



YEAR OVERVIEW 2013

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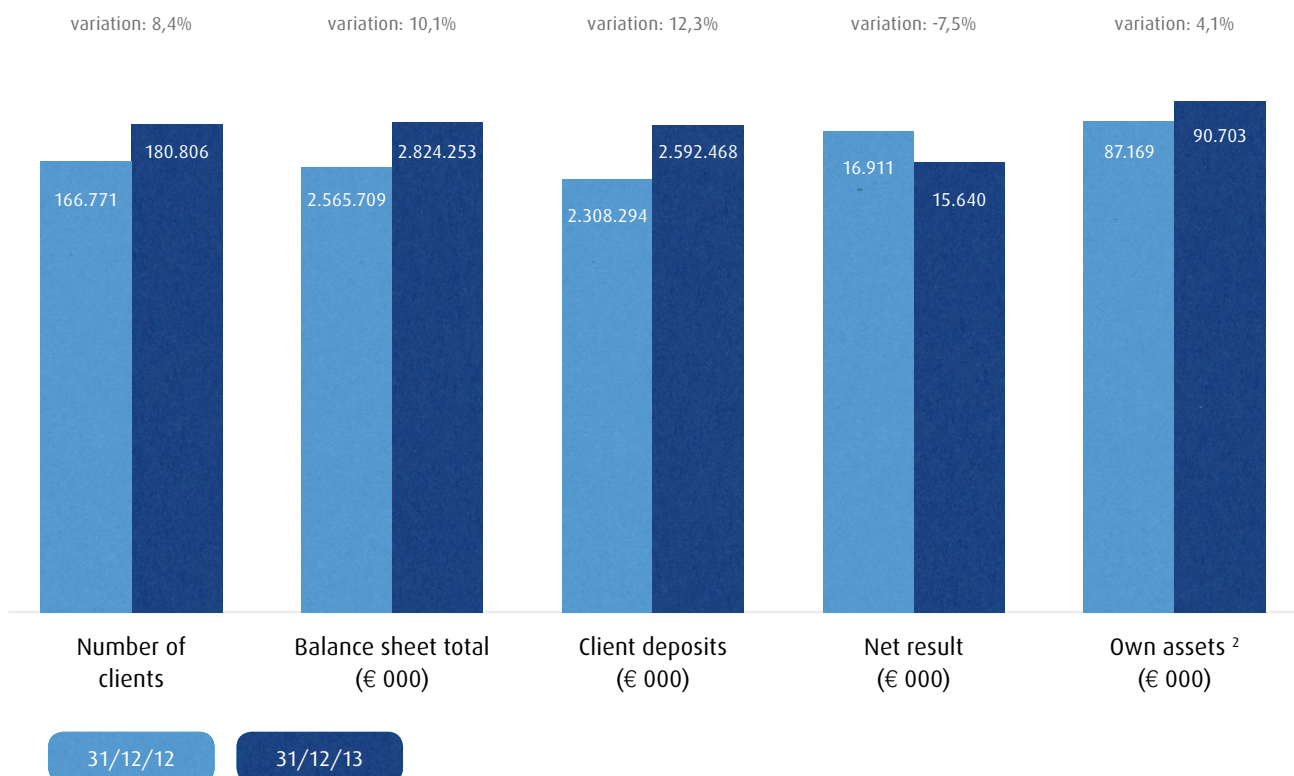
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Consolidated Key Figures ¹



RATIOS	2013
Mc Donough ratio	17,82%
Cost income ratio	61,70%
Return on equity	16,60%
NPS ³	56,88%

¹ | The consolidated figures (expressed according to IFRS standards) include the data of Keytrade Bank N.V./S.A., Keytrade Bank Luxembourg N.V./S.A. and RealLease N.V./S.A.

² | Regulatory qualified own funds for solvency requirements (pillar of Basel II).

³ | The Net Promoter® Score (NPS) measures the percentage of promoters and detractors of a company. The company asks this simple question to customers (or employees): "Would you recommend this product or company to your friends or colleagues?". Customers in response attribute a score of 10 which can be classified into three categories: promoters who are excited about the brand, they talk about it, buy more and stay longer (9-10), passives (7-8) and detractors who criticize thoroughly the mark (6 and lower). The NPS is the ratio of "promoters" minus "detractors."

Message from the Chairmen

As in previous years, our company experienced strong growth again in 2013. We welcomed no less than 18 000 new clients. This means that more than 180,000 savers and investors chose Keytrade Bank and we were entrusted with a total of 7.3 billion.

Our no-nonsense approach to banking and investments is simple and intuitive and results in a very high performance. It is being increasingly recognised as a more efficient alternative to the range offered by the major banks. With an excellent client satisfaction rate (98% of our clients state that they are satisfied or very satisfied) and a Net Promoter Score among the highest of all Belgian banks, we are successfully making our clients active ambassadors for our brand. More than half of all new clients were introduced by an existing client.

Keytrade Bank offers its clients three types of products and services: investments, savings and daily banking.

2013 was a good year on the stock markets. Indices went up by 20% on average.

Nevertheless, most investors remained on the sidelines for the first three quarters. Only towards the end of the year did the market sentiment change and a significant increase in transaction volumes was seen for our clients. This positive evolution continued in early 2014.

Our savings activities showed moderate growth (10%), but were adversely affected by the extremely low market interest rates, which forced us to reduce our rates several times.

Our daily banking activities were boosted in the last quarter of 2013 by the launch of KeyPack, which was voted the best current account, debit card and credit card package on the Belgian market by consumer organisations.

As there was only a slight increase in commission income from stock market trading and the interest margin decreased, revenue fell slightly.

Our total costs went up by 16%, mainly due to significant marketing efforts and the continued increase in bank taxes. As a result, the earnings before interest

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and taxes fell by 21%. Bank taxes currently represent no less than 14% of our total cost structure. Five years ago, this was barely 3%.

Because of the ever more complex banking regulations and the stricter requirements of the supervisory authorities, areas such as compliance, internal audit and risk management take up more resources every year. Their ever-increasing costs are a major concern.

Yet we also reaped the benefits of our prudent financial management in 2013 through the reversal of previous investment portfolio impairments. This positive evolution ensured that in the end, our net income only showed a small 8% decrease at 15.6 million. Keytrade Bank performed better than most of its competitors in this respect.

Keytrade Bank is a highly solvent institution with a tier-one capital ratio of 15%. Its liquidity ratios are among the highest in the sector and more than meet the future Basel III requirements.

In 2014, we will continue our strategy of offering superior products and services in our three areas of activ-

ity. We will pay special attention to the overall client experience, for which we pursue a high level of perfection. Various projects in the fields of operational excellence and IT will have to optimise their existing processes and increase cost efficiency.

In April 2014, an agreement was reached on the transfer of Crédit Agricole France's 50% participation in the Crelan Group to Crelan's cooperative banks, which already own the other 50%. The operation will be complete in 2015 and will make Crelan 100% Belgian. This new shareholder structure will not affect the operations of Keytrade Bank, however.

We wish to express our sincere thanks to all 130 employees for their enthusiasm and commitment, which are vital to the success of our company every day.

Thierry Ternier

Chairman of the Management Committee



Luc Versele

Chairman of the Board of Directors



Management & administration and audit bodies

Management committee

Thierry Ternier



Chairman of the Management Committee, Managing Director and in charge of the commercial and financial activities of Keytrade Bank since January 2007. Thierry Ternier is the CEO of Keytrade Bank.

Born in Veurne in 1965, Thierry Ternier holds a master's degree in economics from the University of Gent and a master's degree in accountancy from the Vlekho in Brussels. He has two children. Thierry started his career with Unilever as a portfolio manager. In 1991 he joined the JOSI insurance group as the ALM and investment manager.

