

# Third quarter results 2013

21 October 2013

Koen Beentjes CEO  
Evert Kooistra CFRO

 **BINCKBANK**  
FOR INVESTORS

# Agenda

- I. Update FY13 Q3
- II. Financial position
- III. Outlook 2013
- IV. Q&A

# Part I

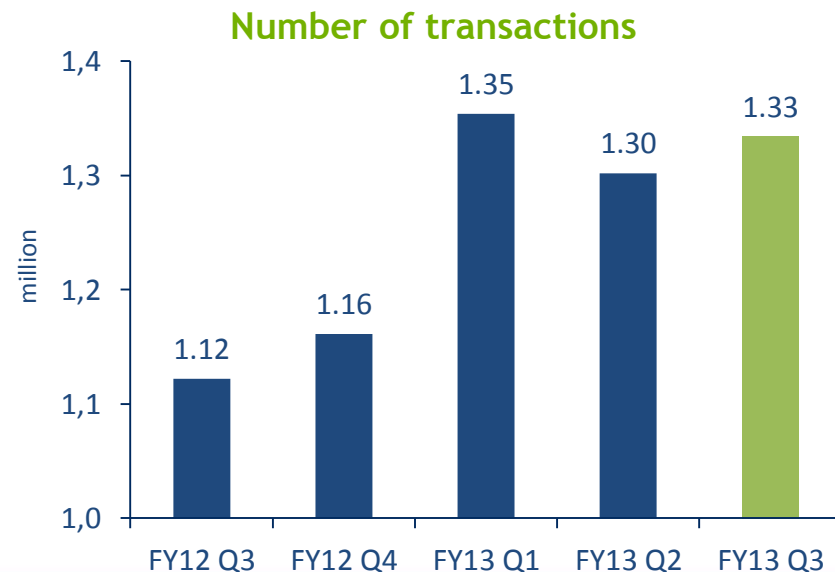
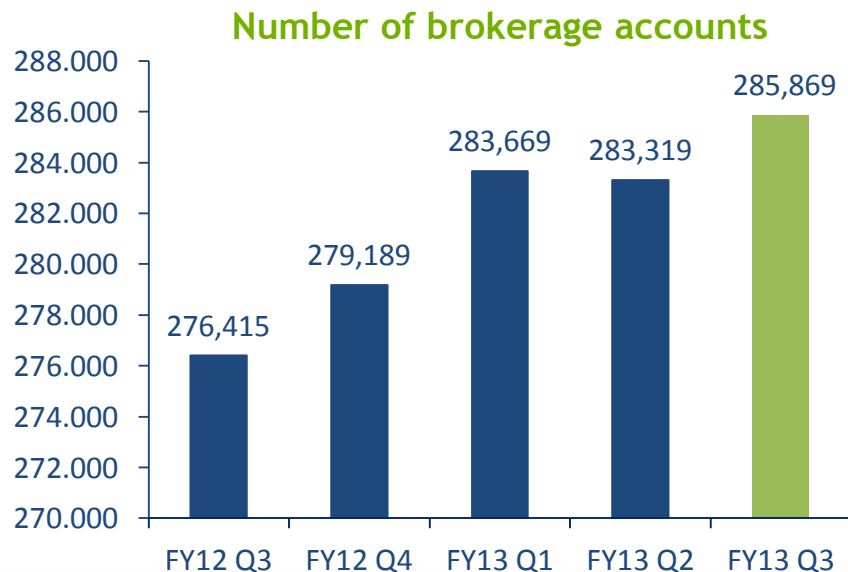
Update FY13 Q3

# Business highlights FY13 Q3

- Adjusted EPS FY13 Q3: € 10.6 million / € 0.15 per share  
(FY13 Q2: € 12.7 million / € 0.18 per share)
- Operating expenses up with 3%: € 32.5 million  
(FY13 Q2: € 31.6 million)
- Number of Retail stock exchange transactions FY13 Q3: 1.9 million  
(FY13 Q2: 1.8 million)
- Alex Asset Management total AuM FY13 Q3: > € 1.8 billion  
(FY13 Q2: > € 1.5 billion)
- Successful SNS migration -> as from September, all transactions will be processed via the BPO platform

# Highlights FY13 Q3: Retail business unit NL

- Number of brokerage accounts up with 2,550 to 285,869 (FY13 Q2: 283,319)
- Number of transactions up to 1.3 million
- Assets under administration at brokerage accounts **↑** 9% to € 7.3 billion end FY13 Q3 (FY13 Q2: € 6.7 billion)
- Average price per transaction € 11.54 (FY13 Q2: € 10.65)  
-> due to increased average order size & more option contracts per order

