

# Year report 2014

- Adjusted net profit in FY14: € 57.5 million (FY13: € 55.2 million)
- Adjusted net profit in FY14 Q4: € 12.7 million (FY13 Q4: € 22.7 million)
- Alex Asset Management AuM FY14: € 2.0 billion (FY13: € 2.1 billion)
- Number of Retail transactions in FY14 Q4: 2.3 million (FY13 Q4: 2.0 million)
- Decision for distribution of capital above € 200 million suspended
- Proposed final dividend for 2014: € 0.31 per share (FY13: € 0.26)

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# Key figures annual comparison

x € 1,000	FY14	FY13*	Δ
<b>Customer figures</b>			
<b>Customer accounts</b>	<b>595,506</b>	<b>551,970</b>	8%
Brokerage accounts	454,964	417,966	9%
Beleggersgiro accounts	2,216	2,219	0%
Asset management accounts	42,890	36,602	17%
Savings accounts	95,436	95,183	0%
<b>Number of transactions</b>	<b>8,617,490</b>	<b>8,164,978</b>	6%
Brokerage accounts	8,542,215	8,122,356	5%
Beleggersgiro accounts	75,275	42,622	77%
<b>Assets under administration</b>	<b>18,538,716</b>	<b>16,124,263</b>	15%
Brokerage accounts	18,100,625	15,629,461	16%
Beleggersgiro accounts	147,707	131,719	12%
Savings accounts	290,384	363,083	-20%
<b>Assets under management</b>	<b>1,952,193</b>	<b>2,147,591</b>	-9%
Asset management accounts	1,952,193	2,147,591	-9%
<b>Income statement</b>			
Net interest income	28,497	27,686	3%
Net fee and commission income	125,951	137,936	-9%
Other income	11,102	11,049	0%
Result from financial instruments	351	7	4914%
Impairment of financial assets	(168)	32	-625%
<b>Total income from operating activities</b>	<b>165,733</b>	<b>176,710</b>	-6%
Employee expenses	56,586	51,556	10%
Depreciation and amortisation	27,675	29,107	-5%
Other operating expenses	57,124	53,715	6%
<b>Total operating expenses</b>	<b>141,385</b>	<b>134,378</b>	5%
<b>Result from operating activities</b>	<b>24,348</b>	<b>42,332</b>	-42%
Tax	(5,555)	(10,966)	-49%
Share in profit / (loss) of associates and joint ventures	12,674	(2,393)	-630%
Impairment of goodwill	-	(10,047)	-100%
<b>Net result</b>	<b>31,467</b>	<b>18,926</b>	66%
Result attributable to non-controlling interests	87	322	-73%
<b>Net result attributable to shareholders BinckBank</b>	<b>31,554</b>	<b>19,248</b>	64%
IFRS amortisation	21,515	21,515	0%
Fiscal goodwill amortisation	4,407	4,407	0%
Other adjustments to net result	-	10,047	-100%
<b>Adjusted net result</b>	<b>57,476</b>	<b>55,217</b>	4%
Average number of shares outstanding during the period	70,171,109	70,432,579	
<b>Adjusted net earnings per share</b>	<b>0,82</b>	<b>0,78</b>	
<b>Balance sheet &amp; capital adequacy</b>			
Balance sheet total	3,311,664	3,209,404	3%
Equity	440,247	431,631	2%
Total available capital (Tier I)	225,898	200,693	13%
Capital ratio	37.1%	36.2%	
<b>Cost / income ratio</b>			
Cost / income ratio	85%	76%	
Cost / income ratio excluding IFRS amortisation	72%	64%	

\* As a result of the termination of the sales process of the BPO and software & licensing activities, trading under the name "Able", the assets and liabilities of Able no longer qualify as available for sale under the requirements of IFRS 5. Accordingly, the items presented at year-end 2014 as available for sale have been returned to the original categories in the statement of financial position and income statement.

# Key figures quarterly comparison

x € 1,000	FY14 Q4	FY14 Q3*	FY13 Q4*	Δ Q3	Δ Q4
<b>Customer figures</b>					
<b>Customer accounts</b>	<b>595,506</b>	<b>594,453</b>	<b>551,970</b>	0%	8%
Brokerage accounts	454,964	452,793	417,966	0%	9%
Beleggersgiro accounts	2,216	2,219	2,219	0%	0%
Asset management accounts	42,890	43,920	36,602	-2%	17%
Savings accounts	95,436	95,521	95,183	0%	0%
<b>Number of transactions</b>	<b>2,323,910</b>	<b>1,887,130</b>	<b>2,001,313</b>	23%	16%
Brokerage accounts	2,304,126	1,868,094	1,992,632	23%	16%
Beleggersgiro accounts	19,784	19,036	8,681	4%	128%
<b>Assets under administration</b>	<b>18,538,716</b>	<b>18,404,715</b>	<b>16,124,263</b>	1%	15%
Brokerage accounts	18,100,625	17,934,084	15,629,461	1%	16%
Beleggersgiro accounts	147,707	146,536	131,719	1%	12%
Savings accounts	290,384	324,095	363,083	-10%	-20%
<b>Assets under management</b>	<b>1,952,193</b>	<b>2,274,741</b>	<b>2,147,591</b>	-14%	-9%
Asset management accounts	1,952,193	2,274,741	2,147,591	-14%	-9%
<b>Income statement</b>					
Net interest income	6,682	6,605	7,538	1%	-11%
Net fee and commission income	32,164	27,963	48,517	15%	-34%
Other income	2,984	2,891	3,039	3%	-2%
Result from financial instruments	191	160	7	19%	2629%
Impairment of financial assets	(162)	(5)	(9)	3140%	1700%
<b>Total income from operating activities</b>	<b>41,859</b>	<b>37,614</b>	<b>59,092</b>	11%	-29%
Employee expenses	14,708	13,489	13,502	9%	9%
Depreciation and amortisation	6,806	6,912	7,594	-2%	-10%
Other operating expenses	14,052	12,841	15,256	9%	-8%
<b>Total operating expenses</b>	<b>35,566</b>	<b>33,242</b>	<b>36,352</b>	7%	-2%
<b>Result from operating activities</b>	<b>6,293</b>	<b>4,372</b>	<b>22,740</b>	44%	-72%
Tax	37	(1,404)	(5,796)	-103%	-101%
Impairment of goodwill	-	-	(10,047)	-	-100%
Share in profit / (loss) of associates and joint ventures	(220)	15,192	(1,080)	-101%	-80%
<b>Net result</b>	<b>6,110</b>	<b>18,160</b>	<b>5,817</b>	-66%	5%
Result attributable to non-controlling interests	87	-	320	100%	-73%
<b>Net result attributable to shareholders BinckBank</b>	<b>6,197</b>	<b>18,160</b>	<b>6,137</b>	-66%	1%
IFRS amortisation	5,379	5,379	5,379	0%	0%
Fiscal goodwill amortisation	1,102	1,102	1,102	0%	0%
Other adjustments to net result	-	-	10,047	-	-100%
<b>Adjusted net result</b>	<b>12,678</b>	<b>24,641</b>	<b>22,665</b>	-49%	-44%
<b>Adjusted net earnings per share</b>	<b>0.18</b>	<b>0.35</b>	<b>0.32</b>		
<b>Balance sheet &amp; capital adequacy</b>					
Balance sheet total	3,311,664	3,437,232	3,209,404	-4%	3%
Equity	440,247	434,809	431,631	1%	2%
Total available capital (Tier I)	225,898	200,000	200,693	13%	13%
Capital ratio	37.1%	32.8%	36.2%		
Cost / income ratio excluding IFRS amortisation	72%	74%	52%		

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# Year comparison Retail and Professional Services

x € 1,000	FY14	FY13	Δ
<b>Retail</b>			
<b>Customer accounts</b>	<b>570,918</b>	<b>528,711</b>	<b>8%</b>
Brokerage accounts	432,592	396,926	9%
<i>Netherlands</i>	318,444	289,668	10%
<i>Belgium</i>	59,940	56,721	6%
<i>France</i>	50,002	47,839	5%
<i>Italy</i>	4,206	2,698	56%
Asset management accounts	42,890	36,602	17%
Savings accounts	95,436	95,183	0%
<b>Number of transactions</b>	<b>7,930,847</b>	<b>7,484,091</b>	<b>6%</b>
<i>Netherlands</i>	5,431,184	5,261,490	3%
<i>Belgium</i>	833,726	786,181	6%
<i>France</i>	1,268,595	1,233,190	3%
<i>Italy</i>	397,342	203,230	96%
<b>Assets under administration</b>	<b>12,429,716</b>	<b>10,809,647</b>	<b>15%</b>
Brokerage accounts	12,139,332	10,446,564	16%
<i>Netherlands</i>	9,143,866	7,913,625	16%
<i>Belgium</i>	1,856,736	1,669,331	11%
<i>France</i>	686,141	626,975	9%
<i>Italy</i>	452,589	236,633	91%
Savings accounts	290,384	363,083	-20%
<b>Assets under administration</b>	<b>1,952,193</b>	<b>2,147,591</b>	<b>-9%</b>
<i>Asset management accounts</i>	1,952,193	2,147,591	-9%
<b>Income statement</b>			
Net interest income	25,995	24,368	7%
Net fee and commission income	105,905	115,231	-8%
Net commission income (transaction-based)	79,631	73,982	8%
<i>Netherlands</i>	62,749	59,349	6%
<i>Belgium</i>	8,585	7,520	14%
<i>France</i>	6,988	6,534	7%
<i>Italy</i>	1,309	579	126%
Asset management fees	17,903	29,385	-39%
Net commission income (other)	8,371	11,864	-29%
Other income	85	1,072	-92%
Result from financial instruments	501	-	100%
Impairment of financial assets	(165)	37	-546%
<b>Total income from operating activities</b>	<b>132,321</b>	<b>140,708</b>	<b>-6%</b>
Employee expenses	35,931	30,008	20%
Depreciation and amortisation	25,572	26,643	-4%
Other operating expenses	45,368	43,114	5%
<b>Total operating expenses</b>	<b>106,871</b>	<b>99,765</b>	<b>7%</b>
<b>Result from operating activities</b>	<b>25,450</b>	<b>40,943</b>	<b>-38%</b>

x € 1,000

	FY14	FY13*	Δ
<b>Professional Services</b>			
<b>Customer accounts</b>	<b>24,588</b>	<b>23,259</b>	<b>6%</b>
Brokerage accounts	22,372	21,040	6%
Beleggersgiro accounts	2,216	2,219	0%
<b>Number of transactions</b>	<b>686,643</b>	<b>680,887</b>	<b>1%</b>
Brokerage accounts	611,368	638,265	-4%
Beleggersgiro accounts	75,275	42,622	77%
<b>Assets under administration</b>	<b>6,109,000</b>	<b>5,314,616</b>	<b>15%</b>
Brokerage accounts	5,961,293	5,182,897	15%
Beleggersgiro accounts	147,707	131,719	12%
<b>Income statement</b>			
Net interest income	2,497	3,312	-25%
Net fee and commission income	18,408	21,935	-16%
Other income	11,176	9,621	16%
Result from financial instruments	-	-	
Impairment of financial assets	(3)	(5)	-40%
<b>Total income from operating activities</b>	<b>32,078</b>	<b>34,863</b>	<b>-8%</b>
Employee expenses	19,893	18,834	6%
Depreciation and amortisation	1,609	2,008	-20%
Other operating expenses	8,946	8,869	1%
<b>Total operating expenses</b>	<b>30,448</b>	<b>29,711</b>	<b>2%</b>
<b>Result from operating activities</b>	<b>1,630</b>	<b>5,152</b>	<b>-68%</b>

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## Report of the executive board

# Chairman's message



Dear readers,

*BinckBank recorded an adjusted net result of € 12.7 million in the fourth quarter of 2014. This good result was mainly due to a 23% increase in the number of transactions compared to the previous quarter. The adjusted net result per share in the fourth quarter amounted to € 0.18. The adjusted net result for the whole of 2014 came to € 57.5 million (FY13: € 55.2 million), and was thus 4% higher than in 2013. A final dividend of € 0.31 per share will be proposed at the General Meeting of Shareholders to be held on 30 April 2015.*

