BinckBank N.V.

ANALYST & INVESTOR CALL FY17 RESULTS
Amsterdam, February 5, 2018

Vincent Germyns, Chairman of the Executive Board
Evert Kooistra, Board Member, Chief Financial & Risk Officer
Key points

- Core business performing very well
- We’ve put in place the first building blocks – more to come
- Now full focus on Relaunch Binck 2018
- Further derisking of the company in 2017

- Adjusted annual result increased +15% - above consensus
- FY17 € 34.9m (FY16 € 30.5m)
- EPS FY17 € 0.52 (FY16 0.45)
- Proposed dividend € 0.26
• All countries perform well in 17Q4. All time high in transactions Binck Italy
• Belgium strong recovery in 2017 after ban on ‘speculation tax’
• Strong growth +20% in assets for Independent Asset Managers with € 1.6bn to € 9.5bn
  New business IAM Belgium counted for +45% growth
TRADING (2/2)
NEW BUSINESS INITIATIVES IN 2017

- New ProTrader webbased trading app introduced in all countries
- New MVC website for all Binck customers
- Binck turbo: zero trading fees in the Netherlands, increase in revenue to € 5.7m (FY2016: 2.5m)
- Start with opt in Securities Lending service based on 50/50 revenue sharing for customers in Belgium and the Netherlands.
- Optimization of online opening process improves conversion from lead to first trade
- Pilots in area of Trade with Color: ProBeleggen in NL & BE, Trade Ideas in NL
- Mobile app increasingly popular. Logins > 35% and Trades up to >25% via mobile apps
- Award winning in all countries:
  - The Netherlands: IEX Netprofiler award (8th consecutive time - Best broker)
  - Belgium: investor bank of the year
  - France: best customer services of France
  - Italy: best online broker for investing in Certificates and Structured Products
INVESTING
POSITIVE PERFORMANCES FOR OUR CUSTOMERS

Alex Asset management – asymmetric risk profile:
• Alex Asset Management performed positively for our customers
  • Performance fee of € 1.9m over 2017
  • High watermark > 63% customers in Dec. 2017/ positive start in January 2018

Binck Comfort – asymmetric risk profile:
• Good start of track record with positive performance in BE

Binck Forward – symmetric risk profile:
• Cashcow Award for Binck Forward as best online wealth manager

Development Net New Assets:
• Technically operational
• Search for extra partnerbanks continues
• Ready for commercial launch in February
Increased customer satisfaction

User-friendly platform, low costs and high customer satisfaction are key reasons customers choose for and stay with Binck.

**Commentary**

Steadily increasing customer satisfaction driven by focus on customer centricity

User friendly platform is key to pleasant user experience, and is further enhanced by strong customer support

Together with lower cost than traditional banks, this is the key reason customers switch to Binck

### Increasing customer satisfaction

<table>
<thead>
<tr>
<th>Year</th>
<th>Satisfaction</th>
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<tbody>
<tr>
<td>2014</td>
<td>7,1</td>
</tr>
<tr>
<td>2015</td>
<td>7,3</td>
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<tr>
<td>2016</td>
<td>7,3</td>
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<tr>
<td>2017</td>
<td>7,5</td>
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### Reasons for switching to Binck

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
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<tr>
<td>No fixed costs</td>
<td>18,3%</td>
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<tr>
<td>Customer friendly platform</td>
<td>16,7%</td>
</tr>
<tr>
<td>Low costs</td>
<td>16,5%</td>
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<tr>
<td>Good customer service</td>
<td>9,8%</td>
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</table>

1 For Binck as a whole, based on customer surveys.
2 For Binck as a whole, based on cumulative figures across last four years in customer surveys.
### Strategic transformation proces

