



Belfius

Belfius Pandbrieven Update

September 2024





Belfius Pandbrieven Programmes
Belfius Mortgage Pandbrieven Programme
Belfius Public Pandbrieven Programme

Belfius Pandbrieven Programmes

Comparison of Main Characteristics

Programme	Mortgage Pandbrieven	Public Pandbrieven
Main cover asset category	Residential mortgage loans	Public sector exposure
Rating	AAA (stb) / AAA (stb) (Fitch/S&P)	Aaa / AAA (stb) (Moody's/S&P)
Programme limit	EUR 20 billion	EUR 10 billion
Specific license obtained from National Bank of Belgium (NBB)	Yes	Yes
Main issuer covenants	No commercial mortgage loans	No residential mortgage loans, no commercial mortgage loans
	The value of the main cover asset $\geq$ 105% (vs. 85% in the law)	
	Upon registration, maximum LTV (current loan to current property value) is 120%	/
	Liquid bonds included to cover all pandbrief interest payments for the next year	Liquid bonds included to cover all pandbrief interest payments for the next 6 months

Belfius Pandbrieven Programmes

Common Characteristics (applicable to each programme individually)

Summary of Terms	
Issuance	Belgian Pandbrieven, issued by Belfius Bank.
Listing	Pandbrieven may be listed on Euronext Brussels.
Minimum denominations	EUR 100,000
Segregation of cover assets	In a special estate, on balance sheet.
Regulatory supervision	Special supervision by the NBB and the cover pool monitor (EY).
Reporting	Available on the website of Belfius Bank on a monthly basis (Pandbrieven Programmes - Debt Issuance – Belfius).
Namensschuldverschreibung (N-bonds; Registered Covered Bonds)	The documentation is in place only for Mortgage Pandbrieven.
ECBC Covered Bond Label	Yes
Status	European Covered Bonds (Premium) – Art 129 CRR compliant

