



First  
quarter report  
2016

 **BINCKBANK**  
FOR INVESTORS

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## Highlights in first quarter of 2016

# Slow start for BinckBank due to negative market sentiment

### Highlights in first quarter 2016

- Investors were cautious which resulted in lower transaction volumes and lower average revenues per transaction.
- Transaction volume of 2.1 million, 23% lower compared to 15Q1 (2.7 million transactions in 15Q1).
- The Belgian branch was particularly hard hit as a result of the introduction of the speculation tax on 1 January 2016. Transaction volume here was down 36% in 16Q1 to 185,103 (15Q1: 288,880).
- The Italian branch posted, contrary to market developments, a record quarter with 129,123 transactions.
- The Dutch mortgage finance had a slow start. BinckBank is working actively to accelerate the development of the investment portfolio in mortgages.
- Total income from operating activities was down 24% to € 36.7 million (15Q1: € 48.2 million)
- Cost control was maintained. Total operating expenses in the first quarter of 2016 were down 4% on the comparable period in 2015.
- Adjusted net result 16Q1 € 8.5 million (15Q1: € 16.4 million).
- Adjusted net earnings per share 16Q1 € 0.12 (15Q1: € 0.23).

### Strategy update: implementation of strategic positioning takes shape

- In the Netherlands, 'All in 1 investing' ('Alles in 1 beleggen') was launched under the Binck Fundcoach label, giving investors the option of a new form of simple to understand investment solutions on an execution-only basis. The introduction of the 'All in 1 investing' concept represents Binckbank's service provision in the Investment segment.
- Our study of demands and experiences of customers in the area of savings in Europe has been completed. The launch of the savings brokerage service in the Savings segment is scheduled for the fourth quarter of 2016.
- The development of the international roll-out of online asset management is on schedule and is planned for the end of the calendar year.
- The migration of BinckBank France to the European base platform was completed according to plan. All retail investors in the Netherlands, Belgium, France and Italy are now operational on the European base platform.
- The migration of service provision to Independent Asset Managers is scheduled for 2017.
- Retail investors in the Netherlands, Belgium, France and Italy will now all be serviced from the European base platform.

### Capital policy

- BinckBank started a share buy-back programme on 19 February 2016, and will repurchase shares up to a total value of € 25 million in the period until July 2017. As at 31 March 2016, BinckBank had repurchased shares with a total value of € 5.4 million.

## Vincent Germyns, chairman of the executive board of BinckBank:



"The poor beginning by the markets in 2016 meant that BinckBank also got off to a slow start. Although transaction volume at 2.1 million was 6% higher than in the fourth quarter of 2015, it was well below the level reached in the first quarter of 2015. In that period, we were experiencing a bull market as a result of the announcement of the ECB's bond buying programme. The tone in the market at the beginning of 2016 was one of increased uncertainty. Private investors have been taking a cautious stance since the autumn of 2015, which has led to lower transaction volumes, smaller order sizes and a lower average income per transaction.

We continued to work on the roll-out of our new strategy on various fronts in the first quarter. This has three elements: the first phase of Rethink Binck (setting out the new strategy) was completed in 2015, the Redesign Binck phase (developing new products) will be the focus in 2016 and the Relaunch Binck phase will follow from 2017. In this last phase, the new products and services should make a positive contribution to launching the new phase of growth that we are aiming for.

Clearly, this new positioning will involve additional investment, but we are convinced that this is needed to maintain and build on our leading position as a service provider to private investors. The launch of the services within the strategic framework (9-grid) offers huge potential. Disciplined implementation of our plans will be a determining factor for the further growth of BinckBank over time, leading to the potential for a substantial increase in shareholder value. If we can roll out the tracks as planned, then equalling the historic profit levels within a period of approximately 5 years is possible. The past quarter once again demonstrated both the vulnerability of the current earnings model and the need for expansion. As a team, we have every confidence that BinckBank can look forward to a positive future, but we are realistic enough to know that further and future growth will require the necessary investment commitment. We therefore ask our shareholders to also have confidence in our approach and thank them for their loyalty."

## Key figures quarterly comparison

### Consolidated

(figures in EUR 1,000's, unless otherwise stated)

	16Q1	15Q4	15Q1	Δ Q4	Δ Q1
<b>Customer figures</b>					
<b>Number of customer accounts</b>	<b>610,553</b>	<b>606,514</b>	<b>598,946</b>	<b>1%</b>	<b>2%</b>
Number of brokerage accounts	476,996	471,993	462,205	1%	3%
Number of asset management accounts	39,299	39,931	41,536	-2%	-5%
Number of savings accounts	94,258	94,590	95,205	0%	-1%
<b>Number of transactions</b>	<b>2,124,167</b>	<b>2,001,203</b>	<b>2,745,236</b>	<b>6%</b>	<b>-23%</b>
<b>Net fee and commission income per transaction (in EUR)</b>	<b>9.64</b>	<b>10.15</b>	<b>11.12</b>	<b>-5%</b>	<b>-13%</b>
<b>Assets under administration</b>	<b>20,221,627</b>	<b>20,575,397</b>	<b>20,785,503</b>	<b>-2%</b>	<b>-3%</b>
Brokerage accounts	20,013,738	20,354,176	20,506,378	-2%	-2%
Savings accounts	207,889	221,221	279,125	-6%	-26%
<b>Assets under management</b>	<b>1,592,151</b>	<b>1,697,871</b>	<b>1,971,274</b>	<b>-6%</b>	<b>-19%</b>
<b>Company profit and loss account</b>					
Net interest income	6,403	6,153	6,424	4%	0%
Net fee and commission income	27,786	30,608	38,439	-9%	-28%
Transaction-related	20,467	20,309	30,516	1%	-33%
Asset management fees	3,626	7,064	4,204	-49%	-14%
Other	3,693	3,235	3,719	14%	-1%
Other income	2,219	2,685	2,865	-17%	-23%
Result from financial instruments	337	455	503		
Impairment of financial assets	4	(20)	(23)		
<b>Total income from operating activities</b>	<b>36,749</b>	<b>39,881</b>	<b>48,208</b>	<b>-8%</b>	<b>-24%</b>
Employee expenses	13,468	12,707	14,032	6%	-4%
Depreciation and amortisation	6,708	6,989	6,722	-4%	0%
Other operating expenses	13,575	12,493	14,371	9%	-6%
<b>Total operating expenses</b>	<b>33,751</b>	<b>32,189</b>	<b>35,125</b>	<b>5%</b>	<b>-4%</b>
<b>Result from operating activities</b>	<b>2,998</b>	<b>7,692</b>	<b>13,083</b>	<b>-61%</b>	<b>-77%</b>
Tax	(832)	(2,225)	(3,034)	-63%	-73%
Share in results of associates	(85)	(316)	(187)		
<b>Net result</b>	<b>2,081</b>	<b>5,151</b>	<b>9,862</b>	<b>-60%</b>	<b>-79%</b>
Result attributable to non-controlling interests	(53)	(66)	89		
<b>Result attributable to shareholders BinckBank</b>	<b>2,028</b>	<b>5,085</b>	<b>9,951</b>	<b>-60%</b>	<b>-80%</b>
IFRS amortisation	5,379	5,379	5,379		
Fiscal goodwill amortisation	1,102	1,102	1,102		
<b>Adjusted net result</b>	<b>8,509</b>	<b>11,566</b>	<b>16,432</b>	<b>-26%</b>	<b>-48%</b>
<b>Adjusted net earnings per share (in EUR)</b>	<b>0.12</b>	<b>0.16</b>	<b>0.23</b>	<b>-25%</b>	<b>-48%</b>
Cost/income ratio excluding IFRS amortisation	77%	67%	62%		
<b>Balance sheet &amp; capital adequacy</b>					
	31-03-2016	31-12-2015	31-03-2015		
Balance sheet total	3,503,685	3,436,335	4,007,645	2%	-13%
Equity	434,575	437,480	450,502	-1%	-4%
Total equity	233,431	253,582	233,053	-8%	0%
Capital ratio	36.7%	40.2%	37.2%		

## Report of the executive board

### General

The poor start made by the markets in 2016 fuelled the increase in uncertainty among private investors. Investors took a cautious stance, leading to lower transaction volumes, smaller order sizes and lower average income per transaction. Higher costs of customer retention also reduced the average income per transaction. Apart from our growth market in Italy, this cautious stance was visible in all countries and applied to the various investment instruments in use. Transaction volume was especially hard hit in Belgium due to the introduction of the speculation tax.

