HAL Trust

Report on the first half year 2013

First half year net income of € 260 million (2012: € 213 million)

Net asset value decreases by € 266 million (4%)

Net income of HAL Holding N.V. for the first six months of 2013 amounted to € 260 million (€ 3.74 per share) compared to € 213 million (€ 3.07 per share) for the same period last year, representing an increase of € 47 million (€ 0.67 per share). This increase was primarily due to higher income from the quoted minority interests.

The net asset value based on the market value of the quoted associates and the liquid portfolio and on the book value of the unquoted companies, decreased by € 266 million (4%) during the first six months of 2013. Taking into account the cash portion of the 2012 dividend (€ 59 million) and the sale of treasury shares (€ 1 million), the net asset value decreased from € 7,241 million (€ 104.35 per share) on December 31, 2012 to € 6,917 million (€ 96.67 per share) on June 30, 2013. The main reason for this change was the decrease in the share prices of Koninklijke Vopak N.V. and Koninklijke Boskalis Westminster N.V. The net asset value does not include the positive difference between estimated value and book value of the unquoted companies. This difference is calculated annually and, based on the principles and assumptions set out in the 2012 annual report, amounted to € 621 million (€ 8.95 per share) on December 31, 2012. The net asset value as of December 31, 2012 was restated from € 7,255 million to € 7,241 million due to the implementation of IAS 19R which resulted in a decrease of € 14 million.

During the period from June 30, 2013 through August 23, 2013, the value of the ownership interests in quoted associates and the liquid portfolio decreased by € 55 million (€ 0.77 per share).

The financial information in this report is unaudited.

Results

Revenues for the first half year amounted to € 2,043 million (2012: € 1,990 million) representing an increase of € 53 million (2.7%). Excluding the effect of acquisitions (€ 82 million) and currency exchange differences (€ -8 million), revenues decreased by € 21 million (1.1%).

Revenues from the optical retail companies for the first half year amounted to € 1,266 million (2012: € 1,194 million) representing an increase of € 72 million (6%). Excluding the effect of acquisitions (€ 52 million) and currency exchange differences (€-6 million), revenues from the optical retail companies increased by € 26 million (2.2%). The same store sales, based on constant exchange rates, increased by 1.2 % during the first half year when compared with the same period last year. The operating income of the optical retail companies (income before interest, exceptional and non-recurring items, taxes and amortization of intangible assets but including amortization of software) for the first half year amounted to € 128 million (2012: € 125 million).

Revenues from the other unquoted subsidiaries for the first half year amounted to € 777 million (2012: € 797 million) representing a decrease of € 20 million (2.5%). Excluding the effect of acquisitions (€ 30 million) and currency exchange differences (€ -2 million), revenues from the other unquoted subsidiaries decreased by € 48 million (6.0%). This decrease is mainly the result of lower sales at PontMeyer N.V., AudioNova International B.V., Broadview Holding B.V. and Koninklijke Ahrend N.V. The operating income of the other unquoted companies (income before interest, exceptional and non-recurring items, taxes and amortization of intangible assets but including amortization of software) for the first half year amounted to € 21 million (2012: € 40 million). This decrease is primarily due to lower operating income of AudioNova International B.V. (mainly due to lower sales in the Netherlands as a result of a change in the regulations for the reimbursement of hearing aids), Broadview Holding B.V., and Koninklijke Ahrend N.V.

Income from associates increased by € 22 million to € 155 million, primarily due to the capital gain of € 22 million on the sale of the 31.6% ownership interest in Dockwise Ltd. to Koninklijke Boskalis Westminster N.V.

Income from other financial assets increased by € 26 million to € 33 million, primarily due to a capital gain of € 26 million on the redemption at par of the € 68 million Senior 9⅝% Notes issued by Safilo Group S.p.A.

Exceptional and non recurring items had a negative effect of € 1 million on profit before income tax (2012: a negative effect of € 18 million).

The statement of income for 2012 was restated for the effects of the implementation of IAS 19R.

Liquid portfolio and net debt

The corporate liquid portfolio at the end of June 2013 amounted to € 268 million (December 31, 2012: € 171 million). The consolidated net debt as of June 30, 2013 (defined as short-term and long-term bank debt less cash and cash equivalents and marketable securities) amounted to € 800 million (December 31, 2012: € 968 million). The decrease in consolidated net debt is primarily due to the proceeds from the sale of the ownership interest in Dockwise Ltd. to Koninklijke Boskalis Westminster N.V. (€ 274 million) and the redemption of Senior Notes issued by Safilo Group S.p.A (€ 68 million) offset by investments in quoted minority interests (€ 138 million) and the payment of the cash portion of the 2012 dividend (€ 59 million).

As of June 30, 2013, 64% of the corporate liquid portfolio was invested in short-term time -deposits amounting to € 172 million (December 31, 2012: € 82 million) and 36% in equities for an amount of € 96 million (December 31, 2012: € 89 million). The corporate liquid portfolio provided a total return of 8.6% during the first half of 2013 compared to -2% for the same period last year.