Belfius Mortgage Pandbrieven Programme

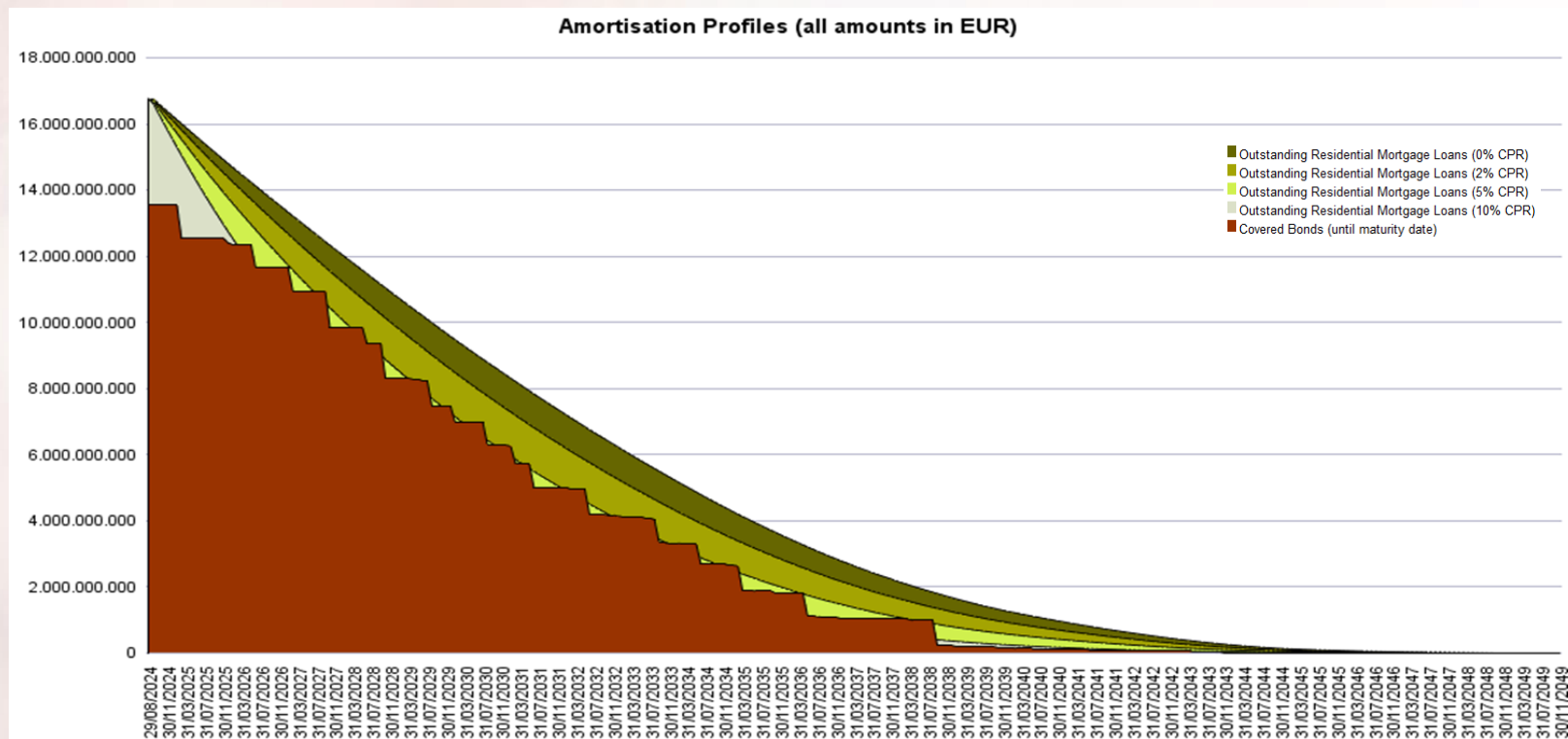
Summary Description of the Cover Pool

Outstanding Balance of Residential Mortgage Loans at the Cut-off Date	16,750,089,418.55
Principal Redemptions between Cut-off date and Reporting Date	0.00
Interest Payments between Cut-off Date and Reporting Date	0.00
Number of borrowers	159,080
Number of loans	266,791
Average Outstanding Balance per borrower	105,293.50
Average Outstanding Balance per loan	62,783.56
Weighted average Original Loan to Initial Value	78.08%
Weighted average Current Loan to Current Value	42.67%
Weighted average seasoning (in months)	74.55
Weighted average remaining maturity (in years, at 0% CPR)	13.39
Weighted average initial maturity (in years, at 0% CPR)	19.65
Remaining average life (in years, at 0% CPR)	7.13
Remaining average life (in years, at 2% CPR)	6.48
Remaining average life (in years, at 5% CPR)	5.58
Remaining average life (in years, at 10% CPR)	4.44
Remaining average life to interest reset (in years, at 0% CPR)	6.54
Percentage of Fixed Rate Loans	89.44%
Percentage of Resetable Rate Loans	10.56%
Weighted average interest rate	2.058%
Weighted average interest rate Fixed Rate Loans	2.009%
Weighted average interest rate Resetable Rate Loans	2.479%

Source: Belfius Bank's August 2024 investor report

Belfius Mortgage Pandbrieven Programme

Amortisation Profile



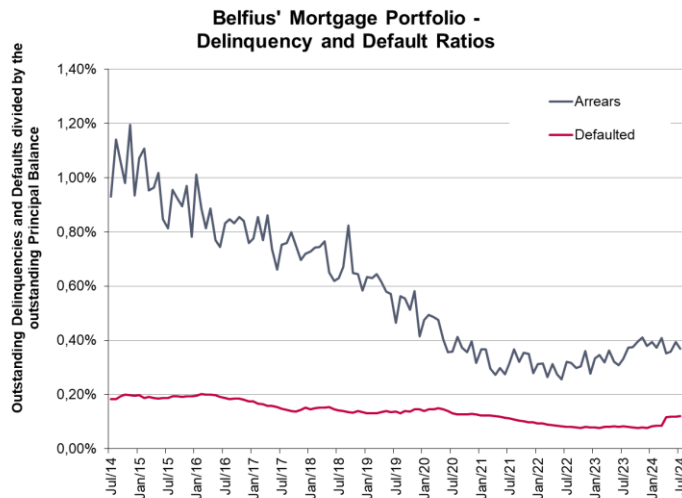
Source: Belfius Bank's August 2024 investor report

