

KBL EPB BOND FUND

Annual report including
audited financial statements
as at 31 December 2014



Variable Capital Investment Fund Luxembourg

R.C.S. Luxembourg B 149 250

This report is the English translation of the annual, respectively half-yearly report in French. In case of discrepancy of content and/or meaning between the French and English versions, the French version shall prevail.

No subscription can be received on the basis of this financial report. Subscriptions are only valid if made on the basis of the current prospectus respectively the key investor information document ("KIID"), supplemented by the subscription form, the latest annual report and the most recent half-yearly report, if published thereafter.

| | |
|---|-----------|
| Organisation | 2 |
| General information | 5 |
| Report on activities of the Board of Directors | 8 |
| Report of the réviseur d'entreprises agréé | 11 |
| Combined statement of net assets | 13 |
| Combined statement of operations and other changes in net assets | 14 |
| KBL EPB Bond Fund - Selected Investment Grade Corporate EURO | 15 |
| Statement of net assets | 15 |
| Statement of operations and other changes in net assets | 16 |
| Statistical information | 17 |
| Statement of investments and other net assets | 18 |
| Industrial and geographical classification of investments | 19 |
| KBL EPB Bond Fund - Government Bonds USD | 20 |
| Statement of net assets | 20 |
| Statement of operations and other changes in net assets | 21 |
| Statistical information | 22 |
| Statement of investments and other net assets | 23 |
| Industrial and geographical classification of investments | 24 |
| KBL EPB Bond Fund - Government Bonds EURO | 25 |
| Statement of net assets | 25 |
| Statement of operations and other changes in net assets | 26 |
| Statistical information | 27 |
| Statement of investments and other net assets | 28 |
| Industrial and geographical classification of investments | 29 |
| KBL EPB Bond Fund - Upper Investment Grade Corporate EURO | 30 |
| Statement of net assets | 30 |
| Statement of operations and other changes in net assets | 31 |
| Statistical information | 32 |
| Statement of investments and other net assets | 33 |
| Industrial and geographical classification of investments | 34 |
| KBL EPB Bond Fund - High Yield EURO | 35 |
| Statement of net assets | 35 |
| Statement of operations and other changes in net assets | 36 |
| Statistical information | 37 |
| Statement of investments and other net assets | 38 |
| Industrial and geographical classification of investments | 40 |
| KBL EPB Bond Fund - Investment Grade Corporate USD | 42 |
| Statement of operations and other changes in net assets | 42 |
| Statistical information | 43 |
| Notes to the financial statements | 44 |

Registered office

11, rue Aldringen
L-1118 LUXEMBOURG

Board of Directors

Chairman

Rafik FISCHER

Head of Group Business Development
KBL EUROPEAN PRIVATE BANKERS S.A.
43, boulevard Royal
L-2955 LUXEMBOURG

Directors

Serge D'ORAZIO

Head of Investment Funds & Global Custody Services
KBL EUROPEAN PRIVATE BANKERS S.A.
43, boulevard Royal
L-2955 LUXEMBOURG

Bernard JACQUEMIN

Head of Wealth Management
KBL EUROPEAN PRIVATE BANKERS S.A.
43, boulevard Royal
L-2955 LUXEMBOURG

Management Company

KREDIETRUST LUXEMBOURG S.A.
11, rue Aldringen
L-2960 LUXEMBOURG

Board of Directors of the Management Company

Chairman

Olivier de JAMBLINNE de MEUX

Directors

Rafik FISCHER
Franck SARRE

Managing Director

Stefan VAN GEYT (since 18 February 2014)
Wouter GESQUIERE (until 18 February 2014)

Conducting officers of the Management Company

Aurélien BARON (since 18 February 2014)
Stefan VAN GEYT (since 18 February 2014)
Wouter GESQUIERE (until 18 February 2014)
Jean-Philippe VANDERBORGHT (until 18 February 2014)

Domiciliary, administrative, registrar and transfer agent

KREDIETRUST LUXEMBOURG S.A.
11, rue Aldringen
L-2960 LUXEMBOURG

Custodian bank and main paying agent

KBL EUROPEAN PRIVATE BANKERS S.A.
43, boulevard Royal
L-2955 LUXEMBOURG

Cabinet de révision agréé

DELOITTE AUDIT
Société à responsabilité limitée
560, rue de Neudorf
L-2220 LUXEMBOURG

Distributor in Luxembourg

KBL EUROPEAN PRIVATE BANKERS S.A.
43, boulevard Royal
L-2955 LUXEMBOURG

Paying agent and information agent in Germany

MERCK FINCK & CO OHG
Pacellistrasse 16
D-80333 MUNICH

Financial service in Belgium

PUJLAETCO DEWAAY PRIVATE BANKERS S.A.
46, avenue Hermann Debroux
B-1160 BRUXELLES

Distributor in Spain

ALLFUNDS BANK S.A.
Calle Estafeta 6, La Moraleja
E-28109 MADRID

Correspondent in France

CM-CIC SECURITIES
6, avenue de Provence
F-75009 PARIS

Representative in Switzerland

CARNEGIE FUND SERVICES S.A.
11, rue du Général-Dufour
CH-1204 GENEVE
(since 1 March 2014)

KBL (SWITZERLAND) LTD
7, boulevard Georges-Favon
CH-1211 GENEVE
(until 28 February 2014)

Payment service in Switzerland

BANQUE CANTONALE DE GENEVE
17, quai de l'Île
CH-1204 GENEVE
(since 1 March 2014)

KBL (SWITZERLAND) LTD
7, boulevard Georges-Favon
CH-1211 GENEVE
(until 28 February 2014)

KBL EPB Bond Fund

General information

KBL EPB Bond Fund (the "Sicav") is a multiple sub-fund variable capital investment company under Luxembourg law, incorporated for an unlimited period on 9 November 2009. The Sicav is subject to the provisions of Part I of the Law on undertakings for collective investment as defined in European Directive 2009/65/EC as amended.

As at the date of the report, the following sub-funds were open:

| | |
|--|--------|
| - KBL EPB Bond Fund - Selected Investment Grade Corporate EURO | in EUR |
| - KBL EPB Bond Fund - Government Bonds USD | in USD |
| - KBL EPB Bond Fund - Government Bonds EURO | in EUR |
| - KBL EPB Bond Fund - Upper Investment Grade Corporate EURO | in EUR |
| - KBL EPB Bond Fund - High Yield EURO | in EUR |

By circular resolution, the Board of Directors of the Sicav decided to liquidate the KBL EPB Bond Fund – Investment Grade Corporate USD sub-fund denominated in USD with effect from 19 June 2014.

The company's financial year starts on 1 January and ends on 31 December each year.

The net asset value (NAV) per share, the issue, redemption and conversion price are made public each valuation day at the Sicav's head office.

The Sicav's full prospectus, the key investor information document (KIID) and the financial reports are freely available to the public at the Sicav's registered office in Luxembourg.

Additional information for investors in Germany

1. Right to market in Germany

KBL EPB Bond Fund has informed the Federal Financial Services Authority (Bundesanstalt für Finanzdienstleistungsaufsicht) of its intention to distribute the Sicav's shares in Germany and has received authorisation to distribute from the end of the notification procedure.

2. Paying Agent in Germany

Merck Finck & Co OHG
Pacellistrasse 16
D-80333 Munich

has accepted the role of paying agent in Germany. Redemption or exchange requests for Sicav shares can be deposited with the paying agent in Germany, who will forward them to KBL EPB Bond Fund.

Shareholders in Germany may request any payment (redemption proceeds, possible distributions and other payments) through the German paying agent.

3. Information Agent in Germany

Merck Finck & Co OHG
Pacellistrasse 16
D-80333 Munich

has accepted the role of information agent in Germany. The complete prospectus, the KIID, the Sicav's articles of association, the latest audited annual and unaudited half-yearly reports as well as the issue, redemption and conversion prices may be obtained free of charge in paper format from the German information agent.

The list of changes in the composition of the securities portfolio over the period referred to in the report may be obtained on simple request and free of charge from the paying agent and the information agent in Germany.

Furthermore, the investment management, Management Company, main paying agent, global distributor, custodian bank, domiciliary agent, registrar and transfer agent and administrative agent contracts and the marketing consultant contract may be consulted at the German information agent's during normal business hours on banking days.

Furthermore, the issue, redemption and conversion prices, interim profits ("Zwischengewinne") and dividend-equivalent income ("ausschüttungsgleiche Erträge") from Sicav shares are available from the information agent.

4. Publications

The issue and redemption price shall be published, like all other shareholder publications for KBL EPB Bond Fund on "www.kbl.lu"

Additional information for investors in Belgium

The Sicav's financial service is provided in Belgium by Puilaetco Dewaay Private Bankers SA, registered offices at 46 avenue Herrmann Debroux, B-1160 Brussels.

In Belgium the Sicav publishes all the information published in the Sicav's country of origin.

The Sicav's Articles of Association, the prospectus, the KIID the financial service agreement and the annual and half-yearly reports and the list of changes in the securities portfolio during the period of the report are available to the public at the premises of the company providing the financial service.

Additional information for investors in Spain

ALLFUNDS BANK S.A. has been appointed distribution agent in Spain.

Sub-funds whose marketing is authorised in Spain:

KBL EPB Bond Fund - Selected Investment Grade Corporate EURO and KBL EPB Bond Fund - High Yield EURO.

Additional information for investors in France

CM-CIC Securities has been appointed central correspondent in France.

Additional information for investors in Switzerland

The Sicav has been authorised in Switzerland as foreign investment fund in accordance with the European Directive 2009/65/EC (UCITS IV directive) as amended.

The Swiss Financial Market Supervisory Authority (FINMA) has authorised KBL (SWITZERLAND) LTD, domiciled at 7, boulevard Georges-Favon, CH-1211 GENEVA, as the representative and payment service in Switzerland for the Sicav until 28 February 2014.

Since 1 March 2014 it has been replaced by:

- CARNEGIE FUND SERVICES S.A., domiciled at 11, rue du Général-Dufour, CH-1204 Geneva as representative in Switzerland,
- BANQUE CANTONALE DE GENEVE, domiciled at 17, quai de l'Ile, CH-1204 Geneva as the payment service in Switzerland.

The Sicav's prospectus, KIID, articles of association, half-yearly and annual reports, as well as the list of purchases and sales made by the Sicav may be obtained free of charge from 1 March 2014 from the abovementioned representative in Switzerland and from the Sicav's registered office.

THE POLITICAL, ECONOMIC AND FINANCIAL WORLD CONTEXT IN 2014

While oil prices have remained well above USD 100 per barrel since the beginning of the year, they began to fall from September (USD 95) to stabilise around mid-October, then fall to USD 60 at the end of the year (following OPEC's decision at the end of November not to reduce production quotas). This development is partly explained by an offer shock (rise of shale gas in the USA) and also by a demand shock (slowdown in world growth).

Eurozone

Developments on the inflation front, together with change in the position of the European Central Bank (ECB) were the main preoccupations in 2014. Indeed, inflation did not cease to disappoint observers by its great weakness, ending the year at 0.3% yoy (against 0.8% one year earlier), a level all the more worrying since the eurozone is no longer in recession (GDP growth at +0.9%) over the first three quarters of 2014 against -0.4% in 2013). With significant falls in the prices of most commodities, it is very likely that eurozone growth will see a fall in price at the beginning of next year.

The ECB, whose role is to bring inflation to 2% in the medium term, was certainly not passive in the face of such a situation. In June and September, it surprised market players by announcing a raft of measures. At the end of the year, banks wishing to refinance in the short term were now able to do so through the ECB, at the minimal rate of 0.05%. Deposit rates were lowered to -0.02%. Probably aware that it could not do a lot more in lowering rate (the floor having been reached) in September Mr Draghi announced an asset buyback programme (ABS and securitized assets) with the aim of seeing the size of the institution's balance sheet rise by EUR 1,000 billion by the end of 2016. These measures were not however enough to raise inflation expectations.