Acquisitions and divestitures

In January, HAL participated for its proportionate 33.9% share (€ 108.4 million) in a capital increase of Koninklijke Boskalis Westminster N.V.

In March, the 31.6% ownership interest including the preference shares in Dockwise Ltd. was sold to Koninklijke Boskalis Westminster N.V. for a total consideration of € 273.7 million resulting in a capital gain of € 22 million.

In April, HAL participated for € 29.4 million in a rights issue of SBM Offshore N.V. This rights issue was underwritten by HAL. HAL’s current interest in SBM Offshore N.V. is 13.5% (before the rights issue: 13.3%).

In May, the € 68 million Senior 9⅝% Notes issued by Safilo Group S.p.A. were redeemed at par, resulting in a capital gain of € 26 million.

Risks

In the 2012 annual report, the Company included a description of risks associated with its strategy and its implementation such as, but not limited to: market value risk, interest rate risk, currency risk, credit risk, liquidity risk, concentration risk, acquisition risk and other risks. The descriptions of these risks are deemed to be incorporated in this report by reference. We expect that the above risk factors will continue to exist for the second half of 2013. In the Company's view, the nature of these risk factors has not materially changed in the first half of 2013. We also refer to the statement on page 20 of this report.

Prospects

In view of the fact that a significant part of the Company's net income is determined by the results of the quoted associates and potential capital gains and losses we do not express an expectation as to the net income for 2013.

Supervisory Board

Mr. A.H. Land, member of the Supervisory Board, has announced he will resign from the Supervisory Board for personal reasons effective August 28, 2013.
Mr. Land was appointed member of the Supervisory Board in 1999.
The Supervisory Board and the Executive Board are most grateful for Mr. Land's support and valuable contributions to the Company.
It is expected that the vacancy resulting from Mr. Land's resignation will be filled during the general meeting of shareholders in May 2014.

Financial calendar

Interim statement	November 14, 2013
Publication of preliminary net asset value	January 23, 2014
Publication of 2013 annual results	March 27, 2014
Shareholders' meeting HAL Trust and interim statement	May 16, 2014

The Executive Board of HAL Holding N.V.

August 28, 2013

HAL Trust
Condensed Interim Consolidated Financial Statements
June 30, 2013

Contents

In millions of euro	*Notes*	**June 30, 2013**	December 31, 2012 *
Assets			
Non-current assets:			
Property, plant and equipment	2	**949.8**	908.1
Investment properties		**37.1**	40.5
Intangible assets	3	**1,914.6**	1,939.4
Investments in associates	4	**2,016.5**	1,841.0
Other financial assets	5	**469.5**	375.5
Pension benefits		**66.1**	65.0
Deferred tax assets		**61.1**	56.8
Total non-current assets		**5,514.7**	5,226.3
Current assets:			
Other current assets		**232.0**	239.0
Other financial assets	5	**-**	69.6
Inventories		**391.8**	353.9
Receivables		**343.0**	374.6
Marketable securities and deposits		**96.2**	88.9
Cash and cash equivalents		**397.6**	311.2
Total current assets		**1,460.6**	1,437.2
Assets held for sale	6	**-**	230.7
Total assets		**6,975.3**	6,894.2
Equity and liabilities			
Share capital	7	**1.4**	1.4
Other reserves		**104.8**	66.3
Retained earnings		**4,301.7**	4,085.6
Equity attributable to the owners of parent		**4,407.9**	4,153.3
Non-controlling interest		**54.9**	53.4
Total equity		**4,462.8**	4,206.7
Non-current liabilities:			
Deferred tax liabilities		**147.6**	151.0
Provisions		**105.9**	106.5
Long-term debt and other financial liabilities	8	**1,168.3**	1,132.5
Total non-current liabilities		**1,421.8**	1,390.0
Current liabilities:			
Provisions		**28.6**	33.8
Accrued expenses		**508.8**	531.6
Income tax payable		**28.8**	40.2
Accounts payable		**244.0**	261.1
Short-term debt and other financial liabilities	9	**280.5**	430.8
Total current liabilities		**1,090.7**	1,297.5
Total equity and liabilities		**6,975.3**	6,894.2

* restated for IAS 19R (see note 1)

The notes on pages 12 to 19 form an integral part of the condensed interim consolidated financial statements.

