



CBC Annual Report 2015.

CBC Banque S.A.



Foreword

CBC is the independent French-speaking arm of the KBC group, a prominent Belgian financial group in Belgium and Europe. CBC offers private, professional and business clients a comprehensive service in the banking and insurance sectors.

A unique bank in a unique region, CBC fully embraces its role as a local economic player, with virtually 100% of its clients' savings reinvested in the local real economy through private and professional client loans.

CBC has been deploying its strategy in Wallonia since 2014 through its expansion plan. More than ever, the client is its top priority and CBC is seeking to be even closer, more accessible and more solution-driven.

In 2015, CBC continued to invest and participate even more actively in the development of its region and its inhabitants,

particularly in terms of employee recruitment, branch opening, client acquisition and client satisfaction.

Thanks to its financial solidity and its expansion policy, CBC has reported excellent results and even passed the historic milestone of 100 million euros in net profit in 2015.

**You've
decided to
move forward.**

**CBC has decided to move
forward with you.**



A meeting with Daniel Falque, CEO of KBC in Belgium and Chairman of the Board of Directors of CBC Banque & Assurance, and David Moucheron, CEO of CBC Banque & Assurance, for fresh perspective on a strategy that is bearing fruit, as the results show.

2015: a landmark year in many ways?

Daniel Falque:

From an economic perspective, 2015 promised to be a challenging year for the financial sector from the outset. Nevertheless, CBC had an excellent year, leveraging temporarily advantageous market

conditions, such as, on the one hand, a significant wave of mortgage refinancing at the beginning of the year linked to the continued decline in interest rates, and on the other, supportive financial markets until the financial crisis in China, which took hold in early summer. Above all, however, it is thanks to the

sales force, the undeniable quality of its employees and their local knowledge that CBC was able to fully benefit from these temporary external factors.

From a strategic perspective, 2015 was also the year in which KBC Brussels was created, a multilingual commercial entity of the KBC group in Brussels, reflecting both the Brussels and cosmopolitan identity of our capital. This strategic decision also underscores the regional focus of our group's business strategy in Belgium, which thus enables CBC to concentrate fully on its region: Wallonia.

David Moucheron:

CBC Banque S.A. reported operating income of 304 million euros and net profit of 73.9 million euros in 2015. If we add the contribution of the bank to other companies in the KBC group (in particular, investment capital, income relating to insurance and leasing), operating income then stands at 338 million euros (+8% from 2014). This income growth was affected by changes in deposits and investments and in our credit portfolio, which contributed 10 million euros (+11%) and 11 million euros (+9%) respectively to this growth. Its net profit stands at 100.6 million euros, i.e. a rise of almost 15% relative to 2014. These are excellent results driven by strong commercial activity.

In 2015, CBC granted 1.3 billion euros in loans to private clients, representing portfolio growth of 401 million euros (+15%). The Bank also granted 1 billion euros in new loans to businesses in Wallonia. CBC thus reinvests almost 100% of its clients' savings directly in Wallonia's economy (loan to deposit ratio of 94.7%). 90% of loan decisions are taken locally.

CBC's interest balance is positive and saw 3% growth thanks to an increased volume of deposits and loans. Despite the low rates, client deposits have continued to grow unchecked, particularly in savings accounts and demand deposits. The favourable market sentiment also proved beneficial for CBC Banque. It enabled it to fully embrace its investment

advisory role. CBC's assets under management thus totalled 15.4 billion euros (+2.8%).

CBC has very solid financial resources: its solvency ratio increased further (Common Equity CT1 Ratio: 18.9%) and reached a level that is twice as high as the Basel III regulatory requirement of 8%. CBC thus has the necessary resources to continue to fully conduct its activities of financing the economy in Wallonia.

Continuity: the strategy watchword for 2016?

Daniel Falque:

Continuity, yes, but within change! For a few years now, we have noticed a number of major changes taking place within our society, particularly as regards the expectations of consumers, who are becoming better informed and more demanding on a daily basis. This change is directly linked to recent technological innovations, with which everyone is familiar, and which will only gather speed in the coming months and years.

The KBC group pre-empted these changes, having identified them in time, and put in place a number of measures to respond to this profound change in consumers' patterns of consumption – even with regard to financial products. This is why we devised a new strategic plan for Belgium in 2013, unveiled it in 2014 and broadly implemented it in 2015. Clients are still very much at the forefront of our considerations. We want to be closer to them by being more accessible, while offering even more solutions and services. Hence the creation of our omni-channel distribution strategy, reflecting our client approach focused on empathetic listening. At CBC, as at KBC elsewhere, clients can now select the channel through which they wish to access their bank, with the option to change the means of access at any time. What means are there? It is of course possible to bank in-branch, but computer banking and mobile banking are also available, as well as many contact centres, which enable

our clients to speak to an actual person without having to leave home. With the help of the latest technological innovations, our various distribution channels will be able to interact in real time for the greater benefit of clients and to fulfil their individual needs as they arise.

David Moucheron:

CBC fully embraces the future. As a result of maintaining constant smooth growth over a number of years, we have been able to implement a sound, dynamic strategy for the bank and its region. CBC is a unique bank in a unique region. The Wallonia 2020 expansion strategy conceived by my predecessors is strong and all colleagues must now support it and above all drive it forward. I would like to take this opportunity to thank Fernand de Donnea for having led CBC to impressive heights, not only as CEO, but also throughout his career at the bank.

What is the 2016 outlook for Wallonia and more broadly at the macroeconomic level?

Daniel Falque:

In the medium term, the financial sector as a whole will be confronted by significant strategic and indeed structural challenges in a society notable for the speed rather than the extent of change underway.

The challenging state of play observed in the second half of 2015 is thus likely to persist in 2016 and, for that reason, the year promises to be a difficult one. The financial markets will continue to be unstable and we will be faced with four major challenges. On the one hand, economic activity will not remain weak, but fragile, with obvious repercussions both for our clients' risk profiles and their own business activities. This general sluggishness will lead to lower demand for credit and therefore a potential decline in the price of credit in general. This downward trend will be further accentuated by an increase

in the pool of liquidity on the market, which will continue to swell under the pressure of consumer saving.

Then, banks will continue to see a particularly low and flat interest rate curve, reflecting the monetary policy adopted by the European Central Bank, which is attempting to revive the European economy. And finally, banks will need to absorb the financial consequences of the wave of mortgage refinancing seen in 2014 and 2015. Thankfully, however, CBC has a number of tools available to it and, moreover, prizes its ambition for growth in the Walloon region highly, setting it apart from the rest of the sector.

David Moucheron:

Indeed, according to many experts, the outlook for expansion in Wallonia is very good. The objective of our strategic expansion plan is to achieve, between now and 2020, net profit growth of 33% and to acquire 80 000 new clients, i.e. a portfolio of 350 000 clients in 2020.

In 2015, CBC already accepted 21 000 new clients, which equates to 95 new clients a day. We intend to keep up this pace in the years to come. Furthermore, 31 employees joined the bank in 2015, as well as 14 new members of staff in insurance, including 8 new agents. The Louvain-La-Neuve branch has opened its doors and two new branches are set to open in 2016. Other points of sale will be relocated or renovated in order to better serve our clients. Finally, CBC will lay the first stone for its head office in Namur in April 2016, a key milestone in its expansion in Wallonia. Our move is scheduled for 2018.

Does a new CEO at CBC herald a new philosophy and new challenges?

Daniel Falque:

New challenges? Yes. A new philosophy? Not really. CBC is used to smooth growth as a result of prudent and well-considered decisions.

This approach has worked very well until now. CBC's effective risk management and remarkable financial performance in recent years speak for themselves. This is why we at CBC also like to talk about "change within continuity".

It is very important. The foundations and plans set down by David Moucheron's predecessor at the helm of CBC, namely Fernand de Donnea, who retired in December 2015, are therefore particularly solid. The same is true of the bank's management teams, which have been in place for many years and are therefore experts in their respective activities, their market and its continuous development.

The new CEO of CBC, David Moucheron, is brimming with energy and a genuine desire for progress, which explains why the CBC motto – "Decide to move forward" – suits him perfectly. The importance that he places on the human element – which motivates his staff and drives them to achieve – combined with his ability to fully understand the strategic and operational challenges inherent in his profession, meant that we were very quickly reading off the same page. Moreover, David's experience as CEO and the various professional avenues he has travelled will breathe new life into CBC. His gift for rallying teams to welcome change and achieve collective goals make him a CEO in whom I have complete confidence, as was the case for his predecessor. On behalf of the employees of CBC Banque et Assurance and the KBC group, I would like to take this opportunity to thank Fernand de Donnea for his remarkable personal contribution to making CBC what it is today.

David Moucheron:

In addition to the success of its expansion plan, CBC must further modernise itself while remaining true to its core identity. That will be our challenge in the years to come. We must navigate a successful digital transition to an omni-channel banking model, while avoiding the pitfall of becoming a fully digital, disconnected bank.

We must remain close and accessible to our clients and continue to demonstrate our capacity to offer them solutions – something we are renowned for. This is what sets CBC apart and will continue to set it apart in the future.

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**CBC,
our
bank.**



CBC
in brief.

Our profile: CBC Banque & Assurance

Typology	Bank-insurer
Geographical area	Brussels and Wallonia

Workforce

Banking	1.266
Insurance	194

Numbers of clients

Banking	290.697
Insurance	69.346

Number of points of sale

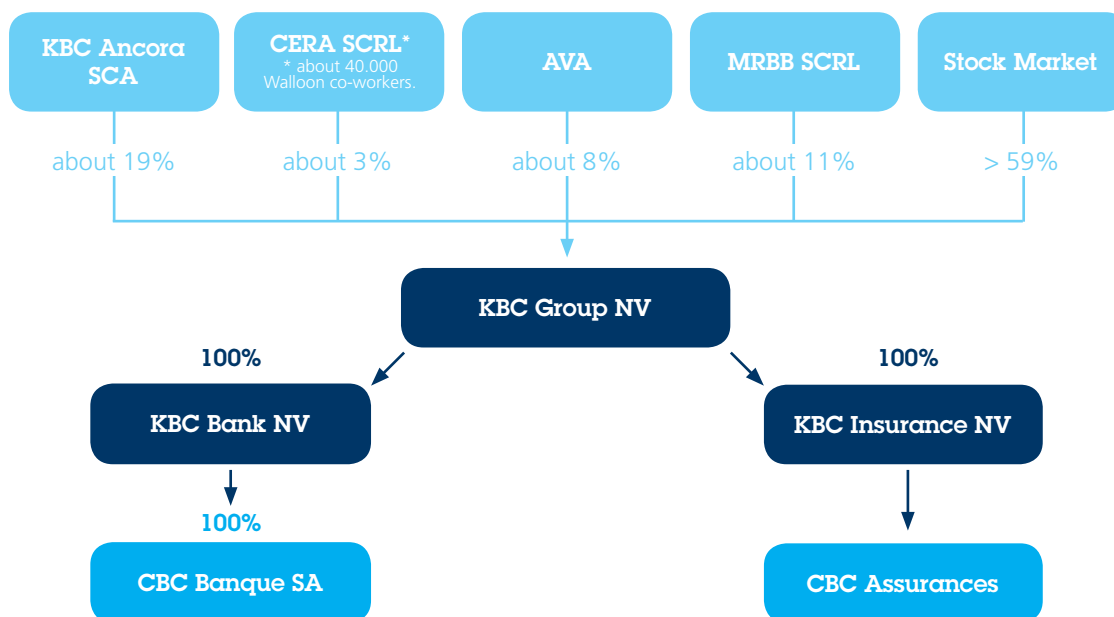
Bank branches	88
Insurance agencies	72
Private Banking Centres	7
Wealth Centre	1
Corporate Banking Centres	2
Public and Non-merchant Entities Centre	1

Banking Centres of Competence:

- Sales Desk
- Mergers and acquisitions
- State aid
- Asset structuring
- Asset-based credit
- Institutional centre

Shareholder structure

CBC benefits from the strengths of the KBC group (synergy in operations and product development) while maintaining a very high degree of strategic autonomy and its own identity.



