

AXA Belgium Finance (NL) B.V.

Annual report for the year ended December 31, 2012

Statutory seat:	Amsterdam
Address:	Ginnekenweg 213 4835 NA Breda

Breda, April 22, 2013

Approved and adopted in the general meeting of shareholders dated April 22, 2013

Table of contents

Management report

Management report	1
-------------------	---

Financial statements

Balance sheet at December 31, 2012	7
Profit and loss account for the year ended 2012	9
Cash flow statement for the year ended 2012	10
Accounting policies used for the financial statements	11
Notes to the balance sheet	15
Notes to the profit and loss account	19

Other information

Other information	22
Auditor's report	23

Total number of pages in this report: 24

Management report

General

AXA Belgium Finance (NL) B.V. is a limited liability company ('Besloten Vennootschap met beperkte aansprakelijkheid') under the laws of the Netherlands. The Company is a wholly owned subsidiary of AXA Bank Europe S.A./N.V., which in its turn is held for 100% by AXA Holdings Belgium S.A./N.V. The legal address of those parent companies is Boulevard du Souverain 25, 1170 Brussels (Watermael-Boitsfort), Belgium.

The Company has a Management Board consisting of two managing directors, who have been appointed by the Company's shareholder. The Company has no staff and its Management Board members work on a part-time basis for the Company. There are no potential conflicts of interests between any duties to the Company of any of the Management Board members and their private interests and/or other duties.

The Management Board of the Company consists of Dr. Cees de Jong, chairman, and Mr. Geert Van de Walle, member. The composition of the Management Board is not in line with the new legislation that requires a 'balanced composition' in terms of gender of the Management Board of certain companies. Because of the background of the existing Management Board members and their specific knowledge, changing the composition of the Management Board is not in the interest of the Company.

Financial information

In comparison with the previous financial year, the total assets show a remarkable increase of EUR 642,6 million and arrived at an amount of EUR 1,031,994,513. This is due to both the number of new issues at the request of AXA Bank Europe S.A./N.V. and the size of these issues.

The operating expenses amount to EUR 207,774. This is an increase of EUR 18,6 thousand (9.8%) compared to the financial year 2011. The increase is mainly caused by new issues and a more active management of the outstanding issues. The profit before taxation multiplied by five and amounts to EUR 562,292 (2011: EUR 110,910).

The Management Board proposes to add the net profit of EUR 431,719 to the 'other reserves'.

Business overview

According to Article 2 of its Articles of Association, the Company's objectives are:

- to finance other enterprises and companies;
- to found, to participate in any way in, to manage and to supervise enterprises and companies;
- to provide guarantees and to engage the Company or its assets for the benefit of connected enterprises and companies;
- to grant services to enterprises and companies;

AXA Belgium Finance (NL) B.V., Breda

- to lend, loan and raise funds, including the issue of bonds, IOUs or other securities, and conclude the connected agreements;
- obtaining, alienating, managing and exploiting of real estate and value properties in general;
- carrying out all sorts of industrial, financial and commercial activities.

Currently, the Company's activity consists of issuing notes programmes that are unconditionally and irrevocably guaranteed by its sole shareholder AXA Bank Europe S.A./N.V. (the Guarantor). The notes issued by the Company are mainly placed among European investors. The net proceeds of these notes are lent to AXA Bank Europe S.A./N.V., that uses the proceeds for general corporate purposes.

Several Notes are listed on the Luxembourg Stock Exchange. Notes issues can be subject to selling commissions, out-of-pocket expenses and are subject to paying agency fees. The notes issued under the Notes Programmes dated May 9, 2006 are governed by the laws of the Netherlands and they are issued in bearer form or in registered form. Pursuant to a selling restriction, the notes under these Programmes cannot be transferred or sold, whether directly or indirectly, as part of the initial distribution or at any time thereafter, to any individual or legal entity who or which is established, domiciled or resident in the Netherlands.

The first Notes Programme was issued in 2006.

In 2010 a new Notes Issuance Programme for a maximum amount of EUR 1,000 million was launched together with AXA Bank Europe S.A./N.V. (co-issuer and Guarantor). The Notes issued under this new Programme are governed by Belgian law. On April 17, 2012, the Belgium regulator FSMA (Autoriteit voor Financiële Diensten en Markten) has approved the extension of this Programme from EUR 1,000 million to EUR 2,000 million. During 2012 three Supplements were published to the Base Prospectus of September 11, 2011. The Base Prospectus describing the Programme was last updated on September 10, 2012. A first supplement to this 2012 Base Prospectus (documenting a modification of the rating of AXA Bank Europe S.A./N.V.) was published on December 31, 2012.

Contrary to the Notes issued under earlier Programmes, some Notes issued under this new Programme are distributed in other countries than Belgium, through the services provided by local third party distributors appointed upon advice and in sub delegation of the Company's principal distributor, AXA Bank Europe S.A./N.V. In order to enable such activities, the Base Prospectus describing the Programme has been notified by the Belgian regulator (FSMA) to the official regulators in France, Luxemburg, Germany, Spain, Portugal and Greece.