For the six months ended June 30

In millions of euro	*Notes*	**2013**	2012 *
Revenues	10	**2,042.7**	1,990.4
Income from marketable securities and deposits		**4.5**	10.3
Share of profit/(loss) of associates	11	**155.2**	132.9
Income from other financial assets	12	**32.6**	6.6
Income from real estate activities		**6.5**	9.4
Total income		**2,241.5**	2,149.6
Cost of sales		**603.9**	605.4
Employee expenses		**657.1**	625.4
Depreciation of property, plant, equipment and investment properties		**80.5**	73.4
Amortization and impairments of intangible assets	3	**22.4**	21.7
Other operating expenses		**566.6**	558.1
Total expenses		**1,930.5**	1,884.0
Operating profit		**311.0**	265.6
Financial expense		**(30.5)**	(27.8)
Other financial income		**10.2**	3.4
Profit before income tax		**290.7**	241.2
Income tax expense		**(29.6)**	(28.0)
Net profit		**261.1**	213.2
Attributable to:			
Owners of parent		**259.8**	213.4
Non-controlling interest		**1.3**	(0.2)
		261.1	213.2
Average number of outstanding shares (in thousands)		**69,520**	67,406
Earnings per share for profit attributable to the owners of parent during the half-year (in euro's per share)			
- Basic and diluted (in euro)		**3.74**	3.07

* restated for IAS 19R (see note 1)

The notes on pages 12 to 19 form an integral part of the condensed interim consolidated financial statements.

Interim Consolidated Statement of Comprehensive Income

For the six months ended June 30

In millions of euro	**2013**	2012 *
Profit for the half year	**261.1**	213.2
Other comprehensive income:		
Items that will not be reclassified to profit and loss		
Actuarial result on post employment benefit obligations including net of tax share of associates	**13.5**	(53.2)
Income tax	**(0.6)**	2.4
	12.9	(50.8)
Items that may be reclassified to profit and loss		
Change in fair value of available-for-sale financial assets	**46.4**	10.1
Effective portion of hedging instruments including net of tax share of associates	**27.3**	(17.4)
Translation of foreign subsidiaries including net of tax share of comprehensive income of associates	**(32.1)**	32.7
Income tax	**(2.1)**	(0.2)
	39.5	25.2
Other comprehensive income for the half year, net of tax	**52.4**	(25.6)
Total comprehensive income for the half year, net of tax	**313.5**	187.6
Total comprehensive income attributable to:		
- Owners of parent	**311.3**	187.2
- Non-controlling interest	**2.2**	0.4
	313.5	187.6

* restated for IAS 19R (see note 1)

The notes on pages 12 to19 form an integral part of the condensed interim consolidated financial statements.

In millions of euro	Attributable to owners of parent					*
	Share capital	Retained earnings	Other reserves	Total	Non-controlling interest	**Total equity**
Balance on January 1, 2012	1.3	3,877.2	91.4	3,969.9	51.6	**4,021.5**
Restatement as a result of the implementation of IAS 19R (net of tax)	-	(57.0)	-	(57.0)	-	**(57.0)**
Restated balance on January 1, 2012	1.3	3,820.2	91.4	3,912.9	51.6	**3,964.5**
Change in fair value of financial assets available-for-sale						
- Marketable securities	-	-	(18.5)	(18.5)	-	**(18.5)**
- Other financial assets and associates	-	-	28.6	28.6	-	**28.6**
Translation of foreign subsidiaries including share of other comprehensive income of associates	-	-	31.9	31.9	0.8	**32.7**
Effective portion of hedging instruments including share of associates	-	-	(17.4)	(17.4)	(0.2)	**(17.6)**
Actuarial result on post employment obligations (net of tax)	-	(50.8)	-	(50.8)	-	**(50.8)**
Net profit for the half year	-	213.4	-	213.4	(0.2)	**213.2**
Total comprehensive income for the period	-	162.6	24.6	187.2	0.4	**187.6**
Acquisitions, disposals and reclassifications	-	-	-	-	(8.4)	**(8.4)**
Treasury shares	-	0.7	-	0.7	-	**0.7**
Dividend paid	0.1	(52.3)	(0.1)	(52.3)	-	**(52.3)**
Transactions with owners of the Company recognized directly in equity	0.1	(51.6)	(0.1)	(51.6)	(8.4)	**(60.0)**
Balance on June 30, 2012	1.4	3,931.2	115.9	4,048.5	43.6	**4,092.1**
Balance on January 1, 2013	1.4	4,232.6	66.3	4,300.3	53.4	**4,353.7**
Restatement as a result of the implementation of IAS 19R (net of tax)	-	(147.0)	-	(147.0)	-	**(147.0)**
Restated balance on January 1, 2013	1.4	4,085.6	66.3	4,153.3	53.4	**4,206.7**
Change in fair value of financial assets available-for-sale						
- Marketable securities	-	-	6.5	6.5	-	**6.5**
- Other financial assets and associates	-	-	39.9	39.9	-	**39.9**
Translation of foreign subsidiaries including share of other comprehensive income of associates	-	-	(32.3)	(32.3)	0.2	**(32.1)**
Effective portion of hedging instruments including share of associates	-	-	24.5	24.5	0.7	**25.2**
Actuarial result on post employment obligations (net of tax)	-	12.9	-	12.9	-	**12.9**
Net profit for the half year	-	259.8	-	259.8	1.3	**261.1**
Total comprehensive income for the period	-	272.7	38.6	311.3	2.2	**313.5**
Acquisitions, disposals and reclassifications	-	1.1	-	1.1	(0.7)	**0.4**
Treasury shares	-	1.2	-	1.2	-	**1.2**
Dividend paid	-	(59.0)	-	(59.0)	-	**(59.0)**
Transactions with owners of the Company recognized directly in equity	-	(56.7)	-	(56.7)	(0.7)	**(57.4)**
Balance on June 30, 2013	1.4	4,301.6	104.9	4,407.9	54.9	**4,462.8**

* restated for IAS 19R (see note 1)
The notes on pages 12 to 19 form an integral part of the condensed interim consolidated financial statements.

