



Joint Press Release

Outside trading hours – Regulated information*

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KBC finalises acquisition of OTP Banka Slovensko (Slovakia)

Belgium's KBC Group and OTP Bank, the Hungarian parent company of OTP Banka Slovensko (Slovakia), today closed the agreement announced on [17 February 2020](#) for KBC Bank NV to acquire ownership of 99.44% of the shares in OTP Banka Slovensko, a.s. (OTP Banka Slovensko). The remaining shares are held by a number of private individuals.

The transaction received regulatory approval from the National Bank of Slovakia (NBS), the National Bank of Belgium (NBB), the European Central Bank (ECB) and the Antimonopoly Office of the Slovak Republic. It has only a limited impact (-0.2%) on KBC's solid capital position, keeping KBC's excellent 3Q2020 CET1 ratio of 16.6% (Basel III fully loaded, Danish compromise) well above regulatory minimum capital requirements.

As a result of the transaction, KBC Bank NV is now the new parent company of OTP Banka Slovensko. The next logical step is the legal and operational merger of Československá obchodná banka, a.s. (ČSOB) and OTP Banka Slovensko, which will further consolidate ČSOB's current number four position on the Slovakian banking market in terms of assets, with a market share of approximately 12.6%.

OTP Banka Slovensko's brand name will initially remain in place to ensure a seamless transition. In the meantime, OTP Banka Slovensko, with the full support of ČSOB, will continue to honour its commitments to the market and to provide professional service of the highest level to all its customers, who will not have to take any action as a result of the transaction.

Johan Thijs, KBC Group CEO, welcomes today's transaction: *'Acquiring OTP Banka Slovensko further strengthens our share of the Slovakian market, where we are already present through ČSOB since 2002. We will be able to benefit from economies of scale and increase our visibility in this highly competitive market, to the advantage of all our stakeholders. This transaction is fully in line with our strategy, which focuses on becoming the reference bank-insurance group for retail customers, small and medium-sized enterprises and midcaps in all our core markets. It will create opportunities for us to offer high-level financial solutions to an even wider range of customers. I am convinced they will benefit significantly from the future merger of ČSOB and OTP Banka Slovensko, as they will gain access to high-quality, modern and innovative financial services enabled by digital technologies, as well as a personal and professional approach.'*

Sándor Csányi, OTP Bank Chairman and CEO, commented: *'Our entry into the Slovakian market will always be memorable for us, as it was our first step on the path to becoming a regional banking group that is currently active in over 10 countries. I would like to thank our management and staff at OTP Banka Slovensko for their professional and devoted work of nearly two decades. During this time, our subsidiary bank has been a stable market player providing high-quality services in Slovakia. I am confident that the merger with ČSOB will provide OTP Banka Slovensko's customers with access to numerous additional bank branches, a wider range of services and the support of another large banking group. Following the successful financial closing of the transaction, in line with our strategy, we will continue to investigate possible acquisitions actively in the region, primarily in countries where we are already present.'*

Daniel Kollár, CEO of ČSOB Bank Slovakia and Country Manager concluded: *‘Today’s transaction marks an important milestone for ČSOB. Merging OTP Banka Slovensko into ČSOB will substantially strengthen our banking and insurance franchise in the country and further enhance our cross-selling potential with ČSOB Poist’ovňa, a.s., ČSOB Leasing, a.s., and KBC Asset Management.*

I also wish a warm welcome to all customers and employees of OTP Banka Slovensko, which will continue to be led by Mrs. Zita Zemková, CEO of OTP Banka Slovensko. Her long-standing experience, market knowledge and management skills ensure continuity for all stakeholders and will be highly valuable in successfully integrating ČSOB and OTP Banka Slovensko into a new, dynamic and future-proof entity. With this in mind, I encourage and invite our new colleagues from OTP Banka Slovensko to embrace our ČSOB community and to share their ideas, opinions and experience with us.’

Note for editors:

OTP Banka Slovensko

OTP Banka Slovensko, a.s. operates on the Slovak market as a universal bank. Since 4 April 2002, OTP Bank Plc., Hungary’s largest bank, has been the majority shareholder of OTP Banka Slovensko, a.s.

At the end of 2019, OTP Banka Slovensko, a.s. had a market share of 1.75% in deposits and 1.85% in loans.

It currently operates a network of 58 branches throughout Slovakia and serves roughly 176 000 retail customers and 14 400 corporate/SME customers. The bank is based in Bratislava and the bulk of its business relates to banking products and services provided to individuals and legal entities within the Slovak market.

KBC’s presence in Slovakia (www.kbc.com)

Belgium-based KBC Bank NV is the parent company and sole shareholder of Československá obchodná banka, a.s. (ČSOB). ČSOB is a leading Slovak bank boasting over 50 years of tradition. It is one of the most significant and strongest financial institutions on the Slovak market. As a universal bank, it provides services to a full range of customers including retail, self-employed, SME, corporate and institutional customers. It is part of the ČSOB Financial Group, which also includes ČSOB Stavebná sporiteľňa, a.s. (building society), ČSOB Leasing, a.s., ČSOB Real, s.r.o., ČSOB Advisory, s.r.o. and ČSOB Nadácia (foundation). ČSOB Poist’ovňa, a.s. (insurance company) is a sister company of ČSOB.

The acquisition of OTP Banka Slovensko, a.s. will chiefly boost retail operations and market share in:

- o Mortgages (from 12.9% to 14.8%)
- o Consumer loans (from 4.7% to 8.2%)

Based on the group’s banking and insurance model, ČSOB Poist’ovňa, a.s., ČSOB Leasing, a.s. and KBC Asset Management will also benefit from the acquisition through cross-selling products and services to OTP Banka Slovensko’s retail customer base.

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

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