On December 31, 2012 the following par values of notes were outstanding:

- 1 under the Notes Programme dated May 9, 2006:
 - Serena Lift Up: EUR 25,606,000 (maturity: June 23, 2016)
 - Serena Upgrade: EUR 11,452,000 (maturity: September 29, 2014);
 - Serena Memoris: EUR 7,376,000 (maturity: December 15, 2016);
- 2 Under the EUR 2,000,000,000 Notes Issuance Programme dated September 21, 2010:
 - CoFE: EUR 1,150,000 (distributed in France)
 - EUREKA I: EUR 1,000,000 (distributed in France)
 - CoFE II: EUR 5,000,000 (distributed in France)

AXA Belgium Finance (NL) B.V., Breda

- Optimote Multiwin: EUR 112,193,000 (initial size: EUR 114,133,000) (distributed in Belgium)
- Optimote Multistep: EUR 50,317,000 (distributed in Belgium) (initial size: EUR 51,162,000)
- AXA Coupon Sérénité 2: EUR 68,032,000 (initial size: EUR 100,000,000) (distributed in France)
- Optimote Inflation: EUR 76,613,000 (initial size: EUR 77,901,000) (distributed in Belgium)
- Optimote Amplitude: EUR 7,086,000 (distributed in Belgium) (initial size: EUR 7,321,000)
- Sweet Reverse: EUR 6,200,000 (distributed in Portugal)
- Drouot Patrimoine Zen: EUR 10,786,000 (initial size: EUR 30,000,000)
- CoFe III: EUR 3,000,000
- CoFe IV: EUR 3,000,000
- Optimote Multistep 2: EUR 102,935,000 (initial size: EUR 103,872,000)
- Coupon Sérénité 4: EUR 207,946,000 (initial size : EUR 350,000,000)
- Drouot Patrimoine Zen 2: EUR 13,535,000 (initial size: 30,000,000)
- Optimote Nordic: NOK 535,310,000
- Sweet Reverse 2: EUR 2,500,000 (distributed in Portugal)
- Life Opportunity: EUR 60,000,000
- Sweet Reverse 3: EUR 3,750,000 (distributed in Portugal)
- Drouot Patrimoine Zen 3: EUR 40,000,000
- Optimote Australia: AUD 65,000,000
- Sweet Reverse 4: EUR 3,750,000
- Life Opportunity 2: EUR 39,250,000
- Optimote Nordic 2: NOK 184,490,000
- Sweet Reverse 5: EUR 4,500,000

Risk management

The main activity of the Company consists of lending the proceeds of issued notes to AXA Bank Europe S.A./N.V., where a maximum correlation between the conditions of the notes and those of the loans to AXA Bank Europe S.A./N.V. is pursued, thus preventing the existence of substantial transformation risks.

As a finance company, the Company could face a number of risks including, but not limited to credit risk, market risk, currency risk, operational risk, real estate risk and liquidity risk. In assessing the risk profile of the Company it is important to note that all notes issued by the Company are unconditionally and irrevocably guaranteed by AXA Bank Europe S.A./N.V.

Credit risk: as a finance company, the Company is exposed to the creditworthiness of its counterparties where the Company may suffer losses related to the inability of its debtors or counterparties to meet their financial obligations. As all the proceeds of the notes are lent to the Guarantor, the significant credit risk is limited to the Guarantor.

Market risk: refers to the risk of loss relating to fluctuations in market prices and interest rates, their interactions and their level of volatility. Due to the nature of its activity, the Company is prevented from assuming significant exposure to market risk.

AXA Belgium Finance (NL) B.V., Breda

Foreign currency risk: in 2012 the Company has issued Notes in Australian dollar and Norwegian crown. As all the proceeds of the Notes are lent to the Guarantor and these loans are in the same currencies, there is no significant foreign currency risk exposure. Other than these issues, the Company is not active in different currency zones or dealing with instruments in different currencies.

Operational risk: is the risk of loss arising from the inadequacy or failure of procedures, individuals or internal systems, or even external events (such as, but not limited to natural disasters and fires). It includes risk relating to information systems, litigation risk and reputation risk. The Company cannot provide assurances that such failures will not occur or, if they do occur that they will be adequately addressed. Operational, information and security risks are, however, actively managed through a common AXA Bank Europe S.A./N.V. framework that identifies measures and monitors the risks and its mitigating controls in the businesses of AXA Bank Europe S.A./N.V. and its subsidiaries.

Liquidity risk: is the risk that the Company cannot meet its financial liabilities when they fall due, at reasonable costs and in a timely manner. We refer to the Guarantee by AXA Bank Europe S.A./N.V. that unconditionally and irrevocably guarantees the due and punctual payment of the principal of and interest on the issued notes as well as of any additional amounts which may be required to be paid by the Company.