Interim Consolidated Statement of Cash Flows

For the six months ended June 30

In millions of euro	*Notes*	**2013**	2012
Cash flows from operating activities:			*
Profit before taxes		**290.7**	241.2
Depreciation		**80.5**	73.4
Amortization and impairments	3	**22.4**	21.7
Profit on sale of property, plant, equipment and investment properties		**(4.5)**	(4.0)
Profit on sale of other financial assets and marketable securities		**(52.5)**	(11.4)
Share of profit/(loss) of associates	4,11	**(133.1)**	(132.9)
Net financial expense		**20.3**	24.4
		223.8	212.4
Dividend from associates	4	**58.7**	57.7
Changes in working capital		**(35.5)**	(73.6)
Other movements in provisions and pension benefits		**(1.4)**	5.5
Cash generated from operations		**245.6**	202.0
Other financial income received		**3.1**	-
Finance costs paid, including effect of hedging		**(24.7)**	(23.1)
Income taxes paid		**(51.6)**	(34.8)
Net cash from operating activities		**172.4**	144.1
Cash flows from investing activities:			
Acquisition of associates and subsidiaries, net of cash acquired		**(122.7)**	(180.3)
Acquisition of other intangibles		**(4.1)**	(9.0)
Purchase of property, plant, equipment and investment properties		**(132.0)**	(101.1)
Divestiture of associates	4	**10.4**	8.9
Proceeds from/(acquisition of) of other financial assets		**43.7**	(33.2)
Proceeds from sale of property, plant, equipment and investment properties		**18.4**	14.1
Proceeds from assets held for sale		**273.7**	-
Proceeds from/(acquisition of) marketable securities and deposits		**4.9**	(42.9)
Net cash from/(used in) investing activities		**92.3**	(343.5)
Cash flows from financing activities:			
(Repayment) of short-term debt and other financial liabilities		**(150.4)**	(65.2)
Borrowing/(repayment) of long-term debt and other financial liabilities		**30.4**	(76.8)
(Acquisition of) non-controlling interest		**(0.7)**	(5.7)
Treasury shares		**1.2**	0.7
Dividend paid		**(59.0)**	(52.3)
Net cash (used in) financing activities		**(178.5)**	(199.3)
Increase/(decrease)in cash and cash equivalents		**86.2**	(398.7)
Cash and cash equivalents at beginning of period		**311.2**	644.7
Effects of exchange rate changes on opening balance		**0.2**	0.4
Cash and cash equivalents retranslated at beginning of period		**311.4**	645.1
Net increase/(decrease) in cash and cash equivalents		**86.2**	(398.7)
Cash and cash equivalents at end of period		**397.6**	246.4

* restated for IAS 19R (see note 1)

The notes on pages 12 to 19 form an integral part of the condensed consolidated interim financial statements.

General

Reporting entity

The condensed interim consolidated financial statements 2013 comprise HAL Trust ('the Trust'), a Bermuda trust formed in 1977, and its subsidiaries as well as the interests in associates and jointly controlled entities. HAL Trust shares are listed and traded on NYSE Euronext in Amsterdam. The Trust's only asset consists of all outstanding shares of HAL Holding N.V. ('the Company'), a Curaçao corporation. The condensed interim consolidated financial statements have not been audited nor reviewed by an external auditor.

The Company's strategy is focused on acquiring and holding significant shareholdings in companies, with the objective of increasing long-term shareholders' value. When selecting investment candidates, the Company emphasizes, in addition to investment and return criteria, the potential of playing an active role as a shareholder and/or board member. Given the emphasis on the longer term, the Company does not have a pre-determined investment horizon. HAL also owns real estate. The real estate investment activities are concentrated in the greater Seattle metropolitan area with an emphasis on the development and rental of multi-family properties and office buildings.

Basis of preparation

Statement of compliance

The condensed interim consolidated financial statements for the six months ended June 30, 2013 have been prepared in accordance with International Financial Reporting Standard (IFRS) IAS 34 -Interim Financial Reporting-, and were authorized for issue on August 28, 2013. The condensed interim consolidated financial statements do not include all the information and disclosures as required in the annual financial statements and should therefore be read in conjunction with the annual financial statements for the year ended December 31, 2012 as published on March 27, 2013, which have been prepared in accordance with IFRS as adopted by the European Union. In the schedules on the following pages, the columns June 30, 2013 and June 30, 2012 represent the six-month periods ended June 30, 2013 and June 30, 2012. The column December 31, 2012 represents the twelve-month period ended December 31, 2012.