The past year also saw the emergence of the Ukrainian crisis. In particular, financial markets proved very sensitive to the crash of the Malaysian plane in the Crimea in July, shot down by a rocket, following which economic sanctions were imposed on Russia. As a reprisal, in August Vladimir Putin imposed an embargo on a long list of food products and intended to forbid European planes overflying Russia. Although the direct impact of these on the European economy has been limited, to some tenths of a growth point, the indirect effect (a negative confidence shock) has without doubt been more significant. More generally, everything points to the weakness of the economic recovery in the eurozone being explained by a deterioration in confidence; deterioration whose most prominent aspect is an anemic demand for credit, represented by a marked drop in investment in certain countries. Over the first three months of the year, growth in activity was extremely weak in France (+0.4% GDP, -1.4% for investment) and even negative in Italy (-0.4% and -2.2%, respectively). Germany did a little better (1.6% and 3.8%), but is still well below pre-crisis levels.

USA

The US economy posted many good performances in 2014 in particular with regard to growth which should rise to 2.3% over the whole year (despite a very poor first quarter - GDP down 2.1% year-on-year, the result of extreme climate conditions, combined with a net fall in hospital costs). The monetary authorities profited from the increase in activity to modify their policy. The Fed, for example, continued throughout the year to reduce the size of its asset-buying and ended its quantitative easing programme in October (the balance will not get bigger). The Fed also very gradually changed its tone to appear less accommodative and indicate the date of the first rate hike, very important for the markets.

Japan

In 2014, the Japanese economy seesawed, posting abnormally strong growth in the first three months of the year (5.9% year on year). Of course, this was only a short-term rise, and GDP fell just as significantly in the second quarter (-6.7%) pushed by a net fall in consumption (due to the change in the VAT rate from 5% to 8% in April). Inflation had problems taking off despite the monetary easing plans implemented by the monetary authorities: excluding fresh produce (and excluding the effect of the VAT hike which pushed prices up artificially) it was only 0.9% year on year in October, after 1.0% in September. Recent falls in the price of oil could easily push the Japanese inflation rate even lower in the coming months. To reverse the trend, the Bank of Japan announced new measures at the end of October promising to increase the money supply to JPY 80 billion (increase of JPY 10-20 billion compared to previously) until the economy reaches a sustainable inflation level of 2% annually.

China

2014 was a very significant year for China in which an extremely long mechanism was triggered: the Chinese slowdown is no longer an economist's fantasy, but a palpable/measurable reality, including in the data published by government agencies. The growth in industrial production slowed brutally, flirting with 2008-09 levels over the year (6.9% year-on-year in August, 7.2% in November...). GDP growth reflected other indicators: it slowed down. In the third quarter (last available data) the economy slowed again (+7.3% yoy against 7.5% in Q2). This fall, which although significant, was less than expected, is, for us, just window dressing. Without a major increase in exports (12.8% year-on-year, after just 4.1% in Q2) growth would fall below 7.0% driven by domestic demand which shows worrying signs of slowdown..

The real estate sector seems to have been the source of the brake. While property prices rose in 69 of the 70 largest conurbations in the period January to July, 19 cities saw prices fall in August, before the fall became generalised (58 cities in September, 68 in November). Real-estate sales, and residential investment, are evidently not diverging from the rule.

In response to these events on 20 November the Chinese central bank announced a cut in base rates to stimulate the economy. These one-off measures are the reason for us thinking that the Chinese economy will manage a soft landing and gradually reach growth levels of between 5% and 6% in the medium term.

EVOLUTION OF FINANCIAL MARKETS IN 2014

| Index | Performances 2014 (EUR) |
|------------------------------|-------------------------|
| EFFAS All | 13.07 % |
| JPM Global Government Bond | 14.63 % |
| EFFAS 1-10Yrs | 8.10 % |
| Iboxx EURO Corporate BBB | 7.99 % |
| Iboxx EURO Corporate A | 8.51 % |
| Iboxx EURO Liquid High Yield | 4.03 % |

KBL EPB Bond Fund

Report on activities of the Board of Directors (continued)

PERFORMANCES IN 2014

| Sub-fund | Performances 2014 (EUR) |
|--|-------------------------|
| KBL EPB BOND - Government Bonds EUR | 6.03 % |
| KBL EPB BOND - Government Bonds USD | -0.33 % |
| KBL EPB BOND - Selected Investment Grade Corporate EUR | 4.80 % |
| KBL EPB BOND - Upper Investment Grade Corporate | 1.03 % |
| KBL EPB BOND - Investment Grade Corporate USD* | 2.27 % |
| KBL EPB BOND - High Yield Euro | 4.39 % |

*Performance until 19 June 2014

Luxembourg, 2 March 2015

The Board of Directors

Note: The information in this report represents historical data and is not an indication of future results.

Report of the réviseur d'entreprises agréé

To the shareholders of
KBL EPB Bond Fund

Pursuant to the mandate given by the General Meeting of Shareholders we have audited the accompanying financial statements of the KBL EPB Bond Fund and of each of its sub-funds, which comprise the statement of net assets and the statement of investments and other net assets as at 31 December 2014 and the statement of operations and other changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory notes to the financial statements.

Responsibility of the Sicav's Board of Directors for the financial statements

The Board of Directors of the Sicav is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements. This responsibility comprises: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the auditor

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier". Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making this assessment, the Auditor considers internal control relevant to the entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors of the Sicav, as well as evaluating the overall presentation of the financial statements.

Report of the réviseur d'entreprises agréé (continued)

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 the KBL EPB Bond Fund and of each of its sub-funds as at 31 December 2014, and of the results of its operations and changes in its net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements.

Other matter

Supplementary information given in the annual report has been reviewed within the ambit of our mission but has not been the object of a specific audit procedure, according to the abovementioned standards. We therefore express no opinion on this information. However, this information requires no comment on our part within the context of the financial statements taken as a whole.

For Deloitte Audit
Approved auditors

Guillaume Brousse, Approved Auditor
Director

20 April 2015
560, rue de Neudorf
L-2220 Luxembourg

KBL EPB Bond Fund

Combined statement of net assets (in EUR) as at 31 December 2014

Assets

| | |
|--------------------------------------|----------------|
| Securities portfolio at market value | 204,971,404.59 |
| Cash at banks | 2,843,652.10 |
| Income receivable on portfolio | 3,679,344.07 |
| Interest receivable on bank accounts | 3,022.90 |
| Prepaid expenses | 4,367.74 |
| | <hr/> |
| Total assets | 211,501,791.40 |
| | <hr/> |

Liabilities

| | |
|-----------------------------------|----------------|
| Expenses payable | 433,148.21 |
| | <hr/> |
| Total liabilities | 433,148.21 |
| | <hr/> |
| Net assets at the end of the year | 211,068,643.19 |
| | <hr/> |

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund

Combined statement of operations and other changes in net assets (in EUR) from 1 January 2014 to 31 December 2014

Income

| | |
|--|--------------|
| Interest on bonds and other debt securities, net | 9,964,285.69 |
| Return on sukuk | 2,946.39 |
| Interest on bank accounts | 6,615.51 |
| Commissions received | 11,896.95 |
| Total income | 9,985,744.54 |

Expenses

| | |
|---|--------------|
| Management fees | 1,704,667.92 |
| Custodian fees | 124,137.61 |
| Banking charges and other fees | 61,876.32 |
| Transaction fees | 5,686.16 |
| Central administration costs | 420,151.00 |
| Professional fees | 68,666.66 |
| Other administration costs | 231,527.41 |
| Subscription duty ("taxe d'abonnement") | 122,355.87 |
| Interest paid on bank overdrafts | 50.10 |
| Other expenses | 42,879.92 |
| Total expenses | 2,781,998.97 |

| | |
|-----------------------|--------------|
| Net investment income | 7,203,745.57 |
|-----------------------|--------------|

Net realised gain/(loss)

| | |
|---------------------------|--------------|
| - on securities portfolio | 1,622,283.93 |
| - on futures contracts | -7,000.00 |
| - on foreign exchange | -701.04 |
| Realised result | 8,818,328.46 |

Net variation of the unrealised gain/(loss)

| | |
|---------------------------|---------------|
| - on securities portfolio | 3,660,706.66 |
| Result of operations | 12,479,035.12 |

| | |
|---------------|---------------|
| Subscriptions | 30,984,168.28 |
|---------------|---------------|

| | |
|-------------|-----------------|
| Redemptions | -117,208,066.16 |
|-------------|-----------------|

| | |
|-----------------------------|----------------|
| Total changes in net assets | -73,744,862.76 |
|-----------------------------|----------------|

| | |
|---|----------------|
| Total net assets at the beginning of the year | 281,353,703.05 |
|---|----------------|

| | |
|------------------------|--------------|
| Revaluation difference | 3,459,802.90 |
|------------------------|--------------|

| | |
|---|----------------|
| Total net assets at the end of the year | 211,068,643.19 |
|---|----------------|

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - Selected Investment Grade Corporate EURO

Statement of net assets (in EUR)

as at 31 December 2014

Assets

| | |
|--------------------------------------|---------------|
| Securities portfolio at market value | 68,608,708.05 |
| Cash at banks | 498,456.06 |
| Income receivable on portfolio | 1,208,559.35 |
| Prepaid expenses | 1,495.30 |
| Total assets | 70,317,218.76 |

Liabilities

| | |
|-------------------|------------|
| Expenses payable | 167,640.79 |
| Total liabilities | 167,640.79 |

| | |
|-----------------------------------|---------------|
| Net assets at the end of the year | 70,149,577.97 |
|-----------------------------------|---------------|

| | |
|---|-------------|
| Number of capitalisation shares outstanding | 111,762.699 |
| Net asset value per capitalisation share | 627.67 |

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - Selected Investment Grade Corporate EURO

Statement of operations and other changes in net assets (in EUR)

from 1 January 2014 to 31 December 2014

Income

| | |
|--|--------------|
| Interest on bonds and other debt securities, net | 2,802,156.42 |
| Commissions received | 6,745.28 |
| Total income | 2,808,901.70 |

Expenses

| | |
|---|------------|
| Management fees | 591,843.87 |
| Custodian fees | 38,720.15 |
| Banking charges and other fees | 11,347.47 |
| Transaction fees | 2,500.00 |
| Central administration costs | 102,834.71 |
| Professional fees | 19,669.11 |
| Other administration costs | 54,138.23 |
| Subscription duty ("taxe d'abonnement") | 37,623.78 |
| Interest paid on bank overdrafts | 5.00 |
| Other expenses | 10,703.63 |
| Total expenses | 869,385.95 |

| | |
|-----------------------|--------------|
| Net investment income | 1,939,515.75 |
|-----------------------|--------------|

Net realised gain/(loss)

| | |
|---------------------------|--------------|
| - on securities portfolio | 1,575,280.94 |
| Realised result | 3,514,796.69 |

Net variation of the unrealised gain/(loss)

| | |
|---------------------------|--------------|
| - on securities portfolio | 227,355.36 |
| Result of operations | 3,742,152.05 |

| | |
|---------------|---------------|
| Subscriptions | 11,517,009.24 |
|---------------|---------------|

| | |
|-------------|----------------|
| Redemptions | -26,867,957.75 |
|-------------|----------------|

| | |
|-----------------------------|----------------|
| Total changes in net assets | -11,608,796.46 |
|-----------------------------|----------------|

| | |
|---|---------------|
| Total net assets at the beginning of the year | 81,758,374.43 |
|---|---------------|

| | |
|---|---------------|
| Total net assets at the end of the year | 70,149,577.97 |
|---|---------------|

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - Selected Investment Grade Corporate EURO

Statistical information (in EUR)

as at 31 December 2014

Total net assets

| | |
|--------------------|----------------|
| - as at 31.12.2014 | 70,149,577.97 |
| - as at 31.12.2013 | 81,758,374.43 |
| - as at 31.12.2012 | 106,899,965.54 |

Portfolio Turnover Rate (in %)

(subscriptions and redemptions of shares are netted by NAV calculation)

| | |
|--------------------|-------|
| - as at 31.12.2014 | 28.19 |
|--------------------|-------|

Number of capitalisation shares

| | |
|--|-------------|
| - outstanding at the beginning of the year | 136,510.930 |
| - issued | 18,422.833 |
| - redeemed | -43,171.064 |
| - outstanding at the end of the year | 111,762.699 |

Net asset value per capitalisation share

| | |
|--------------------|--------|
| - as at 31.12.2014 | 627.67 |
| - as at 31.12.2013 | 598.91 |
| - as at 31.12.2012 | 585.09 |

Performance per capitalisation share in EUR (in %)

| | |
|--------------------|------|
| - as at 31.12.2014 | 4.80 |
| - as at 31.12.2013 | 2.36 |
| - as at 31.12.2012 | 9.34 |

TER per capitalisation share (in %)

| | |
|--------------------|------|
| - as at 31.12.2014 | 1.12 |
|--------------------|------|

Annual returns were calculated for the last 3 consecutive financial years. For sub-funds or share types launched or liquidated during the financial year, the corresponding annual return has not been calculated.

