

| | | | | | | |
|-----------|------------------------|------------------|-----|----------|------------|-------|
| 40 | | | | 1 | EUR | |
| Nr. | Date of the deposition | No. 0403.227.515 | PP. | E. | D. | C 1.1 |

ANNUAL ACCOUNTS IN EURO (2 decimals)

NAME: **KBC GROEP**

Legal form: **PLC**

Address: **Havenlaan**

Nr.: **2**

Postal Code: **1080**

City: **Sint-Jans-Molenbeek**

Country: **Belgium**

Register of Legal Persons (RLP) - Office of the commercial court at: **Brussel, Dutch-speaking**

Internet address *: **www.kbc.com**

Company number:

0403.227.515

DATE **18/01/2016** of the deposition of the partnership deed OR of the most recent document mentioning the date of publication of the partnership deed and the act changing the articles of association.

ANNUAL ACCOUNTS approved by the General Meeting of

4/05/2016

concerning the financial year covering the period from

1/01/2015

till

31/12/2015

Previous period from

1/01/2014

till

31/12/2014

The amounts of the previous financial year are / ~~are not~~ ** identical to those which have been previously published.

COMPLETE LIST WITH name, first name, profession, residence-address (address, number, postal code, municipality) and position with the enterprise, OF DIRECTORS, MANAGERS AND AUDITORS

LEYSEN Thomas

Rosier 21, 2000 Antwerpen, Belgium

Title : President of the board of directors

VLERICK Philippe

Ronsevaalstraat 2, 8510 Bellegem, Belgium

Title : Vice president of the board of directors

ALGOED Koen

Jachthorenstraat 14, 3001 Heverlee, Belgium

Title : Director

Mandate : 2/07/2015- 28/12/2015

BOSTOEN Alain

Coupure 126, 9000 Gent, Belgium

Title : Director

Enclosed to these annual accounts:

Total number of pages deposited:
of service: 5.1, 5.2.1, 5.2.4, 5.3.4, 5.5.2, 5.17.2, 8, 9

Number of the pages of the standard form not deposited for not being

Signature
(name and position)

THIJS Johan
Delegated director

Signature
(name and position)

LEYSEN Thomas
President of the board of directors

* Optional statement.

** Delete where appropriate.

LIST OF DIRECTORS, MANAGERS AND AUDITORS (continuation of the previous page)

CORNU Jozef

Grouwesteestraat 13, 9170 Sint-Gillis-Waas, Belgium

Title : Director

Mandate : - 7/05/2015

DE CEUSTER Marc

Valkenlaan 34, 2950 Kapellen (Antw.), Belgium

Title : Director

Mandate : - 28/12/2015

DEPICKERE Franky

Izegemstraat 203, 8770 Ingelmunster, Belgium

Title : Director

DISCRY Luc

Bosduifdreef 4, 2970 Schilde, Belgium

Title : Director

DONCK Frank

Floridalaan 62, 1180 Ukkel, Belgium

Title : Director

KIRALY Julia

Kossuth Lajos ter 18, 1055 Budapest, Hungary

Title : Director

MORLION Lode

Weststraat 18, 8647 Lo-Reninge, Belgium

Title : Director

PAPIRNIK Vladimira

W. 8th Place 401, 60521 Hinsdale Illinois, United States of America

Title : Director

POPELIER Luc

Voosdonk 21, 2801 Heffen, Belgium

Title : Delegated director

LIST OF DIRECTORS, MANAGERS AND AUDITORS (continuation of the previous page)

ROUSSIS Theodoros

Poederstraat 51, 2370 Arendonk, Belgium

Title : Director

THIJS Johan

Moorsemsestraat 260, 3130 Betekom, Belgium

Title : Delegated director

VAN KERKHOVE Ghislaine

Wegvoeringstraat 62, 9230 Wetteren, Belgium

Title : Director

VAN RIJSSEGHEM Christine

Avenue du Manoir 59, 1410 Waterloo, Belgium

Title : Delegated director

VANTHEMSCHE Piet

Tombergstraat 57, 1750 Sint-Martens-Lennik, Belgium

Title : Director

WITTEMANS Marc

Beatrijslaan 91, 3110 Rotselaar, Belgium

Title : Director

ERNST & YOUNG Bedrijfsrevisoren BCVBA 0446.334.711

De Kleetlaan 2, 1831 Diegem, Belgium

Title : Auditor, Number of membership : B00160

Mandate : 2/05/2013- 4/05/2016

Represented by:

1. WEYMEERSCH Christel

Ven.vaste vertegenw van Christel Weymeersch bvba , 1831 Diegem, Belgium
and/or

2. HUBIN Jean-François

Ven.vaste vertegenw van Jean-François Hubin & Co sprl , 1831 Diegem, Belgium

DECLARATION ABOUT SUPPLEMENTARY AUDITING OR ADJUSTMENT MISSION

The managing board declares that the assignment neither regarding auditing nor adjusting has been given to a person who was not authorised by law pursuant to art. 34 and 37 of the Law of 22nd April 1999 concerning the auditing and tax professions.

The annual accounts ~~have~~/ have not * been audited or adjusted by an external accountant or auditor who is not a statutory auditor.

If YES, mention here after: name, first names, profession, residence-address of each external accountant or auditor, the number of membership with the professional Institute ad hoc and the nature of this engagement:

- A. Bookkeeping of the undertaking**,
- B. Preparing the annual accounts**,
- C. Auditing the annual accounts and/or
- D. Adjusting the annual accounts.

If the assignment mentioned either under A or B is performed by authorised accountants or authorised accountants-tax consultants, information will be given on: name, first names, profession and residence-address of each authorised accountant or accountant-tax consultant, his number of membership with the Professional Institute of Accountants and Tax consultants and the nature of this engagement.

| Name, first name, profession, residence-address | Number of membership | Nature of the engagement (A, B, C and/or D) |
|---|----------------------|---|
| | | |

* Delete where appropriate.

** Optional disclosure.

BALANCE SHEET

| | Notes | Codes | Period | Previous period |
|---|---------------|-------|--------------------------|--------------------------|
| ASSETS | | | | |
| FIXED ASSETS | | 20/28 | <u>18.139.742.088,91</u> | <u>17.441.522.878,40</u> |
| Formation expenses | 5.1 | 20 | | |
| Intangible fixed assets | 5.2 | 21 | 159.750.861,86 | 225.816.157,07 |
| Tangible fixed assets | 5.3 | 22/27 | 104.855.786,27 | 138.016.961,52 |
| Land and buildings | | 22 | 30.609.821,08 | 32.226.020,59 |
| Plant, machinery and equipment | | 23 | 59.934.746,93 | 82.173.227,42 |
| Furniture and vehicles | | 24 | 12.855.758,27 | 12.470.706,55 |
| Leasing and other similar rights | | 25 | | |
| Other tangible fixed assets | | 26 | 461.679,81 | 500.813,83 |
| Assets under construction and advance payments | | 27 | 993.780,18 | 10.646.193,13 |
| | 5.4/ | | | |
| Financial fixed assets | 5.5.1 | 28 | 17.875.135.440,78 | 17.077.689.759,81 |
| Affiliated enterprises | 5.14 | 280/1 | 17.873.997.247,24 | 17.076.650.566,27 |
| Participating interests | | 280 | 14.043.698.579,11 | 14.529.378.415,98 |
| Amounts receivable | | 281 | 3.830.298.668,13 | 2.547.272.150,29 |
| Other enterprises linked by participating interests | 5.14 | 282/3 | 914.657,54 | 815.657,54 |
| Participating interests | | 282 | 914.657,54 | 815.657,54 |
| Amounts receivable | | 283 | | |
| Other financial assets | | 284/8 | 223.536,00 | 223.536,00 |
| Shares | | 284 | 223.536,00 | 223.536,00 |
| Amounts receivable and cash guarantees | | 285/8 | | |
| CURRENT ASSETS | | 29/58 | <u>260.971.221,66</u> | <u>524.054.923,59</u> |
| Amounts receivable after more than one year | | 29 | 150.763,22 | 690.180,86 |
| Trade debtors | | 290 | | |
| Other amounts receivable | | 291 | 150.763,22 | 690.180,86 |
| Stocks and contracts in progress | | 3 | 595.233,02 | 670.259,67 |
| Stocks | | 30/36 | 595.233,02 | 670.259,67 |
| Raw materials and consumables | | 30/31 | | |
| Work in progress | | 32 | | |
| Finished goods | | 33 | | |
| Goods purchased for resale | | 34 | 595.233,02 | 670.259,67 |
| Immovable property intended for sale | | 35 | | |
| Advance payments | | 36 | | |
| Contracts in progress | | 37 | | |
| Amounts receivable within one year | | 40/41 | 10.463.924,81 | 68.795.041,62 |
| Trade debtors | | 40 | 5.617.764,42 | 32.677.361,12 |
| Other amounts receivable | | 41 | 4.846.160,39 | 36.117.680,50 |
| Current investments | 5.5.1/ 5.6 | 50/53 | | 22.523,67 |
| Own shares | | 50 | | 22.523,67 |
| Other investments and deposits | | 51/53 | | |
| Cash at bank and in hand | | 54/58 | 163.164.516,87 | 404.563.460,06 |
| Deferred charges and accrued income | 5.6 | 490/1 | 86.596.783,74 | 49.313.457,71 |
| TOTAL ASSETS | | 20/58 | 18.400.713.310,57 | 17.965.577.801,99 |

