Belfius Bank SA/NV

Full Rating Report

Ratings

Foreign Currency	
Long-Term IDR	A−
Short-Term IDR	F2
Viability Rating	a−
Support Rating	5
Support Rating Floor	NF
Derivative Counterparty Rating	A−(dcr)

Sovereign Risk	
Long-Term Foreign-Currency IDR	AA−
Long-Term Local-Currency Rating	AA−

Outlooks

Long-Term Foreign-Currency Rating	Stable
Sovereign Long-Term Foreign-Currency IDR	Stable
Sovereign Long-Term Foreign-Currency IDR	Stable

Financial Data

Belfius Bank SA/NV

	30 Jun 17	31 Dec 16
Total assets (USDm)	195,868	186,277
Total assets (EURm)	171,639	176,721
Total equity (EURm)	9,288	9,012
Operating profit (EURm)	445	780
Published net income (EURm)	361	535
Comprehensive income (EURm)	416	503
Operating profit/risk-weighted assets (%)[a]	1.9	1.7
Operating ROAE (%)[a]	9.8	8.8
Fitch Core Capital/ weighted risks (%)	17.5	17.4
Common equity Tier 1 ratio (%)	16.3	16.6
Tangible common equity/tangible assets (%)	5.3	5.0
Impaired loans/gross loans (%)	2.3	2.6

[a] Ratios have been annualised
Source: Fitch

Related Research

Belfius Bank – Ratings Navigator (December 2017)

Fitch 2018 Outlook: Westerns European Banks (December 2017)

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Key Rating Drivers

Sound but Concentrated Franchise: Belfius Bank SA/NV's ratings are underpinned by its healthy asset quality, sound deposit funding, satisfactory capitalisation and liquidity, and the continued reduction of its large legacy derivatives portfolio. The bank has a sound domestic public-sector and retail franchise but remains a challenger in corporate banking. Its franchise and business model is weaker and less diversified than more highly rated peers, and the company profile is a rating constraint.

Stable Low-Risk Strategy: The bank has a good management team with a clear strategy of increasing cross-selling between banking and insurance. Fitch Ratings expects management to maintain its low risk appetite, which is heavily weighted towards public-sector and retail banking, combined with cautious growth among corporate clients.

Weak but Improving Profitability: Profitability continues to improve through stronger revenue generation and good cost containment, but is likely to remain a rating weakness. Margins are thin, reflecting low-risk business, but are gradually strengthening. Fee income is benefiting from increased cross-selling. Loan impairment charges (LICs) are low.

Sound Asset Quality: Asset quality is sound and underwriting standards are prudent. Lending is weighted towards mortgage and public-sector loans. The level of impaired loans is lower than the peer average and the reserve coverage of 75% is strong. Legacy portfolios have been materially de-risked and we believe they no longer represent a material risk. The bank still has large derivative exposures outstanding with Dexia, and although fully hedged externally, these will represent an operational burden until fully run down.

Satisfactory Capitalisation: Risk-weighted capital ratios are good and should continue to strengthen from improved earnings generation. Leverage is satisfactory, with a fully loaded Basel III ratio of 5.3% at end-June 2017. Dividend payments resumed in 2016, having not been paid since the bank came under state ownership in 2011.

Retail Funded; Liquidity Encumbrance: Belfius' deposit-driven funding is healthy, with an adjusted loans-to-deposits ratio of 92% as calculated by the bank, if retail bonds are included, at end-June 2017. Liquidity is adequate but significantly encumbered by collateral required to service the bank's large derivative books.

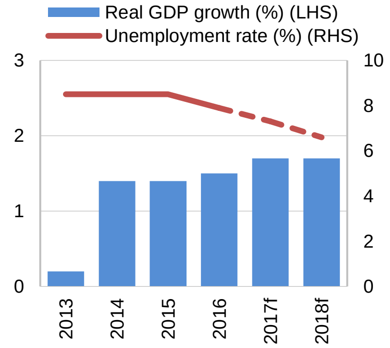
Reduced Likelihood of Support: Fitch believes legislative, regulatory and policy initiatives, including the implementation of the EU's Bank Recovery and Resolution Directive (BRRD), have substantially reduced the likelihood of sovereign support for European Union commercial banks. Belfius' Support Rating and Support Rating Floor reflect Fitch's view that extraordinary external support, while still possible, can no longer be relied upon.

Rating Sensitivities

De-risking Setbacks: Belfius' ratings are primarily sensitive to a deterioration of capitalisation or profitability. A setback to the scaling-back of the bank's legacy operations would also create negative rating pressure.

Upgrade Unlikely: An upgrade is unlikely given the limited scope of the franchise and business model improvement.

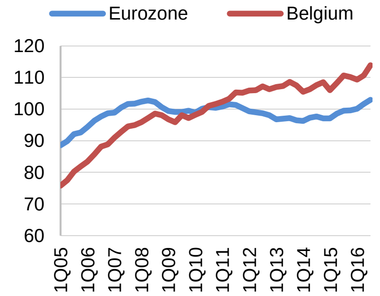
Belgian Economy



Source: Fitch

Belgium and Eurozone Housing Price Index

1Q05-2Q16, 100 = 2010



Source: ECB, Fitch

Revenue by Business

(EURm)	1H17	2016
RC	856	1,686
PC	268	441
Total	**1,124**	**2,127**
Group centre	12	250
Side activities[a]	n.a.	-118
Total revenue	**1,136**	**2,259**

[a] De-risking of the legacy portfolio completed in 2016. The results from side activities were transferred to group centre on 1 January 2017
Source: Belfius, Fitch

Related Criteria

Global Bank Rating Criteria (November 2016)

Operating Environment

Belfius predominantly operates in Belgium (AA−/Stable), which is an open, export-driven economy with growth closely linked to that of the eurozone. France, Germany and the Netherlands are its main trading partners. Belgium's sovereign rating balances its high government debt burden and persistent fiscal slippage against the economy's substantial net external creditor position, strong governance indicators, high income per capita and macroeconomic stability. Strong household balance sheets and moderate unemployment by European standards should continue to support banks' asset quality.

The Belgian banking sector (about 220% of GDP at end-2016) is concentrated with the four main players – BNP Paribas Fortis SA/NV (BNPPF; A+/Stable), KBC Bank (A/Positive), ING Belgium (A+/Stable) and Belfius – representing about 65% of system assets. The high barriers to entry leave these banks with well-established franchises, but competition among them is fierce.

Belfius' supervision is conducted by the ECB, although the National Bank of Belgium (NBB) remains involved in the prudential supervision. In response to a continued increase in house prices, combined with risk from borrowers with higher loan-to-value (LTV) and debt-to-income (DTI) ratios, the NBB is proposing, for banks using internal models to calculate mortgage risk-weights, to renew the 5bp add-on to the regulatory risk-weighting of Belgian mortgage loans (the previous add-on expired in May 2017) and to introduce a multiplier on the calculated risk-weights (initially set at 1.33x for all banks). The two components would result in an increase in the average risk-weight of Belgian mortgage loans to 18% from 10%. The NBB has designated Belfius as an "other systemically important bank" (O-SII) and assigned it a common equity Tier 1 (CET1) capital surcharge of 1.5% to be phased in over three years from 2016.

