KBC Group / Bank

CONTINGENT CAPITAL SECURITIES ROADSHOW

January 2013

KBC

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Executive summary

- **Strong bancassurance group with leading market positions in core geographies (Belgium and CEE) and high cross-selling ratios**
  - A leading financial institution in both Belgium and the Czech Republic[1]
- **One of the most advanced banks in the deleveraging process in Europe**
  - 22 of 25 EU mandated disposals have been signed or announced and government capital repayment already well under way
- **Consistent, strong underlying profitability and robust organic capital generation**
- **Stable, conservative and retail-oriented business model with very modest wholesale funding needs and strong liquidity profile**
  - 82% LTD ratio at KBC Bank as of 9M12
- **One of the best capitalised banks in Europe (pro forma Group CT1 ratio of 12.7%[2])**
  - Capital position represents a significant buffer (5.7%) to the trigger ratio of the envisaged instrument (7% CT1/CET1 of KBC Group)

1. Please see page 6 for further details
2. Basel II 9M12 pro forma CT1 includes 1) the impact of the signed divestments of Absolut Bank, NLB and a full exit of Kredyt Bank, 2) the impact of the capital increase and the sale of treasury shares and 3) the reimbursement of the remaining EUR 3bn Federal State aid (+ 15% penalty premium)

Contents

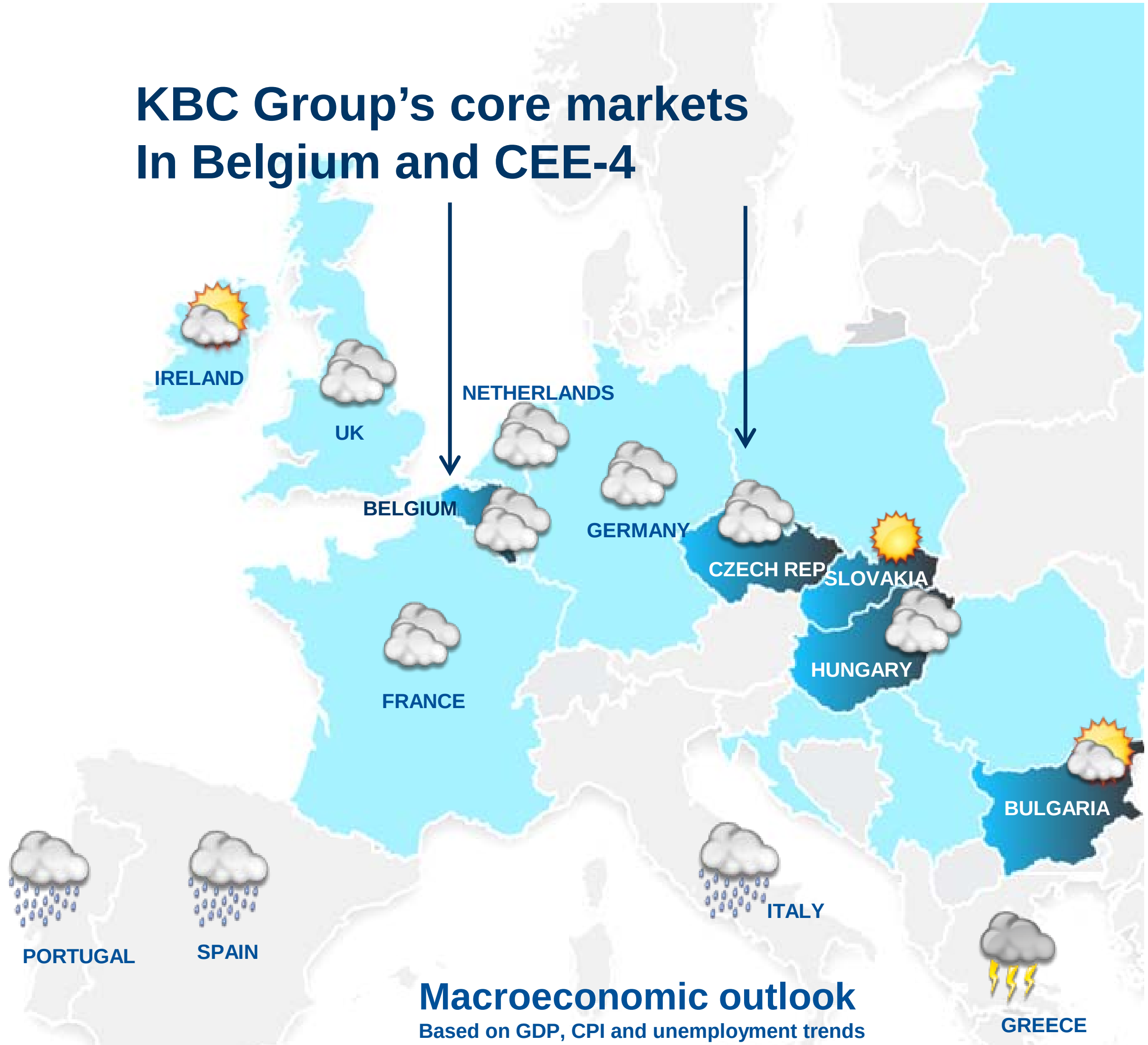
Overview of KBC Group

- **Bancassurance group present in Belgium & CEE**
- **National champion, strongly embedded in local economies with leading market positions**
  - Business focus on Retail, SME & Midcap clients
  - Unique selling proposition: in-depth knowledge of local markets and profound relationships with clients
- **Integrated bancassurance business model**
  - Strong value creator with good underlying results through the cycle
  - Integrated model creates cost synergies by avoiding overlap of supporting entities and generates added value for our clients through a complementary and optimized product and service offering
- **Strong capital and liquidity positions**
  - Pro-forma T1 ratio of 14.8% in 9M12 at KBC Group
  - Estimated B3 CET1 of KBC Group at the end of 2013: 12.3% phased in (11.3% fully loaded), factoring in EUR 4.67bn notional repayment of State aid instruments by end 2013, well above the 10% internal target[1]
  - Continued strong liquidity position (82% LTD ratio at KBC Bank as of 9M12)
- **Resilient business performance**
  - Underlying net group profit of EUR 1,233m for 9M12, 1.5% of 9M12 risk weighted assets
- **Momentum maintained on divestments and de-risking**
  - Sales of NLB and Absolut Bank have been signed
  - GIIPS exposure down 67% since end of 2011
  - P&L sensitivity to CDO positions significantly reduced thanks to de-risking activities

1. KBC press release as of 10-Dec-2012 – Group announced intention to maintain a fully loaded Basel 3 CET1 Ratio of 10% as of 01-Jan-2013.

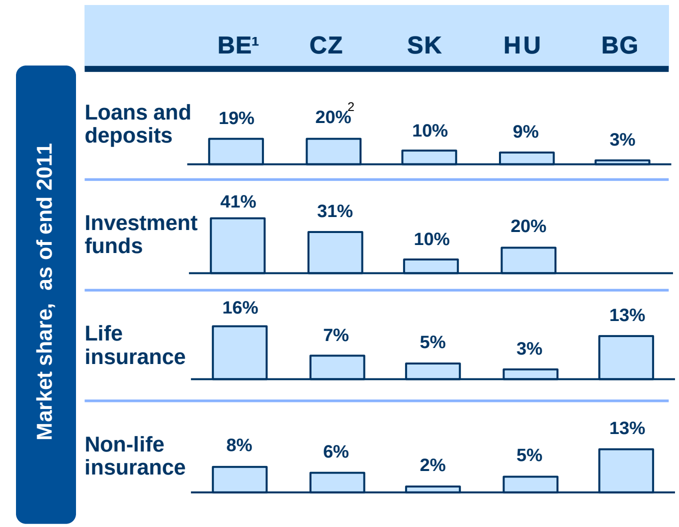
Well defined core markets provide access to 'new growth' in Europe

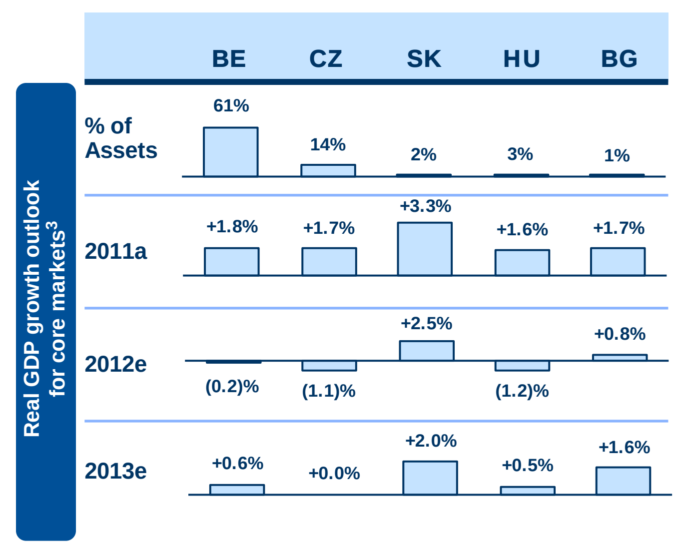
KBC Group's core markets In Belgium and CEE-4



Macroeconomic outlook

Based on GDP, CPI and unemployment trends
Inspired by Financial Times





1. Excluding Centea and Fidea
2. Including 55% of the joint venture with CMSS
3. Source: KBC data, January 2013

Overview of key financial data at 9M 2012

KBC Group	KBC Bank	KBC Insurance
• Market cap (03/01/13): EUR 10.3bn • Underlying profit: EUR 1.2bn • Total assets: EUR 270bn • Total equity: EUR 18bn • T1 ratio: 15.3% • CT1 ratio: 13.4%	• Underlying profit (Bank and AM): EUR 0.9bn[1] • Total assets: EUR 240bn • Total equity: EUR 12bn • T1 ratio: 12.8% • CT1 ratio: 10.6%	• Underlying profit: EUR 0.4bn • Gross earned premium: EUR 2.4bn • Non-life GWP: EUR 1.3bn • Life GWP: EUR 3.6bn • Combined operating ratio: 90% • Solvency ratio: 365%

Credit ratings of KBC Bank

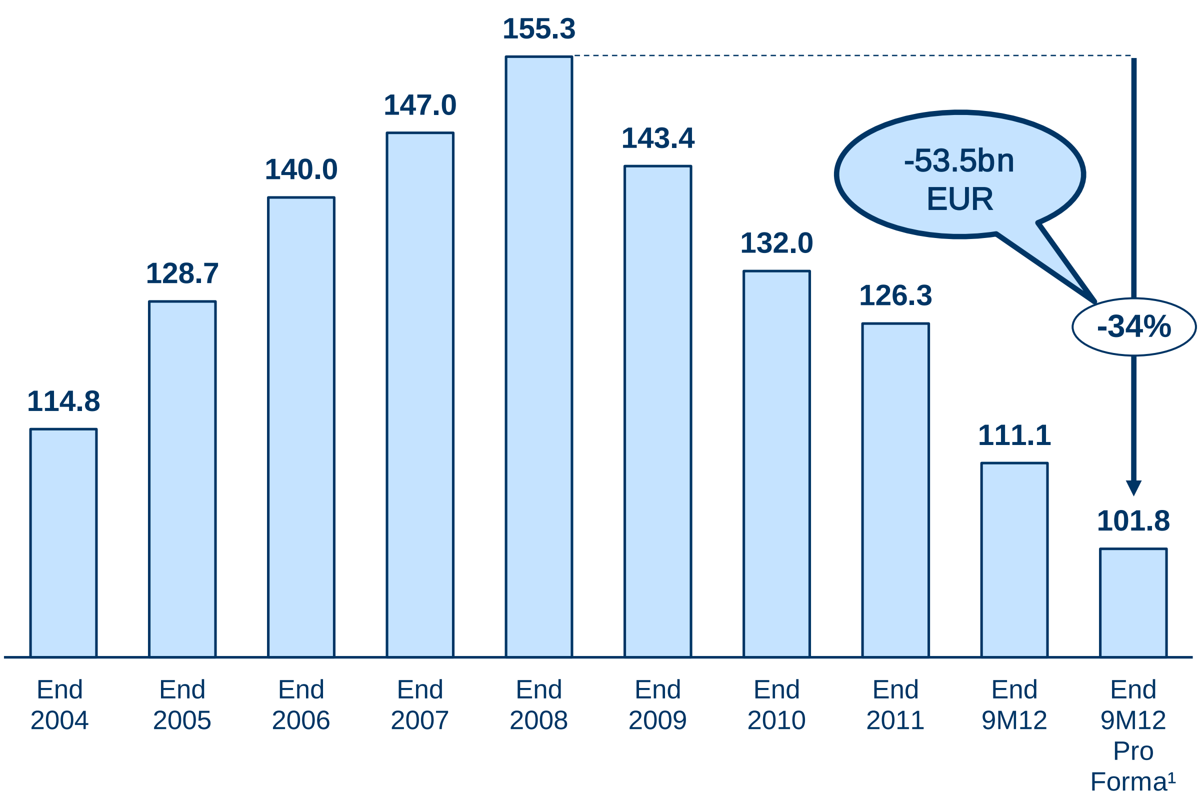
	S&P (Dec 2012)	**Moody's** (Jun 2012)	**Fitch** (Jul 2012)
Long-term	**A-** (Positive)	**A3** (Stable)	**A-** (Stable)
Short-term	A-2	Prime-2	F1
Contingent Capital Securities	**[BB+] expected**	**NR**	**NR**

