



Press Release

Outside trading hours - Regulated information*

Brussels, 24 May 2013

KBC completes the sale of Absolut Bank

Today, KBC Group is pleased to announce the completion of the deal announced on 24 December 2012, whereby KBC would sell its Russian banking business Absolut Bank to a group of Russian companies that manage the assets of the second largest non-state pension fund in Russia, Blagosostoyanie.

The total consideration amounts to 0.3 billion euros. In addition, Absolut Bank repaid the entire 0.7 billion euros of KBC intercompany funding by refinancing it with other capital market transactions in the period between signing and closing the deal.

It will have a negative impact of about -0.1 billion euros on KBC's consolidated 2Q13 results, but not on its capital account since - technically speaking – this relates primarily to foreign exchange differences that have already been absorbed in KBC's capital base. The deal frees up a total of 0.3 billion euros of capital for KBC (0.2 billion euros of which in 2Q13), chiefly by reducing risk-weighted assets by 2 billion euros, and ultimately improving KBC's tier-1 ratio by around 0.4% (0.3% of which in 2Q13).

KBC is now no longer present on the Russian banking market and, therefore, is fully compliant with the agreement made in November 2009 with the European Commission to divest Absolut Bank.

Johan Thijs, CEO of KBC Group NV commented on the deal as follows: *'I am happy to announce that the sale of Absolut Bank has been completed. This deal is a major step in the implementation of our updated strategy to focus on our core bancassurance business in our home markets in Belgium and Central and Eastern Europe (Czech Republic, Slovakia, Hungary, Bulgaria). It is a recognition of Absolut Bank's experience and expertise, and will provide continuity to its staff and customers. I would like to thank all of Absolut Bank's management and staff – with whom we have had a successful working relationship for several years – for their commitment and effort, and wish them every success in their future careers.'*

Note for the editors:

About Blagosostoyanie (www.npfb.ru)

The Non-State Pension Fund Blagosostoyanie was founded in 1996. It is the second largest Non-State Pension Fund in the Russian Federation and is active in the field of non-state pension provision and mandatory pension insurance in 80 regions of Russia. Based in Moscow, it has own assets amounting to 6.5 billion euros and boasts 2.9 million customers. It has achieved continuous growth in customers, pension savings and reserves.

About KBC (www.kbc.com)

KBC is an integrated multi-channel bancassurance group, catering mainly for retail, SME and local midcap customers. It concentrates on its home markets of Belgium and certain countries in Central and Eastern Europe (Czech Republic, Slovakia, Bulgaria and Hungary). Elsewhere around the globe, the group has established a presence in selected countries and regions.

KBC provides banking, insurance and asset management products and services via its integrated distribution channel consisting of bank branches, insurance agents and brokers and the Internet. KBC's headquarters are located in Brussels (Belgium), the heart of Europe. The group employs more than 37 000 FTEs. KBC is listed on NYSE Euronext Brussels (ticker symbol 'KBC').

About Absolut Bank (www.absolutbank.com)

Absolut Bank, a full-service bank founded in 1993, is successfully developing in the 15 largest regions of Russia. It is among the TOP-45 largest Russian banks by net assets (RBC Rating), and among the TOP-10 banks by size of mortgage portfolio (RBC Rating). At 1 January 2013, the bank's equity amounted to 17.7 billion roubles and profit to 1.2 billion roubles, while the capital adequacy ratio N1 came to 17.96 % at 1 January 2013 (RAS ratio). The bank's key strategies are to provide high-quality service, to diversify its customer base, to continuously monitor the quality of the loan portfolio, and to adopt a conservative approach towards risk management. The bank employs nearly 3 000 employees, who serve more than 140 000 customers.

For more information, please contact:

Wim Allegaert, General Manager, Investor Relations, KBC Group
Tel +32 2 429 50 51 - E-mail: wim.allegaert@kbc.be

Viviane Huybrecht, General Manager, Corporate Communication/Spokesperson, KBC Group
Tel +32 2 429 85 45 - E-mail: pressofficekbc@kbc.be

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

KBC Group NV

Havenlaan 2 – 1080 Brussels
Viviane Huybrecht
General Manager
Corporate Communication/Spokesperson
Tel. +32 2 429 85 45

Press Office
Tel. +32 2 429 65 01
Tel. +32 2 429 29 15
Fax +32 2 429 81 60
E-mail: pressofficekbc@kbc.be

KBC press releases are available at www.kbc.com
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