EQUITY AND LIABILITIES

| | Notes | Codes | Period | Previous period |
|---|-------|-------|-------------------|-------------------|
| EQUITY | | 10/15 | 13.669.703.979,96 | 11.486.258.673,26 |
| Capital | 5.7 | 10 | 1.454.298.014,35 | 1.453.231.742,35 |
| Issued capital | | 100 | 1.454.298.014,35 | 1.453.231.742,35 |
| Uncalled capital | | 101 | | |
| Share premium account | | 11 | 5.422.640.121,69 | 5.409.406.705,69 |
| Revaluation surpluses | | 12 | 232,00 | |
| Reserves | | 13 | 1.466.201.036,31 | 1.466.014.922,76 |
| Legal reserve | | 130 | 145.429.801,44 | 145.323.174,24 |
| Reserves not available | | 131 | 1.338.625,03 | 1.361.148,70 |
| In respect of own shares held | | 1310 | | 22.523,67 |
| Other | | 1311 | 1.338.625,03 | 1.338.625,03 |
| Untaxed reserves | | 132 | 190.133.089,69 | 190.053.603,34 |
| Available reserves | | 133 | 1.129.299.520,15 | 1.129.276.996,48 |
| Accumulated profits (losses) | | 14 | 5.326.564.575,61 | 3.157.605.302,46 |
| Investment grants | | 15 | | |
| Advance to associates on the sharing out of the assets | | 19 | | |
| PROVISIONS AND DEFERRED TAXES | | 16 | 12.752.561,63 | 19.990.252,68 |
| Provisions for liabilities and charges | | 160/5 | 12.752.561,63 | 19.990.252,68 |
| Pensions and similar obligations | | 160 | 11.557.886,55 | 16.766.060,53 |
| Taxation | | 161 | | |
| Major repairs and maintenance | | 162 | | |
| Other liabilities and charges | 5.8 | 163/5 | 1.194.675,08 | 3.224.192,15 |
| Deferred taxes | | 168 | | |
| AMOUNTS PAYABLE | | 17/49 | 4.718.256.768,98 | 6.459.328.876,05 |
| Amounts payable after more than one year | 5.9 | 17 | 3.079.934.031,86 | 4.878.036.535,00 |
| Financial debts | | 170/4 | 3.079.919.666,86 | 4.878.025.420,00 |
| Subordinated loans | | 170 | 3.079.919.666,86 | 4.297.274.279,12 |
| Unsubordinated debentures | | 171 | | 580.751.140,88 |
| Leasing and other similar obligations | | 172 | | |
| Credit institutions | | 173 | | |
| Other loans | | 174 | | |
| Trade debts | | 175 | | |
| Suppliers | | 1750 | | |
| Bills of exchange payable | | 1751 | | |
| Advances received on contracts in progress | | 176 | | |
| Other amounts payable | | 178/9 | 14.365,00 | 11.115,00 |
| Amounts payable within one year | | 42/48 | 1.583.314.803,28 | 1.362.662.084,86 |
| Current portion of amounts payable after more than one year falling due within one year | 5.9 | 42 | 480.477.257,21 | |
| Financial debts | | 43 | 937.000.000,00 | 376.000.000,00 |
| Credit institutions | | 430/8 | | |
| Other loans | | 439 | 937.000.000,00 | 376.000.000,00 |
| Trade debts | | 44 | 32.554.792,83 | 38.539.663,68 |
| Suppliers | | 440/4 | 32.554.792,83 | 38.539.663,68 |
| Bills of exchange payable | | 441 | | |
| Advances received on contracts in progress | | 46 | | |
| Taxes, remuneration and social security | 5.9 | 45 | 77.967.770,44 | 80.186.792,61 |
| Taxes | | 450/3 | 6.878.254,39 | 3.121.934,27 |
| Remuneration and social security | | 454/9 | 71.089.516,05 | 77.064.858,34 |
| Other amounts payable | | 47/48 | 55.314.982,80 | 867.935.628,57 |
| Accrued charges and deferred income | 5.9 | 492/3 | 55.007.933,84 | 218.630.256,19 |
| TOTAL LIABILITIES | | 10/49 | 18.400.713.310,57 | 17.965.577.801,99 |

INCOME STATEMENT

| | Notes | Codes | Period | Previous period |
|---|-------|-------|------------------|------------------|
| Operating income | | 70/74 | 1.059.655.067,64 | 1.081.931.476,77 |
| Turnover | 5.10 | 70 | 970.807.140,50 | 1.025.867.789,34 |
| Increase (decrease) in stocks of finished goods, work and contracts in progress(+)/(-) | | 71 | | |
| Own construction capitalised | | 72 | 60.697.168,85 | 49.120.657,16 |
| Other operating income | 5.10 | 74 | 28.150.758,29 | 6.943.030,27 |
| Operating charges | | 60/64 | 1.115.040.534,05 | 1.153.203.571,54 |
| Raw materials, consumables | | 60 | 159.412,26 | 155.497,46 |
| Purchases | | 600/8 | 31.360,78 | 831.980,22 |
| Decrease (increase) in stocks(+)/(-) | | 609 | 128.051,48 | -676.482,76 |
| Services and other goods | | 61 | 577.092.909,92 | 568.362.665,72 |
| Remuneration, social security costs and pensions(+)/(-) | 5.10 | 62 | 430.011.502,67 | 435.068.298,73 |
| Depreciation of and amounts written off formation expenses, intangible and tangible fixed assets | | 630 | 110.195.078,54 | 117.521.510,67 |
| Amounts written down stocks, contracts in progress and trade debtors - Appropriations (write-backs)(+)/(-) | | 631/4 | | |
| Provisions for risks and charges - Appropriations (uses and write-backs)(+)/(-) | 5.10 | 635/7 | -7.248.154,79 | 983.846,24 |
| Other operating charges | 5.10 | 640/8 | 4.829.785,45 | 31.111.752,72 |
| Operation charges carried to assets as restructuring costs (-) | | 649 | | |
| Operating profit (loss)(+)/(-) | | 9901 | -55.385.466,41 | -71.272.094,77 |
| Financial income | | 75 | 3.366.153.497,20 | 1.441.234.917,72 |
| Income from financial fixed assets | | 750 | 3.223.606.590,29 | 1.354.287.425,93 |
| Income from current assets | | 751 | 155.948,70 | 4.494.969,52 |
| Other financial income | 5.11 | 752/9 | 142.390.958,21 | 82.452.522,27 |
| Financial charges | 5.11 | 65 | 1.144.123.495,38 | 443.586.114,66 |
| Debt charges | | 650 | 1.128.389.643,00 | 431.716.052,37 |
| Amounts written down on current assets except stocks, contracts in progress and trade debtors(+)/(-) | | 651 | | |
| Other financial charges | | 652/9 | 15.733.852,38 | 11.870.062,29 |
| Gain (loss) on ordinary activities before taxes (+)/(-) | | 9902 | 2.166.644.535,41 | 926.376.708,29 |

| | Codes | Period | Previous period |
|--|------------|------------------|------------------|
| Extraordinary income | 76 | 51.238.231,36 | 158.064.895,16 |
| Write-back of depreciation and of amounts written down intangible and tangible fixed assets | 760 | | |
| Write-back of amounts written down financial fixed assets .. | 761 | | |
| Write-back of provisions for extraordinary liabilities and charges | 762 | | 1.000.000,00 |
| Gains on disposal of fixed assets | 763 | 23.260.240,35 | 157.055.102,82 |
| Other extraordinary income | 764/9 | 27.977.991,01 | 9.792,34 |
| Extraordinary charges | 66 | 27.351.842,53 | 1.224.012,02 |
| Extraordinary depreciation of and extraordinary amounts written off formation expenses, intangible and tangible fixed assets | 660 | 26.371.643,45 | |
| Amounts written down financial fixed assets | 661 | | |
| Provisions for extraordinary liabilities and charges - Appropriations (uses) | 662 | | |
| Loss on disposal of fixed assets | 663 | | 1.163.190,00 |
| Other extraordinary charges | 5.11 664/8 | 980.199,08 | 60.822,02 |
| Extraordinary charges carried to assets as restructuring costs | 669 | | |
| Profit (loss) for the period before taxes | 9903 | 2.190.530.924,24 | 1.083.217.591,43 |
| Transfer from postponed taxes | 780 | 162.794,58 | 740.025,55 |
| Transfer to postponed taxes | 680 | 4.212.530,74 | 2.357,72 |
| Income taxes | 5.12 67/77 | 5.865.630,86 | 4.110.530,16 |
| Income taxes | 670/3 | 7.642.635,73 | 5.419.139,78 |
| Adjustment of income taxes and write-back of tax provisions | 77 | 1.777.004,87 | 1.308.609,62 |
| Profit (loss) for the period | 9904 | 2.180.615.557,22 | 1.079.844.729,10 |
| Transfer from untaxed reserves | 789 | | |
| Transfer to untaxed reserves | 689 | 79.486,35 | 79.421,00 |
| Profit (loss) for the period available for appropriation (+)/(-) | 9905 | 2.180.536.070,87 | 1.079.765.308,10 |

CONCESSIONS, PATENTS, LICENCES, KNOWHOW, BRANDS AND SIMILAR RIGHTS

Acquisition value at the end of the period

Movements during the period

Acquisitions, including produced fixed assets

Sales and disposals

Transfers from one heading to another (+)/(-)

Acquisition value at the end of the period

Depreciation and amounts written down at the end of the period

Movements during the period

Recorded

Written back

Acquisitions from third parties

Cancelled owing to sales and disposals

Transfers from one heading to another (+)/(-)

Depreciation and amounts written down at the end of the period

NET BOOK VALUE AT THE END OF THE PERIOD

| Codes | Period | Previous period |
|-------|-----------------------|-----------------|
| 8052P | xxxxxxxxxxxxxxx | 699.270.247,42 |
| 8022 | 94.686.196,63 | |
| 8032 | 156.848.454,86 | |
| 8042 | | |
| 8052 | 637.107.989,19 | |
| 8122P | xxxxxxxxxxxxxxx | 474.910.441,53 |
| 8072 | 72.630.226,51 | |
| 8082 | | |
| 8092 | | |
| 8102 | 70.183.540,71 | |
| 8112 | | |
| 8122 | 477.357.127,33 | |
| 211 | <u>159.750.861,86</u> | |

GOODWILL

Acquisition value at the end of the period

Movements during the period

Acquisitions, including produced fixed assets

Sales and disposals

Transfers from one heading to another (+)/(-)

Acquisition value at the end of the period

Depreciation and amounts written down at the end of the period

Movements during the period

Recorded

Written back

Acquisitions from third parties

Cancelled owing to sales and disposals

Transfers from one heading to another (+)/(-)

Depreciation and amounts written down at the end of the period

NET BOOK VALUE AT THE END OF THE PERIOD

| Codes | Period | Previous period |
|-------|-----------------|-----------------|
| 8053P | xxxxxxxxxxxxxxx | 14.027.424,70 |
| 8023 | | |
| 8033 | 13.926.164,97 | |
| 8043 | | |
| 8053 | 101.259,73 | |
| 8123P | xxxxxxxxxxxxxxx | 12.571.073,52 |
| 8073 | 1.456.351,18 | |
| 8083 | | |
| 8093 | | |
| 8103 | 13.926.164,97 | |
| 8113 | | |
| 8123 | 101.259,73 | |
| 212 | _____ | |

STATEMENT OF TANGIBLE FIXED ASSETS

| | Codes | Period | Previous period |
|---|-------|------------------|-----------------|
| LAND AND BUILDINGS | | | |
| Acquisition value at the end of the period | 8191P | xxxxxxxxxxxxxxxx | 37.350.834,76 |
| Movements during the period | | | |
| Acquisitions, including produced fixed assets | 8161 | 43.995,64 | |
| Sales and disposals | 8171 | | |
| Transfers from one heading to another (+)/(-) | 8181 | | |
| Acquisition value at the end of the period | 8191 | 37.394.830,40 | |
| Revaluation surpluses at the end of the period | 8251P | xxxxxxxxxxxxxxxx | |
| Movements during the period | | | |
| Recorded | 8211 | | |
| Acquisitions from third parties | 8221 | | |
| Cancelled | 8231 | | |
| Transfers from one heading to another (+)/(-) | 8241 | | |
| Revaluation surpluses at the end of the period | 8251 | | |
| Depreciation and amounts written down at the end of the period | 8321P | xxxxxxxxxxxxxxxx | 5.124.814,17 |
| Movements during the period | | | |
| Recorded | 8271 | 1.660.195,15 | |
| Written back | 8281 | | |
| Acquisitions from third parties | 8291 | | |
| Cancelled owing to sales and disposals | 8301 | | |
| Transfers from one heading to another (+)/(-) | 8311 | | |
| Depreciation and amounts written down at the end of the period | 8321 | 6.785.009,32 | |
| NET BOOK VALUE AT THE END OF THE PERIOD | (22) | 30.609.821,08 | |

