812	6,280,822
of which government funds	815,429	830,330

	June 30, 2013	June 30, 2012 Restated*
PROFIT AND LOSS ACCOUNT		
Income		
Interest income	110,066	110,848
Interest expenses	-34,009	-35,351
Net interest income	**76,057**	**75,497**
Income from equity investments	20,079	20,612
Other income including services	34,377	17,741
Total income	**130,513**	**113,850**
Expenses		
Operating expenses	-31,906	-27,360
Operating profit before value adjustments	**98,607**	**86,490**
Value adjustments:		
• on loans and guarantees	-7,191	-19,520
• on equity investments	-12,038	-14,835
Total value adjustments	**-19,229**	**-34,355**
Operating profit after value adjustments	**79,378**	**52,135**
Share in the results of associates	-138	-1,168
Result on disposal of subsidiaries	-1,803	-
Profit before taxation	**77,437**	**50,967**
Income tax	-14,301	-9,152
Net profit	**63,136**	**41,815**

	June 30, 2013	December 31, 2012 Restated*
RATIOS AT END OF PERIOD (%)		
Shareholders' equity / Total assets	**32.6%**	**32.6%**
Return on average shareholders' equity		
• Operating profit before taxation	**8.5%**	**9.9%**
• Net profit	**6.9%**	**8.3%**

* The comparative figures of 2012 have been restated as a result of IAS 19 Employee Benefits (revised 2011) as detailed in note 4.

From the Management Board

Our total committed portfolio, including investments for government funds managed by FMO, remained stable at €6.3 billion in the first half of 2013. New commitments stayed behind and amounted to €446 million (HY 2012: €576 million). FMO is satisfied with the net profit in the first half year of €63 million (HY 2012: €42 million), mainly due to higher results from financial transactions and despite lower results from equity investments.

As part of our 2013-2016 strategy, FMO set the audacious goal of "becoming the leading impact investor by doubling our impact and halving our footprint by 2020". In the first half of 2013 we designed a roadmap through an organization wide project called Strategic Horizon for Impact and Footprint Transition (SHIFT) which enabled us to create a framework that will provide us with information relevant to our metrics to achieve our impact and footprint ambitions. As of the second half of 2013 and ongoing, the results of the SHIFT project will be implemented throughout FMO.

FMO will continue to focus on the financial, energy and agribusiness, food & water sectors and will aim to create more added value for our clients and society. In this way we aim to contribute to our vision of a world in 2050 where more than 9 billion people can live well within the limits of our planet: a world where all economic growth is both inclusive and green.

FMO takes risks that commercial parties are usually not prepared to take. FMO finances sustainable private sector growth in developing markets because we believe a strong private sector leads to economic, social and environmental progress resulting in poverty reduction and a sustainable environment. In order to achieve our ambitions, we have a sound financial framework and risk management system in place. We have continued to show a strong capital position, supported by a solid BIS ratio of 28.7% (December 31, 2012: 29.0%), which is well above our target. FMO calculates a more prudent internal capital ratio based on an IRB model. As per June 30, 2013 the internal capital ratio amounts to 14.5% (December 31, 2012: 14.2%). We have been able to maintain a stable liquidity position. Consistent with last year, we have again been able to successfully issue a USD 500 million benchmark note in the first half of this year.

Sustainability is an integral part of FMO's business. We therefore believe that good environmental, social and governance (ESG) business practices are crucial elements for our projects. The target for 2013 is to implement 85% of the ESG action items due in 2013, of which 28% has been completely implemented in the first half of 2013. FMO still expects to realize the full year target for 2013.

In June 2013, FMO has successfully sold its 100% share in Confoco S.A., an Ecuadorian fruit processor and exporter. In 2009 FMO acquired a stake as a settlement in kind. A profit of €6.4 million has been recognized in total, of which which €1.8 million loss in the first half of 2013 and €8.2 million gain in previous periods.

