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NAT.	Date Filed	No.	Pg.	E.	D.	1.1

The Dutch language text of this document is the original and official version. The English translation is provided by Argenta for the convenience of potential subscribers. In the event of any difference between the Dutch original and the English translation, the Dutch original prevails.

ANNUAL ACCOUNTS (in Euros)

NAME: ARGENTA SPAARBANK

Legal form: Naamloze Vennootschap (Limited Company)
Address: Belgiëlei No: 49-53 Box:
Postal Code: 2018 Municipality: Antwerp
Country: Belgium

Register of Legal Entities - Court of Commerce of: Antwerp No: 142290

Internet address *: http//www.argenta.be

Enterprise Number 0404.453.574

DATE 11/12/2014 of filing of the Memorandum of the most recent document stating the date of notification of the Memorandum and of the acts amending the articles.

ANNUAL ACCOUNT approved by the general assembly on 24/04/2015

with reference to the fiscal year covering the period from: 1/01/2014 to 31/12/2014

Previous fiscal year from: 1/01/2013 to 31/12/2013

The amounts from the previous fiscal year are identical to those previously made public: yes

COMPLETE LIST with surname, first name, profession, place of residence (address, number, postal code, and municipality) and position in the enterprise of the DIRECTORS, MANAGERS, AND AUDITORS

Chairman of the board of directors:

Cerfontaine, Jan
Neerstraat 78, 9112 Sint-Niklaas (Sinaai) Mandate
01/05/2013 -26/04/2019

(continued on following page)

Included with this annual account:
- the report of the statutory auditor
- the annual report of the Board of Directors to the ordinary General Meeting of Shareholders

Total number of pages filed: 125 Numbers of pages from the standard model which were not filed because they were not of use: 5.4.1, 5.4.2, 5.5.3, 5.5.5, 5.5.6, 5.6.2, 5.7.2, 5.8.4, 5.20, 5.21.1, 5.21.2, 5.21.4, 5.28.1, 5.30, 5.32.2

Signature (name and function)	Signature (name and function)
[Signature]	*[Signature]*
Wauters Gert	Ameloot Geert
Director	Director

* Elective statement
** Remove what is not applicable

LIST OF DIRECTORS, MANAGERS, AND
AUDITORS (continued from previous page)

Directors:
Heller, Johan
Beeksestraat 76, NL-4841 GD Prinsenbeek
Mandate 01/10/2010 – 29/04/2016

Ameloot, Geert
Goudvinklaan 17, 2610 Antwerpen-Wilrijk
Mandate 01/07/2011 - 29/04/2016

Walkiers, Emiel
Maarschalk Gérardstraat 11, 2000 Antwerpen
Mandate 19/11/2013 - 29/04/2016

RACO b.v.b.a. 0434.806.359
Represented by Van Rompuy, Bart
Van Putlei 54, 2018 Antwerpen
Mandate 20/05/2003 – 29/04/2016

Advaro b.v.b.a. 0431.568.836
Represented by Van Rompuy, Dirk
Acacialaan 13, 2020 Antwerpen 2
Mandate 25/04/2003 – 29/04/2016

Van Dessel, Dirk
Schransstraat 37b, 2530 Boechout
Mandate 01/04/2009 – 29/04/2016

De Moor Marc
Zandstraat 1, 9750 Zingem
Mandate 03/04/2006 – 30/09/2014

De Haes Geert
Oelegemsteenweg 40, 2160 Wommelgem
Mandate 01/04/2007 – 29/04/2016

Wauters Gert
Grensstraat 5A, 3200 Aarschot
Mandate 01/10/2010 – 29/04/2016

(continued on following page)

LIST OF DIRECTORS, MANAGERS, AND
AUDITORS (continued from previous page)

Directors:
Coppens, Anne
Oudenhovestraat 2, 9620 Sint-Maria-Oudenhove
Mandate 01/12/2014 – 24/04/2020

Directors, residing as independent members:
Van Pottelberge, Walter Frilinglei
74, 2930 Brasschaat Mandate
01/12/2014- 29/04/2016

Henriksen, Carlo
Sionkloosterlaan 15, 2930 Brasschaat
Mandate 01/12/2014 – 24/04/2020

Vanderstichele, Rafaël
Frans Degreefstraat 8, 1652 Alsemberg
Mandate 25/04/2014 – 27/04/2018

Van Keirsbilck, Jean Paul
Mezenhof 16, 1933 Sterrebeek
Mandate 19/11/2013 - 25/04/2014

Ter Lande Invest n.v. 0447.502.471
Represented by Van Pottelberge, Walter
Frilinglei 74, 2930 Brasschaat
Mandate 01/04/2007 - 30/11/2014

MC Pletinckx b.v.b.a. 0833.003.435
Represented by Pletinckx, Marie Claire
Avenue des Pélerins 19, 1380 Lasne
Mandate 22/02/2011 - 31/08/2014

Pletinckx, Marie Claire
Avenue des Pélerins 19, 1380 Lasne
Mandate 01/09/2014 - 31/12/2014

Auditors:
Deloitte Bedrijfsrevisoren BV under a c.v.b.a. 0429.053.863
Berkenlaan 8b, 1831 Diegem
Membership number IBR 025
Represented by Vlaminckx, Dirk (A-01978)
Berkenlaan 8b, 1831 Diegem
Mandate 26/04/2013 - 29/04/2016

No.	0404.453.574		1.2.

DECLARATION ON AN ADDITIONAL ASSIGNMENT FOR REVIEW OR CORRECTION

The governing body declares that no single order for review or correction was given to any person who is not legally authorised by application of Articles 34 and 37 of the law of 22 April 1999 on the accounting and tax professions.

The financial statements **have/~~have not~~[*] been** audited or corrected by an external auditor or by an audit firm that it is not the Auditor.

In the affirmative case, the following must be mentioned here: name, first name, profession and place of residence of each external accountant or membership number of his Institute as well as the nature of his mission:

A. Keeping the books of the company[**],

B. The preparation of the financial statements**,

C. The audit of the financial statements and/or

D. The correction of the financial statements.

If tasks mentioned in A. or B. are performed by chartered auditors or chartered accountants-tax specialists, the following can be indicated here: name, first name, profession and place of residence of each chartered auditor or chartered accountant-tax specialist and his membership number of his Institute of Accountants and Tax Experts, as well as the nature of his mission.

Surname, first name, profession and place of residence	Membership number	Nature of the assignment (A, B, C and/or D)

[*] Delete as applicable.
[**] Optional statement.

BALANCE SHEET AFTER APPROPRIATION

	Notes	Codes	Fiscal year	Previous fiscal year
ASSETS				
I. Cash, cash equivalents with central banks, postal cheque and giro services		10100	44.479.179	38.898.913
II. Government securities eligible for central bank refinancing		10200	62.935.143	33.402.629
III. Loans and advances to credit institutions	5.1	10300	388.448.297	219.714.750
A. Repayable on demand		10310	366.597.413	219.714.750
B. Other receivables (with agreed maturity dates or periods of notice)		10320	21.850.884	0
IV. Loans and advances to customers	5.2	10400	21.466.733.967	18.957.045.096
V. Bonds and other fixed-interest securities	5.3	10500	9.984.641.382	11.444.636.285
A. Issued by public bodies		10510	4.101.621.522	5.031.823.869
B. Issued by other issues		10520	5.883.019.860	6.412.812.416
VI. Shares and other non-fixed interest securities	5.4	10600	0	0
VII. Financial fixed assets	5.5/ 5.6.1	10700	18.708.265	18.840.509
A. Participating interests in affiliated enterprises		10710	18.680.067	18.812.311
B. Participating interests in enterprises linked by participating interests		10720		
C. Other shares held as financial fixed assets			28.198	28.198
D. Subordinated loans to affiliated enterprises and to other enterprises linked by participating interests		10730		
		10740		
VIII. Formation expenses and intangible fixed assets	5.7	10800	103.793.844	99.744.896
IX. Tangible fixed assets	5.8	10900	34.217.518	35.950.614
X. Own shares		11000		
XI. Other assets	5.9	11100	23.043.567	40.280.249
XII. Transitory accounts	5.10	11200	200.300.556	264.626.346
TOTAL ASSETS				

No.	0404.453.574	2.2

All.

LIABILITIES

		Codes	Fiscal year	Previous fiscal year
DEBT CAPITAL		201/208	30.930.644.558	29.946.475.639
I. Amounts owed to credit institutions	5.11	20100	428.370.997	146.763.833
A. Repayable on demand		20110	17.739.550	20.013.833
B. Mobilisation debts via rediscounting of commercial paper		20120		
C. Other debts with agreed maturity dates or period of notice		20130	410.631.447	126.750.000
II. Amounts owed to customers	5.12	20200	28.091.385.678	26.693.784.142
A. Savings funds / savings deposits		20210	21.048.932.124	20.181.228.491
B. Other debts		20220	7.042.453.554	6.512.555.651
1. Repayable on demand		20221	4.618.759.018	4.088.898.201
2. With agreed maturity dates or period of notice		20222	2.423.694.536	2.423.657.450
3. Via rediscounting of commercial paper		20223		
III. Debt certificates	5.13	20300	1.596.500.973	2.292.105.105
A. Bonds and Other fixed-interest securities in circulation		20310	1.596.500.973	2.292.105.105
B. Other debt		20320		
IV. Other liabilities	5.14	20400	87.509.424	60.657.869
V. Transitory accounts	5.15	20500	190.518.917	221.767.251
VI. Provisions and deferred taxes		20.600	13.961.691	13.335.327
A. Provisions for liabilities and charges		20610	13.708.037	13.069.332
1. Pension and similar obligations		20611		
2. Taxes		20612		
3. Other liabilities and charges	5.16	20613	13.708.037	13.069.332
B. Deferred taxes		20620	253.654	265.995
VII. Fund for general banking risks		20700	16.000.000	16.000.000
VIII. Subordinated liabilities	5.17	20800	506.396.878	502.062.112
OWN FUNDS		209/213	1.396.657.160	1.206.664.648
IX. Capital	5.18	20900	579.077.650	518.246.650
A. Subscribed capital		20910	579.077.650	518.246.650
B. Uncalled capital (-)		20920		
X. Share premium accounts		21000		
XI. Revaluation surpluses		21100	3.909.290	14.033.952
XII. Reserves		21200	813.670.220	674.384.046
A. Legal reserve		21210	53.181.245	43.194.530
B. Unavailable reserves		21220	0	0
1. for own shares		21221		
2. other		21222		
C. Untaxed reserves		21230	492.607	516.574
D. Reserves available for distribution		21240	759.996.368	630.672.942
XIII. Profits (losses (-) brought forward		21300		
TOTAL LIABILITIES		29900	32.327.301.718	31.153.140.287

No.	0404.453.574		2.3

All.

OFF-BALANCE SHEET ITEMS

		Codes	Fiscal year	Previous fiscal year
I. Contingent liabilities	5.22	30100	3.847.225	44.551.926
A. Non-negotiated acceptances		30110		
B. Credit-replacing guarantees		30120	0	40.931.710
C. Other guarantees		30130	3.847.225	3.620.216
D. Documentary credits		30140		
E. Assets subject to collateral security for third-party accounts		30150		
II. Commitments with potential credit risk	5.22	30200	6.072.699	13.027.719
A. Commitments to provide funds		30210		
B. Commitments via cash purchase of securities and other values		30220	474.528	255.000
C. Available margin on confirmed credit lines		30230	5.598.171	12.772.719
D. Commitments for underwriting and placement of securities		30240		
E. Commitments as a result of open-ended sale and repurchase agreements		30250		
III. Assets lodged with the credit institution		30300	9.138.032.751	9.711.181.214
A. Asset held by the credit institutions for fiduciary purposes		30310		
B. Safe custody and equivalent terms		30320	9.138.032.751	9.711.181.214
IV. Uncalled amounts of share capital		30400		

No.	0404.453.574	3.1

INCOME STATEMENT

(presentation in vertical form)

	All.	Codes	Fiscal Year	Previous fiscal year
I. Interest income and similar earnings	5.23	40100	1.036.833.818	1.013.903.259
A. Including: from fixed-interest securities		40110	237.924.897	292.485.249
II. Interest costs and similar costs (-)		40200	(482.633.313)	(572.033.204)
III. Income from non-fixed-rate securities	5.23	40300	2.991.429	0
A. From shares and other non-fixed-rate securities		40310		
B. From participating interests in affiliated enterprises		40320	2.991.429	0
C. From participating interests in other enterprises				
linked by participating interests		40330		
D. From other shares held as fixed assets				
		40340	0	0
IV. Commissions received	5.23			
A. Brokerage and related commissions		40400	72.515.583	64.792.805
B. Fees for management, advice and		40410	23.580.358	18.564.190
custody services				
C. Other commissions received		40420	29.376.558	24.498.825
		40430	19.558.667	21.729.790
V. Paid Commissions (-)				
		40500	(135.103.452)	(147.631.815)
VI. Profit (Loss) on financial transactions (+)/(-)	5.23			
A. On trading of securities and other financial		40600	7.779.065	31.188.584
investments				
B. From the disposal of investment securities		40610	(11.773)	(946)
		40620	7.790.838	31.189.530
VII. General administrative costs (-)				
A. Remuneration, social security and pensions		40700	(176.187.325)	(136.485.716)
B. Other administrative costs		40710	(33.566.465)	(31.049.607)
		40720	(142.620.860)	(105.436.109)
VIII. Depreciation of formation expenses, on intangible and				
tangible fixed assets (-)			(43.692.118)	(39.380.767)
IX. Write-downs on receivables and on provisions for		40800		
Off-balance sheet items ‘I. Contingent liabilities’ and			(6.315.471)	(17.393.659)
‘II. Commitments which could give rise to a risk’ (+)/(-)				
X. Write-downs on the investment portfolio in bonds,				
shares, and other fixed-interest or non-fixed-interest				
securities: additions (withdrawals) (+)/(-)				
		40900		
XI. Provisions for other risks and charges than mentioned				
in the off-balance sheet items 'I. Potential liabilities' and			1.606.343	1.945.683
'II. Commitments with potential credit risk': expenses				
(withdrawals) (+)/(-)		41000		
			0	147.576
XII. Provisions for other risks and costs than				
mentioned in the off-balance sheet items 'I.				
Potential liabilities' and 'II. Commitments		41100		
with potential credit risk' (-)			(638.705)	(4.203.029)
XIII. Transfer from (Transfer to) the Fund for				
general banking risks (+)/(-)				
		41200		
XIV. Other operating income	5.23		(0)	(0)
XV. Other operating charges (-)	5.23	41300		
XVI. Profit (Loss) on ordinary activities before taxes (+)/(-)		41400	37.474.962	29.438.951
		41500	(60.325.893)	(41.071.754)
		41600	254.304.923	183.216.914

Nr.	0404.453.574	3.2

INCOME STATEMENT OVERVIEW

(presentation in vertical form)

	All.	Codes	Fiscal Year	Previous fiscal year
XVII. Extraordinary income		41700	272.302	370.869
A. Reversal of depreciation of formation expenses, intangible and tangible fixed assets.				
B. Reversal of write-downs of financial fixed assets		41710	6.847	
C. Reversal of provisions for extraordinary risks and charges		41720		
D. Gain on disposal of fixed assets		41730		
E. Other extraordinary income	5.25	41740	64.532	161.805
		41750	200.923	209.064
XVIII. Extraordinary expenses (-)				
A. Extraordinary depreciation of formation expenses, intangible, and tangible fixed assets		41800	(194.307)	(118.049)
B. Write down of financial fixed assets		41810	(9.858)	( )
C. Provisions for extraordinary risks and charges (+)/(-)		41820	(132.244)	(78.372)
D. Loss from disposal of fixed assets		41830	( )	( )
E. Other exceptional costs	5.25	41840	(52.205)	(35.695)
		41850	(0)	(3.982)
XIX. Profit (Loss) from the fiscal year before taxes…..(+)/(-)		41910	254.382.918	183.469.734
XIX bis. A. Transfer to deferred taxes (-)		41921	( )	( )
B. Transfer from deferred taxes		41922	36.308	36.308
XX. Income taxes (+)/(-)	5.26			
A. Taxes (-)		42000	(54.684.926)	(45.954.399)
B. Regularisation of taxes and write-back of tax provisions		42010	(57.522.554)	(45.954.399)
		42020	2.837.628	0
XXI. Profit (Loss) for the fiscal year (+)/(-)		42100	199.734.300	137.551.643
XXII. Transfer to (transferl from) untaxed reserves (+)/(-)		42200		
XXIII. Profit (Loss) for the period available for appropriation		42300	199.734.300	137.551.643

APPROPRIATION ACCOUNT

	Codes	Fiscal Year	Previous fiscal year
A. Profit (loss) to be appropriated (+)/(-)	49100	199.734.300	137.551.643
1. Profit (loss) for the period available for appropriation (+)/(-)	(42300)	199.734.300	137.551.643
2. Carried forward profit (loss) of prior period(+)/(-)	(21300P)		
B. Transfers from equity	49200	60.831.000	59.141.250
1. from the capital and issue premiums	49210		
2. from the reserves	49220	60.831.000	59.141.250
C. Transfers to equity (-)	49300	(199.734.300)	(137.551.643)
1. To capital and share premium account	49310	( )	( )
2. To the legal reserve	49320	(9.986.715)	(6.877.582)
3. To other reserves	49330	(189.747.585)	(130.674.061)
D. Profit (loss) to be carried forward (+)/(-)	49400		
E. Shareholders' contribution in respect of losses	49500		
F. Profit to be distributed (-)	49600	(60.831.000)	(59.141.250)
1. Dividends (a)	49610	(60.831.000)	(59.141.250)
2. Directors or managers (a)	49620		
3. Other entitled persons (a)	49630		

(a) only for the limited liability company according to Belgian law

NOTES

I. LOANS AND ADVANCES TO CREDIT INSTITUTIONS *(asset item III)*

	Codes	Fiscal year	Previous fiscal year
A. GENERAL STATEMENT OF THE ITEM AS A WHOLE	10300	388.448.297	219.714.750
1. Receivables from affiliated enterprises	50101	43.984	289.610
2. Receivables from other enterprises linked by participating interests	50102		
3. Subordinated loans and advances	50103		
B.GENERAL STATEMENT OF THE OTHER RECEIVABLES (WITHIN A PERIOD OR WITH CANCELLATION)	10320	21.850.884	0
1. Commercial papers considered for refinancing at the central bank of the country(-ies) in which the credit institution is headquartered.	50104		
2. Division of these receivables into their remaining durations:			
a. Maximum of three months	50105	21.850.884	
b. More than three months with year maximum	50106		
c. More than a year with five year maximum	50107		
d. More than five years	50108		
e. Of undefined duration	50109		

II. RECEIVABLES FROM CUSTOMERS *(asset item IV)*

	Codes	Fiscal year	Previous fiscal year
1. Receivables from affiliated enterprises	50201	-221.029.043	-191.764.959
2. Receivables from enterprises with which a shareholding relationship exists	50202		
3. Subordinated loans	50203		
4. Commercial papers considered for refinancing at the central bank of the country(-ies) in which the credit institution is headquartered	50204		

5. Division of the loans and advances to clients into their remaining durations:

a. Maximum of three months	50205	123.413.267
b. More than three months with a year maximum	50206	90.344.175
c. More than a year with a five year maximum	50207	481.763.761
d. More than five years	50208	21.164.121.244
e. Of undefined duration	50209	-392.908.480

6. Division of loans and advances to clients by nature of the debtor

a. Loans and advances to the government	50210	16.000.000	3.000.000
b. Loans and advances to private entities	50211	21.163.255.615	18.718.926.040
c. Loans and advances to enterprises	50212	287.478.352	235.119.056

7. Division of loans and advances to clients by type

a. Commercial paper (incl. own acceptances)	50213	0
b. Claims from leasing and other comparable claims	50214	0
c. Loans with fixed-rate tax percentage	50215	115.331.957
d. Mortgage Loans	50216	20.899.245.550
e. Other loans with a term of more than one year	50217	290.518.384
f. Other claims	50218	161.638.076

8. Geographical division of loans and advances to clients*

a. From Belgium	50219	9.017.637.433
b. From foreign countries	50220	12.449.096.534

9. Analytical data in connection with mortgage loans with reconstitution at the institution or combined with life insurance or capitalisation agreements

a. Initial capital lent	50221	11.712.126
b. Reconstitution funds and mathematical reserves in connection with these loans	50222	8.922.282
c. Net circulation of these loans (a-b)	50223	2.789.844

* Commercial paper is divided with regard to the credit beneficiary

III. BONDS AND OTHER FIXED-INTEREST SECURITIES *(asset item V)*

	Codes	Fiscal year	Previous fiscal year
A. GENERAL STATEMENT	(105000)	9.984.641.382	11.444.636.285
1. Bonds and securities issued by affiliated enterprises	50301	0	59.070.000
2. Bonds and securities issued by enterprises with which a shareholding agreement exists	50302		
3. Bonds and securities representing subordinated loans	50303	80.558.426	60.898.294