1. Excl. KBL epb and holding company eliminations

RWA reduced by more than initially planned

- 34% reduction in risk weighted assets between the end of 2008 and 9M 2012 due in large part to divestment activities
  - Divestments of KBC companies have taken place on large scale since 2009: >20 entities

KBC Group risk weighted assets (in EUR bn)



Select Finalised Divestments

KBC FP Convertible Bonds	✓
KBC FP Asian Equity Derivatives	✓
KBC FP Insurance Derivatives	✓
KBC FP Reverse Mortgages	✓
KBC Peel Hunt	✓
KBC AM in the UK	✓
KBC AM in Ireland	✓
KBC Securities BIC	✓
KBC Business Capital	✓
Secura	✓
KBC Concord Taiwan	✓
KBC Securities Romania	✓
KBC Securities Serbia	✓
Organic wind-down of international MEB loan book outside home markets	✓
Centea	✓
Fidea	✓
Warta	✓
KBL *European Private Bankers*	✓
Zagiel	✓
Kredyt Bank	✓
NLB	Signed
Absolut Bank	Signed

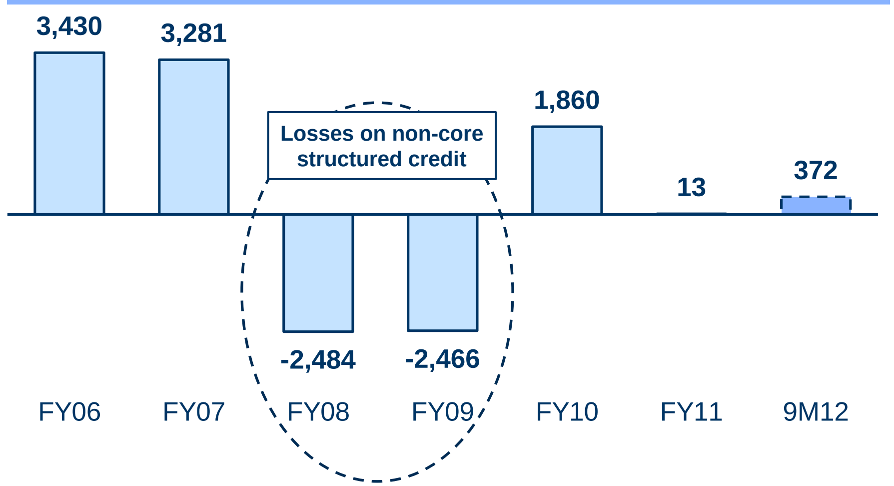
1. Including the effects of Kredyt Bank, NLB and Absolut Bank divestments

Contents

- Strategy and business profile
- **Financial performance**
- Asset quality
- Liquidity
- Capital
- Transaction overview

Underlying earnings capacity remains strong through crisis

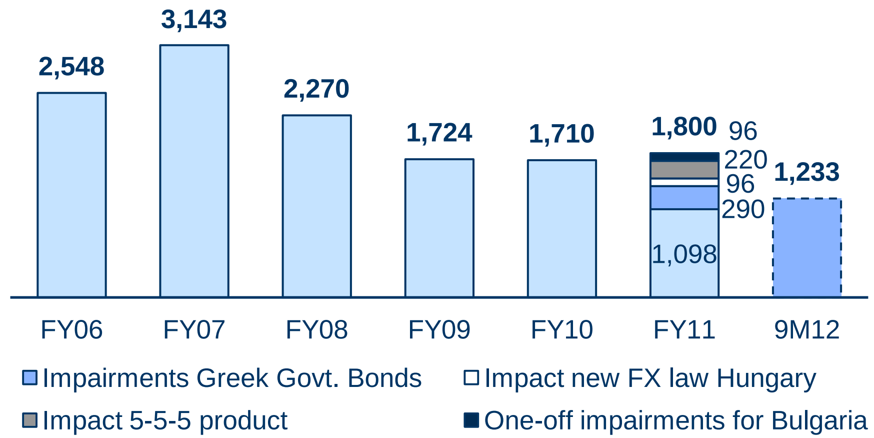
Reported net profit



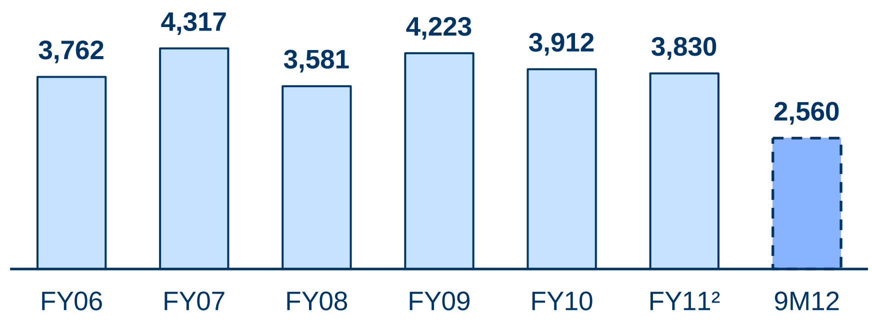
Excl. exceptional items

Excl. exceptional items and cyclical effects of credit provisions

Underlying net profit



Underlying gross operating income[1]



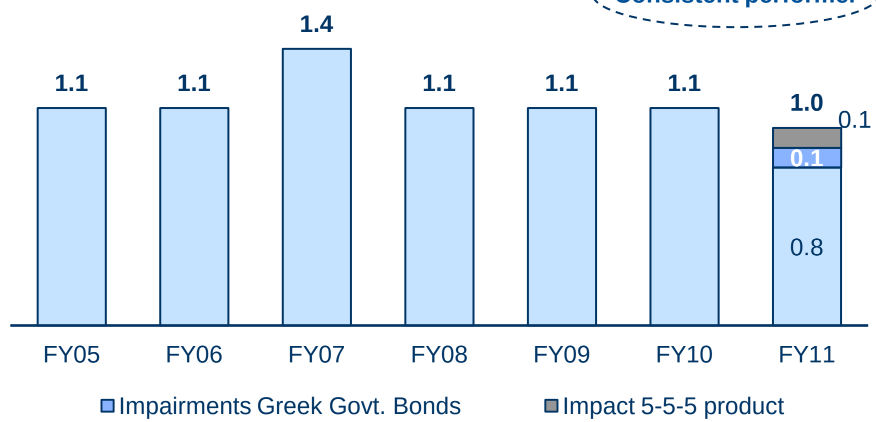
Note: Amounts in EUR m for KBC Group
1. Pre-impairments
2. FY11 with neutralisation of impact of 5-5-5 bonds

Satisfying FY results in home markets

Underlying net profit Belgium (retail)

2011 ROAC: 27%

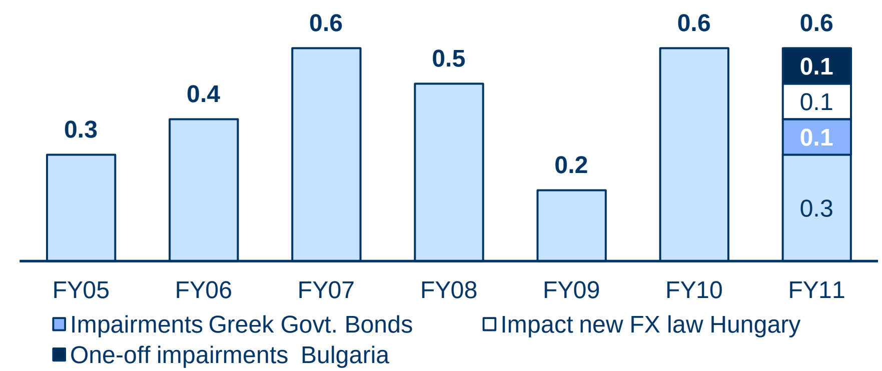
Consistent performer



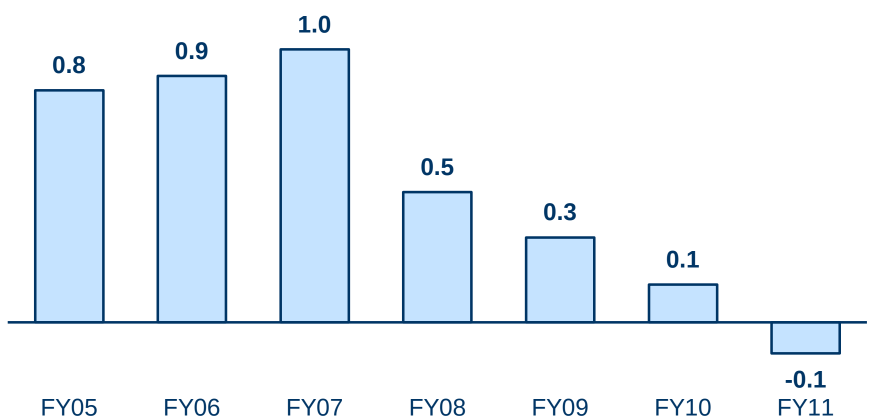
Underlying net profit CEE

2011 ROAC: 11%

Consistent performer

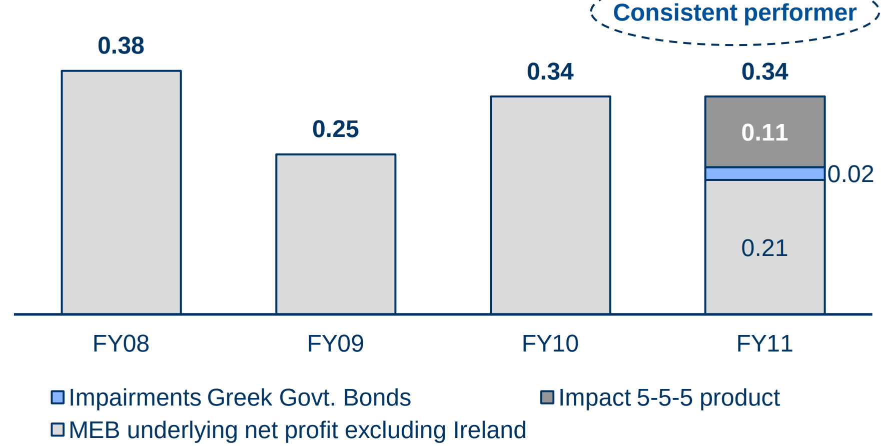


Underlying net profit Merchant Banking (BE +Intl) (affected by Ireland)



Underlying net profit MEB excluding Ireland

Consistent performer



Note: Amounts in EUR bn

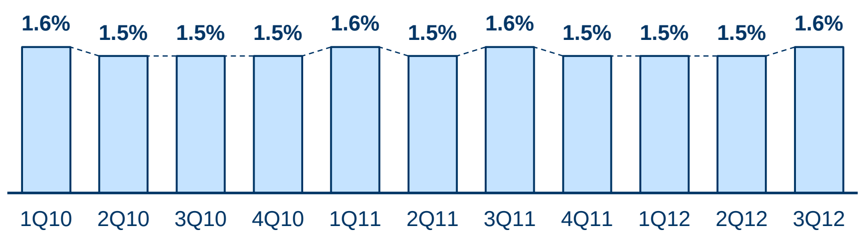
Contents

Loan book credit quality

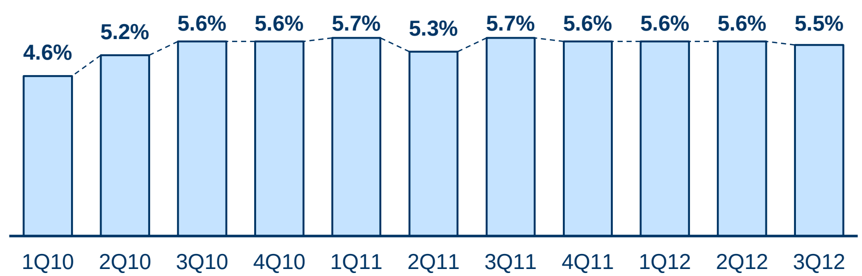
Loan Book Overview

- Customer loan book: EUR 131bn at end 9M12
  - 41% residential mortgages
  - 3% consumer finance
  - 11% other retail loans
  - 46% SME/corporate loans
- Largely sold through own branches
- Total Group NPL at 5.5% at end 9M12
  - 5.5% in CEE and 1.6% in Belgium
- NPL coverage ratio for KBC Group at 61% at end 9M12 (68% in CEE)

