

PRESS RELEASE

Amsterdam, 23 October 2017

BinckBank N.V. trading update third quarter 2017

“BinckBank expands its product palet as part of the strategic transformation”

- Adjusted net earnings per share for 17YTD € 0.36 (16YTD € 0.34) and for 17Q3 € 0.13
- Net interest income increased in 2017 due to investment in mortgage rights
- Transactions 17YTD slightly lower, however income from operating activities 17YTD increased with 3%
- In the Netherlands, BinckBank introduced Binck Comfort, an online personalised discretionary asset management service
- Strong growth of new clients for Binck Forward in 17Q3
- BinckBank makes securities lending accessible for private investors
- First BinckBank Tour in august 2017 is a great success and supports widespread brand awareness
- BinckBank sells its 100% share in subsidiary Able Holding B.V. in October 2017

(amounts in € 000's)	17Q3	17Q2	ΔQ2	17Ytd	16Ytd	Δtd
Customer figures						
Number of transactions	1.711.952	1.791.907	-4%	5.585.937	5.734.841	-3%
Assets under administration	25.483.425	24.695.183	3%	25.483.425	21.724.150	17%
Assets under management	1.139.575	1.164.706	-2%	1.139.575	1.439.652	-21%
Adjusted income statement						
Net interest income	7.614	7.473	2%	22.486	19.146	17%
Net fee and commission income	23.527	24.674	-5%	77.004	79.446	-3%
Other income from operational activities	3.840	3.219	19%	10.801	8.609	25%
Total income from operating activities	34.981	35.366	-1%	110.291	107.201	3%
Total adjusted operating expenses*	30.089	28.626	5%	89.525	84.697	6%
Adjusted result from operating activities	4.892	6.740	-27%	20.766	22.504	-8%
Adjusted tax*	3.730	559	567%	4.444	1.399	
Results from associates	-	(7)		(1.504)	(856)	
Adjusted result after tax	8.622	7.292	18%	23.706	23.047	3%
Result attributable to non-controlling interests	385	(1)		378	(60)	
Adjusted net-result attributable to the shareholders BinckBank	9.007	7.291	24%	24.084	22.987	5%
Adjusted net earnings per share (in €)	0,13	0,11		0,36	0,34	
Cost / income ratio	86%	81%	6%	81%	79%	
Capital adequacy						
Common equity Tier 1	245.917	246.744	0%	245.917	243.725	1%
Capital ratio	30,7%	31,4%		30,7%	33,2%	
Leverage ratio	6,6%	6,5%		6,6%	6,9%	

* Compared to the IFRS results, within the adjusted result the total operating expenses and taxes are adjusted for IFRS amortisation and tax benefit on the difference between fiscal and commercial amortisation of the intangible assets acquired with the acquisition of Alex and goodwill paid. The reconciliation of the adjusted result to the IFRS result is shown on page 3 of this report.

Developments Q3 2017

The year 2017 marks the re-design phase of the strategic transformation. During this phase, BinckBank is working hard to develop and introduce new customer-tailored services. At the end of September 2017, "Binck Comfort", was launched in the Netherlands. This is an online personalized discretionary asset management service that offers discretionary management from € 10,000 and strives for an optimal combination of risk and return. The service is complementary to "Binck Forward" and "Binck Pension" which were launched earlier in 2017. BinckBank now offers various services within the Do-it-for-me investing segment each having its own risk and return profiles. Following the "Lift" marketing campaign, "Binck Forward" has witnessed increased interest and strong growth in new customers in 17Q3. With the introduction of these new services over the past period, we have again taken a number of good steps in the strategic transformation of BinckBank. The international rollout of these services is on the agenda for 2018.

In the Self-Investment segment, Dutch and Belgian customers have migrated to the new website which has greatly improved ease of use. The ProTrader application has also been introduced, providing a fast, intuitive and fully online trading experience for highly active investors. Also, the first experiences with ProBeleggen, where customers can follow a professional investor, are positive.

