



Press release



Brussels, New York – 22 november 2010

KBC Group completes sale of KBC Business Capital to the PNC Financial Services Group

KBC Group today finalised the sale of KBC Business Capital, the specialist asset-based lending (ABL) division located in the United Kingdom, to a wholly owned subsidiary of The PNC Financial Services Group, Inc. (NYSE: PNC). The transaction announced on 27 September provides capital relief, though not to a material extent, for KBC and has no impact on its Tier-1 ratio.

KBC Business Capital provides asset-based lending solutions to UK companies across a broad range of sectors. It has 21 staff operating from Haywards Heath and London, and 4 offices throughout the UK.

PNC is one of the largest diversified financial services organisations and a leading asset-based lender in the United States, with assets of \$260 billion USD as of 30 September 2010.

Luc Popelier, CEO of KBC Group's Market Activities was pleased with today's transaction: "With this divestment, we are strengthening KBC's focus on its core bancassurance markets and know-how. I am convinced that under the new ownership, KBC Business Capital's team will be able to leverage their market know-how and expertise built up over the years to the benefit of their customers and business partners in the UK."

Not a core activity for KBC

On 18 November 2009, KBC announced its updated strategy of focusing on its core bancassurance expertise in its home markets (in Belgium and Central and Eastern Europe). As part of this review, KBC decided to exit from the asset-based lending business.

KBC Business Capital is an established market player in asset-based lending for UK companies. Despite the global financial and economic crises occurring shortly after KBC Business Capital was launched, it has grown into a profitable business with over 300 million GBP in commitments to its clients, and has experienced no credit losses. As this business was no longer deemed consistent with KBC's core strategy it was earmarked for divestment.

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Note for the editor

About KBC Business Capital (www.assetbasedlendinguk.com)

A UK-based division of KBC's Merchant Banking Business Unit, KBC Business Capital provides asset-based lending solutions to UK companies in a broad variety of sectors whose funding requirements start from 2 million GBP (approx 2.35 million EUR). It operates predominantly from Haywards Heath and London, with experienced collaborators based in Birmingham, Manchester, Leeds and Cambridge. KBC Business Capital employs 21 staff.

About PNC (www.pnc.com)

The PNC Financial Services Group, Inc. is one of the largest diversified financial services organisations in the US, providing retail and business banking; residential mortgage banking; specialised services for corporations and government entities, including corporate banking, real estate finance and asset-based lending; wealth management and asset management.

Follow [@PNCNews](https://twitter.com/PNCNews) on Twitter for breaking news, updates and announcements from PNC.

About KBC Group NV (www.kbc.com)

KBC is a bancassurer that focuses on its home markets in Belgium and Central & Eastern Europe (Czech Republic, Slovakia, Poland, Hungary and Bulgaria). Its headquarters are located in Brussels (Belgium), the heart of Europe. The KBC group employs around 54 000 staff and caters for 12 million customers. KBC Group NV is listed on NYSE Euronext Brussels (ticker symbol 'KBC').

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