In 1993 he was appointed as Chief Financial Officer and member of the Management Committee of RealBank, the former Banque Commerciale de Bruxelles. Since the merger of Keytrade Bank with RealBank in 2002, he has been a member of the Keytrade Bank's Management Committee.

With the advent of Crelan as the majority shareholder, Thierry Ternier has moved up to become the Chairman of the Management Committee and Chief Executive Officer of Keytrade Bank.

Patrick Boulin



Patrick Boulin is a member of the Management Committee and is the Managing Director of Keytrade Bank, ever since the company was acquired by the Crelan group. Patrick Boulin is in charge of the Human Resources, Risk Department and Accounting.

Born in Binche in 1958, Patrick Boulin holds a Bachelor of Law degree from the Catholic University of Louvain and a master's degree in Fiscal Management from the Solvay Business School.

Father of two children, this lawyer started his carrier as a TV and press journalist. He extended his experience within various ministerial posts and the private sector.

In 1989, he moved to Crelan in Belgium and became Secretary-General for more than 15 years, with responsibility for communications, strategy and acquisitions policy of the Group, until his nomination within Keytrade Bank. In addition, Patrick Boulin coordinated the successful bid by Crelan for the takeover of Keytrade Bank in the autumn of 2005.

Marie-Ange Marx



Marie-Ange Marx is a member of the Management Committee and the Managing Director who is responsible for Keytrade Bank's operational activities since January 2007 (Chief Operating Officer).

Born in Maastricht in 1969, Marie-Ange Marx is married and also mother of two children. She holds a Law Degree from the Free University of Brussels (VUB) and a Master's degree in European Community Law from the Europa College in Bruges.

Marie-Ange Marx started her career as a lawyer at De Backer & Associates' chambers and then became a member of the Bar in Brussels. In 1999, Keytrade's founders hired her to take charge of setting up Keytrade Luxembourg N.V./S.A. as Delegated Manager. She performed this job until she joined Keytrade Bank's Head Office as Compliance Officer in 2003, followed by her appointment as Chief Operating Officer at the start of 2007.

Auditors

DELOITTE audit represented by Philip Maeyaert

KPMG audit represented by Eric Clink

Audit committee

Jan Annaert, *President*

Fernand George

Patrick Lewahert

Remuneration committee

Jan Annaert, *President*

Luc Versele

Fernand George

Board of directors

Chairman

Luc Versele, *CEO of Crelan Belgium*

Vice-Chairmen

Jean-Pierre Dubois, *Chairman of the Board of Directors of Agricaïsse*

Directors

Fernand George, *Chairman of the Federation of the Belgian cooperatives of Crédit Agricole*

Yvan Hayez, *Vice-Chairman of the Board of Directors of Agricaïsse*

Patrick Lewahert, *Member of Management Committee of Crelan*

François Pinchon, *International Retail Banking Division, Crédit Agricole SA France*

Jan Annaert, *Independent Director*

Chairman of the Management Committee

Thierry Ternier

Members of the Management Committee

Patrick Boulin

Marie-Ange Marx

Chairman of the Executive committee

Thierry Ternier

Members of the Executive committee

Patrick Boulin

Marie-Ange Marx

Olivier Debehogne

Vincent Questiaux

General manager Keytrade Bank Luxembourg NV/SA

Thibault de Barsy

General manager Strateo (branch)

Patrick Soetens

A cooperative bank as shareholder

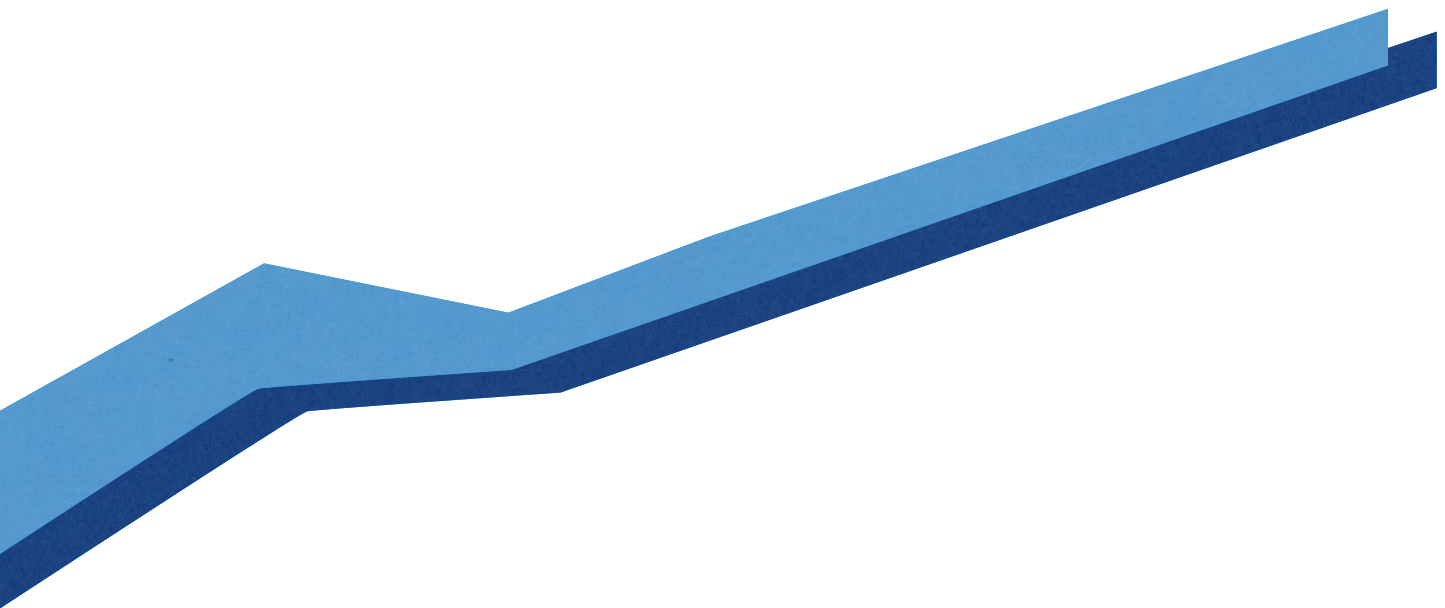
Together with Crelan, Europabank and Crelan Insurance, Keytrade Bank forms part of the Crelan Group. This means that Keytrade Bank can rely on the support of a strong shareholder: Crelan.

The name Crelan is relatively new on the banking scene. This is the new bank that was created from the merger of Landbouwkrediet/Crédit Agricole and Centea in April 2013. However, the roots of Crelan go back to 1937, when the Belgian government founded the NILK (National Institute for Agricultural Credit), whose task was to provide loans to the agricultural sector.

Since then the bank has grown from a public government body to a universal and private bank insurer with banking offices nationwide and an extensive financial portfolio for families, the self-employed and entrepreneurs. With its specialist financial products and services Crelan is still the favoured partner of the agricultural and horticultural sectors.

Crelan is a cooperative bank with which clients feel they have a personal relationship. On a human scale, this is its trademark and this is expressed every day in the relationship of trust that the bank enjoys with its clients. Crelan operates a sustainable business model and demonstrates genuine social commitment. Common sense prevails: no complex constructions and incomprehensible models, but transparent banking.

Crelan also offers long-term support to cyclocross and athletics. The bank is the main sponsor of the Crelan AA Drink Team led by Sven Nys, the Premium partner of the Borlée family, the principal partner of the Belgian Athletics Federation, and chief partner of the Belgian Tornados (the men's 4x400m relay team).