Our ambitions

To be the **bank-insurer of choice** of **demanding** individuals and companies in Belgium's French-speaking region seeking a **genuine partnership** with their bank and/or insurer **based on** dialogue **and** added value.

Lines of strategy

- Regional economic stakeholder
- Bank-insurance
- Accessibility, local embeddedness and solution-oriented

Nearly
100% of our
clients' savings
reinvested in
our region.

90% of
decisions
taken locally.

CBC Banque's human strengths

- Our business focuses on our clients
- The acknowledged quality of our service and advice: clients give us a rating of 8.7 out of 10
- Workforce continuity: low staff turnover rate (2.52% in 2015)
- Branch managers at all our bank branches: supported by a loan officer, the branch manager directly takes 9 out of 10 decisions at local level
- Above-average levels of education for the sector: 89% of staff have a master's or bachelor's degree
- Very high-level continuing technical training focused on trade specialisations
- Training in using digital tools

High-performance channels for 24/7 accessibility

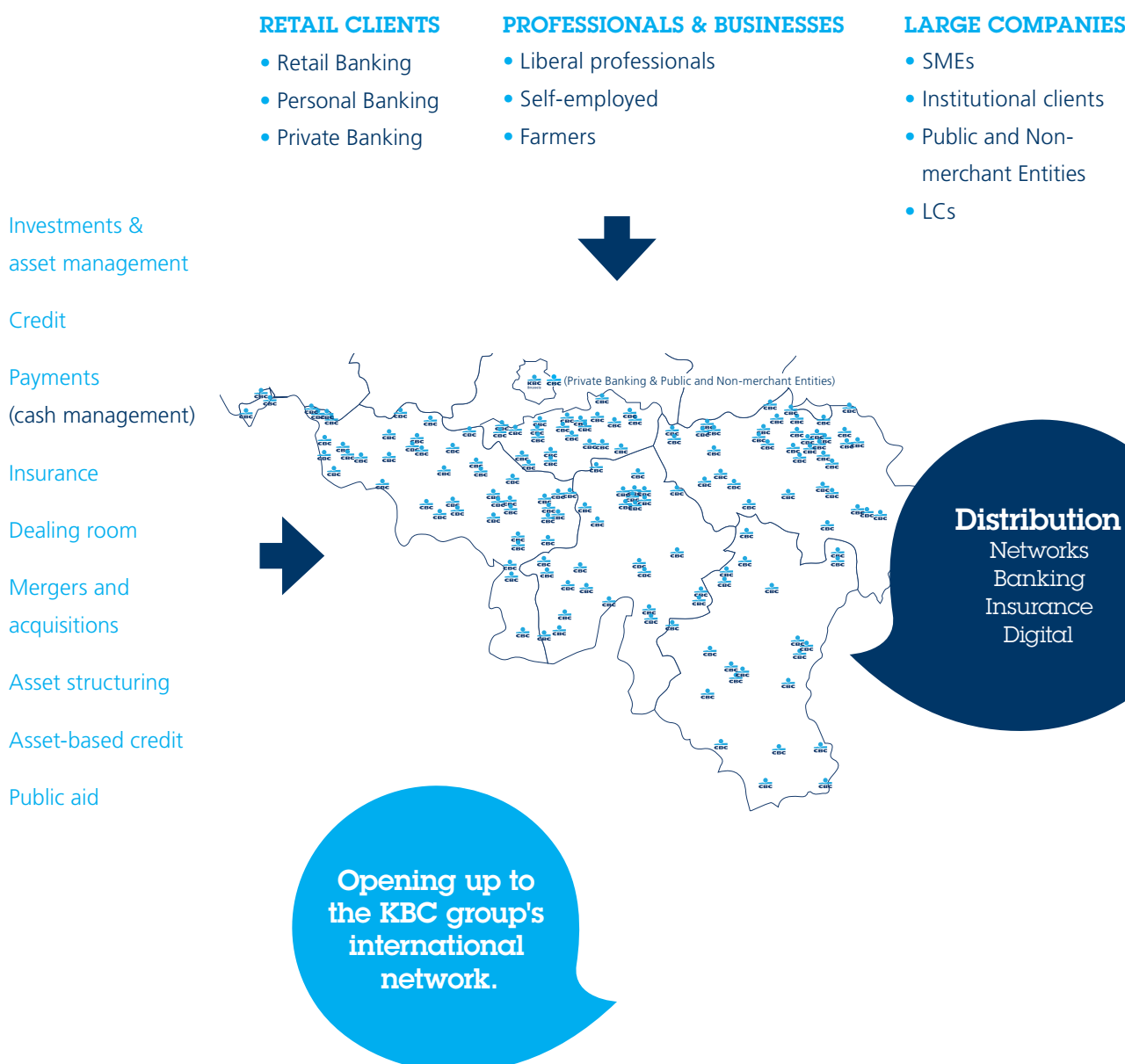


Our organisation

CBC Banque & Assurance is the French-language arm of the KBC group, an internationally operating Belgian group with a global network of 1 600 bank branches and a workforce of 36 000.

As a fully-fledged company with limited liability (Belgian société anonyme), CBC Banque is active in all banking and insurance sectors in Brussels and Wallonia. With a workforce of 1 500 staff members, CBC Banque & Assurance is a formidable economic player in its region, with around 100 bank branches and a little over 70 independent insurance agencies. CBC seeks to develop enduring relations with its clients, based on local embeddedness, accessibility and solutions with high added value.

CBC has seen steady growth in its earnings and net profits for a number of years, proving the effectiveness of its strategy and bank-insurance model. CBC sees itself as a universal bank providing services to a wide variety of clients. In Wallonia, CBC has a penetration rate of 6% among retail clients (9% in Personal Banking and 16% in Private Banking) and 23% among SMEs.



Our objectives

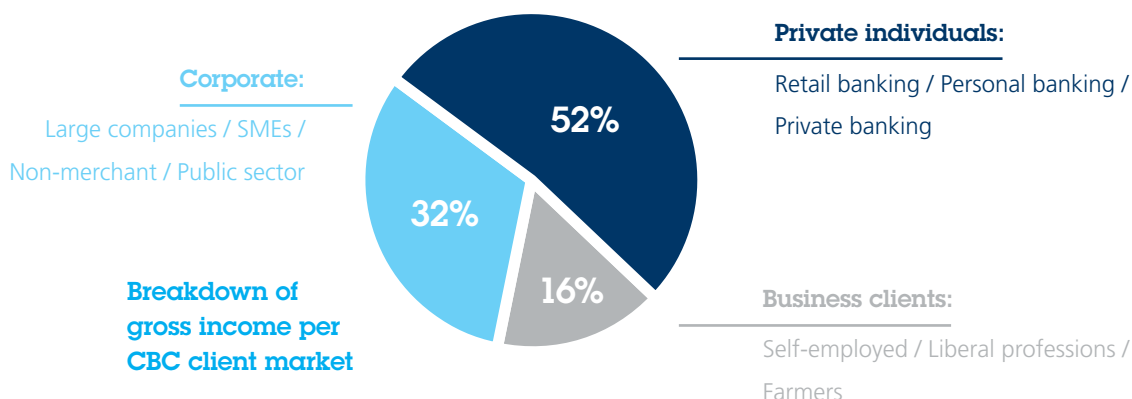
CBC seeks to pursue its growth and expand its market share in Wallonia. It is becoming clear that a new dynamic has been established in the Walloon Region in the past few years and CBC definitely wants to be a part of that.

Having unveiled its ambitious strategic plan, CBC is now taking action.

How?

- By striving for **client satisfaction**, putting them more than ever at the forefront of our considerations: being close, accessible and motivated to produce value-added solutions for them. In particular, CBC undertakes to ensure that each branch has its own general manager living in that region. As a local ambassador, the branch general manager truly gets involved in the thick of things at their point of sale and is the face of the bank as far as clients and prospects are concerned. From a more practical perspective, having a general manager present at each point of sale means that loan decisions in particular can be made quickly and consistently.
- Through its Expansion project, which is aimed at boosting growth with major investments in human capital, real estate (including new branches and relocating existing ones), and marketing and communication.
- Through client **acquisition**, achieved by being ever-closer to our clients and ever-more client-centric in what we do by providing them with bespoke solutions backed by our commercial strength and our competence centres, thus moving the bank-insurance model on to the next level.
- Through **client contact time**, devoting more time to clients by extending opening times and adopting an omni-channel approach and encouraging CBC staff movements in the field.
- Through **new technology**: the launch of a virtual branch, e-commerce, social networks, CBC-Touch and -Invest, CBC-Mobile Banking, Live-chat, co-viewing, etc.

Our approach: an expert for every client



Through our nine market segments, we seek to be a leading bank by offering our clients a high value-added, suitable service, tailored to them. In this respect, each client is served by a specialist contact person who speaks to them at their own level and forms their own privileged point of contact. Depending on their needs, clients may have various contact people, thus ensuring they are surrounded by a team of specialists.

On top of that, in order to respond to all our clients' needs, we have highly specialised competence centres. In addition to our "Mergers & Acquisitions" unit,

assisting clients in selling or buying businesses by offering guidance at every step of the process with highly advanced services covering the various forms of credit and cash management that are needed, we help clients with investments by offering them a unique service for obtaining public subsidies in the Walloon Region with our team of specialists based in Namur, helping them throughout the entire grant-application process.

We also offer a wealth structuring advisory service, in which lawyers are available to clients in order to support them fully in making their loan and investment decisions.

What our clients have to say!

When we purchased our first pharmacy in 2001, CBC supported us directly in our project. Since then, we have acquired new pharmacies together and carried out several real estate investments. Each time we have a new project, we receive the expertise and support of the CBC team. For us, personalised contact is paramount. A banker is above all an adviser and partner.

Thierry & Claire Bosser-Servais, Directors, Pharmacie de Messines SA & CETEBO SA

At CBC, staff understand the business and the problems faced by SMEs and the self-employed. We feel like we're talking with people who understand where we're coming from. It is also the only bank with an "expansion law" division (investment subsidies). This constitutes real added value and, as a tax adviser, it's very gratifying to be able to have my clients benefit from that. Their follow-up process has always been flawless, in terms of both the strategic approach and when assessing feasibility. The relationship managers are driven and creative. CBC projects the image of a bank that is deeply rooted in its core business.

Emmanuel Sanzot, accountant and tax adviser



Highlights 2015.

Net profit
€ 100.557.978

PCR
(Profit Center Return)
32%

CIR
(Cost Income Ratio)
55,3%

ROE
(Return On Equity)
13,27%

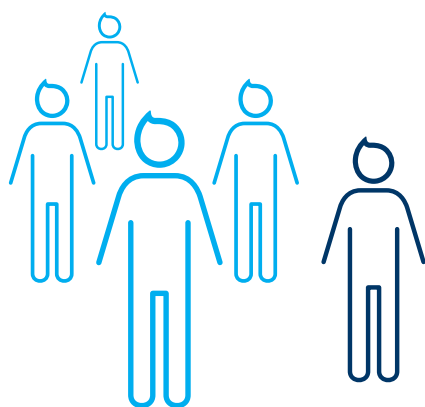
LLR
(Loan Loss Ratio)
0,08%

CET1
(Common Equity
Tier 1)
18,83%

**LTD
Customer**
(Loan To Deposit)
94,7%

Clients:

290.697



Of which new
clients: **20.979**

If the bank's contribution to the income of other KBC group companies (including insurance and leasing income, etc.) is deducted from these figures, the net profit is 73.9 million euros and the CIR is 62.5%.

