

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 Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “MiFID II”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (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 Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to, and should 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in point (11) of Article 4(1) of MiFID II or (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO CONSUMERS – Notes issued under the Programme are not intended to be offered, sold to or otherwise made available to and will not be offered, sold or otherwise made available by any Dealer to any “consumer”(consument/consommateur) within the meaning of the Belgian Code of Economic Law (*Wetboek economisch recht/Code de droit économique*).

Final Terms dated 30 August 2019

KBC Group NV

**Issue of EUR 750,000,000 Tier 2 Subordinated Callable Fixed Rate Reset Notes due 3 December 2029
under the EUR 10,000,000,000
Euro Medium Term Note Programme**

PART A — CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the base prospectus dated 4 June 2019 and the supplement to it dated 20 August 2019, which together constitute a base prospectus (the “**Base Prospectus**”) for the purposes of Directive 2003/71/EC (as amended or superseded) (the “**Prospectus Directive**”). This document constitutes the Final Terms of the Notes 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 Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus has been published on the Issuer’s website (www.kbc.com) and copies may be obtained during normal business hours at the registered office of the Issuer.

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| 1 | (i) Series Number: | G00014 |
| | (ii) Tranche Number: | 1 |
| | (iii) Date on which Notes will be consolidated and form a single Series: | Not Applicable |
| 2 | Specified Currency: | Euro (“EUR”) |
| 3 | Aggregate Nominal Amount: | EUR 750,000,000 |
| | (i) Series: | EUR 750,000,000 |
| | (ii) Tranche: | EUR 750,000,000 |
| 4 | Issue Price: | 99.403% of the Aggregate Nominal Amount |
| 5 | (i) Specified Denominations: | EUR 100,000 and integral multiples of EUR 100,000 in excess thereof |
| | (ii) Calculation Amount: | EUR 100,000 |
| 6 | (i) Issue Date: | 3 September 2019 |
| | (ii) Interest Commencement Date: | Issue Date |
| 7 | Maturity Date: | 3 December 2029 |
| 8 | Interest Basis: | Fixed Rate Reset |
| 9 | Redemption Basis: | Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100% of their nominal amount. |
| 10 | Change of Interest Basis: | Not Applicable |
| 11 | Issuer Call Option: | Applicable <i>(further particulars specified below)</i> |
| 12 | (i) Status of the Notes: | Subordinated Tier 2 Notes |
| | (ii) Waiver of set-off in respect of Senior Notes: | Condition 2(a)(ii): Not Applicable |
| | (iii) Event of Default or Enforcement in respect of Senior Notes: | Condition 10(a): Not Applicable Condition 10(b): Not Applicable |
| PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE | | |
| 13 | Fixed Rate Note Provisions | Not Applicable |
| 14 | Fixed Rate Reset Note Provisions | Applicable |
| | (i) Initial Rate of Interest: | 0.50% per annum payable in arrear on each Interest Payment Date |
| | (ii) Interest Payment Date(s): | 3 December in each year from and including 3 December 2019 to and including 3 December 2029. There will be a short first Interest |

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| | | Period from, and including, the Interest Commencement Date to, but excluding, 3 December 2019. |
| | (iii) First Reset Date: | 3 December 2024 |
| | (iv) Second Reset Date: | Not Applicable |
| | (v) Subsequent Reset Date(s): | Not Applicable |
| | (vi) Reset Determination Dates: | The date falling two Business Days prior to the First Reset Date |
| | (vii) Mid-Swap Rate: | Annualised |
| | (viii) Swap Rate Period: | 5 years |
| | (ix) Relevant Screen Page: | Reuters Screen ICE Swap Rate 2 Page at 11.00 a.m. (Central European Time) under the heading “EURIBOR BASIS – EUR” and above the caption “11:00AM FRANKFURT” |
| | (x) Margin(s): | + 1.10% <i>per annum</i> |
| | (xi) Fixed Coupon Amount(s) in respect of the period from (and including) the Interest Commencement Date up to (but excluding) the First Reset Date: | EUR 500 per Calculation Amount, save in respect of the short first Interest Period from, and including, the Interest Commencement Date to, but excluding, 3 December 2019. |
| | (xii) Broken Amount(s): | EUR 124.66 per Calculation Amount, payable on the Interest Payment Date falling on 3 December 2019 |
| | (xiii) Day Count Fraction: | Actual/Actual ICMA |
| | (xiv) Determination Dates: | 3 December in each year |
| 15 | Floating Rate Note Provisions | Not Applicable |
| PROVISIONS RELATING TO REDEMPTION | | |
| 16 | Tax Event | |
| | Notice periods for Condition 4(b): | Minimum period: 30 days Maximum period: 60 days |
| 17 | Capital Disqualification Event | |
| | Notice periods for Condition 4(c): | Minimum period: 30 days Maximum period: 60 days |
| 18 | Capital Disqualification Event Variation | Not Applicable |
| 19 | Loss Absorption Disqualification Event Variation or Substitution | Not Applicable |
| 20 | Issuer Call Option | Applicable |
| | (i) Optional Redemption Date(s): | 3 December 2024 |