The historical performance is not an indication of current or future results. The performance data do not take account of the commissions and costs incurred on the issue and redemption of shares of the Sicav.

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - Selected Investment Grade Corporate EURO

Statement of investments and other net assets (in EUR) as at 31 December 2014

| Currency | Number / nominal value | Description | Cost | Market value | % of total net assets |
|---|---------------------------|--|---------------|---------------|--------------------------|
| Investments in securities | | | | | |
| Transferable securities admitted to an official stock exchange listing | | | | | |
| Bonds | | | | | |
| EUR | 2,300,000 | A2A SpA 4.375% EMTN 13/10.01.21 | 2,327,692.00 | 2,684,675.00 | 3.82 |
| EUR | 2,500,000 | Accor SA 2.5% 13/21.03.19 | 2,555,892.86 | 2,655,400.00 | 3.78 |
| EUR | 2,500,000 | Adecco Intl Financial Serv BV 4.75% EMTN Sen 11/13.04.18 | 2,792,892.86 | 2,827,775.00 | 4.03 |
| EUR | 2,500,000 | Alstom 4.125% Sen 10/01.02.17 | 2,523,295.46 | 2,690,775.00 | 3.84 |
| EUR | 2,500,000 | Anglo American Capital Plc 2.5% EMTN 12/18.09.18 | 2,555,066.67 | 2,632,375.00 | 3.75 |
| EUR | 1,500,000 | Arkema 4% 10/25.10.17 | 1,485,900.00 | 1,645,147.50 | 2.34 |
| EUR | 2,000,000 | Banco do Brasil SA Gran KY 3.75% EMTN Reg S 13/25.07.18 | 2,113,000.00 | 2,012,750.00 | 2.87 |
| EUR | 2,000,000 | Bilfinger SE 2.375% Sen 12/07.12.19 | 2,059,050.00 | 2,129,850.00 | 3.04 |
| EUR | 1,500,000 | Bouygues SA 4% Sen 10/12.02.18 | 1,559,831.71 | 1,655,100.00 | 2.36 |
| EUR | 2,500,000 | Carlsberg Breweries A/S 2.625% EMTN 12/03.07.19 | 2,665,750.00 | 2,677,912.50 | 3.82 |
| EUR | 2,000,000 | Casino Guichard Perrachon 4.481% 10/12.11.18 | 2,202,778.57 | 2,286,560.00 | 3.26 |
| EUR | 1,010,000 | Enel Finance Intl SA 5.75% EMTN 11/24.10.18 | 1,079,185.00 | 1,200,945.55 | 1.71 |
| EUR | 2,300,000 | Eutelsat SA 5% 11/14.01.19 | 2,609,350.00 | 2,689,114.00 | 3.83 |
| EUR | 2,500,000 | Gas Natural Capital Mks SA 4.125% EMTN 10/26.01.18 | 2,310,500.00 | 2,768,587.50 | 3.95 |
| EUR | 2,500,000 | Glencore Finance Canada Ltd 5.25% EMTN 07/13.06.17 | 2,693,993.93 | 2,768,050.00 | 3.95 |
| EUR | 2,000,000 | Hera SpA 4.5% Sen 09/03.12.19 | 2,219,800.00 | 2,350,080.00 | 3.35 |
| EUR | 2,300,000 | Intesa Sanpaolo SpA 4.375% EMTN Reg S Sen 12/15.10.19 | 2,337,375.00 | 2,648,174.00 | 3.77 |
| EUR | 2,000,000 | K+S Aktiengesellschaft 3.125% Reg-S Sen 13/06.12.18 | 2,051,560.50 | 2,166,660.00 | 3.09 |
| EUR | 2,000,000 | Kering 2.5% EMTN Sen 13/15.07.20 | 2,129,200.00 | 2,182,180.00 | 3.11 |
| EUR | 2,000,000 | mFinance France SA 2.75% EMTN Sen 12/12.10.15 | 2,047,962.50 | 2,027,180.00 | 2.89 |
| EUR | 2,500,000 | Repsol Intl Finance BV 4.875% EMTN 12/19.02.19 | 2,820,570.00 | 2,887,112.50 | 4.12 |
| EUR | 2,000,000 | Santander Intl Debt SA 4% EMTN Sen 12/27.03.17 | 2,076,314.29 | 2,151,080.00 | 3.07 |
| EUR | 2,000,000 | State Bank of India London 4.5% EMTN Sen 10/30.11.15 | 2,001,646.25 | 2,060,270.00 | 2.94 |
| EUR | 2,500,000 | Telefonica Emisiones SA 5.811% EMTN Sen 12/05.09.17 | 2,802,500.00 | 2,847,237.50 | 4.06 |
| EUR | 3,000,000 | Tesco Corp Treasury Serv plc 2.125% EMTN Sen 13/12.11.20 | 3,064,350.00 | 2,910,150.00 | 4.15 |
| EUR | 2,300,000 | Unicredit SpA 4.375% EMTN Ser 73 Tr 1 04/29.01.20 | 2,421,078.57 | 2,677,637.00 | 3.82 |
| EUR | 2,500,000 | Vale SA 4.375% EMTN 10/24.03.18 | 2,584,872.83 | 2,702,325.00 | 3.85 |
| EUR | 1,000,000 | Vodafone Group Plc 1% EMTN 14/11.09.20 | 992,872.30 | 1,007,030.00 | 1.43 |
| EUR | 2,500,000 | Volvo Treasury AB 2.375% EMTN Sen 12/26.11.19 | 2,520,425.28 | 2,666,575.00 | 3.80 |
| Total investments in securities | | | 65,604,706.58 | 68,608,708.05 | 97.80 |
| Cash at banks | | | | 498,456.06 | 0.71 |
| Other net assets/(liabilities) | | | | 1,042,413.86 | 1.49 |
| Total | | | | 70,149,577.97 | 100.00 |

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - Selected Investment Grade Corporate EURO

Industrial and geographical classification of investments

as at 31 December 2014

Industrial classification

(in percentage of net assets)

| | |
|---|----------------|
| Diversified financial services | 32.84 % |
| Banks | 16.29 % |
| Materials | 13.03 % |
| Capital goods | 9.24 % |
| Utilities | 7.17 % |
| Telecommunication services | 5.26 % |
| Food, beverage and tobacco | 3.82 % |
| Hotels, restaurants and leisure | 3.78 % |
| Food retailing, drugstores and pharmacies | 3.26 % |
| Retailing | 3.11 % |
| Total | <u>97.80 %</u> |

Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

| | |
|-----------------|----------------|
| France | 25.41 % |
| Italy | 14.76 % |
| United Kingdom | 12.27 % |
| Spain | 11.08 % |
| The Netherlands | 9.86 % |
| Germany | 6.13 % |
| Canada | 3.95 % |
| Brazil | 3.85 % |
| Denmark | 3.82 % |
| Sweden | 3.80 % |
| Cayman Islands | 2.87 % |
| Total | <u>97.80 %</u> |

KBL EPB Bond Fund - Government Bonds USD

Statement of net assets (in USD) as at 31 December 2014

Assets

| | |
|--------------------------------------|--------------|
| Securities portfolio at market value | 3,148,111.32 |
| Cash at banks | 1,533,502.98 |
| Income receivable on portfolio | 18,675.65 |
| Interest receivable on bank accounts | 3,659.22 |
| Prepaid expenses | 88.64 |
| | <hr/> |
| Total assets | 4,704,037.81 |
| | <hr/> |

Liabilities

| | |
|-------------------|----------|
| Expenses payable | 7,924.24 |
| | <hr/> |
| Total liabilities | 7,924.24 |
| | <hr/> |

| | |
|-----------------------------------|--------------|
| Net assets at the end of the year | 4,696,113.57 |
| | <hr/> |

| | |
|---|-----------|
| Number of capitalisation shares outstanding | 8,942.532 |
| Net asset value per capitalisation share | 525.14 |

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - Government Bonds USD

Statement of operations and other changes in net assets (in USD)

from 1 January 2014 to 31 December 2014

Income

| | |
|--|------------|
| Interest on bonds and other debt securities, net | 132,395.74 |
| Interest on bank accounts | 8,005.06 |
| Total income | 140,400.80 |

Expenses

| | |
|---|------------|
| Management fees | 44,419.07 |
| Custodian fees | 3,114.70 |
| Banking charges and other fees | 2,610.52 |
| Central administration costs | 64,608.86 |
| Professional fees | 5,786.46 |
| Other administration costs | 28,359.13 |
| Subscription duty ("taxe d'abonnement") | 2,976.37 |
| Interest paid on bank overdrafts | 6.89 |
| Other expenses | 997.40 |
| Total expenses | 152,879.40 |

| | |
|---------------------|------------|
| Net investment loss | -12,478.60 |
|---------------------|------------|

Net realised gain/(loss)

| | |
|---------------------------|-------------|
| - on securities portfolio | -91,672.22 |
| - on foreign exchange | -674.39 |
| Realised result | -104,825.21 |

Net variation of the unrealised gain/(loss)

| | |
|---------------------------|------------|
| - on securities portfolio | 92,012.91 |
| Result of operations | -12,812.30 |

| | |
|---------------|---|
| Subscriptions | - |
|---------------|---|

| | |
|-------------|---------------|
| Redemptions | -2,783,470.69 |
|-------------|---------------|

| | |
|-----------------------------|---------------|
| Total changes in net assets | -2,796,282.99 |
|-----------------------------|---------------|

| | |
|---|--------------|
| Total net assets at the beginning of the year | 7,492,396.56 |
|---|--------------|

| | |
|---|--------------|
| Total net assets at the end of the year | 4,696,113.57 |
|---|--------------|

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - Government Bonds USD

Statistical information (in USD)

as at 31 December 2014

Total net assets

| | |
|--------------------|---------------|
| - as at 31.12.2014 | 4,696,113.57 |
| - as at 31.12.2013 | 7,492,396.56 |
| - as at 31.12.2012 | 34,941,974.59 |

Portfolio Turnover Rate (in %)

(subscriptions and redemptions of shares are netted by NAV calculation)

| | |
|--------------------|-------|
| - as at 31.12.2014 | -3.32 |
|--------------------|-------|

Number of capitalisation shares

| | |
|--|------------|
| - outstanding at the beginning of the year | 14,220.532 |
| - issued | 0.000 |
| - redeemed | -5,278.000 |
| - outstanding at the end of the year | 8,942.532 |

Net asset value per capitalisation share

| | |
|--------------------|--------|
| - as at 31.12.2014 | 525.14 |
| - as at 31.12.2013 | 526.87 |
| - as at 31.12.2012 | 542.89 |

Performance per capitalisation share in EUR (in %)

| | |
|--------------------|-------|
| - as at 31.12.2014 | -0.33 |
| - as at 31.12.2013 | -2.95 |
| - as at 31.12.2012 | 0.50 |

TER per capitalisation share (in %)

| | |
|--------------------|------|
| - as at 31.12.2014 | 2.45 |
|--------------------|------|

Annual returns were calculated for the last 3 consecutive financial years. For sub-funds or share types launched or liquidated during the financial year, the corresponding annual return has not been calculated.

