



Belfius Mortgage Pandbrieven Programme

Investor Presentation

May 2014

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■ Belgian Pandbrieven Legislation

Main Characteristics of Belgian Pandbrieven

Pandbrieven / Lettres de gage

- Legally protected term to indicate Belgian covered bonds that are UCITS and CRD compliant

On-Balance Sheet Structure

- Issued directly by the licensed Belgian credit institution
- No SPV
- No specialized credit institution

Dual Recourse

- The Pandbrieven holders have recourse against both
 - the general estate
 - the special estate: exclusively for the Pandbrieven holders

Bankruptcy Remoteness

- Registration has the same effect as a true sale in insolvency proceedings
- The special estate is not part of the bankruptcy estate
- Proceedings do not cause the acceleration of the Belgian Pandbrieven

Belgian Pandbrieven Legislation

Additional Safeguard Mechanisms

Commingling Risk

- Collections received from the cover assets are by law part of the special estate
- Such collections held by the issuer for the account of the special estate are moreover protected via the 'revindication' right: the ownership rights of the special estate as regards cash that cannot be identified in the general estate will be extended to unencumbered assets in the general estate.
- After issuer bankruptcy: collections received from cover assets are excluded from the general estate

Set-off and Claw-back Risk

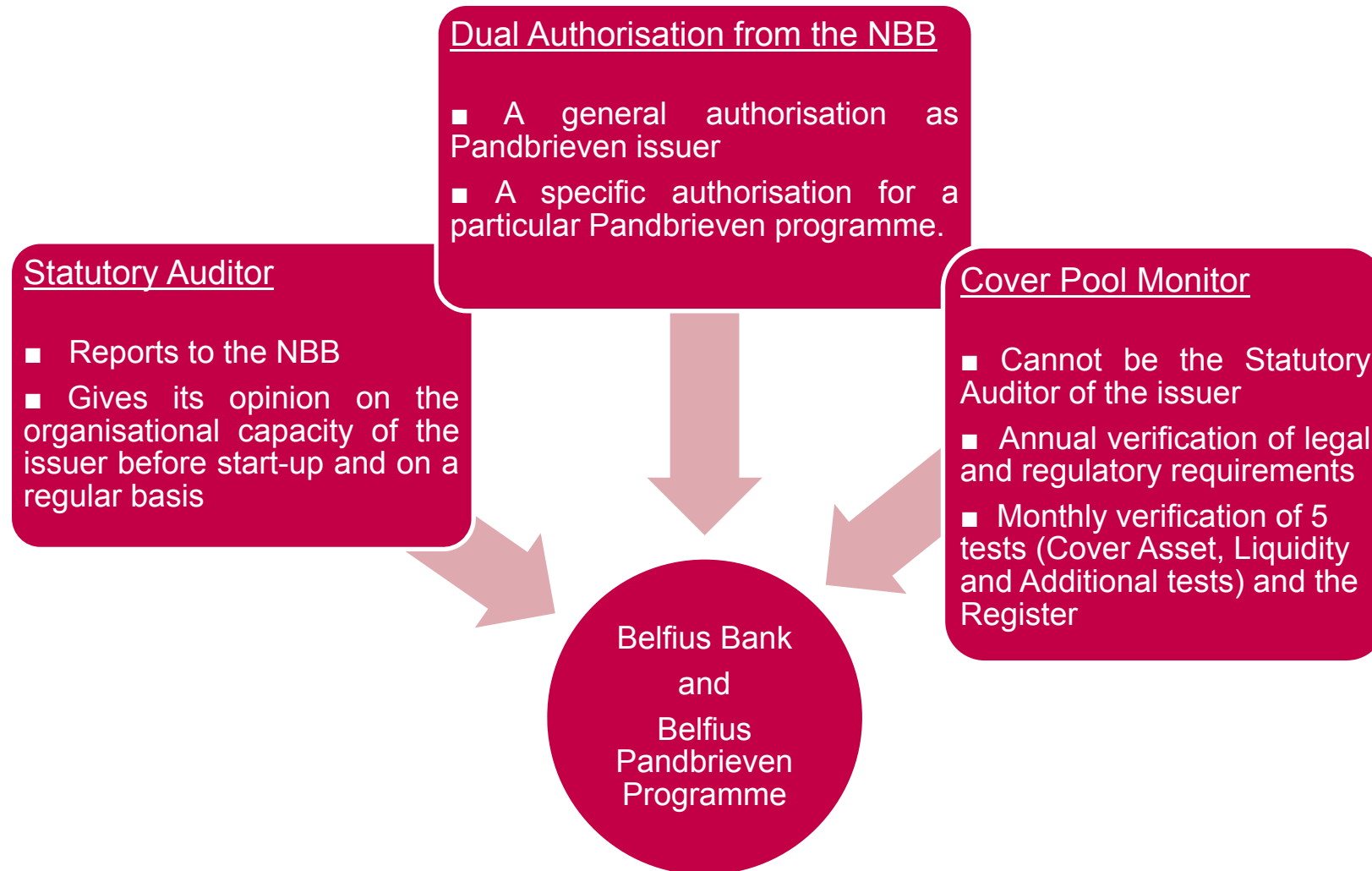
- Legal and contractual set-off prohibited after transfer (including registration in the cover assets register) of receivables
- Claw-back rules limited to fraud

Cap on Issuance

- A credit institution can no longer issue new Belgian Pandbrieven if the amount of cover assets exceeds 8% of the credit institution's total non-consolidated assets.

■ Belgian Pandbrieven Legislation

Pandbrieven Issuer Supervision



Belgian Pandbrieven Legislation

Special Estate - Composition

The Cover pool must be mainly composed of one of these three types of assets*

- **Residential mortgage loans** (or senior RMBS), having a first lien mortgage
- **Commercial mortgage loans** (or senior CMBS), having a first lien mortgage
- **Public sector loans** (or senior public sector ABS), loans granted to or guaranteed/secured by a public sector entity

The remaining part of the Cover pool may be composed of

- Assets from another category above
- Receivables on credit institutions
- Hedging instruments, only to the extent effectively used to hedge interest rate or FX risk within the special estate

* See next slide – 85% test

■ Belgian Pandbrieven Legislation

A Strong Framework of Legal Tests

■ 85% test

- The Value of Cover Assets from one of the 3 categories must represent at least 85% of the nominal amount of the outstanding Pandbrieven
 - Prevention of mixed asset cover bond programmes
 - Limit on “substitution assets”

■ 105% test

- The Value of Cover Assets must represent at least 105% of the nominal amount of the outstanding Pandbrieven

■ Amortisation test

- The sum of revenues stemming from the Cover assets must be equal to or greater than the amount of interest, principal and costs related to the outstanding Pandbrieven and their management

■ 6 Month Liquidity test

- The cover assets must generate sufficient liquidity or contain sufficient liquid assets to meet all unconditional payments over a 6 month horizon.

■ Additional stress tests of interest rate and currency hedges

- The cover asset tests and liquidity test must be met also in the case of sudden and unexpected movements in interest rates and exchange rates (internal stress tests or the option to simulate an immediate increase or decrease of interest rates with 2% and of exchange rates with 8%)

Belgian Pandbrieven Legislation

Special Estate – Valuation of cover assets (85% and 105% tests)

▪ Valuation of Residential Mortgages

Minimum of

- The outstanding loan amount
- 80% of the market value of the real estate
- The amount of the mortgage (inscription+mandate)
- The amount of the mortgage inscription divided by 0.6

▪ Valuation of Exposure to Credit Institutions

Book value
for 105%
test only if

- Counterparty qualifies for CRD credit quality step 1
- Counterparty qualifies for CRD credit quality step 2 and maturity ≤ 100 days at the time of registration in the Cover pool

No value for
85% test

- Hedging instruments: no value for the 85% and the 105% tests
- Value of 30+ days delinquent loans reduced by 50%
- Defaulted loans (i.e. 90+ days delinquent loans) have no value

Numerical examples
can be found in the
appendices

Belgian Pandbrieven Legislation

Special Estate – Valuation of residential mortgage loans

Nominal OC



Regulatory OC

- Due to the concept of value, the nominal OC will in general be higher than the regulatory calculated OC considered for the asset cover tests.

Only 1st (and sequential) ranking mortgages taken into account

No “split” loans between the general estate and the special estate

- A loan can only be fully registered, or not registered at all.
- If for instance the LTV exceeds 80%, this will be reflected in the “value” of such mortgage loan being less than the nominal outstanding amount.
- The special estate is entitled to the full loan (and all related security rights).