Generally, the risks are based on contingencies which may or may not occur and neither the Company, nor the Guarantor, is in a position to express a view on the likelihood of any such contingency occurring.

Declaration section 5:25C

As required by section 5:25c of the Wet op het financieel toezicht (Dutch Financial Supervision Act), the Managing Directors declare that, to the best of their knowledge,

- 1 the financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- 2 the management report gives a true and fair view of the important events and their impact on the financial statements and as well as major related parties transactions that have occurred during the financial year together with a description of the principal risks and uncertainties that the Company faces.

Corporate social responsibility

The Company is a member of the AXA group that is active at the crossroads between social development, respect for the environment and economic performance. As such, the AXA group has developed a sustainable development strategy focusing on the specific nature of its financial protection business and the responsible behaviour commensurate with its status as a major international group. This is why the AXA group is committed to carrying out its activities as a responsible corporation, managing its direct impact on its various stakeholders:

- Employees: continually strengthening their skills and commitment with a view to improving performance, with a priority focus on diversity and equal opportunities.

AXA Belgium Finance (NL) B.V., Breda

- Clients: consistently delivering efficient services and adapted solutions, while adhering to the highest standard of professional conduct.
- Shareholders: achieving industry-leading operating performance levels in order to create lasting value, and providing them with transparent information.
- Suppliers: assessing their commitment to sustainable development and human rights when selecting suppliers, with AXA's purchasers upholding strict rules of professional conduct.
- The community: developing corporate philanthropy actions focusing on prevention, social volunteering, local development and the fight against exclusion.

Investments

Since the date of the closing of the financial year, there have been no principal investments made. Moreover, the Company has not planned any principal future investments, except for the onlending of the proceeds of the notes under the present programmes. Considering that there are no firm commitments for future investments, no information regarding the anticipated sources of funds needed to fulfil them is provided.

Future developments

The Notes Issuance Programme dated September 21, 2010, is created at the request of, and in close collaboration with AXA Bank Europe S.A./N.V. (in this Programme AXA Bank Europe S.A./N.V. acts both as potential Issuer together with AXA Belgium Finance (NL) B.V. and as Guarantor) and will support the international business objectives of AXA Bank Europe S.A./N.V. that aim at providing an offer of notes with a broad range of maturities, currencies, structures and sizes, that shall be distributed through local entities of the AXA Group or third party distributors. The Programme allows retail issues, institutional issuances, private placements and reverse inquiry issues (for entities of the AXA Group and third parties) can be organized under the same Programme throughout Europe. AXA Bank Europe S.A./N.V. has requested to prepare the issue process of several new issues in 2013 in Belgium and other European countries.

Since December 31, 2012, the following Notes are issued (situation April 10, 2013):

- Optimote Carmignac Patrimoine (14/2/2013): EUR 35.485.000 (initial: EUR 35.624.000)
- Life Opportunity 3 (13/3/2013): EUR 57,650,000
- Life Opportunity Selection (3/4/2013): EUR 42.750.000

Several other issues are planned for the near future:

- Sweet Reverse 6 (30/4/2013): EUR 3-15 mio (distribution in Portugal)
- Optimote Australia 2 (8/5/2013): AUD 10-250 mio
- Optimote European Dividend (20/6/2013): EUR 5-100 mio
- Sweet Reverse 7 (2/2013): EUR 9-20 mio (distribution in Portugal)

Apart from these evolving business objectives, there has been no material adverse change in the financial position or prospects of the Company since December 31, 2012. There are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the prospects of the Company for the current financial year.

AXA Belgium Finance (NL) B.V., Breda

Breda, April 22, 2013

Cees de Jong, Chairman of the Management Board

Geert Van de Walle, Member of the Management Board

AXA Belgium Finance (NL) B.V., Breda

Balance sheet at December 31, 2012

(after appropriation of result)

A s s e t s

	2012		2011	
	EUR	EUR	EUR	EUR
Fixed assets				
Financial fixed assets				
Amounts receivable from participants (1)		1,014,692,217		380,765,643
Current assets				
Receivables				
Amounts receivable from participants (2)	14,425,916		6,035,929	
Cash at bank and in hand (3)	2,876,380		2,589,675	
		17,302,296		8,625,604
Total assets		<u>1,031,994,513</u>		<u>389,391,247</u>

PricewaterhouseCoopers Accountants N.V.
For identification purposes only



AXA Belgium Finance (NL) B.V., Breda

Shareholder's equity and liabilities

	2012		2011	
	EUR	EUR	EUR	EUR
Shareholder's equity				
Issued share capital (4)	1,768,459		1,768,459	
Other reserves (5)	1,392,723		961,004	
		3,161,182		2,729,463
Long-term liabilities				
Other bond loans and private loans (6)		1,014,623,259		380,719,015
Current liabilities				
Other bond loans and private loans (7)	5,000,000		2,426,627	
Taxes and social security charges	141,569		9,483	
Other liabilities, accruals and deferred income (8)	9,068,503		3,506,659	
		14,210,072		5,942,769
Total shareholder's equity and liabilities		1,031,994,513		389,391,247