Due to the nature of the Company's activities, investments and disposals can have a significant impact on net income. Accordingly, the results for the first six months might not be representative of the results for 2013 as a whole.

Estimates

The preparation of these condensed interim consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed interim consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge, actual results may ultimately differ from those estimates. Accordingly, it is reasonably possible that outcomes in future accounting periods that are different from the estimates and assumptions could have an impact on the carrying amount of the asset or liability affected. In preparing these condensed interim consolidated financial statements, the significant judgements made by management in applying the accounting policies of HAL Trust and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as of and for the year ended December 31, 2012.

Significant accounting policies

The significant accounting policies applied in these condensed interim consolidated financial statements are consistent with those applied in the consolidated financial statements as of and for the year ended December 31, 2012 except for the following changes in accounting policies and disclosures:

- The revised IAS 19 is effective as from January 1, 2013. The impact is as follows: the corridor approach has been eliminated and all actuarial gains and losses are recognized in other comprehensive income as they occur; all past service costs are immediately recognized; and interest cost and expected return on plan assets are replaced with an net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset). In accordance with IAS 8 the financial statements of the comparable interim period and the financial statements as of December 31, 2012 were restated. The effect of the restatement is disclosed in Note 1.

- IFRS 13, "Fair Value Measurement" is effective as from January 1, 2013. This standard does not extend the use of fair value accounting but provides guidance on how it should be applied where its use is already required or permitted by other standards within IFRS. The adoption of IFRS 13 did not materially impact the condensed interim consolidated financial statements. Additional disclosures were included in the condensed interim consolidated financial statements.

- Amendments to IAS 1, Presentation of Financial Statements are effective as from January 1, 2013. The main change was a requirement to group items in other comprehensive income on the basis whether they are potentially reclassifiable to profit or loss.

- Income taxes have been accrued using the tax rate that is expected to be applicable to the total annual profit or loss. The annual tax rate for the year ended December 31, 2012 was 26.8%. The estimated tax rate for the six months June 30, 2013 was 26.5%.

- Annual impairment tests on goodwill and intangible assets with indefinite useful lives are performed in the fourth quarter of each year.

1. Adoption IAS 19R

The following table summarizes the effects on the balance sheet of adopting IAS 19R:

	IAS 19 Dec 31, 2012	Adoption of IAS 19R	IAS 19R Dec 31, 2012
Investment in associates	1,973.7	(132.7)	1,841.0
Deferred tax assets	49.9	6.9	56.8
Pension benefits	82.4	(17.4)	65.0
Total non-current assets	5,369.5	(143.2)	5,226.3
Total assets	7,037.4	(143.2)	6,894.2
Total equity	4,353.7	(147.0)	4,206.7
Provisions	105.3	1.2	106.5
Deferred tax liabilities	148.4	2.6	151.0
Total non-current liabilities	1,386.2	3.8	1,390.0
Total equity and liabilities	7,037.4	(143.2)	6,894.2

The pension expense during the first half year of 2012 is € 0.6 million lower (net of tax).
Share of profit of associates for the first half year 2012 is € 2.4 million higher.
Other comprehensive income for the period ended June 30, 2012 was negatively affected by € 50.8 million (net of tax).

2. Property, plant and equipment

Movements for property, plant and equipment are as follows:

	June 30, 2013	Dec. 31, 2012
Balance on January 1	**908.1**	828.7
Investments	**130.5**	182.1
Consolidation	**-**	52.8
Reclassification	**-**	9.2
Disposals	**(9.9)**	(10.6)
Depreciation	**(79.6)**	(151.6)
Exchange differences	**0.7**	(2.5)
	949.8	908.1

3. Intangible assets

Intangible assets consist of:

	June 30, 2013	Dec. 31, 2012
Goodwill	**1,366.5**	1,373.5
Other intangibles	**548.1**	565.9
	1,914.6	1,939.4

Movements for goodwill are as follows:

	June 30, 2013	Dec. 31, 2012
Balance on January 1	**1,373.5**	1,304.6
Acquisitions	**5.8**	103.6
Disposals	**(1.4)**	(2.8)
Purchase price accounting adjustments	**-**	(6.4)
Impairments	**-**	(25.0)
Other reclassification	**(1.2)**	-
Exchange differences	**(10.2)**	(0.5)
	1,366.5	1,373.5

The purchase price accounting adjustment in 2012 represents an adjustment to contingent considerations with respect to an acquisition prior to the effective date of IFRS 3R.

At the end of each reporting period the Company assesses whether there is objective evidence that a (group of) intangible asset(s) is impaired. Impairment tests are performed on an annual basis as of September 30.

