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

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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 12/01/2016 of filing of the Memorandum of Incorporation or the most recent document stating the date of notification of the Memorandum and of the deeds amending the articles of association.

ANNUAL ACCOUNTS approved by the General Meeting on 29/04/2016

with reference to the financial year covering the period from: 1/01/2015 to 31/12/2015

Previous financial year from: 1/01/2014 to 31/12/2014

The amounts with respect to the previous financial year are identical to those previously made public: yes

COMPLETE LIST with surnames, first names, profession, place of residence (address, number, postal code, and municipality) and position in the enterprise of the DIRECTORS, GENERAL 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 **

- a document containing the information mentioned in Art 74, §§ 4 and 5 of the Coordinated Acts on Trading Companies (relating to the annual report) **

Total number of pages filed: 139 Numbers of pages from the standard model not filed because not relevant: 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, 5.31, 5.32.2

Signature
(name and function)

[Signature]

Wauters Gert
Director

Signature
(name and function)

[Signature]

Ameloot Geert
Director

* Elective statement

** Remove what is not applicable

No.	0404.453.574	1.1.
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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

Van Hulle, Cynthia
Heikant 22, 9190 Stekene
Mandate 14/10/2015 – 30/04/2021

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, sitting 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

Auditors:

Deloitte Bedrijfsrevisoren BV o.v.v.e. cvba 0429.053.863
Berkenlaan 8b, 1831 Diegem
Membership number IBR 025
Permanently represented by Vlaminckx, Dirk (A-1978)
Berkenlaan 8b, 1831 Diegem
Mandate 26/04/2013 - 29/04/2016

DECLARATION CONCERNING 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 Act 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 statutory auditor.

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

- A. Keeping the books of the company**,
- B. Preparing the financial statements**,
- C. Auditing the financial statements and/or
- D. Correcting 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 Chartered 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)

* Remove what is not applicable.

** Elective statement

BALANCE SHEET AFTER APPROPRIATION

	Note	Codes	Current year	Previous year
ASSETS				
I. Cash, cash equivalents with central banks, postal cheque and giro services		10100	47,910,808	44,479,179
II. Government securities eligible for central bank refinancing		10200	16,754,907	62,935,143
III. Loans and advances to credit institutions	5.1	10300	406,415,961	388,448,297
A. Repayable on demand		10310	391,065,961	366,597,413
B. Other receivables (with agreed maturity dates or periods of notice)		10320	15,350,000	21,850,884
IV. Loans and advances to customers	5.2	10400	22,854,382,824	21,466,733,967
	5.3			
V. Bonds and other fixed-interest securities	5.3	10500	9,233,563,413	9,984,641,382
A. Issued by public bodies		10510	3,733,872,039	4,101,621,522
B. Issued by other issues		10520	5,499,691,374	5,883,019,860
VI. Shares and other non-fixed interest securities	5.4	10600	198,492	0
	5.5/			
VII. Financial fixed assets	5.6.1	10700	6,876,075	18,708,265
A. Participating interests in affiliated enterprises		10710	6,813,577	18,680,067
B. Participating interests in enterprises linked by participating interests		10720		
C. Other shares held as financial fixed assets		10730	62,498	28,198
D. Subordinated loans to affiliated enterprises and to other enterprises linked by participating interests		10740		
VIII. Formation expenses and intangible fixed assets	5.7	10800	107,501,654	103,793,844
IX. Tangible fixed assets	5.8	10900	36,988,139	34,217,518
X. Own shares		11000		
XI. Other assets	5.9	11100	12,093,491	23,043,567
XII. Transitory accounts	5.10	11200	176,853,419	200,300,556
TOTAL ASSETS		19900	32,899,539,183	32,327,301,718

	Note	Codes	Current year	Previous year
LIABILITIES				
DEBT CAPITAL				
		201/208	<u>31,351,035,438</u>	<u>30,930,644,558</u>
I. Amounts owed to credit institutions	5.11	20100	100,927,914	428,370,997
A. Repayable on demand		20110	928,444	17,739,550
B. Mobilisation debts via rediscounting of commercial paper		20120		
C. Other debts with agreed maturity dates or period of notice		20130	99,999,470	410,631,447
II. Amounts owed to customers	5.12	20200	29,228,477,542	28,091,385,678
A. Savings funds / savings deposits		20210	21,814,346,098	21,048,932,124
B. Other debts		20220	7,414,131,444	7,042,453,554
1. Repayable on demand		20221	4,900,147,708	4,618,759,018
2. With agreed maturity dates or period of notice		20222	2,513,983,736	2,423,694,536
3. Via rediscounting of commercial paper		20223		
III. Debt certificates	5.13	20300	1,360,797,325	1,596,500,973
A. Bonds and other fixed-interest securities in circulation		20310	1,360,797,325	1,596,500,973
B. Other debt		20320		
IV. Other liabilities	5.14	20400	79,342,944	87,509,424
V. Transitory accounts	5.15	20500	159,163,326	190,518,917
VI. Provisions and deferred taxes		20600	10,648,101	13,961,691
A. Provisions for liabilities and charges		20610	10,406,788	13,708,037
1. Pension and similar obligations		20611		
2. Taxes		20612		
3. Other liabilities and charges	5.16	20613	10,406,788	13,708,037
B. Deferred taxes		20620	241,313	253,654
VII. Fund for general banking risks		20700	16,000,000	16,000,000
VIII. Subordinated liabilities	5.17	20800	395,678,286	506,396,878
OWN FUNDS		209/213	<u>1,548,503,745</u>	<u>1,396,657,160</u>
IX. Capital	5.18	20900	616,252,150	579,077,650
A. Subscribed capital		20910	616,252,150	579,077,650
B. Uncalled capital (-)		20920		
X. Share premium accounts		21000		
XI. Revaluation surpluses		21100	0	3,909,290
XII. Reserves		21200	932,251,595	813,670,220
A. Legal reserve		21210	61,625,215	53,181,245
B. Unavailable reserves		21220	0	0
1. for own shares		21221		
2. other		21222		
C. Untaxed reserves		21230	468,640	492,607
D. Reserves available for distribution		21240	870,157,740	759,996,368
XIII. Profits (losses (-) brought forward		21300		
TOTAL LIABILITIES		29900	32,899,539,183	32,327,301,718

	Note	Codes	Current year	Previous year
OFF-BALANCE SHEET ITEMS				
I. Contingent liabilities	5.22	30100	4,251,895	3,847,225
A. Non-negotiated acceptances		30110		
B. Credit-replacing guarantees		30120	0	0
C. Other guarantees		30130	4,251,895	3,847,225
D. Documentary credits		30140		
E. Assets subject to collateral security for third-party accounts		30150		
II. Commitments with potential credit risk	5.22	30200	4,743,095	6,072,699
A. Commitments to disburse funds		30210		
B. Commitments via cash purchase of securities and other values		30220	271,757	474,528
C. Available margin on confirmed credit lines		30230	4,471,338	5,598,171
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	9,696,437,634	9,138,032,751
A. Asset held by the credit institutions for fiduciary purposes		30310		
B. Safe custody and equivalent terms		30320	9,696,437,634	9,138,032,751
IV. Uncalled amounts of share capital		30400		

INCOME STATEMENT*(presentation in vertical form)*

	Note	Codes	Current year	Previous year
I. Interest income and similar earnings	5.23	40100	939,296,619	1,036,833,818
A. Including: from fixed-interest securities		40110	154,931,745	237,924,897
II. Interest costs and similar costs (-)		40200	(380,313,894)	(482,633,313)
III. Income from non-fixed-rate securities	5.23	40300	1,125	2,991,429
A. From shares and other non-fixed-rate securities		40310		
B. From participating interests in affiliated enterprises		40320	0	2,991,429
C. From participating interests in other enterprises linked by participating interests		40330		
D. From other shares held as fixed assets		40340	1,125	0
IV. Commissions received	5.23	40400	88,618,559	72,515,583
A. Brokerage and related commissions		40410	27,810,475	23,580,358
B. Fees for management, advice and custody services		40420	39,521,130	29,376,558
C. Other commissions received		40430	21,286,954	19,558,667
V. Paid Commissions (-)		40500	(149,460,190)	(135,103,452)
VI. Profit (Loss) on financial transactions (+)/(-)	5.23	40600	8,383,702	7,779,065
A. On trading of securities and other financial investments		40610	(0)	(11,773)
B. From the disposal of investment securities		40620	8,383,702	7,790,838
VII. General administrative costs (-)		40700	(198,373,668)	(176,187,325)
A. Remuneration, social security and pensions		40710	(48,882,432)	(33,566,465)
B. Other administrative costs		40720	(149,491,236)	(142,620,860)
VIII. Depreciation of formation expenses, on intangible and tangible fixed assets (-)		40800	(46,315,006)	(43,692,118)
IX. Write-downs on receivables and on provisions for Off-balance sheet items 'I. Contingent liabilities' and 'II. Commitments which could give rise to a risk' (+)/(-) securities: additions (withdrawals) (+)/(-)		40900	1,940,082	(6,315,471)
X. Write-downs on the investment portfolio in bonds, shares, and other fixed-interest or non-fixed-interest securities: additions/withdrawals (+)/(-)		41000	31,225	1,606,343
XI. Provisions for other risks and charges than mentioned in the off-balance sheet items 'I. Potential liabilities' and 'II. Commitments with potential credit risk': expenses (withdrawals) (+)/(-)		41100	3,940,347	0
XII. Provisions for other risks and costs than mentioned in the off-balance sheet items 'I. Potential liabilities' and 'II. Commitments with potential credit risk' (-)		41200	(639,098)	(638,705)
XIII. Transfer from (Transfer to) the Fund for general banking risks (+)/(-)		41300	(0)	(0)
XIV. Other operating income	5.23	41400	36,423,357	37,474,962
XV. Other operating charges (-)	5.23	41500	(73,178,668)	(60,325,893)
XI. Profit (Loss) on ordinary activities before taxes (+)/(-)		41600	230,354,492	254,304,923

INCOME STATEMENT OVERVIEW*(presentation in vertical form)*

	Note	Codes	Current year	Previous year
XVII. Extraordinary income		41700	1,728,424	272,302
A. Reversal of depreciation of formation expenses, intangible and tangible fixed assets.		41710	602	6,847
B. Reversal of write-downs of financial fixed assets		41720	0	0
C. Reversal of provisions for extraordinary risks and charges		41730		
D. Gain on disposal of fixed assets		41740	226,632	64,532
E. Other extraordinary income	5.25	41750	1,501,190	200,923
XVIII. Extraordinary expenses (-)		41800	(71,647)	(194,307)
A. Extraordinary depreciation of formation expenses, intangible, and tangible fixed assets		41810	(0)	(9,858)
B. Write-down of financial fixed assets		41820	(0)	(132,244)
C. Provisions for extraordinary risks and charges (+)/(-)		41830	()	()
D. Loss from disposal of fixed assets		41840	(71,647)	(52,205)
E. Other exceptional costs	5.25	41850	(0)	(0)
XIX. Profit (Loss) from the fiscal year before taxes.....(+)/(-)		41910	232,011,269	254,382,918
XIXbis. A. Transfer to deferred taxes (-)		41921	()	()
B. Transfer from deferred taxes		41922	36,308	36,308
XX. Income taxes (+)/(-)	5.26	42000	(50,921,485)	(54,684,926)
A. Taxes (-)		42010	(58,962,989)	(57,522,554)
B. Regularisation of taxes and write-back of tax provisions		42020	8,041,504	2,837,628
XXI. Profit (Loss) for the fiscal year (+)/(-)		42100	181,126,092	199,734,300
XXII. Transfer to (transferl from) untaxed reserves (+)/(-)		42200		
XXIII. Profit (Loss) for the period available for appropriation		42300	181,126,092	199,734,300

APPROPRIATION ACCOUNT

	Codes	Current year	Previous year
A. Profit (loss) to be appropriated (+)/(-)	49100	181,126,092	199,734,300
1. Profit (loss) for the period available for appropriation (+)/(-)	(42300)	181,126,092	199,734,300
2. Carried forward profit (loss) of prior period(+)/(-)	(21300P)		
B. Transfers from equity	49200	62,520,750	60,831,000
1. from the capital and issue premiums	49210		
2. from the reserves	49220	62,520,750	60,831,000
C. Transfers to equity (-)	49300	(181,126,092)	(199,734,300)
1. To capital and share premium account	49310	()	()
2. To the legal reserve	49320	(8,443,970)	(9,986,715)
3. To other reserves	49330	(172,682,122)	(189,747,585)
D. Profit (loss) to be carried forward (+)/(-)	49400		
E. Shareholders' contribution in respect of losses	49500		
F. Profit to be distributed (-)	49600	(62,520,750)	(60,831,000)
1. Dividends (a)	49610	(62,520,750)	(60,831,000)
2. Directors or managers (a)	49620		
3. Other entitled persons (a)	49630		

(a) only for limited liability companies under Belgian law

NOTES

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

A. GENERAL STATEMENT OF THE ITEM AS A WHOLE

1. Loans and advances to affiliated enterprises
2. Loans and advances to other enterprises linked by participating interests
3. Subordinated loans and advances

B. GENERAL STATEMENT OF THE OTHER RECEIVABLES (WITHIN A PERIOD OR WITH CANCELLATION)

1. Commercial paper eligible for refinancing at the central bank of the country(-ies) in which the credit institution is headquartered.
2. Division of these receivables into their remaining durations:
 - a. Maximum of three months
 - b. More than three months with year maximum
 - c. More than a year with five year maximum
 - d. More than five years
 - e. Of undefined duration

Codes	Current year	Previous year
10300	<u>406,415,961</u>	<u>388,448,297</u>
50101	0	43,984
50102		
50103		
10320	<u>0</u>	<u>21,850,884</u>
50104		
50105	15,350,000	
50106		
50107		
50108		
50109		

II. LOANS AND ADVANCES TO CUSTOMERS (asset item IV)**1. Loans and advances to affiliated enterprises****2. Loans and advances to enterprises with which a shareholding relationship exists****3. Subordinated loans****4. Commercial paper eligible for refinancing at the central bank of the country(-ies) in which the credit institution is headquartered**

Codes	Current year	Previous year
50201	-269,991,633	-221,029,043
50202		
50203		
50204		

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

a. Maximum of three months

b. More than three months with a year maximum

c. More than a year with a five year maximum

d. More than five years

e. Of undefined duration

50205	109,871,962
50206	110,340,203
50207	489,222,528
50208	22,434,124,213
50209	-289,176,082

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

a. Loans and advances to the government

b. Loans and advances to private entities

c. Loans and advances to enterprises

50210	76,522,000	16,000,000
50211	22,550,088,511	21,163,255,615
50212	227,772,313	287,478,352

7. Division of loans and advances to clients by type

a. Commercial paper (incl. own acceptances)

b. Claims from leasing and other comparable claims

c. Loans with fixed-rate tax percentage

d. Mortgage Loans

e. Other loans with a term of more than one year

f. Other claims

50213	0
50214	0
50215	97,244,649
50216	22,236,605,491
50217	350,774,417
50218	169,758,267

8. Geographical division of loans and advances to clients*

a. From Belgium

b. From foreign countries

50219	9,587,109,313
50220	13,267,273,511

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

b. Reconstitution funds and mathematical reserves
in connection with these loans

c. Net circulation of these loans (a-b)

50221	6,308,633
50222	4,499,401
50223	1,809,232

* Commercial paper is broken down by credit beneficiary

III. BONDS AND OTHER FIXED-INTEREST SECURITIES (*asset item V*)**A. GENERAL STATEMENT****1. Bonds and securities issued by affiliated enterprises**

Codes	Current year	Previous year
(105000)	9,233,563,413	9,984,641,382
50301	0	0
50302		
50303	54,284,848	80,558,426

2. Bonds and securities issued by enterprises with which a shareholding agreement exists**3. Bonds and securities representing subordinated loans****4. Geographic division of securities**

- a. By Belgian public bodies
- b. By foreign public bodies
- c. Belgian issuers other than public bodies
- d. Foreign issuers other than public bodies

50304	2,243,293,819
50305	1,490,578,220
50306	704,039,786
50307	4,795,651,588

5. Listing

- a. Book value of listed securities
- b. Market value of listed securities
- c. Book value of unlisted securities