A man with brown hair and glasses, wearing a grey suit, white shirt, and blue tie, is leaning over a desk. He is using a silver calculator with his right hand and holding a pen in his left hand. On the desk, there is a laptop on the right and some papers with charts and tables. A large blue speech bubble is overlaid on the right side of the image, containing the text "Management Report." in white.

Management Report.

Economic background



Bernard Keppenne
Chief Economist

Especially towards the end of the year, 2015 saw a surge in volatility on the stock markets, raising alarm bells for 2016.

Indeed, the factors behind this heightened instability will also prevail in 2016 and will distort forecasts and expectations. In fact, it barely took the first few weeks of the year to confirm that this would be the state of play.

Although the European equity markets turned in exemplary performances, three major events marred 2015: the Greek crisis, the fall in oil prices and the slowdown in China.

To start with, the first half of the year was punctuated by opposition between Greece – and its new prime minister Alexis Tsipras – and the other members of the euro area. It was only at the culmination of a struggle befitting Homer that an agreement was struck.

But this stand-off shed light on the EU's vulnerability. In 2016, it will be forced to reinvent itself if it wants to be in a position to resolve the migrant crisis, handle the desire for independence in certain regions and address the risk of a Brexit.

Next, falling oil prices had a profound impact on world growth, to the detriment of oil producing countries like Russia and Venezuela as well as US extraction companies and their providers. Keen to retain their market share at all costs, OPEC countries

stepped up output, triggering a huge shock to supply. With overproduction of around 1 million barrels a day, oil prices will be extremely slow to pick up, and especially as Iran will rejoin the market in 2016.

Finally, the slowdown in Chinese growth, resulting from a fundamental change in its growth model, did not come as a surprise, but the Chinese authorities' approach based on much trial and error left the financial markets unsettled. In late summer, after a period of euphoria on the Shanghai stock exchange, the renminbi's surprise devaluation caused it to plummet.

A number of fairly drastic measures to limit sales were employed to cushion the correction and a drop in yields. But it became abundantly clear that the Chinese manufacturing industry was undergoing a sharp downturn, with repercussions for all countries throughout the Asian region.

In conclusion, in a context characterised by these three factors, and especially by historically low oil prices, inflation is not expected to pick up again in 2016. This should encourage central banks to leave their rates unchanged throughout the year. The Fed is the only central bank likely to increase its interest rates, but in a slow and gradual manner.

Operating income from commercial activities

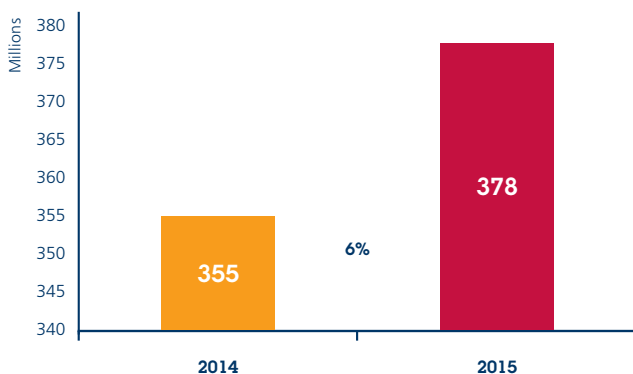
Trade income received and allocated

Operating income is separated into three profit centres: the CBC Wallonia part, KBC Brussels (CBC part) and the Brussels Major Corporates part (Apollo project). Operating income from commercial activities is generated by the cost accounting system. In the same way as banking income, it includes the income received by CBC Banque SA directly related to commercial activities.

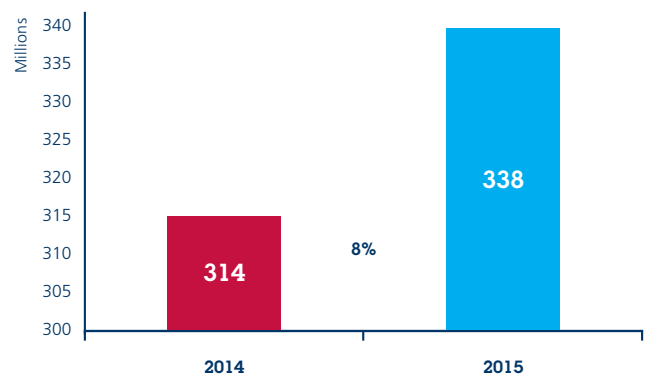
But, unlike banking income:

- It also includes the income allocated to CBC Banque & Assurance for its contribution to the commercial income of the KBC group (such as income relating to insurance, asset management, and leasing, etc.)
- Some income of CBC Banque not related to commercial activities and included in banking income is not taken into account here (for example, income from participating interests and the reinvestment of own funds is excluded).

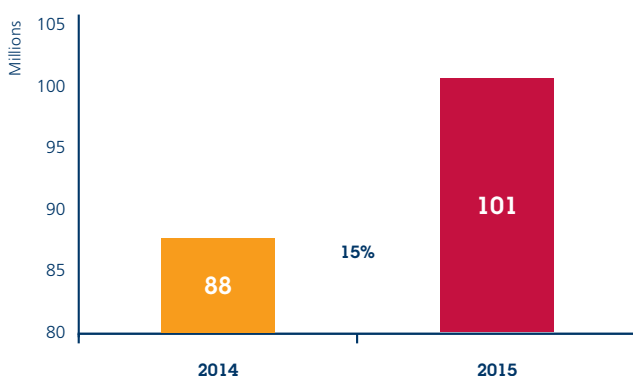
CBC PC total (previous scope)



CBC PC (new scope)



Net profit (CBC PC)

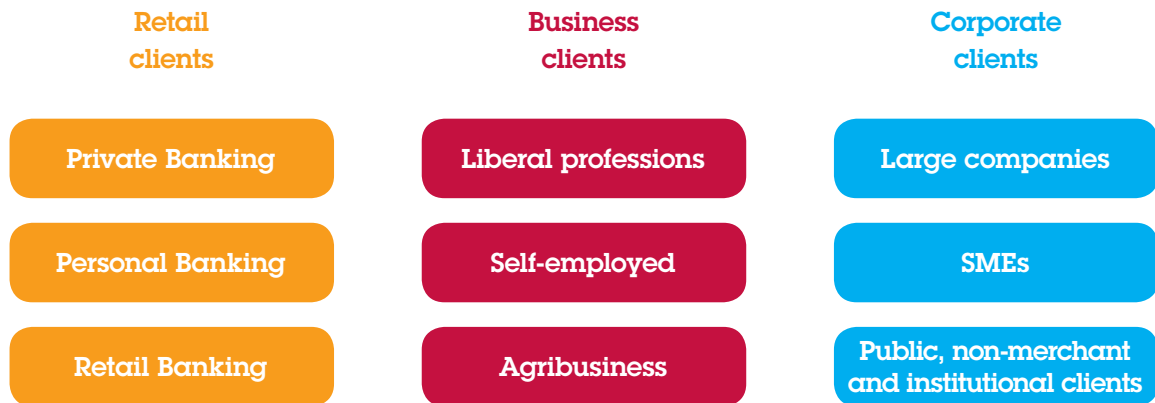


It can be seen that our return on sales has risen excellently, due to an increase in savings and investment income (+10 million euros, including interest margins and fees and commissions) and credit income (+10 million euros, including interest margins and fees and commissions).

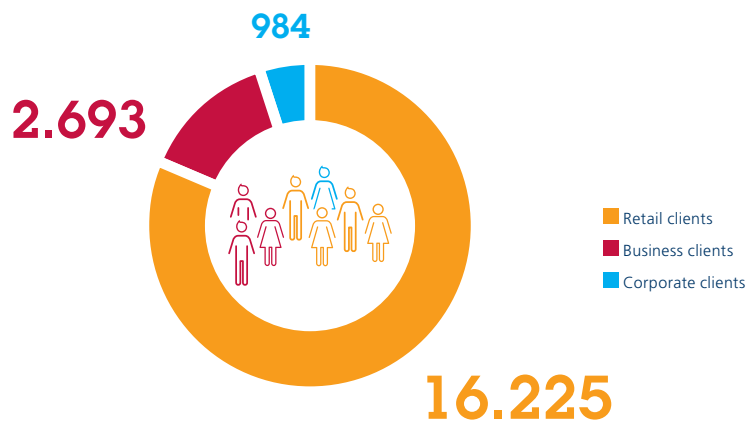
Markets (CBC PC)

CBC Banque's commercial activities are subdivided into three markets and nine segments, which use differentiated approaches to the bank's clients.

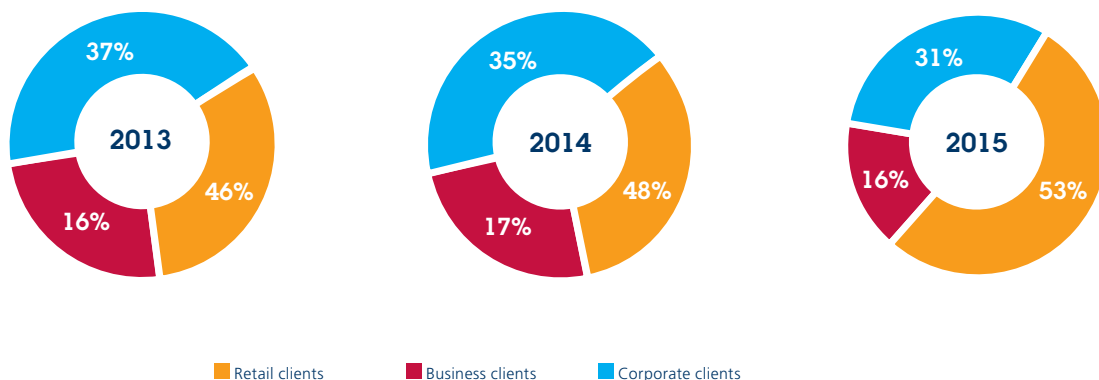
Markets/segments



New clients in 2015



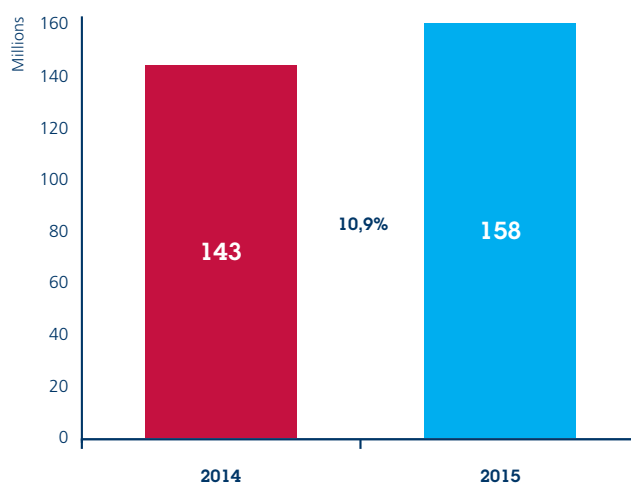
Breakdown of operating income by market



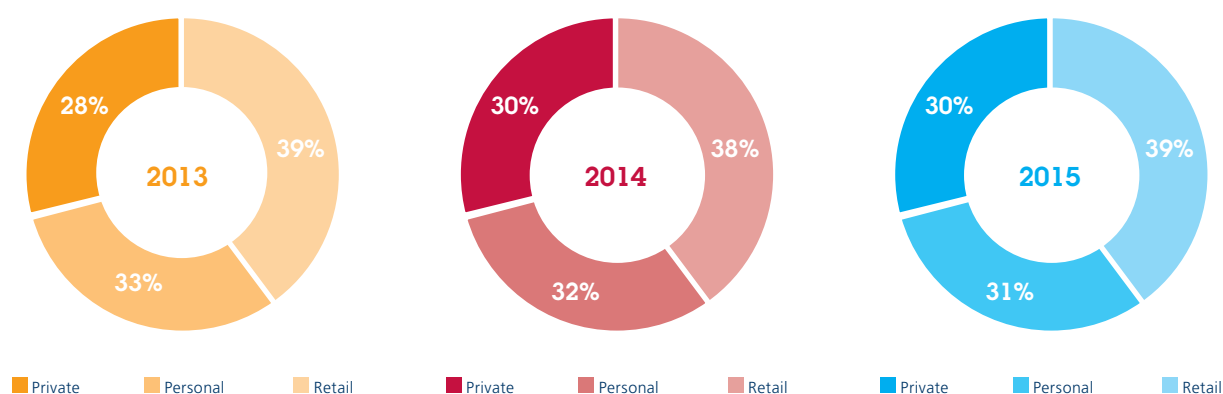
Change in operating income

Pro-active acquisition in 2015 (more than 21 000 new clients) contributed more than 40% of our earnings growth.