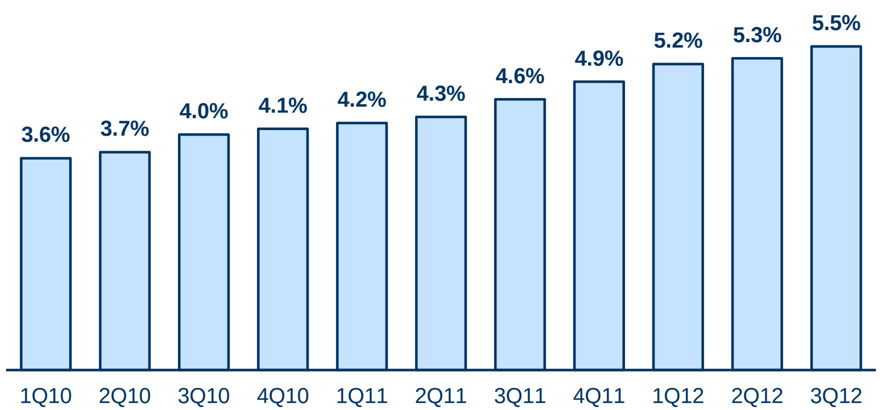
Belgian NPL Progression



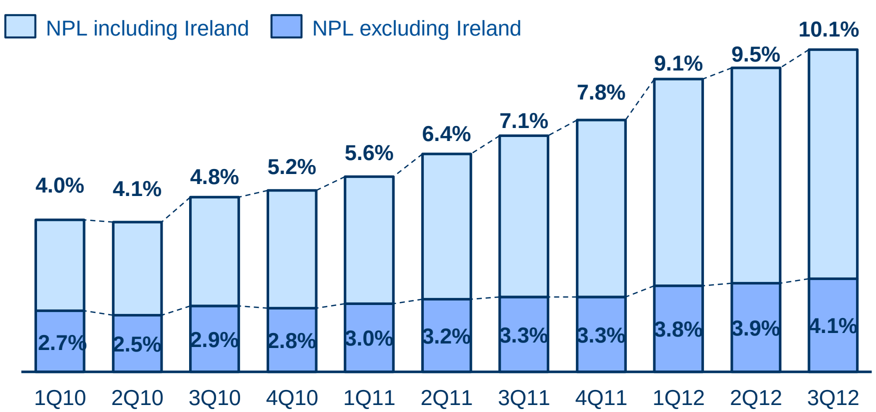
CEE NPL Progression



Group NPL Progression



MEB NPL Progression



Very low loan losses in Belgian operations

	9M12 credit cost ratio	FY 2011 credit cost ratio	FY 2010 credit cost ratio	FY 2009 credit cost ratio	Average 1999-2010	Peak 1999-2010
Belgium	**0.06%**	**0.10%**	0.15%	0.15%	0.16%	0.31%
CEE	**0.40%**	**1.59%**[1]	1.16%	2.11%	1.05%	2.75%
Merchant Banking	**1.38%**[2]	**1.36%**[2]	1.38%[2]	1.19%	0.55%	1.38%[2]
Group Centre	**0.85%**	**0.32%**	1.17%	1.58%		
Total	**0.63%**[3]	**0.82%**	0.91%	1.11%	0.45%	1.11%

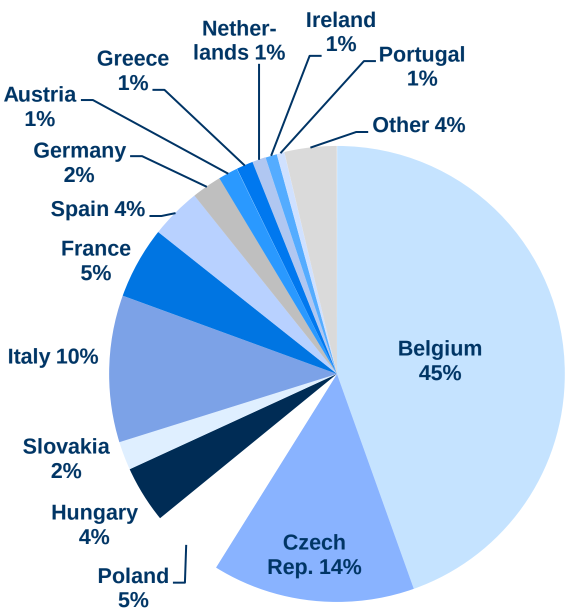
Note: Credit cost ratio is the amount of losses incurred on troubled loans as a % of total average outstanding loan portfolio

1. The high credit cost ratio at CEE is attributable entirely to Bulgaria (very illiquid domestic real estate market) and K&H Bank (impact of new law on FX mortgages) in 2H11
2. The high credit cost ratio at Merchant Banking is due in full to KBC Bank Ireland
3. Credit cost ratio fell to 0.63% in 9M12 (from 0.82% in FY11). Excluding KBC Bank Ireland, the credit cost ratio stood at a very low 0.27% in 9M12

Government bond portfolio (KBC Group)

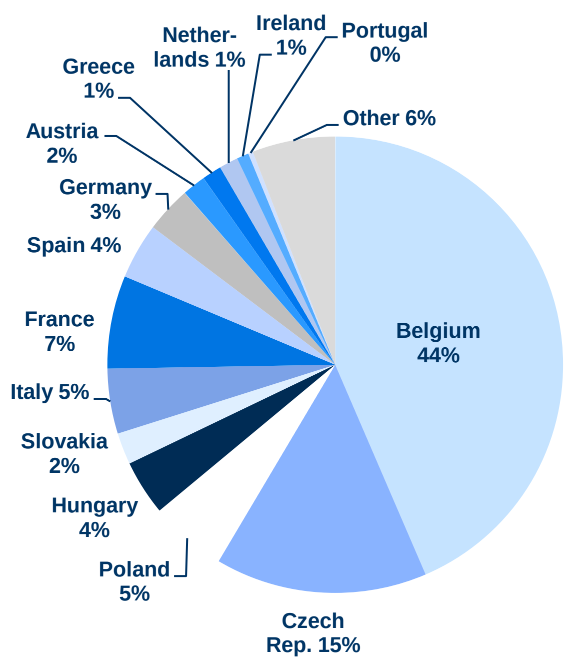
- Notional investment of EUR 49bn in government bonds (excl. trading book) at end 9M12, primarily as a result of a significant excess liquidity position and the reinvestment of insurance reserves into fixed-income instruments
- GIIPS exposure down by 67% since end of 2011, to EUR 1.6bn carrying value as of 9M12

End 2010



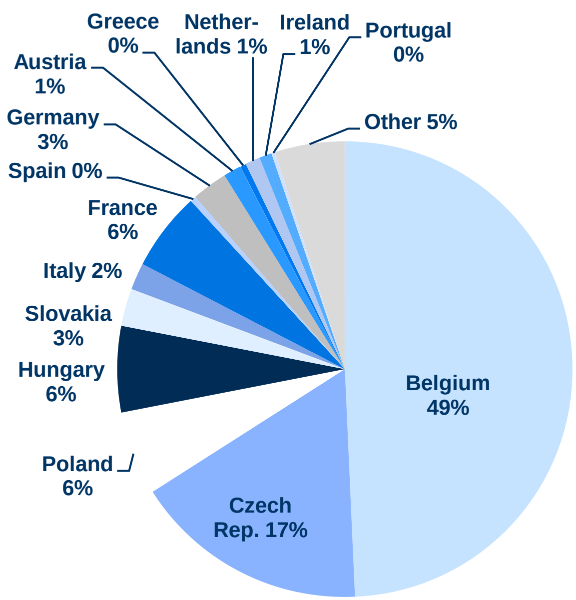
Total: EUR 60bn

End 2011



Total: EUR 51bn

End 9M12



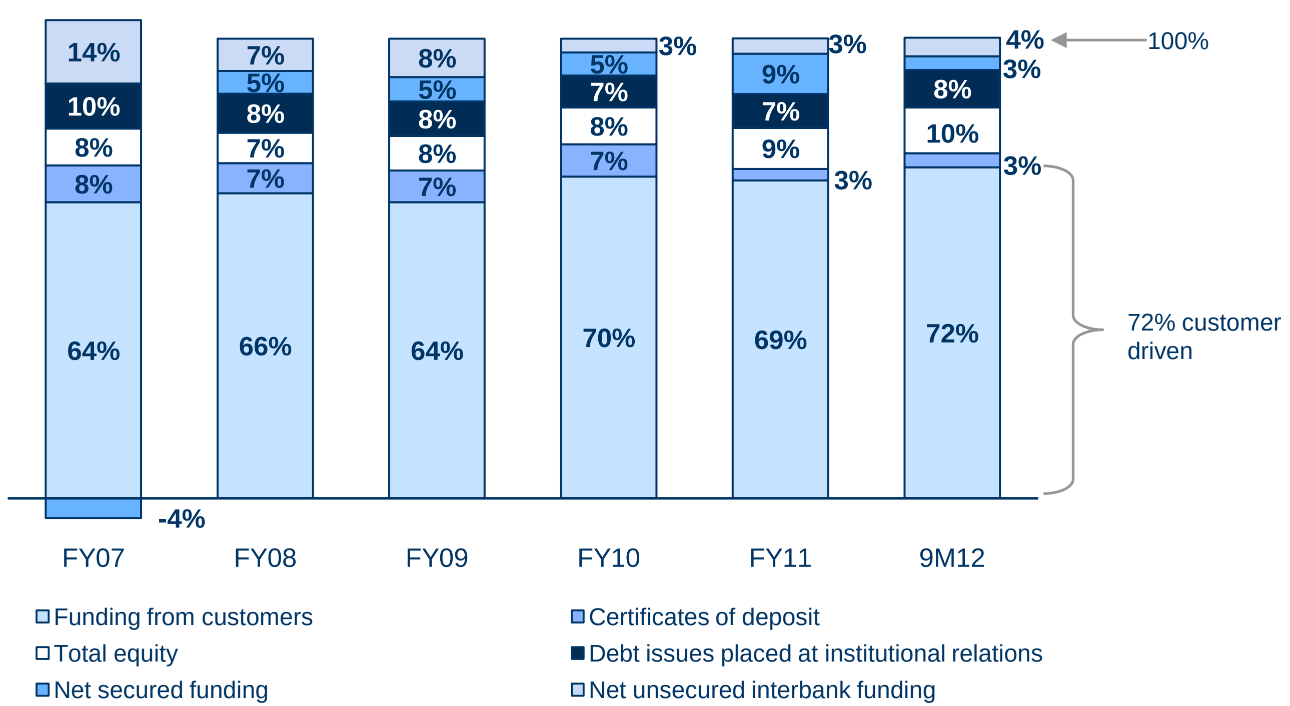
Total: EUR 49bn

Contents

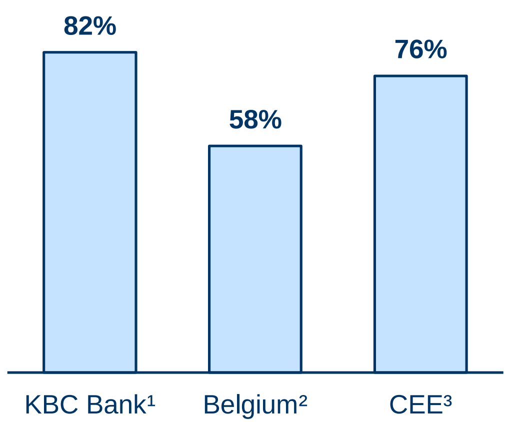
A solid liquidity position driven by a loyal deposit base throughout the crisis

- KBC Bank continues to have a strong retail/corporate deposit base in its core markets – resulting in a stable funding mix with a significant portion of the funding attracted from core customer segments & markets
- LTD ratio of 82% at KBC Bank at the end of 9M12
- Improvement in LTD from 94% at FY 2011 is the result of strong deposit growth in retail/corporate and a recovery in the more volatile institutional deposits after the decrease in 4Q11 – (at that time due to a downgrade of our short-term rating by S&P and the risk aversion to the European market in general)
- The downgrade of our Moody's ST and LT rating in June 2012 had no substantial impact on the funding profile

