



**KBC Bank**

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**Debt Investor Presentation**

Autumn 2006



# Important information for investors

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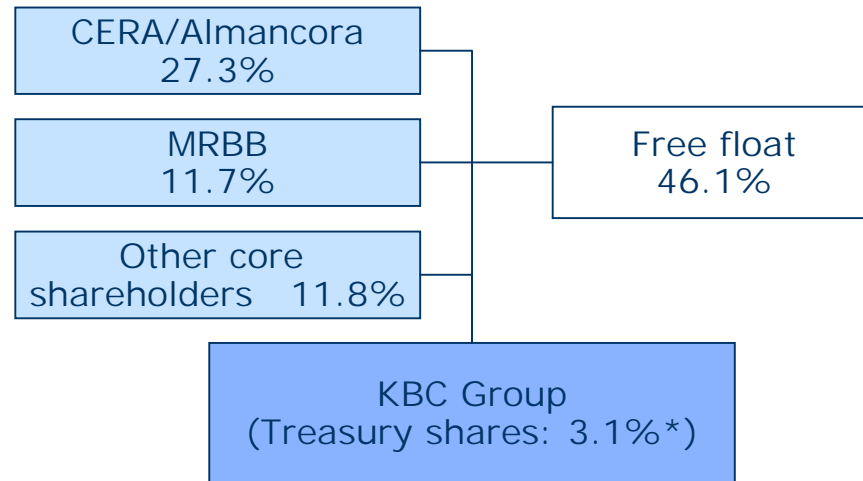
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- KBC believes that this presentation is reliable, although the information is condensed and therefore incomplete.
- This presentation contains forward-looking statements, involving numerous assumptions and uncertainties. The risk exists that these statements may not be fulfilled and that future developments differ materially. Moreover, KBC does not undertake any obligation to update the presentation in line with new developments.
- By reading this presentation, each investor is deemed to represent that it possesses sufficient expertise to understand the risks involved.

- Company profile
- Financial highlights
- Capital position
- Additional information
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# Shareholder and legal structure

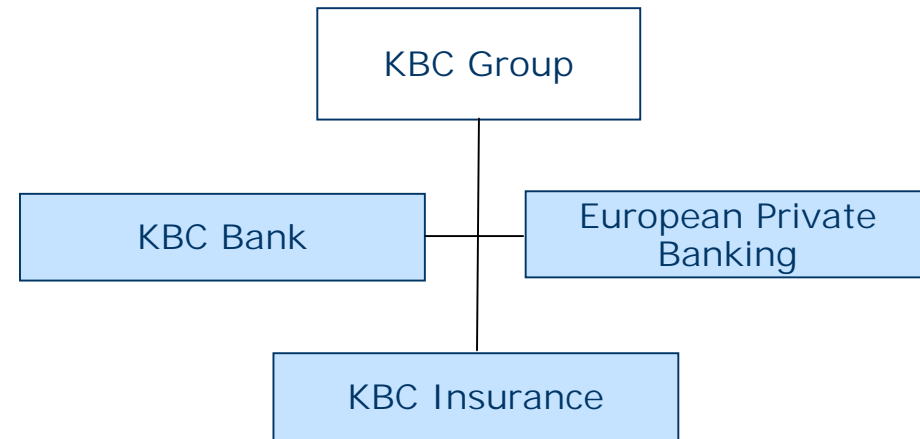
## Shareholder structure



Situation as at 30 June 2006

Including ESOP hedge and shares bought back according to the 2006 1 bn share buy back plan

## Legal structure



- KBC's market value tripled during the past 2,5 years (from 10 bn at the end of 2003 to 30 bn euros at the end of 2005)
- KBC is 50%-owned by a syndicate of shareholders, providing continuity to pursue long-term strategic goals. Committed holders include the Cera/Almanco Group (co-operative investment company), a farmers' association (MRBB) and a group of industrialist families



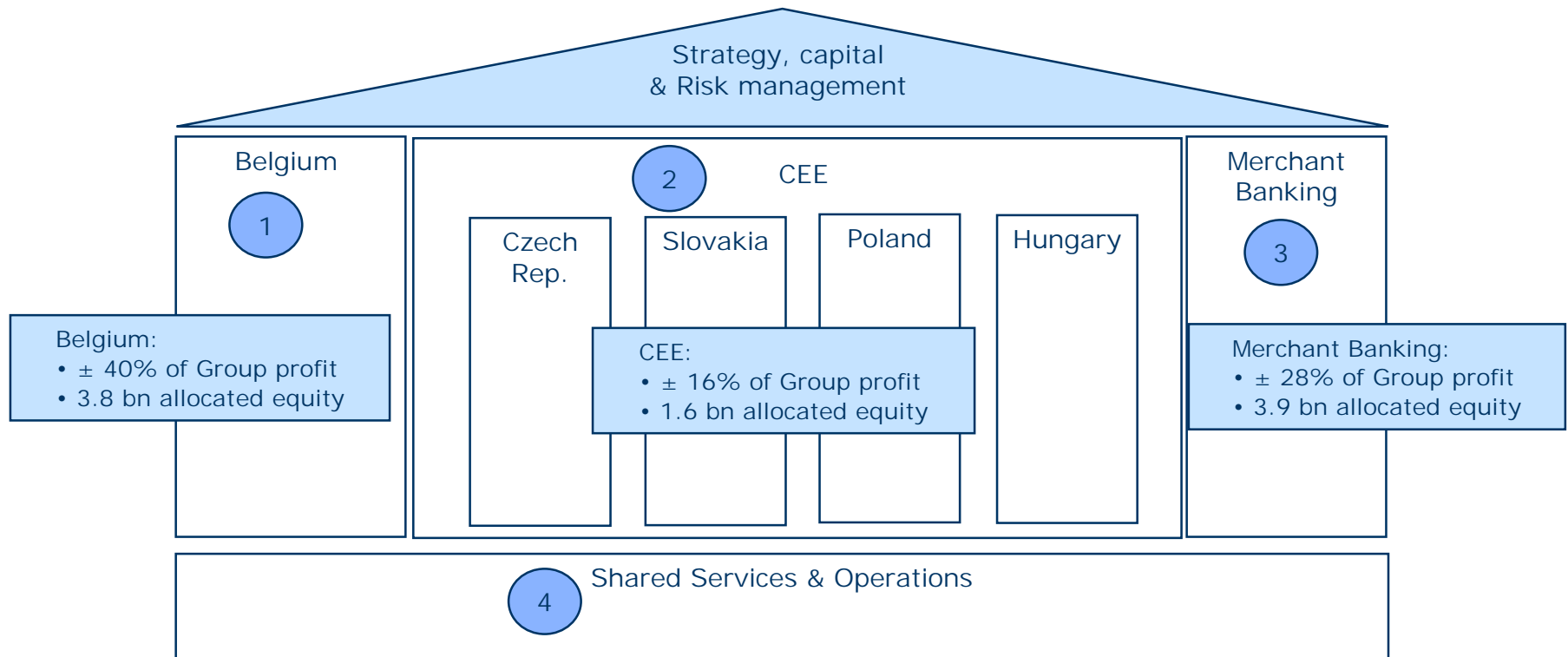
# Credit ratings, KBC Bank

	S&P	Moody's	Fitch
LT credit rating (outlook)	A+ (positive)	Aa3 (stable)	AA- (stable)
ST credit rating	A-1	P1	F1+

## Rating history:

- October 2006: Annual meeting with S&P
- October 2006: Annual meeting with Moody's
- June 2006: Annual meeting with Fitch, ratings confirmed
- November 2005: S&P's outlook upgraded from 'stable' to 'positive'
- March 2005: all ratings confirmed on the occasion of the merger of 'KBC Holding' and 'Almanij' to 'KBC Group'
- March 2004: S&P's outlook upgraded from 'negative' to 'stable'
- Jan 2003: Moody's outlook upgraded from 'negative' to 'stable'
- February 2002: S&P's outlook downgraded from 'stable' to 'negative'
- June 2001: Fitch's outlook upgraded from 'negative' to 'stable'

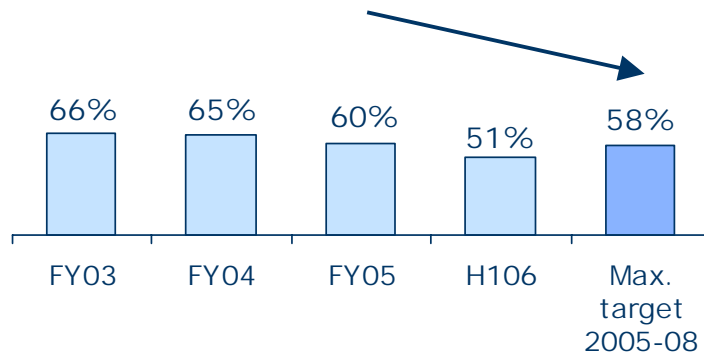
# KBC Strong, attractive franchises



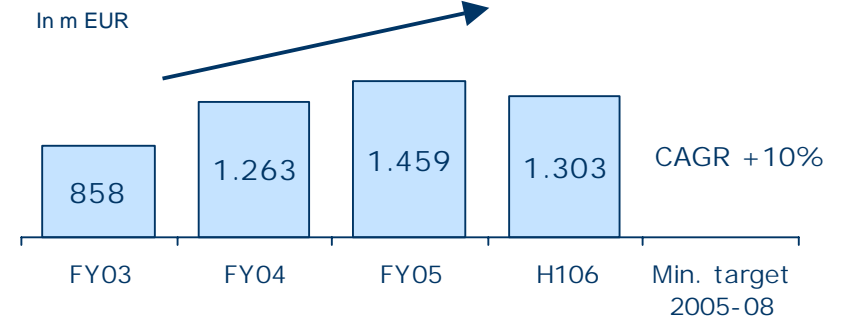
- Over the past few years, KBC has strengthened its bancassurance position in its historic home market, Belgium, while building up an additional franchise in 4 CEE countries and holding a top-3 position in that region.
- Earnings growth in Belgium has been surprisingly high, driven by strong savings flows and an underleveraged consumer base, intensive cross selling of banking, insurance and AM products.
- KBC Bank also operates in selected merchant banking markets, pursuing niche strategies.