PLANT, MACHINERY AND EQUIPMENT

| | Codes | Period | Previous period |
|---|-------|-----------------|-----------------|
| Acquisition value at the end of the period | 8192P | xxxxxxxxxxxxxxx | 296.823.668,83 |
| Movements during the period | | | |
| Acquisitions, including produced fixed assets | 8162 | 44.102.202,54 | |
| Sales and disposals | 8172 | 73.261.222,07 | |
| Transfers from one heading to another (+)/(-) | 8182 | 31.002,43 | |
| Acquisition value at the end of the period | 8192 | 267.695.651,73 | |
| Revaluation surpluses at the end of the period | 8252P | xxxxxxxxxxxxxxx | |
| Movements during the period | | | |
| Recorded | 8212 | | |
| Acquisitions from third parties | 8222 | | |
| Cancelled | 8232 | | |
| Transfers from one heading to another (+)/(-) | 8242 | | |
| Revaluation surpluses at the end of the period | 8252 | | |
| Depreciation and amounts written down at the end of the period | 8322P | xxxxxxxxxxxxxxx | 214.650.441,41 |
| Movements during the period | | | |
| Recorded | 8272 | 48.961.864,09 | |
| Written back | 8282 | | |
| Acquisitions from third parties | 8292 | | |
| Cancelled owing to sales and disposals | 8302 | 55.851.400,70 | |
| Transfers from one heading to another (+)/(-) | 8312 | | |
| Depreciation and amounts written down at the end of the period | 8322 | 207.760.904,80 | |
| NET BOOK VALUE AT THE END OF THE PERIOD | (23) | 59.934.746,93 | |

FURNITURE AND VEHICLES

Acquisition value at the end of the period

Movements during the period

 Acquisitions, including produced fixed assets

 Sales and disposals

 Transfers from one heading to another (+)/(-)

Acquisition value at the end of the period

Revaluation surpluses at the end of the period

Movements during the period

 Recorded

 Acquisitions from third parties

 Cancelled

 Transfers from one heading to another (+)/(-)

Revaluation surpluses at the end of the period

Depreciation and amounts written down at the end of the period

Movements during the period

 Recorded

 Written back

 Acquisitions from third parties

 Cancelled owing to sales and disposals

 Transfers from one heading to another (+)/(-)

Depreciation and amounts written down at the end of the period

NET BOOK VALUE AT THE END OF THE PERIOD

| Codes | Period | Previous period |
|-------|----------------------|-----------------|
| 8193P | xxxxxxxxxxxxxxx | 21.443.754,64 |
| 8163 | 2.551.332,89 | |
| 8173 | 872,14 | |
| 8183 | | |
| 8193 | 23.994.215,39 | |
| 8253P | xxxxxxxxxxxxxxx | |
| 8213 | | |
| 8223 | | |
| 8233 | | |
| 8243 | | |
| 8253 | | |
| 8323P | xxxxxxxxxxxxxxx | 8.973.048,09 |
| 8273 | 2.165.576,93 | |
| 8283 | | |
| 8293 | | |
| 8303 | 167,90 | |
| 8313 | | |
| 8323 | 11.138.457,12 | |
| (24) | <u>12.855.758,27</u> | |

OTHER TANGIBLE FIXED ASSETS

Acquisition value at the end of the period

Movements during the period
 Acquisitions, including produced fixed assets

Sales and disposals

Transfers from one heading to another (+)/(-)

Acquisition value at the end of the period

Revaluation surpluses at the end of the period

Movements during the period
 Recorded

Acquisitions from third parties

Cancelled

Transfers from one heading to another (+)/(-)

Revaluation surpluses at the end of the period

Depreciation and amounts written down at the end of the period

Movements during the period
 Recorded

Written back

Acquisitions from third parties

Cancelled owing to sales and disposals

Transfers from one heading to another (+)/(-)

Depreciation and amounts written down at the end of the period

NET BOOK VALUE AT THE END OF THE PERIOD

| Codes | Period | Previous period |
|-------|-------------------|-----------------|
| 8195P | xxxxxxxxxxxxxxx | 687.338,68 |
| 8165 | 31.963,59 | |
| 8175 | | |
| 8185 | | |
| 8195 | 719.302,27 | |
| 8255P | xxxxxxxxxxxxxxx | |
| 8215 | | |
| 8225 | | |
| 8235 | | |
| 8245 | | |
| 8255 | | |
| 8325P | xxxxxxxxxxxxxxx | 186.524,85 |
| 8275 | 71.097,61 | |
| 8285 | | |
| 8295 | | |
| 8305 | | |
| 8315 | | |
| 8325 | 257.622,46 | |
| (26) | <u>461.679,81</u> | |

ASSETS UNDER CONSTRUCTION AND ADVANCED PAYMENTS

| | Codes | Period | Previous period |
|---|-------|-------------------|-----------------|
| Acquisition value at the end of the period | 8196P | xxxxxxxxxxxxxxx | 10.646.193,13 |
| Movements during the period | | | |
| Acquisitions, including produced fixed assets | 8166 | | |
| Sales and disposals | 8176 | | |
| Transfers from one heading to another (+)/(-) | 8186 | -31.002,43 | |
| Acquisition value at the end of the period | 8196 | 10.615.190,70 | |
| Revaluation surpluses at the end of the period | 8256P | xxxxxxxxxxxxxxx | |
| Movements during the period | | | |
| Recorded | 8216 | | |
| Acquisitions from third parties | 8226 | | |
| Cancelled | 8236 | | |
| Transfers from one heading to another (+)/(-) | 8246 | | |
| Revaluation surpluses at the end of the period | 8256 | | |
| Depreciation and amounts written down at the end of the period | 8326P | xxxxxxxxxxxxxxx | |
| Movements during the period | | | |
| Recorded | 8276 | 9.621.410,52 | |
| Written back | 8286 | | |
| Acquisitions from third parties | 8296 | | |
| Cancelled owing to sales and disposals | 8306 | | |
| Transfers from one heading to another (+)/(-) | 8316 | | |
| Depreciation and amounts written down at the end of the period | 8326 | 9.621.410,52 | |
| NET BOOK VALUE AT THE END OF THE PERIOD | (27) | <u>993.780,18</u> | |

STATEMENT OF FINANCIAL FIXED ASSETS

| | Codes | Period | Previous period |
|---|-------|--------------------------|-------------------|
| AFFILIATED ENTERPRISES - PARTICIPATING INTERESTS AND SHARES | | | |
| Acquisition value at the end of the period | 8391P | xxxxxxxxxxxxxxx | 14.522.850.863,91 |
| Movements during the period | | | |
| Acquisitions, including produced fixed assets | 8361 | | |
| Sales and disposals | 8371 | 485.680.068,87 | |
| Transfers from one heading to another | 8381 | | |
| | | | |
| Acquisition value at the end of the period | 8391 | 14.037.170.795,04 | |
| Revaluation surpluses at the end of the period | 8451P | xxxxxxxxxxxxxxx | 6.527.552,07 |
| Movements during the period | | | |
| Recorded | 8411 | 232,00 | |
| Acquisitions from third parties | 8421 | | |
| Cancelled | 8431 | | |
| Transfers from one heading to another | 8441 | | |
| | | | |
| Revaluation surpluses at the end of the period | 8451 | 6.527.784,07 | |
| Amounts written down at the end of the period | 8521P | xxxxxxxxxxxxxxx | |
| Movements during the period | | | |
| Recorded | 8471 | | |
| Written back | 8481 | | |
| Acquisitions from third parties | 8491 | | |
| Cancelled owing to sales and disposals | 8501 | | |
| Transfers from one heading to another | 8511 | | |
| | | | |
| Amounts written down at the end of the period | 8521 | | |
| Uncalled amounts at the end of the period | 8551P | xxxxxxxxxxxxxxx | |
| Movements during the period | 8541 | | |
| | | | |
| Uncalled amounts at the end of the period | 8551 | | |
| | | | |
| NET BOOK VALUE AT THE END OF THE PERIOD | (280) | <u>14.043.698.579,11</u> | |
| AFFILIATED ENTERPRISES - AMOUNTS RECEIVABLE | | | |
| NET BOOK VALUE AT THE END OF THE PERIOD | 281P | xxxxxxxxxxxxxxx | 2.547.272.150,29 |
| Movements during the period | | | |
| Additions | 8581 | 1.283.026.517,84 | |
| Repayments | 8591 | | |
| Amounts written down | 8601 | | |
| Amounts written back | 8611 | | |
| Exchange differences | 8621 | | |
| Other | 8631 | | |
| | | | |
| NET BOOK VALUE AT THE END OF THE PERIOD | (281) | <u>3.830.298.668,13</u> | |
| ACCUMULATED AMOUNTS WRITTEN OFF ON AMOUNTS RECEIVABLE AT THE END OF THE PERIOD | 8651 | | |

| | Codes | Period | Previous period |
|---|-------|-----------------------------|-----------------|
| OTHER ENTERPRISES LINKED BY PARTICIPATING INTERESTS - PARTICIPATING INTERESTS AND SHARES | | | |
| Acquisition value at the end of the period | 8392P | xxxxxxxxxxxxxxxx | 815.657,54 |
| Movements during the period | | | |
| Acquisitions, including produced fixed assets | 8362 | 99.000,00 | |
| Sales and disposals | 8372 | | |
| Transfers from one heading to another (+)/(-) | 8382 | | |
| Acquisition value at the end of the period | 8392 | 914.657,54 | |
| Revaluation surpluses at the end of the period | 8452P | xxxxxxxxxxxxxxxx | |
| Movements during the period | | | |
| Recorded | 8412 | | |
| Acquisitions from third parties | 8422 | | |
| Cancelled | 8432 | | |
| Transfers from one heading to another (+)/(-) | 8442 | | |
| Revaluation surpluses at the end of the period | 8452 | | |
| Amounts written down et the end of the period | 8522P | xxxxxxxxxxxxxxxx | |
| Movements during the period | | | |
| Recorded | 8472 | | |
| Written back | 8482 | | |
| Acquisitions from third parties | 8492 | | |
| Cancelled owing to sales and disposals | 8502 | | |
| Transfers from one heading to another (+)/(-) | 8512 | | |
| Amounts written down at the end of the period | 8522 | | |
| Uncalled amounts at the end of the period | 8552P | xxxxxxxxxxxxxxxx | |
| Movements during the period (+)/(-) | 8542 | | |
| Uncalled amounts at the end of the period | 8552 | | |
| NET BOOK VALUE AT THE END OF THE PERIOD | (282) | <u>914.657,54</u> | |
| OTHER ENTERPRISES LINKED BY PARTICIPATING INTERESTS - AMOUNTS RECEIVABLE | | | |
| NET BOOK VALUE AT THE END OF THE PERIOD | 283P | xxxxxxxxxxxxxxxx | |
| Movements during the period | | | |
| Additions | 8582 | | |
| Repayments | 8592 | | |
| Amounts written down | 8602 | | |
| Amounts written back | 8612 | | |
| Exchange differences (+)/(-) | 8622 | | |
| Other (+)/(-) | 8632 | | |
| NET BOOK VALUE AT THE END OF THE PERIOD | (283) | <u> </u> | |
| ACCUMULATED AMOUNTS WRITTEN OFF ON AMOUNTS RECEIVABLE AT THE END OF THE PERIOD | 8652 | <u> </u> | |

