



Statement of cash flows for the year ended December 31, 2020  
and report of the Réviseur d'Entreprises Agréé in accordance  
with International Standard on Auditing 805

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## Contents

	Page
Report of the Réviseur d'Entreprises Agréé in accordance with International Standard on Auditing 805	1 - 2
Statement of cash flows for the year ended December 31, 2020	3
Notes to the statement of cash flows	4 - 5

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**

## **Opinion**

We have audited the statement of cash-flows schedule of BNP Paribas Fortis Funding S.A as at December 31, 2020 and other explanatory information (together "the schedule"). The schedule has been prepared by management using the basis of accounting described in Note 1.

In our opinion, the financial information in the schedule of BNP Paribas Fortis Funding S.A as at December 31, 2020 is prepared, in all material respects, in accordance with the basis of accounting described in Note 1.

## **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier (CSSF). Our responsibilities under those standards are further described in the Auditor's responsibilities for the Audit of the Schedule section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the schedule in Luxembourg, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Emphasis of Matter - Basis of Accounting**

We draw attention to Note 1 to the schedule, which describes the basis of accounting. The schedule 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 schedule may not be suitable for another purpose. Our opinion is not modified in respect of this matter.



## **Responsibilities of the Board of Directors and Those Charged with Governance for the Schedule**

The Board of Directors is responsible for the preparation of the schedule in accordance with the basis of accounting described in Note 1, and for such internal control as the Board of Directors determines is necessary to enable the preparation of the schedule that is free from material misstatement, whether due to fraud or error.

In preparing the schedule, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## **Responsibilities of the Réviseur d'Entreprises Agréé for the Audit of the Schedule**

Our objectives are to obtain reasonable assurance about whether the schedule is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this schedule.

For Deloitte Audit, *Cabinet de révision agréé*

**PP**

Martin Flaunet, *Réviseur d'entreprises agréé*  
Partner

Luxembourg, April 20, 2021

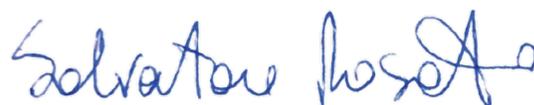
## Statement of cash flows for the year ended December 31, 2020

CASH FLOWS FROM OPERATING ACTIVITY	2020
<b>Profit before taxation (I)</b>	<b>841.206</b>
Depreciation and amortisation	5.945.085
Amortisation issue premiums and option premium paid and received	(5.906.341)
Other changes including un(realised) foreign exchange gains / losses	1.318.789
<b>Total non monetary adjustments other than financial instruments at fair value through profit or loss (II)</b>	<b>1.357.534</b>
Increase of long term loans to affiliated undertakings and of bonds purchased from affiliated undertakings	(124.525.101)
Redemption of long term loans to affiliated undertakings	464.514.552
Issuance of bonds	124.525.101
Redemption of bonds	(464.514.552)
Net variance of the operating assets and liabilities	-
Tax paid	(289.528)
<b>TOTAL CASH FLOWS FROM OPERATING ACTIVITY (A) = (I) + (II) + (III) + (IV)</b>	<b>1.909.212</b>
<b>CASH FLOWS FROM INVESTING ACTIVITY</b>	
<b>TOTAL CASH FLOWS FROM INVESTING ACTIVITY (B)</b>	<b>-</b>
<b>CASH FLOWS FROM FINANCING ACTIVITY</b>	
Cash flows in relation to the shareholders (dividends paid)	(870.000)
<b>TOTAL CASH FLOWS FROM FINANCING ACTIVITY (C)</b>	<b>(870.000)</b>
<b>NET CASH FLOWS USED (A) + (B) + (C)</b>	<b>1.039.212</b>
<b>CASH AND CASH EQUIVALENTS</b>	
<b>Cash and cash equivalents at the beginning of the period</b>	<b>2.601.763</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>3.640.975</b>
Net increase in cash and cash equivalents	1.039.212
<b>Interest paid</b>	<b>(40.793.698)</b>
<b>Interest received</b>	<b>42.341.555</b>

Luigi Maula  
Director



Salvatore Rosato  
Director



## **Notes to the Statement of cash flows for the year ended December 31, 2020**

### **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, 2020 have been audited and the audit report was signed on March 26, 2021.

The attached cash flow statement has been prepared by using the balance sheet as at December 31, 2020 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, 2020.

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.

## **Notes to the Statement of cash flows for the year ended December 31, 2020**

### **Investing activities**

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

### **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.