

PRESS RELEASE

Amsterdam, 23 April 2018

BinckBank N.V. trading update first quarter 2018

“BinckBank starts 2018 with a strong Q1 result”

- Number of transactions in 18Q1 27% higher than 17Q4 and 29% higher than 17Q1
- Record number of transactions in Italy and Belgium
- Net earnings per share 18Q1: € 0.13 (17Q4: € 0.07; 17Q1: € 0.02)
- Collateralised lending increases to over € 600 million
- Decrease in operating expenses partly as a result of lower amortisation of intangible assets
- Cost/income ratio for 18Q1: 71%
- BinckBank introduces new competitive price plan
- New price plan introduces ‘combination discount’ for customers with multiple Binck products
- BinckBank launches ‘Binck Sparen’ (‘Binck Savings’) in the Netherlands
- Initial application of IFRS 9 as per 1 January 2018 impacts equity with € 1.9 million (decrease)

KEY FIGURES (CONSOLIDATED)

(amounts in € 000's)

	18Q1	17Q4	17Q1	ΔQ4	ΔQ1
Customer figures					
Number of transactions	2,681,802	2,119,087	2,082,078	27%	29%
Assets under administration	26,033,329	26,027,985	24,265,330	0%	7%
Assets under management	1,032,531	1,090,881	1,173,980	-5%	-12%
Financials					
Total income from operating activities	39,595	38,678	39,944	2%	-1%
Total operating expenses	28,216	35,925	36,189	-21%	-22%
Result from operating activities	11,379	2,753	3,755	313%	203%
Result after tax	8,516	4,256	1,311	100%	550%
Net earnings per share (in €)	0.13	0.07	0.02		
Cost / income ratio	71%	93%	91%		
Capital adequacy					
Common equity Tier 1	251,043	249,522	249,470	1%	1%
Capital ratio	32.7%	30.8%	30.3%		
Leverage ratio	6.8%	6.6%	6.5%		

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Developments Q1 2018

With the launch of 'Binck Sparen' in February 2018, BinckBank is redeeming an important promise towards a broader service for private investors. With 'Binck Sparen' BinckBank offers, in cooperation with a German savings broker, a unique and secure platform for Dutch savers. After the initial launch, we are actively working on further expansion of the deposit offer.

For Dutch customers in 'Zelf Beleggen', BinckBank introduced the new price plan in the first quarter with several investment packages. Clients will be provided with additional tools that support them in managing their portfolio, depending on their investment package. Customers can choose the package that suits them best, based on an estimation of their own activities. In the price plan BinckBank lowers the rates for active investors. What is new is that customers can also achieve a cost advantage if they also open an account for 'Binck Sparen' or 'Binck Laten Beleggen'.

The numbers of transactions in 'Zelf Beleggen' increased by 29% in this quarter compared to 17Q1. For Italy and Belgium, 18Q1 was the best quarter ever measured in number of transactions. In addition, offering free transactions in the Binck turbo led to an increase in the number of transactions.

The assets under management at the end of 18Q1 fell by 12% compared to 17Q1. Assets managed by 'Alex Vermogensbeheer' amounted to € 902 million at the end of the first quarter. However, the new 'Laten Beleggen' propositions in Belgium and the Netherlands amount to € 131 million in assets under management at the end of 18Q1.

On 19 January 2018 BinckBank announced it will sell the 60% share held in Think Asset Management B.V. The transaction is expected to close in 18Q2.

Financial result

The result after taxes for 18Q1 amounted to € 8.5 million (17Q1: € 1.3 million), resulting in a net earnings per share of € 0.13 (17Q1: € 0.02 per share). As from this quarter BinckBank no longer reports adjusted result, but only the IFRS result. In the previous periods, the total operating expenses and taxes were adjusted for the IFRS amortisation and the tax saving on the difference between the fiscal and commercial amortisation of the intangible assets acquired during the acquisition of Alex and paid goodwill. These intangible assets, excluding paid goodwill, were fully amortised at the end of 2017 and since then the adjusted result is fully in line with the IFRS result. The comparative figures therefore present the IFRS result as well.

Total income from operating activities for the first 3 months of 2018 was € 39.6 million, 1% lower than the comparative quarter last year. Net interest income increased by 7% in 18Q1 to € 7.9 million compared to 17Q1 (17Q1: € 7.4 million). The increase is mainly due to the increase in the collateralised lending to over € 600 million. Net fee and commission income increased by 2% to € 29.3 million (17Q1: € 28.8 million). The result from financial instruments, amongst others Binck turbo's, rose by 58% to € 2.1 million. Other operating income decreased by € 2.0 million compared to 17Q1 to € 0.4 million, due to the sale of Able's activities in October 2017.