Funding mix



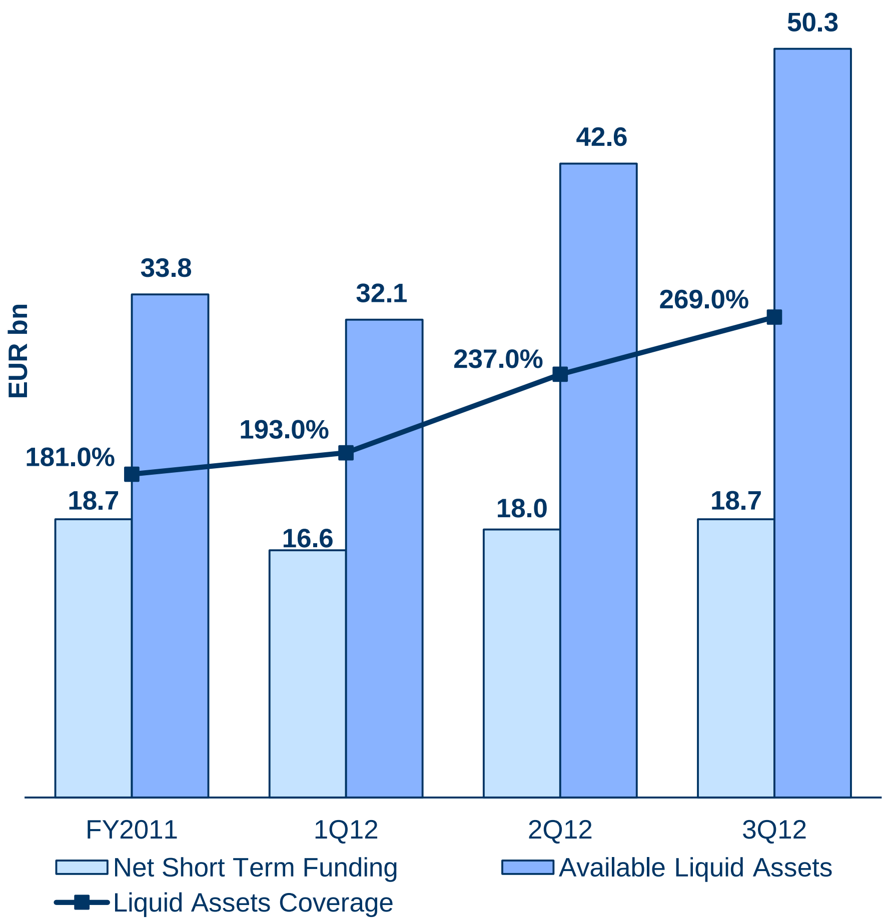
9M 2012 LTD ratios



1. Excluding all the entities earmarked for divestment in Group Centre: KBL epb, ADB, KBC Deutschland, KBC Banka, Absolut Bank and Kredyt Bank
2. Excluding Centea (retroactively adjusted)
3. Excluding Kredyt Bank and Absolut Bank (items earmarked for divestment in Group Centre)

Liquid asset buffer more than double short term funding needs

Short term unsecured funding KBC Bank vs. liquid assets as of end September 2012[1,2]



The liquid asset buffer increased substantially in comparison with the end of June 2012, due to the following factors:

- Increasing investments in highly liquid assets and positive MtM
- Automation of the credit claims pledging process allowing KBC to pledge more than EUR 4bn worth (after haircuts) of loans at National Bank of Belgium
- Substantial increase in total amount of unencumbered assets (less secured funding)

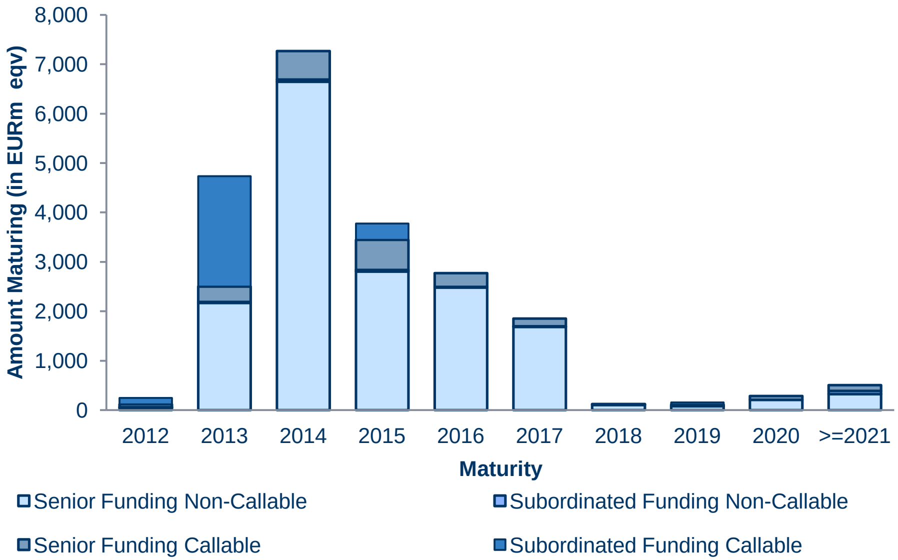
Therefore, the already strong liquidity position has improved further as:

- Unencumbered assets are more than double the amount of the net recourse on short-term wholesale funding
- Funding from non-wholesale markets is stable funding from core customer segments in our home markets

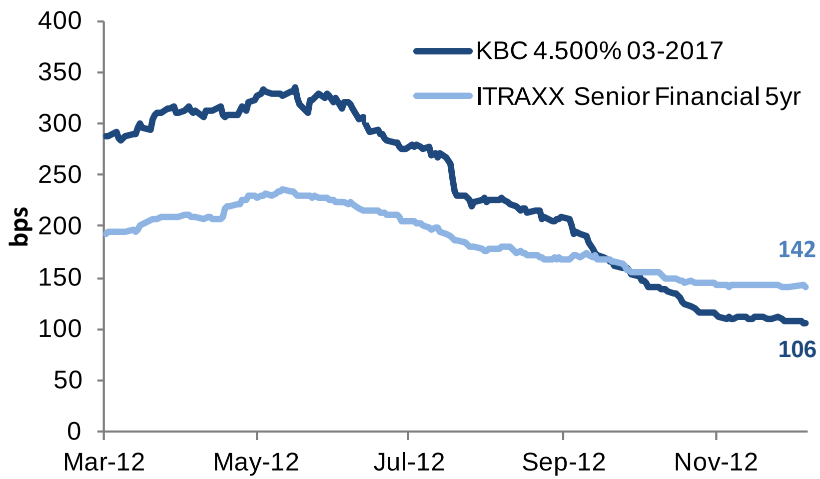
1. According to IFRS5, the situation at 28/09/2012 excludes the remaining divestment entities as of 9M12 (Absolut Bank, Kredyt Bank, KBC Deutschland, KBC Banka, ADB, KBL) Excluding Centea (retroactively adjusted)
2. Graphs are based on Note 18 of KBC's quarterly report, except for the 'available liquid assets' and 'liquid assets coverage', which is based on the Treasury Management Report of KBC Group

Low refinancing need compared to peers

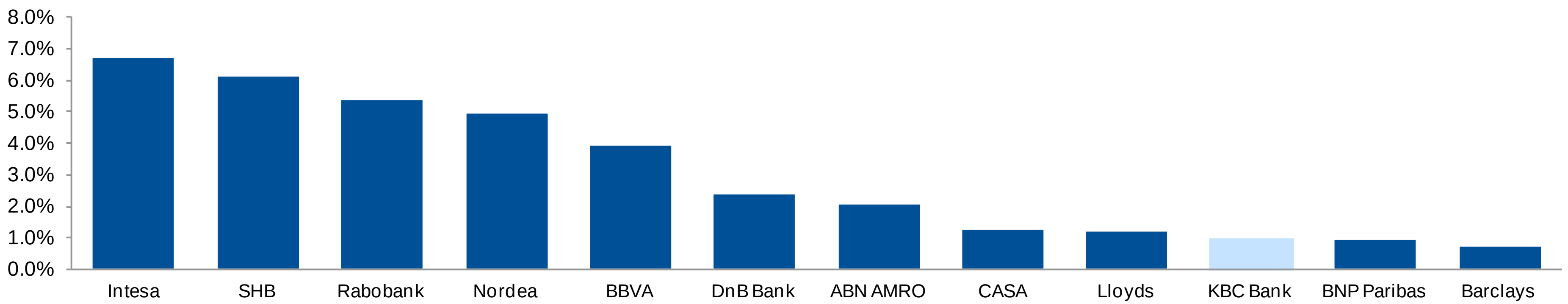
Breakdown funding maturity buckets senior vs. subordinated & callable vs. non-callable – as of 9M12



5Y Credit Spreads vs. iTraxx Senior Financial Index



Debt Maturing 2013 / Total Assets as of H1 2012[1]



Note: the graph on top left -hand side does not include the ECB LTRO for a total amount of EUR 8.7bn (3y maturity)

1. Source: Bloomberg, company reports

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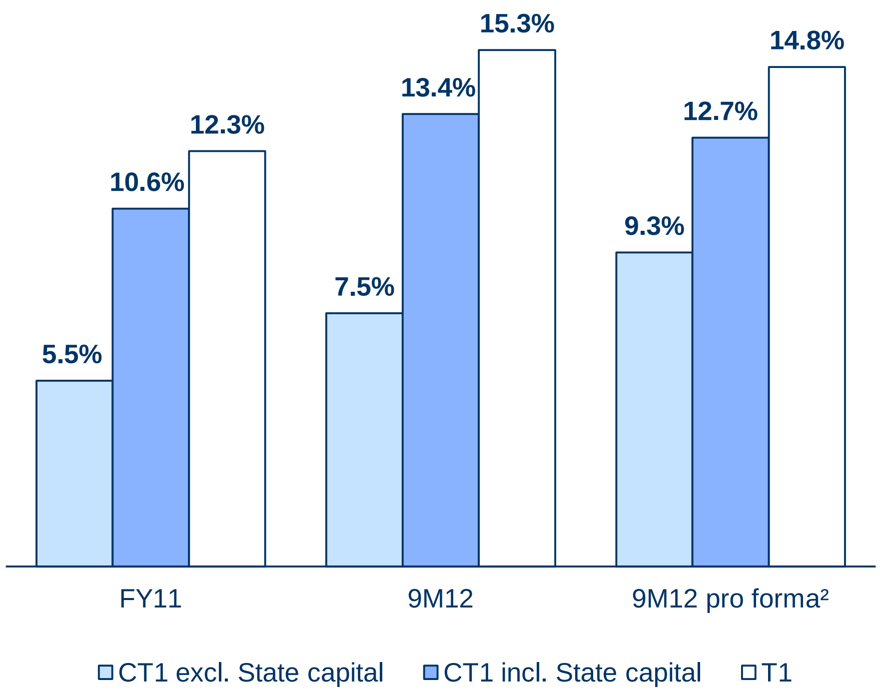
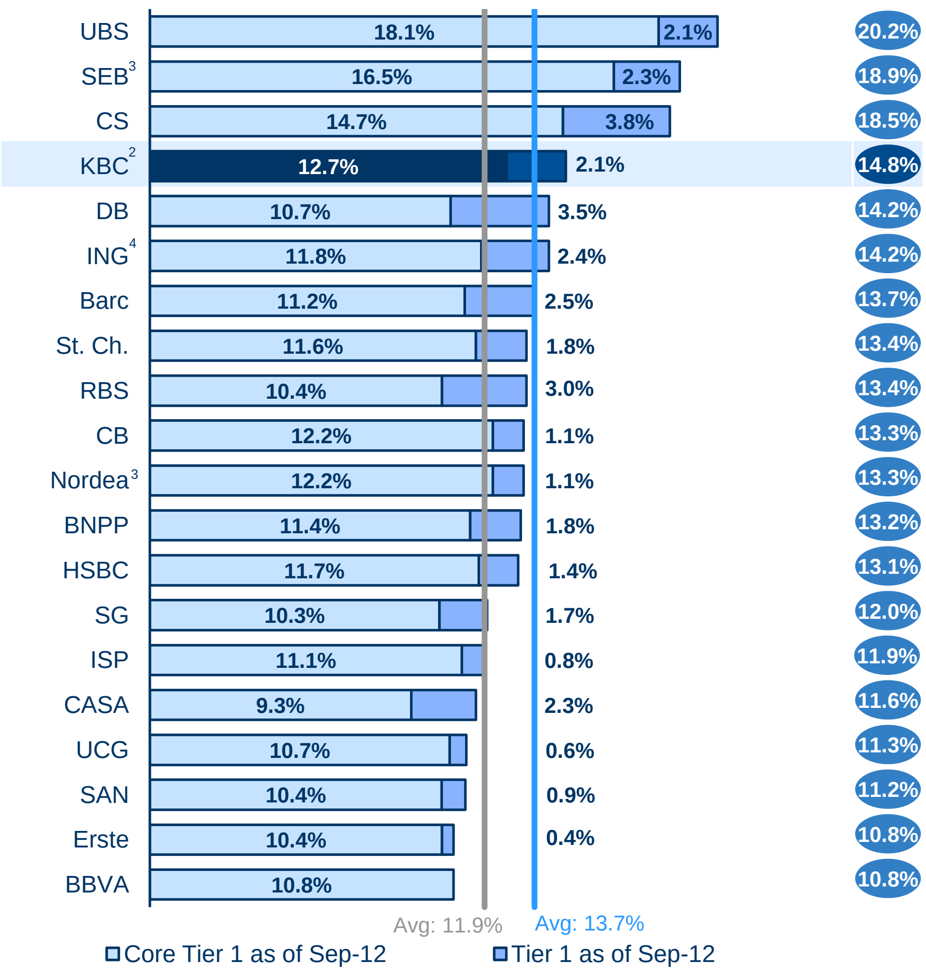
Strong capital position at KBC Group

