



Eurocommercial Properties N.V.

Half Year Report 31 December 2004

Report of the Board of Management

Adoption of new Dutch accounting principles

Eurocommercial Properties N.V. ("the Company" or "ECP") has adopted the recent changes in Dutch accounting principles so that the profit and loss account includes realised and unrealised revaluation results and movements in provisions, which were previously part of movements in equity. These ex balance sheet items are now separately shown as "Indirect Investment Result". "Direct Investment Result" therefore is the equivalent of Net Income after Taxation under the old GAAP rules, with which a direct comparison can be made.

The Company has decided to publish its detailed interim report by way of this statement and will no longer print a separate interim report to follow later. This enables the Company to provide the market earlier with more detailed information.

Direct Investment Result and dividend

The Direct Investment Result for the six months to 31 December 2004 was EUR 24.4 million compared with EUR 21.3 million for the same period in 2003, an increase of 14.5%. The Direct Investment Result for the three months to 30 September 2004 was EUR 11.7 million. The Direct Investment Result per depositary receipt increased by 9.9% to EUR 0.79 compared to the previous corresponding period. Under current circumstances the Board expects that the annual dividend per depositary receipt for 2005 will be no less than the dividend for 2004.

Net asset value

The net asset value per depositary receipt at 31 December 2004 was EUR 22.59 which compares with EUR 21.82 at 31 December 2003. The net asset value at the full year end at 30 June 2004 was EUR 23.16 but this figure included the annual dividend of EUR 1.50 per depositary receipt paid in November.

The Company's properties have not been revalued since the regular annual valuations in June 2004 and will be independently revalued next in June 2005. The reported revaluation result of EUR 1.2 million is due to currency movements (Swedish Kroner).

Share capital

The Company increased its share capital by 2.7% in November 2004 by issuing bonus depositary receipts for a total amount of EUR 21.6 million to those investors who opted for depositary receipts instead of the cash dividend. The 5.7% stock dividend option (2 for every 35 held) was taken up by 47% of holders of depositary receipts. Last year the take up was also 47%.

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Property commentary

European retail property markets have strengthened further in the last six months reflecting lower long term interest rates and continued strong demand from local and international institutional investors.

Initial net yields for prime retail properties in France and Italy are now in the range of 5.5% to 6% and 6.25% to 6.50% in Sweden, representing a hardening of around twenty five basis points in all three countries. Few transactions have taken place in any major European market, however, because of the scarcity of sellers, a situation that is unlikely to change in the near future.

The supply of new shopping centres has increased in Italy after a late start compared with France and Sweden, but density levels remain lower than in those countries with, in the North of Italy, higher disposable incomes.

The shop leasing markets in France, Italy and Sweden remain strong and Eurocommercial Properties' centres continue to enjoy over 99% occupancy with every prospect of quite reasonable rental growth.

Retail sales turnover growth in ECP centres has been rather better than expected earlier in the year, given lacklustre economies, with November and December being particularly good months in France. Overall, average turnover for the half year to December 2004 was 2.7% higher than for 2003 on a like for like basis. Eurocommercial Properties French shopping centres showed an average increase of 4.0% and those in Italy and Sweden 2.0% and 2.1% respectively.

Office markets in France and in The Netherlands are relatively weak with significant oversupplies in most Dutch cities including Amsterdam where Eurocommercial Properties has its only pure office building, which is leased to the Netherlands Government until mid 2009 but is currently the subject of limited rent review negotiations for the last five years of the lease term. The office floors above the Passage du Havre in Paris are again fully leased.

Warehouse markets are weak in France with some downwards pressure on rents although yields have also reduced somewhat, compensating in capital value terms. The Dutch warehouse sector remains stable.

Acquisitions and extensions

The Company has commenced the 5,900 m² extension and full refurbishment of Burlöv Centre, Malmö at an overall cost of around EUR 27 million to show a yield of over 8%. The building works will be completed by March 2006. All the new space is let to major Swedish multiples including OnOff, Power, Cervera, Systembolaget and Cubus. The internal refurbishment includes a re-organisation of the Coop Forum hypermarket, who have signed a new 13 year lease. The layout has been improved to provide two new food courts and the centre has attracted strong new tenant interest, particularly fashion. Most of the existing tenants have taken the opportunity to refurbish their stores and introduce their latest concepts.