# Financial track record

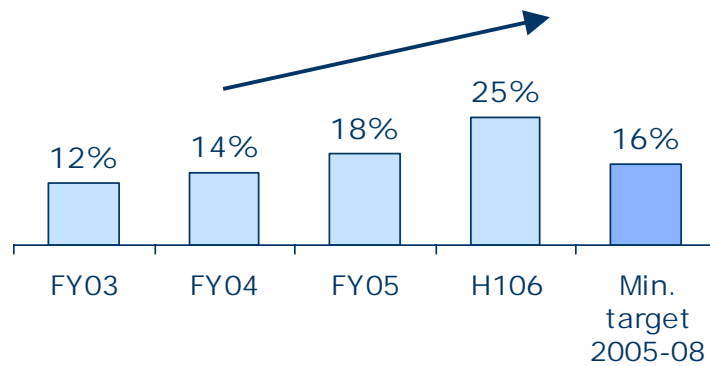
Cost/income, banking



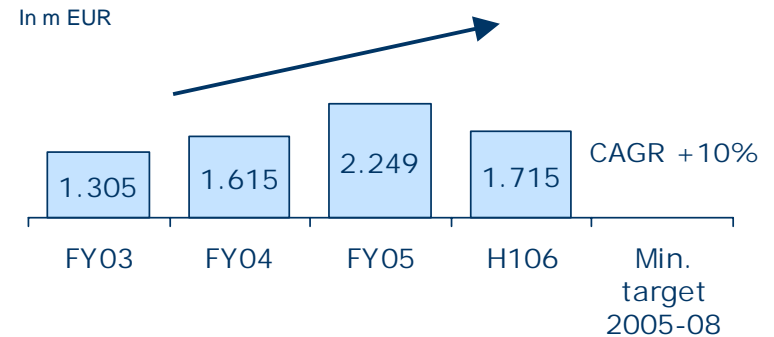
Net profit growth, banking



Return on equity, Group



Net profit growth, Group



KBC has delivered well on its financial targets and is committed to improve its performance levels further whilst maintaining a conservative risk culture and solid solvency levels.

KBC will update its mid-term financial targets at the end of 2006. *Pro forma* post-merger figures for 2003 and 2004

# Strategy headlines

- Strategy headlines include:
  - Retail- and wealth-management-oriented, with focus on Belgium and CEE-4 and selected Western European markets (mostly Belgium's neighbours)
  - Further enhancement of efficiency (with emphasis on - but not exclusively in - CEE)
  - Standalone basis (opportunistic operational alliances in certain areas to generate economies of scale, if needed)
  - Steady dividend growth and solid level of financial strength/solvency

- The solid 'growth and value' outlook is reflected in mid term (2008) financial targets:

<b>Efficiency:</b>	Cost/income, banking	max. 58%
<b>Financial strength:</b>	Tier-1, banking	min. 8%
<b>Value creation:</b>	Adjusted ROE EPS growth (CAGR)	min. 16% min. 10%

- Updated financial targets will be published on Investors' Day (December 7, 2006)



## Strategy headlines (2)

### Group wide:

- Setting up of a distribution competence centre to leverage distribution experience
- Setting up of Product Factories and Shared Services
- Co-sourcing with other Financial institutions

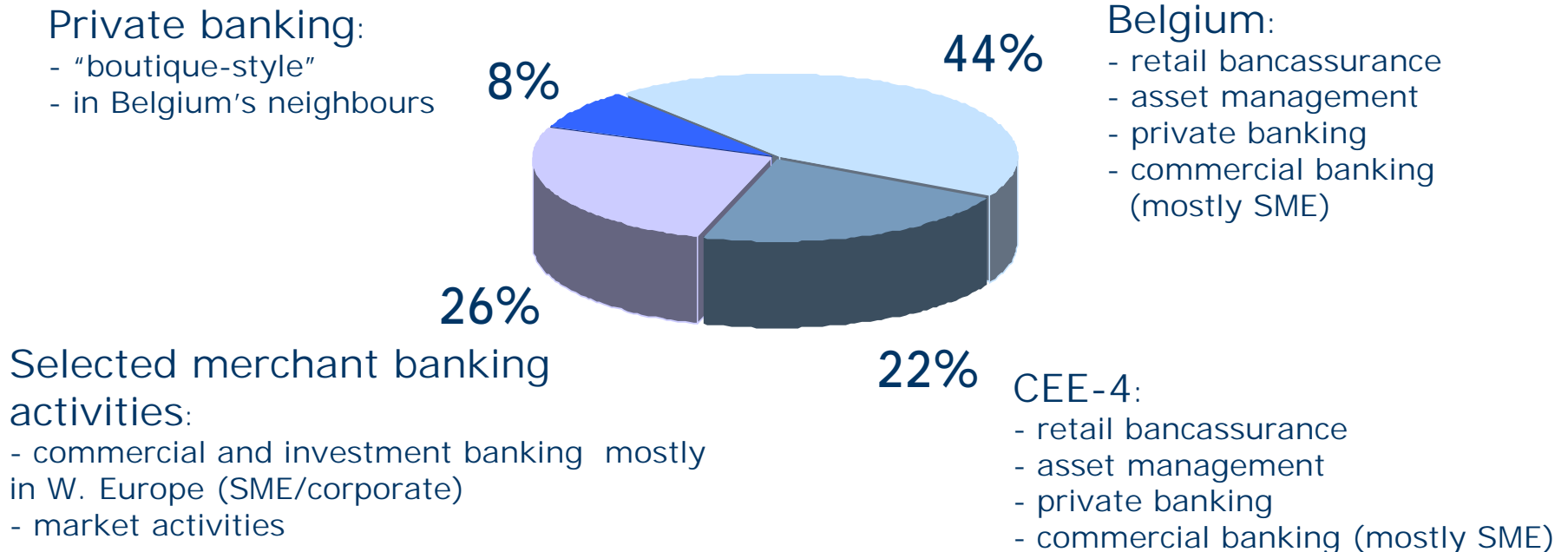
### CEE:

- Integration of bancassurance distribution channels per local market
- Focus on accelerating organic growth (e.g.: with completion of third party buy-outs) and making add-on investments
- New acquisitions will be assessed on the basis of a set of conservative parameters, both strategic and financial, in line with our past track record in this respect.



# Group business mix

Gross income breakdown (1H 2006)



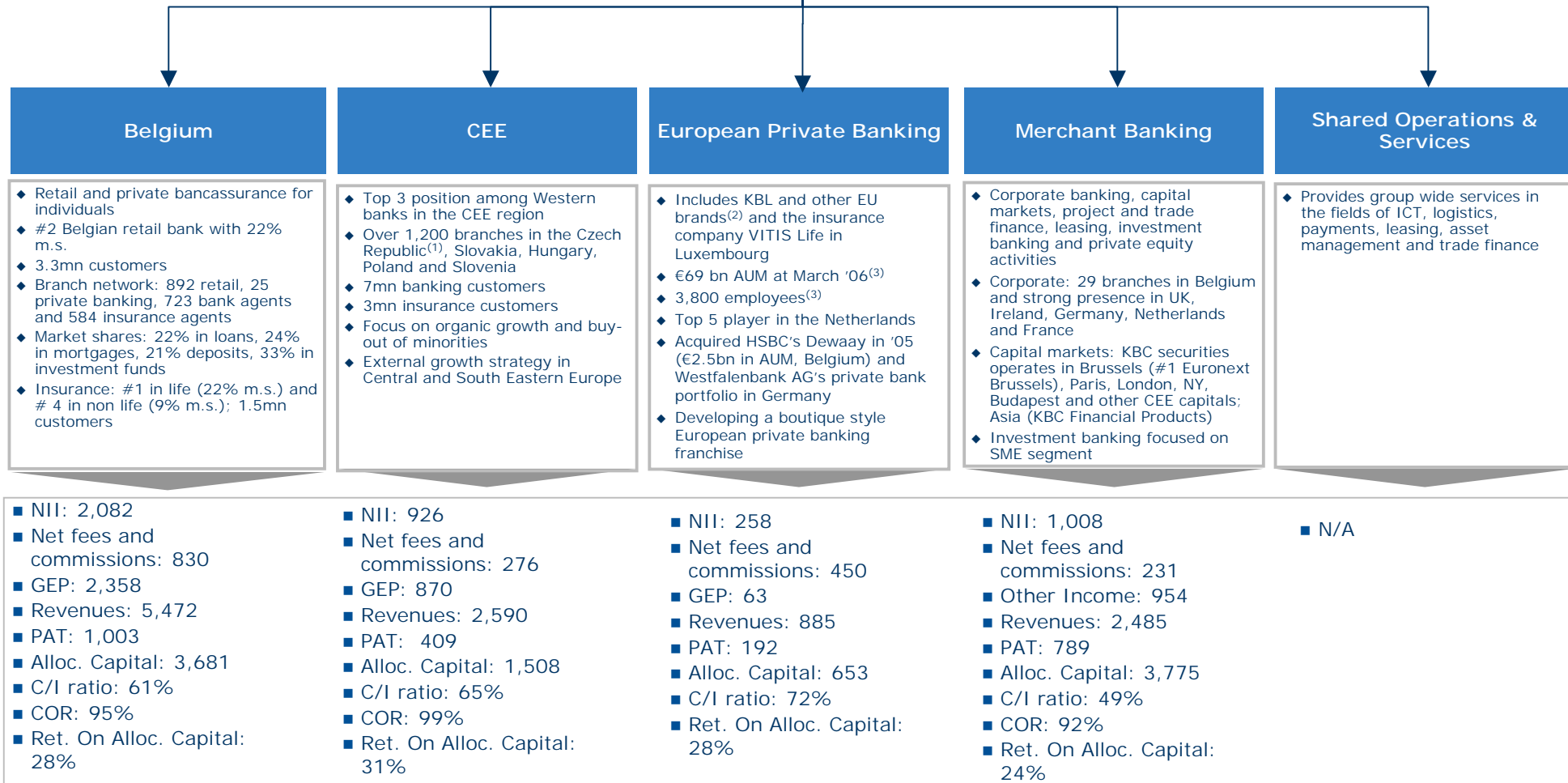
- KBC is a top-3 player, both in Belgium and in CEE-4 (all EU members)
- ca. 75-80% of gross income is realised in markets with leading market share (*i.e.* Belgium and most CEE countries)



# Key Business Lines

## Management Team

CEO:	André Bergen
CFO/CRO:	Hermann Agneessens
COO:	Christian Defrancq
CEO Belgian Operations:	Frans Florquin
CEO of CEE Operations:	Jan Vanhevel
CEO EU Private Banking:	Etienne Verwilghen
CEO Merchant Banking:	Guido Segers



Sources: Factset, Investor presentations and company reports.

1. Additional 3,400 distribution points through strategic distribution agreement with Czech Post Office.

2. Puilaetco Dewaay (Belgium), Merck Finck & Co. (Germany), Theodoor Gilissen (Netherlands), Brown, Shipley & Co. (UK) and Banca Fumagalli Soldan (Italy).