In the past quarter, BinckBank launched its first new advertising campaign for a long time (since 14H1) for Alex Asset Management with the theme of 'Have your money invested' ('Laten Beleggen'). Due to the poor market sentiment, this has not as yet led to any significant inflow of new customers. The returns on our customers' portfolios could not escape the effects of the downward market and assets under management accordingly declined to € 1.6 billion.

An important positive step was made this quarter in relation to the rationalisation of the cost base. The migration of Binck France to the European base platform was successfully completed after 12 months, so that the retail operations of all countries are now conducted on the same ICT platform. This will significantly accelerate our time-to-market for the introductions of new products and services. The completion of this process is part of BinckBank's longer-term strategic objective of achieving operational excellence and our target cost-income ratio of at most 65%. The migration of service provision to independent asset managers is scheduled for 2017. We expect that after this we can part company with the old Binck platform fairly quickly. This will lead to synergies over time.

BinckBank started to finance Dutch residential mortgages from the start of 2016, acting as the financier in a collective structure in which the marketing, sales, administration and duty of care are the responsibility of a service provider licensed by the AFM. As with the launch of any new product, it will take some time before the distribution channels operate at full capacity and the financing can actually begin. A total of € 2.4 million in mortgage finance was provided in the first quarter of 2016. There are also still mortgage applications in the quotation stage amounting to approximately € 17.4 million.

On 17 March 2016, the AFM imposed a fine of € 0,5 million on BinckBank for failing to report transactions in financial instruments to the AFM in time that were executed between 2 March 2010 and 28 October 2014 in the over-the-counter market (OTC) in Luxembourg and between 3 February 2011 and 1 October 2014 on XBRD (a derivatives exchange in Brussels) and XMON (a derivatives exchange in Paris). A provision adequate to cover this amount had already been formed in 2015.

BinckBank started a share buy-back programme on 19 February 2016, and will repurchase shares up to a total value of € 25 million in the period until July 2017. Between 19 February 2016 and 31 March 2016, BinckBank repurchased shares with a total value of € 5.4 million.

# Notes to the consolidated result in 16Q1

### Adjusted net result

The adjusted net result for the first quarter of 2016 came to € 8.5 million (€ 0.12 per share) and was 48% lower than in the first quarter of 2015, in which a result of € 16.4 million (€ 0.23 per share) was realised. The first quarter of 2016 featured lower transaction-related net fee and commission income as a result of the 23% decline in transaction volume, with a 13% decline in net fee and commission income per transaction. Fees for asset management were down 14% on 15Q1, due to a decline in average assets under management (-19%). Operating expenses in the first quarter of 2016 declined by 4% in comparison to 15Q1, mainly due to lower employee expenses and a reduction in other operating expenses.

Compared to the fourth quarter of 2015, the adjusted net result fell by 26% from € 11.6 million to € 8.5 million. The 6% increase in transaction volume at a reduced net fee and commission income per transaction on balance led to a 1% rise in transaction-related net fee and commission income. Asset management fees amounted to € 3.6 million in the first quarter compared to € 7.1 million in 15Q4. The decline was due to the performance-related fee for 2015, which was reported in the fourth quarter of 2015. The performance fee for 2015 came to € 3.6 million. Total operating expenses for the first quarter of 2016 were up 5% compared to 15Q4, mainly due to new marketing campaigns for Alex and Binck.

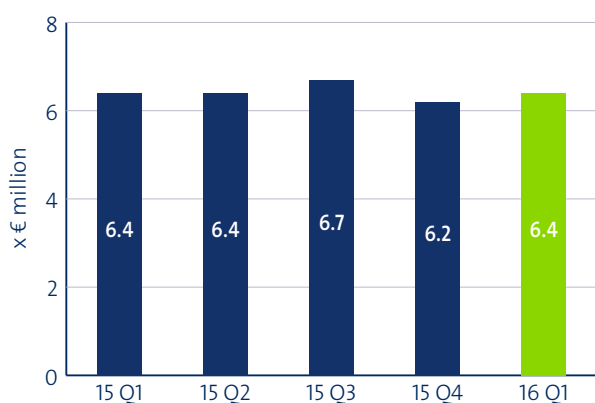
The adjusted net result is the net result to be allocated to BinckBank shareholders adjusted for IFRS depreciation and amortisation and the tax saving on the difference between the fiscal and commercial amortisation of the intangible assets and goodwill paid as a result of the acquisition of Alex. The annual dividend is determined on the basis of the adjusted net result.

### Net interest income

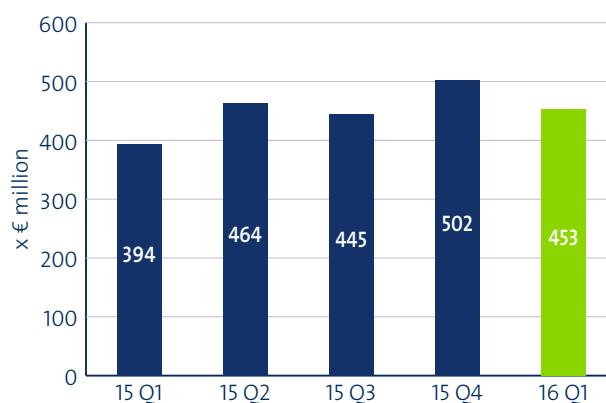
Net interest income in the first quarter of 2016 came to € 6.4 million, which is virtually unchanged on the comparable period in 2015 (15Q1: € 6.4 million) with lower interest income from the investment portfolio being offset by higher interest income from collateralised lending and lower interest expenses.

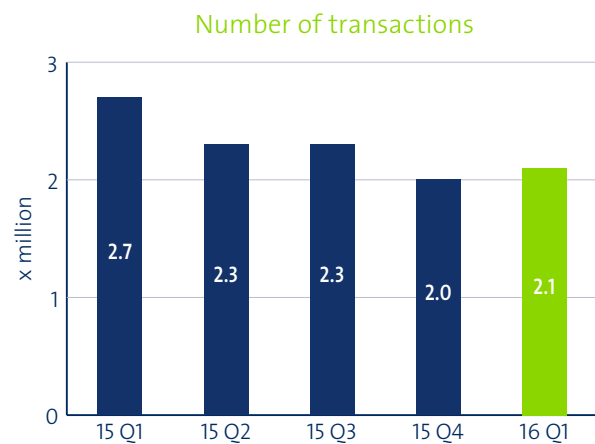
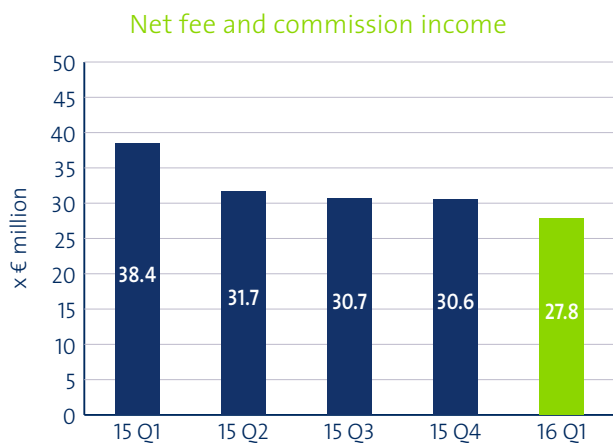
Net interest income at € 6.4 million was up 4% in the first quarter of 2016 on the fourth quarter of 2015, mainly due to lower interest income on customer balances and at credit institutions. The average return on the investment portfolio at the end of the first quarter of 2016 was 0.45%, the same as in the previous quarter (15Q4: 0.45%). € 200 million of bonds in the investment portfolio matured in the first quarter of 2016, and € 155 million was reinvested. The total size of the investment portfolio at the end of 16Q1 was lower in comparison to 15Q4 at € 1.9 billion (15Q4: € 2.0 billion).