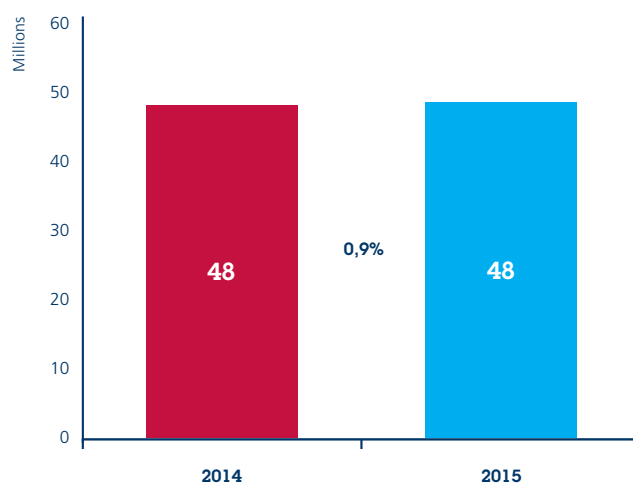
Retail Clients Market



Earnings growth mainly takes the form of mortgages (+6.9 million euros) and investment capital (+9.6 million euros). In addition, the rate of progress is fairly uniform among the three segments that make up the Retail Clients Market.

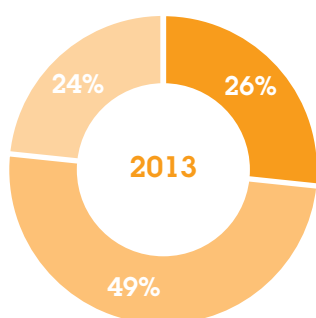


Professional Clients Market

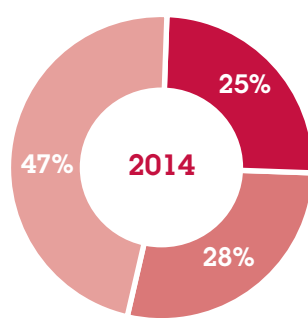


The market was heavily penalised by the fall in interest rates on current and savings accounts. At the same time, commercial credit activity remained buoyant throughout the year.

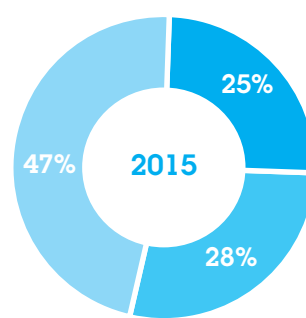
Profitability relating to the private needs of business customers grew by 16.4%.



■ Liberal professions
■ Agribusiness ■ Self-employed

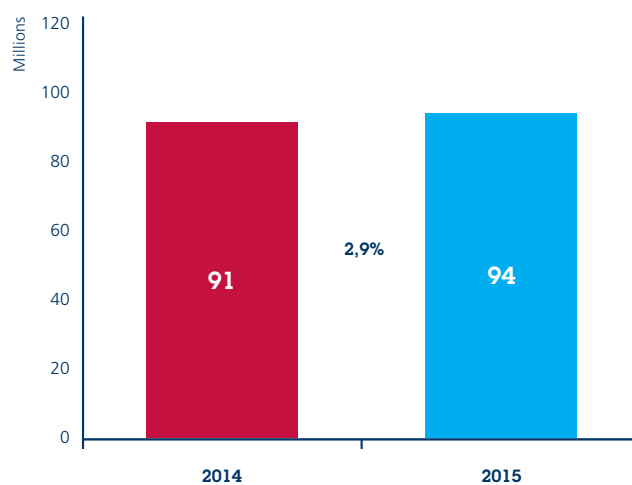


■ Liberal professions
■ Agribusiness ■ Self-employed

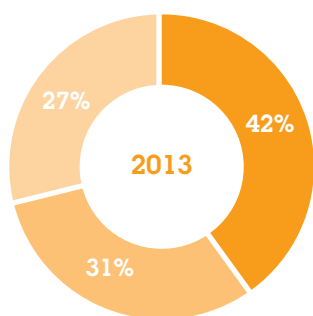


■ Liberal professions
■ Agribusiness ■ Self-employed

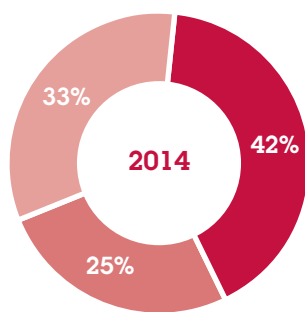
Corporate Clients Market



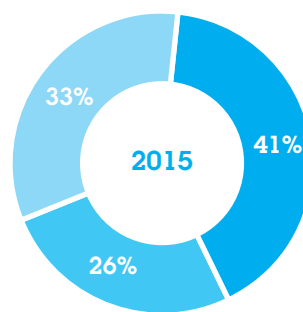
In 2015, the market's growth was supported by investment credit activity and activities performed by the trading room.



■ SMEs
 ■ Large companies
■ Public and non-merchant entities



■ SMEs
 ■ Large companies
■ Public and non-merchant entities



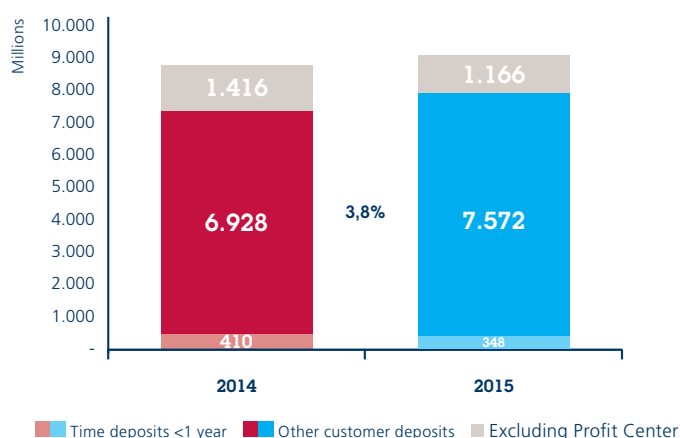
■ SMEs
 ■ Large companies
■ Public and non-merchant entities

Earnings from deposits

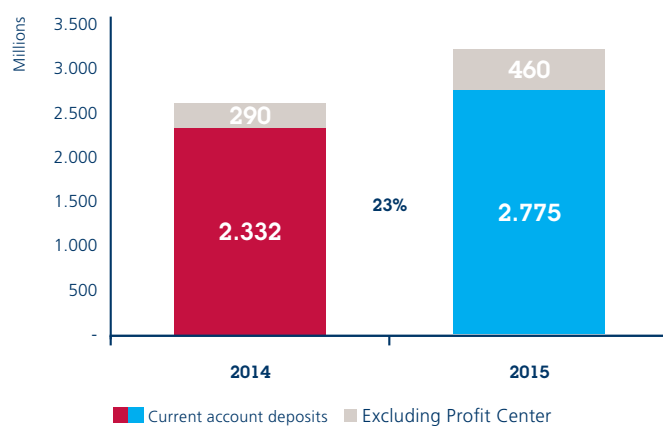
This covers all client deposits included in the CBC Profit Centre and generating interest income. This group therefore includes business deposits, demand deposits, and traditional savings products (i.e. regulated savings accounts, bank savings certificates and time deposits). Deposits from the Brussels part are included under the "Ex. Profit Centre" heading.

Client deposits

Client deposits continued to grow in 2015. This growth was more marked for demand deposits and savings accounts. Conversely, long-term deposits (subordinated debt and savings certificates included) declined (-12%).



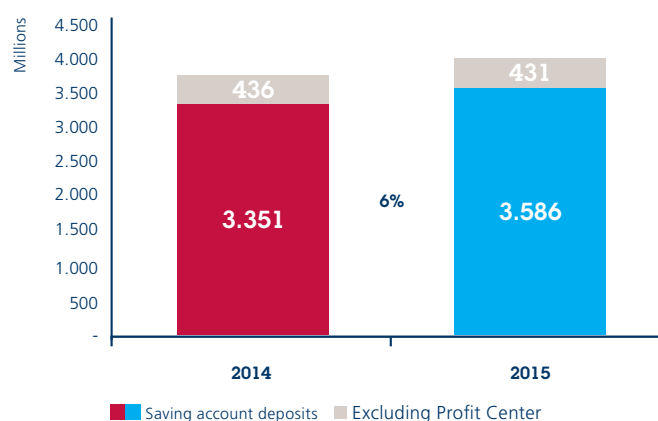
Current account deposits



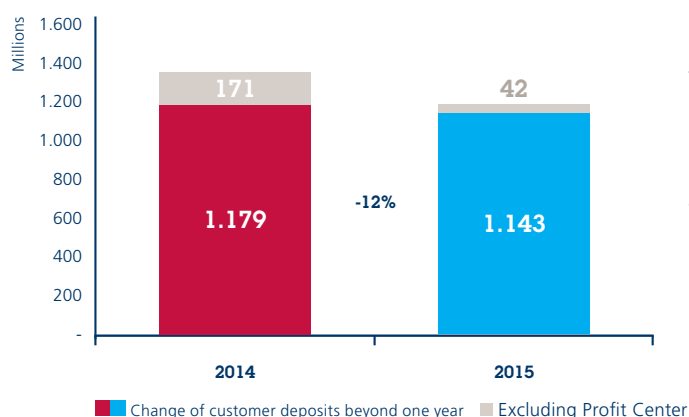
Current account deposits rose spectacularly in 2015. The growth can be explained by the acquisition of new clients and by specific campaigns to intensify relations with them.

Saving account deposits

In spite of the fall in rates that we saw in 2015, savings account deposits continue to grow (including interest), with the flexibility of the product making it very attractive.



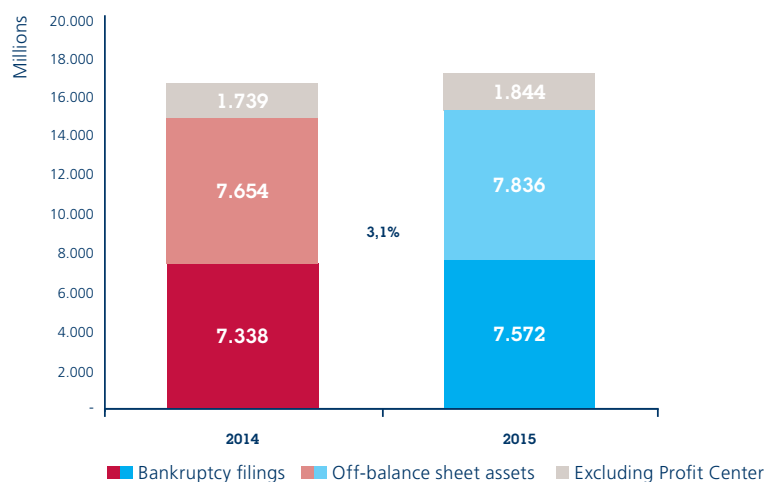
Changes in deposits with a maturity of more than one year



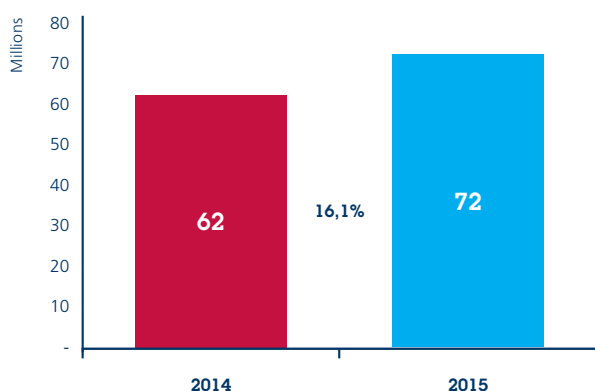
This year, as conditions were less attractive, deposits with maturities of more than one year declined by 40 million in the Profit Centre. The terms and conditions attached to these products are less attractive. The generally low interest rate environment is driving our clients towards other products.