Capital position at 9M12



- Strong T1 ratio of 15.3% (14.8% pro forma) at KBC Group as at end 9M12
- Pro forma CT1 ratio – including the effect of the sale of Kredyt Bank, Absolut Bank and NLB, the capital increase and the sale of treasury shares, and the reimbursement of the remaining Federal State aid – of 12.7% at KBC Group

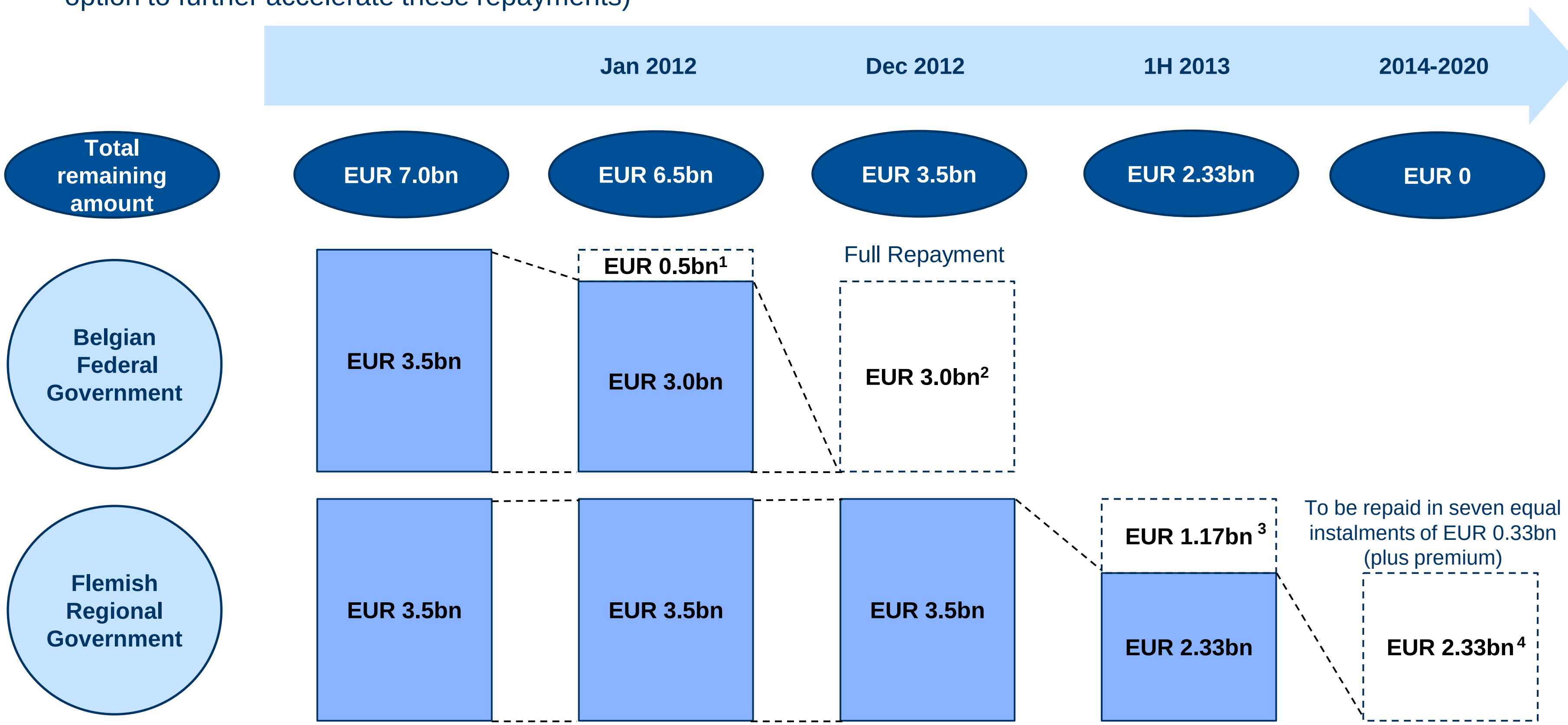
Favourable peer group comparison[1]



1. Source: Company filings as of September 2012 (Standard Chartered as of June 2012). Capital ratios under Basel 2.5
2. Basel II 9M12 pro forma CT1 includes 1) the impact of the signed divestments of Absolut Bank, NLB and a full exit of Kredyt Bank, 2) the impact of the capital increase and the sale of treasury shares and 3) the reimbursement of the remaining EUR 3bn Federal State aid (+ 15% penalty premium)
3. Excluding transition rules
4. As per press release of 26 November 2012 – pro forma for repayment of EUR 1.125bn to Dutch State, including the sale of ING Direct Canada

Assessment of State aid position repayment schedule

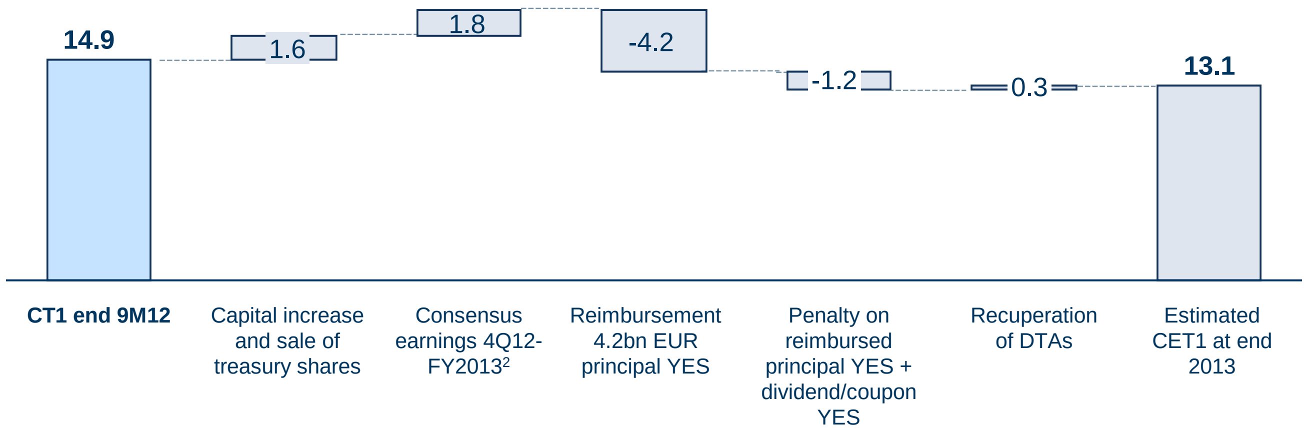
- KBC announced the accelerated full repayment of EUR 3.0bn of State aid to the Belgian Federal Government in December 2012, approved by the National Bank of Belgium and its intention to accelerate repayment of EUR 1.17bn of State aid to the Flemish Regional Government in the first half of 2013
- KBC is committed to repaying the remaining outstanding balance of EUR 2.33bn issued to the Flemish Regional Government in seven equal instalments of EUR 0.33bn (plus premium) over the 2014-2020 period (KBC however has the option to further accelerate these repayments)



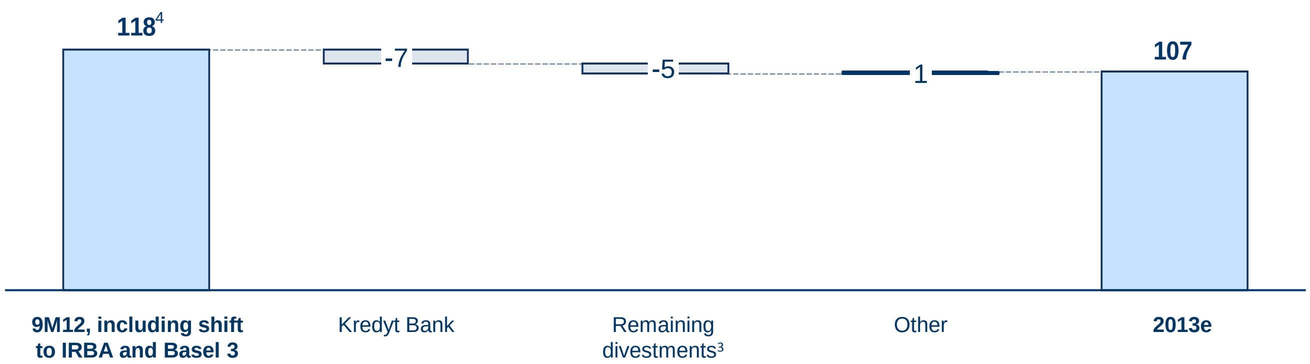
1. Plus 15% premium amounting to EUR 75m
2. Plus 15% premium amounting to EUR 450m
3. Plus 50% premium amounting to EUR 583m
4. Plus 50% premium amounting to EUR 1,165m

Estimated CET1 at end 2013 Phased in B3[1] (For illustrative purposes only)

B3 impact at numerator level (EUR bn)



RWA impact (EUR bn)

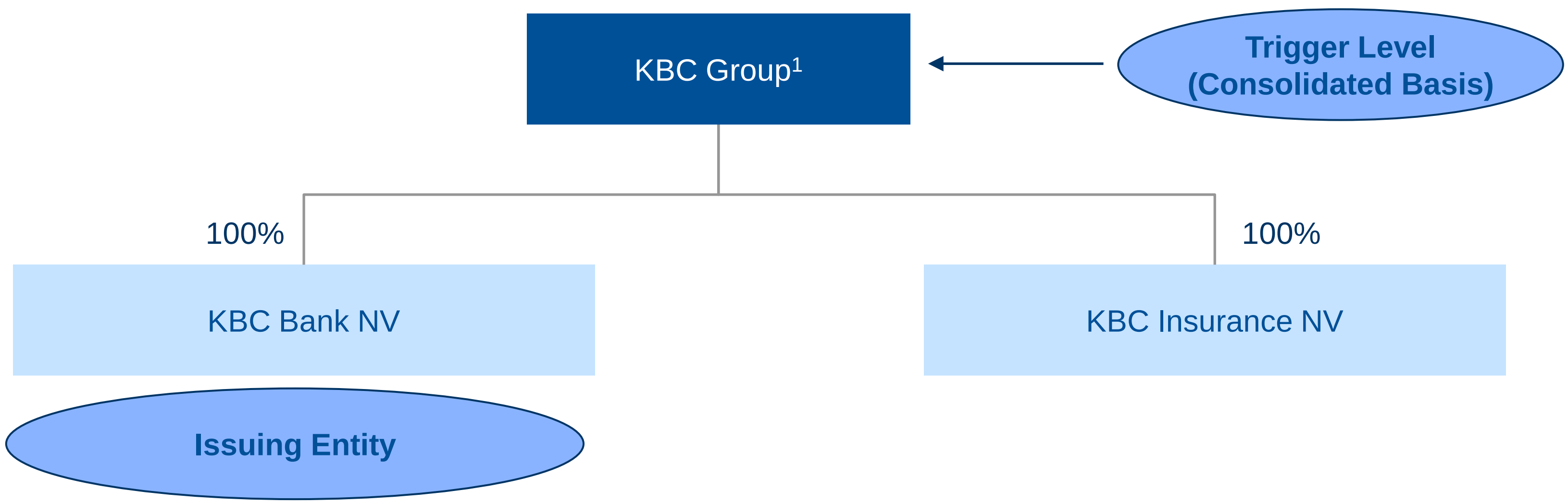


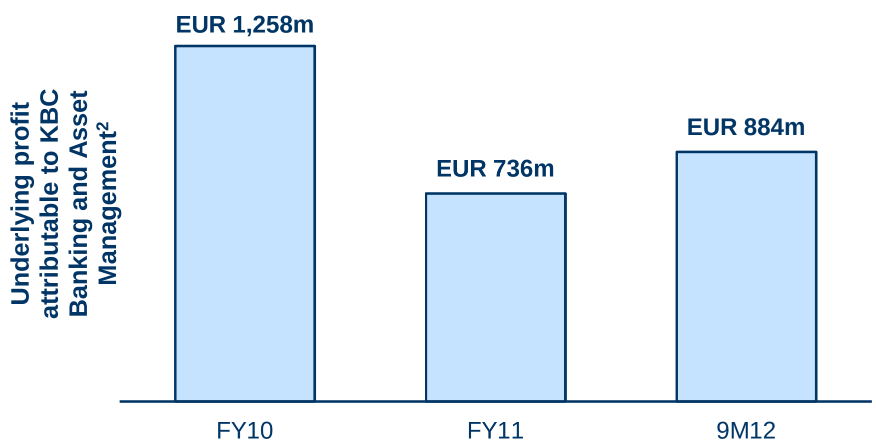
- Phased in B3 CET1 ratio of approx. 12.6% at end 9M12
- Phased in B3 CET1 ratio of approx. 12.3% at end 2013