Net interest income



Collateralised lending





### Net fee and commission income

Net fee and commission income in the first quarter of 2016 declined 28% in comparison to the first quarter of 2015, from € 38.4 million to € 27.8 million. The decline was mainly due to transaction-related net fee and commission income, which fell 33% from € 30.5 million to € 20.5 million as a result of the 23% decline in transaction volume and the 13% decline in net fee and commission income per transaction. The lower net fee and commission income per transaction was caused by both smaller transaction sizes and the type of investment products being traded. Asset management fees were down 14% compared to the first quarter of 2015 as a result of the decline in average assets under management. Other net fee and commission income was more or less stable on the comparative quarter in 2015 at € 3.7 million.

Compared to the fourth quarter of 2015, net fee and commission income fell 9% from € 30.6 million to € 27.8 million. Transaction volume was up 6%, but this led to only a 1% rise in transaction-related net fee and commission income as a result of the decline in net fee and commission income per transaction. Asset management fees were down on the previous quarter as a result of the performance fee. The total performance fee recognised in the fourth quarter of 2015 amounted to € 3.6 million. Other net fee and commission income rose from € 3.2 million to € 3.7 million this quarter compared to the previous quarter, partly due to higher income from supplementary annual services to professional parties, such as the preparation of annual statements.

### Other income

Other income chiefly concerns the income from the operations of Able and income that does not fall into other categories. The decline in other income was mainly due to results on intraday currency positions.

### Result from financial instruments

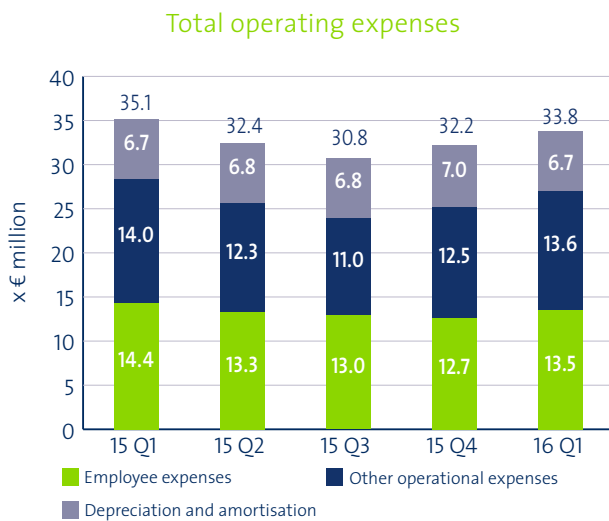
The result from financial instruments concerns the income from the issue of Binck turbos. The outstanding position of turbos was on average lower compared to the previous quarter. The income of € 0.3 million in this quarter was lower compared to the first quarter (15Q1: € 0.5 million) and the fourth quarter of 2015 (15Q4: € 0.5 million).



## Total operating expenses

Total operating expenses in the first quarter of 2016 rose 5% compared to the previous quarter, from € 32.2 million to € 33.8 million. Employee expenses increased by 6%, mainly due to regular salary increases and the change in the balance of holiday days not taken. Amortisation and depreciation at € 6.7 million were 4% lower this quarter compared to the previous quarter due to accelerated depreciation of certain assets recognised in 15Q4. Other operating expenses rose by 9% this quarter, from € 12.5 million to € 13.6 million. This was the result of increased marketing efforts in the Netherlands for the Alex and Binck brands.

Total operating expenses in the first quarter of 2016 fell by 4% compared to the first quarter of 2015, from € 35.1 million to € 33.8 million. Employee expenses were down 4%. Amortisation and depreciation expenses were more or less unchanged on 15Q1. Other operating expenses were down 6% from € 14.4 million to € 13.6 million, which on balance was due to lower costs for ICT projects and legal support.



# The Netherlands

## Key figures quarterly comparison Netherlands

(figures in EUR 1,000's, unless otherwise stated)

	16Q1	15Q4	15Q1	Δ Q4	Δ Q1
<b>Customer figures</b>					
<b>Number of customer accounts</b>	<b>476,724</b>	<b>474,666</b>	<b>470,649</b>	<b>0%</b>	<b>1%</b>
Number of brokerage accounts	353,463	350,450	344,350	1%	3%
Number of asset management accounts	39,299	39,931	41,536	-2%	-5%
Number of savings accounts	83,962	84,285	84,763	0%	-1%
<b>Number of transactions</b>	<b>1,546,702</b>	<b>1,415,854</b>	<b>1,964,815</b>	<b>9%</b>	<b>-21%</b>
<b>Net fee and commission income per transaction (in EUR)</b>	<b>10,66</b>	<b>11,11</b>	<b>12,26</b>	<b>-4%</b>	<b>-13%</b>
<b>Assets under administration</b>	<b>16,372,387</b>	<b>16,524,133</b>	<b>16,904,582</b>	<b>-1%</b>	<b>-3%</b>
Brokerage accounts	16,176,944	16,315,715	16,639,305	-1%	-3%
Savings accounts	195,443	208,418	265,277	-6%	-26%
<b>Assets under management</b>	<b>1,592,151</b>	<b>1,697,871</b>	<b>1,971,274</b>	<b>-6%</b>	<b>-19%</b>
<b>Company profit and loss account</b>					
Net interest income	5,312	4,979	5,169	7%	3%
Net fee and commission income	22,672	25,443	31,164	-11%	-27%
Transaction-related	16,492	15,737	24,080	5%	-32%
Asset management fees	2,862	6,439	3,692	-56%	-22%
Other net fee and commission income	3,318	3,267	3,392	2%	-2%
Other income	517	407	617	27%	-16%
Result from financial instruments	300	469	503		
Impairment of financial assets	2	(16)	(71)		
<b>Total income from operating activities</b>	<b>28,803</b>	<b>31,282</b>	<b>37,382</b>	<b>-8%</b>	<b>-23%</b>
Employee expenses	2,408	2,042	2,583	18%	-7%
Depreciation and amortisation	5,435	5,448	5,462	0%	0%
Other operating expenses	4,777	4,755	4,034	0%	18%
<b>Total operating expenses</b>	<b>12,620</b>	<b>12,245</b>	<b>12,079</b>	<b>3%</b>	<b>4%</b>
<b>Result from operating activities</b>	<b>16,183</b>	<b>19,037</b>	<b>25,303</b>	<b>-15%</b>	<b>-36%</b>
Internal cost allocation	(12,146)	(11,337)	(11,459)	7%	6%
<b>Result from operating activities after internal cost allocation</b>	<b>4,037</b>	<b>7,700</b>	<b>13,844</b>	<b>-48%</b>	<b>-71%</b>

The result from business operation in the first quarter of 2016 came to € 16.2 million and was 36% lower than in the first quarter of 2015 (€ 25.3 million). The decline in the first quarter was due to the 21% decline in transaction volume at a net fee and commission income per transaction that was down 13%. Transaction-related net fee and commission income accordingly came to € 16.5 million in the first quarter, which is 32% lower than in 15Q1 (€ 24.1 million). Total operating income consequently declined by 23% to € 28.8 million. Total operating expenses rose 4% in the first quarter of 2016 compared to the same quarter in 2015 to € 12.6 million. The increase was due to the media campaigns of 'The self-made man' ('Ik maak mezelf') for Binck and 'Have your money invested' ('Laten beleggen') for Alex Asset Management, leading to an 18% rise in other operating expenses compared to the first quarter of 2015.

Transaction volume was up 9% compared to 15Q4. The lower average size per transaction however limited the increase in transaction-related commission income to 5%. Adjusted for the performance fee for Alex Asset Management of € 3.6 million in 2015, the operating result of € 16.2 million in the first quarter of 2016 was actually higher than in the fourth quarter of 2015.

Total operating expenses increased by 3% compared to 15Q4 to € 12.6 million. This was caused by higher employee expenses due to regular salary increases and the change in the balance of holiday days not taken.