3. Figures include Banco Urquijo, sold to Banco Sabadell in May 2006 for €762mn (€3.8bn AUM and over 800 employees).

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# H1 at a glance

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- Group profit of 1 715m generating a return on equity of 25%. Underlying profit\* up 21% y/y
- KBC Bank profit was 1 303m (up 50% y/y).
- Solid sales turnover in all fields (deposits, loans, AUM volumes up 8%, 12% and 19% respectively compared to June 2005)
- On balance, positive impact from interest rates and capital market developments
- Favourable cost development: cost/income ratio, banking down to 51% (55% excl. one-offs)
- Low credit loss provisions: loan loss ratio at 0.08% only

\* Excluding one-offs relate to the integration of *Gevaert*, the sale of *Agfa-Gevaert*, the sale of office buildings and the increase of the free float in *Kredyt Bank* and MTM of derivatives hedging the banking book

## 2006 H1 profit trend

KBC Group	H1 2005	H1 2006	Change in %
Gross income, net of technical ins. charges	4 103	4 906	+20%
Operating expenses	- 2 313	-2 406	+4%
Operating result	1 790	2 500	+40%
Impairments	-57	-64	+12%
Associated companies	33	23	-30%
<b>Net profit</b>	<b>1 213</b>	<b>1 715</b>	<b>+41%</b>
<b>Cost/Income Ratio</b>	<b>58%</b>	<b>51%</b>	
<b>ROE (group level)</b>	<b>20%</b>	<b>25%</b>	

# Volume growth

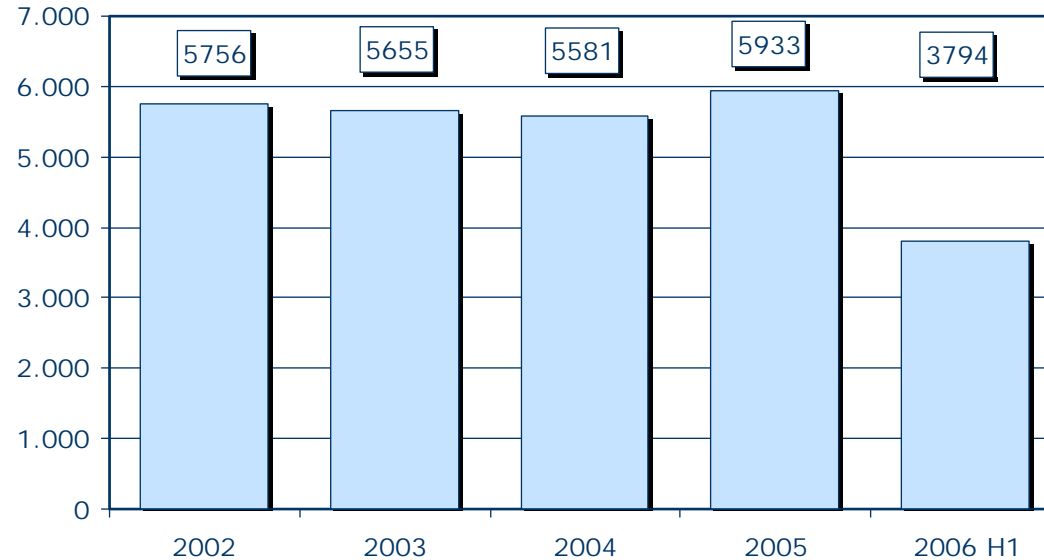
	Total loans	Of which mortgages	Customer deposits	Life reserves	AUM
Outstanding (in bn)	119	37	179	20	208
Growth, y/y	+12%	+22%	+8%	+33%	+19%
Belgium	+9%	+15%	+3%	+34%	+21%
CEE	+17%	+36%	+16%	+27%	+32%
- CZ/Slovakia	+22%	+40%	+15%	+16%	+25%
- Hungary	+28%	+42%	+20%	+67%	+51%
- Poland	- 5%	+30%	+ 4%	+36%	+46%
Merchant banking	+16%	-	+20%	-	-

Notes: Group level, H1 2006 y/y comparison  
Growth trend excl. (reverse) repo and interbank activity

- Over the past few years, growth has been buoyant
- Growth in Belgium is surprisingly high, driven by strong wealth flows and the low indebtedness of the private economy
- The CEE region is obviously a double-digit growth franchise on the back of high(-er) economic growth and an under-penetrated consumer base

# Solid revenue trend

Gross income (in m), banking



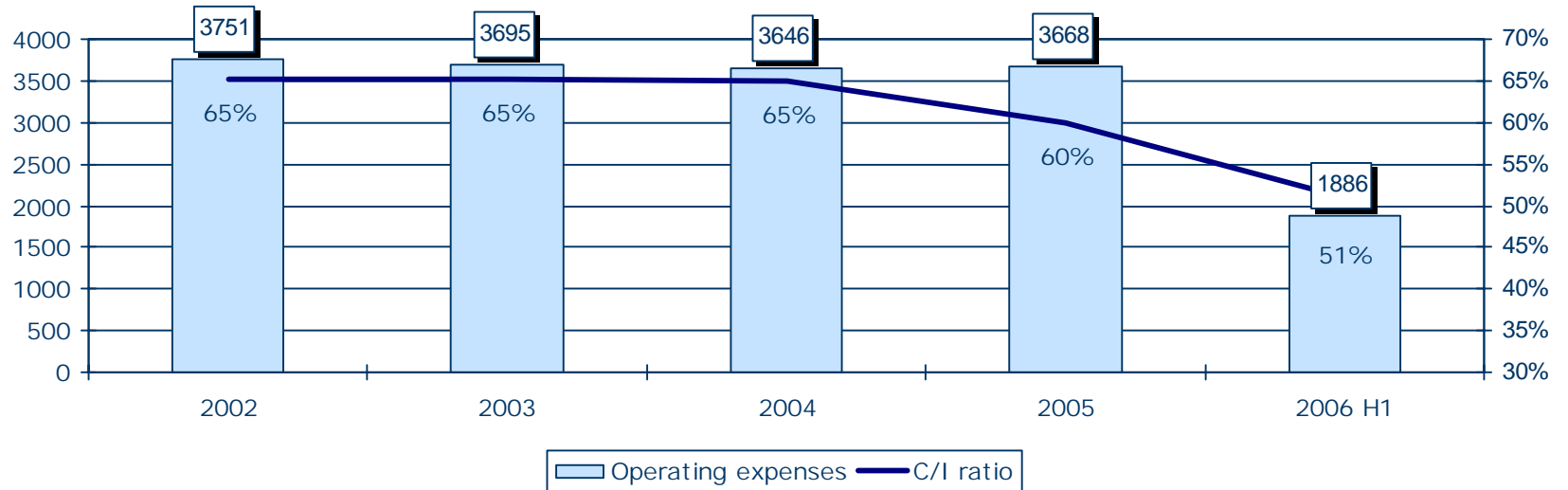
The most important drivers of revenue generation:

- High saving ratio (in Belgium)
- Strong mortgage growth an excellent basis for cross selling opportunities
- Strong AM product design capabilities
- Integrated bancassurance model



# Favourable cost/income trend

Operating expenses (in m) and cost / income (%), banking

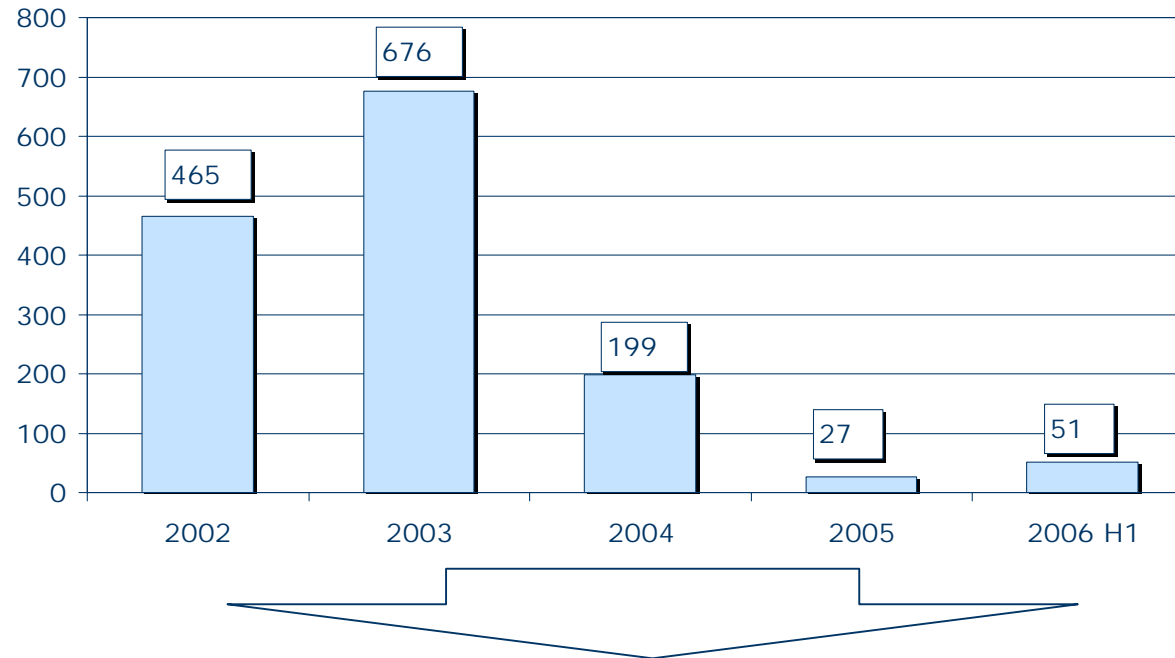


Cost/Income ratio down to 51% (excl. one-offs: 55%) as the result of last years' continuous cost cutting efforts

H1 06 cost level increased by 10% y/y, mainly on the back of the strong capital-market activity in the Merchant Banking (higher income-related remuneration).

# Impairments

Loan impairment charges per year



Historically low loan loss charges over the past few years  
(single-digit loan loss ratio in 2005 and H1 2006)

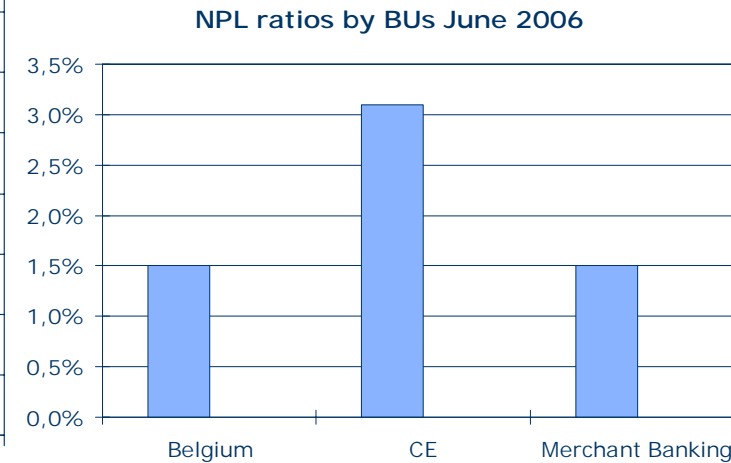
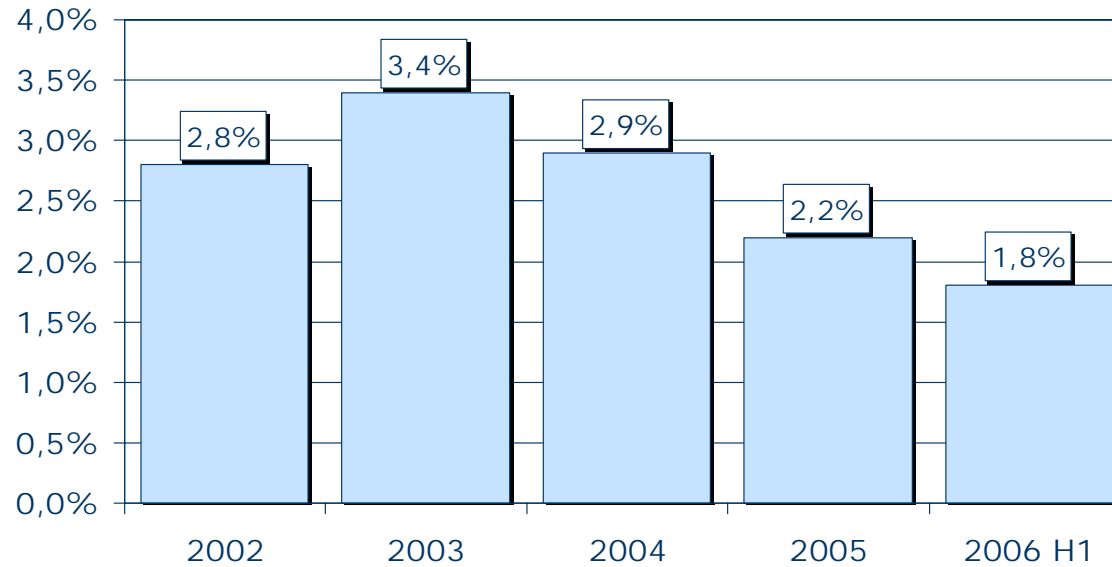
No signs of material deterioration of portfolio quality