Dutch and Belgian investors at BinckBank can now also benefit from securities lending. Securities lending in return for compensation is not new in itself, only BinckBank will share the benefits with her customers. Other market participants also lend out customer securities, but generally keep the proceeds themselves. When opening a brokerage account, private investors often approve a securities lending clause, often without being aware of it. BinckBank will only lend the securities after explicit permission from the private customer. The proceeds, after deduction of administrative costs, will be distributed equally between BinckBank and the customer.

In Spain, BinckBank is preparing to extend its services to UK expats as a new target group. BinckBank is investigating new ways of working with other market players in implementing this. In this context, the name of the branch in Spain has been changed from Alex Spain to BinckBank Spain.

The first BinckBank Tour is completed, with the Dutch cyclist Tom Dumoulin as winner. Hundreds of thousands of cycling enthusiasts, (potential) customers of BinckBank, stood along the route or saw this international sports event on television. The BinckBank tour contributes to broader brand awareness within our geographic footprint, which is also in line with the expansion of our services.

The adjusted result after tax over 17YTD amounted to € 23.7 million (16YTD: € 23.0 million), resulting in an adjusted earnings per share of € 0.36 (16YTD: € 0.34 per share). The total revenue for the first nine months of 2017 increased by 3% to € 110.3 million. The adjusted operating expenses over the same period amounted to € 89.5 million, 6% higher than in the same period in 2016. The increase is partly due to more severe legislation and regulations and investments in the transformation process. Cost management has the attention of the board and cost control and reduction is a key focus for the coming years.

As a result of the reassessment of the deferred tax positions related to consolidated subsidiaries and associates, a one-off positive tax charge amounting to € 2.4 million has been accounted for in the third quarter.

On 20 October 2017, BinckBank reached an agreement regarding the sale of its 100% share in Able Holding B.V. The proceeds from this sale contribute approximately € 0.03 to earnings per share over 2017 and will be accounted for in the fourth quarter.

As indicated before, the strategic transformation takes time, and there have been taken significant and concrete steps in the last quarter. We are confident that the rollout of the strategy will ultimately lead to a more stable income pattern and thus ultimately create value for the company's shareholders.

Reconciliation of adjusted net result with IFRS-result

The table below shows the reconciliation of the adjusted net result with the IFRS-result. Compared to the IFRS-results, the total operating expenses and taxes have been adjusted for IFRS-amortisation and the tax savings on the difference between fiscal and commercial amortisation of the intangible assets and goodwill paid on the acquisition of Alex.

(amounts in € 000's)	17Q3	17Q2	17Ytd	16Ytd
Adjusted result after tax	8.622	7.292	23.706	23.047
Adjustment IFRS amortisation	(5.378)	(5.379)	(16.136)	(16.137)
Adjustment tax benefit resulting from the difference between commercial and fiscal amortisation	(1.101)	(1.102)	(3.305)	(3.306)
IFRS result	2.143	811	4.265	3.604

The intangible assets, excluding the goodwill relating to the acquisition of Alex Beleggersbank, will be amortised completely at the end of 2017. As a result the adjustment to reconcile the IFRS result to the adjusted result will be disappeared almost entirely as from 2018 onwards. Furthermore this will affect the fiscal result, where amortisation of the intangible assets including goodwill leads to differences in the IFRS and fiscal ledgers. As a result of this the deduction of the amortisation of intangible assets will disappear and the company tax burden will increase compared to the IFRS result.

Strategy and prospects

The strategic transformation of BinckBank, started in 2015 with "ReThink", aims to offer the customer an even broader pallet of products and services in the services of Trading, Investing & Saving. This will enable the company to generate a more balanced and future-proof revenue stream in the medium term. After completion of the "Redesign" phase in 2017, the transformation is expected to deliver its first results with the Relaunch phase in 2018. In the past quarter, BinckBank, amongst others through the introduction of "Binck Pension" and "Binck Comfort", once again made concrete steps in realising its strategic transformation. BinckBank is convinced that rolling out its strategic transformation will realise value for its stakeholders. BinckBank is also investigating the possibilities for accelerating the "Relaunch" phase of the transformation, by collaboration with other parties, while at the same time achieving economies of scale. BinckBank may also create an even better position in the event of a possible consolidation within the sector.