50308	9,233,563,413
50309	9,487,582,248
50310	

6. Durations

- a. Remaining durations with a maximum of one year
- b. Remaining durations of more than a year

50311	1,098,725,517
50312	8,134,837,896

7. Division of securities by type

- a. Trading portfolio
- b. Investment portfolio

50313	2,113,409
50314	9,231,450,004

8. For the trading portfolio

- a. Positive difference between the market value and the acquisition value for securities recorded at market value
- b. Positive difference between the market value and the book value as estimated in accordance with art. 35, §2, second clause

50315	11,290
50316	0

9. For the investment portfolio

- a. Positive difference of all securities in which the repayment value is higher than the book value
- b. Negative difference of all securities in which the repayment value is lower than the book value

50317	7,695,353
50318	137,901,853

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

	Codes	Current year
1. Acquisition value at the end of the previous fiscal year	50323P	9,982,663,419
2. Changes during the fiscal year	50319	(750,986,345)
a. Acquisitions	50320	2,916,870,173
b. Sales (-)	50321	(3,663,348,288)
c. Adjustments by application of art. 35 §4 and 5 (+/-)	50322	(4,508,230)
3. Acquisition value at the end of the fiscal year	50323	9,231,677,074
3. 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	259,458
6. Changes during the fiscal year	50327	(32,388)
a. Recorded	50328	321,714
b. Excess written back (-)	50329	(354,102)
c. Transferred (-)	50330	()
d. Transferred from one item to another (+/-)	50331	
7. Write-down as at the end of fiscal year	50332	227,070
8. Net carrying value by end of fiscal year (a) + b)1. - c)	(50314)	9,231,450,004

III. Thematic citizen loans

	Codes	<i>Current year</i>	<i>Previous year</i>
1. Total funds raised	50340	31,646,946	20,274,405
a) in the form of retail savings certificates and term deposits (article 4)	50341	31,646,946	20,274,405
b) by means of interbank loans (article 6)	50342	0	
2. Use of funds raised	50350	58,843,945	31,610,579
a. Citizen loans granted	50351	48,843,945	31,610,579
b. Realized investments (article 11)	50352	10,000,000	
c. Interbank loans	50353		
3. Income from investments (article 11)	50360	1,248,908	234,033

IV. STATEMENT OF SHARES AND OTHER NON-FIXED-INCOME SECURITIES

(asset item IV)

A. GENERAL STATEMENT**1. Geographic breakdown of securities**

- a) Belgian issuers
- b) Foreign issuers

2. Listings

- a) Book value of listed securities
- b) Market value of listed securities
- c) Book value of non-listed securities

3. Breakdown into

- a) Trading portfolio
- b) Investment portfolio

4. For the trading portfolio

- a) Positive difference between the market value and the acquisition value of securities measured at market value
- b) Positive difference between the market value and the book value of securities measured pursuant to Article 353..2.2. of RD of 23.09.1992

Codes	Current year	Previous year
(10600)	0	0
50401	198,492	0
50402		
50403	198,492	
50404	198,492	
50405		
50406		
50407	198,492	
50408		
50409		

IV. SHARES AND OTHER NON-FIXED-INCOME SECURITIES (*asset item VI*)**B. Detail indication of the carrying value of the shares and other non-fixed-income security in the investment portfolio**

	Codes	Current year
1. Acquisition value at previous fiscal year end	50414P	0
2. Changes during the fiscal year	50410	(0)
a. Acquisitions	50411	199,655
b. Transfers (-)	50412	(0)
c. Other changes (+)/(-)	50413	(0)
3. Acquisition value at fiscal year end	50414	199,655
4. Transfers between portfolios		
a. Transfers from the investment to the trading portfolio (-)	50415	
b. Transfers from the trading to the investment portfolio (+)	50416	
c. Impact on the result	50417	
5. Impairments at previous fiscal year end	50423P	
6. Changes during the fiscal year	50418	(-1,163)
a. Recognized	50419	1,163
b. Reversed as unnecessary	50420	()
c. Written out	50421	()
d. Transferred from one item to another	50422	
7. Impairment at fiscal year end	50423	1,163
8. Net carrying value at fiscal year end	(50407)	198,492

V. NON-CURRENT FINANCIAL ASSETS (Asset item VII)**A. General statement****1. Division of financial fixed assets by economic sector**

	Codes	Current year	Previous year
a. Participating interests in affiliated enterprises which are credit institutions	50501	0	14,261,490
b. Participating interests in affiliated enterprises which are not credit institutions	50502	6,813,577	4,418,577
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	62,498	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 listed	50511		
b. Participating interests in affiliated enterprises which are not listed	50512	6,813,577	
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	62,498	
g. Sum of the subordinated loans represented by registered securities	50517		

	Codes	Current year
D. Detailed statement of the book value of the shareholdings in affiliated enterprises		
1. Acquisition value at previous year-end	50522P	13,373,266
2. Changes during the financial yet	50518 (7,957,200)
a) Acquisitions	50519	
b) Transfers and decommissioning	50520 (7,957,200)
c) Transfers between items (+)(-)	50521	
3. Acquisition value at year-end	50522	5,416,066
4. Capital gains at previous year-end	50528P	5,517,417
5. Changes during the year	50523 (3,909,290)
a. Booked	50524	
b. Acquired from third parties	50525 ()
c. Written out	50526 (3,909,290)
d. Transferred from one item to another	50527	
6. Capital gains at year-end	50528	1,608,127
7. Impairments at previous year-end	50535P	210,616
8. Changes during the year	50529 ()
a. Booked	50530	0
b. Reversed as redundant	50531 ()
c. Acquired from third parties	50532	
d. Written out	50533 ()
e. Transferred from one item to another	50534	
9. Impairments at year-end	50535	210,616
10. Net book value at year-end	10710	6,813,577

IV. STATEMENT OF SHARES AND OTHER NON-FIXED-INCOME SECURITIES

	Codes	Current year
D. Detailed statement of the book value of the other shares included in non-current financial assets		
1. Acquisition value at previous year-end	50558P	28,198
2. Changes during the financial yet	50554	0
a) Acquisitions	50555	34,300
b) Transfers and decommissioning	50556 ()
c) Transfers between items (+)(-)	50557	
3. Acquisition value at year-end	50558	62,498
4. Capital gains at previous year-end	50564P	
5. Changes during the year	50559	
a. Booked	50560	
b. Acquired from third parties	50561	
c. Written out	50562 ()
d. Transferred from one item to another	50563	
6. Capital gains at year-end	50564	
7. Impairments at previous year-end	50571P	
8. Changes during the year	50565 ()
a. Booked	50566	
b. Reversed as redundant	50567 ()
c. Acquired from third parties	50568	
d. Written out	50569 ()
e. Transferred from one item to another	50570	
9. Impairments at year-end	50571	0
10. Net book value at year-end	10730	62,498

VI. INFORMATION ON PARTICIPATING INTERESTS**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 registered office and, for Belgian law companies, the enterprise number	Shares held				Data from the most recently published annual accounts			
	directly			subsids.	Annual accounts per	Curr. code	Own funds	Net result
	Type	No.	%	%			(+) of (-)	(+) of (-)
Codes								
Argenta Asset Management SA Boulevard du Prince Henri 27 L - 1724 Luxembourg R.C. Luxembourg B 35185	cap. shares	349	99.71		31/12/2015	EUR	7,797,110	2,600,068
Argenta Nederland nv Prins Bernhardplein 200 NL - 1097 JB Amsterdam H.R. Amsterdam 33215872	cap. shares	500	100.00		31/12/2015	EUR	4,316,665	-70,073

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

	Codes	Current year	Previous year
A. FORMATION EXPENSES			
1. Net carrying value from the previous fiscal year	50705P	xxxxxxxxxx x	96,082
2. Changes during the fiscal year			
a. New expenses incurred	50701	(52,500)	
b. Amortization and impairments (-)	50702		
c. Other (+/-)	50703	(52,500)	
	50704		
3. Net carrying value by end of fiscal year	50705	43,582	
4. Of which:			
a. Formation expenses or capital increase, costs from loan issue, and other formation expenses.	50706	43,582	
b. Restructuring costs	50707		

	Codes	Current year	Previous year
C. PROVISIONS TO PAY FOR CONTRIBUTIONS WITH CLIENTS			
1. Acquisition value by end of fiscal year	50725P	xxxxxxxxxx x	108,315,791
2. Changes during the fiscal year	50721	10,407,466	
a. Purchases, including produced fixed assets	50722	21,347,031	
b. Sales and disposals	50723	(10,939,565)	
c. Transfers from one item to another	50724		
3. Acquisition value by end of fiscal year	50725	118,723,257	
4. Write-downs and impairments by end of fiscal year	50732P	xxxxxxxxxx x	49,721,243
5. Changes during the fiscal year	50726	11,355,580	
a. Recorded	50727	22,295,145	
b. Excess written back	50728		
c. Acquired from third-parties	50729		
d. Cancellations after previous transfer and disposal	50730	(10,939,565)	
e. Transferred from one item to another (+)/(-)	50731		
6. Write-downs and impairments by end of fiscal year	50732	61,076,823	
7. Net carrying value by end of year	50733	<u>57,646,434</u>	

	Codes	Current year	Previous year
D. OTHER INTANGIBLE ASSETS			
1. Acquisition value by end of fiscal year	50738P	xxxxxxxxxx x	89,620,082
2. Changes during the fiscal year	50734	23,335,511	
a. Purchases, including produced fixed assets	50735	23,335,511	
b. Sales and disposals	50736	(0)	
c. Transfers from one item to another	50737		
3. Acquisition value by end of fiscal year	50738	112,955,593	
4. Write-downs and impairments by end of fiscal year	50745P	xxxxxxxxxx x	44,516,868
5. Changes during the fiscal year	50739	18,627,087	
a. Recorded	50740	18,627,087	
b. Excess written back	50741		
c. Acquired from third-parties	50742		
d. Cancellations after previous transfer and disposal	50743	(0)	
e. Transferred from one item to another (+)/(-)	50744		
6. Write-downs and impairments by end of fiscal year	50745	63,143,955	
7. Net carrying value by end of year	50746	<u>49,811,638</u>	

VIII. TANGIBLE FIXED ASSETS (asset item IX)**A. LAND AND BUILDINGS****1. Acquisition value by end of fiscal year**

Codes	Current year	Previous year
50805P	xxxxxxxxxx x	34,148,998

2. Changes during the fiscal year

- a. Purchases, including produced fixed assets
- b. Sales and disposals
- c. Transfers from one item to another

50801	3,408,990	
50802	3,838,471	
50803	(429,481)	
50804		

3. Acquisition value by end of fiscal year

50805	37,557,988	
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4. Revaluation surpluses by end of fiscal year

50811P	xxxxxxxxxx x	
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5. Changes during the fiscal year

- a. Recorded
- b. Acquired from third-parties
- c. Cancellations
- d. Transferred from one item to another(+)/(-)

50806		
50807		
50808		
50809		
50810		

6. Revaluation surpluses by end of fiscal year

50811		
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7. Depreciation and write-downs by end of fiscal year

50818P	xxxxxxxxxx x	13,520,569
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8. Changes during the fiscal year

- a. Recorded
- b. Excess written back
- c. Acquired from third-parties
- d. Cancellations after previous transfer and disposal
- e. Transferred from one item to another(+)/(-)

50812	1,189,605	
50813	1,200,538	
50814		
50815		
50816	(10,933)	
50817		

9. Depreciation of value by end of fiscal year

50818	14,710,174	
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10. Net carrying value by end of year

50819	<u>22,847,814</u>	
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	Codes	Current year	Previous year
B. PLANT, MACHINERY AND EQUIPMENT			
1. Acquisition value by end of fiscal year	50824P	xxxxxxxxxx x	20,373,601
2. Changes during the fiscal year	50820	4,085,712	
a. Purchases, including produced fixed assets	50821	4,224,303	
b. Sales and disposals	50822	(96,301)	
c. Transfers from one item to another	50823	(42,290)	
3. Acquisition value by end of fiscal year	50824	24,459,313	
4. Revaluation surpluses by end of fiscal year	50830P	xxxxxxxxxx x	
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 x	12,221,537
8. Changes during the fiscal year	50831	3,167,087	
a. Recorded	50832	3,252,757	
b. Excess written back	50833		
c. Acquired by third-parties	50834		
d. Cancellations after previous transfer and disposal	50835	(74,360)	
e. Transferred from one item to another (+)/(-)	50836	(11,310)	
9. Depreciation and write-downs by end of fiscal year	50837	15,388,624	
10. Net carrying value by end of year	50838	<u>9,070,689</u>	

	Codes	Current year	Previous year
C. FURNITURE AND VEHICLES			
1. Acquisition value by end of fiscal year	50843P	xxxxxxxxxx x	1,502,321
2. Changes during the fiscal year	50839	920,478	
a. Purchases, including produced fixed assets	50840	1,082,399	
b. Sales and disposals	50841	(204,211)	
c. Transfers from one item to another	50842	42,290	
3. Acquisition value by end of fiscal year	50843	2,422,799	
4. Revaluation surpluses by end of fiscal year	50849P	xxxxxxxxxx x	
5. Changes during the fiscal year	50844		
a. Recorded	50845		
b. Acquired from third-parties	50846		
c. Cancellations	50847		
d. Transferred from one item to another (+)/(-)	50848		
6. Revaluation surpluses by end of fiscal year	50849		
7. Depreciation and write-downs by end of fiscal year	50856P	xxxxxxxxxx x	519,570
8. Changes during the fiscal year	50850	148,212	
a. Recorded	50851	213,461	
b. Excess written back	50852		
c. Acquired from third-parties	50853		
d. Cancellations after previous transfer and disposal	50854	(76,559)	
e. Transferred from one item to another (+)/(-)	50855	11,310	
9. Depreciation and write-downs by end of year	50856	667,782	
10. Net carrying value by end of year	50857	<u>1,755,017</u>	

	Codes	Current year	Previous year
E. OTHER TANGIBLE FIXED ASSETS			
1. Acquisition value by end of fiscal year	50884P	xxxxxxxxxx x	24,121
2. Changes during the fiscal year	50880	962	
a. Purchases, including produced fixed assets	50881	962	
b. Sales and disposals	50882		
c. Transfers from one item to another	50883		
3. Acquisition value by end of fiscal year	50884	25,083	
4. Revaluation surpluses by end of fiscal year	50890P	xxxxxxxxxx x	
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	xxxxxxxxxx x	
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 and write-downs by end of fiscal year	50897		
10. Net carrying value by end of year	50898	<u>25,083</u>	

F. ASSETS UNDER CONSTRUCTION AND ADVANCE**PAYMENTS****1. Acquisition value by end of fiscal year**

Codes	Current year	Previous year
50903P	xxxxxxxxxx x	3,432,313

2. Changes during the fiscal year

- a. Purchases, including produced fixed assets
- b. Sales and disposals
- c. Transfers from one item to another

50899	(2,833,778)	
50900	0	
50901	(0)	
50902	(2,833,778)	

3. Acquisition value by end of fiscal year

50903	598,535	
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4. Revaluation surpluses by end of fiscal year

50909P	xxxxxxxxxx x	
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5. Changes during the fiscal year

- a. Recorded
- b. Acquired from third-parties
- c. Cancellations
- d. Transferred from one item to another(+)/(-)

50904		
50905		
50906		
50907		
50908		

6. Revaluation surpluses by end of fiscal year

50909		
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7. Depreciation and write-downs by end of fiscal year

50916P	xxxxxxxxxx x	
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8. Changes during the fiscal year

- a. Recorded
- b. Excess written back
- c. Acquired from third-parties
- d. Cancellations after previous transfer and disposal
- e. Transferred from one item to another (+)/(-)

50910		
50911		
50912		
50913		
50914		
50916		

9. Depreciation and write-downs by end of fiscal year

50916		
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10. Net carrying value by end of year

50917	<u>598,535</u>	
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	Codes	Current year	Previous year
G. COSTS FOR LEASED BUILDINGS			
1. Acquisition value by end of fiscal year	50922P	xxxxxxxxxx x	2,257,167
2. Changes during the fiscal year	50918	1,790,350	
a. Purchases, including produced fixed assets	50919	2,864,176	
b. Sales and disposals	50920	(1,073,826)	
c. Transfers from one item to another	50921		
3. Acquisition value by end of fiscal year	50922	4,047,517	
4. Revaluation surpluses by end of fiscal year	50928P	xxxxxxxxxx x	
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 x	1,259,327
8. Changes during the fiscal year	50929	97,189	
a. Recorded	50930	672,743	
b. Excess written back	50931		
c. Acquired from third-parties	50932		
d. Cancellations after previous transfer and disposal	50933	(575,554)	
e. Transferred from one item to another(+)/(-)	50934		
9. Depreciation and write-downs by end of fiscal year	50935	1,356,516	
10. Net carrying value by end of year	50936	<u>2,691,001</u>	

No. 0404.453.574

5.9.