Company Profile

Sound Domestic Franchise

Belfius is the third-largest domestic bank behind BNPPF and KBC, with market shares in deposits and loans of 13%-15%. The Belgian state has fully owned the bank since October 2011, when it acquired it from Dexia through the Federal Holding and Investment Company (FHIC). In July 2017, the federal government announced its intention to partially privatise Belfius through a minority listing.

In addition to its strong retail banking franchise, Belfius is the clear market leader in public-sector financing and is a challenger in corporate financing. Retail and public-sector businesses are the backbone of its operations and, together with Belfius Insurance (Belins), its wholly owned subsidiary, form an integrated "bancassurance" model, as is common in Belgium. Belins ranks sixth in Belgium with market shares in life and non-life insurance of about 6% and 5%, respectively. It sells a substantial share of its premium income through the bank's retail branch network, independent agents and the internet, and Fitch believes Belfius has an opportunity to increase cross-selling to clients.

Low-Risk Business Profile, Selective Corporate Business Growth

The bank's commercial and insurance activities are organised under two business lines: retail and commercial (RC, about 75% of total income in 1H17), and public and corporate (PC). Revenue is largely driven by net interest income, although we expect a growing contribution from non-interest income. RC serves individuals and business clients (self-employed, SMEs) through its nationwide branch network. Public financing (banking for local authorities and quasi-public entities, such as schools, hospitals and retirement homes) is a strength. Belfius has a healthy market share, which, unlike in other jurisdictions, provides a large proportion of the bank's deposits. Belfius is pursuing selective growth in corporate banking, where it offers a full range of products to medium-sized and large Belgian corporates and represents the link between public authorities and private corporates.

Note on Charts

Black dashed lines in the Asset Quality chart and further in the report represent indicative quantitative ranges and corresponding implied scores for Fitch's core financial metrics for banks operating in the environments that Fitch scores in the 'aa' category.

Management and Strategy

Solid Management, Clear Strategy

The bank's management team has a good level of experience and depth. The chief executive was appointed in January 2014 from Belins, which ensures a more integrated strategy with increasing cross-selling. Fitch believes management has made significant improvements in the short time since the bank's separation from Dexia, both in terms of de-risking the legacy portfolio and improving underlying profitability and strengthening the balance sheet. The corporate culture appears sound.

Corporate governance is effective. Belfius' board of directors has 15 members, including the six members of the management board (as required by Belgian law) and eight independent directors. The FHIC does not have direct representatives on the board and Fitch believes the state does not interfere in the bank's strategy or day-to-day business.

Belfius has a clear strategy of strengthening its domestic franchise, focusing on its core businesses and increasing cross-selling between banking and insurance, and we do not expect this to change following the partial IPO. Management intends to mitigate the large lower-margin public-sector lending business with higher cross-selling and selective growth in corporate banking. It will be difficult for the bank to materially strengthen profitability, in our view, in particular as it aims to maintain a low risk appetite, although we expect a gradual improvement in profitability metrics in the medium term.

Risk Appetite

Low Risk Appetite

Belfius' risk appetite is low and its underwriting standards for mortgage lending are prudent, in our view, as they are at all Fitch-rated Belgian banks. The existence in Belgium of a credit bureau allows for precise calculations of a borrower's DTI ratio, net of any social benefits, and the DTI limit is 35%-45% (depending on borrower income). The mortgage loan book is amortising and the vast majority of the loans are fixed rate. Variable-rate mortgage loans are capped by law at double the initial rate. The average LTV for the mortgage book was 57% at end-June 2017. The public-sector loan book benefits from Belfius' historical expertise in granting loans to the sector and its role as primary banker. The strategy for the bond portfolio is to invest in highly liquid securities to maintain a high liquidity coverage ratio (LCR).

Risk controls are centralised and appear adequate, with conservative limits. Investments made by Belins are reviewed at the parent bank level. Belfius' focus on its domestic market leaves it exposed to some concentration risk. Fitch expects loan growth to remain in line with GDP growth, although loans to larger Belgian corporates may experience higher-than-market-average growth in line with Belfius' strategy. Overall, we expect internal capital generation to continue to comfortably exceed balance-sheet growth in the medium to long term.

Reduced Legacy Exposures in Line with Risk Appetite

Legacy exposures no longer represent a material risk to the bank. Thanks to divestments and amortisations, the risk profile of the legacy bond and credit guarantee portfolio has been brought in line with Belfius' overall risk appetite. The legacy derivatives book (EUR32.2 billion of notional values to Dexia at end-June 2017, from the bank's role as a competence centre for derivatives within Dexia) has more than halved since 2011 and should continue to decrease in a similar pace. Fitch understands this is fully hedged externally. Derivative collateral requirements still create balance-sheet volatility as the fair value of the large derivative book and the related cash collateral increase when interest rates go down. Conversely, when interest rates rise, Belfius will recover a significant amount of collateral. The current low interest rates mean the risk of additional material collateral needs should be limited.

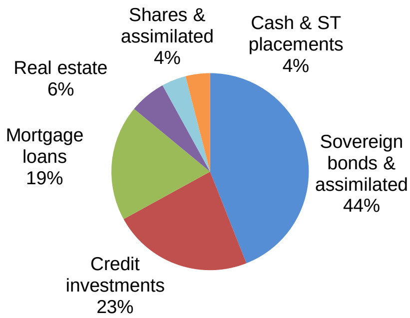
Manageable Market Risk

Fitch believes the derivatives book is adequately managed and that related market and credit risks are low, although it will be an operational burden for Belfius until it is substantially run down. In 1H17, the bank's maximum total value at risk (10-day holding period, 99% confidence interval) was small (EUR31 million, below the prudent internal limit of EUR32 million). Structural interest-rate risk is hedged using derivatives and appears adequately managed. At end-June 2017, Belfius' sensitivity to a 100bp parallel increase in the yield curve was less than 2% of its annualised net interest income. At the same date, Belfius had EUR20.9 billion of financial assets accounted for at fair value or available for sale. The vast majority is fixed income, exposing the bank to credit spread risk.

Limited Risk from Guaranteed Insurance Products

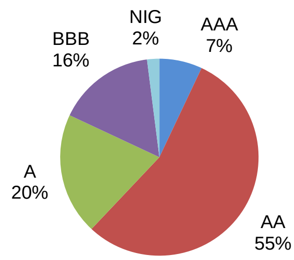
Insurance risk is monitored by a dedicated risk committee that controls underwriting criteria and reserves adequacy, and performs sensitivity analysis of changes in various behavioural and market assumptions. At end-June 2017, technical reserves totalled EUR15 billion, most of which still carry a guaranteed rate. The average duration of a guaranteed policy for Belfius is about eight years. The bank is therefore not exposed to maturity mismatch. The investments are generally of good quality and a large part is made up of highly rated debt securities.