The previous 3 quarters saw 30-35m per quarter net writebacks  
in merchant banking (not repeated in Q2 2006)

Loan loss charges increased in Hungary in 2006

# Non performing loans

Non performing ratio per year



Asset quality is continuously improving since 2003

Further group level decrease of NPL ratio in H1 2006 reflects the favourable market environment

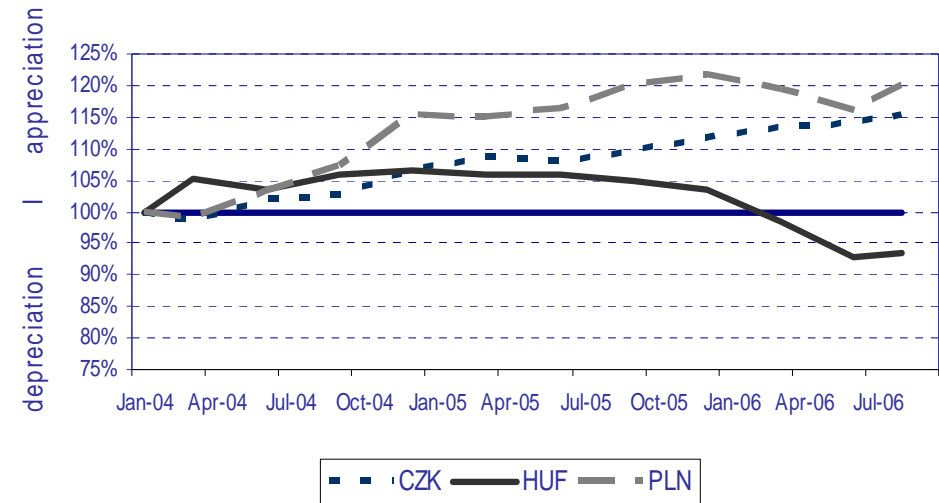
In CEE asset quality improvement has levelled off. Share of NPL increased somewhat in Hungary in line with the worsening local economic environment

# Update on CEE lending

## FX mortgages in CEE

in million euros	Year end 05	June 06
Czech Rep.	non existent	
Hungary	420	495
Poland	310	380
CEE Total	730	875
% of total mortgages in CEE	20%	22%
% of total mortgages in KBC	2%	2%

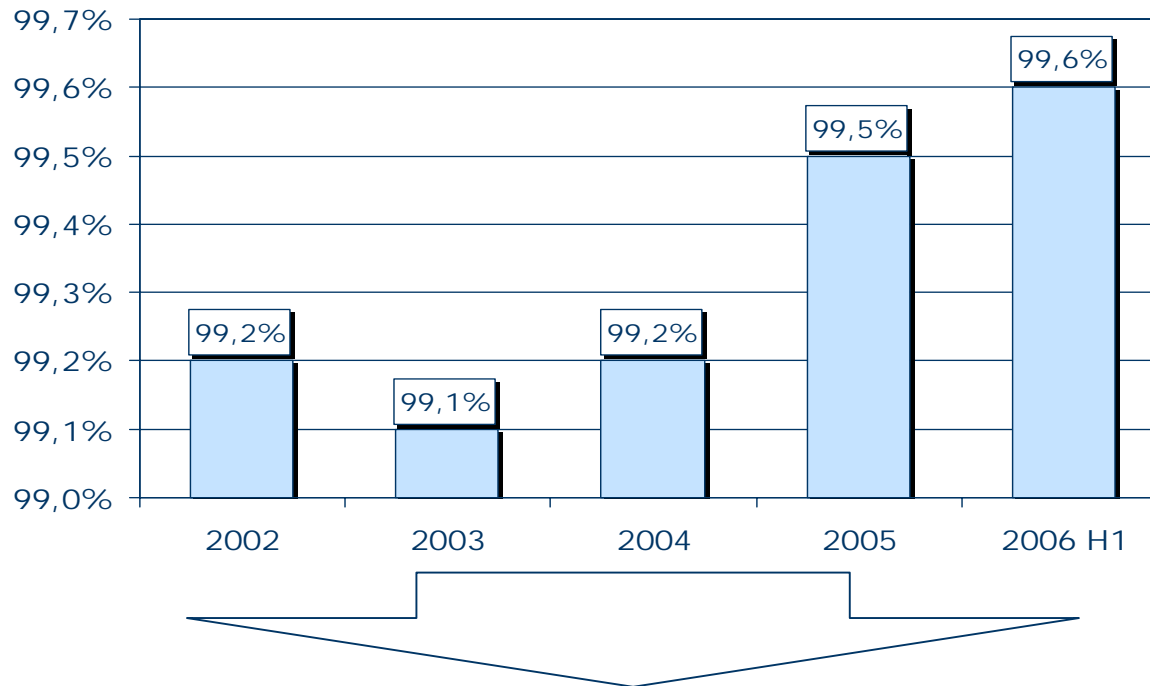
## CEE exchange rates (Jan 2004=100%)



- Offering FX mortgages in CEE countries is market practice. Banks not offering the product would not participate in the mortgage growth and would lose significant market shares.
- We are aware of the currency risk and applied sufficient buffers in our risk assessment (e.g. more defensive caps on loan to value ratio). The portfolio is closely monitored.
- In Poland, the regulator recently has taken initiatives in order to set up limits for FX lending.
- The point of interest for the time being is Hungary. Recently HUF is in a downward trend and the future does not seem to be the opposite to that.
- We do not expect rising credit losses due to the depreciation of HUF below EUR/HUF 300. The FX mortgage portfolio would become non profitable somewhere around EUR/HUF 325. Loan losses would be comparable to one year's profit of K&H at EUR/HUF 375.

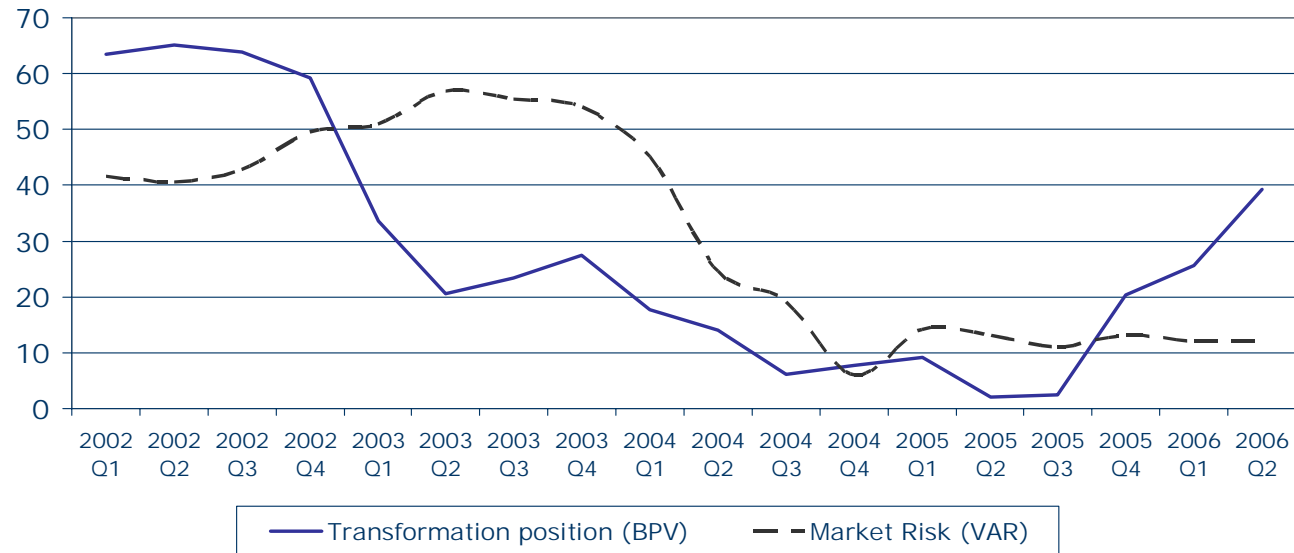
# Loan portfolio quality by country rating

Share of investment grade countries  
(as % of the portfolio credit granted)



The share of exposure on counterparties located in non-investment grade countries (lower than BBB-) remains at a historic low

ALM activities (quarterly averages in mln EUR)