The Company has also progressed its extension plans at Norrköping and Skövde, two of the MaxiHuset shopping centres it acquired from ICA in October 2003. Formal planning applications have now been made for an extension of 8,000 m² at Skövde and 7,000 m² at Norrköping. At Skövde, the Company has entered into a conditional purchase agreement to acquire an adjoining logistics building on a site of 12,000 m² at a cost of EUR 1.67 million. This will facilitate the extension which is projected to include an enlarged ICA hypermarket. Planning decisions are expected in mid of 2006.



In Italy the Company has signed a binding conditional agreement to purchase a 8,900 m² extension to the Leonardo shopping centre in Imola. Planning permission is expected shortly and completion is anticipated by November 2006. The total investment is EUR 38 million including a refurbishment of the existing gallery.

The Company is responsible for the leasing of the extension and will be remerchandising the gallery to include strong secondary anchors. The vendor, IGD (majority shareholder Coop Adriatica), is responsible for obtaining planning consents and the building construction.

Market outlook

Retail property markets are expected to remain strong for the next year particularly as there seems to be little likelihood of significant interest rate rises and yields of 5.5% to 6.5%, although historically low in property terms, are relatively high and stable compared with yields from equities and bonds.

Eurocommercial Properties will continue to buy good retail property selectively in markets with which it is familiar and where rental levels offer the prospect of sustainable growth in the medium term.

Amsterdam, 11 February 2005

Board of Management
J.P. Lewis, Chairman
E.J. van Garderen



CONSOLIDATED BALANCE SHEET as at 31 December 2004 (before income appropriation)

(EUR '000)

	Note	31-12-04	30-06-04
ASSETS			
Investments			
Property investments	3	1,314,468	1,306,304
Cash and deposits		8,565	84,070
		<u>1,323,033</u>	<u>1,390,347</u>
Receivables	4	23,951	25,984
Other assets			
Tangible fixed assets		693	453
		<u>1,347,677</u>	<u>1,416,811</u>
Total assets			
LIABILITIES			
Current liabilities			
Creditors	5	26,007	64,320
Borrowings	6	45,837	98,579
		<u>71,844</u>	<u>162,899</u>
Noncurrent liabilities			
Creditors		10,927	10,523
Borrowings	6	511,993	491,788
		<u>522,920</u>	<u>502,311</u>
Provisions			
Provision for contingent tax liabilities		44,153	43,997
Provision for pensions		180	180
		<u>44,333</u>	<u>44,177</u>
Total liabilities		<u>639,097</u>	<u>709,387</u>
Net assets		<u>708,580</u>	<u>707,424</u>
		=====	=====
Shareholders' equity	7		
Issued share capital	8	156,812	152,703
Share premium reserve		267,650	271,807
Reserves	9	258,680	220,376
Undistributed income		25,438	62,538
		<u>708,580</u>	<u>707,424</u>
		=====	=====
Net asset value – EUR per depositary receipt		22.59	23.16



**CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the six months ended 31 December 2004**

(EUR '000)			Six months ended 31-12-04	Six months ended 31-12-03	Second quarter ended 31-12-04	Second quarter ended 31-12-03
	Note					
Property income	10		47,343	43,562	23,902	23,106
Property expenses	11		(7,333)	(7,885)	(3,765)	(4,700)
			-----	-----	-----	-----
Net property income	10		40,010	35,677	20,137	18,406
Revaluation investments			1,227	428	356	(1,239)
			-----	-----	-----	-----
Total revenue			41,237	36,105	20,493	17,167
Net financing costs			(12,394)	(10,921)	(5,933)	(5,781)
Company expenses	12		(3,123)	(2,788)	(1,528)	(1,496)
			-----	-----	-----	-----
Total expenses			(15,517)	(13,709)	(7,461)	(7,277)
Net income before taxation			25,720	22,396	13,032	9,890
Taxation			(126)	(686)	(47)	(384)
Movement in provision for tax liabilities			(156)	-	(47)	-
			-----	-----	-----	-----
Net income after taxation			25,438	21,710	12,938	9,506
Exchange rate movements			1,275	512	404	(1,158)
Financial and investment expenses			(48)	(84)	(48)	(81)
			-----	-----	-----	-----
Revaluation investments			1,227	428	356	(1,239)
Movement in provision for tax liabilities			(156)	-	(47)	-
			-----	-----	-----	-----
Indirect investment result			1,071	428	309	(1,239)
Total investment result			25,438	21,710	12,938	9,506
-/- Indirect investment result			(1,071)	(428)	(309)	1,239
			-----	-----	-----	-----
Direct investment result			24,367	21,282	12,629	10,745
			=====	=====	=====	=====