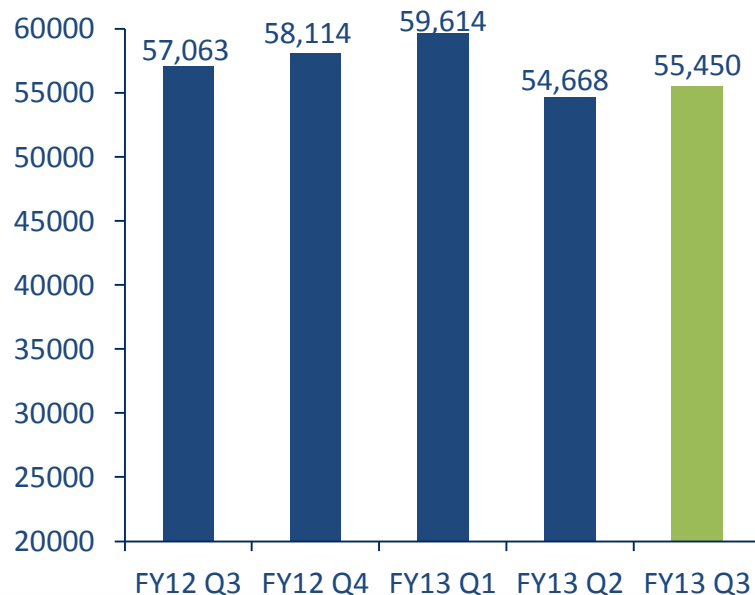


# Highlights FY13 Q3: Retail business unit Belgium

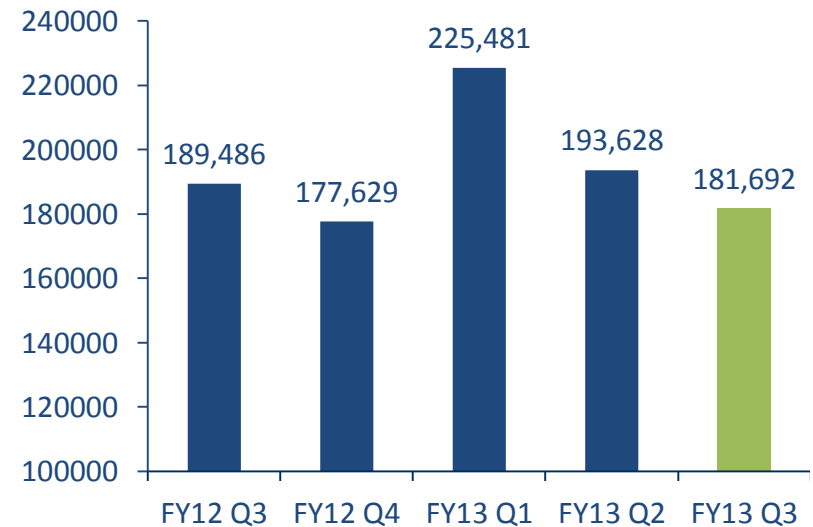
- Number of brokerage accounts up with 782 to 55,450 (FY13 Q2: 54,668)
- Number of transactions **↓** 6% to 181,692 (FY13 Q2: 193,628)
- Assets under administration **↑** 7% to € 1.6 billion (FY13 Q2: € 1.5)
- Average price per transaction **↑** € 9.72 (FY13 Q2: € 10.22)\*