PricewaterhouseCoopers Accountants N.V.
For identification purposes only



AXA Belgium Finance (NL) B.V., Breda

Profit and loss account for the year ended 2012

	2012		2011	
	EUR	EUR	EUR	EUR
Other operating expenses		(207,774)		(189,206)
Operating loss		(207,774)		(189,206)
Income from amounts receivable forming part of the fixed assets (9)	20,981,881		4,833,178	
Interest income and similar income (10)	21,620		34,636	
Interest expense and similar charges (11)	(20,233,435)		(4,567,698)	
Financial income and expense		770,066		300,116
Profit before taxation		562,292		110,910
Income taxes (12)		(130,573)		(22,183)
Profit after taxation		431,719		88,727

PricewaterhouseCoopers Accountants N.V.
For identification purposes only



Cash flow statement for the year ended 2012

The cash flow statement has been drawn up using the indirect method.

	2012		2011	
	EUR	EUR	EUR	EUR
Cash flow from operating activities				
Operating loss		(207,774)		(189,206)
Changes in working capital:				
– Movements in amounts receivable	(3,389,986)		(3,357,092)	
– Movements in current liabilities (excluding amounts payable to credit institutions)	3,267,303		3,275,728	
		(122,683)		(81,364)
Other changes:				
– Changes in amounts receivable forming part of the fixed assets	(3,268,873)		(488,714)	
– Changes in long term accrual liabilities	3,232,795		401,211	
		(36,078)		(87,503)
		(366,535)		(358,073)
Income from amounts receivable forming part of the fixed assets	19,954,088		4,540,292	
Interest income	21,620		34,636	
Interest expense	(19,172,561)		(4,280,461)	
Income taxes	(130,573)		(22,183)	
		672,574		272,284
Cash flow from operating activities		306,039		(85,789)
Cash flow from financing activities				
Loans granted to group companies	(821,675,417)		(363,577,000)	
Repayments on loans to group companies	186,556,918		52,119,558	
Proceeds from issued medium term notes	821,675,417		363,577,000	
Repayments on issued medium term notes	(186,576,252)		(52,116,980)	
Cash flow from financing activities		(19,334)		2,578
Movements in cash at bank and in hand		286,705		(83,211)
Cash at bank and in hand January 1		2,589,675		2,672,886
Movement		286,705		(83,211)
Cash at bank and in hand December 31		2,876,380		2,589,675

PricewaterhouseCoopers Accountants N.V.
For identification purposes only



Accounting policies used for the financial statements

General information

The Company's financial statements have been prepared in accordance with Part 9 of Book 2 of the Dutch Civil Code. Because the Dutch Act on Financial Supervision is applicable due to the fact that the company has issued securities that are traded on a regulated market, no reporting exemptions can be utilised. The financial statements were prepared on April 22, 2013.

AXA group and related parties

AXA Belgium Finance (NL) B.V. is a wholly owned subsidiary of AXA Bank Europe S.A./N.V., Brussels, Belgium. The ultimate parent is AXA S.A., Paris, France.

In the financial statements these companies are considered to be related parties.

Going concern

The accounting policies used in these financial statements are based on the expectation that the company will be able to continue as a going concern. The bases presumes that funds are available to finance future operations and that the realization of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Business overview

Objectives of the company

According to article 2 of its articles of association, the company's objectives are:

- to finance other enterprises and companies;
- to found, to participate in any way in, to manage and to supervise enterprises and companies;
- to provide guarantees and to engage the company or its assets for the benefit of connected enterprises and companies;
- to grant services to enterprises and companies;
- to lend, loan and raise funds, including the issue of bonds, IOUs or other securities, and conclude the connected agreements;
- obtaining, alienating, managing and exploiting of real estate and value properties in general;
- carrying out all sorts of industrial, financial and commercial activities.

Operations

Currently, the company's activity consists of issuing notes programmes that are unconditionally and irrevocably guaranteed by its sole shareholder AXA Bank Europe S.A./N.V. (the Guarantor). The notes issued by the company are mainly placed among European investors. The net proceeds of these notes are lent to AXA Bank Europe S.A./N.V., that uses the proceeds for its general corporate purposes. In the financial year new notes under the Euro Medium Term Notes programme have been issued. These securities are traded on regulated markets. Notes issues can be subject to selling commissions, out-of-pocket

expenses and are subject to paying agency fees. The not listed notes are governed by the laws of the Netherlands and they are issued in bearer form or in registered form. Pursuant to a selling restriction, the notes will not be offered, transferred or sold, whether directly or indirectly, as part of the initial distribution or at any time thereafter, to any individual or legal entity who or which is established, domiciled or resident in the Netherlands.