Keytrade's mission is to be the best bank for independent people.

Keytrade Bank does not indulge in *storytelling* but in *storydoing*.

To be the best bank for independent people: that is what Keytrade Bank strives for, every single day. Every action the bank undertakes is a part of this.

Keytrade Bank invests continuously in the development of products that offer the best solution for its target group, people who prefer to keep control of their own finances. Keytrade Bank seeks to give its clients every opportunity to take control of their finances at any time whatsoever and to extract the maximum return from their money at the lowest possible cost.

Keytrade Bank takes the level of the client's experience into account in this process. For example, the bank offers its clients the opportunity to interact with specialists if they so wish.

At Keytrade Bank everybody sings from the same hymn sheet. The bank considers it crucial to carry its Mission Statement – to be the best bank for independent people – through in actions rather than in slogans.

That is why just *telling* stories is not enough for Keytrade Bank. We *do* stories.

Concrete actions for independent clients

Keytrade Bank carefully monitors the quality of its online services and ensures that these are always available.

Keytrade Bank attaches great importance to informing its clients correctly about financial products and the associated costs and risks.

Keytrade Bank strictly monitors compliance with the regulations and the transparency of its operations.

The security of online transactions is something to which Keytrade Bank pays a great deal of attention. It continues to invest in this aspect and seeks to offer its clients guaranteed security without compromising the efficiency of the transactions or the user-friendliness of the platform.

Not only does Keytrade Bank offer highly competitive rates, it also distinguishes itself by its no-nonsense approach and the quality of its online services. By focusing on empowering and providing the right products and tools for its clients, Keytrade Bank aims to be the best bank for independent people.

Keytrade Bank has the ambition to grow and expand its client base by means of innovation and investment in a constantly improving user experience. By delivering outstanding quality on a daily basis so the financial consumer can quickly and easily find the financial product that best matches his or her investment profile and experience, Keytrade Bank was able to gain the confidence of 18,000 new customers in 2013. Our client base has increased by 8% net in the past year. By now 180,000 customers have joined Keytrade Bank.

“The story of Keytrade Bank is written in the first place by our clients. It is only because of their loyalty that we can continue our organic growth. The relationship with our clients is the strength of our business model, which helps us to distinguish ourselves and consolidate our leading position, year on year.”

With KeyPack, Keytrade Bank offers the best solution on the market' for day-to-day internet banking.

The conventional big banks often charge customers extra for additional products and services. On top of that there are often hidden costs. Anyone who loses their bank card, for example, is faced with the cost of blocking it via CardStop and paying for the activation of the new card and the pin code.

The definitive solution to that problem came with the introduction of KeyPack, in 2013, offered by Keytrade Bank. KeyPack is a unique, transparent, total and efficient banking package which is entirely free. Because it has no hidden costs, clients will never be confronted with any unwelcome surprises.

The fact that Keytrade Bank's clients take their financial affairs into their own hands should be rewarded in the bank's view. Keytrade Bank pays its customers 5 cents per transaction: a pat on the back for the self-reliance of its clients.

Keytrade Bank is growing by word of mouth

'Because we have the best offering on the market, we strongly believe in word of mouth advertising', says Stephanie Debaillie, Specialist Banking at Keytrade Bank. 'KeyPack offers our clients a unique package that is transparent and efficient and also offers the freedom to take one's day-to-day banking activities into one's own hands in a user-friendly way. Because of this we also have a strong belief in personal recommendation by our clients, which we translate into specific 'member-gets-member' campaigns. These campaigns have resulted in an incredible growth in the number of new customers over the past year.'

With the launch of KeyPack, Keytrade Bank has become a leading bank not only in terms of pricing (transparency), but also as regards user-friendliness (efficiency) in the choice of day-to-day banking.

Needless to say, Keytrade Bank is working hard to retain this leading position in the years to come as well.

Consumer organisations crown KeyPack as the best banking solution

Both Test-Aankoop and Spaargids.be crowned KeyPack as the best banking solution on the market. The independent surveys conducted by these consumer organisations showed that users can hardly find a better solution for their day-to-day banking.

The benefits cited by the consumer organisations include free transactions and a free VISA Classic debit and credit card. The additional advantages, such as

the 5 cent bonus for every completed transaction and the gross 1% credit interest on the first EUR 2500 a client deposits into his or her current account, were also praised by the consumer organisations Test-Aankoop and Spaargids.be.

The cherry on the cake is that Keytrade Bank goes the extra mile in getting rid of any possible (hidden) costs.

Keytrade Bank takes the initiative in encouraging private individuals to invest.

Keytrade Bank seeks to encourage independence in all of its clients. Thanks to the Fund Investment Plan this vision is also perfectly suited to clients who are taking their first steps in the investment world.

The stock market is seeing a revival in interest in the banking market, which translates in concrete terms into a strong demand for products that offer better prospects of returns. 'Keytrade Bank is the market leader in the online fund segment, and we expect to see very strong growth in this segment in the course of the coming years. This is an additional reason for our clients to invest in new products with us', according to Olivier Debehogne.

Following this line of thinking, Keytrade Bank offers a flexible, diversified and advantageous solution, intended to facilitate access to funds for new investors, while at the same time guaranteeing their independence: the Fund Investment Plan. 'The Fund Investment Plan is an ideal formula for those who want to start investing', explains Olivier Debehogne, Director of Sales and Marketing at Keytrade Bank.

Clients are free to choose the composition, regularity and amount of their investments (starting from EUR 25). Depending on their needs and their profile, investors can choose between four predefined plans which reflect the risk level that the investor is willing to take, or constitute their own plan starting from 20 funds that have been carefully chosen by Keytrade Bank.

Back testing is also available, which will allow clients to consult the real past performances of their investment based on historical data.

Investments in funds grew by 30 % in 2013, while investments in the Fund Investment Plan grew by 100%.



'Since saving rates have fallen, more and more people are interested in other investment products that can offer them a higher potential return', says Nick De Mey, Specialist Investing at Keytrade Bank. 'Regularly investing part of one's money in funds means one can expect better returns without capital guarantees. Keytrade Bank's essential objective is to support its clients in their financial plans, while offering them a large degree of independence'.

Keytrade Bank, the benchmark solution for traders.

Keytrade Bank also offers a wide range of investment products at advantageous rates on a modern platform. 'What traders want', explains Olivier Debehogne, 'is to be able to manage their investment products with complete autonomy, speed and user-friendliness, while being certain that, if need be, they can count on the support of a trading specialist. We have also been developing a trading platform for the past 15 years which is the benchmark on the market.

Keytrade Bank's trading account offers several advantages in terms not only of investments but also support for client traders: advantageous rates (starting from EUR 7.50 per transaction), access to 18 stock markets, as well as analytical tools which traders can use to make their selections.

A reference platform

The Keytrade Bank platform allows investors to manage and trade thousands of products in real time using a single interface on 18 different stock markets. This platform, which is accessible on the web, also has a mobile version in the form of the iOS application (for iPads and iPhones) and Android.

Keytrade Bank also makes the professional platform Keytrade Pro available to traders active in Forex, CFDs and Futures. This platform is easy to download and can be personalised, and offers access to professional trading tools, while equally offering a goldmine of up-to-date information on the financial markets.

Wide variety of products

Keytrade Bank offers investors and private traders a large portfolio of investment products they can purchase directly on suitable stock markets. This diversified range includes: shares, options, warrants, turbos, funds, trackers, bonds, the Forex market, CFDs and futures, as well as structured products.