Change in assets under control

Controlled assets include client deposits, securities deposited with CBC, and the volume of investment insurance held by our clients in Wallonia. The Brussels part is included under the "Ex. Profit Centre" heading.



Investment income

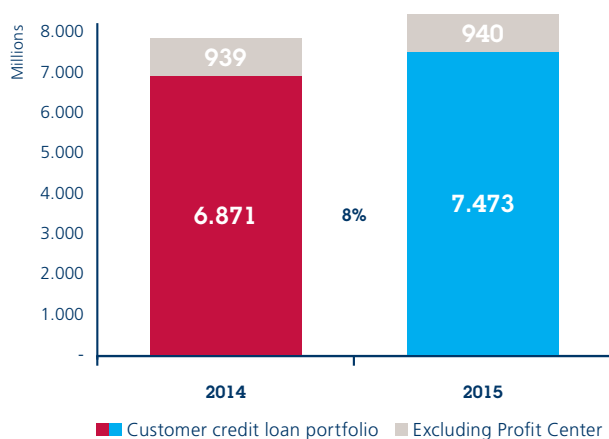


This group includes investment fees and management fees (cash + fees allocated).

The CBC Profit Centre showed strong performance in 2015 in respect of investment products. It was able to expand the activity of our clients in investment products such as open-ended investment companies (SICAVs) and class 21 or 26 insurance products.

Client loans

Total amount outstanding in the client loan portfolio

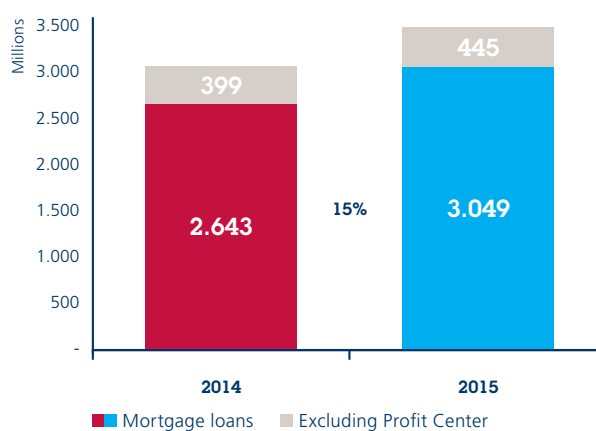


Despite a difficult economic context, the CBC Profit Centre significantly increased its credit portfolio in terms of both private and business loans. However, this rise is more marked for credit extended to private individuals.

Mortgage loans

Volume traded:

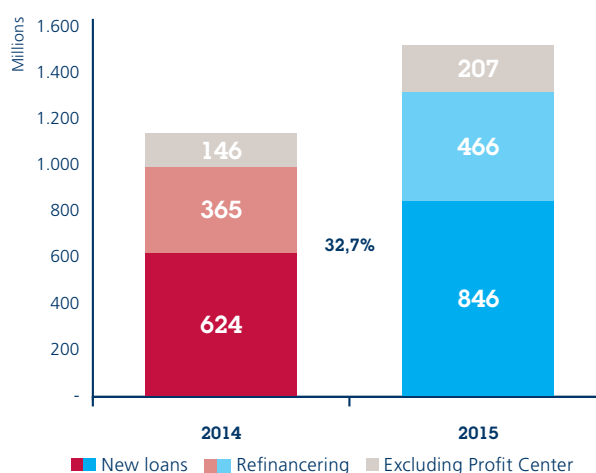
Thanks to the acquisition of many clients and the attractive terms and conditions offered, there was a sharp rise in the volume of mortgages traded.



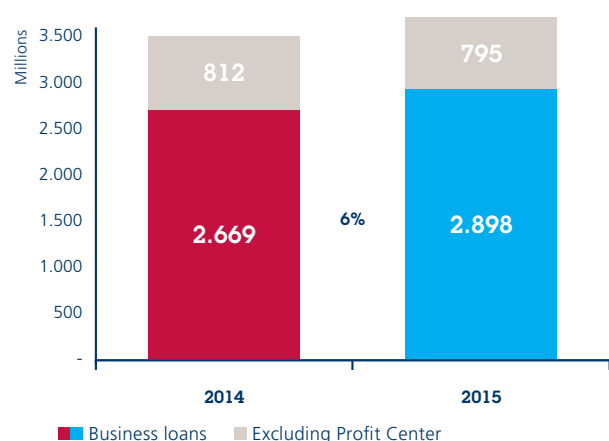
Production:

The production of mortgages saw impressive growth in Wallonia in 2015.

The macroeconomic environment and the attractive terms and conditions offered drew many clients, both for new loans and for refinancing.



Business loans



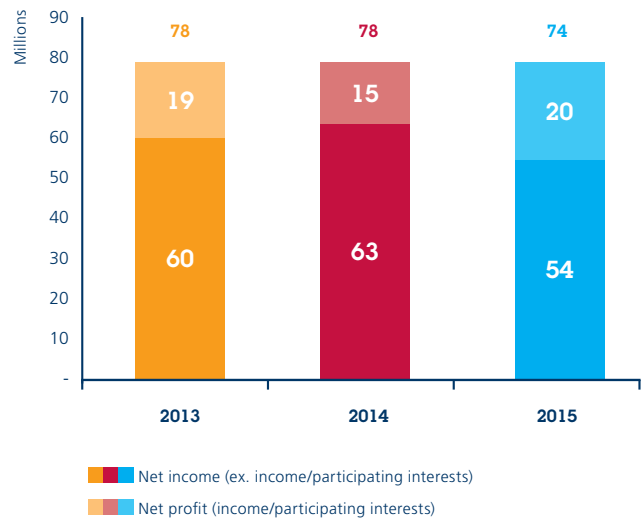
We saw a rise in investment credit in 2015 due to the acquisition of target clientele and the attractive terms and conditions offered.

5. Key figures – Belgian accounting standards (BEGAAP)

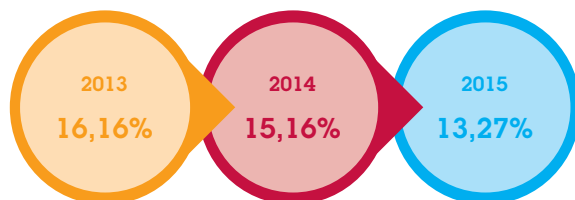
Change in net profit

Net profit (73 922 094 euros) was marked by:

- Interest margin growth (+5 million euros);
- Increasing net fee and commission income (+1.3%);
- Overheads rising but under control;
- Decrease in loan write-downs improving our Loan Loss Ratio



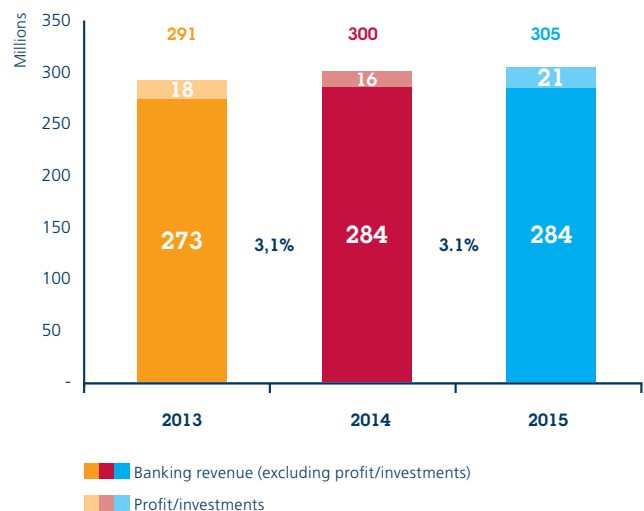
Change in ROE



There was a slight decline in our return on equity (ROE) owing to an equity increase and a slight decrease in our net profit.

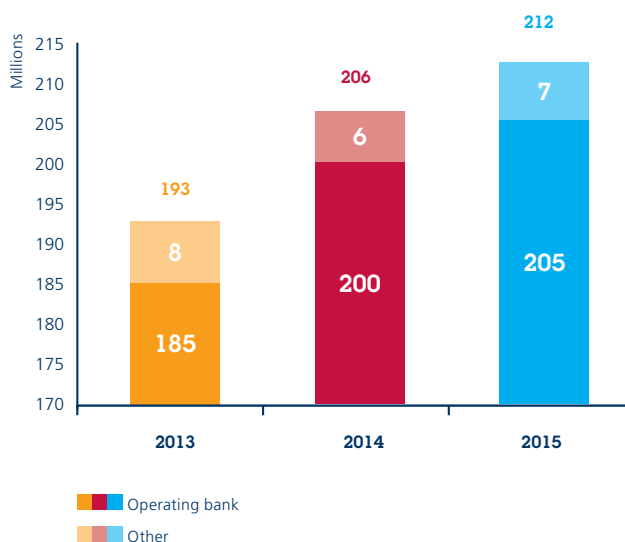
Banking income

Banking income rose 1.6% in 2015. This growth is attributed to income from participating interests.

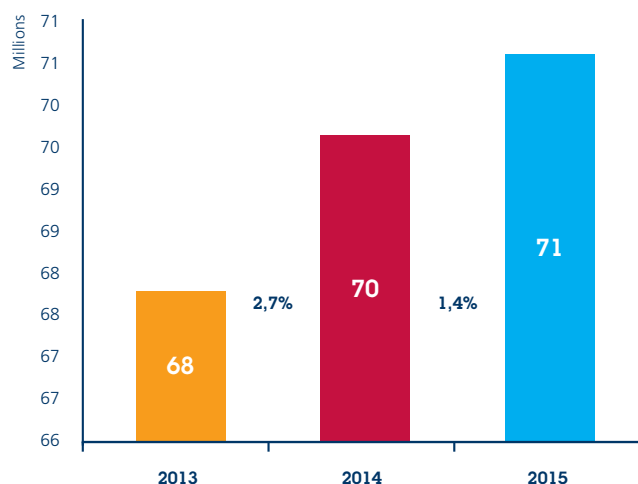


Net interest income

Total net interest income grew in 2015. This increase is due to the income from commercial activity. This can be attributed to a rise in deposit volumes (+4%) and an increase in advances to clients (+8%).

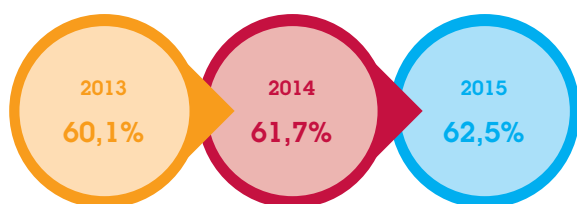


Net fee and commission income



Net fee and commission income was up in 2015. There was an increase in financial fees (+1 million euros).