Belfius Mortgage Pandbrieven Programme

Historical performances

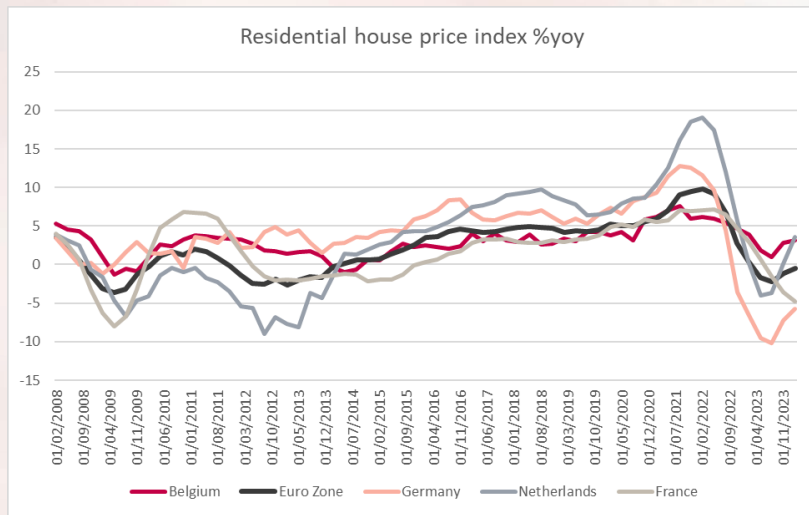
Belfius' residential mortgage loans are of high credit quality and show very low default rates and net losses due to:

- Cultural focus on home ownership;
- Conservative underwriting and strong origination policy;
- Highly regulated market;
- Amortizing profile and mainly fixed rate loans.



Belfius Mortgage Pandbrieven Programme

Recent Evolutions in the Mortgage Market



Source: Eurostat

Unlike its neighboring countries, the Belgian housing market hasn't faced a major fall in prices:

- In Q1 2024, the median Belgian price for houses with 2/3 outside walls (semi detached + attached houses) was stable versus Q1 2023;
- The median price for detached houses (with 4 walls or more) increased slightly with 0.8% during the same period;
- The biggest increase was noticed for apartments with an increase of 2.2% between Q1 2023 and Q1 2024;
- Important disparities within Regions w.r.t. median prices.

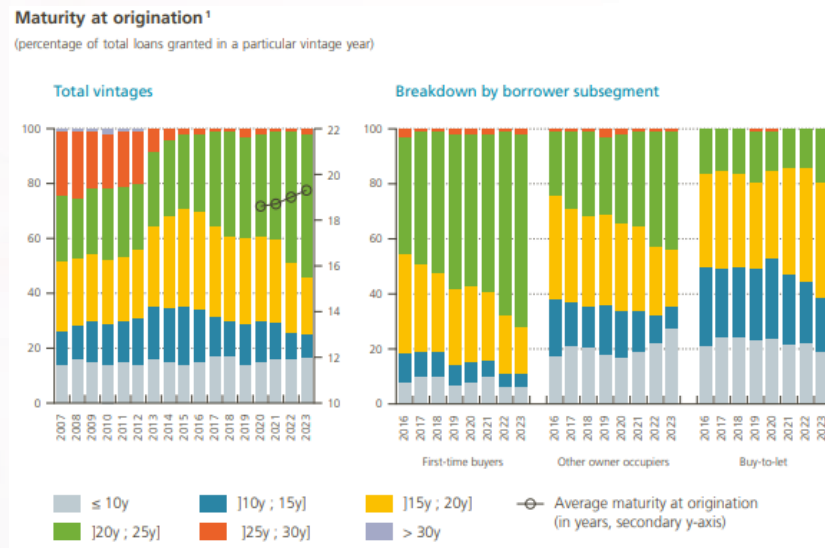
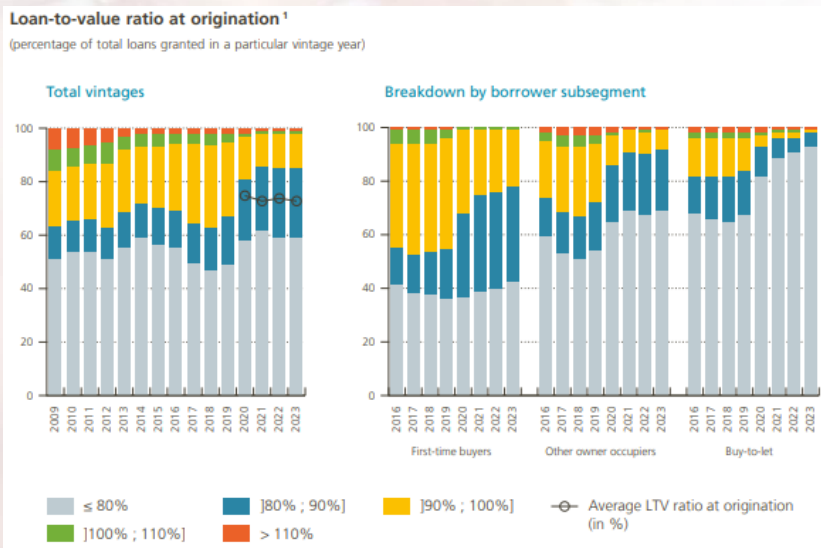
Median price	Belgium		Brussels		Flanders Region		Wallon Region	
	Q1 2023	Q1 2024	Q1 2023	Q1 2024	Q1 2023	Q1 2024	Q1 2023	Q1 2024
Houses with 2/3 outside walls (attached + semi-detached houses)	260.000 €	259.500 €	500.000 €	499.000 €	299.250 €	299.000 €	175.000 €	178.000 €
Houses with 4 outside walls or more (detached houses)	369.000 €	372.000 €	845.000 €	1.100.000 €	415.000 €	415.000 €	285.000 €	300.000 €
Appartments	235.000 €	240.125 €	254.000 €	260.000 €	244.072 €	249.000 €	180.000 €	175.000 €