### Online brokerage

In the first quarter of 2016, 'The self-made man' campaign for Binck was highly effective, leading to inflow of 3,000 new customers. Binck.nl also renewed its website so that leads and other interested parties receive better and more focused information on the various options for investment at Binck. Binck Fundcoach has launched the 'All-in-1 Portfolios' ('Alles-in-1 Portefeuilles'), which give investors the option of a new form of simple to understand investment solutions on an execution-only basis. Every purchase is invested in one transaction using ETFs in a mix of shares, bonds and real estate at low cost and with global diversification. The introduction of the 'All-in-1 investing' concept represents BinckBank's service provision in the Investment segment. Our customer service provided an excellent level of accessibility and also achieved the required levels of service during peak periods that arose during the rights issues for ArcelorMittal and Delta Lloyd. Customers also appreciated the additional support in the form of education and explanation in the video clips.

### Alex Asset Management

In line with the negative market developments, assets under management at Alex Asset Management fell to € 1.6 billion. The number of customer accounts also declined by 2% to 39,299. Despite market declines, Alex Asset Management's asymmetric model succeeded in limiting the losses in the sample portfolios. The 'Have your money invested' ('Laten Beleggen') campaign for Alex Asset Management was launched in February 2016. This has not as yet led to the desired level of new inflow, due to the negative sentiment in the market. But the reactions to the campaign were positive.

### Independent asset managers

Early this year, BinckBank realised an interface with the Portfolio Management System for one of its largest clients in the professional segment. The other leading systems available in the market have already received the requirements of Binck so that professional parties using these systems can also be quickly connected. This gives connected independent asset managers the possibility to place orders directly from their portfolio management systems, which greatly enhances efficiency and reduces the likelihood of errors. At 31 March 2016, BinckBank was providing services to more than 100 independent asset managers.

# Belgium

## Key figures quarterly comparison Belgium

(figures in EUR 1,000's, unless otherwise stated)

	16Q1	15Q4	15Q1	Δ Q4	Δ Q1
<b>Customer figures</b>					
<b>Number of customer accounts</b>	<b>65,165</b>	<b>64,162</b>	<b>62,468</b>	<b>2%</b>	<b>4%</b>
Number of brokerage accounts	65,165	64,162	62,468	2%	4%
Number of asset management accounts	-	-	-		
Number of savings accounts	-	-	-		
<b>Number of transactions</b>	<b>185,103</b>	<b>200,393</b>	<b>288,880</b>	<b>-8%</b>	<b>-36%</b>
<b>Net fee and commission income per transaction (in EUR)</b>	<b>10,49</b>	<b>12,29</b>	<b>12,88</b>	<b>-15%</b>	<b>-19%</b>
<b>Assets under administration</b>	<b>2,539,841</b>	<b>2,678,812</b>	<b>2,578,257</b>	<b>-5%</b>	<b>-1%</b>
Brokerage accounts	2,539,841	2,678,812	2,578,257	-5%	-1%
Savings accounts	-	-	-		
<b>Assets under management</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Company profit and loss account</b>					
Net interest income	339	274	367	24%	-8%
Net fee and commission income	2,421	2,664	4,026	-9%	-40%
Transaction-related	1,941	2,462	3,720	-21%	-48%
Asset management fees	-	-	-		
Other net fee and commission income	480	202	306	138%	57%
Other income	-	-	1		
Result from financial instruments	37	12	-		
Impairment of financial assets	-	(2)	-		
<b>Total income from operating activities</b>	<b>2,797</b>	<b>2,948</b>	<b>4,394</b>	<b>-5%</b>	<b>-36%</b>
Employee expenses	645	680	674	-5%	-4%
Depreciation and amortisation	6	7	-	-14%	100%
Other operating expenses	1,308	1,006	1,259	30%	4%
<b>Total operating expenses</b>	<b>1,959</b>	<b>1,693</b>	<b>1,933</b>	<b>16%</b>	<b>1%</b>
<b>Result from operating activities</b>	<b>838</b>	<b>1,255</b>	<b>2,461</b>	<b>-33%</b>	<b>-66%</b>
Internal cost allocation	(1,618)	(1,255)	(1,258)	29%	29%
<b>Result from operating activities after internal cost allocation</b>	<b>(780)</b>	<b>-</b>	<b>1,203</b>	<b>-100%</b>	<b>-165%</b>

Despite publicity around the speculation tax and the difficult market conditions, the customer base had increased by 4% to 65,165 account holders at the end of the first quarter of 2016. The declines in the markets led to a small reduction in assets under administration of 1% to € 2.5 billion. Transaction volume was down 36% compared to the first quarter of 2015. The speculation tax, which came into effect in Belgium on 1 January 2016, led to a further decline. Due to the fall in transaction volume, total operating income also declined 36% to € 2.8 million (15Q1: € 4.4 million). Regarding costs, total operating expenses were more or less unchanged at € 1.9 million. At BinckBank Belgium, the operating result declined in 16Q1 to € 0.8 million (15Q1: € 2.5 million).

In comparison to the fourth quarter, the negative effect of the speculation tax was clearly visible. Compared to developments in the other countries, the 8% decline in transaction volume to 185,000 in Belgium was a particularly large fall. Total income declined 5% to € 2.8 million. Total operating expenses rose 16% to € 2.0 million, due to higher other operating expenses as there were more marketing campaigns in the period compared to the fourth quarter of 2015.

The product innovations introduced in the fourth quarter were warmly received, and the development of investing using the mobile app showed a further increase. The number of transactions effected using the mobile app in Belgium doubled to 6%. The Binck turbo launched in mid-November 2015 also lived up to its name. In its short period of existence, the Binck turbo already accounts for more than 60% of all the turbo transactions in Belgium.

# France

## Key figures quarterly comparison France

(figures in EUR 1,000's, unless otherwise stated)

	16Q1	15Q4	15Q1	Δ Q4	Δ Q1
<b>Customer figures</b>					
<b>Number of customer accounts</b>	<b>63,215</b>	<b>62,447</b>	<b>61,271</b>	<b>1%</b>	<b>3%</b>
Number of brokerage accounts	52,919	52,142	50,829	1%	4%
Number of asset management accounts	-	-	-		
Number of savings accounts	10,296	10,305	10,442	0%	-1%
<b>Number of transactions</b>	<b>263,239</b>	<b>267,712</b>	<b>365,416</b>	<b>-2%</b>	<b>-28%</b>
<b>Net fee and commission income per transaction (in EUR)</b>	<b>5,58</b>	<b>5,88</b>	<b>5,98</b>	<b>-5%</b>	<b>-7%</b>
<b>Assets under administration</b>	<b>745,094</b>	<b>765,362</b>	<b>777,980</b>	<b>-3%</b>	<b>-4%</b>
Brokerage accounts	732,648	752,559	764,132	-3%	-4%
Savings accounts	12,446	12,803	13,848	-3%	-10%
<b>Assets under management</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Company profit and loss account</b>					
Net interest income	451	508	653	-11%	-31%
Net fee and commission income	1,522	1,571	2,365	-3%	-36%
Transaction-related	1,469	1,574	2,187	-7%	-33%
Asset management fees	-	-	-		
Other net fee and commission income	53	(3)	178		
Other income	5	6	6	-17%	-17%
Result from financial instruments	-	-	-		
Impairment of financial assets	2	-	7		
<b>Total income from operating activities</b>	<b>1,980</b>	<b>2,085</b>	<b>3,031</b>	<b>-5%</b>	<b>-35%</b>
Employee expenses	754	703	648	7%	16%
Depreciation and amortisation	2	1	1	100%	100%
Other operating expenses	1,017	796	1,018	28%	0%
<b>Total operating expenses</b>	<b>1,773</b>	<b>1,500</b>	<b>1,667</b>	<b>18%</b>	<b>6%</b>
<b>Result from operating activities</b>	<b>207</b>	<b>585</b>	<b>1,364</b>	<b>-65%</b>	<b>-85%</b>
Internal cost allocation	(1,398)	(1,347)	(1,358)	4%	3%
<b>Result from operating activities after internal cost allocation</b>	<b>(1,191)</b>	<b>(762)</b>	<b>6</b>	<b>56%</b>	

BinckBank France saw the number of customer accounts increase by 3% on the first quarter of 2015 to 63,215. In line with the declines in the financial markets, assets under administration fell 4% to € 745 million. Transactions settled amounted to 263,239, showing a decline of 28% in transaction volume in comparison to the good first quarter in 2015. This explains the fall in total operating income from € 3.0 million (15Q1) to € 2.0 million (16Q1). Total operating expenses rose 6% to € 1.8 million due to salary increases and the change in the balance of holiday days not taken. The lower operating income also led to the decline in the operating result to € 0.2 million (15Q1: € 1.4 million).