4. Geographical division of securities

	Codes	Fiscal year
a. By Belgian public bodies	50304	3.192.995.416
b. By foreign public bodies	50305	908.626.106
c. Belgian issuers other than public bodies	50306	390.501.591
d. Foreign issuers other than public bodies	50307	5.492.518.269

5. Listing

	Codes	Fiscal year
a. Book value of listed securities	50308	9.984.641.382
b. Market value of listed securities	50309	10.332.145.577
c. Book value of unlisted securities	50310	

6. Durations

	Codes	Fiscal year
a. Remaining durations with a maximum of one year	50311	1.958.171.747
b. Remaining durations of more than a year	50312	8.026.469.635

7. Division of securities according to type:

	Codes	Fiscal year
a. Trading portfolio	50313	2.237.421
b. Investment portfolio	50314	9.982.403.961

8. For the trading portfolio

	Codes	Fiscal year
a. Positive difference between the market value and the acquisition value for securities recorded at market value	50315	27.530
b. Positive difference between the market value and the book value as estimated in accordance with art. 35, §2, second clause	50316	0

9. For the investment portfolio

	Codes	Fiscal year
a. Positive difference of all securities in which the repayment value is higher than the book value	50317	8.418.085
b. Negative difference of all securities in which the repayment value is lower than the book value	50318	89.101.457

B. Detailed statement of the carrying value of the investment portfolio bonds and other fixed-interest securities

	Codes	Fiscal year
1. Acquisition value at the end of the previous fiscal year	50323P	11.443.859.918
2. Changes during the fiscal year	50319	(1.637.540.905)
a. Acquistions	50320	3.861.535.149
b.Sales (-)	50321	(5.410.903.851)
c. Adjustments by application of art. 35 §4 and 5 (+/-)	50322	88.172.203
3. Acquistion value at the end of the fiscal year	50323	9.982.663.419
4.Transfers between portfolios		
a. Transfers from investment portfolio to trading portfolio(-)	50324	( )
b. Transfers from trading portfolio to investment portfolio(+)	50325	
c. Impact on result	50326	
5.Write-downs at the end of the previous fiscal year	50332P	1.865.801
6.Changes during the fiscal year	50327	(1.606.343)
a. Recorded	50328	
b. Excess written back (-)	50329	(1.606.343)
c. Transferred (-)	50330	( )
d. Transferred from one item to another (+/-)	50331	
7. Write-down as at the end of fiscal year	50332	259.458
8. Net carrying value by end of fiscal year **(a) + b)1. - c))**	(50314)	9.982.403.961

No.	0404.453.574		5.3.3

III bis. An account of the operations performed pursuant to the law setting various rules with regard to thematic citizen loans:

1. the total amount of money attracted by the aforementioned law of 26 December 2013 and its division into:

a. money attracted in the form of deposit certificates and term deposits in accordance with article 4 of the aforementioned law; 20.274.405

b. money attracted by interbank loans agreed upon in accordance with article 5 of the aforementioned law;

2. statement of the use of the aforementioned attracted money and its division into the following categories:

a. citizen loans given in accordance with the aforementioned law;

b. investments realised in accordance with article 10 of the aforementioned law; 31.610.579

c. interbank loans given in accordance with the aforementioned law;

3. income from investments realised in accordance with article 10 of the aforementioned law, divided by the nature of investment; 234.033

V. FINANCIAL FIXED ASSETS (asset item VII)

	Codes	Fiscal year	Previous Fiscal year
A. General statement			
1. Division of financial fixed assets by economic sector			
a. Participating interests in affiliated enterprises which are credit institutions	50501	14.261.490	14.261.490
b. Participating interests in affiliated enterprises which are not credit institutions	50502	4.418.577	4.550.821
c. Participating interests in other enterprises linked by participating interests which are credit institutions	50503		
d. Participating interests in other enterprises linked by participating interests which are not credit institutions	50504		
e. Other shares belonging to financial fixed assets in enterprises which are credit institutions	50505		
f. Other shares belonging financial fixed assets in enterprises which are not credit institutions	50506	28.198	28.198
g. Subordinated loans from affiliated enterprises which are credit institutions	50507		
h. Subordinated loans from affiliated enterprises which are not credit institutions	50508		
i. Subordinated loans from other enterprises linked by participating interests which are credit institutions	50509		
j. Subordinated loans from other enterprises linked by participating interests which are not credit institution	50510		
2. Listings			
a. Participating interests in affiliated enterprises which are registered	50511		
b. Participating interests in affiliated enterprises which are not registered	50512	18.680.067	
c. Participating interests with other enterprises linked by participating interests which are registered	50513		
d. Participating interests with other enterprises linked by participating interests which are not registered	50514		
e. Other shares belonging to financial fixed assets in enterprises which are registered.	50515		
f. Other shares belonging to financial fixed assets in enterprises which are not registered	50516	28.198	
g. Sum of the subordinated loans represented by registered securities	50517		

No.	0404.453.574		5.5.

	Codes	Fiscal year	
B. Detailed statement of the carrying value of shareholding in affiliated enterprises			
1.Acquisition value by end of previous fiscal year	50522P	13.373.266	
2.Changes during the fiscal year	50518	(	)
a. Purchases	50519		
b. Sales and disposals	50520	(	)
c. Transfers from one item to another (+)/(-)	50521		
3.Acquisition value by end of fiscal year	50522	13.373.266	
4. Revaluation surpluses by end of previous fiscal year	50528P	5.517.417	
5.Changes during the fiscal year	50523	(	)
a. Recorded	50524		
b. Acquired from third-parties	50525	(	)
c. Cancellations (-)	50526	(	)
d. Transferred from one item to another(+)/(-)	50527		
6. Revaluation surpluses by end of fiscal year	50528	5.517.417	
7. Depreciation of value by end of previous fiscal year	50535P	78.372	
8.Changes during the fiscal year	50529	(	)
a. Recorded	50530	132.244	
b. Excess written back(-)	50531	(	)
c. Acquired from third-parties	50532		
d. Cancellations (-)	50533	(	)
e. Transferred from one item to another(+/-)	50534		
9. Depreciation of value by end of fiscal year	50535	210.616	
10. Net carrying value by end of fiscal year	10710	18.680.067	

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	Codes	Fiscal year
D. Detailed statement of the carrying value of other shares belonging to financial fixed assets.		
1. Acquisition value by end of previous fiscal year	50558P	28.198
2. Changes during the fiscal year	50554	(0)
a. Purchase	50555	
b. Sales and disposals	50556	( )
c. Transfers from one item to another(+)/(-)	50557	
3. Acquisition value by end of fiscal year	50558	28.198
4. Revaluation surpluses by end of previous fiscal year	50564P	
5.Changes during the fiscal year	50559	
a. Recorded	50560	
b. Acquired from third-parties	50561	
c. Cancellations (-)	50562	( )
d. Transferred from one item to another(+)/(-)	50563	
6. Revaluation surpluses by end of fiscal year	50564	
7. Depreciation of value by end of previous fiscal year	50571P	
8. Changes during the fiscal year	50565	( )
a. Recorded	50566	
b. Excess written back (-)	50567	( )
c. Acquired from third-parties	50568	
d. Cancellations (-)	50569	( )
e. Transferred from one item to another(+/-)	50570	
9. Depreciation of value by end of fiscal year	50571	0
10. Net carrying value by end of fiscal year	10730	28.198

VI. LIST OF ENTERPRISES IN WHICH THE INSTITUTION HOLDS A PARTICIPATING INTEREST

A. Participating interests and other rights in other companies

The enterprises named hereafter are those in which the institution possesses a participating interest in the meaning of the the Royal Decree of 23 September 1992, as well as other enterprises in which the institution holds rights equal to at least 10% of issued capital.

Name, complete address of office, and the enterprise number according to Belgian law	Shares held				Data from the most recently published annual account			
	directly			By sub-sidiaries	Annual Account from	Cur-Rency	Own funds	Net result
	Type	Qty	%	%			(+) of (-)	(+) of (-)
Codes								
Argentabank SA Boulevard du Prince Henri 27 L - 1724 Luxembourg R.C. Luxembourg B 35185	Cap. shar.	349	99,71		31/12/2014	EUR	16.177.041	1.391.226
Argenta Nederland nv Prins Bernhardplein 200 NL - 1097 JB Amsterdam H.R. Amsterdam 33215872	Cap. shar.	500	100,00		31/12/2014	EUR	4.386.738	-31.707

VII. FORMATION EXPENSES AND INTANGIBLE FIXED ASSETS (asset item VIII)

	Codes	Fiscal year	Previous Fiscal year
A. FORMATION EXPENSES			
1. Net carrying value from the previous fiscal year	50705P	xxxxxxxxxxx	148.582
2. Changes during the fiscal year	50701	(52.500)	
a. New expenses incurred	50702		
b. Depreciations (-)	50703	(52.500)	
c. Other (+/-)	50704		
3. Net carrying value by end of fiscal year	50705	96.082	
4. which are:			
a. Formation expenses or capital increase, costs from loan issue, and other formation expenses.	50706	96.082	
b. Restructuring costs	50707		

	Codes	Fiscal year	Previous fiscal year
C. ACQUSITION COMMISSIONS FOR ATTRACTING NEW BUSINESS WITH CUSTOMERS			
1. Acquisition value by end of fiscal year	50725P	xxxxxxxxxx	110.209.369
2. Changes during the fiscal year	50721	(1.893.578)	
a. Purchases, including produced fixed assets	50722	20.872.856	
b. Sales and disposals	50723	(22.766.434)	
c. Transfers from one item to another	50724		
3. Acquisition value by end of fiscal year	50725	108.315.791	
4. Depreciation of value by end of fiscal year	50732P	xxxxxxxxxx	50.340.037
5. Changes during the fiscal year	50726	(618.794)	
a. Recorded	50727	22.147.640	
b. Excess written back	50728		
c. Acquired from third-parties	50729		
d. Cancellations after previous transfer and disposal	50730	(22.766.434)	
e. Transferred from one item to another (+)/(-)	50731		
6. Depreciation of value by end of fiscal year	50732	49.721.243	
7. Net carrying value by end of year	50733	58.594.548	

	Codes	Fiscal Year	Previous fiscal year
D. OTHER INTANGIBLE FIXED ASSETS			
1. Acquisition value by end of fiscal year	50738P	xxxxxxxxxx	74.325.727
2. Changes during the fiscal year	50734	15.294.355	
a. Purchases, including produced fixed assets	50735	21.870.368	
b. Sales and disposals	50736	(6.576.013)	
c. Transfers from one item to another	50737		
3. Acquisition value by end of fiscal year	50738	89.620.082	
4. Depreciation of value by end of fiscal year	50745P	xxxxxxxxxx	34.598.745
5. Changes during the fiscal year	50739	9.918.123	
a. Recorded	50740	15.855.187	
b. Excess written back	50741		
c. Acquired from third-parties	50742		
d. Cancellations after previous transfer and disposal	50743	(5.937.064)	
e. Transferred from one item to another (+)/(-)	50744		
6. Depreciation of value by end of fiscal year	50745	44.516.868	
7. Net carrying value by end of year	50746	45.103.214	

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VIII. TANGIBLE FIXED ASSETS *(asset item IX)*

A. LAND AND BUILDINGS

	Codes	Fiscal year	Previous fiscal year
1. Acquisition value by end of fiscal year	50805P	xxxxxxxxxx	46.610.025
2. Changes during the fiscal year	50801	-12.461.027	
a. Purchases, including produced fixed assets	50802	5.456.218	
b. Sales and disposals	50803	(17.917.245)	
c. Transfers from one item to another	50804		
3. Acquisition value by end of fiscal year	50805	34.148.998	
4. Revaluation surpluses by end of fiscal year	50811P	xxxxxxxxxx	
5. Changes during the fiscal year	50806		
a. Recorded	50807		
b. Acquired from third-parties	50808		
c. Cancellations	50809		
d. Transferred from one item to another(+)/(-)	50810		
6. Revaluation surpluses by end of fiscal year	50811		
7. Depreciation and write-downs by end of fiscal year	50818P	xxxxxxxxxx	20.467.814
8. Changes during the fiscal year	50812	(6.947.245)	
a. Recorded	50813	1.051.022	
b. Excess written back	50814		
c. Acquired from third-parties	50815		
d. Cancellations after previous transfer and disposal	50816	(7.998.267)	
e. Transferred from one item to another(+)/(-)	50817		
9. Depreciation of value by end of fiscal year	50818	13.520.569	
10. Net carrying value by end of year	50819	<u>20.628.429</u>	

No.	0404.453.574			5.8.2.

	Codes	Fiscal year	Previous fiscal year
B PLANT, MACHINERY AND EQUIPMENT			
1. Acquisition value by end of fiscal year	50824P	xxxxxxxxxx	22.445.794
2. Changes during the fiscal year	50820	(2.072.193)	
a. Purchases, including produced fixed assets	50821	4.590.993	
b. Sales and disposals	50822	(6.663.186)	
c. Transfers from one item to another	50823		
3. Acquisition value by end of fiscal year	50824	20.373.601	
4. Revaluation surpluses by end of fiscal year	50830P	xxxxxxxxxx	
5. Changes during the fiscal year	50825		
a. Recorded	50826		
b. Acquired by third-parties	50827		
c. Cancellations	50828		
d. Transferred from one item to another(+)/(-)	50829		
6. Revaluation surpluses by end of fiscal year	50830		
7. Depreciation and write-downs by end of fiscal year	50837P	xxxxxxxxxx	14.475.585
8. Changes during the fiscal year	50831	(2.254.048)	
a. Recorded	50832	3.903.802	
b. Excess written back	50833		
c. Acquired by third-parties	50834		
d. Cancellations after previous transfer and disposal	50835	(6.157.850)	
e. Transferred from one item to another (+)/(-)	50836		
9. Depreciation of value by end of fiscal year	50837	12.221.537	
10. Net carrying value by end of year	50838	8.152.064	

No.	0404.453.574	5.8.3.

C. FURNITURE AND VEHICLES

	Codes	Fiscal year	Previous fiscal year
1. Acquisition value by end of fiscal year	50843P	xxxxxxxxxx	2.066.525
2. Changes during the fiscal year	50839	(564.204)	
a. Purchases, including produced fixed assets	50840	620.141	
b. Sales and disposals	50841	(1.184.345)	
c. Transfers from one item to another	50842		
3. Acquisition value by end of fiscal year	50843	1.502.321	
4. Revaluation surpluses by end of fiscal year	50849P	xxxxxxxxxx	
	50844		
5. Changes during the fiscal year	50845		
a. Recorded	50846		
b. Acquired from third-parties	50847		
c. Cancellations	50848		
d. Transferred from one item to another (+)/(-)	50849		
6. Revaluation surpluses by end of fiscal year	50856P	xxxxxxxxxx	1.024.102
7. Depreciation and write-downs by end of fiscal year			
	50850	(504.532)	
8. Changes during the fiscal year	50851	513.366	
a. Recorded	50852		
b. Excess written back	50853		
c. Acquired from third-parties	50854	(1.017.898)	
d. Cancellations after previous transfer and disposal	50855		
e. Transferred from one item to another (+)/(-)	50856	519.570	
9. Depreciation of value by end of year			
	50857	982.751	
10. Net carrying value by end of year			

No.	0404.453.574	5.8.5.

E. OTHER TANGIBLE FIXED ASSETS

	Codes	Fiscal year	Previous fiscal year
1. Acquisition value by end of fiscal year	50884P	xxxxxxxxxxx	
2. Changes during the fiscal year	50880	24.121	
a. Purchases, including produced fixed assets	50881	24.121	
b. Sales and disposals	50882		
c. Transfers from one item to another	50883		
3. Acquisition value by end of fiscal year	50884	24.121	
4. Revaluation surpluses by end of fiscal year	50890P	xxxxxxxxxxx	
5. Changes during the fiscal year	50885		
a. Recorded	50886		
b. Acquired from third-parties	50887		
c. Cancellations	50888		
d. Transferred from one item to another(+)/(-)	50889		
6. Revaluation surpluses by end of fiscal year	50890		
7. Depreciation and write-downs by end of fiscal year	50897P	xxxxxxxxxxx	
8. Changes during the fiscal year	50891		
a. Recorded	50892		
b. Excess written back	50893		
c. Acquired from third-parties	50894		
d. Cancellations after previous transfer and disposal	50895		
e. Transferred from one item to another(+)/(-)	50896		
9. Depreciation of value by end of fiscal year	50897		
10. Net carrying value by end of year	50898	24.121	

No.	0404.453.574		5.8.6.

F. ASSETS UNDER CONSTRUCTION AND ADVANCE PAYMENTS

	Codes	Fiscal year	Previous fiscal year
1. Acquisition value by end of fiscal year	50903P	xxxxxxxxxx x	0
2. Changes during the fiscal year	50899	3.432.313	
a. Purchases, including produced fixed assets	50900	3.432.313	
b. Sales and disposals	50901	(0)	
c. Transfers from one item to another	50902		
3. Acquisition value by end of fiscal year	50903	3.432.313	
4. Revaluation surpluses by end of fiscal year	50909P	xxxxxxxxxx x	
5. Changes during the fiscal year	50904		
a. Recorded	50905		
b. Acquired from third-parties	50906		
c. Cancellations	50907		
d. Transferred from one item to another(+)/(-)	50908		
6. Revaluation surpluses by end of fiscal year	50909		
7. Depreciation and write-downs by end of fiscal year	50916P	xxxxxxxxxx x	
8. Changes during the fiscal year	50910		
a. Recorded	50911		
b. Excess written back	50912		
c. Acquired from third-parties	50913		
d. Cancellations after previous transfer and disposal	50914		
e. Transferred from one item to another (+)/(-)	50916		
9. Depreciation of value by end of fiscal year	50916		
10. Net carrying value by end of year	50917	3.432.313	

No.	0404.453.574		5.8.7.