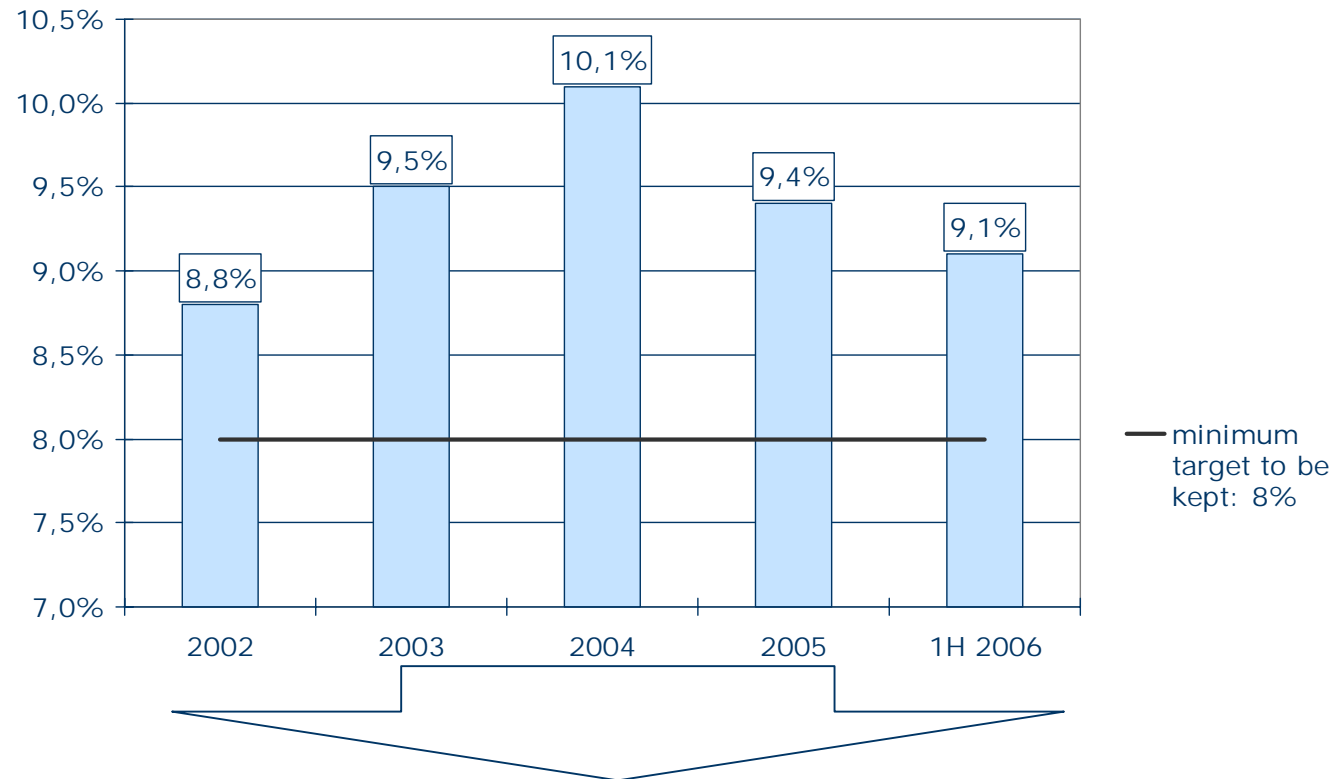
Basis-Point-Value (BPV) measures the value change of the portfolio if the interest rate fall by 10 bps (parallel shift).

VAR technique monitors the bank's trading exposure on all market activities (99% confidence interval, ten-day holding period).

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# Solid solvency

Tier-1 ratio (KBC Bank and KBL EPB)



Due to the strong capital position KBC's continuously overperforms its internal solvency target (8%).

(Note: Regulatory requirement is 4%)





## Planned capital deployment in 2006-07

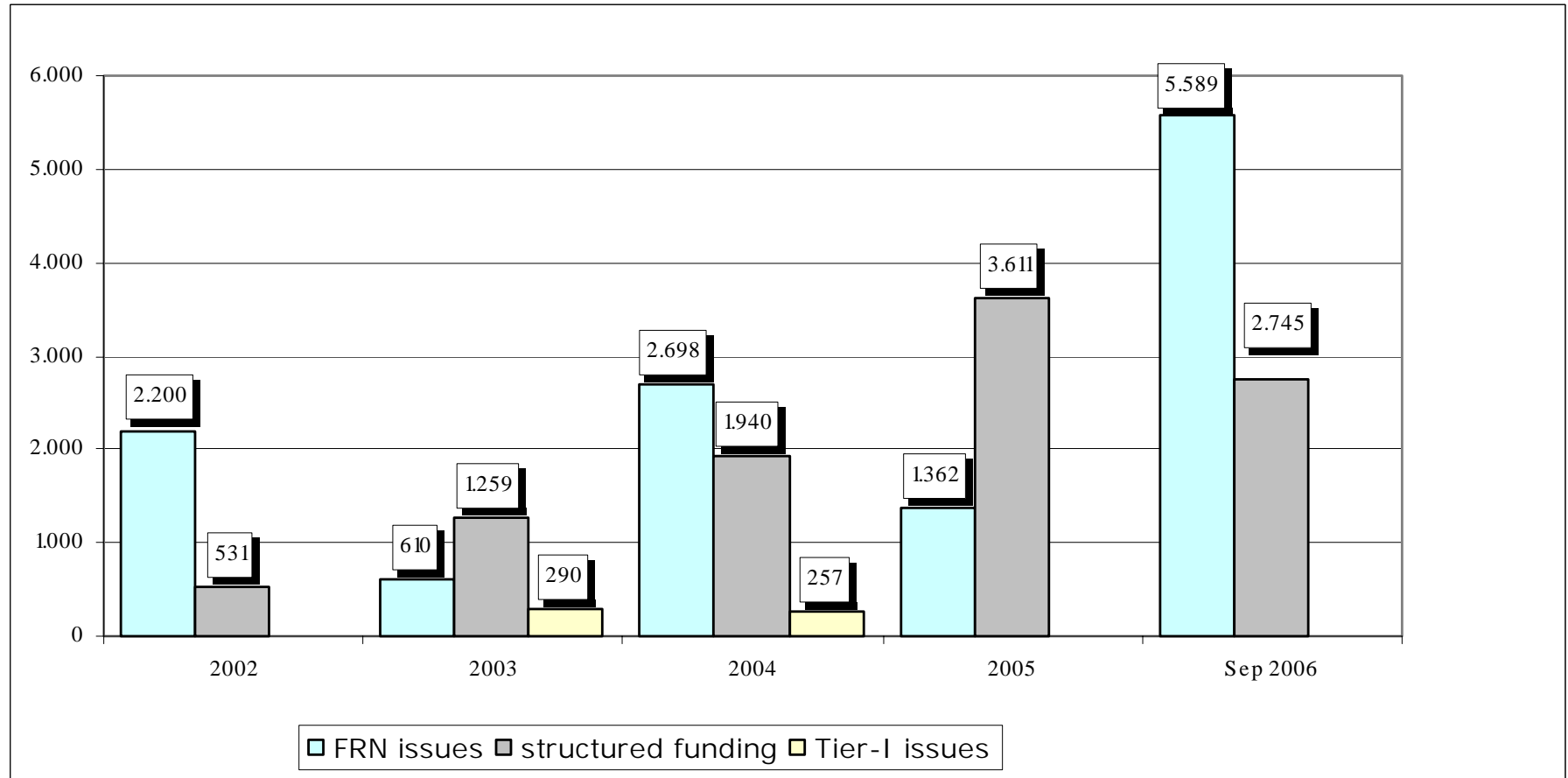
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- As things now stands the strategic capital reserve could be around 2 bn euros despite the 1 bn share buy back programme of this year
- At the end of Sept. 2006, some 0.7 bn new investments have already been realised, while the debt leverage decreased by 0.8 bn and own shares have been bought back for an amount of 0.8 bn
- KBC will update its capital planning by the end of 2006 (Investor Day, 7-Dec-06)

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# Evolution of the KBC I fima Issue Activity

