



Press release

Outside trading hours – Regulated information*

Brussels, 19 November 2014

KBC no longer subject to restrictive conditions imposed by European Commission

The completion of the sale of KBC Bank Deutschland on 30 September 2014 heralded the last step in the divestment programme (structural measures) agreed between KBC and the European Commission in November 2009.

With effect from today, KBC is no longer tied to the price leadership and acquisition bans, two behavioural measures that were included under the conditions the Commission imposed on KBC at the time.

At the end of 2009 and in consultation with the European Commission, KBC drew up a strategic refocus plan (see press release of 18 November 2009) aimed at repaying the state aid received in full and on time. KBC then started a major divestment programme which led to a substantial reduction in the group's risk-weighted assets and risk profile. At the same time, KBC also undertook not to position itself as a price breaker in its core markets or to acquire any other market players before 18 November 2014. KBC has now duly met all of the conditions imposed by the European Commission. All the structural measures (e.g., the sale or run-down of assets) have been implemented, which means that the behavioural measures no longer apply either.

KBC is also meeting its obligations relating to the repayment of the state aid it received from the Federal and Flemish Regional governments in 2008 and 2009. The Federal Government was repaid in full at the end of 2012. KBC repeats its intention to repay the Flemish Regional Government before the end of 2017 the outstanding balance of two billion euros, plus a penalty of 50%, three years earlier than agreed with the Commission.

From now on, KBC can and will focus entirely on implementing the new business strategy it announced at its Investor Day on 17 June 2014.

Johan Thijs, KBC Group CEO: *'Since 2009, KBC has worked tirelessly to meet all the agreements made with the European Commission. What's more, KBC has now become one of the better capitalised, more profitable and better positioned financial institutions in Europe, with a return that's clearly above the industry average. The group can attribute this success to the unrelenting trust its clients, staff, shareholders and other stakeholders have shown in it during this turbulent period, and for that I wish to express my sincere gratitude. This unending dedication and commitment has put KBC in a position to become the reference in bank-insurance in its core markets and to grow sustainably and profitably. The European Commission has made it clear that we can now turn an important page. Today, we are ready to confidently open a new chapter in our rich history.'*

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* This press release contains information provided in compliance with European transparency legislation for listed companies.

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