

dated 21 May 2019

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

This supplement dated 21 May 2019 (the “**Supplement N°5**”) 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°5 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**”), the supplement N°3 dated 19 February 2019 (the “**Supplement N°3**”) and the supplement N°4 dated 2 April 2019 (the “**Supplement N°4**”) and together with the base prospectus, the Supplement N°1, the Supplement N°2, the Supplement N°3 and the Supplement N°4, 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°5.

This Supplement N°5 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°5. 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°5 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 16 May 2019, the Issuer published its quarterly report for the financial quarter ended 31 March 2019 in the document titled as “*KBC Group Quarterly Report 1Q2019*”.

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 quarterly 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°5 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°5.

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

2. Documents incorporated by reference

Limb (b) 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:

“(b) the extended quarterly reports for the first quarters of 2018 and 2019 of the Issuer”

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°5.

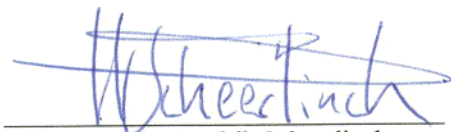
II. General

Save as disclosed in this Supplement N°5, 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°5 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°5 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).

21 May 2019



Hendrik Scheerlinck
on behalf of KBC Group NV



Christine Van Rijsseghem
on behalf of KBC Group NV

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

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, 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 and from the extended quarterly reports for the first quarters of 2018 and 2019 of the Issuer.

The consolidated financial statements of the Issuer for the year ended 31 December 2017 and 31 December 2018 have been audited in accordance with ISA and the consolidated financial statements of the Issuer for the year ended 31 December 2018 have been prepared in accordance with IFRS9. The interim condensed consolidated financial statements for the first quarters of 2018 and 2019 are unaudited.

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

ASSETS (in millions of EUR)	31-12- 2017 (IAS 39)	01-01- 2018 (IFRS 9)	31-12- 2018 (IFRS 9)	31-03- 2018 (IFRS 9)	31-03- 2019 (IFRS 9)
Cash and cash balances with central banks and other demand deposits with credit institutions	29 727		18 691	32 642	16 967
Financial assets	254 753	253 817	256 916	262 748	266 276
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	-	210 865	216 792	220 190	224 030
Fair value through other comprehensive income	-	19 516	18 279	18 713	18 363
Fair value through profit or loss	-	23 191	21 663	23 629	23 705
of which held for trading	-	7 148	6 426	7 869	7 948
Hedging derivatives	245	245	183	217	178
Reinsurers' share in technical provisions, insurance	131		120	141	138
Fair value adjustments of hedged items in portfolio hedge of interest rate risk	-78		64	150	361
Tax assets	1 625		1 549	1 722	1 616
Current tax assets	82		92	88	126
Deferred tax assets	1 543		1 457	1 634	1 489
Non-current assets held for sale and disposal groups	21		14	13	13

Investments in associated companies and joint ventures	240	215	227	213
Property, equipment and investment property	3 207	3 299	3 245	3 615
Goodwill and other intangible assets	1 205	1 330	1 219	1 335
Other assets	1 512	1 610	1 915	1 800
TOTAL ASSETS	292 342	283 808	304 022	292 332