Compared to the fourth quarter, transaction volume was down 2%. Since investors mostly effected smaller transactions, total operating income declined 5% in comparison to the fourth quarter of 2015 to € 2.0 million. Total operating expenses rose 18% to € 1.8 million, partly due to marketing expenses and also to some extent due to additional costs for the move of the offices of BinckBank France.

BinckBank France successfully completed its migration to the European base platform as planned. This allows our French customers to access a number of new functionalities such as the Binck360 trading application and the mobile app for iOS and Android. The positive completion of this project is another important step towards improving efficiency.

# Italy

## Key figures quarterly comparison Italy

(figures in EUR 1,000's, unless otherwise stated)

	16Q1	15Q4	15Q1	Δ Q4	Δ Q1
<b>Customer figures</b>					
<b>Number of customer accounts</b>	<b>5,449</b>	<b>5,239</b>	<b>4,558</b>	<b>4%</b>	<b>20%</b>
Number of brokerage accounts	5,449	5,239	4,558	4%	20%
Number of asset management accounts	-	-	-		
Number of savings accounts	-	-	-		
<b>Number of transactions</b>	<b>129,123</b>	<b>117,244</b>	<b>126,125</b>	<b>10%</b>	<b>2%</b>
<b>Net fee and commission income per transaction (in EUR)</b>	<b>4,38</b>	<b>4,57</b>	<b>4,19</b>	<b>-4%</b>	<b>5%</b>
<b>Assets under administration</b>	<b>564,305</b>	<b>607,090</b>	<b>524,684</b>	<b>-7%</b>	<b>8%</b>
Brokerage accounts	564,305	607,090	524,684	-7%	8%
Savings accounts	-	-	-		
<b>Assets under management</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Company profit and loss account</b>					
Net interest income	299	250	235	20%	27%
Net fee and commission income	421	262	370	61%	14%
Transaction-related	565	536	529	5%	7%
Asset management fees	-	-	-		
Other net fee and commission income	(144)	(274)	(159)	-47%	-9%
Other income	-	-	-		
Result from financial instruments	-	-	-		
Impairment of financial assets	-	(2)	3	-100%	-100%
<b>Total income from operating activities</b>	<b>720</b>	<b>510</b>	<b>608</b>	<b>41%</b>	<b>18%</b>
Employee expenses	366	310	338	18%	8%
Depreciation and amortisation	16	17	19	-6%	-16%
Other operating expenses	529	366	757	45%	-30%
<b>Total operating expenses</b>	<b>911</b>	<b>693</b>	<b>1,114</b>	<b>31%</b>	<b>-18%</b>
<b>Result from operating activities</b>	<b>(191)</b>	<b>(183)</b>	<b>(506)</b>	<b>4%</b>	<b>-62%</b>
Internal cost allocation	(1,045)	(848)	(850)	23%	23%
<b>Result from operating activities after internal cost allocation</b>	<b>(1,236)</b>	<b>(1,031)</b>	<b>(1,356)</b>	<b>20%</b>	<b>-9%</b>

Transaction volume at BinckBank Italy was up 2% compared to 15Q1 at 129,123. Net fee and commission income per transaction rose 5% compared to 15Q1 at € 4.38. Other net fee and commission income was negative, due to the payment made by BinckBank for stamp duty ('Bollo tax') for some of its customers who met certain conditions. Total operating expenses fell by 18% to € 0.9 million. The operating result was therefore less negative at € 0.2 million.

Transaction volume rose 10% compared to the fourth quarter of 2015 to 129,123, with a slight decline in net fee and commission income as a result of smaller order sizes. The operating result was virtually unchanged in comparison to the fourth quarter of 2015.

For BinckBank Italy, we will work on a number of services designed specifically for the Italian market in 2016, such as XTA, the Italian version of Binck360. We will also work on the initiative to make non-listed investment funds that are already available in other countries available to our customers in the Italian market.

## Financial position and risk management

### Calculation of available capital and capital ratio

(bedragen in EUR 000's, tenzij anders vermeld)

	16Q1	15Q4	15Q1
Issued share capital	7.100	7.100	7.100
Share premium reserve	361.379	361.379	361.379
Treasury shares	(10.352)	(4.979)	(5.570)
Fair value reserve	1.841	1.526	4.123
Retained earnings (including result current financial year)	73.258	71.158	83.339
Non-controlling interests	1.349	1.296	131
<b>Total equity</b>	<b>434.575</b>	<b>437.480</b>	<b>450.502</b>
Less: goodwill	(144.882)	(144.882)	(144.882)
Plus: deferred tax liabilities related to goodwill	29.557	28.651	25.935
Less: other intangible fixed assets	(39.721)	(45.417)	(62.642)
Less: prudent valuation adjustment	(1.082)	(1.167)	(1.244)
Less: Non-controlling interests	(1.349)	(1.296)	(131)
Less: Remaining share buy back obligations	(19.626)	-	-
Less: dividend reserve, in accordance with normal dividend policy	(22.004)	(17.750)	(30.226)
Less: undivided results corrected for normal dividend policy	(2.037)	(2.037)	(4.259)
<b>Common equity Tier 1 ratio (CET1) (A)</b>	<b>233.431</b>	<b>253.582</b>	<b>233.053</b>
<b>Risk weighted exposure amount</b>	<b>636.915</b>	<b>630.665</b>	<b>626.745</b>
<b>CET1 capital ratio (=A/B)</b>	<b>36,7%</b>	<b>40,2%</b>	<b>37,2%</b>
Unweighted assets (total assets)	3.503.685	3.436.335	4.007.645
Regulatory adjustments	140.335	123.205	129.429
<b>Exposure measure (C)</b>	<b>3.644.020</b>	<b>3.559.540</b>	<b>4.137.074</b>
<b>Leverage ratio (=A/C)</b>	<b>6,4%</b>	<b>7,1%</b>	<b>5,6%</b>

BinckBank has no additional Tier 1 or Tier 2 capital and therefore its total capital ratio is the same as its Tier 1 core capital ratio.

At the end of March 2016, the capital and liquidity position of BinckBank was sound. BinckBank's total equity at the end of March 2016 stood at € 434.6 million. BinckBank initiated a share buy-back programme on 19 February 2016 through which it will repurchase BinckBank shares up to a total value of € 25 million in the period until July 2017. In accordance with the Capital Requirements Regulation, the full amount of the proposed share buy-back will be deducted from the total equity. To the extent that these shares are not actually repurchased, this is presented in the above overview as an additional deductible item. Compared to year-end 2015, the Tier 1 core capital has declined by 7.9% to € 233.4 million. In the first quarter of 2016, the capital ratio declined in comparison to the previous quarter and stands at 36.7 % (15Q4: 40.2%).

The table above shows the calculation of equity, Tier 1 capital and the capital ratio based on the Capital Requirements Regulation, or CRR, with full application of prudential adjustments.

Compared to the position at 31 December 2015, the total risk-weighted items increased from € 630.7 million to € 636.9 million, mainly due to the combination of exposures to credit institutions in the investment portfolio and the weight related to this.

On the basis of the CDR principles, the CRR leverage ratio calculated as at 31 March amounted to X.X% (15Q4: 7.1 %). The movement in the leverage ratio compared to 15Q4 was mainly due to the increase in available assets as a result of the decrease in the deductible item intangible assets. Adjustments to the balance sheet total as a result of movements in customer deposits also had an effect.

### **Additional capital buffers**

With effect from 1 January 2016, banks have to hold a number of additional capital buffers in addition to the capital requirement for credit risk. The following buffers are relevant to BinckBank:

#### **Countercyclical capital buffer**

The countercyclical capital buffer takes account of the credit cycle and the risks of excessive credit growth in the country in question. The countercyclical capital buffer is at least 0% and at most 2.5% of the relevant risk-weighted assets and has to be formed from equity (Tier 1 core capital). The institution-specific countercyclical buffer calculated for BinckBank is currently nil, mainly because the country-specific countercyclical buffer requirements are mostly still set at nil by the competent authorities.