Insurance Asset Split
EUR22.2bn, end-June 2017



Source: Belfius

Insurance ALM Portfolio
EUR9.4bn, end-June 2017



Source: Belfius

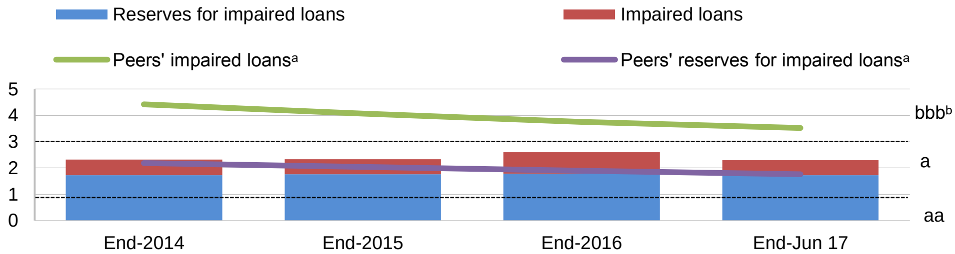
Financial Profile

Asset Quality

Sound Asset Quality Underpinned by Low-Risk Lending

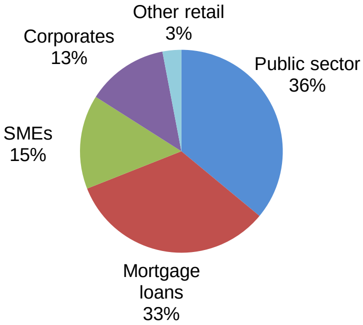
The loan portfolio makes up just over half of total assets and the largest exposure is to the low-risk public sector. Lending to individuals is almost exclusively residential mortgage loans and these are of high quality (Belgian mortgage loans remain among the best performing in Europe), while corporate and SME loans have higher underlying risk. The loan book has moderate obligor concentration.

Asset Quality
% gross loans



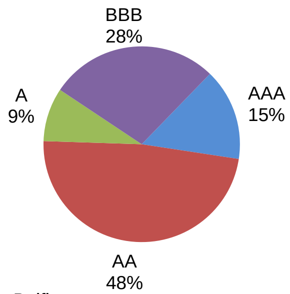
[a] Peer average includes Belfius, BNPPF (Viability Rating: 'a'), KBC Bank (a), ING Bank (a+) and ABN AMRO (a)
[b] Benchmark score for the impaired loans/gross loans ratio
Source: Banks, Fitch

Customer Loan Book
End-June 2017



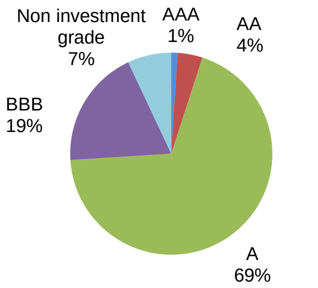
Source: Belfius

Bank ALM Portfolio - Rating Split
EUR8.1bn, end-June 2017



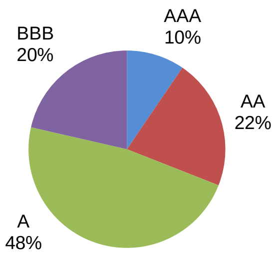
Source: Belfius

Bank Yield Portfolio - Rating Split
EUR4.4bn, end-June 2017



Source: Belfius

Credit Guarantees - Rating Split
EUR4.2bn, end-June 2017



Source: Belfius

Belfius' impaired loans-to-gross loans ratio compares well with peers and the reserve coverage is strong. Past due (over 90 days) but not impaired loans for the total loan portfolio are minimal (4bp of gross loans at end-June 2017). Loans subject to forbearance, according to the European Banking Authority's definition, represented a low 71bp of gross loans at end-2016. Fitch expects asset-quality metrics to continue to compare well with domestic peers', partly due to Belfius' greater focus on low-risk public-sector lending and the large portion of mortgage lending in the retail loan book.

Good-Quality Bond Portfolios

The group's three bond portfolios (the bank asset and liability management (ALM) portfolio: EUR8.1 billion at end-June 2017; the bank yield portfolio: EUR4.4 billion and the insurance ALM portfolio: EUR9.4 billion) are of good quality, all with an average rating of 'A−' and the majority of exposures rated 'A−' or above. Total government bonds amounted to EUR12.7 billion on the same date, with the largest holdings being Belgium (EUR7.2 billion) and Italy (EUR3.7 billion).

The bank also has a credit derivative portfolio (EUR4.2 billion at end-June 2017), essentially comprising guarantees, total return swaps and credit default swaps it has issued on various fixed-income reference instruments. The combined credit quality of the reference instruments and additional protection purchased by Belfius from monoline insurers is sound and similar to that of the bond portfolios. We nevertheless expect this portfolio to continue to decrease. Belfius' derivative and interbank exposures are largely to highly rated counterparts.

Earnings and Profitability

Stronger Revenue Generation

Belfius' operating performance still lags behind its domestic peers' but is improving through stronger revenue generation combined with good cost containment. We expect this trend to be sustained and the bank's target of EUR600 million net income by 2020 now looks easily achievable (2016: EUR535 million, 1H17: EUR361 million).

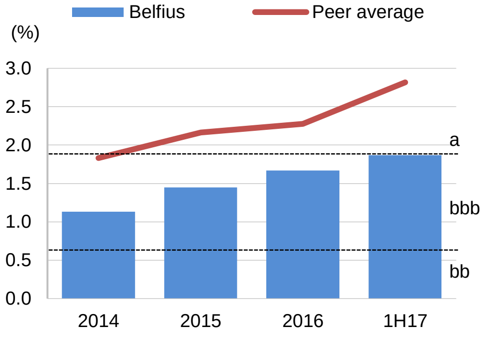
In the past, about half of net income has been generated by the bank and half by the insurance business. The focus is mainly on strengthening the bank's earnings generation, which is likely to become the group's largest earnings contributor in the medium term. Net interest income is the main revenue source, as expected from a bank focused on retail and public-sector lending. Margins are thin, reflecting low-risk business, but have strengthened in recent years as a result of loan repricing, decreased savings deposit rates and lower cost of carry from holdings of legacy bonds. We see less scope for margin improvement as savings deposit rates are at the 11bp legal floor and the legacy book has been de-risked, although the bank benefits from continued growth in corporate lending (where margins are higher).

Net fee and commission income (just below 20% of revenue) benefits from a strong insurance franchise. The total fees from mutual funds and insurance products are still lower than at BNPPF and KBC, indicating a lower cross-selling ratio, but this is improving.