LIABILITIES AND EQUITY (in millions of EUR)	31-12-2017 (IAS 39)	01-01-2018 (IFRS 9)	31-12-2018 (IFRS 9)	31-03-2018 (IFRS 9)	31-03-2019 (IFRS 9)
Financial liabilities	251 260	251 260	242 626	262 515	250 806
Amortised cost	227 944		220 671	240 280	228 095
Fair value through profit or loss	22 032		20 844	21 007	21 460
of which held for trading	6 998		5 834	6 236	5 863
of which designated at fair value through profit or loss	15 034		-	-	-
Hedging derivatives	1 284		1 111	1 228	1 251
Technical provisions, before reinsurance	18 641		18 324	18 754	18 589
Fair value adjustments of hedged items in portfolio hedge of interest rate risk	-86		-79	130	-55
Tax liabilities	582		380	522	471
Current tax liabilities	148		133	195	160
Deferred tax liabilities	434		247	327	311
Liabilities associated with disposal groups	0		0	0	0
Provisions for risks and charges	399		235	348	235
Other liabilities	2 743		2 689	3 233	2 860
TOTAL LIABILITIES	273 540		264 175	285 503	272 908
Total equity	18 803		19 633	18 519	19 424
Parent shareholders' equity	17 403	16 658	17 233	17 119	17 924
Additional Tier-1 instruments included in equity	1 400		2 400	1 400	1 500
Minority interests	0		0	0	0
TOTAL LIABILITIES AND EQUITY	292 342		283 808	304 022	292 332

Consolidated income statement

In millions of EUR	2017 (IAS 39)	2018 (IFRS 9)	1Q 2018 (IFRS 9)	1Q 2019 (IFRS 9)
Net interest income	4 121	4 543	1 125	1 129
Interest income	6 337	6 996	1 682	1 821
Interest expense	-2 216	-2 453	- 557	-692
Non-life insurance before reinsurance	706	760	162	161
Earned premiums Non-life	1 491	1 582	378	415
Technical charges Non-life	-785	-822	-216	-254
Life insurance before reinsurance	-58	-18	-7	-3

Earned premiums Life	1 271	1 359	336	351
Technical charges Life	-1 330	-1 377	-343	-354
Ceded reinsurance result	-8	-41	-9	-7
Dividend income	63	82	21	12
Net result from financial instruments at fair value through profit or loss	856	231	96	99
of which Result on equity instruments (overlay Approach)	-	51	19	29
Net realised result from available-for-sale assets	199	-	-	-
Net realised result from debt instruments at fair value through other comprehensive income	-	9	1	2
Net fee and commission income	1 707	1 719	450	410
Fee and commission income	2 615	2 456	648	588
Fee and commission expense	-908	-737	-197	-178
Net other income	114	226	71	59
TOTAL INCOME	7 700	7 512	1 912	1 862
Operating expenses	-4 074	-4 234	-1 291	-1 296
Staff expenses	-2 303	-2 343	-583	-567
General administrative expenses	-1 505	-1 612	-640	-647
Depreciation and amortisation of fixed assets	-266	-280	-68	-82
Impairment	30	17	56	-69
on loans and receivables	87	-	-	-
on financial assets at amortised cost and at fair value through other comprehensive income	-	62	63	-67
on available-for-sale assets	-12	-	-	-
on goodwill	0	0	0	0
on other	-45	-45	-6	-1
Share in results of associated companies and joint ventures	11	16	6	5
RESULT BEFORE TAX	3 667	3 310	683	503
Income tax expense	-1 093	-740	-127	-73
Net post-tax result from discontinued operations	0	0	0	0
RESULT AFTER TAX	2 575	2 570	556	430
Attributable to minority interest	0	0	0	0
<i>of which relating to discontinued operations</i>	0	0	0	0
Attributable to equity holders of the parent	2 575	2 570	556	430
<i>of which relating to discontinued operations</i>	0	0	0	0
Earnings per share (in EUR)				
Basic	6.03	5.98	1.30	0.98
Diluted	6.03	5.98	1.30	0.98

Consolidated cashflow statement

In millions of EUR	2017 (IAS 39)	2018 (IFRS 9)	1Q 2018 (IFRS 9)	1Q 2019 (IFRS 9)
Operating activities				