OTHER ENTERPRISES - PARTICIPATING INTERESTS AND SHARES

| | Codes | Period | Previous period |
|---|---------|-----------------------------|-----------------|
| Acquisition value at the end of the period | 8393P | xxxxxxxxxxxxxxx | 223.536,00 |
| Movements during the period | | | |
| Acquisitions, including produced fixed assets | 8363 | | |
| Sales and disposals | 8373 | | |
| Transfers from one heading to another | 8383 | | |
| (+)/(-) | | | |
| Acquisition value at the end of the period | 8393 | 223.536,00 | |
| Revaluation surpluses at the end of the period | 8453P | xxxxxxxxxxxxxxx | |
| Movements during the period | | | |
| Recorded | 8413 | | |
| Acquisitions from third parties | 8423 | | |
| Cancelled | 8433 | | |
| Transfers from one heading to another | 8443 | | |
| (+)/(-) | | | |
| Revaluation surpluses at the end of the period | 8453 | | |
| Amounts written down at the end of the period | 8523P | xxxxxxxxxxxxxxx | |
| Movements during the period | | | |
| Recorded | 8473 | | |
| Written back | 8483 | | |
| Acquisitions from third parties | 8493 | | |
| Cancelled owing to sales and disposals | 8503 | | |
| Transfers from one heading to another | 8513 | | |
| (+)/(-) | | | |
| Amounts written down at the end of the period | 8523 | | |
| Uncalled amounts at the end of the period | 8553P | xxxxxxxxxxxxxxx | |
| Movements during the period | 8543 | | |
| (+)/(-) | | | |
| Uncalled amounts at the end of the period | 8553 | | |
| NET BOOK VALUE AT THE END OF THE PERIOD | (284) | <u>223.536,00</u> | |
| OTHER ENTERPRISES - AMOUNTS RECEIVABLE | | | |
| NET BOOK VALUE AT THE END OF THE PERIOD | 285/8P | xxxxxxxxxxxxxxx | |
| Movements during the period | | | |
| Additions | 8583 | | |
| Repayments | 8593 | | |
| Amounts written down | 8603 | | |
| Amounts written back | 8613 | | |
| Exchange differences | 8623 | | |
| (+)/(-) | | | |
| Other | 8633 | | |
| (+)/(-) | | | |
| NET BOOK VALUE AT THE END OF THE PERIOD | (285/8) | <u> </u> | |
| ACCUMULATED AMOUNTS WRITTEN OFF ON AMOUNTS RECEIVABLE AT THE END OF THE PERIOD | 8653 | <u> </u> | |

INFORMATION RELATING TO THE SHARE IN THE CAPITAL**SHARE IN THE CAPITAL AND OTHER RIGHTS IN OTHER COMPANIES**

List of both enterprises in which the enterprise holds a participating interest (recorded in the heading 28 of assets) and other enterprises in which the enterprise holds rights (recorded in the headings 28 and 50/53 of assets) in the amount of at least 10% of the capital issued.

| NAME, full address of the REGISTERED OFFICE and for the enterprise governed by Belgian law, the COMPANY NUMBER | Shares held by | | | Information from the most recent period for which annual accounts are available | | | |
|--|----------------|--------|--------------|---|---------------|----------------------|---------------|
| | directly | | subsidiaries | Primary financial statement | Monetary unit | Capital and reserves | Net result |
| | Number | % | | | | | |
| KBC BANK PLC Havenlaan 2 1080 Brussel 8 Belgium 0462.920.226 Ordinary shares | 915228481 | 99,99 | 0,01 | 31/12/2014 | EUR | 10.012.614.336 | 1.685.438.657 |
| KBC VERZEKERINGEN PLC Professor Roger Van Overstraetenplein 2 3000 Leuven Belgium 0403.552.563 Ordinary shares | 1002016 | 99,99 | 0,01 | 31/12/2014 | EUR | 1.868.008.086 | 293.059.767 |
| OMNIA PLC Mgr. Ladeuzeplein 15 3000 Leuven Belgium 0413.646.305 Ordinary shares | 1 | 0,01 | 99,99 | 31/12/2014 | EUR | 2.401.324 | 309.749 |
| KBC ASSET MANAGEMENT PLC Havenlaan 2 1080 Brussel 8 Belgium 0469.444.267 Ordinary shares | 2776160 | 48,14 | 51,86 | 31/12/2014 | EUR | 124.575.000 | 335.216.000 |
| KREDIETCORP SA FC Rue Notre Dame 37 L-2955 Luxembourg Luxembourg Ordinary shares | 5250 | 100,00 | 0,00 | 31/12/2014 | EUR | 35.702.019 | 4.902.779 |
| KB CONSULT PLC Havenlaan 2 1080 Brussel 8 Belgium 0437.623.220 Ordinary shares | 174 | 0,05 | 99,95 | 31/12/2014 | EUR | 862.667 | -10.157 |
| ARDA-IMMO PLC Interleuvenlaan 16 3001 Heverlee Belgium 0474.415.914 Ordinary shares | 61713 | 19,06 | 0,00 | 31/12/2014 | EUR | 3.516.375 | 323.614 |

INFORMATION RELATING TO THE SHARE IN THE CAPITAL
SHARE IN THE CAPITAL AND OTHER RIGHTS IN OTHER COMPANIES

| NAME, full address of the REGISTERED OFFICE and for the enterprise governed by Belgian law, the COMPANY NUMBER | Shares held by | | | Information from the most recent period for which annual accounts are available | | | |
|--|----------------|-------|--------------|---|---------------|--|------------|
| | directly | | subsidiaries | Primary financial statement | Monetary unit | Capital and reserves | Net result |
| | Number | % | % | | | (+) or (-) <i>(in monetary units)</i> | |
| 24+ PLC Pastoor Coplaan 100 2070 Zwijndrecht Belgium 0895.810.836 Ordinary shares | 3075 | 50,00 | 50,00 | 31/12/2014 | EUR | 858.644 | 417.404 |

OTHER INVESTMENTS AND DEPOSIT, DEFFERED CHARGES AND ACCRUED INCOME (ASSETS)

| | Codes | Period | Previous period |
|---|-------|--------|-----------------|
| INVESTMENTS: OTHER INVESTMENTS AND DEPOSITS | | | |
| Shares | 51 | | |
| Book value increased with the uncalled amount | 8681 | | |
| Uncalled amount | 8682 | | |
| Fixed income securities | 52 | | |
| Fixed income securities issued by credit institutions | 8684 | | |
| Fixed term deposit with credit institutions | 53 | | |
| Falling due | | | |
| less or up to one month | 8686 | | |
| between one month and one year | 8687 | | |
| over one year | 8688 | | |
| Other investments not yet shown seperately | 8689 | | |

DEFFERED CHARGES AND ACCRUED INCOME

Allocation of heading 490/1 of assets if the amount is significant.

| | Period |
|------------------|---------------|
| Deferred Charges | 31.157.225,52 |
| Accrued Income | 55.439.558,22 |

STATEMENT OF CAPITAL AND STRUCTURE OF SHAREHOLDINGS

STATEMENT OF CAPITAL

Social capital

Issued capital at the end of the period
 Issued capital at the end of the period

| Codes | Period | Previous period |
|-------|------------------|------------------|
| 100P | XXXXXXXXXXXXXX | 1.453.231.742,35 |
| (100) | 1.454.298.014,35 | |

Changes during the period:

Capital increase

Structure of the capital
 Different categories of shares

No-par shares

Registered shares.....

Bearer shares and/or dematerialized shares.....

| Codes | Amounts | Number of shares |
|-------|------------------|------------------|
| | 1.066.272,00 | 306.400 |
| | 1.454.298.014,35 | 418.087.058 |
| 8702 | XXXXXXXXXXXXXX | 66.531.055 |
| 8703 | XXXXXXXXXXXXXX | 351.556.003 |

Capital not paid

Uncalled capital
 Capital called, but not paid
 Shareholders having yet to pay up in full

| Codes | Uncalled capital | Capital called, but not paid |
|-------|------------------|------------------------------|
| (101) | | XXXXXXXXXXXXXX |
| 8712 | XXXXXXXXXXXXXX | |

OWN SHARES

Held by the company itself

Amount of capital held
 Number of shares held

Held by the subsidiaries

Amount of capital held
 Number of shares held

Commitments to issue shares

Following the exercising of CONVERSION RIGHTS

Amount of outstanding convertible loans
 Amount of capital to be subscribed
 Corresponding maximum number of shares to be issued

Following the exercising of SUBSCRIPTION RIGHTS

Number of outstanding subscription rights
 Amount of capital to be subscribed
 Corresponding maximum number of shares to be issued

Authorized capital, not issued

| Codes | Period |
|-------|----------------|
| 8721 | |
| 8722 | |
| 8731 | 6,96 |
| 8732 | 2 |
| 8740 | |
| 8741 | |
| 8742 | |
| 8745 | |
| 8746 | |
| 8747 | |
| 8751 | 696.103.433,56 |

STATEMENT OF CAPITAL AND STRUCTURE OF SHAREHOLDINGS

Shared issued, not representing capital

Distribution

Number of shares held
 Number of voting rights attached thereto

Allocation by shareholder

Number of shares held by the company itself
 Number of shares held by its subsidiaries

| Codes | Period |
|-------|--------|
| 8761 | |
| 8762 | |
| 8771 | |
| 8781 | |

STRUCTURE OF SHAREHOLDINGS OF THE ENTERPRISE AS AT THE ANNUAL BALANCING OF THE BOOKS, AS IT APPEARS FROM THE STATEMENT RECEIVED BY THE ENTERPRISE