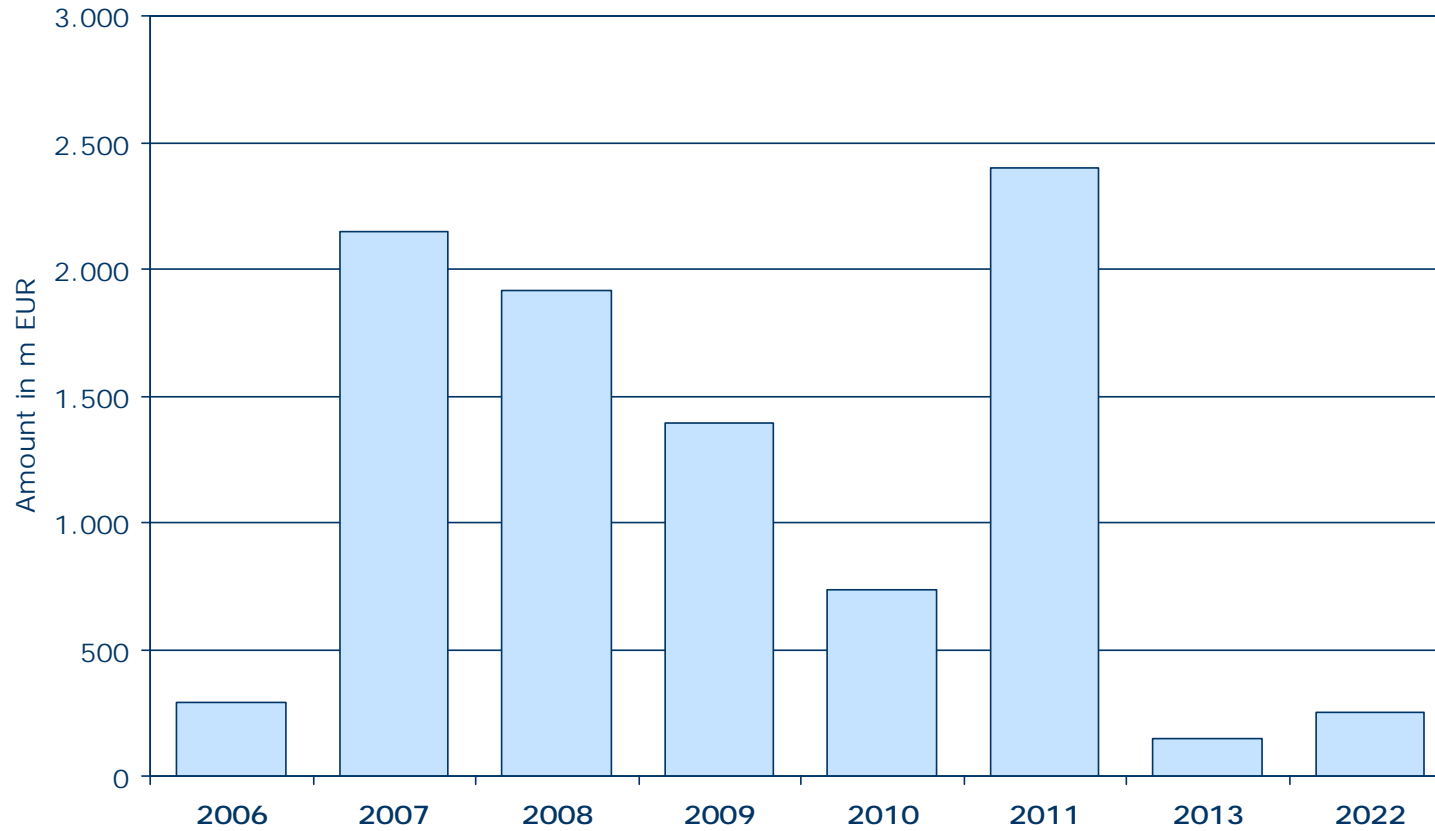


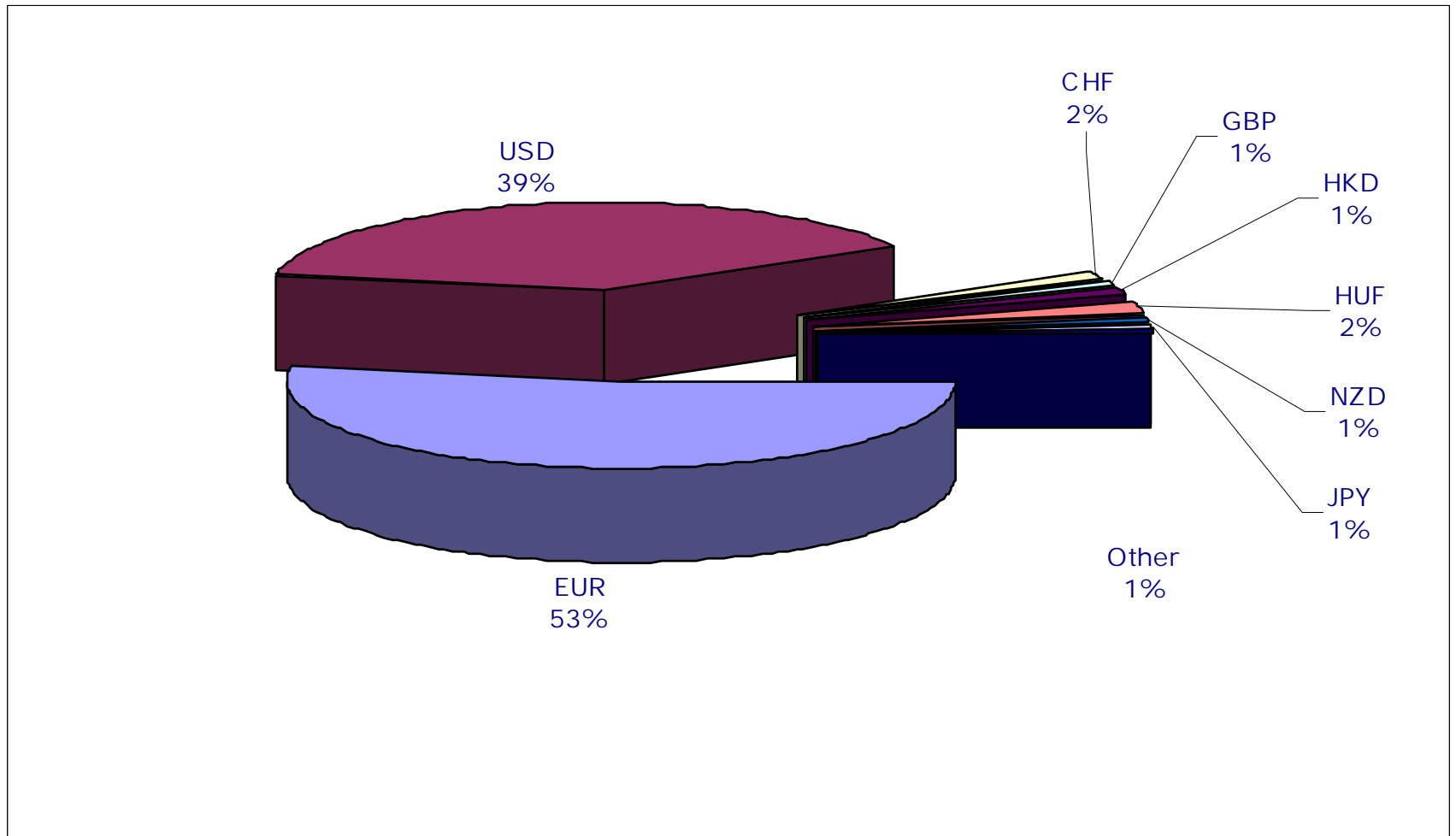
Notes:

FRN issues: funding the bank itself with floating rate notes

Structured financing: financing where the note embeds special structures and funding is for the dealing room

# Maturity buckets of FRN issues





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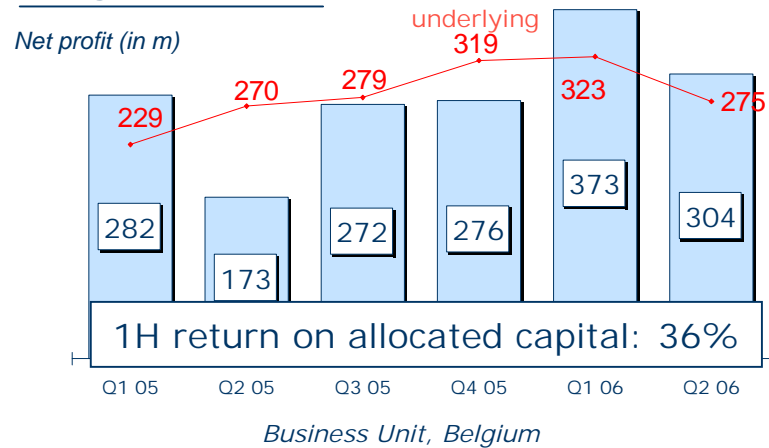
## Group earnings, by quarter

in millions of euros	Q1 05	Q2 05	Q3 05	Q4 05	Q1 06	Q2 06
Net interest income	1 019	1 043	1 096	1 061	1 047	1 039
Gross earned premium	729	978	810	1 034	768	754
Dividend income	34	135	25	41	27	104
Net gains from FI at Fair Value	163	63	166	251	519	328
Net realized gains from AFS	168	97	49	144	242	116
Net fee and commission income	429	410	452	528	488	479
Other income	215	118	112	130	132	138
<b>Gross income</b>	<b>2 757</b>	<b>2 843</b>	<b>2 709</b>	<b>3 189</b>	<b>3 223</b>	<b>2 958</b>
Operating expenses	-1 104	-1 209	-1 177	-1 424	-1 238	-1 167
Impairments	-15	-42	-3	-49	3	67
Gross technical charges	-612	-852	-696	-899	-631	-620
Ceded reinsurance result	-17	-17	-10	-26	-18	-6
Share in result associates	21	13	19	2	11	12
Taxes	-257	-192	-211	-266	-325	-333
<b>Profit after tax</b>	<b>774</b>	<b>544</b>	<b>598</b>	<b>528</b>	<b>1 024</b>	<b>777</b>
Minority interests	-57	-48	-48	-41	-44	-41
<b>Net profit – share Group</b>	<b>717</b>	<b>496</b>	<b>550</b>	<b>486</b>	<b>980</b>	<b>736</b>
Risk-weighted assets, banking	107 607	111 693	113 990	117 442	120 706	122 339
Total equity	13 316	14 383	15 227	15 751	15 365	15 198
Return on equity, ytd	24%	20%	19%	18%	29%	25%
Cost/income, banking ytd	51%	57%	58%	60%	49%	51%
Comb. ratio non-life insurance, ytd	92%	94%	95%	96%	89%	91%

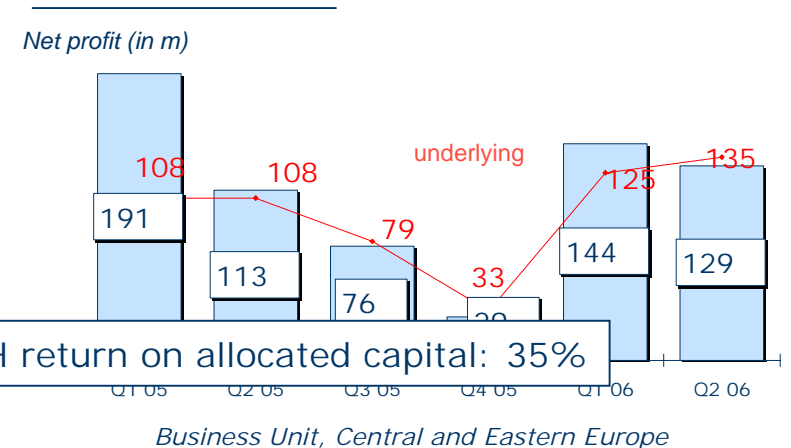


# >25% return levels in all business units

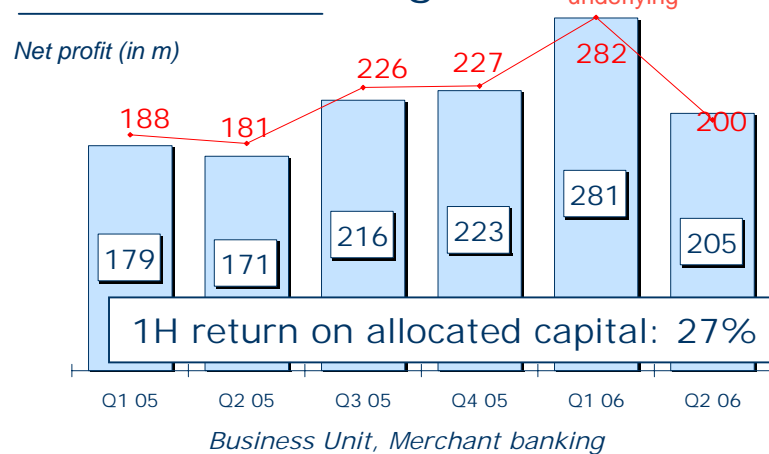
## Belgium



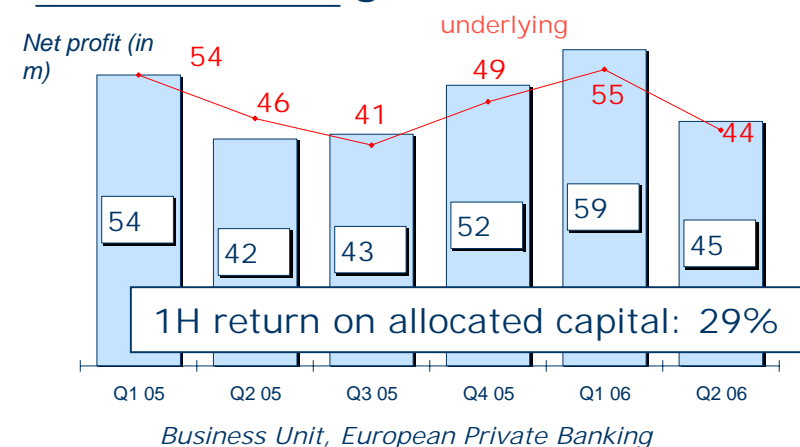
## CEE



## Merchant banking



## Private banking







# Leading Belgian Retail and Insurance Franchise

- Leading and highly profitable Belgian institution
- 3.3mn retail banking customers and 1.5mn insurance customers
- Sound business model based on integrated bancassurance concept and strong focus on cross-selling

## Strong Market Position:

- #2 retail bank in Belgium with 22% assets m.s., 21% deposits, 22% loans and 24% mortgages
- #2 in life insurance with 22% m.s. and #4 in non-life with 9% m.s.
- Other insurance market shares: 63% unit-linked, 11% motor and 12% fire
- Leading player in investment funds with 33% m.s.
- Total Belgian employees: 19,016

## Leading Distribution Platform:

- 917 branches: 892 retail, 25 private banking, 723 bank agents and 584 insurance agencies
- 390,000 online customers; 39,000 active telephone banking subscribers
- 1,204 ATMs