For the second half of 2013, our outlook is neutral. As a consequence of the financial crisis, western financial institutions have been confronted with new regulations from supervisory authorities. They are therefore focusing more on their own capital position and core businesses and will be less interested in investing in developing countries. Within this economic environment FMO will have an increasingly important role to play. Our solid capital and liquidity position, strong investment portfolio and focus for further growth will enable us to continue our mission and create developmental impact in the future.

The Hague, August 21, 2013

Nanno Kleiterp, *Chief Executive Officer*
Nico Pijl, *Chief Risk & Finance Officer*
Jurgen Rigterink, *Chief Investment Officer*

Condensed consolidated interim accounts 2013

Condensed consolidated balance sheet at June 30

	June 30, 2013	December 31, 2012 Restated*
ASSETS		
Banks	41,125	22,507
Short-term deposits	879,893	678,126
Derivative financial instruments	254,061	280,195
Loans to the private sector	2,804,808	2,757,597
Loans guaranteed by the State	54,233	58,906
Equity investments	949,772	890,530
Investments in associates	23,307	23,156
Interest-bearing securities	696,717	729,816
Tangible fixed assets	7,091	11,685
Deferred income tax assets	5,160	5,693
Current accounts with State funds and programs	-	1,060
Other receivables	19,230	25,376
Accrued income	85,807	78,983
Total assets	**5,821,204**	**5,563,630**
LIABILITIES		
Banks	45,871	27,772
Short-term credits	183,145	240,445
Derivative financial instruments	204,978	89,560
Debt securities	15,203	15,143
Debentures and notes	3,369,118	3,276,507
Other liabilities	9,300	9,364
Current accounts with State funds and other programs	412	322
Current income tax liabilities	586	515
Wage tax liabilities	1,353	2,110
Deferred income tax liabilities	6,172	8,645
Accrued liabilities	65,740	53,576
Provisions	20,018	24,249
Total liabilities	**3,921,896**	**3,748,208**
SHAREHOLDERS' EQUITY		
Share capital	9,076	9,076
Share premium reserve	29,272	29,272
Contractual reserve	892,508	892,508
Development fund	657,981	657,981
Available for sale reserve	217,664	193,009
Translation reserve	530	239
Other reserves	29,141	25,782
Undistributed profit	63,136	6,724
Shareholders' equity (parent)	**1,899,308**	**1,814,591**
Non-controlling interests	-	831
Total shareholders' equity	**1,899,308**	**1,815,422**
Total liabilities and shareholders' equity	**5,821,204**	**5,563,630**
Contingent liabilities	93,273	92,392
Irrevocable facilities	1,251,581	1,281,687
Loans and equity investments managed for the risk of the State	657,779	652,607

* The comparative figures of 2012 have been restated as a result of IAS 19 Employee Benefits (revised 2011) as detailed in note 4.

Condensed consolidated profit and loss account

	June 30, 2013	June 30, 2012 Restated*
INCOME		
Interest income	110,066	110,848
Interest expense	-34,009	-35,351
Net interest income	**76,057**	**75,497**
Fee and commission income	2,981	2,517
Fee and commission expense	-107	-88
Net fee and commission income	**2,874**	**2,429**
Dividend income	10,833	6,991
Results from equity investments	9,246	13,621
Results from financial transactions	20,607	4,423
Remuneration for services rendered	10,225	8,961
Other operating income	671	1,928
Total other income	**51,582**	**35,924**
Total income	**130,513**	**113,850**
OPERATING EXPENSES		
Staff costs	-24,931	-21,338
Other administrative expenses	-5,995	-4,740
Depreciation and impairment	-787	-1,034
Other operating expenses	-193	-248
Total operating expenses	**-31,906**	**-27,360**
Operating profit before value adjustments	**98,607**	**86,490**
VALUE ADJUSTMENTS ON		
Loans	-7,728	-23,639
Equity investments and associates	-12,038	-14,835
Guarantees issued	537	4,119
Total value adjustments	**-19,229**	**-34,355**
Share in the result of associates	-138	-1,168
Result on disposal of subsidiaries	-1,803	-
Total share in the result of associates & subsidiaries	**-1,941**	**-1,168**
Profit before taxation	**77,437**	**50,967**
Income tax	-14,301	-9,152
Net profit	**63,136**	**41,815**
NET PROFIT ATTRIBUTABLE TO		
Owners of the parent company	63,136	41,736
Non-controlling interests	-	79
Net profit	**63,136**	**41,815**

