

AXA Belgium Finance (NL) B.V.

Unaudited interim financial statements June 30, 2011

Statutory seat:	Amsterdam
Address:	Ginnekenweg 213 4835 NA BREDA

Breda, August 24, 2011

Unaudited

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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 managed by a Management Board consisting of two managing directors. 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 managing directors of the Company are Mr. Cees de Jong, Chairman, and Mr. Geert Van de Walle, Deputy CIO European Treasury and Investment of AXA Bank Europe S.A./N.V.

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.

Financial information

The total assets increased by EUR 2,059,000 from EUR 75,218,000 at December 31, 2010 to EUR 77,277,000 at June 30, 2011. Intragroup interest income amounts to EUR 366,000 of which EUR 53,000 from amounts receivable forming part of the fixed assets and from securities. Interest expenses and similar charges decreased by EUR 726,000 from EUR 999,000 to EUR 273,000. The operating expenses show a decrease of EUR 9,000. The profit before tax increased by EUR 25,000, resulting in an increase of the net profit after taxation of EUR 20,000 from a loss of EUR 16,000 in the first six months of 2010 to a profit of EUR 4,000 in the first six months of 2011.

Business overview

According to Article 2 of its Articles of Association, the Company's objects 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.

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.

Notes issues can be subject to selling commissions, out-of-pocket expenses and are subject to paying agency fees. The 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.

In September 2010 a new Notes Issuance Programme for a maximum amount of EUR 1,000 million was launched together with AXA Bank Europe SA/NV (co-issuer and Guarantor). Under the Programme the following issues have been launched in the first half of 2011:

- AXA Bank Europe CoFE: EUR 1,150,000 (issue date: March 17, 2011 - maturity date: March 17, 2014);
- EUREKA!: EUR 1,000,000 (issue date: May 19, 2011 - maturity date: May 19, 2016);
- AXA Bank Europe CoFE II: EUR 5,000,000 (issue date: July 15, 2011 - maturity date: July 15, 2013);
- Optinote Multiwin: EUR 114,133,000 (issue date: July 15, 2011 - maturity date: July 15, 2016);
- Optinote Multistep: EUR 51,162,000 (issue date: July 15, 2011 - maturity date: July 15, 2016).

On June 30, 2011, the following par values of notes were outstanding:

- 1 Notes Programme dated May 9, 2006:
 - Serena Lift Up: EUR 27,685,000 (maturity: June 23, 2016);
 - Serena Upgrade: EUR 12,954,000 (maturity: September 29, 2014);
 - Serena Memoris: EUR 8,224,000 (maturity: December 15, 2016);
 - Serena Upside: EUR 13,356,000 (maturity: September 29, 2011).
- 2 Notes Programme dated August 19, 2008:
 - Inflation Proof+: EUR 9,671,000 (maturity: November 21, 2011).
- 3 Notes Issuance Programme dated September 21, 2010:
 - AXA Bank Europe CoFE: EUR 1,150,000 (maturity: March 17, 2014);
 - EUREKA!: EUR 1,000,000 (maturity: May 19, 2016).

During the first half of 2011 notes with a total par value of EUR 403,000 have been repaid.

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 parallelism between the conditions of the notes and those of the loans to AXA Bank Europe 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 remind 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.

Foreign currency risk: as the Company is not active in different currency zones or dealing with instruments in different currencies there are no currency risks.

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 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.

Investments

Since the date of the closing of the interim financial half 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 fulfill them is provided.

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Apart from this evolving business objectives, there has been no material adverse change in the financial position or prospects of the Company since June 30, 2011. 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.

Breda, August 24, 2011

Cees de Jong, Chairman of the Management Board

Geert Van de Walle, Member of the Management Board

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

Declaration section 5:25D Dutch Financial Supervision Act

As required by section 5:25d paragraph 2 under c of the Dutch Financial Supervision Act ('Wet op het financieel toezicht'), the Managing Directors declare that, to the best of their knowledge,

- 1 The interim financial statements for the first six months of the financial year 2011 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 status as per the balance sheet date, the development and performance of the business during the first six months of the financial year 2011 with particular attention for the investments, and the circumstances of which the development of revenues and profitability are dependant.

Breda, August 24, 2011

Cees de Jong, Chairman of the Management Board

Geert Van de Walle, Member of the Management Board

Interim balance sheet at June 30, 2011

(after appropriation of result)

A s s e t s

	June 30, 2011 (unaudited)		December 31, 2010 (audited)	
	EUR	EUR	EUR	EUR
Fixed assets				
Financial fixed assets				
Amounts receivable from group companies (1)		51,013,000		49,266,000
Current assets				
Receivables				
Amounts receivable from group companies	23,027,000		23,027,000	
Taxes and social security charges	13,125		6,217	
Other amounts receivable, prepayments and accrued income	586,397		245,685	
		23,626,522		23,278,902
Cash at bank and in hand		2,637,252		2,672,886
Total assets		<u>77,276,774</u>		<u>75,217,788</u>

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S h a r e h o l d e r s ' e q u i t y a n d l i a b i l i t i e s

	June 30, 2011 (unaudited)		December 31, 2010 (audited)	
	EUR	EUR	EUR	EUR
Shareholders' equity (2)				
Issued share capital	1,768,459		1,768,459	
Other reserves	876,310		872,277	
		2,644,769		2,640,736
Long-term liabilities				
Other bond loans and private loans (3)		51,049,247		49,309,639
Current liabilities				
Other bond loans and private loans	23,027,000		23,027,000	
Trade creditors/suppliers	73,304		-	
Taxes and social security charges	1,460		1,610	
Other liabilities, accruals and deferred income	480,994		238,803	
		23,582,758		23,267,413
Total shareholders' equity and liabilities		<u>77,276,774</u>		<u>75,217,788</u>