Belgian Pandbrieven Legislation

Special Estate – The Register

The Special Estate

- The assets registered as cover assets
- The collateral received for hedging instruments registered as cover assets
- Security rights, guarantees and insurances granted in relation to cover assets
- Recoveries received in respect of cover assets or above mentioned accessories
- NBB reserves linked to the special estate

The Register

- Information about the characteristics of the Pandbrieven
- Information about the characteristics of the cover assets
- Updated on a daily basis

■ Belgian Pandbrieven Legislation

Special Estate – Cover Pool Administrator

Cover Pool Administrator

- Appointed by the NBB
- To manage the special estate in certain circumstances:
 - Adoption of a reorganisation measure against the issuer that may negatively affect the Pandbrieven holders
 - Initiation of bankruptcy proceedings against the issuer
 - Removal of the issuer from the list of Pandbrieven issuers
 - Where the situation of the issuer is such that the NBB deems that it may seriously adversely affect the interests of the Pandbrieven holders
- Legally entrusted with the necessary powers to manage the special estate
- Manages the special estate in the interest of Pandbrieven holders

Belgian Pandbrieven Legislation

Country comparison

	Belgian Pandbrieven	French Obligations de Financement de l'Habitat	French Obligations Foncières	German Pfandbriefe	Dutch Covered Bonds
Structure	On balance sheet	Specialised credit institution	Specialised credit institution	On balance sheet	SPV structure
Maximum LTV	80% residential 60% commercial	80% residential	80% residential 60% commercial	60% residential 60% commercial	80% LTMV 125% LTFV (for some banks)
Minimum OC	Legal (105% based on "value" determination)	Legal (102%)	Legal (102%)	Legal (102% NPV)	Issuer specific
Asset-Liability Mismatch	180 day liquidity rule Ability to repo own securities Controlled ALM	180 day liquidity rule Ability to repo own securities Controlled ALM	180 day liquidity rule Ability to repo own securities Controlled ALM	180 day liquidity rule Controlled ALM	Asset Coverage Test Contractual provisions for mismatching
Asset Encumbrance	8% of total non-consolidated assets	No	No	No	Undisclosed issuer specific levels
Substitute Assets	Main asset category ≥85%	Max. 15%	Max. 15%	Max. 10% cred inst + 10% publ sector	Contractual provisions
CRD Standard Approach RW	10%	20%	10%	10%	10%

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Belfius Pandbrief Programme Characteristics

Programme Highlights

Summary of terms

Issuance	Belgian Pandbrief
Issuer	Belfius, with a general and specific licence of NBB
Programme limit	EUR 10 billion
Applicable law	Belgian law
Listing	Pandbrieven can be listed on Euronext Brussels
Minimum denominations	EUR 100,000
Mortgage Pandbrieven	2 forms of Mortgage Pandbrieven <ul style="list-style-type: none">▪ Dematerialized Mortgage Pandbrieven▪ Registered Mortgage Pandbrieven
Structures	Plain vanilla structures
Issuance	Belfius Bank aims to be regarded as a regular issuer through public benchmarks (at least one benchmark a year)
Net proceeds	Net proceeds of the Mortgage Pandbrieven will be used for the general corporate purposes of Belfius Bank

Belfius Pandbrieven Programme Characteristics

Programme Highlights

Summary of terms

Location of cover assets	On balance sheet
Regulatory supervision	Special supervision by NBB and Cover pool monitor
UCITS/CRD compliant	Yes
CRD RW	10%
Reporting	Reporting on the composition of the special estate is available on the website of Belfius Bank on a monthly basis
Extension on non payment at maturity date	If issuer fails to redeem a Mortgage Pandbrieven issue within 5 business days after the maturity date, the redemption will automatically be deferred to the date falling one year after the original maturity date. However notes can be redeemed on any subsequent monthly interest payment date before the extension payment date if issuer has available funds.
Payment default	Failure to pay principal on the extended maturity date or failure to pay interest
Namenschuldverschreibung	Developing Namensschuldverschreibungen; expected to be ready in Q4 13

Belfius Pandbrief Programme Characteristics

Programme Highlights

Programme Parties Overview

Issuer	Belfius Bank
Arranger	Belfius Bank
Fiscal Agent & (Principal) Paying Agent	Belfius Bank
Servicer	Belfius Bank (Belfius Bank has outsourced the servicing of its residential mortgage loans to its 100% subsidiary Crefius, a specialized mortgage loan servicer)
Clearing	NBB clearing system, Euroclear, Clearstream
Noteholders representative	Stichting Belfius Mortgage Pandbrieven Noteholders' Representative (a Dutch foundation managed by ATK, part of Intertrust group)
Cover pool monitor	Ernst & Young
Statutory Auditor	Deloitte

Description of the Cover Pool

Main Issuer Convenants

Main Asset Category

Residential Mortgage Loans

Excluded Assets

No commercial mortgage loans, no RMBS, no CMBS, no ABS

Overcollateralisation

The value of the residential mortgage loans $\geq 105\%$ (vs 85% in the law)

LTV

Upon registration, maximum LTV (current loan to current property value) of a residential mortgage loan is 120%

Liquid Bond

Liquid bonds included to cover all pandbrief interest payments for the next year (vs 6 months in the law)

Belfius Pandbrief Programme Characteristics

Ratings

Senior Ratings Belfius Bank

Fitch	A- (negative outlook)
Moody's	Baa1 (stable)
S&P	A- (negative outlook)

Belfius Bank is fully owned by the Belgian state which is currently rated Aa3 (Moody's), AA (S&P) and AA (Fitch)

Ratings Belfius Mortgage Pandbrieven

Fitch	AAA (negative outlook)
S&P	AAA (negative outlook)

The Fitch and S&P negative outlook reflect the negative outlook on the senior unsecured rating.

Belfius Pandbrief Programme Characteristics

Rating Agency Considerations

S&P

« The ratings assigned to this issuance reflect our level of confidence in the Belgian legal framework for the issuance of covered bonds and the credit quality of the underlying assets and their cash flows. »

« We believe satisfactory procedures are in place to support the preliminary ratings on the covered bonds. Specifically, we believe the bank applies sufficiently prudent underwriting practices, and that procedures are in place to effectively service the portfolio. We also considered the risk of replacement of the servicer through our credit analysis and stressed servicing fees. »

« Belfius Bank has good business diversification between banking and insurance services, and retail and local authority clients. »

Source: S&P's report on Inaugural Belfius Mortgage Pandbrieven Issuance

Global Covered Bond Characteristics and Rating Summary - Belfius Bank Mortgage Pandbrieven

ALMM Risk	Low
Program Category	2
Maximum potential uplift	6 notches
Covered bond rating	AAA (Negative Outlook)

Belfius Pandbrief Programme Characteristics

Rating Agency Considerations

Fitch

« The agency believes the legal features in place provide a strong setting for covered bondholders and privileged creditors to gain full first priority access to the cover assets. »

« The privilege is such that no other creditor of the bank will be able to claim any rights over the special estate until all amounts due to covered bondholders and other privileged creditors have been repaid in full. »

« Regarding cash held before insolvency by the issuer on behalf of the special estate, commingling risk is reduced as the legislation enables the alternative manager to access unencumbered assets of the bank's general estate upon request (right of revindication). Fitch is of opinion that such a mechanism is stronger than in many other legislative frameworks. »

« Overall, Fitch views positively the clear guidelines provided under the Belgian covered bond legislation regarding the appointment of a separate administrator and its actions. »

Source: Belfius Bank SA/NV - Mortgage Pandbrieven – New Issue

Covered Bond Surveillance			
D-Cap	4 (Moderate risk)	Cover Pool-Specific Alternative Management	Moderate
Asset Segregation	Low	Privileged Derivatives	Very Low
Liquidity Gap & Systemic Risk	Moderate		
Systemic Alternative Management	Low		

Description of the Cover Pool

Overview of the Current Cover Pool

Main Asset Category

Prime Belgian residential mortgage loans originated by Belfius Bank to its retail clients in Belgium via its local branches

Liquid Bond

Currently Belgian Government Bond 5.5% 28/9/2017, MTM after ECB haircut: currently approx. €82 million

No Forex Risk

Only EUR denominated assets & liabilities

No Derivatives

Interest rate risk hedged through natural hedging (mainly fixed rate (until maturity) mortgage loans vs fixed rate Pandbrieven) and overcollateralisation

One Asset Class

- No exposure to financial institutions
- No public sector exposure except for the liquid bonds

Representative

The cover pool characteristics are representative for the entire Belfius mortgage portfolio, except that the cover pool has a lower seasoning, and hence higher current LTV

Description of the Cover Pool

Overview of the Current Cover Pool

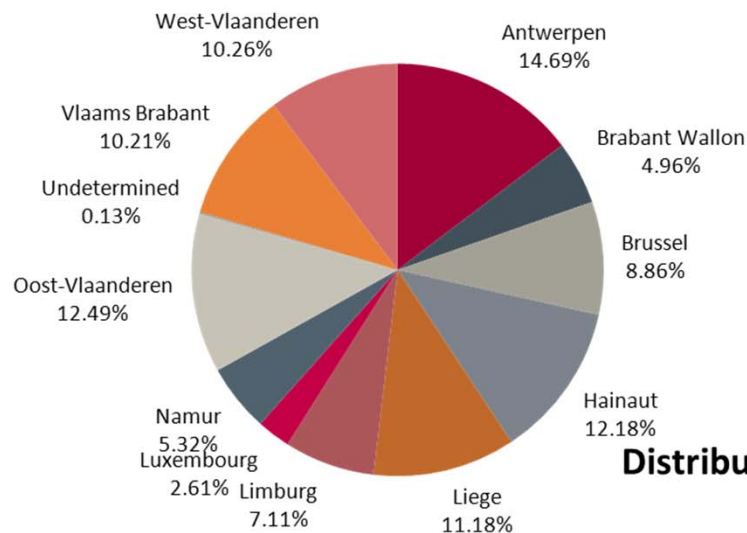
Outstanding Balance of Residential Mortgage Loans at the Cut-off Date	5,060,173,382.84
Principal Redemptions between Cut-off date and Reporting Date	0.00
Interest Payments between Cut-off Date and Reporting Date	0.00
Number of borrowers	51,717
Number of loans	77,581
Average Outstanding Balance per borrower	97,843.52
Average Outstanding Balance per loan	65,224.39
Weighted average Original Loan to Initial Value	79.48%
Weighted average Current Loan to Current Value	62.52%
Weighted average seasoning (in months)	31.80
Weighted average remaining maturity (in years, at 0% CPR)	17.63
Weighted average initial maturity (in years, at 0% CPR)	20.36
Remaining average life (in years, at 0% CPR)	10.12
Remaining average life (in years, at 2% CPR)	8.76
Remaining average life (in years, at 5% CPR)	7.17
Remaining average life (in years, at 10% CPR)	5.36
Remaining average life to interest reset (in years, at 0% CPR)	9.11
Percentage of Fixed Rate Loans	87.25%
Percentage of Resettable Rate Loans	12.75%
Weighted average interest rate	3.646%
Weighted average interest rate Fixed Rate Loans	3.800%
Weighted average interest rate Resettable Rate Loans	2.570%