* The comparative figures of 2012 have been restated as a result of IAS 19 Employee Benefits (revised 2011) as detailed in note 4.

Condensed consolidated statement of comprehensive income

	June 30, 2013	June 30, 2012 Restated*
Net profit	**63,136**	**41,815**
OTHER COMPREHENSIVE INCOME		
Exchange differences on translating associates	291	1,383
Available for sale financial assets	22,182	50,850
Income tax relating to components of other comprehensive income	2,473	-3,368
Items to be reclassified to profit and loss	**24,946**	**48,865**
Actuarial gains/losses on defined benefit plans	4,479	-12,349
Income tax related to actuarial gains/losses on defined benefit plans	-1,120	3,087
Items not reclassified to profit and loss	**3,359**	**-9,262**
Total other comprehensive income, net of tax	**28,305**	**39,603**
Total comprehensive income	**91,441**	**81,418**
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
Owners of the parent company	91,441	81,339
Non-controlling interests	-	79
Total comprehensive income	**91,441**	**81,418**

* The comparative figures of 2012 have been restated as a result of IAS 19 Employee Benefits (revised 2011) as detailed in note 4.

Condensed consolidated statement of changes in shareholders' equity

	Share capital	Share premium reserve	Contrac-tual reserve	Develop-ment fund	Available for sale reserve	Trans-lation reserve	Other reserves	Undist-ributed profit	Non-con-trolling interests	Total
Balance at December 31, 2011	**9,076**	**29,272**	**753,989**	**657,981**	**176,201**	**3,504**	**29,860**	**4,286**	**421**	**1,664,590**
Adoption of IAS 19R*	-	-	-	-	-	-	12,335	-	-	12,335
Balance at January 1, 2012	**9,076**	**29,272**	**753,989**	**657,981**	**176,201**	**3,504**	**42,195**	**4,286**	**421**	**1,676,925**
Total comprehensive income for first six months	-	-	-	-	47,482	1,383	-9,262	-	-	39,603
Changes in ownership subsidiary Blauser S.A.	-	-	-	-	-	-	-	-	11	11
Undistributed profit 2011	-	-	-	-	-	-	2,144	-2,144	-	-
Net profit	-	-	-	-	-	-	-	41,736	79	41,815
Dividend declared	-	-	-	-	-	-	-	-2,142	-	-2,142
Balance at June 30, 2012	**9,076**	**29,272**	**753,989**	**657,981**	**223,683**	**4,887**	**35,077**	**41,736**	**511**	**1,756,212**

	Share capital	Share premium reserve	Contrac-tual reserve	Develop-ment fund	Available for sale reserve	Trans-lation reserve	Other reserves	Undist-ributed profit	Non-con-trolling interests	Total
Balance at December 31, 2012	**9,076**	**29,272**	**893,184**	**657,981**	**193,009**	**239**	**32,004**	**6,724**	**831**	**1,822,320**
Adoption of IAS 19R*	-	-	-676	-	-	-	-6,222	-	-	-6,898
Balance at January 1, 2013	**9,076**	**29,272**	**892,508**	**657,981**	**193,009**	**239**	**25,782**	**6,724**	**831**	**1,815,422**
Total comprehensive income for first six months	-	-	-	-	24,655	291	3,359	-	-	28,305
Changes in subsidiaries Blauser S.A. and Confoco S.A.	-	-	-	-	-	-	-	-	-831	-831
Undistributed profit 2012	-	-	-	-	-	-	-	-	-	-
Net profit	-	-	-	-	-	-	-	63,136	-	63,136
Dividend declared	-	-	-	-	-	-	-	-6,724	-	-6,724
Balance at June 30, 2013	**9,076**	**29,272**	**892,508**	**657,981**	**217,664**	**530**	**29,141**	**63,136**	**-**	**1,899,308**

* The comparative figures of 2012 have been restated as a result of IAS 19 Employee Benefits (revised 2011) as detailed in note 4.