The operating expenses for 18Q1 amounted to € 28.2 million, 22% lower compared to the same period in 2017. This decrease is amongst others due to lower amortisation of intangible assets. In 2017 BinckBank amortised € 5.4 million per quarter on the intangible assets acquired with the acquisition of Alex. Furthermore, the operating expenses decreased by € 2.2 million compared to 17Q1, mainly due to the sale of Able. The board has focused on making the organisation more efficient and effective, which should result in a further improvement of the cost/income ratio in the long term. Over 18Q1, the cost/income ratio decreased to 71% (17Q1: 91%).

Since 1 January 2018, IFRS 9 – financial instruments has become effective. In accordance with this standard, financial instruments are classified based on their business purpose of the instruments and provisions should be raised for expected credit losses. The adjustments as a result of the initial application of IFRS 9 at 1 January 2018 have been processed through equity as required by IFRS 9. The impact on equity of applying IFRS 9 and taking into account the tax effects, is a decrease of equity by € 1.9 million. For further details of the impact of IFRS 9 we refer to appendix C to this trading update.

Strategy and outlook

The strategic transformation of BinckBank, initiated in 2015 with “ReThink”, is aimed at offering the customer an even broader range of products and services in the areas of ‘Zelf beleggen’ (Self Investing), ‘Laten Beleggen’ (Invest For Me) and “Binck Sparen” (Binck Savings). This will enable the company to generate a more balanced and future-proof revenue stream in the medium term. After completion of the “Redesign” phase, the transformation with the “Relaunch” phase is expected to show results starting in 2018. As stated earlier, this transformation will take time. BinckBank has taken concrete steps in the realisation of its strategic transformation in recent quarters, including through the introduction of ‘Binck Pensioen’, ‘Binck Comfort’ and ‘Binck Sparen’.

Important dates 2018/2019*

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|--------------------------------------|------------------|
| • Publication trading update Q1 2018 | 23 April 2018 |
| • General Meeting | 24 April 2018 |
| • Ex-date dividend | 26 April 2018 |
| • Record-date dividend | 27 April 2018 |
| • Payment dividend | 03 May 2018 |
| • Publication half year report 2018 | 23 July 2018 |
| • Ex-date interim-dividend | 25 July 2018 |
| • Record-date interim-dividend | 26 July 2018 |
| • Payment interim-dividend | 30 July 2018 |
| • Publication trading update Q3 2018 | 22 October 2018 |
| • Publication year report 2018 | 04 February 2019 |
| • Publication annual report 2018 | 11 March 2019 |

* Dates subject to change

BinckBank N.V.

BinckBank N.V. is an online bank for investors and savers, established in the Netherlands and listed on the Euronext Amsterdam exchange (Smallcap Index (AScX)). BinckBank N.V. has its registered office at Barbara Strozziilaan 310, 1083 HN in Amsterdam and is registered with the Chamber of Commerce under number 33162223. Our services are deployed from our head office in the Netherlands and our local branches in Belgium, France, and Italy, and representation in Spain. BinckBank offers services in investment, asset management and savings, and targets its services to retail customers, businesses/legal entities, and independent asset managers. An important feature of BinckBank’s online services is a stable platform that gives users access to important financial markets, professional trading facilities, and analysis tools.

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Financial statements to the trading update
31 March 2018

A. Consolidated statement of financial position

(amounts in € 000's)

31 March 2018 31 December 2017

ASSETS		
Cash and balances at central banks	904,029	1,003,537
Banks	91,270	133,968
Derivatives	37,413	37,311
Financial assets at fair value through profit and loss	19,130	16,613
Financial assets at amortised cost	1,056,053	-
Financial assets available-for-sale	-	797,294
Financial assets held-to-maturity	-	342,190
Loans and receivables	1,357,731	1,303,297
Associates	485	485
Intangible assets	157,639	157,950
Property, plant and equipment	33,589	33,969
Current tax assets	23,857	16,725
Deferred tax assets	4,063	6,279
Other assets	122,445	58,754
Prepayments and accrued income	13,741	15,446
Total assets	3,821,445	3,923,818
LIABILITIES		
Banks	1,040	2,538
Derivatives	37,057	37,055
Financial liabilities at fair value through profit and loss	241	231
Funds entrusted	3,281,170	3,383,507
Provisions	8,351	8,134
Current tax liabilities	16	10
Deferred tax liabilities	36,341	36,443
Other liabilities	46,763	52,084
Accruals and deferred income	8,914	8,927
Total liabilities	3,419,893	3,528,929
<i>Equity attributable to:</i>		
Owners of the parent	400,503	393,956
Non-controlling interests	1,049	933
Total equity	401,552	394,889
Total equity and liabilities	3,821,445	3,923,818

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B. Consolidated statement of income