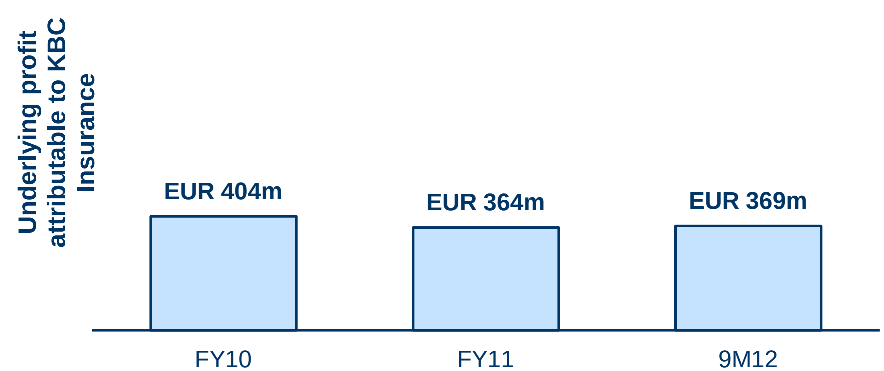
1. Given remaining State aid being part of CET1 as agreed with local regulator
2. Based on average earnings consensus estimates of 9 sell-side equity analysts collected by KBC during the period from 16 November 2012 to 21 November 2012 of EUR 1,582m for 2012 and EUR 1,503m for 2013 and 4Q12 trading update in ABB press release on 10-Dec-2012
3. Remaining divestments include Absolut Bank, NLB, KBC Bank Deutschland, Antwerp Diamond Bank, and KBC Banka
4. Of which includes EUR 12.4bn of RWAs, as calculated under Solvency 1, in relation to the consolidation of KBC Insurance under the building block method

Contents

KBC Group structure







1. "KBC Group" means KBC Group NV and its subsidiaries for so long as KBC Group NV is the parent undertaking of the Issuer and if KBC Group NV is no longer parent undertaking of the Issuer, all references herein to KBC Group shall be deemed to be to the Issuer and its subsidiaries and all references to KBC Group NV shall be to the Issuer
2. Excl. KBL epb and holding company eliminations

Transaction summary[1]

Issuer	• KBC Bank NV ("Issuer")
Securities	• USD[●]mm Contingent Capital Securities ("Securities")
Issuer Ratings	• A3/ A-/ A- (Moody's, S&P, Fitch)
Instrument Rating	• Expected to be rated BB+ by S&P
Regulatory Treatment	• Tier 2
Currency / Format / Offering	• USD / Reg S (Not to be offered to any investors in the US)
Maturity	• [10] years. Issuer call option (one-time) [5] years after the issue date ("Reset Date"), subject to certain conditions[2]
Issuer Call Date	• [●] 2018 (one-time) with not less than 15 nor more than 30 days' notice to the holders, subject to certain conditions[2]
Ranking	• Subordinated, *pari passu* with existing dated tier 2 notes
Coupon	• Fixed rate of [●]% per annum until (but excluding) the Reset Date • From (and including) the Reset Date, reset to a fixed rate of [●]% per annum based on the then prevailing 5-year USD mid-swap rate + the initial margin of [●] bps. No step-up • In each case payable semi- annually • 30/360 day count basis
Redemption for Taxation Reasons	• Callable at par at any time subject to conditions for redemption[1] if the Issuer has or will become obliged to pay additional amounts
Redemption Upon a Regulatory Event	• Callable at par at any time subject to conditions for redemption[1] if the Securities are (or will be) fully excluded from Tier 2 capital of the Issuer or KBC Group
Contingent Write Down	• Upon the occurrence of a Trigger Event, and following a Trigger Event Write-down Notice the full principal amount of each Security will automatically be written down to zero • A Trigger Event will be deemed to have occurred if KBC Group's[3] CET1 Ratio as of any Quarterly Financial Period End Date (*available on www.kbc.com under "Investor relations"*) or Extraordinary Calculation Date is less than 7.00 per cent provided that a Trigger Event shall not be deemed to have occurred if a Regulatory Event has occurred and is continuing • **CET1 Ratio** means the ratio of CET1 Capital (core tier 1 capital before the CRD IV Adoption Date and common equity tier 1 capital on or after CRD IV Adoption Date) to RWA • **RWA** means the risk weighted assets of KBC Group on a consolidated basis (excl. the risk weighted assets relating to the insurance undertakings) plus the risk weighted equivalent amount in respect of each insurance undertaking which will be equal to a) if calculated before the CRDIV Adoption Date, the amount determined by applying the risk weighting to the minimum capital required for each insurance undertaking and b) if calculated after the CRDIV Adoption Date, the higher of i) the amount determined by applying the risk weighting to the minimum capital required for each insurance undertaking and ii) the amount determined by applying the risk weight applied to the equity participations in such insurance undertakings
Point of Non-Viability	• None, the Securities do not contain a contractual provision which requires them to be converted into equity or written off if the Issuer is determined to be non-viable • However investors should note the risk factors in the Prospectus entitled "Statutory loss absorption", "Basel III Reforms- Loss absorbency at the point of non-viability", "Future bank recovery and resolution regimes and intervention measures available to regulators" and "Change of law"
Governing Law	• English law, save for Form, Status and Meeting of Holders and Modification which will be governed by Belgian law
Denominations	• USD200k + 200k
Listing	• Luxembourg, prospectus approved by FSMA

1. This is only a summary. Full terms are disclosed in Prospectus
2. Compliance with applicable regulatory requirements, including the prior approval of the National Bank of Belgium (if required) and no Trigger Event having occurred
3. "KBC Group" means KBC Group NV and its subsidiaries for so long as KBC Group NV is the parent undertaking of the Issuer and if KBC Group NV is no longer parent undertaking of the Issuer, all references herein to KBC Group shall be deemed to be to the Issuer and its subsidiaries and all references to KBC Group NV shall be to the Issuer

Transaction comparison (For illustrative purposes only)

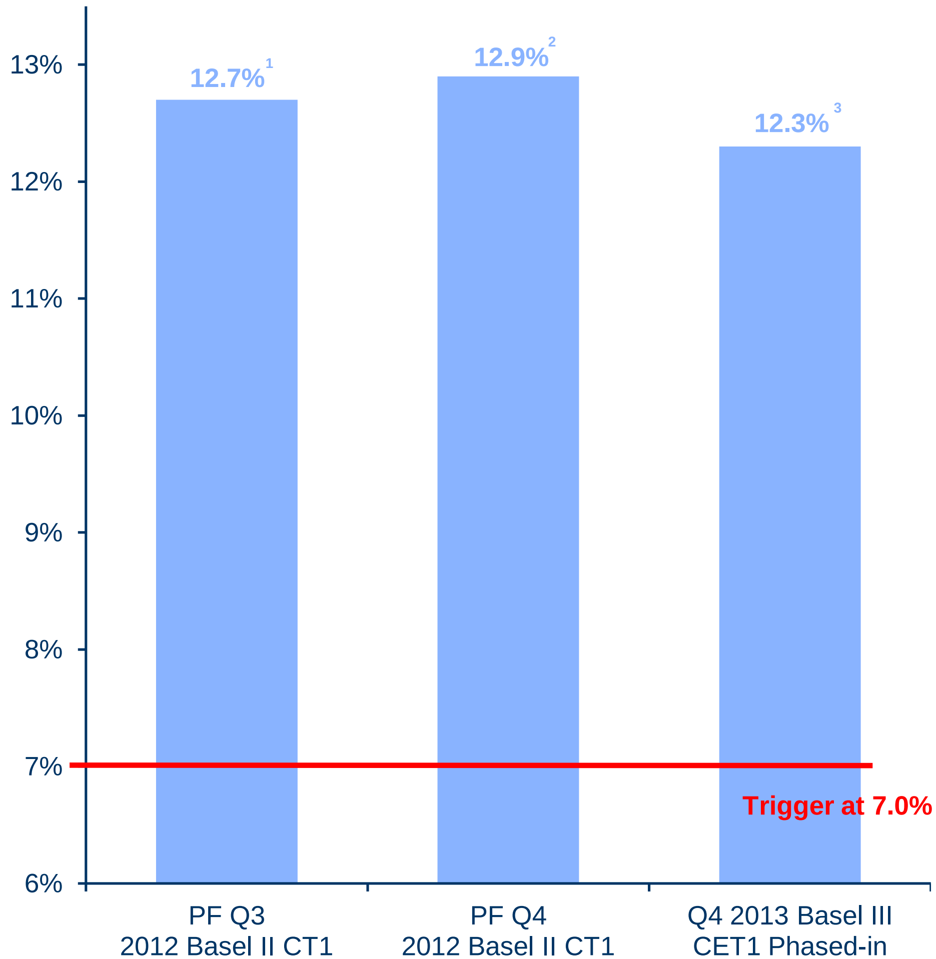
	Lloyds Banking Group ECNs (c. GBP 8.3bn, 4.564% - 16.125%)	Credit Suisse BCNs (USD 2.0bn, 7.875%)	Rabobank Tier 1 (USD 2.0bn, 8.400%)	UBS Tier 2 (USD 2.0bn, 7.250%)	Barclays Tier 2 (USD 3.0bn, 7.625%)	KBC Tier 2
Issue Date	1-Dec-2009	24-Feb-2011	9-Nov-2011	22-Feb-2012	21-Nov-2012	NA
Maturity	10 years – Perpetual	30 years	Perpetual	10 years	10 years	10 years
Coupon	Must Pay	Must Pay	Discretionary, Non-cum	Must Pay	Must Pay	Must Pay
Basis of Trigger	Basel II Core Tier 1 (static) / RWAs	Basel III (Transitional) CET1 / RWAs	Equity Capital Ratio (Equity / RWAs)	Basel III (Transitional) CET1 / RWAs	Basel III (Transitional) CET1 / RWAs	Basel III (Transitional) CET1 / RWAs
Loss Absorption Mechanism	Full Conversion (Fixed)	Full Conversion (Variable)	Pro-rata Permanent Write-down	Full Permanent Write-down	Full Permanent Write-down	Full Permanent Write-down
PONV Approach	None	Contractual	Risk factor	Contractual	Risk factor	Risk factor
Current Ratings (M/S/F)	Ba3 or B1 / BB+ or BB / BB+	NR / NR / BBB-	NR / NR / BBB+	NR / BBB- / BBB	NR / BBB- / BBB-	NR / [BB+] / NR
Earnings Buffer (Net Income / RWA)[1]	0.92%	1.74%	0.91%	2.10%	1.24%	1.48%
Last Reported Capital Buffer / Annualised Total Income[5]	1.1 x	0.7x	1.0x	0.7 x	0.6x	0.8 x
Capital Buffer at Issue (Buffer to Trigger)	8.6%[2]: Buffer 3.6%, Trigger 5.0%	12.2%: Buffer 5.2%, Trigger 7.0%	14.0%: Buffer 6.0%, Trigger 8.0%	10.8%[3]: Buffer 5.8%, Trigger 5.0%	11.2%: Buffer 4.2%, Trigger 7.0%	12.7%[4]: Buffer 5.7%, Trigger 7.0%
Last Reported Capital Buffer (Buffer to Trigger)	11.5%: Buffer 6.5%, Trigger 5.0%	14.7%: Buffer 7.7%, Trigger 7.0%	14.5%: Buffer 6.5%, Trigger 8.0%	13.6%[3]: Buffer 8.6%, Trigger 5.0%	NA	NA

Note: Capital position at issue and last reported capital position does not include impacts of Basel III transition

Source: Transaction documentation, company financials as of September 2012, Bloomberg, IFR. Last reported capital position as of Sep 2012 except Rabobank (June 2012)

1. IBES 2013 net income estimates and reported RWAs as of Sep-2012 (Net Income for Rabobank based on LTM net income as of Jun-2012 and net income for KBC based on 2013 earnings consensus of 9 sell-side equity analysts of EUR 1,503m as published on 12-Dec-2012, RWA for KBC based on Sep 2012 RWAs of EUR 101.8bn pro forma for the impact of divestments of Absolut Bank, NLB and a full exit of Kredyt Bank)
2. Pro-forma as of 30 June 2009, including rights offering after expenses and GAPS payment and excluding impact of any equity generated as part of exchange offers (Source: Investor presentation)
3. Transitional (phased-in) CET1 ratio as of Dec-2011 for capital position at issue and as of Sep-2012 for current capital position
4. Basel II 9M12 pro forma CT1 includes 1) the impact of the signed divestments of Absolut Bank, NLB and a full exit of Kredyt Bank, 2) the impact of the capital increase and the sale of treasury shares and 3) the reimbursement of the remaining EUR 3bn Federal State aid (+ 15% penalty premium)
5. Annualised 9M total income as of Sep-2012 (Rabobank based on annualised 6M total income as of Jun-2012). Total income means total underlying income for Lloyds, net revenue for Credit Suisse, total income for Rabobank, total operating income for UBS, total income net of insurance claims for Barclays and total income for KBC