*The 2.3 million transactions in the past quarter was much higher than in the third quarter. The number of Retail transactions in the Dutch market was up 26% in the fourth quarter of 2014 and the international branches also saw increases in the number of transactions, ranging from 13% to 20% in comparison to the third quarter of 2014. BinckBank was able to continue the success of the Binck turbo in the fourth quarter of 2014. After a positive start halfway through 2014, the Binck turbo has grown rapidly into a popular product among active investors. In Belgium, the "stock-exchange tax rate" on the purchase and sale of shares has been raised from 0.25% to 0.27% as of 1 January 2015. The tax due on the sale of investment funds has also been raised from 1.0% to 1.32%. The increase could potentially affect the investment landscape in Belgium. BinckBank France won the "Label d'Excellence 2015" award from the magazine "Dossiers de l'Epargne" for the quality of its brokerage accounts, and in Italy, BinckBank foresees to reach break-even in 2015.*

*The policy pursued by Alex Asset Management in 2014 led to disappointing results for many customers. Especially those customers who started to invest with Alex Asset Management more recently have felt that the investment result did not live up to their expectations. We are very conscious of this. In the last period Alex Asset Management publicity mainly concerned the disappointing results. In sharp contraction to its recent past where Alex Asset Management has featured in the news due to its positive results and returns, and our innovative asset management was acclaimed by various parties and reviews. Our most important targets at Alex Asset Management have always been and continue to produce good investment results and a high level of customer satisfaction. We therefore understand the feelings of our customers very well, and 2014 was a disappointing year for the Alex team as well. We want to emphasise that one of the elements of asset management is that performance has to be assessed over a longer period. In the past, our investment model has also had to deal with extraordinary market conditions, after which we again succeeded in producing positive results. This is of course in the knowledge that it is impossible to draw conclusions with respect to the (near) future from this. Of the decline in assets under management of the € 323 million in the fourth quarter an amount of the € 26 million was due to negative investment returns and charges and the remainder was due to customer cash outflow.*

*As a result of its greater strategic focus on its Retail business, BinckBank has formulated new long term targets for 2018 and three new targets have been added: customer satisfaction, a more balanced income flow and the cost/income ratio. These targets have been added in order to be able to more accurately measure our progress in achieving our strategic targets. The targets for transaction volume and assets under administration have been increased, while the target for assets under management (€ 3.5 billion) has, in view of the disappointing results at Alex Asset Management in 2014, been deferred from 2015 to 2018.*

*In the first quarter of 2014, BinckBank announced that it intended to distribute its available Tier I capital in excess of € 200 million to shareholders, subject to this being justified in business terms. Based on an assessment of its business prospects, BinckBank does not consider that it would be prudent to distribute its available capital in excess of € 200 million at this time. This approach follows the recommendation of the European Central Bank (ECB) published on 28 January 2015 (ECB/2015/2) that a prudent policy with respect to capital distributions would be appropriate in the light of the changed economic outlook. BinckBank's decision, in the context of the above-mentioned prudence, is due in part to a decline in assets under management and accordingly a deferral of the growth target for its strategic arm Alex Asset Management. The regular dividend policy of distributing 50% of the adjusted net profit will be maintained.*

*On 7 November 2014, BinckBank announced that it has stopped the sale of its BPO (Business Process Outsourcing) and software and licensing activities, which operate under the name "Able". BlackFin Capital Partners and BinckBank agreed in November 2014 to cancel the letter of intent with respect to the sale process dated 18 July 2014, since the conditions necessary for transfer of the BPO customers were not going to be met within the allotted term. The service provided to the BPO customers will be gradually wound down, and in the meantime a good start has been made with the integration of the BPO services in the Retail organisation. A new statutory director has been appointed at Able B.V. in Reeuwijk who will be responsible for refocusing on the software and licensing operations.*

*In conclusion, we wish to thank Mr Koen Beentjes for his many years of commitment to BinckBank. Mr Beentjes stepped down as a director of BinckBank as of 1 January 2015. His duties were transferred to our financial director Evert-Jan Kooistra and myself during the fourth quarter of 2014. Since the announcement on November 7, 2014 Mr. Leo Deuzeman has been appointed as delegated member of the board. De Nederlandsche Bank and the BinckBank supervisory board have approved my appointment as temporary chairman of the executive board of BinckBank. The supervisory board is currently deliberating with regard to the definitive composition of the entire board for the coming years, a process which is expected to be completed in mid-2015.*

*Our result depends heavily on the activity of our customers in the markets. Market volatility and direction are important factors. These are difficult to estimate and therefore BinckBank will not issue any detailed forecast.*

*I would like to close this message by thanking all our customers, shareholders and staff for the confidence they have shown in BinckBank during 2014.*

*Amsterdam, 9 February 2015*

*Vincent Germyns  
Acting chairman of the BinckBank executive board*



## Notes to the consolidated result in 2014

### Adjusted net result

The adjusted net result in 2014 came to € 57.5 million, which equates to € 0.82 per share. This is an increase of 4% compared to the previous year (FY13: € 55.2 million, € 0.78 per share). The higher adjusted result is mainly due to the profit of € 15.5 million on the sale of our 50% holding in the joint venture BeFrank. The operating result is however lower than in the previous year, mainly due to a lower performance fee for asset management in 2014 (FY14: € 0.2 million / FY13: € 17.2 million).

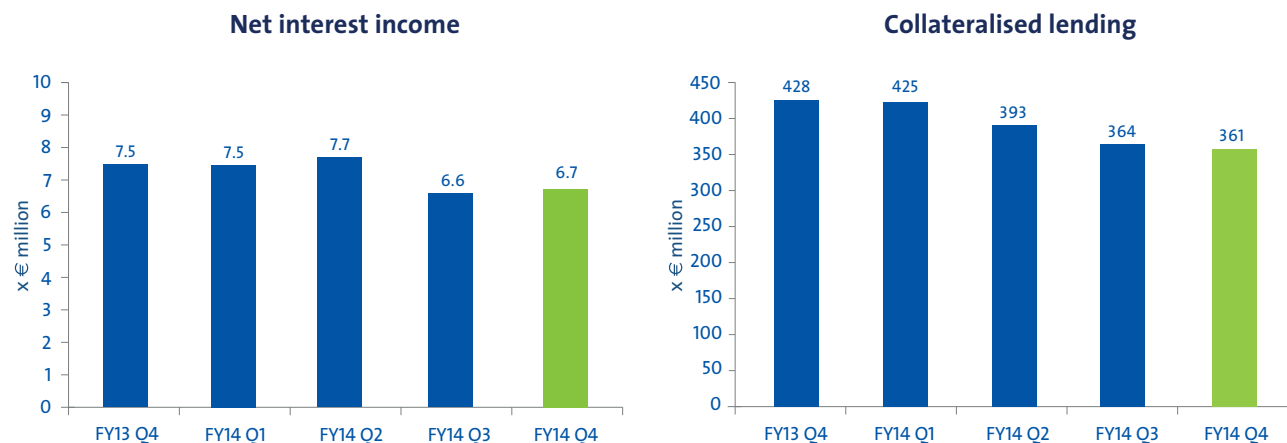
The adjusted net result in the fourth quarter of 2014 fell 49% to € 12.7 million in comparison to the previous quarter (FY14 Q3: € 24.6 million). The decline in the adjusted net result compared to the previous quarter was mainly due to the non-recurring profit of € 15.5 million on the sale of the joint venture BeFrank, which was recognised in FY14 Q3. Without this profit on the sale of the joint venture in FY14 Q3, the adjusted net result in the fourth quarter of 2014 rose 39% compared to the third quarter of 2014, mainly as a result of a strong increase in transaction volume (+23%). The adjusted net result per share in the fourth quarter of 2014 was € 0.18.

The adjusted net profit is the net result to be allocated to BinckBank shareholders adjusted for IFRS depreciation and amortisation and the tax saving on the difference between the fiscal and commercial amortisation of the intangible assets and goodwill paid as a result of the acquisition of Alex. There was an additional non-recurring adjustment in FY13 Q4 in relation to the impairment under IFRS to the goodwill paid for the acquisition of Able in 2006 (which does not involve any cash outflow). The annual dividend is determined on the basis of the adjusted net profit. As a result of this adjustment, the impairment to the goodwill does not affect the proposed final dividend for 2013.

### Net interest income

Net interest income amounted to € 28.5 million in 2014. This is 3% higher than in the previous year (FY13: € 27.7 million). Due to the low level of money and capital market interest rates, the return on the investment portfolio fell further to € 12.1 million, compared to € 15.2 million in 2013. Interest income on collateralised lending rose from € 17.6 million in 2013 to € 19.7 million in 2014, due to the higher average level of collateralised lending outstanding. In addition, the lower average level of customer savings and the on average lower payment of interest led to a 22% fall in interest paid on savings from € 5.4 million in 2013 to € 4.2 million in 2014.

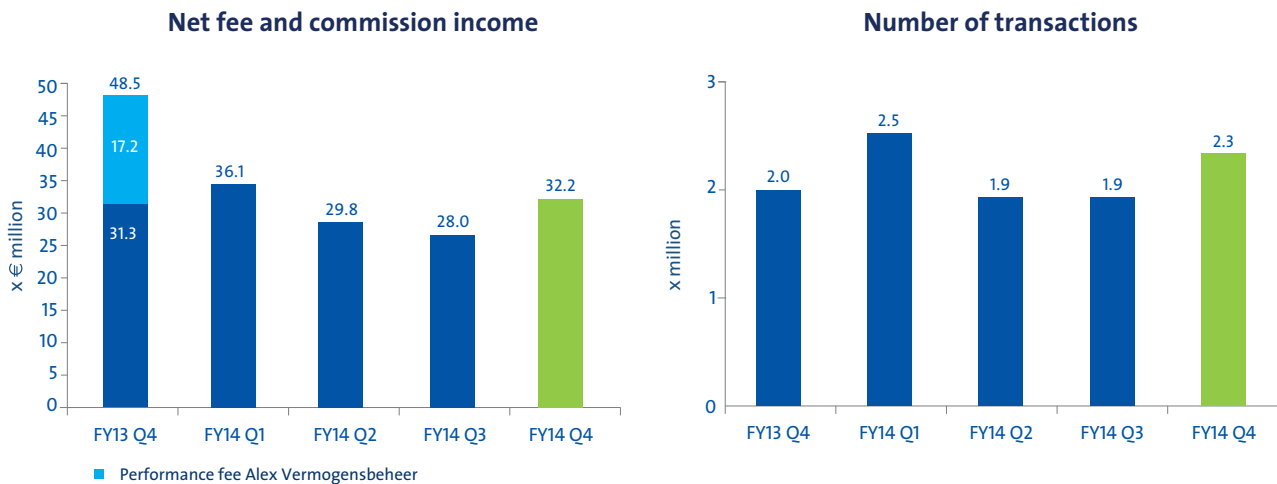
In the fourth quarter of 2014, net interest income was more or less unchanged at € 6.7 million (mostly due to a reduction in the savings interest rate to 0.25%) from the third quarter of 2014 (FY14 Q3: € 6.6 million). € 81.0 million in bonds in the investment portfolio with an average yield of 0.80% matured in the fourth quarter of 2014 and BinckBank reinvested € 61.4 million in bonds with an average yield of 0.20%. The average return on the investment portfolio at the end of the fourth quarter of 2014 was 0.61% (FY14 Q3: 0.64%). The total volume of the investment portfolio in FY14 Q4 was € 1.9 billion (FY14 Q3: € 2.0 billion).



### Net fee and commission income

Despite a 6% increase in transaction volume over the year, net fee and commission income fell 9% in 2014 from € 137.9 million in 2013 to € 126.0 million in 2014. The decline is mainly due to a lower performance fee for Alex Asset Management. In 2013, the performance fee amounted to € 17.2 million, whereas in 2014, as a result of the disappointing returns realised by Alex Asset Management, this fee fell to € 0.2 million.