See Annual Report

PROVISIONS FOR OTHER LIABILITIES AND CHARGES

ALLOCATION OF THE HEADING 163/5 OF LIABILITIES IF THE AMOUNT IS CONSIDERABLE

Other provisions
Provision for disability benefits
Provision for future commitments

| Period |
|------------|
| 465.000,00 |
| 386.673,35 |
| 343.001,73 |

STATEMENT OF AMOUNTS PAYABLE, ACCRUED CHARGES AND DEFERRED INCOME
ANALYSIS BY CURRENT PORTIONS OF AMOUNTS INITIALLY PAYABLE AFTER MORE THAN ONE YEAR
Amounts payable after more than one year, not more than one year

| | Codes | Period |
|---|-------------|-------------------------|
| Financial debts | 8801 | 480.477.257,21 |
| Subordinated loans | 8811 | |
| Unsubordinated debentures | 8821 | 480.477.257,21 |
| Leasing and other similar obligations | 8831 | |
| Credit institutions | 8841 | |
| Other loans | 8851 | |
| Trade debts | 8861 | |
| Suppliers | 8871 | |
| Bills of exchange payable | 8881 | |
| Advance payments received on contracts in progress | 8891 | |
| Other amounts payable | 8901 | |
| Total amounts payable after more than one year, not more than one year | (42) | 480.477.257,21 |
| Amounts payable after more than one year, between one and five years | | |
| Financial debts | 8802 | |
| Subordinated loans | 8812 | |
| Unsubordinated debentures | 8822 | |
| Leasing and other similar obligations | 8832 | |
| Credit institutions | 8842 | |
| Other loans | 8852 | |
| Trade debts | 8862 | |
| Suppliers | 8872 | |
| Bills of exchange payable | 8882 | |
| Advance payments received on contracts in progress | 8892 | |
| Other amounts payable | 8902 | |
| Total amounts payable after more than one year, between one and five years | 8912 | |
| Amounts payable after more than one year, over five years | | |
| Financial debts | 8803 | 3.079.919.666,86 |
| Subordinated loans | 8813 | 3.079.919.666,8 |
| Unsubordinated debentures | 8823 | |
| Leasing and other similar obligations | 8833 | |
| Credit institutions | 8843 | |
| Other loans | 8853 | |
| Trade debts | 8863 | |
| Suppliers | 8873 | |
| Bills of exchange payable | 8883 | |
| Advance payments received on contracts in progress | 8893 | |
| Other amounts payable | 8903 | 14.365,00 |
| Total amounts payable after more than one year, over five years | 8913 | 3.079.934.031,86 |

| | Codes | Period |
|--|-------|---------------|
| AMOUNTS PAYABLE GUARANTEED (<i>headings 17 and 42/48 of liabilities</i>) | | |
| Amounts payable guaranteed by Belgian public authorities | | |
| Financial debts | 8921 | |
| Subordinated loans | 8931 | |
| Unsubordinated debentures | 8941 | |
| Leasing and other similar obligations | 8951 | |
| Credit institutions | 8961 | |
| Other loans | 8971 | |
| Trade debts | 8981 | |
| Suppliers | 8991 | |
| Bills of exchange payable | 9001 | |
| Advance payments received on contracts in progress | 9011 | |
| Remuneration and social security | 9021 | |
| Other amounts payable | 9051 | |
| Total amounts payable guaranteed by Belgian public authorities | 9061 | |
| Amounts payable guaranteed by real guarantees given or irrevocably promised by the enterprise on its own assets | | |
| Financial debts | 8922 | |
| Subordinated loans | 8932 | |
| Unsubordinated debentures | 8942 | |
| Leasing and other similar obligations | 8952 | |
| Credit institutions | 8962 | |
| Other loans | 8972 | |
| Trade debts | 8982 | |
| Suppliers | 8992 | |
| Bills of exchange payable | 9002 | |
| Advance payments received on contracts in progress | 9012 | |
| Taxes, remuneration and social security | 9022 | |
| Taxes | 9032 | |
| Remuneration and social security | 9042 | |
| Other amounts payable | 9052 | |
| Total amounts payable guaranteed by real guarantees given or irrevocably promised by the enterprise on its own assets | 9062 | |
| AMOUNTS PAYABLE FOR TAXES, REMUNERATION AND SOCIAL SECURITY | | |
| Taxes (<i>heading 450/3 of the liabilities</i>) | | |
| Expired taxes payable | 9072 | |
| Non expired taxes payable | 9073 | 1.981.238,65 |
| Estimated taxes payable | 450 | 4.897.015,74 |
| Remuneration and social security (<i>heading 454/9 of the liabilities</i>) | | |
| Amount due to the National Office of Social Security | 9076 | |
| Other amounts payable relating to remuneration and social security | 9077 | 71.089.516,05 |

ACCRUED CHARGES AND DEFERRED INCOME

Allocation of the heading 492/3 of liabilities if the amount is considerable

Accrued charges

Deferred Income

| Period |
|---------------|
| 49.889.089,01 |
| 5.118.844,83 |

OPERATING RESULTS**OPERATING INCOME****Net turnover**

Broken down by categories of activity

Services

970.807.140,50 1.025.867.789,34

Allocation into geographical markets

Belgian customers

797.564.963,78 829.817.963,21

Customers E.U.

173.242.176,72 196.028.845,56

Customers outside E.U.

20.982,57

Other operating income

Total amount of subsidies and compensatory amounts obtained from public authorities

740

OPERATING COSTS**Employees for whom the company has submitted a DIMONA declaration or are recorded in the general personnel register**

Total number at the closing date

9086 4.648 5.618

Average number of employees calculated in full-time equivalents

9087 5.092,0 5.169,5

Number of actual worked hours

9088 7.519.698 7.564.794

Personnel costs

Remuneration and direct social benefits

620 303.461.051,30 301.906.957,83

Employers' social security contributions

621 88.090.839,34 88.594.939,73

Employers' premiums for extra statutory insurances

622 16.414.382,49 22.990.802,69

Other personnel costs

623 22.041.524,90 21.575.598,48

Old-age and widows' pensions

624 3.704,64

Provisions for pensions

Additions (uses and write-back) (+)/(-)

635 -5.208.173,98 -757.372,48

Amounts written off

Stocks and contracts in progress

Recorded

9110

Written back

9111

Trade debtors

Recorded

9112

Written back

9113

Provisions for risks and charges

Additions

9115 3.605.435,08 8.296.513,24

Uses and write-back

9116 10.853.589,87 7.312.667,00

Other operating charges

Taxes related to operation

640 1.404.096,48 1.540.302,26

Other charges

641/8 3.425.688,97 29.571.450,46

Hired temporary staff and persons placed at the enterprise's disposal

Total number at the closing date

9096

Average number calculated as full-time equivalents

9097 4,8 20,1

Number of actual worked hours

9098 9.464 39.705

Charges to the enterprise

617 361.024,00 1.458.893,00

INCOME TAXES AND OTHER TAXES**INCOME TAXE****Income taxes on the result of the current period**

| | | |
|--|------|--------------|
| Income taxes paid and withholding taxes due or paid | 9134 | 7.523.432,42 |
| Excess of income tax prepayments and withholding taxes recorded under assets | 9135 | 4.026.732,94 |
| Estimated additional taxes | 9136 | 16,01 |
| | 9137 | 3.496.715,49 |

Income taxes on previous periods

| | | |
|--|------|------------|
| Taxes and withholding taxes due or paid | 9138 | 119.203,31 |
| Estimated additional taxes estimated or provided for | 9139 | 95.831,67 |
| | 9140 | 23.371,64 |

In so far as income taxes of the current period are materially affected by differences between the profit before taxes, as stated in the annual accounts, and the estimated taxable profit

| | | |
|---|--|-------------------|
| Movements in taxable reserves and provisions. | | 485.387,31 |
| The specific tax regime regarding gains and losses and valuation gains on shares. | | -23.027.000,86 |
| The application of the DTI regime on dividends received. | | -3.150.701.604,11 |
| Disallowed expenses (other than write-downs, losses on shares and corporate taxes). | | 1.010.459.986,95 |

An indication of the effect of extraordinary results on the amount of income taxes relating to the current period

| | | |
|--|--|---------------|
| - gain on disposal of shares in financial fixed assets | | 23.260.240,35 |
|--|--|---------------|

Status of deferred taxes

| | | |
|---|------|---------------|
| Deferred taxes representing assets | 9141 | 78.327.676,98 |
| Accumulated tax losses deductible from future taxable profits | 9142 | 78.327.676,98 |
| Other deferred taxes representing assets | | |
| Deferred taxes representing liabilities | 9144 | |
| Allocation of deferred taxes representing liabilities | | |

THE TOTAL AMOUNT OF VALUE ADDED TAX AND TAXES BORNE BY THIRD PARTIES**The total amount of value added tax charged**

| | | | |
|--------------------------------------|------|---------------|---------------|
| To the enterprise (deductible) | 9145 | 26.284.189,01 | 33.908.323,00 |
| By the enterprise | 9146 | 39.946.117,67 | 45.629.398,00 |

Amounts retained on behalf of third parties for

| | | | |
|--|------|----------------|---------------|
| Payroll withholding taxes | 9147 | 81.939.124,40 | 83.681.415,57 |
| Withholding taxes on investment income | 9148 | 122.784.400,70 | 5.506.794,69 |

| Codes | Period |
|-------|-------------------|
| 9134 | 7.523.432,42 |
| 9135 | 4.026.732,94 |
| 9136 | 16,01 |
| 9137 | 3.496.715,49 |
| 9138 | 119.203,31 |
| 9139 | 95.831,67 |
| 9140 | 23.371,64 |
| | |
| | 485.387,31 |
| | -23.027.000,86 |
| | -3.150.701.604,11 |
| | 1.010.459.986,95 |

| Codes | Period |
|-------|---------------|
| 9141 | 78.327.676,98 |
| 9142 | 78.327.676,98 |
| | |
| 9144 | |

| Codes | Period | Previous Period |
|-------|----------------|-----------------|
| 9145 | 26.284.189,01 | 33.908.323,00 |
| 9146 | 39.946.117,67 | 45.629.398,00 |
| 9147 | 81.939.124,40 | 83.681.415,57 |
| 9148 | 122.784.400,70 | 5.506.794,69 |

RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET**PERSONAL GUARANTEES GIVEN OR IRREVOCABLY PROMISED BY THE ENTERPRISE AS SECURITY FOR DEBTS AND COMMITMENTS OF THIRD PARTIES****Of which**

| | Code | Period |
|---|------|--------|
| Bills of exchange in circulation endorsed by the enterprise | 9149 | |
| Bills of exchange in circulation drawn or guaranteed by the enterprise | 9150 | |
| Maximum amount for which other debts or commitments of third parties are guaranteed by the enterprise | 9151 | |
| | 9153 | |

REAL GUARANTEES**Real guarantees given or irrevocably promised by the enterprise on its own assets as a security of debts and commitments from the enterprise**

| | | |
|--|------|--|
| Mortgages | | |
| Book value of the immovable properties mortgaged | 9161 | |
| Amount of registration | 9171 | |
| Pledging on goodwill - amount of registration | 9181 | |
| Pledging of other assets - Book value of other assets pledged | 9191 | |
| Guarantees provided on future assets - Amount of assets involved | 9201 | |

Real guarantees given or irrevocably promised by the enterprise on its own assets as a security of debts and commitments from third parties

| | | |
|--|------|--|
| Mortgages | | |
| Book value of the immovable properties mortgaged | 9162 | |
| Amount of registration | 9172 | |
| Pledging on goodwill - amount of registration | 9182 | |
| Pledging of other assets - Book value of other assets pledged | 9192 | |
| Guarantees provided on future assets - Amount of assets involved | 9202 | |

GOODS AND VALUES, NOT DISCLOSED IN THE BALANCE SHEET, HELD BY THIRD PARTIES IN THEIR OWN NAME BUT AT RISK TO AND FOR THE BENEFIT OF THE ENTERPRISE**SUBSTANCIAL COMMITMENTS TO ACQUIRE FIXED ASSETS****SUBSTANCIAL COMMITMENTS TO DISPOSE FIXED ASSETS****FORWARD TRANSACTIONS**

| | | |
|---|------|--|
| Goods purchased (to be received) | 9213 | |
| Goods sold (to be delivered) | 9214 | |
| Currencies purchased (to be received) | 9215 | |
| Currencies sold (to be delivered) | 9216 | |

INFORMATION RELATING TO TECHNICAL GUARANTEES, IN RESPECT OF SALES OR SERVICES**INFORMATION CONCERNING IMPORTANT LITIGATION AND OTHER COMMITMENTS NOT MENTIONED ABOVE****IF THERE IS A SUPPLEMENTARY RETIREMENTS OR SURVIVOR'S PENSION PLAN IN FAVOUR OF THE PERSONNEL OR THE EXECUTIVES OF THE ENTERPRISE, A BRIEF DESCRIPTION OF SUCH PLAN OF THE MEASURES TAKEN BY THE ENTERPRISE TO COVER THE RESULTING CHARGES**

All members of staff are covered by a supplementary pension scheme that includes an additional death benefit, orphan's annuity and invalidity benefits. The amount covered under these schemes (which are defined benefit schemes) depends on the average final salary, number of years of service and age at the time of retirement.

