

Final Terms dated 31 May 2017

Belfius Financing Company SA

Issue of Belfius Financing Company (LU) Digital Economy Switchable Notes 07/2023
Guaranteed by Belfius Bank SA/NV
under the

Belfius Financing Company SA

and

Belfius Bank SA/NV

Notes Issuance Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Base Prospectus dated 27 September 2016, which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”). **This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus and any supplement thereto.** These Final Terms and the Base Prospectus together constitute the Programme for the Tranche. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for inspection at the office of the Guarantor, the office of the Issuer and the website www.belfius.be. A summary of the offer of the Notes is provided in an annex to the Final Terms.

1	(i)	Issuer:	Belfius Financing Company SA
	(ii)	Guarantor:	Belfius Bank SA/NV
	(iii)	Calculation Agent:	Belfius Bank SA/NV
2	(i)	Series Number:	622
	(ii)	Tranche Number:	1
3		Specified Currency or Currencies:	EUR
4		Maximum Amount:	
	(i)	Series:	Not Applicable
	(ii)	Tranche:	Not Applicable
5		Minimum Amount:	
	(i)	Series:	EUR 3,000,000
	(ii)	Tranche:	Not Applicable
6		Offering Period:	From 1 June 2017 until 2 July 2017 (21:00 Brussels time, except in case of early closing)
7		Issue Price:	100 per cent.

8	Brokerage Fee:	2.50 per cent.
9	Denominations:	EUR 1,000
10	Issue Date:	7 July 2017
11	Maturity Date:	7 July 2023
12	Interest Basis:	Variable Linked Rate (further particulars specified below)
13	Redemption/Payment Basis:	Variable Linked Redemption (further particulars specified below)
14	Change of Interest or Redemption/Payment Basis:	Not Applicable
15	Call Options:	Not Applicable
16	Mandatory Early Redemption:	Not Applicable
17	(i) Status of the Notes:	Senior Notes
18	Date Board approval for issuance of Notes obtained:	2 September 2016
19	Form of Notes:	Bearer Notes
20	New Global Note:	Not Applicable

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

21	Fixed Rate Note Provisions	Not Applicable
22	Floating Rate Note Provisions	Not Applicable
23	Zero Coupon Note Provisions	Not Applicable
24	Variable Linked Rate Note Provisions	Applicable (Category A. Structures with a periodic payment, prospectus pages 83)

$[(\text{Participation Rate}_i \times \max(X\%_i, \min(\text{Performance}_i, Y\%_i))) + \text{Bonus}_i] \times \text{Denomination}$

(i) Underlying: Share Index

(ii) Variable Linked Rate:

1) Periods : 2 [$i = 5$ to 6]

2) Underlying: Not Applicable

3) Performance: Not Applicable

4) Not Applicable

5) Condition is Applicable to Bonus_i and $\text{Participation Rate}_i$

6) $\text{Bonus}_5 = 10\%$ if the Issuer decides to switch to a fix paying note (with 10 Business Days notice) in 2022 otherwise $\text{Bonus}_5 = 0\%$; $\text{Bonus}_6 = 0\%$

7) $\text{Participation Rate}_i = 100\%$ the Issuer decides to switch to a fix paying note in 2022; otherwise $\text{Participation Rate}_i = 0\%$

8) $X\%_i = 2.50\%$

9) $Y\%_i = 2.50\%$

10) 30/360

By applying the components above, to the Formula mentioned above, the Variable Linked Rate Amount_i shall be calculated by applying the following formula:

Denomination x [(Participation Rate_i x 2.50%) + Bonus_i]

- (iii) Interest Payment Date(s): 7 July 2022 (i = 5) and 7 July 2023 (i = 6), subject to adjustment in accordance with the Business Day Convention
- (iv) Business Days: TARGET
- (v) Business Day Convention: Following

PROVISIONS RELATING TO REDEMPTION

- 25 Call Option Not Applicable
- 26 Mandatory Early Redemption Not Applicable
- 27 Redemption Amount(s) of each Note

Variable Linked Redemption

- (i) Underlying: Share Index
- (ii) Variable Linked Redemption Amount: Category A (prospectus pages 83)

$$Denomination + [Denomination \times (Participation Rate_6 \times \max(X\%_6, \min(Performance_6, Y\%_6)) + Bonus_6)]$$

- 1) Periods : 1 [i = 6]
- 2) Underlying : Solactive Digital Economy Index
- 3) Performance₆ will be $\frac{Final Price_6 - Initial Price}{Initial Price}$ (Subdivision 3.c) is applicable), no reset for the Initial Price
- 4) Not applicable
- 5) Condition is activated in respect of the Participation Rate₆
- 6) Bonus₆ = 0%
- 7) Participation Rate₆ = 100% if not switched to a fix paying note in 2022
Otherwise, the Participation Rate₆ shall be 0%
- 8) X%₆ = 0%
- 9) Not Applicable
- 10) no Daycount

By applying the components above, to the Formula mentioned above, the Variable Linked Redemption Amount shall be calculated by applying the following formula:

$$Denomination + \left[Denomination \times \left(Participation Rate_6 \times \max \left(0\% , \left(\frac{Final Price_6 - Initial Price}{Initial Price} \right) \right) \right) \right]$$

