

Press Release



14 October 2009 – Brussels – during trading hours

Repurchase programme for KBC hybrid loans successfully closed

On 13 October 2009, KBC concluded the transaction announced on 14 September to repurchase its outstanding hybrid Tier-1 security, KBC Bank Funding Trust III (US48239AAA79). 71.2% of the outstanding amount was repurchased for a nominal sum of 427.4 million US dollars. 70% of the nominal value was paid.

As already announced on 28 September:

- 53.5% of the outstanding amount in KBC Bank Funding Trust II (XS0099124793) was repurchased for a nominal sum of 149.9 million euros;
- 59.7% of the outstanding amount in KBC Bank Funding Trust IV (USU2445TAA08) was repurchased for a nominal sum of 179.2 million euros;
- 88.3% of the KBC Bank GBP issue (BE0119284710) was repurchased for a nominal sum of 463.49 million pounds sterling.

In each case, 70% of the nominal value was paid.

In all, therefore, approximately 72% of the outstanding amount of these hybrid loans was repurchased for the total nominal sum of roughly 1 114 million euros (*). KBC is using its available liquid assets to pay for this transaction.

The operation to buy back these hybrid loans will result in an after-tax gain of approximately 0.12 billion euros, while the impact on the core Tier-1 ratio for banking activities will be +0.19%.

(*) Calculated at an exchange rate of GBP/EUR = 1.067 and EUR/USD = 1.4814)