A significant capital buffer exists (For illustrative purposes only)



Simulation Analysis[4]

Equal to c. EUR 5.8bn capital losses or 3.9x Net Income[5]

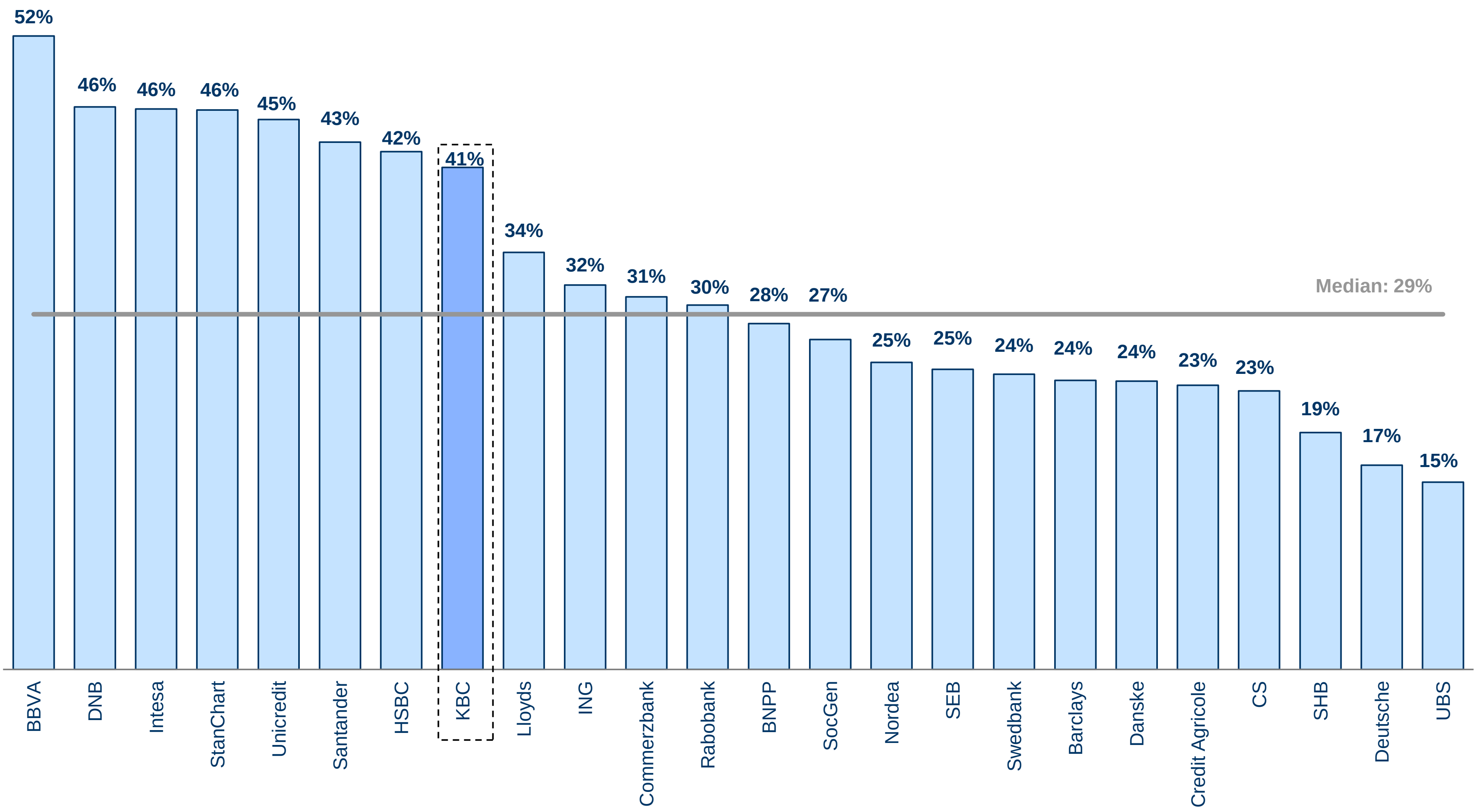
RWA Change	CT1 Capital Change: 0%	-5%	-10%	-15%	-20%	-45%
0%	12.7%	12.1%	11.4%	10.8%	10.2%	7.0%
10%	11.5%	11.0%	10.4%	9.8%	9.2%	6.4%
20%	10.6%	10.0%	9.5%	9.0%	8.5%	5.9%
30%	9.8%	9.3%	8.8%	8.3%	7.8%	5.4%
40%	9.1%	8.6%	8.2%	7.7%	7.3%	5.0%
50%	8.5%	8.0%	7.6%	7.2%	6.8%	4.7%
81%	7.0%	6.7%	6.3%	6.0%	5.6%	

Equal to RWA Increase of EUR 83bn or c. 81% of Current RWA

1. Basel II 9M12 pro forma CT1 includes 1) the impact of the signed divestments of Absolut Bank, NLB and a full exit of Kredyt Bank, 2) the impact of the capital increase and the sale of treasury shares and 3) the reimbursement of the remaining EUR 3bn Federal State aid (+ 15% penalty premium)
2. Based on earnings consensus estimates of 9 sell-side equity analysts of EUR 1,582m as published on 12-Dec-2012, 4Q12 trading update in ABB press release and assuming Q3 2012 RWAs of EUR 101.8bn pro forma for the impact of divestments of Kredyt Bank, Absolut Bank and NLB
3. As described on page 23 assuming 1) remaining YES being part of CET1 as agreed with local regulator 2) based on earnings consensus estimates of 9 sell-side equity analysts collected by KBC during the period from 16 November 2012 to 21 November 2012 of EUR 1,582m for 2012 and EUR 1,503m for 2013 and 4Q12 trading update in ABB press release on 10-Dec-2012 (For indicative purposes only)
4. Based on Basel II 9M12 pro forma CT1 includes 1) the impact of the signed divestments of Absolut Bank, NLB and a full exit of Kredyt Bank, 2) the impact of the capital increase and the sale of treasury shares and 3) the reimbursement of the remaining 3bn EUR Federal State aid (+ 15% penalty premium) and Q3 2012 RWAs of EUR 101.8bn pro forma for the impact of divestments of Absolut Bank, NLB and a full exit of Kredyt Bank
5. Based on 2013 earnings consensus estimates of 9 sell-side equity analysts collected by KBC during the period from 16 November 2012 to 21 November 2012 of EUR 1,503m, as published on 12-Dec-2012

Conservative approach of KBC versus its peers in RWA calculations

Risk weighted assets vs. total assets



Source: Company disclosures as of Sep-2012 (Rabobank and Standard Chartered as of Jun-2012)

Appendices

- Supplementary Information on KBC Ireland
- Supplementary Information on CDO Exposure
- Supplementary Information on KBC Capital Position

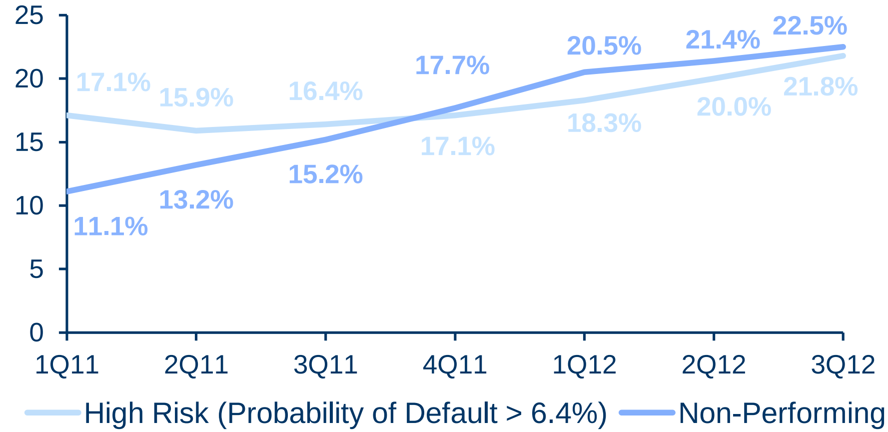
Ireland (1/2)

- Loan loss provisions in 3Q12 of EUR 129m (EUR 136m in 2Q12). The loss after tax in 3Q12 was EUR 71m
- Emerging stabilisation in parts of the domestic economy and an improvement in financial sentiment towards Ireland. Slightly better than expected tax revenues, broadly flat unemployment and a range of survey indicators reflect a tentative turning point in domestic activity of late
- There are signs that the housing market may have bottomed out in terms of prices and transaction levels
- KBCI is implementing longer term mortgage resolution options as part of its Mortgage Arrears Resolution Strategy that should restore a significant number of customers back to financial stability. KBCI's comprehensive outreach programme continues to have positive results
- The Personal Insolvency Bill is expected to be enacted in 1Q13. The degree of impact on the KBCI mortgage portfolio will be determined by the final parameters including: (i) the voting rights of creditors, (ii) requirement for borrowers prior cooperation and (iii) the upper debt limit in the Personal Insolvency Arrangement
- Commercial customers operating in the Irish domestic market continue to face a challenging environment
- Successful retail deposit campaign with expanded product offering. Increased gross retail deposit levels of EUR +0.9bn (YTD) to EUR 1.7bn and new customer accounts of c. 16,000 to end 3Q12
- Local tier-1 ratio to 11.36% at the end of 3Q12 through a capital increase of EUR 100m (11.12% at the end of 2Q12)

Irish loan book – key figures as at Sep 2012

Loan portfolio	Outstanding	NPL	NPL coverage
Owner occupied mortgages	9.4bn	16.9%	31%
Buy to let mortgages	3.2bn	28.0%	40%
SME /corporate	1.8bn	17.8%	70%
Real estate investment	1.3bn	28.6%	62%
Real estate development	0.5bn	90.7%	73%
	16.2bn	**22.5%**	**45%**

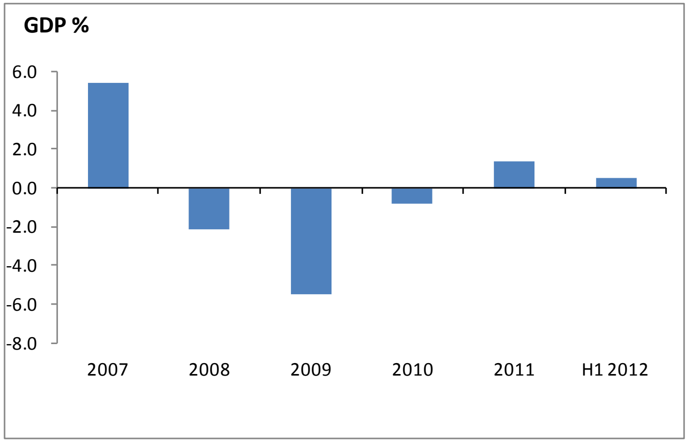
Proportion of High Risk and NPLs



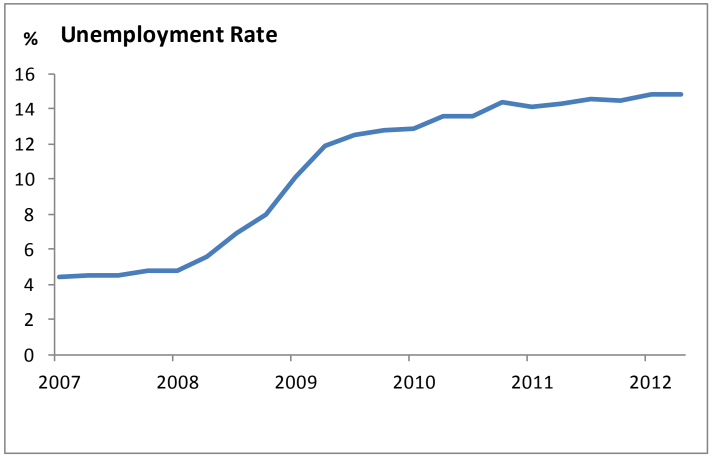
Ireland (2/2)