Net fee and commission income increased by 15% in the fourth quarter of 2014 from € 28.0 million in the third quarter to € 32.2 million in the fourth quarter. The increase was mostly due to a strong increase in transaction volume in the fourth quarter (23%).



### Result from financial instruments

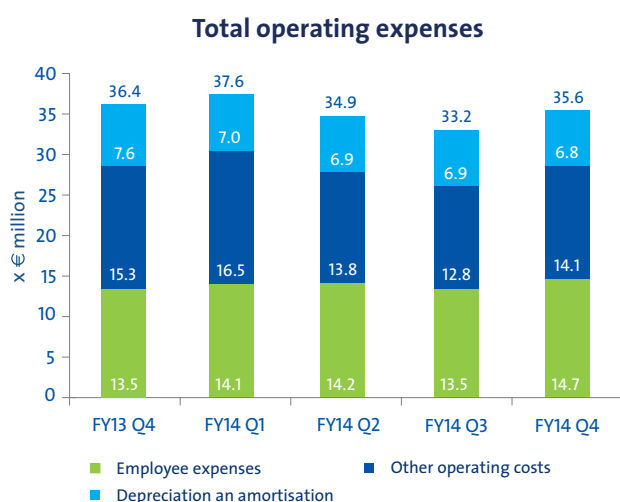
BinckBank introduced the Binck turbos at the beginning of the third quarter and thus started to offer its own turbos to its customers in the Netherlands. BinckBank has concluded a cooperation agreement with UBS which bears the market risk. The income from the Binck turbos was € 0.3 million in the fourth quarter (FY14 Q3: € 0.2 million). The other results from financial instruments mostly concern the revaluation of the receivable on DNB with respect to DGS-DSB Bank.

### Total operating expenses

Total operating expenses in 2014 rose 5% in comparison to the previous year to € 141.4 million (FY13: € 134.4 million). Employee expenses were up 10%, from € 51.6 million to € 56.6 million. The increase was mainly due to the rise in the average number of employees from 619 to 655 and the regular salary increase, together with some severance payments to directors and senior management. BinckBank also engaged additional personnel on a temporary basis for various ongoing projects, including compliance projects and the terminated process of the sale of Able.

Depreciation fell 5% to € 27.7 million in 2014 (FY13: € 29.1 million), as a result of lower depreciation on the data centre taken into operation in 2009. Compared to 2013, other operating expenses rose 6% in 2014 to € 57.1 million (FY13: € 53.7 million). On balance, the increase was mainly due to the payment of the three tranches of the SNS resolution levy, which amounted to € 4.0 million in 2014.

Total operating expenses in the fourth quarter of 2014 rose compared to the third quarter, from € 33.2 million to € 35.6 million. Employee expenses were up 9%, from € 13.5 million to € 14.7 million. The increase was mainly due to certain severance payments to directors and senior management, which were recognised in the fourth quarter. Furthermore, in the third quarter of 2014 regular employee expenses were lower due to the release of the reserve for vacation days as a result of vacations being taken and lower use of temporary personnel. Depreciation costs in the fourth quarter of 2014 were virtually unchanged at € 6.8 million compared to the third quarter (FY14 Q3: € 6.9 million). Other operating expenses rose 9% in the fourth quarter of 2014 compared to the previous quarter, from € 12.8 million to € 14.1 million. The increase was mainly due to additional expenses in connection with the distribution of price information to our customers.



## Tax

BinckBank reached an agreement with the Dutch Tax Authorities in the fourth quarter of 2014 regarding the application of the innovation box to the income attributable to the innovative trading platform developed by BinckBank itself for use by private investors. The innovation box is a tax facility with respect to Dutch corporate income tax whereby gains from intangible assets for which a domestic or foreign patent has been obtained, or for which an R&D certificate has been obtained, will on request be taxed at an effective rate of 5% instead of the rate of up to 25%. This means a profit exemption of 80%. Application of the innovation box has led to a tax benefit of € 1.6 million, € 1.4 million of which relates to the years 2011-2013 and € 0.2 million to 2014. The benefits from the innovation box have been recognised in the fourth quarter of 2014.

## Share in results of associates and joint ventures

The share in the results of associates and joint ventures amounted to € 12.7 million in 2014. This is much higher than the loss of € 2.4 million in 2013. The increase is due to the sale of BeFrank. The result from associates and joint ventures in the fourth quarter of 2014 was a loss of € 0.2 million.

## Result after tax from discontinued operations

In the fourth quarter of 2014 BinckBank announced that it would cease the process for the proposed sale of its non-banking operations, the BPO and software & licensing activities, which trade collectively under the name "Able". The results of this business segment, which under IFRS 5 were presented separately in the first three quarters of 2014, are accordingly once again recognised in the original items concerned.

## Review Retail business unit

x € 1,000	FY14 Q4	FY14 Q3	FY13 Q4	ΔQ3	ΔQ4
<b>Retail</b>					
<b>Customer accounts</b>	<b>570,918</b>	<b>570,062</b>	<b>528,711</b>	<b>0%</b>	<b>8%</b>
Brokerage accounts	432,592	430,621	396,926	0%	9%
<i>Netherlands</i>	318,444	317,744	289,668	0%	10%
<i>Belgium</i>	59,940	59,412	56,721	1%	6%
<i>France</i>	50,002	49,547	47,839	1%	5%
<i>Italy</i>	4,206	3,918	2,698	7%	56%
Asset management accounts	42,890	43,920	36,602	-2%	17%
Savings accounts	95,436	95,521	95,183	0%	0%
<b>Number of transactions</b>	<b>2,140,149</b>	<b>1,729,802</b>	<b>1,840,053</b>	<b>24%</b>	<b>16%</b>
<i>Netherlands</i>	1,502,552	1,191,269	1,271,730	26%	18%
<i>Belgium</i>	219,729	185,079	185,380	19%	19%
<i>France</i>	308,094	256,242	313,010	20%	-2%
<i>Italy</i>	109,774	97,212	69,933	13%	57%
<b>Assets under administration</b>	<b>12,429,716</b>	<b>12,424,521</b>	<b>10,809,647</b>	<b>0%</b>	<b>15%</b>
Brokerage accounts	12,139,332	12,100,426	10,446,564	0%	16%
<i>Netherlands</i>	9,143,866	9,140,490	7,913,625	0%	16%
<i>Belgium</i>	1,856,736	1,833,812	1,669,331	1%	11%
<i>France</i>	686,141	694,275	626,975	-1%	9%
<i>Italy</i>	452,589	431,849	236,633	5%	91%
Savings accounts	290,384	324,095	363,083	-10%	-20%
<b>Assets under administration</b>	<b>1,952,193</b>	<b>2,274,741</b>	<b>2,147,591</b>	<b>-14%</b>	<b>-9%</b>
Asset management accounts	1,952,193	2,274,741	2,147,591	-14%	-9%
<b>Income statement</b>					
Net interest income	6,071	6,021	6,752	1%	-10%
Net fee and commission income	27,086	22,933	41,991	18%	-35%
Net fee and commission income (transaction-based)	21,083	17,198	18,295	23%	15%
<i>Netherlands</i>	16,876	13,668	14,764	23%	14%
<i>Belgium</i>	2,213	1,881	1,790	18%	24%
<i>France</i>	1,601	1,418	1,611	13%	-1%
<i>Italy</i>	393	231	130	70%	202%
Asset management fees	3,580	4,057	21,016	-12%	-83%
Net fee and commission income (other)	2,423	1,678	2,680	44%	-10%
Other income	35	18	177	94%	-80%
Result from financial instruments	347	154	-	125%	100%
Impairment of financial assets	(161)	(3)	(9)	5267%	1689%
<b>Total income from operating activities</b>	<b>33,378</b>	<b>29,123</b>	<b>48,911</b>	<b>15%</b>	<b>-32%</b>
Employee expenses	10,231	8,619	7,456	19%	37%
Depreciation and amortisation	6,353	6,436	6,675	-1%	-5%
Other operating expenses	11,070	10,577	12,717	5%	-13%
<b>Total operating expenses</b>	<b>27,654</b>	<b>25,632</b>	<b>26,848</b>	<b>8%</b>	<b>3%</b>
<b>Result from operating activities</b>	<b>5,724</b>	<b>3,491</b>	<b>22,063</b>	<b>64%</b>	<b>-74%</b>

## Retail business unit

The Retail business unit consists of the online brokerage services and Alex Asset Management. Online brokerage focuses on providing services to private investors in the Netherlands, Belgium, France, Italy and Spain. Alex Asset Management provides support to its customers in the management of their assets through online asset management services and online savings accounts. In the Netherlands, services are provided under the brands Alex and Binck. In Belgium, France and Italy, under the Binck brand only. The services of the office in Spain are provided under the Alex brand. Alex Spain focuses mainly on Dutch nationals living in Spain who hold an account with Alex in the Netherlands.

## Netherlands

### *Online brokerage*

Our clients in the Netherlands effected 5.4 million transactions in 2014. This represents a 3% increase compared to 2013 (FY13: 5.3 million). The number of brokerage accounts rose 10% in 2014 compared to the previous year to 318,444 (FY13: 289,668). At year-end 2014, assets under administration in the brokerage accounts stood at € 9.1 billion. This is an increase of 16% on the previous year (FY13: € 7.9 billion).

The number of transactions increased significantly by 26% in the fourth quarter of 2014 compared to FY14 Q3 to 1.5 million (FY14 Q3: 1.2 million). The number of brokerage accounts in FY14 Q4 was more or less unchanged on the third quarter at a total of 318,444 (FY14 Q3: 317,744). The same applies to the assets under administration in the brokerage accounts, which at € 9.1 billion is the same as in FY14 Q3.

The Binck turbos have gotten off to a successful start since their launch in July 2014. The differentiating product features such as tight spreads and longer trading hours have been the main factors in quickly establishing the Binck turbo as the turbo of choice among our active investors. In terms of turnover, this has led to a market share of 53% compared to the leverage products of the other providers. BinckBank also offers turbos from other providers. BNP Paribas relinquishing turbo as a generic name – instigated by proceedings by BinckBank – has been an additional factor in the success. This ensures clarity for private investors and benefits financial education for the entire product group.

Binck Fundcoach serves the group of investors who prefer to invest independently without the commotion of the stock exchange. Fundcoach offers facilities that are well suited to this group's requirements, such as comparison tools, instalment investing without transaction costs and targeted information. Binck Fundcoach differentiates itself by its broad offering of investment funds and ETFs, very low costs and ample possibilities for investing in instalments. Binck Fundcoach's assets under management in funds have now risen to € 538 million (FY14Q3: €473 million).

### *Asset management*

#### 2014 in retrospect

With the exception of the years 2008 and 2011, Alex Asset Management has achieved a positive return for its customers over the past years. In the years in which it achieved a positive return, Alex Asset Management has earned the following performance fees from its customers: FY09: € 2.6 million, FY10: € 2.8 million, FY12: € 4.1 million, FY13: € 17.2 million. Alex Asset Management has however realised less satisfactory results since the second quarter of 2014. In the last period Alex Asset Management publicity mainly concerned the disappointing results. In sharpe contraction to its recent past where Alex Asset Management has featured in the news due to its positive results and returns, and our innovative asset management was acclaimed by various parties and reviews. Assets under management rose in the first half of 2014 by approximately € 400 million and reached a peak of € 2.5 billion in the first quarter, only to decline in the second half of 2014 to € 2.0 billion at year-end 2014 (FY13: € 2.1 billion).

## The Alex Asset Management investment model and the market conditions

The investment strategy of Alex Asset Management is designed to preserve capital in falling markets and to increase capital in rising markets. This strategy is developed into an investment policy. In general, the policy means that part of the assets invested in shares is sold in falling markets and used to purchase bond ETFs ('exit strategy'). In rising markets, the bond ETFs are sold and shares are purchased ('entry strategy'). Alex Asset Management has applied its investment policy consistently, also in 2014. The investment policy is developed into criteria, on the basis of which Alex Asset Management decides when to exit and when to enter. Alex Asset Management monitors the markets automatically using algorithms and decides whether the relevant criteria have been met.