(amounts in € 000's)	18Q1	17Q1
INCOME		
Interest income	9,882	8,722
Interest expense	(1,952)	(1,323)
Net interest income	7,930	7,399
Fee and commission income	33,809	34,072
Fee and commission expense	(4,519)	(5,269)
Net fee and commission income	29,290	28,803
Other income	444	2,482
Result from financial instruments	2,061	1,301
Impairment of financial assets	(130)	(41)
Total income from operating activities	39,595	39,944
EXPENSES		
Employee expenses	12,666	13,275
Depreciation and amortisation	1,308	6,455
Other operating expenses	14,242	16,459
Total operating expenses	28,216	36,189
Result from operating activities	11,379	3,755
Result from associates	-	(1,497)
Result before tax	11,379	2,258
Income tax expense	(2,863)	(947)
Net result	8,516	1,311
<i>Result attributable to:</i>		
Onwers of the parent	8,400	1,305
Non-controlling interests	116	6
Net result	8,516	1,311
Basic and diluted earnings per share	0.13	0.02

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(amounts in € 000's)	18Q1	17Q1
Net result from income statement	8,516	1,311
Other comprehensive income recognised through profit and loss on realisation		
Net gain/(loss) on available-for-sale financial assets	-	(9)
Income tax relating to components of other comprehensive income	-	2
Other comprehensive income, net of tax	-	(7)
Total comprehensive income, net of tax	8,516	1,304

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C. Change in accounting principles and application of IFRS 9

BinckBank has applied a voluntary change in accounting policy as of 1 January 2018 with the adjustment of the comparative figures. The accrued interest on financial instruments is now accounted for as part of the carrying amount of the instrument to which it relates. This improves the insight into the actual value of the financial instrument. In addition, this change ensures a better reconciliation to the classification in the supervisory reports. This adjustment has no effect on BinckBank's profit and loss account or equity.

In addition, IFRS 9 - Financial instruments has become effective from 1 January 2018. Under this standard, financial instruments are classified based on the intended business purpose of the instruments. As a result, as the only adjustment, the entire investment portfolio is now classified as financial assets at amortised cost. This adjustment in respect of classification and measurement under IFRS 9 results in a reduction of the book value of the investment portfolio as at 1 January 2018 by € 0.7 million, being the revaluation of the portfolio of financial assets available-for-sale as at 31 December 2017

Furthermore, for the balance sheet items Cash and balances at central banks, Banks, Financial assets at amortised cost and Loans and receivables, a provision has been recognized on the basis of an 'expected credit loss model' (ECL). The application of the expected credit loss model results in an increase of the provisions by € 1.9 million.

The initial accounting of the adjustments resulting from IFRS 9 as of 1 January 2018, are recognised directly in equity, in accordance with regulations. The total initial recognition of IFRS 9, taking into account tax effects, results in a reduction in equity of € 1.9 million.

The effect of the changes described above on the comparative figures at the end of 2017 and on the opening balance sheet of BinckBank are shown in the following table:

CHANGES TO CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 December 2017			1 January 2018	
	Closing balance before change in accounting principle	Change in accounting principle	Closing balance after change in accounting principle	IFRS 9 initial application	Opening balans after adjustments
(amounts in € 000's)					
ASSETS					
Cash and balances at central banks	1,003,673	(136)	1,003,537	(200)	1,003,337
Banks	133,968	-	133,968	(100)	133,868
Derivatives	37,418	(107)	37,311	-	37,311
Financial assets at fair value through profit and loss	16,613	-	16,613	-	16,613
Financial assets at amortised cost	-	-	-	1,138,551	1,138,551
Financial assets available-for-sale	787,743	9,551	797,294	(797,294)	-
Financial assets held-to-maturity	340,179	2,011	342,190	(342,190)	-
Loans and receivables	1,297,830	5,467	1,303,297	(1,343)	1,301,954
Associates	485	-	485	-	485
Intangible assets	157,950	-	157,950	-	157,950
Property, plant and equipment	33,969	-	33,969	-	33,969
Current tax assets	16,725	-	16,725	480	17,205
Deferred tax assets	6,279	-	6,279	-	6,279
Other assets	58,754	-	58,754	-	58,754
Prepayments and accrued income	32,475	(17,029)	15,446	-	15,446
Total assets	3,924,061	(243)	3,923,818	(2,096)	3,921,722
LIABILITIES					
Banks	2,538	-	2,538	-	2,538
Derivatives	37,055	-	37,055	-	37,055
Financial liabilities at fair value through profit and loss	231	-	231	-	231
Funds entrusted	3,383,383	124	3,383,507	-	3,383,507
Provisions	8,134	-	8,134	-	8,134
Current tax liabilities	10	-	10	-	10
Deferred tax liabilities	36,443	-	36,443	(164)	36,279
Other liabilities	52,084	-	52,084	-	52,084
Accruals and deferred income	9,294	(367)	8,927	-	8,927
Total liabilities	3,529,172	(243)	3,528,929	(164)	3,528,765
<i>Equity attributable to:</i>					
Owners of the parent	393,956	-	393,956	(1,932)	392,024
Non-controlling interests	933	-	933	-	933
Total equity	394,889	-	394,889	(1,932)	392,957
Total equity and liabilities	3,924,061	(243)	3,923,818	(2,096)	3,921,722

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