G. COSTS FOR LEASED BUILDINGS

	Codes	Fiscal year	Previous fiscal year
1. Acquisition value by end of fiscal year	50922P	xxxxxxxxxx	1.302.236
2. Changes during the fiscal year	50918	954.931	
a. Purchases, including produced fixed assets	50919	1.364.128	
b. Sales and disposals	50920	(409.197)	
c. Transfers from one item to another	50921		
3. Acquisition value by end of fiscal year	50922	2.257.167	
4. Revaluation surpluses by end of fiscal year	50928P	xxxxxxxxxx	
5. Changes during the fiscal year	50923		
a. Recorded	50924		
b. Acquired from third-parties	50925		
c. Cancellations	50926		
d. Transferred from one item to another(+)/(-)	50927		
6. Revaluation surpluses by end of fiscal year	50928		
7. Depreciation and write-downs by end of fiscal year	50935P	xxxxxxxxxx	506.465
8. Changes during the fiscal year	50929	752.862	
a. Recorded	50930	958.443	
b. Excess written back	50931		
c. Acquired from third-parties	50932		
d. Cancellations after previous transfer and disposal	50933	(205.581)	
e. Transferred from one item to another(+)/(-)	50934		
9. Depreciation of value by end of fiscal year	50935	1.259.327	
10. Net carrying value by end of year	50936	<u>997.840</u>	

IX. REMAINING ASSETS *(asset item XI)*

	Fiscal year
Division of assets item XI, in the case a significant sum occurs	
Suppliers	4.989.531
Tax receivables	17.914.361
VAT receivables	77.402
Miscellaneous	62.273

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X. TRANSITORY ACCOUNTS

	Codes	Fiscal year
1. Deffered charges	51001	89.280.854
2. Accrued income	51002	111.019.702

X.bis REINVESTMENT OF SEGREGATED CLIENT FUNDS

	Codes	Fiscal year
Total	51003	

XI. DEBTS TO CREDIT INSTITUTIONS (liability item I)

	Codes	Fiscal year	Previous fiscal year
1. Debts to affiliated enterprises	51101	15.469.691	67.019.663
2. Debts to other enterprises linked by participating interests	51102		
3. Division of debts not repayable on demand by their remaining duration			
a. Maximum of three months	51103	410.631.447	
b. More than three months with a maximum of one year	51104	0	
c. More than a year with a maximum of five years	51105	0	
d. More than five years	51106	0	
e. Of undefined duration	51107	0	

XII. DEBTS TO CLIENTS (liability asset II)

	Codes	Fiscal year	Previous fiscal year
1. Debts to affiliated enterprises	51201	116.412.963	174.319.925
2. Debts to other enterprises linked by participating interests	51202		
3. Division of debts to clients by their remaining duration			
a. Repayable on demand	51203	4.618.759.018	
b. Maximum of three months	51204	355.262.206	
c. More than three months with a maximum of one year	51205	181.877.050	
d. More than a year with a maximum of five years	51206	1.651.595.356	
e. More than five years	51207	234.959.924	
f. Of undefined duration	51208	21.048.932.124	
4. Division of debts to clients by creditor type			
a. Debts to the government	51209	0	0
b. Debts to private entities	51210	27.245.152.864	25.304.192.019
c. Debts to enterprises	51211	846.232.814	1.389.592.123
5. Geographical division of debts to clients			
a. From Belgium	51212	25.431.343.749	
b. From foreign countries	51213	2.660.041.929	

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XIIII. SECURITISED DEBT *(liability asset III)*

	Codes	Fiscal year	Previous fiscal year
1. Securitised debt which, to the knowledge of the institution, are owed to affiliated enterprises	51301	13.956.600	36.695.932
2. Securitised debt which, to the knowledge of the institution, are owed to enterprises with which a shareholding agreement exists	51302		
3. Division of securitised debt by remaining duration			
a. Maximum of three months	51303	122.063.112	
b. More than three months with a maximum of one year	51304	136.011.837	
c. More than a year with a maximum of five years	51305	1.261.605.203	
d. More than five years	51306	76.820.821	
e. Of undefined duration	51307	0	

XIV. OTHER LIABILITIES (*liability asset IV)*

	Codes	Boekjaar
1. Debts concerning taxes, remuneration and social security with respect to the tax administration	51401	9.420.469
a. Defaulted debts	51402	
b. Non-defaulted debts	51403	9.420.469
2. Debts concerning taxes, remuneration, and social security charges with respect to National Social Security	51404	30.659
a. Defaulted debts	51405	
b. Non-defaulted debts	51406	30.659
3.Taxes		37.251.807
a. Taxes payable	51407	
b. Estimated tax liabilities	51408	37.251.807
4. Other liabilities		40.806.489
Division of the item in the case that a significant sum occurs		
Supplier	51409	17.862.840
Provisions	51410	6.494.042
Other debts	51411	233.658
Invoices to be received	51412	16.215.949

XV. TRANSITORY ACCOUNTS *(liability item V)*

	Codes	Fiscal year
1. Accrued charges	51501	179.571.484
2. Deferred income	51502	10.947.433

XVI. PROVISIONS FOR OTHER RISKS AND CHARGES *(liability item VI. A. 3)*

	Fiscal Year
Division of liability item VI.A.3 in the case that a significant sum occurs	
General provisions	
Broker loss provisions	
General branch provisions	

XVII. SUBORDINATED LIABILITIES *(liability item VIII)*

	Codes	Fiscal year	Previous fiscal year
1. Subordinated liabilities due to affiliated enterprises	51701	0	0
2. Subordinated liabilities due to to other enterprises linked by participating interests	51702		

	Codes	Fiscal year
3. Costs associated with subordinated loans, accrued for the fiscal year	51703	18.288.197

4. The following information is provided for each subordinated loan: the reference number, currency code, debt amount in the debt currency, modality for the reimbursement, due date and, if no due date is defined, the modality of the duration, the circumstances in which the institution must provide early repayment for the debt, if available, the conditions of the subordination, and the conditions for conversion into capital or into another form of liability, if available.

reference number	currency	amount	due date or modality of the duration	a) circumstances in which the institution may provide early repayment b) conditions for the subordination c) conditions for the conversion
ASPA	EUR	68.800.000	31/10/2016	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	8.381.863	01/2015	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	5.905.345	02/2015	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	8.090.541	03/2015	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	11.722.420	04/2015	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	16.318.740	05/2015	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	8.434.931	06/2015	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	4.809.400	07/2015	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	4.415.381	08/2015	a) no early repayment b) payment of debt after all senior and non-senior debts c) none

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reference number	currency	amount	due date or modality of the duration	a) circumstances in which the institution may provide early repayment b) conditions for the subordination c) conditions for the conversion
ASPA	EUR	2.945.165	09/2015	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	67.500	10/2015	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	39.623.807	12/2015	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	56.629.305	01/2016	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	25.519.885	02/2016	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	20.098.258	03/2016	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	9.312.581	04/2016	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	12.984.690	05/2016	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	14.067.449	06/2016	a) no early repayment b) payment of debt after all senior and non-senior debts c) none

reference number	currency	amount	due date or modality of the duration	a) circumstances in which the institution may provide early repayment b) conditions for the subordination c) conditions for the conversion
ASPA	EUR	13.174.577	07/2016	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	8.817.741	08/2016	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	7.012.229	09/2016	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	3.975.633	10/2016	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	2.675.715	11/2016	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	1.827.421	12/2016	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	2.376.107	01/2017	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	2.291.763	02/2017	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	5.481.911	03/2017	a) no early repayment b) payment of debt after all senior and non-senior debts c) none

reference number	currency	amount	due date or modality of the duration	a) circumstances in which the institution may provide early repayment b) conditions for the subordination c) conditions for the conversion
ASPA	EUR	6.652.622	04/2017	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	11.577.946	05/2017	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	9.510.723	06/2017	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	7.853.457	07/2017	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	5.007.731	08/2017	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	4.202.472	09/2017	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	3.809.137	10/2017	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	2.710.220	11/2017	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	2.421.880	12/2017	a) no early repayment b) payment of debt after all senior and non-senior debts c) none

reference number	currency	amount	due date or modality of the duration	a) circumstances in which the institution may provide early repayment b) conditions for the subordination c) conditions for the conversion
ASPA	EUR	8.248.845	01/2018	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	1.942.135	02/2018	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	1.391.989	03/2018	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	963.235	04/2018	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	1.496.684	05/2018	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	1.552.057	06/2018	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	849.900	07/2018	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	1.497.581	08/2018	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	1.052.760	09/2018	a) no early repayment b) payment of debt after all senior and non-senior debts c) none

reference number	currency	amount	due date or modality of the duration	a) circumstances in which the institution may provide early repayment b) conditions for the subordination c) conditions for the conversion
ASPA	EUR	606.063	10/2018	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	1.089.662	11/2018	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	1.077.220	12/2018	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	1.857.330	01/2019	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	2.290.333	02/2019	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	2.164.360	03/2019	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	1.799.248	04/2019	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	2.873.522	05/2019	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	4.320.289	06/2019	a) no early repayment b) payment of debt after all senior and non-senior debts c) none

reference number	currency	amount	due date or modality of the duration	a) circumstances in which the institution may provide early repayment b) conditions for the subordination c) conditions for the conversion
ASPA	EUR	3.190.550	07/2019	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	6.542.417	08/2019	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	4.721.378	09/2019	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	3.735.215	10/2019	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	4.257.995	11/2019	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	5.499.165	12/2019	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	14.706.401	01/2020	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	3.302.007	02/2020	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	513.112	03/2020	a) no early repayment b) payment of debt after all senior and non-senior debts c) none

reference number	currency	amount	due date or modality of the duration	a) circumstances in which the institution may provide early repayment b) conditions for the subordination c) conditions for the conversion
ASPA	EUR	405.560	04/2020	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	874.600	05/2020	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	368.450	06/2020	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	291.923	07/2020	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	275.952	08/2020	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	535.415	09/2020	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	170.600	10/2020	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	348.379	11/2020	a) no early repayment b) payment of debt after all senior and non-senior debts c) none
ASPA	EUR	78.000	12/2020	a) no early repayment b) payment of debt after all senior and non-senior debts c) none

XVIII. CAPITAL AND SHAREHOLDER STRUCTURE

A. CAPITAL

	Codes	Fiscal year	Previous fiscal year
1. Subscribed capital			
a. Subscribed share capital by end of fiscal year	20910P	xxxxxxxxxxxx	518.246.650
b. Subscribed share capital by end of fiscal year	(20910)	579.077.650	

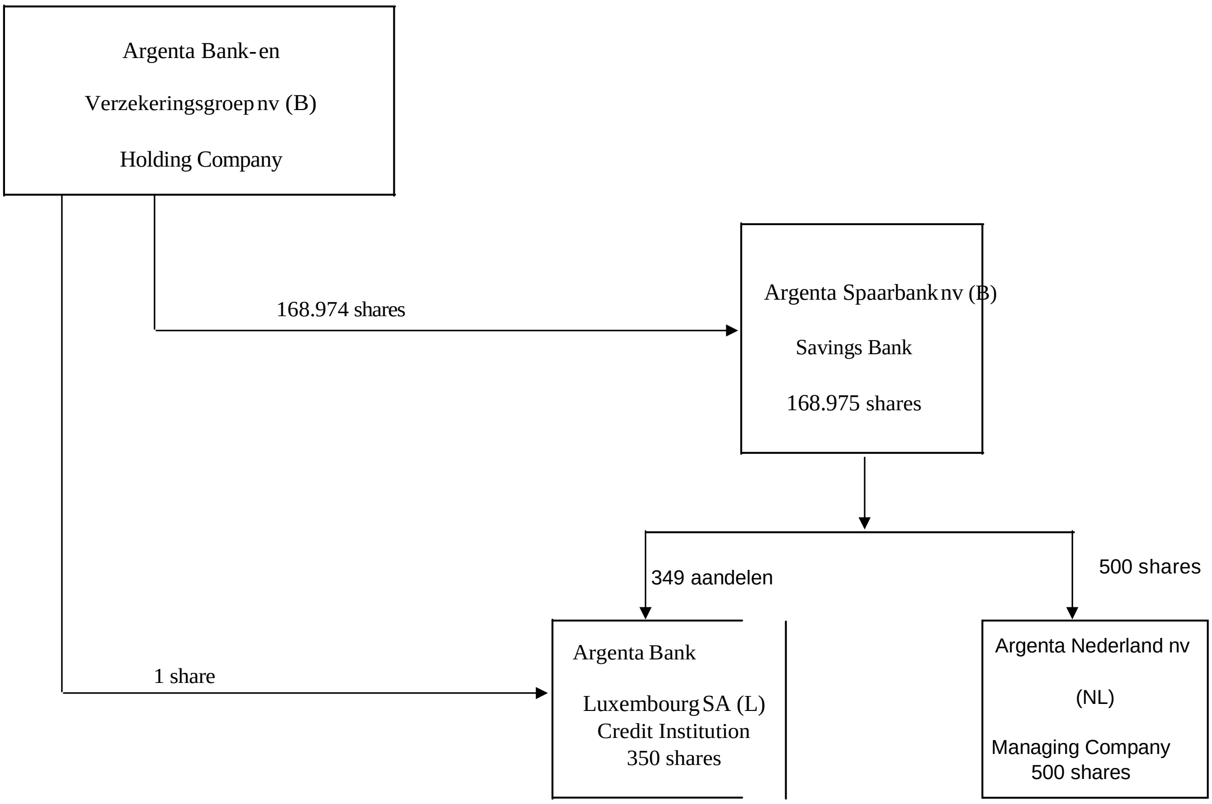
	Codes	Amounts	Number of shares
c. Changes during the fiscal year			
26-11-2014 Capital increase without issue of new shares		60.831.000	0
d. Composition of capital			
e. Share types			
Capital shares without par value		579.077.650	168.975
f. Registered shares	51801	xxxxxxxxxxxx	168.975
g. Shares to bearer and/or dematerialised shares	51802	xxxxxxxxxxxx	

	Codes	Uncalled amount	Non banked amount
2. Non-paid-up share capital			
a. Uncalled capital	(20920)		xxxxxxxxxxxx
b. Called but unpaid share capital	51803	xxxxxxxxxxxx	
c. Shareholders still owing capital payment			

Nr.	0404.453.574	5.18.2.

	Codes	Fiscal year
3. Own shares		
a. Held by the institution		
* Capital amount	51804	
* Number of shares	51805	
b. Held by its subsidiaries		
* Capital amount	51806	
* Number of shares	51807	
4. Commitment to share issue		
a. As a result of exercised CONVERSION RIGHTS		
* Sum of current convertible debt	51808	
* Sum of capital to be subscribed	51809	
* Maximum number of shares to be issued	51810	
b. As a result of exercised SUBSCRIPTION RIGHTS		
* Number of active registration fees	51811	
* Sum of capital to be subscribed	51812	
* Maximum number of shares to be issued	51813	
5. Authorised capital not issued	51814	200.000.000
6. Non-capital shares		
a. Distribution		
* Number of shares	51815	
* Those with associated suffrage	51816	
b. Division according to shareholders		
* Number of shares held by the company	51817	
* Number of shares held by its subsidiaries	51818	

B. YEAR END SHAREHOLDER STRUCTURE ACCORDING TO THE NOTIFICATIONS RECEVED BY THE INSTITUTION



Status as of 31 December 2014

XIX. DIVISION OF THE BALANCE SHEET, IF MORE THAN 15 MILLION EUROS, IN EUROS AND FOREIGN CURRENCY

	Codes	Fiscal year
1. Total assets		
a. In Euros	51901	32.327.301.718
b. In foreign currency (equivalent value in Euros)	51902	
2. Total liabilities		
a. In Euros	51903	
b. In foreign currency (equivalent value in Euros)	51904	32.327.301.718

XXI. STATEMENT OF GUARANTEED DEBTS AND COMMITMENTS

	Fiscal year
C. PLEDGES TO OTHER ASSETS (carrying value of pledged assets)	
1. Collateral which was given or irrevocably promised by the institution to its own assets as a guarantee for the debts and commitments of the institution.	
a. Liability item	
Securities pledged for tender	
b. Off balance sheet items	
Securities pledged for collateral swap	489.285.000
Securities pledged for collateral repo	367.000.000
Credit line given as pledge	31.000.000
Credit line given for NBB	250.000.000
2. Collateral which was given or irrevocably promised by the institution to its own assets as a guarantee for the debts and commitments of third-parties	

No.	0404.453.574		5.22.

XXII. STATEMENT OF CONTINGENT LIABILITIES AND OF COMMITMENTS WITH POTENTIAL CREDIT RISK (off balance sheet items I and II)

	Codes	Fiscal year	Previous fiscal year
1. Total contingent liabilities to be paid by affiliated enterprises		0	40.931.710
2.Total contingent liabilities to be paid by other enterprises linked by participating interests			
3. Total commitments with potential credit risk concerning affiliated enterprises			
4. Total commitments with potential credit risk concerning other enterprises linked by participating interests			

No.	0404.453.574	5.23.1.

XXIII. OPERATING RESULTS (items I to XV of the income account)

	Codes	Fiscal year	Previous fiscal year
1. Division of operating income according to origin			
a. Interest income and comparable income	(40100)		
* Belgian establishments	52301	683.156.718	871.226.588
* Foreign establishments	52302	353.677.100	142.676.671
b. Revenue from non-fixed-interest securities: shares and other non-fixed-interest securities	(40310)		
* Belgian establishments	52303		
* Foreign establishments	52304		
c. Revenue from non-fixed-interest securities: participating interests in affiliated enterprises	(40320)		
* Belgian establishments	52305	2.991.429	0
* Foreign establishments	52306		
d. Revenue from non-fixed-interest securities: participating interests in other enterprises linked by participating interests	(40330)		
* Belgian establishments	52307		
* Foreign establishments	52308		
e. Revenue from non-fixed-interest securities: other shares which belong to financial fixed assets	(40340)		
* Belgian establishments	52309		
* Foreign establishments	52310		
f. Received commissions	(40400)		
* Belgian establishments	52311	72.091.264	64.415.370
* Foreign establishments	52312	424.319	377.435
g. Profit from financial transactions	(40600)		
* Belgian establishments	52313	6.705.641	30.323.098
* Foreign establishments	52314	1.073.424	866.432
h. Other income	(41400)		
* Belgian establishments	52315	37.414.043	28.896.870
* Foreign establishments	52316	60.919	542.081
2. Employees in the personnel register	52317	520	503
a. Total number at closing date	52318	488,70	473,10
b. Average number of calculated full-time personnel	52319	14	19
* Management personnel	52320	474,70	454,10
* Employees A (*Bedienden)*	52321		
* Employees B *(Arbeiders)*	52322		
* Other	52323	706.232,10	667.634,90
c. Number of performed hours			
3. Personnel costs	52324	23.145.910	21.386.310
a. Remuneration and direct social benefits	52325	6.544.553	6.040.231
b. Emloyers' social securitiy	52326	2.413.770	2.287.788
c. Non-government insurance premiums for employers	52327	1.462.232	1.335.278
d. Other personnel costs	52328	0	0
e. Retirement and survivors' pensions			
4. Provisions for pensions and similar oblgiations	52329		
a. Additions (+)	52330		
b. Reversals (-)			

XXIII. OPERATING RESULTS (items I to XV of the income account)
continued

	Codes	Fiscal year	Previous fiscal year
5. Division of the remaining company income in the case that a significant sum occurs under this item			
Intercompany costs division		21.032.355	18.032.950
Portfolio transfer		2.586.314	1.813.322
Recovery of client giro costs		733.653	679.852
Recovery of branch manager costs		6.970.033	5.409.746
Property and parking lease costs		232.564	338.475
Withdrawal of various costs		227.218	758.485
Recovery of deposit protection fees		1.154.219	1.042.358
Purchase of Tier 1 subordinated debt		10.000	14.000
Purchase of term deposits and deposit certificates		349.357	358.469
Other company income		405.716	991.294
Recuperation of taxes		3.773.533	0
6. Other operating expenses			
a. Corporate taxes	52331	42.205.995	27.052.230
b. Other	52332	18.119.898	14.019.524
c. Division of remaining company expenses in the case that a significant sum occurs under this item			
Annual share savings funds		34.101.422	19.728.608
Intercompany cost division		17.632.978	13.730.602
Subscription share		7.690.056	6.987.215
Other company taxes and shares		414.517	336.407
Miscellaneous remaining company costs		486.920	288.922
7. Operating income from affiliated enterprises	52333	27.282.823	22.625.340
8. Operating expenses relating to affiliated enterprises	52334	35.001.263	37.753.874

No.	0404.453.574		5.24.1.

XXIV. STATEMENT OF OFF BALANCE SHEET FORWARD TRANSACTIONS ON SECURITIES, CURRENCIES AND OTHER FINANCIAL INSTRUMENTS WHICH BRING NO OBLIGATION WITH A POTENTIAL CREDIT RISK IN THE MEANING OF OFF BALANCE SHEET ITEM II

	Codes	Fiscal
A. Types of operations (sum at the end date of the calculations)		
1. Operations on securities		
a. Forward purchases and sales of securities and marketable securities	52401	13.560.350
* Which are not operations intended for hedging purposes	52402	13.560.350
2. Exchange transactions (amounts to be provided)		
a. Forward exchange operations	52403	
* Which are not operations intended for hedging purposes	52404	
b. Currency and interest swaps	52405	
* Which are not operations intended for hedging purposes	52406	
c. Currency futures	52407	
* Which are not operations intended for hedging purposes	52408	
d. Currency options	52409	
* Which are not operations intended for hedging purposes	52410	
e. Contracts on forward exchange rates	52411	
* Which are not operations intended for hedging purposes	52412	
3. Operations on other financial instruments		
Forward interest operations (nominal/notional sum)		
a. Interest swap agreements	52413	5.677.986.070
* Which are not operations intended for hedging purposes	52414	
b. Interest future operations	52415	
* Which are not operations intended for hedging purposes	52416	
c. Termed interest contracts	52417	
* Which are not operations intended for hedging purposes	52418	
d. Options on interest	52419	8.500.000.000
* Which are not operations intended for hedging purposes	52420	
Other termed purchases and sales (purchase/sale price agreed between parties)		
e. Other option operations	52421	
* Which are not operations intended for hedging purposes	52422	
f. Other future operations	52423	
* Which are not operations intended for hedging purposes	52424	
g. Other forward purchases and sales	52425	
* Which are not operations intended for hedging purposes	52426	

B. Quantification of the income impact of the derogation of the valuation rule of article 36 bis, § 2 with regard to forward interest operations

	Codes	Fiscal year
1. Forward interest operations regarding treasury management		
a. Nominal/notional sum on the end date of the calculations	52427	
b. Difference between market value and carrying value(+)/(-)	52428	
2. Forward interest operations regarding ALM management		
a. Nominal/notional sum on the end date of the calculations	52429	14.177.986.070
b. Difference between market value and carrying value(+)/(-)	52430	-589.622.396
3. Non-risk reducing forward interest operations (LOCOM)		
a. Nominal/notional sum on the end date of the calculations	52431	
b. Difference between market value and carrying value (+)/(-)	52432	

(a) nominal/notional sum

(b) + : positive difference between market value and recorded results
-: negative difference between market value and recorded resutls

XXV. EXTRAORDINARY RESULTS

	Codes	Fiscal year	
1. Realised gains on transfer of fixed assets to affiliated enterprises	52501		0
2. Realised losses on transfer of fixed assets to affiliated enterprises	52502		0
3. Division of other exceptional income in the case that a significant sum occurs under this item			
- Penalty interest received		278	
- Contingent profit		103	
- Branch tax payment discount		200.542	
4. Division of other exceptional expenses in the case that a significant sum occurs under this item			

No.	0404.453.574	5.26.

