

Final Terms

22 January 2015

KBC Bank NV

Issue of EUR 1,000,000,000 0.45 per cent. Covered Bonds due January 2022

Under the Euro 10,000,000,000 Residential Mortgage Covered Bonds Programme

The Base Prospectus referred to below (as completed by this Final Terms) has been prepared on the basis that any offer of Covered Bonds in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Covered Bonds. Accordingly any person making or intending to make an offer in that Relevant Member State of the Covered Bonds may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Covered Bonds in any other circumstances.

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 18 November 2014 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the **Prospectus Directive**) as amended which includes the amendments made by Directive 2010/73/EU (the **2010 PD Amending Directive**) to the extent that such amendments have been implemented in a relevant Member State. This document constitutes the final terms of the Covered Bonds 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 Covered Bonds is only available on the basis of the combination of this Final Terms and the Base Prospectus. Copies of the Base Prospectus are available free of charge to the public at the registered office of the Issuer, from the specified office of the Domiciliary Agent and on the website at www.kbc.com.

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| 1. | Issuer: | KBC Bank NV |
| 2. | (a) Series Number: | C000011 |
| | (b) Tranche Number: | 1 |
| 3. | Specified Currency: | Euro (EUR) |
| 4. | Aggregate Nominal Amount of Covered Bonds: | |
| | (a) Series: | EUR 1,000,000,000 |
| | (b) Tranche: | EUR 1,000,000,000 |
| 5. | Issue Price: | 99.815 % of the Aggregate Nominal Amount |
| 6. | Specified Denomination: | EUR 100,000 |

7. (a) Issue Date: 22 January 2015
- (b) Interest Commencement Date: 22 January 2015
8. (a) Final Maturity Date: 22 January 2022
- Business Day Convention for Final Maturity Date: Following Business Day Convention
- Additional Business Centre(s): Not Applicable
- (b) Extended Final Maturity Date: 22 January 2023
- Business Day Convention for Final Maturity Date: Following Business Day Convention
- Additional Business Centre(s): Not Applicable
9. Interest Basis:
- (a) Period to (but excluding) Final Maturity Date: 0.45 % Fixed Rate
(further particulars specified below)
- (b) Period from Final Maturity Date to (but excluding) Extended Final Maturity Date: Floating Rate
(further particulars specified below)
10. Redemption Basis: Redemption at par
11. Change of Interest Basis: Interest will accrue on a Fixed Rate basis to, but excluding, the Final Maturity Date, and will accrue on a Floating Rate basis thereafter.
12. (a) Status of the Covered Bonds: *Belgische pandbrieven/lettres de gage belges*
- (b) Date executive board (or similar) approval for issuance of Covered Bonds obtained: Decision Nr. 132 dated 2 September 2014 of the Executive Committee of KBC Bank NV, Decision Nr. 203 dated 16 December 2014 of KBC Bank NV, Written Resolution of the CEO of KBC Bank NV (Mr. Johan Thijs) and the CEO of KBC Bank NV (Mr. Luc Popelier) dated 16 January 2015

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13. Fixed Rate Covered Bond Provisions
- (a) To Final Maturity Date: Applicable
- (b) From Final Maturity Date to Extended Final Maturity Date: Not Applicable

- (c) Rate of Interest:
- (i) To Final Maturity Date: 0.45 % per annum payable annually in arrear
 - (ii) From Final Maturity Date to Extended Final Maturity Date: Not Applicable
- (d) Interest Period End Date(s):
- (i) To Final Maturity Date: 22 January in each year, starting on 22 January 2016, up to and including 22 January 2022.
 - (ii) From Final Maturity Date to Extended Final Maturity Date: Not Applicable
- (e) Business Day Convention for Interest Period End Dates:
- (i) To Final Maturity Date: Not Applicable
 - (ii) From Final Maturity Date to Extended Final Maturity Date: Not Applicable
- (f) Interest Payment Date(s):
- (i) To Final Maturity Date: 22 January in each year up to and including the Final Maturity Date
 - (ii) From Final Maturity Date to Extended Final Maturity Date: Not Applicable
- (g) Business Day Convention for Interest Payment Dates:
- (i) To Final Maturity Date: Following Business Day Convention
 - (ii) From Final Maturity Date to Extended Final Maturity Date: Not Applicable
- (h) Additional Business Centre(s):
- (i) To Final Maturity Date: Not Applicable
 - (ii) From Final Maturity Date to Extended Final Maturity Date: Not Applicable

- (i) Day Count Fraction:
 - (i) To Final Maturity Date: Actual/Actual (ICMA)
 - (ii) From Final Maturity Date to Extended Final Maturity Date: Not Applicable
- (j) Determination Date:
 - (i) To Final Maturity Date: 22 January in each year
 - (ii) From Final Maturity Date to Extended Final Maturity Date: Not Applicable

14. Floating Rate Covered Bond Provisions

- (a) To Final Maturity Date: Not Applicable
- (b) From Final Maturity Date to Extended Final Maturity Date: Applicable
- (c) Interest Period End Dates:
 - (i) To Final Maturity Date: Not Applicable
 - (ii) From Final Maturity Date to Extended Final Maturity Date: The 22nd day in each month, starting on 22 February 2022, up to and including 22 January 2023
- (d) Business Day Convention for Interest Period End Dates:
 - (i) To Final Maturity Date: Not Applicable
 - (ii) From Final Maturity Date to Extended Final Maturity Date: Following Business Day Convention
- (e) Interest Payment Dates:
 - (i) To Final Maturity Date: Not Applicable
 - (ii) From Final Maturity Date to Extended Final Maturity Date: Interest Payment Dates will correspond to Interest Period End Dates
- (f) Business Day Convention for Interest Payment Dates:
 - (i) To Final Maturity Date: Not Applicable

