



Press Release

Outside trading hours - Regulated information*

Brussels, 13 February 2014 (before trading hours)

KBC Group simplifies organisation and adapts composition of Executive Committee

With effect from 1 May 2014, the KBC organisational structure will be further simplified and adapted to the reduced size of the group and the new situation:

- **Merger of International Markets and International Product Factories business units**
- **Separate Corporate Change & Support Unit will cease to exist; entities will be integrated into existing organisation**

Changes to the composition of the KBC Group Executive Committee to reflect the adapted structure and situation:

- **6 instead of 8 Group Executive Committee members as of 1 May 2014**
- **Marko Voljč and Danny De Raymaeker leave KBC Group Executive Committee**
- **John Hollows to succeed Pavel Kavánek as CEO of ČSOB/the Czech Republic Business Unit**
- **Christine Van Rijsseghem to join KBC Group Executive Committee as CRO (Chief Risk Officer)**

Pavel Kavánek to replace Jan Švejnar as Chairman of the Supervisory Board of ČSOB.

Adapting the existing organisational model and composition of the KBC Group Executive Committee to reflect the new situation

Following the advice of the Nomination Committee, the Board of Directors of KBC has appointed **John Hollows** as successor to **Pavel Kavánek** (who reached the age limit of 65 for Group Executive members in December 2013) as **Chairman and CEO of the Board of Directors of ČSOB and Chief Executive Officer of the Czech Republic Business Unit**. John Hollows is currently Chief Risk Officer and member of the KBC Group Executive Committee.

Also following the advice of the Nomination Committee, the Board has appointed **Christine Van Rijseghem to the KBC Group Executive Committee, succeeding John Hollows as Chief Risk Officer of KBC Group.** Christine Van Rijseghem is currently Senior General Manager, Group Finance of KBC Group.

Both nominations were approved by the Belgian financial regulator (National Bank of Belgium) and the nomination of John Hollows was also approved by the Czech National Bank.

In addition, Mr Jan Švejnar has expressed his intention to end his term of office (after more than 10 years) as Chairman of the Supervisory Board of ČSOB and devote more time to his academic career. **Pavel Kavánek is scheduled to replace Jan Švejnar as Chairman of the Supervisory Board.**

Mrs Van Rijseghem's successor will be announced soon.

Johan Thijs, KBC Group CEO commented on today's announced changes as follows: *'With the signing at the end of 2013 of a sale agreement for Antwerp Diamond Bank, we have completed the divestment plan which we agreed with the European Commission in 2009 and which included the divestment of more than 25 entities. Ultimately, this has resulted in a reduction in KBC's balance sheet of more than 42%. Now that divestments no longer consume energy and considerable management time, we have decided to simplify our organisational model and the composition of the KBC Group Executive Committee accordingly. This new top group structure reflects the reduced size of the group and allows us to fully concentrate on our business and on serving our retail, SME and mid-cap clients in our core markets of Belgium, the Czech Republic, Slovakia, Hungary, Bulgaria and Ireland. By using our 'relationship bank-insurance' approach – i.e. focus on the optimal combination of banking and insurance products and services to fulfil clients' needs and to serve our clients in a sustainable way – we will further build on our market position in our core markets.*

I wish to express my deepest gratitude to Pavel Kavánek for his longstanding career and outstanding performance, after more than 20 years as CEO of ČSOB. As a strong strategic thinker, often ahead of his time, and with exceptional leadership qualities, he was one of the people who managed to put his stamp on Czech banking and help the ČSOB group to rise to great heights. We hope that Pavel, as Chairman of the Supervisory Board of ČSOB, can remain involved in the future development of the Czech Republic Business Unit in close collaboration with the new CEO, John Hollows.

I am also very happy that John Hollows has agreed to take over from Pavel. Besides his professional experience, John has extensive knowledge of our Central European home markets. Over the past few years, he has successfully implemented KBC's risk strategy, making our group much better prepared for the various risks with which we are confronted on a daily basis. I am convinced that the Czech Republic Business Unit and its various stakeholders will benefit from John's experience. I trust that John can continue to tap into Pavel's vast knowledge and experience and benefit from his extensive network in the Czech Republic. Together they will form a great team, ensuring continuity and bringing the Czech Republic Business Unit to further growth and prosperity, to the benefit of all stakeholders.

Lastly, I am especially delighted to welcome Christine into the Executive Committee. I am convinced that her broad experience and knowledge of economic and financial affairs will enable her to make an important contribution to the further development of our group with a view to preparing it even better for the future. Her appointment as first female member of our Executive Committee is testimony to the fact that we are strongly committed to diversity and are gradually but resolutely increasing the number of people with international experience and the number of women in top management, just as we have already done on the Board of Directors.