These pension schemes are financed entirely by the employer through annual contributions that are recognised in the income statement.

RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET

IF THERE IS A SUPPLEMENTARY RETIREMENTS OR SURVIVOR'S PENSION PLAN IN FAVOUR OF THE PERSONNEL OR THE EXECUTIVES OF THE ENTERPRISE, A BRIEF DESCRIPTION OF SUCH PLAN OF THE MEASURES TAKEN BY THE ENTERPRISE TO COVER THE RESULTING CHARGES

These contributions, calculated on an actuarial basis using the aggregate cost method, are transferred to the Pensioenfond KBC OFP (KBC pension fund for employees) and the Pensioenfond Senior Management KBC OFP (KBC pension fund for senior management), whose specific task is to manage the accrued reserves, to pay out the supplementary pension benefit and to carry out the necessary administration.

With effect from 2014, a defined contribution plan was introduced that is mandatory for all new employees and optional for employees signed up to the aforementioned defined benefit plan. Since 2015, the defined benefit plan is therefore a closed plan (i.e. no new members can sign up to it). The new defined contribution plan is funded entirely by the employer. For contribution plans, a statutory minimum return is guaranteed: 3,25 % in 2015 when the plan is funded by the employer and 1,75% from 2016 on. The management of the reserves built up in this way, the payout of those reserves and the administration of the plan is also entrusted to the OFP Pensioenfond KBC and the OFP Pensioenfond Senior Management KBC.

In addition, staff may contribute to a supplementary pension scheme (defined contribution plan). It is based solely on members' personal contributions which are deducted directly from their salaries. The statutory guaranteed return in 2015 was 3,75% for employee contributions and will be 1,75% from 2016 on. Management of the reserves accrued in this way, their payment and associated administration is the responsibility of the Pensioenfond KBC OFP and Pensioenfond Senior Management KBC OFP.

PENSIONS FUNDED BY THE ENTERPRISE

Estimated amount of the commitments resulting for the enterprise from past services

| Code | Period |
|------|--------|
| 9220 | |

Methods of estimation

NATURE AND BUSINESS PURPOSE OF OFF-BALANCE SHEET ARRANGEMENTS

Provided the risks or benefits arising from such arrangements are material and where the disclosure of such risks or benefits is necessary for assessing the financial position of the company; if required, the financial impact of these arrangements have to be mentioned too:

KBC Group NV is the representative of a VAT unit.

KBC Group NV irrevocably and unconditionally guarantees all of the liabilities - referred to in Section 5 (c) of the Irish Companies (Amendment) Act 1986 - of the following Irish companies in respect of the financial year ending on 31 December 2013 allowing these companies to be eligible for exemption from certain disclosure requirements, pursuant to Section 17 of the Irish Companies (Amendment) Act 1986 :

- KBC Financial Services (Ireland) Limited.
- KBC Fund Management Limited.

OTHER RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE

RELATIONSHIPS WITH AFFILIATED ENTERPRISES AND ENTERPRISES LINKED BY PARTICIPATING INTERESTS

| | Codes | Period | Previous period |
|--|---------|-------------------|-------------------|
| AFFILIATED ENTERPRISES | | | |
| Financial fixed assets | (280/1) | 17.873.997.247,24 | 17.076.650.566,27 |
| Investments | (280) | 14.043.698.579,11 | 14.529.378.415,98 |
| Amounts receivable subordinated | 9271 | 3.830.298.668,13 | 2.547.272.150,29 |
| Other amounts receivable | 9281 | | |
| Amounts receivable | 9291 | 1.037.804,50 | 18.245.644,53 |
| After one year | 9301 | | |
| Within one year | 9311 | 1.037.804,50 | 18.245.644,53 |
| Current investments | 9321 | | |
| Shares | 9331 | | |
| Amounts receivable | 9341 | | |
| Amounts payable | 9351 | 35.515.841,55 | 34.110.385,47 |
| After one year | 9361 | | |
| Within one year | 9371 | 35.515.841,55 | 34.110.385,47 |
| Personal and real guarantees | | | |
| Provided or irrevocably promised by the enterprise, as security for debts or commitments of affiliated enterprises | 9381 | 114.169.736,00 | 167.654.406,00 |
| Provided or irrevocably promised by affiliated enterprises as security for debts or commitments of the enterprise | 9391 | | |
| Other substantial financial commitments | 9401 | | |
| Financial results | | | |
| Income from financial fixed assets | 9421 | 3.223.575.733,79 | 1.354.287.425,93 |
| Income from current assets | 9431 | 1.554,13 | 4.492.769,00 |
| Other financial income | 9441 | 127.049.434,72 | |
| Debts charges | 9461 | 445.089,96 | 6.002.437,00 |
| Other financial charges | 9471 | 137.392,15 | 680.622,71 |
| Gains and losses on disposal of fixed assets | | | |
| Obtained capital gains | 9481 | 23.260.240,35 | 157.055.102,82 |
| Obtained capital losses | 9491 | | |
| ENTERPRISES LINKED BY PARTICIPATING INTERESTS | | | |
| Financial fixed assets | (282/3) | 914.657,54 | 815.657,54 |
| Investments | (282) | 914.657,54 | 815.657,54 |
| Amounts receivable subordinated | 9272 | | |
| Other amounts receivable | 9282 | | |
| Amounts receivable | 9292 | | |
| After one year | 9302 | | |
| Within one year | 9312 | | |
| Amounts payable | 9352 | 25.525,76 | |
| After one year | 9362 | | |
| Within one year | 9372 | 25.525,76 | |

RELATIONSHIPS WITH AFFILIATED ENTERPRISES AND ENTERPRISES LINKED BY PARTICIPATING INTERESTS

TRANSACTIONS WITH RELATED PARTIES OUTSIDE NORMAL MARKET CONDITIONS

Mention of such operations if they are material, stating the amount of these transactions, the nature of the relationship with the related party and other information about the transactions necessary for the understanding of the financial position of the company:

Nil

| Period |
|--------|
| |

FINANCIAL RELATIONSHIPS WITH

DIRECTORS AND MANAGERS, INDIVIDUALS OR BODIES CORPORATE WHO CONTROL THE ENTERPRISE WITHOUT BEING ASSOCIATED THEREWITH OR OTHER ENTERPRISES CONTROLLED BY THESE PERSONS, OTHER ENTERPRISES CONTROLLED BY THE SUB B. MENTIONED PERSONS WITHOUT BEING ASSOCIATED THEREWITH

Amounts receivable from these persons

Conditions on amounts receivable

Guarantees provided in their favour

Guarantees provided in their favour - Main condition

Other significant commitments undertaken in their favour

Other significant commitments undertaken in their favour - Main condition

Amount of direct and indirect remunerations and pensions, included in the income statement, as long as this disclosure does not concern exclusively or mainly, the situation of a single identifiable person

To directors and managers

To former directors and former managers

| Codes | Period |
|-------|--------------|
| 9500 | |
| 9501 | |
| 9502 | |
| 9503 | 5.367.167,18 |
| 9504 | |

AUDITORS OR PEOPLE THEY ARE LINKED TO

Auditor's fees

Fees for exceptional services or special missions executed in the company by the auditor

Other attestation missions

Tax consultancy

Other missions external to the audit

Fees for exceptional services or special missions executed in the company by people they are linked to

Other attestation missions

Tax consultancy

Other missions external to the audit

| Codes | Period |
|-------|------------|
| 9505 | 149.100,00 |
| 95061 | 49.542,00 |
| 95062 | 8.926,00 |
| 95063 | |
| 95081 | |
| 95082 | |
| 95083 | |

Mention related to article 133 paragraph 6 from the Companies Code

DERIVATIVES NOT MEASURED AT FAIR VALUE

ESTIMATE OF THE FAIR VALUE FOR EACH CATEGORY OF DERIVATIVE FINANCIAL INSTRUMENTS THAT ARE NOT MEASURED ON THE BASIS OF THE FAIR VALUE IN THE ECONOMIC TRAFFIC, INDICATING THE EXTENT AND THE NATURE OF THE INSTRUMENTS

FX swap

| Period |
|------------|
| 268.847,53 |

INFORMATION RELATING TO CONSOLIDATED ACCOUNTS**INFORMATION THAT MUST BE PROVIDED BY EACH COMPANY, THAT IS SUBJECT OF COMPANY LAW ON THE CONSOLIDATED ANNUAL ACCOUNTS OF ENTERPRISES**

The enterprise has drawn up published a consolidated annual statement of accounts and a management report*

~~The enterprise has not published a consolidated annual statement of accounts and a management report, since it is exempt for this obligation for the following reason*~~

The enterprise and its subsidiaries on consolidated basis exceed not more than one of the limits mentioned in art. 16 of Company Law*

The enterprise itself is a subsidiary of an enterprise which does prepare and publish consolidated accounts, in which her yearly statement of accounts is included*

If yes, justification of the compliance with all conditions for exemption set out in art. 113 par. 2 and 3 of Company Law:

Name, full address of the registered office and, for an enterprise governed by Belgian Law, the company number of the parent company preparing and publishing the consolidated accounts required:

INFORMATION TO DISCLOSE BY THE REPORTING ENTERPRISE BEING A SUBSIDIARY OR A JOINT SUBSIDIARY

Name, full address of the registered office and, for an enterprise governed by Belgian Law, the company number of the parent company(ies) and the specification whether the parent company(ies) prepare(s) and publish(es) consolidated annual accounts in which the annual accounts of the enterprise are included**

If the parent company(ies) is (are) (an) enterprise(s) governed by foreign law disclose where the consolidated accounts can be obtained**

* Delete where no appropriate.

** Where the accounts of the enterprise are consolidated at different levels, the information should be given for the consolidated aggregate at the highest level on the one hand and the lowest level on the other hand of which the enterprise is a subsidiary and for which consolidated accounts are prepared and published.