High-quality support

In order to allow traders to take investment decisions, Keytrade Bank offers its clients professional tools and makes specialists available who are ready to answer their questions.

In terms of tools, Keytrade Bank offers investors a virtual portfolio, real-time stock market rates and Depth of market, access to their account using their electronic identity card, an idea centre allowing them to find the best shares, a clear and immediate diagnostic tool for listed shares (Global Analyzer), technical analyses for specific shares, dynamic representations of market movements (HeatMaps), and also a fundamental diagnostic module which analyses the financial health of listed companies in intelligible language. Besides, the bank publishes a 'Top 10 most traded at Keytrade Bank', which informs every investor of other traders' most popular stock market choices.

'Trading is an activity that requires up-to-date financial information', explains Dirk Cranshof, Specialist Trading. 'We therefore offer access to real-time stock market information with a few mouse clicks, as well as professional analyses'.

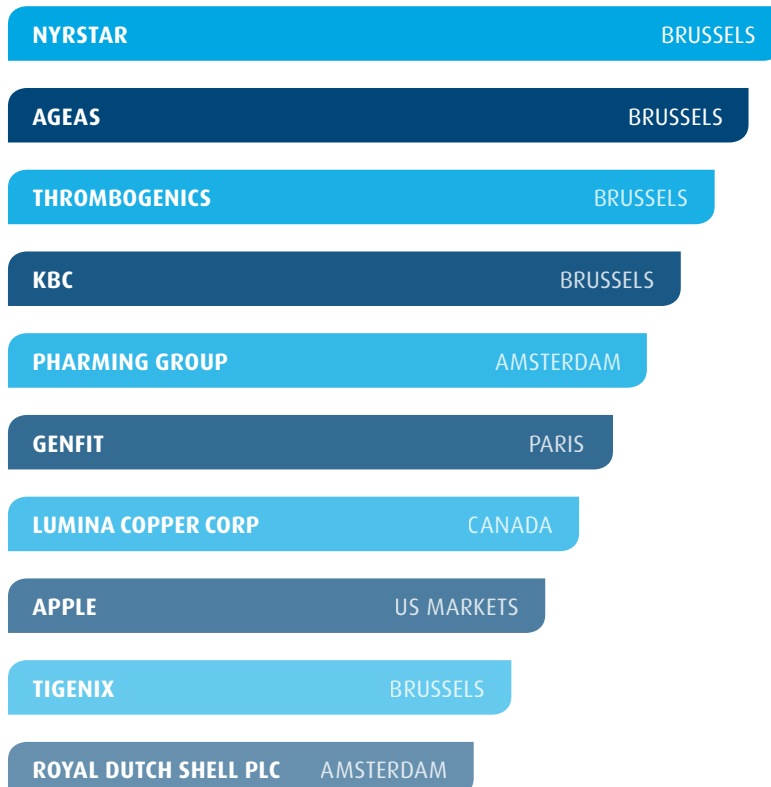
Just as experienced investors may also need advice, Keytrade Bank is not satisfied with just providing a simple range of tools, but also offers permanent support services: by means of regular information sessions, online tutorials, and telephone, Skype and Internet assistance services. The Keytrade Bank team is always ready to help its clients.

In fact, our client services are made up of genuine, easily contactable specialists. Keytrade Bank invests heavily in training its helpdesk staff. Each staff member undertakes progressive training with the aim of learning all investment subjects stage by stage and in detail. Furthermore, Keytrade Bank attaches great importance to accessibility. In 2013, our customer service answered 90% of calls within half a minute, which represents one of the best service levels in the industry.

'I have relied on the services of Keytrade Bank for my financial management for the last three years now and I can only praise the quality of their platform and its contents, as well as the responsiveness of their staff if there is a problem', a client testifies.

'The diversity and quality of its products, as well as the user-friendliness of its trading platform made Keytrade Bank the leader in the online trading field for the year 2013', explains Olivier Debehogne. 'We fully expect to maintain this leadership in the years to come, he concludes.

Most traded at Keytrade Bank in 2013



Keytrade Bank stays ahead of the market by constantly seeking out the most innovative mobile solutions.

Keytrade Bank's clients prefer to deal with things themselves and therefore consider it important to have access to their financial affairs anywhere and anytime – obviously using the most user-friendly apps.

Keytrade Bank responded to this in June 2013 by being the first to launch a single all-in-one mobile app in Belgium with which one can bank, invest and trade. This represented the next step in the expansion of its mobile services for the online bank and confirmed its position as a pioneer in efficiency and user-friendliness.

'We want to take full advantage of the technical potential offered by smartphones and tablets', says Vincent Questiaux, Chief Information Officer at Keytrade Bank. 'So that we can take convenience and user comfort up to the next level'.

The first mobile app enabled for stock exchange orders

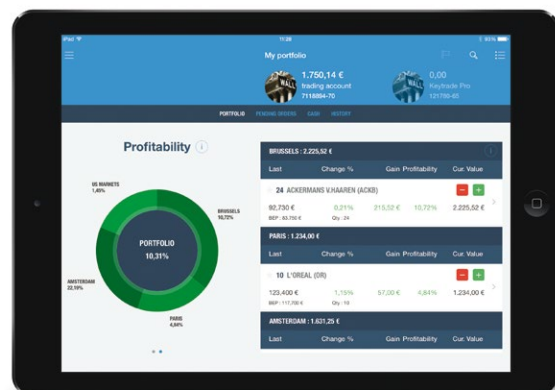
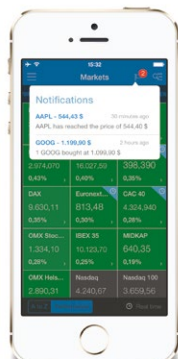
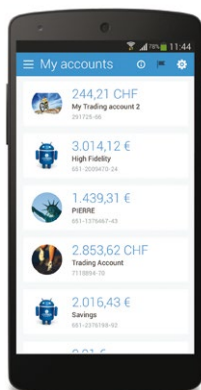
Thanks to the Keytrade Bank application, private traders can now place their stock exchange orders directly via their smartphones or tablets. It gives Keytrade Bank

clients access to the 18 global markets in the bank's online package.

What is more, a range of additional services supports clients in their investment decisions. There are, for example, interactive *HeatMaps* (also available to non-clients), which give an accurate picture of the situation on several global markets. They turn our mobile app into the ideal investment tool.

Investors have a clear evaluation of each share at their fingertips via the *Global Analyzer* function, based on a fundamental technical analysis. A clear and convenient graph explains the spread and profitability of the entire investment portfolio.

A different and handy functionality of the Keytrade Bank app is the alarm which users can set for specific price developments. The alarm automatically tells the client when a share reaches a specific price level so he or she can immediately take the appropriate action.



Banking, wherever and whenever

Obviously the mobile Keytrade Bank app allows you to do your day-to-day banking as well: you can view your account balance quickly and easily, transfer funds between internal accounts and send funds to known beneficiaries. Mobile banking is extremely user-friendly for executing daily transactions at any time, wherever you are.

Keytrade Bank makes a habit of paying exceptional attention to ergonomics and design. Our mobile app is an extension of the strengths of our iPad application, which was launched on 13 November 2012.

**Users gave
both the
Android
and iOS
mobile
app a score
of more
than 4 out
of 5 star.**



Keytrade Bank lives its values on the inside by creating a motivational work culture with the emphasis on the empowerment of the employees.

Keytrade Bank not only promotes its mission and values externally. Within the company, too, autonomy is highly respected. Employees themselves describe the culture as *empowering*. Because the online bank strongly believes in the power and the abilities of its employees, the Keytrade Bank team is given a high degree of responsibility and autonomy.