Notes programmes

The first Notes Programme was issued in 2006. In 2008 the company decided to issue a new notes programme for a maximum amount of EUR 300 million. The conditions of this programme are similar to the 2006 notes programme. On September 17, 2008, a first tranche under this new programme was issued under the name 'Inflation Proof+'. During 2012 notes with a total par value of EUR 2,491,000 under this programme have been repaid (2011: EUR 25,368,000).

In 2010 it was decided to start the Euro Medium Term Notes programme. Under this programme notes can be issued to a maximum of EUR 1,000,000,000. In 2012 the programme was extended to EUR 2,000,000,000. In 2012 notes for this programme were issued with a total par value of an original EUR equivalent of 821,804,581 (2011: EUR 363,867,000). During 2012 notes with a total par value of EUR 184,512,000 have been repaid (2011: EUR 30,434,000).

On December 31, 2012, the following par values of notes, with a total par value of EUR equivalent of 1,016,064,417, were outstanding:

1 Notes Programme dated May 9, 2006:

<u>Product</u>	<u>Currency</u>	<u>Amount</u>	<u>Maturity</u>
Serena Lift Up	EUR	25,606,000	June 23, 2016
Serena Upgrade	EUR	11,452,000	September 29, 2014
Serena Memoris	EUR	7,376,000	December 15, 2016

2 Notes Issuance Programme dated September 6, 2011:

<u>Product</u>	<u>Currency</u>	<u>Amount</u>	<u>Maturity</u>
CoFE	EUR	1,150,000	March 17, 2014
EUREKA I	EUR	1,000,000	May 19, 2016
CoFE II	EUR	5,000,000	July 15, 2013
Optinote Multiwin	EUR	112,193,000	July 15, 2016
Optinote Multistep	EUR	50,317,000	July 15, 2016
AXA Coupon Sérénité 2	EUR	68,032,000	December 12, 2019
Optinote Inflation	EUR	76,613,000	November 9, 2016
Optinote Amplitude	EUR	7,086,000	November 9, 2016
Sweet Reverse	EUR	6,200,000	December 28, 2016
Drouot Patrimoine Zen	EUR	10,786,000	May 11, 2017
CoFE III	EUR	3,000,000	January 31, 2014

AXA Belgium Finance (NL) B.V., Breda

<u>Product</u>	<u>Currency</u>	<u>Amount</u>	<u>Maturity</u>
CoFE IV	EUR	3,000,000	January 30, 2015
Optinote Multistep 2	EUR	102,935,000	March 9, 2017
Drouot Patrimoine Zen 2	EUR	13,535,000	July 5, 2017
AXA Coupon Sérénité 4	EUR	207,946,000	August 14, 2020
Sweet Reverse 2	EUR	2,500,000	June 7, 2018
Optinote Nordic	NOK	535,310,000	June 8, 2017
Life Opportunity	EUR	60,000,000	September 13, 2021
Sweet Reverse 3	EUR	3,750,000	September 26, 2018
Optinote Australia	AUD	65,000,000	November 16, 2017
Sweet Reverse 4	EUR	3,750,000	December 3, 2018
Drouot Patrimoine Zen 3	EUR	40,000,000	January 29, 2018
Life Opportunity 2	EUR	39,250,000	December 13, 2022
Sweet Reverse 5	EUR	4,500,000	December 28, 2020
Optinote Nordic 2	NOK	184,490,000	December 27, 2017

General***Financial fixed assets***

Receivables under financial fixed assets are carried at the lower of face value and recoverable amount (being the higher of value in use and fair value less costs to sell). Discounts and premiums on loans granted or acquired are taken to the profit and loss account during the term of the receivable, calculated on a straight-line basis. For that purpose, the face value of the loan is decreased or increased by the discount or premium, respectively, still to be taken to the profit and loss account. The outcome of the straight-line method is to be considered not materially different than the outcome using the effective interest method.

Receivables

Receivables under current assets are carried net of a provision for doubtful debts.

Cash at bank and in hand

Cash and cash equivalents are carried at their face value.

Financial instruments

A financial instrument or its separate components are classified in the financial statements as liability or as equity in accordance with the substance of the contractual agreement underlying the financial instrument. In the financial statements, a financial instrument is classified in accordance with the legal reality. Interest, dividends, income and expenses relating to a financial instrument, or part of a financial instrument, are included in the financial statements in accordance with the classification of the financial instruments as liabilities or equity.

Unless stated otherwise, the financial instruments included in the financial statements are carried at their face value.

PricewaterhouseCoopers Accountants N.V.
For identification purposes only



Taxes

Taxes are calculated on the result disclosed in the profit and loss account, taking account of tax-exempt and partly or completely non-deductible expenses.

Liabilities

Liabilities are carried at face value unless stated otherwise. Capitalized expenses, discounts and premiums on loans granted or acquired are taken to the profit and loss account during the term of the debt, calculated on a straight-line basis. For that purpose, the face value of the loan is decreased or increased by the respective expenses, discounts or premium, still to be taken to the profit and loss account. The outcome of the straight-line method is to be considered not materially different than the outcome using the effective interest method.