Source: Statbel - Belgian Statistical Office

Belfius Mortgage Pandbrieven Programme

Recent Evolutions in the Mortgage Market (cont'd)

- LTV profile for the three borrower categories has improved since 2020 – the year of new prudential expectations' implementation for financial institutions granting loans;
- There's nearly no new production with an LTV at origination above 100% (only 1% of the current production);
- Longer maturities have helped new borrowers to absorb higher loan installments due to the increase in interest rates.



Source: NBB Financial Stability Report 2024

Belfius Mortgage Pandbrieven Programme

Belgian Households

Economic forecasts for Belgium

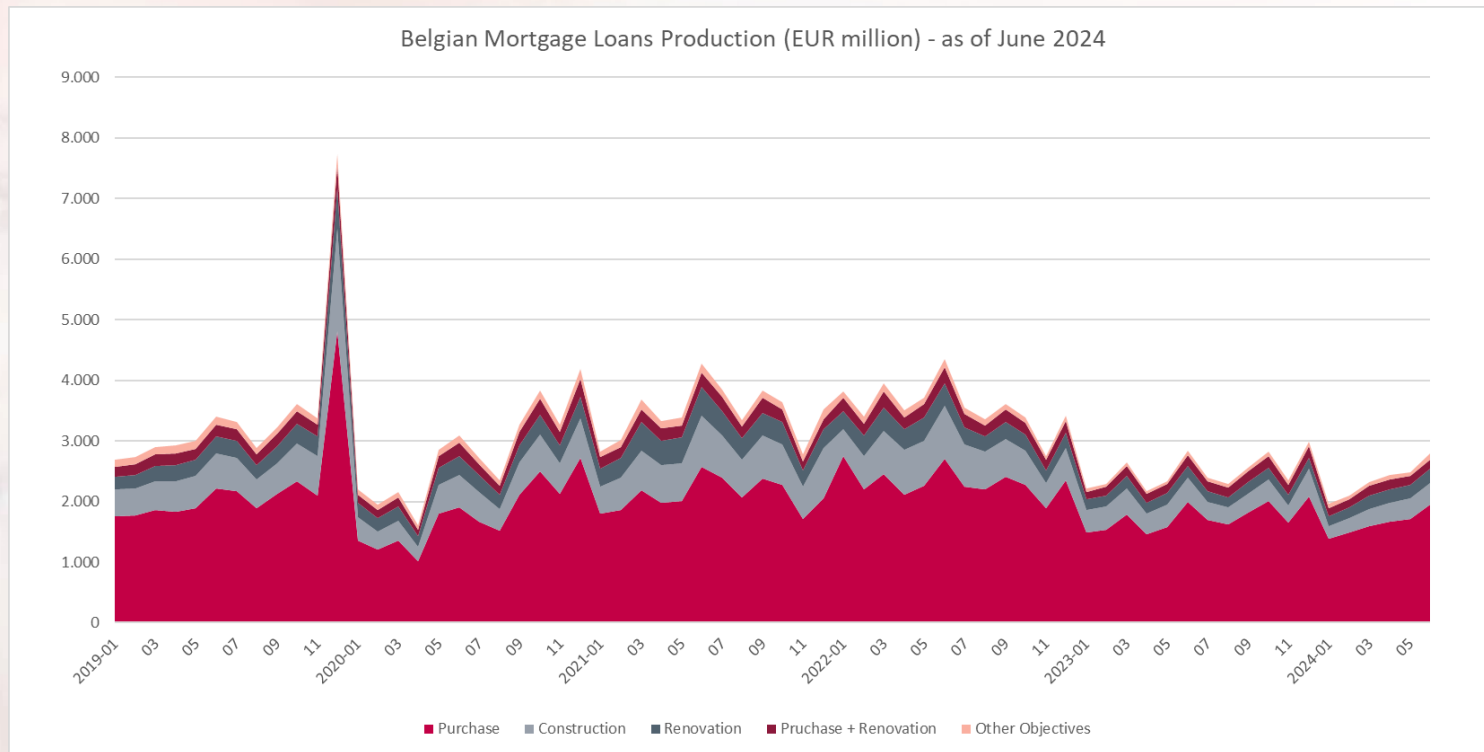
	2023	2024F	2025F
Real GDP (YoY%)	1.4	1.3	1.4
CPI (YoY%)	2.3	4.0	2.3
Unemployment rate (%)	5.5	5.6	5.4
General government balance (% of GDP)	-4.4	-4.4	-4.7
Gross public debt (% of GDP)	105.2	105.0	106.6