Important dates 2017/2018*

- Publication year report 2017 2 February 2018
- Publication annual accounts 2017 12 March 2018
- Publication trading update Q1 2018 23 April 2018
- General Meeting 23 April 2018
- Ex-date dividend 25 April 2018
- Record-date dividend 26 April 2018
- Payment dividend 4 May 2018

* Dates subject to change

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Interim Financial Statements
30 September 2017

I. Condensed consolidated statement of financial position

(amounts in € 000's)	30 September 2017	31 December 2016
ASSETS		
Cash and balances at central banks	978.335	854.230
Banks	152.734	127.755
Derivatives	29.715	20.393
Financial assets designated at fair value through profit and loss	13.420	9.499
Financial assets available-for-sale	739.895	724.398
Financial assets held-to-maturity	375.061	790.021
Loans and receivables	1.269.692	958.329
Associates	-	-
Intangible assets	163.470	168.260
Property, plant and equipment	35.803	35.128
Current tax assets	16.767	12.270
Deferred tax assets	6.078	1.048
Other assets	111.002	63.451
Prepayments and accrued income	29.012	35.479
Total assets	3.920.984	3.800.261
PASSIVA		
Banks	3.041	2.017
Derivatives	29.618	20.428
Financial liabilities designated at fair value through profit and loss	1.311	1.018
Funds entrusted	3.426.138	3.308.829
Provisions	6.191	8.891
Current tax liabilities	12	10
Deferred tax liabilities	35.751	31.982
Other liabilities	17.570	19.841
Accruals and deferred income	9.581	10.293
Total liabilities	3.529.213	3.403.309
<i>Equity attributable to:</i>		
Owners of the parent	390.766	395.569
Non-controlling interests	1.005	1.383
Total equity	391.771	396.952
Total equity and liabilities	3.920.984	3.800.261

II. Condensed consolidated income statement

(amounts in € 000's)	17Q3	16Q3	17Ytd	16Ytd
INCOME				
Interest income	9.355	7.963	27.039	21.694
Interest expense	(1.741)	(1.069)	(4.553)	(2.548)
Net interest income	7.614	6.894	22.486	19.146
Fee and commission income	27.801	29.553	91.481	94.422
Fee and commission expense	(4.274)	(4.798)	(14.477)	(14.976)
Net fee and commission income	23.527	24.755	77.004	79.446
Other income	2.349	2.627	6.970	7.192
Result from financial instruments	1.455	759	3.908	1.503
Impairment of financial assets	36	(54)	(77)	(86)
Total income from operating activities	34.981	34.981	110.291	107.201
EXPENSES				
Employee expenses	13.487	12.013	40.373	37.999
Depreciation and amortisation	6.745	6.450	19.945	19.734
Other operating expenses	15.235	15.462	45.343	43.101
Total operating expenses	35.467	33.925	105.661	100.834
Result from operating activities	(486)	1.056	4.630	6.367
Result from associates	-	(412)	(1.504)	(856)
Result before tax	(486)	644	3.126	5.511
Income tax expense	2.629	(379)	1.139	(1.907)
Net result	2.143	265	4.265	3.604
<i>Result attributable to:</i>				
Owners of the parent	2.528	260	4.643	3.544
Non-controlling interests	(385)	5	(378)	60
Net result	2.143	265	4.265	3.604
Basic and diluted earnings per share	0,03	-	0,06	0,05

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III. Condensed consolidated statement of comprehensive income

(amounts in €000's)	17Q3	16Q3	17Ytd	16Ytd
Net result from income statement	2.143	265	4.265	3.604
Other comprehensive income recognised through profit and loss on realisation				
Net gain/(loss) on available-for-sale financial assets	712	338	683	745
Income tax relating to components of other comprehensive income	(154)	(73)	(147)	(161)
Other comprehensive income, net of tax	558	265	536	584
Total comprehensive income, net of tax	2.701	530	4.801	4.188

BinckBank has no other comprehensive income that will not be recognised through profit and loss on realisation.