‘Our employees are given numerous opportunities to optimise their talents so they can develop in their job’, says Mieke Marx, HR Manager at Keytrade Bank. ‘By giving our employees freedom and responsibility as well as guidance, we create a motivational work environment’.

Keytrade Bank achieved solid growth in 2013. Our recruitment policy was oriented towards recruiting people with strong profiles who could take on the role of expert in their specialism, such as Marketing Product Owner, User Experience Manager and Trading Specialist. When Keytrade Bank recruits staff, it looks spe-

cifically for people who are happy with such values as responsibility and autonomy and who are also committed to the bank’s mission.

In addition, Keytrade Bank uses an informal, pragmatic and efficient work method. Various specialties (such as IT development, design, user experience, marketing and product management) have also been physically brought together in order to keep delivering top solutions every time. Keytrade Bank’s agile work method proved its efficacy once again in 2013.

The result of this HR policy is a Keytrade team of 130 motivated professionals. Compared to the previous year, staffing levels rose by 3.6%. ‘Keytrade Bank is a specialist in the marketplace, but this is only possible because of the expertise of its employees. Because we have succeeded in adding strong profiles to our existing team, we are able to retain our leading position in online trading and expertise’, says Mieke Marx.



Compared with the rest of the sector, Keytrade Bank achieved outstanding operating results.

In spite of an adverse banking environment, Keytrade Bank has proven that it operates a sustainable business model. In 2013 Keytrade Bank reached the milestone of 180,000 clients (+8%), who have deposited in total more than EUR 7.2 billion (+20%) with Keytrade Bank. The bank achieved a net profit of EUR 15.6 million.

The good trading results and the attraction of the business model are the best evidence that Keytrade Bank has got its hands on a winning formula. Keytrade Bank strengthened its leading position in online banking and investment in 2013 and challenged the market with the attractive KeyPack current account and an extensive range of funds and investment products.

Good results in an adverse market

The financial crisis which erupted in 2008 has damaged investor confidence. 'Trading activities in 2013 were therefore lower than usual', says CEO Thierry Ternier. 'In previous crises we have seen investors return to the stock market after a few months. The financial crisis that occurred in 2008 has, however, kept people away from the stock market for years'.

2013 was a good year for the stock market, the indexes went up globally by an average of 20%. Still, investors stayed on the sidelines for the first three quarters, Thierry Ternier notes: 'Only towards the end of the year did sentiment change and did we note markedly higher transaction volumes among our clients. This positive development continued in to the start of 2014'.

2013 was less favourable for savings accounts. The substantial fall in market interest rates depressed the return on Belgian savings accounts, an important activity for Keytrade Bank. In addition banking activities were also battered by constantly rising bank levies: these amounted to no less than EUR 4.85 million in 2013, more than 8 times as much as 5 years ago.

'Nevertheless, 2013 was once again a year of strong growth for our business. We were able to welcome more than 18,000 new clients, which means that more than 180,000 savers and investors chose to bank with Keytrade Bank and entrusted us with a total capital of EUR 7.2 billion', says Thierry Ternier.

Harvesting what has been sown over many years

In 2013 Keytrade Bank harvested the fruits of years of investments in new products and innovative solutions for its clients.

For example, Keytrade Bank put great effort into research and development around making mobile payments and investments. This is the reason why Keytrade Bank has a full range of mobile products on offer today on iPad, iPhone and Android.

Strateo clients in Switzerland can also carry out transactions via iPhone and iPad apps. Keytrade Bank's mobile offering gives its clients user-friendly, mobile and innovative solutions for their financial management and banking affairs.

According to Thierry Ternier: 'Our net profit of EUR 15.6 million means double digit returns (17%) on our equity. This is a result that not many players in the banking market can boast of. Now that online and mobile banking is really breaking through to the general public, we are profiting from the pioneering work we have been doing in this area for many years'.

Keytrade Bank is a very solvent institution with a tier one capital ratio of 15%. Its liquidity ratios are among the highest in the sector and easily comply with future Basel III requirements.



“

Keytrade Bank owes these good results to a well thought-out business model: a small but motivated team, low operational costs and maximum focus on client satisfaction. We believe that this winning formula can also be applied to other banking activities.

”

Keytrade Bank efficiently manages the risks with regard to its financial activities.

A safe reinvestment strategy pays off

These are turbulent times in the financial world, but thanks to its cautious banking strategy Keytrade Bank has nevertheless followed a stable course. In contrast to other banks it did not have to call upon public funds for its survival. During its entire existence Keytrade Bank has never gone into the red.

To keep the risks for the business itself as well as for clients to a minimum, Keytrade Bank does not carry out any speculative activities, either with its own capital or with its clients' money. In addition Keytrade Bank does not engage in any proprietary trading. The Board of Directors has quite deliberately opted for a conservative re-investment policy.

Risk Management

The Risk Management Department (RMD) monitors the risks of all of Keytrade Bank's activities. This department collects all relevant information, monitors the risks to which the bank is exposed and advises the management by proposing action plans for risk management.

There are three active committees within the RMD that manage risks. The financial management committee monitors all the risks associated with financial activities. The risk committee monitors the operational risks and the risks in the IT field. Finally, the credit committee approves the credits that are granted and monitors these.

These three committees inform and advise the management committee on the following risks:

Interest rate risk

The strict limits which the Board of Directors has defined with regard to the re-investment of the funds entrusted to the Keytrade Bank restrict the exposure of the bank to fluctuations in the market interest rate.

Credit risk

The bond portfolio consists of 95% of securities with at least an A rating. Exposure to the highest ratings has been expanded. As regards the geographical spread, the portfolio is invested with issuers in the OECD A zone, and more particularly within the European Union and North America (excluding Mexico). Keytrade Bank is not exposed to developing countries. As regards the exposure to peripheral Eurozone countries, the pure sovereign risk is limited to EUR 10 million in the State of Italy.

Liquidity risk

Keytrade Bank maintains an interbank function which is sufficient to meet its short-term commitments. The bank has even introduced minimum liquidity limits that are permanently monitored. The bank's liquidity position can be termed outstanding.

Currency risks

Checks are performed daily and the necessary changes are implemented every day on the money markets.

Operational risk

The risk committee monitors risks on the basis of reports and probability calculations. Keytrade Bank has also set up an independent internal control function which will come into effect in the course of 2014. The Business Continuity Plan takes disaster scenarios as well as less critical problems into account.

Reputation risk

The Keytrade Bank compliance officer is on his guard and closely monitors all the prevention measures the bank has introduced. He guarantees that the measures are compliant with the current legal requirements. Keytrade Bank has also set up a special cell which monitors client transactions every day by means of an automatic tool for monitoring transactions. Our staff regularly attend internal and external training courses on the prevention of fraud and money laundering practices.

“Keytrade Bank’s prudent and non-speculative management style allowed us to pass unharmed through the terrible financial crisis that damaged the big banks”, explains Patrick Boulin, Chief Financial Officer at Keytrade Bank. “Thanks to its excellent liquidity, Keytrade Bank offers a safe haven for savers.”



Both Keytrade Bank's clients and employees are loyal ambassadors.

Client satisfaction makes the client base grow

The Keytrade Bank customer satisfaction survey shows that no less than 98% of our clients are satisfied or very satisfied. Thanks to this excellent client satisfaction rate, Keytrade Bank succeeds in making ambassadors of its clients. More than half of the new customers were recommended by an existing client.

Satisfaction with the website rose between June 2012 and November 2013 from 91% to 96%, a rise of 5% compared to the previous eighteen months. One out every two clients is even very satisfied. The website scores particularly highly in the areas of security and transparency. In the opinion of nine out of ten users, the Keytrade Bank website is very clear. Almost all active traders are again very satisfied with the secure access to the Keytrade Bank website.