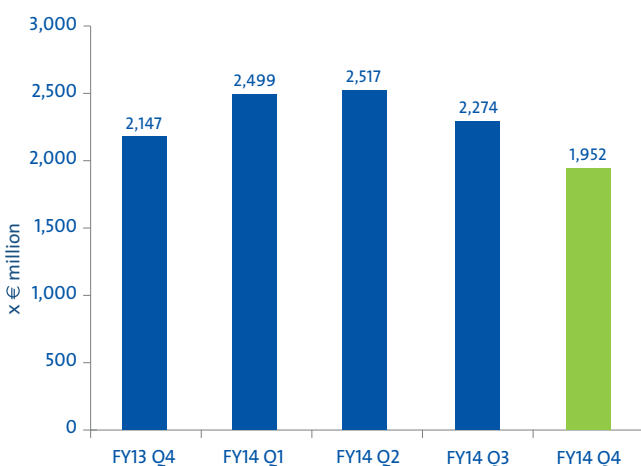
There were several price movements during 2014 on the basis of which the algorithms gave the expected exit or entry signals. In 2014 however, these price movements were rather swiftly followed by price movements in the opposite direction, which largely offset the positive effect of the exits and entries. Alex Asset Management added 1,600 US stocks to its investment universe at the beginning of September 2014. The portfolios of Alex Asset Management customers could from then on include shares in US companies listed on the NYSE or NASDAQ, as well as European shares. This further diversification in the customer portfolios was beneficial: the US positions in the customer portfolios showed a stronger performance in line with the recovery in share prices in that country.

## Risk management and product-specific risks

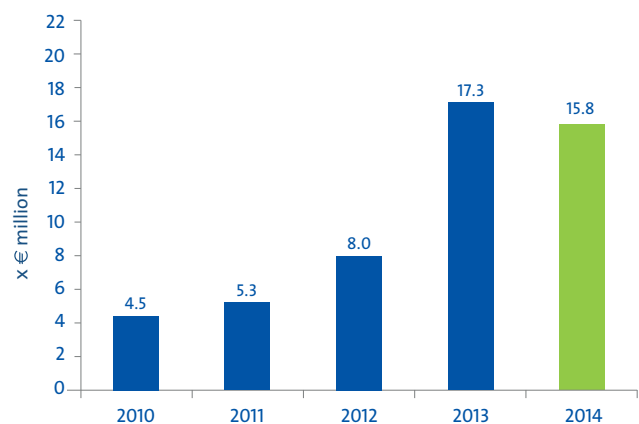
With Alex Asset Management, BinckBank distinguishes itself from traditional asset managers by applying an active investment policy combined with investment decisions and recommendations based on quantitative analysis and automated execution. The risk profile of the activities of Alex Asset Management is therefore different from that of the normal (execution-only) brokerage activities of BinckBank. BinckBank identifies the risk of customer claims, operational risks and the risk of (further) reputational damage.

The asset management operations underwent rapid growth in 2013 and the first half of 2014. In just under five quarters, assets under management at Alex Asset Management rose 150% from € 1.0 billion (at year-end 2012) to € 2.5 billion in the first quarter of 2014. The rapid growth of Alex Asset Management, associated with the disappointing returns in the second half of 2014 for its customers has negatively affected the risk profile for BinckBank.

**Assets under management**



**Annualised asset management fee**



## Belgium

The number of transactions at BinckBank Belgium was up 6% in 2014 compared to 2013, from 786,181 to 833,726. The number of brokerage accounts also rose 6% compared to 2013, standing at 59,940 at year-end 2014 (FY13: 56,721). Assets under administration stood at €1.9 billion at year-end 2014, an increase of 11% compared to the previous year (FY13: €1.7 billion).

BinckBank Belgium closed the fourth quarter strongly with a good increase in the number of transactions. 219,729 transactions were executed in the fourth quarter of 2014, an increase of 19% compared to the third quarter of 2014 (FY14 Q3: 185,079). The number of brokerage accounts increased slightly by 1%, from 59,412 in FY14 Q3 to a total of 59,940 accounts in FY14 Q4. Assets under administration rose from € 1.8 billion in FY14 Q3 to € 1.9 billion in FY14 Q4, a small increase of 1%.

In Belgium, the stock exchange tax on the purchase and sale of shares has been raised from 0.25% to 0.27% as of 1 January 2015. The tax due on the sale of investment funds has also been raised from 1.0% to 1.32%. The increase could potentially affect the investment landscape in Belgium.

## France

The number of transactions rose 3% in 2014 compared to 2013 (FY13: 1.2 million) to 1.3 million. The number of brokerage accounts opened in 2014 was up 5%, coming to a total of 50,002 (FY13: 47,839). Assets under administration rose 9% in 2014 compared to 2013 to € 686 million (FY13: € 627 million).

BinckBank France had a positive fourth quarter. The number of transactions executed by our French customers rose strongly by 20%, from 256,242 in FY14 Q3 to 308,094 in FY14 Q4. The number of brokerage accounts rose slightly by 1% in FY14 Q4 compared to FY14 Q3 to 50,002 (FY14 Q3: 49,547). Assets under administration declined slightly by 1% in FY14 Q4 to € 686 million (FY14 Q3: € 694 million).

BinckBank France once again was the recipient of an award this quarter, winning the “Label d’Excellence 2015” awarded by the magazine “Dossiers de l’Epargne” for the quality of its brokerage accounts.

## Italy

The number of transactions in Italy in 2014 came to 397,342. This is a strong increase of 96% compared to 2013 (FY13: 203,230). The number of brokerage accounts rose significantly by 56%, from 2,698 in 2013 to 4,206 in 2014. Assets under administration stood at € 453 million at year-end 2014, an increase of 91% compared to the previous year (FY13: € 237 million).

The fourth quarter of 2014 was a very positive quarter for BinckBank Italy, with the number of transactions rising 13% in FY14 Q4 compared to FY14 Q3 to 109,774 (FY14 Q3: 97,212).

The number of brokerage accounts opened also increased in FY14 Q4. At the end of the fourth quarter of 2014, the number of brokerage accounts amounted to 4,206, a 7% increase compared to FY14 Q3 (FY14 Q3: 3,918). Assets under administration rose 5% in FY14 Q4, from € 432 million in FY14 Q3 to € 453 million.

## Review Professional Services business unit

x € 1,000	FY14 Q4	FY14 Q3*	FY13 Q4*	ΔQ3	ΔQ4
<b>Professional Services</b>					
<b>Customer accounts</b>	<b>24,588</b>	<b>24,391</b>	<b>23,259</b>	<b>1%</b>	<b>6%</b>
Brokerage accounts	22,372	22,172	21,040	1%	6%
Beleggersgiro accounts	2,216	2,219	2,219	0%	0%
<b>Number of transactions</b>	<b>183,761</b>	<b>157,328</b>	<b>161,260</b>	<b>17%</b>	<b>14%</b>
Brokerage accounts	163,977	138,292	152,579	19%	7%
Beleggersgiro accounts	19,784	19,036	8,681	4%	128%
<b>Assets under administration</b>	<b>6,109,000</b>	<b>5,980,194</b>	<b>5,314,616</b>	<b>2%</b>	<b>15%</b>
Brokerage accounts	5,961,293	5,833,658	5,182,897	2%	15%
Beleggersgiro accounts	147,707	146,536	131,719	1%	12%
<b>Income statement</b>					
Net interest income	619	574	786	8%	-21%
Net fee and commission income	4,708	4,464	6,234	5%	-24%
Other income	3,123	2,649	2,702	18%	16%
Result from financial instruments	-	-	-		
Impairment of financial assets	(1)	(2)	-	-50%	-100%
<b>Total income from operating activities</b>	<b>8,449</b>	<b>7,685</b>	<b>9,722</b>	<b>10%</b>	<b>-13%</b>
Employee expenses	5,264	4,667	4,637	13%	14%
Depreciation and amortisation	322	450	581	-28%	-45%
Other operating expenses	1,638	2,514	2,855	-35%	-43%
<b>Total operating expenses</b>	<b>7,224</b>	<b>7,631</b>	<b>8,073</b>	<b>-5%</b>	<b>-11%</b>
<b>Result from operating activities</b>	<b>1,225</b>	<b>54</b>	<b>1,649</b>	<b>2169%</b>	<b>-26%</b>

\* As a result of the termination of the sales process of the BPO and software & licensing activities, trading under the name "Able", the assets and liabilities of Able no longer qualify as available for sale under the requirements of IFRS 5. Accordingly, the items presented at year-end 2014 as available for sale have been returned to the original categories in the statement of financial position and income statement.

In 2014 the number of transactions rose slightly by 1%, from 680,887 in 2013 to a total of 686,643 at year-end 2014. The total number of accounts increased 6% in 2014 compared to 2013 to 24,588 at year-end 2014 (FY13: 23,259). Assets under administration rose 15% compared to the previous year to € 6.1 billion (FY13: € 5.3 billion).

In the fourth quarter of 2014, the number of transactions increased 17% to 183,761 (FY14 Q3: 157,328). The total number of accounts of 24,588 was more or less unchanged on the third quarter of 2014 (FY14 Q3: 24,391). Compared to the third quarter, assets under administration rose slightly by 2% in the fourth quarter of 2014 to €6.1 billion (FY14 Q3: € 6.0 billion).

On 7 November 2014, BinckBank announced that it has stopped the sale of its BPO (Business Process Outsourcing) and software and licensing activities, which operate under the name "Able". BlackFin Capital Partners and BinckBank agreed in November 2014 to cancel the letter of intent dated 18 July 2014, since the conditions necessary for transfer of the BPO customers were not going to be met within the allotted term. The service provision to the BPO customers will be gradually wound down, and in the meantime a good start has been made with the integration of the BPO services in the Retail organisation. A new statutory director has been appointed at Able B.V. in Reeuwijk who will be responsible for refocusing on the software and licensing



## Financial position and risk management

### Scope of supervision

With the introduction of the obligation under CRD IV, the prudential consolidation base has been reviewed in consultation with De Nederlandsche Bank. The prudential consolidation base includes only all the institutions (credit institutions and investment firms) and financial institutions that belong to the group. In the reassessment of the prudential consolidation base, BinckBank has concluded that its subsidiary Able Holding B.V. does not belong to the prudential consolidation base, and therefore should be included as a non-banking subsidiary for the purpose of the solvency regulations. This has led to an adjustment to the capital requirement, especially with respect to operational risk. The full application of the CRD IV requirements has led to a limited adjustment to the capital requirement for a number of items.

### Calculation of equity capital and available Tier 1 capital

x € 1,000	FY14 Q4*	FY14 Q3*	FY13 Q4
Issued share capital	7,100	7,100	7,450
Share premium	361,379	361,379	373,422
Treasury shares	(5,570)	(5,575)	(30,340)
Other reserves	3,777	4,763	2,124
Unappropriated profit	73,341	67,135	78,968
Minority Interest	220	7	7
<b>Total Equity</b>	<b>440,247</b>	<b>434,809</b>	<b>431,631</b>
Less: goodwill	(144,882)	(144,882)	(142,882)
To: Deferred tax liabilities related to goodwill	25,029	24,124	21,432
Less: other intangible assets	(68,353)	(74,112)	(90,118)
Less: fair value adjustment	(1,389)	(1,431)	-
Less: minority interests	(220)	(7)	-
Less: Dividend reserve based on dividend policy	(22,010)	(15,379)	(19,370)
Less: Current year profit adjusted for interim dividend and proposed final dividend	(2,524)	-	-
Less: capital available for reimbursement (>200Mln available capital)**	-	(23,122)	-
<b>Total available capital (A) - Tier 1</b>	<b>225,898</b>	<b>200,000</b>	<b>200,693</b>
<b>Total required capital (B) - Pillar I</b>	<b>48,728</b>	<b>48,789</b>	<b>44,306</b>
<b>Total required capital (C) - Pillar I + II</b>	<b>58,811</b>	<b>56,923</b>	<b>53,616</b>
<b>Capitalratio (=A/B *8%)</b>	<b>37.1%</b>	<b>32.8%</b>	<b>36.2%</b>

\* Based on Basel III, with full recognition of the revaluation result on available-for-sale investments.