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Interim profit and loss account for the six months ended June 30, 2011

	For the six months ended June 30			
	2011 (unaudited)		2010 (unaudited)	
	EUR	EUR	EUR	EUR
Other operating expenses		87,518		96,486
Operating income		(87,518)		(96,486)
Income from amounts receivable forming part of the fixed assets and from securities (4)	53,496		1,075,364	
Other interest income and similar income (5)	312,411		18	
Interest expenses and similar charges (6)	(273,347)		(999,264)	
Financial income and expense		92,560		76,118
Profit/(loss) before taxation		5,042		(20,368)
Income taxes (7)		1,009		(4,072)
Profit/(loss) after taxation		4,033		(16,296)

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Interim cash flow statement for the six months ended June 30, 2011

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

	For the six months ended June 30			
	2011 (unaudited)		2010 (unaudited)	
	EUR	EUR	EUR	EUR
Cash flow from operating activities				
Operating profit/(loss)	(87,518)		(96,486)	
Changes in working capital:				
– Movements in amounts receivable	(347,620)		(805,647)	
– Movements in current liabilities (excluding amounts payable to credit institutions)	315,345		749,436	
	(119,793)		(152,697)	
Income from amounts receivable forming part of the fixed assets and from securities	53,496		1,060,712	
Other interest income and similar income	312,411		18	
Interest expenses and similar charges	(280,739)		(940,301)	
Income taxes	(1,009)		4,072	
Cash flow from operating activities		(35,634)		(28,196)
Cash flow from financing activities				
(Increase)/Decrease in amounts receivable from group companies	(1,776,859)		1,601,085	
Repayment of other bond loans and private loans	(373,141)		(1,601,085)	
Issue of other bond loans and private loans	2,150,000		–	
Cash flow from financing activities		–		–
Movements in cash at bank and in hand		(35,634)		(28,196)

Unaudited

Accounting policies used for the interim financial statements

General information

The company's interim financial statements have been prepared in accordance with Part 9 of Book 2 of the Netherlands Civil Code. Because the Netherlands 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 used.

AXA group and related parties

AXA Belgium Finance (NL) B.V. is a wholly owned subsidiary of AXA Bank Europe 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 interim financial statements are based on the expectation that the company will be able to continue as a going concern. The basis 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.

Basis of preparation and accounting policies

Basis of preparation

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the company's annual financial statements as at December 31, 2010.

Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the company's annual financial statements for the year ended December 31, 2010.

Notes to the interim balance sheet

Amounts receivable from group companies (1)

During the first half year of 2011 the proceeds from issues of notes have been used to lend EUR 2,150,000 to the parent company AXA Bank Europe N.V., Brussels, at a margin of 0,2%. During the first half year of 2011 repayments, with a total par value of EUR 403,000, on previously granted loans to the parent company, have been received.

Shareholders' equity (2)

Paid-up and called-up share capital

	June 30, 2011 (unaudited)	December 31, 2010 (audited)
	EUR	EUR
3.897 ordinary shares with a nominal value of EUR 453.80	<u>1,768,459</u>	<u>1,768,459</u>

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

Other reserves

	June 30, 2011 (unaudited)	December 31, 2010 (audited)	June 30, 2010 (unaudited)
	EUR	EUR	EUR
Balance at start	872,277	885,021	885,021
Profit appropriation/ Treatment of loss	4,033	(12,744)	(16,296)
Balance at end	<u>876,310</u>	<u>872,277</u>	<u>868,725</u>

Long-term liabilities (3)

During the first half year of 2011 two issues have been launched under the September 2010 Notes Issuance Programme:

- AXA Bank Europe CoFE: EUR 1,150,000 (issue date: March, 17, 2011 - maturity date: March 17, 2014);
- EUREKA!: EUR 1,000,000 (issue date: May 19, 2011 - maturity date: May 19, 2016).

The proceeds of these issues have been used to grant loans to the parent company AXA Bank Europe N.V., Brussels.

Notes to the profit and loss account

Staff members

The average number of staff employed by the company during the first half year of 2011 was – (2010: –).

Financial income and expense

Income from amounts receivable forming part of the fixed assets and from securities (4)

This item includes intra group interest for an amount of EUR 53,496 (2010: EUR 1,075,364).

Other interest income and similar income (5)

This item includes intra group interest for an amount of EUR 312,327 (2010: EUR 0).

Interest expense and similar charges (6)

This item includes an amount of EUR 0 (2010: EUR 53,073) for amortization of previously capitalized expenses related to a cancelled notes programme. The remaining interest amount refers mainly to interest expenses related to outstanding notes and bonds.

Income taxes (7)

The tax refund on the profit and loss account mainly exists of taxes on the result for the year under review.

The applicable and effective tax rate for the interim financial statements is 20% (2010: 20%).

Other information

Auditor's report

The interim financial statements are unaudited.

Subsequent events

In September 2010 a new Notes Issuance Programme for a maximum amount of EUR 1,000 million was launched together with AXA Bank Europe SA/NV (co-issuer and Guarantor).

Under the Programme the following issues have been effected after June 30, 2011:

- AXA Bank Europe CoFE II: EUR 5,000,000 (issue date: July 15, 2011 - maturity date: July 15, 2013);
- Optinote Multiwin: EUR 114,133,000 (issue date: July 15, 2011 - maturity date: July 15, 2016);
- Optinote Multistep: EUR 51,162,000 (issue date: July 15, 2011 - maturity date: July 15, 2016).

The proceeds from these issues have been lent to the parent company AXA Bank Europe N.V., Brussels, at a margin of 0,2%.