Source: Belfius Bank Mortgage Pandbrievan Investor Report – 30 April 2014

Description of the Cover Pool

A Prime Belgian Residential Mortgage Loan Portfolio: Characteristics

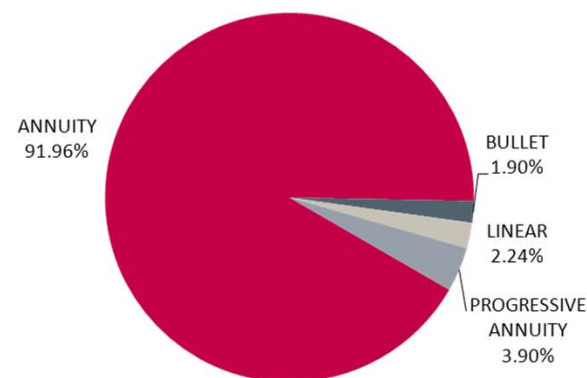
Geographical Distribution



Geographical distribution all over Belgium, reflecting the population

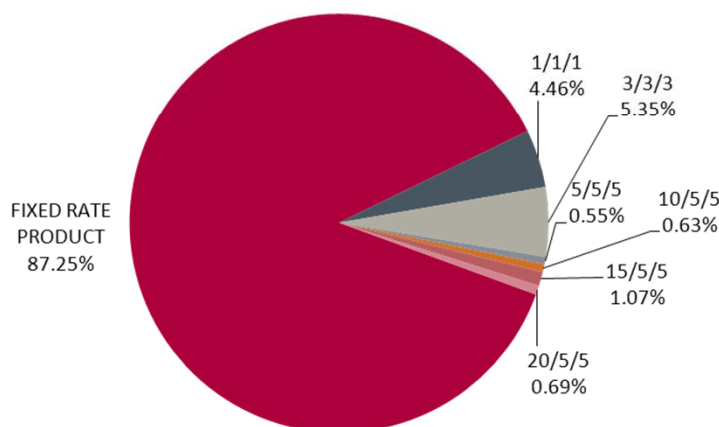
Fixed: fixed until maturity
3/3/3: interest reset every 3 yrs
1/1/1: interest reset every year

Distribution per Repayment Type



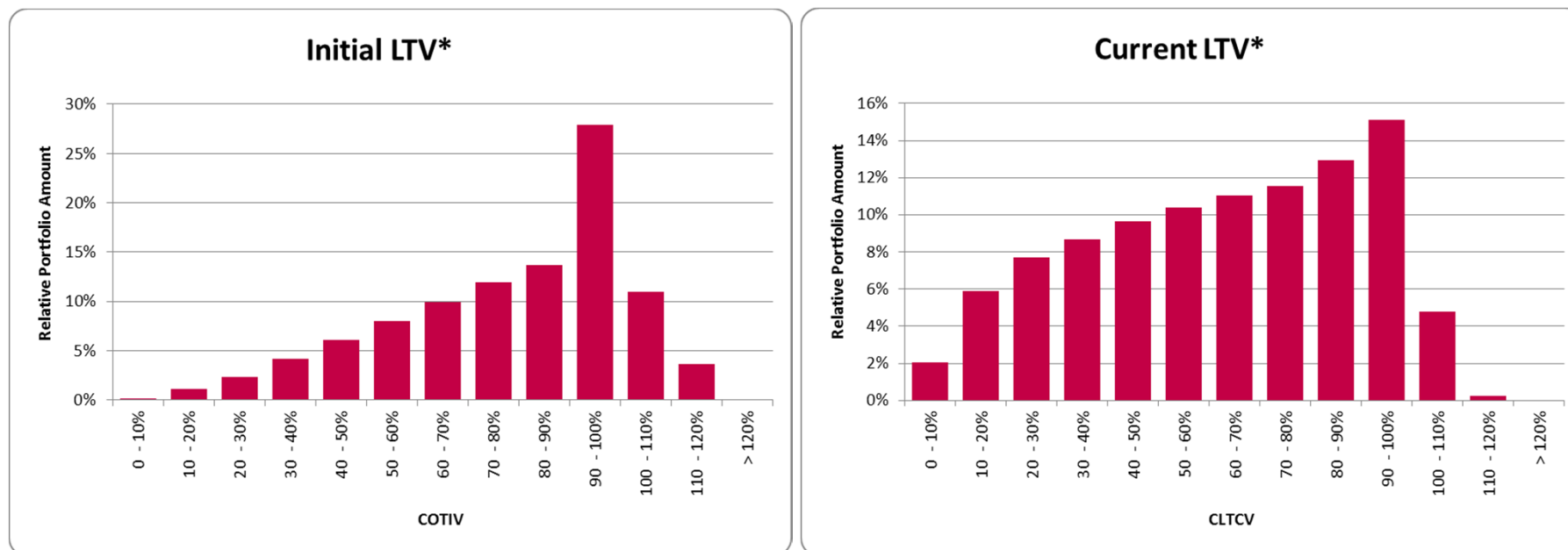
98% amortising loans, the bullet loans are mainly short term (max 2 yrs) bridge loans

Distribution per Interest Type



Description of the Cover Pool

A Prime Belgian Residential Mortgage Loan Portfolio: Characteristics



LTV is calculated at borrower level as all mortgage loans to a borrower cross-default and are cross-collateralised by all mortgaged properties.

Hence every loan of a borrower has the same LTV value.

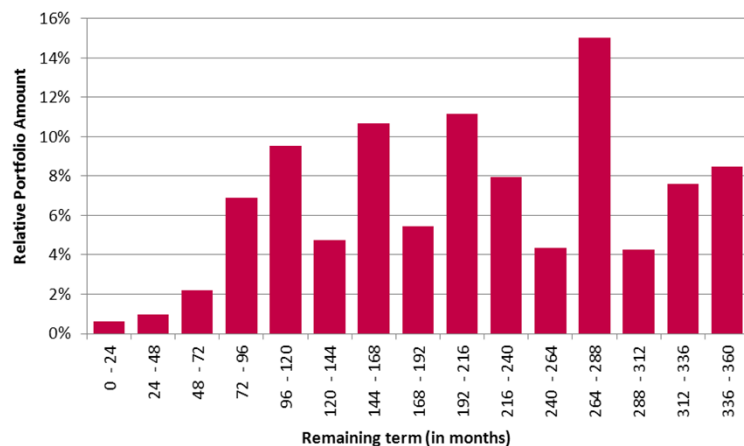
* Initial LTV: initial aggregated amount of credit openings divided by initial aggregated property values (COTIV – credit opening to initial value)

* Current LTV: outstanding aggregated loan amount divided by indexed aggregated property values (CLCTV – current loan to current value)

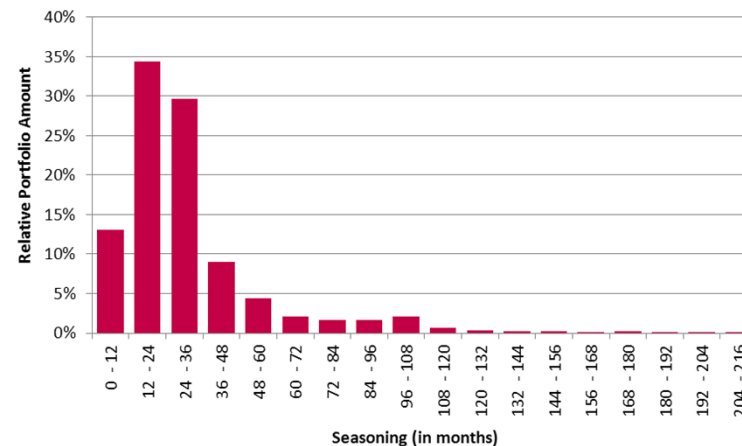
Description of the Cover Pool

A Prime Belgian Residential Mortgage Loan Portfolio: Characteristics

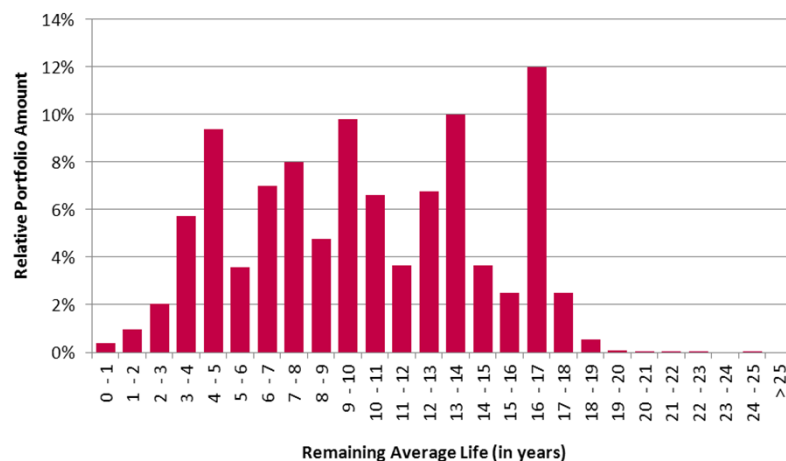
Distribution of Remaining Term to Maturity