\* Due to SD Worx impact

### Number of brokerage accounts



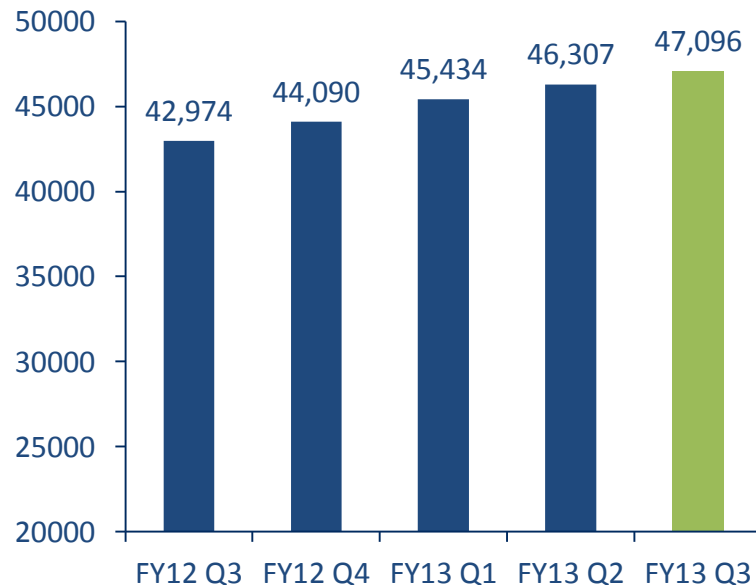
### Number of transactions



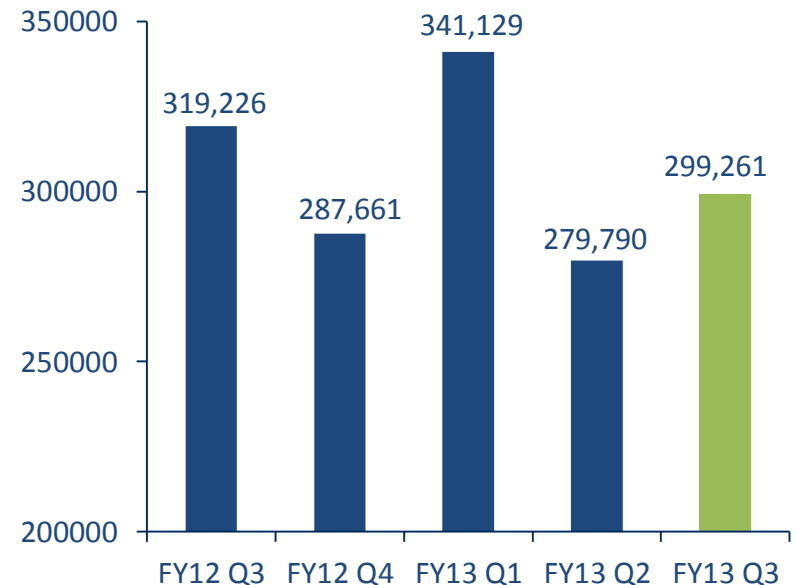
# Highlights FY13 Q3: Retail business unit France

- Number of brokerage accounts **↑2%** to 47,096 (FY13 Q2: 46,307)
- Number of transactions **↑7%** to 299,261 (FY13 Q2: 279,790)
- Assets under administration € 608 million (FY13 Q2: € 543 million)
- Average price per transaction € 5.78 (FY13 Q2: € 5.29)

Number of brokerage accounts



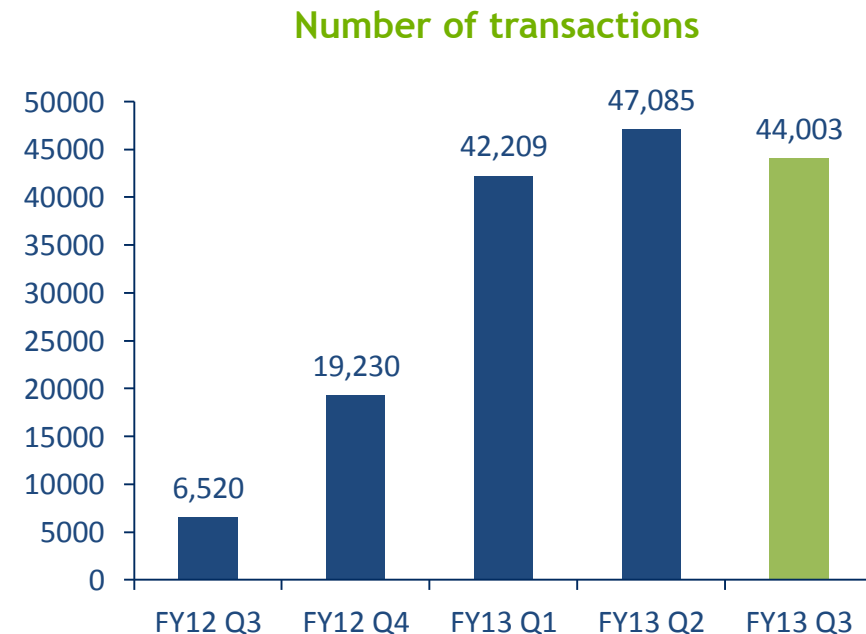
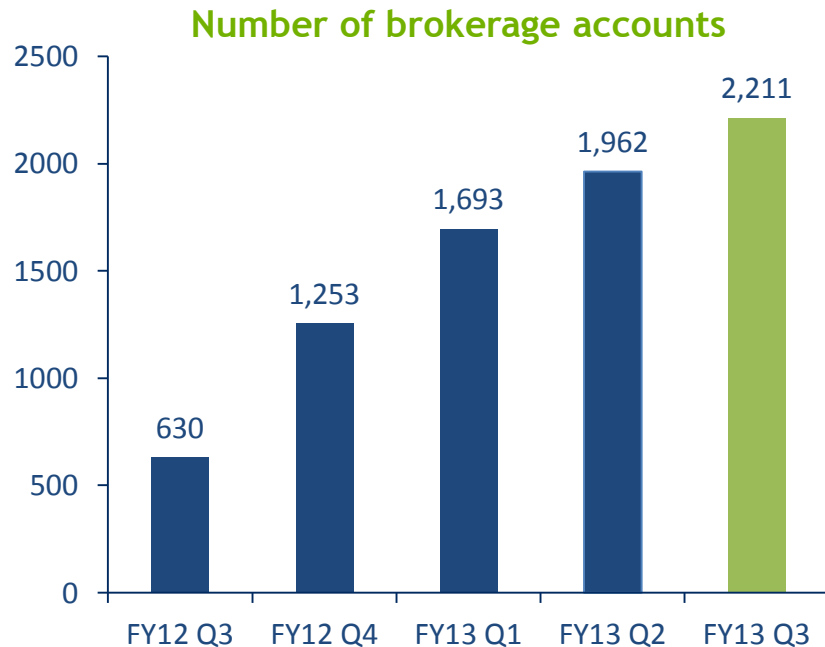
Number of transactions



# Highlights FY13 Q3: Retail business unit Italy

- Number of accounts **↑** 13% to 2,211 (FY13 Q2: 1,962)
- Number of transactions **↓** 7% to 44,003 (FY13 Q2: 47,085)
- Assets under administration € 161 million (FY13 Q2: € 142 million)
- Average net fee and com. income per transaction € 2.50 (FY13 Q2: € 3.89)\*

