



# PRESS RELEASE

Amsterdam, 22 October 2018

## BinckBank N.V. trading update third quarter 2018

“Result in line with expectations”

- Net earnings per share 18YTD € 0.41 (17YTD: € 0.06) and 18Q3 € 0.08
- Number of transactions 18YTD 29% higher than 17YTD
- New competitive price plan, including a service fee, rolled out satisfactorily
- The client assets under management decreased 18Q3 with € 12.4 million on net basis to € 1.013 billion
- Cost/income ratio per 18YTD: 76%

(amounts in € 000's)	18Q3	18Q2	ΔQ2	18Ytd	17Ytd	Δtd
<b>Customer figures</b>						
Number of transactions	2,229,746	2,307,544	-3%	7,219,092	5,585,937	29%
Assets under administration	27,286,352	26,806,249	2%	27,286,352	25,483,425	7%
Assets under management	1,012,687	1,025,084	-1%	1,012,687	1,139,575	-11%
<b>Financials</b>						
Net interest income	8,019	8,029	0%	23,978	22,486	7%
Net fee and commission income	23,166	26,202	-12%	78,658	77,004	2%
Other income from operational activities	1,472	2,092	-30%	5,939	10,801	-45%
Total income from operating activities	32,657	36,323	-10%	108,575	110,291	-2%
Total operating expenses	25,859	28,930	-11%	83,005	105,661	-21%
Result from operating activities	6,798	7,393	-8%	25,570	4,630	452%
Result after tax	5,393	13,696	-61%	27,605	4,265	547%
Net earnings per share (in €)	0.08	0.20		0.41	0.06	
Cost / income ratio	79%	80%	-1%	76%	96%	
<b>Capital adequacy</b>						
Common equity Tier 1	254,859	253,188	1%	254,859	245,917	4%
Capital ratio	32.2%	31.9%		32.2%	30.7%	
Leverage ratio	6.2%	6.2%		6.2%	6.6%	



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## DEVELOPMENTS Q3 2018

The third quarter is traditionally a quiet quarter. This was reflected in slightly lower transaction numbers compared to the previous quarters. BinckBank's main focus during this period was on the development and improvement of existing services, such as the new web-based version of ProTrader for our highly active customers and a completely renewed BinckBank Academy, to help our customers make better investment decisions.

In 'Zelf Beleggen' (Self-Investing) most Dutch customers have now made the choice for a suitable price package in the new price plan. The introduction of lower transaction prices together with the service fee results in a more stable income stream for BinckBank, that also better matches the actual expenses.

The number of transactions in 'Zelf Beleggen' (Self investment) increased with 29% compared to 17YTD.

In the new propositions in 'Laten Beleggen' (Invest for me), € 163 million of assets under management is now invested by our clients. At the end of the third quarter, the assets under management for Alex Asset Management amounted to € 850 million. At the end of the third quarter the assets under administration related to 'Sparen' (Savings) increased to an amount of € 19.8 million. It is our intention to connect additional banks in the coming quarters in order to make the service more attractive.

As announced in the previous quarter, BinckBank is focusing on a renewed - and broader - brand positioning, in which a phased re-branding of the underlying brands 'Binck' and 'Alex' to 'BinckBank' has been initiated. In this context, the new television campaign was launched in August in which BinckBank emphasizes her role as a "partner in independence". This is in line with our new financial products such as 'Laten Beleggen' and 'Sparen' with which BinckBank offers comprehensible and accessible products. Also in August the second edition of the BinckBank Tour took place. It received wide attention in the (international) media, which contributes to increasing our brand awareness among a wider audience.

During the Extraordinary General Meeting of 30 August 2018, Mr. J.G. Princen was appointed as a member of the supervisory board.



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## FINANCIAL RESULT

The net result for the period ending 18YTD amounted to € 27.6 million (17YTD: € 4.3 million), resulting in a net earnings per share of € 0.41 (17YTD: € 0.06 per share).

Total income from operating activities in the first 9 months of 2018 amounted to € 108.6 million, 2% lower than in the same period last year (17YTD: € 110.3 million). Over 18YTD, the net interest income increased by 6.6% to € 24.0 million compared to a year earlier (17YTD: € 22.5 million). The increase is mainly due to the higher average outstanding amount of the collateralised loans.

Net fee and commission income increased by 2.1% to € 78.7 million (17YTD: € 77.0 million) despite the loss of revenue due to the sale of Think ETF Asset Management.

Other income declined as expected due to the sale of Able in 2017 and the termination of the BPO services. On the other hand, the result from financial instruments increased by 47% to € 5.7 million (17YTD: € 3.9 million). In addition to the increase in revenues on the Binck turbo, a positive result from hedge accounting is included in other income.

The operating expenses for 18YTD amounted to € 83.0 million which is 21% lower compared to the same period in 2017 (17YTD: € 105.7 million). This decrease is amongst others due to lower depreciation charges on intangible assets of € 16.1 million. Furthermore the run rate of operating expenses has decreased due to the sale of Able in 2017 and Think ETF Asset Management in 2018. All this contributed to the reduction of the cost/income ratio to 76% (17YTD: 96%).

## FINANCIAL OUTLOOK

BinckBank's result depends highly on market factors and customer behaviour. The volatility and direction of stock markets are strong determining factors here, as are the interest rates on the money and capital markets. These factors cannot be predicted and BinckBank therefore does not make any specific projections of the future.