XXVI. INCOME TAXES

	Codes	Fiscal year
1. Income taxes for the fiscal year	52601	57.522.554
a. Taxes and withholding taxes due or paid	52602	57.522.554
b. Excess of income tax prepayments and withholding taxes	52603	
c. Estimated additional charges for income taxes	52604	
2. Income taxes for previous fiscal years	52605	2.837.628
a. Additional income taxes due or paid	52606	
b. Additional charges for income taxes, estimated (included in liabilities)	52607	2.837.628
3. Most important sources of differences between profit before taxes, as indicated in the annual accounts, and the estimated taxable profit		
- Notional interest deduction		-28.903.688
- Non-deductible expenses		1.751.163
- IBNR reserve		-2.078.324
- Depreciation of reevaluated surplus		406.842
- Withdrawal of taxable reserves		36.308
- Taxable depreciation of value		-1.300.059
- Definitive taxable income		-2.841.857

4. Impact of extraordinary results on the amount of income taxes for the year

	Codes	Fiscal year
5.Sources of deferred taxes		
a. Deferred tax assets	52608	14.148.622
* Accumulated tax losses which deductible from future taxable profit	52609	
* Other deferred tax assets		
- Non-deductible impairments		5.479.582
- Non-deductible IBNR provision		8.669.040
b.Passive deferrals	52610	
* Division of liability latencies		

XXVII. VALUE-ADDED TAXES AND TAXES BORNE THIRD PARTIES

	Codes	Fiscal year	Previous fiscal year
1. Value-added taxes charged			
a. To the institution (deductible)	52701	1.990.978	573.288
b. By the institution	52702	1.722.414	1.447.778
2. Sums withheld on behalf of third parties			
a. Payroll tax	52703	6.994.765	6.340.466
b. Withholding tax	52704	58.815.074	60.917.594

XXVIII. RIGHTS AND COMMITMENTS WITH RELATED PARTIES NOT RECORDED IN THE BALANCE SHEET

	Fiscal year
B. Transactions with related parties outside normal market conditions	
Declaration of such transactions in the case that they are significant, including the amount of these transactions, the nature of the relationship with the related parties, as well as other information about the transactions that would be required to obtain a better understanding of the institution:	
none	

Additional information

Upon breach of the legal criteria which allow the assessment of transactions with associated parties outside normal market conditions, no information whatsoever could be recorded in the statement.

XXIX. FINANCIAL RELATIONS WITH

A. DIRECTORS AND MANAGERS, INVIDIDUALS OR CORPORATE BODIES WHO DIRECTLY OR INDIRECTLY CONTROL THE ENTERPRISE WITHOUT BEING ASSOCIATED ENTERPRISES OR OTHER ENTERPRISES WHO ARE DIRECTLY OR INDIRECTLY ADMINISTERED BY THESE PERSONS

	Codes	Fiscal year
1.Outstanding loans and advances to these persons..	52901	516.542
Conditions on amounts receivable		
....		
....		
2.Guarantees granted on their behalf..	52902	
Principal terms of the guarantees granted		
....		
....		
3.Other significant commitments undertaken in their favour....................................	52903	....
Main conditions of these obligations		
....		
....		
4.Direct or indirect remuneration and pensions included in P&L , insofar as this declaration does not exclusively or primarily involve the condition of a single identifiable person		
To directors and managers..	52904	956.747
To former directors and former managers...	52905	784.541

B. THE AUDITOR AND THE PEOPLE HE (SHE) IS (ARE) RELATED TO

	Codes	Fiscal year
1. Remuneration of the auditor(s)	52906	260.150
2. Fees for exceptional services or special services provided by the company of the auditor(s)		
Other audit services	52907	16.032
Tax advisory services	52908	9.494
Other non-audit services	52909	132.964
3. Fees for exceptional services or special services provided by persons with whom the auditor(s) is/are related		
Other audit services	52910	....
Tax advisory services	52911	....
Other non-audit services	52912	....

4. Statements in accordance with article 133, paragraph 6, of the Company Code

XXXI. DERIVATIVES NOT ESTIMATED AT FAIR VALUE

	Fiscal	
Estimated fair value for each class of derivatives not measured at fair value ,with information on the nature and volume of these instruments		
Notional amounts swaps	5.677.986.070	
Market value- dirty price	-594.150.637	
Notional amounts caps	8.500.000.000	
Market value caps	12.293.733	
Non-amortised paid premium caps	75.098.204	

Supplement vol 5.31.1 XXXI Derivatives not estimated at fair value

Total BE headquarters	Fiscal year
Notional amount swaps	3.205.991.300,00
Market value - dirty price	-473.190.864,00
Notional amount caps	8.200.000.000,00
Market value caps	10.812.438,00
Non-amortised paid premium caps	63.728.979,00

Total NL branch office	Fiscal year
Notional amount swaps	2.471.994.770,00
Market value - dirty price	-120.959.773,00
Notional amount caps	300.000.000,00
Market value caps	1.481.295,00
Non-amortised paid premium caps	11.369.225,00

XXXII. DECLARATION CONCERNING CONSOLIDATED ANNUAL ACCOUNT

A. To be completed by all credit institutions

The institution has drawn up and has published consolidated annual accounts and a consolidated annual report *

B. To be completed by institutions which are solely or jointly-held subsidiaries

Name and full address, if it is subject to Belgian law, the enterprise number of the parent enterprise(s) and the indication whether this parent enterprise has created and made a consolidated annual account public, in which its annual account is recorded**:

Investeringsmaatschappij Argenta nv (At the highest level) Belgiëlei 49-53
2018 Antwerpen
RPR Antwerpen 0404.453.475

Argenta Bank- en Verzekeringsgroep nv (At the lowest level) Belgiëlei 49-53
2018 Antwerpen
RPR Antwerpen 0475.525.276

In the case that the parent enterprise is an enterprise subject to foreign law, the location where the aforementioned consolidate annual account can be obtained**:

* Remove what is not applicable.

** Where the accounts of the enterprise are consolidated at different levels, the information should be given for the consolidated aggregate at the highest level on the one hand and the lowest level on the other hand of which the enterprise is a subsidiary and for which consolidated accounts are prepared and published.

Modification of valuation rules 2014: impact on the results

There are no modifications to the rules of valuation which have a great impact on the income of the company.

4. SOCIAL REPORT

Numbers of the *paritaire comités* authorised for the institution: 308

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STATEMENT OF EMPLOYED PERSONS

EMPLOYEES FOR WHOM THE ENTERPRISE HAS REGISTERED A DIMONA DECLARATION OR REGISTERED IN THE GENERAL PERSONNEL REGISTER

During the fiscal year	Codes	**Total**	**1. Men**	**2. Women**
Average number of employees				
Full-time..	1001	382,10	203,10	179,00
Part-time...	1002	127,50	12,20	115,30
Total in Full-time equivalency (FTE)..........................	1003	478,90	212,30	266,60
Number of actual performed hours				
Full-time..	1011	567.003,74	315.232,10	251.771,64
Part-time...	1012	139.228,36	13.870,40	125.357,96
Total...	1013	706.232,10	329.102,50	377.129,60
Personnel expenses				
Full-time..	1021	26.871.297	15.737.406	11.133.891
Part-time...	1022	6.565.493	646.951	5.918.542
Total...	1023	33.436.790	16.384.357	17.052.433
Sum of benefits in addition to wages…………	1033	196.802	84.398	112.404

During the previous fiscal year	Codes	**P. Total**	**1P. Men**	**2P. Women**
Average number of employees in FTE.........................	1003	490,76	205,50	285,26
Number of actual performed hours	1013	667.634,90	307.333,10	360.301,80
Personnel costs	1023	30.838.176	14.794.774	16.043.402
Sum of the benefits in addition to wages……………	1033	226.573	95.754	130.819

EMPLOYEES FOR WHOM THE ENTERPRISE HAS REGISTERED A DIMONA DECLARATION OR REGISTERED IN THE GENERAL PERSONNEL REGISTER (continued)

On the end date of the fiscal year	Codes	1. Full-time	2. Part-time	3. Total in full-time equivalency
Number of employees	105	391	129	488,7
According to employment agreement type				
Agreement for undefined duration	110	381	129	478,7
Agreement for defined duration	111	10		10,0
Agreement for explicitly described work	112			
Replacement agreement	113			
According to gender and education level				
Men	120	212	11	220,3
primary school	1200		1	0,8
secondary school	1201	45	5	48,5
higher non-university education	1202	77	3	79,4
university education	1203	90	2	91,6
Women	121	179	118	268,4
primary school	1210	2	2	3,3
secondary school	1211	63	59	107,2
higher non-university education	1212	59	27	79,4
university education	1213	55	30	78,5
According to professional category				
Supervising personnel	130	14		14,0
Employees (*Bedienden*)	134	377	129	474,7
Employees (*Arbeiders*)	132			
Other	133			

TEMPORARY EMPLOYEES AND PERSONS AVAILABLE TO THE ENTERPRISE

During the fiscal year	Codes	**1. Temporary Employees**	**2. Persons available to the enterprise**
Average number of employed persons..	150	20,82	
Number of actual performed hours...	151	39.520,10	
Expenses for the institution..	152	1.410.209	

TABLE OF PERSONNEL TURNOVER DURING THE FISCAL YEAR ENTERED

	Codes	**1. Full-time**	**2. Part-time**	**3. Total in full-time equivalency**
Number of employees for whom the enterprise registered a DIMONA declaration or registered in the general personnel register during the fiscal year ……………………………………	205	55	6	59,8
According to the nature of the employment agreement				
Agreement for undefined duration..	210	44	6	48,8
Agreement for defined duration..	211	11		11,0
Agreement for explicitly described work...	212			
Replacement agreement..	213			

EXITED

	Codes	**1. Full-time**	**2. Part-time**	**3. Total in full-time equivalency**
Number of employees who ended their employment agreements with a date and signature in the DIMONA declaration or in the general personnel register …………………………………….	305	37	7	42,3
According to the nature of the employment agreement				
Agreement for undefined duration..	310	37	5	41,0
Agreement for defined duration..	311		2	1,3
Agreement for explicitly described work...	312			
Replacement agreement..	313			
According to the reason for ending the agreement				
Pension..	340	2		2,0
Unemployment with company supplement..	341			
Dismissal..	342	3	1	3,8
Other reasons..	343	32	6	36,5
Of which: the number of employees that independently work on at least a half-time basis continue to offer their services to the institution	350			

Nr.	0404.453.574		6.4.

INFORMATION ABOUT THE TRAINING FOR THE EMPLOYEES DURING THE FISCAL YEAR

	Codes	Men	Codes	Women
Total of the formally implemented professional training initiatives at the expense of the employer				
Number of employees involved…………………………………………………	5801	186	5811	261
Number of attended training hours…………………………………………	5802	6.179	5812	7.052
Net expenses for the institution……………………………………………	5803	872.349	5813	593.607
of which gross expenses were directly associated with the training………	58031	864.649	58131	576.652
of which fees and sums were paid to the collective funds….……………	58032	11.083	58132	18.375
of which reimbursement (discounted) was received ……………………	58033	3.383	58133	1.420
Total of less formally and informally implemented professional training initiatives at the expense of the employer				
Number of employees involved…………………………………………………	5821	45	5831	81
Number of attended training hours…………………………………………	5822	340	5832	515
Net expenses for the enterprise……………………………………………	5823	23.202	5833	27.826
Total of the initial professional training initiatives at the expense of the employer				
Number of employees involved……………………………………………	5841		5851	
Number of attended training hours…………………………………………	5842		5852	
Net expenses for the institution………………	5843		5853	

BGAAP Valuation Rules Argenta Spaarbank

The following section will set out the valid valuation rules that will apply 1 January 2014 for Argenta Spaarbank nv.

They will be the subject of an explicit approval by the members of the boards of these companies and a summary overview of them will be included in the annual report.

Contents

1 Valuation rules Argenta Spaarbank NV

1.1 General remarks

1.1.1 Statutory basis

The accounting and valuation rules for financial institutions are included in the law of 17 July 1975 on accounting and the financial statements of enterprises (hereinafter referred to as "the Accounting Law") as well as in the Royal Decree of 23 September 1992 on the financial statements of credit institutions (hereinafter referred to as "the Jrb-Ki") issued in implementation of Article 44 of the law of 22 March 1993 on the legal status and supervision of credit institutions.

The valuation rules are determined by each credit institution in accordance with the contents of the Jrb-Ki but taking into account its own characteristics, the rules for the valuation of the inventory, and in particular the rules for the formation and adjustment of depreciation, amortization, impairments and provisions for liabilities and charges.

These valuation rules are laid down by the board of the institution. The rules are summarised in the notes, which should be sufficiently precise so that understanding of the accounting methods is possible.

If exceptionally it appears that the application of the accounting principles would be contrary to the requirement of a fair and true view, the principles should be waived. Such a derogation is disclosed in the notes on the accounts and must be appropriate (Article 16 Jrb-Ki).

1.1.2 General rules

The valuation rules must remain identical from one financial year to another and be systematically applied. They are, however, changed when the former accounting rules cease to fulfil the requirement of a fair and true view (Article 17 Jrb-Ki).

In principle, each item of the assets will be valued separately and depreciation, amortization, impairments and revaluations apply specifically to the active ingredients for which they were formed or booked (Article 18 paragraph 1 Jrb-Ki).

For asset items with absolutely identical technical or legal characteristics, however, joint depreciation, amortization, impairment or revaluations are allowed (Article 18 paragraph 2 Jrb-Ki).

The provisions for liabilities and charges are separately specified according to the liabilities and charges of the same nature that they have to cover (Article 18 paragraph 3 Jrb-Ki).

1.1.3 Definition

Depreciation and amortization mean the amounts charged to the income statement and relating to:

- formation expenses
- intangible and tangible fixed assets with limited useful life.

This depreciation and amortization is booked in order either to spread the amount of these formation expenses and any revalued procurement costs of these fixed assets over their estimated useful life or utility, or in order to recognize these costs at the time when they incurred (Article 12 paragraph 1 Jrb-Ki).

Valuation adjustments and impairments refer to corrections to the purchase price of other asset items than those listed under Article 12 paragraph 1 Jrb-Ki, to reflect their loss of value (permanent or not) at the end of the financial year (Article 12 paragraph 2 Jrb-Ki).

Provisions for liabilities and charges (so-called provisions) are intended by their nature to cover clearly defined losses or costs which at the balance sheet date are probable or certain but the amount of which is not yet established (Article 13 paragraph 1 Jrb-Ki).

1.1.4 Interest and costs

Interest and costs are prorated and recognized in the result *pro rata temporis*

Charged fines are not be included in the result.

Recognition is not on a cash basis.

1.2 Description of the balance sheet items

IV. Loans and advances to customers comprises the claims against customers arising from the ordinary business of the institution. Excluded from this item are, however, the claims taking the form of securities or negotiable instruments (item V bonds and other fixed-income securities), as well as the claims that belong in item VII. D Subordinated receivables from associated enterprises.

Clients means all persons other than central banks, postal cheque and giro services, credit institutions and institutions with a bank character.

Loans with flat-rate charge percentage means loans repayable in constant periodic payments which, in addition to the repayment of the capital, include interest, calculated by applying a fixed charge percentage on the amount borrowed for the full term of the loan, even if these loans take the form of securities to order.

It also comprises the instalment loans for the provision of goods or services that have been taken over from instalment sellers or suppliers.

Mortgage loans means the original contractual loans with an original contractual term of more than one year, with or without gradual redemption of the borrowed capital, which

- either for the full amount are secured by a mortgage registration on one or more properties,
- or are partly covered by a mortgage registration and partly by a mortgage mandate or a mortgage promise.

It also comprises the advances on mortgage credit facilities for an original term of more than one year, for the acquisition, construction or renovation of real estate and that are

- either secured for the full amount by a mortgage registration,
- or partly covered by a mortgage registration and partly by a mortgage mandate or a mortgage promise.

Other loans with terms of over one year, means loans with terms of more than one year, exclusing external leasing, loans with flat-rate charge percentages and mortgage loans.

1.3 Credit risks in general

1.3.1 Need for (individual) impairments

Impairments are applied on the claims, including the fixed-income securities, which are included in the financial fixed assets, where it is uncertain whether all or part of the claims will be paid on the due date (Article 29 § 2 paragraph 2 Jrb-Ki).

The requirements of prudence, sincerity and good faith (compare Article 19 Jrb-Ki) imply that in measuring receivables, whether or not reflected by securities, it is necessary, where appropriate, to take into account the risk of counterparties failing to meet their obligations (Article 35 § 1 paragraph 1 Jrb-Ki).

1.3.2 Exception: grouped or "standard sum " impairments

For claims for which, given their individual limited size and their number, it is difficult to assess the solvency of the counterparties on an individualised or regular basis, the assessment of the risk of their failing to meet their obligations is based on findings of a statistical observation of the difficulties that the credit institution is having in these categories of claims. These findings may, if necessary, be adjusted to reflect the impact of cyclical factors or changes in the credit institution's policy towards these categories of claims (Article 35 § 1 paragraph 2 Jrb-Ki).

Examples of operations of limited size for which individual and regular review is difficult are consumer credits and the debit balances of credit card accounts (Jrb-Ki, Report to the King, p. 21,377).

Although the Report to the King does not mention mortgage loans, this portfolio may also qualify for a grouped impairment on the basis of the findings of statistical observation.

1.3.3 Collective provisions

In addition to individual impairments, collective – portfolio-based – impairments are also recognized in the form of an IBNR (incurred but not reported) provision.

An "existing but not reported" impairment on loans is recognised for mortgage claims for which no impairments have been recorded on an individual basis (performing loans).

This collective assessment of impairment includes the application of a "loss confirmation period".

This "loss confirmation period" is an interval of time (expressed in months) between the time that the event that is causing the impairment has occurred (i.e. a "loss event") and the time that it is identified in the credit risk systems of the entity.

The application of the "loss confirmation period" ensures that impairment losses that have already occurred but are not yet identified as such will also be included in the impairments.

The "loss confirmation period" is permanently evaluated and can be changed on the basis of market trends (including house prices, transactions, taxation), portfolio characteristics and macro-economic indicators (including unemployment, GBP growth, debt ratio and divorce rates).

The IBNR is calculated and applied to all retail loan portfolios based on adapted IRB models used for determining the minimum prudential capital requirements. These adaptations relate essentially to the introduction of the stated loss confirmation period and an economic environment adjustment that reflects the actual losses on the portfolio instead of the average historical losses. The loss confirmation period is a minimum of 3 months for the different risk categories.

1.3.4 Provisional summary of rules

Impairments are recorded on credits where the amount of the necessary corrections to the purchase value is established.

By contrast, provisions are set up to cover losses that are probable or definite, but the amount of which is not established.

In principle, impairments and provisions are recorded per individual asset item. In cases individualised assessment is impractical, the assessment of risk can be done a standard sum or percentage basis.

In addition to the above impairments, collective IBNR impairments are also recorded on the total portfolio.

1.4 Loans and advances

1.4.1 Definition of problem risks

Problem risks means claims and rights of recourse against counterparties that are experiencing difficulties in meeting their obligations or that can expected to encounter such difficulties or dispute the principal amounts of their obligations. In this respect a distinction is made between country risks and commercial risks (all risks other than country risks).

Within problem risks a distinction is made between risks with an uncertain outcome, and risks of irrecoverable or doubtful nature:

Risks with uncertain outcome are problem risks on counterparties that are having or are expected to have difficulties in meeting their obligations, but in respect of which this inability is not established nor almost certain, as well as disputed risks where the settlement is uncertain (Article 35, § 2, para A, B, C, D and E Jrb-Ki).

Risks of irrecoverable or doubtful nature refers to problem risks where the counterparties are or are almost certain to be unable to fulfil their obligations as well as disputed risks where the outcome of the settlement is or is almost certain to be that the disputed claims are irrecoverable or the disputed rights of recourse cannot be exercised.

1.4.2 Overview of the different type of loans and claims

Loans and advances include the mortgage loans, investment loans, instalment sales, instalment loans, non-mortgage credit facilities and overdrafts on accounts.

For the reclassification of a loan or receivable to uncertain outcome there is a distinction between

- on the one hand: mortgage loans, investment loans, instalment and instalment loans; and

- on the other hand: non-mortgage credit facilities and overdrafts on giro, gold, internet and brokers accounts.

For reclassifying of a loan or claim as irrecoverable or doubtful, no distinction is made between the type of loan or claim..

1.4.3 Loans and advances with uncertain outcome

1.4.3.1 Definition of loans and advances with uncertain outcome

Mortgage loans, investment loans, instalment sales and instalment loans with uncertain outcome are loans with:

either a manual change of status to called, if, on the basis of payment arrears, it is apparent that the borrower is moving into a state of payment difficulties

or an automatic status change to called, where the arrears are larger than the sum of 3 monthly payments but less than or equal to the sum of 6 monthly payments, or, for loans with other repayment intervals, where the arrears are longer than 3 months but less than 6 months, both of capital and interest

or an open claim after maturity from 25 euros upwards with an arrears of less than 6 months.