The historical performance is not an indication of current or future results. The performance data do not take account of the commissions and costs incurred on the issue and redemption of shares of the Sicav.

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - Government Bonds USD

Statement of investments and other net assets (in USD) as at 31 December 2014

| Currency | Number / nominal value | Description | Cost | Market value | % of total net assets |
|--|------------------------|---|--------------|--------------|-----------------------|
| <u>Investments in securities</u> | | | | | |
| <u>Transferable securities admitted to an official stock exchange listing</u> | | | | | |
| Bonds | | | | | |
| USD | 150,000 | US 1.5% T-Notes Ser AA-2016 11/31.07.16 | 153,773.40 | 152,314.46 | 3.24 |
| USD | 200,000 | US 2% T-Notes Ser B 02023 13/15.02.23 | 198,617.18 | 199,078.13 | 4.24 |
| USD | 250,000 | US 2.375% T-Notes Ser L-2018 11/31.05.18 | 270,299.53 | 259,218.75 | 5.52 |
| USD | 150,000 | US 2.625% T-Notes Ser F-2020 10/15.11.20 | 162,566.58 | 156,597.65 | 3.34 |
| USD | 200,000 | US 2.625% T-Notes Ser K-2018 11/30.04.18 | 219,561.46 | 209,062.50 | 4.45 |
| USD | 100,000 | US 3.125% T-Notes Ser C-2021 11/15.05.21 | 110,809.37 | 107,296.87 | 2.29 |
| USD | 200,000 | US 7.5% T-Bonds 86/15.11.16 | 254,819.11 | 225,460.93 | 4.80 |
| Total bonds | | | 1,370,446.63 | 1,309,029.29 | 27.88 |
| <u>Transferable securities dealt in on another regulated market</u> | | | | | |
| Bonds | | | | | |
| USD | 200,000 | US 1% T-Notes Ser AR-2017 14/15.09.17 | 202,000.00 | 200,132.81 | 4.26 |
| USD | 200,000 | US 2% T-Notes Ser B-2022 12/15.02.22 | 202,325.00 | 200,398.44 | 4.27 |
| USD | 200,000 | US 2.375% T-Notes Ser N-2017 10/31.07.17 | 216,420.00 | 207,304.69 | 4.41 |
| USD | 150,000 | US 2.625% T-Notes Ser E 2020 10/15.08.20 | 161,146.87 | 156,679.69 | 3.34 |
| USD | 150,000 | US 3.125% T-Notes Ser C-2019 09/15.05.19 | 167,179.68 | 159,949.22 | 3.41 |
| USD | 200,000 | US 3.5% T-Notes 08/15.02.18 | 219,625.40 | 214,312.50 | 4.56 |
| USD | 150,000 | US 3.5% T-Notes Ser C-2020 10/15.05.20 | 167,547.05 | 163,722.65 | 3.49 |
| USD | 200,000 | US 3.75% T-Notes 08/15.11.18 | 233,623.57 | 217,921.87 | 4.64 |
| USD | 100,000 | US 4.125% T-Notes Ser C-2015 05/15.05.15 | 106,062.50 | 101,496.10 | 2.16 |
| USD | 200,000 | US 4.5% T-Notes Ser C-2017 07/15.05.17 | 233,458.34 | 217,164.06 | 4.62 |
| Total bonds | | | 1,909,388.41 | 1,839,082.03 | 39.16 |
| Total investments in securities | | | 3,279,835.04 | 3,148,111.32 | 67.04 |
| <u>Cash at banks</u> | | | | | |
| Term deposits | | | | | |
| USD | 300,000.00 | BNP Paribas Luxembourg 0.4000% 16.07.2015 | 300,000.00 | 300,000.00 | 6.39 |
| USD | 400,000.00 | KBC Bank SA 0.4000% 16.01.2015 | 400,000.00 | 400,000.00 | 8.52 |
| USD | 400,000.00 | KBC Bank SA 0.3600% 16.01.2015 | 400,000.00 | 400,000.00 | 8.52 |
| USD | 400,000.00 | Société Générale 0.5500% 16.04.2015 | 400,000.00 | 400,000.00 | 8.51 |
| Total term deposits | | | 1,500,000.00 | 1,500,000.00 | 31.94 |
| Current accounts at bank | | | 33,502.98 | 33,502.98 | 0.71 |
| Total cash at banks | | | 1,533,502.98 | 1,533,502.98 | 32.65 |
| Other net assets/(liabilities) | | | | 14,499.27 | 0.31 |
| Total | | | | 4,696,113.57 | 100.00 |

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - Government Bonds USD

Industrial and geographical classification of investments

as at 31 December 2014

Industrial classification

(in percentage of net assets)

| | |
|---------------------------|----------------|
| Countries and governments | 67.04 % |
| Total | <u>67.04 %</u> |

Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

| | |
|--------------------------|----------------|
| United States of America | 67.04 % |
| Total | <u>67.04 %</u> |

KBL EPB Bond Fund - Government Bonds EURO

Statement of net assets (in EUR) as at 31 December 2014

Assets

| | |
|--------------------------------------|---------------|
| Securities portfolio at market value | 90,864,202.50 |
| Cash at banks | 704,301.61 |
| Income receivable on portfolio | 1,467,846.21 |
| Prepaid expenses | 1,907.62 |
| Total assets | 93,038,257.94 |

Liabilities

| | |
|-------------------|------------|
| Expenses payable | 153,993.84 |
| Total liabilities | 153,993.84 |

| | |
|-----------------------------------|---------------|
| Net assets at the end of the year | 92,884,264.10 |
|-----------------------------------|---------------|

| | |
|---|-------------|
| Number of capitalisation shares outstanding | 155,111.207 |
| Net asset value per capitalisation share | 598.82 |

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - Government Bonds EURO

Statement of operations and other changes in net assets (in EUR)

from 1 January 2014 to 31 December 2014

Income

| | |
|--|--------------|
| Interest on bonds and other debt securities, net | 3,952,675.01 |
| Interest on bank accounts | 2.49 |
| Commissions received | 4,943.84 |
| Total income | 3,957,621.34 |

Expenses

| | |
|---|------------|
| Management fees | 549,705.41 |
| Custodian fees | 49,480.45 |
| Banking charges and other fees | 27,016.49 |
| Transaction fees | 150.00 |
| Central administration costs | 118,475.97 |
| Professional fees | 28,334.09 |
| Other administration costs | 66,933.74 |
| Subscription duty ("taxe d'abonnement") | 52,119.11 |
| Interest paid on bank overdrafts | 26.22 |
| Other expenses | 12,498.35 |
| Total expenses | 904,739.83 |

| | |
|-----------------------|--------------|
| Net investment income | 3,052,881.51 |
|-----------------------|--------------|

Net realised gain/(loss)

| | |
|---------------------------|--------------|
| - on securities portfolio | 768,973.39 |
| - on futures contracts | -7,000.00 |
| Realised result | 3,814,854.90 |

Net variation of the unrealised gain/(loss)

| | |
|---------------------------|--------------|
| - on securities portfolio | 2,674,331.93 |
|---------------------------|--------------|

| | |
|----------------------|--------------|
| Result of operations | 6,489,186.83 |
|----------------------|--------------|

| | |
|---------------|--------------|
| Subscriptions | 4,682,303.18 |
|---------------|--------------|

| | |
|-------------|----------------|
| Redemptions | -37,813,338.07 |
|-------------|----------------|

| | |
|-----------------------------|----------------|
| Total changes in net assets | -26,641,848.06 |
|-----------------------------|----------------|

| | |
|---|----------------|
| Total net assets at the beginning of the year | 119,526,112.16 |
|---|----------------|

| | |
|---|---------------|
| Total net assets at the end of the year | 92,884,264.10 |
|---|---------------|

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - Government Bonds EURO

Statistical information (in EUR)

as at 31 December 2014

Total net assets

| | |
|--------------------|----------------|
| - as at 31.12.2014 | 92,884,264.10 |
| - as at 31.12.2013 | 119,526,112.16 |
| - as at 31.12.2012 | 185,185,811.53 |

Portfolio Turnover Rate (in %)

(subscriptions and redemptions of shares are netted by NAV calculation)

| | |
|--------------------|------|
| - as at 31.12.2014 | 9.85 |
|--------------------|------|

Number of capitalisation shares

| | |
|--|-------------|
| - outstanding at the beginning of the year | 211,648.232 |
| - issued | 8,027.700 |
| - redeemed | -64,564.725 |
| - outstanding at the end of the year | 155,111.207 |

Net asset value per capitalisation share

| | |
|--------------------|--------|
| - as at 31.12.2014 | 598.82 |
| - as at 31.12.2013 | 564.74 |
| - as at 31.12.2012 | 552.51 |

Performance per capitalisation share in EUR (in %)

| | |
|--------------------|------|
| - as at 31.12.2014 | 6.03 |
| - as at 31.12.2013 | 2.21 |
| - as at 31.12.2012 | 8.45 |

TER per capitalisation share (in %)

| | |
|--------------------|------|
| - as at 31.12.2014 | 0.84 |
|--------------------|------|

Annual returns were calculated for the last 3 consecutive financial years. For sub-funds or share types launched or liquidated during the financial year, the corresponding annual return has not been calculated.

The historical performance is not an indication of current or future results. The performance data do not take account of the commissions and costs incurred on the issue and redemption of shares of the Sicav.

