

## FINAL TERMS

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended, from 1 January 2018, to be offered, sold or otherwise made available to and, with effect from such date, will not be offered, sold or otherwise made available by any Dealer to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("MiFID II"); (ii) a customer within the meaning of Directive 2002/92/EC ("IMD"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**PROHIBITION OF SALES TO CONSUMERS** - Notes issued under the Programme are not intended to be offered, sold to or otherwise made available to and will not be offered, sold or otherwise made available by any Dealer to any "consumer" (*consument / consommateur*) within the meaning of the Belgian Code of Economic Law (*Wetboek economisch recht / Code de droit économique*).

Final Terms dated 15 September 2017

KBC Group NV

Issue of EUR 500,000,000 Tier 2 Subordinated Callable Fixed Rate Reset Notes  
due September 2029 under the EUR 10,000,000,000 Euro Medium Term Note Programme

### PART A — CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 11 July 2017 and the supplement to it dated 29 August 2017 which together constitute a base prospectus (the "**Base Prospectus**") for the purposes of Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) (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 the Base Prospectus. Full information on the Issuer 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 has been published on the Issuer's website ([www.kbc.com](http://www.kbc.com)) and copies may be obtained during normal business hours at the registered office of the Issuer.

1	(i)	Series Number:	9
	(ii)	Tranche Number:	1
	(iii)	Date on which Notes will be consolidated and form a single Series	Not Applicable
2		Specified Currency:	EUR
3		Aggregate Nominal Amount:	EUR 500,000,000

	(i) Series:	EUR 500,000,000
	(ii) Tranche:	EUR 500,000,000
4	Issue Price:	99.738 per cent. of the Aggregate Nominal Amount
5	(i) Specified Denominations:	EUR 100,000 and integral multiples of EUR 100,000 in excess thereof
	(ii) Calculation Amount:	EUR 100,000
6	(i) Issue Date:	18 September 2017
	(ii) Interest Commencement Date:	Issue Date
7	Maturity Date:	18 September 2029
8	Interest Basis:	Fixed Rate Reset
9	Redemption Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount.
10	Change of Interest Basis:	Not Applicable
11	Issuer Call Option:	Applicable (further particulars specified below)
12	(i) Status of the Notes:	Subordinated Tier 2 Notes
	(ii) Waiver of set-off in respect of Senior Notes:	Condition 2(a)(ii): Not Applicable
	(iii) Event of Default or Enforcement in respect of Senior Notes:	Condition 10(a): Not Applicable Condition 10(b): Not Applicable
<b>PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE</b>		
13	<b>Fixed Rate Note Provisions</b>	Not Applicable
14	<b>Fixed Rate Reset Note Provisions</b>	Applicable
	(i) Initial Rate of Interest:	1.625 per cent. per annum payable in arrear on each Interest Payment Date
	(ii) Interest Payment Date(s):	18 September in each year from and including 18 September 2018 up to and including 18 September 2029
	(iii) First Reset Date:	18 September 2024
	(iv) Second Reset Date:	Not Applicable
	(v) Subsequent Reset Date(s):	Not Applicable
	(vi) Reset Determination Dates:	The date falling 2 Business Days prior to the First Reset Date
	(vii) Mid-Swap Rate:	Annualised
	(viii) Swap Rate Period:	5 years

(ix) Relevant Screen Page:	Reuters Screen ICE Swap Rate 2 Page at 11.00 a.m. (Central European Time) under the heading “EURIBOR BASIS – EUR” and above the caption “11:00AM FRANKFURT”
(x) Margin(s):	+1.25 per cent per annum
(xi) Fixed Coupon Amount(s) in respect of the period from (and including) the Interest Commencement Date up to (but excluding) the First Reset Date:	EUR 1.625 per Calculation Amount
(xii) Broken Amount(s):	Not Applicable
(xiii) Day Count Fraction:	Actual/Actual ICMA
(xiv) Determination Dates:	18 September in each year
<b>15 Floating Rate Note Provisions</b>	Not Applicable