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| | (ii) Optional Redemption Amount(s): | Early Redemption Amount |
| | (iii) If redeemable in part: | Not Applicable |
| | (a) Minimum Callable Amount: | Not Applicable |
| | (b) Maximum Callable Amount: | Not Applicable |
| | (iv) Notice period: | Minimum period: 30 days Maximum period: 60 days |
| 21 | Loss absorption Disqualification Event in respect of Senior Notes | Not Applicable |
| 22 | Final Redemption Amount | EUR 100,000 per Calculation Amount |
| 23 | Early Redemption Amount | |
| | Early Redemption Amount(s) payable on redemption following a Tax Event, following a Capital Disqualification Event (in the case of Subordinated Tier 2 Notes), following a Loss Absorption Disqualification Event (in the case of Senior Notes) or on event of default or other early redemption: | EUR 100,000 per Calculation Amount |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

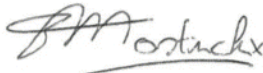
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| 24 | Form of Notes | Dematerialised form |
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THIRD PARTY INFORMATION

The Issuer accepts responsibility for the information contained in these Final Terms. The brief explanation on the meaning of the ratings in paragraph 2 of Part B of these Final Terms has been extracted from www.standardandpoors.com and www.fitchratings.com (the “**Relevant Websites**”). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by each of the Relevant Websites, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of the Issuer:


By: **Jérôme Ferri**
Duly authorised Authorised Signatory


By: **Bronson Mostinckx**
Duly authorised Authorised Signatory

PART B – OTHER INFORMATION

1 LISTING AND ADMISSION TO TRADING

- (i) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on Euronext Brussels with effect from the Issue Date.
- (ii) Estimate of total expenses related to admission to trading: EUR 7,575

2 RATINGS

The Notes to be issued are expected to be rated:
S&P Global Ratings Europe Limited (“S&P”): BBB
Fitch Ratings Limited (“Fitch”): A-

S&P is established in the EU and registered under Regulation (EU) No 1060/2009 (the “CRA Regulation”). As defined by S&P, an obligation rated “BBB” exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor’s capacity to meet its financial commitments on the obligation.

Fitch is established in the EU and registered under the CRA Regulation. As defined by Fitch, an “A” rating denotes expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings. The modifiers “+” or “-” may be appended to a rating to denote relative status within major rating categories.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in “*Subscription and Sale*”, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the issue.

4 REASONS FOR THE OFFER

Not Applicable

5 YIELD

Indication of yield:

- (i) Gross yield: 0.616% *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

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| | | and excluding the First Reset Date. It is not an indication of future yield. |
| | (ii) Net yield: | Not Applicable |
| | Maximum yield: | Not Applicable |
| | Minimum yield: | Not Applicable |
| 6 | HISTORIC INTEREST RATES | |
| | Not Applicable | |
| 7 | OPERATIONAL INFORMATION | |
| | (i) ISIN: | BE0002664457 |
| | (ii) Common Code: | 204961824 |
| | (iii) CFI: | DBFQGR |
| | (iv) FISN: | 652351 |
| | (v) Any clearing system(s) other than the Securities Settlement System, Euroclear Bank SA/NV and Clearstream Banking, S.A. and the relevant identification number(s): | Not Applicable |
| | (vi) Delivery: | Delivery against payment |
| | (vii) Names and addresses of additional Agent(s) (if any): | Not Applicable |
| | (viii) Name and address of the Calculation Agent when the Calculation Agent is not KBC Bank NV: | Not Applicable |
| | (ix) Intended to be held in a manner which would allow Eurosystem eligibility: | No. |
| | (x) Relevant Benchmark: | Not Applicable |
| 8 | DISTRIBUTION | |
| | (i) Method of distribution: | Syndicated |
| | (ii) If syndicated: | |
| | (A) Names and addresses of Dealers: | Deutsche Bank AG, London Branch Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom |
| | | HSBC Bank plc 8 Canada Square London E14 5HQ United Kingdom |

J.P. Morgan Securities plc
25 Bank Street
Canary Wharf
London E14 5JP
United Kingdom

KBC Bank NV
Havenlaan 2
1080 Brussels
Belgium

Morgan Stanley & Co. International plc
25 Cabot Square
Canary Wharf
London E14 4QA
United Kingdom

Natixis
47 quai d'Austerlitz
75013 Paris
France

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|---|---|
| (B) Date of Subscription Agreement: | 30 August 2019 |
| (C) Stabilising manager(s) (if any): | Not Applicable |
| (iii) If non-syndicated, name and address of Dealers: | Not Applicable |
| (iv) US Selling Restrictions | Reg. S Category 2; TEFRA not applicable |
| (v) Additional selling restrictions: | Not Applicable |