\* Due to payment of stock exchange and clearing costs





# Highlights FY13 Q3: Retail business unit

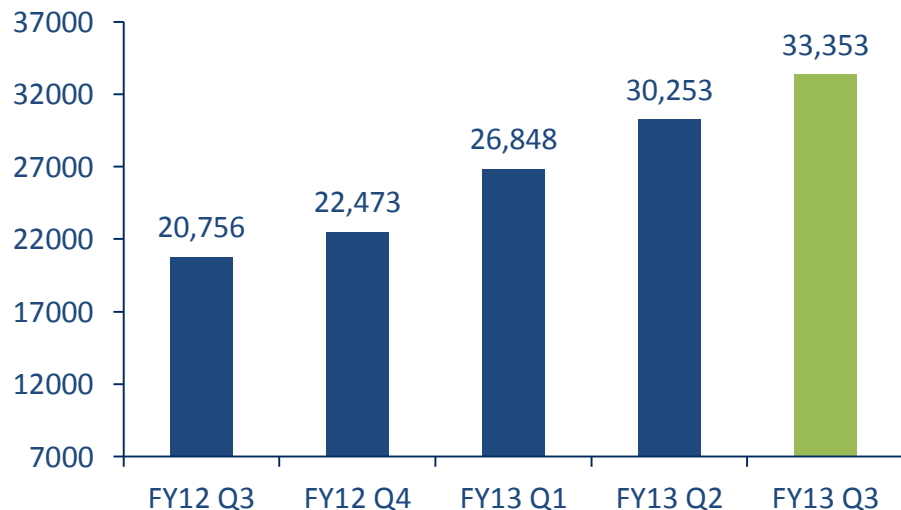
## Segmentation of transaction-related net fee & commission income by country

<b>FY13 Q3</b>	<b>Retail total</b>	<b>Netherlands</b>	<b>Belgium</b>	<b>France</b>	<b>Italy</b>
Net fee and commission income (in € 1,000)	18,997	15,392	1,766	1,729	110
Number of transactions	1,859,021	1,334,065	181,692	299,261	44,003
<b>Average net fee and com. income (in €)</b>	<b>10.22</b>	<b>11.54</b>	<b>9.72</b>	<b>5.78</b>	<b>2.50</b>
<b>FY13 Q2</b>	<b>Retail total</b>	<b>Netherlands</b>	<b>Belgium</b>	<b>France</b>	<b>Italy</b>
Net fee and commission income (in € 1,000)	17,507	13,864	1,979	1,481	183
Number of transactions	1,822,458	1,301,955	193,628	279,790	47,085
<b>Average net fee and com. income (in €)</b>	<b>9.61</b>	<b>10.65</b>	<b>10.22</b>	<b>5.29</b>	<b>3.89</b>

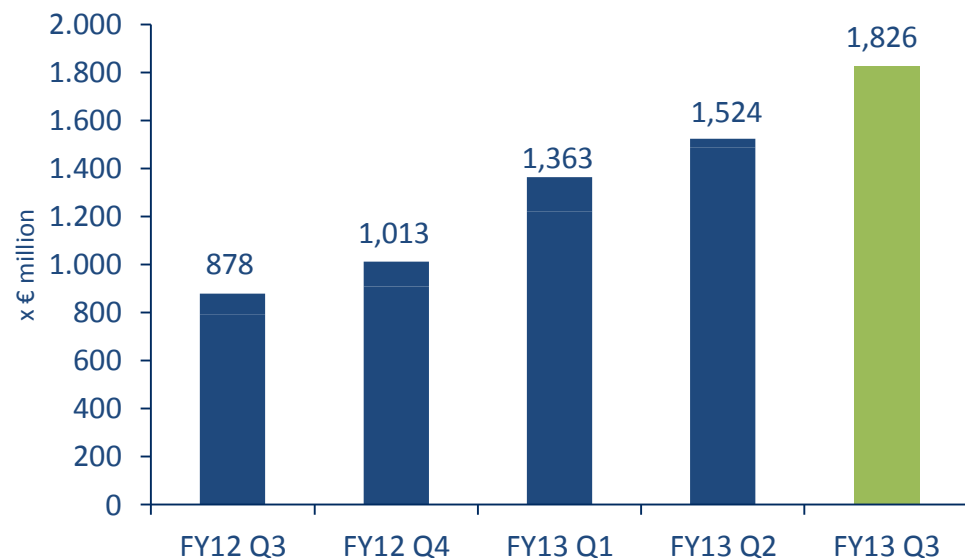
# Development Alex Asset Management

- Total number of accounts end FY13 Q3: 33,353 (FY13 Q2: 30,253)
- € 191 million net inflow in FY13 Q3 (FY13 Q2: € 208 million net inflow)
- € 709 million net inflow FY13 YTD
- Total AuM end FY13 Q3: > € 1.8 billion (FY13 Q2: > € 1.5 billion)

