



Brussels, 2 February 2015

Response to media reports on termination of client relationships at Antwerp Diamond Bank

We wish like to clarify what's being said in the media today about the termination of client relationships at Antwerp Diamond Bank.

KBC tried for several years but was unable to find a buyer for Antwerp Diamond Bank (ADB). Under the agreement made with the European Commission, KBC therefore had no option but to announce in September 2014 that it would be running down the loan portfolio and activities of ADB in a gradual and orderly manner.

KBC went through the consequences of this final decision and agreed a step-by-step plan with representatives from the diamond industry. The two parties agreed to close the accounts of holders that do not also have loans at Antwerp Diamond Bank in two waves:

- The accounts of clients of ADB who also hold accounts at other financial institutions would be closed in the first wave, which is now virtually completed.
- The second wave involves closing in phases the accounts of clients who don't have accounts anywhere other than at ADB. This is being done in direct consultation with each client individually, where each client is given several months to move to another financial institution for their diamond-related banking business.

Individual arrangements have been made with clients who have loans with ADB as regards paying off those loans. Most of these arrangements have now been finalised.

Besides ADB, there are a number of specialised players on the market that finance the diamond trade and can process the transactions linked to that trade. ADB clients are free to choose which financial institution they want to work with going forward.

KBC and ADB have undertaken to follow an orderly run-down process in which they show respect for and consult with the clients involved. This process entails a case-by-case approach since every client portfolio and every client's situation is different. Needless to say, ADB clients are more than welcome at KBC for any banking business they have that is not related to the diamond trade.