Result before tax	3 667	3 310		
Adjustments for:				
Result before tax related from discontinued operations	0	0		
Depreciation, impairment and amortisation of property and equipment, intangible assets, investment property and securities	340	414		
Profit/Loss on the disposal of investments	-16	19		
Change in impairment on loans and advances	-87	-59		
Change in technical provisions (before reinsurance)	-149	-30		
Change in the reinsurers' share in the technical provisions	-18	10		
Change in other provisions	121	-58		
Other unrealised gains or losses	-621	158		
Income from associated companies and joint ventures	-11	-16		
Cashflows from operating profit before tax and before changes in operating assets and liabilities	3 227	3 748		
Changes in operating assets (excl. cash & cash equivalents)	694	-5 141		
Loans and receivables	-4 854	-		
Available-for-sale assets	2 927	-		
Financial assets held for trading	2 751	-		
Financial assets initially recognised at fair value through profit or loss	-299	-		
Financial assets at amortised cost (excluding debt securities)	-	-7 363		
Financial assets at fair value through other comprehensive income	-	911		
Financial assets at fair value through profit or loss of which financial assets held for trading	-	1 350		
Hedging derivatives	165	63		
Operating assets associated with disposal groups & other assets	4	-101		
Changes in operating liabilities (excl. cash & cash equivalents)	9 464	-6 015		
Financial liabilities at amortised cost	13 342	-3 586		
Financial liabilities at fair value through profit or loss of which financial liabilities held for trading	-2 888	-1 871		
Hedging derivatives	-200	-127		
Technical provisions, before reinsurance	-867	-288		
Operating liabilities associated with disposal groups & other liabilities	78	-143		
Income taxes paid	-523	-554		
Net cash from or used in operating activities	12 863	-7 962	11 341	5 539
Investing activities				
Purchase of held-to-maturity securities	-2 096	-		
Purchase of debt securities at amortised cost	-	-2 609		
Proceeds from the repayment of held-to-maturity securities	4 685	-		

Proceeds from the repayment of debt securities at amortised cost	-	5 438		
Acquisition of a subsidiary or a business unit, net of cash acquired (Including increases in percentage interest held)	185	-19		
Proceeds from the disposal of a subsidiary or business unit, net of cash disposed (including decreases in percentage interest) held.	7	0		
Purchase of shares in associated companies and joint ventures	0	-10		
Proceeds from the disposal of shares in associated companies and joint ventures	0	2		
Dividends received from associated companies and joint ventures	26	23		
Purchase of investment property	-37	-74		
Proceeds from the sale of investment property	19	29		
Purchase of intangible fixed assets (excl. goodwill)	-206	-260		
Proceeds from the sale of intangible fixed assets (excl. goodwill)	6	8		
Purchase of property and equipment	-793	-668		
Proceeds from the sale of property and equipment	152	237		
Net cash from or used in investing activities	1 947	2 098	942	-391
Financing activities				
Purchase or sale of treasury shares	-5	-179		
Issue or repayment of promissory notes and other debt securities	-657	1 389		
Proceeds from or repayment of subordinated liabilities	120	-928		
Principal payments under finance lease obligations	0	0		
Proceeds from the issuance of share capital	15	16		
Issue of additional tier-1 instruments	0	995		
Proceeds from the issuance of preference shares	0	0		
Dividends paid	-1 171	-1 253		
Coupon on additional tier-1 instruments	-52	-70		
Net cash from or used in financing activities	-1 750	-30	-148	-647
Change in cash and cash equivalents				
Net increase or decrease in cash and cash equivalents	13 060	-5 894	12 136	4501
Cash and cash equivalents at the beginning of the period	26 747	40 413	40 413	34 354
Effects of exchange rate changes on opening cash and cash equivalents	606	-165	78	-64
Cash and cash equivalents at the end of the period	40 413	34 354	52 627	38 790
Additional information				
Interest paid	-2 216	-2 453		
Interest received	6 337	6 996		
Dividends received (including equity method)	89	105		
Components of cash and cash equivalents				
Cash and cash balances with central banks and other demand deposits with credit institutions	29 727	18 691		
Term loans to banks at not more than three months (excluding reverse repos)	643	674		