Condensed consolidated statement of cash flows

	June 30, 2013	June 30, 2012 Restated*
Net profit	**63,136**	**41,815**
Adjusted for non-cash items	12,949	41,694
Operational cash flows not included in profit before taxation	-126,940	-329,131
Net cash flow from operational activities	**-50,855**	**-245,622**
Net cash flow from investing activities	**24,109**	**-100,473**
Net cash flow from financing activities	**229,032**	**441,239**
Net cash flow	**202,286**	**95,144**
CASH AND CASH EQUIVALENTS		
Banks and short-term deposits at January 1	672,861	540,901
Banks and short-term deposits at June 30	875,147	636,045
Total cash flow	**202,286**	**95,144**

* The comparative figures of 2012 have been restated as a result of IAS 19 Employee Benefits (revised 2011) as detailed in note 4.

Notes to the condensed consolidated interim accounts for the period ended June 30, 2013

1. CORPORATE INFORMATION

FMO was incorporated in 1970 as a public limited company and is located at Anna van Saksenlaan 71, The Hague, the Netherlands. FMO finances activities in developing countries to stimulate private sector development. In addition, FMO provides services in relation to government funds and programs.

FMO's main activity consists of providing loans, guarantees and equity capital to the private sector in developing countries. A minor part of the investment financing is guaranteed by the Dutch State under the Faciliteit Opkomende Markten (FOM), in which FMO itself participates as a 5% to 20% risk partner.

Apart from financing activities from its own resources, FMO provides loans, guarantees and equity finance from special government funds, within the conditions and objectives of those facilities. The funds consist of subsidies provided under the General Administrative Law Act regarding the Infrastructure Development Fund, MASSIF, Access to Energy Fund and FOM OS.

2. BASIS OF PREPARATION

Compliance statement

The condensed consolidated interim accounts are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). These condensed consolidated interim accounts are presented in accordance with IAS 34 Interim Financial Reporting.

The accounting policies, presentation and methods of computation are consistent with those applied in the preparation of FMO's consolidated financial statements for the year ended December 31, 2012, except for the adoption of new standards, interpretations and amendments effective as of January 1, 2013 and a change in presentation of segments. The condensed consolidated interim accounts do not include the same information and disclosures that are required for the consolidated annual accounts, and should be read in conjunction with FMO's consolidated annual accounts as at December 31, 2012.

Segment reporting

FMO focuses on three business sectors (Financial Sector, Energy and Agribusiness, Food & Water) and reports accordingly in internal and external reporting. Since January 1, 2013, the segment Treasury is not shown as a separate sector anymore, but is allocated to the other sectors. Also, in the segment information the line items have been diversified to the different product categories and comparative figures have been represented accordingly.

3. ESTIMATES AND ASSUMPTIONS

In preparing the condensed consolidated interim accounts, in conformity with IFRS, management is required to make estimates and assumptions. The most relevant estimates and assumptions relate to the determination of the fair value of equity instruments based on generally accepted modeled valuation techniques and the determination of the counterparty-specific and group-specific value adjustments. The same methods for making estimates and assumptions have been followed in the condensed consolidated interim accounts as were applied in the preparation of FMO's consolidated annual accounts as at December 31, 2012.

4. SIGNIFICANT ACCOUNTING POLICIES

The company accounts of FMO and the company accounts of the subsidiaries Nuevo Banco Comercial Holding B.V., FMO Antillen N.V. and Industrias Andinas B.V. are consolidated in this interim report. The subsidiaries Blauser S.A. and Confoco S.A. were sold in the first half year of 2013 and as a result are not consolidated anymore.