CONSOLIDATED CASH FLOW STATEMENT for the six months ended 31 December 2004

(EUR '000)	Six months ended 31-12-04	Six months ended 31-12-03
Cash flow from investment activities		
Net income after taxation	25,438	21,710
Exchange rate movements	(1,275)	(512)
Property investments	(5,884)	(162,003)
Movement in provision for contingent tax liabilities	156	11,555
Additions to tangible fixed assets	(336)	(139)
Depreciation tangible fixed assets	96	105
Decrease/increase in receivables	2,033	(10,951)
Decrease/increase in creditors	(38,313)	6,135
Rental deposits received	404	458
	(17,681)	(133,642)
Cash flow from finance activities		
Proceeds issued shares	-	855
Borrowings added	22,141	65,148
Repayment of borrowings	(55,864)	(9,946)
Dividends paid	(24,282)	(22,155)
	(58,005)	33,902
Net cash flow	(75,686)	(99,740)
Currency differences on cash and deposits	181	467
Decrease in cash and deposits	(75,505)	(99,273)
Cash and deposits at beginning of period	84,070	122,293
Cash and deposits at end of period	8,565	23,020



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS as at 31 December 2004

1. Accounting policies

The accounting principles applied are the same as those used for the annual report for the financial year ended 30 June 2004 with the exception that the profit and loss account includes realised and unrealised revaluation results and movements in provisions, which were previously part of movements in equity.

2. Exchange rates

It is generally the Company's policy for non-Euro investments to use debt denominated in the currency of investment to provide a (partial) hedge against currency movements. Exceptionally forward contracts may be entered into from time to time when debt instruments are inappropriate for cost or other reasons. The only non-Euro investment assets and liabilities of the Company are in Sweden and as at 31 December 2004 SEK 10 was EUR 1.10860.

3. Property investments

The book value of each property is its full cost of acquisition until revalued, and thereafter revaluation plus subsequent improvements or net proceeds in case of a sale. All properties in the group are freehold with the exception of Kingsfordweg 1, Amsterdam (perpetual ground lease). All properties were revalued at 30 June 2004.

The current property portfolio is:

	Book value (EUR '000)	Costs to date (EUR '000))
RETAIL		
France		
Centre Commercial Amiens Glisy, Amiens	27,358	15,805
Les Trois Dauphins, Grenoble	23,059	22,970
Centr'Azur, Hyères	25,660	16,513
Centre les Portes de Taverny, Paris	29,851	18,482
*Passage du Havre, Paris	147,026	135,100
*Passy Plaza, Paris	85,972	70,665
*74 rue de Rivoli, 1-3 rue de Renard, Paris	12,039	10,292
*Centre les Atlantes, Tours	68,431	44,932
Tourville la Rivière	1,680	1,685
	421,076	336,444
Italy		
*Curno, Bergamo	71,587	33,624
*Centro Lame, Bologna	28,700	27,413
*Il Castello, Ferrara	70,100	62,164
*I Gigli, Florence	173,904	140,577
*Centro Leonardo, Imola	21,808	15,596
*La Favorita, Mantova	39,600	30,351
*Centro Carosello, Milan	145,117	79,939
*Centroluna, Sarzana	15,400	10,044
	566,216	399,708
Sweden		
*Mellby Centre, Laholm	12,779	12,692
*Burlöv Centre, Malmö	59,344	49,007
*MaxiHuset, Norrköping	27,984	27,575
*MaxiHuset, Skövde	23,055	23,177
*Hälla Shopping Centre, Västerås	17,142	15,052
*Samarkand, Växjö	29,152	27,514
	169,456	155,017
	1,156,748	891,169