IX. OTHER ASSETS (asset item XI)

Current year

Breakdown of asset item XI where this contains a significant amount

Suppliers	6,498,010
Refundable tax	4,887,986
Refundable VAT	81,959
Other	67,391
Moratorium interest receivable	558,145

X. TRANSITORY ACCOUNTS (*asset item XII*)**1. Deferred charges****2. Accrued income**

Codes	Current year
51001	82,866,087
51002	93,987,332

X.bis REINVESTMENT OF SEGREGATED CLIENT FUNDS**Total**

Codes	Current year
51003	

XI. DEBTS TO CREDIT INSTITUTIONS (*liabilities item I*)

	Codes	Current year	Previous year
1. Debts to affiliated enterprises	51101	0	15,469,691
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	99,999,470	
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 (*liabilities item II*)

	Codes	Current year	Previous year
1. Debts to affiliated enterprises	51201	140,562,346	116,412,963
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	4,900,147,708	
b. Maximum of three months	51204	137,021,445	
c. More than three months with a maximum of one year	51205	302,910,225	
d. More than a year with a maximum of five years	51206	1,827,373,804	
e. More than five years	51207	246,678,262	
f. Of undefined duration	51208	21,814,346,098	
4. Division of debts to clients by creditor type			
a. Debts to the government	51209	0	0
b. Debts to private entities	51210	27,681,002,321	27,245,152,864
c. Debts to enterprises	51211	1,547,475,221	846,232,814
5. Geographical division of debts to clients			
a. From Belgium	51212	26,283,105,431	
b. From foreign countries	51213	2,945,372,111	

XIII. DEBT CERTIFICATES (*liabilities item III*)

**1. Debt certificates which, to the knowledge of the institution,
are owed to enterprises with which a shareholding agreement exists**

**2. Debt certificates, which, to the knowledge of the institution,
are owed to enterprises with which a shareholding agreement exists**

3. Breakdown of debt certificates by remaining duration

a. Maximum of three months

b. More than three months with a maximum of one year

c. More than a year with a maximum of five years

d. More than five years

e. Of undefined duration

Codes	Current year	Previous year
51301	6,851,500	13,956,600
51302		
51303	48,630,664	
51304	113,033,148	
51305	1,199,133,513	
51306	0	
51307	0	

XIV. OTHER LIABILITIES (*liability asset IV*)

	Codes	Financial year
1. Debts concerning taxes, remuneration and social security with respect to the tax administration	51401	3,942,706
a. Defaulted debts	51402	
b. Non-defaulted debts	51403	3,942,706
2. Debts concerning taxes, remuneration, and social security charges with respect to National Social Security	51404	0
a. Defaulted debts	51405	
b. Non-defaulted debts	51406	0
3. Taxes		29,107,708
a. Taxes payable	51407	
b. Estimated tax liabilities	51408	29,107,708
4. Other liabilities		46,292,530
Division of the item where a significant sum occurs		
Supplier	51409	13,551,052
Provisions	51410	15,445,897
Other debts	51411	226,540
Invoices to be received	51412	17,069,041

XV. TRANSITORY ACCOUNTS (*liabilities item V*)**1. Accrued charges****2. Deferred income**

Codes	Financial year
51501	155,279,095
51502	3,884,231

XVI. PROVISIONS FOR OTHER RISKS AND CHARGES

(liabilities item VI. A. 3)

Breakdown of liabilities item VI.a.3 where a significant amount occurs

General provision

Broker loss provision

Current year
9,877,434
529,354

XVII. SUBORDINATED LIABILITIES (*liabilities item VIII*)**1. Subordinated liabilities due to affiliated enterprises****2. Subordinated liabilities due to to other enterprises****linked by participating interests**

Codes	Current year	Previous year
51701	0	0
51702		

**3. Costs associated with subordinated loans,
attributable to the fiscal year**

Codes	Current year
51703	16,142,683

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 prepay 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 conditions governing duration	a) circumstances in which the institution may prepay b) conditions for subordination c) conditions for conversion
ASPA	euro	68,800,000	10/2016	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	56,629,305	01/2016	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	25,494,885	02/2016	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	20,098,258	03/2016	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	9,312,581	04/2016	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	12,984,690	05/2016	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	14,067,449	06/2016	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	13,174,577	07/2016	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	8,817,741	08/2016	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none

reference number	currency	amount	due date or conditions governing duration	a) circumstances in which the institution may prepay b) conditions for subordination c) conditions for conversion
ASPA	euro	7,012,230	09/2016	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	3,975,633	10/2016	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	2,675,715	11/2016	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	1,827,421	12/2016	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	2,376,107	01/2017	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	2,291,763	02/2017	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	5,481,911	03/2017	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	6,652,622	04/2017	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	11,577,946	05/2017	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none

reference number	currency	amount	due date or conditions governing duration	a) circumstances in which the institution may prepay b) conditions for subordination c) conditions for conversion
ASPA	euro	9,510,723	06/2017	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	7,853,457	07/2017	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	5,007,731	08/2017	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	4,202,472	09/2017	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	3,809,137	10/2017	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	2,710,220	11/2017	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	2,421,880	12/2017	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	8,248,845	01/2018	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	1,942,135	02/2018	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none

reference number	currency	amount	due date or conditions governing duration	a) circumstances in which the institution may prepay b) conditions for subordination c) conditions for conversion
ASPA	euro	1,391,989	03/2018	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	963,235	04/2018	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	1,496,684	05/2018	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	1,552,057	06/2018	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	849,900	07/2018	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	1,497,581	08/2018	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	1,052,760	09/2018	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	606,063	10/2018	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	1,089,662	11/2018	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none

reference number	currency	amount	due date or conditions governing duration	a) circumstances in which the institution may prepay b) conditions for subordination c) conditions for conversion
ASPA	euro	1,077,220	12/2018	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	1,857,330	01/2019	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	2,290,333	02/2019	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	2,164,360	03/2019	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	1,799,248	04/2019	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	2,873,522	05/2019	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	4,320,289	06/2019	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	3,190,550	07/2019	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	6,542,417	08/2019	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none

reference number	currency	amount	due date or conditions governing duration	a) circumstances in which the institution may prepay b) conditions for subordination c) conditions for conversion
ASPA	euro	4,721,378	09/2019	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	3,735,215	10/2019	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	4,257,995	11/2019	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	5,516,665	12/2019	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	14,710,401	01/2020	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	3,302,007	02/2020	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	513,112	03/2020	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	405,560	04/2020	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	874,600	05/2020	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none

reference number	currency	amount	due date or conditions governing duration	a) circumstances in which the institution may prepay b) conditions for subordination c) conditions for conversion
ASPA	euro	368,450	06/2020	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	291,923	07/2020	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	275,952	08/2020	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	535,415	09/2020	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	170,600	10/2020	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	348,379	11/2020	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none
ASPA	euro	78,000	12/2020	a) no early repayment b) payment of debt after all senior and unsubordinated debts c) none

XVI. CAPITAL AND SHAREHOLDER STRUCTURE**A. CAPITAL****1. Company capital**

- a. Subscribed share capital at end of fiscal year
 b. Subscribed share capital by end of fiscal year

Codes	Current year	Previous year
20910P	xxxxxxxxxxxxx	579,077,650
(20910)	616,252,150	

- c. Changes during the fiscal year
 21.12.2015 - Capital increase without issue
 of new shares

- d. Composition of capital

- e. Share types

Capital shares without par value

- f. Registered shares

- g. Bearer and/or dematerialised shares

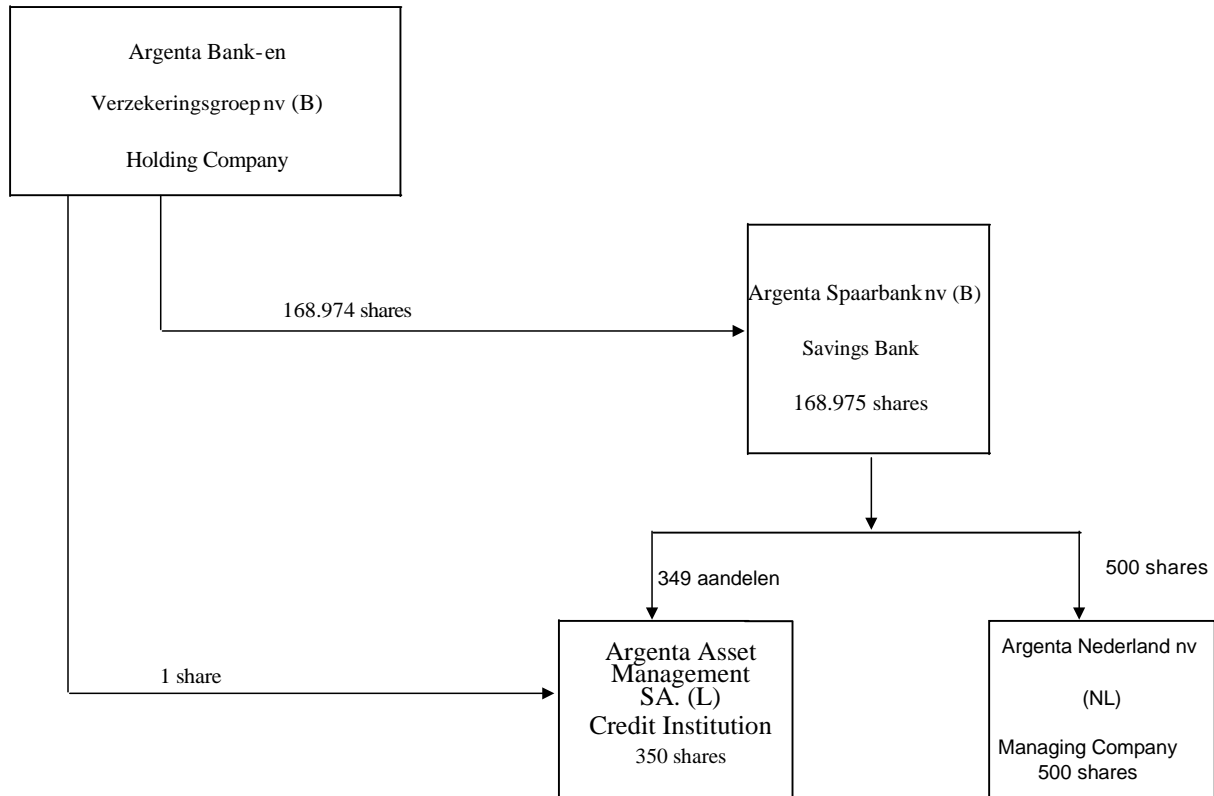
Codes	Amounts	Number of shares
	37,174,500	0
	616,252,150	168,975
51801	xxxxxxxxxxxxx	168,975
51802	xxxxxxxxxxxxx	

2. Non-paid-up share capital

- a. Uncalled amount
 b. Called but not paid-up amount
 c. Shareholders still owing capital payments

Codes	Uncalled amount	Called but not paid-up amount
(20920)		xxxxxxxxxxxxx
51803	xxxxxxxxxxxxx	

	Codes	Current year
1. 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	
2. Commitment to share issue		
a. Through exercise of CONVERSION RIGHTS		
* Sum of current convertible debt	51808	
* Sum of capital to be subscribed	51809	
* Maximum number of shares to be issued	51810	
b. Through exercise of SUBSCRIPTION RIGHTS		
* Number of active registration fees	51811	
* Sum of capital to be subscribed	51812	
* Maximum number of shares to be issued	51813	
3. Authorised but not issued capital	51814	162,825,500
4. 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	

A. YEAR END SHAREHOLDER STRUCTURE ACCORDING TO THE NOTIFICATIONS RECEIVED BY THE INSTITUTION

Status as of 31 December 2015

**XIX. DIVISION OF THE BALANCE SHEET, IF MORE THAN 15 MILLION EUROS,
INTO EUROS AND FOREIGN CURRENCY****1. Total assets**

- a. in euros
- b. in foreign currencies (countervalue in euros)

2. Total liabilities

- a. in euros
- b. in foreign currencies (countervalue in euros)

Codes	Current year
51901	32,899,539,183
51902	0
51903	32,899,539,183
51904	0

XXI. GUARANTEED DEBTS AND COMMITMENTS**C. PLEDGES ON 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

Securities pledged for collateral repo

Credit line given as pledge

Credit line given for NBB

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

Current year

419,032,000

85,594,000

35,000,000

250,000,000

**XXII. STATEMENT OF CONTINGENT LIABILITIES AND OF COMMITMENTS WITH
POTENTIAL CREDIT RISK (off balance sheet items I and 2)**

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

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

	Codes	Current year	Previous year
1. Division of operating income by origin			
a. Interest income and comparable income	(40100)		
* Belgian establishments	52301	588,605,521	683,156,718
* Foreign establishments	52302	350,691,098	353,677,100
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	0	2,991,429
* 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	87,879,715	72,091,264
* Foreign establishments	52312	738,844	424,319
g. Profit from financial transactions	(40600)		
* Belgian establishments	52313	6,607,275	6,705,641
* Foreign establishments	52314	1,776,427	1,073,424
h. Other income	(41400)		
* Belgian establishments	52315	36,204,332	37,414,043
* Foreign establishments	52316	219,025	60,919
2. Employees in the personnel register			
a. Total number at closing date	52317	741	520
b. Average number of calculated full-time personnel	52318	702.10	488.70
* Management personnel	52319	17	14
* Employees A (Clerks)	52320	685.10	474.70
* Employees B (<i>Workers</i>)	52321		
* Other	52322		
c. Number of performed hours	52323	997,228.69	706,232.10
3. Personnel costs			
a. Remuneration and direct social benefits	52324	34,296,362	23,145,910
b. Employers' social security	52325	9,484,577	6,544,553
c. Non-government insurance premiums for employers	52326	2,240,709	2,413,770
d. Other personnel costs	52327	2,860,784	1,462,232
e. Retirement and survivors' pensions	52328	0	0
4. Provisions for pensions and similar obligations			
a. Additions (+)	52329	0	0
b. Applications and reversals (-)	52330	0	0

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

**5. Division of the remaining company income in the case
that a significant sum occurs under this item**

Codes	Current year	Previous year
	23,181,647	21,032,355
Intercompany costs division		
Portfolio transfer	3,551,142	2,586,314
Recovery of client giro costs	696,373	733,653
Recovery of branch manager costs	7,526,066	6,970,033
Property and parking lease costs	164,899	232,564
Reversal of various costs	267,546	227,218
Recovery of deposit protection fees	2,045	1,154,219
Purchase of Tier 1 subordinated debt	0	10,000
Purchase of term deposits and deposit certificates	330,766	349,357
Other company income	685,032	405,716
Recuperation of taxes	17,841	3,773,533

6. Other operating expenses

a. Corporate taxes	52331	44,244,514	42,205,995
b. Other	52332	28,934,154	18,119,898
c. Division of remaining company expenses where a significant sum occurs under this item			
Annual savings funds tax		35,638,889	34,101,422
Intercompany cost allocation		7,603,933	17,632,978
Subscription tax		8,036,763	7,690,056
Other company taxes and shares		568,862	414,517
Miscellaneous remaining company costs		433,328	486,920
Deposit protection levy		20,896,893	0

7. Operating income from affiliated enterprises

52333	27,079,310	27,282,823
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8. Operating expenses relating to affiliated enterprises

52334	20,365,187	35,001,263
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**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**