Result attributable to:

Owners of the parent	3.086	525	5.179	4.128
Non-controlling interests	(385)	5	(378)	60
Total realised and unrealised results, net of tax	2.701	530	4.801	4.188

IV. Condensed consolidated statement of cash flows

(amounts in €000's)	17Ytd	16Ytd
Cash flow from operating activities	(209.519)	7.813
Cash flow from investing activities	369.144	318.888
Cash flow from financing activities	(10.147)	(44.806)
Net cash flows	149.478	281.895
Opening balance of cash and cash equivalents	977.853	352.532
Net cash flows	149.478	281.895
Effect of exchange rate changes on cash and cash equivalents	(394)	1.669
Closing balance of cash and cash equivalents	1.126.937	636.096

The cash and cash equivalents presented in the consolidated statement of cash flows are included in the consolidated balance sheet under the following heading at the amounts stated below:

Cash	978.335	501.717
Banks	152.734	138.456
Banks - non cash equivalents	(4.132)	(4.077)
Total cash equivalents	1.126.937	636.096

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V. Condensed consolidated statement of changes in equity

(amounts in € 000's)	Issued share capital	Share premium reserve	Treasury shares	Fair value reserve	Retained earnings	Non- controlling interests	Total equity
1 January 2017	7.100	361.379	(29.468)	1.021	55.537	1.383	396.952
Net result for the year	-	-	-	-	4.643	(378)	4.265
Other comprehensive income	-	-	-	536	-	-	536
Total comprehensive income	-	-	-	536	4.643	(378)	4.801
Final dividend 2016	-	-	-	-	(12.679)	-	(12.679)
Interim dividend 2017	-	-	-	-	(2.002)	-	(2.002)
Grant of rights to shares	-	-	-	-	165	-	165
Shares issued to executive board and employees	-	-	318	-	(318)	-	-
Shares issued to third party	-	-	5.340	-	(806)	-	4.534
Share buy-back	-	-	-	-	-	-	-
Cancelled treasury shares	(350)	(17.814)	19.528	-	(1.364)	-	-
30 September 2017	6.750	343.565	(4.282)	1.557	43.176	1.005	391.771

(amounts in € 000's)	Issued share capital	Share premium reserve	Treasury shares	Fair value reserve	Retained earnings	Non- controlling interests	Total equity
1 January 2016	7.100	361.379	(4.979)	1.526	71.158	1.296	437.480
Net result for the year	-	-	-	-	3.544	60	3.604
Other comprehensive income	-	-	-	584	-	-	584
Total comprehensive income	-	-	-	584	3.544	60	4.188
Final dividend 2016	-	-	-	-	(17.199)	-	(17.199)
Interim dividend 2017	-	-	-	-	(2.657)	-	(2.657)
Grant of rights to shares	-	-	-	-	88	-	88
Shares issued to executive board and employees	-	-	461	-	(461)	-	-
Share buy-back	-	-	(24.950)	-	-	-	(24.950)
30 September 2016	7.100	361.379	(29.468)	2.110	54.473	1.356	396.950

VI. Selected explanatory notes

1. General information

BinckBank N.V., established and registered in the Netherlands, is a public limited liability company incorporated under Dutch law, whose shares are publicly traded. BinckBank has its registered office at Barbara Strozilaan 310, 1083 HN, Amsterdam, registered with the Chamber of Commerce under number 33162223. BinckBank N.V. provides online brokerage services in financial instruments for private and professional investors. In addition to its brokerage services, BinckBank N.V. offers asset management services and savings products. 'BinckBank' hereinafter refers to BinckBank N.V. and to its subsidiaries.