- (iii) Business Days: TARGET
- (iv) Business Day Convention: Following
- (v) Initial Averaging: Not Applicable
- (vi) Averaging: Applicable
- (i) Averaging Dates: 07/07/2022 07/08/2022 07/09/2022 07/10/2022
07/11/2022 07/12/2022 07/01/2023 07/02/2023
07/03/2023 07/04/2023 07/05/2025 07/06/2023
23/06/2023
- 28 Partial Redemption: Not Applicable

VARIABLE LINKED PROVISIONS

(i) Index:	Solactive Digital Economy Index (Bloomberg Code : SOLDIGIT)
(ii) Exchange:	Multiple Exchange
(iii) Related Exchange:	All Exchanges
(iv) Valuation Date(s):	The Final Averaging Date
(v) Initial Valuation Date:	7 July 2017

DISTRIBUTION

Dealer(s):	Belfius Bank SA/NV
Selling fees:	Not Applicable
Additional selling restrictions:	Not Applicable

OPERATIONAL INFORMATION

ISIN Code:	XS1623357586
Common Code:	162335758
Clearing System(s):	Euroclear / Clearstream
Principal Paying Agent:	Banque Internationale à Luxembourg, SA
Paying Agent:	Belfius Bank SA / NV

SECONDARY MARKET

Applicable	
Maximum Spread:	Conform to the market conditions
Maximum Commission:	0.60 per cent.
Maximum Exit Penalty:	3.00 per cent.

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By:.....

Duly authorised

Signed on behalf of the Guarantor:

By:.....

Duly authorised

PART B – OTHER INFORMATION

RISK INDICATOR

In order to increase the transparency of the risks involved in investment products, Belfius Bank SA/NV has developed a synthetic risk indicator through a scale going from 0 (lowest risk) to 6 (highest risk). The exact risk level for any investment product is determined in function of following criteria: the degree to which capital will be refunded at maturity, term of the relevant Note, type of return (distribution or capitalisation), credit risk and complexity (Underlying and strategy). Other important criteria, such as the liquidity risk of Belfius Bank SA/NV and the market risk, are not taken into account.

Risk Level: 3

SIMULATIONS AND INTERNAL RATE OF RETURN

Simulation without brokerage fees

If the Note is switched to a fixed rate Note after 5 years, the gross IRR is equal to 2.40% and the net IRR 1.70%. Otherwise

Case 1: Final Price in 2023 is 70% of the Initial Price				Case 2: Final Price in 2023 is 95% of the Initial Price			
Maturity Date	Final Price is 70% of the Initial Price	Variable Amount	Variable Linked Redemption Amount on Maturity Date	Maturity Date	Final Price is 95% of the Initial Price	Variable Amount	Variable Linked Redemption Amount on Maturity Date
07/07/2023	<100%	0.0%	100.00	07/07/2023	<100%	0.0%	100.00
Coupon	no coupon			Coupon	no coupon		
Gross IRR	0.00%			Gross IRR	0.00%		
Net IRR	0.00%			Net IRR	0.00%		

Case 3: Final Price in 2023 is 110% of the Initial Price				Case 4: Final Price in 2023 is 150% of the Initial Price			
Maturity Date	Final Price is 110% of the Initial Price	Variable Amount	Variable Linked Redemption Amount on Maturity Date	Maturity Date	Final Price is 150% of the Initial Price	Variable Amount	Variable Linked Redemption Amount on Maturity Date
07/07/2023	>=100%	10.0%	110.00	07/07/2023	>=100%	50.0%	150.00
Coupon	no coupon			Coupon	no coupon		
Gross IRR	1.60%			Gross IRR	6.99%		
Net IRR	1.13%			Net IRR	5.13%		

Simulation with brokerage fees

If the Note is switched to a fixed rate Note after 5 years, the gross IRR is equal to 1.97% and the net IRR 1.28%. Otherwise

Case 1: Final Price in 2023 is 70% of the Initial Price				Case 2: Final Price in 2023 is 95% of the Initial Price			
Maturity Date	Final Price is 70% of the Initial Price	Variable Amount	Variable Linked Redemption Amount on Maturity Date	Maturity Date	Final Price is 95% of the Initial Price	Variable Amount	Variable Linked Redemption Amount on Maturity Date
07/07/2023	<100%	0.00%	100.00	07/07/2023	<100%	0.00%	100.00
Coupon	no coupon			Coupon	no coupon		
Gross IRR	-0.41%			Gross IRR	-0.41%		
Net IRR	-0.41%			Net IRR	-0.41%		

Case 3: Final Price in 2023 is 110% of the Initial Price				Case 4: Final Price in 2023 is 150% of the Initial Price			
Maturity Date	Final Price is 110% of the Initial Price	Variable Amount	Variable Linked Redemption Amount on Maturity Date	Maturity Date	Final Price is 150% of the Initial Price	Variable Amount	Variable Linked Redemption Amount on Maturity Date
07/07/2023	>=100%	10.00%	110.00	07/07/2023	>=100%	50.00%	150.00
Coupon	no coupon			Coupon	no coupon		
Gross IRR	1.18%			Gross IRR	6.55%		
Net IRR	0.72%			Net IRR	4.70%		

IRR: The internal rate of return is a rate of return used to measure the profitability of an investment: it is the annualized effective compounded return rate that makes the net present value of all cash flows from a particular investment equal to zero. These simulations are fictitious examples and by no means represent reliable indicators. The Net IRR simulations are based upon the current withholding tax of 30%.

OTHER INFORMATION



Evolution of the Index (Last price as of May 24, 2017 13h05)

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