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 0

* Which are not operations intended for hedging purposes

52402 0

2. Exchange transactions (amounts to be delivered)

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 6,521,160,400

* Which are not operations intended for hedging purposes

52414

b. Interest future operations

52415

* Which are not operations intended for hedging purposes

52416

c. Term interest contracts

52417

* Which are not operations intended for hedging purposes

52418

d. Options on interest

52419 8,850,000,000

* 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

1. Forward interest operations regarding treasury management

- a. Nominal/notional sum on the end date of the calculations
b. Difference between market value and carrying value(+)/(-)

2. Forward interest operations regarding ALM management

- a. Nominal/notional sum on the end date of the calculations
b. Difference between market value and carrying value(+)/(-)

3. Non-risk reducing forward interest operations (LOCOM)

- a. Nominal/notional sum on the end date of the calculations
b. Difference between market value and carrying value (+)/(-)

Codes	Financial year
52427	
52428	
52429	15,371,160,400
52430	-459,806,039
52431	
52432	

(a) nominal/notional reference amount

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

**XXXI. DERIVATIVES NOT MEASURED
ON THE BASIS OF FAIR VALUE**

**Estimated fair value of each category of derivatives that are
that are not measured on the basis of economic value,
with indication of type and amount**

	Current year
Notional amount - swaps	6,521,160,400
Market value dirty price	-477,701,840
Notional amount - caps	8,850,000,000
Market value caps	16,525,218
Non-amortized cap premiums paid	64,737,944

Total BE head office

	Current year
Notional amount - swaps	4,155,569,300.00
Market value dirty price	-370,987,620.00
Notional amount - caps	8,550,000,000.00
Market value caps	16,367,321.00
Non-amortized cap premiums paid	59,266,159.00

	Current year
Notional amount - swaps	2,365,591,100.00
Market value dirty price	-106,714,220.00
Notional amount - caps	300,000,000.00
Market value caps	157,897.00
Non-amortized cap premiums paid	9,471,785.00

XXV. EXTRAORDINARY RESULTS

	Codes	Current year
1. Gains on transfer of fixed assets to affiliated enterprises	52501	0
2. Losses on transfer of fixed assets to affiliated enterprises	52502	0
3. Division of other extraordinary income where a significant sum occurs under this item		
- Penalty interest received		1,129,462
- Contingent profit		13,930
- Branch tax payment discount		357,450
- Recovery of property withholding tax		348
4. Division of other extraordinary expenses where a significant sum occurs under this item		

XXVI. INCOME TAXES**1. Income taxes for the fiscal year**

- a. Taxes and withholding taxes due or paid
- b. Excess of income tax prepayments and withholding taxes
- c. Estimated additional charges for income taxes

2. Income taxes for previous fiscal years

- a. Additional income taxes due or paid
- b. Estimated tax supplements, or taxes for which a provision is set up

3. Most important sources of differences between profit before taxes, as indicated in the annual accounts, and the estimated taxable profit

- Notional interest deduction
- Non-deductible expenses
- IBNR reserve
- Write-back of taxable reserves
- Taxable impairments

Codes	Current year
52601	58,334,181
52602	58,334,181
52603	
52604	
52605	-7,412,696
52606	-8,041,504
52607	628,808
	-7,001,928
	1,746,626
	272,521
	36,308
	-1,337,868

4. Impact of extraordinary results on the amount of income taxes for the year**5. Sources of deferred taxes**

- a. Deferred tax assets
 - * Accumulated tax losses deductible from future taxable profit
 - * Other deferred tax assets
 - Non-deductible impairments
 - Non-deductible IBNR provision
- b. Deferred tax liabilities
 - * Division of deferred tax liabilities

Codes	Current year
52608	11,414,927
52609	
	4,141,714
	7,273,213
52610	

**XXVI. VALUE-ADDED TAXES AND TAXES BORNE
BY THIRD PARTIES****1. Value added taxes charged**

- a. To the institution (deductible)
- b. By the institution

2. Sums withheld on behalf of third parties

- a. Payroll tax
- b. Investment withholding tax

Codes	Current year	Previous year
52701	1,834,599	1,990,978
52702	1,475,017	1,722,414
52703	10,526,019	6,994,765
52704	27,136,498	58,815,074

XXVIII. RIGHTS AND COMMITMENTS WITH RESPECT TO RELATED PARTIES NOT RECORDED IN THE BALANCE SHEET**B. Transactions with related parties outside normal market conditions**

Declaration of such transactions where 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 required for gaining a better understanding of the financial position of the institution:

none

Current year

Additional information

In the absence of legal criteria making it possible to inventorize transactions with associated parties outside normal market conditions, no data could be recorded in the statement.

XXIX. FINANCIAL RELATIONS WITH**A. DIRECTORS AND SENIOR EXECUTIVES, BOTH NATURAL AND LEGAL PERSONS, WHO DIRECTLY OR INDIRECTLY CONTROL THE ENTERPRISE WITHOUT BEING ASSOCIATED ENTERPRISES, OR OTHER ENTERPRISES DIRECTLY OR INDIRECTLY CONTROLLED BY THESE PERSONS****1.Outstanding loans and advances to these persons**

Conditions governing the outstanding receivables

2.Guarantees granted on their behalf.

Main conditions of the guarantees granted

3. Other significant commitments entered into for their benefit

Main conditions of these commitments

4.Direct or indirect remuneration and pensions included in the P&L, insofar as this declaration does not exclusively or primarily involve the situation of a single identifiable person

To directors and senior executives

To former directors and senior executives

Codes	Current year
52901	450,194
52902	
52903	
52904	1,069,298
52905	740,228

B. THE STATUTORY AUDITOR(S) AND PERSONS HAVING BUSINESS RELATIONSHIPS WITH THEM**1. Remuneration of the auditor(s)****2. Fees for exceptional services or special services provided by the auditor(s)**

Other auditing assignments

Tax advisory assignments

Other non-auditing assignments

3. Fees for exceptional services or special services provided by persons with whom the auditor(s) is/are related

Other auditing assignments

Tax advisory assignments

Other non-auditing assignments

Codes	Current year
52906	260,150
52907	120,050
52908	0
52909	76,071
52910	0
52911	0
52912	264,736

4. Disclosures pursuant to Article 133, 6 of the Companies' Code

The remuneration paid to the statutory auditor and to entities affiliated to the statutory auditor are monitored at the consolidated level by the Audit Committee. Additional audit work and advisory assignments are approved by the Audit Committee pursuant to Article 133.6 of the Companies' Code whenever these exceed the total amount of the remuneration of the audit mandate.

XXXII. DECLARATION CONCERNING THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS**A. TO BE COMPLETED BY ALL CREDIT INSTITUTIONS**

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

B. TO BE COMPLETED BY INSTITUTIONS WHICH ARE SOLELY OR JOINTLY-HELD SUBSIDIARIES

Name, full head office address and, if subject to Belgian law, the enterprise number of the parent enterprise(s) and the indication whether this/these parent enterprise(s) has/have drawn up and published consolidated annual financial statements, in which the enterprise's annual financial statements are consolidated **:

Investeringsmaatschappij Argenta nv (for the largest aggregate)
Belgiëlei 49-53
2018 Antwerpen
RPR Antwerpen 0404.453.475

Argenta Bank- en Verzekeringsgroep nv (for the smallest aggregate)
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 consolidated annual financial statements 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 i) the largest aggregate and ii) the smallest aggregate of enterprises of which the enterprise is part, and for which consolidated annual financial statements are prepared and published.

Changes in measurement rules in 2015: impact on the results

There were no changes in the measurement rules that substantially impact the company's results.

Argenta Spaarbank has followed the legal rules on dematerialization of financial instruments. The statutory auditor has performed the necessary procedures and has not encountered any exception with respect to these legal rules on dematerialization.

4. SOCIAL REPORT

Number of the joint employer-employee committees (*paritaire comités*) authorized for the institution: 308

**STATEMENT OF EMPLOYED PERSONS
PERSONS FOR WHOM THE ENTERPRISE HAS REGISTERED A DIMONA DECLARATION
OR REGISTERED IN THE GENERAL PERSONNEL REGISTER**

During the fiscal year**Average number of employees**

Full-time

Part-time

Total in full-time equivalents (FTE)

Number of actually performed hours

Full-time

Part-time

Total

Personnel costs

Full-time

Part-time

Total

Sum of benefits in addition to wages

Codes	Total	1. Men	2. Women
1001	549.45	315.93	233.52
1002	162.40	16.50	145.90
1003	673.95	328.53	345.42
1011	823,132.77	497,625.28	325,507.49
1012	174,095.92	19,167.60	154,928.32
1013	997,228.69	516,792.88	480,435.81
1021	40,245,494	25,575,043	14,670,451
1022	8,399,779	928,510	7,471,269
1023	48,645,273	26,503,553	22,141,720
1033	240,558	112,650	127,908

During the previous fiscal year

Average number of employees in FTE

Number of actually performed hours

Personnel costs

Sum of benefits in addition to wages

Codes	Total	1. Men	2. Women
1003	478.90	212.30	266.60
1013	706,232.10	329,102.50	377,129.60
1023	33,436,790	16,384,357	17,052,433
1033	196,802	84,398	112,404

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

At year-end closing date	Codes	1. Full-time	2. Part-time	3. Total in full-time equivalents
Number of employees	105	572	169	702.1
By employment contract type				
Permanent contract	110	562	169	692.1
Defined duration contract	111	10	0	10.0
Contract for explicitly described work	112	0	0	0.0
Replacement contract	113	0	0	0.0
By gender and education level				
Men	120	329	18	342.9
primary school	1200	0	0	0.0
secondary school	1201	60	6	64.3
higher non-university education	1202	132	7	137.6
university education	1203	137	5	141.0
Women	121	243	151	359.2
primary school	1210	0	0	0.0
secondary school	1211	74	69	126.9
higher non-university education	1212	72	43	104.8
university education	1213	97	39	127.5
By professional category				
Supervising personnel	130	17	0	17.0
Employees (Clerks)	134	555	169	685.1
Employees (Workers)	132			
Other	133			

TEMPING AGENCY PERSONNEL AND OTHER PERSONS MADE AVAILABLE TO THE ENTERPRISE**During the fiscal year**

Codes	1. Temping agency personnel	2. Persons made available to the enterprise
Average number of persons employed	150	34.43
Total actually worked hours	151	65,348.76
Cost to the institution	152	2,284,224

PERSONNEL TURNOVER DURING THE FISCAL YEAR**ENTRANTS**

Codes	1. Full-time	2. Part-time	3. Total in full-time equivalents	
Number of employees for whom the enterprise registered a DIMONA declaration or registered in the general personnel register during the fiscal year	205	286	41	318.8
By employment contract type				
Permanent contract	210	276	40	307.9
Defined duration contract	211	10	1	10.9
Contract for explicitly described assignment	212	0	0	0.0
Replacement contract	213	0	0	0.0

DEPARTURES

Codes	1. Full-time	2. Part-time	3. Total in full-time equivalents	
Number of employees whose contracts ended their contract, as recorded, with date, in the DIMONA declaration or in the general personnel register	305	93	15	104.9
By employment contract type				
Permanent contract	310	86	14	97.0
Defined duration contract	311	7	1	7.9
Contract for explicitly described assignment	312	0	0	0.0
Replacement contract	313	0	0	0.0
By reasons for contract termination				
Retirement	340	3	0	3.0
Early retirement ('unemployed with company supplement')	341	0	0	0.0
Dismissal	342	13	4	16.3
Other reasons	343	77	11	85.6
Of whom: number of employees that continue to offer their services to the institution at least half-time on a self-employed basis.	350	0	0	0.0

INFORMATION ON EMPLOYEE TRAINING DURING THE FISCAL YEAR**Formally implemented professional training initiatives at the employer's expense**

	Codes	Men	Codes	Women
Number of employees involved	5801	344	5811	395
Number of attended training hours	5802	14,300	5812	19,183
Net cost to the institution	5803	1,216,889	5813	1,518,976
of which gross expenses directly associated with the training	58031	1,205,478	58131	1,511,923
of which contributions and payments to collective funds	58032	15,237	58132	13,003
(less) reimbursements received	58033	3,825	58133	5,950

Less formally and informally implemented professional training initiatives at the employer's expense

Number of employees involved	5821	55	5831	54
Number of attended training hours	5822	103	5832	95
Net cost to the enterprise	5823	4,927	5833	4,567

Initial professional training initiatives at the employer's expense

Number of employees involved	5841	0	5851	0
Number of attended training hours	5842	0	5852	0
Net cost to the enterprise	5843	0	5853	0

BGAAP VALUATION RULES - ARGENTA SPAARBANK

We give below the valuation rules that have been in effect at Argenta Spaarbank nv since 1 January 2014.

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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 Act of 17 July 1975 on accounting and the financial statements of enterprises (hereinafter referred to as "the Accounting Act") 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 by

way of implementation of Article 44 of the Act 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, valuation adjustments, 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 departed from. Any such departure is disclosed and justified in the notes on the accounts (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, valuation adjustments, impairments and revaluations apply specifically to the active components for which they were formed or recorded (Article 18 paragraph 1 Jrb-Ki).

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

The provisions for liabilities and charges are specified separately for 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 are 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 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.

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

- either secured for the full amount by a mortgage registration on one or more properties,
- or secured partly 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 secured partly 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, excluding 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 in the form of 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 limited individual size and number, it is difficult to review 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 statistical findings.

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" represents an interval of time (expressed in months) between the occurrence of the impairment-causing event (i.e. a "loss event") and the time that it is identified in the entity's credit risk systems.

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 on the purchase value is established.

By contrast, provisions for credit risks 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 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 advances

Loans and advances include 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 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 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 possibly partially or totally uncollectible:

either loans and advances of which the payment arrears are greater than the sum of six monthly payments or, in the case of loans and advances with a different repayment frequency, where 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 Application of impairments

Where it is certain that a loan or receivable is irrecoverable, the impairment will be applied.

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 are disproportionate to the potential benefits.
- based on the available information, there is no further possible 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, and 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 within 6 months and, for fixed-term securities, before maturity.

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, impairments are applied, where the repayment on due date of all or 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 portfolio

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

Such market is deemed to exist when there is either an organized market or else a private market that operates regularly through the efforts of third-party financial institutions-market makers who provide continuous listings and where it can be assumed that the relevant securities in the relevant volume can be realized at any time, without significant effect on the prices.

Securities for which no liquid market exists are valued at the lower of their acquisition cost or market value at balance sheet date.

Valuation differences resulting from the application of this rule will be charged to the income statement as components of heading VI. A. Profit (loss) from financial transactions from the exchange - and trading of securities and other financial instruments.

The acquisition cost is the purchase price without the cost of acquisition.

The 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 the lower of their acquisition value or their market value at balance sheet date. When shares are resold, the capital gain is taken individually into income.

Fixed-income securities are valued on the basis of their actuarial yield calculated at time of purchase, taking into account their redemption value at maturity.

The difference between the acquisition cost and the redemption value is taken into the income statement over the remaining term of the securities as a component of interest income from these securities.

This difference is taken into income on a discounted basis, based on the real yield percentage at the time of purchase. In the balance sheet these securities are recorded at their acquisition price, plus or minus the portion of the difference in question that is taken into income.

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 pursuant to the above rules (either the actuarial yield, or the acquisition price).

Securities are regarded as liquidity-supporting if the cash planning 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 ancillary acquisition costs 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: $\text{Building value} / \text{purchase price} * \text{purchase costs}$.

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

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

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 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 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 euro. 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 waiver 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, for the financial year ended 31 December 2015

Dear Madam, dear Sir,

Pursuant to Articles 95, 96 and 119 of the Belgian Companies Code, the Board of Directors 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 on 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 (hereafter **BVg**) is the holding company of the Argenta Group. Its operations consist of Internal Audit, Compliance & Integrity, Risk & Validation, Legal Affairs, and Organization & Talent. These activities are organized centrally for all Argenta Group companies.

BVg has the status of a mixed financial holding company, a parent company which is not a regulated company and which is at the head of a financial conglomerate pursuant to Art. 3, 39 of the Banking Act.¹ The Company consolidates and is responsible for the joint management of its subsidiaries Argenta Spaarbank, a Belgian credit institution, and Argenta Assuranties, a Belgian insurance company. Argenta Spaarbank and Argenta Assuranties have in turn various subsidiaries.