Movements for other intangibles are as follows:

	June 30, 2013	Dec. 31, 2012
Book value on January 1	**565.9**	557.9
Investments	**4.1**	23.9
Consolidation	**1.3**	31.5
Reclassification	**3.3**	(2.7)
Amortization and impairments	**(22.4)**	(45.3)
Exchange differences	**(4.1)**	0.6
	548.1	565.9

4. Investments in associates

Movements are as follows:

	June 30, 2013	Dec. 31, 2012
Book value on Jan. 1	**1,841.0**	1,725.9
Investments	**116.4**	180.4
Disposals	**(10.4)**	(9.5)
Income	**133.1**	266.8
Dividends	**(58.7)**	(60.5)
Actuarial results on defined benefit plans	**10.5**	(82.2)
Change in fair value	**(2.2)**	7.3
Reclassification	**-**	(131.1)
Exchange adjustments and effect of financial instruments	**(13.2)**	(56.1)
	2,016.5	1,841.0

Investments mainly consist of HAL's proportionate 33.9% share (€ 108 million) in a capital increase of Koninklijke Boskalis Westminster N.V.

Quoted associates are valued, as of June 30, 2013, based on unaudited publicly available information.

5. Other financial assets

The specification is as follows:

	June 30, 2013	Dec. 31, 2012
Investment in quoted securities	**362.9**	334.1
Loans to associates	**7.4**	8.3
Other loans	**33.1**	29.2
Purchased debt portfolio	**17.6**	22.9
Other	**48.5**	50.6
	469.5	445.1
Current:	-	69.6
Non-current:	**469.5**	375.5
	469.5	445.1

Investment in quoted securities include:

	June 30, 2013	Dec. 31, 2012
9⅝% Senior Notes issued by Safilo Group S.p.A. maturing in 2013	-	69.6
13.5% equity interest in SBM Offshore N.V.	**362.9**	264.5
	362.9	334.1

The 9⅝% Senior Notes issued by Safilo Group S.p.A. were redeemed at par. The redemption resulted in a capital gain of € 26 million.

6. Assets held for sale

	2013	2012
Balance on January 1	**230.7**	-
Reclassification from associates	-	190.6
Reclassification from other financial assets	-	40.1
Disposal	**(230.7)**	-
Balance on Dec. 31	-	230.7

Assets held for sale included the Company's 31.6% interest in the outstanding ordinary shares of Dockwise Ltd. (€ 190.6 million) and the 9% $ 50 million preference shares in Dockwise Ltd. (€ 40.1 million). These assets were sold to Koninklijke Boskalis Westminster N.V. in 2013, realizing a capital gain of € 22 million (adjusted for the Company's equity interest in Koninklijke Boskalis Westminster N.V.).

7. Issued capital

The issued share capital as of June 30, 2013 consists of 71,619,234 shares of which 66,289 are held as treasury stock by the Company. Movements in the number of shares were as follows:

x 1,000	Issued shares	Treasury shares
January 1, 2012	67,358.8	81.2
Sale of treasury shares	-	(11.1)
Purchase of treasury shares	-	2.6
Dividend paid in stock	2,104.1	3.3
June 30, 2012	69,462.9	76.0
January 1, 2013	69,462.9	76.0
Sale of treasury shares	-	(12.7)
Dividend paid in stock	2,156.3	3.0
June 30, 2013	71,619.2	66.3

Outstanding shares	71,552.9
Par value (HAL Holding N.V.)	0.02
Share capital (million)	1.4

A 2012 dividend of € 271 million (excluding dividend on treasury shares) or € 3.90 per share was paid on June 19, 2013 (2012: € 229 million or € 3.40 per share), of which € 59 million in cash and € 212 million in shares. Shareholders representing 78.2% of the issued shares had their dividend distributed in stock. These shareholders received 1 new share for 25.2 existing shares.

This conversion ratio was determined based on the volume weighted average share price of HAL Trust shares traded on NYSE Euronext in Amsterdam during the period May 23, 2013 through June 12, 2013. Accordingly, 2,156,328 shares were issued on June 19, 2013.

8. Long-term debt and other financial liabilities

	June 30, 2013	Dec. 31, 2012
Long-term bank debt	**1,029.3**	982.3
Other financial liabilities	**139.0**	150.2
	1,168.3	1,132.5

Other financial liabilities consist of the non-current portion of obligations to acquire equity instruments in certain subsidiaries from the management of these subsidiaries (€ 21.7 million) and financial commitments due to previous owners of companies acquired, that are payable in future years (earn-out and deferred/ contingent payments) for € 117.3 million.

9. Short-term debt and other financial liabilities

	June 30, 2013	Dec. 31, 2012
Short-term debt	**264.3**	385.7
Other financial liabilities	**16.2**	45.1
	280.5	430.8

Other financial liabilities consist of the non-current portion of obligations to acquire equity instruments in certain subsidiaries from the management of these subsidiaries.

10. Revenues

	June 30, 2013	June 30, 2012
Sale of goods	**1,875.3**	1,821.7
Services	**130.4**	131.7
Franchise fees	**37.0**	37.0
	2,042.7	1,990.4

11. Share of profit/ (loss) of associates

	June 30, 2013	June 30, 2012
Share in results	**133.1**	132.9
Capital gain on sale Dockwise Ltd.	**22.1**	-
	155.2	132.9

Dockwise Ltd. was classified as an asset held-for-sale as of December 31, 2012.