## Growth in number of accounts



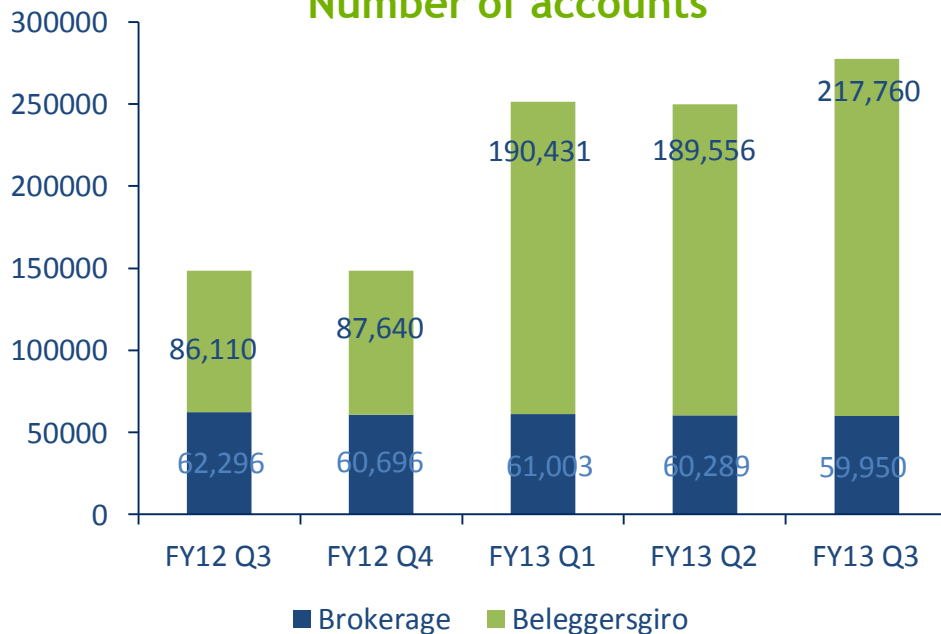
## Development AuM



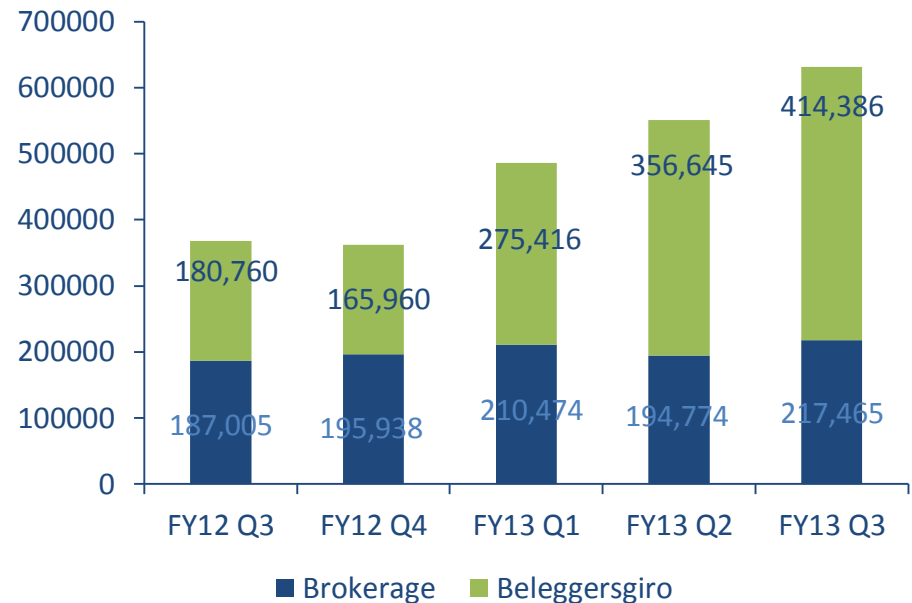
# Highlights FY13 Q3: Professional Services

- Number of brokerage accounts: 59,950 (FY13 Q2: 60,289)
- Number of transactions **↑15%** to 631,851 (FY13 Q2: 551,419)
- Assets under administration € 14.3 billion (FY13 Q2: € 13.3 billion)
- Successful SNS migration

