

dated 2 April 2019

**KBC Group NV***(incorporated with limited liability in Belgium)***EUR 10,000,000,000****Euro Medium Term Note Programme**

This supplement dated 2 April 2019 (the “**Supplement N°4**”) constitutes a supplement for the purposes of Article 34 of the Belgian Law of 16 June 2006 on public offerings of investment instruments and the admission of investment instruments to trading on a regulated market, as amended from time to time (the “**Belgian Prospectus Law**”). The Supplement N°4 is supplemental to, forms part of, and must be read in conjunction with the base prospectus dated 12 June 2018 as supplemented by the supplement N°1 dated 18 September 2018 (the “**Supplement N°1**”), the supplement N°2 dated 19 November 2018 (the “**Supplement N°2**”) and the supplement N° 3 dated 19 February 2019 (“**the supplement N°3** and together with the base prospectus, the Supplement N°1 and the Supplement N°2, the “**Base Prospectus**”), prepared in connection with the EUR 10,000,000,000 Euro Medium Term Note Programme (the “**Programme**”) established by KBC Group NV, incorporated as a limited liability company under the laws of Belgium, with registered office at Havenlaan 2, 1080 Brussels and registered with the Crossroads Bank of Enterprises VAT BE0403.227.515 (Brussels) (the “**Issuer**”). Terms defined in the Base Prospectus or in any document incorporated by reference in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement N°4.

This Supplement N°4 has been approved by the FSMA, as competent authority under the Belgian Prospectus Law. This approval does not imply any appraisal of the appropriateness or the merits of any issue under the Programme, nor of the situation of the Issuer.

The Issuer accepts responsibility for the information contained in this Supplement N°4. The Issuer confirms that, to the best of its knowledge (having taken all reasonable care to ensure that such is the case) the information contained in this Supplement N°4 is in accordance with the facts and does not omit anything likely to affect the import of such information.

I. New information**1. Introduction**

On 29 March 2019, the Issuer published its annual report for the financial year ended 31 December 2018 together with the related statutory auditors' report in the document titled as “*KBC Group Annual Report 2018*”.

In order to ensure that the information contained in the Base Prospectus is up-to-date as required by the Belgian Prospectus Law, the aforementioned documents will be incorporated by reference in the Base Prospectus.

A copy of these documents, incorporated by reference in the Base Prospectus, can be obtained from the website of the Issuer (www.kbc.com¹) and from the website of Euronext Brussels (www.euronext.com).

A copy of the extended annual report has been filed with the FSMA.

If documents which are incorporated by reference themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Supplement N°4 for the purposes of the Belgian Prospectus Law, except where such information or other documents are specifically incorporated by reference or attached to this Supplement N°4.

Due to this new information the Base Prospectus is amended as described below.

2. Documents incorporated by reference

- (i) Limb (a) of the first paragraph of the section “*Documents incorporated by reference*” on page 49 of the Base Prospectus shall be deleted and replaced by the following:

“(a) the audited consolidated annual financial statements of the Issuer for the financial years ended 31 December 2017 and 31 December 2018, together, in each case, with the related auditors’ report;”

- (ii) The fourth paragraph of the section “*Documents incorporated by reference*” on page 49 of the Base Prospectus shall be deleted and replaced by the following:

“The table below sets out the relevant page references for the audited consolidated statements for the financial years ended 31 December 2017 and 31 December 2018, respectively, as set out in the Issuer’s Annual Report. Information contained in the documents incorporated by reference other than information listed in the table below is for information purposes only, and does not form part of this Base Prospectus.”

<i>Audited consolidated financial information of the issuer</i>	Issuer’s Annual Report for the year ended 31 December 2017	Issuer’s Annual Report for the year ended 31 December 2018
Report of the Board of Directors	Page 6-156	Page 6-167
Balance sheet	Page 162	Page 174-175
Income Statement	Page 160	Page 170-171
Cash flow Statement	Page 164-165	Page 177-178
Notes to the financial statements	Page 166-224	Page 179-251
Statements of changes in equity	Page 163	Page 176
Auditor’s report	Page 225-231	Page 252-258
<i>Additional Info</i>		
Ratio’s used	Annex	Page 267-273

¹ https://www.kbc.com/MISC/D9e01/Homepagina_KBCCOM_Engels/investor_relations/debt_issuance

3. Selected Financial Information

The section “*Selected Financial Information*” on pages 151 to and including 155, shall be deemed to be deleted in its entirety and replaced with the updated section “*Selected Financial Information*” set out in Annex 1 to this Supplement N°4.