Non-mortgage credit facilities and overdrafts on giro, gold, internet and brokers accounts with uncertain outcome are loans or receivables which has been given ‘called’ status, with this status change to ‘called’ to take place no later than three months in arrears..

Non-mortgage credit facilities and overdrafts on giro, gold, internet and brokers accounts with debit balances of less than 25 euros continue even after 6 months to be qualified as uncertain instead of as doubtful.

1.4.3.2 Valuation of loans and advances with uncertain outcome

For loans and advances with an uncertain outcome impairments are recognized on an individual basis.. The outstanding portion of the loan or receivable is reduced by:

– the forced sale value of the mortgage property; and/or
– the forced sale value of the movable assets, including pledged securities, accounts, life insurance (Branch 23) and funds.

For the mortgage loans granted in the Netherlands, the following are deducted from the valuation:

– the forced sale value of the mortgage property
– the surrender value of the life insurance
– the value of the investor deposit account
– the total value at the end of the month of the construction deposit
– the total value at the end of the month of the savings pot.

Where a mortgage loan in the Netherlands has been concluded with an NHG guarantee, the measurement of the valuation of this this loan needs to take into account the annuity decrease in the NHG guarantee.

1.4.3.3 Impairment

Where the valuation as described above leads to a residual debt, an impairment loss will be recognized to the extent of the residual debt.

1.4.3.4 Periodicity of the valuation

All loans and advances with uncertain outcome are fully valued automatically every month. This can give rise to an upward or downward value adjustment.

1.4.3.5 Provisioning of interest, fines and costs

All interest, penalties and costs charged are recognized permanently in the result, given that the individual value adjustment takes these into account.

1.4.4 Loans and advances of doubtful nature

1.4.4.1 Definition of loans and advances of doubtful nature

Loans and advances of doubtful nature are loans the claims in respect of which appear, after individual examination, to be partially or totally uncollectible:

either loans and advances of which the payment arrears are is greater than the sum of six monthly payments or, in the case of loans and advances with a different repayment frequency, when the payment arrears amount to more than six months, both in capital and in interest.

or loans and advances, the claims in respect of which appear, on the basis of basis of indicators, to be possibly completely or partially uncollectible ('unlikely to pay').

The list of loans and advances of doubtful nature is produced monthly.

1.4.4.2 Valuation of loans and advances of doubtful nature

For all loans and advances of doubtful nature the necessary information for valuation is collected.

The outstanding portion of the loan is reduced by:

- the forced sale value of the mortgage property; and/or

- the forced sale value of movable property, other pledged securities, accounts, life insurance (Branch 23) and funds.

For mortgage loans provided in the Netherlands the calculation of the valuation is reduced by:

- the forced sale value of the mortgage property
- the surrender value of the life insurance
- the value of the investment account
- the total value at the end of the month of the building deposit
- the total value at the end of the month of the savings pot

If a mortgage loan provided in Netherlands is concluded with NHG guarantee, the calculation of the value for this loan should take into account the annuity decrease in the NHG guarantee.

1.4.4.3 Impairment

Where the valuation as described above leads to a residual debt, an impairment loss will be recognized to the extent of the remaining debt.

1.4.4.4 Frequency of valuation

All loans of doubtful nature are fully measured automatically every month. This can give rise to a value adjustment upwards or downwards.

1.4.4.5 Provisioning of interest, fines and costs

Interest, fines and costs are permanently charged, but not included in the result.

1.4.4.6 Appropriation

If it is certain that a loan or receivable is irrecoverable, the impairment will be appropriated.

A loan or receivable is irrecoverable if the following conditions are met:

- All possible procedures have been implemented and/or the legal costs that need to be incurred outweigh the possible benefits of recovery, all the collateral has been enforced and/or the legal costs of enforcing the collateral is in disproportion to the potential benefits.
- based on the available information, there is no further redress against the borrowers and no greater recovery can be expected in the future.
- after enforcement of the guarantees, the incoming payments (both payment schemes and/or earnings or other attachments) do not guarantee full repayment of the debt in the short term (< 1 year).

The above rules need not be complied with on a cumulative basis, but can each in itself be a reason to regard the loan as irrecoverable.

1.5 Securities

1.5.1 Definitions

By financial fixed assets is understood the participation in associated enterprises and in other enterprises linked by participating interests, other shares used for this purpose, subordinated receivables from associated enterprises and enterprises linked by participating interests.

The securities that are not financial fixed assets are differentiated into securities belonging to the trading book, namely fixed-income and variable-yield securities which in the context of an issue are acquired with the intention to place them with third parties, as well as the securities that are acquired with the intention to resell them, for reasons of their return in the short term, normally not longer than 6 months and for securities at fixed term, shorter than the remaining life of the securities in question.

Securities which are not financial fixed assets and do not belong to the trading book are securities that belong to the investment portfolio.

1.5.2 Valuation rules for financial fixed assets

On the participating interests and shares included under this heading, impairments are applied in the event of a lasting reduction in value or loss in value, which should be visible from the position, profitability or prospects of the company in which the participating interests or shares are held.

On the receivables, including the fixed-income securities, which are included under this item, imopairments are applied, where the repayment on due date of all of part of the receivables is uncertain.

The ancillary costs of acquiring securities are charged to income in the financial year in which they are incurred.

1.5.3 Valuation rules for securities in the trading book

The securities for which a liquid market exists are valued at their market value at the balance sheet date.

Such a market is considered present when there is either an organized market or a private market which regularly operates through third-party financial institutions or market holders that guarantee a continuous listing and when it can be assumed that the relevant securities are realizable in terms of their volume at any time, without significant influence on the price.

The securities for which there is no liquid market are valued at the lower of their acquisition value or market value at the balance sheet date.

Valuation differences resulting from the application of this rule will be charged to the income statement as parts of item VI. A. Profit (loss) from financial operations from exchanging and trading in securities and other financial instruments.

The acquisition value is the purchase price excluding the purchasing costs.

These ancillary costs of acquiring securities are charged to income in the financial year in which they are incurred.

1.5.4 Valuation rules for securities in the investment portfolio

Non-interest-bearing securities are valued at lower of acquisition value or realisable value at the balance sheet date. On the resale of shares the capital gain is recognized separately in the result.

Fixed income securities are valued on the basis of their actuarial yield, calculated at purchase date with due regard for their redemption value on maturity.

The difference between the acquisition value and the redemption value is taken into income during the remaining life of the securities as part of the interest yield of these securities.

This difference is taken into income on a discounted basis, based on the real yield percentage at the time of purchase. These securities are included in the balance sheet at their acquisition value, plus or minus the portion of the above-mentioned difference that has been taken into income.

Those fixed income securities that by their nature are difficult to value on the basis of their actuarial yield are valued at acquisition value. Impairments are applied in the event of a lasting reduction in value or loss in value in the absence of a liquid market. Where there is a liquid market, they are valued at the lower of acquisition value or market value.

For certificates of perpetual loans the difference between their purchase price and their lower market value is considered as a permanent loss.

Securities that also serve as liquidity support are valued at their market value when it is lower than the value obtained in accordance with the above rules (either the actuarial yield, or the acquisition price).

Securities are regarded as liquidity-supporting if the cash planning drawn up indicates an important and structural cash deficit and securities are allocated for this deficit.

Capital gains and losses from the sale of fixed income securities in the context of arbitration operations are recognized immediately in the result.

The acquisition value is the purchase price excluding the purchase cost. These additional costs for acquisition are recognised in the income statement of the financial year in which they were incurred.

In the case of variable rate securities, purchased prior to financial year 2008, the pari-difference on purchase is debited or credited to income until the first interest adjustment date. For the resulting capital losses and gains and purchase costs the same rules apply as for fixed income securities.
Variable rate securities, purchased from 2008 onwards are subject to the same rules as fixed income securities.

1.6 Other assets

1.6.1 Treasury assets and interbank receivables

These claims are measured in the amount of the funds provided.

1.6.2 Land

The purchase price and purchase cost of the land are not depreciated, either for a constructed, or for a vacant plot.

On the purchase of a constructed property, the purchase price is divided between the value of the land and the value of the building based on a valuation done at the time of purchase.

1.6.3 Buildings

For a constructed property the purchase price is split into two parts:

a) The land value (as defined in b), plus the additional costs related to the land;

b) The building value, plus the additional costs related to the buildings. These are determined according to the formula: Building value/purchase price*purchase costs.

The building value is depreciated at 3% per year on a monthly basis.

Buildings purchased before 1981 are depreciated at 5% per year.

1.6.4 Implementation costs of new construction (registered office and adjoining buildings)

1.6.4.1 New building 1986

The costs related to the 1986 new building were depreciated in the first financial year 33% on 88% of the purchase value and 3% on 12% of the purchase value. From the following year the depreciation rate is 3% of the total purchase value.

1.6.4.2 2nd new construction 1994

The costs related to the 1994 new building are depreciated at 3% of the total purchase cost.

1.6.5 Revaluation surpluses (registered office and adjoining buildings)

These revaluation surpluses are depreciated over the estimated residual useful life of the building.

The revaluation surpluses recorded on the registered office in 1990, are being depreciated at 3.125% a year over a period of 32 years.

The revaluation surpluses recorded in 2003 are subject to the following rules:

- new construction 1986: the annual depreciation is 7.595% over the period from 01/11/2003 to 31/12/2017.
- new construction 1994: the annual depreciation is 4.316% over the period from 01/11/2003 to 21/12/2027.
- Lamorinièrestraat 58 + old print shop: the annual depreciation is 3.209% over the period from 01/11/2003 to 31/12/2035.
- Lamorinièrestraat 39-43: the annual depreciation is 3.315% over the period from 01/11/2003 to 31/12/2034.

1.6.6 Works at Lamorinièrestraat

These are qualified as new construction and are depreciated at a rate of 3% per year on a monthly basis. The depreciation of the purchase costs is in line with that of the purchase price.

1.6.7 Conversion costs

The purchase price and purchase costs are depreciated at 10% a year on a monthly basis.

1.6.8 Furniture and material

The purchase price and purchase costs are depreciated at 10% a year on a monthly rata basis.

1.6.9 Hardware

The purchase price and purchase costs are depreciated at 33.33% per year on a monthly basis.

1.6.10 Vehicles

The purchase price and purchase costs are depreciated at 25% per year on a monthly basis.

1.6.11 Software

The purchase price and purchase costs are depreciated at 20% per year on a monthly basis.

1.6.12 Capitalisation of commissions

The commissions are in principle immediately and fully charged to income. Taking into account the criteria indicated in Art 27bis § 5 Jrb-Ki, however, commissions on bank savings certificates, time deposit accounts and mortgage loans are taken into income on a staggered basis, as follows:

- Commissions for operations with contractual terms of more than one year but not more than 60 months are taken into income over the life of the operations.

- Commissions for operations with a contractual terms of more than sixty months are taken into income over 60 months.

The commissions thus capitalised are depreciated pro rata on a monthly basis. For capitalisation, there are no minimum limits.

1.6.13 Restructuring costs

These are fully depreciated during the first financial year.

1.6.14 Loan issue costs

These are amortized by the linear method over the expected term of the loan.

1.6.15 Prepaid expenses for hardware and software

The minimum amount for the capitalisation of hardware and software, consisting mainly of maintenance costs and licences, is fixed at 10,000 euros. Amounts of less than 10,000 euros are charged against income immediately.

1.6.16 Fittings for leased buildings

The purchase price and purchase costs are depreciated over the duration of the lease. For capitalisation, there are no minimum limits.

1.7 Liabilities

All debts are recognised in the balance sheet in the amount of the funds provided.

This includes:

- interbank liabilities
- debts to clients
- debt certificates
- other liabilities
- subordinated liabilities

Loyalty premiums on savings accounts are treated as follows in the income statement:

a) The acquired loyalty premium for a given year is reduced by the portion already charged to the previous financial year.

b) The loyalty premium is calculated (from the previous due date to the time of calculation) based on the assumption that the portfolio remains the same in volume and structure.

Liabilities that do not consist of monies made available (mainly social security and tax debts) are valued at the amounts due on the basis of the company’s business activity.

1.8 Forward interest rate transactions for hedging purposes

"Forward interest rate transactions for hedging purposes" refers to the forward interest rate transactions undertaken for the purpose of offsetting or limiting the risk on an asset, a liability, a right, an obligation or an off-balance-sheet liability or a series of items with homogeneous features with respect to their sensitivity to interest rate fluctuations.

"Forward interest rate transactions for hedging purposes" are valued at cost with recognition of the results on a pro rata basis to the extent that they meet the conditions of Art 36 bis of the Accounting Act (KB 23/9/1992). Where they do not meet the above conditions and no derogation has been obtained from the CBFA, they are valued at market value, with periodic market value fluctuations taken through the income statement.

1.9 Fund for general banking risks

The Fund for general banking risks (FAB) is a provident fund to protect solvency against future risks, which, although they have not yet taken material form, are nevertheless latent in the business activities of a credit institution.

In particular such funds are set up on the basis of an assessment of potential future (credit) risks present in the investment portfolio taking into account the general economic situation and the other general latent risks peculiar to banking operations.

Combined annual report of the Board of Directors on the financial statements and the consolidated financial statements of Argenta Spaarbank nv, Belgiëlei 49-53, 2018 Antwerp, with regard to the financial statements for the financial year ended 31 December 2014

Dear Madam, dear Sir,

In compliance with the provisions of Articles 95, 96 and 119 of the Belgian Companies Code, the Management Board of Argenta Spaarbank nv (hereinafter referred to as ***the Company***) has prepared this report on the financial statements and the consolidated financial statements for the shareholders of the Company and its subsidiaries.

The annual report is a combined report within the meaning of Article 119, last paragraph of the same Code, and provides the required data separately for the Company, which together with its subsidiaries forms the consolidated entity (hereinafter referred to as ***the Bank Pool***).

Further information about the annual reports of the companies included in the consolidation scope can be obtained from the Board of the Company.

1. Description of the activities of the group to which the Company belongs (hereinafter the *Argenta Group*)

Argenta Bank- en Verzekeringsgroep nv (hereinafter ***BVg***) is the holding company of the Argenta Group. Its operations consist of Internal Audit, Compliance & Integrity, Risk and Validation, legal matters, Organization & Talent and Complaints Management.These activities are organized centrally for all Argenta companies.

BVg has the status of a mixed financial holding company in accordance with article3, 39 of the Law of 25 April 2014 on the legal status and supervision of credit institutions.

BVg consolidates and is responsible for the joint management of the insurance activities of its subsidiary Argenta Assuranties nv (hereinafter referred to as ***Aras***), which has the statute of a Belgian insurance company, and the banking activities of the Company, which has the statute of a Belgian credit institution.

The subsidiaries of BVg, in particular the Company and Aras, have in turn several subsidiaries. Aras and its subsidiaries are hereinafter referred to as the ***Insurance Pool.***

The Bank Pool concentrates primarily on two activities: on the one hand, attracting funds in the retail market in the form of savings and term deposit accounts, current accounts, retail savings certificates and bonds and reinvesting these funds in mortgage loans. A second core activity is offering shares in undertakings for collective investment and structured bonds ("structured notes").

The activities of the Insurance Pool include both the life insurance sector and the non-life and health insurance sector (in particular car insurance, civil liability insurance, private life, fire and hospitalisation insurance and legal aid insurance).

The geographic markets in which the Company is active are Belgium and the Netherlands.

2. Description of the activities of the Bank Pool

2.1. The Company

The Company has the status of a Belgian credit institution. The core activities of the Company consist of attracting funds, offering home loans to individuals and providing means of payment.

In addition, rights of participation in Argenta Pensioenspaarfonds (hereinafter ***Arpe***) Argenta Pensioenspaarfonds Defensive (hereinafter ***Arpe Defensive***), Argenta Fund Sicav, Argenta Fund or Funds Sicav, as well as other domestic and foreign collective investment undertakings and structured bonds ("structured notes") and primary and secondary bonds of third parties are offered.

2.2. Attracting funds

a. Current accounts

In 2014 the Company offered three types of current account: a Giro+-account, a Golden+-account and an Internet account.

b. Savings and term deposit accounts

The Company offers the following regulated savings accounts in Belgium: the Maxi account, the E-savings account and the Growth account. The non-regulated Plus and Savings accounts are also offered. The Company also offers term deposit accounts.

c. Savings certificates and subordinated certificates

The Company offered in 2014 two types of savings certificate: the Maxibon, a savings certificate with capitalization and the Rendementsbon, a savings certificate with annual coupon payments. It also offers subordinated certificates.

d. Participation rights in collective investment undertakings (CIUs)

In its capacity as distributor, the Company distributes participation rights in Belgium for various domestic and foreign collective investment undertakings.

In essence, a collective investment undertaking contains a diversified portfolio, which, according to the investment policy set out in the prospectus, invests in movable and immovable assets such as equities, bonds, cash and real estate. The investor can move in and out at the inventory value when he so wishes. "Funds" is usually used as a collective noun or as a popular name for the various undertakings for collective investment.

e. Structured bonds

The Company acts as a distributor of structured bonds issued by third parties.

Structured bonds (also called "structured notes") are debt certificates, which are typically issued by financial institutions. The potential return (in the form of a fixed/variable coupon or a gain on maturity) is associated with one or more underlying assets (interest rates, shares, commodities, and so on).

Structured bonds usually offer a guarantee for the invested capital. Where this is so, it is expressly stated in the terms and conditions of issue.

2.3. Use of the attracted funds

The Company mainly offers mortgage loans to individuals, self-employed persons and small companies. These loans are intended for the purchase of a home or building land, new builds or renovation work.

In addition, the Company invests mainly in fixed-income securities issued by governments, financial institutions and other companies.

2.4. The Company's subsidiaries

The Company consolidates the activities of its subsidiaries Argentabank Luxembourg SA (hereinafter ***ABL***) and Argenta Nederland nv (hereinafter ***ARNE***), a Dutch company for the issuance of bond loans.

ABL's retail activity was terminated in 2011. In 2014 preparations were made to convert ABL into a management company. This means that Argenta no longer has any distribution activities in Luxembourg, and from 1 January 2015 ABL acts solely as manager and administrative agent of Argenta-Fund Sicav and Argenta Fund of Funds. ABL was then renamed Argenta Asset Management sicav.

ARNE served in the past for issuing bonds. On 29 June 2014 the last bond loan matured and this entity is currently inactive.

The Company's banking activities in the Netherlands are organized in a branch office rather than in a subsidiary.

The "Savings" distribution channel consists of 'Direct Savings', a successful direct internet channel, and a limited number of independent consultants.

The implementation of Direct Savings combined with an attractive interest rate, made possible by the elimination of commissions on the sale of savings products through independent consultants, caused a further increase in new customers and savings.

The sales network for mortgages was further optimized. A number of intermediaries are part of larger and leading franchise chains in the Dutch market such as De Hypotheker Associatie, Welke and DAK.. With the franchise formula and the exclusivity features, these chains exhibit many similarities with the distribution organization in Belgium.

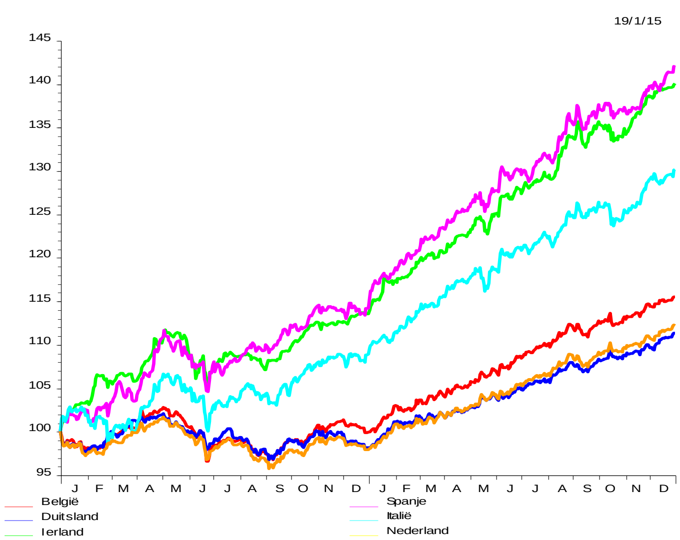
3. <u>**General financial-economic framework**</u>

3.1. General

2014 will go down in history as a year in which financial boundaries were shifted fundamentally. Share prices on Wall Street climbed sharply, interest rates in Europe reached an all-time low, both movements producing substantial gains in the financial markets.