Distribution per Seasoning

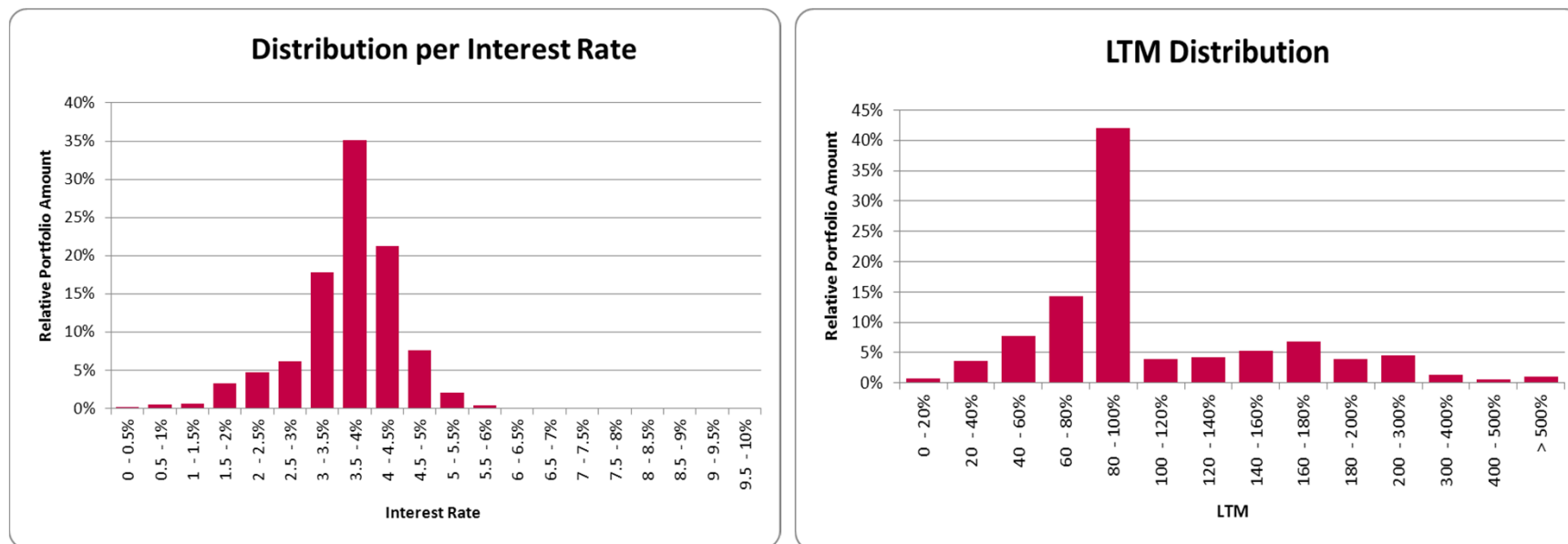


Distribution of Average Life to Maturity



Description of the Cover Pool

A Prime Belgian Residential Mortgage Loan Portfolio: Characteristics



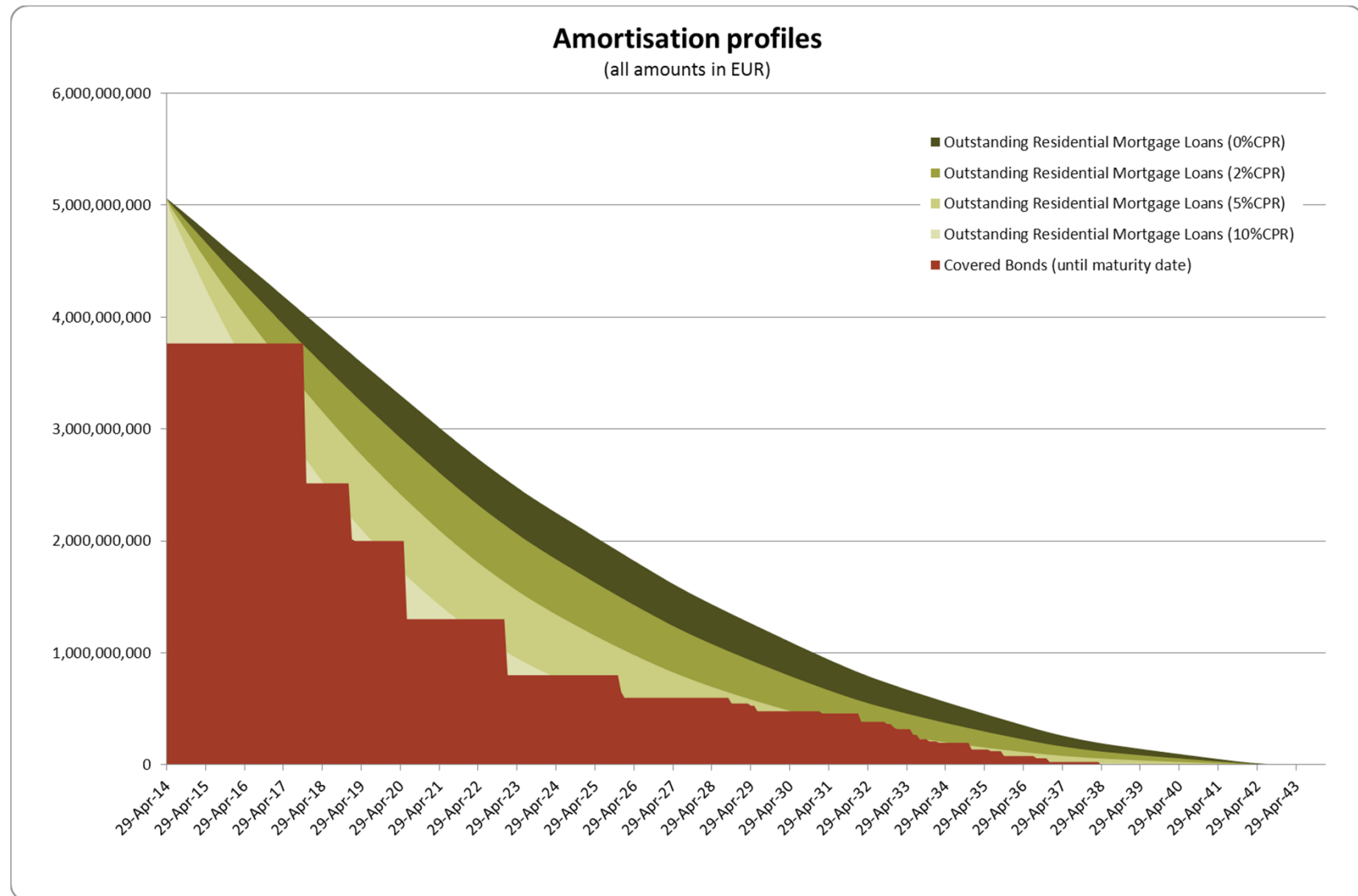
LTM = loan to mortgage inscription ratio = outstanding aggregate loan amount (per borrower) divided by the aggregate amount of mortgage inscriptions (*) over all properties.

A loan with an LTM ratio $\leq 100\%$ is fully secured by a mortgage inscription. A loan with an LTM ratio $> 100\%$ is partially secured by a mortgage inscription and partially by a mortgage mandate.

(*) Mortgage inscriptions: only first (and sequentially) ranking mortgage inscriptions are taken into account. Mortgage mandates are disregarded.