<table>
<thead>
<tr>
<th>Concept</th>
<th>Country</th>
<th>‘17Q1</th>
<th>‘17Q2</th>
<th>‘17Q3</th>
<th>‘17Q4</th>
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<tbody>
<tr>
<td><strong>Trading</strong></td>
<td></td>
<td>Pilot TWC ProBeleggen</td>
<td>New customer website/ Sec. lending</td>
<td>Zero fee Binck turbo/ pilot Trade idea ProTrader webapp</td>
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<tr>
<td>(Trade with colour)</td>
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<td>Online opening</td>
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<td></td>
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<td>New customer website/ Sec lending</td>
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<td></td>
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<td>Pilot TWC ProBeleggen/ Pro Trader webapp</td>
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<td></td>
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<td>Commercial partnership Zonebourse, Boursier.com &amp; Amiral Gestion</td>
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<td></td>
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<td>Securities Lending 16Q4</td>
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<td><strong>Investing</strong></td>
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<tr>
<td>(Track it Easy)</td>
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<td>Binck Forward</td>
<td>Binck Comfort Binck Pension</td>
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<td></td>
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<td>Laten beleggen 16Q4</td>
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<tr>
<td><strong>Saving</strong></td>
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<tr>
<td>(Save it smarter)</td>
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<td></td>
<td></td>
<td></td>
<td>Technically operational</td>
<td>Wait for partner approval by regulator</td>
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</tbody>
</table>

BinckBank N.V. Analyst & Investor Call FY17 Results, Amsterdam, 5 February 2018
Organisation & IT: deliver on UX as USP with shorter time to market at lower cost

**Deliverables of our innovation strategy:**
- New products & services
- Agile way of working with multidisciplinary teams
- Release cycles shortened to (bi)weekly delivery
- Customer centric and iterative prototyping
- Migration to new datacenter in March 2017, saving 60% on energy & costs
- API for external partnerships
- Infrastructure in place to support artificial intelligence (AI) and machine learning – important for Navigator

**IT organization and innovation:**
- Removal of legacy
- Decrease complexity
- Execute our cloud strategy
- UX driven and Design Thinking methodology
- Challenge and stimulate innovative culture
Regulatory challenges

- MiFIDII, market abuse regulation, PRIIPS and other new regulations required many resources.
- MiFIDII aims to protect the retail investor & to increase transparency in financial markets.
- In 2017 BinckBank managed to bring many innovations to the market despite the high pressure from regulatory side.
Corporate divestment process (non core assets) completed

Winddown TOM
- Activities stopped in June 2017
- Total provision for winddown was €1.5m in FY17Q1
- Winddown reveals positive liquidation surplus of €0.5m in FY17Q4
- Net winddown cost FY17 TOM €1.0m
- Court cases Euronext dropped

Sale of software company Able
- Sale to strategic buyer Topicus
- Positive impact FY17Q4 adjusted EPS: €0.03 per share

Phase out BPO business
- Concluded off boarding agreements with all 4 BPO clients
- 2 BPO clients already off-boarded, remaining 2 to be off-boarded before FY18Q4
- No material BPO revenues anymore in FY17Q4 (€0.35m)

Sale of 60% shareholding in Think Capital
- On January 19, 2018 we announced the sale of 60% share in Think Capital.
- Sale is subject to regulator approval (expected end FY18Q1)
- Financial details will be disclosed at publication of FY18H1 results

Sale of ThinkETFs completes the divestment process of non core assets that started with the sale of BeFrank in 2014
AGENDA

- Business update
- Financial highlights
- Wrap up and Q&A
FY17 Financial highlights

- Adjusted net result FY17 € 34.9m (+15% FY16 € 30.5m)
- Adjusted net earnings per share FY17 € 0.52 (FY16 € 0.45)
- Adjusted net earnings per share 17Q4 € 0.16 (16Q4 € 0.11)
- Analyst consensus net earnings per share FY17 € 0.50
- Analyst consensus net earnings per share 17Q4 € 0.15
## KEY FIGURES (CONSOLIDATED)

(amounts in € 000's)  