Cost Containment

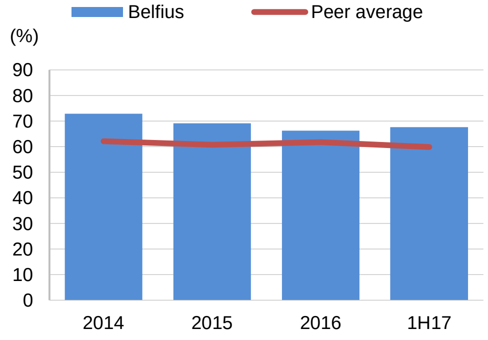
The cost-to-income ratio remains higher than at peers although we expect a continued improvement in the medium term as revenue growth outpaces expense growth. We expect banks to contain rather than cut costs, and for franchise investments (IT, marketing and so on) to offset staff cost reductions. LICs should remain low, having shaved off an average of about 10% of pre-impairment profit between 2014 and 1H17.

Operating Profit/RWAs



Source: Banks, Fitch

Cost Efficiency



Source: Banks, Fitch

Capitalisation and Leverage

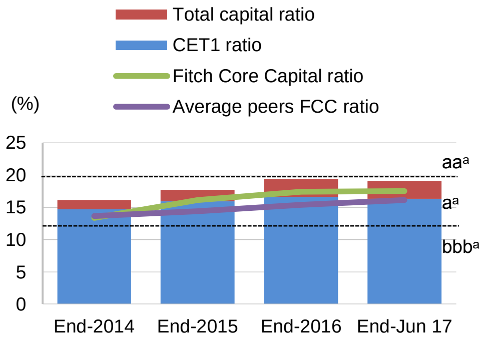
Adequate Risk-Weighted Capitalisation; Satisfactory Leverage

Belfius' risk-weighted capital ratios have improved in recent years thanks to earnings retention and declining available-for-sale revaluation reserves (from sales, amortisation and reclassifications to held-to-maturity securities), and we expect a continued strengthening. Its fully loaded CET1 ratio was a solid 16.1% at end-June 2017, compared with fully loaded 11.75% regulatory requirement (including an O-SII buffer of 1.5% and a 1.0% Pillar 2 guidance).

Belfius applies the "Danish compromise" to risk-weight its insurance subsidiaries (370% weighting), but the benefit is limited. Fitch deducts insurance holdings from its Fitch Core Capital calculation. The bank resumed dividend payments in 2016, distributing 15% and 40% of 2015 and 2016 net income, respectively, and we expect the pay-out ratio to gradually increase towards peers' in the medium term, especially considering the upcoming IPO. Belin's post-dividend solvency II ratio was a strong 228% at end-June 2017.

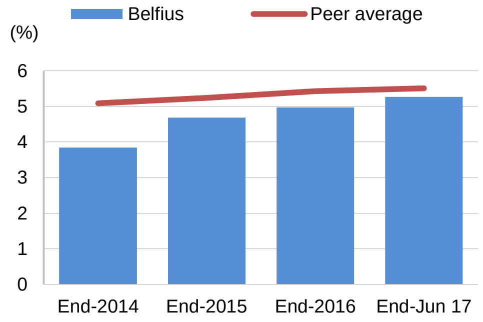
The bank's qualifying junior debt buffer remains small at 2.9% of risk-weighted assets at end-June 2017. We do not expect this to change materially with the bank likely to meet incoming MREL requirements through the issuance of non-preferred senior debt.

Risk-Weighted Capital Ratios



[a] Benchmark score for the FCC ratio
Source: Banks, Fitch

Tangible Leverage[a]



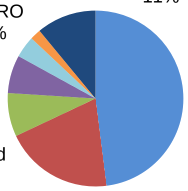
[a] Tangible common equity/tangible assets
Source: Banks, Fitch

Funding and Liquidity

Healthy Retail-Based Funding

Belfius benefits from a large amount of customer funding (predominantly provided by retail clients), as is typical for Belgian banks. The bank's loans-to-deposits ratio does not reflect the actual funding mix because it excludes substantial funding sourced from retail clients but not accounted for as customer deposits. This includes saving certificates (eligible under the deposit guarantee scheme, EUR2.2 billion at end-June 2017) and retail bonds (EUR7.8 billion), which are accounted as debt securities. These funding instruments resemble term deposits and are less volatile than debt securities subscribed by corporates or institutional investors. Including

Non-Equity Funding[a]
EUR111.6bn at end-June 2017



[a] Excluding derivatives and cash collateral
Source: Belfius

these saving certificates and retail bonds as customer deposits, Belfius' adjusted loans/customer deposits ratio was 92%, as calculated by the bank.

Wholesale funding is complementary, with moderate amounts sourced from foreign investors. The introduction of Belgian covered bond legislation in August 2012 offered Belfius' management an additional longer-term and cheap funding instrument, although it is capped by regulations to 8% of the issuing entity's total assets. Mortgage and public-sector covered bonds have a diversified maturity profile and totalled EUR8.4 billion at end-2017, leaving the bank with a limited covered bond issuance buffer. The bank has a securitisation programmes (around EUR10 billion at end-June 2017), which are largely retained on the balance sheet for liquidity purposes. It participated in the latest targeted long-term refinancing operation by the ECB in 2016, and the outstanding volume was EUR4.4 billion at end-June 2017. The bank also issued EUR1,250 million of non-preferred senior notes in 2017, and EUR500 million of additional Tier 1 securities in January 2018.

Satisfactory Liquidity Profile

The large derivatives book weighs on the bank's liquidity needs due to the collateral required for some of these positions, but this is manageable. Total assets encumbered for securitisations, covered bonds issuance, repo transactions, loans granted by central banks, assets given under bond lending transactions and collateral posted under Credit Support Annex agreements for derivatives transactions represented an acceptable 23% of total assets at end-June 2017.

Liquidity has significantly improved as the proceeds from debt issuance, inflow of deposits and amortisation of the legacy bonds have been invested in high-quality liquid assets. Belfius' LCR was 128% at end-June 2017, well above the internal target of more than 110%. The liquidity buffer amounted to EUR34.5 billion, mostly comprising cash and LCR eligible assets, and covered 4.9 times the bank's senior unsecured funding with a remaining maturity of less than one year. In addition, structural liquidity is healthy, with a net stable funding ratio of 115% (internal target: more than 105%).

Support

Sovereign Support Cannot Be Relied On

The EU's BRRD and the Single Resolution Mechanism for eurozone banks provide a framework for resolving banks that is likely to require senior creditors participating in losses, if necessary, instead of or ahead of a bank receiving sovereign support. The Support Rating of '5' and Support Rating Floor of 'No Floor' reflect Fitch's view that senior creditors cannot rely on receiving full extraordinary support from the sovereign in the event that Belfius becomes non-viable.

Debt Ratings

Belfius' senior debt is rated in line with its Long-Term IDR. The junior subordinated notes rank below the bank's other subordinated obligations but above Tier 1 debt, and are notched twice for loss-severity.