The fact that client satisfaction is so high at Keytrade Bank is a direct consequence of continuous investment in the user experience and the quality of the online and mobile services. 'These investments are translated into a Net Promoter Score (NPS) of 56%, which is quite unique in the banking sector', according to Thierry Ternier.

The NPS is calculated by asking clients whether they are prepared to recommend Keytrade Bank, to which they can then respond with a score from zero to ten. Promoters are clients who are willing to recommend Keytrade Bank. They have given a score of 9 out of 10. Detractors are clients who have stated that they do not wish to do this. They score between 0 and 6. No less than 61% of Keytrade Bank clients are promoters, the highest score among all Belgian banks. The

consequence is that half of new customers who come to Keytrade Bank do so at the recommendation of the current client base. Since 2008 some 30,000 clients have been added in this way.

Because Keytrade Bank attaches great importance to these recommendations, it gives EUR 30 to the new client and EUR 30 to the existing client who recruited the new one. Keytrade Bank has paid out EUR 1.5 million like this since 2008.

Our employees are ambassadors for Keytrade Bank

Not only the clients but also the employees of Keytrade Bank are ambassadors for the online bank. This comes about mainly because Keytrade Bank is a bank with a lot of room for new initiatives. It is not only highly motivating to work in a growing bank which is different from other banks, but also to be able to contribute continually to innovations and improvements.

Thanks to these internal and external ambassadors, Keytrade Bank succeeded in 2013 in booking good results again though the context was difficult for bankers, investors and savers.

'Our results in 2013 are an even bigger motivation for our employees and the management to make 2014 a better year still', concludes Thierry Ternier.

"Thanks to this excellent client satisfaction rate, Keytrade Bank succeeds in making ambassadors of its clients. More than half of the new customers were recommended by existing clients."



WHAT STARTED WITH

18.000

NEW CLIENTS

GREW TO MORE THAN

180.000

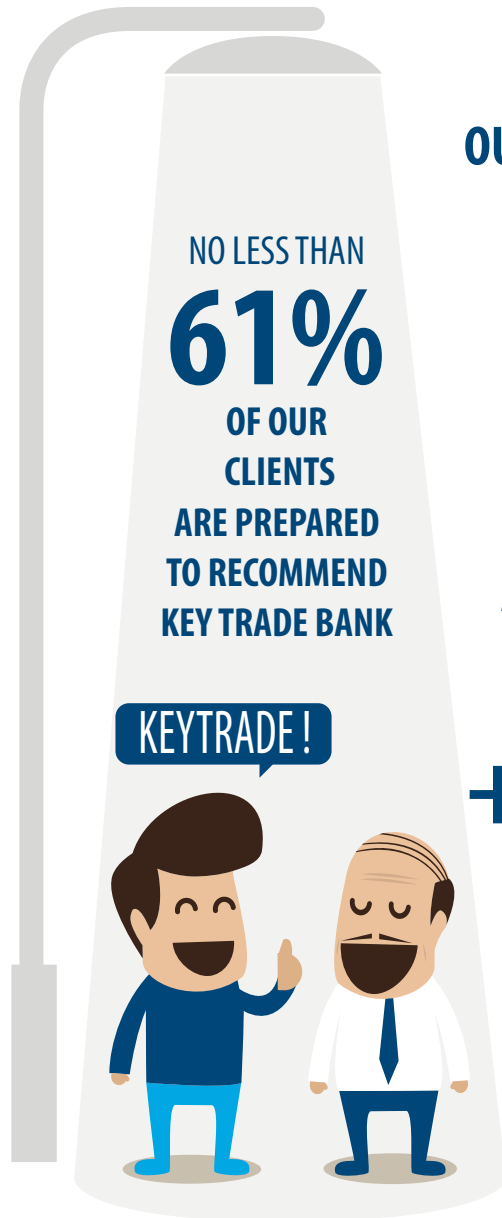
CLIENTS

AT THE END OF 2013



11% ACQUISITION RATIO

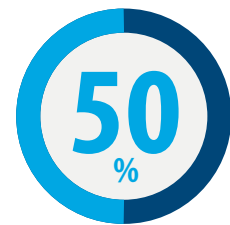
SOURCE KEYTRADE SATISFACTION SURVEY 2013



NO LESS THAN
61%
OF OUR
CLIENTS
ARE PREPARED
TO RECOMMEND
KEY TRADE BANK

KEYTRADE!

**OUR CLIENTS,
OUR AMBASSADORS**



**50% OF OUR CLIENT
ACQUISITION WAS
ACHIEVED THROUGH
EXISTING CLIENTS
IN 2013**

+ 30.000

CLIENTS

THANKS TO

DIRECT

RECOMMENDATION

BY OUR CLIENTS

SINCE 2008



Keytrade Bank (BGAAP)

Balance sheet and income statement⁴

BALANCE SHEET AFTER APPROPRIATION		€ 000	
ASSETS		2013	2012
I.	Cash, assets lodged at central banks and post office and giro accounts	159	131
II.	Treasury bills that can be refinanced at the central bank		
III.	Receivables from credit institutions	899.896	740.257
	A. Payable on demand	121.895	64.976
	B. Other debts (future or notice)	778.001	675.281
IV.	Loans and advances to customers	49.475	48.103
V.	Bonds and other fixed-income securities	1.731.521	1.591.169
	A. Of public issuers	1.040.410	958.110
	B. Of other issuers	691.111	633.059
VI.	Stocks, shares and other securities at variable income		
VII.	Financial fixed assets	3.621	3.621
	A. Long-term intercorporate investment in related companies	3.614	3.614
	B. Long-term intercorporate investment in companies where a link exists by virtue of participating interests		
	C. Other stocks and shares making up long-term investments	7	7
	D. Subordinated receivables from related companies and others where a link exists by virtue of participating interests		
VIII.	Formation costs and intangible assets	1.625	1.560
IX.	Tangible assets	2.656	2.251
X.	Own assets		
XI.	Other assets	2.147	3.719
XII.	Deferrals and accruals	31.998	30.212
TOTAL ASSETS		2.723.098	2.421.023

⁴ | Abridged presentation of the financial statements for 2013, according to Belgian standards. The complete financial statements, and also the report of the auditors, can be simply requested via info@keytradebank.com

BALANCE SHEET AFTER APPROPRIATION		(€ 000)	
LIABILITIES		2013	2012
THIRD PARTY FUNDS		2.654.175	2.353.046
I.	Debts to banks	56.030	40.744
	A. Payable on demand	43.091	27.607
	B. Commercial paper discounting liabilities		
	C. Other debts with fixed terms or periods of notice	12.939	13.137
II.	Debts to customers	2.536.657	2.244.400
	A. Savings accounts	1.825.342	1.664.781
	B. Other debts	711.315	579.619
	1. Payable on demand	600.982	498.817
	2. With fixed terms or periods of notice	110.333	80.802
	3. Commercial paper discounting results		
III.	Liabilities represented by a security	21	81
	A. Bonds and fixed-interest securities in circulation	21	81
	B. Other		
IV.	Other debts	18.428	18.055
V.	Accruals	29.818	36.779
VI.	Deferrals and accruals	721	487
	A. Provisions for risks and charges	721	487
	1. Pensions and similar commitments	241	96
	2. Tax expenses		
	3. Other risks and charges	480	391
	B. Deferred taxes		
VII.	General banking risk provisions		
VIII.	Subordinated liabilities	12.500	12.500
CAPITAL AND RESERVES		68.923	67.977
IX.	Capital	48.338	48.338
	A. Subscribed capital	48.338	48.338
	B. Uncalled capital (-)		
X.	Share premium	3.087	3.087
XI.	Revaluation gains		
XII.	Reserves	5.168	5.168
	A. Reserve legal	4.834	4.834
	B. Restricted reserves		
	1. For treasury shares		
	2. Other		
	C. Tax-free reserves	51	51
	D. Available reserves	283	283
XIII.	Retained earnings (losses carried forward (-))	12.330	11.384
TOTAL LIABILITIES		2.723.098	2.421.023