¹ Act of 25 April 2014 on the status and supervision of credit institutions, *BS/MB*, 7 May 2014. https://www.nbb.be/doc/cp/nl/ki/wg/pdf/law_25-04-2014_kredietinstellingen.pdf

The Company has a subsidiary, Argenta Asset Management. This is a Luxembourg company charged with the management and central administration of the Argenta UCIs Argenta Fund and Argenta Fund of Funds. On 27 October 2015, Argenta Netherlands NV, a Dutch SPV for the issuance of debenture loans, was dissolved. The Company also has a branch in the Netherlands and together they constitute the Bank Pool.

Argenta Assuranties holds a shareholding in Argenta-Life Nederland, an insurance company under Dutch law. Together they form the Insurance Pool.

All shareholdings within the Argenta Group recorded as fixed financial assets are (quasi) 100 % shareholdings, so that no (other than purely formal) minority interests need to be reported.

The Bank Pool concentrates primarily on raising funds in the retail market in the form of savings accounts, current accounts, and bonds, and reinvesting these funds in mortgage loans. Besides this, it continues to work on expanding its lending activities to local authorities. This activity will help reinforce its local presence and make optimal use of existing knowledge and infrastructure.

A second core activity consists of offering for sale units of undertakings for collective investment (UCIs) and structured bonds. The Insurance Pool, the Bank Pool and BVg are hereinafter collectively referred to as the Argenta Group.

The activities of the Insurance Pool comprise both life insurance and non-life (i.e. indemnity and health) insurance, and in particular car insurance, private civil liability, fire, hospitalisation and legal assistance insurance.

Belgium and the Netherlands are the geographical markets in which the Company operates.

2. Description of the Bank Pool activities

2.1. The Company

Argenta Spaarbank n v (hereinafter **the Company**, abbreviated to Aspa) is registered in Belgium under Belgian law. Its legal form is that of a public limited liability company having made a public call for savings. The Company has been created for an unlimited period. The Company has its registered office at 2018 Antwerp, Belgiëlei 49-53.

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

The Company also sells units of pension savings funds and units of other local and foreign undertakings for collective investment and primary, secondary and structured bonds (or 'structured notes') of third parties.

2.2. Raising funds

a. Current accounts

In 2015, the Company offered a single current account, the Giro⁺ account.

b. Savings accounts, term deposits and Thematic People's Loans

In Belgium the Company offers the following regulated savings accounts: the Maxi account, the E-savings and the Growth account. It also offers its non-regulated Plus and Savings Account offered, as well as both normal and step-up term deposits.

Since June 2015 it has been possible to convert Maxi-account and the e-savings accounts into savings accounts for a stipulated third party (saving for grandchildren etc.)

At the end of 2015, the Company stopped offering thematic people's loans. This decision reflects the scrapping of the product's tax-advantaged status, the restrictive legal conditions, lack of customer interest and Argenta's desire to keep its product offering simple.

c. Retail savings certificates and subordinated certificates

The Company offered no new subordinated certificates in 2015.

In March 2015, the Company stopped offering retail savings certificates. With the upgrade of the functionalities of the term deposits, both products had become very similar. Out of the concern for a simple product offering, it was chosen to offer only term deposits.

d. Units of undertaking for collective investment (UCIs).

In Belgium the Company distributes, in a distributor capacity, the units of various domestic and foreign undertakings for collective investment.

In essence, an undertaking for collective investment has a diversified portfolio. Following the investment policy set out in its prospectus, it invests in movable and immovable assets such as equities, bonds, cash and real estate. Investors can move in and out at the inventory value whenever they so wish. The various undertakings for collective investment are frequently referred to by the catch-all, everyday term of "Funds".

d. Structured bonds

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

Structured bonds (or 'structured notes') are debt securities that are generally issued by financial institutions. The potential return (in the form of a fixed/variable coupon or a capital gain at maturity) is coupled to one or more underlying assets (interest rates, equities, commodities, etc.).

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.

In June 2015, the Company decided to temporarily stop selling structured bonds.

2.3. Application of raised funds

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

The Company also invests: primarily in fixed-income securities issued by governments, financial institutions and other corporations. In 2015 the Company worked on developing its lending to local authorities. This activity will help strengthen its local presence and make optimal use of existing knowledge and infrastructure.

2.4. The Company's subsidiaries

After the cessation of all banking activities in Luxembourg, Argentabank Luxembourg was converted on 31 December 2014 into Argenta Asset Management (AAM), a management company that specializes in managing the collective investment funds of the Argenta Group.

Argenta Netherlands, an issuance vehicle incorporated under Dutch law, being no longer active, was dissolved on 27 October 2015. The liquidation balance sheet was still included in the Company's consolidated year-end balance sheet.

The Company's activities in the Netherlands are organized in a branch office rather than in a subsidiary. Since April 2006 this has been responsible for new mortgage production.

The Company has been providing mortgages in the Netherlands since 1997. These are offered by the independent consultants of De Hypotheker Associatie, and the labels Adaxio (formerly Welke), DAK, VCN United Capital and Huismerk.

To increase the manageability of the mortgage portfolio and to make the IT infrastructure less complex, the two mortgage portfolios outsourced at Stater and Quion were in October 2015 successfully centralized at Quion.

Although the housing market is rising once again, the Dutch market continues to require special attention, given signals that pension funds will be continuing to focus on it in the near

future, offering mortgage loans at sharp conditions and in competition with the banking sector.

Midway through 2012, the Netherlands branch switched to a direct Internet channel ("Savings Direct"), enabling savers to become Argenta customers in the Netherlands without the involvement of an intermediary. Since late 2015, Argenta Netherlands has offered savings products solely through this online channel, and it is no longer possible to be a customer via an adviser.

As from 1 January 2015, AAM acts only as the manager and administrative agent of Argenta-Fund Sicav and Argenta Fund of Funds.

ARNE served in the past as a bond-issuing entity. In 2014, however, the last bond matured and in 2015 steps were taken to dissolve this entity. The liquidation process will be completed in 2016.

At the end of 2015, the call was exercised on the Company's earlier securitization transaction via the Green Apple SPV. This transaction therefore matured on 25 January 2016.

3. Macro-economic environment

3.1. General

A promising start ...

The far-reaching monetary stimuli implemented by central banks raised hopes in the early months of 2015 for a recovery in the global economy. In the US, the monetary easing programme had already been halted in autumn of 2014, as expected, but with the extremely low US interest rates maintained. In turn and with great conviction, the eurozone set out its intentions for an impressive schedule of bond repurchases.

The Chinese central bank too followed a similar policy, with substantial drops in its key rate and the reduction of bank reserve requirements. These measures, taken initially out of a sense of togetherness with the other monetary authorities, were later speeded up in an

intensive effort to neutralize the initial signs of a weakening of the country's own economic growth.

This prospect of a combination of sustained monetary stimulus and increased chances of sustained economic recovery whipped equity markets to new record highs during the first four months of the year. This was particularly true of the CSI 300 Index, which represents local Chinese securities. Continuing the upward course already begun in 2014, this index climbed a further 40% in the first quarter of 2015. During this period, European and US stock markets too made major advances in the triumphal march they had begun in late 2011.

A (modest) economic recovery in the eurozone

Faster economic growth, as still expected in early 2015, implies, however, an increase in real interest rates and accelerating inflation. At the start of the second quarter, this prospect brought the impressive price climb of long-term bonds to an abrupt halt.

Graph: US and German government bond rates (10 years)

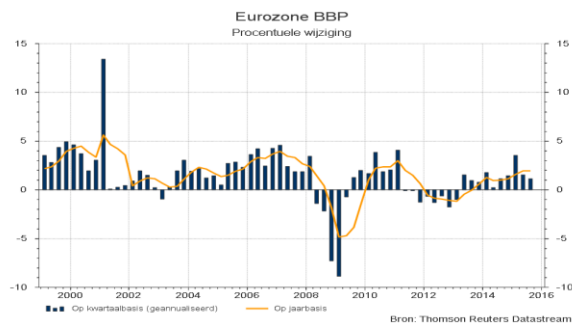


The ECB may have initiated the sudden and sharp rise in long-term interest rates. This is because monetary easing was intended to decisively stimulate lending in the eurozone by using a very low interest rate to make alternative investments such as government bonds as unattractive as possible for European banks. The rate cuts were predictable, being needed in order to arrive at such a low level. But this created a speculative opportunity, increasing rather than reducing the profit potential of (risk-free) government bonds, with credit activity becoming relatively less attractive, and thereby threatening to short-circuit the objectives of this monetary stimulus. Permitting temporary upward shocks in long-term interest rates was, however, an effective way of counteracting this.

On money markets interbank rates were at the same time manoeuvred further downwards. For this, the ECB maintained a policy of keeping its policy rates at extremely low or even negative levels. Finally this produced increased credit creation, including consumer loans in the eurozone.

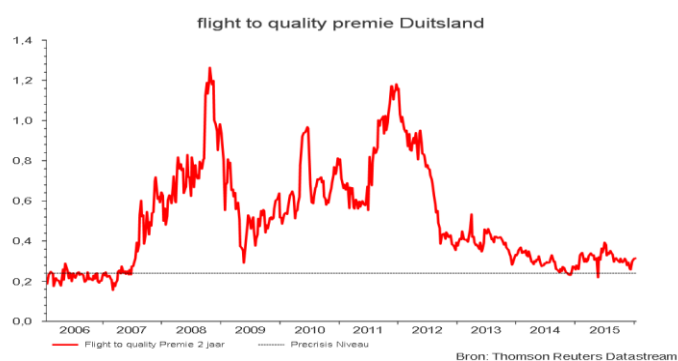
The European economic indicators too showed a modest rebound. These were slowed, it is true, though not crippled by slowing growth in the two largest world economies and the restrictive impact of tighter capital requirements in the banking sector. In this way eurozone GDP was able to remain, with a modicum of conviction, out of the red.

Graph: Eurozone GDP on an annualized basis



The risk of the eurozone imploding under the weight of internal economic and fiscal differences between Member States continued to reduce during the first months of the year. This manifested itself in a stabilization of the interest rate differentials on the bonds of the former problem countries (Spain, Italy, Ireland and Portugal) with German 10 year government bonds and a differential arising between the 2 year *euro swap rate* and similar placements in German treasuries. This *flight to quality* premium stabilized at around the pre-crisis levels of 2006.

Graph: Interest differential between Belgian and German government 2-year bonds



However, with the Greek financial situation forcing itself more and more into the foreground of attention, investors on world stock markets gradually lost confidence in a global economic

recovery. This led to stagnating stock indexes, and increasing intra-European interest rate differentials.

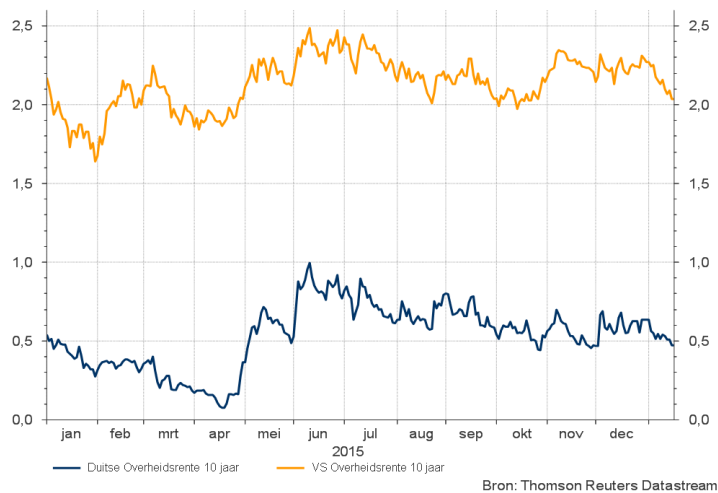
The first disappointment came (rather unexpectedly) from the US economic barometers ...

During this period, US manufacturing indexes delivered a row of disappointing outlooks, contradicted each time, however, by developments in the services sector. Growth in service activities – focused mainly on the internal US consumption – was by now responsible for the bulk of job creation in the US. With the unemployment rate now down to a level still associated by the Federal Reserve with a natural rate of unemployment, any further tightening of the labour market would, it was thought, threaten to unleash wage pressure and inflation. Louder and louder calls were heard at the US Central Bank for an end to the zero policy rate.

Memories of the 2004-2005 monetary débâcle apparently still loomed large: back then, in a similar situation the Federal Reserve had waited too long to raise its interest rate with no wage tensions yet in sight. After which it took seventeen consecutive interest rate increases over an eighteen month period to break the upward wage spiral, and in so doing probably creating the breeding ground for the subsequent US real estate crisis..

Under the joint effect of stagnating US corporate profit forecasts (partly due to the sharp declines in oil prices, which hit the country's energy majors very hard), the further sharp fall in economic cycle-sensitive copper prices and increasingly explicit messages about a substantial slowdown in China, the world's second largest economy, nervousness rose in the second quarter of 2015 right across the world's financial markets. With this interest rose in supposedly safer German and US government bonds, which in previous months had opted for an upward path with declining growth and inflation expectations and thus a more attractive, risk-free return.

Graph: Returns on German and US government bonds (10 years)



Financial markets take the Greek drama in their stride...

Halfway through 2015 this quest for quality, risk-free investments was intensified by a violent flare-up of the Greek financial crisis, which initially looked to be moving towards a hopeless stalemate. Finally the country got (predictably but only at the last minute) a solution based on a renewed European credit line and tighter conditions imposed on Greece.

The political pressure to seek and reach a solution in the euro zone was particularly large. Countries like Spain and Italy had imposed significant austerity plans in recent years on their populations. A 'Grexit' would no doubt have again upped the pressure on these countries' debt positions, and a large part of these efforts would have been lost.

The stock markets and bond markets survived the nerve-wracking poker game between the eurozone, the Greek government, the IMF and the EU – with the inevitable interim turbulences –without major damage. But immediately after agreement had been reached, which should have sent stock exchanges rebounding strongly, the published Chinese economic data proved so alarming that this 'relief rally' was immediately aborted and the gains were limited to the European bond markets, with a renewed decrease in interest rates and spreads.

But followed by a disenchanting financial débâcle in August ...

The situation in the financial markets deteriorated totally in mid-August. Following a slew of disappointing data from China, the yuan exchange rate was adjusted relative to the dollar. At the time this looked to be only a minor step, instigated moreover by the IMF authorities charged with investigating China's candidacy as a reserve currency. This was, however, interpreted as a panic reaction by the Chinese government aimed at reversing the unmistakable decline in its exports. Also the economic forecasts, including the Caixin manufacturing PMI figures, were translated overly negatively in terms of a Chinese recession, while actually pointing only to a slowing of growth.

This cooling is admittedly substantial, but largely matches the transformation process that will be needed to align the Chinese labour market to the country's dramatic demographic decline. This requires the government to reposition its economic policy emphasis away from the bulk export of limited added value merchandise, which is highly vulnerable to the unpredictable fluctuations of the world economy, towards quality-driven production with higher margins and greater emphasis on domestic consumption.

This will make the economy more stable, with the wage increases inherent in a shrinking labour market offset by higher value added in the manufacturing process. It may be that the Chinese government applied the brakes too hard on the development of industrial products by underestimating the impact of its policies on a global scale.

Probably the Chinese slowdown is, however, also caused by the exchange rate of the yuan. Since 2008 this has been widely seen as too high in relation to its competitors on the world markets. Such a monetary policy is admittedly consonant with such a transformation process, but in so doing the Chinese government assumes that the increase in the nominal exchange rate is compensated by productivity improvements.

Such a mechanism ought in principle to stabilize China's real effective exchange rate and push the economy in the desired direction of higher added value based on quality improvements and increase efficiency.

But this process is certainly not proceeding as desired. The nominal price appreciation of the yuan has led only to higher real effective exchange rates, in so doing reducing China's competitiveness in the (weakened) world market to a significant and unexpected degree. This explains why the Chinese government – under the protection of its newly acquired status as an official reserve currency – is leaving the determination of the yuan exchange rate more and more to the financial markets in order to bring it gradually into line with reality.

The Federal Reserve meanwhile takes informed decisions but faces a dilemma ...