SOCIAL REPORT

Numbers of joint industrial committees which are competent for the enterprise: 310

STATEMENT OF THE PERSONS EMPLOYED**EMPLOYEES FOR WHOM THE COMPANY HAS SUBMITTED A DIMONA DECLARATION OR ARE RECORDED IN THE GENERAL PERSONNEL REGISTER****During the period****Average number of employees**

| | Codes | Total | 1. Men | 2. Women |
|--|-------|---------|---------|----------|
| Full-time | 1001 | 2.839,0 | 2.102,0 | 737,0 |
| Part-time..... | 1002 | 1.320,0 | 450,0 | 870,0 |
| Total of full-time equivalents (FTE) | 1003 | 3.820,5 | 2.431,9 | 1.388,6 |

Number of hours actually worked

| | Codes | Total | 1. Men | 2. Women |
|-----------------|-------|-----------|-----------|-----------|
| Full-time | 1011 | 4.112.187 | 3.098.703 | 1.013.484 |
| Part-time | 1012 | 1.312.574 | 440.721 | 871.853 |
| Total | 1013 | 5.424.761 | 3.539.424 | 1.885.337 |

Personnel costs

| | Codes | Total | 1. Men | 2. Women |
|-----------------|-------|----------------|----------------|----------------|
| Full-time | 1021 | 288.624.813,33 | 221.110.233,17 | 67.514.580,16 |
| Part-time..... | 1022 | 87.467.858,61 | 31.355.796,53 | 56.112.062,08 |
| Total | 1023 | 376.092.671,94 | 252.466.029,70 | 123.626.642,24 |

Advantages in addition to wages

| | Codes | Total | 1. Men | 2. Women |
|---------------------------------------|-------|--------------|--------------|--------------|
| Advantages in addition to wages | 1033 | 6.724.523,42 | 4.514.083,51 | 2.210.439,91 |

During the previous period

| | Codes | P. Total | 1P. Men | 2P. Women |
|---------------------------------------|-------|----------------|----------------|----------------|
| Average number of employees | 1003 | 3.815,2 | 2.422,5 | 1.392,7 |
| Number of hours actually worked | 1013 | 5.351.758 | 3.485.610 | 1.866.148 |
| Personnel costs | 1023 | 376.041.378,83 | 253.684.733,35 | 122.356.645,48 |
| Advantages in addition to wages | 1033 | 7.160.929,50 | 4.830.900,52 | 2.330.028,98 |

| | Codes | 1. Full-time | 2. Part-time | 3. Total in full-time equivalents |
|--|-------|--------------|--------------|-----------------------------------|
| At the closing date of the period | | | | |
| Number of employees | 105 | 2.870 | 1.297 | 3.841,8 |
| By nature of the employment contract | | | | |
| Contract for an indefinite period | 110 | 2.865 | 1.295 | 3.835,5 |
| Contract for a definite period | 111 | 5 | 2 | 6,3 |
| Contract for the execution of a specifically assigned work | 112 | | | |
| Replacement contract | 113 | | | |
| According to the gender and by level of education | | | | |
| Male | 120 | 2.117 | 436 | 2.439,2 |
| primary education | 1200 | | | |
| secondary education | 1201 | 211 | 138 | 308,0 |
| higher education (non-university) | 1202 | 879 | 192 | 1.025,9 |
| university education | 1203 | 1.027 | 106 | 1.105,3 |
| Female | 121 | 753 | 861 | 1.402,6 |
| primary education | 1210 | | | |
| secondary education | 1211 | 78 | 204 | 216,1 |
| higher education (non-university) | 1212 | 291 | 381 | 585,4 |
| university education | 1213 | 384 | 276 | 601,1 |
| By professional category | | | | |
| Management staff | 130 | 68 | 1 | 68,4 |
| Employees | 134 | 2.802 | 1.296 | 3.773,4 |
| Workers | 132 | | | |
| Other | 133 | | | |

HIRED TEMPORARY STAFF AND PERSONNEL PLACED AT THE ENTERPRISE'S DISPOSAL**During the period**

Average number of employees

Number of hours actually worked

Charges of the enterprise

| Codes | 1. Temporary personnel | 2. Persons placed at the disposal of the enterprise |
|-------|------------------------|---|
| 150 | 4,8 | |
| 151 | 9.464 | |
| 152 | 361.024,00 | |

TABLE OF PERSONNEL CHANGES DURING THE PERIOD**ENTRIES**

The number of employees for whom the company has submitted a DIMONA declaration or are recorded in the personnel register during the financial year in the general personnel register

By nature of the employment contract

Contract for an indefinite period

Contract for a definite period

Contract for the execution of a specifically assigned work ..

Replacement contract

| Codes | 1. Full-time | 2. Part-time | 3. Total in full-time equivalents |
|-------|--------------|--------------|-----------------------------------|
| 205 | 284 | 73 | 342,1 |
| 210 | 281 | 72 | 338,2 |
| 211 | 3 | 1 | 3,9 |
| 212 | | | |
| 213 | | | |

DEPARTURES

The number of employees with a in the DIMONA declaration indicated or in the general personnel register listed date of termination of the contract during the financial year

By nature of the employment contract

Contract for an indefinite period

Contract for a definite period

Contract for the execution of a specifically assigned work ..

Replacement contract

According to the reason for termination of the employment contract

Retirement

Unemployment with company allowance

Dismissal

Other reason

Of which the number of persons who continue to render services to the enterprise at least half-time on a self-employed basis

| Codes | 1. Full-time | 2. Part-time | 3. Total in full-time equivalents |
|-------|--------------|--------------|-----------------------------------|
| 305 | 212 | 145 | 302,8 |
| 310 | 210 | 145 | 300,8 |
| 311 | 2 | | 2,0 |
| 312 | | | |
| 313 | | | |
| 340 | 33 | 94 | 84,9 |
| 341 | | | |
| 342 | 8 | 4 | 10,8 |
| 343 | 171 | 47 | 207,1 |
| 350 | | | |

INFORMATION WITH REGARD TO TRAINING RECEIVED BY EMPLOYEES DURING THE PERIOD

| | Codes | Male | Codes | Female |
|---|-------|--------------|-------|--------------|
| Total number of official advanced professional training projects at company expense | | | | |
| Number of participating employees | 5801 | 1.709 | 5811 | 1.141 |
| Number of training hours | 5802 | 34.715 | 5812 | 18.085 |
| Costs for the company | 5803 | 5.452.980,00 | 5813 | 3.640.638,00 |
| of which gross costs directly linked to the training | 58031 | 5.452.980,00 | 58131 | 3.640.638,00 |
| of which paid contributions and deposits in collective funds | 58032 | | 58132 | |
| of which received subsidies (to be deducted)..... | 58033 | | 58133 | |
| Total number of less official and unofficial advance professional training projects at company expense | | | | |
| Number of participating employees | 5821 | 1.540 | 5831 | 1.064 |
| Number of training hours | 5822 | 6.740 | 5832 | 5.202 |
| Costs for the company | 5823 | 924.600,00 | 5833 | 638.815,00 |
| Total number of initial professional training projects at company expense | | | | |
| Number of participating employees | 5841 | | 5851 | |
| Number of training hours | 5842 | | 5852 | |
| Costs for the company | 5843 | | 5853 | |

VALUATION RULES

I. GENERAL VALUATION RULES

In accordance with Article 28 §1 of the Royal Decree of 30 January 2001 for implementing the Companies Code, the directors resolve as follows.

GENERAL

As regards all matters subject to binding law, the general principles laid down in that royal decree shall apply, especially those contained in Chapter II ('Valuation Rules').

As regards those matters for which the law lays down suppletive rules and provided the law confers a choice on the company, the directors resolve that the specific accounting policies should be implemented as set out below.

Insofar as the directors should be of the view that any cases are insufficiently material to warrant a suppletive or derogative ruling and no explicit valuation principle is provided for them in these rules, they shall be dealt with according to the same method types as are contained in the following, and no specific remark will be added in this regard.

The financial year runs from 1 January through 31 December.

The balance sheet and the profit and loss account are prepared annually in euros.

II. ASSETS

1. FORMATION EXPENSES

Capital increase expenses are directly recognised in full in the result of the financial year in which the capital increase takes place.

2. INTANGIBLE FIXED ASSETS

2.1 General

All intangible fixed assets are recorded at acquisition cost, less accumulated amortisation.

Intangible fixed assets are amortised on a straight-line, daily basis.

Supplementary or extraordinary amortisation charges are applied if, due to changes in economic or technological circumstances, the relevant carrying value exceeds the value in use.

When intangible fixed assets are sold, realised gains or losses are taken immediately to the income statement.

If these assets are permanently withdrawn from use, the remaining amount to be written off is charged directly to profit or loss.

2.2 Goodwill

'Goodwill' means:

- The positive difference between the acquisition price and the net value of the company (or branch of activity) acquired.
- The positive difference between the contract value of a contribution in kind and its net worth.

Capitalised goodwill is amortised according to the straight-line method over a period of five years, unless the Board of Directors decides otherwise.

2.3 Software

In order to optimise the synergy effect of the KBC merger in Belgium, in principle (and apart from possible exceptions), all software is centralized in KBC Group NV, with the costs of using the software being charged on to users according to actual use and on a 'cost-sharing' basis.

From financial year 2004, the entire cost of all acquisitions of software will be capitalised provided the conditions for capitalisation have been satisfied. Other expenditure relating to the acquisition of software is also capitalised and amortised over the software's economic life. The following distinctions are made as regards software:

System software

'System software' is the initial software linked to the acquisition of hardware, whose installation is needed for the hardware to function. It is software that governs internal operation of the computer and ensures communication with the configuration or the network, and thus includes operating systems, support software and compilers. By purchasing the hardware, KBC generally acquires a lifetime user's licence.

System software is amortised at the same rate as hardware, i.e. over three years from the time it is available for use, according to the straight-line method.

Standard software

'Standard software' means software purchased from third parties, more particularly the 'applications software' referred to by the Belgian Commission for Accounting Standards (CAS), which includes product-linked software, management software, database software, communications software, infrastructure software, security software and development software, in other words, all software that is not operating software and that has a useful life of several years.

Standard software is capitalised and amortised using the straight-line method over five years from the time it is available for use.

Core systems with a longer life are amortised straight line over an eight-year period. 'Core systems' are standard types of software including back-end data applications for processing operations during the day and updates of general ledger balances on the mainframe computer. Examples of such core systems include the applications used for processing deposits, loans and credit, interfaces with the general ledger and reporting tools.

Customised and tailor-made software

VALUATION RULES

Some purchased software programs and/or software models are customised before being delivered or put into use. This type of software, developed on a bespoke basis as an addition to existing standard software, is referred to in its entirety as 'customised software'.

'Tailor-made software' means customised software that has been developed from scratch at the request of the bank/insurance to the bank's/insurance's specifications, and not added to existing software.

Recourse is often made to both external and internal information technology experts for this sort of development.

All charges relating to continuity projects, as well as research expenses for investments, are recorded directly in the income statement. However, development expenses (both internal and external) for investments are capitalised as an intangible fixed asset and amortised over a period of five years where the following conditions are met:

- To contribute to the business activities of the company;
- To be of future utility;
- The price must be identifiable separately;
- The software will be used in a durable manner for the business.

An investment project is a project that:

- is an introduction of or a replacement for a major business activity;
- is large in scope.

Core systems with a longer life are amortised straight line over an eight-year period. 'Core systems' are standard types of software including back-end data applications for processing operations during the day and updates of general ledger balances on the mainframe computer. Examples of such core systems include the applications used for processing deposits, loans and credit, interfaces with the general ledger and reporting tools.