BALANCE SHEET AFTER APPROPRIATION

(€ 000)

OFF-BALANCE-SHEET ITEMS

2013

2012

	2013	2012
I. Potential liabilities		
A. Non-traded acceptances		
B. Guarantees instead of loans		
C. Other guarantees		
D. Documentary credits		
E. Assets pledged as real security for third parties		
II. Commitments that may give rise to a risk	48.700	64.341
A. Firm funding commitments		
B. Commitments due to cash purchases of securities or other values	42.398	59.348
C. Available margin on confirmed credit lines	6.302	4.993
D. Firm securities underwriting and placement commitments		
E. Open buyback commitments under sales/resales		
III. Values assigned to companies included in the consolidation	4.131.706	3.311.819
A. Securities held under formal trust status		
B. Safe-custody accounts and similar deposits	4.131.706	3.311.819
IV. Amounts to be paid-in for shares and equity interests		

CONSOLIDATED INCOME STATEMENT (PRESENTATION IN LIST FORM)

2013

2012

	2013	2012
I. Interest received and similar income	53.963	59.625
Including : from fixed-income securities	42.913	47.498
II. Interest paid and similar charges (-)	-29.737	-34.674
III. Income from variable-income securities	2.393	1.199
A. Stocks, shares and other securities at variable income		
B. Long-term intercorporate investment in related companies		
C. Long-term intercorporate investment in companies where a link exists by virtue of participating interests		
D. From other participations and shares forming part of the fixed assets	2.393	1.199
IV. Commissions received	18.060	17.539
A. Brokerage fees and commissions	17.235	16.713
B. Compensation for management services, advice and custody		
C. Other commissions	825	826
V. Commissions paid (-)	-4.428	-4.114
VI. Profit (Loss(-)) on financial transactions	2.454	2.229
A. From exchange and trade in securities and other financial instruments	2.728	2.480
B. From exercising investment securities	-274	-251
VII. General administrative costs (-)	-22.363	-19.442
A. Remuneration, social security and pensions	9.861	9.193
B. Other administrative costs	12.502	10.249

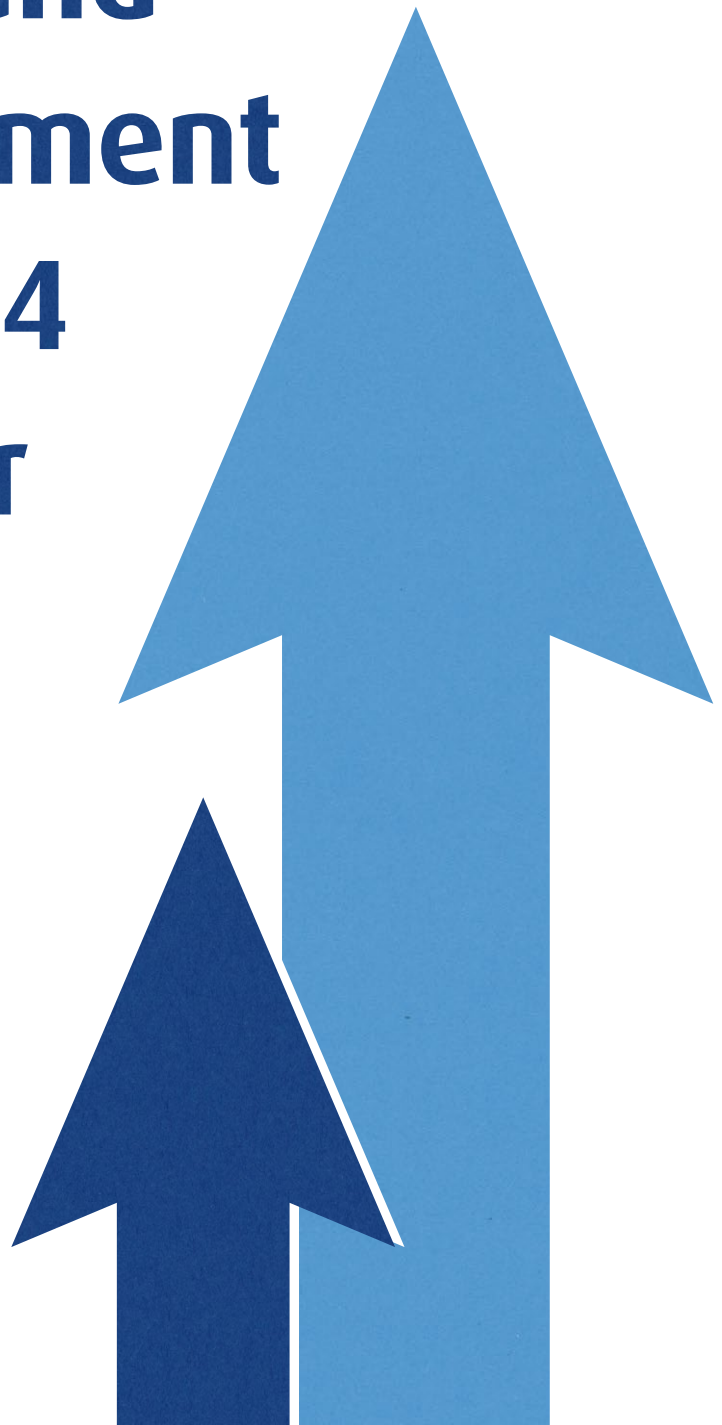
CONSOLIDATED BALANCE SHEET AFTER APPROPRIATION (PRESENTATION IN LIST FORM)		2013	2012
VIII.	Depreciation, amortisation and impairment (-) of start-up expenses, intangible assets and property, plant and equipment	-1.707	-1.177
IX.	Writebacks on reductions in value (reductions in value (-)) on receivables and writebacks on reserves (reserves(-)) for items I. Potential liabilities and "II. Commitments that can give rise to a credit risk" off-balance-sheet	-15	161
X.	Reversals of impairment (impairment (-)) of the portfolio of stocks, shares, bonds and other securities at fixed or variable income	2.672	-636
XI.	Uses and writebacks on reserves for risks and other costs than those envisaged by the items I. Potential liabilities and "II. Commitments that may give rise to a credit risk" off-balance-sheet	19	16
XII.	Reserves for risks and costs other than those envisaged by the items "I. Potential liabilities" and II. Commitments that can give rise to a credit risk off-balance-sheet (-)	-163	-9
XIII.	Uses of (allocations to (-)) general banking risk provisions		
XIV.	Other operating income	1.031	1.363
XV.	Other operating costs (-)	-4.927	-4.150
XVI.	Ordinary profit (loss (-)) for the period before tax	17.252	17.930
XVII.	Extraordinary income	193	250
	A. Reversals of depreciation, amortisation and impairment of start-up expenses, intangible assets and property, plant and equipment		
	B. Writebacks on depreciation and reductions in value on intangible and tangible fixed assets		
	C. Reversals of provisions for exceptional risks and charges	184	0
	D. Added value on the realisation of fixed assets	9	8
	E. Other extraordinary income	0	242
XVIII.	Extraordinary costs (-)	-535	-424
	A. Depreciation and reductions in value on formation costs, and on intangible and tangible fixed assets	156	217
	B. Reductions in value on financial fixed assets		
	C. Reserves for risks and extraordinary costs	331	194
	D. Losses on realisation of fixed assets	2	5
	E. Other extraordinary costs	46	8
XIX.	Profit (Loss(-)) for the financial year before taxes	16.910	17.756
XIXbis.	A. Transfer to deferred taxes (-)		
	B. Deductions on deferred taxes		
XX.	Taxes on result	-3.619	-5.378
	A. Taxes (-)	-3.632	-5.385
	B. Adjustment of income taxes and write-back of tax provisions	13	7
XXI.	Profit (Loss(-)) for the consolidated companies	13.291	12.378
XXII.	Transfer to tax-free reserves (-)		
XXIII.	Profit (loss(-)) for the period to appropriate	13.291	12.378