Description of the Cover Pool

A Prime Belgian Mortgage Portfolio

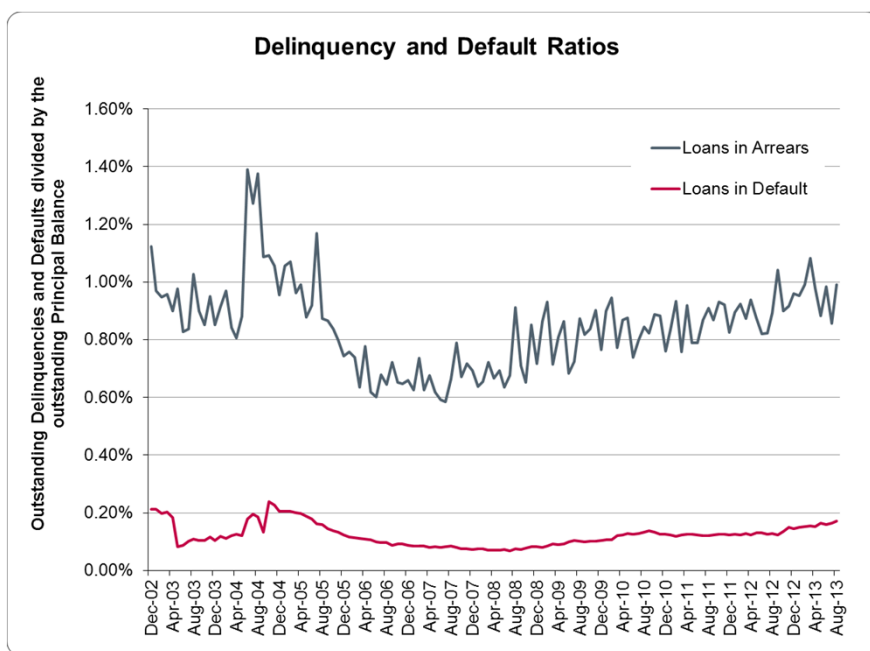


Source: Belfius Bank Mortgage Pandbrieven Investor Report – 30 April 2014

Description of the Cover Pool

Belfius General Mortgage Portfolio - Performance Indicators

- Very high credit quality of the residential mortgage loans: extremely low defaults and almost no net losses. Reasons:
 - Strong cultural focus on home ownership: “Belgians are born with a brick in the stomach”. Belgians will do everything in their power to keep the family house.
 - Conservative underwriting and origination policy
 - No real estate bubble
 - Amortizing, highly-regulated, conservative mortgage loans



Source: Belfius Bank Originated Belgian Residential Mortgage Loan Portfolio



Source: Belfius Bank Originated Belgian Residential Mortgage Loan Portfolio

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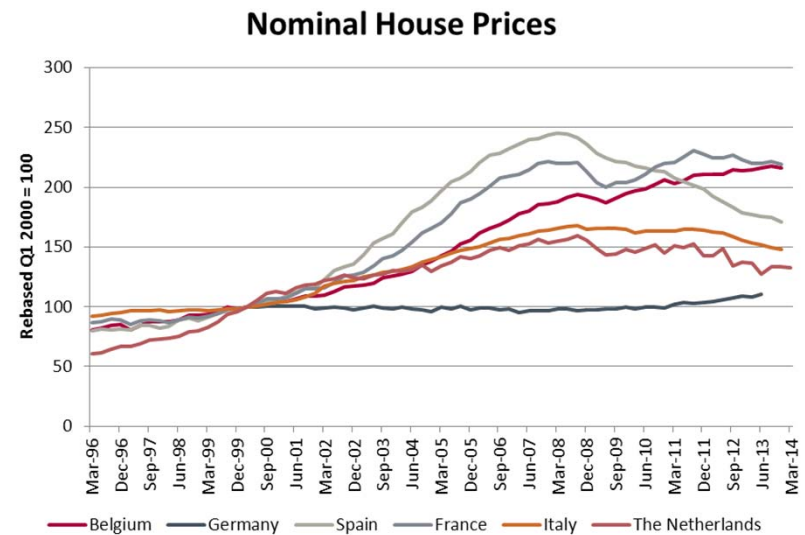
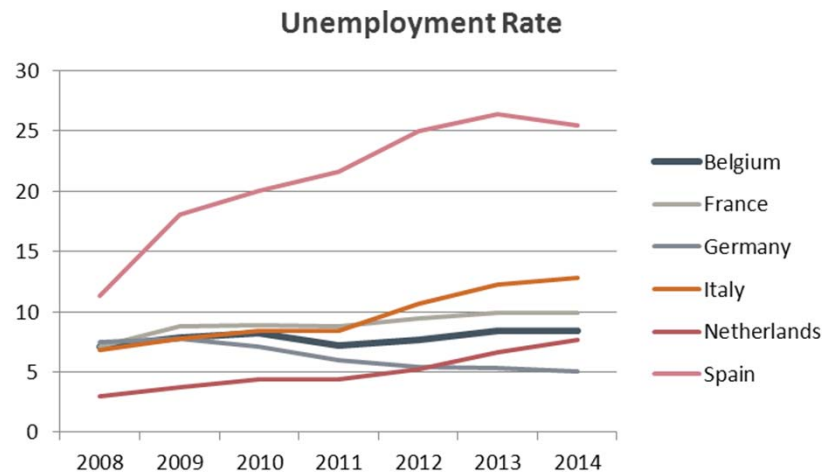
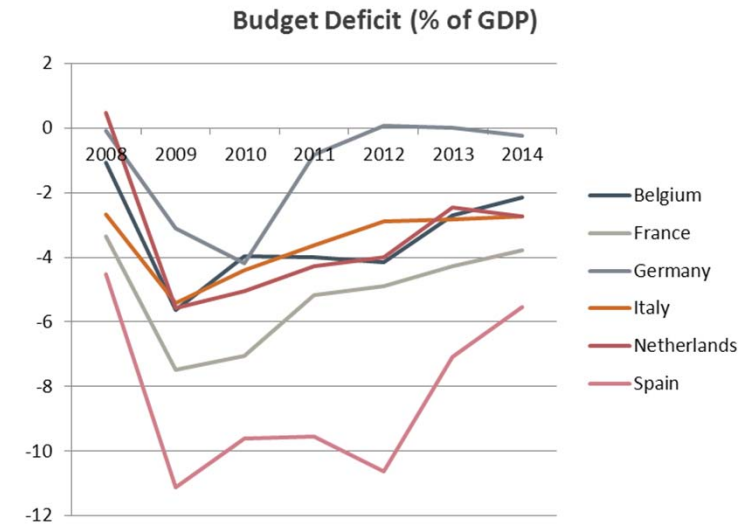
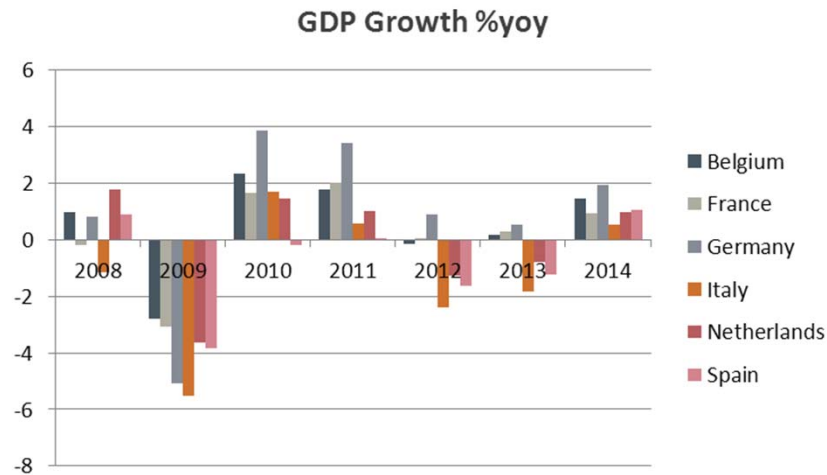
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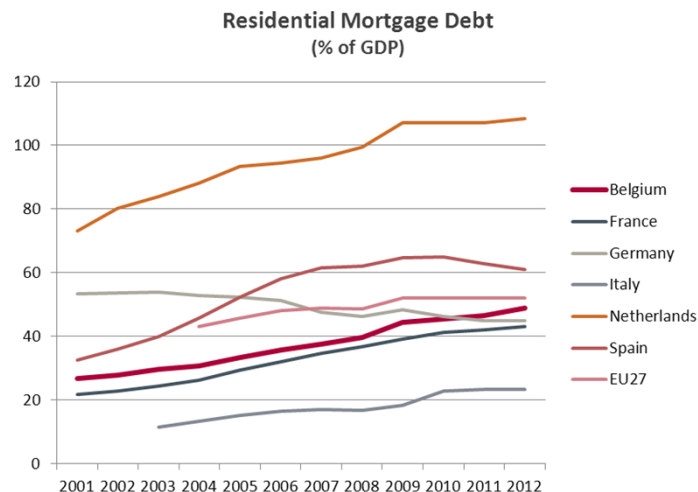
Belgium: More Resilient than its Peers



Sources: OECD Economic Outlook May 14 and EMF - Hypostat 2011

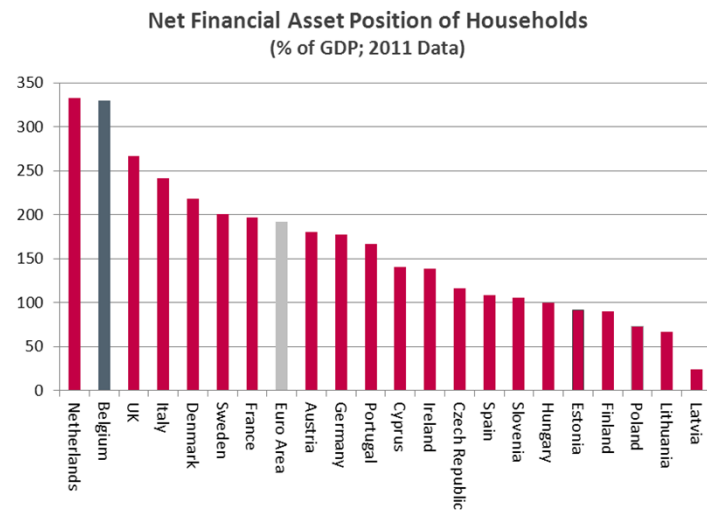
The Belgian Mortgage Market

Residential Mortgage Debt: Rising, but still Modest



Source: EMF - Hypostat 2013

- Residential mortgage debt has increased over the past decade
- but remains modest compared to peers
- Total debt of household remains also low compared to Eurozone average