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS as at 31 December 2004

OFFICE		
France		
*Passage du Havre, Paris**	26,000	28,683
The Netherlands		
Kingsfordweg 1, Amsterdam	89,000	84,846
	-----	-----
	115,000	113,529
WAREHOUSE		
France		
Rue des Béthunes, Saint-Ouen L'Aumone	16,900	17,351
Parisud, Sénart	11,600	11,656
	-----	-----
	28,500	29,007
The Netherlands		
Horsterweg 20, Maastricht-Airport	4,650	3,949
Galvanibaas 5, Nieuwegein	4,100	3,308
Standaardruiter 8, Veenendaal	3,370	2,777
Koeweistraat 10, Waardenburg	2,100	1,673
	-----	-----
	14,220	11,707
	-----	-----
	42,720	40,714
	-----	-----
	1,314,468	1,045,412
	=====	=====

* These properties carry mortgage debt up to EUR 478 million at 31 December 2004.

**Part of the retail complex.

Property portfolio by country and type

France	36%	Retail	88%
Italy	43%	Office	9%
Netherlands	8%	Warehouse	3%
Sweden	13%		

4. Receivables

The two largest receivables items are rents receivable for an amount of EUR 10.4 million (June 2004: EUR 8.5 million) and VAT receivable for an amount of EUR 6.2 million (June 2004: EUR 8.9 million).

5. Creditors

Creditors reduced to EUR 26 million (June 2004: EUR 64 million) due to the payment of Italian capital gains tax. The largest creditors item is rent received in advance for an amount of EUR 6.1 million (June 2004: EUR 7.5 million).

6. Borrowings

The borrowings are all directly from major banks. The average interest rate in the current financial period was 4.8% (six months ended 31 December 2003: 4.6%). At 31 December 2004 the Company has hedged its exposure to interest rate movements on its borrowings for an average term of seven years. The fair value (mark to market) of the current interest rate hedge instruments as at 31 December 2004 is a negative value of EUR 43.4 million (June 2004: EUR 21.7 million negative). Borrowings with remaining periods to maturity of more than five years amount to EUR 430 million (June 2004: EUR 410 million).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS as at 31 December 2004

7. Shareholders' equity reconciliation

The movements in shareholders' equity in the six months period ended 31 December 2004 were:

EUR ('000)	Issued share capital	Share premium reserve	Reserves	Undistributed income	Total
30/06/04	152,703	271,807	220,376	62,538	707,424
Issued shares	4,109	(4,109)			0
Net income previous financial year			39,219	(39,219)	0
Net income for the period				25,438	25,438
Dividends paid		(48)	(915)	(23,319)	(24,282)
31/12/04	156,812	267,650	258,680	25,438	708,580

The movements in shareholders' equity in the previous six months period ended 31 December 2003 were:

EUR ('000)	Issued share capital	Share premium reserve	Reserves	Undistributed income	Total
30/06/03	146,316	271,993	187,648	53,267	659,224
Issued shares	4,841	(3,986)			855
Net income previous financial year			31,345	(31,345)	0
Net income for the period				21,710	21,710
Dividends paid		(64)	(169)	(21,922)	(22,155)
31/12/03	151,157	267,943	218,824	21,710	659,634

8. Shares on issue

	31-12-04	30-06-04	31-12-03
Number of shares on issue	313,624,758	305,404,995	302,314,995
Net asset value per share	EUR 2.25	EUR 2.31	EUR 2.18
Net asset value per depositary receipt	EUR 22.59	EUR 23.16	EUR 21.82

The number of shares on issue increased on 30 November 2004 as a result of the issue of 821,976 bonus depositary receipts. The weighted average of the number of shares in issue for the six months ended 31 December 2004 was 306,834,519.