### Number of accounts



### Number of transactions



## Part II

### Financial position

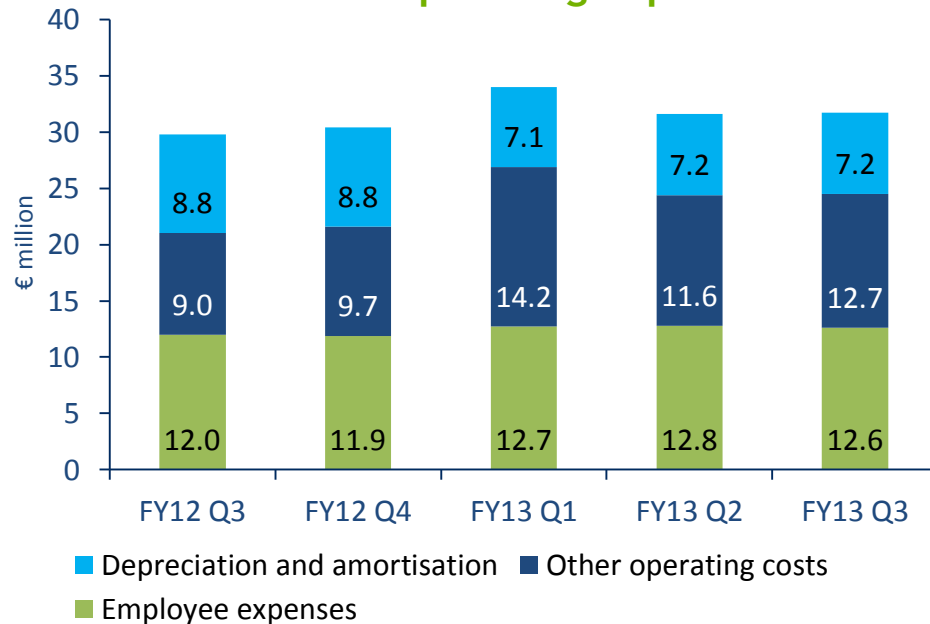
# Profit & Loss quarterly comparison

in € million	FY13 Q3	FY13 Q2	FY12 Q3
Net interest income	7.1	6.5	7.8
Net fee & commission income	31.0	28.9	26.5
Other operating income	2.0	2.9	3.0
Results on investments & impairment losses on fin. instr.	-	-	-
<b>Total net revenues</b>	<b>40.1</b>	<b>38.3</b>	<b>37.3</b>
Employee expenses	(12.6)	(12.8)	(12.0)
Depreciation & amortisation	(7.2)	(7.2)	(8.8)
Other operating expenses	(12.7)	(11.6)	(9.0)
<b>Total operating expenses</b>	<b>(32.5)</b>	<b>(31.6)</b>	<b>(29.8)</b>
Profit (loss) from operations	7.6	6.7	7.5
Other non operating income	(1.5)	1.2	(1.1)
Tax expense	(2.0)	(1.7)	(2.0)
<b>Net profit</b>	<b>4.1</b>	<b>6.2</b>	<b>4.4</b>
Net profit to minority shareholders	-	-	-
<b>Net profit to shareholders BinckBank</b>	<b>4.1</b>	<b>6.2</b>	<b>4.4</b>
<b>Adjusted net profit</b>	<b>10.6</b>	<b>12.7</b>	<b>12.1</b>

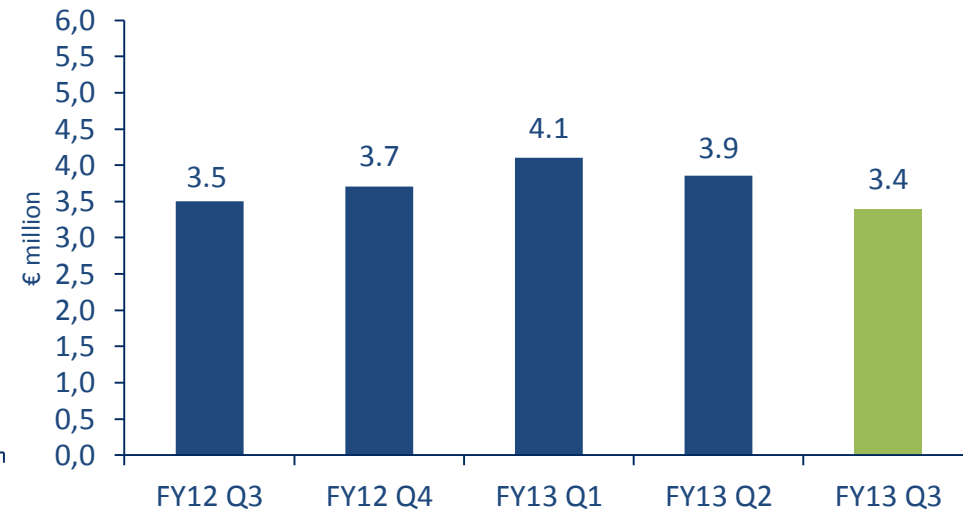
# Operating expenses

- Operating expenses in FY13 Q3 up to € 32.5 million (FY13 Q2: € 31.6 million)
- Marketing costs for FY13 Q3: € 3.4 million (FY13 Q2: € 3.9 million)
- Increased costs: structural higher costs due to the investments in Alex Asset Management & Compliance

