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Together, KBC and KBC Ancora write 80 years of stock market history

It's 65 years ago that Kredietbank shares were first listed at the then Brussels Stock Exchange. Since the KBC merger in 1998, the shares have been listed under the KBC label. Since 2001, following the establishment of Almacora by KBC shareholder Cera, that share has also been listed on Euronext, first as Almacora and later as KBC Ancora. And so it is that, today, KBC and KBC Ancora have chalked up 80 years of stock market history. Over that period, the two institutions have actively contributed to the development of Belgium's economy and society. Today, Johan Thijs, CEO of KBC Group, and Franky Depickere, Managing Director of KBC Ancora, therefore had the pleasure of being invited to ring the bell to start trading at Euronext Brussels.

Johan Thijs looks to the future: 'In the past 18 years, KBC has grown to become an important, visible market player that is actively followed by both individual investors and large institutional investors, both at home and abroad. In spite of the sometimes turbulent market environment, KBC's unique integrated bank-insurance model has proved itself as a foundation for sustainable, profitable growth. With the support of our core shareholders, we can confidently work on rolling out our long-term strategy in the interests of our clients, employees, shareholders and other stakeholders.'

Franky Depickere adds: 'Together with Cera and the other core shareholders, KBC Ancora constitutes a shareholder structure for KBC Group that is stable and rooted in the local community as a basis for healthy onward development and the creation of shareholder value in the long term.'

Since 1951, KBC has changed greatly. Three local companies (Kredietbank, Cera Bank and ABB-insurance) have together grown into one of the most profitable and best capitalised financial institutions in Europe. KBC Group's market capitalisation is currently over 19 billion euros, compared to the 6 million euros that Kredietbank started with in 1951. In 1951, we had a workforce of a little over 4 000. Nowadays, worldwide, the KBC group has more than 38 000 staff, of which 44% in Belgium and 52% in Central Europe. The volume of savings, credit and premium income have grown exponentially over the past 65 years. This shows that KBC has consistently lived up to its responsibility as a driving force for the economy and society within which it operates. Read more in KBC's [Report to Society](#).

Note to the editor

1. The roots of KBC

Kredietbank

The Kredietbank's origins date back to 17 July 1889, when the 'Volksbank van Leuven' was established. After the First World War, the 'Volksbank' was transformed into a 'naamloze vennootschap', or NV (a type of limited company), and embarked upon a period of expansion in Flanders. It set up subsidiary banks everywhere (such as the Bank voor Handel en Nijverheid in Kortrijk and the Algemeene Bankvereeniging in Antwerp) and helped establish other financial institutions. At the end of the 1920s, when the crisis in Europe began to make itself felt, and many (smaller) banks also ran into difficulties, a wave of mergers took place, that eventually led to formation of the 'Kredietbank voor Handel en Nijverheid' on 9 February 1935.

After that, the Kredietbank grew from a modestly sized bank into one of the country's largest financial institutions. Starting in 1958, the bank also operated in Wallonia via its subsidiary Crédit Général SA de Banque. Between 1935 and 1990, the number of staff rose from just under 1 000 to approximately 10 000 and the number of branches from 236 to 763.

Cera Bank

In 1892, in order to meet the demand for affordable agricultural credit, a start was made on developing a specific savings and credit system on a cooperative basis, along the lines of the German 'Spar- und Darlehnskassen' of F. W. Raiffeisen. Just three years later, 24 other such local cooperative banks had already been started up on Raiffeisen's model. The Middenkredietkas, established in 1895, acted as a central cash office, reinvesting savings not employed by local guilds for lending.

Up to the early 1970s, approximately 800 Raiffeisenkassen were in operation, with more than 400 000 members in total. The changes to the companies legislation at the beginning of the 70s led to a start being made in 1973 on reducing the number of companies, but maintaining the number of outlets. In 1996, there were still 218 companies and 939 branches spread across Belgium.

In 1985, the government promulgated a series of laws that gave rise in 1986 to a complete revision of the articles of association and a change of name, i.e. to Cera. Since that time, Cera has comprised Cera branches and Cera Headquarters, but all in the corporate form of cooperatives.

ABB-insurance

In 1905, the Belgian Farmers' Union decided to start up a number of its own cooperative-based insurance companies. In 1922, the Farmers' Union's insurance activities were all bundled together in a limited liability company, which was renamed the Assurantie van de Belgische Boerenbond (ABB) in 1941.

ABB developed from its modest beginnings into one of the top companies in the Belgian insurance sector. It boasted a network of over 1 000 tied agents, as well as around 1 500 employees at its head office.

2. The first merger: the creation of KBC

In line with what was happening elsewhere in Europe, the 1990s saw the start of intensified banking consolidation in Belgium. Under the impulse of European legislation and a rapidly-developing international world of finance, with ever-increasing numbers of mergers and megamergers, the banks and insurance companies here, too, began to look for possible cooperation links. Kredietbank, Cera Bank and ABB-insurance all tested the market to explore the possibilities.

In 1997, merger talks started among the three of them. In addition to a balanced merger, a solution also had to be found for an amalgamation between a company with liability liability and a cooperative society. The solution was found by Cera amalgamating all its outstanding companies in successive waves. Cera's banking activities were then removed from the society and brought under the newly merged, listed KBC group. The cooperative part continued to pursue its socio-economic objects as Cera Holding.

The merger came into effect on 3 June 1998, when the new KBC Bank and Insurance Holding Company NV was created.

3. Further merger of KBC Bank and Insurance Holding Company into KBC Group

Subsequently came the realisation that the new group could not just focus on its saturated Belgian home market, but also had to look further afield for future growth. Already back in the 1990s, both Kredietbank and ABB-insurance had made their first tentative steps into the Central European banking and insurance market. After the creation of KBC, this Central European presence was also scrutinised. KBC decided that it would treat Central Europe as its second home market. From 2001, Central Europe gradually started to contribute more towards KBC group profits,

To simplify the group structure, increase visibility and raise the free float (and therefore the liquidity) of the share, on 2 March 2005, KBC Bank and Insurance Holding Company took over its principal shareholder, Almanij, and the new KBC Group NV came into being. The core shareholders of the group renewed their commitment to fostering the stability that is necessary to realise KBC Group's strategy. Since then, KBC Group NV has been one of the leading financial groups in Europe and one of the top companies in Belgium.

4. KBC Ancora floated on 4 April 2001

KBC Ancora Comm.VA was set up on 18 December 1998 as Cera Ancora NV. Cera Ancora's capital was mainly composed of a contribution by Cera of 35 950 000 Almanij shares. At that time, Cera Ancora was a virtually wholly-owned subsidiary of Cera's.

A new structure was set up in 2001, with Cera Ancora NV being transformed into Almancora Comm.VA and the holding in Almanij being raised to 55 929 510 shares, mainly by means of an additional contribution from Cera. That enabled Cera to make repayment to the exiting class D Almancora shareholders without jeopardising Almanij/KBC's shareholding structure. In this context, it was decided to float Almancora on 4 April 2001, then still in the double fixing segment.

In 2007, Almancora changed its name to KBC Ancora and, since that year, the share has listed on the continuous segment of Euronext Brussels.

KBC Ancora currently holds 77 516 380 KBC Group shares, representing an 18.5% holding in KBC Group. Cera, in turn, has a 55.4% holding in KBC Ancora and 2.7% of KBC Group (as per 31 December 2015). Thus, together with the other core shareholders, Cera and KBC Ancora are building on KBC's stability and further development.

For more info <https://www.kbc.com/en/brief-history-kbc-group> and www.kbcancora.be.

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