## Ambitious and Realistic Strategic Plan and Mid-Term Targets:

- Insurance: strengthening non-life distribution channels and launch of innovative longevity life products
- Retail banking: 5% revenues CAGR, >10% net profit CAGR and a C/I ratio in the low 60s

## FINANCIALS

<b>Euro mln</b>	<b>2005</b>	<b>H1 06</b>
Net Interest Income	2,082	1,063
Net Fee and Commission Income	830	460
Gross Earned Premiums	2,358	921
Other Income	202	273
<b>Total Income</b>	<b>5,472</b>	<b>2,717</b>
Operating Expenses	(1,834)	(871)
Impairments	2	(16)
Gross Technical Charges	(2,210)	(859)
Other Expenses	(10)	(6)
<b>Profit Before Tax</b>	<b>1,420</b>	<b>965</b>
<b>Net Profit</b>	<b>1,003</b>	<b>676</b>
RWAs Banking	36,123	38,540
Allocated Capital	3,681	3,840
<b>Key Ratios</b>		
Return on Allocated Capital	28%	36%
C/I Ratio (banking activities)	61%	50%
COR (non-life insurance)	95%	90%

- Strong financial indicators backed by efficient cost-control and cross-selling



# Leading and Growing CEE Platform

- 1,200 branches, 7mn retail and 3mn insurance customers
- Focus on EU and EU convergence countries
- Top market share and leading position in every country where it operates (Poland notable exception)

	Czech Rep	Slovakia	Hungary	Poland	Slovenia
<b>Ranking</b>	<b>CSOB</b>		<b>K&amp;H</b>	<b>KB/Warta</b>	<b>NLB</b>
Banking	2	4	2	9	1
Life Insurance	4	8	6	8	4
Non-Life Insurance	6	6	6	2	–
<b>Market Shares</b>					
Assets	25%	8%	10%	5%	38%
Avg of Loans & Deposits	21%	7%	11%	4%	42%
Life Insurance	9%	4%	4%	2%	8%
Non-Life Insurance	4%	4%	4%	11%	–
Banking Clients (000)	3,000	200	800	900	2,000
Insurance Clients (000)	700	200	400	1,800	100
Branches	218	99	158	333	395
RWAs (€bn)	10.1		4.8	3.3	8.4
Alloc. Cap. (€mn)	792		354	361	–
PAT (€mn)	345		79	139	71
Return on Alloc. Cap.	41%		16%		10%
C/I ratio	53%		69%	78%	68%
COR	103%		97%	98%	–

## Focused and Prudent Strategy:

- Focus on organic growth and buy-out of minorities
- Make selected geographic add-on acquisitions (SEE)

## Mid-Term Targets focused on growth and profitability:

- Banking: RWA and net profit CAGR of 10-15%, <60% C/I ratio
- Insurance: Premium income CAGR of 15-25%, net profit CAGR of 25-35% and combined ratio of 95%

## FINANCIALS

Euro mln	2005	H1 06
Net Interest Income	926	476
Net Fee and Commission Income	276	152
Gross Earned Premiums	870	453
Other Income	518	252
<b>Total Income</b>	<b>2,590</b>	<b>1,332</b>
Operating Expenses	(1,318)	(613)
Impairments	(88)	(63)
Gross Technical Charges	(594)	(281)
Other Expenses	(20)	0
<b>Profit Before Tax</b>	<b>570</b>	<b>375</b>
<b>Net Profit</b>	<b>409</b>	<b>274</b>

Customer Loans	15,957	
Customer Deposits and Debt Securities	26,879	
RWAs Banking	18,199	19,854
Allocated Capital	1,508	1,625

## Key Ratios

Return on Allocated Capital	31%	35%
C/I Ratio (banking activities)	65%	57%
COR (non-life ins. activities)	99%	96%

- Strong profitability thanks to high cross-selling ratio and low level of impairments



# Leading Pan European Private Banking Footprint

- €69bn AUM and 3,690 employees<sup>(1)</sup>
- Strong central brand KBL, supported by commercially decentralised and prestigious local private brands
- State-of-the-art IT and back office operations centralised in Luxembourg allow subsidiaries to access best in class technology and products, maintaining commercial flexibility
- Present in 9 western European countries and 5 CEE countries
- Focus on cross-selling to CEE retail network

## Strategy

- Focus on organic growth (achieve €100bn in the mid-term) and add-on acquisitions
- Centralise operational functions and achieve further efficiencies
- Reliance on prestigious brands to access local markets
- Focus on cross-selling products with asset management, insurance, corporate banking and payment services

Subsidiary	Country	Since
Kredietbank SA Luxembourgeoise	Luxembourg	1949
Kredietbank (Suisse)	Switzerland	1980
Brown, Shipley & Co	UK	1986
KB Luxembourg (Monaco)	Monaco	1996
KBL France	France	1998
Merck, Finck & Co	Germany	1999
Banca KBL Fumagalli Soldan	Italy	2001
Theodoor Gilissen Bankiers	The Netherlands	2003
Puilaetco Private Bankers	Belgium	2004
Other	CEE	

## FINANCIALS

Euro mn	2005	1H06
Net Interest Income	258	195
Net Fee and Commission Income	450	267
Gross Earned Premiums	63	10
Other Income	113	(8)
<b>Total Income</b>	<b>885</b>	<b>464</b>
Operating Expenses	(568)	(292)
Impairments	23	0
Gross Technical Charges	(90)	(21)
Other Expenses	3	2
<b>Profit Before Tax</b>	<b>253</b>	<b>153</b>
<b>Net Profit</b>	<b>192</b>	<b>104</b>
RWAs Banking	8,772	9,000
Allocated Capital	653	673
AUM <sup>(1)</sup> (€bn)	65	69

## Key Ratios

Return on Allocated Capital	28%	29%
C/I Ratio	72%	67%

1. Figures as of 1Q06 include *Banco Urquijo*, sold to *Banco Sabadell* in May 2006 for €760mn, which accounted for €3.8bn AUM and over 800 employees.



# Well Diversified Merchant Banking Institution

- Focus on European mid-caps market
- Significantly growing structured, trade and acquisition finance businesses
- Leader in stock brokerage and corporate finance in Belgium and Czech Republic

## Corporate Banking

- Full range of products and services for small and mid-cap clients
- Geographical presence: Belgium (29 branches), Ireland (IIB), Germany, UK, US, France, the Netherlands and Asia
- Growing structured, trade and acquisition finance businesses
- Provides leasing services (over 420 employees), factoring and re-insurance

## Capital Markets

- Main office in Brussels, also present in Paris, NY and London
- #1 broker in Belgium and Czech Republic
- KBC Financial Products: 579 employees, largest US independent dealer in the high-yield market; top 3 provider of leverage and capital protected products for hedge funds; offices in London, NY, Tokyo and Hong Kong; largest and most experienced team in the Japanese equity-linked market
- KBC Securities: over 300 employees, ranked #1 on Euronext Brussels and strongly focused on European mid and small caps
- Peel Hunt KBC is market maker in over 1,200 UK stocks (second largest market maker in London) and one of the top traders of SMEs in the UK market
- Strong Belgium equity footprint: #4 in Belgian equity issuance in 2005 with 11% m.s. (IPOs of Telenet (€1.34bn), Belgacom (€3.6bn))
- #6 in bond issuance with 9% m.s. / #4 in corporate loans issuance with 10% m.s.

## Investment Banking

- Focused on SMEs and midcaps
- #4 in Belgian M&A in 2005 with \$14.6bn total deal value

## FINANCIALS

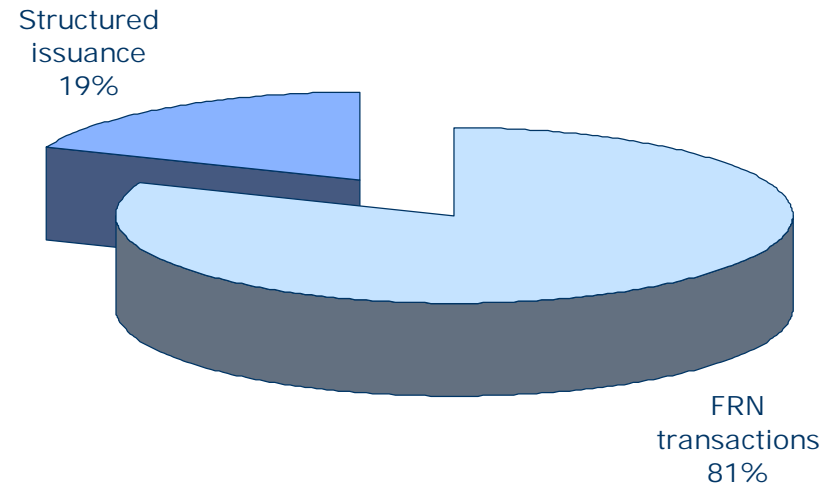
Euro mn	2005	H1 06
Net Interest Income	1,008	370
Net Fee and Commission Income	231	68
Gross Earned Premiums	293	155
Other Income	954	871
<b>Total Income</b>	<b>2,485</b>	<b>1,463</b>
Operating Expenses	(1,076)	(635)
Impairments	22	16
Gross Technical Charges	(181)	(99)
Other Expenses	(29)	(2)
<b>Profit Before Tax</b>	<b>1,221</b>	<b>742</b>
<b>Net Profit</b>	<b>789</b>	<b>486</b>
RWAs Banking	54,347	55,935
Allocated Capital	3,775	3,885
<b>Key Ratios</b>		
Return on Allocated Capital	24%	27%
C/I Ratio (banking activities)	49%	48%
COR (reinsurance activities)	92%	83%

- Strong profitability and efficiency
- Diversified revenue base (banking, insurance, brokerage)

- Company profile
- Financial highlights
- Capital position
- Additional information
  - Issue activity of KBC Bank, overview
  - Other
- Appendix

- A total of 75 senior debt transactions issued through KBC Ifima subdivided in:
  - 5 FRN transactions for 2 200 m EUR equivalent
  - 70 (structured) private/ public placements for 531 m EUR equivalent

Origin of Funding 2002



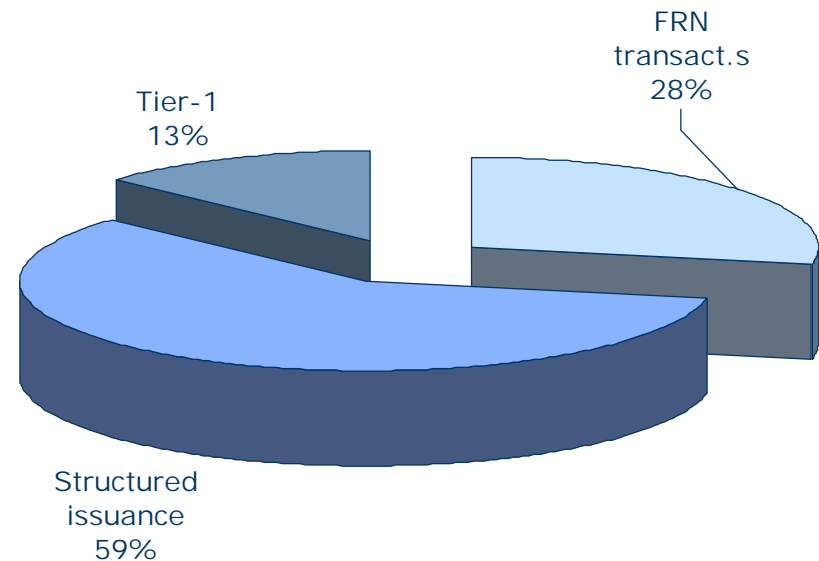
## FRN issuance in International Markets over 2002