#### **PROVISIONS RELATING TO REDEMPTION**

<b>16 Tax Event</b>	Applicable
Notice periods for Condition 4 (b):	Minimum period: 30 days Maximum period: 60 days
<b>17 Capital Disqualification Event</b>	Applicable
Notice periods for Condition 4 (c):	Minimum period: 30 days Maximum period: 60 days
<b>18 Capital Disqualification Event Variation</b>	Not Applicable
<b>19 Loss Absorption Disqualification Event Variation or Substitution</b>	Not Applicable
<b>20 Issuer Call Option</b>	Applicable
(i) Optional Redemption Date(s):	18 September 2024
(ii) Optional Redemption Amount(s):	Early Redemption Amount
(iii) If redeemable in part:	Not Applicable
(iv) Notice period:	Minimum period: 30 days Maximum period: 60 days
<b>21 Loss Absorption Disqualification Event in respect of Senior Notes:</b>	Not Applicable
<b>22 Final Redemption Amount</b>	EUR 100,000 per Calculation Amount
<b>23 Early Redemption Amount</b>	EUR 100,000 per Calculation Amount
Early Redemption Amount(s) payable on redemption following a Tax Event, following a Capital Disqualification Event (in the case	

of Subordinated Tier 2 Notes), or  
other early redemption:

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

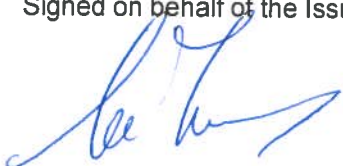
24 **Form of Notes:** Dematerialised form

**THIRD PARTY INFORMATION**

The Issuer accepts responsibility for the information contained in these Final Terms. The brief explanation on the meaning of the ratings in paragraph 2 of Part B of these Final Terms has been extracted from [www.standardandpoors.com](http://www.standardandpoors.com) and [www.fitchratings.com](http://www.fitchratings.com) (the "Relevant Websites"). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by each of the Relevant Websites, no facts have been omitted which would render the reproduced information inaccurate or misleading.

*[Signatures follow on the next page]*

Signed on behalf of the Issuer:



By:  
Duly authorised **INNOCENZO SOTI**



By: **Jérôme FERRI**  
Duly authorised

## PART B – OTHER INFORMATION

25 **LISTING AND ADMISSION TO TRADING**

- (i) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on Euronext Brussels with effect from the Issue Date.
- (ii) Estimate of total expenses related to admission to trading EUR 8,500

26 **RATINGS**

The Notes to be issued are expected to be rated:

S&P Global France S.A.S. ("**S&P**"): BBB-

Fitch France S.A.S ("**Fitch**"): A-

S&P is established in the EU and registered under Regulation (EC) No 1060/2009 (the "**CRA Regulation**"). As defined by S&P, a 'BBB' category exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

Fitch is established in the EU and registered under the CRA Regulation. As defined by Fitch, a rating in the 'A' category denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

27 **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the issue.

28	<b>YIELD</b>	
	(i) Gross yield	Not Applicable
	(ii) Net yield	Not Applicable
	Maximum yield	Not Applicable
	Minimum yield	Not Applicable
29	<b>HISTORIC INTEREST RATES</b> ( <i>Floating Rate Notes only</i> )	
	Not Applicable	
30	<b>OPERATIONAL INFORMATION</b>	
	(i) ISIN:	BE0002290592
	(ii) Common Code:	168547706
	(iii) Any clearing system(s) other than the Securities Settlement System, Euroclear Bank S.A./N.V. and Clearstream Banking, <i>société anonyme</i> and the relevant identification number(s):	Not Applicable
	(iv) Delivery:	Delivery against payment
	(v) Names and addresses of additional Agent(s) (if any):	Not Applicable
	(vi) Name and address of the Calculation Agent when the Calculation Agent is not KBC Bank NV	Not Applicable
	(vii) Intended to be held in a manner which would allow Eurosystem eligibility:	No
31	<b>DISTRIBUTION</b>	
	(i) Method of distribution	Syndicated
	(ii) If syndicated:	
	(A) Names and addresses of Dealers and underwriting commitments/quotas:	Commerzbank Aktiengesellschaft Kaiserstraße 16 (Kaiserplatz), 60311, Frankfurt am Main, Germany EUR 100,000,000
		Credit Suisse Securities (Europe) Limited One Cabot Square, London E14 4QJ, United Kingdom EUR 100,000,000
		J.P. Morgan Securities plc, 25 Bank Street

Canary Wharf, London E14 5JP, United  
Kingdom  
EUR 100,000,000

KBC Bank NV  
Havenlaan 2, 1080 Brussels, Belgium  
EUR 100,000,000

Natixis  
30 avenue Pierre Mendès France,  
75013 Paris, France  
EUR 100,000,000

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|---|---|
| (B) Date of Subscription Agreement:                   | 15 September 2017                       |
| (C) Stabilising manager(s) (if any):                  | Not Applicable                          |
| (iii) If non-syndicated, name and address of Dealers: | Not Applicable                          |
| (iv) US Selling Restrictions                          | Reg. S Category 2; TEFRA not applicable |
| (v) Additional selling restrictions:                  | Not Applicable                          |