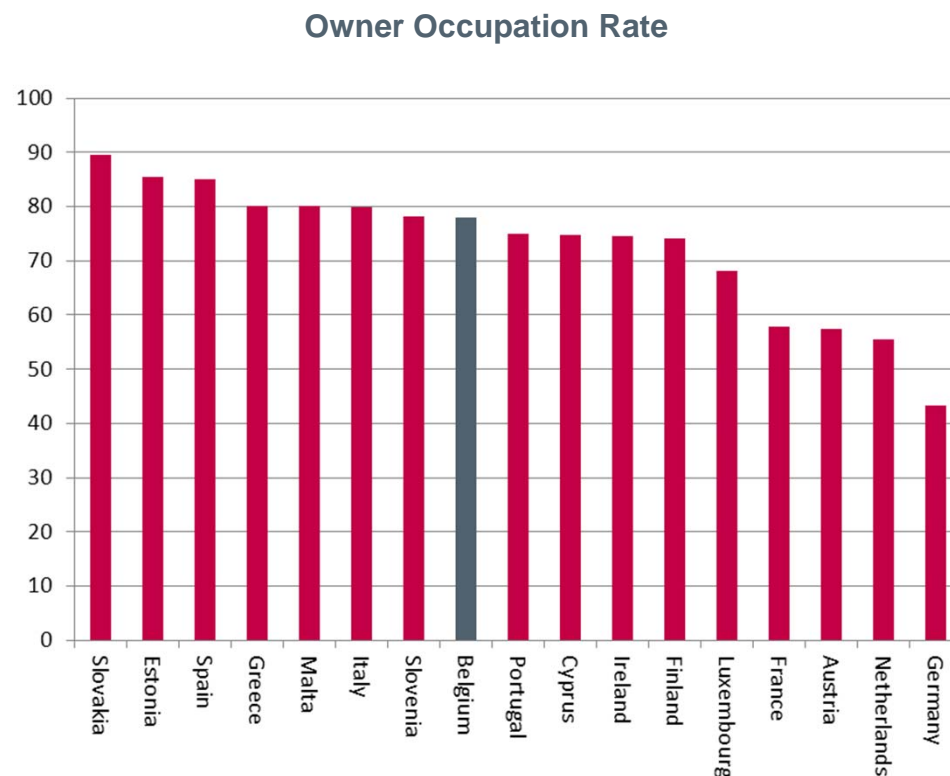


Source: Eurostat

- Belgian households have high net financial asset position
- 2nd highest position after the Netherlands
- Much higher than the Eurozone average

The Belgian Mortgage Market

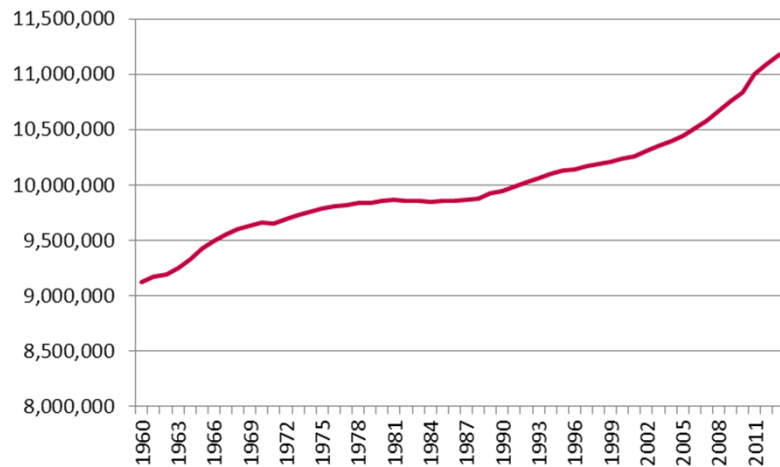
Due to its Tax System, Belgium has a Relatively High OOR



Source: EMF - Hypostat 2010 – A review of Europe's Mortgage and Housing Markets

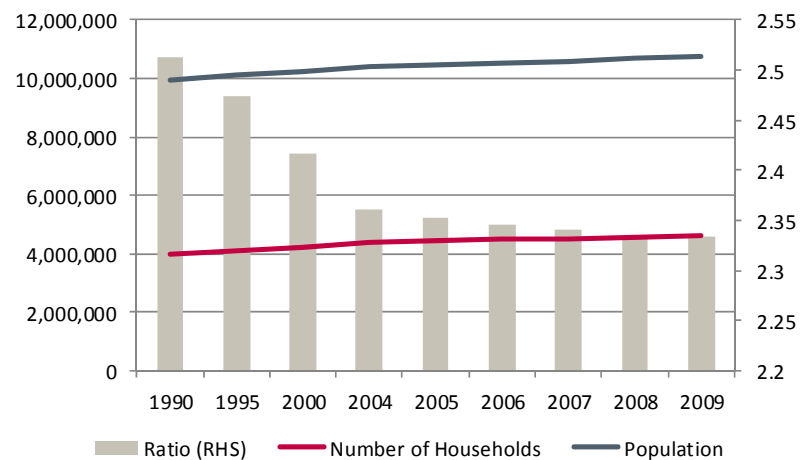
The Belgian Mortgage Market

Demographics



Source: Eurostat

- Population increased by 11% over the past 20 years
- Acceleration since 2006
- Average annual increase of 0.85%



Source: Belgostat and Eurostat

- The number of households is growing faster than population

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■ Conclusion

High quality secured instrument

Rated AAA by S&P and Fitch

Dual Recourse

- Collateralised by prime Belgian residential mortgage loans
- Full recourse against Belfius

Strong Legislation

- Strong oversight by the NBB and the cover pool monitor
- Framework of cover tests, liquidity tests and prudent valuation rules
- Enhanced by issuer covenants

Sound Economy

- Low unemployment rate (8.4%)
- Low residential mortgage debt (48.8% of GDP)
- High private savings rate of 15.2%
- Strong population growth underpins housing market

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- Residential Mortgage Loan Valuation: An Example
- Supplementary Information on Belgian Mortgage Market
- Outstanding Belfius Pandbrieven Benchmarks
- Useful Links & Contacts

■ Origination Strategy

Customer Identification

- Information on the borrower (needs, repayment capacity and credit history)
- Information on the project
- Information on insurances (hazard and life insurance)

Credit Analysis

- Property valuation (and guarantees)
- Debt to income & Loan to Value
- Income check (pay slip) and debt check (credit register of the NBB)

Decision

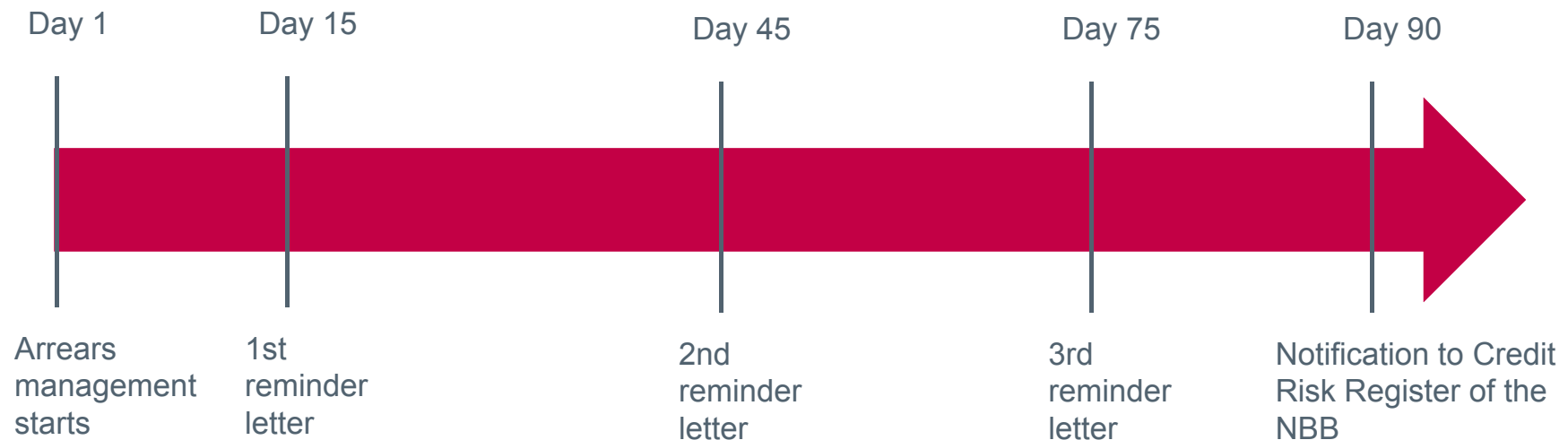
- KROK: Decision module introduced in 2009
- Analysis of Crefius (centralised decision taking)

Administration

- Written proposal sent
- Notarial deed handled by Crefius

■ Arrears Management

- The client is informed of the payment delay as of the moment a loan is 15 day delinquent for an amount of at least €12.50 (capital, interests, commissions, fees,...).
- Between the 2nd and the 3rd reminder letter, the agency is contacted with the purpose of determining the cause of the arrears and trying to find a solution.