Adoption of new standards, interpretations and amendments

FMO applies, for the first time, the following standards, interpretations and amendments.

IAS 19 Employee Benefits (revised 2011)

IAS 19R has been applied retrospectively from January 1, 2012 and includes a number of changes to the accounting for defined benefit plans of which the following have impact on FMO:

- The amended standard removes the option to defer recognition of actuarial gains and losses (i.e. corridor approach). As a result all actuarial gains and losses are recognized immediately in other comprehensive income and are permanently excluded from profit and loss.
- Expected returns on plan assets are no longer recognized in profit and loss, instead, there is a requirement to recognize interest on the net defined benefit liability (asset) in profit and loss, calculated using the discount rate used to measure the defined benefit obligation.
- Additional disclosures for defined benefit plans are required for FMO's annual consolidated financial statements.

The amended standard has the following impact on FMO's condensed consolidated interim accounts:
- An increase in total equity (net of tax) of €12.3 million as per January 1, 2012.
- A decrease in total equity (net of tax) of €6.9 million as per December 31, 2012.
- A decrease in net profit of €0.4 million as per June 30, 2012, which has been derived pro rata from the total amendment for 2012.

As per June 30, 2013 independent actuaries performed a bi-annual calculation of the defined benefit obligation, using updated actuarial assumptions for discount rate and indexation.

IFRS 13 Fair value measurement
IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value when fair value is required or permitted under IFRS. The application of IFRS 13 has not materially impacted the fair value measurements carried out by FMO.

IFRS 13 also requires specific disclosures on fair values, some of which replace existing disclosure requirements in other standards, including IFRS 7 Financial Instruments: Disclosures. Some of these disclosures are specifically required for financial instruments by IAS 34.16A(j), thereby affecting the condensed consolidated interim accounts. FMO provides these disclosures in note 7.

Several other new standards and amendments apply for the first time in 2013. However, they do not impact FMO's annual consolidated financial statements or the condensed consolidated interim accounts of FMO. An analysis of these standards can be found in FMO's consolidated annual accounts as at December 31, 2012.

5. LOANS PAST DUE AND VALUE ADJUSTMENTS
During the first half year of 2013 the quality of FMO's loan portfolio remained strong. The counterparty-specific value adjustments as percentage of the gross loan portfolio at June 30, 2013 slightly decreased to 3.3% (December 31, 2012: 3.4%).

Loans past due and value adjustments as at June 30, 2013

	Loans not value adjusted	Loans value adjusted	Gross exposure	Counterparty specific value adjustment	Total
Loans not past due	2,986,787	43,439	3,030,226	-15,867	3,014,359
Loans past due:					
• Past due up to 30 days	-	-	-	-	-
• Past due 30-60 days	-	-	-	-	-
• Past due 60-90 days	-	4,792	4,792	-1,198	3,594
• Past due more than 90 days	9,814	123,769	133,583	-86,938	46,645
Sub total	**2,996,601**	**172,000**	**3,168,601**	**-104,003**	**3,064,598**
Less: amortizable fees	-31,469	-836	-32,305	-	-32,305
Less: group-specific value adjustments	-227,485	-	-227,485	-	-227,485
Carrying value	**2,737,647**	**171,164**	**2,908,811**	**-104,003**	**2,804,808**

Loans past due and value adjustments as at December 31, 2012

	Loans not value adjusted	Loans value adjusted	Gross exposure	Counterparty specific value adjustment	Total
Loans not past due	2,953,638	24,615	2,978,253	-17,249	2,961,004
Loans past due:					
• Past due up to 30 days	-	-	-	-	-
• Past due 30-60 days	1,779	-	1,779	-	1,779
• Past due 60-90 days	5,530	19,305	24,835	-4,826	20,009
• Past due more than 90 days	-	107,966	107,966	-83,870	24,096
Sub total	**2,960,947**	**151,886**	**3,112,833**	**-105,945**	**3,006,888**
Less: amortizable fees	-31,788	-889	-32,677	-	-32,677
Less: group-specific value adjustments	-216,614	-	-216,614	-	-216,614
Carrying value	**2,712,545**	**150,997**	**2,863,542**	**-105,945**	**2,757,597**

