



Press Release

Outside trading hours - Regulated information*

Brussels, 18 November 2013

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KBC takes note of the announcements made by Cera and KBC Ancora

KBC takes note of the announcements made this evening by Cera CVBA and KBC Ancora Comm.VA, two KBC-shareholders.

- Cera announces the sale of 14.1 million KBC Group-shares via a private placement with institutional investors. The proceeds shall be used to buy back a term loan provided by KBC Bank and to repay the currently outstanding short term debts with KBC Bank. As a result, Cera will have (almost) no outstanding debts with KBC Bank any more.
- KBC Ancora announces the sale of 4.7 million KBC Group-shares via a private placement with institutional investors. The proceeds shall be used to buy back a loan that KBC Bank provided in 2007.
- Both transactions create additional shareholder value and have a positive impact i.e. they strengthen the regulatory capital with 0.7 billion EUR and improve the common equity ratio (Basel III fully loaded) by 0,7%. The common equity ratio (Basel III, fully loaded) stood at 12,5% at the end of the third quarter 2013.
- KBC Bank remains Cera's and KBC Ancora's home bank after these transactions.
- Cera and KBC Ancora, along with the other stable shareholders, will continue to play their role in ensuring the shareholder stability of the KBC group after the transaction.

As soon as KBC has been informed about the results of the transactions, it will inform the market.

The market authorities can always decide to suspend the trading of KBC Group-shares until the transactions have been completed and the results communicated.

KBC Ancora shareholder loans

KBC Ancora currently owns 82.2 million KBC Group shares and is the largest individual shareholder in KBC Group, with a participation of approx. 19.7%. The announced sale represents approx. 1.1% of the share capital in KBC Group, meaning that KBC Ancora's participation in KBC Group will amount to approx. 18.6% after the planned sale. KBC Ancora will remain the largest shareholder of KBC Group after the transaction.

The proceeds of the sale will be used to buy back a loan that KBC Bank provided to KBC Ancora in 2007. It concerns a loan with a principal amount of 175 million euro, the full repayment of which was scheduled to occur on its maturity date in 2027.

The buy back by KBC Ancora of the loan provided by KBC Bank has a positive impact on the regulatory capital of KBC Bank. Under the anticipated comprehensive application of the Basel III capital rules (*fully loaded*) the amount of so-called shareholder-loans is deducted in full from the common equity of the bank. On 3 July 2013, it was announced that KBC Bank had transferred other loans provided to KBC Ancora with an aggregate principal value of 325 million euro to another international financial institution.

Cera shareholder loans

Cera currently owns 25.2 million KBC Group shares, representing approx. 6.1% of KBC Group's share capital.¹ The announced sale by Cera represents approx. 3.4% of the share capital in KBC Group. As a result, after completion of the sale, Cera will hold approximately 2.7% of KBC Group's share capital.

The proceeds of the sale will be used to (i) buy back a loan with a principal amount of 250 million euro provided by KBC Bank, the full repayment of which was scheduled to occur on the maturity date in 2017 and (ii) to repay (almost) entirely the currently outstanding amounts of short term debt owed to KBC Bank (approx. 235 million euro).

The repayment of the loans has a positive impact on the regulatory capital of KBC Bank. Under the anticipated comprehensive application of the Basel III capital rules (*fully loaded*) the amount of so-called shareholder loans is deducted in full from the equity of the bank.

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¹ In the period mid August - early September 2013, Cera has sold 4 million KBC Group shares.

This press release is available in English, Dutch and French on the website www.kbc.com.

Note for the editors

KBC Ancora is a listed company which holds approx. 19.7% of the shares in KBC Group and which together with Cera, MRBB and the Other Permanent Shareholders is responsible for the shareholder stability and further development of the KBC group. As core shareholders of KBC Group, these parties have signed a shareholder agreement to this effect.

Cera counts 412.000 members which makes it one of the biggest cooperatives in the country. Cera is a reference shareholder of KBC Group.

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* This news item contains information that is subject to the transparency regulations for listed companies.

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