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Transaction Release

Successful inaugural Non-Preferred Senior benchmark transaction for Belfius Bank

Brussels, 5 September 2017

After the release of its excellent 1H 2017 results, Belfius Bank SA/NV ("Belfius") announced on 4 September, 2017, that Belfius, Crédit Agricole CIB, Deutsche Bank, Morgan Stanley and SGCIB were mandated for an inaugural Non-Preferred Senior issue of Belfius Bank.

Reacting on constructive interest and positive market tone, Belfius launched today its inaugural Non-Preferred Senior benchmark issue. Belfius is the first Belgian bank to issue instruments in the newly created format.

This transaction was highly successful. In a constructive market environment, the book building was fast and fluent, demonstrating the interest of the investors for Belfius. Around 150 good quality accounts subscribed the transaction, resulting in a well diversified and granular final book of EUR 2.3 billion.

The EUR 750 million notes, with a maturity of 5 years, bear an annual coupon of 0.75%. This issue was priced at the tight end of the spread guidance at a re-offer spread over euro mid swaps of 62 basis points.

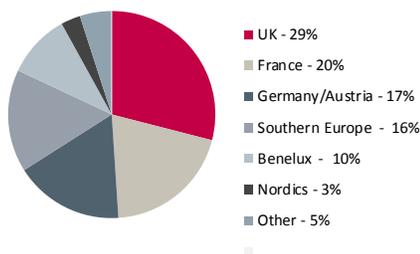
The Non-Preferred Senior instruments enable the European banks to increase their loss absorption capacity, and contribute to the Minimum Requirement for own funds and Eligible Liabilities (MREL) ratio of the issuers. The law allowing the issuance of Non-Preferred Senior has been enacted on 31 July, 2017 in Belgium. This Belgian law follows similar French and Spanish laws.

This transaction contributes to the expected MREL of Belfius. The success of this issue demonstrates again the market access of Belfius through several types of instruments: covered bonds, senior unsecured notes, Tier 2 and now also through the newly created Non-Preferred Senior instruments. Additionally, this transaction fits well within the strategy of diversification of funding sources and investor base.

Joint bookrunners were Belfius, Crédit Agricole CIB, Deutsche Bank, Morgan Stanley and SGCIB.

Distribution

Geographical distribution



Distribution by investor type



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