4. General Information

Paragraph (3) of the section *General Information* on page 179 of the Base Prospectus shall be deleted and replaced by the following paragraph:

“(3) *Other than as disclosed in this Base Prospectus, there has been no significant change in the financial or trading position of the Issuer since 31 December 2018 and no material adverse change in the prospects of the Issuer since 31 December 2018.*”

Paragraph (8) of the section *General Information* on page 179 of the Base Prospectus shall be deleted and replaced by the following paragraph:

“(8) *For so long as Notes may be issued pursuant to this Base Prospectus, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the registered office of the Issuer:*

(i) *the constitutional documents of the Issuer;*

(ii) *the Agency Agreement;*

(iii) *the audited consolidated financial statements of the Issuer for each of the two financial years ended 31 December 2017 and 31 December 2018, in each case together with the audit reports in connection therewith;*

(iv) *each Final Terms (save that Final Terms relating to a Note which is neither admitted to trading on a regulated market within the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the Agent as to its holding of Notes and identity); and*

(v) *a copy of the Base Prospectus together with any further or supplement prospectuses relating to the Programme.*

This Base Prospectus, the Final Terms for Notes that are listed and admitted to trading on Euronext Brussels’ regulated market and each document incorporated by reference will be published on the website of Euronext Brussels (www.euronext.com).”

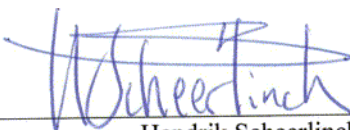
II. General

Save as disclosed in this Supplement N°4, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus since 12 June 2018, the date of publication of the Base Prospectus.

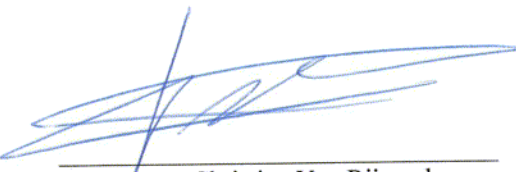
To the extent that there is an inconsistency between (a) any statement in this Supplement N°4 and (b) any statement in, or incorporated by reference into, the Base Prospectus, the statements in (a) above will prevail.

Copies of this Supplement N°4 will be available without charge at the specified office of the Issuer and the Agent, on the website of Euronext Brussels (www.euronext.com) and the website of the Issuer (www.kbc.com²).

2 April 2019



Hendrik Scheerlinck
on behalf of KBC Group NV



Christine Van Rysseghem
on behalf of KBC Group NV

² https://www.kbc.com/MISC/D9e01/Homepagina_KBCCOM_Engels/investor_relations/debt_issuance

Annex 1
Selected Financial Information

The following tables set out in summary form certain statements of financial position, income statements, statements of comprehensive income and cash flow information relating to the Issuer. The information has been extracted from the audited consolidated financial statements of the Issuer for the years ended 31 December 2017 and 31 December 2018. .

The consolidated financial statements of the Issuer for the year ended 31 December 2017 has been audited in accordance with ISA and the consolidated financial statements of the Issuer for the year ended 31 December 2018 has been audited in accordance with IFRS9.

Note: As of 2018, KBC Group started applying IFRS 9. In simplified terms, this means that the classification of financial assets and liabilities, as well as the impairment methodology, have changed significantly. As a result, some of the profit and loss and balance sheet figures are not fully comparable to the 2017 reference figures (which are still based on IAS 39, as KBC is making use of transition relief for comparative data). More information on the transition to IFRS 9 is provided in KBC Group's 1Q2018, 2Q2018, 3Q2018 and 4Q2018 quarterly reports and the annual report, available on www.kbc.com.