Source: European Commission

- Belgian households are generally well protected against inflation, as wages are indexed by law, though there may be lags and petrol products are excluded.
- To face the effects of higher inflation in 2022/2023, governments installed mitigating measures by the extension of the application scope of the social energy rates, a temporary VAT-reduction (from 21% to 6%) for energy, a one-off energy premium and a reduction of excises on petrol.
- The phase-out of these measures should lead to an increase of headline inflation to 4.0% in 2024.
- However, inflation should come back to the 2023 level in 2025, due to receding cost pressure during next year.

Belfius Mortgage Pandbrieven Programme

Slowdown in Belgian Credit Production



Source: Union Professionnelle du Cr dit – Beroepsvereniging van het Krediet

Belfius Public Pandbrieven Programme

Summary Description of the Cover Pool

Outstanding Balance of Public Sector Assets at the Cut-off Date	2,318,782,474.17
Principal Redemptions between Cut-off date and Reporting Date	0.00
Interest Payments between Cut-off Date and Reporting Date	0.00
Number of borrowers	703
Number of loans	19,728
Average Outstanding Balance per borrower	3,298,410.35
Average Outstanding Balance per loan	117,537.64
Weighted average seasoning (in months)	109.52
Weighted average remaining maturity (in years, at 0% CPR)	12.73
Weighted average initial maturity (in years, at 0% CPR)	21.90
Remaining average life (in years, at 0% CPR)	6.99
Remaining average life (in years, at 1% CPR)	6.68
Remaining average life (in years, at 3% CPR)	6.02
Remaining average life (in years, at 5% CPR)	5.46
Remaining average life to interest reset (in years, at 0% CPR)	6.30
Percentage of Fixed Rate Loans	85.67%
Percentage of Resettable Rate Loans	14.33%
Weighted average interest rate	2.776%
Weighted average interest rate Fixed Rate Loans	2.839%
Weighted average interest rate Resettable Rate Loans	2.402%

Borrower Type

Type	Balance in EUR	
Intermunicipal Entity	143,643,920.00	6.19%
Mono Municipal Police Zone	2,821,146.80	0.12%
Multi Municipal Police Zone	41,259,839.00	1.78%
Municipal Entity	9,727,874.59	0.42%
Municipality	1,586,840,417.69	68.43%
Province	35,779,632.46	1.54%
Public Centre for Social Welfare	317,110,359.34	13.68%
Public Hospital	181,599,284.29	7.83%
	2,318,782,474.17	100.00%