\*\* This relates to an addition to reserves for additional capital distributions. This item is at the company's discretion and subject to short-term influences, including the influence (of changes) in money and capital market interest rates.

## Capital ratio

The capital ratio was virtually unchanged in the fourth quarter of 2014 at 32.6% (FY14 Q3: 32.8%).

## Risks and uncertainties

BinckBank reassessed the adequacy of its capital and liquidity position at the end of December 2014, and its conclusion is that its total available capital and liquidity position of € 200 million are at present sufficient to cover the risks associated with the conduct of its business. Should a material loss occur as a result of unforeseen circumstances, or should the risk profile of BinckBank deteriorate due to the threat of class actions by customers, BinckBank will reassess the minimum level of € 200 million and increase this if necessary. For a detailed account of our risk and capital management, see the BinckBank annual report for 2013 published on 10 March 2014.

## BinckBank suspends decision to distribute available capital available in excess of € 200 million

In the first quarter of 2014, BinckBank announced that it intended to distribute its available Tier I capital in excess of € 200 million to shareholders, subject to this being justified in business terms. Based on an assessment of its business prospects, BinckBank does not consider that it would be prudent to distribute its available capital in excess of € 200 million at this time. This approach follows the recommendation of the European Central Bank (ECB) published on 28 January 2015 (ECB/2015/2) that a prudent policy with respect to capital distributions would be appropriate in the light of the changed economic outlook. BinckBank's decision, in the context of the above-mentioned prudence, is due in part to a decline in assets under management and accordingly a deferral of the growth target for its strategic arm Alex Asset Management. The regular dividend policy of distributing 50% of the adjusted net profit will be maintained.

## Long term and medium to long term targets

As a result of its redefined strategic focus on its Retail business, BinckBank has formulated new long term targets for 2018.

### New long term targets for 2018

Three new targets have been added for 2018: customer satisfaction, a more balanced income flow and the cost/income ratio. These targets have been added in order to be able to measure our progress in achieving our strategic targets more accurately. The target in relation to the number of Retail brokerage transactions has been raised from 9.5 million (Retail only) in 2015 to a total number of transactions of 11 million in 2018. The target for assets under administration for Retail brokerage (indication of transaction potential) is raised from € 12 billion (Retail only) to total assets under administration of € 21 billion. The target for assets under management in asset management has been deferred from € 3.5 billion in 2015 to € 3.5 billion in 2018.

### Overview of new medium to long term targets in 2018:

Goal	Target	Realisation year-end 2014
Customer satisfaction	> = 8 weighted average	7.7 weighted average
More balanced source of revenue	Minimal 66% of revenue from operational activities from recurring commission income, interest and fees of asset management	-
Number of transactions total	11 million	8.6 million
Assets under administration total	€ 21 billion	€ 18.5 billion
Assets under management	€ 3.5 billion	€ 2.0 billion
Cost/Income ratio (ex IFRS amortisation)	< 65%	72%

### Progress on medium to long term targets in 2015:

Goal	Target	Progress on realisation target 2015	Realisation year-end 2014	% realisation 2014
Number of transactions in Retail	9.5 million	Low	7.9 million	83%
Assets under administration Retail	€ 12 billion	High	€ 12.4 billion	103%
Italy	Break-even*	Middle	(€ 213,000)	-
Assets under management	€ 3.5 billion	Low	€ 2.0 miljard	56%

\* Basis of total income and direct costs

## Events after the balance sheet date and outlook for 2015

### Chairman of the executive board steps down as of 1 January 2015

The Chairman of the executive board of BinckBank, Mr Koen Beentjes, stepped down as a director of BinckBank as of 1 January 2015. His duties were transferred to Messrs Vincent Germyns and Evert-Jan Kooistra during the fourth quarter of 2014. Mr Leo Deuzeman has been appointed as a delegated supervisory director since the announcement on 7 November 2014. De Nederlandsche Bank and the BinckBank supervisory board have approved the appointment of Mr Vincent Germyns as temporary chairman of the executive board of BinckBank. The supervisory board is currently deliberating with regard to the definitive composition and division of duties of the entire executive board for the coming years, a process which is expected to be completed in mid-2015.

### Members of the supervisory board stepping down in 2015

Messrs C.J.M. Scholtes and J.K. Brouwer will step down as supervisory directors of BinckBank after the close of the Annual General Meeting (AGM) on 30 April 2015, as they will have completed their appointed terms. After the 2015 AGM the BinckBank supervisory board will consist of Messrs L. Deuzeman, J.W.T. van der Steen, Ms C.J. van der Weerd-Norder and Ms J.M.A. Kemna.

### Alex Asset Management

The Alex Asset Management product once again received negative publicity in January 2015. Assets under management at the end of January 2015 stood at € 1.907 billion. € million of the € 45 million increase/decline in assets under management in January 2015 was due to negative investment returns and charges and the remainder was due to customer cash outflow. BinckBank has received an increasing number of complaints in recent months from customers stating that they have suffered losses on their investments through the Alex Asset Management product. The Dutch Investors' Association (Vereniging voor Effectenbezitters, or 'VEB NCVB') also states it has received several complaints and has announced that it will initiate an investigation of the state of affairs at Alex Asset Management. The Vermogensmonitor has announced it is prepared to bring proceedings on behalf of customers against BinckBank with regard to Alex Asset Management. The risk of class actions or individual legal proceedings brought by customers of Alex Asset Management has thus significantly increased. BinckBank has not received any material class or individual actions from customers in 2014, and it is uncertain whether the investigation by the VEB and any potential class or individual legal measures resulting from this will have negative financial consequences for BinckBank.

### BinckBank suspends decision to distribute available capital available in excess of € 200 million

In the first quarter of 2014, BinckBank announced that it intended to distribute its available Tier I capital in excess of € 200 million to shareholders, subject to this being justified in business terms. Based on an assessment of its business prospects, BinckBank does not consider that it would be prudent to distribute its available capital in excess of € 200 million at this time. This approach follows the recommendation of the European Central Bank (ECB) published on 28 January 2015 (ECB/2015/2) that a prudent policy with respect to capital distributions would be appropriate in the light of the changed economic outlook. BinckBank's decision, in the context of the above-mentioned prudence, is due in part to a decline in assets under management and accordingly a deferral of the growth target for its strategic arm Alex Asset Management. The regular dividend policy of distributing 50% of the adjusted net profit will be maintained.

### Outlook for 2015

Our result depends heavily on the activity of our customers in the markets. Market volatility and direction are important factors. These are difficult to estimate, and therefore BinckBank will not issue any detailed forecast.

# Financial press release 2014

# I. Condensed consolidated statement of financial position

x € 1,000	31 december 2014	31 december 2013
<b>Assets</b>		
Cash and balances with central banks	72,427	309,638
Banks	156,013	169,735
Financial assets held for trading	8,209	70
Financial assets at fair value through profit and loss	15,942	19,130
Available-for-sale financial assets	1,389,146	1,582,146
Financial assets held to maturity	545,108	-
Loans and receivables	498,908	428,180
Investments in associates and joint ventures	1,293	3,710
Intangible assets	213,558	233,000
Property, plant and equipment	38,374	39,527
Current tax assets	7,011	707
Other assets	100,598	33,835
Prepayments and accrued income	46,970	55,353
Derivative positions held on behalf of clients	218,107	334,373
<b>Total assets</b>	<b>3,311,664</b>	<b>3,209,404</b>
<b>Liabilities</b>		
Banks	25,587	15,034
Financial liabilities held for trading	8,290	486
Financial liabilities at fair value through profit and loss	139	704
Customer deposits	2,545,420	2,335,640
Provisions	7,885	4,532
Current tax liabilities	71	841
Deferred tax liabilities	24,404	20,322
Other liabilities	30,547	54,545
Accruals and deferred income	10,967	11,296
Derivative positions held on behalf of clients	218,107	334,373
<b>Total liabilities</b>	<b>2,871,417</b>	<b>2,777,773</b>
Equity attributable to:		
Owners of the parent	440,027	431,624
Non-controlling interests	220	7
<b>Total equity</b>	<b>440,247</b>	<b>431,631</b>
<b>Total equity and liabilities</b>	<b>3,311,664</b>	<b>3,209,404</b>

## II. Condensed consolidated income statement

x € 1,000	FY14 Q4	FY13 Q4	FY14	FY13
<b>Income</b>				
Interest income	7,529	8,526	32,126	33,090
Interest expense	(847)	(988)	(3,629)	(5,404)
Net interest income	6,682	7,538	28,497	27,686
Commission income	39,145	55,389	152,464	166,373
Commission expense	(6,981)	(6,872)	(26,513)	(28,437)
Net commission income	32,164	48,517	125,951	137,936
Other income	2,984	3,039	11,102	11,049
Result from financial instruments	191	7	351	7
Impairment of financial assets	(162)	(9)	(168)	32
Total income from operating activities	41,859	59,092	165,733	176,710
<b>Expenses</b>				
Employee expenses	14,708	13,502	56,586	51,556
Depreciation and amortisation	6,806	7,594	27,675	29,107
Other operating expenses	14,052	15,256	57,124	53,715
Total operating expenses	35,566	36,352	141,385	134,378
Result from operating activities	6,293	22,740	24,348	42,332
Share in profit / (loss) of associates and joint ventures	(220)	(1,080)	12,674	(2,393)
Impairment of goodwill	-	(10,047)	-	(10,047)
<b>Result before tax</b>	6,073	11,613	37,022	29,892
Tax	37	(5,796)	(5,555)	(10,966)
<b>Net-result</b>	6,110	5,817	31,467	18,926
Attributable to:				
Owners of the parent	6,197	6,137	31,554	19,248
Non-controlling interests	(87)	(320)	(87)	(322)
<b>Net result</b>	6,110	5,817	31,467	18,926
Basic and diluted earnings per share (EPS) in EUR	0.09	0.08	0.45	0.27

### III. Condensed consolidated statement of comprehensive income

x € 1,000	FY14 Q4	FY13 Q4	FY14	FY13
<b>Net result from income statement</b>	<b>6,110</b>	<b>5,817</b>	<b>31,467</b>	<b>18,926</b>
<b>Other comprehensive income recognised on realisation through profit and loss</b>				
Net gain/(loss) on fair value of available-for-sale financial assets	(1,539)	(1,801)	1,986	(7,159)
Gains and losses realised through the profit and loss	-	-	(6)	-
Income tax relating to components of other comprehensive income	553	450	(327)	1,790
<b>Other comprehensive income, net of tax</b>	<b>(986)</b>	<b>(1,351)</b>	<b>1,653</b>	<b>(5,369)</b>
<b>Total comprehensive income, net of tax</b>	<b>5,124</b>	<b>4,466</b>	<b>33,120</b>	<b>13,557</b>
BinckBank does not have any comprehensive income that will not be recognised through the profit and loss on realisation.				
<b>Attributable to:</b>				
Owners of the parent	5,211	4,786	33,207	13,879
Non-controlling interests	(87)	(320)	(87)	(322)
<b>Total comprehensive income, net of tax</b>	<b>5,124</b>	<b>4,466</b>	<b>33,120</b>	<b>13,557</b>



## IV. Condensed consolidated cash flow statement

x € 1,000	FY14	FY13
Cash flow from operating activities	131,736	110,320
Cash flow from investment activities	(358,132)	(101,871)
Cash flow from financing activities	(24,971)	(37,676)
<b>Net cash flow</b>	<b>(251,367)</b>	<b>(29,227)</b>
Opening balance of cash and cash equivalents	471,247	500,952
Net cash flow	(251,367)	(29,227)
Effect of exchange rate changes on cash and cash equivalents	5,237	(478)
<b>Closing balance of cash and cash equivalents</b>	<b>225,117</b>	<b>471,247</b>
The cash and cash equivalents presented in the condensed consolidated cash flow statement are included in the consolidated statement of financial position under the following headings at the amounts stated below:		
Cash	72,427	309,638
Banks	156,013	169,735
Banks - non cash equivalents	(3,323)	(8,126)
<b>Total cash and cash equivalents</b>	<b>225,117</b>	<b>471,247</b>