Income

Interest

Interest income is recognised pro rata in the profit and loss account, taking into account the effective interest rate for the asset concerned, provided the income can be measured and the income is probable to be received.

Expenses

General

Expenses are determined with due observance of the aforementioned accounting policies and allocated to the financial year to which they relate. Foreseeable and other obligations as well as potential losses arising before the financial year-end are recognised when they are known before the financial statements are prepared and provided all other conditions for forming provisions are met.

Interest

Interest is allocated to successive financial reporting periods in proportion to the outstanding principal. Capitalized expenses, premiums and discounts, are treated as annual interest charges so that the effective interest rate, together with the interest payable on the loan, is recognised in the profit and loss account, with the amortised cost of the liabilities being recognised in the balance sheet. Period interest charges and similar charges are recognised in the year in which they fall due.

Notes to the balance sheet

Related party transactions

Related party transactions between the company and its related party AXA Bank Europe S.A./N.V. were as follows:

- Financial fixed assets; amounts receivable from participants, refer to Note 1;
- Current assets; amounts receivable from participants, refer to Note 2;
- Cash at bank and in hand, refer to Note 3;
- Guarantees provided, refer to Note 6;
- Current liabilities; other bond loans and private loans, refer to Note 7;
- Current liabilities; other liabilities, accruals and deferred income, refer to Note 8;
- Income from amounts receivable forming part of the fixed assets, refer to Note 9;
- Interest income and similar income, refer to Note 10.

Financial fixed assets

Amounts receivable from participants (1)

This item represents loans to the parent company AXA Bank Europe S.A./N.V. with a total par value of EUR equivalent 1,011,064,417 (2011: EUR 380,358,000). Part of the interest rates are fixed between 5,85% and 0,00% and part of the interest rates are variable and are equal to the medium term notes issued by the company, increased with margins from 0.09% (2011: Part of the interest rates are fixed between 5.1660% and 0.00% and part of the interest rates are variable and are equal to the medium term notes issued by the company, increased with margins from 0.10%).

The par value of the loans fall due:

- 1 – 5 years EUR 581,336,417 (2011: EUR 310,358,000);
- > 5 year EUR 429,728,000 (2011: EUR 70,000,000).

These loans are subordinated for a total par value of EUR 0 (2011: EUR 0).

Assets with a maturity less than one year are disclosed within current assets.

Current assets

Amounts receivable from participants (2)

The amounts receivable have a maturity shorter than a year.

The receivables include receivable amounts from the parent company AXA Bank Europe S.A./N.V. with a total value of EUR 14,425,916 (2011: EUR 6,035,929). These receivables refer to short term loan receivables as well as interest receivable (2011: interest receivable and other receivables).

These receivables are subordinated for a total par value of EUR 0 (2011: EUR 0).

AXA Belgium Finance (NL) B.V., Breda

Cash at bank and in hand (3)

This item includes bank current accounts with the parent company AXA Bank Europe S.A./N.V. amounting to EUR 2,874,574 (2011: EUR 351,089).

This item also includes deposits placed with the parent company AXA Bank Europe S.A./N.V. amounting to EUR 0 (2011: EUR 2,234,337, interest rate of 2.25%).

There are no other restrictions on the availability of cash and cash equivalents.

Shareholder's equity

	2012	2011
	EUR	EUR
<i>Paid-up and called-up share capital (4)</i>		
3,897 ordinary shares with a par value of EUR 453.80	1,768,459	1,768,459

The company's authorised capital amounts to EUR 4,000,247.

Other reserves (5)

Balance at January 1	961,004	872,277
Profit/(loss) appropriation	431,719	88,727
Balance at December 31	1,392,723	961,004

Long-term liabilities***Other bond loans and private loans (6)***

This item includes medium term note and bond liabilities with a total par value of EUR equivalent 1,011,064,417 (2011: EUR 380,358,000). The loans are fully guaranteed by the parent company AXA Bank Europe S.A./N.V. Part of the interest rates are fixed between 5.75% and 0.00% and part of the interest rates are variable (2011: partly fixed between 5.00% and 0.00% and partly variable).

The par value of the loans fall due:

- 1 – 5 years EUR 581,336,417 (2011: EUR 310,358,000);
- > 5 year EUR 429,728,000 (2011: EUR 70,000,000).

Liabilities with a maturity less than one year are disclosed within current liabilities.

Current liabilities***Other bond loans and private loans (7)***

Included in this item are medium term note and bond liabilities amounting to EUR 5,000,000 (2011: EUR 2,426,627). These medium term note and bond liabilities are fully guaranteed by the parent company AXA Bank Europe S.A./N.V. The interest rate is depending on the 3 months Euribor rate, with a minimum of 2.35% (2011: no interest applicable).