Consolidated balance sheet

(in millions of EUR)	31-12-17 IAS39	31-12-18 IFRS9
ASSETS		
Cash, cash balances with central banks and other demand deposits with credit institutions	29 727	18 691
Financial assets	254 753	256 916
Held for trading	7 431	-
Designated at fair value through profit or loss	14 484	-
Available for sale	34 156	-
Loans and receivables	167 458	-
Held to maturity	30 979	-
Amortised cost	-	216 792
Fair value through OCI	-	18 279
Fair value through profit or loss	-	21 663
of which held for trading	-	6 426
Hedging derivatives	245	183
Reinsurers' share in technical provisions, insurance	131	120
Fair value adjustments of the hedged items in portfolio hedge of interest rate risk	- 78	64
Tax assets	1 625	1 549
Current tax assets	82	92
Deferred tax assets	1 543	1 457
Non-current assets held for sale and disposal groups	21	14
Investments in associated companies and joint ventures	240	215
Property, equipment and investment property	3 207	3 299
Goodwill and other intangible assets	1 205	1 330
Other assets	1 512	1 610

TOTAL ASSETS	292 342	283 808
LIABILITIES AND EQUITY		
Financial liabilities	251 260	242 626
Amortised cost	227 944	220 671
Fair value through profit or loss	22 032	20 844
of which held for trading	6 998	5 834
Hedging derivatives	1 284	1 111
Technical provisions, before reinsurance	18 641	18 324
Fair value adjustments of the hedged items in portfolio hedge of interest rate risk	- 86	- 79
Tax liabilities	582	380
Current tax liabilities	148	133
Deferred tax liabilities	434	247
Liabilities associated with disposal groups	0	0
Provisions for risks and charges	399	235
Other liabilities	2 743	2 689
TOTAL LIABILITIES	273 540	264 175
Total equity	18 803	19 633
Parent shareholders' equity	17 403	17 233
Additional tier-1 instruments included in equity	1 400	2 400
Minority interests	0	0
TOTAL LIABILITIES AND EQUITY	292 342	283 808

Consolidated income statement

Consolidated income statement, IFRS	FY2018 (IFRS 9)	FY2017 (IAS 39)
KBC Group (in millions of EUR)		
Net interest income	4.543	4.121
Non-life insurance (before reinsurance)	760	706
<i>Earned premiums</i>	1.582	1.491
<i>Technical charges</i>	-822	-785
Life insurance (before reinsurance)	-18	-58
<i>Earned premiums</i>	1.359	1.271
<i>Technical charges</i>	-1.377	-1.330
Ceded reinsurance result	-41	-8
Dividend income	82	63
Net result from financial instruments at fair value through P&L ¹	231	856
Net realised result from available-for-sale assets	-	199
Net realised result from debt instruments at fair value through other comprehensive income	9	-
Net fee and commission income	1.719	1.707
Other net income	226	114
Total income	7.512	7.700
Operating expenses	-4.234	-4.074
Impairment	17	30
Of which: on loans and receivables ²	-	87
Of which: on financial assets at amortised cost and at fair value through other comprehensive income ²	62	-
Share in results of associated companies & joint ventures	16	11
Result before tax	3.310	3.667
Income tax expense	-740	-1.093
Result after tax	2.570	2.575

attributable to minority interests	0	0
attributable to equity holders of the parent	2.570	2.575
Basic earnings per share (EUR)	5.98	6.03
Diluted earnings per share (EUR)	5.98	6.03

Consolidated cashflow statement

(in millions of EUR)	Note	2018 (IFRS 9)	2017 (IAS 39)
OPERATING ACTIVITIES			
Result before tax	See consolidated income statement	3 310	3 667
Adjustments for:	-	438	- 441
Result before tax from discontinued operations	See consolidated income statement	0	0
Depreciation, impairment and amortisation of property, plant and equipment, intangible fixed assets, investment property and securities	3.10, 4.2, 5.4, 5.5	414	340
Profit/Loss on the disposal of investments	-	19	- 16
Change in impairment on loans and advances	3.10	- 59	- 87
Change in technical provisions (before reinsurance)	5.6	- 30	- 149
Change in the reinsurers' share in the technical provisions	5.6	10	- 18
Change in other provisions	5.7	- 58	121
Other unrealised gains/losses	-	158	- 621
Income from associated companies and joint ventures	3.11	- 16	- 11
Cashflows from operating profit before tax and before changes in operating assets and liabilities	-	3 748	3 227
Changes in operating assets (excluding cash and cash equivalents)	-	- 5 141	694
Financial assets held for trading	4.1	-	2 751
Financial assets initially recognised at FVPL	4.1	-	- 299
Available-for-sale assets	4.1	-	2 927
Loans and receivables	4.1	-	- 4 854
Financial assets at amortised cost (excluding debt securities)	4.1	- 7 363	-
Financial assets at fair value through OCI	4.1	911	-
Financial assets at fair value through profit or loss	4.1	1 350	-