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Residential Mortgage Loan Valuation

Example 1: Two Properties

- A borrower with an outstanding loan amount of €150,000.
- Secured by two properties:
 - Property 1: current value of €110,000 and a mortgage inscription of €110,000
 - Property 2: current value of €70,000 and a mortgage inscription of €50,000.

$$\text{LTV} = \frac{€150,000}{€110,000 + €70,000} = 83.3\%$$

$$\text{Valuation of the loan in the pool} = \text{Min. of} \left[\begin{array}{l} €150,000 \\ \text{Min of } \{80\% \times €110,000; €110,000\} \\ \quad \quad \quad + \quad \quad \quad = €88,000 \\ \text{Min of } \{80\% \times €70,000; €50,000\} \\ \quad \quad \quad = €50,000 \end{array} \right] = €138,000$$

Value of the loan in the Cover Pool is €138,000 vs. €150,000 nominal outstanding

Residential Mortgage Loan Valuation

Example 2: With a Mortgage Mandate

- A borrower with an outstanding loan amount of €200,000.
- Secured by one property:
 - current value of €280,000
 - mortgage inscription of €100,000
 - mortgage mandate of €110,000

$$\text{LTV} = \frac{€200,000}{€280,000} = 71.4\%$$

$$\text{Valuation of the loan in the pool} = \text{Min. of} \left[\begin{array}{l} €200,000 \\ \text{Min of} \\ \begin{array}{ll} \text{▪ } 80\% \times €280,000 & = €224,000 \\ \text{▪ } €100,000 + €110,000 & = €210,000 \\ \text{▪ } €100,000 / 0.6 & = €166,667 \end{array} \end{array} \right] = €166,667$$

Value of the loan in the Cover Pool is €166,667 vs. €200,000 nominal outstanding

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Tax System on Housing

- In 2004, the federal government announced a **tax amnesty** for money hidden abroad.
 - Money could be regulated by paying a fee of 9%
 - The fee was lowered to 6% if the money was reinvested in the purchase, construction or renovation of real estate⁽¹⁾
 - The flow of money reinvested in Belgian real estate led to a surge in house prices in 2004-2005.
- In 2005, the federal government introduced a **new living bonus**.
 - Under the old system mortgage interest payments were deductible and capital redemptions could lead to a tax reduction
 - From 2005, interest payments, capital redemptions and debt insurance payments were **all** deductible
 - Up to €2,260⁽²⁾ per person per year
 - Plus €750⁽²⁾ in the first ten years of the mortgage
 - The new system led to an increase in debt financing for real estate purchases

(1) Certain other investments also led to a reduced fee.

(2) Amount for the fiscal year 2013.

Tax System on Housing

Registration Taxes

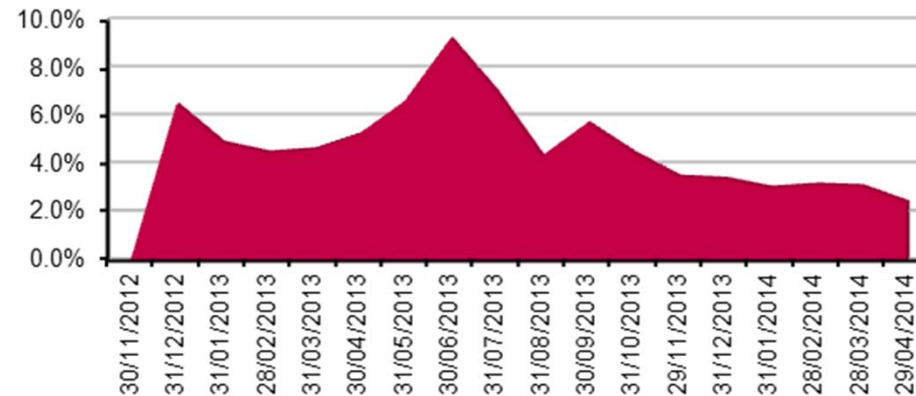
- Belgium has a system of high registration taxes on the purchase of a real estate property
- Though these registration taxes are now portable in the Flanders region, the turnover on the Belgian residential real estate market remains quite low compared to other countries.

- Two levels of registration taxes
 - On purchase: Different in each region
 - Flanders: 10% of sale value (first €15,000 not taxed); portable
 - Brussels: 12.5% of sale value (first €60,000 not taxed); non-portable
 - Wallonia: 12.5% of sale value; non-portable
 - On mortgage registration: 1% of mortgage amount
- => This explains the existence of the mortgage mandate

■ Description of the Cover Pool

Prepayments can be sizeable

Prepayment History (annualised CPR)



Source: Belfius Bank Mortgage Pandbrieven Investor Report – 30 April 2014

- The law limits the prepayment penalty to 3 months of interest payments on the prepaid amount.

Mortgage Mandates

A Belgian Particularity

- Mortgages are expensive in Belgium, because mortgage registration fees need to be paid. In order to reduce mortgage registration fees, a **mortgage mandate** is used.
- A mortgage mandate is an agreement between the borrower and a proxy whereby the borrower gives the proxy **an irrevocable option to unilaterally** (no further involvement of the borrower required) **create a mortgage** on a predefined property in favour of the lender and this up to a certain predefined amount. This mandate can be exercised at any time.
- It is market practice in Belgium to grant a residential mortgage loan partially covered by a mortgage (frequently up to the maximum tax benefit) and partially by a mandate. This way the borrower avoids part of the mortgage registration fees it needs to pay.

■ Appendices

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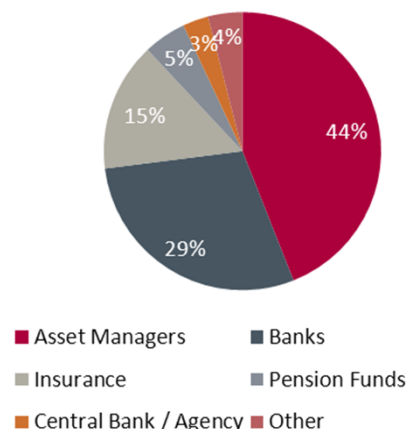
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Appendices

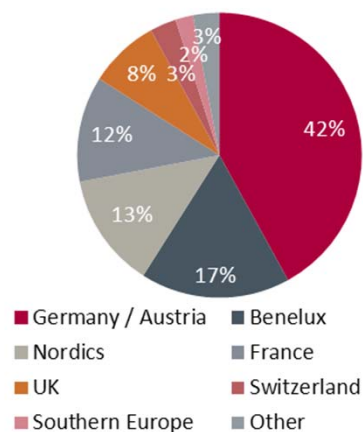
- Origination Strategy and Arrears Management
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- Outstanding Belfius Pandbrieven Benchmarks
- Useful Links & Contacts

■ Inaugural 5 year Pandbrief (€1.25bn)

By Investor Type



By Geography



TRANSACTION RELEASE

Belfius Bank successfully priced its inaugural Euro Mortgage Pandbrievien

Brussels, November 19th 2012.

Belfius Bank SA/NV ("Belfius") launched today a highly successful Mortgage Pandbrievien benchmark issuance in Euro, the first Belgian Pandbrievien issue under the recently implemented Belgian covered bond framework. It is also the inaugural benchmark bond issuance from Belfius.

The EUR 1.25 billion notes will mature on November 27th 2017 and bear a coupon of 1.25 % per annum payable annually. Pricing was at a reoffer spread over euro mid swaps of 45 basis points (eq. Bund 4.25% 07/17 + 102.2 bps).

Joint bookrunners were Belfius, Deutsche Bank, HSBC, Natixis, Nomura and Rabobank.

The Belgian Covered Bond law entered into force on August 3rd, 2012. Belfius Bank's Pandbrievien Programme was signed on November 8th 2012 and the next day Belfius publicly announced its intention to launch an inaugural issue backed by Belgian residential mortgages. This follows an extensive communication process followed by an investor's global conference hosted on Tuesday 13th November 2012.

The issuance was extremely well received as it offers geographical diversification to covered bond investors, Belgium being the latest European country to adopt a covered bond legislation. The notes are rated AAA/AAA by S&P and Fitch and are UCITS and CRD compliant and bear a 10% risk weight for investors.

Today's issue successfully opens the Belgian covered bond market and further strengthens Belfius' name and credit story in the bond markets as a leading issuer in the Belgian market.

Distribution

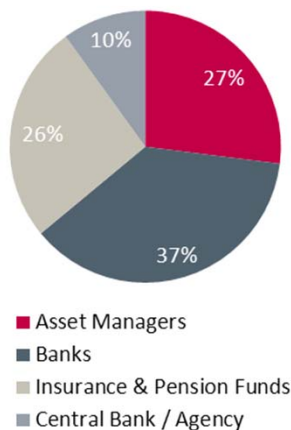
The orderbook reached EUR 5.6 billion with 197 investors involved, establishing Belfius' name in the covered bond market and highlighting investors' appetite for its securities. This is one of the largest orderbooks seen this year for a Euro covered bond.