Other liabilities, accruals and deferred income (8)

This item includes accrued interest amounting to EUR equivalent 9,008,722 (2011: EUR 3,442,722) on the medium term note and bond liabilities portfolio.

Financial instruments*General*

The main activity of the Company consists of lending the proceeds of issued notes to AXA Bank Europe S.A./N.V., where a maximum correlation between the conditions of the notes and those of the loans to AXA Bank Europe S.A./N.V. is pursued, thus preventing the existence of substantial transformation risks.

As a finance Company, the Company could face a number of risks including, but not limited to credit risk, market risk, currency risk, operational risk, real estate risk and liquidity risk. In assessing the risk profile of the Company it is important to note that all notes issued by the Company are unconditionally and irrevocably guaranteed by AXA Bank Europe S.A./N.V.

Generally, the risks are based on contingencies which may or may not occur and neither the Company, nor the Guarantor, is in a position to express a view on the likelihood of any such contingency occurring.

Foreign currency risk

The Company has issued Notes in Australian dollar and Norwegian crown. As all the proceeds of the Notes are lent to the Guarantor and these loans are in the same currencies, there is no significant foreign currency risk exposure. Other than these issues, the Company is not active in different currency zones or dealing with instruments in different currencies.

Operational risk

Is the risk of loss arising from the inadequacy or failure of procedures, individuals or internal systems, or even external events (such as, but not limited to natural disasters and fires). It includes risk relating to information systems, litigation risk and reputation risk. The Company cannot provide assurances that such failures will not occur or, if they do occur that they will be adequately addressed. Operational, information and security risks are, however, actively managed through a common AXA Bank Europe framework that identifies measures and monitors the risks and its mitigating controls in the businesses of AXA Bank Europe S.A./N.V. and its subsidiaries.

Market risk

Refers to the risk of loss relating to fluctuations in market prices and interest rates, their interactions and their level of volatility. Due to the nature of its activity, the Company is prevented from assuming significant exposure to market risk.

Credit risk

As a finance Company, the Company is exposed to the creditworthiness of its counterparties where the Company may suffer losses related to the inability of its debtors or counterparties

AXA Belgium Finance (NL) B.V., Breda

to meet their financial obligations. As all the proceeds of the notes are lent to the Guarantor, the significant credit risk is limited to the Guarantor.

Liquidity risk

Is the risk that the Company cannot meet its financial liabilities when they fall due, at reasonable costs and in a timely manner. We refer to the Guarantee by AXA Bank Europe S.A./N.V. that unconditionally and irrevocably guarantees the due and punctual payment of the principal of and interest on the issued notes as well as of any additional amounts which may be required to be paid by the Company.

PricewaterhouseCoopers Accountants N.V.
For identification purposes only



Notes to the profit and loss account

Work force

The average number of staff employed by the company in 2012 was – (2011: –).

Directors' remuneration

	2012	2011
	EUR	EUR
Current and former managing directors	21,032	19,833

The remuneration includes all remunerations and other benefits of current and former members of the Managing Board.

Audit fees

In accordance with the provisions of article 382a-3 of Book 2 of the Dutch Civil Code, the Company is exempt from disclosing the audit fees in the Company's statutory financial statements, as the audit fees are disclosed in the consolidated statements of the parent company, AXA Bank Europe S.A./N.V., Brussels, Belgium.

Financial income and expense

Income from amounts receivable forming part of the fixed assets (9)

This item includes parent company interest for an amount of EUR 20,981,881 (2011: EUR 4,830,292).

Interest income and similar income (10)

This item includes parent company interest for an amount of EUR 19,138 (2011: EUR 32,431).

Interest expense and similar charges (11)

This item refers mainly to interest expenses related to outstanding notes and bonds and amortization of capitalized expenses on current notes programmes.

PricewaterhouseCoopers Accountants N.V.
For identification purposes only



Financial instruments at cost

The table below shows financial instruments whose fair value differs from cost.

	2012		2011	
	Fair value	Carrying amount	Fair value	Carrying amount
	EUR	EUR	EUR	EUR
Financial fixed assets/Current assets				
Amounts receivable from participants - loans to shareholder	1,086,408,031	1,016,058,210	375,049,606	380,358,000
Long-term liabilities/Current liabilities				
Medium term notes and bond liabilities	1,086,408,198	1,016,058,210	374,785,462	380,358,000

Determination of fair values

The fair value of the financial instruments is determined using available market information and estimating methods. The following methods and assumptions have been used to estimate the fair value of the financial instruments:

- Financial fixed assets/ current assets; the fair value of the loans to the parent company is estimated by using the discounted value of the future cash flows at market conditions;
- Long term liabilities/current liabilities; the fair value of the medium term notes is estimated by using the discounted value of the future cash flows at market conditions.

Financial fixed assets / Current assets

The fair value of loans to the shareholder is higher (2011: lower) than their carrying amount because they bear interest at a rate that is higher (2011: lower) than the market rate.