The condensed consolidated financial statements for the financial period ending 30 September 2017 have been prepared by the executive board and approved for publication pursuant to the resolution of the executive board and the supervisory board dated 23 October 2017.

2. Principles for financial reporting

BinckBank applies the International Financial Reporting Standards as adopted by the European Union, known as 'IFRS-EU'. The condensed consolidated financial statements are presented in euros, with all amounts rounded to the nearest thousand, unless otherwise stated. This report does not contain all the information required for a full financial statements, and consequently should be read in combination with the consolidated financial statements 2016. BinckBank's consolidated financial statements for the financial year 2016 is available on request at the Investor Relations department, (telephone +31 (0)20 522 0392) or via www.binck.com.

3. Notes to the summarised consolidated figures for the period ending 30 September 2017

Hedge accounting

BinckBank has started hedging its interest rate risk by entering into interest rate swaps. BinckBank applies fair value hedge accounting and designates cash flows from the portfolio of mortgages rights as hedged item. The results of the interest rate swaps and, in case of an effective hedge, the results of the hedged item are presented in the result financial instruments.

Derivatives

Starting with this report, the name of the balance sheet item 'Financial assets/liabilities held for trading' will be adjusted to the name 'Derivatives'. The classification 'Derivatives' better represents the nature and purpose of the financial instruments held in this category, like SRD contracts, turbos and interest rate swaps. The principles and measurement of these financial instruments will remain unchanged.

Loans and receivables

The loans and receivables per 30 September 2017 include a sum of € 523.9 million in collateralised lending and a sum of € 745.8 million is invested in residential mortgages portfolio. As of 30 September 2017 an amount of € 94 thousand has been recognised under the item Loans and receivables and relates to the fair value adjustment as a result of applying hedge accounting.

Intangible assets

The intangible assets include an amount of € 3.0 million relating to the acquisition of Pritle in Q2 2017. Furthermore an amount of € 9.0 million is presented as goodwill. During the period ending on 30 September 2017, the intangible assets including goodwill were assessed for impairments based on the indicators identified. No unusual events or circumstances were identified, and there was no indication of any impairment of the intangible assets.

The intangible assets relating to the acquisition of Alex Beleggersbank, and excluding the goodwill, will be fully amortised at the end of 2017. This will affect the fiscal result, where amortisation of the intangible assets including goodwill leads to differences in the IFRS and fiscal ledgers. During 2018, BinckBank will make preparations for implementing the mono-brand strategy for the Dutch market. Binck will become the main brand.

Provisions

BinckBank is involved in disputes with contract parties and customers. In some cases, these disputes lead to legal proceedings. BinckBank assesses each case individually and forms a provision if there is a reasonable chance of an expected outflow of assets for the legal costs and/or financial settlement of the case in question.

The decrease of the amount of provisions as of 30 September 2017 relates mainly to the payments made out on the settlement of complaints regarding Alex Vermogensbeheer.

Taxes

Taxes are calculated based on the estimated average tax rate for the entire year 2017. The estimated average tax rate, takes into account the participation exemptions and other tax facilities. As a result of the reassessment of the deferred tax positions related to consolidated subsidiaries and associates a net positive tax result is presented at the end of the period ending 30 September 2017.

Related parties

The group of related parties consists of consolidated entities, associates, and the executive board and supervisory board of BinckBank. As of 30 September 2017, TOM Holding N.V. and its affiliates, and the executive board and the supervisory Board of BinckBank, were identified as affiliated parties.

Capital injection

In the period ending on 30 September 2017 an additional capital injection of € 1.504.000 was paid into the associate TOM Holding N.V.