6. SEGMENT INFORMATION

	Financial sector					
At June 30, 2013	**Private equity funds**	**Financial institutions**	**Energy**	**Agribusiness food & water**	**Diverse sectors**	**Total**
Loans & guarantees						
Interest & fee income	129	35,399	14,445	9,528	19,430	78,931
Other income	644	1,932	674	-68	18,096	21,278
Value adjustments	-112	-507	-5,949	-2,210	1,587	-7,191
Other comprehensive income	-	-3,594	-1,347	-723	-1,770	-7,434
Total loans & guarantees	**661**	**33,230**	**7,823**	**6,527**	**37,343**	**85,584**
Equity investments (including associates and subsidiaries)						
Results from equity investments, associates and subsidiaries	9,000	101	7	-1,803	-	7,305
Dividend income	6,534	3,618	681	-	-	10,833
Impairments	-3,429	-2,055	-6,554	-	-	-12,038
Other comprehensive income	16,663	13,121	3,196	1,891	-2,491	32,380
Total equity investments	**28,768**	**14,785**	**-2,670**	**88**	**-2,491**	**38,480**
Remuneration for services rendered						
Managed government funds	1,928	4,482	1,406	230	723	8,769
Syndicated & parallel transactions	-	540	-	916	-	1,456
Total remuneration for services rendered	**1,928**	**5,022**	**1,406**	**1,146**	**723**	**10,225**
Other						
Operating expenses	-6,101	-11,410	-6,129	-1,971	-6,295	-31,906
Income tax expenses	-611	-7,996	573	-1,853	-4,414	-14,301
Other comprehensive income - Other reserves	566	1,350	506	272	665	3,359
Total other	**-6,146**	**-18,056**	**-5,050**	**-3,552**	**-10,044**	**-42,848**
Total comprehensive income	**25,211**	**34,981**	**1,509**	**4,209**	**25,531**	**91,441**
Total other comprehensive net of tax	**17,229**	**10,877**	**2,355**	**1,440**	**-3,596**	**28,305**
Net profit	**7,982**	**24,104**	**-846**	**2,769**	**29,127**	**63,136**
Segment assets						
At June 30, 2013						
Loans	24,350	1,439,354	478,708	276,901	639,728	2,859,041
Equity investments (including associates)	650,674	148,352	77,910	28,444	67,699	973,079
Other assets	335,341	799,545	299,558	160,869	393,771	1,989,084
Total on balance assets	**1,010,365**	**2,387,251**	**856,176**	**466,214**	**1,101,198**	**5,821,204**
Contingent liabilities	3,843	62,440	2,767	1,083	23,140	93,273
Loans and equity investments managed for the risk of the State	132,838	250,493	179,182	7,275	87,991	657,779