Belfius Bank SA/NV
Income Statement

	30 Jun 2017			31 Dec 2016		31 Dec 2015		31 Dec 2014	
	6 Months - Interim USDm Reviewed - Unqualified	6 Months - Interim EURm Reviewed - Unqualified	As % of Earning Assets	Year End EURm Audited - Unqualified	As % of Earning Assets	Year End EURm Audited - Unqualified	As % of Earning Assets	Year End EURm Audited - Unqualified	As % of Earning Assets
1. Interest Income on Loans	1,265.7	1,109.1	1.42	2,400.7	1.42	2,611.7	1.53	2,824.5	1.50
2. Other Interest Income	818.2	717.0	0.92	1,582.5	0.93	2,060.7	1.21	2,734.5	1.45
3. Dividend Income	52.7	46.2	0.06	88.2	0.05	61.6	0.04	49.4	0.03
4. Gross Interest and Dividend Income	**2,136.6**	**1,872.3**	**2.39**	**4,071.4**	**2.41**	**4,734.0**	**2.78**	**5,608.4**	**2.97**
5. Interest Expense on Customer Deposits	52.5	46.0	0.06	128.1	0.08	193.9	0.11	383.9	0.20
6. Other Interest Expense	908.3	795.9	1.02	1,911.8	1.13	2,454.8	1.44	3,087.6	1.63
7. Total Interest Expense	**960.7**	**841.9**	**1.07**	**2,039.9**	**1.21**	**2,648.7**	**1.55**	**3,471.5**	**1.84**
8. Net Interest Income	**1,175.9**	**1,030.4**	**1.32**	**2,031.5**	**1.20**	**2,085.3**	**1.22**	**2,136.9**	**1.13**
9. Net Gains (Losses) on Trading and Derivatives	53.5	46.9	0.06	16.9	0.01	54.7	0.03	(226.2)	(0.12)
10. Net Gains (Losses) on Other Securities	88.7	77.7	0.10	100.3	0.06	1.6	0.00	27.0	0.01
11. Net Gains (Losses) on Assets at FV through Income Statement	n.a.	n.a.	-	n.a.	-	(16.9)	(0.01)	4.5	0.00
12. Net Insurance Income	(100.8)	(88.3)	(0.11)	(254.8)	(0.15)	(285.9)	(0.17)	(295.7)	(0.16)
13. Net Fees and Commissions	310.7	272.3	0.35	507.5	0.30	497.0	0.29	447.1	0.24
14. Other Operating Income	120.6	105.7	0.13	234.3	0.14	151.2	0.09	141.0	0.07
15. Total Non-Interest Operating Income	**472.8**	**414.3**	**0.53**	**604.2**	**0.36**	**401.7**	**0.24**	**97.7**	**0.05**
16. Personnel Expenses	296.0	259.4	0.33	560.3	0.33	573.7	0.34	615.8	0.33
17. Other Operating Expenses	819.8	718.4	0.92	1,187.4	0.70	1,147.3	0.67	1,013.1	0.54
18. Total Non-Interest Expenses	**1,115.8**	**977.8**	**1.25**	**1,747.7**	**1.03**	**1,721.0**	**1.01**	**1,628.9**	**0.86**
19. Equity-accounted Profit/ Loss - Operating	2.5	2.2	0.00	5.0	0.00	8.3	0.00	2.0	0.00
20. Pre-Impairment Operating Profit	**535.3**	**469.1**	**0.60**	**893.0**	**0.53**	**774.3**	**0.45**	**607.7**	**0.32**
21. Loan Impairment Charge	27.8	24.4	0.03	116.0	0.07	92.7	0.05	58.5	0.03
22. Securities and Other Credit Impairment Charges	(0.2)	(0.2)	(0.00)	(2.5)	(0.00)	(0.3)	(0.00)	(10.6)	(0.01)
23. Operating Profit	**507.7**	**444.9**	**0.57**	**779.5**	**0.46**	**681.9**	**0.40**	**559.8**	**0.30**
24. Equity-accounted Profit/ Loss - Non-operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
25. Non-recurring Income	0.0	0.0	0.00	0.0	0.00	0.0	0.00	(0.1)	(0.00)
26. Non-recurring Expense	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
27. Change in Fair Value of Own Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
28. Other Non-operating Income and Expenses	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
29. Pre-tax Profit	**507.7**	**444.9**	**0.57**	**779.5**	**0.46**	**681.9**	**0.40**	**559.7**	**0.30**
30. Tax expense	95.7	83.9	0.11	244.2	0.14	175.8	0.10	99.8	0.05
31. Profit/Loss from Discontinued Operations	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
32. Net Income	**412.0**	**361.0**	**0.46**	**535.3**	**0.32**	**506.1**	**0.30**	**459.9**	**0.24**
33. Change in Value of AFS Investments	17.2	15.1	0.02	18.0	0.01	194.4	0.11	888.0	0.47
34. Revaluation of Fixed Assets	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
35. Currency Translation Differences	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
36. Remaining OCI Gains/(losses)	45.9	40.2	0.05	(50.4)	(0.03)	36.3	0.02	(30.9)	(0.02)
37. Fitch Comprehensive Income	**475.1**	**416.3**	**0.53**	**502.9**	**0.30**	**736.8**	**0.43**	**1,317.0**	**0.70**
38. Memo: Profit Allocation to Non-controlling Interests	0.0	0.0	0.00	0.0	0.00	0.0	0.00	(1.7)	(0.00)
39. Memo: Net Income after Allocation to Non-controlling Interests	412.0	361.0	0.46	535.3	0.32	506.1	0.30	461.6	0.24
40. Memo: Common Dividends Relating to the Period	0.0	0.0	0.00	215.0	0.13	75.0	0.04	0.0	0.00
41. Memo: Preferred Dividends Related to the Period	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Exchange rate		USD1 = EUR0.8763		USD1 = EUR0.9487		USD1 = EUR0.9185		USD1 = EUR0.8237	