Transactions with related parties

In the period ending on 30 September 2017, BinckBank charged a sum of € 121,000 (16YTD: € 144,000) to related parties, and the receivable from the related parties was € 3,000 (16Q3: € 3,000). Furthermore, in the period ending on 30 September 2017, related parties charged € 1,476,000 (16YTD: € 2,189,000) to BinckBank for services rendered.

Executive board and the supervisory board

No transactions involving the executive board or the supervisory board took place in the period to 30 September 2017 other than under contracts of employment or contracts of services.

Segmented information

A segment is a clearly distinguishable component of BinckBank that provides services with to a particular economic market (or market segment) and has a different risk and return profile to that of other segments. From an organisational perspective, the operations of BinckBank are primarily segmented by the countries in which BinckBank operates. The executive board determines the performance targets for these segments, and authorises and monitors the budgets prepared for these business segments. The management of the business segment is responsible for setting policy for that segment, in accordance with the strategy and performance targets formulated by the executive board.

The business segments are:

- The Netherlands
- Belgium
- France
- Italy
- Group operations

The segment reporting provided below is prepared in accordance with the principles applied for the financial statements for 2016.

	1-1-2017 through 30-9-2017					
(amounts in €000's)	Netherlands	Belgium	France	Italy	Group operations	Total
INCOME STATEMENT						
Net interest income	17.919	1.609	1.800	1.167	(9)	22.486
Net fee and commission income	59.700	8.379	4.694	2.164	2.067	77.004
Other income	1.199	1	11	-	5.759	6.970
Result from financial instruments	3.333	559	-	-	16	3.908
Impairment of financial assets	(2)	(1)	(27)	3	(50)	(77)
Total income from operating activities	82.149	10.547	6.478	3.334	7.783	110.291
Employee expenses	7.325	2.051	2.669	1.048	27.280	40.373
Depreciation and amortisation	16.621	33	15	16	3.260	19.945
Other operating expenses	11.880	4.804	3.746	1.681	23.232	45.343
Total operating expenses	35.826	6.888	6.430	2.745	53.772	105.661
Result from operating activities	46.323	3.659	48	589	(45.989)	4.630
Internal cost allocation	(37.000)	(5.496)	(4.253)	(3.313)	50.062	-
Result from operating activities after internal cost allocation	9.323	(1.837)	(4.205)	(2.724)	4.073	4.630
Result from associates						(1.504)
Result before taxes						3.126
Taxes						1.139
Net result						4.265

	1-1-2016 through 30-9-2016					
(amounts in € 000's)	Netherlands	Belgium	France	Italy	Group operations	Total
INCOME STATEMENT						
Net interest income	15.815	1.078	1.353	899	1	19.146
Net fee and commission income	64.313	6.824	4.690	1.283	2.336	79.446
Other income	1.558	-	10	-	5.624	7.192
Result from financial instruments	1.313	190	-	-	-	1.503
Impairment of financial assets	(4)	2	2	1	(87)	(86)
Total income from operating activities	82.995	8.094	6.055	2.183	7.874	107.201
Employee expenses	6.504	1.792	2.047	989	26.667	37.999
Depreciation and amortisation	16.311	18	10	47	3.348	19.734
Other operating expenses	12.890	3.313	3.078	1.582	22.238	43.101
Total operating expenses	35.705	5.123	5.135	2.618	52.253	100.834
Result from operating activities	47.290	2.971	920	(435)	(44.379)	6.367
Internal cost allocation	(36.042)	(4.796)	(4.138)	(3.080)	48.056	-
Result from operating activities after internal cost allocation	11.248	(1.825)	(3.218)	(3.515)	3.677	6.367
Result from associates						(856)
Result before taxes						5.511
Taxes						(1.907)
Net result						3.604

Events after balance sheet date

On 20 October 2017, BinckBank reached an agreement regarding the sale of its 100% share in Able Holding B.V. The proceeds from this sale contribute approximately € 0.03 to earnings per share over 2017 and will be accounted for in the fourth quarter.

There were no other events after the balance sheet date that would lead to material changes.