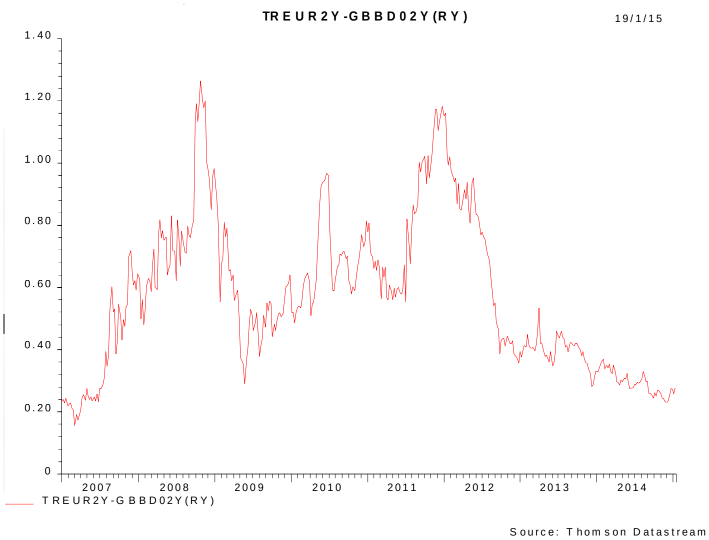
European interest rates fell much further, and not only in the core Eurozone countries, but also in most of the peripheral countries such as Ireland, Spain, Portugal and Greece. This decline went hand-in-hand with a reduction of the interest rate differential with Germany. In this way bond prices rose in the Eurozone to a level that would have been unthinkable a few years before.

Chart 1: **Evolution of long-term bonds in the Eurozone (7-10 year zone) in 2014**



Only in Greece did the interest rate differential with Germany widen, owing to internal political tensions. With the risk of a repeat of the Eurozone crisis deemed quite low, fear of this was limited. The ECB, the monetary authority for Europe, is particularly alert in this respect, and has the necessary resources to prevent other countries being caught up in the spiral. For this reason the 'flight-to-quality' premium, that is when investors sell high-risk investments and buy low-risk ones, has reduced in the Eurozone a pre-crisis level. This premium is measured as the difference between the IRS 2-year rate and the interest rate on 2-year German government bonds. This tells us whether financial markets view as higher or lower the likelihood of serious risks that could threaten the survival of the Eurozone.

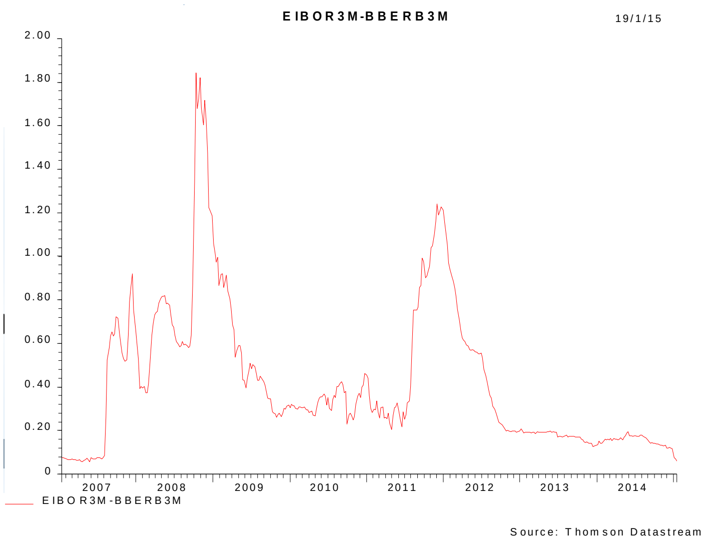
Chart 2: ***'Flight-to-quality' '* premium in the Eurozone**



The slow economic growth in 2014 resulted in a general fall in the interest rate on long-term bonds in the Eurozone. An aggressive stimulative monetary policy put paid to any appreciable recovery. However, this policy is neutralized by an imposed austerity policy and upward pressure on the required capital buffers of European banks. This pressure results from the consequences of the 2008 financial crisis. During that crisis, the equity base of a number of banks was unable to withstand the extreme shocks on the financial markets. To make the financial sector more stable, policy-makers therefore opted for a policy that gradually increases the capital buffers, both quantitatively and qualitatively. However, such a policy choice has a decidedly pro-cyclical effect, driving banking institutions in the direction of non-capital-weighting investments, such as government bonds and making them rather reluctant, owing to the higher capital requirements to provide credit to businesses and individuals.

That reluctance was further reinforced by the fact that most institutions were uncertain about the imposed, strict stress tests. However, the published results of these more stringent tests were largely encouraging. This limiting factor will therefore take a less problematic dimension in the coming period. Financial markets view the likelihood of a new systemic crisis in the European banking sector as small (and declining). This evolution can be identified by measuring the difference between the interbank rate and the ECB policy interest rate. An increasing (or decreasing) difference between the two factors indicates an increase (or decrease) in the banking risk in the Eurozone.

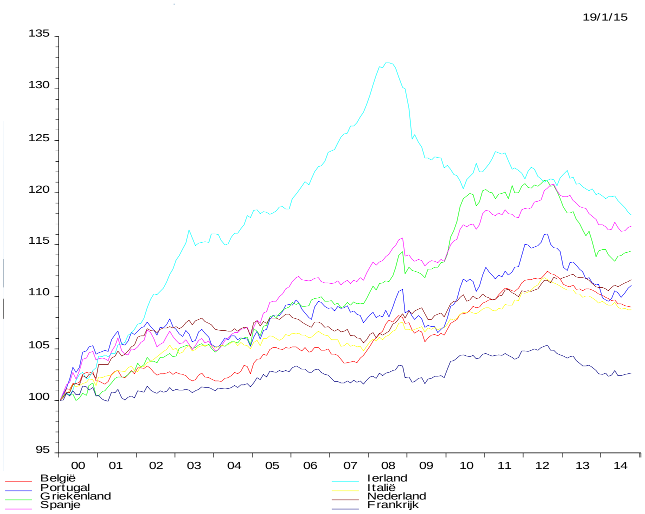
Chart 3: **Evolution of banking risk in the Eurozone**



The governments of most Member States have had savings imposed on them. This is aimed at making the Eurozone economically and financially stable and avoiding the repetition of the upheaval of 2010-2011. To maintain a currency union, such savings are economically meaningful if as a result the efficiency ratio gradually converges between the various participating countries. This evolution is calculated based, among other things, on the real effective exchange rates. The sharp inequality of this economic parameter was one cause of the Eurozone crisis in 2010-2011. The imposed savings successfully reversed this disturbing trend. But the most recent developments seem to indicate that the positive impact of the imposed savings have reached a (temporary?) boundary.

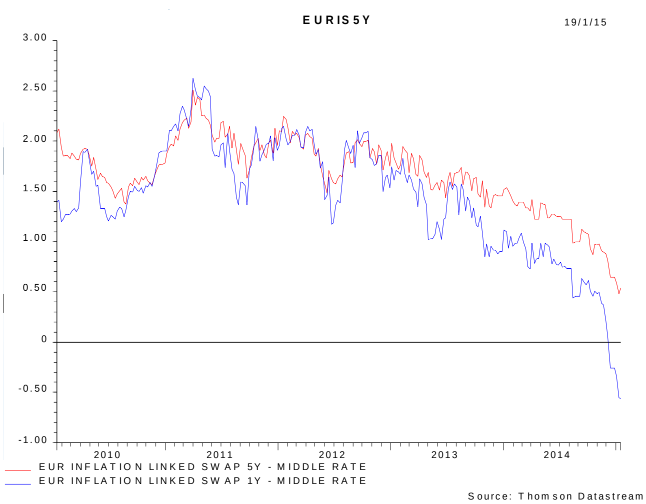
Chart 4: **Evolution of the real effective exchange rate of the Eurozone**

(Comparison of the development of the particular country's efficiency level compared with Germany)



The combination of successive downward revisions of economic growth forecasts with ever lower targeted inflation drove interest rates on government bonds to a level that until recently was considered only a theoretical possibility.

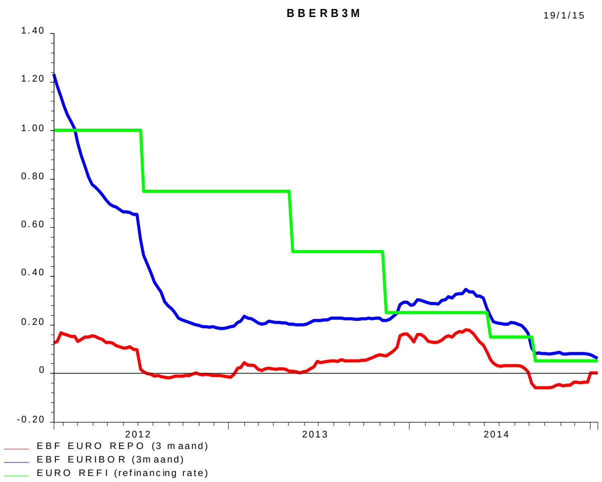
Chart 5: **Inflation expectations in the Eurozone: 1 and 5 years**



The sharp fall in oil prices - of an order of magnitude not seen since 1986 - drove the inflation outlook to an even lower level. And at the same time the prospect of the ECB moving to buy European government bonds on a large scale put even further downward pressure on long-term rates. These rate cuts naturally gave rise to substantial gains on positions held in European bonds. However, they represent at the same time a not inconsiderable challenge when it comes to the future return on risk-free financial positions.

The European short-term rates have long explored the area around the zero point. Some European policy rates even tried to use negative interest rates to give the necessary direction to the flow of money into the financial system. The repurchase rate, by which money can be borrowed from the ECB against guarantees (widely defined), spent much of the year in negative regions. However, this was not enough to kick-start investment in the Eurozone.

Chart 6: **Evolution of the European policy rate**



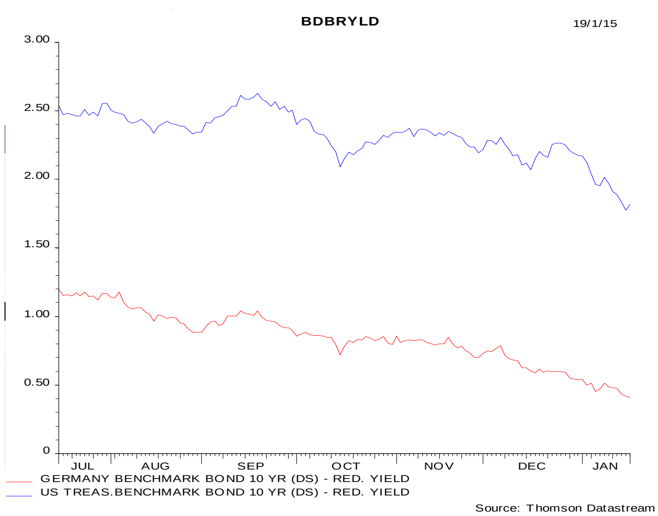
The prospect of (still) lower long-term rates and higher required capital buffers drove banking investments primarily in the direction of government securities and interbank placements, rather than the desired financing of long-term investments in European industries. For this reason the 'refi' interest rate is directing rates on the interbank market further downwards via its ceiling rate and in future will push revenues on government bonds via a quantitative easing (QE) program to such a low level that the return on loans presents a sufficiently attractive option for banks.

Extremely low interest rates, non-existent inflation fears, sharply fallen oil prices, the higher exchange rate of the US dollar and the prospect of further monetary incentives are a unique combination. All this should enable the Eurozone to gradually find its way to higher growth and towards an appreciable recovery of its economy.

Such acceleration of substantial magnitude could already be observed in 2014 in the US. Here both the economic indicators and expected operating results were able to produce a significant recovery. The US has been able to recover distinctly faster from the 2008 financial crisis. That is not surprising: the impact of the banking sector in the US is much lower than in Europe. That makes recovery in the real economy much less dependent on the stabilization of the risks in the financial sphere. Moreover, the US did not face the problem of unsustainable internal economic divergence, as between the member states of the Eurozone. In this way lower interest rates relatively quickly produced an economic recovery in the US construction sector.

The US monetary authorities were able to call a halt to their aggressive acquisition program at the scheduled time: just before the mid-term US elections in early November. The expected election victory for the Democratic Party failed to occur, but even more surprising was the even further fall of the US long-term rates.

Chart 7: **Evolution of US and German government bond rates (10 years)**



This unexpected move was caused on the one hand by the international context of weakening growth in the world economy and increasingly lower inflation expectations. On the other hand there was the better than expected economic growth, improving the budget situation in the US, with the government having to seek less financing on the US capital markets.

3.2. The bank levy

The Belgian bank levy represents significant costs for the Company. This was introduced after the 2008 financial crisis in return for the State guarantee on savings.

The deposit guarantee system (“DGS”) takes into account the risks that financial institutions create for society. With its prudent risk profile, Argenta Savings belonged, for all risk factors considered, in the best class ('very low risk' according to the Royal Decree of 22 April 2012).

In addition, the Company pays the classic subscription tax on regulated savings accounts. This was brought to a very high level in 2014, for purely budgetary motives by the federal government, from 0.08% to 0.1929%.

A third tax is the annual tax on banking institutions, which amounts to 0.0435%.

Lastly, the Company pays a contribution for the stability of the financial sector (FSC). The 'financial sector contribution' (FSC) was increased to 0.0325% as of 1 January 2014 and made risk-related for systemically important banks.

The effective amount of tax for the Company amounted to EUR 61.2 million in 2014. This is unprecedentedly high.

The whole system of bank levies creates unequal treatment of banks. Despite the Constitutional Court ruling on the DGS in 2012, banks that focus exclusively or mainly on to private savers are still treated unequally and are significantly more affected by the various banking taxes than the universal banks.

Seven Belgian savings and retail banks, including Argenta Spaarbank, introduced in January 2014 new proceedings in front of the Constitutional Court, in order to nullify the increases in the subscription tax introduced by the Act of 30 July 2013. In 2014, there was no change. On the other hand - again - an additional contribution is expected from the banking sector in the 2015 budget and beyond.

As of 2015, the European reality will start: for the 'DGS' there is talk of a European harmonized deposit guarantee, while from 2015 there will also be a purely European resolution contribution for the 'SRF' (single resolution fund).

Via Febelfin, there are calls to avoid a duplication of national and European taxes, since the bill threatens to increase for the sector: the Belgian and European realities cannot be seen as separate from each other.

3.3. Impact of the general financial-economic framework on the Company and the Bank Pool

In a context of very low inflation and interest rates, slow economic growth and increasing regulatory pressures, the Company can present great results.

The balance sheet is growing healthily. With the increase in funds raised, the portfolio continues to decline in favour of savings accounts, which have increased by one billion euro in Belgium and the Netherlands. As in previous years, this transition is the result of the very low interest rates.

The mortgage portfolio rose sharply due to the high production. Its quality also remained very good. As a result, investments reduced somewhat.

Argenta is pursuing a cautious investment policy. The bank is also working on diversifying towards loans to local governments and projects.

The Investment pillar is being promoted to diversify income and the offering for clients. Positive signals from the stock market are increasing customer interest in these products..

The bank's profit is the highest in its history, rising sharply on top of last year's excellent results. Over a period of three years, profit has more than doubled. Profit retention is enabling own funds to rise further. The Company amply meets all regulatory ratios.

3.4. **Evolution in the area of supervision**

In addition, in 2013, regular consultation took place with the respective supervisory authorities. In response to the changing legislation, the following two projects are ongoing.

- RRP (Recovery & Resolution Plan)

In order to be better prepared to manage any crises, national supervisory authorities are asking all all systemically important banks to establish recovery plans.

These plans need to identify proactively the various recovery options available to the institution to improve its financial condition if needed. Obviously, the effectiveness and impact of these recovery options have to be assessed under various stress scenarios.

Drawing up recovery plans is part of the structural reforms initiated by the G20 after the banking crisis. One of the findings was that the government was not adequately prepared and equipped in an effective way to deal with (almost) failing financial institutions.

The plan was drawn up in 2014, discussed and validated by the National Bank of Belgium (NBB)

- ECB Comprehensive Assessment

In November 2013, the ECB and the NBB started the *Comprehensive Assessment* process preparatory to the transfer of banking supervision of the largest, systemic European financial institutions to the ECB. A number of Belgian financial institutions, including the Company, fall as a result under the direct supervision of the ECB.

The ECB Comprehensive Assessment process was completed in 2014 and included a Risk Assessment, an Asset Quality Review (AQR) and Stress test of 130 European banks. On 26 October 2014, the results of the ECB Comprehensive Assessment were made public.

In the process the ECB assessed 130 European banks that fall directly under its control as of November 2014. The Company belongs to this group and faultlessly withstood the ECB assessment. Argenta scored well above the requirements imposed by the ECB through its strong capital position at the start, the minimum adjustments from the asset quality assessment (AQR) and good recurring profitability in the stress test.

- combined NBB/ECB supervision

As of November 2014, the Company falls under the direct supervision of the ECB. The supervision is carried out by the JST (Joint Supervisory Team), which is composed of members from the ECB and the NBB.

4. <u>The development of the Company and the Bank Pool in 2014</u>

4.1. Free current accounts, Internet banking and the app

In 2014, we also saw other financial institutions focusing on offering free current accounts.

The services offered along with these accounts are often limited (e.g., a credit card is not possible or an annual fee must still be paid) or theaccount can be managed only via the internet.

The message remains: compare, taking all costs and services into account.

Within this new context, the Argenta policy remains one of free services, free cards, free payment transfers and free account statements. Argenta is today still one of the few players where the current account really is completely free, including internet banking and the Argenta Banking app.

If wished, the client can also place his securities in custody at Argenta free of charge.

In 2014, the Company again had a stable year with steady growth in deposits and an increasing number of clients. The total number of current accounts grew by about 3.5%, which the amount in the same accounts grew by 13.5%.

The total number of cards (both Bancontact-MisterCash and MasterCard) grew in 2014 to more than 1.4 million.

In the payments area, we see the continued evolution over several years towards more electronic payments and transactions via Internet banking. The number of Internet subscriptions increased by 9% in 2014.

The Argenta Banking app was introduced in the second half of 2014 and was very well received by clients. There were already 80,000 app users at the end of 2014.

4.2. Lending

2014 ended with a total production of around EUR1.9 billion in Belgium. Sales of mortgage loans were influenced by the historically low market interest rates. These encouraged consumers to refinance and also shop around. In these exceptional circumstances, the percentage of internal refinancing was also unprecedentedly high, amounting to approximately 14% production. The new production of 2014 amounts in this way to around EUR1.6 billion.

The branch in the Netherlands also achieved a good result, with EUR 1.5 billion of new mortgages granted.

In 2014 the production of instalment loans amounted to EUR 25 million, significantly less than in 2013 (EUR 49 million). It is still Argenta's conscious strategy to focus especially on mortgage loans and to position instalments loans only defensively.

4.3. Investment portfolio

2014 was the year in which the fears of a deflation scenario took the upper hand. Weak growth numbers, persistently high unemployment and the collapse of oil prices knocked down interest rates. The ECB was forced to pull out all the stops by lowering the deposit rate to –20bp and starting a Quantitative Easing Program ("QE Program"). The short-term rates fell to a negative level while long-term rates dropped to unexpectedly low levels.

In this context, the maturities of the government portfolio were used to pursue targeted diversifications. On the credit front, the corporate and financial portfolios were built up further, with a focus here on investments in high quality, medium-term bonds.

An expansion in credit to government-related entities also ensured extra yield. The flip side of the coin is that the continued decline in interest rates kept the unrealized capital gain on the investment portfolio at a high level.

As regards the objective to maintain profitability, more corporate bonds were included in the portfolio. In the process the counterparty creditworthiness was systematically examined.

As an indication of this, the ratings for the bonds that were classified as assets available for sale in IFRS are shown below.

	31/12/2013	**31/12/2014**
Investment grade	99.22 %	99.56 %
Below investment grade	0.68 %	0.34 %
Not rated	0.10 %	0.10 %
Grand Total	**100.00 %**	**100.00 %**

4.4. Undertakings for collective investment and structured notes

The portfolio of shares of Undertakings for Collective Investment (UCI) placed by the Company on behalf of clients, grew in 2014 by EUR 692 million or 36.9% to a total of EUR 2,566 million.

The Argenta pension savings funds managed by Petercam nv. are amongst the most successful UCIs. Their success stems from good returns over a long-term, low cost structure and the proper attention on the distribution market. Over a period of ten years, Arpe is the best on the market. The net growth in customer assets amounted to EUR 82.2 million, slightly below the peak year of 2013, where we recorded growth of EUR 89.65 million.

Arpe Defensive was also successful. In 2014 incoming amounts increased by EUR 23.94, bringing the fund in 2014 well beyond the EUR 100 million mark. The fund was launched in late 2010, as a supplement to the more dynamic Arpe, which the Company has been offering now for already more than a decade. The Company developed the new product because more and more investors and savers prefer a more defensive profile for their retirement savings. Arpe Defensive invests a maximum 40% in equities and has risk class 2 on a scale from 0 (lowest risk) to 7 (highest risk).