12. Income from other financial assets

	June 30, 2013	June 30, 2012
Interest from loans and debt portfolio	**6.6**	6.6
Capital gain Safilo (see note 5)	**26.0**	-
	32.6	6.6

Segmentation

The Company's reportable segments are:

- Optical retail
- Other unquoted
- Quoted minority interests
- Real estate
- Liquid portfolio

Operating income (for the purpose of this report defined as earnings before interest, exceptional and non-recurring items, taxes and amortization of intangible assets but including amortization software) can be detailed as follows:

	June 30, 2013	June 30, 2012
Optical retail	**128.4**	124.8
Other unquoted	**21.4**	39.6
Quoted minority interests	**176.8**	126.1
Real estate	**5.5**	7.6
Liquid portfolio	**4.5**	7.9
	336.6	306.0
Reconciling items:		
- Amortization	**(22.4)**	(21.7)
- Other	**(3.2)**	(18.7)
Operating result as per consolidated statement of income	**311.0**	265.6
Financial expense, net	**(20.3)**	(24.4)
Profit before tax as per consolidated statement of income	**290.7**	241.2

The category "Other" mostly consists of exceptional and non-recurring items and corporate overhead.

The composition of revenues by segment is as follows:

	June 30, 2013	June 30, 2012
Optical retail	**1,265.5**	1,193.7
Other unquoted	**777.2**	796.7
	2,042.7	1,990.4

The composition of assets by segment is as follows:

	June 30, 2013	Dec. 31, 2012
Optical retail	**2,323.9**	2,335.4
Other unquoted	**2,043.9**	2,011.5
Quoted minority interests	**2,192.9**	2,224.4
Real estate	**45.1**	46.0
Liquid portfolio	**267.9**	171.2
Reconciling items	**101.6**	105.7
	6,975.3	6,894.2

The reconciling items represent mostly pension plans, deferred tax and loans.

Summary by level of assets and liabilities measured at fair value

Financial risk factors

The group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.
The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the group's annual financial statements as at December 31, 2012.
There have been no changes in the risk management policies since the year end.

Liquidity risk

Compared to year end, there was no material change in the contractual undiscounted cash out flows for financial liabilities except for the decrease in short term debt and other financial liabilities (€ 150 million).

Fair value estimation

The carrying amount approximates the fair value for all financial assets and liabilities.
The table below analyses financial instruments carried at fair value, by category.

June 30, 2013	Level 1	Level 2	Level 3	Total
Assets				
Available-for-sale financial assets				
- equity securities	415.9	43.2	-	459.1
Derivatives	-	0.3	-	0.3
Total	415.9	43.5	-	459.4

	Level 1	Level 2	Level 3	Total
Liabilities				
Derivatives	-	17.3	-	17.3
Other financial liabilities	-	-	155.2	155.2
Total	-	17.3	155.2	172.5

Dec. 31, 2012	Level 1	Level 2	Level 3	Total
Assets				
Available-for-sale financial assets				
- equity securities	312.4	41.0	-	353.4
- fixed income instruments	69.6	-	-	69.6
Derivatives	-	2.4	-	2.4
Total	382.0	43.4	-	425.4

	Level 1	Level 2	Level 3	Total
Liabilities				
Derivatives	-	30.5	-	30.5
Other financial liabilities	-	-	195.3	195.3
Total	-	30.5	195.3	225.8

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Equity funds classified in level 2 are fairly valued using the net asset value of the fund, as reported by the respective fund's administrator as it represents the fair value of the assets held by the fund. For these funds, management believes the Company could have redeemed its investment at the net asset value per share at the statement of financial position date.

In the case of financial instruments that are not traded in an active market such as certain derivatives, fair value is determined by using valuation techniques. These valuation techniques use observable market data where it is available. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There were no transfers between levels 1 and 2 during the period.

Fair value measurements using significant unobservable market data (level 3):

June 30, 2013	Assets	Liabilities
Balance at Jan 1	-	195.3
Movement recognized		
in profit and loss	-	(0.5)
Net payments	-	(39.1)
Exchange adjustment	-	(0.5)
Balance at June 30	-	155.2

Other financial liabilities included in level 3 include earn-out and deferred/contingent payments with respect to acquisitions for € 117 million and obligations to acquire equity instruments in certain subsidiaries from the management of these subsidiaries for € 38 million. These liabilities are recorded at fair value based on contractual agreements and estimates of future profitability of the respective subsidiaries. Deferred and contingent payments mainly consist of a liability for which a discount rate of 5.8 % is used. A decrease in the discount rate by 1% would result in an increase of the liability by € 3 million. Changes in the fair value of these liabilities are recorded in the statement of income.