## Total operating expenses



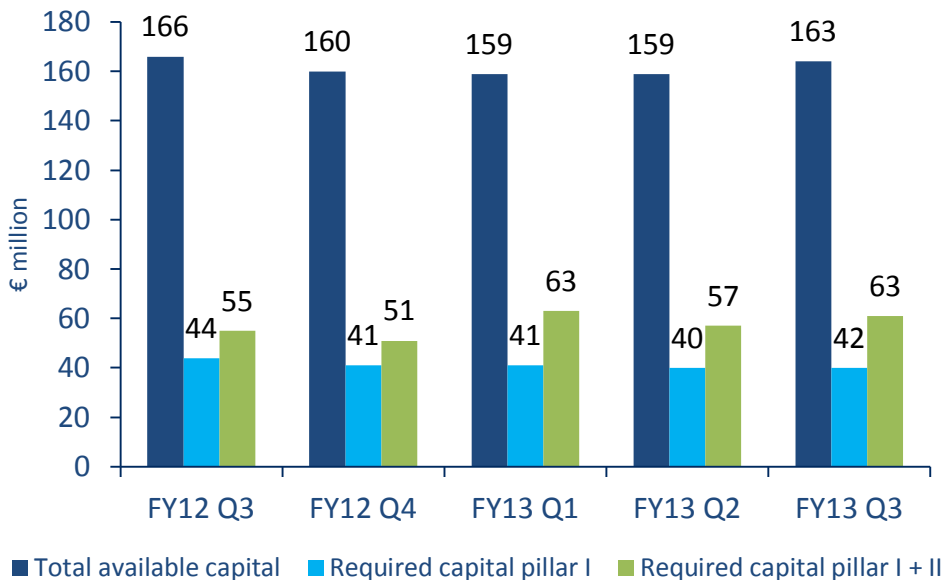
## Marketing expenses



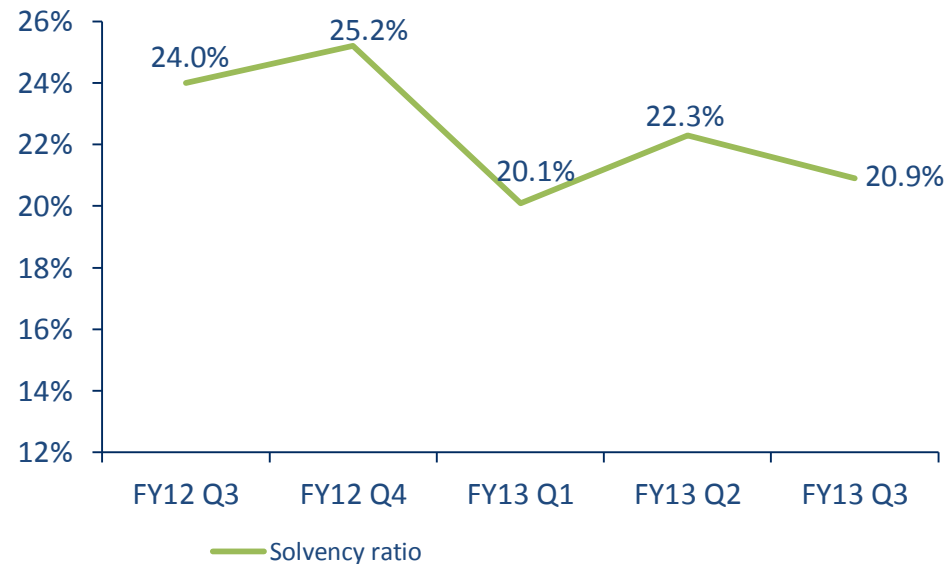
# Financial position BinckBank FY13 Q3

- Solid equity position end FY13 Q3 € 427 million (FY13 Q2: € 432 million)
- Tier I capital € 163,2 million (FY13 Q2: € 159,4 million)
- BIS ratio end FY13 Q3 at 31.2% (FY13 Q2: 31.9%)
- Solvency ratio 20.9% end of FY13 Q3 (FY13 Q2: 22.3%)

## Capital requirements



## Solvency ratio



# Overview Basel III capital position

Category	Basel II Q3 2013	Basel III Q3 2013	Difference
<b>Total Equity</b>	€ 426,732	€ 426,732	
Less: goodwill	€ 152,929-	€ 132,390-	€ 20,539
Less: other intangible assets	€ 95,131-	€ 95,131-	-
Less: fair value reserve (AfS valuation)	€ 3,475-	-	€ 3,475
Less: proposed dividend	€ 7,161-	€ 7,161-	
<b>Core capital</b>	€ 168,036	€ 192,050	€ 24,014
Less: investments in financial subsidiaries	€ 4,790-	-	€ 4,790
<b>Common Equity Tier 1 (CET1)</b>	€ 163,246	€ 192,050	€ 28,804
<b>BIS Ratio</b>	31.2%	35.8%	