## V. Consolidated statement of changes in equity

x € 1,000	Issued share capital	Share premium reserve	Treasury shares	Revaluation reserve	Unappropriated profit	Non-controlling interests	Total equity
<b>1 January 2014</b>	<b>7,450</b>	<b>373,422</b>	<b>(30,340)</b>	<b>2,124</b>	<b>78,968</b>	<b>7</b>	<b>431,631</b>
<i>Net-result</i>	-	-	-	-	31,554	(87)	31,467
<i>Unrealized results through ability</i>	-	-	-	1,653	-	-	1,653
Total result	-	-	-	1,653	31,554	(87)	33,120
Payment of final dividend FY13	-	-	-	-	(18,251)	-	(18,251)
Payment of final dividend FY14	-	-	-	-	(7,020)	-	(7,020)
Grant of rights to shares	-	-	-	-	467	-	467
Shares sold to management and employees	-	-	545	-	(545)	-	-
Repurchased shares	(350)	(12,043)	24,225	-	(11,832)	-	-
Capital contribution by minority interests	-	-	-	-	-	300	300
<b>31 December 2014</b>	<b>7,100</b>	<b>361,379</b>	<b>(5,570)</b>	<b>3,777</b>	<b>73,341</b>	<b>220</b>	<b>440,247</b>
x € 1,000	Issued share capital	Share premium reserve	Treasury shares	Revaluation reserve	Unappropriated profit	Non-controlling interests	Total equity
<b>1 Januari 2014</b>	<b>7,450</b>	<b>373,422</b>	<b>(21,539)</b>	<b>7,493</b>	<b>88,386</b>	<b>9</b>	<b>455,221</b>
<i>Net-result</i>	-	-	-	-	19,248	(322)	18,926
<i>Unrealized results through ability</i>	-	-	-	(5,369)	-	-	(5,369)
Total result	-	-	-	(5,369)	19,248	(322)	13,557
Payment of final dividend FY12	-	-	-	-	(19,775)	-	(19,775)
Payment of final dividend FY13	-	-	-	-	(9,115)	-	(9,115)
Grant of rights to shares	-	-	-	-	529	-	529
Shares sold to management and employees	-	-	310	-	(310)	-	-
Repurchased shares	-	-	(9,111)	-	-	-	(9,111)
Capital contribution by minority interests	-	-	-	-	-	320	320
Other movements	-	-	-	-	5	-	5
<b>31 December 2013</b>	<b>7,450</b>	<b>373,422</b>	<b>(30,340)</b>	<b>2,124</b>	<b>78,968</b>	<b>7</b>	<b>431,631</b>

## VI. Selected 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 N.V. is officially domiciled at Barbara Strozilaan 310, 1083 HN Amsterdam. BinckBank N.V. provides conventional and internet brokerage services in securities and derivatives transactions for private and professional investors. In addition to its brokerage services, BinckBank N.V. offers asset management services. In this document, the name 'BinckBank' is used to refer to BinckBank N.V. and its various subsidiaries.

The consolidated financial statements of BinckBank for the 2013 financial year are available on request from the Investor Relations department on +31 (0)20 522 0372 or via [www.binck.com](http://www.binck.com). The consolidated financial statements of BinckBank for the 2014 financial year will be available from 16 March 2015 on request from the Investor Relations department.

The condensed consolidated figures for the year ending on 31 December 2014 have been prepared by the BinckBank executive board and approved for publication pursuant to the resolution of the executive board and the supervisory board dated 6 February 2015.

### 2. Principles for financial reporting

#### Presentation figures for the period ending on 31 December 2014

BinckBank applies the International Financial Reporting Standards as adopted by the European Union, known as 'IFRS-EU'. The condensed consolidated figures for the year ending on 31 December 2014 do not contain all the information required for full financial statements and should therefore be read in combination with the consolidated financial statements for 2013. The condensed consolidated figures are in euros and all figures are rounded to the nearest thousand (€ x 1,000), unless otherwise stated.

The presentation of the consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated cash flow statement and notes may be changed in order to provide better information or better reconciliation with the current period. The main adjustment to the presentation of the comparative and most recent figures as at 31 December 2014 is that the assets and liabilities classified as available for sale as a result of the discontinuation of the sale process of the BPO (Business Process Outsourcing) and software & licensing activities trading under the name "Able" no longer qualify as available for sale under the requirements of IFRS 5. Accordingly, the items presented at year-end 2013 as available for sale have been returned to their original categories in the statement of financial position and the income statement. In addition, on the basis of further insight the mandatory reserve deposits held at central banks have been reclassified from the item Cash and balance with central banks to the item Banks because the latter is more appropriate. The amount reclassified is € 22.9 million.

#### Principles for valuation

The condensed consolidated figures for the year ending on 31 December 2014 are prepared in accordance with the principles applied in the consolidated annual financial statements on 31 December 2013, with the exception of new activities and the application of new standards and interpretations as described below.

#### Implications of new, amended and improved standards

*New and amended IFRS-EU standards and IFRIC interpretations effective in 2014*

New or amended standards take effect on the date as stated in the standards ratified by the EU, whereby earlier application is permitted in some cases.

New or amended standard	Significant amendments
<i>Effective from 1 January 2014</i>	
IAS 27 - Separate financial statements	Mainly concerns the accounting and disclosure requirements for separate financial statements prepared by a parent, an investor in a joint venture or an associate, whereby the investment is accounted for at cost or in accordance with IAS 39: Financial instruments. Since this situation does not apply to BinckBank's financial statements, the amendment to the standard does not affect the financial position and the results.
IAS 28 - Investments in associates and joint ventures	Concerns further clarification of the offsetting of financial assets and financial liabilities. BinckBank has applied this standard and the revision has no material effect on its financial position and results.
IAS 32 - Financial Instruments: Offsetting of financial assets and financial liabilities	Concerns further clarification of the offsetting of financial assets and financial liabilities. BinckBank has applied this standard and the revision has no material effect on its financial position and results.
IAS 36 - Recoverable amount disclosures for non-financial assets (revised)	Sets additional disclosure requirements for the measurement of the recoverable amount of non-financial assets. BinckBank has applied this standard and in the current circumstances the revision does not lead to additional disclosures and has no effect on its financial position and results
IAS 39 - Financial Instruments (revised)	Amongst others this revision states that there is no need to discontinue a hedge relationship in the event that a derivatives transaction is re-established with a new counterparty on new conditions. Since BinckBank does not use hedge accounting, the revision to this standard does not apply.
IFRS 10 - Consolidated financial statements	Introduces a new description of control that must be used to assess whether consolidation is required. BinckBank has applied this standard and the revision has no effect on the consolidation base, the financial position or the results.
IFRS 11 - Joint ventures	Describes the accounting of joint ventures with joint control, and prohibits proportional consolidation for joint ventures. BinckBank has applied this standard and the standard has no material effect on its financial position and results.
IFRS 12 - Disclosure of interests in other entities	Contains all the required disclosures for subsidiaries, joint ventures, associates and 'structured entities'. BinckBank has applied this standard and will include additional disclosures in its financial statements.
Revision of IFRS 10, 12 en IAS 27 - Investment entities	This amendment describes specific options for investment entities for measurement of associates without consolidation. Since BinckBank does not fall under the definition of an investment entity, the revision will have no effect on BinckBank
IFRIC 21 - Levies by governments	IFRIC 21 clarifies that an entity should only recognise a liability for a government levy when the activity that triggers a payment, as described in the relevant legislation, occurs. BinckBank has applied the standard in the determination of its financial position and results. The standard has no effect on BinckBank.

The following standards, amendments of standards and interpretations that have not yet taken effect, or have not yet been ratified by the European Union, have not yet been applied by BinckBank:

<b>New or amended standard</b>	<b>Significant amendments</b>
<i>Effective from 1 July 2014</i>	
IAS 19 - Employee benefits	The revision of IAS 19 requires that under a defined benefit pension scheme the contribution paid by employees or third parties must be recognised as negative income. Since BinckBank does not operate a defined benefit pension scheme, this revision has no effect on BinckBank
Annual improvements cycle 2010-2012	A collection of minor amendments to a number of IFRS based on the annual improvements cycle 2010-2012 was published in December 2013. The EU endorsed the amendments on 17 December 2014. BinckBank has evaluated these changes and concluded that they will have no material effect on its financial position and results
Annual improvements cycle 2011-2013	A collection of minor amendments to a number of IFRS based on the annual improvements cycle 2011-2013 was published in December 2013. The EU endorsed the amendments on 18 December 2014. BinckBank has evaluated these changes and concluded that they will have no material effect on its financial position and results.
<i>Effective from 1 January 2016</i>	
IFRS 14 - Regulatory deferral accounts	This standard applies to entities with activities for which prices are regulated and which are applying IFRS for the first time. Since BinckBank is not applying IFRS for the first time, this standard does not affect BinckBank's position.
IFRS 11 - Joint arrangements (revised)	This revision describes how joint arrangements have to be accounted for on acquisition of a share in the operation, if the operation concerns a business. IFRS 11 requires that such transactions must be recognised on the basis of the principles stated in IFRS 3 - Business combinations. The standard will affect BinckBank's reporting in the event of a purchase of a share in a joint transaction, and will be further assessed in that case.
IAS 16 and IAS 38 - Clarification of acceptable methods of depreciation and amortisation	This revision sets additional guidelines for the application of acceptable methods of depreciation and amortisation. It states that in the case of property, plant and equipment, no revenue-related depreciation may be applied. Furthermore, a revenue-related method of amortisation of intangible assets is in principle not acceptable unless there is evidence to the contrary. BinckBank has evaluated these changes and concluded that they will have no effect on its financial position and results..
IAS 16 and IAS 41 - Change to Agriculture: Bearer plants	This change relates to the recognition of bearer plants in agriculture. Since BinckBank is not engaged in agriculture, this change will have no effect on BinckBank.
IAS 27 - Consolidated and separate financial statements	This change to IAS 27 will allow application of the equity method for the measurement of the share in investments, joint ventures and associate investments. The change will not affect recognition at BinckBank in the current circumstances and will therefore not affect the financial position or the result
IFRS 10 and IAS 28 - Amendment to standards to remove contradictory requirements	This change to IFRS 10 and IAS 28 removes the conflicting requirements relating to the timing and share in the realised result of a transaction with an associate or joint venture. The amendment to the standard will affect BinckBank's reporting in the event of a transaction with an associate investment or joint venture, and will be further assessed in that case.
Annual improvements cycle 2012-2014	A collection of minor amendments to a number of IFRS based on the annual improvements cycle 2012-2014 was published on 26 September 2014. The EU has not yet adopted the revisions and expects to be able to do so in Q3 2015. BinckBank has evaluated the changes and concluded that in the current circumstances these improvements will have no effect on its financial position and results.

New or amended standard	Significant amendments
<i>Effective from 1 January 2016 (continued)</i>	
IFRS 10, IFRS 12 and IAS 28 – Investment entities: application of the consolidation exemption	This amendment adjusts the standards in question to remove identified ambiguities with regard to the specific possibilities for investment entities to value associates and not to consolidate them. Since BinckBank does not fall under the definition of an investment entity, the revision will have no effect on BinckBank..
IAS 1 – Revision on basis of the ‘disclosure initiative	Based on the ‘disclosure initiative’ it has been decided to revise IAS 1 in order to remove observed limitations in the assessment by preparers of financial reporting. The main changes concern clarification of use of the term ‘materiality’, the aggregation of information and examples for the composition of the notes. BinckBank will apply this amendment with effect from 1 January 2016 in the preparation of its disclosures. This amendment will have no effect on the financial position and results of BinckBank.
<i>Effective from 1 January 2017</i>	
IFRS 15 – Revenue from contracts with customers	IFRS 15 contains the new guideline for the recognition of revenue from contracts with customers, with the intention of defining the revenue model and describing it in a standard. The guidelines for revenue recognition are currently spread over various standards, and will disappear once IFRS 15 takes effect. BinckBank has to carry out further study to determine the expected effect of this new standard
<i>Effective from 1 January 2018</i>	
IFRS 9 - Financial instruments, classification and measurement (and related sections of IFRS 7)	This regulation is a revision of IAS 39 Financial instruments. BinckBank expects this standard to affect the classification and measurement of the financial assets and liabilities, but has to carry out further study to determine its full effect.