Issue size	Type of transaction	Start	End	All-in cost p.a.	Tenor
EUR 500 000 000 (*)	public FRN issue	21/01/2002	21/01/2005	euribor 3m + 13.37 bp	3 year
EUR 250 000 000 (*)	public FRN issue	31/01/2002	21/01/2005	euribor 3m + 13.51bp	3 year
EUR 500 000 000	public FRN issue	13/03/2002	13/03/2007	euribor 3m + 17.35 bp	5 year
EUR 250 000 000 (*)	public FRN issue	28/03/2002	21/01/2005	euribor 3m + 12.97 bp	2y 10m
EUR 300 000 000	private FRN issue	26/04/2002	26/04/2004	euribor 3m + 8 bp	2 year
EUR 200 000 000	private FRN issue	03/05/2002	03/05/2004	euribor 3m + 8 bp	2 year
EUR 200 000 000	private FRN issue	05/07/2002	05/01/2004	euribor 3m + 5.68 bp	1.5 year

(\*) fungible tranches

- A total of 142 senior debt transactions issued through KBC Ifima subdivided in:
  - 3 FRN transactions for 610 m EUR equivalent
  - 139 (structured) private/public placements for 1 259 m EUR equivalent
- An ad hoc Tier-I issue of 200 m GBP (perpetual NC 16 years)

### Origin of Funding 2003







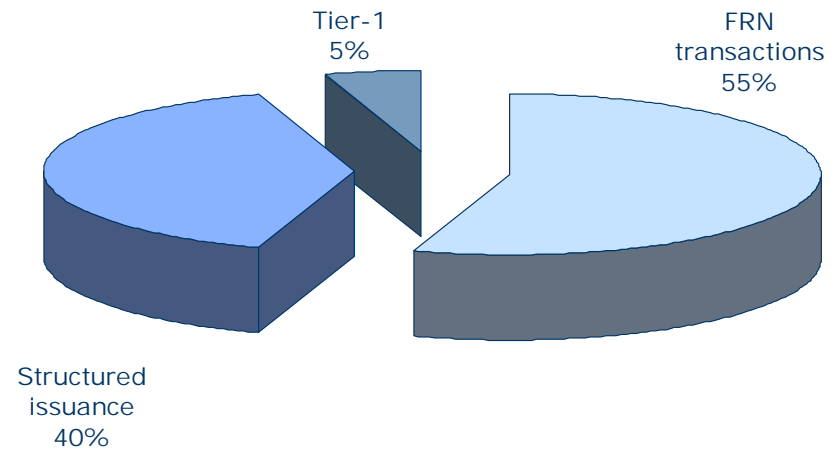
## Details of FRN+Tier-1 issuance over 2003

### FRN and Tier-1 in International Markets over 2003

Issue size	Type of transaction	Start	End	All-in cost p.a.	Tenor
EUR 250 000 000	private FRN issue	27/01/2003	27/01/2005	euribor 3m + 8 bp	2 year
EUR 100 000 000	private FRN issue	07/02/2003	07/02/2005	euribor 3m + 8 bp	2 year
EUR 260 000 000	private FRN issue	21/03/2003	23/03/2008	euribor 3m + 8 bp	5 year
GBP 200 000 000	public Tier-1 issue	19/12/2003	Perp NC 16	euribor 3m + 8 bp	Perp

- A total of 301 senior debt transactions and 2 subordinated Lower Tier-II transactions (101 m EUR equivalent) issued through KBC Ifima subdivided in:
  - FRN transactions for 2 698 m EUR equivalent
  - 295 (structured) private/ public placements for 1 940 m EUR equivalent
- An ad hoc Tier-I issue of 175 m GBP (perpetual NC 15 years)

Origin of Funding 2004





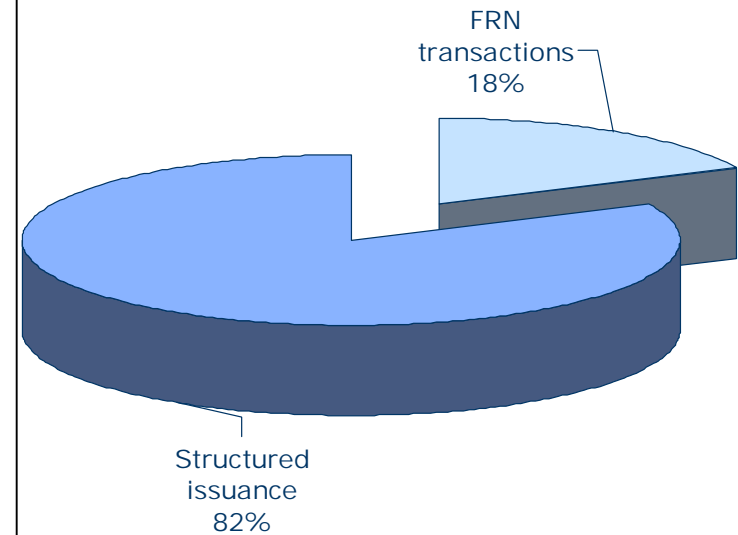
# Details of FRN + Tier-1 issuance over 2004

FRN and Tier-1 issuance in International Markets over 2004

Issue size	Type of transaction	Start	End	All-in cost p.a.	Tenor
EUR 500 000 000	public FRN issue	20/01/2004	20/01/2006	euribor 3m + 4.5 bp	2 year
EUR 50 000 000	private FRN issue	27/01/2004	27/01/2006	euribor 3m + 2 bp	2 year
EUR 300 000 000	public FRN issue	28/01/2004	28/01/2009	euribor 3m + 12 bp	5 year
JPY 27 000 000 000	private FRN issue	09/02/2004	09/02/2006	euribor 3m + 3 bp	2 year
EUR 200 000 000	private FRN issue	19/02/2004	19/02/2004	euribor 3m + 3 bp	2 year 1m
EUR 500 000 000	public FRN issue	15/09/2004	15/09/2004	euribor 3m + 8.5 bp	4 year
CZK 1 100 000 000	private zero coupon issue	25/10/2004	25/10/2004	pribor 3m - 1 bp	2 year
EUR 100 000 000	Private FRN issue	27/10/2004	27/10/2004	euribor 3m flat	2 year
EUR 300 000 000	public FRN issue	02/12/2004	02/12/2004	euribor 3m + 8 bp	3.8 year
EUR 150 000 000	private FRN issue	01/12/2004	01/12/2004	euribor 3m + 2.5 bp	2 year
EUR 500 000 000	Private FRN issue	14/12/2004	14/12/2004	euribor 3m + 9.5 bp	5 year
USD 27 351 535	private issue	16/02/2005	16/02/2005	euribor 3m + 4.5 bp	5 year
GBP 175 000 000	public Tier-1 issue	03/11/2004	03/11/2004	libor 3m + 79 bp	Perp

- A total of 605 transactions issued through KBC IFIMA
- **Subdivided by status:**
  - 596 senior debt transactions for 4,238m EUR equivalent
  - 9 subordinated lower tier II transactions for 736 m EUR equivalent
- **Type of transactions:**
  - 4 FRN transactions in EUR for 915 m EUR equivalent
  - 8 subordinated FRN transactions for 448 m EUR equivalent
  - 593 (structured) private/ public placements for 3 611 m EUR equivalent

Origin of Funding 2005



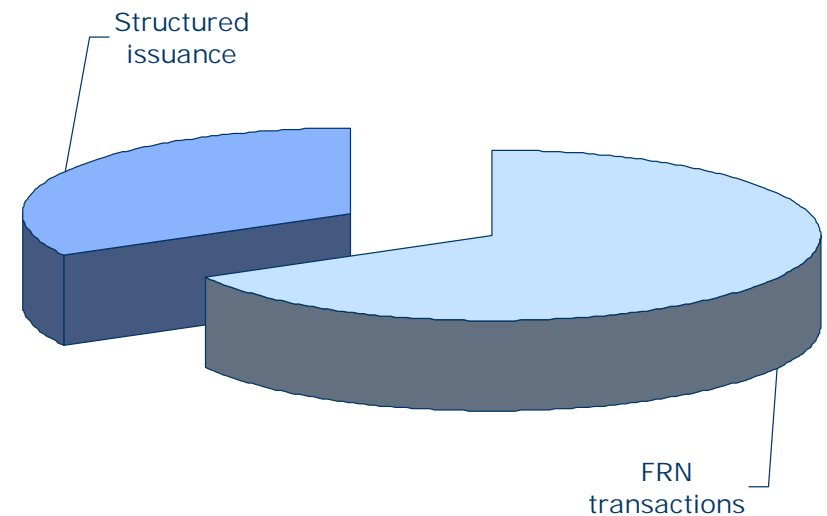


## KBC FRN issues launched in 2005

Issue size	Type of transaction	Coupon	Tenor
EUR 215,000,000	private FRN issue	Euribor 6m + 8 bp	5 year
EUR 300,000,000	private FRN issue	Euribor 3m flat	2 year
EUR 100,000,000	private FRN issue	Euribor 3m flat	2 year
EUR 300,000,000	Public FRN issue (subordinated)	Year 1 - 5: Euribor 3m + 20 bp Year 6 - 10: Euribor 3m + 70 bp	10 year non call 5 year

- A total of 491 senior debt transactions issued through KBC Ifima subdivided in:
  - 10 FRN transactions for 5,589 m EUR equivalent
  - 481 (structured) private/ public placements for 2,745 m EUR equivalent

Origin of Funding 2006  
(till 20th September)





## KBC FRN issues launched in 2006

Issue size	Type of transaction	Coupon	Tenor
EUR 500,000,000	Public FRN issue	Euribor 3m +0.5 bp	2 year
EUR 500,000,000	Public FRN issue	Euribor 3m + 8.5 bp	5 year
EUR 750,000,000	Public FRN issue	Euribor 3m – 1 bp	18 months
EUR 500,000,000	Public FRN issue	Euribor 3m + 8 bp	5 year
EUR 355,000,000	Private FRN issue	Euribor 3m flat	2 year
EUR 500,000,000	Public FRN issue	Euribor 3m – 1bp	18 months
EUR 500,000,000	Public FRN issue	Euribor 3m + 5 bp	4 year
EUR 400,000,000	Private FRN issue	Euribor 3m + 9.5 bp	5 year
GBP 400,000,000	Public FRN issue	GBP Libor 3m + 2.5 bp	3 year
EUR 1,000,000,000	Public FRN issue	Euribor 3m + 9 bp	5 year

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