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - Government Bonds EURO

Statement of investments and other net assets (in EUR) as at 31 December 2014

| Currency | Number / nominal value | Description | Cost | Market value | % of total net assets |
|---|---------------------------|--|---------------|---------------|--------------------------|
| Investments in securities | | | | | |
| Transferable securities admitted to an official stock exchange listing | | | | | |
| Bonds | | | | | |
| EUR | 700,000 | Belgium 2.25% OLO Reg S Ser 68 13/22.06.23 | 678,951.00 | 791,350.00 | 0.85 |
| EUR | 500,000 | Belgium 3.75% OLO Ser 58 10/28.09.20 | 537,159.58 | 599,562.50 | 0.65 |
| EUR | 500,000 | Belgium 4% OLO Ser 49 07/28.03.17 | 527,205.00 | 545,050.00 | 0.59 |
| EUR | 500,000 | Belgium 4% OLO Ser 52 08/28.03.18 | 517,236.87 | 564,775.00 | 0.61 |
| EUR | 500,000 | Belgium 4% Ser 55 09/28.03.19 | 567,100.00 | 582,537.50 | 0.63 |
| EUR | 500,000 | Belgium 8% Ser 23 OLO 95/28.03.15 | 628,315.00 | 509,200.00 | 0.55 |
| EUR | 1,000,000 | Deutschland 1.75% 12/04.07.22 | 1,033,670.00 | 1,112,725.00 | 1.20 |
| EUR | 1,000,000 | Deutschland 2.5% 10/04.01.21 | 1,036,516.67 | 1,144,825.00 | 1.23 |
| EUR | 1,000,000 | Deutschland 3.25% Ser 05 05/04.07.15 | 1,072,100.00 | 1,016,600.00 | 1.09 |
| EUR | 1,000,000 | Deutschland 3.25% Ser 09 09/04.01.20 | 1,093,394.80 | 1,162,775.00 | 1.25 |
| EUR | 3,000,000 | Deutschland 4.25% 07/04.07.17 | 3,424,840.67 | 3,325,425.00 | 3.58 |
| EUR | 1,800,000 | Deutschland 4.25% Ser 08 08/04.07.18 | 2,122,467.00 | 2,073,510.00 | 2.23 |
| EUR | 5,000,000 | Deutschland 6% Ser 2 86/20.06.16 | 6,032,433.33 | 5,444,125.00 | 5.86 |
| EUR | 5,000,000 | Espana 2.75% Sen 14/31.10.24 | 4,979,700.00 | 5,520,000.00 | 5.94 |
| EUR | 2,000,000 | Espana 3.8% 06/31.01.17 | 1,990,008.00 | 2,138,800.00 | 2.30 |
| EUR | 1,000,000 | Espana 4.3% Sen 09/31.10.19 | 1,000,072.63 | 1,166,200.00 | 1.26 |
| EUR | 1,000,000 | Espana 4.6% 09/30.07.19 | 965,400.00 | 1,171,550.00 | 1.26 |
| EUR | 500,000 | Espana 5.5% 02/30.07.17 | 559,230.00 | 563,675.00 | 0.61 |
| EUR | 2,000,000 | Espana 5.85% 11/31.01.22 | 2,193,770.00 | 2,638,550.00 | 2.84 |
| EUR | 400,000 | Finland 3.5% 11/15.04.21 | 467,080.00 | 480,120.00 | 0.52 |
| EUR | 1,000,000 | Finland 3.875% 06/15.09.17 | 1,049,090.00 | 1,106,200.00 | 1.19 |
| EUR | 200,000 | Finland 4.375% Sen 08/04.07.19 | 243,340.00 | 238,700.00 | 0.26 |
| EUR | 4,000,000 | France 3% OAT 05/25.10.15 | 4,087,625.14 | 4,097,900.00 | 4.41 |
| EUR | 1,000,000 | France 3.75% OAT 05/25.04.21 | 1,070,648.00 | 1,212,700.00 | 1.31 |
| EUR | 2,000,000 | France 3.75% T-Bond 09/25.10.19 | 2,212,040.00 | 2,344,450.00 | 2.52 |
| EUR | 1,500,000 | France 4.25% 08/25.10.18 | 1,695,555.00 | 1,740,150.00 | 1.87 |
| EUR | 2,000,000 | France 4.25% OAT 07/25.10.17 | 2,343,800.00 | 2,240,300.00 | 2.41 |
| EUR | 3,000,000 | France 5% OAT 01/25.10.16 | 3,385,440.00 | 3,273,525.00 | 3.52 |
| EUR | 1,500,000 | France 8.5% OAT 92/25.04.23 | 2,332,470.00 | 2,469,975.00 | 2.66 |
| EUR | 1,000,000 | Ireland 3.4% T-Bond 14/18.03.24 | 988,350.00 | 1,186,875.00 | 1.28 |
| EUR | 500,000 | Ireland 4.6% T-Bonds 99/18.04.16 | 533,150.00 | 529,450.00 | 0.57 |
| EUR | 1,000,000 | Ireland 5.9% T-Bond 09/18.10.19 | 977,770.00 | 1,257,875.00 | 1.35 |
| EUR | 1,500,000 | Italia 3.75% BTP 05/01.08.15 | 1,549,920.00 | 1,529,362.50 | 1.65 |
| EUR | 5,000,000 | Italia 3.75% BTP 06/01.08.16 | 4,951,295.00 | 5,257,125.00 | 5.66 |
| EUR | 3,500,000 | Italia 4.25% BTP 03/01.02.19 | 3,659,590.00 | 3,978,625.00 | 4.28 |
| EUR | 2,500,000 | Italia 4.25% BTP 09/01.03.20 | 2,717,542.30 | 2,908,437.50 | 3.13 |
| EUR | 1,000,000 | Italia 4.25% BTP 09/01.09.19 | 1,003,400.00 | 1,151,475.00 | 1.24 |
| EUR | 2,000,000 | Italia 4.5% BTP 07/01.02.18 | 2,107,400.00 | 2,231,750.00 | 2.40 |
| EUR | 3,000,000 | Italia 4.75% BTP 11/01.09.21 | 2,736,300.00 | 3,651,075.00 | 3.93 |
| EUR | 2,000,000 | Italia 5.25% BTP Sen 02/01.08.17 | 2,224,940.00 | 2,237,100.00 | 2.41 |
| EUR | 2,000,000 | Italia 5.5% BTP 12/01.11.22 | 2,169,136.00 | 2,572,750.00 | 2.77 |
| EUR | 1,500,000 | Netherlands 3.25 11/15.07.21 | 1,602,600.00 | 1,787,625.00 | 1.93 |
| EUR | 2,500,000 | Netherlands 3.25% 05/15.07.15 | 2,590,675.00 | 2,544,125.00 | 2.74 |
| EUR | 1,500,000 | Netherlands 4.5% 07/15.07.17 | 1,759,650.00 | 1,671,975.00 | 1.80 |
| EUR | 1,000,000 | Oesterreich 3.9% Sen 05/15.07.20 | 1,109,383.33 | 1,205,550.00 | 1.30 |
| EUR | 2,000,000 | Oesterreich 4% 06/15.09.16 | 2,118,660.00 | 2,137,500.00 | 2.30 |
| EUR | 500,000 | Portugal 3.35% OT'S 05/15.10.15 | 478,621.25 | 512,312.50 | 0.55 |
| EUR | 500,000 | Portugal 4.35% 07/16.10.17 | 481,450.00 | 547,000.00 | 0.59 |
| EUR | 300,000 | Portugal 4.75% 09/14.06.19 | 271,680.00 | 342,540.00 | 0.37 |
| EUR | 300,000 | Portugal 4.8% Obr Tesouro 10/15.06.20 | 199,990.00 | 348,420.00 | 0.38 |
| Total investments in securities | | | 86,078,161.57 | 90,864,202.50 | 97.83 |
| Cash at banks | | | | 704,301.61 | 0.76 |
| Other net assets/(liabilities) | | | | 1,315,759.99 | 1.41 |
| Total | | | | 92,884,264.10 | 100.00 |

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - Government Bonds EURO

Industrial and geographical classification of investments as at 31 December 2014

Industrial classification

(in percentage of net assets)

| | |
|---------------------------|----------------|
| Countries and governments | 97.83 % |
| Total | <u>97.83 %</u> |

Geographical classification

(by domicile of the issuer)
(in percentage of net assets)

| | |
|-----------------|----------------|
| Italy | 27.47 % |
| France | 18.70 % |
| Germany | 16.44 % |
| Spain | 14.21 % |
| The Netherlands | 6.47 % |
| Belgium | 3.88 % |
| Austria | 3.60 % |
| Ireland | 3.20 % |
| Finland | 1.97 % |
| Portugal | 1.89 % |
| Total | <u>97.83 %</u> |

KBL EPB Bond Fund - Upper Investment Grade Corporate EURO

Statement of net assets (in EUR) as at 31 December 2014

Assets

| | |
|--------------------------------------|---------------|
| Securities portfolio at market value | 14,304,252.95 |
| Cash at banks | 168,762.32 |
| Income receivable on portfolio | 306,263.00 |
| Prepaid expenses | 310.85 |
| Total assets | 14,779,589.12 |

Liabilities

| | |
|-------------------|-----------|
| Expenses payable | 34,922.79 |
| Total liabilities | 34,922.79 |

| | |
|-----------------------------------|---------------|
| Net assets at the end of the year | 14,744,666.33 |
|-----------------------------------|---------------|

| | |
|---|------------|
| Number of capitalisation shares outstanding | 25,101.266 |
| Net asset value per capitalisation share | 587.41 |

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - Upper Investment Grade Corporate EURO

Statement of operations and other changes in net assets (in EUR) from 1 January 2014 to 31 December 2014

Income

| | |
|--|------------|
| Interest on bonds and other debt securities, net | 724,819.68 |
| Commissions received | 178.07 |
| Total income | 724,997.75 |

Expenses

| | |
|---|------------|
| Management fees | 142,091.25 |
| Custodian fees | 8,799.72 |
| Banking charges and other fees | 4,222.96 |
| Central administration costs | 50,285.37 |
| Professional fees | 4,556.63 |
| Other administration costs | 26,235.37 |
| Subscription duty ("taxe d'abonnement") | 8,380.36 |
| Interest paid on bank overdrafts | 5.00 |
| Other expenses | 2,221.08 |
| Total expenses | 246,797.74 |

| | |
|-----------------------|------------|
| Net investment income | 478,200.01 |
|-----------------------|------------|

Net realised gain/(loss)

| | |
|---------------------------|-------------|
| - on securities portfolio | -245,387.10 |
| Realised result | 232,812.91 |

Net variation of the unrealised gain/(loss)

| | |
|---------------------------|------------|
| - on securities portfolio | -39,834.65 |
| Result of operations | 192,978.26 |

| | |
|---------------|------------|
| Subscriptions | 333,741.58 |
|---------------|------------|

| | |
|-------------|---------------|
| Redemptions | -6,576,477.68 |
|-------------|---------------|

| | |
|-----------------------------|---------------|
| Total changes in net assets | -6,049,757.84 |
|-----------------------------|---------------|

| | |
|---|---------------|
| Total net assets at the beginning of the year | 20,794,424.17 |
|---|---------------|

| | |
|---|---------------|
| Total net assets at the end of the year | 14,744,666.33 |
|---|---------------|

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - Upper Investment Grade Corporate EURO

Statistical information (in EUR)
as at 31 December 2014

Total net assets

| | |
|--------------------|---------------|
| - as at 31.12.2014 | 14,744,666.33 |
| - as at 31.12.2013 | 20,794,424.17 |
| - as at 31.12.2012 | 53,821,648.85 |

Portfolio Turnover Rate (in %)

(subscriptions and redemptions of shares are netted by NAV calculation)

| | |
|--------------------|-------|
| - as at 31.12.2014 | 34.65 |
|--------------------|-------|

Number of capitalisation shares

| | |
|--|-------------|
| - outstanding at the beginning of the year | 35,763.033 |
| - issued | 570.000 |
| - redeemed | -11,231.767 |
| - outstanding at the end of the year | 25,101.266 |

Net asset value per capitalisation share

| | |
|--------------------|--------|
| - as at 31.12.2014 | 587.41 |
| - as at 31.12.2013 | 581.45 |
| - as at 31.12.2012 | 583.10 |

Performance per capitalisation share in EUR (in %)

| | |
|--------------------|-------|
| - as at 31.12.2014 | 1.03 |
| - as at 31.12.2013 | -0.28 |
| - as at 31.12.2012 | 3.40 |

TER per capitalisation share (in %)

| | |
|--------------------|------|
| - as at 31.12.2014 | 1.40 |
|--------------------|------|

Annual returns were calculated for the last 3 consecutive financial years. For sub-funds or share types launched or liquidated during the financial year, the corresponding annual return has not been calculated.

The historical performance is not an indication of current or future results. The performance data do not take account of the commissions and costs incurred on the issue and redemption of shares of the Sicav.