<table>
<thead>
<tr>
<th></th>
<th>17Q4</th>
<th>17Q3</th>
<th>ΔQ3</th>
<th>2017</th>
<th>2016</th>
<th>Δ16</th>
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<tbody>
<tr>
<td><strong>Customer figures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Number of transactions *</td>
<td>2.119.087</td>
<td>1.711.952</td>
<td>24%</td>
<td>7.705.024</td>
<td>7.726.110</td>
<td>0%</td>
</tr>
<tr>
<td>Assets under administration</td>
<td>26.027.985</td>
<td>25.483.425</td>
<td>2%</td>
<td>26.027.985</td>
<td>22.793.380</td>
<td>14%</td>
</tr>
<tr>
<td>Assets under management</td>
<td>1.090.881</td>
<td>1.139.575</td>
<td>-4%</td>
<td>1.090.881</td>
<td>1.279.980</td>
<td>-15%</td>
</tr>
<tr>
<td><strong>Adjusted income statement</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net interest income</td>
<td>7.553</td>
<td>7.614</td>
<td>-1%</td>
<td>30.039</td>
<td>26.325</td>
<td>14%</td>
</tr>
<tr>
<td>Net fee and commission income</td>
<td>28.854</td>
<td>23.527</td>
<td>23%</td>
<td>105.858</td>
<td>109.076</td>
<td>-3%</td>
</tr>
<tr>
<td>Other income from operational activities</td>
<td>2.271</td>
<td>3.840</td>
<td>-41%</td>
<td>13.072</td>
<td>12.324</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Total income from operating activities</strong></td>
<td>38.678</td>
<td>34.981</td>
<td>11%</td>
<td>148.969</td>
<td>147.725</td>
<td>1%</td>
</tr>
<tr>
<td>Total adjusted operating expenses **</td>
<td>30.546</td>
<td>30.089</td>
<td>2%</td>
<td>120.071</td>
<td>116.634</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Adjusted result from operating activities</strong></td>
<td>8.132</td>
<td>4.892</td>
<td>66%</td>
<td>28.898</td>
<td>31.091</td>
<td>-7%</td>
</tr>
<tr>
<td>Adjusted tax **</td>
<td>237</td>
<td>3.730</td>
<td>4.681</td>
<td>2.273</td>
<td></td>
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</tr>
<tr>
<td>Share in results from associates</td>
<td>2.368</td>
<td>0</td>
<td>864</td>
<td>(2.821)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted result after tax</strong></td>
<td>10.737</td>
<td>8.622</td>
<td>25%</td>
<td>34.443</td>
<td>30.543</td>
<td>13%</td>
</tr>
<tr>
<td>Result attributable to non-controlling interests</td>
<td>72</td>
<td>385</td>
<td>450</td>
<td>(87)</td>
<td></td>
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</tr>
<tr>
<td><strong>Adjusted net-result attributable to the shareholders BinckBank</strong></td>
<td>10.809</td>
<td>9.007</td>
<td>20%</td>
<td>34.893</td>
<td>30.456</td>
<td>15%</td>
</tr>
<tr>
<td>Adjusted net earnings per share (in €)</td>
<td>0,16</td>
<td>0,13</td>
<td>0,52</td>
<td>0,45</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost / income ratio</td>
<td>79%</td>
<td>86%</td>
<td>-8%</td>
<td>81%</td>
<td>79%</td>
<td></td>
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<tr>
<td><strong>Capital adequacy</strong></td>
<td></td>
<td></td>
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<tr>
<td>Common equity Tier 1</td>
<td>249.522</td>
<td>245.917</td>
<td>1%</td>
<td>249.522</td>
<td>245.542</td>
<td>2%</td>
</tr>
<tr>
<td>Capital ratio</td>
<td>30.8%</td>
<td>30.7%</td>
<td>30.8%</td>
<td>31.9%</td>
<td></td>
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<tr>
<td>Leverage ratio</td>
<td>6.6%</td>
<td>6.6%</td>
<td>6.6%</td>
<td>6.7%</td>
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</tbody>
</table>

* Transaction number include transactions which do not have a direct commission income, such as the transactions in Binck Turbo’s that have been offered free of charge since October 2017.