CIR

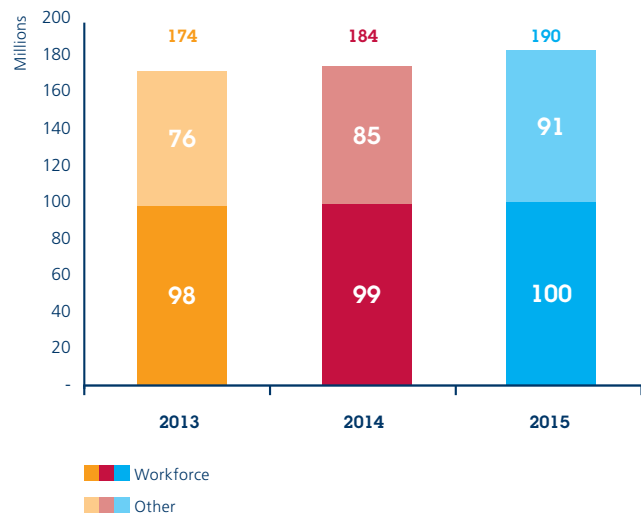


The CIR measures the ratio between total operating expenses and total current income.

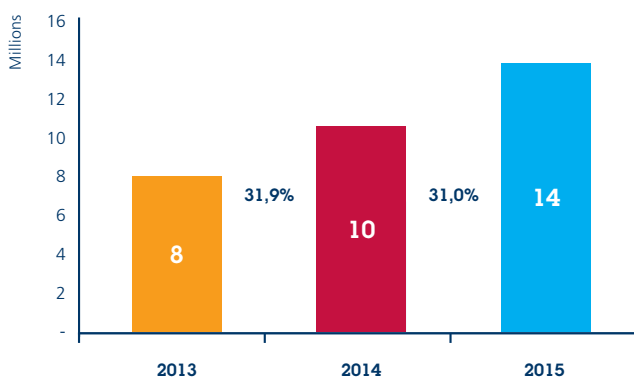
Operating expenses

Operating expenses remained under control this year.

Staff costs, CBC Banque's main cost driver, remained constant, while operating costs rose (+6 million euros) including more than 3 million euros attributable to bank taxes.



Bank taxes



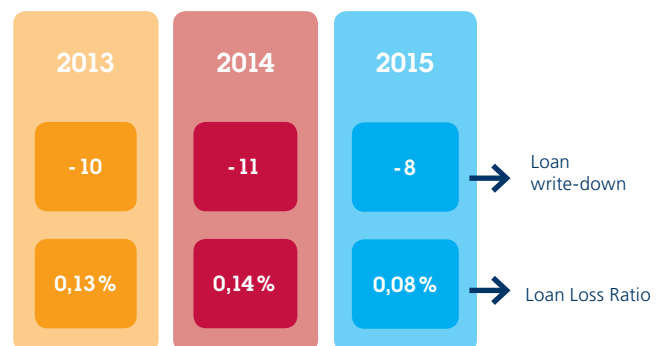
Under the bank taxes heading, we include our contribution to the Protection Fund, our contribution to the Stability Fund, the tax on credit institutions, the subscription tax on savings deposits and the European Resolution Fund.

There was an increase of more than 3 million euros:

- Clawback for the Special Fund (1 million euros in 2014)
- The European Resolution Fund (2.5 million euros)
- The refund of the tax on credit institutions (-1 million euros)

Loan write-downs

Despite the increase in credit assets, write-downs decreased by 3 million euros. Our Loan Loss Ratio thus improved to 0.08%.



**Risk
management
and control
structures.**



1

Risk management

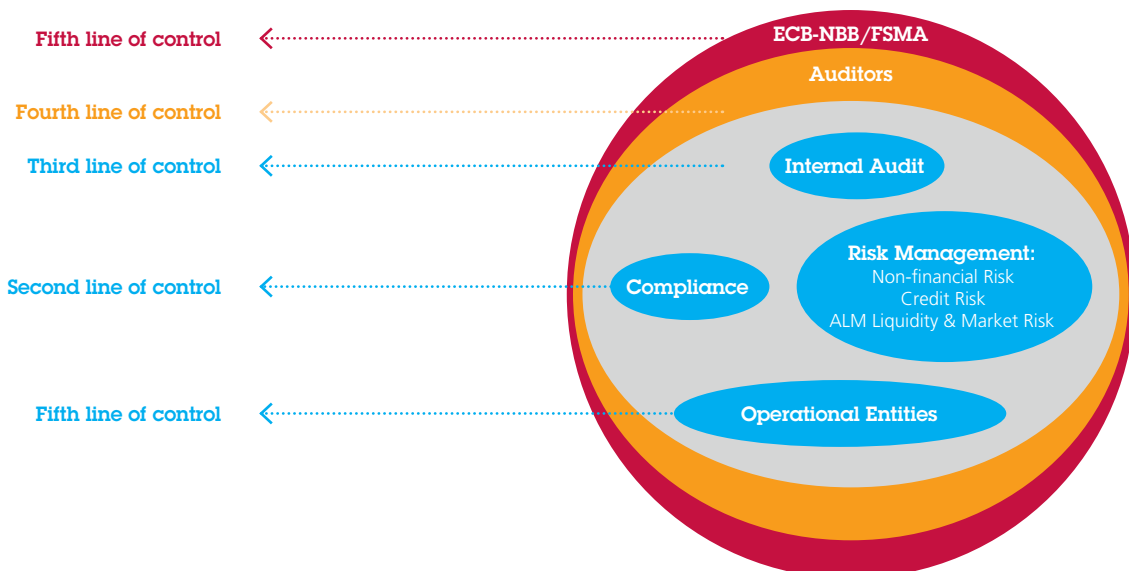
The risks specifically associated with the bank are essentially (1) asset and liability management (ALM) and market risk (including liquidity risk), (2) operational risks and other non-financial risks and (3) credit risk. Control and mitigation of each of these risks is one of the basic responsibilities of CBC Banque's management; these tasks are performed by its Executive Committee, composed in particular of the Chief Risk Officer (CRO) of CBC, who is also the CRO of the KBC Group Belgium Business Unit.

2

Risk Governance Model based on that of the KBC group

Risk management within CBC is part of the risk governance structure set up by and for KBC Group. Within this framework, dedicated Group committees oversee and recommend the methods to be used to assess structural risks. They are also responsible for monitoring these risks at Group level.

All in all, CBC Banque's control environment can be represented as follows:



Each [operational entity](#) takes charge of ensuring proper management of risks in its area by implementing rules, procedures, processes and controls (first-line controls).

Above this first line, specific functions have been set down within CBC for managing certain risks. [CBC Banque's Risk Management](#) (second-line control) has three separate components:

- [ALM & Market Risk](#) manages ALM risk and market risk, along with risk related to liquidity;
- [Operational Risk Management](#) (ORM) manages operational risk and other non-financial risks with the support of various operational risk managers spread over the bank's main areas of business;
- [Credit Risk Management](#) (CRM) manages the overall credit risks (decisions on individual loan applications are taken by the specific committees).

These three independent entities report to CBC's Executive Committee (which includes the CRO, among others), which is authorised to make decisions in compliance with the frameworks and regulations established within the Group.

[CBC Internal Audit](#) forms CBC Banque's third line of control.

Over and above its internal structure, CBC, just like any other Belgian financial institution, is subject to audits by its [company auditors](#) (the fourth line of control) and by the [European Central Bank](#) (ECB), the [National Bank of Belgium](#) (NBB) and the [Financial Services and Markets Authority](#) (FSMA), which constitute the fifth line of control.

Market risks and liquidity risk

Market risk is understood to mean the possibility of suffering a loss following unfavourable changes in the value of positions held by the bank on fixed income, foreign exchange or derivatives markets. CBC currently holds no equity portfolios and is therefore not subject to equity risk.

The liquidity risk is the risk stemming from failure by a financial institution to pay its debts and liabilities when they mature because it is unable to convert some of its assets to cash, or because it is not able to obtain refinancing at all or can only do so at a cost that is so high that it could have a substantial impact on the institution's future results and its economic value.

The Act on the status and supervision of credit institutions (the "Banking Act") has been in force since 1 January 2015. In principle, all credit institutions that collect deposits or issue securities within the scope of the Belgian system of deposit protection are prohibited from performing directly or via subsidiaries, any proprietary trading activity under its trading book. However, certain proprietary trading activities are excluded from the scope of this ban:

- the provision of investment services and ancillary services to clients, aimed at meeting their financing, hedging or investment needs,
- activities to hedge the credit institution's own risks or those of its subsidiaries,
- the sound and cautious management of the credit institution's liquid assets,
- the purchase or sale of financial instruments acquired with the intention of keeping them for the long term.

The foregoing applies provided that these activities are conducted in compliance with the bank's risk limits and in accordance with the control measures introduced. Within CBC Banque's dealing room, this results in a separation of Sales Desk and Local Treasury Front Office activities. Local Treasury Front Office is now an integral part of ALM.

Market risks are consequently divided by origin:

- ALM risks concern the management of market risks associated with the banking book's balance-sheet and off-balance sheet transactions.
- Residual market risks, which are not linked to ALM activities, are concentrated at the Sales Desk level.

The liquidity risk is monitored for the bank as a whole.

Asset & liability management (ALM) risk

Description

ALM risk involves the following types of risk:

- The banking book's currency risk is managed in such a way as to minimise any exposure thereto.
- The interest rate risk related to the collection of deposits (demand deposits, savings accounts, short-term notes and others) and the granting of loans by the branch network.
- The interest rate risk associated with holding an investment portfolio of bonds or interest rate swaps (IRS).

Methodology

- The bank's ALM rate activities are managed according to a system of market-based internal pricing for products with a fixed maturity date and a benchmarking method (replication portfolio technique) for products without a fixed maturity (demand deposits and savings accounts).

For the latter, on the basis of models established at KBC group level, the bank sets representative mixed maturities and key amounts that it is more or less certain to have. In this hedging position, operations to reduce interest rate risk are carried out largely through derivative products (IRS, but also swaptions and caps to hedge operational risks) on the inter-bank market or through internal lending/borrowing with other entities of CBC Banque that exhibit an inverse risk profile. The bank also has an interest rate transformation position (solely linear) intended to generate interest income, primarily by reinvesting equity. The major part of authorised ALM risks is concentrated in this position.

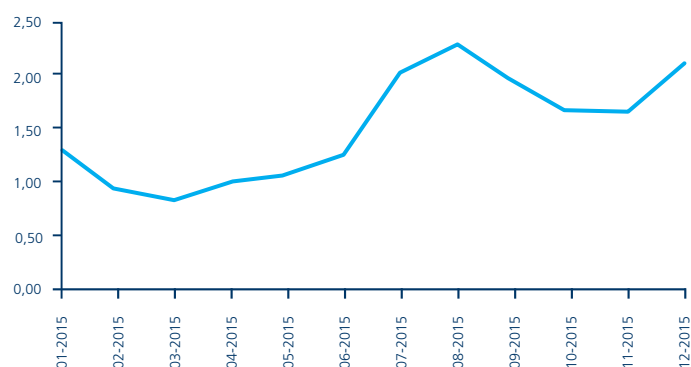
Within CBC Banque, the Executive Committee is responsible for managing these positions within the framework of activity limits established by the Group and the Board of Directors.

In order to gauge its linear risk, the bank uses techniques that monitor the market value (including basis point value (BPV)). The system is based on an overall limit and, for the Hedging Position, open position sub-limits (cumulative gap). The bank uses the Group's methodology to monitor non-linear risks. It measures the vega (sensitivity of the value of options to a 1% increase in volatility) for each class of maturity and strike. These limits are monitored weekly by the ALM unit and their use is reported once a month to the Executive Committee of CBC Banque.

A monthly stress test is also run to gauge the impact of a sudden 2% increase in interest rates on the institution's economic value, in accordance with the NBB methodology and the results are reported to the same Committee. Change in ALM risk in 2015

Throughout 2015, CBC maintained ALM risk at very low levels.