Together with my colleagues from the Group Executive Committee I wish to express my sincere gratitude to Marko Voljč , who is retiring, and to Danny De Raymaecker, who will leave our group. I worked closely with both Marko and Danny in the Executive Committee for several years. Before that Marko held several executive positions in our Central and Eastern European home markets, whereas Danny held executive positions in commerce and operations. We are most grateful to them for their many years of dedicated work in the various positions they held in the group and for their support, commitment and major contribution to the development of KBC. We wish them all the best in the future'.

Thomas Leysen, Chairman of the Board of Directors of KBC Group, added: *'On behalf of the KBC Group Board of Directors I wish to express my gratitude to Jan Švejnar for the effort he has put in over the past 10 years – sometimes in difficult circumstances – to help establish and develop ČSOB as a major financial player in the Czech Republic. I am convinced that Pavel Kavánek will be a worthy successor, able to leverage his extensive knowledge and experience of the Czech market and business environment. He has known and worked together with John Hollows for many years, and they will form a great team. The Board of Directors has chosen in John a dynamic leader, with a broad international experience and excellent track record in the financial sector. Furthermore, the Board trusts the KBC Group Executive Committee will be able to draw from Christine Van Rijseghem's experience and knowledge so that they can together prepare KBC for the challenges and opportunities of the future. Finally I wish to express my deep gratitude to Marko Voljc and Danny De Raymaeker for their many years of support and commitment to KBC'.*

Fully in line with the reduced size of the group and new situation, KBC has decided to further adapt its organisational structure and hence the composition of the KBC Group Executive Committee in order to support effective decision making and accountability.

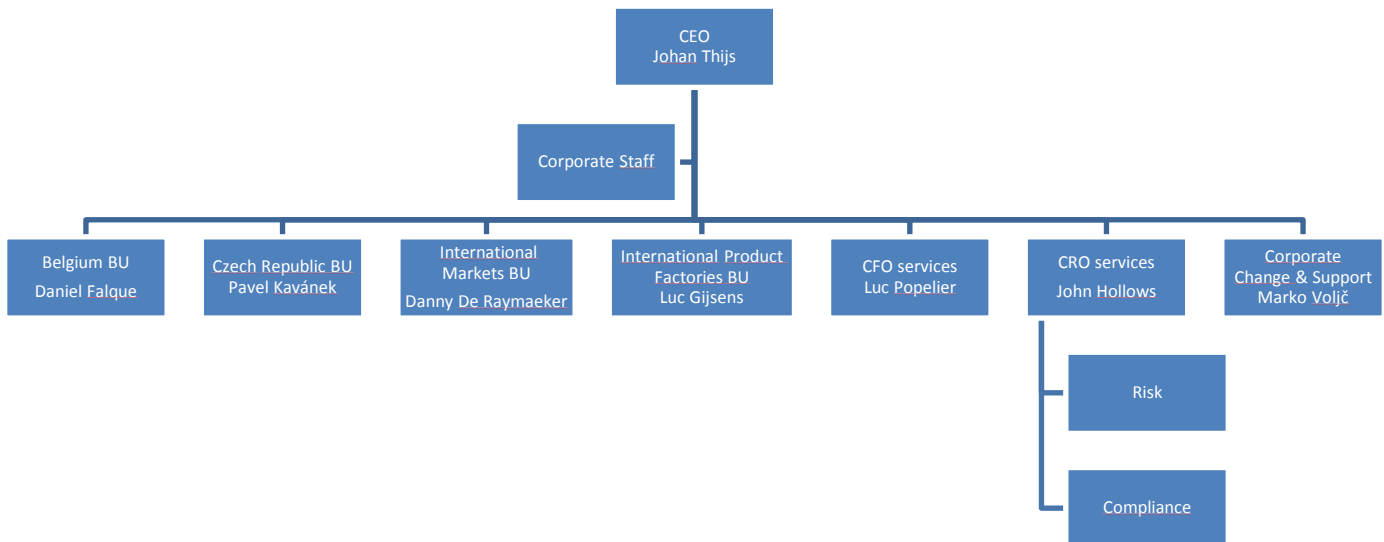
As of 1 May 2014, the existing International Markets and International Product Factories business units will merge to form a single unit called the International Markets Business Unit, which will be comparable in size and weight to the other two large business units, Belgium and Czech Republic. This new merged business unit will house the core markets of Slovakia, Hungary and Bulgaria, as well as Ireland. It will also contain the product factories that focus on delivering products and services – developed from a global point of view – which support and fit into the distribution strategy of all the core markets.

Luc Gijsens, current CEO of the International Product Factories Business Unit will become CEO of the new merged business unit. Danny De Raymaeker, current CEO of the International Markets Business Unit has decided, in consultation with the Board, to leave the group to pursue new opportunities.