The strategic transformation is on schedule and with our new products we are well positioned for the future of BinckBank. In this context we note that the results from the transformation process become visible in a delayed manner. We are confident that the transformation will lead to value creation in due course.



## IMPORTANT DATES 2018/2019\*

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|--------------------------------------|-----------------|
| • Publication year report 2018       | 4 February 2019 |
| • Publication annual report 2018     | 11 March 2019   |
| • Publication trading update Q1 2019 | 23 April 2019   |
| • General Meeting                    | 23 April 2019   |
| • Ex-date dividend                   | 25 April 2019   |
| • Record-date dividend               | 26 April 2019   |
| • Payment dividend                   | 03 May 2019     |
| • Publication half-year report 2019  | 22 July 2019    |
| • Ex-date interim-dividend           | 24 July 2019    |
| • Record-date interim-dividend       | 25 July 2019    |
| • Payment interim-dividend           | 29 July 2019    |

*\* Dates subject to change*

## BINCKBANK N.V.

BinckBank N.V. (BinckBank) is an online financial services provider, founded in 2000 and since 2003 holder of a banking permit under the supervision of De Nederlandsche Bank. The bank is listed on Euronext Amsterdam and is part of the Amsterdam Smallcap Index (AScX). BinckBank's services are directed towards private individuals and independent asset managers. BinckBank offers services in Trading (active securities brokerage), Investing (asset management), and Saving, all supported by a central European base IT platform. BinckBank has offices in the Netherlands, Belgium, France, Italy, and Spain offering services under the labels Alex and/or Binck.

BinckBank N.V.

Barbara Strozziilaan 310

1083 HN Amsterdam

[www.binck.com](http://www.binck.com)

+31 (0)20 522 0378 (Investor Relations/ Press & Media)



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# FINANCIAL STATEMENTS TO THE TRADING UPDATE 30 SEPTEMBER 2018



## A. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(amounts in € 000's)	30 September 2018	31 December 2017
<b>ASSETS</b>		
Cash and balances at central banks	1,352,702	1,003,537
Banks	144,889	133,968
Derivatives	44,615	37,311
Financial assets at fair value through profit and loss	18,489	16,613
Financial assets at amortised cost	911,174	-
Financial assets available-for-sale	-	797,294
Financial assets held-to-maturity	-	342,190
Loans and receivables	1,426,253	1,303,297
Associates	-	485
Intangible assets	157,432	157,950
Property, plant and equipment	33,079	33,969
Current tax assets	16,621	16,725
Deferred tax assets	811	6,279
Other assets	70,421	58,754
Prepayments and accrued income	15,048	15,446
<b>Total assets</b>	<b>4,191,534</b>	<b>3,923,818</b>
<b>LIABILITIES</b>		
Banks	842	2,538
Derivatives	44,356	37,055
Financial liabilities at fair value through profit and loss	146	231
Funds entrusted	3,663,207	3,383,507
Provisions	4,640	8,134
Current tax liabilities	12	10
Deferred tax liabilities	36,466	36,443
Other liabilities	38,309	52,084
Accruals and deferred income	8,092	8,927
<b>Total liabilities</b>	<b>3,796,070</b>	<b>3,528,929</b>
<i>Equity attributable to:</i>		
Owners of the parent	395,464	393,956
Non-controlling interests	-	933
<b>Total equity</b>	<b>395,464</b>	<b>394,889</b>
<b>Total equity and liabilities</b>	<b>4,191,534</b>	<b>3,923,818</b>



## B. CONSOLIDATED STATEMENT OF INCOME

(amounts in € 000's)	18Q3	17Q3	18Ytd	17Ytd
<b>INCOME</b>				
Interest income	10,560	9,355	30,609	27,039
Interest expense	(2,541)	(1,741)	(6,631)	(4,553)
Net interest income	8,019	7,614	23,978	22,486
Fee and commission income	26,988	27,801	91,159	91,481
Fee and commission expense	(3,822)	(4,274)	(12,501)	(14,477)
Net fee and commission income	23,166	23,527	78,658	77,004
Other income	(347)	2,349	393	6,970
Result from financial instruments	1,804	1,455	5,732	3,908
Impairment of financial assets	15	36	(186)	(77)
<b>Total income from operating activities</b>	<b>32,657</b>	<b>34,981</b>	<b>108,575</b>	<b>110,291</b>
<b>EXPENSES</b>				
Employee expenses	11,255	13,487	36,084	40,373
Depreciation and amortisation	1,231	6,745	3,853	19,945
Other operating expenses	13,373	15,235	43,068	45,343
<b>Total operating expenses</b>	<b>25,859</b>	<b>35,467</b>	<b>83,005</b>	<b>105,661</b>
<b>Result from operating activities</b>	<b>6,798</b>	<b>(486)</b>	<b>25,570</b>	<b>4,630</b>
Result from associates	325	-	8,437	(1,504)
<b>Result before tax</b>	<b>7,123</b>	<b>(486)</b>	<b>34,007</b>	<b>3,126</b>
Income tax expense	(1,730)	2,629	(6,402)	1,139
<b>Net result</b>	<b>5,393</b>	<b>2,143</b>	<b>27,605</b>	<b>4,265</b>
<i>Result attributable to:</i>				
Onwers of the parent	5,410	2,528	27,323	4,643
Non-controlling interests	(17)	(385)	282	(378)
<b>Net result</b>	<b>5,393</b>	<b>2,143</b>	<b>27,605</b>	<b>4,265</b>
Basic and diluted earnings per share	0.08	0.03	0.41	0.06