BPV - CBC Banque's ALM position (in millions of euros)



The graph shows the variation in the value of the ALM portfolio in the event of a hike of 10 basis points over the entire yield curve.

Liquidity risk

Description

The liquidity risk is managed by ensuring sound diversification of the bank's funding sources, maintaining a good balance between liquid and illiquid assets, and having adequate resources to contend with specific events that result in sizeable cash withdrawals.

Methodology

CBC manages its liquidity risk using the Liquidity Coverage Ratio in particular. This ratio assesses our capacity to withstand a severe liquidity crisis lasting one month. The bank must have sufficient liquid assets to accommodate potential cash withdrawals. The capacity of the depositor is taken into account in the calculation method.

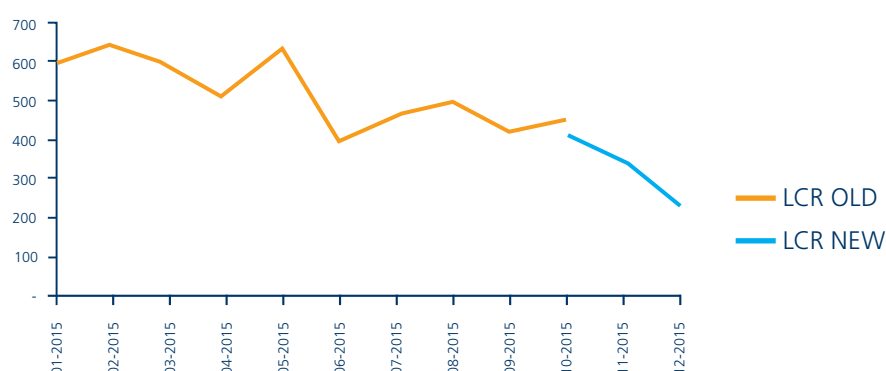
A number of other ratios designed to ensure a certain balance between commitments and financial resources, good diversification of funding sources, and other stress scenarios (for example the future Net Stable Funding Ratio) are monitored on a monthly basis and make it possible to take the necessary action in order to reduce CBC Banque's liquidity risk as much as possible.

Change in liquidity risk in 2015

According to the LCR ratio (116% at end-December), whose calculation method was adjusted in line with the regulator's requirements in October 2015, CBC's liquidity risk profile deteriorated while remaining significantly above the regulator's expectations (a ratio above 100% and therefore posting excess liquidity).

This deterioration is the logical and controlled outcome of our growth strategy, combined with the general weakness of interest rates, which favours investment products at the expense of deposits with a maturity of more than one year.

CBC Banque's LCR surplus (in millions of euros)



Sales Desk market risks

Description

Market risks not linked to ALM activities are concentrated at the Sales Desk level, whose primary business activity relates to customer service. These market risks are managed in such a way as to minimise them as much as possible.

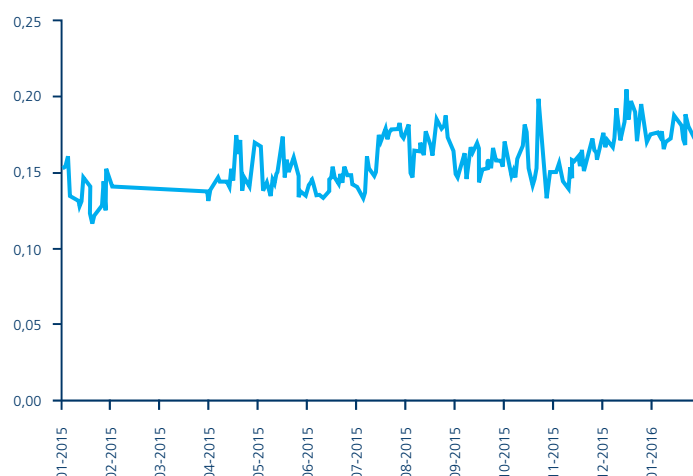
Methodology

To measure and monitor interest rate and foreign exchange risks in the dealing room, the bank uses the historical value at risk (HVaR) method. This method makes it possible to gauge, within a given confidence interval, the potential maximum loss that the bank might suffer during a given holding period. The bank uses the BRI standards (10-day holding period, 99% unilateral confidence interval and 500 days' past data) and historical simulations. This method is not based on assumptions regarding the distribution of price fluctuations or mutual correlations, but relies on an historical model covering the last two years. The reliability of the model is monitored daily through backtesting, which consists in comparing the HVaR with the results on the basis of a position that has not changed since the previous day, in compliance with the Group's rules.

Changes in the Sales Desk's market risk in 2015

As indicated in the description of the CBC dealing room's business activities, there is no significant risk at this level:

10 day Global HVaR history 1 year for CBC (in millions of euros)



This graph shows how, across all of the bank's residual dealing activities, the potential loss to CBC if it maintained its positions over ten days would, in 99% of cases, be lower than the level indicated.

Operational risk and other non-financial risks

Description

Operational risk is the probability of loss resulting from inadequate or failed processes and systems, human error or outside events. Operational risk excludes business, strategic and reputation risk.

Monitoring operational risk

- The operational risk management policy developed by CBC Banque is based on a system (covering methodology, governance, tools, etc.) developed by KBC Group.
- Development and implementation of this system are supported by a governance model whose major characteristic is line-management responsibility.

From 2010 onward, there was a Risk Management Committee (RMC) within CBC. Operational Risk Management reported to it every quarter. This Committee, which was created from CBC's Executive Committee and which also included the Chief Risk Officer of the Belgian Division of the KBC group and CBC, had ultimate responsibility for implementing the risk strategy and framework determined by CBC Banque and the KBC group. During the first quarter of 2015, following the appointment of the Chief Risk Officer of the Belgian Division to CBC Banque's Executive Committee, the RMC was dissolved and the Operational Risk Management entity instead reports directly to the Executive Committee.

Operational risk activities

Various tools are used, covering the entire range of operational risks:

- Loss Event Database: in 2004, the bank implemented a standard procedure for logging all losses in a central database. The Executive Committee receives a quarterly report on the various losses, with the major losses highlighted.
- Risk Scans (bottom-up and top-down). This type of exercise incorporates brainstorming sessions at which 'experts' analyse the risks inherent in their activities together with the operational risk managers and then work out action plans to mitigate the risks.
- Group key controls: between 2011 and 2015, particular attention was focused on defining group key controls relating to the procedures in place. Their aim has been to ensure uniform management of the major operational risks (key or killer risks) within the Group. The Group Key Controls are assessed by the business and by the local regulators. All the self-assessments are consolidated, reviewed and assessed at Group level to ensure consistency among the processes, the risks ascertained, the controls in place and the scores assigned. Each year, we report the results of our evaluations to the National Bank of Belgium through the Internal Control Statement in the KBC Group consolidated report.
- Case study assessment: the case study assessments make it possible to check the effectiveness of the controls in place for major operational risks ascertained in the financial sector. This tool was not used in 2015.

- Key risk indicators: these indicators are a tool for managing exposure to certain operational risks within the bank's units.
- Maturity Model: in 2014, the Group Operational Risk function developed a model to assist Group entities in implementing a mature control environment in which process improvements, controls and action plans are incorporated in daily banking activities in a more concrete way.

Operational risk management also includes:

- Business Continuity Management: the Business Continuity Manager (BCM) is part of the ORM entity. It ensures that all bank entities have drawn up/updated their continuity plans to be invoked in the event of a crisis. Tests for applying BCPs are organised annually for all of the units concerned. As in the previous year, a detailed analysis is available to prepare the bank and its employees for the risks of power outage and blackout.
- Information security management: the Information Security Officer (ISO) is part of the ORM unit. On the basis of instructions given by the parent company, it implements procedures within CBC linked to information classification and security. In conjunction with the bank's other units, the ISO publishes messages intended to make staff aware of the security issues surrounding information circulated within the bank and outside, provides support to the units on matters relating to cyber crime and also organises an annual exercise to rationalise access to the bank's IT systems.

Operational Risk under Basel II

The method developed to manage operational risk is the "Standard Approach".

Other non-financial risks

- Reputation risk: risk resulting from a negative perception by clients, counterparties, shareholders, investors, market analysts, regulators or any other parties and that may have a negative impact on a financial institution's ability to maintain or develop new relations and to obtain access to the various forms of funding. Reputation risk is a second-line risk insofar as it always stems from another risk. The impact of reputation risk is hedged by the portion of the capital hedging basic risks (credit or operational risk, etc.). The Reputation risk Management Framework was reviewed in 2015. It is the responsibility of the business unit, supported by various specialists (compliance, communication, etc.), to manage reputation risk proactively and responsively.
- Business Risk: this risk results from a potential negative deviation from the expected economic value arising from changes in the macroeconomic environment, the financial services industry and/or the markets in products and services, as well as from a resources mismatch.
- Strategic risk: this risk results from a decline in the value of the company due to the management's inability to adapt the company to environmental changes, due to an inadequate strategic decision-making process or due to poor implementation of the strategy.

Credit Risks (Credit Risk Management)

Credit risk: concept

Credit risk is defined as the potential loss on credit instruments due to non-payment or non-performance:

- by a borrower and/or joint borrower (under a loan)
- on the part of a guarantor or reinsurer,
- by a counterparty acting in the course of business or otherwise (in a business transaction).

Due to:

- insolvency or failure to pay or execute due to lack of diligence

or

- any events or measures taken by the political or monetary authorities of a particular country.

The concept of credit risk encompasses two major areas of the bank's activities:

- credit risks associated with the dealing room and international trade activities; and
- conventional credit business performed by the operating bank.

Managing and monitoring risks

Credit activities related to operations performed in the trading room and in external trade, particularly in relation to professional counterparties.

The limits for these activities are set and managed by the parent company, which determines the limits necessary for the bank's activities. These limits, as well as the amounts outstanding and any corresponding overdrawn, are second-line monitored at regular intervals by Credit Risk Management (CRM), and a quarterly report is submitted to the Executive Committee.

"Traditional" credit activities

- Risk models (PD, LGD, EAD, etc.): the bank uses models developed within the Group. These models are calibrated and approved specifically for CBC. They are audited by the Group after consultation with the various entities. These applications are used as the basis for calculating the regulatory capital and reserves. They are also used in determining decision-making levels, write-downs and pricing.
- Analysis of the risk of the credit portfolio: the analysis is done both on a static basis, i.e. a summary of the credit portfolio by risk category (probability of default (PD)) and from a dynamic point of view, i.e. changes in the PD over a given observation period. Changes in risk indices (e.g. Non-Performing ratio or Loan Loss ratio), pre-litigation activity and sector concentration are also monitored.

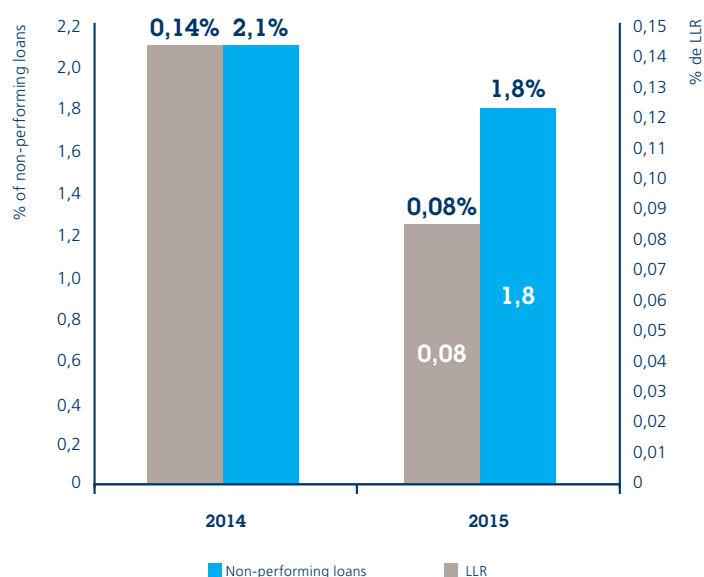
- Basel III reporting: equity reporting has been conducted since Q1 2014 according to the Advanced IRB approach (Basel III standards), which is based, among other things, on the modelled PD for each counterparty and on an LGD based in particular on the true position of guarantees on a case-by-case basis. The capital requirement is still currently capped at 80% of Basel I.