#### **Capital conservation buffer**

The capital conservation is designed to ensure that banks build up adequate capital buffers above the minimum capital requirements outside periods of stress. The capital requirements will be increased annually in phases from 0.625% of the risk items with effect from 2016 to 2.5% with effect from 2019. The requirement for the capital conservation buffer is € 4.0 million.

### **Risks and uncertainties**

BinckBank has reassessed the adequacy of its capital and liquidity position at the end of March 2016 and its conclusion is that its total available capital and available liquidity position are adequate to cover the risks associated with the conduct of its business. For a detailed account of our risk and capital management, see the BinckBank annual report for 2015 published on 14 March 2016.



# Outlook 2016

### Strategy update

The strategic transformation of BinckBank embarked upon in June 2015 with the appointment of Mr Vincent Germyns as the new Chief Executive Officer (CEO), consists of three phases. The first phase, Rethink Binck, concerns the identification of opportunities for growth over the next 5-10 years. This phase was completed at the end of 2015. In 2016 and 2017 the focus will be on the second phase, Redesign Binck. Redesign Binck will involve the development of new products and services designed to meet opportunities identified in the market. The third phase is Relaunch Binck. In this last phase (from 2018), the new products and services should make a positive contribution to launching the new phase of growth that we are aiming for.

### Claims against Alex Asset Management

BinckBank received 10 new claims with respect to Alex Asset Management in the first quarter of 2016. As at 31 March 2016, BinckBank had received a total of 160 claims from customers stating that they had suffered losses on their investments as a result of the Alex Asset Management product amounting in total to € 4.0 million. Of these claims, 126 are submitted by the 'Vermogensmonitor' mediation service and 16 claims have been independently submitted to the Financial Services Ombudsman (Kifid). The other 18 claims are still in the correspondence phase. 142 of the 160 claims have been submitted to Kifid. Kifid has stated that it expects to issue rulings in these cases in the second quarter of 2016.

### Proposed fine by the AFM for advertising for Alex Asset Management

On 30 October 2015 the Authority for the Financial Markets (AFM) notified BinckBank that it was proposing to impose a fine for the advertisements on behalf of Alex Asset Management. The AFM takes the view that in the period from 8 September 2012 to 26 August 2014 advertising for Alex Asset Management contained unclear, incorrect and/or misleading information. At this point, this is a proposal by the AFM. BinckBank expects to obtain further clarity as to whether the proposal will lead to the actual imposition of a fine during the second quarter of 2016.

### Financial forecast for 2016

BinckBank's result depends heavily on the activity of its customers in the markets. Market volatility and direction are decisive factors. Since these cannot be predicted, BinckBank does not issue any detailed forecasts. As yet, the trend of declining transaction-related net commission income from the first quarter appears to be continued in the second quarter.



Interim financial  
statements  
31 March 2016

# I. Condensed consolidated statement of financial position

(figures in EUR 1,000's, unless otherwise stated)

31 March 2016

31 December 2015

## Assets

Cash and balances at central banks	377,211	178,365
Banks	149,495	178,244
Financial assets held for trading	11,256	12,297
Financial assets designated at fair value through profit and loss	11,766	15,405
Financial assets available-for-sale	1,082,370	1,167,121
Financial assets held-to maturity	837,705	813,484
Loans and receivables	453,823	502,006
Associates	1,142	1,227
Intangible assets	184,849	190,560
Property, plant and equipment	33,912	34,830
Current tax	15,270	7,945
Deferred tax receivable	1,077	1,121
Other assets	60,938	28,103
Prepayments and accrued income	39,448	45,122
Derivative positions held on behalf of clients	243,423	260,505
<b>Total assets</b>	<b>3,503,685</b>	<b>3,436,335</b>

## Liabilities

Banks	6,532	23,582
Financial liabilities held for trading	11,218	12,286
Financial liabilities designated at fair value through profit and loss	83	46
Funds entrusted	2,692,499	2,589,714
Provisions	7,354	7,884
Current tax liabilities	89	19
Deferred tax liabilities	29,033	27,874
Other liabilities	66,495	66,080
Accruals and deferred income	12,384	10,865
Derivative positions held on behalf of clients	243,423	260,505
<b>Total liabilities</b>	<b>3,069,110</b>	<b>2,998,855</b>

Equity attributable to:

Owners of the parent	433,226	436,184
Non-controlling interests	1,349	1,296
<b>Total equity</b>	<b>434,575</b>	<b>437,480</b>
<b>Total equity and liabilities</b>	<b>3,503,685</b>	<b>3,436,335</b>

## II. Condensed consolidated income statement

(figures in EUR 1,000's, unless otherwise stated)

16Q1

15Q1

### Income

Interest income	7,068	7,343
Interest expense	(665)	(919)
Net interest income	6,403	6,424
Fee and commission income	33,055	46,086
Fee and commission expense	(5,269)	(7,647)
Net fee and commission income	27,786	38,439
Other income	2,219	2,865
Result from financial instruments	337	503
Impairment of financial instruments	4	(23)
<b>Total income from operating activities</b>	<b>36,749</b>	<b>48,208</b>

### Expenses

Employee expenses	13,468	14,032
Depreciation and amortisation	6,708	6,722
Other operating expenses	13,575	14,371
<b>Total operating expenses</b>	<b>33,751</b>	<b>35,125</b>

Result from operating activities	<b>2,998</b>	<b>13,083</b>
Share in results of associates	(85)	(187)
Result before tax	<b>2,913</b>	<b>12,896</b>
Tax	(832)	(3,034)
<b>Net result</b>	<b>2,081</b>	<b>9,862</b>

Net result attributable to:

Owners of the parent	2,028	9,951
Non-controlling interests	53	(89)
<b>Net result</b>	<b>2,081</b>	<b>9,862</b>

Basic and diluted earnings per share (in EUR)	0.03	0.14
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### III. Condensed consolidated statement of comprehensive income

(figures in EUR 1,000's, unless otherwise stated)	16Q1	15Q1
Net result from income statement	2,081	9,862
<b>Other comprehensive income recognised on realisation through profit and loss</b>		
Net gain/(loss) on available-for-sale financial assets	403	440
Income tax relating to components of other comprehensive income	(88)	(94)
<b>Other comprehensive income, net of tax</b>	<b>315</b>	<b>346</b>
<b>Total comprehensive income, net of tax</b>	<b>2,396</b>	<b>10,208</b>
BinckBank N.V. has no other comprehensive income that will not be recognised on realisation through profit and loss.		
Result attributable to:		
Owners of the parent	2,343	10,297
Non-controlling interests	53	(89)
<b>Total realised and unrealised results, net of tax</b>	<b>2,396</b>	<b>10,208</b>

### IV. Verkort geconsolideerde kasstroomoverzicht

(figures in EUR 1,000's, unless otherwise stated)	16Q1	15Q1
Cash flow from operating activities	124,427	449,716
Cash flow from investment activities	53,014	58,732
Cash flow from financing activities	(5,373)	-
<b>Net cash flow</b>	<b>172,068</b>	<b>508,448</b>
Opening balance of cash and cash equivalents	352,532	225,117
Net cash flow	172,068	508,448
Effect of exchange rate changes on cash and cash equivalents	(1,971)	7,375
<b>Closing balance of cash and cash equivalents</b>	<b>522,629</b>	<b>740,940</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 and balances with central banks	377,211	424,358
Banks	149,495	319,905
Banks - non cash equivalents	(4,077)	(3,323)
<b>Total cash and cash equivalents</b>	<b>522,629</b>	<b>740,940</b>

## V. Condensed consolidated statement of changes in equity

(figures in EUR 1,000's, unless otherwise stated)	Issued share capital	Share premium reserve	Treasury shares	Revaluation reserve	Other reserves	Non- controlling interests	Total equity
<b>1 January 2016</b>	<b>7,100</b>	<b>361,379</b>	<b>(4,979)</b>	<b>1,526</b>	<b>71,158</b>	<b>1,296</b>	<b>437,480</b>
Net-result of the year	-	-	-	-	2,028	53	2,081
Other comprehensive income	-	-	-	315	-	-	315
Total comprehensive income	-	-	-	315	2,028	53	2,396
Grant of rights to shares	-	-	-	-	72	-	72
Shares repurchased	-	-	(5,373)	-	-	-	(5,373)
<b>31 March 2016</b>	<b>7,100</b>	<b>361,379</b>	<b>(10,352)</b>	<b>1,841</b>	<b>73,258</b>	<b>1,349</b>	<b>434,575</b>