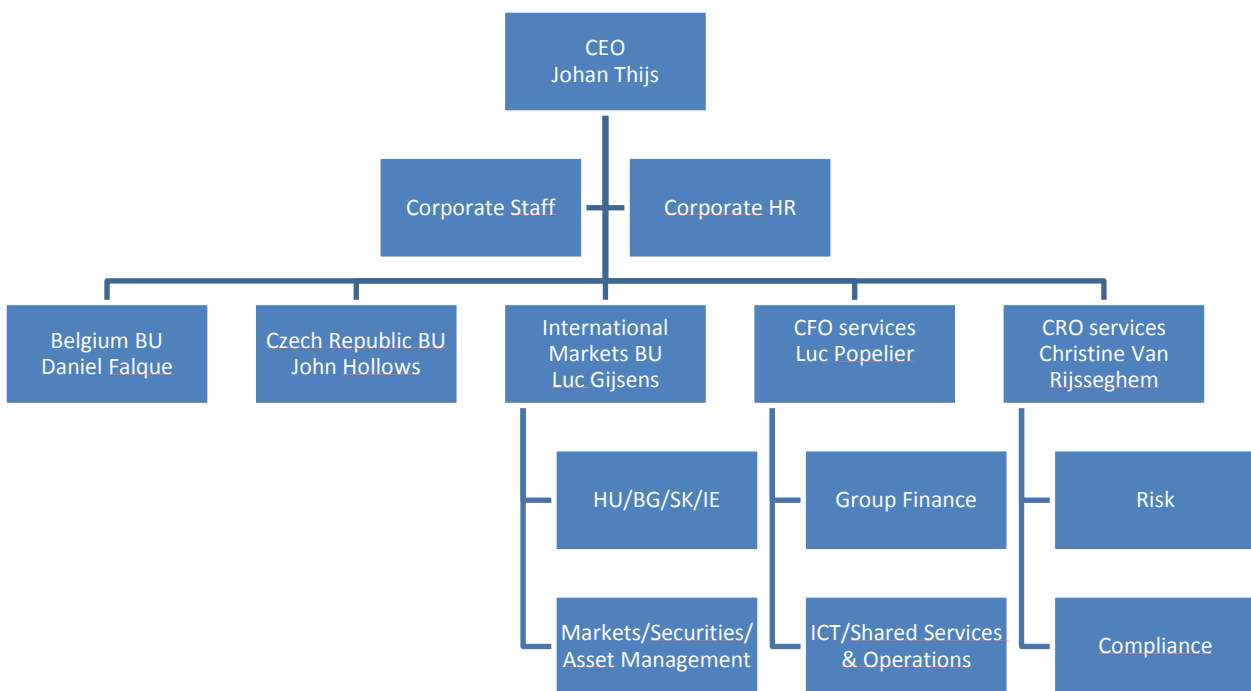
The existing **Corporate Change & Support Unit** – which was created in 2012 to give KBC a jump start with the implementation of a new corporate culture and change programme and at that time took up a significant amount of management time – will **cease to exist** as a separate business unit. Corporate HR will now report directly to Johan Thijs, who will be able to devote more of his time now that the process of divesting and deleveraging has been completed. The Banking and Insurance Core Community Departments will report to Luc Gijsens. Shared Services & Operations and ICT will report to Luc Popelier, KBC Group CFO.

Marko Voljč, currently in charge of the Corporate Change & Support Unit will reach the age of 65 this year and will retire.

Existing organisational structure of KBC Group



Adapted organisational structure of KBC Group as of 1 May 2014



Note for the Editor:

Mr John Hollows earned his degree in law and economics at Cambridge University. Between 1978 and 1991, he worked for the head office of Barclays Bank in London and subsequently as Country Manager for Barclays Bank in Taiwan from 1991 to 1995. He joined KBC Bank in 1996 as Country Manager of the Shanghai operations and in 1999 became General Manager for the Asia-Pacific region, where he was responsible for ten branches in six countries. He was appointed CEO of K&H Bank in 2003. In 2006 he became Senior General Manager of the Central and Eastern Europe banking division of KBC Group. He was appointed member of the KBC Group Executive Committee and CEO of the Central & Eastern Europe and Russia Business Unit in 2009. Since 2010 he has been KBC Group Chief Risk Officer. John is married with 4 children.

Born on 24 October 1962, **Christine Van Rijsseghem** graduated in 1985 from the Faculty of Law at the University of Ghent (Belgium). Subsequently she completed an MBA in Financial Sciences at Vlerick Management School in Ghent (Belgium). Christine started her career at KBC (formerly Kredietbank) in 1987 at the Central Foreign Entities Department. Initially she was responsible for risk management and controlling and international acquisition strategy, and later on became head of that department. In 1994 she was appointed Head of the Credit Department of KBC's Irish subsidiary, Irish Intercontinental Bank. In 1996 she became CEO of KBC France and in 1999 of KBC's London branch. From 2000 to 2003 she was Senior General Manager of the Securities & Derivatives Processing Directorate of KBC Group. Since 2003 she has been Senior General Manager of KBC Group Finance. She is married and has no children.

A photo of John Hollows and Christine Van Rijsseghem is available from the KBC Group NV Press Office (pressofficekbc@kbc.be).

CVs and photos of the members of the Executive Committee of KBC Group NV can be viewed at www.kbc.com (under Corporate Governance).

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

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