Belfius Bank SA/NV
Balance Sheet

	30 Jun 2017			31 Dec 2016		31 Dec 2015		31 Dec 2014	
	6 Months - Interim USDm	6 Months - Interim EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets
Assets									
A. Loans									
1. Residential Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other Mortgage Loans	33,870.5	29,680.7	17.29	28,820.3	16.31	27,118.5	15.32	26,074.1	13.41
3. Other Consumer/ Retail Loans	1,643.4	1,440.1	0.84	1,461.5	0.83	1,387.0	0.78	1,416.9	0.73
4. Corporate & Commercial Loans	n.a.	n.a.	-	30,744.6	17.40	30,379.4	17.17	30,209.6	15.54
5. Other Loans	66,744.7	58,488.4	34.08	28,330.8	16.03	28,041.2	15.85	29,129.2	14.98
6. Less: Reserves for Impaired Loans	1,761.6	1,543.7	0.90	1,589.3	0.90	1,527.6	0.86	1,497.5	0.77
7. Net Loans	**100,497.0**	**88,065.5**	**51.31**	**87,767.9**	**49.66**	**85,398.5**	**48.26**	**85,332.3**	**43.89**
8. Gross Loans	**102,258.6**	**89,609.2**	**52.21**	**89,357.2**	**50.56**	**86,926.1**	**49.12**	**86,829.8**	**44.66**
9. Memo: Impaired Loans included above	2,349.1	2,058.5	1.20	2,320.0	1.31	2,025.9	1.14	2,015.5	1.04
10. Memo: Loans at Fair Value included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
B. Other Earning Assets									
1. Loans and Advances to Banks	1,755.8	1,538.6	0.90	1,575.3	0.89	1,840.6	1.04	11,153.5	5.74
2. Reverse Repos and Cash Collateral	18,554.9	16,259.7	9.47	22,361.8	12.65	24,268.0	13.71	21,731.0	11.18
3. Trading Securities and at FV through Income	4,270.6	3,742.3	2.18	2,986.0	1.69	3,223.0	1.82	6,100.2	3.14
4. Derivatives	29,158.6	25,551.7	14.89	29,841.0	16.89	30,316.5	17.13	36,202.0	18.62
5. Available for Sale Securities	19,677.3	17,243.2	10.05	18,819.8	10.65	19,733.6	11.15	25,087.0	12.90
6. Held to Maturity Securities	6,292.0	5,513.7	3.21	5,393.2	3.05	5,017.2	2.84	2,834.5	1.46
7. Equity Investments in Associates	111.9	98.1	0.06	97.0	0.05	106.8	0.06	146.5	0.08
8. Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Total Securities	**78,065.4**	**68,408.7**	**39.86**	**79,498.8**	**44.99**	**82,665.1**	**46.71**	**92,101.2**	**47.38**
10. Memo: Government Securities included Above	17,007.2	14,903.4	8.68	15,735.4	8.90	16,087.8	9.09	17,802.7	9.16
11. Memo: Total Securities Pledged	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Investments in Property	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Insurance Assets	n.a.	n.a.	-	436.9	0.25	503.0	0.28	312.2	0.16
14. Other Earning Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
15. Total Earning Assets	**180,318.2**	**158,012.8**	**92.06**	**169,278.9**	**95.79**	**170,407.2**	**96.30**	**188,899.2**	**97.17**
C. Non-Earning Assets									
1. Cash and Due From Banks	11,772.0	10,315.8	6.01	5,111.1	2.89	576.3	0.33	2,412.9	1.24
2. Memo: Mandatory Reserves included above	0.0	0.0	0.00	1,000.0	0.57	113.3	0.06	1,911.8	0.98
3. Foreclosed Real Estate	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Fixed Assets	1,251.6	1,096.8	0.64	1,091.7	0.62	1,199.8	0.68	1,297.2	0.67
5. Goodwill	118.7	104.0	0.06	104.0	0.06	104.0	0.06	104.0	0.05
6. Other Intangibles	158.8	139.2	0.08	122.5	0.07	81.9	0.05	89.7	0.05
7. Current Tax Assets	43.1	37.8	0.02	10.7	0.01	6.1	0.00	9.3	0.00
8. Deferred Tax Assets	429.4	376.3	0.22	405.8	0.23	565.6	0.32	685.7	0.35
9. Discontinued Operations	583.8	511.6	0.30	28.8	0.02	3,354.5	1.90	24.9	0.01
10. Other Assets	1,192.4	1,044.9	0.61	567.4	0.32	666.7	0.38	884.3	0.45
11. Total Assets	**195,868.1**	**171,639.2**	**100.00**	**176,720.9**	**100.00**	**176,962.1**	**100.00**	**194,407.2**	**100.00**
Liabilities and Equity									
D. Interest-Bearing Liabilities									
1. Customer Deposits - Current	34,021.3	29,812.9	17.37	29,729.7	16.82	25,867.1	14.62	24,785.1	12.75
2. Customer Deposits - Savings	40,766.1	35,723.3	20.81	34,905.9	19.75	32,687.1	18.47	31,180.1	16.04
3. Customer Deposits - Term	10,714.4	9,389.0	5.47	9,502.9	5.38	9,518.1	5.38	8,228.4	4.23
4. Total Customer Deposits	**85,501.8**	**74,925.2**	**43.65**	**74,138.5**	**41.95**	**68,072.3**	**38.47**	**64,193.6**	**33.02**
5. Deposits from Banks	5,921.1	5,188.7	3.02	4,569.5	2.59	2,268.6	1.28	7,407.3	3.81
6. Repos and Cash Collateral	9,955.6	8,724.1	5.08	7,503.9	4.25	9,339.1	5.28	16,239.3	8.35
7. Commercial Paper and Short-term Borrowings	6,844.8	5,998.1	3.49	5,846.6	3.31	4,054.0	2.29	2,747.7	1.41
8. Total Money Market and Short-term Funding	**108,223.3**	**94,836.1**	**55.25**	**92,058.5**	**52.09**	**83,734.0**	**47.32**	**90,587.9**	**46.60**
9. Senior Unsecured Debt (original maturity > 1 year)	10,437.5	9,146.4	5.33	10,207.7	5.78	16,371.9	9.25	20,162.7	10.37
10. Subordinated Borrowing	965.7	846.2	0.49	1,031.2	0.58	547.5	0.31	841.7	0.43
11. Covered Bonds	9,655.9	8,461.5	4.93	8,468.2	4.79	7,372.0	4.17	6,284.0	3.23
12. Other Long-term Funding	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Total LT Funding (original maturity > 1 year)	**21,059.1**	**18,454.1**	**10.75**	**19,707.1**	**11.15**	**24,291.4**	**13.73**	**27,288.4**	**14.04**
14. Derivatives	26,322.4	23,066.3	13.44	29,780.0	16.85	30,286.6	17.11	38,459.4	19.78
15. Trading Liabilities	9,250.0	8,105.8	4.72	7,524.3	4.26	6,916.5	3.91	8,861.9	4.56
16. Total Funding	**164,854.8**	**144,462.3**	**84.17**	**149,069.9**	**84.35**	**145,228.5**	**82.07**	**165,197.6**	**84.98**
E. Non-Interest Bearing Liabilities									
1. Fair Value Portion of Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Credit impairment reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Reserves for Pensions and Other	452.5	396.5	0.23	412.2	0.23	405.5	0.23	477.2	0.25
4. Current Tax Liabilities	46.8	41.0	0.02	60.6	0.03	42.4	0.02	28.3	0.01
5. Deferred Tax Liabilities	299.9	262.8	0.15	272.8	0.15	272.0	0.15	230.3	0.12
6. Other Deferred Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Discontinued Operations	0.0	0.0	0.00	0.0	0.00	3,243.4	1.83	n.a.	-
8. Insurance Liabilities	17,028.2	14,921.8	8.69	16,304.2	9.23	17,068.1	9.65	18,243.8	9.38
9. Other Liabilities	2,176.7	1,907.4	1.11	1,222.0	0.69	1,677.0	0.95	1,953.9	1.01
10. Total Liabilities	**184,858.8**	**161,991.8**	**94.38**	**167,341.7**	**94.69**	**167,936.9**	**94.90**	**186,131.1**	**95.74**
F. Hybrid Capital									
1. Pref. Shares and Hybrid Capital accounted for as Debt	410.0	359.3	0.21	367.5	0.21	365.5	0.21	349.5	0.18
2. Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
G. Equity									
1. Common Equity	10,338.6	9,059.7	5.28	8,813.6	4.99	8,457.0	4.78	7,914.8	4.07
2. Non-controlling Interest	0.2	0.2	0.00	0.2	0.00	1.0	0.00	2.8	0.00
3. Securities Revaluation Reserves	281.1	246.3	0.14	231.2	0.13	213.2	0.12	18.7	0.01
4. Foreign Exchange Revaluation Reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Fixed Asset Revaluations and Other Accumulated OCI	(20.7)	(18.1)	(0.01)	(33.3)	(0.02)	(11.5)	(0.01)	(9.7)	(0.00)
6. Total Equity	**10,599.2**	**9,288.1**	**5.41**	**9,011.7**	**5.10**	**8,659.7**	**4.89**	**7,926.6**	**4.08**
7. Total Liabilities and Equity	**195,868.1**	**171,639.2**	**100.00**	**176,720.9**	**100.00**	**176,962.1**	**100.00**	**194,407.2**	**100.00**
8. Memo: Fitch Core Capital	8,219.9	7,203.1	4.20	6,953.8	3.93	6,606.6	3.73	5,792.7	2.98
Exchange rate		USD1 = EUR0.8763		USD1 = EUR0.9487		USD1 = EUR0.9185		USD1 = EUR0.8237	