(figures in EUR 1,000's, unless otherwise stated)	Issued share capital	Share premium reserve	Treasury shares	Revaluation reserve	Other reserves	Non- controlling interests	Total equity
<b>1 January 2015</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>
Net-result of the year	-	-	-	-	9,951	(89)	9,862
Other comprehensive income	-	-	-	346	-	-	346
Total comprehensive income	-	-	-	346	9,951	(89)	10,208
Grant of rights to shares	-	-	-	-	47	-	47
Shares repurchased	-	-	-	-	-	-	-
<b>31 March 2015</b>	<b>7,100</b>	<b>361,379</b>	<b>(5,570)</b>	<b>4,123</b>	<b>83,339</b>	<b>131</b>	<b>450,502</b>

## VI. Selected notes

### 1. General information

BinckBank N.V., incorporated and established in the Netherlands, is a public limited liability company subject to Dutch law. The shares of BinckBank N.V. are publicly traded. BinckBank is officially domiciled at Barbara Strozilaan 310, 1083 HN Amsterdam. BinckBank N.V. provides conventional and internet broking services in securities and derivative 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 2015 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 condensed consolidated figures for the period ending on 31 March 2016 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 21 April 2016.

### 2. Principles for financial reporting

#### **Presentation figures for the period ending on 31 March 2016**

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 March 2016 do not contain all the information required for full financial statements and should therefore be read in combination with the consolidated financial statements for 2015. The condensed consolidated figures are in euros and all figures are rounded to the nearest thousand (EUR x 1,000), unless otherwise stated.

The presentation of the condensed overviews may have changed with respect to previous periods in order to provide better insight or to better represent the presentation of the current period. Any changes or reclassifications have not had any effect on the result.

#### **Principles for valuation**

The condensed consolidated figures for the period ending on 31 March 2016 are prepared in accordance with the principles applied in the consolidated annual financial statements on 31 December 2015, 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 and IFRIC interpretations

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 standards effective from the current financial year

IAS 16 and IAS 38 – Clarification of acceptable methods of depreciation and amortisation	This amendment sets additional guidelines for the application of acceptable methods of depreciation and amortisation. BinckBank has assessed the amendment of the standards and concluded that the methods of depreciation and amortisation it uses are acceptable and have no effect on its financial position and results.
IAS 27 – Consolidated and separate financial statements	This amendment permits application of the equity method for the measurement of the share in investments, associates and joint ventures. The change has no effect on BinckBank's financial position and results.
Annual improvements cycle 2012-2014	This concerns a collection of minor amendments to a number of IFRS based on the annual improvements cycle 2012-2014. The EU adopted the revisions on 16 December 2015. BinckBank has evaluated the changes and concluded that they will have no effect on its financial position and results.
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. The amendment is expected to affect the amount and content of the disclosures presented.

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

#### New or amended standards effective from financial years beginning on or after 1 January 2017

IAS 12 – Income taxes	This amendment sets additional guidelines for the determination and recognition of temporary deferred tax assets as a result of unrealized losses on debt instruments held at fair value. The effect of the change on BinckBank's financial position and results is expected to be limited.
IAS 7 – Cashflow statement	As a result of the disclosure initiative additions are suggested in relation to the items of the cashflow statement, presenting more detail of the movements in liabilities related to financing activities. The full study of the effect of this new standard has to be completed.



## New or amended standards effective from financial years beginning on or after 1 January 2018

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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. The full study of the effect of this new standard has to be completed.
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 valuation of its financial assets and liabilities. The full study of the effect of this new standard still has to be completed.

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## New or amended standards effective from financial years beginning on or after 1 January 2019

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IFRS 16 - Leases	This new standard describes the treatment of financial and operating lease contracts. Under the new standard, an asset has to be recognised in the statement of financial position for both types of lease. A financial obligation also has to be recognised of the payments are spread across multiple periods. The full study of the effect of this new standard has to be completed.
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## New or amended standards for which the effective date is not yet known

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IFRS 10 and IAS 28: Amendment to standards to remove conflicting requirements	This change concerns the timing and share of the realisation of the result in a transaction with an associate or joint venture. This change has no effect on the financial position and results of BinckBank. In connection with an investigation of the equity method, the IASB has suspended the effective date indefinitely. Early application is permitted.
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The following standards, amendments of standards and interpretations that have not yet taken effect or have not yet been ratified by the European Union do not apply to BinckBank due to the nature of the standard or the amendment:

- IFRS 14 – Regulatory deferral accounts
- IFRS 11 – Joint arrangements (revised)
- IAS 16 and IAS 41 – Change to Agriculture: Bearer Plants
- IFRS 10, IFRS 12 and IAS 28 – Investment entities: application of consolidation exemption

### 3. Note to the condensed consolidated figures for the period ending on 31 March 2016

#### Financial assets available for sale and financial assets held to maturity

As at 31 March 2016 the bond portfolio available for sale amounted to € 1,082.4 million and the portfolio held to maturity amounted to € 837.7 million. A sum of € 199.9 million in nominal value was redeemed in the investment portfolio in the period ending 31 March 2016. Reinvestments in the portfolio available for sale and the portfolio held to maturity amounted to € 154.8 million.

BinckBank has evaluated its investment portfolio as at the reporting date and concluded that there are no objective indications of impairment. The market value of the portfolio of investments held to maturity as at 31 March 2016 was € 841.3 million, which is higher than the amortised cost of € 837.7 million. All the investments in the investment portfolio are, as in previous periods, classified in the fair value hierarchy as level 2 valuations.

#### Loans and receivables

At the end of 2015, BinckBank started the gradual investment in Dutch residential mortgages. The residential mortgages are classified as loans and receivables on the face of the balance sheet at amortised cost. At the end of the first quarter 2016 BinckBank invested an amount of € 1.3 million in mortgages with an average interest rate of 2.09%.

#### 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.

The intangible assets, including goodwill, were assessed for impairment using the stated indicators during the first quarter of 2016. No special events or circumstances were identified, and there was no indication of any impairment of the intangible assets.

#### 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.

#### Provisions

BinckBank is involved in disputes with contractual parties and customers. Some of these disputes lead to legal proceedings. BinckBank assesses these items on a case-by-case basis and forms a provision if there is a reasonable chance of an expected outflow of assets for legal costs and/or financial settlement of the case in question.

On 17 March 2016, BinckBank has been imposed an administrative fine of € 0.5 million from the Dutch Authority for the Financial Markets (AFM) for late reporting to AFM of transactions in financial instruments. In 2015, BinckBank already formed a provision for the amount of the fine.

#### Tax

Tax is calculated at the estimated average rate of tax for the start of 2016. The average tax rate, taking account of holding exemptions and other tax facilities, is 28.6% (15Q1: 23.5%). The increase of the average effective tax rate is mainly the result of the relative impact of tax facilities compared to the current tax calculated on the result before tax.

(figures in EUR 1,000's, unless otherwise stated)	16Q1	15Q1
Current tax	604	2,850
Deferred taxes	228	184
<b>Tax according to the income statement</b>	<b>832</b>	<b>3,034</b>
Tax on other comprehensive income	88	94
<b>Total taxes</b>	<b>920</b>	<b>3,128</b>

## Share buy-back programme

In the first quarter of 2016, BinckBank reassessed its adequacy of both the capital and liquidity and the business outlook against the CRR/CRD criteria and the guidelines of the ECB. As a result of this analysis BinckBank has decided to start a share-buy back program. The objective of the share buy-back is to return capital to our shareholders, in addition to the payments of dividend. The normal dividend policy of distributing 50% of the adjusted net profit will be maintained. BinckBank will buy back shares for a total amount of € 25 million. During the period from 19 February until 31 March 2016 BinckBank bought back shares for an amount of € 5.4 million.