### 3. Notes to the condensed consolidated figures for the period ending on 31 December 2014

#### Termination of the sale of Able and BPO activities

BinckBank announced on 7 November 2014 that the letter of intent between BinckBank and BlackFin Capital Partners had been terminated and that BinckBank was terminating the process of disposing of Able and the BPO activities. As a result of this decision, the items that were presented as assets and liabilities available for sale no longer meet the criteria of IFRS 5 as items available for sale. The comparative figures in the 2013 consolidated statement of financial position, consolidated income statement and condensed consolidated cash flow statement have been adjusted accordingly.

#### Sale of the joint venture BeFrank

BinckBank sold its 50% interest in the joint venture BeFrank to Delta Lloyd for a sum of € 19.5 million on 18 July 2014. In the period from the initial capital injection to the sale, BinckBank has invested a sum of € 12.5 million to BeFrank's capital. After deduction of the carrying amount as at 18 July 2014 of € 4.0 million, the sale results in a book profit of € 15.5 million, which is recognised fully in the third quarter under share in results of associates and joint ventures.

#### Acquisition of Fundcoach

The acquisition of Fundcoach was effected on 28 June 2014. Binck Fundcoach is a user-friendly fund platform offering a wide range of investment funds and index trackers. With the acquisition of Fundcoach, BinckBank will reach a large number of new investors with recurring revenues in the earnings model. As of 28 June 2014, BinckBank has assumed control of the Fundcoach operations and therefore the assets, liabilities and results will be consolidated in BinckBank's financial figures with effect from that date.

The acquisition price for Fundcoach of € 3 million was funded out of BinckBank's own capital. No additional conditions apply with respect to the acquisition price and no contingent liabilities are included in the acquisition.

The following principles have been used for the determination of the fair value of the assets and liabilities assumed:

- The assets invested on which revenue is generated amount to € 490 million as at the time of the acquisition;
- The estimation of the customer base for the coming period, has been taken into account with an attrition rate of the expected remaining group of customers of at least 4% per year;
- The annual inflation for costs is assumed to be 3% for employee expenses and 2% for other expenses;
- The fair value of the customer relationships is based on the present value of cash flows based on the number of customers at the time of the transaction and calculated over a period until 2018;
- The fair value of the trade name is determined using the 'relief-from-royalty' method, whereby a 'royalty rate' of 3% is applied over a period until 2018;
- The fair value for BinckBank of the cash flows from the assets entrusted assumed is defined as not material and is not measured separately, but is part of the fair value of the customer relationships;
- The discount rate used is 20%. The discount rate is determined taking account of a risk surcharge due to uncertainty regarding the earnings model.

The fair value of the identifiable assets and liabilities and the goodwill as at the acquisition date are then as follows:

x € 1,000	Fair value	Carrying amount
<b>Assets</b>		
Banks		
Demand deposits with banks	63,079	63,079
Intangible assets		
<i>Brand name</i>	350	
<i>Customer base</i>	650	
<b>Total assets</b>	<b>64,079</b>	<b>63,079</b>
<b>Liabilities</b>		
Funds entrusted	63,079	63,079
<b>Total liabilities</b>	<b>63,079</b>	<b>63,079</b>
<b>Fair value of identifiable assets and liabilities</b>	<b>1,000</b>	
<b>Purchase price</b>	<b>3,000</b>	
<b>Goodwill</b>	<b>2,000</b>	
<b>Cashflow associated with the acquisition</b>		
Cash paid	(3,000)	
Net cash acquired in the transaction	63,079	
<b>Net cash inflows</b>	<b>60,079</b>	

The goodwill paid on the acquisition of Fundcoach is attributable to the cash-flow generating unit Retail Netherlands.

### Introduction of Binck turbo products

BinckBank started to offer Binck turbos to its customers at the beginning of July 2014. These leverage products offer investors the opportunity to realise higher capital gains (or losses) in percentage terms due to the leverage feature than normal investments. For its turbo product, BinckBank has entered into a cooperation agreement with UBS in which BinckBank fully hedges the market risk on the Binck turbo issued in each transaction by purchasing a turbo issued by UBS. The Binck turbos issued are classified as derivative instruments under IFRS and therefore recognised under the item financial liabilities held for trading. The hedge transaction effected with UBS is also classified as a derivative under IFRS and recognised under the item financial assets held for trading. The measurement of the derivatives includes an adjustment for credit risk for both the financial assets and the financial liabilities in line with IFRS 13. As a result of this discount, there is a difference between the measurement of a turbo issued by Binck and the turbo purchased for the hedge. The effect of these credit and debit valuation adjustments (CVA and DVA) on these derivatives as at 31 December 2014 was not material.

### Financial assets available for sale

A net nominal amount of € 202.5 million was withdrawn from the financial assets available for sale in the year ending on 31 December 2014. The average return of the reinvestments is 0.46% on a face value of € 435.7 million, compared to an average return of 0.86% on the redemptions of € 638.2 million. The withdrawal from the portfolio of assets available for sale is mainly due to redemptions that were reinvested in the new portfolio of investments held to maturity. BinckBank has evaluated these financial assets available for sale as at the reporting date and concluded that there are no objective indications of impairment.



### Financial assets held to maturity

Starting in 2014, BinckBank holds an investment portfolio that is classified as financial assets held to maturity. Management has determined the intention with respect to these investments and established that this portfolio will be held until the investments reach maturity and that they will be held mainly for the purpose of receiving interest and the nominal value. Financial assets held to maturity are measured at amortised cost. The result from the portfolio will be determined on the basis of the effective interest method and recognised in the statement of income. In the year ending on 31 December 2014 a nominal sum of € 526.4 million was invested in this portfolio (2013: nil). The average return on this portfolio is 0.45%. The market value of the portfolio of investments held to maturity as at 31 December 2014 was € 547.9 million, which is in line with the amortised cost of € 545.1 million.

### Fair value of financial instruments

For the determination of the fair value of the financial instruments, see the financial statements for 2013. No changes to this method were made in the year ending on 31 December 2014. No financial assets were reclassified to a different measurement level in this period. The turbo products recognised by BinckBank as the issuer and the related hedge positions are recognised on the basis of published prices in an active market. These products are thus reported under financial assets and liabilities held for trading under measurement level 1. The valuation levels of financial instruments measured at fair value are as follows:

#### 31 December 2014

x € 1,000	Level 1	Level 2	Level 3	Total
Financial assets held for trading	8,110	99	-	8,209
Financial assets at fair value through profit and loss	15,942	-	-	15,942
Available-for-sale assets	-	1,389,146	-	1,389,146
<b>Total assets</b>	<b>24,052</b>	<b>1,389,245</b>	<b>-</b>	<b>1,413,297</b>
Financial liabilities held for trading	8,113	177	-	8,290
Financial liabilities at fair value through profit and loss	139	-	-	139
<b>Total liabilities</b>	<b>8,252</b>	<b>177</b>	<b>-</b>	<b>8,429</b>

#### 31 December 2013

x € 1,000	Level 1	Level 2	Level 3	Total
Financial assets held for trading	-	70	-	70
Financial assets at fair value through profit and loss	19,130	-	-	19,130
Available-for-sale assets	-	1,582,146	-	1,582,146
<b>Total assets</b>	<b>19,130</b>	<b>1,582,216</b>	<b>-</b>	<b>1,601,346</b>
Financial liabilities held for trading	-	486	-	486
Financial liabilities at fair value through profit and loss	704	-	-	704
<b>Total liabilities</b>	<b>704</b>	<b>486</b>	<b>-</b>	<b>1,190</b>

### Intangible assets

Intangible assets (including goodwill) are tested annually for impairment, or more frequently if events or changes in circumstances indicate that the carrying amount, less applicable annual amortisation, may be impaired. In the first instance, the test is made on the basis of the indicators mentioned in IAS 36.12, augmented by indicators identified by BinckBank compared with the assumptions on which the valuation of the identified immaterial assets was based at the time of the acquisition. If the test reveals an indication of impairment, BinckBank performs a full calculation of the recoverable amount of the cash-generating units.

As a result of the acquisition of Fundcoach on 28 June 2014 as described in the note on the acquisition of Fundcoach, the trade name and the customer relationships have been measured and included in BinckBank's intangible assets. In the annual test of the intangible assets attributable to the acquisition of the Fundcoach operations, the following indicators of impairment have been identified:

- Reputational damage to the Fundcoach trade name;
- A decision to limit use of the Fundcoach trade name;
- The absolute number of customer accounts is less than that based on the business case/PPA;
- The average revenue per customer is less than based on the business case/PPA.

In addition, goodwill of € 2.0 million relating to the acquisition of Fundcoach has been recognised in BinckBank's balance sheet as of 28 June 2014. This goodwill is attributable to the cash-flow generating unit Retail Netherlands. As a result, the assessment of potential impairments will be based on the current indicators for the cash-flow generating unit Retail Netherlands.

During the period ending on 31 December 2014 the intangible assets including goodwill were assessed for impairment on the basis of the identified indicators. There was no indication of any impairment with respect to the intangible assets.

### Property, plant and equipment

In the year ending on 31 December 2014 BinckBank acquired property, plant and equipment with a value of € 3,475,000 (2013: € 2,167,000). The investment in property includes prepayments in relation to a leasehold (operating lease) which expires on 15 April 2056. In the period ending on 31 December 2014, an amount of € 256,000 in relation to amortisation of the leasehold is included in amortisation and depreciation (2013: €256,000).

### Other assets and other liabilities

The other assets and other liabilities concern mainly significant items that relate to customer transactions to be settled. This item depends on customer transaction volumes around the end of the period, and may therefore fluctuate.

### Share capital

BinckBank cancelled 3.5 million Treasury shares on the basis of a resolution by the Annual General Meeting on 12 August 2014. After cancellation of the Treasury shares, BinckBank's issued and paid-up share capital consists of 71 million shares issued and paid-up.

## Tax

Tax is calculated at the estimated average rate of tax for the entire year 2014. The actual tax rate over the year ending on 31 December 2014, without taking account of substantial holding exemptions and other tax facilities, is 15.0% (2013: 36.7%). The difference between the tax rate and the nominal tax burden is explained in the table below:

x € 1,000	FY14	FY13
Current tax	6,457	9,805
Deferred taxes	(902)	1,161
<b>Tax according to the income statement</b>	<b>5,555</b>	<b>10,966</b>
Tax on other comprehensive income	327	(1,790)
<b>Total taxes</b>	<b>5,882</b>	<b>9,176</b>

x € 1,000	FY14		FY13	
	Bedrag	%	Bedrag	%
Nominal tax	9,256	25,0%	7,473	25.0%
Effect of different ( foreign ) tax	122	0,3%	197	0.7%
Effect of participation exemption	(3,169)	-8,6%	3,110	10.4%
Effect of tax facilities	(1,863)	-5,0%	(295)	-1.0%
Others effects	1,209	3,3%	481	1.6%
<b>Tax according to the income statement</b>	<b>5,555</b>	<b>15,0%</b>	<b>10,966</b>	<b>36.7%</b>
Tax on other comprehensive income	327		(1,790)	
<b>Total taxes</b>	<b>5,882</b>		<b>9,176</b>	

BinckBank has reached an agreement with the Dutch Tax Authorities in the fourth quarter of 2014 regarding the application of the innovation box to the income attributable to the innovative trading platform developed by BinckBank itself for use by private investors. Application of the innovation box has led to a tax gain of € 1.6 million, € 1.4 million of which relates to the years 2011-2013.