Belfius Bank SA/NV
Summary Analytics

	30 Jun 2017 6 Months - Interim	31 Dec 2016 Year End	31 Dec 2015 Year End	31 Dec 2014 Year End
A. Interest Ratios				
1. Interest Income on Loans/ Average Gross Loans	2.50	2.72	3.00	3.23
2. Interest Expense on Customer Deposits/ Average Customer Deposits	0.12	0.18	0.29	0.62
3. Interest Income/ Average Earning Assets	2.31	2.35	2.66	3.05
4. Interest Expense/ Average Interest-bearing Liabilities	1.16	1.36	1.72	2.15
5. Net Interest Income/ Average Earning Assets	1.27	1.17	1.17	1.16
6. Net Int. Inc Less Loan Impairment Charges/ Av. Earning Assets	1.24	1.10	1.12	1.13
7. Net Interest Inc Less Preferred Stock Dividend/ Average Earning Assets	1.27	1.17	1.17	1.16
B. Other Operating Profitability Ratios				
1. Non-Interest Income/ Gross Revenues	28.68	22.92	16.15	4.37
2. Non-Interest Expense/ Gross Revenues	67.68	66.31	69.20	72.89
3. Non-Interest Expense/ Average Assets	1.13	0.97	0.94	0.86
4. Pre-impairment Op. Profit/ Average Equity	10.34	10.17	9.38	8.31
5. Pre-impairment Op. Profit/ Average Total Assets	0.54	0.49	0.42	0.32
6. Loans and securities impairment charges/ Pre-impairment Op. Profit	5.16	12.71	11.93	7.88
7. Operating Profit/ Average Equity	9.81	8.87	8.26	7.66
8. Operating Profit/ Average Total Assets	0.52	0.43	0.37	0.30
9. Operating Profit / Risk Weighted Assets	1.87	1.67	1.45	1.13
C. Other Profitability Ratios				
1. Net Income/ Average Total Equity	7.96	6.09	6.13	6.29
2. Net Income/ Average Total Assets	0.42	0.30	0.28	0.24
3. Fitch Comprehensive Income/ Average Total Equity	9.17	5.72	8.93	18.02
4. Fitch Comprehensive Income/ Average Total Assets	0.48	0.28	0.40	0.69
5. Taxes/ Pre-tax Profit	18.86	31.33	25.78	17.83
6. Net Income/ Risk Weighted Assets	1.52	1.15	1.08	0.93
D. Capitalization				
1. FCC/FCC-Adjusted Risk Weighted Assets	17.48	17.38	16.14	13.34
2. Tangible Common Equity/ Tangible Assets	5.27	4.97	4.68	3.84
3. Tier 1 Regulatory Capital Ratio	16.30	16.60	15.90	14.70
4. Total Regulatory Capital Ratio	19.10	19.40	17.70	16.10
5. Common Equity Tier 1 Capital Ratio	16.30	16.60	15.90	14.70
6. Equity/ Total Assets	5.41	5.10	4.89	4.08
7. Cash Dividends Paid & Declared/ Net Income	0.00	40.16	14.82	0.00
8. Internal Capital Generation	7.84	3.55	4.98	5.80
E. Loan Quality				
1. Growth of Total Assets	(2.88)	(0.14)	(8.97)	6.36
2. Growth of Gross Loans	0.28	2.80	0.11	(0.70)
3. Impaired Loans/ Gross Loans	2.30	2.60	2.33	2.32
4. Reserves for Impaired Loans/ Gross Loans	1.72	1.78	1.76	1.72
5. Reserves for Impaired Loans/ Impaired Loans	74.99	68.50	75.40	74.30
6. Impaired loans less Reserves for Impaired Loans/ Fitch Core Capital	7.15	10.51	7.54	8.94
7. Impaired Loans less Reserves for Impaired Loans/ Equity	5.54	8.11	5.75	6.53
8. Loan Impairment Charges/ Average Gross Loans	0.05	0.13	0.11	0.07
9. Net Charge-offs/ Average Gross Loans	n.a.	0.05	0.08	0.10
10. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Assets	2.30	2.60	2.33	2.32
F. Funding and Liquidity				
1. Loans/ Customer Deposits	119.60	120.53	127.70	135.26
2. Interbank Assets/ Interbank Liabilities	29.65	34.47	81.13	150.57
3. Customer Deposits/ Total Funding (excluding derivatives)	61.54	61.96	59.04	50.51
4. Liquidity Coverage Ratio	128.00	127.00	132.00	122.00
5. Net Stable Funding Ratio	115.00	110.00	108.00	0.00