Related-party transactions

During the first half of 2013, the Company purchased € 34.1 million of goods from companies controlled by Safilo Group S.p.A., a 42.2% associate (2012: € 29.3 million). As of June 30, 2013, the Company had € 17.3 million (2012: € 14.6 million) payable to Safilo Group S.p.A. with respect to delivery of goods in the ordinary course of business.
In May, the € 68.3 million Senior 9 5/8% Notes issued by Safilo Group S.p.A owned by the Company, were redeemed at par.
In the second quarter of 2013 the Company provided a € 40 million revolving financing facility to Safilo Group S.p.A, maturing June 30, 2015. At the date of this report, this facility has not been used.

In January, HAL participated for its proportionate 33.9% share (€ 108.4 million) in a capital increase of Koninklijke Boskalis Westminster N.V.

In March, the 31.6% ownership interest including the preference shares in Dockwise Ltd. was sold to Koninklijke Boskalis Westminster N.V. for a total consideration of € 273.7 million.

Transactions with group companies were eliminated upon consolidation.
Transactions with members of the Executive Board and the Supervisory Board only relate to regular compensation.
During the first half year there were no other material transactions with related parties which could reasonably affect any decision made by the user of these condensed interim consolidated financial statements.

List of Principal Subsidiaries and Associates

as of June 30, 2013

(Interest = 100% unless otherwise stated)

Consolidated:	**Interest**
HAL Holding N.V., Curaçao	
HAL International N.V., Curaçao	
HAL International Investments N.V., Curaçao	
HAL Investments N.V., Curaçao	
HAL Real Estate Investments Inc., Seattle	
HAL Investments B.V., Rotterdam	
Coral Shipping Holding B.V., Rotterdam	
FD Mediagroep B.V., Amsterdam	
Mercurius Groep Holding B.V., Zaandam	
Orthopedie Investments Europe B.V., Haarlem	
GrandVision B.V., Schiphol	98.8%
Broadview Holding B.V.,‘s-Hertogenbosch	97.4%
Atasun Optik A.S., Istanbul	95.0%
AudioNova International B.V., Rotterdam	95.0%
Sports Timing Holding B.V., Haarlem	95.0%
Koninklijke Ahrend N.V., Amsterdam	92.6%
Shanghai Red Star Optical Co. Ltd., Shanghai	78.0%
Flight Simulation Company B.V., Schiphol	70.0%
InVesting B.V., Hilversum	67.9%
PontMeyer N.V., Zaandam	67.9%
Anthony Veder Group N.V., Curaçao	64.2%

Non-consolidated:

Publicly traded	**Interest**	**Exchange**
Koninklijke Vopak N.V. (ordinary shares)	48.2%	Amsterdam
Safilo Group S.p.A.	42.2%	Milan
Koninklijke Boskalis Westminster N.V.	34.3%	Amsterdam
SBM Offshore N.V.	13.5%	Amsterdam

Other	
Gispen Group B.V.	49.0%
N.V. Nationale Borg-Maatschappij	46.7%
Atlas Services Group Holding B.V.	45.0%
Infomedics Groep B.V.	38.8%
Visilab S.A.	30.2%
Navis Capital Partners Ltd.	25.0%

Statement by the Executive Board

The administrative procedures, the risk management and internal control systems associated with the Company's strategy and its implementation, the financial reporting and compliance are all designed to provide a reasonable degree of assurance that significant risk factors are identified, their development is monitored and, where appropriate, action is taken on a timely basis. The Board of Supervisory Directors is regularly informed about these matters.

The companies in which HAL has invested differ in industry, size, culture, geographical diversity and stage of development. Each company is subject to specific risks relating to strategy, operations, finance and (fiscal) legislation. HAL has therefore chosen not to institute a centralized management approach and not to develop a central risk management system. Each investee company has its own financial structure and is responsible for evaluating and managing its own risks. The companies generally have a supervisory board of which the majority of members are not affiliated with HAL. This corporate governance structure allows the operating companies to fully concentrate on developments which are relevant to them and to assess which risks to accept and which risks to avoid. Accordingly, in addition to risks associated with HAL's strategy and its implementation as referred to in the report on the first half year of 2013 and which are further described in the 2012 annual report, there are specific risk factors associated with each individual investee company. It is the responsibility of each investee company to evaluate these specific risks.

HAL's objective is, in the context of the inherent limitations of the decentralized management approach described above, that its internal and external financial reporting is complete, accurate, valid and timely. Financial reporting risk can be defined as any event that impedes HAL to achieve its financial reporting objectives.

Based on the above, taking into account the inherent limitations referred to, we declare that, to the best of our knowledge, the condensed interim consolidated financial statements for the six-months period ended June 30, 2013, which have been prepared in accordance with IAS 34, 'Interim Financial Reporting', give a true and fair view of the assets, liabilities, financial position and net income of the consolidated entities taken as a whole, and the interim report of the Executive Board includes a fair view of the information required pursuant to section 5:25d. subsections 8 and 9 of the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*).

Executive Board HAL Holding N.V.
M. van der Vorm *(Chairman)*
M.F. Groot

August 28, 2013