of which financial assets held for trading	4.1	720	-
Hedging derivatives	4.1	63	165
Operating assets associated with disposal groups, and other assets	-	- 101	4
Changes in operating liabilities (excluding cash and cash equivalents)	-	- 6 015	9 464
Financial liabilities at amortised cost	4.1	- 3 586	13 342
Financial liabilities at fair value through profit or loss	4.1	- 1 871	- 2 888
of which financial liabilities held for trading	4.1	- 1 132	- 1 345
Hedging derivatives	4.1	- 127	- 200
Technical provisions, before reinsurance	5.6	- 288	- 867
Operating liabilities associated with disposal groups, and other liabilities	-	- 143	78
Income taxes paid	3.12	- 554	- 523
Net cash from or used in operating activities		- 7 962	12 863
INVESTING ACTIVITIES			
Purchase of held-to-maturity securities	4.1	-	- 2 096
Purchase of debt securities at amortised cost	4.1	- 2 609	-
Proceeds from the repayment of held-to-maturity securities	4.1	-	4 685
Proceeds from the repayment of debt securities at amortised cost	4.1	5 438	-
Acquisition of a subsidiary or a business unit, net of cash acquired (including increases in percentage interest held)	6.6	- 19	185
Proceeds from the disposal of a subsidiary or business unit, net of cash disposed of (including decreases in percentage interest held)	-	0	7
Purchase of shares in associated companies and joint ventures	-	- 10	0
Proceeds from the disposal of shares in associated companies and joint ventures	-	2	0
Dividends received from associated companies and joint ventures	-	23	26
Purchase of investment property	5.4	- 74	- 37
Proceeds from the sale of investment property	5.4	29	19
Purchase of intangible fixed assets (excluding goodwill)	5.5	- 260	- 206
Proceeds from the sale of intangible fixed assets (excluding goodwill)	5.5	8	6
Purchase of property, plant and equipment	5.4	- 668	- 793
Proceeds from the sale of property, plant and equipment	5.4	237	152
Net cash from or used in investing activities		2 098	1 947
FINANCING ACTIVITIES			

Purchase or sale of treasury shares		See consolidated statement of changes in equity	- 179	- 5
Issue or repayment of promissory notes and other debt securities	4.1		1 389	- 657
Proceeds from or repayment of subordinated liabilities	4.1		- 928	120
Principal payments under finance lease obligations	-		0	0
Proceeds from the issuance of share capital		See consolidated statement of changes in equity	16	15
Issue of additional tier-1 instruments		See consolidated statement of changes in equity	995	0
Proceeds from the issuance of preference shares		See consolidated statement of changes in equity	0	0
Coupon additional Tier-1 instruments		See consolidated statement of changes in equity	- 70	- 52
Dividends paid		See consolidated statement of changes in equity	- 1 253	- 1 171
Net cash from or used in financing activities			- 30	- 1 750
CHANGE IN CASH AND CASH EQUIVALENTS				
Net increase or decrease in cash and cash equivalents			- 5 894	13 060
Cash and cash equivalents at the beginning of the period			40 413	26 747
Effects of exchange rate changes on opening cash and cash equivalents			- 165	606
Cash and cash equivalents at the end of the period			34 354	40 413
ADDITIONAL INFORMATION				
Interest paid ²	3.1		- 2 453	- 2 216
Interest received ²	3.1		6 996	6 337
Dividends received (including equity method)	3.2, 5.3		105	89
COMPONENTS OF CASH AND CASH EQUIVALENTS				
Cash and cash balances with central banks and other demand deposits with credit institutions		See consolidated balance sheet	18 691	29 727

Term loans to banks at not more than three months (excl. reverse repos)	4.1	674	643
Reverse repos of up to three months with credit institutions and investment firms	4.1	20 955	19 475
Deposits from banks repayable on demand	4.1	- 5 966	- 9 431
Cash and cash equivalents belonging to disposal groups	-	0	0
Total	-	34 354	40 413
of which not available	-	0	0
