

## Final Terms

23 March 2018

### KBC Bank NV

Issue of EUR 200,000,000 1.520% Covered Bonds due 26 March 2038

#### Under the EUR 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.

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

**PROHIBITION OF SALES TO CONSUMERS IN BELGIUM - The Covered Bonds are not intended to be offered, sold or otherwise made available to and, may not be offered, sold or otherwise made available to, any consumer (*consument/consommateur*) within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit économique*) in Belgium.**

**MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a distributor) should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.**

**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 15 November 2017 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](http://www.kbc.com).

1. Issuer: KBC Bank NV
2. (a) Series Number: C00016  
(b) Tranche Number: I
3. Specified Currency: Euro (EUR)
4. Aggregate Nominal Amount of Covered Bonds: EUR 200,000,000
5. Issue Price: 100.00% of the Aggregate Nominal Amount
6. Specified Denominations: EUR 100,000
7. (a) Issue Date: 26 March 2018  
(b) Interest Commencement Date: 26 March 2018
8. (a) Final Maturity Date: 26 March 2038  
Business Day Convention for Final Maturity Date: Not Applicable  
Additional Business Centre(s): Brussels  
(b) Extended Final Maturity Date: 26 March 2039  
Business Day Convention for Extended Final Maturity Date: Not Applicable  
Additional Business Centre(s): Brussels
9. Interest Basis:  
(a) Period to (but excluding) Final Maturity Date: 1.520% Fixed Rate

- (b) Period from Final Maturity Date to (but excluding) Extended Final Maturity Date: 1.520% Fixed Rate
10. Redemption Basis: Subject to any purchase and cancellation or early redemption, the Covered Bonds will be redeemed on the Final Maturity Date at 100.00 per cent of their nominal amount or on the Extended Final Maturity Date at 100.00 per cent of their nominal amount.
11. Change of Interest Basis: Not Applicable
12. (a) Status of the Covered Bonds: *Belgische pandbrieven/lettres de gage belges*
- (b) Date executive board approval for issuance of Covered Bonds obtained: Decision Nr. 132 dated 2 September 2014, of the Executive Committee of KBC Bank NV, Decisions Nr. 203 and Nr. 204 dated 16 December 2014 of the Executive Committee of KBC Bank NV, Decision Nr. 177 dated 19 September 2017 of the Executive Committee of KBC Bank NV, Decision Nr. 190 dated 10 October 2017 of the Executive Committee of KBC Bank NV

**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: Applicable
- (c) Rate of Interest:
- (i) To Final Maturity Date: 1.520% per annum payable annually in arrear
- (ii) From Final Maturity Date to Extended Final Maturity Date: 1.520% per annum payable monthly in arrear
- (d) Interest Period End Date(s):
- (i) To Final Maturity Date: 26 March in each year, starting on 26 March 2019, up to and including 26 March 2038
- (ii) From Final Maturity Date to Extended Final Maturity Date: 26<sup>th</sup> day in each month, starting on 26 April 2038, up to and including 26 March 2039

- (e) Business Day Convention for Interest Period End Dates:
- (i) To Final Maturity Date: Following Business Day
  - (ii) From Final Maturity Date to Extended Final Maturity Date: Following Business Day
- (f) Interest Payment Date(s):
- (i) To Final Maturity Date: Interest Payment Dates will correspond to Interest Period End Dates
  - (ii) From Final Maturity Date to Extended Final Maturity Date: Interest Payment Dates will correspond to Interest Period End Dates
- (g) Business Day Convention for Interest Payment Dates:
- (i) To Final Maturity Date: Following Business Day
  - (ii) From Final Maturity Date to Extended Final Maturity Date: Following Business Day
- (h) Additional Business Centre(s):
- (i) To Final Maturity Date: Brussels
  - (ii) From Final Maturity Date to Extended Final Maturity Date: Brussels
- (i) Day Count Fraction:
- (i) To Final Maturity Date: Actual/Actual (ICMA)
  - (ii) From Final Maturity Date to Extended Final Maturity Date: Actual/Actual (ICMA)
- (j) Determination Date:
- (i) To Final Maturity Date: 26 March in each year
  - (ii) From Final Maturity Date to Extended Final Maturity Date: 26<sup>th</sup> day in each month

14. Floating Rate Covered Bond Provisions
- (a) To Final Maturity Date: Not Applicable
- (b) From Final Maturity Date to Extended Final Maturity Date: Not Applicable
15. Zero Coupon Covered Bond Provisions: Not Applicable

**PROVISIONS RELATING TO REDEMPTION**

16. Final Redemption Amount of each Principal Amount Outstanding Covered Bond:
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 Interest Payment Days: Brussels
20. Consolidation provisions: Applicable

**DISTRIBUTION**

21. (a) If syndicated, names of Managers: Not Applicable
- (b) Date of Subscription Agreement: Not Applicable
- (c) Stabilising Manager(s) (if any): Not Applicable
22. If non-syndicated, name of relevant Dealer: Crédit Agricole Corporate and Investment Bank
23. U.S. Selling Restrictions: Reg. S Compliance Category 2, TEFRA not applicable
24. Additional selling restrictions: The Covered Bonds will not be placed with “consumers” within the meaning of the Belgian Code of Economic Law dated 28 February 2013.

**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 Soi**

By: 

**JÉRÔME FERRÉ**  
*Duly authorised*

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

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.

Estimate of total expenses related to admission to trading:

EUR 8,500

### 2. RATINGS

Ratings:

The Covered Bonds to be issued are expected to be rated on the Issue Date:

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

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

Moody's and Fitch are established in the European Union and are registered for the purposes of the EU Regulation on credit rating agencies (Regulation (EC) No.1060/2009 (the **CRA Regulation**), as amended from time to time). As such Moody's and Fitch 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

Reasons for the offer:

See "Use of Proceeds" wording in Base Prospectus.

### 6. YIELD

(i) Gross yield:

1.52% 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**

- (i) ISIN: BE0002590686
- (ii) Common Code: 179914654
- (iii) (Insert here any other relevant codes such as CINS codes): Not Applicable
- (iv) Any clearing system(s) other than the Securities Settlement System, Euroclear, Clearstream, Luxembourg, SIX SIS, Switzerland, Monte Titoli, Italy, and any other NBB investor (ICSDs and the relevant identification number(s): Not Applicable
- (v) Delivery: Delivery against payment
- (vi) Names and addresses of Registrar (if other than the Issuer): Not Applicable
- (vii) Names and addresses of initial Domiciliary Agent and Paying Agent(s): KBC Bank NV  
Havenlaan 2  
B-1080 Brussels  
Belgium
- (viii) Names and addresses of additional Paying Agent(s) (if other than the Issuer): Not Applicable
- (ix) Name and address of the Calculation Agent (if any): Not Applicable
- (x) Intended to be held in a manner which would allow Eurosystem eligibility: Yes. Note that the designation "yes" simply means that the Covered Bonds to be held in a manner which would allow Eurosystem eligibility and does not necessarily mean that the Covered Bonds will



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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.