



KBC BANK NV

(Incorporated with limited liability in Belgium)

£ 44,512,000

DIRECTLY ISSUED PERPETUAL DEBT SECURITIES

with a first call date on 19 December 2019

(ISIN: BE0119284710)

(the “SECURITIES”)

REDEMPTION NOTICE TO HOLDERS OF THE SECURITIES

From: **KBC BANK NV**
Avenue du Port 2
1080 Brussels
Belgium
(hereinafter referred to as “**KBC Bank**” or the “**Issuer**”)

To: **NATIONAL BANK OF BELGIUM**
Boulevard de Berlaimont 14
1000 Brussels
Belgium
Email: sss@nbb.be

Copies to: **COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER**
283 Route d’Arlon
L-1150 Luxembourg
Grand Duchy of Luxembourg
Email: prospectus.filing@cssf.lu
Ref : C-003927

EUROCLEAR
3 Boulevard du Roi Albert II
B-1210 Brussels
Belgium
Email: income_information@euroclear.com
Ref : 04901788

CLEARSTREAM LUXEMBOURG
42 Avenue J. F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg
Email: FI.Domestic@clearstream.com

LUXEMBOURG STOCK EXCHANGE
35A Boulevard Joseph II
L-1840 Luxembourg
Grand Duchy of Luxembourg
Email: ost@bourse.lu

Brussels, on 20 September 2019

Dear Madam, dear Sir,

Reference is made to the issue by KBC Bank of £ 150,000,000 Directly Issued Perpetual Debt Securities (consolidated and forming a single series with the £ 200,000,000 Directly Issued Perpetual Debt Securities

issued on 19 December 2003 and the £ 175,000,000 Directly Issued Perpetual Debt Securities issued on 3 November 2004) with a first call date on 19 December 2019 (hereinafter referred to as the "**Securities**"), in the frame of which a prospectus has been approved by the Luxembourg Commission de Surveillance du Secteur Financier (the "**CSSF**") on 10 October 2007 (hereinafter referred to as the "**Prospectus**").

Further reference is made to the invitation by KBC Bank to all holders of Securities to tender any and all of the Securities for purchase by KBC Bank for cash pursuant to a tender offer memorandum dated 14 September 2009 (the "**Offer**"). As from the settlement of the Offer on 29 September 2009, the principal amount of Securities outstanding is £ 44,512,000.

Terms used herein, but not defined in this redemption notice (hereinafter referred to as the "**Redemption Notice**"), will have the same meaning as ascribed thereto in the Prospectus.

IT HAS BEEN AGREED AS FOLLOWS:

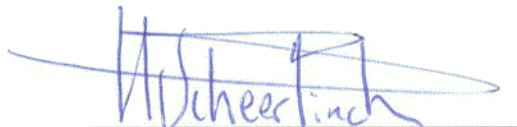
1. In compliance with the provisions of the Prospectus and more specifically in compliance with Condition 8(e) (*Redemption at the option of the Issuer*) of the Prospectus, the Issuer shall call and redeem the Securities on 19 December 2019 (hereinafter referred to as the "**First Call Date**").
2. Pursuant to Condition 8(e) (*Redemption at the option of the Issuer*) and Condition 17 (*Notices*) of the Prospectus, this Redemption Notice is given to Holders of Securities, not less than 60 business days but not more than 90 business days prior to any such redemption on the First Call Date. This Redemption Notice shall be published in accordance with Condition 17 (*Notices*) of the Prospectus substantially in the form as set out in the Annex to this Redemption Notice.
3. All of the outstanding Securities shall be redeemed on the First Call Date at their principal amount, together with interest accrued to, but excluding, the date of redemption and any additional amounts, for a total amount of £ 47,272,634.24 (i.e. in principal of £ 44,512,000 and annual Coupon of £ 2,760,634.24).
4. The Issuer confirms that:
 - pursuant to Condition 8(e) (*Redemption at the option of the Issuer*) of the Prospectus, the envisaged redemption of the Securities is in compliance with applicable regulatory requirements, including the prior approval of the authority that administers the Applicable Banking Regulations;
 - pursuant to Condition 8(e) (*Redemption at the option of the Issuer*) of the Prospectus, no Net Assets Deficiency Event has occurred or is continuing with respect to the Issuer before or after giving effect to the redemption of the Securities; and
 - this Redemption Notice is irrevocable.
5. To the extent that the Securities are admitted to listing and trading on the Luxembourg Stock Exchange, this Redemption Notice will also have to be published in accordance with the rules and regulations of such regulated market and, in addition to the foregoing, will be deemed validly given on the date of such publication.

In witness whereof the Issuer has caused this Redemption Notice to be executed by its respective officers duly authorised thereto as of the date first above written.

This Redemption Notice shall be governed by and interpreted in accordance with the laws of the Kingdom of Belgium and will be subject to the exclusive jurisdiction of the courts of Brussels.

This Redemption Notice is dated on the date first above written.

KBC BANK NV
as Issuer



By: Hendrik SCHEERLINCK
Title: Executive Director



By: Johan THIJS
Title: Executive Director

ANNEX
FORM OF PUBLICATION OF REDEMPTION NOTICE



KBC BANK NV
Avenue du Port 2
1080 Brussels (Belgium)
CBE: 0462.920.226 (RPR/RPM Brussels)
LEI: 6B2PBRV1FCJDMR45RZ53
(the “**Issuer**”)

£ 44,512,000 DIRECTLY ISSUED PERPETUAL DEBT SECURITIES
with a first call date on 19 December 2019 / ISIN: BE0119284710
(the “**Securities**”)

Words and expressions used in this Notice shall, unless defined herein or the context otherwise requires, have the same meaning as in the terms and conditions of the Securities.

NOTICE IS HEREBY GIVEN to the Holders of Securities that:

1. in compliance with Condition 8(e) (*Redemption at the option of the Issuer*) of the Securities, the Issuer shall call and redeem the Securities on 19 December 2019 (hereinafter referred to as the “**First Call Date**”).
2. pursuant to Condition 8(e) (*Redemption at the option of the Issuer*) and Condition 17 (*Notices*) of the Securities, this Notice is given to Holders of Securities, not less than 60 business days but not more than 90 business days prior to any such redemption on the First Call Date.
3. all of the outstanding Securities shall be redeemed on the First Call Date at their principal amount, together with interest accrued to, but excluding, the date of redemption and any additional amounts, for a total amount of £ 47,272,634.24 (i.e. in principal of £ 44,512,000 and annual Coupon of £ 2,760,634.24).

For more information with regard to the above, please contact workflow@kbc.be.

This Notice is given by **KBC BANK NV**, as **Issuer**.