Belfius Bank SA/NV
Reference Data

	30 Jun 2017			31 Dec 2016		31 Dec 2015		31 Dec 2014	
	6 Months - Interim USDm	6 Months - Interim EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets
A. Off-Balance Sheet Items									
1. Managed Securitized Assets Reported Off-Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other off-balance sheet exposure to securitizations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Guarantees	5,993.2	5,251.8	3.06	5,364.9	3.04	5,613.4	3.17	6,133.5	3.15
4. Acceptances and documentary credits reported off-balance sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Committed Credit Lines	25,552.0	22,391.2	13.05	23,346.2	13.21	22,862.1	12.92	17,771.7	9.14
7. Other Off-Balance Sheet items	27,903.6	24,451.9	14.25	22,534.4	12.75	23,404.8	13.23	47,821.5	24.60
8. Total Assets under Management	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
B. Average Balance Sheet									
Average Loans	102,114.8	89,483.2	52.13	88,276.0	49.95	87,008.4	49.17	87,406.4	44.96
Average Earning Assets	186,746.4	163,645.9	95.34	173,429.9	98.14	177,936.3	100.55	183,843.2	94.57
Average Assets	198,767.7	174,180.1	101.48	180,562.4	102.17	183,648.5	103.78	189,749.9	97.60
Average Managed Securitized Assets (OBS)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Average Interest-Bearing Liabilities	167,483.9	146,766.1	85.51	150,068.9	84.92	153,753.4	86.88	161,597.3	83.12
Average Common equity	10,198.2	8,936.7	5.21	8,607.1	4.87	8,196.2	4.63	7,706.6	3.96
Average Equity	10,441.5	9,149.9	5.33	8,784.5	4.97	8,253.8	4.66	7,309.2	3.76
Average Customer Deposits	85,052.9	74,531.9	43.42	71,265.4	40.33	66,529.9	37.60	62,369.1	32.08
C. Maturities									
Asset Maturities:									
Loans & Advances < 3 months	n.a.	n.a.	-	11,998.6	6.79	10,813.8	6.11	11,114.0	5.72
Loans & Advances 3 - 12 Months	n.a.	n.a.	-	7,024.7	3.98	6,849.6	3.87	6,254.2	3.22
Loans and Advances 1 - 5 Years	n.a.	n.a.	-	23,100.5	13.07	21,754.3	12.29	21,295.6	10.95
Loans & Advances > 5 years	n.a.	n.a.	-	45,644.1	25.83	45,980.8	25.98	46,668.5	24.01
Debt Securities < 3 Months	n.a.	n.a.	-	410.8	0.23	413.3	0.23	1,075.8	0.55
Debt Securities 3 - 12 Months	n.a.	n.a.	-	790.3	0.45	1,197.2	0.68	897.2	0.46
Debt Securities 1 - 5 Years	n.a.	n.a.	-	4,715.0	2.67	3,721.7	2.10	5,163.1	2.66
Debt Securities > 5 Years	n.a.	n.a.	-	21,283.0	12.04	52,958.0	29.93	63,087.6	32.45
Loans & Advances to Banks < 3 Months	n.a.	n.a.	-	1,073.7	0.61	1,368.7	0.77	10,614.4	5.46
Loans & Advances to Banks 3 - 12 Months	n.a.	n.a.	-	162.1	0.09	67.4	0.04	139.5	0.07
Loans & Advances to Banks 1 - 5 Years	n.a.	n.a.	-	143.2	0.08	135.5	0.08	132.0	0.07
Loans & Advances to Banks > 5 Years	n.a.	n.a.	-	196.3	0.11	269.0	0.15	267.6	0.14
Liability Maturities:									
Retail Deposits < 3 months	n.a.	n.a.	-	72,151.0	40.83	66,221.3	37.42	61,690.7	31.73
Retail Deposits 3 - 12 Months	n.a.	n.a.	-	226.2	0.13	296.1	0.17	1,000.5	0.51
Retail Deposits 1 - 5 Years	n.a.	n.a.	-	655.8	0.37	726.1	0.41	790.5	0.41
Retail Deposits > 5 Years	n.a.	n.a.	-	1,105.5	0.63	828.8	0.47	711.9	0.37
Other Deposits < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Deposits from Banks < 3 Months	n.a.	n.a.	-	1,456.3	0.82	80.4	0.05	5,189.9	2.67
Deposits from Banks 3 - 12 Months	n.a.	n.a.	-	47.1	0.03	409.6	0.23	527.9	0.27
Deposits from Banks 1 - 5 Years	n.a.	n.a.	-	3,010.8	1.70	1,718.0	0.97	1,639.0	0.84
Deposits from Banks > 5 Years	n.a.	n.a.	-	55.3	0.03	60.6	0.03	104.8	0.05
Senior Debt Maturing < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing 1- 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Senior Debt Maturing > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Senior Debt on Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Fair Value Portion of Senior Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing 1- 5 Year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Subordinated Debt on Balance Sheet	965.7	846.2	0.49	1,031.2	0.58	547.5	0.31	841.7	0.43
Fair Value Portion of Subordinated Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
D. Risk Weighted Assets									
1. Risk Weighted Assets	54,771.2	47,996.0	27.96	46,730.0	26.44	47,026.0	26.57	49,512.0	25.47
2. Fitch Core Capital Adjustments for Insurance and Securitisation Risk Weighted Asse	(7,742.8)	(6,785.0)	(3.95)	(6,728.0)	(3.81)	(6,102.0)	(3.45)	(6,102.0)	(3.14)
3. Fitch Core Capital Adjusted Risk Weighted Assets	47,028.4	41,211.0	24.01	40,002.0	22.64	40,924.0	23.13	43,410.0	22.33
4. Other Fitch Adjustments to Risk Weighted Assets	n.a.	n.a.	-	n.a.	-	0.0	0.00	0.0	0.00
5. Fitch Adjusted Risk Weighted Assets	47,028.4	41,211.0	24.01	40,002.0	22.64	40,924.0	23.13	43,410.0	22.33
E. Equity Reconciliation									
1. Equity	10,599.2	9,288.1	5.41	9,011.7	5.10	8,659.7	4.89	7,926.6	4.08
2. Add: Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Add: Other Adjustments	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Published Equity	10,599.2	9,288.1	5.41	9,011.7	5.10	8,659.7	4.89	7,926.6	4.08
F. Fitch Core Capital Reconciliation									
1. Total Equity as reported (including non-controlling interests)	10,599.2	9,288.1	5.41	9,011.7	5.10	8,659.7	4.89	7,926.6	4.08
2. Fair value effect incl in own debt/borrowings at fv on the B/S- CC only	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
3. Non-loss-absorbing non-controlling interests	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
4. Goodwill	118.7	104.0	0.06	104.0	0.06	104.0	0.06	104.0	0.05
5. Other intangibles	158.8	139.2	0.08	122.5	0.07	81.9	0.05	89.7	0.05
6. Deferred tax assets deduction	9.1	8.0	0.00	13.0	0.01	218.0	0.12	291.0	0.15
7. Net asset value of insurance subsidiaries	2,092.7	1,833.8	1.07	1,818.4	1.03	1,649.2	0.93	1,649.2	0.85
8. First loss tranches of off-balance sheet securitizations	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
9. Fitch Core Capital	**8,219.9**	**7,203.1**	**4.20**	**6,953.8**	**3.93**	**6,606.6**	**3.73**	**5,792.7**	**2.98**
Exchange Rate		USD1 = EUR0.8763		USD1 = EUR0.9487		USD1 = EUR0.9185		USD1 = EUR0.8237	

The ratings above were solicited and assigned or maintained at the request of the rated entity/issuer or a related third party. Any exceptions follow below.