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - Upper Investment Grade Corporate EURO

Statement of investments and other net assets (in EUR) as at 31 December 2014

| Currency | Number / nominal value | Description | Cost | Market value | % of total net assets |
|---|---------------------------|---|---------------|---------------|--------------------------|
| Investments in securities | | | | | |
| Transferable securities admitted to an official stock exchange listing | | | | | |
| Bonds | | | | | |
| EUR | 500,000 | America Movil SAB de CV 3.75% 10/28.06.17 | 554,522.50 | 540,952.50 | 3.67 |
| EUR | 400,000 | Amgen Inc 4.375% Sen 11/05.12.18 | 454,280.00 | 456,828.00 | 3.10 |
| EUR | 500,000 | Anheuser-Busch InBev SA 8.625% EMTN 09/30.01.17 | 655,512.50 | 585,710.00 | 3.97 |
| EUR | 550,000 | Bank of America Corp 4.625% EMTN Sen 10/07.08.17 | 612,658.75 | 608,327.50 | 4.13 |
| EUR | 450,000 | BAT Intl Finance Plc 5.375% EMTN Reg-S Ser 32 07/29.06.17 | 512,280.00 | 505,860.75 | 3.43 |
| EUR | 500,000 | Belgacom SA VAR EMTN Sen 06/23.11.16 | 567,512.50 | 535,755.00 | 3.63 |
| EUR | 500,000 | BHP Billiton Finance Ltd 6.375% EMTN 09/04.04.16 | 591,137.50 | 538,555.00 | 3.65 |
| EUR | 500,000 | BP Capital Markets Plc 3.83% EMTN 10/06.10.17 | 550,250.00 | 545,962.50 | 3.70 |
| EUR | 500,000 | Bristol Myers Squibb Co 4.375% Sen 06/15.11.16 | 568,962.50 | 535,555.00 | 3.63 |
| EUR | 545,000 | CEZ AS 3.625% EMTN Sen 11/27.05.16 | 596,012.00 | 569,421.45 | 3.86 |
| EUR | 400,000 | Compass Group Plc 3.125% EMTN Sen 12/13.02.19 | 442,160.00 | 443,058.00 | 3.01 |
| EUR | 400,000 | Credit Suisse Intl 4.75% EMTN Sen 09/05.08.19 | 474,600.00 | 473,856.00 | 3.21 |
| EUR | 500,000 | Danone 2.5% EMTN 11/29.09.16 | 531,042.50 | 517,365.00 | 3.51 |
| EUR | 500,000 | Deutsche Bank AG 5.125% EMTN 07/31.08.17 | 590,062.50 | 562,165.00 | 3.81 |
| EUR | 500,000 | ENI SpA 4.75% EMTN Ser 3 07/14.11.17 | 577,150.00 | 560,700.00 | 3.80 |
| EUR | 400,000 | Fortum Oyj 6% EMTN Sen 09/20.03.19 | 490,320.00 | 487,282.00 | 3.31 |
| EUR | 550,000 | HSBC Finance Corp 4.875% EMTN Ser 182 07/30.05.17 | 585,310.00 | 607,554.75 | 4.12 |
| EUR | 400,000 | Hutchison Whampoa Finance Ltd 4.625% 06/21.09.16 | 433,360.00 | 428,248.00 | 2.90 |
| EUR | 400,000 | ING Bank NV 1.875% EMTN Sen 13/27.02.18 | 417,400.00 | 417,796.00 | 2.83 |
| EUR | 600,000 | IPIC GMTN Ltd 4.875% EMTN 11/14.05.16 | 653,195.00 | 633,657.00 | 4.30 |
| EUR | 500,000 | Pfizer Inc 4.55% Sen 07/15.05.17 | 577,950.00 | 549,445.00 | 3.73 |
| EUR | 400,000 | PKO Finance AB 2.324% EMTN Loan Participation 14/23.01.19 | 417,280.00 | 418,428.00 | 2.84 |
| EUR | 200,000 | Schneider Electric SE 3.75% EMTN 11/12.07.18 | 223,900.00 | 223,275.00 | 1.51 |
| EUR | 500,000 | Siemens Financieringsmaatsc NV 5.125% EMTN 09/20.02.17 | 585,800.00 | 551,805.00 | 3.74 |
| EUR | 500,000 | Telenor ASA 4.875% EMTN 07/29.05.17 | 583,367.50 | 555,057.50 | 3.77 |
| EUR | 400,000 | Telstra Corp Ltd 3.875% EMTN Sen Ser 21 Tr 1 05/24.07.15 | 428,840.00 | 408,208.00 | 2.77 |
| EUR | 400,000 | Verizon Wireless Capital LLC 8.75% 08/18.12.15 | 466,560.00 | 432,106.00 | 2.93 |
| EUR | 600,000 | Wesfarmers Ltd 3.875% EMTN 10/10.07.15 | 642,720.00 | 611,319.00 | 4.15 |
| Total investments in securities | | | 14,784,145.75 | 14,304,252.95 | 97.01 |
| Cash at banks | | | | 168,762.32 | 1.14 |
| Other net assets/(liabilities) | | | | 271,651.06 | 1.85 |
| Total | | | | 14,744,666.33 | 100.00 |

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - Upper Investment Grade Corporate EURO

Industrial and geographical classification of investments

as at 31 December 2014

Industrial classification

(in percentage of net assets)

| | |
|-----------------------------------|----------------|
| Diversified financial services | 21.72 % |
| Banks | 20.94 % |
| Telecommunication services | 16.77 % |
| Pharmaceuticals and biotechnology | 10.46 % |
| Food, beverage and tobacco | 7.48 % |
| Utilities | 7.17 % |
| Capital goods | 5.66 % |
| Energy | 3.80 % |
| Hotels, restaurants and leisure | 3.01 % |
| Total | <u>97.01 %</u> |

Geographical classification

(by domicile of the issuer)

(in percentage of net assets)

| | |
|--------------------------|----------------|
| United States of America | 21.64 % |
| United Kingdom | 13.35 % |
| Australia | 10.57 % |
| Belgium | 7.60 % |
| Cayman Islands | 7.20 % |
| The Netherlands | 6.57 % |
| France | 5.02 % |
| Czech Republic | 3.86 % |
| Germany | 3.81 % |
| Italy | 3.80 % |
| Norway | 3.77 % |
| Mexico | 3.67 % |
| Finland | 3.31 % |
| Sweden | 2.84 % |
| Total | <u>97.01 %</u> |

KBL EPB Bond Fund - High Yield EURO

Statement of net assets (in EUR) as at 31 December 2014

Assets

| | |
|--------------------------------------|---------------------------|
| Securities portfolio at market value | 28,593,570.85 |
| Cash at banks | 205,297.76 |
| Income receivable on portfolio | 681,247.46 |
| Prepaid expenses | 580.74 |
| Total assets | <hr/> 29,480,696.81 <hr/> |

Liabilities

| | |
|-------------------|-----------------------|
| Expenses payable | <hr/> 70,044.54 <hr/> |
| Total liabilities | <hr/> 70,044.54 <hr/> |

| | |
|-----------------------------------|---------------------------|
| Net assets at the end of the year | <hr/> 29,410,652.27 <hr/> |
|-----------------------------------|---------------------------|

| | |
|---|------------|
| Number of capitalisation shares outstanding | 55,532.163 |
| Net asset value per capitalisation share | 529.61 |

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - High Yield EURO

Statement of operations and other changes in net assets (in EUR)

from 1 January 2014 to 31 December 2014

Income

| | |
|--|--------------|
| Interest on bonds and other debt securities, net | 1,859,114.87 |
| Total income | 1,859,114.87 |

Expenses

| | |
|---|------------|
| Management fees | 294,002.20 |
| Custodian fees | 19,183.67 |
| Banking charges and other fees | 10,619.70 |
| Transaction fees | 3,036.16 |
| Central administration costs | 67,482.80 |
| Professional fees | 11,001.35 |
| Other administration costs | 43,208.48 |
| Subscription duty ("taxe d'abonnement") | 18,950.94 |
| Interest paid on bank overdrafts | 2.50 |
| Other expenses | 4,480.06 |
| Total expenses | 471,967.86 |

| | |
|-----------------------|--------------|
| Net investment income | 1,387,147.01 |
|-----------------------|--------------|

Net realised gain/(loss)

| | |
|---------------------------|--------------|
| - on securities portfolio | -174,493.91 |
| Realised result | 1,212,653.10 |

Net variation of the unrealised gain/(loss)

| | |
|---------------------------|--------------|
| - on securities portfolio | 345,860.01 |
| Result of operations | 1,558,513.11 |

| | |
|---------------|---------------|
| Subscriptions | 14,420,209.69 |
|---------------|---------------|

| | |
|-------------|----------------|
| Redemptions | -20,779,479.23 |
|-------------|----------------|

| | |
|-----------------------------|---------------|
| Total changes in net assets | -4,800,756.43 |
|-----------------------------|---------------|

| | |
|---|---------------|
| Total net assets at the beginning of the year | 34,211,408.70 |
|---|---------------|

| | |
|---|---------------|
| Total net assets at the end of the year | 29,410,652.27 |
|---|---------------|

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - High Yield EURO

Statistical information (in EUR)
as at 31 December 2014

| | |
|--|---------------|
| Total net assets | |
| - as at 31.12.2014 | 29,410,652.27 |
| - as at 31.12.2013 | 34,211,408.70 |
| Portfolio Turnover Rate (in %) | |
| (subscriptions and redemptions of shares are netted by NAV calculation) | |
| - as at 31.12.2014 | -15.45 |
| Number of capitalisation shares | |
| - outstanding at the beginning of the year | 67,436.095 |
| - issued | 27,995.311 |
| - redeemed | -39,899.243 |
| - outstanding at the end of the year | 55,532.163 |
| Net asset value per capitalisation share | |
| - as at 31.12.2014 | 529.61 |
| - as at 31.12.2013 | 507.32 |
| Performance per capitalisation share in EUR (in %) | |
| - as at 31.12.2014 | 4.39 |
| - as at 31.12.2013 | - |
| - as at 31.12.2012 | - |
| TER per capitalisation share (in %) | |
| - as at 31.12.2014 | 1.24 |

Annual returns were calculated for the last 3 consecutive financial years. For sub-funds or share types launched or liquidated during the financial year, the corresponding annual return has not been calculated.

The historical performance is not an indication of current or future results. The performance data do not take account of the commissions and costs incurred on the issue and redemption of shares of the Sicav.