In September attention shifted toward the impending decision by the US central bank. The strength of the service sectors in the US (accounting for two-thirds of GDP) was such that various governors pointed repeatedly to the increasing risk of wage pressures (albeit nowhere visible in the statistics), calling for an increase in the US policy rate. Given the weak economic situation and the turbulence in financial markets it was, however, decided to postpone this symbolically very important change in monetary policy. At the Federal Reserve meeting on 16 December, the economic situation was reassessed and the decision finally taken to adjust interest rate policy upwards.

This decision is of historical importance, being the first time in a decade that monetary policy has taken on a restrictive accent. This is because the growing service sector is placing pressure on the labour market and will likely provoke wage tensions. Once such an upward spiral starts, it can be very difficult to stop. Hence the Federal Reserve's preference to intervene very early in this cycle. In this way it is hoping that the policy rate's upward path will, in contrast to 2004-2005, be limited to a few upward adjustments. An increase in the policy interest rate does not necessarily translate into higher interest rates on long-term government bonds. Rather, the decision underlines the determination of the US central bank to nip inflation formation in the bud, which ought rather to bring down the long-term rate.

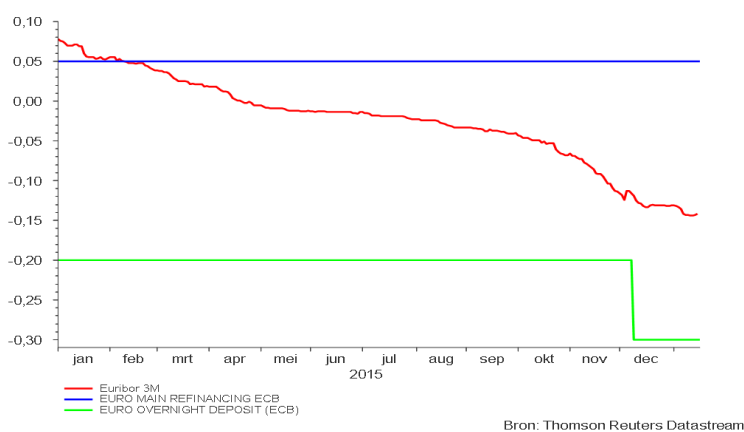
Such intervention is not, however, without risk. If the US economy still threatens to show signs of weakness in 2016, the Federal Reserve can no longer throw a lifeline in the form of lower interest rates. On the one hand, such policy inconsistency would severely damage the central bank's credibility. On the other hand, the US economy faces a fundamental bifurcation. The services sector (mainly aimed at domestic consumers) is evolving relatively favourably and is 100% responsible for the creation of employment. But the manufacturing sectors are underperforming. This is partly due to the lack of investment in the oil and gas sector but also to the rising dollar, which further complicates exporting to already seriously weakened global markets. And since the country's monetary authority has but one policy rate available to it (albeit in various forms), this two-way development considerably complicates its task.

The sharp fall in oil prices can, however, considerably affect the disposable income of the average American, from which one can extrapolate an increase in consumer spending. Given the great weight of this in the GDP figures (over 70%) this can result – over time – to a substantial boost. But the negative impact needs also to be taken into account, in particular the lower investments in the local shale gas and oil industry and potential bankruptcies of US energy companies. The latter datum can also potentially significantly increase the credit spreads on corporate bonds.

And the ECB continues to work unperturbed on setting the European economy on an upward path...

The ECB has meanwhile, as an additional measure, pushed the deposit rate further into negative territory, while stating that the need for additional incentives will be decided based in an analysis of the upcoming macroeconomic data. The predictive economic indicators show that the monetary policy has produced a precarious recovery.

Graph: ECB policy interest rates during 2015



Expected inflation in the eurozone is still far too low in terms of policy objectives, while employment in key Member States still contains a significant margin for improvement. Unlike in the US, there is therefore no reason for a change in monetary policy and in the first months of 2016, no significant upward pressure is expected on government bond rates.

Intra-European government spreads are currently at levels that are certainly justified by the evolution of the real effective exchange rates of the various member states in relation to the German anchor. The austerity measures, with their far-reaching social consequences, imposed in most Member States, have indeed led to an improvement of the efficiency rate, placing the European currency zone on a better foundation.

3.2. Impact of the general financial economic situation on the Company and the Bank Pool

2015 was marked by a moderate economic recovery in Europe. In this context, Argenta Spaarbank can again publish very good results.

With extremely low policy rates and cheap financing the economy experienced an increase in credit creation. Argenta also transacted a very high level of mortgage business. A significant part of this consisted of refinancing of existing mortgages at new, lower interest rates.

The investment portfolio slightly reduced. Argenta maintains as always a cautious investment policy.

The diversification into loans to local authorities and into real estate was further developed and implemented.

Customer savings assets also grew. As a result of the low interest rates, we continue to see a shift from term products to savings accounts.

Stock markets rose to record levels. In this favourable market climate, Argenta, which is promoting its fourth pillar, Investments, in order to expand its offerings to customers, delivered strong fee production, especially during the first half of the year.

- The reported profit is down slightly on 2014, but has risen sharply compared to previous years. Operating profit is at the same level as in 2014.
- Argenta Spaarbank's return on equity is very favourable.
- With the adding of a large part of the profit of the year to reserves, equity continues to rise.
- The solvency ratios continue to rise and liquidity ratios remain comfortable.

3.3. Regulatory developments

In the wake of the financial crisis, the political authorities decided that the European Central Bank should take over supervision of Europe's largest banks.

Along with about 130 other banks, the Company has, since 4 November 2014, been under the direct supervision of the ECB. This transfer was preceded by a so-called comprehensive assessment.

In 2015, ECB supervision effectively commenced. In concrete terms, a Joint Supervisory Team (JST) organizes on a structural basis on-site inspections, workshops, interviews etc., and requests various reports. The JST is, in the Company's case, an international team with staff drawn from the ECB, the National Bank of Belgium (NBB) and the Dutch national bank De Nederlandsche Bank (DNB). In its supervisory role the JST has regular contacts with the financial institution's various supervisory bodies and management levels.

Other ECB bodies also impose direct reporting obligations on Argenta, as part of regular examinations to which systemic banks are subject.

At the start of 2015, Argenta set up an ECB coordination function to ensure optimally smooth-running contacts with the ECB. Behind this is the belief that interaction with the ECB can help the Company improve as a business.

In its supervisory role the NBB imposed on Belgian banks at the end of 2015 a 'systemic capital buffer'. For Argenta this is 0.75%, to be achieved over three years (compared to 1.5% for the larger institutions).

Besides the direct supervision by the ECB, the Company receives, as do the other systemic banks, various reporting requests from, among others, the European Banking Authority (EBA).

In 2015 this produced regular consultation with the respective regulators. In response to the changing legislation, the RRP (Recovery and Resolution plans) were further defined.

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

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

Aspa's plan was drawn up in 2014, and discussed and validated by the National Bank of Belgium (NBB). In 2015 the plan was - at the regulator's request - extended to the umbrella group level.

4. The development of the Company and the Bank Pool in 2015.

4.1. Free current accounts, Internet banking and the app

Again in 2015 we saw other financial institutions focusing on offering free current accounts.

The services offered on these accounts are often limited (for example, a credit card is not possible, or only for an annual fee) or the account can be managed only via the internet.

The message remains: compare first, taking the full range of services and costs into account.

In this new context, Argenta retains its policy of providing free banking service, free cards, free payment traffic and free account statements. Today Argenta remains one of the few players where a current account is still fully free of charge, including internet banking.

Free securities custody is also possible at Argenta for customers wanting it.

In 2015 the Company had another stable year, with steady growth in deposits and an increasing number of customers. The number of current accounts grew by 5.45%.

The number of cards in circulation (both Bancontact and MasterCard) increased to over 1.54 million.

In terms of payment traffic we have, for a number of years, been seeing an evolution to more electronic payments via internet banking, with the number of internet subscriptions growing by 4% in 2015.

The Argenta Banking app was introduced in the second half of 2014. The app was further developed in 2015 with new features giving the customer a better view of his payment traffic on his smartphone or tablet.

4.2. Lending

2015 closed with a total production of some EUR 2.8 billion in Belgium. The sale of mortgage loans was influenced by the historically low market interest rates, which brought with them a strong demand for internal refinancing. 1/3 of new loan business involved internal refinancing. This puts new loan production in 2015 at around EUR 1.83 billion.

The Netherlands branch also achieved a good result, granting a total of EUR 1.9 billion in new mortgage loans.

In 2015, the production of instalment loans amounted to EUR 35 million. It is still a conscious strategy of Argenta to place its main emphasis on mortgage loans, with instalment loans provided only as a defensive measure.

4.3. Investment portfolio

The funds released by maturing government bonds were used to pursue targeted diversifications. On the credit front, the corporate and financial portfolios were expanded, with an emphasis on medium-term high-quality bonds.

Additional return was provided by an expansion into lending to government-related entities.

With the objective of maintaining return, more corporate bonds were taken into the portfolio. In so doing, the creditworthiness of the counterparties was examined systematically and critically.

As an indication of this, the table below gives the the rating levels of investments recognized as available-for-sale assets under IFRS.

	31/12/2014	31/12/2015
Investment grade	99.56%	98.87%
Below investment grade	0.34%	1.12%
Not rated	0.10%	0.01%
Grand Total:	100.00%	100.00%

4.4. Undertakings for collective investment and structured bonds

The portfolio of units of Undertakings for Collective Investment (UCIs), placed by the Company on behalf of customers, grew in 2015 by EUR 886.5 million, or 33 %, to EUR 3.41 billion.

Among the most successful UCIs are the Argenta pension savings funds managed by Degroof Petercam nv. This success they owe to good returns over a long period, their low cost structure and the good attention accorded to them in the distribution network. In 2015 were both the dynamic and the defensive pension fund were the best performing funds in their categories. The net growth in customer assets in 2105 amounted to EUR 143.6 million, with 16,300 customers more than in 2014.

Argenta Fund Sicav is a variable capital investment company ("*société d'investissement à capital variable*") under Luxembourg law that has opted for the 'Securities' investment category. Established in 1987, its main aim is to provide shareholders with the highest possible return 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 two mixed sub-funds investing in both bonds and equities.

Argenta Fund of Funds Sicav, founded in late 2009, is a variable capital investment company under Luxembourg law with four sub-funds (Highly Defensive, Defensive, Neutral and Dynamic). It is a fund of funds that invests mainly in units of other UCIs. This means that the assets collected in this sicav are invested, in turn, in other investment funds. Via Argenta Fund of Funds Sicav we want to offer investors the opportunity of investing, easily and transparently, in accordance with the investment profiles they themselves have selected, that is in the highly defensive, defensive, neutral or dynamic sub-fund. By investing in one of these sub-funds, the investor achieves a risk-weighted distribution over various asset categories.

The Company also markets UCI units in open architecture. The Company distributes six UCIs promoted by Degroof Petercam nv, five managed by Carmignac Gestion SA, seven funds managed by Edmond de Rothschild Asset Management and one fund of GS&P. In this way the Company diversifies its offering. The partner funds are complementary to its own Argenta offering.

The Company also distributes structured notes issued by Securasset SA. In 2015 there were four new issues. Total sales amounted to EUR 41.6 million including entry fees. In June 2015, the Company decided to temporarily stop selling structured notes. On 31 December 2015, the total portfolio of structured notes amounted to EUR 739.4 million.

4.5. Bank Pool (accounted for in accordance with IFRS)

As explained previously, the subsidiary AAM has limited its activities to funds manager and its services to acting as administrative agent. The entity ARNE is still consolidated, but is no longer active and is in liquidation. Its balance sheet consists of own capital, offset by cash funds on accounts with the Company.

5. The risk profile of the Company and the Bank Pool

5.1. General

By the nature of its activities, the Company is exposed to different risks, the main ones being market risk and credit risk. Other significant 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 liquidity, operational, liquidity, business, strategic, , reputational and regulatory risks. Failure to maintain control over these risks can adversely affect the financial performance and reputation of the Argenta Group.

5.2. Market risk

General

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate with changes in market prices. Within this market risk the following four risks are relevant: interest rate risk, spread-widening risk, equities risk and real estate risk.

- (-) Changes in interest rates, interest curves and fluctuating yields can affect the interest margin between the cost of lending and the cost of borrowing for the Bank Pool;
- (-) Similarly the level of the credit spread or its volatility – not necessarily caused by a change in the issuer's creditworthiness – is a determining factor for the return and economic value of the investment and loan portfolio;
- (-) The performance of the financial markets can also cause the value of the Argenta Group investment portfolio to fluctuate

It should be noted that Argenta operates only in the Benelux countries and invests only in euros, and is therefore not exposed to currency risk. Nor is there any intention to take positions in non-euro currencies.

5.2.1. Interest rate risk

The single largest market risk (in descending order) to which the activities of the Bank Pool and particularly Argenta Spaarbank are exposed, is 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 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 its market risk.

The Company's results and capital position display a certain sensitivity to changes in interest rates. This is because a major component of the business strategy consists of attracting short to medium-term funds - primarily via savings and term deposits from retail customers - and reinvesting these 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. Via the interest rate differentials between the various maturities this gives rise to a transformation result.

The gross value of the business (the difference between the investments measured at market value and the cost of financing them) is affected by the fluctuations in these interest rates. The intensity of these is determined by the size of the tolerated market value sensitivity. This parameter serves as a benchmark for the interest mismatch, based on which the interest rate sensitivity can to a large extent be adjusted.

This market value sensitivity is therefore one of the main instruments used by the Argenta Spaarbank to steer - based on its views as to future interest rate developments - its operating results, and also to take into account the potential impact of changing market value on the gross value of the company as a guide to defining its required capital position.

Market value rate sensitivity can be adjusted flexibly in the short term by means of financial instruments. It can also be adjusted in the longer term by considering 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. These exogenous instruments are used, among other things, for managing the interest rate risk. They are subject to a strict policy on counterparty risks.

(ii) The second series of measures relates to endogenous adjustments whereby, based on the pricing policy for deposits and term accounts, 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 permanent aim of a maximally endogenous management of the balance sheet.

In its risk management procedures, the Company pays much attention to having a consistent internal structure, enabling it to perform these activities judiciously, objectively and efficiently and to provide the competent management bodies with timely, comprehensive reports. First among these is the Asset and Liability Committee (hereinafter "ALCO"). This carries specific responsibilities for monitoring the daily management of the financial position, on which it reports to the Executive Committee. ALCO has the ongoing mission of maintaining both the income sensitivity of the net interest income and the market value sensitivity of equity within prescribed limits.

In its risk measurement and management, ALCO takes into account the various components of the interest rate risk contained in the balance sheet of the Argenta Group. These include the repricing risk (risk from interest rate mismatch between assets and liabilities), the yield curve risk (risk from non-parallel movement of the interest rate curve), the option risk (risk from the implicit and explicit options on the balance sheet) and the basis risk. The latter risk arises, inter alia, from the use of various reference indices as a basis for repricing asset and liabilities products, for example Belgian mortgages on the basis of the OLO reference index. Within the ALM these risks are monitored and managed using scenario analysis.

Priority to endogenous management

As with any other risk, the interest rate risk requires a risk buffer in the form of equity capital. Although neither European nor Belgian legislators nor regulatory authorities have to date laid down precise capital requirements for the interest rate within Pillar 1, the Company specifies a certain volume of required own capital in its Internal Capital Adequacy Assessment Process (ICAAP). The ongoing development of its activity as a traditional savings bank and hence, among other things, as a "transformation bank" (i.e. a bank whose activity consists of converting (transforming) short-term deposits into long-term investments) naturally requires a continuous monitoring of the required capital and, whenever necessary, capital increases.

For strategic reasons, the Argenta Group 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 is borne rather by the customer. This fee business (or Investments) pillar, alongside the Savings and Payments, Loans and Insurance pillars, is intended to diversify the Company's income and improve its earnings quality.

The Company's earnings quality remained high in 2015 thanks to an efficient ALM policy and wise commercial policy. The current European interest rate environment, the refinancing of a portion of the mortgage portfolio and the sharp fall in bond yields are exercising negative pressure on the interest margin.