- Key indicators show tentative signs of stabilisation

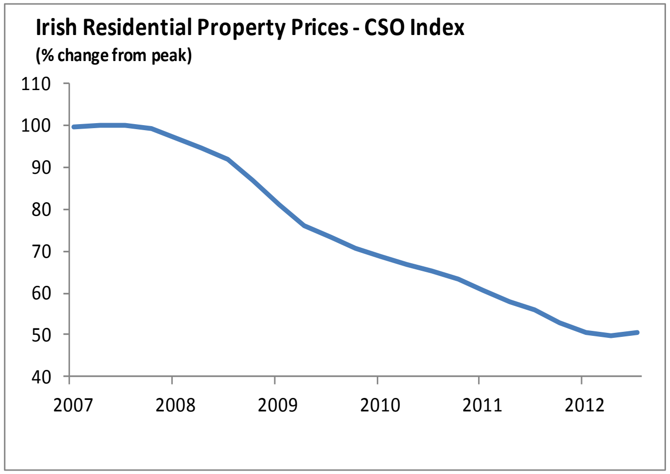
Continuing tentative signs of GDP stabilisation



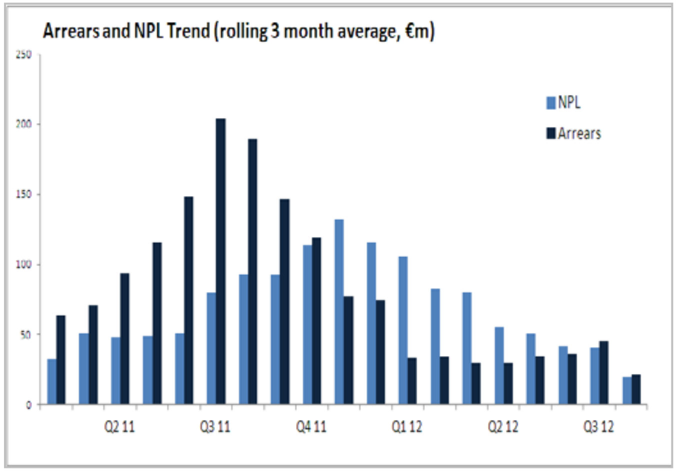
Unemployment rate has remained broadly stable through 2012



Residential property prices have increased in each of the last 3 months



Reduction in residential mortgage arrears & NPL growth continuing in 2012 YTD



Source: Troika Report Sep 2012 (Eurostat definition), Central Statistics Offices Ireland

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Legacy Assets within investment portfolio

Outstanding CDO Exposure[1]

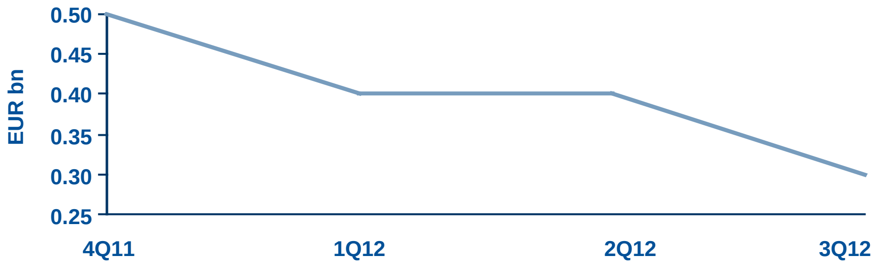
Outstanding CDO Exposure[1]		
EUR bn as of 3Q 2012	**Notional**	**Outstanding markdowns**
Hedged Portfolio	10.1	-0.6
Unhedged Portfolio	5.5	-3.5
Total	15.6	-4.1

- CDO exposure largely written down or covered by a State guarantee
- The total notional amount remained stable over the last quarter. The outstanding markdowns decreased as a result of the credit spread tightening

EUR bn as of 3Q 2012	Total
Outstanding value adjustments	-4.1
Claimed and settled losses	-2.2
Of which impact of settled credit events	*-2.1*

- Within the scope of the sensitivity tests, the value adjustments reflect a 10.7% cumulative loss in the underlying corporate risk (approx. 85% of the underlying collateral consists of corporate reference names)
- Claimed and settled losses amounted to EUR 2.2bn

Negative P&L impact[2] of a 50% widening in corporate and ABS credit spreads

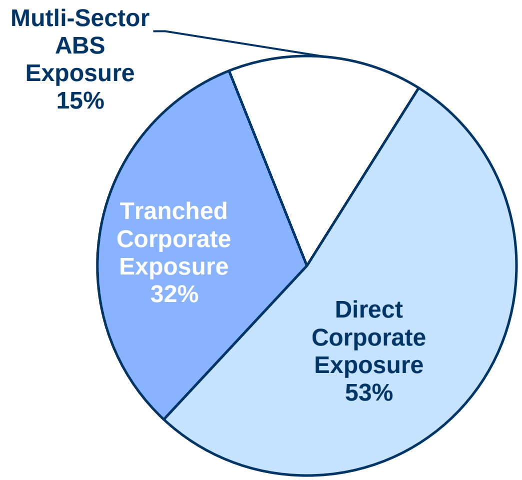


- P&L sensitivity significantly reduced thanks to de-risking activities

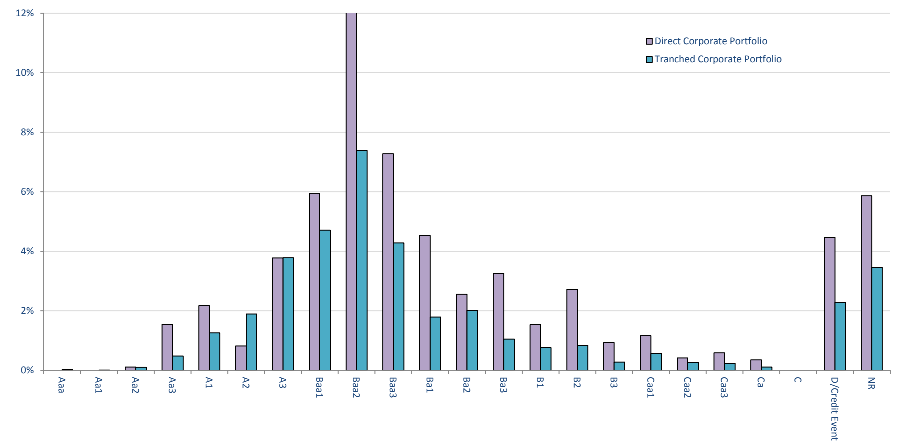
1. Figures exclude all expired, unwound or terminated CDOs
2. Taking into account the guarantee agreed with the Belgian State and a provision rate for MBIA at 70%

Breakdown of KBC's CDOs originated by KBC FP

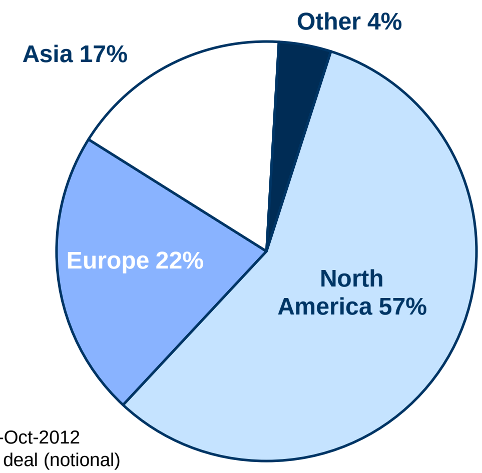
Breakdown of assets underlying KBC's CDOs originated by KBC FP[1]



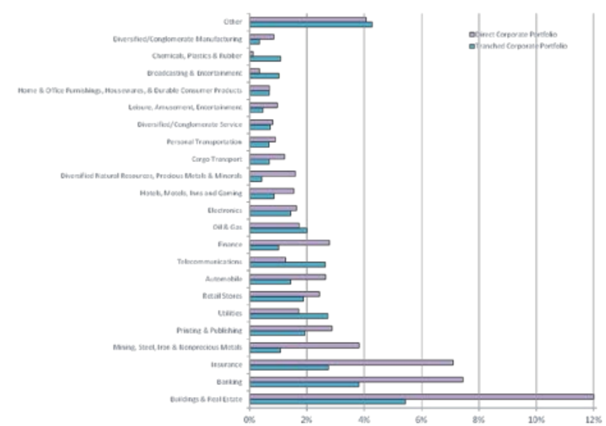
Corporate breakdown by ratings[2]



Corporate break down by region[3]



Corporate breakdown by industry[4]



Note: Figures as of 9-Oct-2012

1. % of total initial deal (notional)
2. Direct Corporate exposure as a % of the total Corporate Portfolio; Tranched Corporate exposure as a % of total Corporate Portfolio; Figures based on Moody's Ratings
3. Direct and Tranched Corporate exposure as a % of the total Corporate Portfolio
4. Direct Corporate exposure as a % of the total Corporate Portfolio; Tranched Corporate exposure as a % of the total Corporate Portfolio

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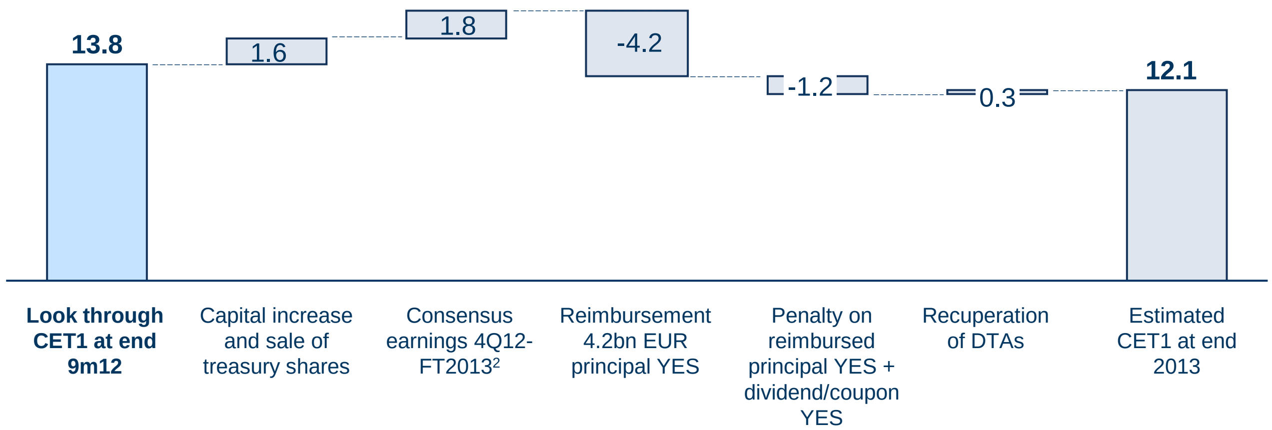
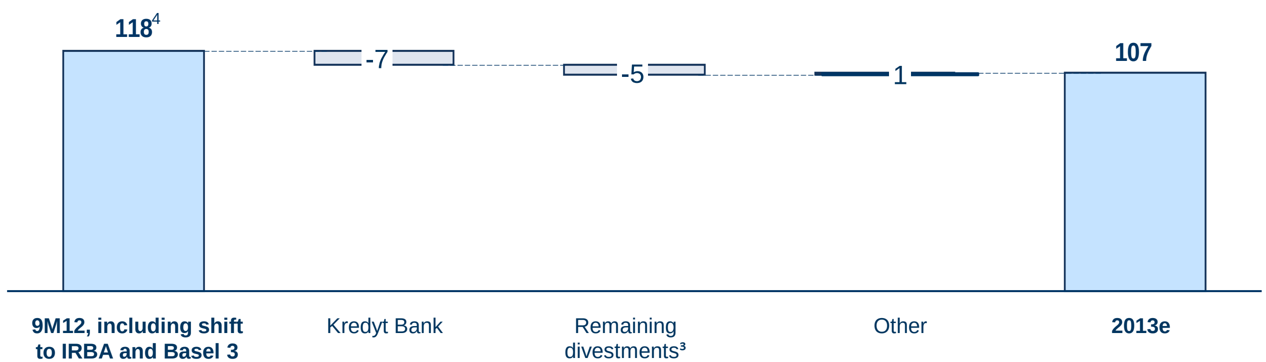
Estimated CET1 at end 2013 Fully loaded B3[1] (For illustrative purposes only)

B3 impact at numerator level (EUR bn)



RWA impact (EUR bn)



- Fully loaded B3 CET1 ratio of approx. 11.7% at end 9M12
- Fully loaded B3 CET1 ratio of approx. 11.3% at end 2013
- Announced intention to maintain a fully loaded B3 CET1 ratio of 10% as of 01-Jan-2013

1. Given remaining YES being part of CET1 as agreed with local regulator
2. Based on average earnings consensus estimates of 9 sell-side equity analysts collected by KBC during the period from 16 November 2012 to 21 November 2012 of EUR 1,582m for 2012 and EUR 1,503m for 2013 and 4Q12 trading update in ABB press release on 10-Dec-2012
3. Remaining divestments include Absolut Bank, NLB, KBC Bank Deutschland, Antwerp Diamond Bank, and KBC Banka
4. Of which includes EUR 12.4bn of RWAs, as calculated under Solvency 1, in relation to the consolidation of KBC Insurance under the building block method