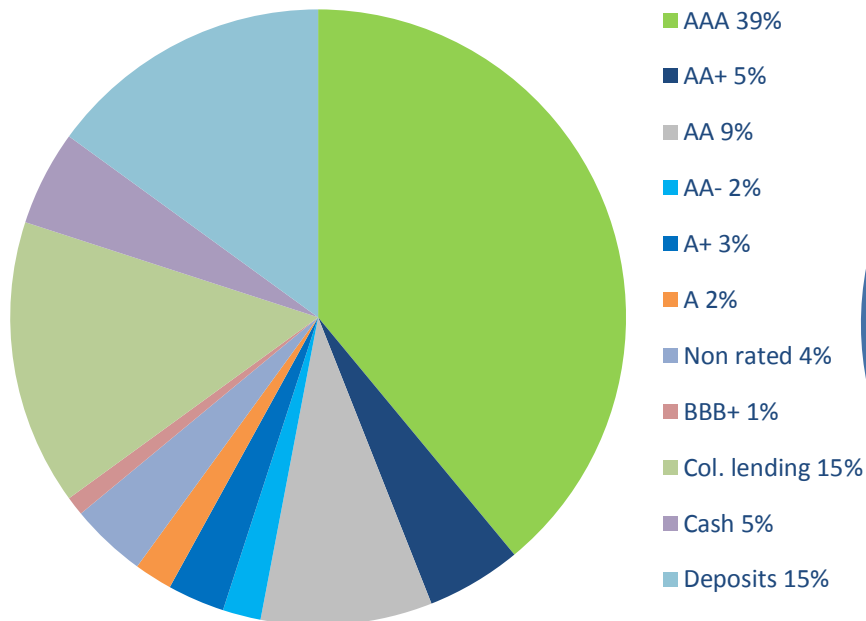
# Overview Basel III capital position

- Basel III will come into force as of 1 January 2014
- Under Basel III goodwill is deducted net of any deferred tax liabilities, which results in a capital relief of approx. € 20 million for BinckBank
- The fair value reserve is no longer deducted in the calculation of core capital under Basel III. This implies interest rate developments will start to impact capital ratios under Basel III
- Investment in subsidiaries are no longer deducted but are included in the risk weighted assets subject to a 250% risk weighting

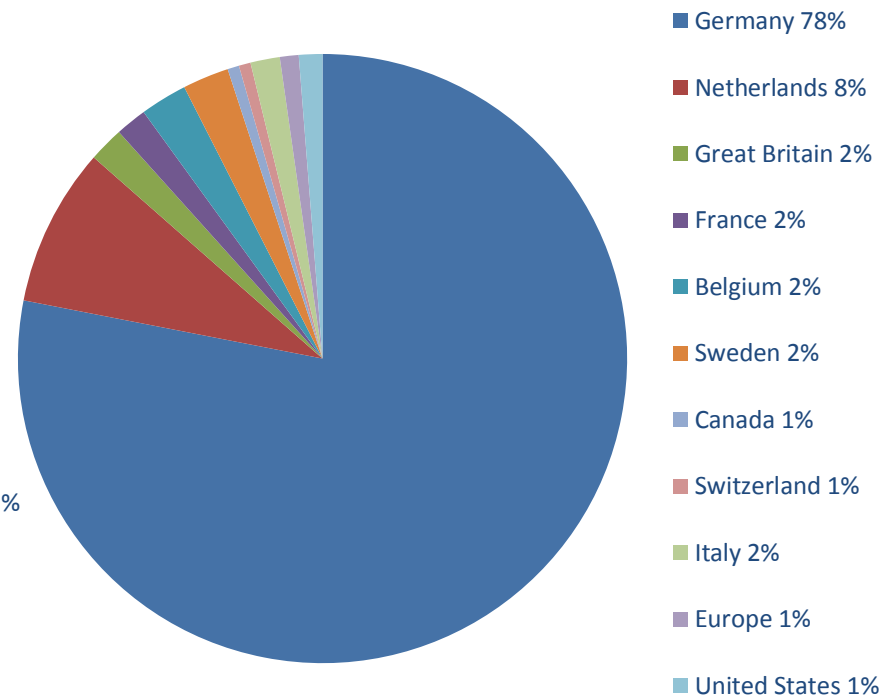
# Overview investment portfolio

- Size of investment portfolio end of FY13 Q3: € 1.6 billion (FY13 Q2: € 1.7 billion)
- Average duration of the portfolio FY13 Q3: 1.12 (FY13 Q2: 1.10)
- Yield on investment portfolio end FY13 Q3: 0.86% (FY13 Q2: 0.93%)

Allocation funds entrusted per rating



Allocation funds entrusted per country



## Part III

### Outlook 2013

# Development leveraged products

- Response BinckBank: development own leveraged products
- A part of the operational processes in cooperation with a partner
- The project designed to create our own leveraged products is proceeding satisfactorily
- Launch the first half of 2014

# Competition

## New competitor:

- No banking license
- Low tariffs
- Asset lending at the risk of the customer
- Uncommon order structure (limit hit order)
- Unstable platform

## BinckBank:

- Banking license
- Transparency
- High level of customer service
- Customer education

# Outlook

- Our results depend heavily on the activity of our customers in the markets
- Development of own leveraged products
- Continued focus on Alex Asset Management

## Part IV

Q&A

## Contact details

Nelleke Nederlof  
Manager Investor Relations  
[nnederlof@binck.nl](mailto:nnederlof@binck.nl)  
+31 (0)20 522 0372  
+31 (0)6 201 98 337  
[www.binck.com](http://www.binck.com)

Address  
Barbara Strozziilaan 310  
1083 HN Amsterdam  
The Netherlands



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Forward-looking statements involve inherent risks and uncertainties. A number of important factors could therefore cause actual future results to differ materially from those expressed or implied in any forward-looking statement. Such factors include, without limitation, the conditions in the financial markets, the reliability of our risk management policies, procedures, systems and methods.

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