Argenta Fund SICAV is an investment company with variable capital ("*société d'investissement à capital variable*") under Luxembourg law. It was founded in 1987. The main aim is to provide the highest possible returns for the shareholders, by investing in a selection of transferable securities chosen to keep the risks limited. Eleven sub-funds invest solely in equities, spread across different countries, regions and sectors. There is also one bond sub-fund and there are two mixed sub-funds, which invest in both bonds and shares.

Argenta Fund of Funds Sicav, founded in late 2009, is an investment company with variable capital ("*société d'investissement à capital variable*") under Luxembourg law, with four sub-funds (Very Defensive, Defensive, Neutral and Dynamic). It is a fund of funds, which invests mainly in units of other ICBs. This means that the funds to be raised within this sicav are invested, in turn, in other investment funds. Via Argenta Fund of Fund Sicav, we want to offer investors the option of investing easily, and in a transparent manner, in accordance with the investment profile they have selected, in the highly defensive, defensive, neutral or dynamic sub-funds. With an investment in one of these sub-funds, the investor realises a risk-weighted distribution across various asset classes.

Shares of collective investment undertakings are distributed by the Company, in open architecture. The Company distributes six ICBs promoted by Petercam NV, five ICBs managed by Carmignac Gestion SA, seven funds managed by Edmond de Rothschild Asset Management ,and one GS&P fund. In this way the Company diversifies its offering. The partner funds are complementary to its own Argenta offerings.

The Company also distributes structured notes, issued by BNP Paribas SA, BNP Paribas Arbitrage Issuance BV and Securasset SA. In 2014, nine new issues took place. Total sales amounted to EUR 105.4 million, with entry costs. On 31 December 2014, the total portfolio of structured notes amounted to EUR 815.4 million.

4.5. Bank Pool (processed according to IFRS standards)

As explained previously, the subsidiary AB, has limited its activities to fund manager and its administrative agent services. The entity ARNE was consolidated as per the end of 2014, but has no active operations. Its balance sheet consists of own capital, offset by cash funds on accounts with the Company.

5. <u>The risk profile of the Company and the Bank Pool</u>

5.1. General

Owing to the nature of its activities, the Company and by extension the Bank Pool are exposed to different risks. The main risks to which the Bank Pool is exposed are the market and credit risks. Other important risks are the evolution of the economic activity in Belgium and the Netherlands and the risks associated with the limited geographical distribution of the business activities.

There are also the credit, operational, liquidity, strategic, business, reputational and regulatory risksThe failure to keep these risks under control can adversely impact the financial performance and reputation of the Company.

5.2 Market risk

General

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. Within this market risk, the following four types of risk are relevant: interest rate risk, spread widenting risk, exchange rate risk and real estate risk.

(i) Changes in interest rates, interest curves and yield fluctuations, can affect the interest margin between the cost of lending and borrowing for the Bank Pool;
(ii) Similarly, the level of credit spreads or volatility thereof, without this necessarily being caused by a change in the creditworthiness of the issuer, are determining factors for investment returns and the economic value of the investment and loan portfolio;
(iii) The performance of the financial markets can cause the value of the investment portfolio of the Company and Bank Pool to fluctuate.

It should be noted that the Bank Pool operates only in Belgium and The Netherlands and invests only in euros, so it is not exposed to exchange rate risk. Nor is there any intention to take positions in currencies other the euro.

5.2.1. Interest rate risk

The main market risk to which the activities of the Bank Pool are exposed is the interest rate risk. This results primarily from changing market prices, unexpected changes in investment returns and changes in the correlation of interest rates between different financial instruments.

The Company’s and the Bank Pool’s results and capital position are subject to fluctuations caused by market risks. The professional management of market risks is – given the Company’s specific strategic positioning as a savings bank – especially focused on the judicious management of the interest rate risk, which is the primary component of market risk.

The results and capital position of the Company display a certain sensitivity to changes in interest rates because a major component of the business strategy consists of attracting short to medium term funds - primarily via savings deposits and bank savings certificates placed with retail customers - and reinvesting them via various forms of loans and investments. As the term of these reinvestments does not necessarily match that of the funds raised, a maturity mismatch occurs, which via the interest rate differentials between the various maturities gives rise to a transformation result.

The gross value of the business (the difference between the investments measured at market value and the cost price of financing them) is affected by the fluctuations in these interest rates. The intensity is determined by the size of the selected 'duration gap'. This parameter serves as a benchmark for the weighted maturity mismatch, on which the management of the interest rate sensitivity is based to a large extent.

This market value sensitivity is therefore one of the main instruments used by the Company to steer - based on its views as to future interest rate developments - its operating results, also taking into account the potential impact of this gap on the gross value of the Company as a guide to its capital position.

This market value sensitivity can be adjusted flexibly and at short notice on the basis of financial instruments. It can also be adjusted in the longer term by fundamental changes in the positioning of certain activities:

(i) the first-mentioned way of modifying interest rate sensitivity uses standard and liquid financial instruments that are available on the capital markets, such as interest rate swaps and caps. Such exogenous instruments are used, among other things, for managing the interest rate risk. They are subject to a strict policy regarding counterparty risks.

(ii) the second series of measures relates to endogenous adjustments whereby, based on the pricing policy for deposits and retail savings certificates, the margins applied and the acceptance policy for loans in various maturity segments, the interest rate sensitivity of the portfolio can be structurally adjusted. This type of adjustment is obviously focused on the fundamental strategic positioning of the Company, while the aforementioned exogenous measures are more tactical in nature and serve to supplement the more fundamental goal of managing the balance sheet by endogenous means.

In its risk management procedures, the Company pays much attention to having a coherent internal organization, enabling it to perform these activities judiciously, objectively and efficiently and to provide the various competent management bodies with timely, comprehensive reports. This is first and foremost the Asset and Liability Committee. This carries specific responsibilities for the monitoring of the daily management of the financial positions on which it reports to the Executive Committee. It has the ongoing mission of maintaining both net interest income and the market value sensitivity of the equity within the prescribed limits, in order to safeguard to Company’s future.

The interest rate risk requires, like any other risks, a risk buffer in the form of equity (= ‘own funds’). Although neither the European nor the Belgian supervisory authorities or regulators have set precise equity obligations for the interest rate risk today, to do this, the Company determines a certain volume of required equity in its ICAAP (Internal Capital Adequacy Assessment Process). The further development of its activity as a traditional savings bank and thus (among other things) transformational bank - a bank whose activity consists in converting (transforming) attracted money in the short term into long term investments - requires a continuous follow-up (and supplementation when necessary) of this required equity.

For strategic reasons, the Company wishes to reduce its interest rate risk and be less dependent on interest income and interest rate developments. For this reason, greater emphasis is being placed on fee business, particularly the sale of off-balance sheet products – the financial risk of which lies rather with the customer. This fee business (or ‘Investments’) pillar, alongside the ‘Savings and Payments’, ‘Loans’, and ‘Insurance’ pillars is intended to diversify Argenta Spaarbank's income and improve its earnings quality.

Earnings quality at the Company remained very high in 2014 thanks to an effective ALM policy and a well-conceived commercial policy. The current European interest rate environment and the sharp fall in bond yields presents the Company with major future challenges.

The combination of endogenous and supplementary exogenous ALM hedging ensures that the Company’s commercial strategy (including long-term relationships with households, growth in mortgage loans, and the sustainable and profitable growth in deposits and the development of the four pillars) fits fully within the approved Risk Appetite Framework (RAF).

5.2.2. Spread widening risk

The return on the investment portfolio is largely determined by the credit spread earned on the investments made. The evolution and fluctuations of the credit spread are often market driven and determined by factors other than those relating to the creditworthiness of the issuer. These market risk factors, which we refer to as spread widening risk, form, alongside the pure interest rate risk, the main driver of asset returns and the economic value of the investment portfolio. In addition, the market value of the investment portfolio is included in the calculation of the prudential capital base of a financial institution (CRD IV). For the latter there exists a phasing-in period and a certain amount of national discretion in determining the extent to unrealized gains and losses on the AFS portfolio affect the capital base.

The pursuit of a cautious investment policy, frequent monitoring of the fluctuations in the economic value of the investment portfolio and measuring the sensitivity to changes in credit spreads are therefore also important pillars of healthy portfolio management.

The conduct of sound investment policy is guided by a strict investment framework that determines, based on the creditworthiness of the issuer, the permissible investment level and maximum maturity. This investment policy is shaped by a thorough analysis of the credit sectors and investment files and an active screening of market opportunities. The Strategic Asset Allocation project started in 2013 and expanded in 2014 is providing Argenta with the required insights and knowledge to enable investment decisions to be maximally directed towards optimal portfolio allocation.

The evolution of the market value of the investment portfolio is monitored in the Asset and Liability committee. Credit spread sensitivity is calculated and monitored in the ICAAP framework and is checked against the Risk Appetite Framework.

5.2.3. Equities risk

The Bank Pool does not invest in individual equities.

5.2.4. Real Estate Risk

The evolution of real estate prices has an influence on lending to individuals and also influences the credit risk through the giving of property as collateral.

The Company has here a concentration in lending to private individuals in Belgium and the Netherlands, more particularly in the form of retail mortgage lending. This makes the company dependent on developments in the housing market.

5.3. Credit risk

General

Credit risk is the risk of a counterparty being unable to meet its payment obligations. This can be the result of the insolvency of a customer or counterparty. This risk arises both with traditional lending and with investment activities.

The risks associated with changes in credit quality and the collectability of loans and amounts owed by the counterparties are an indissoluble part of much of the activity of the Company.

A decline in the credit quality of the borrowers and counterparties of the Bank Pool, a general deterioration of the Belgian or global economic conditions or a decline that is caused by systemic risks can affect the collectability of outstanding loans and the value of the assets of the Bank

Pool and make an increase in the provision for non-performing and doubtful loans, as well as other provisions.

The management of credit risks within the Bank Pool is regulated by appropriate policies (‘retail credit risk policy’ and Treasury & ALM policies).

All Bank Pool entities and departments have adequate measuring instruments, guidelines and procedures for managing credit risk. These include a fully independent loan approval process with set limits for creditworthiness, and monitoring procedures and global indicators of the quality of the retail loan portfolio and the investment portfolio. Governance is also supported by the operation of a number of (consultation) committees as such rating consultation, investment consultation, the Kreco (Credit Committee) and the Asset and Liability Committee (Alco).

Credit risk concentration

Credit risk increases where concentrations occur in the lending business. The sector and geographical concentration exposes the Bank Pool to an increased credit risk.

The Company has a concentration in lending to private individuals in Belgium and the Netherlands, more particularly in the form of retail mortgage lending. This makes the Company highly dependent on developments in the housing market and the repayment capacity of private borrowers in Belgium and the Netherlands.

In addition, the Group has a diversified and high quality investment portfolio with a concentration in Belgian government debt instruments.

The framework for managing credit risk is clearly defined and detailed in the Treasury & ALM policies.

5.4. Risks associated with the limited geographic spread of operations

The Bank Pool has most of its operations in Belgium and the Netherlands. In addition, it carries out limited activities in Luxembourg where ABL acts as agent and administrative manager of Argenta Fund sicav and Argenta Fund of Funds.

As a result, the Group's performance is affected primarily by the level and the cyclical nature of its business activities in Belgium and the Netherlands, which in turn are influenced by domestic and international economic and political events.

With regard to taxation, the Group's structure ensures that deposits (including the Branch Office in the Netherlands) fall entirely under the Belgian deposit guarantee scheme, with a resultant sensitivity to changes in bank levies.

As for the rules of conduct governing investment products, these are made in the first instance at European level and then transposed by the different countries into their own legislation. Argenta markets investment products primarily in Belgium.

For the practical implementation of the legislation in Belgium by the FSMA, Argenta relies on the interpretations of Febelfin and Assuralia. In the Netherlands, Argenta pays attention to the broad-based "customer interest first" focus promoted by the AFM (Financial Marktets Authority).

5.5. Liquidity risk

Liquidity risk is the risk of insufficient liquidity being available to meet financial obligations when they fall due. This may be the result of:
- an unexpected prolongation of the outstanding receivables, e.g default of a loan;.
- the risk in the Bank Pool of a greater portion of credit lines being drawn down or a greater portion of savings being withdrawn;
- the risk that the required financing transactions cannot be carried out (or only at disadvantageous conditions);
- the risk that assets can be liquidated only at a serious discount, because of a shortage of interested counterparties on the market.

Like any bank, the Company pays particular attention to monitoring liquidity risk.

The inability of a financial institution to anticipate and take into account unforeseen falls or changes in its sources of financing can affect such a financial institution's ability to meet its obligations when they fall due.

5.6. Operational risk

5.6.1. General

All enterprises engaged in business activities of any kind have to contend with operational risk. Financial institutions are no exception.

The activities of the Bank Pool depend on the ability to process a very large number of transactions efficiently, accurately and in accordance with internal policies and external legislation and regulations. Operational risks and losses occur as a result of inadequate or failed internal processes (such as processes not aligned with legal requirements), people (including fraud, employee errors) and systems (such as system failure) or as a result of external events (such as natural disasters, cybercrime or malfunctions of external systems, such as those of the suppliers or counterparties of the Bank Pool). The impact may consist of financial and/or reputational damage. Also included here are the legal and compliance risk.

The Bank Pool has a relatively limited number of products and services, which allows the operational risks to be limited.. In general, however, it is assumed that operational risks will gradually increase in the various businesses, owing, among other things, to the rapidly changing technological environment, the increasing complexity and growing range of products, as well as a general trend towards outsourcing of non-core business activities.

Although the Bank Pool has taken measures to control the risks and limit any losses, as well as earmarking substantial funds for the development of efficient procedures and staff training, it is impossible to implement procedures that can exclude these operational risks in a completely effective manner.

Every year, a very comprehensive internal audit report is compiled and submitted to the Board of Directors and the NBB. This report assesses the adequacy and effectiveness of the existing control measures.

An IT inspection conducted by the NBB in 2013 brought to light certain findings relating to the required organization, scripts and tests of critical business applications in the event of disasters and severe incidents.

To remedy the shortcomings revealed here Argenta proposed a phased and prioritized action plan. In 2014, significant progress was made in developing this Action Plan:

- an ambitious Disaster Recovery Program (DRP) was set up, in which all aspects of Disaster Recovery were tested for business-critical applications;
- the changeover of all business management applications and their underlying infrastructure from one data centre to another was successfully tested.

All Disaster Recovery tests will be planned and implemented annually. The recruiting of a Disaster Recovery Manager gives operational depth to this process.

5.6.2. External service providers

The Argenta Group is exposed to the risk of termination of contracts with key external service providers. Such a termination can lead to discontinuation of or delays in important business processes; the Argenta Group safeguards against these risks as much as possible through an appropriate business continuity policy and through transitional provisions in the agreements concerned.

5.7. Business Risk

Business risk is the risk that current and future earnings and capital levels will be affected by changes in business volumes or by changes in margins and costs. Both are caused by changing market conditions and/or the inability as an organization to respond to these. This risk also refers to a poor diversification of earnings or the inability to maintain a sufficient and reasonable level of profitability.

In order to best cushion the business risk which it faces, the Bank Pool has, in addition to its traditional activities, taken the strategic option of selling products that generate fee income. Alongside the Insurance, Lending, and Savings & Payments pillars, this fourth pillar – Investments – should produce greater diversification of generated earnings. Another important factor here is the attention paid to cross-selling, in order to attract as many customers as possible to several pillars concurrently.

For determining the profit contribution of each product, funds transfer pricing is applied when pricing Bank Pool products. For insurance products, the Insurance Pool takes profit testing as its basis.

5.8. Strategic risk

The strategic risk to which the Bank Pool is exposed is the risk of current and future earnings and capital adequacy being affected by poor policy or operational decisions, poor implementation of decisions, or lack of responsiveness to changing market conditions (both commercial and financial).

To achieve the strategic goals set out in the business strategy, the Bank Pool provides resources including communication channels, systems, human resources, networks, and management time and skills.

The ultimate fulfilment of the business strategy depends on the adequacy of the resources made available and on the way in which these resources are used. All this will be assessed on a permanent basis.

5.9. Reputational risk

The Bank Pool runs the permanent risk of damage (loss) through a deterioration of its reputation or standing caused by a negative perception of the organisation’s image by its customers, counterparties, shareholders, and/or regulatory bodies.

This is a second order risk, in other words a risk that results from another risk, but still has its own impact. The Bank Pool considers this risk as a vertical risk, in other words a risk that runs through all other risks. By monitoring and managing the other risks, the reputational risk is also kept under control.

5.10 Risks associated with changes in legislation and regulations

Wherever the Bank Pool operates, it is subject to laws, regulations, administrative measures, and policies governing financial services. Changes in the supervisory framework and regulations may affect the activities, products, and services that the Bank Pool offers, or the value of its assets. Although the Bank Pool Group works in close collaboration with the supervisory authorities and keeps constant watch on the current situation and future changes in regulations, fiscal policy and other policy areas can be unpredictable and are beyond the Group's control.

Right now, consultations are still under way for a tax ruling with the Netherlands in the field of corporation tax

The legislation governing the own funds requirements for credit institutions and insurance companies is also currently being revised (the Capital Requirements Regulation & CRB IV norms, with an impact on the Bank Pool.

In 2014 there was regular consultation with the relevant supervisory authorities. Topics discussed included the ECB Comprehensive Assessment, the SREP (Supervisory Review and Evaluation Process), the RRP (Recovery and Resolution Plan), Disaster Recovery Plan (DRP , the IRRBB (Interest Rate Risk of the Banking Book). Other meetings were held as part of the transfer of supervisory powers to the ECB.

6. <u>The organisation of the Company, the Bank Pool and the Argenta Group</u>

The Argenta Group – Automation

In 2014, several projects were completed, which further support the growth of Argenta in Belgium. Among other things, the Argenta Banking application for mobile devices was launched, a new financial system for accounting and procurement was implemented internally and intranets for branch managers (Knowledge database) and headquarters were updated.

Also some larger business projects, such as the automation of the management of the branch manager channel (K360) and the new credit application applications are ready for deployment in early 2015.

A number of internal IT projects served to increase the efficiency of the department. With the "Optimization Development by the Configuration and Deployment Management approach" project the organisation succeeded in defining a uniform approach to the design of the development environment and keeping it up-to-date, as well as merging the components of an application. An innovative configuration management approach was developed for the Thaler core banking platform.

For release management, attention was paid in 2014 to setting up an efficient process, which will be implemented in 2015.

ICT also supported the expansion of the product range in the Netherlands, with an innovative and unique product, the "Mortgage Profit Savings Account". This savings product offers an alternative to parents and friends who want to help mortgage customers but without gifting money for this.

In 2014, key components and procedures were installed and tested to ensure the continuity of critical business processes. In particular testing was performed (with positive results) for Disaster Recovery of the network and business critical applications. Testing for Disaster Recovery of the work place services (authentication, mail, calendar, print, internet...) are scheduled for January 2015. Contracts with HP and Verizon were also renegotiated. The relevant infrastructure will be renewed in 2015.

7. <u>Employees of the Company and the Bank Pool</u>

7.1. The Company

In 2014, the Company employed 520 persons, which is 16 people more than in 2013.

7.2. The Bank Pool

In 2014, 538 staff were employed at the Bank Pool. In 2014, the headcount increased by 12 people, 16 more in the Company and 4 fewer in ABL. Since the employees in the Netherlands branch office are on the payroll of the Company, they are included in the headcount of the Company.

8. Corporate governance

The Board of Directors of the Company met 11 times in the past financial year.

The Boards of Directors of the Argenta Group entities have similar structures.

They include in each case:

- the members of the Executive Committee of the Company concerned (*executive directors*);
- a number of independent directors;
- a number of directors who represent the family shareholder (together with the independent directors, the *non-executive directors*).

The number of directors for each Board of Directors should, preferably, not exceed fifteen.

In principle, directors' mandates are for six years and renewable.

An age limit applies for directors:

- executive directors automatically resign on reaching the age of 65;
- non-executive directors automatically resign on reaching the age of 70;
- directors reaching the age limit may continue to exercise their mandate until a successor is appointed.

The Board of Directors may permit exceptions to this rule on a case-by-case basis.

The Boards of Directors are composed so that none of the three distinct groups (the directors representing the family shareholder, the independent directors, and the members of the Executive Committee) has the majority. On the other hand, the majority in the Boards of Directors is formed by non-executive directors.

9. Rating

The rating agency Standard & Poor's has been rating the Company since 2005. The credit rating expresses financial strength measured in terms of solvency, liquidity, business position, risk profile and creditworthiness. Throughout the financial crisis, Argenta maintained a stable rating at BBB +, while virtually all other banks had their ratings lowered in that period. In recent years, the Company has, on its own strength, without any support from the government, proven and even significantly increased its financial strength and reliability.