## Commitments and contingent liabilities

The commitments and contingent liabilities listed below are current issues that may change from the situation as described in the financial statements for 2015 over time and accordingly further explanation is provided. There are no further matters of interest to report regarding the other commitment and contingent appearing in the 2015 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

Up to 31 March 2016 BinckBank received 160 claims for a total amount of € 4,0 million from customers stating that they have suffered losses on their investments through the Alex Asset Management product. The Vermogensmonitor, which has announced it is prepared to bring proceedings on behalf of customers against BinckBank with regard to Alex Asset Management, has announced that it will collaborate with the Dutch Investors' Association (Vereniging voor Effectenbezitters, or 'VEB') to take joint action against Alex Asset Management.

## Deposit guarantee scheme

The deposit guarantee scheme (DGS) is intended to guarantee certain deposits by accountholders if a bank cannot meet its obligations. The scheme provides security for deposits of up to € 100,000 and applies per accountholder per bank, regardless of the number of accounts held. In case of a joint account operated by two persons, the maximum applies per person. More or less all savings accounts, current accounts and term deposits are covered. Equities or bonds are not covered. If a credit institution finds itself in difficulties and does not have sufficient funds to pay all or part of the guaranteed amounts to its accountholders, De Nederlandsche Bank will make up the difference to the aforementioned maxima.

As from 26 November 2015, the funding of the deposit guarantee scheme was changed from an ex-post basis to an ex-ante basis. As from the first quarter of 2016, the banks have to contribute a sum to a fund for the deposit guarantee scheme. If the resources of the deposit guarantee fund are not sufficient for compensation, the remainder will be recovered from the banks on a pro rata basis.

## Related parties

The group of related parties consists of consolidated companies, associates, and the executive board and supervisory board of BinckBank. The following related parties were identified as at 31 March 2015: TOM Holding N.V. and its subsidiaries, the executive board and the supervisory board of BinckBank.

## Transactions with related parties

During the period ending 31 March 2016, BinckBank charged a sum of € 43,000 for premises, office automation and administrative services (15Q1:€ 71,000) to related parties and the claim on these related parties amounts to € 18,750 (15Q1: € 15,000). During the period ending 31 March 2016 a sum of € 815,000 (15Q1: € 1,164,000) was charged to BinckBank by related parties for services rendered and the liability to related parties amounts to € 255,000 (15Q1: € 0).

## Segment reporting

A segment is a clearly distinguishable element of BinckBank that provides services to a particular economic market (or market segment) and has a different risk and return profile to that of other segments. The organisational and management structure of BinckBank was changed in the second quarter of 2015 as a result of strategic choices to maintain the focus on the Retail market. The segment that focuses on the Professional market is no longer included separately in the management information. There has thus been a change within the direction of the organisation and thus in the segment reporting with respect to the main classification of particular economic markets (Retail, Professional Services and Group Operations) to geographical segmentation. In organisational terms, BinckBank's operations are now primarily divided according to the countries in which BinckBank operates. The executive board determines the performance targets for these segments, and authorises and monitors the budgets prepared for these business segments. The management of the business segment is responsible for setting policy for that segment, in accordance with the strategy and performance targets formulated by the executive board.

The business segments consist of:

- The Netherlands
- Belgium
- France
- Italy
- Group Operations

The information on the segments below is prepared in accordance with the methodology applied in the financial statements 2015.

## Segmentation overview

01-01-2016 through 31-03-2016

(figures in EUR 1,000's,  
unless otherwise stated)

	Netherlands	Belgium	France	Italy	Group operations	Total
<b>Income statement</b>						
Interest income	5,443	355	458	300	512	7,068
Interest expense	(131)	(16)	(7)	(1)	(510)	(665)
Net interest income	5,312	339	451	299	2	6,403
Fee and commission income	26,212	3,070	1,975	960	838	33,055
Fee and commission expense	(3,540)	(649)	(453)	(539)	(88)	(5,269)
Net fee and commission income	22,672	2,421	1,522	421	750	27,786
Other income	517	-	5	-	1,697	2,219
Result from financial instruments	300	37	-	-	-	337
Impairment of financial assets	2	-	2	-	-	4
<b>Total income from operating activities</b>	<b>28,803</b>	<b>2,797</b>	<b>1,980</b>	<b>720</b>	<b>2,449</b>	<b>36,749</b>
Employee expenses	2,408	645	754	366	9,295	13,468
Depreciation and amortisation	5,435	6	2	16	1,249	6,708
Other operating expenses	4,777	1,308	1,017	529	5,944	13,575
<b>Total operating expenses</b>	<b>12,620</b>	<b>1,959</b>	<b>1,773</b>	<b>911</b>	<b>16,488</b>	<b>33,751</b>
<b>Result from operating activities</b>	<b>16,183</b>	<b>838</b>	<b>207</b>	<b>(191)</b>	<b>(14,039)</b>	<b>2,998</b>
Internal cost allocation	(12,146)	(1,618)	(1,398)	(1,045)	16,207	-
<b>Result from operating activities after internal cost allocation</b>	<b>4,037</b>	<b>(780)</b>	<b>(1,191)</b>	<b>(1,236)</b>	<b>2,168</b>	<b>2,998</b>
Share in results of associates						(85)
<b>Result before tax</b>						<b>2,913</b>
Tax						(832)
<b>Net result</b>						<b>2,081</b>

## Segmentation overview (continued)

01-01-2015 through 31-03-2015

(figures in EUR 1,000's, unless otherwise stated)	Netherlands	Belgium	France	Italy	Group operations	Total
<b>Income statement</b>						
Interest income	5,472	372	669	267	563	7,343
Interest expense	(303)	(5)	(16)	(32)	(563)	(919)
Net interest income	5,169	367	653	235	-	6,424
Fee and commission income	36,455	5,018	3,048	1,028	537	46,086
Fee and commission expense	(5,291)	(992)	(683)	(658)	(23)	(7,647)
Net fee and commission income	31,164	4,026	2,365	370	514	38,439
Other income	617	1	6	-	2,241	2,865
Result from financial instruments	503	-	-	-	-	503
Impairment of financial assets	(71)	-	7	3	38	(23)
<b>Total income from operating activities</b>	<b>37,382</b>	<b>4,394</b>	<b>3,031</b>	<b>608</b>	<b>2,793</b>	<b>48,208</b>
Employee expenses	2,583	674	648	338	9,789	14,032
Depreciation and amortisation	5,462	-	1	19	1,240	6,722
Other operating expenses	4,034	1,259	1,018	757	7,303	14,371
<b>Total operating expenses</b>	<b>12,079</b>	<b>1,933</b>	<b>1,667</b>	<b>1,114</b>	<b>18,332</b>	<b>35,125</b>
<b>Result from operating activities</b>	<b>25,303</b>	<b>2,461</b>	<b>1,364</b>	<b>(506)</b>	<b>(15,539)</b>	<b>13,083</b>
Internal cost allocation	(11,459)	(1,258)	(1,358)	(850)	14,925	-
<b>Result from operating activities after internal cost allocation</b>	<b>13,844</b>	<b>1,203</b>	<b>6</b>	<b>(1,356)</b>	<b>(614)</b>	<b>13,083</b>
Share in results of associates						(187)
<b>Result before tax</b>						<b>12,896</b>
Tax						(3,034)
<b>Net result</b>						<b>9,862</b>

## VII Events after balance sheet date

No material events occurred after the balance sheet date.

# Other information

## Important dates for BinckBank N.V.

### Webcast

Today, 25 April 2016, an audio webcast will be held at 10.00 a.m. CET. The related presentation is available at [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 27 April 2016.

### Important dates in 2016\*

- |   |                 |
|---|-----------------|
| • General meeting of shareholders 2016      | 25 April 2016   |
| • Ex dividend                               | 27 April 2016   |
| • Record-date dividend                      | 28 April 2016   |
| • Payment of dividend                       | 2 May 2016      |
| • Publication of half-year report 2016      | 25 July 2016    |
| • Publication of third quarter results 2016 | 24 October 2016 |

\* *Dates subject to change*

### About BinckBank NV

BinckBank NV BinckBank NV (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. As an asset management bank, BinckBank also provides support to its customers in the management of their assets through online asset management services and online savings accounts. In addition to retail 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.

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