



**Statement of cash flows for the year ended December 31, 2015  
and report of the Réviseur d'Entreprises Agréé in accordance  
with International Standard on Auditing 805**

19, Rue Eugène Ruppert  
L-2453 Luxembourg  
R.C.S. Luxembourg : B 24 784

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To the Management of  
BNP Paribas Fortis Funding S.A.  
19, Rue Eugène Ruppert  
L-2453 Luxembourg

## **REPORT OF THE REVISEUR D'ENTREPRISES AGREE IN ACCORDANCE WITH INTERNATIONAL STANDARD ON AUDITING 805**

We have audited the accompanying statement of cash flows of BNP Paribas Fortis Funding S.A. for the year ended December 31, 2015 and other explanatory information (together “the financial information”). The financial information has been prepared by management using the basis of accounting described in Note 1.

### *Responsibility of the management for the financial information*

Management is responsible for the preparation and fair presentation of this financial information in accordance with the basis of accounting described in Note 1; this includes determining that such basis of accounting is an acceptable basis for the preparation of the financial information in the circumstances, and for such internal control as management determines is necessary to enable the preparation of the financial information that is free from material misstatement, whether due to fraud or error.

### *Responsibility of the réviseur d'entreprises agréé*

Our responsibility is to express an opinion on this financial information based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier*. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial information are free from material misstatement.

# Deloitte.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial information. The procedures selected depend on the *réviseur d'entreprises agréé*'s judgement, including the assessment of the risks of material misstatement of the financial information, whether due to fraud or error. In making those risk assessments, the *réviseur d'entreprises agréé* considers internal control relevant to the entity's preparation and fair presentation of the financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial information.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

## *Opinion*

In our opinion, the financial information presents fairly in all material respects of the statement of cash flows of BNP Paribas Fortis Funding S.A. for the year ended December 31, 2015 in accordance with the basis of accounting described in Note 1.

## *Basis of accounting*

Without modifying our opinion, we draw attention to Note 1 to the financial information, which describes the basis of accounting. The financial information is prepared for the use of BNP Paribas Fortis Funding S.A. in the process of obtaining the approval of the *Commission de Surveillance du Secteur Financier* on the prospectus to be submitted. As a result, the statement of cash flows may not be suitable for another purpose.

For Deloitte Audit, *Cabinet de révision agréé*



Olivier Lefèvre, *Réviseur d'entreprises agréé*  
Partner

Luxembourg, May 13, 2016

# Statement of cash flows for the year ended December 31, 2015

2015

## CASH FLOWS FROM OPERATING ACTIVITY

<b>Profit before taxation (I)</b>	999.037
Depreciation and amortisation	7.308.377
Amortisation issue premiums and option premium paid and received	(7.093.989)
Other changes including unrealised foreign exchange gains / losses	6.590.711
<b>Total non monetary adjustments (II)</b>	<b>6.805.099</b>
(Increase)/Decrease commercial papers - Assets	175.415.259
Increase/(Decrease) commercial papers - Liabilities	(175.415.259)
Increase of long term loans to affiliated undertakings	(660.002.056)
Redemption of long term loans to affiliated undertakings	812.642.110
Issuance of bonds	645.921.317
Redemption of bonds	(805.115.369)
<b>Net variance of the operating assets and liabilities (III)</b>	<b>(6.553.998)</b>
<b>Tax paid (IV)</b>	<b>(354.634)</b>
<b>TOTAL CASH FLOWS FROM OPERATING ACTIVITY (A) = (I) + (II) + (III) + (IV)</b>	<b>895.504</b>

## CASH FLOWS FROM INVESTING ACTIVITY

**TOTAL CASH FLOWS FROM INVESTING ACTIVITY (B)** **0**

## CASH FLOWS FROM FINANCING ACTIVITY

Cash flows in relation to the shareholders (dividends paid) (1.780.000)  
**TOTAL CASH FLOWS USED IN FINANCING ACTIVITY (C)** **(1.780.000)**

**NET CASH FLOWS USED (A) + (B) + (C)** **(884.496)**

## CASH AND CASH EQUIVALENTS

<b>Cash and cash equivalents at the beginning of the period</b>	7.445.769
<b>Cash and cash equivalents at the end of the period</b>	6.561.273
Net decrease in cash and cash equivalents	<b>(884.496)</b>
<b>Interest paid</b>	(248.763.647)
<b>Interest received</b>	251.354.526

*The accompanying notes are integral part of the financial information*

## **Notes to the Statement of cash flows for the year ended December 31, 2015**

### **1. Basis of accounting**

BNP Paribas Fortis Funding S.A., (“the Company”) prepares its annual accounts in compliance with the legal requirements and generally accepted accounting principles in the Grand-Duchy of Luxembourg. The accounting principles and valuation criteria are defined and implemented by the Board of Directors, apart from those stipulated by the law.

The annual accounts as at and for the year ended December 31, 2015 have been audited and the audit report was signed on March 17, 2016.

The attached cash flow statement has been prepared by using the balance sheet as at December 31, 2015 and the profit and loss account for the year then ended, which were prepared by the Company in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts as described above.

For further information one may refer to the audited published annual accounts of BNP Paribas Fortis Funding S.A. for the year ended December 31, 2015.

This statement of cash flows is not part of a full set of the IFRS financial statements, nor has BNP Paribas Fortis Funding S.A. ever published a full set of the IFRS financial statements.

BNP Paribas Fortis Funding S.A. presented the attached statement of cash flows in Euro.

The Company has used the following principles for the purpose of presentation and classification in this statement of cash flows:

Cash flows are inflows and outflows of cash and cash equivalents. Cash may comprise cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

The statement of cash flows shall report cash flows during the period classified by operating, investing and financing activities.

#### **Operating activities**

Operating activities are the principal revenue-producing activities of the company and other activities that are not investing or financing activities. Cash flows from operating activities are primarily derived from the principal revenue-producing activities of the company. Therefore, they generally result from the transactions and other events that enter into the determination of profit or loss.

The company reports cash flows from operating activities using the method whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

#### **Investing activities**

Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash equivalents.

## **Notes to the Statement of cash flows for the year ended December 31, 2015**

### **Financing activities**

Financing activities are activities that result in changes in the size and composition of the contributed equity and borrowings of the company.

A company shall report separately major classes of gross cash receipts and gross cash payments arising from investing and financing activities.

### **Non-cash transactions**

Investing and financing transactions that do not require the use of cash or cash equivalents shall be excluded from a statement of cash flows. Such transactions shall be disclosed distinctly in the financial information in a way that provides all the relevant information about these investing and financing activities.

### **Foreign currency cash flows**

Cash flows arising from transactions in a foreign currency shall be recorded in Euro by applying to the foreign currency amount the exchange rate between the Euro and the foreign currency at the date of the cash flow.

Unrealised gains and losses arising from changes in foreign currency exchange rates are not cash flows. However, the effect of exchange rate changes on cash and cash equivalents held or due in a foreign currency is reported in the statement of cash flows in order to reconcile cash and cash equivalents at the beginning and the end of the period.

## **2. Cash and cash equivalents**

BNP Paribas Fortis Funding S.A. has included in the cash and cash equivalents the current accounts held with banks. None of these amounts are encumbered in any way.

## **3. Other information**

Considering the nature of its activities, BNP Paribas Fortis Funding S.A. has presented the cash flows related to the borrowings taken as part of its operational cash flows.