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - High Yield EURO

Statement of investments and other net assets (in EUR) as at 31 December 2014

| Currency | Number / nominal value | Description | Cost | Market value | % of total net assets |
|---|---------------------------|---|------------|--------------|--------------------------|
| Investments in securities | | | | | |
| Transferable securities admitted to an official stock exchange listing | | | | | |
| Bonds | | | | | |
| EUR | 550,000 | Allied Irish Banks Plc 2.75% EMTN Reg S Sen 14/16.04.19 | 549,887.25 | 578,660.50 | 1.97 |
| EUR | 100,000 | Almirall SA 4.625% Reg S Sen 14/01.04.21 | 100,062.50 | 106,433.50 | 0.36 |
| EUR | 500,000 | Altice Finco SA 9% Reg S Sen 13/15.06.23 | 556,350.00 | 550,310.00 | 1.87 |
| EUR | 390,000 | ArcelorMittal SA 2.875% EMTN 14/06.07.20 | 387,304.45 | 395,684.25 | 1.35 |
| EUR | 400,000 | Avis Budget Finance PLC 6% Reg S Sen 13/01.03.21 | 430,250.00 | 421,050.00 | 1.43 |
| EUR | 300,000 | Banca Popolare di Milano 7.125% EMTN 11/01.03.21 | 313,725.50 | 340,323.00 | 1.16 |
| EUR | 300,000 | Bankinter SA 6.375% EMTN 09/11.09.19 | 325,690.00 | 349,500.00 | 1.19 |
| EUR | 400,000 | Barry Callebaut Services NV VAR Sen 11/15.06.21 | 443,148.00 | 482,366.00 | 1.64 |
| EUR | 400,000 | Belden Inc 5.5% EMTN Reg S Sen Sub 13/15.04.23 | 397,140.00 | 415,928.00 | 1.41 |
| EUR | 100,000 | Brenntag Finance BV 5.5% 11/19.07.18 | 112,441.93 | 114,442.50 | 0.39 |
| EUR | 360,000 | Chesapeake Energy Corp 6.25% 06/15.01.17 | 388,053.00 | 378,063.00 | 1.29 |
| EUR | 400,000 | Ciments Francais SA 4.75% EMTN 07/04.04.17 | 419,010.00 | 425,648.00 | 1.45 |
| EUR | 400,000 | Crown European Hgs SA 4% Reg S Sen 14/15.07.22 | 414,690.00 | 417,040.00 | 1.42 |
| EUR | 500,000 | Deutsche Bank AG 6% 14/31.12.Perpetual | 500,367.50 | 485,392.50 | 1.65 |
| EUR | 400,000 | Dufry Finance SCA 4.5% EMTN Reg S Sen 14/15.07.22 | 415,650.00 | 427,476.00 | 1.45 |
| EUR | 500,000 | EDP Finance BV 2.625% EMTN Sen 14/15.04.19 | 497,080.00 | 518,760.00 | 1.76 |
| EUR | 300,000 | EDP Finance BV 4.875 % EMTN Sen 13/14.09.20 | 306,117.50 | 344,844.00 | 1.17 |
| EUR | 500,000 | Eileme 2 AB 11.75% Reg-S 12/31.01.20 | 577,200.00 | 571,822.50 | 1.94 |
| EUR | 400,000 | Europcar Group SA 11.5% EMTN Reg S 12/15.05.17 | 453,040.00 | 450,302.00 | 1.53 |
| EUR | 200,000 | Fiat Chrysler Fin Europe SA 4.75% EMTN Reg S Sen 14/22.03.21 | 200,125.00 | 213,915.00 | 0.73 |
| EUR | 450,000 | Fiat Chrysler Fin Europe SA 6.625% EMTN Sen 13/15.03.18 | 482,334.25 | 499,673.25 | 1.70 |
| EUR | 400,000 | Fiat Chrysler Fin Europe SA 6.75% EMTN Sen 13/14.10.19 | 429,162.50 | 459,672.00 | 1.56 |
| EUR | 300,000 | Fiat Chrysler Fin Europe SA 7% Ser GMTN 12/23.03.17 | 327,187.50 | 327,594.00 | 1.11 |
| EUR | 200,000 | FMC Fin VIII SA 5.25% EMTN Reg S Sen 12/31.07.19 | 229,225.00 | 230,696.00 | 0.78 |
| EUR | 250,000 | FMC Fin VIII SA 6.5% Reg-S 11/15.09.18 | 291,356.25 | 295,673.75 | 1.01 |
| EUR | 200,000 | FMC Finance VII SA 5.25% Ser Regs 11/15.02.21 | 220,005.00 | 233,400.00 | 0.79 |
| EUR | 340,000 | Goodyear Dunlop Tires Eur BV 6.75% RegS Sen 11/15.04.19 | 372,887.50 | 356,858.90 | 1.21 |
| EUR | 400,000 | HeidelbergCem Fin Lux SA 8.5% Reg-S 09/31.10.19 | 509,850.00 | 528,546.00 | 1.80 |
| EUR | 400,000 | HeidelbergCem Fin Lux SA 9.5% EMTN 11/15.12.18 | 517,100.00 | 524,800.00 | 1.78 |
| EUR | 400,000 | Hertz Holdings Nether BV 4.375% Reg S 13/15.01.19 | 409,250.00 | 399,500.00 | 1.36 |
| EUR | 400,000 | Hornbach Baumarkt AG 3.875% Reg S Sen 13/15.02.20 | 411,475.60 | 442,120.00 | 1.50 |
| EUR | 400,000 | Interxion Holding NV 6% Reg S 13/15.07.20 | 417,050.00 | 421,336.00 | 1.43 |
| EUR | 500,000 | Intesa Sanpaolo SpA 6.625% EMTN Sub 08/08.05.18 | 541,620.05 | 552,135.00 | 1.88 |
| EUR | 360,000 | Intralot Cap Luxembourg SA 9.75% Reg S Sen 13/15.08.18 | 387,045.00 | 372,479.40 | 1.27 |
| EUR | 400,000 | Italcementi SpA Step-up EMTN 10/19.03.20 | 434,072.00 | 466,400.00 | 1.59 |
| EUR | 500,000 | Labco SAS 8.5% Reg-S Sen 11/15.01.18 | 533,269.00 | 522,270.00 | 1.78 |
| EUR | 500,000 | Lafarge SA VAR EMTN Lk Rating 09/16.12.19 | 567,712.50 | 608,050.00 | 2.07 |
| EUR | 400,000 | MOL Hungarian Oil and Gas Plc 5.875% EMTN Sen 10/20.04.17 | 425,200.00 | 424,812.00 | 1.44 |
| EUR | 350,000 | Nexans SA 5.75% EMTN 07/02.05.17 | 378,659.75 | 376,593.00 | 1.28 |
| EUR | 200,000 | OI European Group BV 6.75% EMTN Reg-S Sen 10/15.09.20 | 231,105.00 | 237,706.00 | 0.81 |
| EUR | 500,000 | OTE Plc 3% EMTN Sen 14/09.07.20 | 499,956.50 | 473,700.00 | 1.61 |
| EUR | 100,000 | OTE Plc 4.625% EMTN 06/20.05.16 | 101,295.83 | 101,349.50 | 0.34 |
| EUR | 500,000 | OTE Plc 7.875% EMTN Reg S Sen 13/07.02.18 | 544,912.50 | 547,425.00 | 1.86 |
| EUR | 100,000 | Peugeot SA 6.5% EMTN 13/18.01.19 | 106,812.50 | 115,932.50 | 0.39 |
| EUR | 100,000 | Phoenix 20 - S 3.125% EMTN Sen 13/27.05.20 | 95,812.50 | 102,795.50 | 0.35 |
| EUR | 400,000 | Portucel SA 5.375% Sen 13/15.05.20 | 418,115.00 | 430,964.00 | 1.47 |
| EUR | 400,000 | Portugal Telecom Int'l Finance BV 4.625% EMTN Reg S 13/08.05.20 | 401,277.00 | 406,876.00 | 1.38 |
| EUR | 500,000 | Portugal Telecom Int'l Finance BV 5.625% EMTN 11/08.02.16 | 530,548.50 | 519,417.50 | 1.77 |
| EUR | 300,000 | Rexel SA 7% Sen 11/17.12.18 | 329,097.30 | 317,454.00 | 1.08 |
| EUR | 200,000 | Smurfit Kappa Acquisitions 3.25% Reg S 14/01.06.21 | 200,565.00 | 209,590.00 | 0.71 |
| EUR | 500,000 | Softbank Corp 4.625% Reg S Sen 13/15.04.20 | 520,562.50 | 532,860.00 | 1.81 |
| EUR | 400,000 | SPCM SA 5.5% Reg S Sen 12/15.06.20 | 435,210.00 | 423,800.00 | 1.44 |
| EUR | 200,000 | Stora Enso Oyj 5% EMTN Sen 12/19.03.18 | 215,525.00 | 219,296.00 | 0.75 |
| EUR | 500,000 | Stora Enso Oyj 5.5% EMTN Reg S Sen 12/07.03.19 | 534,642.50 | 565,745.00 | 1.92 |
| EUR | 500,000 | Telecom Italia SpA 4.5% EMTN Reg S Sen 14/25.01.21 | 528,560.00 | 547,512.50 | 1.86 |
| EUR | 500,000 | Telecom Italia SpA 4.875% EMTN 13/25.09.20 | 546,342.50 | 555,175.00 | 1.89 |
| EUR | 500,000 | Telecom Italia SpA 5.375% EMTN 04/29.01.19 | 519,775.50 | 559,130.00 | 1.90 |
| EUR | 200,000 | Telekom Slovenia dd 4.875% 09/21.12.16 | 204,769.00 | 210,658.00 | 0.72 |
| EUR | 300,000 | Thomas Cook Fin Plc 7.75% EMTN Sen 13/15.06.20 | 312,032.50 | 316,171.50 | 1.07 |
| EUR | 500,000 | ThyssenKrupp AG 4% EMTN 13/27.08.18 | 517,187.50 | 538,992.50 | 1.83 |

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - High Yield EURO

Statement of investments and other net assets (in EUR) (continued) as at 31 December 2014

| Currency | Number / nominal value | Description | Cost | Market value | % of total net assets |
|--|------------------------|---|----------------------|----------------------|-----------------------|
| EUR | 500,000 | TVN Finance Corp III AB 7.375% Reg S Sen 13/15.12.20 | 522,774.50 | 554,657.50 | 1.89 |
| EUR | 500,000 | Unicredit SpA 3.95% EMTN 06/01.02.16 | 508,352.50 | 512,145.00 | 1.74 |
| EUR | 500,000 | Unicredit SpA 6.7% EMTN Sub 08/05.06.18 | 545,399.50 | 564,245.00 | 1.92 |
| EUR | 400,000 | Unitymedia NRW GmbH 5.625% EMTN Reg S Sen 13/15.04.23 | 405,050.00 | 435,262.00 | 1.48 |
| EUR | 400,000 | UPCB Finance II Ltd 6.375% Reg-S Sen 11/01.07.20 | 426,720.00 | 421,340.00 | 1.43 |
| EUR | 100,000 | Wienerberger AG 4% 13/17.04.20 | 101,662.50 | 108,543.00 | 0.37 |
| EUR | 500,000 | Wind Acquisition Finance SA 4% Reg S 14/15.07.20 | 497,750.00 | 492,987.50 | 1.68 |
| Total bonds | | | 26,473,608.16 | 27,052,300.55 | 91.97 |
| <u>Transferable securities dealt in on another regulated market</u> | | | | | |
| Bonds | | | | | |
| EUR | 300,000 | Astaldi SpA 7.125% Reg S Sen 13/01.12.20 | 319,800.00 | 307,402.50 | 1.05 |
| EUR | 400,000 | Cegedim SA 6.75 Reg S Sen 13/01.04.20 | 409,794.00 | 437,790.00 | 1.49 |
| EUR | 400,000 | Jarden Corp 3.75% Reg S Sen 14/01.10.21 | 405,170.00 | 419,588.00 | 1.43 |
| EUR | 360,000 | Stena AB 6.125% Sen 07/01.02.17 | 386,865.00 | 376,489.80 | 1.28 |
| Total bonds | | | 1,521,629.00 | 1,541,270.30 | 5.25 |
| Total investments in securities | | | 27,995,237.16 | 28,593,570.85 | 97.22 |
| Cash at banks | | | | 205,297.76 | 0.70 |
| Other net assets/(liabilities) | | | | 611,783.66 | 2.08 |
| Total | | | | 29,410,652.27 | 100.00 |

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - High Yield EURO

Industrial and geographical classification of investments as at 31 December 2014

Industrial classification

(in percentage of net assets)

| | |
|-----------------------------------|----------------|
| Diversified financial services | 35.70 % |
| Materials | 16.10 % |
| Banks | 10.32 % |
| Telecommunication services | 9.67 % |
| Transportation | 4.17 % |
| Capital goods | 3.78 % |
| Software and services | 3.30 % |
| Technology hardware and equipment | 2.89 % |
| Energy | 2.73 % |
| Pharmaceuticals and biotechnology | 2.14 % |
| Media | 1.89 % |
| Automobiles and components | 1.60 % |
| Retailing | 1.50 % |
| Consumer durables and apparel | 1.43 % |
| Total | <u>97.22 %</u> |

KBL EPB Bond Fund - High Yield EURO

Industrial and geographical classification of investments (continued)
as at 31 December 2014

Geographical classification

(by domicile of the issuer)
(in percentage of net assets)

| | |
|--------------------------|----------------|
| Luxembourg | 18.88 % |
| Italy | 14.99 % |
| France | 13.93 % |
| The Netherlands | 11.63 % |
| Germany | 6.46 % |
| Sweden | 5.11 % |
| United Kingdom | 4.88 % |
| United States of America | 4.13 % |
| Ireland | 2.68 % |
| Finland | 2.67 % |
| Japan | 1.81 % |
| Belgium | 1.64 % |
| Spain | 1.55 % |
| Portugal | 1.47 % |
| Hungary | 1.44 % |
| Cayman Islands | 1.43 % |
| Jersey | 1.43 % |
| Slovenia | 0.72 % |
| Austria | 0.37 % |
| Total | <u>97.22 %</u> |

KBL EPB Bond Fund - Investment Grade Corporate USD

Statement of operations and other changes in net assets (in USD) from 1 January 2014 to 19 June 2014

Income

| | |
|--|------------|
| Interest on bonds and other debt securities, net | 624,795.87 |
| Return on sukuk | 3,566.61 |
| Commissions received | 36.02 |
| Total income | 628,398.50 |

Expenses

| | |
|---|------------|
| Management fees | 109,344.93 |
| Custodian fees | 6,513.16 |
| Banking charges and other fees | 7,884.15 |
| Central administration costs | 33,528.97 |
| Professional fees | 393.73 |
| Other administration costs | 21,285.39 |
| Subscription duty ("taxe d'abonnement") | 3,417.11 |
| Interest paid on bank overdrafts | 6.89 |
| Other expenses | 14,711.01 |
| Total expenses | 197,085.34 |

| | |
|-----------------------|------------|
| Net investment income | 431,313.16 |
|-----------------------|------------|

Net realised gain/(loss)

| | |
|---------------------------|-------------|
| - on securities portfolio | -274,006.99 |
| - on foreign exchange | -174.21 |
| Realised result | 157,131.96 |

Net variation of the unrealised gain/(loss)

| | |
|---------------------------|------------|
| - on securities portfolio | 456,336.34 |
|---------------------------|------------|

| | |
|----------------------|------------|
| Result of operations | 613,468.30 |
|----------------------|------------|

| | |
|---------------|-----------|
| Subscriptions | 37,410.01 |
|---------------|-----------|

| | |
|-------------|----------------|
| Redemptions | -27,685,798.97 |
|-------------|----------------|

| | |
|-----------------------------|----------------|
| Total changes in net assets | -27,034,920.66 |
|-----------------------------|----------------|

| | |
|---|---------------|
| Total net assets at the beginning of the year | 27,034,920.66 |
|---|---------------|

| | |
|---|------|
| Total net assets at the end of the year | 0.00 |
|---|------|

The accompanying notes are an integral part of these financial statements.