** Compared to the IFRS results, within the adjusted result the total operating expenses and taxes are adjusted for IFRS-amortisation and tax savings on the difference between fiscal and commercial amortisation of the intangible assets acquired with the acquisition of Alex and goodwill paid.
Net Interest Income (NII)

- Net Interest Income FY17 increased with 14% from €26.3m (FY16) to €30.0m (FY17)
- Increase NII primarily driven by investments in Dutch Residential mortgages
- NII in FY17Q4 remained stable around €7.6m (FY17Q3: €7.6m)
Group level

Interest generating assets

- Year end Cash & banks still high at €1.1 billion (yield -0.40%)
- Size of the Investment portfolio year end FY17 €1.1 billion
- Average yield Investment portfolio is 34 bps, duration 1.5 years
- Dutch residential mortgage book: FY17 €736m, avg yield 179 bps, duration 6.1 years
- Collateralised lending in FY17 increased to €562m (FY16 €438m), growth of 28%
- FY17 Average yield on collateralised loans: approx. 343 bps (FY16 369 bps)
**Group level**

**Net Fee & Commission Income**

- Net Fee & Commission Income FY17 decreased by 3% from €109.1m to €105.9m due to:
  - phase out of BPO business (no material BPO revenues recorded in FY17Q4: €0.35m)
  - lower income from asset management activities (AuM outflow Alex asset management)
  - change of earnings model for Binck Turbo (as from FY17Q4 reported in “Results from Financial Instruments”)
- Net fee & Commission Income FY17Q4 increased with 23% from €23.5m to €28.9 due to:
  - increase of transactions (24%)
  - performance fee for Alex Asset Management €1.9m
- Alex Asset Management is still an area of concern, net outflow still significant in FY17 (€350m)
Group level

Drivers Net Fee & Commission Income

Transaction volume

![Bar chart showing transaction volume for FY15, FY16, and FY17.]

Average revenue per transaction

![Bar chart showing average revenue per transaction for FY15, FY16, and FY17.]

Nr of accounts

![Bar chart showing number of accounts for FY15, FY16, and FY17.]

Assets under management (AuM)

![Bar chart showing assets under management (AuM) for FY15, FY16, and FY17.]

Asset management income

![Bar chart showing asset management income for FY15, FY16, and FY17.]

AEX

![Bar chart showing AEX for FY15, FY16, and FY17.]

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Group level

Other income from operating activities

- Results on financial instruments:
  - income Binck turbo’s
  - gains & losses on other financial instruments (incl one off 0.35m)

- Since FY17Q4 BinckBank offers zero fee trading on turbo’s which has a positive effect on result from financial instruments

- No Able revenues in FY17Q4 due to sale of Able
Adjusted operating expenses

- Reduction in operating expenses due to sale of Able in FY17Q4 (approximately € 2.0m) fully offset by one off charges in FY17Q4
- Employee expenses decreased by 6% in FY17Q4 due to sale of Able (74 FTE’s less). 579 FTE’s per FY17Q4
- Other operating expenses increased by 8% from €15.2m (FY17Q3) to €16.4m in FY17Q4. Due to Q4 provisions for onerous contracts and legal claims (in ordinary course of business)
Share in result of associates

- The share in profit/(loss) of associates and joint ventures shows a positive balance of € 2.4m in FY17Q4
- This is the result on sale of Able for €1.9m and a positive liquidation surplus on TOM for € 0.5m
- Able is sold for Euro 4.5 million in cash
- Able had a net equity of Euro 2.6 million at the moment of sale
- The profit booked in Q4 on Able is 1.9 million euro, approximately 3 cents per share
Financial position

Capital
• IFRS Equity FY17 €394.9m (FY16: €397.0m)
• Tier 1 Capital FY17 €249.5m (FY16: €245.5m)

Ratio’s
• Capital ratio FY17 30.8% (FY16: 31.9%)
• Leverage ratio FY17 6.6% (FY16: 6.7%)
• Risk weighted assets FY17: €809.4m
AGENDA

Business update  Financial highlights  Wrap up and Q&A
WRAP UP FOLLOWED BY Q&A

• Core business performing very well

• Strategic transformation on schedule: well positioned for Relaunch Binck by having broadened our products & service portfolio

• Full focus on Relaunch Binck and commercial roll out & optimization of the cost structure

• Low interest rate environment puts net interest income under pressure

• Result sale Think ETF’s at first publication after the closing

• Regulatory challenges 2018: leftovers MiFIDII and implementation GDPR