Expenses incurred subsequently relative to customised and tailor-made software are recorded as expenses unless it is probable that the outlay has a future additional utility for the company compared to the initial assessment of the future utility or return. The expense must also be capable of being separately and reliably allocated to the already capitalised software. Where these conditions are met, the additional expense can then be capitalised and amortised over the asset's residual life.

Amortisation is not recognised until such time as the asset is available for use.

3. TANGIBLE FIXED ASSETS

3.1 General

All tangible fixed assets are recorded at acquisition cost, less accumulated depreciation. Tangible fixed assets are depreciated straight line on a daily basis.

All tangible fixed assets are recorded at acquisition cost, including ancillary, directly attributable costs (acquisition costs, non-deductible VAT, demolition expenses, etc.). These additional costs are also written off over the life of the asset.

Supplementary or extraordinary depreciation charges are applied if, due to changes in economic or technological circumstances, the carrying value exceeds the value in use.

When tangible fixed assets are sold, realised gains or losses are recognized immediately in the income statement.

When the asset is permanently withdrawn from use, the remaining amount to be written off is charged directly to profit or loss.

Tangible fixed assets that demonstrate a long-lasting and sustainable capital gain compared to their carrying value may be revalued. This capital gain is written off over the average residual useful life of the asset in question.

3.2 Movable property

3.2.1 Difference between charges and investments

The acquisition cost of tangible assets is determined by individualization of the cost of each component. Each asset listed on an internal summary is capitalised regardless of acquisition cost. The criteria for including an asset on this list include the unit price, the relative materiality of the type of article and the need for individual follow-up.

For works of art, the limit is 2 500 euros (excluding VAT). If the cost is between 250 and 2 500 euros, however, the item is considered as 'decoration' and capitalised and written off over ten years according to the straight-line method as in the case of furniture. Decorative items costing less than 250 euros are recorded as charges.

3.2.2 Furniture and vehicles

Since financial year 2006, moveable property (mainly furniture) used on administrative premises of KBC Bank and KBC Insurance has been centrally purchased, capitalised and managed.

Furniture is depreciated at 10% over ten years according to the straight-line method.

Since financial year 2007, vehicles have also been capitalised. Vehicles are depreciated at 25%, including non-deductible VAT, on a straight-line basis over four years.

3.2.3 Plant, machinery and equipment in buildings owned by the company

Distinctions are made among various types of plant, each being depreciated at a specific rate (in line with customary practice).

It is standard practice to depreciate plant, machinery and equipment designated as hardware according to the straight-line method over a period of three years, such as in the case of personal computers, printers and servers.

Machines that are leased are also written off over three years.

Exceptions to this rule:

- Alarm installations: 10 years
- Telephone switchboards: 5 years
- Cabling: 5 years
- Industrial plant: 10 years
- ATMs and deposit machines: 5 years

VALUATION RULES

4. FINANCIAL FIXED ASSETS AND CURRENT INVESTMENTS

4.1 Participating interests and other portfolio securities

Participating interests and shares are valued at acquisition cost, per set identified. The securities sold are valued using the method of individualisation. Additional costs incurred on acquisition of securities are charged immediately to the results for the financial year. When the securities are valued at the end of the financial year and a decline in value is notified and that this decline is considered as long-lasting and sustainable, an impairment equal to the decline in value will be recorded for the securities in question.

To establish the sustainable nature of the decline in value, the Board of Directors may use:

- for listed securities:
 - the trend in the share price;
 - changes in net worth according to the annual accounts;
 - the fair value based on the performance of and outlook with regard to profitability

- for unlisted securities:
 - changes in net worth according to the annual accounts;
 - the fair value based on the performance of and outlook with regard to profitability

If a security on which such an impairment had already been recorded demonstrate a lasting increase in value, the impairment will be reversed in whole or in part.

Participating interests, shares and profit-sharing certificates classified as financial fixed assets may be revalued if, in light of their usefulness to the company, they demonstrate an incontestable and lasting increase in value.

Listed shares and other variable-yield securities are valued at the lower of their acquisition cost or market value at balance sheet date.

Other securities are valued at least once a year, based on the annual accounts for the past year. File administrators are responsible for ensuring that any significant negative changes during the course of the year are also dealt with.

4.2 Own shares (Treasury shares)

The treasury shares the KBC group has or may have in portfolio are made up of two types of shares that must be valued and monitored separately:

- Treasury shares held for the purpose of employee stock option plans are valued at their acquisition cost. If the options are not exercised on the expiry date (because the share price is too low), the shares in question will be cancelled, without having any impact on the result. If there is a legal obstacle blocking cancellation of the shares in question, these shares will be valued as shares that were purchased under the KBC share buyback programme (see below).

When the share options are exercised (the first time was in 2004), the treasury shares repurchased for this purpose are sold. They are removed from the accounts according to the First In, First Out (FIFO) method (at the acquisition cost of the first shares repurchased).

- Treasury shares that are purchased under the KBC share buyback programme are valued per set identified at the lower of their acquisition value and market value at balance sheet date. When they are sold, they are valued (just like shares in the investment portfolio) according to the method of individualization. As long as both types of treasury share are recorded as on-balance-sheet assets, a reserve not available for distribution has to be set aside. When the shares are cancelled, the reserve not available for distribution is reversed. If amounts are written down on the type 2 treasury shares, this amount is transferred directly from the reserve not available for distribution to the reserve available for distribution.

5. AMOUNTS RECEIVABLE AT MORE THAN ONE YEAR AND AMOUNTS RECEIVABLE WITHIN ONE YEAR

These are recognised at nominal value. However, amounts receivable represented by fixed-income securities are valued at acquisition cost. The difference between the acquisition costs and the redemption value is reflected as an interest item in the profit and loss account on an accruals basis over the remaining term to maturity of the securities. It is included in the profit and loss account on a discounted basis, based on the internal rate of return at the time of purchase.

The accounting treatment of subordinated loans granted to affiliated companies is similar to fixed income securities as described above. Amounts receivable in foreign currency are recognised at their equivalent euro value using the fixed exchange rate applying at the end of the preceding month. For the purposes of valuation at the end of the financial year, the carrying value is adjusted according to the fixed exchange rate on 31 December.

The positive and negative translation differences are recognised in profit or loss.

If, at the close of the financial year, the realisation value of a receivable is lower than its carrying value, and if this decline in value can be considered real and lasting in nature, an impairment is applied.

Security paid in cash by way of guarantee to public authorities or utilities is recorded in its nominal amount.

6. OTHER ASSETS

6.1. Stocks of warehoused items

Warehoused items comprise requisites for Print and Post-processing assignments.

All items recognised under 'stocks of warehoused items' are valued there for accounting purposes at the moving average price, calculated on the basis of the items' purchase price.

6.2. Orders in progress

Specific software developed by KBC for third parties is recognised under 'orders in progress'. This concerns the marketing of tailor-made software (i.e. software developed on a contractual basis and built entirely to the client's specifications). This software may have been developed from scratch by KBC or using purchased basic software.

The manufacturing price includes all costs that can be allocated directly to the project (e.g., third-party development costs, infrastructure, implementation of software). Maintenance and after-sales service is considered as a period expense.

VALUATION RULES

6.3. Sundry other assets

All other asset items are recorded at nominal value. Amounts receivable in foreign currency are recognised at their equivalent euro value using the fixed exchange rate applying at the end of the preceding month. For the purposes of valuation at the end of the financial year, the carrying value is adjusted according to the fixed exchange rate on 31 December. The positive and negative translation differences are recognised in profit or loss.

6.4. Transitory accounts

These items allow income and expenditure to be allocated to the proper accounting period. The option premiums received with regard to the issued stock option plans are recognised in the profit and loss account as and when, and to the extent that, the stock options expire or are exercised.

The option premiums set aside by the employer are recognised pro rata in the income statement as personnel expenses during the performance period (period between subscription and opportunity to exercise).

If employees who hold options transfer between KBC-group entities, the option premium paid (the part that has not yet been taken to the income statement) is charged to the company the employee is transferring to.

III. LIABILITIES

1. AMOUNTS PAYABLE

1.1. Debts represented by securities

Debts represented by securities are recognised in the balance sheet in the amount made available, plus or minus the difference between this amount and the redemption price for the portion that has already matured, calculated on the basis of the yield to maturity on recognition. Differences between the amount made available and the redemption value of the debt are recorded as interest on an accruals basis in the profit and loss account.

The costs incurred on issue of the debt securities are recognised as paid commission on a straight-line basis over the term of the instrument. The capitalised costs are recorded under 'Accrued charges and deferred income'.

With regard to commercial paper, the difference between the amount made available and the nominal value is entered pro rata temporis in the profit and loss account as an interest charge.

1.2. Subordinated liabilities

Subordinated liabilities are measured in the same way as other liabilities, irrespective of whether they are represented by securities.

1.1. Other liabilities

These are recognised at nominal value. With regard to commercial paper, the difference between the amount made available and the nominal value is entered pro rata temporis in the income statement as an interest charge.

All amounts payable (i.e. amounts payable in respect of tax, remuneration and social security charges, dividends payable on own shares and invoices payable) of a fixed amount or that can be estimated accurately are required to be recorded at nominal value, even if not yet represented by an instrument.

Amounts payable in foreign currency are recognised at their equivalent euro value using the fixed exchange rate applying at the end of the preceding month. For the purposes of valuation at the end of the financial year, the carrying value is adjusted according to the fixed exchange rate on 31 December.

The positive and negative translation differences are recognised in profit or loss.

2. PROVISIONS

2.1 General

Provisions for liabilities and charges are intended to cover losses or charges whose nature is clearly defined and which, at the balance sheet date, are likely to be incurred and whose amount can be estimated with sufficient certainty. All provisions are IFRS-compliant.

2.2 Provisions for taxes

In anticipation of additional tax charges (not yet assessed) for past financial years, a provision may be set aside for the disputed portion of taxes. The undisputed portion of taxes yet to be assessed is recorded under the estimated tax liabilities on the liabilities side of the balance sheet.

The additional tax charges already assessed for past financial years are recognised in full under the tax liabilities on the liabilities side of the balance sheet. For the disputed portion of taxes that have been assessed, a claim (i.e. income) is recognised if an appeal has been/will be lodged and if it is sufficiently certain that the claim will stand. The claims recorded for disputed taxes are periodically subjected to an impairment test.

Deferred taxes are recognised for all taxable temporary differences between the carrying value of an asset or liability and its tax base, except for deferred tax assets on tax losses or notional interest deductions carried forward, which are not recognised due to the principle of prudence. Deferred taxes to be recognised are measured using the tax rates in effect on realisation of the assets or settlement of the liabilities to which they relate.

DEMATERIALIZATION OF SECURITIES

In compliance with article 11 of the law of 14 December 2005 relating to the abolishment of bearer securities, KBC Group has, in the course of 2015, sold its bearer financial instruments of which the holder has not identified himself and has transferred the proceeds of the sale to the "Deposito- en Consignatiekas".

The auditor has confirmed that KBC Group has complied with the stipulations of that article.