The other effects include various tax effects, such as tax adjustments to previous reporting years and differences arising because certain expense items are not deductible for tax purposes, such as the resolution levy and the allocation of shares to employees under the remuneration policy.

### Resolution levy in connection with SNS

The Dutch government nationalised SNS Reaal on the basis of the Intervention Act on 1 February 2013. Based on the Temporary Resolution Levy Act 2014, the Minister of Finance has imposed a non-recurring resolution levy on the banks payable to the State Treasury in an amount of € 1 billion. This levy will not be deductible for the purpose of corporate income tax. The levy is imposed on banks in possession of a banking licence on 1 February 2013, but only if they are still in the possession of a banking licence on 1 March 2014, 1 May 2014 and 1 July 2014. In accordance with relevant IFRS guidelines, BinckBank has decided that the expense arising from the resolution levy will only be recognised in the income statement at the time the levy is due. The contribution of the various banks is related to the total sum of the deposits guaranteed under the deposit guarantee system held with them on 1 February 2013. A contribution of 0.075% of the base amount will be levied in three instalments on the above-mentioned dates. In 2014 BinckBank paid a total of € 4.0 million in relation to the resolution levy, in line with its original estimate.

**Dividends proposed and paid**

x € 1,000	FY14	FY13
<i>Paid dividend during the year</i>		
Dividends on ordinary shares		
<b>Final dividend 2013: € 0.26 per share (2012: € 0.28)</b>	<b>18,251</b>	<b>19,775</b>
The proposed interim dividend was approved by the 'Stichting Prioriteit' at 21 July 2014		
Dividend on ordinary shares		
<b>Interim dividend voor 2014: € 0.10 (2013: € 0.13)</b>	<b>7,020</b>	<b>9,115</b>
<i>Proposed for approval by the AV (not recognized as a liability at 31 December 2014)</i>		
Dividend on ordinary shares		
<b>Final dividend 2014: € 0.31 (2013: € 0.26)</b>	<b>22,010</b>	<b>19,370</b>

**Recommendation from the European Central Bank (ECB/2015/2)**

BinckBank's proposed dividend distribution meets the criteria stated in the recommendation of the European Central Bank (ECB) published on 28 January 2015 (ECB/2015/2).

**Off balance sheet commitments**

The off balance sheet commitments listed below are current issues that may change from the situation as described in the financial statements for 2013 over time and accordingly further explanation is provided. There are no further matters of interest to report regarding the other off balance sheet commitments appearing in the 2013 financial statements.

*Legal proceedings*

BinckBank is involved in various legal proceedings. Although it is not possible to predict the outcome of current or impending lawsuits, the executive board believes – on the basis of information currently available and after taking legal counsel – that the outcomes are unlikely to have material adverse effects on BinckBank's financial position or profitability, apart from matters which have already led to the formation of a provision.

*Alex Asset Management*

BinckBank has received an increasing number of complaints in recent months from customers stating that they have suffered losses on their investments through the Alex Asset Management product. The Dutch Investors' Association (Vereniging voor Effectenbezitters, or 'VEB NCVB') also stated that it has received several complaints and has announced that it will initiate an investigation of the state of affairs at Alex Asset Management. The Vermogensmonitor has announced it is prepared to bring proceedings on behalf of customers against BinckBank with regard to Alex Asset Management. The risk of class actions or individual legal proceedings brought by customers of Alex Asset Management has thus significantly increased. BinckBank has not received any material class or individual actions from customers in 2014, and it is uncertain whether the investigation by the VEB and any potential class or individual legal measures resulting from this will have negative financial consequences for BinckBank.

*Legal proceedings concerning TOM*

Euronext has commenced substantive proceedings against BinckBank and TOM for infringement of Euronext's brand rights, among other things. Although it is not possible to predict the outcome of current or impending lawsuits, the executive board believes – on the basis of information currently available and after taking legal counsel – that the outcome of these proceedings is not likely to have material adverse effects on BinckBank's financial position or profitability. There was no significant progress in the case during the year ending on 31 December 2014, and the executive board has not changed its estimation in this respect since 31 December 2013.

## Related parties

The group of related parties consists of consolidated companies, joint ventures, associates, and the executive board and supervisory board of BinckBank.

### *Capital contributions*

An additional capital sum of € 4.0 million was paid into the joint venture BeFrank N.V. in the year ending on 31 December 2014, after which the 50% interest in BeFrank was sold on 18 July 2014. BinckBank subsequently has no further interest in BeFrank and this entity is no longer a related party as defined by IFRS.

An additional capital sum of € 409,000 was paid into the associate TOM Holding N.V. in the year ending on 31 December 2014. In a shareholder agreement of TOM Holding N.V. the existing shareholders have granted an option to NASDAQ OMX in proportion to their holdings to increase its holding from 25% to 50.1%, subject to conditions and regulatory approval. This option may be exercised on two occasions each year in a 30-day period following 1 January and 1 July of each year and expiring on 2 July 2018. NASDAQ OMX has not exercised its option in the 30 days following 1 January 2015.

### *Transactions with related parties*

As a result of the sale of BeFrank on 18 July 2014, BeFrank no longer qualifies as a related party since this date. The transactions with BeFrank after this date no longer qualify as transactions with related parties. In the year ending on 31 December 2014 BinckBank charged an amount of € 878,000 (2013: € 813,000) to related parties for ICT, premises and administrative services and the receivable on these related parties amounts to € 3,000 (2013: € 235,000). Additionally, in the year ending on 31 December 2014 related parties charged BinckBank € 4,300,000 (2013: € 3,805,000) for services provided and the liability to these related parties as at 31 December 2014 is €380,000 (2013: € 350,000).

### *Executive board and supervisory board of BinckBank*

No transactions with the executive board or the supervisory board took place in the year ending on 31 December 2014 other than those pursuant to the relevant employment contracts or terms of engagement respectively.

## 4. Events after the balance sheet date

No material events occurred after the balance sheet date.

## 5. Segment reporting

A segment is a clearly distinct element of BinckBank that provides services with a risk or return profile that is different from the other segments (a business segment), or which provides services to a particular economic market (market segment) that has a different risk and return profile to that of other segments. In terms of organisation, the operations of BinckBank are divided into two primary business segments. The executive board determines the performance targets, 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:

- Retail
- Professional Services

The 'Retail' business unit operates as an (internet) broker for the retail customer market. The 'Professional Services' business unit provides brokerage services in securities and derivatives transactions on behalf of professional investors in the Netherlands and abroad, including the provision of the majority of the related administration. All directly attributable income and expenses are recognised within the 'Retail' and 'Professional Services' business segments, together with the attributed costs of the group activities.

The item 'Group operations' includes the divisions directly managed by the executive board and for which the income and expenses are not included in one of the other divisions. This includes ThinkCapital and the results of central Treasury, including the results on sales in the investment portfolio and extraordinary expenses. The same accounting policies are used for a business segment as those described for the consolidated balance sheet and income statement of BinckBank. Charges made between business segments are eliminated and replaced by an allocation of the costs.

The results of associates and joint ventures are attributed to business segments to the extent that the business segments exercise direct influence on the associates and joint ventures. All other results of associates and joint ventures are recognised at group level. Investments in intangible assets and property, plant and equipment are attributed to the business segments to the extent that the investments are directly acquired by the business segments.

All other investments are recognised at group level. Tax is managed at group level and is not attributed to the operating segments. As was the case in 2013, no customer or group of associated customers was responsible for more than 10% of the bank's total income in the year ending on 31 December 2014.

#### Distribution of financial information by business unit:

x € 1,000	1-1-2014 through 31-12-2014				1-1-2013 through 31-12-2013			
	Retail	Professional services	Group operations	Total	Retail	Professional services	Group operations	Total
<i>Interest income</i>	28,644	2,657	825	32,126	29,044	3,870	176	33,090
<i>Interest expense</i>	(2,649)	(160)	(820)	(3,629)	(4,676)	(558)	(170)	(5,404)
Net interest income	25,995	2,497	5	28,497	24,368	3,312	6	27,686
<i>Commission income</i>	128,172	22,345	1,947	152,464	135,542	29,880	951	166,373
<i>Commission expense</i>	(22,267)	(3,937)	(309)	(26,513)	(20,311)	(7,945)	(181)	(28,437)
Netto-provisiebaten	105,905	18,408	1,638	125,951	115,231	21,935	770	137,936
Overige baten	85	11,176	(159)	11,102	1,072	9,621	356	11,049
Resultaat uit financiële instrumenten	501	-	(150)	351	-	-	7	7
Bijzondere waardeveranderingen op financiële activa	(165)	(3)	-	(168)	37	(5)	-	32
<b>Totale inkomsten uit operationele activiteiten</b>	<b>132,321</b>	<b>32,078</b>	<b>1,334</b>	<b>165,733</b>	<b>140,708</b>	<b>34,863</b>	<b>1,139</b>	<b>176,710</b>
Employee expenses	35,931	19,893	762	56,586	30,008	18,834	2,714	51,556
Depreciation and amortisation	25,572	1,609	494	27,675	26,643	2,008	456	29,107
Other operating expenses	45,368	8,946	2,810	57,124	43,114	8,869	1,732	53,715
<b>Total operating expenses</b>	<b>106,871</b>	<b>30,448</b>	<b>4,066</b>	<b>141,385</b>	<b>99,765</b>	<b>29,711</b>	<b>4,902</b>	<b>134,378</b>
<b>Result from operating activities</b>	<b>25,450</b>	<b>1,630</b>	<b>(2,732)</b>	<b>24,348</b>	<b>40,943</b>	<b>5,152</b>	<b>(3,763)</b>	<b>42,332</b>
Share in results of associates and joint ventures				12,674				(2,393)
Impairment of goodwill				-				(10,047)
<b>Result before tax</b>				<b>37,022</b>				<b>29,892</b>
Tax				(5,555)				(10,966)
<b>Net result</b>				<b>31,467</b>				<b>18,926</b>

## Key share data BinckBank N.V.

ISIN code	NL0000335578
Reuters symbol	BINCK.AS
Bloomberg symbol	BINCK NA
Stock exchange index	AMX
Market capitalisation* (€ m)	500.5
Shares in issue*	71,000,000
Average daily turnover (no.) FY14 Q4	299,044
Opening price (01-10-2014)	€ 7.84
Share price - high (intraday)	€ 8.04
Share price - low (intraday)	€ 6.70
Closing price (31-12-2014)	€ 7.05

\*On 31 December 2014

### Development of BinckBank share price compared to the AMX (TSR)



## Further information BinckBank N.V.

BinckBank N.V. (BinckBank) is an online bank for investors with a market-leading position in the Netherlands and Belgium, and the third-largest such bank in France. As an online broker, BinckBank offers its clients fast and low-cost access to all major financial markets worldwide. Moreover, as an asset management bank, BinckBank provides support to its customers in the management of their assets through online asset management services and online savings accounts. In addition to private investors, BinckBank has a leading position in the provision of services to independent asset managers in the Netherlands. The company has offices in the Netherlands, Belgium, France, Italy and Spain.

Today, 9 February 2015, an audio webcast will be held at 10.00 am CET. The presentation is available on [www.binck.com](http://www.binck.com) under Investor Relations/Financial Results. The transcript of the audio webcast will be available on [www.binck.com](http://www.binck.com) under Investor Relations/Financial Results from 11 February 2015.

### Important dates in 2015\*

• Annual results 2014	9 February 2015
• Annual report 2014	16 March 2015
• General Meeting of Shareholders 2014	30 April 2015
• First-quarter results 2015	30 April 2015
• Ex-dividend	5 May 2015
• Record date dividend	6 May 2015
• Payment dividend	8 May 2015
• Half-year report 2015	27 July 2015
• Third quarter results 2015	26 October 2015

\* *Dates subject to change*

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