9. Reserves

Holders of depositary receipts representing 47.1% of the issued share capital (last year 47.2%) opted for 821,976 bonus depositary receipts at an issue price of EUR 26.25 from the Company's share premium reserve, instead of a cash dividend of EUR 1.50 per depositary receipt for the financial year ended 30 June 2004. Accordingly, an amount of EUR 21.6 million of the 2003/2004 direct investment result was taken to the reserves.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS as at 31 December 2004

10. Net property income

Net property income comprised:

(EUR '000)	Property income		Property expenses		Net property income	
	01-07-04 31-12-04	01-07-03 31-12-03	01-07-04 31-12-04	01-07-03 31-12-03	01-07-04 31-12-04	01-07-03 31-12-03
Retail	41,223	37,116	(7,001)	(7,605)	34,222	29,511
Office	4,028	4,400	(275)	(194)	3,753	4,206
Warehouse	2,092	2,046	(57)	(86)	2,035	1,960
	47,343	43,562	(7,333)	(7,885)	40,010	35,677
France	17,032	16,519	(2,397)	(2,299)	14,635	14,220
Italy	19,291	18,248	(3,027)	(4,262)	16,264	13,986
Sweden	7,060	4,771	(1,593)	(1,084)	5,467	3,687
The Netherlands	3,960	4,024	(316)	(240)	3,644	3,784
	47,343	43,562	(7,333)	(7,885)	40,010	35,677

11. Property expenses

Property expenses in the current financial period were:

	01-07-04 31-12-04 (EUR '000)	01-07-03 31-12-03 (EUR '000)
Accounting and advisory fees	660	503
Depreciation fixed assets	56	63
Dispossession indemnities	66	299
Insurance premiums	338	304
Letting fees and relocation expenses	605	405
Local and property taxes	1,182	1,237
Managing agent fees	838	547
Marketing expenses	370	294
Property management expenses	1,170	2,715
Repair and maintenance	990	809
Service charges	1,009	591
Other expenses	49	118
	7,333	7,885



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS as at 31 December 2004

12. Company expenses

Company expenses in the current financial period comprise:

	01-07-04 31-12-04 (EUR '000)	01-07-03 31-12-03 (EUR '000)
Audit fees	74	39
Depreciation fixed assets	46	41
Directors' fees	459	455
Legal and other advisory fees	282	153
Office and accommodation expenses	450	340
Personnel costs	1,137	1,132
Statutory costs	174	183
Travelling expenses	289	245
Other expenses	212	200
	-----	-----
Company expenses	3,123	2,788
	=====	=====

Amsterdam, 11 February 2005

Board of Management
J.P. Lewis, Chairman
E.J. van Garderen

Board of Supervisory Directors
W.G. van Hassel, Chairman
H.Th.M. Bevers
H.W. Bolland
J.H. Goris



OTHER INFORMATION

Statements pursuant to the Act on the Supervision of Investments Institutions

Stichting Prioriteitsaandelen Eurocommercial Properties and Stichting Administratiekantoor Eurocommercial Properties qualify as substantial investors as defined in article 21, section 2, of the Decree on the Supervision of Investment Institutions. No transactions as referred to in article 21, section 2, sub c of the Decree have taken place during the reporting period.

A Financial Information Leaflet has been prepared with the information about the product (depository receipts Eurocommercial Properties N.V.), the costs and the risks. Please obtain and read a copy prior to purchasing the product.

The most recently published prospectus of the Company is dated 31 January 2005 and is available at the Company's office and is also available at the Company's website: www.eurocommercialproperties.com

Stock market prices and turnovers 2004

		High	Low	Average
Closing price 31 December 2004 (EUR; depository receipts)	26.18	27.79	20.75	24.25
Average daily turnover (in depository receipts)	45,191			
Average daily turnover (x EUR '000,000)	1.1			
Total turnover over the past twelve months (x EUR '000,000)	282.2			
Market capitalisation (x EUR '000,000)	821.1			
Total turnover divided by market capitalisation	34%			
Liquidity providers:	ABN AMRO Bank Amsterdams Effectenkantoor Kempen & Co			

Depository receipts listed on Euronext Amsterdam (the Amsterdam Stock Exchange) are registered with Centrum voor Fondsenadministratie B.V. under code: 28887

ISIN – Code	: NL 0000288876
Stock market prices are followed by:	
Bloomberg	: ECMPR NA
Datastream	: 307406 or H:SIPF
Reuters	: SIPFc.AS

Implications of International Financial Reporting Standards (IFRS)

As from the financial year starting 1 July 2005 the Company will draw up its consolidated financial statements in accordance with IFRS. The Company has identified the most important differences compared to the currently applicable Dutch accounting principles. Details of those differences are given hereinafter. Based on a provisional estimate it has been indicated what the impact will be on shareholders' equity as at 1 July 2004 and on the six months results until December 2004. Since the process of the adoption of applicable IFRS regulations by the competent authorities has not yet been completely finalised, the IFRS information as provided hereinafter may still change.