The combination of endogenous and supplementary exogenous ALM hedging ensures that the Argenta Group's commercial strategy (including long-term relationships with customers, the growth of its mortgage business, sustainable and profitable growth in deposits, and the extension of the four pillars) remains fully within the scope of 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 induce spread widening risk. Alongside the pure interest rate, they are 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 bank's prudential capital base (CRD IV). For the latter there exist a phasing-in period and a certain amount of national discretion in determining the extent to which unrealized gains and losses on the AFS portfolio affect the capital base.

The pursuit of a cautious investment policy, frequent monitoring of the economic fluctuations in the value of the investment portfolio and measuring the sensitivity of 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 tactical adjustment of the portfolio allocation between the various credit sectors respects at all time the rules defined in the Strategic Asset 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 and is checked against the RAF.

5.2.3. Equities risk

The Company decided in 2015 to build up a limited exposure to real estate and PPP (Public Private Partnership)-related equities with a view to developing a wider diversification of the investment portfolio, and to complement the existing bond portfolio.

5.2.4. Property risk

The possibility exists in the Company since 2015 to develop a limited portfolio of indirect real estate investments. This is allowed only under strict conditions, both with regard to the type of investments and in terms of the concentration risks.

5.3. Credit risk

General

Credit risk is defined as 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 in both the traditional loan portfolio as well as the investment portfolio.

The risks associated with changes in credit quality and the recoverability of loans and amounts due from counterparties are an indissoluble part of much of the Company's activity.

A weakening of the credit quality of the Company's borrowers and counterparties, a general deterioration of Belgian, Dutch or global economic conditions or a decrease caused by systemic risks can affect the recoverability of outstanding loans and the value of the Argenta Group's assets, requiring an increase of the provision for non-performing and doubtful loans, as well as other provisions.

The management of credit risk within the Company is governed by appropriate and regularly updated policies (the Retail Lending Credit Risk Policy and Treasury and ALM policies).

All Argenta Group entities and departments have adequate measuring instruments, guidelines and procedures with which to manage credit risk. These include a fully independent loan approval process with set limits for creditworthiness, monitoring procedures, and overall indicators of the quality of the retail loan portfolio, the investment portfolio and the local and regional government lending portfolio.

Governance is also supported by the work of a number of (consultation) committees like the Rating Consultation, the Investment Consultation, the Credit Risk Committee, the Group Risk Committee and the Asset and Liability Committee.

Concentration of credit risk

Credit risk increases where concentrations occur in the lending business. The Argenta Group's sector and geographical concentration exposes it to an increased credit risk.

The Company invests in housing loans in Belgium and the Netherlands. In this way the Company exhibits a concentration in lending to private individuals in Belgium and the Netherlands, more particularly in the form of housing loans. This makes it 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 the business activities (Benelux)

The Bank Pool undertakes the majority of its business activities in Belgium and the Netherlands. It also has limited activities in Luxembourg where Argenta Asset Management acts as agent and manager of Argenta-Fund Sicav and Argenta Fund of Funds Sicav.

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 defined in the first instance at European level and then transposed by the different countries into their own legislation. The Company sells investment products in Belgium. For the practical implementation of the legislation in Belgium by the FSMA, it relies on the interpretations of Febelfin. In the Netherlands, attention is paid to the broad-based "customer interest first" focus promoted by the AFM (Financial Markets 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. a loan default;
the risk, in the Bank Pool, of a greater portion of credit lines being drawn down or more savings deposits being withdrawn;
the risk that the necessary financing transactions cannot be undertaken (or can be undertaken only at disadvantageous conditions);
the risk that assets can be liquidated only at a severe mark-down, owing to a shortage of interested counterparties on the market.

The inability of a financial institution, including the respective entities of the Argenta Group, to anticipate and take into account unforeseen falls or changes in its sources of financing can affect such a financial institution's ability to fulfil its obligations when they fall due.

The Asset and Liability Committee monitors the liquidity ratios on a permanent basis. The management framework is clearly defined and detailed in the Treasury & ALM policies.

5.6. Operational risk

5.6.1. General

All businesses carrying out activities of any kind have to contend with an operational risk. Financial institutions are no exception. The Argenta Group's activities 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 result from inadequate or failed internal processes (such as processes not aligned with the legal requirements), human actions (including fraud, employee errors) and systems (such as system failure) or due to external events (such as natural disasters or malfunctions of external systems, including those of Argenta Group's suppliers or counterparties). The impact may consist of financial or reputational loss. This risk also includes legal and compliance risk.

The fact that the Bank Pool has a fairly limited number of products serves to limit the operational risks. Although the Argenta Group 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 allow Argenta to exclude these operational risks in a completely effective manner. However, within the overall risk appetite framework, these risks too are managed in a structured way.

The Orco (Operational Risk Committee) meets quarterly as a part of the GRC (Group Risk Committee) focusing on the key risk indicators, the RCSA's (Risk & Control Self Assessments) and operational losses. Each year, an extensive internal audit annual report is drawn up and presented to the Audit Committee, the Board of Directors and the NBB/ECB. This report assesses the adequacy and effectiveness of the existing control measures according to the COSO methodology.

It is generally assumed that operational risks in enterprises are gradually increasing, as is regulators' attention to this type of risk. Reasons for this include the rapidly changing technological environment, the expanding corpus of regulations, the increasing complexity and proliferation of products and also the general trend towards outsourcing non-core activities. The Company is of course aware of this trend and took decisions in 2015 to strengthen its focus on operational risk within the Bank Pool. This has taken the form, among other things, of:

Increased structural attention by Argenta's Audit and Risk Committee to operational risks. The creation of a specific department (Operational Risk & ECB Office) with specific focus on operational risks.

Following an external audit in 2015, which resulted in a number of observations and suggestions for improvement, a short and a medium/long-term action plan have been drawn up.

Continuous improvement in 2015 of operational risk management, including training and sensitization of first line management to the specific tasks incumbent on them in the framework of Operational Risk Management (ORM), an increased number of Risk Control Self assessments, and so on.

The Business Impact Analyses (BIA) process was optimized in 2015. Following this, a BIA took place in each department, facilitated by the ORM team, in which all critical processes, applications, functions and interactions were redefined.

The further concrete definition of the Group's risk appetite, adapting the specific sub-limits for the scenarios depending on the perspective (99.9%, 95% and 80%).

The recruitment of an ORM Manager who, in addition to operational risk management, will fulfil specifically the role of Information Security Officer within the Argenta Group and as such will be responsible for the information security policy.

5.6.2. External service providers

The Bank Pool is exposed to the risk of termination of contracts with key external service providers. Such 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. In 2015, the Group continued to improve its business continuity policy, as can be seen, *inter alia*, from the updated sourcing policy. The policy sets out the vision, the rules and the framework for outsourcing. The policy also details and names the responsibilities of and relationships with existing (critical) suppliers. This improves the monitoring of all external service providers.

5.7. Business Risk

The business risk is the risk that current and future earnings and capital levels will be affected by changes in business volumes or in margins and costs. Both are caused by changing external market conditions and the inability as an organization to respond to them. This risk also refers to a poor diversification of earnings or the inability to maintain a sufficient and reasonable level of profitability. The income sensitivity indicator in the RAF already incorporates the business risk on the *non-maturity* deposits by means of an additional risk premium.

In order to best cushion the business risk which it faces, the Argenta Group 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 business line - 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 on an economic basis is applied when pricing Bank Pool products.

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 decisions, poor implementation of decisions or lack of responsiveness to changing market conditions (both commercial and financial).

Argenta Group makes resources available for achieving the strategic objectives as defined in the business strategy. These resources include communication channels, systems, human resources, networks, and management time and skills. The strategic goals are defined by the Executive Committee, approved by the Board of Directors, and monitored on a regular basis.

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 Company is at constant risk of damage (loss) through a deterioration of its reputation or standing caused by a negative perception of the organization's image by its customers, counterparties, shareholders and/or regulatory bodies.

This is a 'second-order risk'; in other words, a risk that derives from another risk but which has its own impact. The Argenta Group considers this a vertical risk, in the sense that it is a risk that interlinks with all other risks. By monitoring and managing the other risks, the reputational risk is also kept under control.

5.10. Regulatory risk

Regulatory risk refers to risks associated with legislative and regulatory changes. Wherever it operates, the Company is subject to the laws, regulations, administrative measures and policy regulations governing the provision of financial services. Changes in the supervisory framework and regulations may affect the activities, products and services that the Argenta Group offers or the value of its assets. Although the Argenta Group collaborates closely with the supervisory authorities and keeps constant watch on the situation and future changes in regulations, fiscal policy and other policy areas can be unpredictable and are beyond the Group's control.

Changes in international accounting standards are systematically monitored. The amendment of IFRS 9 will certainly have implications. IFRS 9 imposes new obligations for (a) the classification and measurement of financial instruments and (b) risk estimation and the creation of impairments and makes (c) adjustments in hedge accounting.

The most important change concerns the recognition of impairment losses. Each entity must set up impairment provisions for ECL (expected credit losses) based on a three-stage approach. The definition of the ECL depends partly on the size of the "significant increase" of the credit risk since initial recognition. In Q4 2015, an analysis and assessment was carried out in preparation for an IFRS 9 implementation project which has since got under way in early 2016.

The capital requirements for credit institutions, the so-called *Capital Requirements Regulation* and the *Capital Requirements Directive* (together '*CRD IV - package*') are currently the subject of legislative developments, and impact the Company.

In 2015 regular consultation took place with the supervisors involved. Discussion centred on the SREP (*Supervisory Review and Evaluation Process*) and the update of the Recovery Plan. A number of other meetings served to discuss in particular the transfer of supervisory powers from the National Bank of Belgium to the ECB, with the thematic review of risk governance and risk appetite, ICAAP (*Internal Capital Adequacy Assessment Process*) IRRB (*interest Rate Risk in the Banking Book*) and IT outsourcing.

6. The organization of the Company, the Bank Pool and the Argenta Group

The Argenta Group - Automation

The ICT department was reorganized at the start of 2015. The Operations sub-department became responsible for the smooth, efficient and high qualitative delivery of all changes to IT systems. A second entity focuses on risk management, partner management and compliance/controlling. A third develops and keeps watch over the ICT architecture.

Systems availability, according to the *Key Performance Indicator*, improved here by 20%. Systems unavailability, both unplanned (due to incidents) and planned (due to maintenance), decreased, by 27% and 46% respectively.

The average overall satisfaction score has increased from 6.9 in 2014 to 8.1 in 2015. A key factor in this significant progress is the *First Time Right* percentage, which went from 59% to 74%.

Hand-in-hand with the reorganization, the department set to work in 2015 on managing and reducing risks in the following areas: business continuity, disaster recovery, change management, access control, security of file sharing and monitoring of backups.

The security infrastructure was renewed, resulting in more secure access control as a function of target group (headquarters staff, branches, customers, partners).

Late in 2015 a number of pilot branches were equipped with a new infrastructure, with a complete roll-out scheduled for the first half 2016.

Along with the financial departments ICT provided the data for numerous statutory reports, including FinRep, in a timely fashion. ICT also carried out various functional enhancements to the Procurement tool and other modules in the Oracle *E-Business Suite*.

In November 2015, Argenta's Internet Banking and the website were updated. Besides a modern *look and feel* and an expanded functionality, the underlying platform is also more secure and flexible. The Argenta Banking app also received three major updates.

Among product applications we can mention deliveries for housing bonus, in addition to investments in updating the Savings, Credit and Lending applications.

7. Employees of the Company and the Bank Pool

7.1. The Company

As of 31 December 2015 the Company employed 741 persons. This is 221 more than in 2014.

7.2. The Bank Pool

In 2015 there were 758 persons employed by the Bank Pool. In the Bank Pool, the workforce increased in 2015 by 220 people, that is 221 more at the Company, and one person less at AAM. Employees of the Netherlands branch, being on the payroll of the Company, are included in its headcount.

8. Corporate Governance

The Company's Board of Directors met ten times in the past year.

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

They include in each case:

- the members of the Executive Committee of the company concerned (the executive directors);
- a number of independent directors;
- a number of directors representing the family shareholder (together with the independent directors these are the 'non-executive directors').
- The number of directors on each Board of Directors should, preferably, not exceed fifteen.

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

The following age limits apply for directors:

- executive directors are legally required to resign on reaching the age of 65;
- non-executive directors are legally required to resign on reaching the age of 70;
- directors reaching the age limit may continue to exercise their mandates until a successor has been appointed.

The Board of Directors may permit exceptions to these rules on a case-by-case basis.

The Boards of Directors are composed in such a way that none of the three distinct groups in them (the directors representing the family shareholder, the independent directors, and the directors on the Executive Committee) has a majority. At the same time, the majorities of the Boards are always formed by non-executive directors.

For further information on the composition and functioning of the Board, the reader is referred to the 2015 BVg combined annual report, which can be consulted on the Argenta website.

9. Rating

The creditworthiness of Argenta Spaarbank nv (hereinafter Argenta Spaarbank) has been assessed since 2005 by Standard & Poor's (S&P). The rating agency assesses financial institutions on a regular basis based on their ability to fulfil their payment obligations in the short and long term. The credit rating expresses the institution's financial strength measured in terms of solvency, liquidity, business position, risk profile and creditworthiness. During the financial crisis, Argenta's rating remained stable at BBB+, while virtually every other bank's rating fell.

In April 2014 S&P upped Argenta Spaarbank's rating from BBB+/ A-2 with stable outlook to A-/A-2 with negative outlook. Based on the very strong capital buffers Argenta Spaarbank's rating was revised from BBB+ to A-. The initial negative outlook was based on the fact that S & P expected that the implicit government support would disappear for systemic banks with the introduction of Directive 2014/59/ EU of the European Parliament and of the Council of 15 May 2014 on the establishment of a framework for the recovery and resolution of credit institutions and investment firms (known as the Bank recovery and Resolution Directive, hereinafter BRRD), even though it should be noted that Argenta has never received government support.

This upward revision goes against the general market downtrend for financial institutions' ratings.

On 2 December 2015, S&P judged that it expected Argenta to be able to withstand the loss of potential government aid with a sufficient loss-absorbing buffer. Consequently, the rating was confirmed at A-/A-2, with the outlook changed from negative to stable.

The long-term vision, recurring profitability, low cost ratio and the reinvestment by the family shareholder of a significant portion of its dividend year after year contribute to the organic and steady growth of Argenta's equity. This is expressed in a stable rating and very healthy capital and liquidity ratios. Argenta also demonstrates that it is preparing in an appropriate manner for a rapidly changing European regulatory environment that ensures even greater protection for our customers.

10. Discussion of the financial statements of the Company for year 2015

10.1. Balance sheet

The balance sheet total rose by 1.74% in 2015 from EUR 32,327,301,718 to EUR 32,899,539,183.07.

On the assets side, we see an increase of 6.46% in loans and advances to customers to EUR 22.8 billion and a 7.52% decrease in bonds and other fixed-income securities to EUR 9.2 billion. This evolution is in line with the desire to further increase lending to retail customers.

Overview of main asset components	31/12/2014	31/12/2015
Loans and advances to credit institutions	388,448,297	406,415,962
Loans and advances to customers	21,466,733,967	22,854,382,824
Bonds and other fixed-interest securities	9,984,641,382	9,233,563,413
Issued by public bodies	4,101,621,522	3,733,872,039
From other issuers	5,883,019,860	5,499,691,374

On the liabilities side the amounts owed to credit institutions have decreased sharply, given that the figure included two repos in 2014.

Amounts owed to customers increased by 4.05%. In this way customer savings increased to EUR 21.8 billion. This is partly the result of the shift of funds from expired retail savings certificates to savings accounts.

The portfolio of 'debt certificates' decreased by 14.76%.

Overview of main liabilities items	31/12/2014	31/12/2015
Amounts owed to credit institutions	428,370,997	100,927,914
Amounts owed to customers	28,091,385,678	29,228,477,542
Savings	21,048,932,124	21,814,346,098
Other liabilities	7,042,453,554	7,414,131,444
Debt certificates	1,596,500,973	1,360,797,325
Subordinated liabilities	506,396,878	395,678,286

Under Basel III/CRD IV the previously issued subordinated debt may not longer be counted as eligible own funds. For this reason, no 'subordinated certificates' (of this type) are offered any more, with the effect of further decreasing the portfolio.