	Financial sector					
At June 30, 2012 Restated*	**Private equity funds**	**Financial institutions**	**Energy**	**Agribusiness food & water**	**Diverse sectors**	**Total**
Loans & guarantees						
Interest & fee income	-379	37,323	12,645	8,951	19,386	77,926
Other income	-18	4,148	-13	699	1,535	6,351
Value adjustments	194	6,775	-4,415	1,046	-23,120	-19,520
Other comprehensive income	-	4,892	1,543	1,178	2,490	10,103
Total loans & guarantees	**-203**	**53,138**	**9,760**	**11,874**	**291**	**74,860**
Equity investments (including associates and subsidiaries)						
Results from equity investments, associates and subsidiaries	2,418	5,484	1,357	-	3,194	12,453
Dividend income	4,914	2,020	57	-	-	6,991
Impairments	-2,370	-	-6,108	-	-6,357	-14,835
Other comprehensive income	37,696	1,022	-312	179	177	38,762
Total equity investments	**42,658**	**8,526**	**-5,006**	**179**	**-2,986**	**43,371**
Remuneration for services rendered						
Managed government funds	1,383	4,096	1,854	87	600	8,020
Syndicated & parallel transactions	-	327	607	7	-	941
Total remuneration for services rendered	**1,383**	**4,423**	**2,461**	**94**	**600**	**8,961**
Other						
Operating expenses	-4,975	-9,967	-5,138	-1,699	-5,581	-27,360
Income tax expenses	935	-8,676	-1,230	-2,009	1,828	-9,152
Other comprehensive income - Other reserves	-1,646	-3,687	-1,164	-889	-1,876	-9,262
Total other	**-5,686**	**-22,330**	**-7,532**	**-4,597**	**-5,629**	**-45,774**
Total comprehensive income	**38,152**	**43,757**	**-317**	**7,550**	**-7,724**	**81,418**
Total other comprehensive net of tax	**36,050**	**2,227**	**67**	**468**	**791**	**39,603**
Net profit	**2,102**	**41,530**	**-384**	**7,082**	**-8,515**	**41,815**

Segment assets

At June 30, 2012						
Loans	40,162	1,349,564	380,971	328,615	696,954	2,796,266
Equity investments (including associates)	614,497	120,396	82,634	25,318	51,173	894,018
Other assets	335,391	751,912	237,143	181,043	382,681	1,888,170
Total on balance assets	**990,050**	**2,221,872**	**700,748**	**534,976**	**1,130,808**	**5,578,454**
Contingent liabilities	3,946	58,921	5,558	7,954	36,041	112,420
Loans and equity investments managed for the risk of the State	112,315	276,113	172,697	5,734	84,386	651,244

* The comparative figures of 2012 have been restated as a result of IAS 19 Employee Benefits (revised 2011) as detailed in note 4, as well as the allocation of the segment Treasury to the business sectors as of January 1, 2013 and the changed presentation of segments as described in note 2.

7. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the amount for which an asset can be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. When available an instrument's fair value is measured using quoted prices in an active market for that instrument. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis (level 1).

If a market for a financial instrument is not active, the fair value is established using a valuation technique. Valuation techniques include:

1. Recent dealer price quotations
2. Discounted cash flow models
3. Option-pricing models

The techniques incorporate current market and contractual prices, time to expiry, yield curves and volatility of the underlying instrument. Inputs used in pricing models are market observable (level 2) or are not market observable but can be derived from market observable data (level 3).

The fair value measurements of the derivative financial instruments classified in level 3 are mainly based on general market multiples for the relevant industry classes per country/region, adjusted for illiquidity. A substantial part of fair value measurements of equity investments (level 3) is based on net asset values. For the valuation process of the equity investments we refer to the Equity Risk section of chapter Financial Risk Management, as well as the accounting policies of the Annual Accounts 2012. The determination of the timing of transfers is embedded in the valuation process, and are therefore recorded at the end of the (interim) reporting periods.

The carrying values in the financial asset and liability categories approximate their fair values, except private sector loans with a fixed interest rate, and non-hedged funding. Loans to the private sector are valued at amortized cost. The underlying changes to the fair value of these assets are therefore not recognized in the balance sheet. At June 30, 2013, the fair value of these loans was €124,489 above their carrying value. The funding non-hedged is valued at amortized cost. The difference between the fair value and the amortized cost value amounts to €14,975.

The following table gives an overview of the financial instruments valued at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

At June 30, 2013	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit and loss				
• Short-term deposits	-	879,893	-	879,893
• Derivative financial instruments	-	227,614	26,447	254,061
Available for sale financial assets				
• Equity investments	68,641	-	677,587	746,228
• Interest-bearing securities	696,717	-		696,717
Total financial assets at fair value	**765,358**	**1,107,507**	**704,034**	**2,576,899**
Financial liabilities at fair value through profit and loss				
• Derivative financial instruments	-	204,978	-	204,978
Total financial liabilities at fair value	**-**	**204,978**	**-**	**204,978**

The following table shows the movements of financial assets measured at fair value based on level 3.