APPROPRIATIONS AND DEDUCTIONS		2013	2012
I. Profit (loss (-)) to appropriate		24.675	25.701
A. Profit (loss (-)) for the period to appropriate		13.291	12.378
B. Retained earnings (loss brought forward (-)) from previous year		11.384	13.323
II. Deductions from equity			
A. From share capital and premiums			
B. From reserves			
III. Appropriations to equity (-)			1.000
A. To share capital and premiums			
B. To the legal reserve			1.000
C. To other reserves			
IV. Profit (loss (-)) to carry forward		12.330	11.384
V. Share of associates in loss			
VI. Profit for the period to be distributed (-)		12.345	13.317
A. Return on capital		12.345	13.317
B. Directors or managers			
C. Other recipients			

“

**Our results in 2013
are an even bigger
motivation for our
employees and
the management
to make 2014
a better year
still.**

”



Consolidated yearly accounts IFRS ⁵

CONSOLIDATED BALANCE SHEET	TOTAL CARRYING AMOUNT	
ASSETS (EUR)	31/12/2013	31/12/2012
Treasury and current accounts with central banks	530.623.952	395.989.117
Financial assets held for trading		
Financial assets available for sale	1.812.184.527	1.701.417.559
Loans and receivables (including finance lease agreements)	473.450.611	458.526.405
Derivatives used for hedging		
Fair value changes of the hedged items in portfolio hedge of interest rate risk		
Tangible assets	2.747.412	2.334.811
Goodwill and other intangible assets	1.636.602	1.583.772
Tax assets	408.927	3.736.790
Outstanding taxation	408.927	2.320.368
Deferred taxation	0	1.416.422
Other assets	3.200.769	2.120.092
TOTAL ASSETS	2.824.252.800	2.565.708.546
LIABILITIES (EUR)	31/12/2013	31/12/2012
Central banks deposits	10.706	33.378
Financial liabilities held for trading		
Financial liabilities assessed at depreciated cost	2.652.322.009	2.364.400.655
Deposits	2.629.691.112	2.346.196.694
Credit institutions	12.618.372	4.810.547
Other non-credit institutions	2.617.072.740	2.341.386.147
Debt securities including bonds	21.770	82.466
Subordinated liabilities	12.500.221	12.500.000
Other financial liabilities	10.108.906	5.621.495
Financial liabilities linked to transferred assets	10.005.209	10.006.398
Derivatives used for hedging	6.337.865	7.926.955
Fair value changes of the hedged items in a portfolio hedge of interest rate risk		
Provisions	1.368.300	515.541
Tax liabilities	17.402.404	28.723.285
Outstanding tax	94.274.00	417.855
Deferred tax	17.308.130	28.305.430
Other liabilities (including finance lease agreements)	7.674.292	6.124.790
Corporate capital repayable on demand		
TOTAL LIABILITIES	2.695.120.785	2.417.731.002

CONSOLIDATED BALANCE SHEET

TOTAL CARRYING AMOUNT

OWN FUNDS AND MINORITY INTEREST

31/12/2013

31/12/2012

Issued capital

Paid-up capital	48.338.364	48.338.364
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Non paid-up capital called		
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Issue premiums	3.086.541	3.086.541
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Other own funds

Component of own capital of composed financial instruments		
--	--	--

Others		
--------	--	--

Revaluation reserves (valuation gaps)

Revaluation reserve for tangible assets		
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Revaluation reserve for intangible assets		
---	--	--

Hedging reserve for net investment in business abroad (efficient part)		
--	--	--

Reserve for conversion variances with foreign currencies		
--	--	--

Hedging reserve for treasury flows (efficient part)		
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Revaluation reserve for fair value on financial assets available for sale	33.652.928	54.813.390
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Linked to non-current assets or disposal groups held in view of sale		
--	--	--

Other revaluation reserves		
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Reserves (including retained earnings)	28.314.682	24.736.842
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Own shares

Profit for the financial year	15.626.896	16.895.026
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Interim dividends

Minority interest	112.604	107.381
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Revaluation reserves		
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Others		
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TOTAL EQUITY AND MINORITY INTEREST	129.132.015	147.977.544
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TOTAL LIABILITIES, MINORITY INTEREST AND EQUITY	2.824.252.800	2.565.708.546
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CONSOLIDATED BALANCE SHEET
TOTAL CARRYING AMOUNT
CONSOLIDATED PROFIT OR LOSS
31/12/2013
31/12/2012
Continuing operations

Financial & operating income and expenses	47,045,321	48,041,107
Interest net income	55,707,710	61,745,093
Expenses on share capital repayable on demand	-28,453,328	-33,623,189
Dividend income	0	4,910
Fee and commission net income	19,858,600	19,401,028
Fee and commission charges	-4,205,052	-3,924,952
Realised gains and losses on financial assets & liabilities not measured at fair value through profit or loss	-274,158	-250,963
Gains and losses on financial assets and liabilities held for trading (net)	3,310,558	2,929,147
Gains and losses on financial assets and liabilities designated at fair value through profit or loss (net)		
Fair value adjustments in hedge accounting	-81,197	62,966
Gains and losses on derecognition of assets other than held for sale	-3,360	-5,971
Other operating income	1,497,683	2,129,014
Other operating costs	-312,136	-425,976
Administration costs	-29,214,640	-25,456,664
Staff expenses	-10,537,344	-9,835,678
General and administrative expenses	-18,677,296	-15,620,986
Depreciation	-1,755,124	-1,252,952
Property, Plant and Equipment	-1,083,898	-869,240
Investment Properties		
Intangible assets (other than goodwill)	-671,226	-383,712
Provisions	-852,758	-200,736
Impairment	5,994,807	2,141,094
Impairment losses on financial assets not measured at fair value through profit or loss		
Financial assets measured at cost		
Available for sale financial assets	5,985,804	2,201,376
Loans and receivables measured at amortized cost (including finance leases)	9,003	60,282
TOTAL PROFIT OR LOSS BEFORE TAX AND MINORITY INTEREST FROM CONTINUING OPERATIONS	21,217,606	23,271,849
Tax expense (income) related to profit or loss from continuing operations	5,577,986	6,360,669
TOTAL PROFIT OR LOSS AFTER TAX AND BEFORE MINORITY INTEREST FROM CONTINUING OPERATIONS	15,639,620	16,911,180
TOTAL PROFIT OR LOSS AFTER TAX FROM DISCONTINUED OPERATIONS		
TOTAL PROFIT OR LOSS AFTER TAX AND DISCONTINUED OPERATIONS AND BEFORE MINORITY INTEREST	15,639,620	16,911,180
Minority interest	12,725	16,154
NET PROFIT OR LOSS	15,626,895	16,895,026



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