During 2015 additional swaps and caps were concluded as part of the ALM interest rate policy.

10.2. Result

The profit for the year ending on 31 December 2015 amounts to EUR 181,126,091.98. This 10.27% less than the very high profit recorded in 2014. In 2014, profit was 45.21% higher than in 2013.

Net interest income remained almost unchanged (increase of 0.86%) owing to the combined effect of a limited decrease in the return on asset items and a further decline in interest costs.

	31/12/2014	31/12/2015
Interest income minus interest expenses	554,200,505	558,982,725
Income from non-fixed-rate securities	2,991,429	1,125
Gain (loss) on financial transactions	7,779,065	8,383,702
Payroll, social security charges and pensions	-33,566,465	-48,882,432
Other administrative expenses	-142,620,860	-149,491,236
Write-downs on (credit) receivables	-6,315,471	1,940,083

In 2014, a dividend was received from subsidiary ABL which has now been transformed into a pure fund manager under the name of AAM (Argenta Asset Management).

The profit from financial operations remained almost unchanged. There has been no intentional taking of capital gains; rather the portfolio has been managed in the context of liquidity management and monitoring of the credit risk of the investment portfolio.

Payroll, social security charges and pensions rose by 45.63%. This increase is due to the increase in the number of staff but also the shifting of a number of departments from group to the Argenta level.

Formerly a part of these costs ended up, via the cost-sharing agreement existing between three group entities in Belgium, in other income statement headings (other operating income and charges).

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

The cost of write-downs and write-offs on receivables on receivables amounted to EUR 6,315,471 in 2014. In 2015 there was a positive impact of EUR 1,940,083 thanks to the the positive evolution of dubious credit files and the reversal of provisions previously set up.

10.3. Profit allocation at end of the financial year

It is proposed to distribute as follows the profit for the year of EUR 181,126,092:

- to the legal reserves:	EUR 8,443,970
- to the other reserves:	EUR 172,682,122
- distribution of profit	EUR 0

10.4. Equity

An interim dividend of EUR 62,520,750 was paid in the fourth quarter, followed on 21 December 2015 by a capital increase in the Company of EUR 37,174,500.

After the aforementioned appropriation, the bookkeeping equity of amounts as of 31 December 2015 to EUR 1,548,503,745 compared to EUR 1,396,657,160 as of 31 December 2014.

This gives a return on equity of 12.97% compared to 16.55% for 2014 and 12.87% for 2013.

The Tier 1 own funds amount as of 31 December 2015 to EUR 1,493,433,924 compared to EUR 1,344,142,843 as of 31 December 2014.

The main factor explaining the increase in Tier 1 own funds are the allocation of the total profit for the year to reserves minus the cash out of the dividend payment in December 2015.

The pay-out ratio has risen from 16.92% to 18.26% This is due to the significant increase in the Tier 1 own funds while the risk exposure amount has increased only slightly.

	31/12/2014	31/12/2015
Return on equity	16.55 %	12.97 %
Tier 1 ratio	16.92 %	18.26 %

To get a fuller picture of the current situation of the Company, the present 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. Discussion of the annual accounts of the Bank Pool for 2015

11.1. Balance sheet and income statement

The IFRS balance sheet total of the Bank Pool has risen from EUR 33,524,075,038 at 31 December 2014 to EUR 33,862,045,625 at the end of 2015.

The "financial assets held for trading" heading includes, in addition to one swap related to Green Apple and several caps with positive fair values, a limited portfolio of secondary bonds (EUR 2.1 million). These bonds are offered to the customer base.

The heading "financial liabilities held for trading" contains the derivative instruments with a negative fair value.

The Green Apple swaps and caps in question were all concluded in the framework of risk management but could not, for IFRS-technical reasons, be accounted for using hedge accounting principles.

With the application of hedge accounting principles, changes in the fair value of hedging instruments may be offset in the income statement by the changes in fair value of the hedged items.

Available-for-sale financial assets, recognized at fair value in the balance sheet, decreased by 4.16% from EUR 8,352,382,746 to EUR 8,004,524,288. Under this heading fall almost all bonds and other fixed-income securities of the Bank Pool.

At end 2014, a limited number of fixed-rate securities (totalling EUR 404,465,119) come under the IFRS category of "assets held to maturity".

The portfolio of loans and receivables from non-credit institutions (which includes the mortgage loans) increased by EUR 1,131,189,740 (4.88%) to EUR 24,308,152,971.

Recorded under "derivatives used for hedging" are the swaps that are accounted for in IFRS according to hedge accounting principles.

The heading "changes in the fair value of hedged positions" on the asset side of the balance sheet includes the compensatory changes in the fair value of the hedged mortgages position. This item has fallen by EUR 398,422,686 to EUR 304,086,209 as of 31 December 2015.

The heading "income tax liabilities" contains EUR 51 million of deferred tax liabilities related to the latent value of "available-for-sale financial assets".

The latent values are processed on a separate line in shareholders' equity. After deferred tax, they amounted to EUR 93.96 million as against EUR 137.9 million as of 31 December 2014.

Financial liabilities measured at amortized cost increased by 1.31% or EUR 406,803,308 to EUR 31,405,282,167.

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

11.2. Result

The profit for 2015 amounts to EUR 192,866,907, compared with EUR 173,058,525 for 2014.

	31/12/2014	31/12/2015
Net profit	173,061,871	192,874,515
Net profit attributable to shareholders	173,058,525	192,866,907
Net income minority interests	3,346	7,608

The consolidated IFRS profit for 2015 is EUR 9.2 million higher than the corresponding BGAAP figure.

This difference is due to:

- (a) the "processing at market value" of the caps in the IFRS figures and the fact of applying hedge accounting to the swaps (with a positive delta after tax of EUR 13.5 million for 2015)
- (b) applying an additional capital loss for the bonds of issuer Petrobras (EUR 1.1 million after tax)
- (c) the impact of the "longer-term spreading" and thus the slower taking into income of transaction costs incurred in respect of assets and liabilities that are recognized at amortized cost in the IFRS balance sheet (negative impact of 1.1 million after tax)
- (d) change in deferred taxes on provisions not accepted under BGAAP.

As in BGAAP, NII is the profit engine of the Company.

Commission income amounted in 2015 to EUR 94,055,716, compared with EUR 75,445,834 in 2014. Commissions and remuneration paid amounted to EUR 149,460,775 compared with 135,160,379 in 2014.

The item "gains and losses on financial assets and liabilities held for trading" includes the results of swaps that are not processed according to IFRS hedge accounting principles, the result of recognizing caps at market value under IFRS and the results - limited - of the secondary bonds.

In 2015, EUR 6.6 million of capital gains were achieved in the realization of investment securities. This is similar to 2014, with the constant level of this amount reflecting the improvement in the Company's underlying "without capital gains" result.

Salaries, social security and pensions amounted to EUR 49.8 million for the year to 31 December 2015 compared to EUR 34,818,193 for the previous year. The increase is due mainly to two factors: (a) the shift of some departments from the BVg to the Aspa level and (b) the continued expansion of the Argenta organization.

	31/12/2014	31/12/2015
Administrative costs	-221,413,955	-265,692,632
Personnel expenses	-34,818,193	-49,861,708
General and administrative expenses	-186,595,762	-215,830,924

General and administrative expenses increased from EUR 186.0 million to 215.8 million. This reflects the costs of several projects (including digital banking Netherlands and Belgium - that is investments in future) and generally increased ICT costs.

11.3. Equity

The IFRS accounting equity at the end of 2015 amounts to EUR 1,672,816,735 compared with EUR 1,549,675,409 at the end of 2014.

	31/12/2014	31/12/2015
Equity attributable to shareholders of the company	1,549,675,409	1,672,757,634
Equity attributable to minority interests	74,294	59,101
Total equity and minority interest	1,549,749,703	1,672,816,735

This increase is mainly the result of the addition of the profit for the year of EUR 192,866,907, a cash out of EUR 25,346,250 from the interim dividend, and a EUR 43.8 million decrease in the revaluation surplus on available-for-sale assets.

The Tier 1 capital (in accordance with the Basel 80% floor) amounts to EUR 1,560,986,822 as of 31 December 2015 compared with EUR 1,391,404,904 as of 31 December 2014.

The significant increase in the Tier 1 capital is primarily the combined result of, among other things, the allocation of the total profit for the year to reserves and the cash out for the interim dividend.

The Tier 1 ratio has evolved from 17.56% at the end of 2014 to 18.64% at the end of 2015.

12. Information on important events since the end of the financial year

To the best of the knowledge of the Board of Directors, no other significant events have occurred since the end of the financial year concerning the Company and its individual subsidiaries.

13. Information on circumstances that can significantly affect the development of the Company and the Bank Pool, in so far as their disclosure is not seriously detrimental to the Company and the Bank Pool

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

14. Information about the activities in the field of research and development

Technological developments in the financial sector are evolving very rapidly and the Argenta Group is taking the necessary steps to provide more and better digital solutions to its customers.

In the past year, the Company therefore undertook further research and invested in the development of front office applications (connected to the customer and/or the branch manager) and back office applications.

In 2015 this included the development of a new credit application (KIOSK - Qualitative Credit Integration and Monitoring System) and the upgrading of Argenta's Internet banking and the Argenta Banking app. In addition, implementation of a new accounting and management application was successfully completed.

Among product applications we can mention deliveries for housing bonus, in addition to investments in updating the Savings, Credit and Lending applications.

Chapter 6 provides information on the other automation projects at the Company.

15. Information concerning the existence of branches

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

16. Application of Articles 133,6 and 134 of the Companies Code

The fees to the auditor and the entities related to the auditor are monitored at consolidated level by the audit committee. Additional audit and consultancy assignments are approved by the Audit Committee pursuant to Article 133.6 of the Companies Act when they exceed the total amount of compensation of the audit mandate.

16.1. The Company

During the 2015 financial year a total of EUR 460,857 (incl. VAT) of additional fees were paid to Deloitte Auditors BV ovve CVBA or to companies working in professional collaboration with them for additional work related to supplementary audit work, study and advice, training, tax advice and control activities relating to lender responsibility.

16.2. The Bank Pool

During the 2015 financial year a total of EUR 460,857 (incl. VAT) of additional fees were paid to Deloitte Auditors BV ovve CVBA or to companies working in professional collaboration with them for additional work related to supplementary audit work, study and advice, training, tax advice and control activities relating to lender responsibility.

17. Capital increases

17.1. The Company

On 21 December 2015 a capital increase of EUR 37,174,500 was implemented in the Company without issuing new shares. This increased the Company's capital from EUR 579 077 650 to EUR 616 252 150.

17.2. The Bank Pool

On 21 December 2015 the capital of the Company was increased by EUR 37,174,500, increasing the capital of the Bank Pool by the same amount.

18. Acquisition of own shares

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

19. External appointments and personal interests of directors

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

1. **Jan Cerfontaine** has an external mandate in:
 - General Partner to Invest for Jobs, with its registered office at 1030 Schaarbeek, Boulevard Auguste Reyers 80, a limited company not listed on a regulated market, as an independent director.

2. **Walter Van Pottelberge** has external mandates in:
 - Justitia, with its registered office at 2140 Borgerhout, Plantin en Moretuslei 295, not listed on a regulated market, as chairman (this mandate was terminated on 11 June 2015);
 - Unibreda, with its registered office at 2140 Borgerhout, Plantin en Moretuslei 303, not listed on a regulated market, as a director (this mandate was terminated on 24 April 2015);
 - Vanbreda Risk & Benefits, with its office at 2140 Borgerhout, Plantin en Moretuslei 297, not listed on a regulated market, as a director (this mandate was terminated on 7 April 2015);
 - Capricorn Venture Partners, with its registered office at 3000 Leuven, Lei 19/1, a limited company not listed on a regulated market, as a director;
 - Nipponkoa Insurance Company (Europe) Limited, with its registered office at EC3A 7JB London, 18 Bevis Marks, not listed on a regulated market, as a director (mandate was terminated on 30 September 2015);
 - Ethias Droit Commun/Gemeen Recht, with its registered office at 4000 Liège, Rue des Croisiers 24, a mutual insurance association, not listed on a regulated market, as a director.

3. **Emiel Walkiers** has external mandates in:
 - Tramonto cva, with its registered office at 2020 Antwerp, Eglantierlaan 5, not listed on a regulated market, as executive director;
 - Moore Stephens Verschelden Bedrijfsrevisoren cvba, with its registered office at 1020 Brussels, Esplanade 1, not listed on a regulated market, as a non-executive director.

4. **Raf Vanderstichele** has external mandates in:
 - Korora, a private limited liability company, not listed on a regulated market, having its registered office with effect from 1 January 2016 at 3000 Leuven, Refugehof 4/0301, as general manager;
 - Nemrod, with its registered office at 8560 Wevelgem, Neerhofstraat 33, a public company not listed on a regulated market, as a non-executive director.

5. **Carlo Henriksen** has external mandates in:
 - Donorinfo, with its registered office at 1150 Brussels, Raketlaan 32, a public utility foundation, as a director.

6. **Cynthia Van Hulle** has external mandates:
- Miko, with its registered office at 2300 Turnhout, Steenweg op Mol 177, a limited company, listed on a regulated market, as a director;
 - Warehouses De Pauw, with its registered office at 1861 Meise, Blakebergen 15, a partnership limited by shares (*commanditaire vennootschap op aandelen*) listed on a regulated market, as a director;
 - Argenta Coöperatieve, with its registered office at Belgiëlei 49-53, 2018 Antwerp, a cooperative company with limited liability, not listed on a regulated market, as a director.

20. Measures taken by the Company and the Bank Pool to protect themselves against risks associated with the use by the Company and the Bank Pool of financial instruments to the extent that this is significant for the assessment of its assets, liabilities, financial position and results.

20.1. The Company

In 2015 further swaps and caps were concluded in order 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

Apart from the swaps and caps, no other derivative products were used for the direct hedging of transactions or for hedging specific portfolios to which hedge accounting is applied.

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

Governance

Until 16 December 2014, Argenta operated with a single audit, risk and compliance committee, comprised of members of the Board of Directors. On the basis of a derogation granted by the regulator, this operated at group level. No separate audit committees were set up within the Board of Directors of Argenta Spaarbank.

At the meeting of 16 December 2014, as reported in a previous annual report, the Board of Directors of the Company to dissolve this committee and to establish separate audit and risk committees within the Board of Directors of Argenta Spaarbank. At Argenta Spaarbank, both committees would be chaired by an independent director not belonging to the Board of Directors of Argenta Assuranties. The (limited) private activities of the Company would be monitored by the audit and risk committee set up within the Board of Directors of Argenta Spaarbank.

Composition

The following non-executive directors sit on the Audit Committee established within the Board of Directors of Argenta Spaarbank:

Raf Vanderstichele* (Chairman);
Carlo Henriksen*;
Raco bvba, permanently represented by Bart Van Rompuy;
Emiel Walkiers.

** Independent members of the Audit Committee within the meaning of Article 526 of the Companies Code*

Mr. Raf Vanderstichele was active for many years as an auditor with an international auditing firm and statutory auditor of several Belgian companies, also in the financial sector.

Mr Carlo Henriksen, the former CEO of a Belgian banking institution, has been a member of the Argenta Spaarbank Audit Committee 16 December 2014.

The committee members have collective expertise in the area of activities of Argenta Spaarbank in the field of accounting and auditing. Two members are former external auditors with very many years' professional experience.

22 March 2016

The Board of Directors

Johan Heller

Director

Jan Cerfontaine

Chairman of the Board of Directors

Deloitte**Argenta Spaarbank nv****Statutory auditor's report to the shareholders' meeting on the annual accounts
for the year ended 31 December 2015**

To the shareholders

As required by the 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 2015 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 Argenta Spaarbank nv ("the company"), prepared in accordance with the financial reporting framework applicable in Belgium, which show total assets of 32,899,539 (000) EUR and a profit for the year of 181,126 (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 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 misstatements.

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 2015 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 which is complementary to the International Standards on Auditing as 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, 23 March 2016

The statutory auditor

DELOITTE Bedrijfsrevisoren / Reviseurs d' Entreprises

BV o.v.v.e. CVBA / SC s.f.d. SCRL

Represented by Dirk Vlaminckx