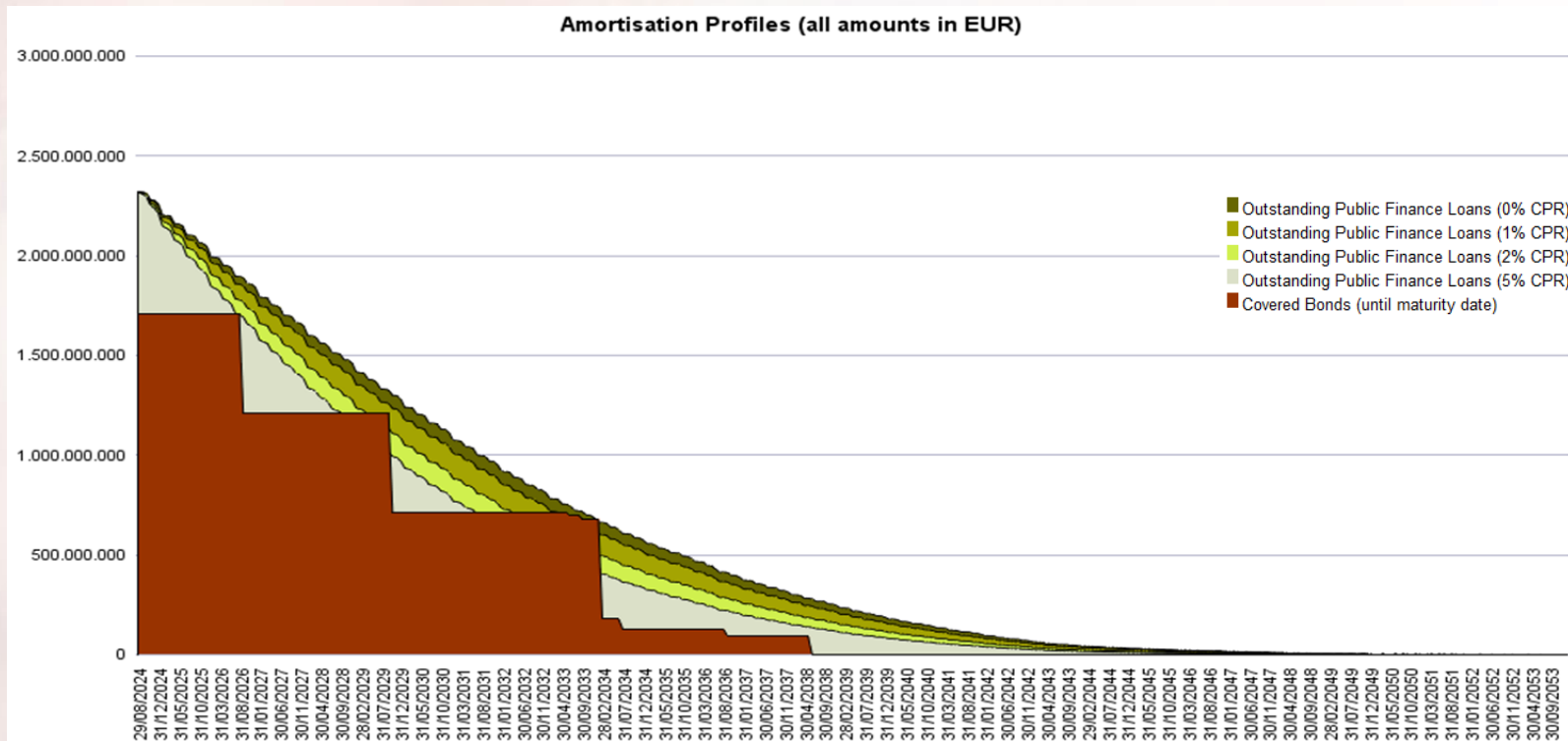
Geographic distribution

Province	Balance in EUR	
Antwerpen	248,921,142.84	10.73%
Brabant wallon	202,126,895.85	8.72%
Brussel	336,760,546.96	14.52%
Hainaut	217,237,306.77	9.37%
Liège	164,184,705.25	7.08%
Limburg	248,571,254.59	10.72%
Namur	152,297,387.62	6.57%
Oost-Vlaanderen	253,590,218.54	10.94%
Vlaams-Brabant	247,878,274.80	10.69%
West-Vlaanderen	247,214,740.95	10.66%
	2,318,782,474.17	100.00%
Region	Balance in EUR	
Brussels	336,760,546.96	14.52%
Flanders	1,246,175,631.72	53.74%
Wallonia	735,846,295.49	31.73%
	2,318,782,474.17	100.00%

Source: Belfius Bank's August 2024 investor report

Belfius Public Pandbrieven Programme

Amortisation Profile



Source: Belfius Bank's August 2024 investor report

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