In April 2014, the rating of the Company by Standard & Poor's was raised from BBB+/ A-2 with stable outlook, to A-/A-2 with negative outlook. This increase is the result of a further improvement in *risk adjusted capital* ratio to above 15%, an exceptional level, due to which, in the medium term, the prospects remain favourable. The increase was implemented at a time when the overall sentiment of the credit rating agency towards the banking sector was rather negative.

Apart from the strong capital ratios, Standard & Poor's also considered the fact that in 2013, the Company was able to produce significantly better than expected earnings. This was the result, among other things, of a strong focus on growth in the core businesses, especially in private housing finance in Belgium and the Netherlands, two markets which are again showing signs of economic stabilisation.

Standard & Poor's assumes that the Company, as a Belgian local system bank, has limited implicit government support. Through the introduction of the European banking system restructuring for all European banks, Standard & Poor's is also now taking a possible reduction of this support into account. A technical result is that the outlook associated with the credit rating was lowered from stable to negative.

10. Discussion of the annual accounts of the Company for 2014

10.1. Balance sheet

The balance sheet total rose by 3.77% in 2014 from 31,153,140,287 euros to 32,327,301,718 euros.

On the assets, we see a sharp increase of 13.24% of the receivables from customers to 21.5 billion euros and a decrease of 12.76% in bonds and other fixed income securities. This evolution is in line with ambitions to further increase lending to retail customers.

Main asset components	**31/12/2013**	**31/12/2014**
Claims against credit institutions	219,714,750	388,448,297
Claims against customers	18,957,045,096	21,466,733,967
Bonds and other fixed-income securities	11,444,636,285	9,984,641,382
of public issuers	5,031,823,869	4,101,621,522
Of other issuers	6,412,812,416	5,883,019,860

On the liabilities side we see an increase in amounts owed to credit institutions, reflecting two repurchase agreements were entered into at the end of 2014.

Amounts owed to customers increased by 5.24%, with savings deposits rising above 21 billion euros. This is partly the result of the shift of funds from expired bank savings certificates to savings deposits.

The portfolio of "debt certificates" decreased by 30.35%.

Main liability components	**31/12/2013**	**31/12/2014**
Amounts owed to credit institutions	146,763,833	428,370,997
Amounts owed to customers	26,693,784142	28,091,386,248
Savings deposits	20,181,228,491	21,048,932,124
Other debts	6,512,555,651	7,042,454,124
Debt certificates	2,292,105,105	1,596,500,973
Subordinated debt	502,062,112	506,396,878

As Basel III / CRD IV does not allow subordinated debt to be counted as qualifying capital, until further notice no further "subordinated certificates" are being offered.

In the course of 2014, in the framework of the ALM interest rate policy, three additional swaps were concluded for a notional amount of 700 million euros.

In addition, two *asset* swap transactions were carried out, in which a swap was concluded (for a total nominal amount of 355,991,300 euros).

No additional caps were concluded. The total notional amount of bought and sold caps remains at 8.5 billion euros.

10.2. Result

The result for the financial year is 199,734,300 euros per 31 December 2014. This is a sharp increase of 45.21% compared to 2013.

Net interest income increased by 25.42% by maintaining the return on assets items and a fall in interest costs.

Net interest income also includes the positive impact of the buy-in of the notes issued by Green Apple in 2007. These notes were purchased under par with the accuring of interest up to the nominal value until the first call date in 2014. The call was not exercised, so the notes are still on the Company’s balance sheet.

	31/12/2013	**31/12/2014**
Interest income minus interest expenses	441,870,055	554,200,505
Income from fixed income securities	0	2,991,429
Profit (loss) from financial transactions	31,188,584	7,779,065
Remuneration, social security and pensions	-31,049,607	-33,566,465
Other administrative expenses	-105,436,109	-142,620,860
Impairments on (credit) receivables	-17,393,659	-6,315,471

In 2014, a dividend was received from the subsidiary company ABL. This entity was transformed into a fund manager. This gives rise to a surplus of capital which will be partly repaid during the course of 2015.

The profit from financial transactions fell from 31 million euros in 2013 to 7.7 million. However, a large portion of the capital gains in 2013, namely 24.9 million, was exceptional in nature, arising from the rollback of three asset swap transactions. Excluding this item, one ends up with a similar result from financial transactions in the normal management of the investment portfolio.

The other administrative expenses increased by 35.27%. This increase is mainly due to the previously discussed bank levies, but also due to the increase in operating costs, relating among other things to the various ongoing projects.

In addition to individual impairments, collective (portfolio-based) impairments were also applied in the form of an IBNR (incurred but not reported) provision.

The impact of the impairments and write-offs on receivables increased in 2013 by 11.6 million euros to 17.4 million euros. A large part of this increase (6.9 million euros) was due to the recording of an additional IBNR impairment. In 2014, there was an overall earnings impact of 6,315,471 euros.

An "incurred but not reported" (IBNR) impairment is recorded for mortgage loans without default status and for which no impairments have been charged on an individual basis (so-called performing loans).

10.3. Profit distribution at year end

It is proposed to distribute the profit for the year of 199,734,300 euros as follows:

- To the statutory reserve: 9,986,715 euros
- To the other reserves: 189,747,585 euros
- Profit for distribution: 0 euros

10.4. Own funds

In November 2014, an interim dividend of 60,831 million euros was paid out, followed by a capital increase of the same amount in the Company on 26 November.

After the aforementioned appropriation, the accounting own funds amounted to 1,396,657,160 euros as per 31 December 2014, compared to 1,206,664,648 euros as per 31 December 2013.

The return on equity was 16.55% for year 2014, compared to 12.87% for 2013.

Tier 1 capital amounts to 1,344,142,843 euros as per 31 December 2014, compared to 1,234,210,144 euros as per 31 December 2013.

The increase in the Tier 1 capital is the result of, among other things, the allocation of the total profit for the year to the reserves, the fact that with the introduction of Basel III the remaining additional Tier 1 effect can no longer be used as T1 capital, and a greater deduction of intangible assets (including capitalized commissions).

The Tier 1 ratio remained unchanged at 16.92%. However, the components of the ratio evolved in 2014.

	31/12/2013	**31/12/2014**
Return on equity	12.87%	16.55%
Income from fixed income securities	16.92%	16.92%

For a more complete picture of the Company's current situation, this annual report and the (consolidated) financial statements of the Company should be read in conjunction with the consolidated annual report and the consolidated financial statements of BVg.

11. <u>Discussion of the annual accounts of the Bank Pool for 2014</u>

11.1. Balance sheet and income statement

The IFRS total assets of the Bank Pool increased by 4.28% from 32,146,953,508 euros as per 31 December 2013 to 33,524,075,038 euros as per 31 December 2014.

Under the heading "financial assets held for trading" in addition to a Green Apple-linked swap and more caps with a positive fair value there is also a limited portfolio of secondary bonds (2.3 million euros). These securities are offered to customers.

Under the heading "Financial liabilities held for trading" there are derivative instruments with a negative fair value.

The relevant swaps and caps are all concluded within the framework of risk management but, due to IFRS technical monitoring up reasons, could not be accounted for using *hedge accounting* principles.

By applying the principles of *hedge accounting*, the changes in fair value of hedging instruments in the income statement are offset by the changes in fair value of the hedged instruments.

Avialable for sale financial assets, which are stated at fair value in the balance sheet, decreased by 1.58% from 8,486,713,608 euros to 8,352,382,746 euros. Under this heading fall almost all bonds and other fixed-income securities of the Bank Pool.

At end 2014 there are a limited number of fixed income securities (totalling of 839 817 180 euro) under the IFRS category "held to maturity assets".

The loans and advances portfolio (which includes the mortgage loans) increased by 1,296,902,945 euros or 5.83%.

Under the headings "derivatives used for hedging" are the swaps processed in IFRS in accordance with hedge accounting principles.

The heading "Changes in the fair value of the hedged positions " on the asset side of the balance sheet contains the compensatory changes in the fair value of the hedged mortgages position. This item has risen again from 275 393 059 euros to 398 422 686 euros per 31 December 2014.

Under the heading "income tax liabilities" there is 59,908,648 euros of deferred tax liabilities, related among other things to the unrealised losses/gains on the "financial assets available for sale". These latent values are handled on a separate line in own funds and after deferred tax amounted to 137.9 million euro compared to 132.5 million euros as per 31 December 2013.

Financial liabilities valued at amortized cost increased by 3.38% or 1,014,684,020 euros to 30,998,478,859 euros.

This decrease is the result of the increase of the amounts on savings accounts and a decrease in debt certificates.

11.2. Result

The profit for 2014 amounts to 173,058,525 euros compared to 174,974,622 euros for 2013.

The consolidated IFRS results for the financial year was 28.6 million euros lower than the result according to BGAAP standards. This delta is the result of the " processing at market value" of the caps in the IFRS figures (with for 2014, a negative delta after taxes of 15 million euros) and the reversal of the capital gains on the announced buy-in of the Green Apple securities (EUR 18 million after tax) which were already included in the IFRS result for 2013.

As in BGAAP, NII represents the profit driving force of the Company.

Commission income totalled 75,445,834 euros compared to 66,886,570 million euros in 2013. The commissions and fees paid decreased from 147,657,286 euros in 2013 to 135,160,379 euros in 2014.

The item "gains and losses on financial assets and liabilities held for trading" includes the interest on swaps which are not processed in accordance with IFRS hedge accounting principles, the result of processing the caps to market value in IFRS and the limited results of the secondary bonds.

In 2014, 6 million euros of capital gains were recorded on the realisation of investment securities. This further decrease reflects the improvement in the underlying operating "without capital gains" result of the Company.

As per 31 December 2014, remuneration, social security charges and pensions amounted to 34,818,193 euros. The general and administrative expenses have increased by 52.4 million euros to 186,595,762 euros.

11.3. Own funds

The IFRS accounting own funds as per the end of 2014 amounts to 1,549,675,409 euros compared to 1,388,027,229 euros at the end of 2013.

This increase is primarily the result of the addition of the profit for the year of 173,058,525 euros and the booking out of a revaluation reserve for buildings at the Company.

Tier 1 capital amounts to 1.391.404.904 euros per 31 December 2014 compared to 1.277.842.335 euros as per 31 December 2013.

The increase in the Tier 1 capital is the result of, among other things, the allocation of the total profit for the year to reserves and the fact that, with the introduction of Basel III, the remaining additional Tier 1 feect can no longer be used as Tier 1 capital.

12. <u>Information on important events occurring since the end of the year</u>

12.1. New Banking Act

This Act has introduced a number of reforms which have a significant impact on the Company and its subsidiaries.

The reforms include:

- a strengthening of the supervisory powers of the Board, with some organisational implications as a result, including the creation of additional committees under the auspices of the Board of Directors;
- a strengthening of internal supervision and control, by introducing greater independence of the control functions (audit, risk and compliance);
- introduction of a prior right for protected depositors, and a deposit / unencumbered assets ratio linked thereto, to ensure that in case of failure of a credit institution, sufficient assets will be available to compensate the depositors;
- stricter capital requirements in accordance with the new European rules here;
- strengthened supervision and control by the Belgian and European supervisory authority;
- new remuneration rules; and
- rules concerning the cumulation of mandates.

12.2. Procedure before the Constitutional Court relating to the increase of bank charges

On 31 January 2014, seven savings and retail banks, including the Company, filed a petition before the Constitutional Court, for the voiding of the increases in bank taxes imposed by the Belgian government at the end of July 2013.

More information about the bank levy has already been provided in section 3.2.

13. <u>Information about circumstances which may significantly affect the development of the Company and the Bank Pool, insofar as that they are not such such as to cause serious detriment to the Company and the Bank Pool</u>

To the best knowledge of the Board of Directors, there are no other circumstances which could significantly affect the development of the Company and the Bank Pool, other than those mentioned in this annual report.

14. <u>Information on research and development activities</u>

In the past year, the Company has continued to invest in the development of a new credit application (Kiosk which is a Qualitative Integration and Monitoring System for Loans). The introduction of a new accounting and management application was also successfully completed. In Chapter 6, an explanation can also be found of the other automation projects at the Company.

15. <u>Information concerning the existence of branches</u>

The Company has a branch in the Netherlands, at 30 Essendonk, Breda, which was founded in 2003. The other Bank Pool companies have no branches.

16. <u>Application of Article 134 of the Companies Code</u>

16.1. The Company

During the financial year 2014, the statutory auditor Deloitte Bedrijfsrevisoren BV ovve CVBA or companies which cooperate professionally with this company were allocated additional fees for additional services with regard to supplementary audit work, study costs and advice, training, tax advice and control in relation to loan provider accountability in a total amount of 170,330.75 euros (incl. VAT).

16.2. The Bank Pool

During the financial year 2014, the statutory auditor Deloitte Bedrijfsrevisoren BV ovve CVBA or companies which cooperate professionally with this company were allocated additional fees for additional services with regard to supplementary audit work, study costs and advice, training, tax advice and control in relation to loan provider accountability in a total amount of 170,330.75 euros (incl. VAT).

17. <u>Capital increases</u>

17.1. The Company

On 26 November 2014 a capital increase of 60,831,000 euros was implemented in the Company without issuing new shares. The capital of the Company was thereby increased from 518,246,650 euros to 579,077,650 euros.

17.2. The Bank Pool

On 26 November 2014 the Company's capital was increased by 60.831.000 euros, resulting in the share capital of the Bank Pool also increasing by the same amount.

18. <u>Acquisition of own shares</u>

Neither the Company nor a direct subsidiary, nor any person acting in his own name but on behalf of the Company or the direct subsidiary has acquired shares of the Company.

19. External mandates and personal interests of the Directors

The following Directors of the Company have exercised external mandates over the past financial year (outside the Argenta Group or their own management company):

1. Walter Van Pottelberge has external mandates in:
   • Justitia NV, with its registered office at Plantin en Moretuslei 295, 2140 Borgerhout, not listed on a regulated market, as Chairman;
   • Unibreda NV, with its registered office at Plantin en Moretuslei 303, 2140 Borgerhout, not listed on a regulated market, as Director.;
   • Vanbreda Risk & Benefits NV, with its registered office at Plantin en Moretuslei 297, 2140 Borgerhout, not listed on a regulated market, as Director;
   • Private Insurer NV, with its registered office at Tedescolaan 7, 1160 Brussels, financial institution, not listed on a regulated market, as Director (this mandate was terminated on 30 June 2014);
   • Cryo-Save Group NV, with its registered office at Ijsselkaai 8, 7201 HB Zutphen, limited company, listed on Euronext Amsterdam, as a member of the Supervisory Board (this mandate was terminated on 30 June 2014);
   • Inventive Designers NV, with its registered office at Sint-Bernardsesteenweg 552, 2660 Antwerp, limited company, not listed on a regulated market, as Director (this mandate was terminated on 1 January 2014);
   • TheraSolve BVBA, with its registered office at Jozef Cardijnstraat 1, 2070 Zwijndrecht, private company with limited liability, not listed on a regulated market, as Director (this mandate was terminated on 12 May 2014);
   • Xenarjo CVBA, with its registered office at Jef Denynplein 14, 2800 Mechelen, cooperative company with limited liability, not listed on a regulated market, as Chairman (this mandate was terminated on 30 June 2014);
   • Capricorn Venture Partners NV, with its registered office at Lei 19/1, 3000 Leuven, limited company, not listed on a regulated market, as Director;
   • Nipponkoa Insurance Company (Europe) Limited, with its registered office in 18 Bevis Marks, London EC3A 7JB, not listed on a regulated market, as Director.

2. Marie Claire Pletinckx has external mandates in:
   • Nationale Suisse Insurance NV, with its registered office at Tweekerkenstraat 14, 1000 Brussels, not listed on a regulated market, as Director;
   • Europese Goederen- en Reisbagage Verzekeringsmaatschappij NV, with its registered office in Tweekerkenstraat 14, 1000 Brussels, not listed on a regulated market, as Director;
   • Patronale Life NV, with its registered office at Belliardstraat 3, 1040 Brussels, not listed on a regulated market, as Director;
   On 11 December 2014 Ms Claire Pletinckx resigned as Director of the Company and BVg (she remains a member of the Aras board).

3. Emiel Walkiers has external mandates in:
   • Corimmo CVBA, with its registered office at Esplanade 1, 1020 Brussels, not listed on a regulated market, as non-executive Director (this mandate was terminated on 30 April 2014);
   • Tramonto CVA, with its registered office at Eglantierlaan 5, 2020 Antwerp, not listed on a regulated market, as Executive Director;
   • Moore Stephens Verschelden Bedrijfsrevisoren CVBA, with its registered office at Esplanade 1, 1020 Brussels, not listed on a regulated market, as non-executive Director.

4. Raf Vanderstichele has external mandates in:
   • Korora BVBA, with its registered office at Frans Degreefstraat 8, 1652 Beersel, not listed on a regulated market, as Manager;
   • Nemrod NV, with its registered office at Neerhofstraat 33, 8560 Wevelgem, not listed on a regulated market, as non-executive Director.
   On 11 December 2014 Mr Raf Vanderstichele resigned as Director of Aras (he remains a member of the Board of Directors of the Company and BVg).

5. Carlo Henriksen has external mandates in:
   • Donorinfo, with its registered office at Raketlaan 32, 1150 Brussels, public utility foundation, as Director.
   On 11 December 2014, Mr Carlo Henriksen was appointed Director of the Company and BVg.

20. Measures which the Company and the Bank Pool have taken in order to protect themselves against risks associated with the use by the Company and the Bank Pool of financial instruments, in so far as this is significant for the assessment of its assets, liabilities, financial position and results.

20.1. The Company

In 2014 swaps were again concluded to hedge the overall interest rate risk of the Company.

These derivative instruments were all concluded with other financial institutions with which collateral agreements exist.

20.2. The Bank Pool

Besides the swaps and caps there were no other derivative instruments used for direct hedging of transactions or for the hedging of specific portfolios for which hedge accounting is applied.

21. Justification of the independence and expertise in the field of accounting and audit of at least one member of the audit committee

Since 2008 there has been just single audit committee at BVg level. In 2013 this committee was converted into an audit, risk and compliance committee (ARC-Co).

On 16 December 2014 the Board of Directors decided to dissolve the committee and establish separate audit and risk committees within the Boards of Directors of the Company and Aras. Alongside the Company, the two committees will be chaired by an independent director who is not a member of the Board of Directors of Aras.

For futher details on the structure and function of this committee, the reader is referred to the combined annual report of BVg for 2014.

*   *   *

17 March 2015

The Board of Directors

Johan Heller	Jan Cerfontaine
Director	Chairman Board of Directors

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Argenta Spaarbank NV

Statutory auditor's report to the shareholders' meeting on the annual accounts for the year ended 31 December 2014

The original text of this report is in Dutch

To the shareholders

As required by law and the company's articles of association, we report to you in the context of our appointment as the company's statutory auditor. This report includes our report on the annual accounts together with our report on other legal and regulatory requirements. These annual accounts comprise the balance sheet as at 31 December 2014 and the income statement for the year then ended, as well as the summary of accounting policies and other disclosures.

Report on the annual accounts – Unqualified opinion

We have audited the annual accounts of Spaarbank NV ("the company") , prepared in accordance with the financial reporting framework applicable in Belgium, which show total assets of 32.327.302 (000) EUR and a profit for the year of 199.734 (000) EUR.

Board of directors' responsibility for the preparation of the annual accounts

The board of directors is responsible for the preparation and fair presentation of annual accounts in accordance with the financial-reporting framework applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Statutory auditor's responsibility

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the statutory auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of directors, as well as evaluating the overall presentation of the annual accounts. We have obtained from the company's officials and the board of directors the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Unqualified opinion

In our opinion, the annual accounts of Argenta Spaarbank NV give a true and fair view of the company's net equity and financial position as of 31 December 2014 and of its results for the year then ended, in accordance with the financial reporting framework applicable in Belgium.

Report on other legal and regulatory requirements

The board of directors is responsible for the preparation and the content of the directors' report on the annual accounts, as well as for maintaining the company's accounting records in compliance with the legal and regulatory requirements applicable in Belgium and for the company's compliance with the Companies Code and the company's articles of association.

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing applicable in Belgium, our responsibility is to verify, in all material respects, compliance with certain legal and regulatory requirements. On this basis, we make the following additional statements, which do not modify the scope of our opinion on the annual accounts:

- The directors' report includes the information required by law, is consistent with the annual accounts and is free from material inconsistencies with the information that we became aware of during the performance of our mandate.
- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- The appropriation of results proposed to the general meeting is in accordance with the relevant requirements of the law and the company's articles of association.
- There are no transactions undertaken or decisions taken in violation of the company's articles of association or the Companies Code that we have to report to you.

Diegem, 18 March 2015

The statutory auditor

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Represented by Dirk Vlaminckx