Geographical distribution was well spread across Europe, with Germany & Austria representing the bulk of allocations (42%), followed by Benelux (17%), Nordics (13%), France (12%), UK (8%), Switzerland (3%), Southern Europe (2%), others (3%).

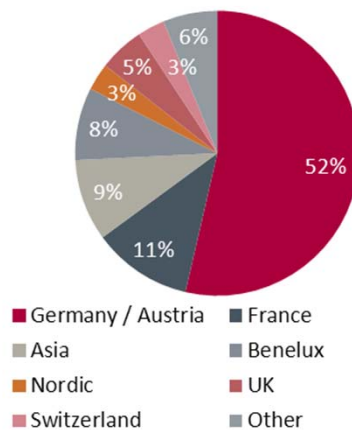
Gathering 44% of total allocations, asset managers were the most active investors, followed by banks (29%), insurance companies (15%), pension funds (5%), central banks/official institutions (3%), others (4%).

10 year Pandbrief (€500mn)

By Investor Type



By Geography



TRANSACTION RELEASE

Belfius Bank successfully announced and priced its second benchmark Mortgage Pandbrieven issue with a maturity of 10 year, after an inaugural 5-year deal in November last year.

Brussels, 21 January 2013

Belfius Bank SA/NV ("Belfius") launched today a second highly successful Mortgage Pandbrieven benchmark issuance in Euro. The EUR 500 million notes with a maturity of 10 year bear an annual coupon of 2.125%. Pricing was at a reoffer spread over euro mid swaps of 40 basis points (eq. 10Y Bund + 57 bps and 10Y OLO - 19 bps).

The success of the transaction and its strong oversubscription ratio attest of the appetite of investors for the quality of the Belfius signature and the strength of the Belgian Mortgage Pandbrieven framework and reaffirm the position of Belfius as leading issuer in the Belgian market.

Joint bookrunners were Credit Suisse, JP Morgan, Natixis, Unicredit (HVB) and Belfius.

Distribution

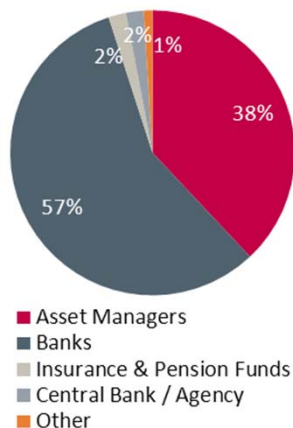
The building process of the book was quick and strong. Total amount of registered orders exceeded EUR 2.4 billion, leading to an oversubscription ratio of almost 5, with 122 investors involved.

Geographically, German and Austrian investors took the lead with 52% of the allocated amount. Other investors came from France (11%), Asia (9%), Benelux (8%), United Kingdom (5%) and Switzerland (3%).

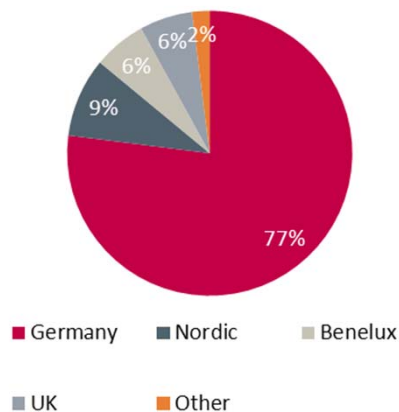
Banks drove the transaction by type of investors with 37% of the deal. They were followed by asset managers (27%), insurance & pension funds (26%) and central banks & agencies (10%).

■ 7 year Pandbrief (500mn)

By Investor Type



By Geography



TRANSACTION RELEASE

Belfius Bank successfully announced and priced its third benchmark Mortgage Pandbrieven issue with a maturity of 7 year.

Brussels, 28 May 2013

Belfius Bank SA/NV ("Belfius") launched a third successful Mortgage Pandbrieven benchmark issuance in Euro. The EUR 500 million notes with a maturity of 7 year bear an annual coupon of 1.375%. The issue was priced at the tight end of the spread guidance at a reoffer spread over euro mid swaps of 17 basis points (eq. Bund DBR 3.25% 01/20 + 65.6 bps and interpolated OLO -2 bps).

With this third Mortgage Pandbrieven issue Belfius was able to gather solid interest from investors and to benefit from the current favourable market conditions.

The success of the transaction demonstrates again the interest of investors for the quality of the Belfius signature and the strength of the Belgian Mortgage Pandbrieven framework and reaffirms the position of Belfius as leading issuer in the Belgian market.

Joint bookrunners were Barclays, LBBW, Société Générale CIB, UBS and Belfius.

Distribution

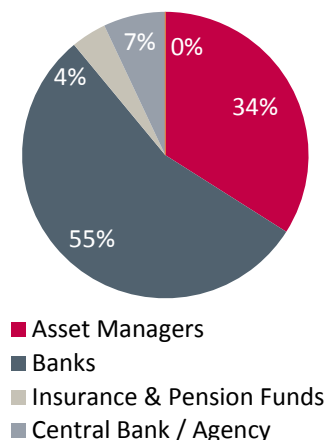
The building process of the oversubscribed book was fluent with more than 60 investors involved.

Geographically, German investors took the lead with 77% of the allocated amount. Other investors came from Nordics (9%), Benelux (6%) and United Kingdom (6%).

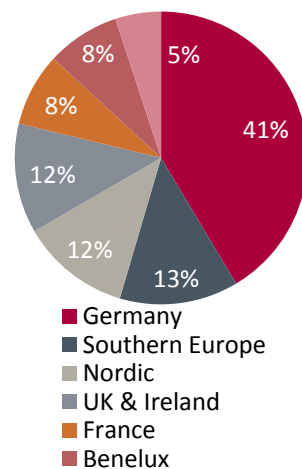
Banks drove the transaction by type of investors with 57% of the deal. They were followed by asset managers (36%) and central banks & agencies (2%) and insurance (2%).

5 year Pandbrief (€500mn)

By Investor Type



By Geography



TRANSACTION RELEASE

Belfius Bank successfully priced its fourth benchmark Mortgage Pandbrieven issue.

Brussels, 21 January 2014

Belfius Bank SA/NV ("Belfius") launched today another successful Mortgage Pandbrieven benchmark issuance in Euro, with a maturity of 5 year. Due to the solid demand, Belfius was able to price the issue at the tighter end of the pricing range, at a reoffer spread over euro mid swaps of 13 basis points (eq. Bund DBR 09.19+ 43.8 bps and interpolated OLO + 8.4 bps). The EUR 500 million notes bear an annual coupon of 1.25%.

This successful transaction demonstrates once again the investor's confidence in Belfius as well as the legislative framework of the Belgian Mortgage Pandbrieven.

Joint bookrunners were Bank of America Merrill Lynch, Commerzbank, Crédit Agricole CIB, Nordea and Belfius.

Distribution

In terms of geographical distribution, the lion share went to German investors (41%), followed by Southern Europe (13%), the Nordic countries (12%), UK & Ireland (12%), France (8%) and Benelux (8%).

The transaction successfully attracted real-money investors. Banks were with 55 % the largest subscribers of the issue, followed by Asset Managers (34%), Central Banks (7%) and Pension and Insurance (4%).

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Useful Links

Belfius Bank website for information on the programme:

www.belfius.be → choose Dutch or French → choose the tab Financial Com (information in English) → Debt: Prospectus, Investor presentation, Rating agency reports and updates, Investor reporting
Direct link → <https://www.belfius.be/financial/NL/Debt/index.aspx>

Legislation:

Covered Bond Law → <http://www.ejustice.just.fgov.be> (Dutch and French versions)

Mobilisation Law → <http://www.ejustice.just.fgov.be> (Dutch and French versions)

Royal Decree on the issuance of covered bonds by Belgian credit institutions:

→ http://www.nbb.be/doc/cp/nl/aboutcbfa/wg/pdf/rd_11-10-2012a.pdf (Dutch and French versions)

Royal Decree on the role of the cover pool administrator:

→ http://www.nbb.be/doc/cp/nl/aboutcbfa/wg/pdf/rd_11-10-2012b.pdf (Dutch and French versions)

NBB Regulation on the practical rules:

→ Dutch version: http://www.nbb.be/doc/cp/nl/ki/circ/pdf/NBB_2012_10_12.pdf

→ French version: http://www.nbb.be/doc/cp/fr/ki/circ/pdf/NBB_2012_10_12.pdf

NBB Regulation on the role of the cover pool monitor:

→ Dutch version: http://www.nbb.be/doc/cp/nl/ki/circ/pdf/NBB_2012_13.pdf

→ French version: http://www.nbb.be/doc/cp/fr/ki/circ/pdf/NBB_2012_13.pdf

The lists published by the NBB can be found on:

Credit Institutions authorized to issue Belgian covered bonds

→ Dutch version: <http://www.nbb.be/pub/cp/domains/ki/li/covered-bonds-institutions.htm?l=nl>

→ French version: <http://www.nbb.be/pub/cp/domains/ki/li/covered-bonds-institutions.htm?l=fr>

Covered bond issuances carried out by the credit institutions

→ Dutch version: <http://www.nbb.be/pub/cp/domains/ki/li/covered-bonds-emission.htm?l=nl>

→ French version: <http://www.nbb.be/pub/cp/domains/ki/li/covered-bonds-emission.htm?l=fr>

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