- (ii) From Final Maturity Date to Extended Final Maturity Date: Following Business Day Convention
- (g) Additional Business Centre(s):
- (i) To Final Maturity Date: Not Applicable
- (ii) From Final Maturity Date to Extended Final Maturity Date: Not Applicable
- (h) Manner in which the Rate(s) of Interest is/are to be determined:
- (i) To Final Maturity Date: Not Applicable
- (ii) From Final Maturity Date to Extended Final Maturity Date: Screen Rate Determination
- (i) Party responsible for calculating the Rate of Interest and Interest Amount:
- (i) To Final Maturity Date: Not Applicable
- (ii) From Final Maturity Date to Extended Final Maturity Date: KBC Bank NV
- (j) Screen Rate Determination:
- (i) To Final Maturity Date: Not Applicable
- (ii) From Final Maturity Date to Extended Final Maturity Date:
- Reference Rate: 1-month Euribor
- Interest Determination Date(s): The second day on which the TARGET2 System is open prior to the start of each Interest Period
- Relevant Screen Page: Reuters Page EURIBOR 01 or such other page as may replace said page on Reuters
- (k) ISDA Determination: Not Applicable
- (l) Margin(s):
- (i) To Final Maturity Date: Not Applicable
- (ii) From Final Maturity Date to + 0.02 % per annum

Extended Final Maturity
Date:

- (m) Minimum Rate of Interest: Not Applicable
- (n) Maximum Rate of Interest: Not Applicable
- (o) Day Count Fraction:
- (i) To Final Maturity Date: Not Applicable
- (ii) From Final Maturity Date to
Extended Final Maturity
Date: Actual/360

15. Zero Coupon Covered Bond Provisions: Not Applicable

PROVISIONS RELATING TO REDEMPTION

16. Final Redemption Amount of each Covered Bond: Principal Amount Outstanding

17. Early Redemption Amount:

Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons, illegality or on event of default or other early redemption: Condition 6.3 applies

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

18. Form of Covered Bonds: Dematerialised Covered Bonds

19. Additional Financial Centre(s) or other special provisions relating to Payment Days: Not Applicable

20. Consolidation provisions: Not Applicable

DISTRIBUTION

21. (a) If syndicated, names of Managers:

HSBC France
103 Avenue des Champs Elysées
75008 Paris
France

ING Bank N.V. Belgian Branch
Marnixlaan 24
1000 Brussels
Belgium

KBC Bank NV
Havenlaan 2,
B-1080 Brussels,
Belgium

Landesbank Baden-Württemberg
Am Hauptbahnhof 2
70173 Stuttgart
Germany

UniCredit Bank AG
Arabellastrasse 12
81925 Munich
Germany

- (a) Date of Subscription Agreement 21 January 2015
- (b) Stabilising Manager(s) (if any): Not Applicable
22. If non-syndicated, name of relevant Dealer: Not Applicable
23. U.S. Selling Restrictions: Reg. S Compliance Category 2, TEFRA not applicable
24. Additional selling restrictions: Not Applicable

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the regulated market of Euronext Brussels of the Covered Bonds described herein pursuant to the Euro 10,000,000,000 Residential Mortgage Covered Bonds Programme of KBC Bank.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By: 

Duly authorised INNOCENZO SOTI

By: 

Duly authorised

DIRK VAN DRIEME

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- 1.1 Admission to trading and admission to listing: Application has been made by the Issuer (or on its behalf) for the Covered Bonds to be admitted to trading on the regulated market of Euronext Brussels with effect from the Issue Date.
- 1.2 Estimate of total expenses related to admission to trading: EUR 6,500

2. RATINGS

Ratings: The Covered Bonds to be issued have been rated:

Moody's Investors Service Limited: Aaa (stable outlook)

Fitch France S.A.S: AAA (stable outlook)

Moody's Investors Service Limited and Fitch France S.A.S. are established in the European Union and are registered for the purposes of the EU Regulation on credit rating agencies (Regulation (EC) No.106012009), as amended. As such Moody's Investors Service Limited and Fitch France S.A.S. are included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.

3. HEDGING AGREEMENT

Not Applicable

4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

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

5. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

Reasons for the offer: The net proceeds from these Covered Bonds will be applied by the Issuer for its general corporate purposes.

6. YIELD

Indication of yield:

- (i) Gross yield: 0.477 % per annum

The yield is calculated on the basis of the Issue Price, the Rate of Interest applicable from and including the Interest Commencement Date until and excluding the Final Maturity Date, and the Final Redemption

Amount. It is not an indication of future yield.

- (ii) Net yield: Not Applicable
- (iii) Maximum yield: Not Applicable
- (iv) Minimum yield: Not Applicable

7. OPERATIONAL INFORMATION

ISIN Code: BE0002482579

Common Code: 117249271

Any clearing system(s) other than the Securities Settlement System, Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* and the relevant identification number(s): Not Applicable

Delivery: Delivery against payment

Names and addresses of Registrar (if different than Issuer): Not Applicable

Names and addresses of initial Domiciliary Agent and Paying Agent(s): KBC Bank NV
Havenlaan 2,
B-1080 Brussels,
Belgium

Names and addresses of additional Paying Agent(s) (if other than the Issuer): Not Applicable

Name and address of the Calculation Agent (if any): KBC Bank NV
Havenlaan 2,
B-1080 Brussels,
Belgium

Intended to be held in a manner which would allow Eurosystem eligibility: Yes. Note that the designation "yes" simply means that the Covered Bonds are to be held in a manner which would allow Eurosystem eligibility and does not necessarily mean that the Covered Bonds will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.