KBL EPB Bond Fund - Investment Grade Corporate USD

Statistical information (in USD)

as at 31 December 2014

Total net assets

| | |
|--------------------|---------------|
| - as at 31.12.2014 | - |
| - as at 31.12.2013 | 27,034,920.66 |
| - as at 31.12.2012 | 27,164,760.02 |

Portfolio Turnover Rate (in %)

(subscriptions and redemptions of shares are netted by NAV calculation)

| | |
|--------------------|---|
| - as at 31.12.2014 | - |
|--------------------|---|

Number of capitalisation shares

| | |
|--|-------------|
| - outstanding at the beginning of the year | 50,396.000 |
| - issued | 69.000 |
| - redeemed | -50,465.000 |
| - outstanding at the end of the year | 0.000 |

Net asset value per capitalisation share

| | |
|--------------------|--------|
| - as at 31.12.2014 | - |
| - as at 31.12.2013 | 536.45 |
| - as at 31.12.2012 | 539.62 |

Performance per capitalisation share in EUR (in %)

| | |
|--------------------|-------|
| - as at 31.12.2013 | -0.59 |
| - as at 31.12.2012 | 6.60 |
| - as at 31.12.2011 | - |

TER per capitalisation share (in %)

| | |
|--------------------|---|
| - as at 31.12.2014 | - |
|--------------------|---|

Annual returns were calculated for the last 3 consecutive financial years. For sub-funds or share types launched or liquidated during the financial year, the corresponding annual return has not been calculated.

The historical performance is not an indication of current or future results. The performance data do not take account of the commissions and costs incurred on the issue and redemption of shares of the Sicav.

The accompanying notes are an integral part of these financial statements.

Note 1 – Significant accounting policies

a) Presentation of the financial statements

The financial statements of the Sicav are drawn up in accordance with the legal and regulatory requirements in force in Luxembourg for undertakings for collective investment.

b) Valuation of assets

- 1) The value of cash in hand or on deposit, securities, bills and notes payable on demand and accounts receivable, prepaid expenses, dividends and interests declared or due but not as yet collected, shall be made up of the nominal value of such assets, unless it appears unlikely that such value shall be collected, in which case the value shall be determined by deducting such amount which the Sicav may deem necessary in view of reflecting the true value of such assets.
- 2) The value of any transferable securities which are officially listed or traded on a stock exchange is determined on the basis of the closing price on the Valuation Day in question or failing this on the basis of the last prices available on the Valuation Day.
- 3) The value of any transferable securities which are officially listed or traded on another regulated market is determined on the basis of the closing price on the Valuation Day in question or failing this on the basis of the last prices available on the Valuation Day.
- 4) Inasmuch as transferable securities and money-market instruments in the portfolio on the Valuation Day are neither officially traded nor listed on a regulated market, or in the case where, for securities officially listed or traded on a stock exchange or another regulated market, the price as determined pursuant to sub-paragraph 2 or 3 is not representative of the true value of such transferable securities, money-market or financial instruments the valuation is made on the basis of their likely value of realisation, estimated prudently and in good faith.
- 5) Derivative instruments will be valued at the last known rates on the exchanges or regulated markets.
- 6) Over-the-counter (OTC) derivatives, like futures, forward contracts or options not traded on the stock exchange or other known markets are valued on the basis of their net asset value determined, pursuant to company policy, according to financial models recognised on the market and in a coherent manner for each category of contract. The net asset value of a derivative must be understood as being equal to the unrealised (net) profit/loss for the position in question.
- 7) Should a valuation on the basis of the abovementioned rules become impracticable or inexact because of particular circumstances, other generally accepted and verifiable valuation criteria will be applied to obtain an equitable valuation by the Sicav.
- 8) The bonds held by the KBL EPB Bond Fund - Selected Investment Grade Corporate EURO, KBL EPB Bond Fund - Upper Investment Grade Corporate EURO and KBL EPB Bond Fund - High Yield EURO sub-funds shall be valued at a MID price. Those held by the KBL EPB Bond Fund - Government Bonds EURO and KBL EPB Bond Fund - Government Bonds USD sub-funds shall be valued at a BID price.

c) Acquisition cost of securities in the portfolio

The purchase price of the securities in each fund designated in currencies other than the currency of the fund is converted into this currency at the exchange rate in force on the day of the purchase.

d) Net realized gain (loss) on sales of securities

The realised gains and losses on sales of securities are calculated on the basis of the average acquisition cost.

e) Income on securities-portfolio

Income from accrued and due interest are recorded net of any withholding tax.

f) Returns on sukuk

Sukuks are investment certificates or financial securities representing the holders' rights and obligations on an underlying asset. Their yield depends on the performance of the assets, but is capped. The sukuk's yield depends on the returns made on its assets or on the results of the issuer or borrower.

g) Formation expenses

Formation costs are written off on a straight-line basis over a period of five years.

Costs relating to the opening of later sub-funds will be paid by the new sub-fund and written off over five years.

h) Conversion of foreign currencies

Cash at banks, other net assets and also the market value of the portfolio-securities shown in currencies other than the fund's own currency are converted into this currency at the exchange rate in force on the day of the date of the carry-over. Revenues and costs shown in currencies other than the fund's own currency are converted into this currency at the exchange rate in force on the date of the operation. Resulting exchange rate gains and losses are recorded in the statement of operations and other changes in net assets.

i) Combined financial statements

The combined financial statements of the Sicav are drawn up in EUR and are equal to the sum of the corresponding headings in the financial statements of each sub-fund converted into this currency at the rates prevailing on the date of the report.

At the date of the report, the exchange rate for the combined financial statements was the following:

| | | | | | |
|---|-----|---|----------|-----|-----------|
| 1 | EUR | = | 12105000 | USD | US dollar |
|---|-----|---|----------|-----|-----------|

j) Transaction fees

The transaction fees under the heading 'Transaction fees' in the statement of operations and other changes in net assets comprise the fees paid by the Sicav included in the buying and selling price of transactions, liquidation fees on the transactions paid to the custodian bank and the fees relating to transactions on derivatives.

Note 2 – Management fee

KREDIETRUST LUXEMBOURG S.A. was appointed Management Company by the Sicav's Board of Directors and was approved as Management Company pursuant to the stipulations of Chapter 15 of the Law of 17 December 2010.

The Management Company, KREDIETRUST LUXEMBOURG S.A., receives an annual remuneration of EUR 10,000 per sub-fund for its administrative and marketing services.

For the services provided, the Management Company receives an annual fee calculated monthly and payable quarterly on the average value of the net assets of the sub-funds:

| Sub-funds | Effective rates |
|--|------------------------|
| - KBL EPB Bond Fund - Selected Investment Grade Corporate EURO | 0.75 % p.a. |
| - KBL EPB Bond Fund - Government Bonds USD | 0.50 % p.a. |
| - KBL EPB Bond Fund - Government Bonds EURO | 0.50 % p.a. |
| - KBL EPB Bond Fund - Upper Investment Grade Corporate EURO | 0.75 % p.a. |
| - KBL EPB Bond Fund - High Yield EURO | 0.75 % p.a. |
| - KBL EPB Bond Fund - Investment Grade Corporate USD (liquidated 19 June 2014) | 0.75 % p.a. |

These two fees are recorded under the item "Management Fees" in the statement of operations and other changes in net assets.

Note 3 – Central administration costs

The heading "Central administration costs" in the statement of operations and other changes in net assets comprise mainly the fees of the administrative and transfer agent.

Note 4 – Subscription duty (taxe d'abonnement)

The Sicav is subject to Luxembourg law.

Pursuant to the legislation and regulations currently in force the Sicav is subject to an annual tax of 0.05 % of its net assets, calculated and payable per quarter, on the basis of the net assets at the end of each quarter.

Note 5 - Total Expense Ratio ("TER") and Portfolio Turnover Rate ("PTR")

The TER and PTR in the "Statistical Information" in this report are calculated according to the Directive on calculation and publication of the TER and PTR for collective investment schemes, issued on 16 May 2008 by the *Swiss Funds & Asset Management Association SFAMA*.

Transaction charges are not taken into the calculation of the TER.

The PTR is calculated using the formula $(\text{Total 1} - \text{Total 2}) / M \times 100$

with Total 1 = Total of transactions on transferable securities = X + Y
 X = purchase of transferable securities
 Y = sales of transferable securities

Total 2 = Total of issues and redemptions = S + T
 S = issues
 T = redemptions

S+T: the issues and redemptions are settled by NAV calculation day.
 M = average total net assets

Note 6 - Global risk management

As required by Circular CSSF11/512, the Board of Directors must determine the global risk exposure of the Sicav by applying the commitment approach or calculating the VaR. In terms of risk management, the Sicav's Board of Directors has decided to adopt the commitment approach for determining global risk exposure.

Note 7 – Futures contracts

As at 31 December 2014, the Sicav's sub-funds were not engaged in any futures contracts.

Note 8 - Changes in the securities-portfolio

A copy of changes in the securities-portfolio for the period of the report can be obtained free of charge from the Sicav's registered office.

Note 9 – Securities' lending

The Sicav may undertake securities' lending. The counterparty for these transactions is KBL EUROPEAN PRIVATE BANKERS S.A.

To cover the securities lent under Securities Lending, the Sicav benefits from a guarantee from KBL EUROPEAN PRIVATE BANKERS S.A. in the form of bonds issued by top quality issuers.

In remuneration, the Sicav receives income determined in accordance with the Master Securities Lending Agreement and representing 50% of the income received by KBL EUROPEAN PRIVATE BANKERS S.A. from the counterparties to whom the latter has lent the securities received from the Sicav.

The table below shows for the various sub-funds as at 31 December 2014:

- The value of the securities lent ("Securities Lending");
- valuation of the collateral securities;
- net accrued income for the year on securities lending.

| Sub-fund | Currency | Global value of securities lent | Value of collateral received | Net income |
|--|----------|---------------------------------|------------------------------|------------|
| KBL EPB Bond Fund - Selected Investment Grade Corporate EURO | EUR | 9,169,815.5 | 4.362,915.66 | 6,745.28 |
| KBL EPB Bond Fund - Government Bonds EURO | EUR | 3,801,325 | 10,824,152.40 | 4,943.84 |
| KBL EPB Bond Fund - Upper Investment Grade Corporate EURO | EUR | - | - | 178.07 |
| KBL EPB Bond Fund - Investment grade Corporate USD (liquidated 19 June 2014) | USD | - | - | 36.02 |

The following sub-funds were not involved in securities lending during the period of the report:

- KBL EPB Bond Fund - Government Bonds USD
- KBL EPB Bond Fund - High Yield EURO

Note 10 – Subsequent event

By circular resolution of 28 November 2014, the Sicav's Board of Directors decided to launch the KBL EPB Bond Fund – RICHELIEU 2020 sub-fund with an initial subscription period from 5 to 7 January 2015.