Provisions for contingent tax liabilities

IFRS requires that the provision for deferred tax liabilities is calculated at the nominal value. Furthermore, it seems that the tax rate to be used should reflect the tax consequences for the entity owning the property in case of a disposal. Accordingly selling the property by way of selling the shares of the entity, which would have different tax consequences, must be ignored under such interpretation. Currently, the provision for deferred contingent capital gains tax liabilities is calculated on the basis of the discounted present value of contingent tax liabilities, taking the possibility of disposal by way of sale of shares of the property entity under a scenario-analysis into account. The impact of this change would be that as at 1 July 2004 shareholders' equity would be EUR 25.9 million lower. The results for the six months period to 31 December 2004 would decrease by approximately EUR 1.8 million due to the increase of the provision for contingent tax liabilities as per 31 December 2004.

Interest rate hedge instruments

Under IFRS the fair value of interest rate hedge instruments will be recorded on the balance sheet. If International Accounting Standard (IAS) 39 was applied shareholders' equity as at 1 July 2004 would have been EUR 21.7 million lower than reported, as the fair value (mark to market) of the interest rate hedge instruments was EUR 21.7 million negative. The fair value of the interest rate hedge instruments as at 31 December 2004 had a negative value of EUR 43.4 million, which would then result in a EUR 43.4 million lower shareholders' equity than reported.

Letting fees and lease incentives

IAS 40 states that in determining the fair value of investment property, an entity does not double-count assets and liabilities that are recognised as separate assets and liabilities. This implies that the prepaid letting fees and relocation expenses recorded under the item Receivables on the balance sheet as per 30 June 2004 should not be recognised under IFRS. Therefore, shareholders' equity as at 1 July 2004 would be EUR 2.0 million lower than reported. Although the Company currently applies a policy of straight-lining (letting fees and lease incentives are depreciated over the term of the relevant lease) IFRS will have a small impact on the results for the six months period to 31 December 2004.

Pensions

Only five employees of the Company have a pension scheme which is classified under IFRS as 'defined benefit'. Due to this, taking into account future salary rises, average employment terms, inflation and such, future pension charges must be estimated. To this end the Company has had, taking into account presently known IFRS rules and the current pension scheme rules, an actuarial report drawn up by an independent actuary. Based on this report the Company's provision as per 1 July 2004 is sufficient, so there will be no impact on shareholders' equity under IFRS. The impact on the results for the first six months is almost nil. All other employees with entitlement to pensions have a defined contribution scheme, which will not trigger any impact when adopting IFRS.

Options

On 7 November 2002 the Company granted 15,000 conditional options to employees. Under IFRS this would have resulted in slightly higher personnel costs charged to the profit and loss account with a movement in shareholders' equity for the same amount. On 8 November 2004 the Company granted 716,000 conditional options to employees. Under IFRS this would have resulted in EUR 0.14 million personnel costs charged to the profit and loss account for the six months period ending 31 December 2004 with a movement in shareholders' equity for the same amount.



Review report

Introduction

We have reviewed the half-year figures for the period 1 July 2004 up to and including 31 December 2004 of Eurocommercial Properties N.V., Amsterdam, consisting of the accompanying consolidated balance sheet, consolidated profit and loss account and related notes thereto as presented on page 4 up to and including 11 of this interim report. We have not performed a review of the figures for the second quarter (the period 1 October 2004 up to and including 31 December 2004). The half-year figures are the responsibility of the company's management. Our responsibility is to issue a report on the half-year figures for the period 1 July 2004 up to and including 31 December 2004 based on our review.

Scope

We conducted our review in accordance with standards for review engagements generally accepted in The Netherlands. These standards require that we plan and perform the review to obtain moderate assurance about whether the half-year figures are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and therefore, provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Opinion

Based on our review, nothing has come to our attention that causes us to believe that the half-year figures for the period 1 July 2004 up to and including 31 December 2004 do not give a true and fair view in accordance with accounting principles generally accepted in The Netherlands for interim financial reporting and the Act on the Supervision of Investment Institutions.

Amsterdam, 11 February 2005
Ernst & Young Accountants