	Derivative financial instruments	Equity investments	Total
Balance at January 1			
Total gains or losses	**-**	**639,746**	**639,746**
• In profit and loss (results from financial transactions and value adjustments)	17,221	-9,983	7,238
• In other comprehensive income (available for sale reserve)	-	22,117	22,117
Purchases	-	38,940	38,940
Sales	-	-28,318	-28,318
Transfers into level 3	9,226	15,085	24,311
Balance at June 30	**26,447**	**677,587**	**704,034**

There are no financial liabilities measured at fair value based on level 3.

8. COMMITMENTS AND CONTINGENT LIABILITIES

During the first half year of 2013 the irrevocable facilities slightly decreased mainly as a result of disbursements.

Contingent liabilities slightly increased during the first half of 2013 mainly because of newly issued guarantees.

	June 30, 2013	December 31, 2012
Contingent liabilities		
Effective guarantees issued	93,273	**92,392**
Less: provisions, amortized costs and obligations for guarantees (presented under other liabilities)	-7,838	-8,387
Total contingent liabilities	**85,435**	**84,005**
Effective guarantees received	100,595	100,710

9. DEBT SECURITIES, DEBENTURES AND NOTES

Debt securities, debentures and notes increased to €3.4 billion (December 31, 2012: €3.3 billion). During the first half of 2013 an amount of €534 million has been issued and €298 million has been redeemed. Due to currency movements the outstanding debt amount decreased by €104 million.

10. DIVIDENDS

In the General Meeting of Shareholders in May 2013 the proposal for appropriation of profit 2012 was approved. The distributable amount of the net profit amounts to €6,724 million which has been fully distributed as cash dividend.

11. EVENTS AFTER THE END OF THE REPORTING PERIOD

There were no material events subsequent to the end of the interim reporting period.

12. RELATED PARTIES

FMO defines the Dutch State, subsidiaries, associated companies, the Management Board and Supervisory Board as related parties. This is in line with the Annual Report 2012.

In the first half year of 2013, FMO sold its 100% stake in Blauser S.A. and Confoco S.A and acquired a 100% stake in Industrias Andinas B.V. This led to a loss of €1.8 million, which is recognized as result on disposal of subsidiaries in the profit and loss account.

KPMG review report

To: the Management Board and Supervisory Board of Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V.

INTRODUCTION

We have reviewed the accompanying condensed consolidated interim financial information of Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V., The Hague, which comprises the balance sheet as at June 30, 2013, the profit and loss account, the statements of comprehensive income, changes in equity, and cash flows for the period of 6 months ended June 30, 2013, and the notes. Management of the Company is responsible for the preparation and presentation of this consolidated 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 Entity'. 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 June 30, 2013 is not prepared, in all material aspects, in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union.

Amstelveen, August 21, 2013

KPMG Accountants N.V.

M.A. Hogeboom RA

Additional Information

REPORTING SCOPE

This interim report covers activities that took place or had effect on the first six months of 2013.

FMO publishes its integrated annual report in April. This report is audited by the external auditor. Please read the KPMG auditor's report for detailed information on the scope and result of their work. Previous reports are available on www.fmo.nl or via annualreport.fmo.nl.

CONTACT INFORMATION

For copies of FMO publications contact
FMO N.V.

Mailing address
P.O. Box 93060
2509 AB The Hague
The Netherlands

Street address
Anna van Saksenlaan 71
2593 HW The Hague
The Netherlands

Contact details
E info@fmo.nl
W www.fmo.nl
T +31 (0)70 314 9696

COLOPHON

Copy
FMO N.V.

Layout
Scribbledesign