Management has not identified any impairment triggers (credit events) towards the loans to the shareholder. Considering the fact that the loans are intended to be held to maturity and that there have been no impairment triggers, management considers no impairments are deemed necessary.

Long-term liabilities / Current liabilities

The fair value of the medium term notes issued is higher (2011: lower) than their carrying amount because they bear interest at a rate that is higher (2011: lower) than the market rate.

Management has not identified any impairment triggers (credit events) towards the medium term notes. Considering the fact that the medium term notes are intended to be held to maturity and that there have been no impairment triggers, management considers no impairments are deemed necessary.

PricewaterhouseCoopers Accountants N.V.
For identification purposes only



AXA Belgium Finance (NL) B.V., Breda

Income taxes (12)

The tax expense on the profit and loss account mainly consists of taxes on the profit for the year under review. (2011: tax refund on the profit and loss account mainly consists of taxes on the profit for the year under review).

The applicable and effective tax rate for the company financial statements is 20% over a tax profit of € 200,000 and 25% over profits exceeding this amount (2011: 20% over tax profits < € 200,000).

PricewaterhouseCoopers Accountants N.V.
For identification purposes only



AXA Belgium Finance (NL) B.V., Breda

Other information

Articles of Association provisions governing profit appropriation

Profit is appropriated in accordance with Article 14 of the Articles of Association, which states that the profit is at the disposal of the General Meeting of Shareholders.

Appropriation of profit 2012

In accordance with article 14 of the Articles of Association the profit is at the disposal of the General Meeting of Shareholders.

The Board of Management proposes to add the profit of EUR 431,719 to the other reserves.

Subsequent events

In September 2010 a Notes Issuance Programme for a maximum amount of EUR 1,000,000,000 was launched together with AXA Bank Europe S.A./N.V. (co-issuer and Guarantor).

On April 17, 2012 the Belgium regulator FSMA (Autoriteit voor Financiële Diensten en Markten) approved the extension of the Notes Issuance Programme dated September 21, 2010 from EUR 1,000,000,000 to EUR 2,000,000,000.

Under the Programme the following issues have been launched in 2013:

	Amount	Value	Maturity
– Optimote Carmignac Patrimoine	EUR 35,624,000	Febr 14, 2013	Febr 14, 2019
– Life Opportunity 3	EUR 57,650,000	March 13, 2013	March 8, 2022
– Life Opportunity Selection	EUR 42,750,000	April 3, 2013	May 3, 2022

Breda, April 22, 2013

Cees de Jong, Chairman of the Management Board

Geert Van de Walle, Member of the Management Board



Independent auditor's report

To: the general meeting of Shareholders of AXA Belgium Finance (NL) B.V.

Report on the financial statements

We have audited the accompanying financial statements 2012 as set out on pages 7 to 21 of AXA Belgium Finance (NL) B.V., Utrecht, which comprise the balance sheet as at 31 December 2012, the profit and loss account for the year then ended and the notes, comprising a summary of accounting policies and other explanatory information.

Management board's responsibility

The management board is responsible for the preparation and fair presentation of these financial statements and for the preparation of the management board report, both in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the management board is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management board, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of AXA Belgium Finance (NL) B.V. as at 31 December 2012, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

*PricewaterhouseCoopers Accountants N.V., Paterswoldseweg 806, 9728 BM Groningen, P.O. Box 8060,
9702 KB Groningen, The Netherlands
T: +31 (0) 88 792 00 50, F: +31 (0) 88 792 94 24, www.pwc.nl*

e0295775

PwC is the brand under which PricewaterhouseCoopers Accountants N.V. (Chamber of Commerce 34180285), PricewaterhouseCoopers Belastingadviseurs N.V. (Chamber of Commerce 34180284), PricewaterhouseCoopers Advisory N.V. (Chamber of Commerce 34180287), PricewaterhouseCoopers Compliance Services B.V. (Chamber of Commerce 51414406), PricewaterhouseCoopers Pensions, Actuarial & Insurance Services B.V. (Chamber of Commerce 54226368), PricewaterhouseCoopers B.V. (Chamber of Commerce 34180289) and other companies operate and provide services. These services are governed by General Terms and Conditions ('algemene voorwaarden'), which include provisions regarding our liability. Purchases by these companies are governed by General Terms and Conditions of Purchase ('algemene inkoopvoorwaarden'). At www.pwc.nl more detailed information on these companies is available, including these General Terms and Conditions and the General Terms and Conditions of Purchase, which have also been filed at the Amsterdam Chamber of Commerce.



Report on other legal and regulatory requirements

Pursuant to the legal requirement under Section 2: 393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the management board report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2: 392 sub 1 at b-h has been annexed. Further we report that the management board report, to the extent we can assess, is consistent with the financial statements as required by Section 2: 391 sub 4 of the Dutch Civil Code.

Groningen, 25 June 2013

PricewaterhouseCoopers Accountants N.V.



H.D.M. Plomp RA