N.B.: Credit Risk Management, in collaboration with the Group, is responsible for monitoring application of the regulatory requirements within the bank.

- Provisions policy: monitoring of the bank's policy on write-downs in accordance with IAS rules. On 21 June 2012, CBC Banque's Executive Committee brought the statutory accounting policies into line with the consolidated IFRS accounting policies regarding write-downs.
- Ad hoc monitoring: as a result of the current economic climate, Credit Risk Management has adapted and fine-tuned the existing analysis tools. In consultation with the parent company, the CRM Unit contributes in particular to the development of Credit Risk Standards (which are/will be applicable at KBC Group level), which are the result of a number of recommendations made by the ECB following the Asset Quality Review (AQR) in which the Group and therefore CBC participated in 2014.
- Monitoring of forbearance rules: implemented in early 2014 on the recommendations of the ECB.

Some indicators

Changes in the Loan Loss Ratio (LLR) and non-performing loans (as a % of the CBC Banque's loan portfolio) in the last two financial years:



NB: "Non-performing" loans is understood to mean loans that are:

- Irrecoverable: i.e. disputed receivables;
- Doubtful debt overrunning or in arrears for more than 90 days;
- Doubtful, "unlikely to pay" debt: i.e. loans for which the bank is unlikely to be repaid.

Solvency ratios

Since 2014, the solvency ratio must be calculated in accordance with Basel III (in '000 euros):

	Bâle I			Bâle III		
	31-déc-14	30-sept-15	31-déc-15	31-déc-14	30-sept-15	31-déc-15
Montant des fonds propres						
Au sens strict (T1)						
Capital (+)	470.539	470.539	470.539	470.539	470.539	470.539
Réserves (+)	46.480	46.480	86.481	46.480	46.480	86.480
Bénéfice reporté (+)			18			18
Participations (-)	(88.959)	(99.815)	(100.373)	(52.919)	(52.443)	(52.200)
Ecart (-) entre la perte estimée & les provisions (-)				(16.466)	(11.656)	(9.222)
	428.060	417.204	456.665	447.634	452.920	495.616
Compléments (T2)						
Fonds interne (+)	0	0	0	0	0	0
Certificats subordonnés T2L (+)	14.020	3.164	2.607	14.020	3.164	2.607
Ecart (+) entre la perte estimée & les provisions (+)						
Participations (-)	(14.020)	(3.164)	(2.607)	0	0	0
Ecart (-) entre la perte estimée & les provisions (-)				0	0	0
	0			14.020	3.164	2.607
	428.060	417.204	456.665	461.654	456.084	498.222
Couvertures						
Actifs immobilisés	76.990	78.510	81.373	76.990	78.510	81.373
Fonds de tiers	205.532	214.533	214.371	205.532	214.533	214.371
Volume pondéré risques de crédit	6.513.072	6.872.840	6.882.304	2.270.066	2.124.455	2.190.068
Volume pondéré risques de contrepartie	70.919	61.938	60.419			
Volume pondéré risque de marché	17.077	18.375	17.897	17.077	18.375	17.897
Volume pondéré risque de livraison	0	0	0	0	0	0
Volume pondéré risque opérationnel				431.975	431.975	424.003
TOTAL Volume pondéré	6.601.068	6.953.153	6.960.620	2.719.118	2.574.805	2.631.969
Besoin en fds propres avec la règle transitoire soit vol. pondéré * 8% * 80%	422.468	445.002	445.480			
Coeff de solvabilité (T1 + T2) CAD Ratio				16,98%	17,71%	18,93%
Coeff de solvabilité minimum nécessaire pour la règle transitoire				15,54%	17,28%	16,93%
Coeff de solvabilité (T1)				16,46%	17,59%	18,83%
Excédent des fds propres par rapport à l'exigence des 8 %				244.125	250.100	287.665
Excédent des fds propres AVEC application de la règle transitoire				39.186	11.083	52.742
Grands risques						
Volume pondéré par contrepartie				115.413	114.021	124.556
Volume pondéré risques de crédit						
Etat, Régions, Communes	7.547	7.991	8.056	61.480	70.426	74.270
Banques	55.286	70.010	55.565	104.755	92.097	84.649
Autres contreparties	6.334.160	6.690.899	6.710.068	1.917.443	1.790.700	1.857.378
Autres actifs	116.080	103.941	108.614	186.388	171.233	173.771
	6.513.073	6.872.841	6.882.303	2.270.066	2.124.455	2.190.068
Exigences	521.046	549.827	550.584	181.605	169.956	175.205

In the calculation of solvency ratios under Basel I, items to be deducted are subtracted to the extent of 50% from Tier 1 capital and 50% from Tier 2 capital. In the calculation of solvency ratios under Basel III, items are mainly deducted from Tier 1. The items to be deducted consist essentially in participating interests in group companies and the difference between the estimated loss calculated based on the modelling and actual stock of provisions.

It is worth reiterating that the bank is required to report its use of equity in accordance with the two methods (Basel I and Basel III) to both the Banking, Finance and Insurance Commission (CBFA) and the National Bank of Belgium. Our use of equity is currently capped at 80% of Basel I, i.e. at 31-12-2015: 445.48 million euros versus our equity of 498.22 million euros.

Changes in the company's key missions

Compliance

Good governance and compliance with a strict integrity policy are part of CBC Banque's corporate culture. The company prizes honesty, integrity, high ethical standards and respect of both the spirit and the letter of the regulations in force.

The compliance function is an independent function within CBC Banque that seeks to prevent the risks that the bank could run or the damage that it could incur in the event that it fails to respect and/or comply with the laws, regulations and internal rules and procedures that fall within its areas of activity. The compliance function's principal task is to identify, analyse and assess the risks for each of them. As a second-line department, its role is divided into advisory and monitoring tasks:

- in its advisory role, the compliance function assists the commercial function in respect of risk management;
- in its monitoring role, it ensures proper application of the rules and legislation and implementation of and compliance with the various procedures in its areas of activity.

Following legislative and regulatory changes, the competences of the compliance function have been broadened. They now encompass the following areas:

- the prevention of money laundering (including the identification obligations imposed by the OFAC, FATCA, the Common Reporting Standards and the EU regulation on information accompanying the transfer of funds) and terrorist financing, the prevention of the financing of the proliferation of weapons of mass destruction and compliance with national and international regulations on embargoes;
- the prevention of tax fraud and particularly of specific mechanisms;
- the protection of investors including, in particular:
 - rules of conduct resulting from MiFID;
 - the prevention of market abuse;
 - the interests of account holders and rules on regulated savings;
 - rules of conduct concerning banking service, insurance and investment intermediation and the distribution of financial instruments and insurance products;
 - rules concerning the use of financial instruments belonging to clients;
 - monitoring client complaints handling;
 - rules on advertising and marketing;
 - rules pertaining to the ban on the marketing of certain financial products to retail clients;
 - rules on financial planning;
 - provisions of regulations concerning benchmark indices.
- privacy protection and the processing of personal data;
- ethical rules and fraud prevention:
 - codes of conduct and ethical values;
 - gifts and benefits policies;
 - corruption prevention policies.
- whistleblowing policy;
- compliance with anti-discrimination legislation;

- consumer protection, in particular the rules under the Economic Law Code (Books VI; VII and XVI);
- regulations concerning the financing of small and medium-sized enterprises;
- insurance policyholder protection; and
- aspects of governance under the Banking Act.

The compliance function's areas of activity also include the sector codes relating to the aforementioned items and, in general, those relating to reputation.

In 2015, CBC Banque continued to update the identification data of clients, their representatives and, above all, their beneficial owners. It also reviewed certain aspects of its investment advisory approach, particularly client profiling techniques, to better meet the FSMA's requirements.

Over the past year, special attention was paid to training and raising awareness among all members of staff regarding ethics and integrity. Several training sessions and a number of awareness-raising activities focusing on the prevention of money laundering, MiFID and AssurMiFID were organised. Some of these training sessions included tests in order to better assess the knowledge acquired by employees.

7 Inspection

In addition to network inspection visits and carrying out specific tasks arising from current conditions, the Inspection unit conducts period inspections centrally.

These local and central inspections aim to provide, at all bank management levels, an overview of the management and monitoring of operational risks (direct or indirect losses due to a mismatch or procedural failure), risks associated with staff members (error, malicious act or fraud) and risk linked to business activities (commercial disputes).

An exercise currently underway to create synergies between the KBC Inspection department and CBC Inspection department seeks to harmonise the respective methodologies while taking into account the differences that may remain on both sides in terms of directives, procedures, first-line controls, etc.

Internal audit


As the last line of control within CBC Banque, the task of Internal Audit is to ensure that the internal controls implemented by the various central functions adequately cover the risks inherent in the bank's business.

To this end, Internal Audit uses a methodology established by KBC Corporate Audit based on a risk approach and determining an audit universe, and implemented by means of procedures and applications common to all KBC Group entities.

The examination of the bank's various processes is done according to a multi-year cycle while adjusting the audit frequency to the level of risk in question. The risk level of each process is determined annually according to a dynamic, documented procedure.

Internal Audit takes a proactive role in the sense that it:

- helps the management to maintain effective and adequate internal control mechanisms, by evaluating their efficacy and fostering ongoing improvements;
- reports to the Audit Committee on its assessment of risk exposure, its evaluation of the internal control system, its opinion on aspects related to corporate governance, as well as on all other aspects of interest to the Board of Directors and the Executive Committee.

An aerial, high-angle photograph of a large, open pedestrian plaza. The plaza is paved with light-colored tiles and features a prominent grid pattern of darker lines. Several groups of people are walking across the plaza, their shadows cast long and dark on the ground. In the lower-left quadrant, a large, bright blue speech bubble is superimposed over the image. Inside the bubble, white text is centered and reads: "Information concerning the administration, management and supervision of CBC Banque." The text is in a clean, sans-serif font, with "Information" and "Banque." on separate lines, and "concerning the administration, management and supervision of CBC" in the middle.

**Information
concerning the
administration,
management and
supervision of CBC
Banque.**

Corporate governance information

In 2009, a new Belgian Corporate Governance Code was published at the initiative of the Corporate Governance Commission, replacing the 2004 code. KBC Group NV uses this new 2009 Code (the “Code”) as its standard.

The Code's aim is to encourage transparency on corporate governance by having all listed companies publish information in two separate documents: a corporate governance charter (Charter) and a corporate governance statement (Statement).

In the Charter, the company describes the main aspects of its corporate governance, in particular its management structure, the internal rules of procedure of the board of directors, its committees and the executive committee, as well as other important points.

KBC Group NV publishes its Charter on its website (www.kbc.com).

The Charter is a basic document to which all Group companies refer when defining key aspects of governance, and it therefore applies to CBC Banque in accordance with its size and business.

In 2015, the CBC Banque Board of Directors approved the updated version of the Group Internal Governance Memorandum, which includes the basic prudential principles to ensure good governance by defining the conditions that the management bodies need to satisfy, and thus comply with the various laws and regulations in force.

The Board also approved the new version of the Internal Rules of Procedure of the Executive Committee as well as the charter defining the role, missions and working method of the Remuneration Committee, an advisory body within the Board of Directors.

As regards the audit functions, the Board validated the updated version of the Internal Audit Charter resulting from the new Banking Act and from the principles set down by the Basel Committee, while taking into account the Group's Internal Audit strategy. The Board also approved the memorandum on the Integrity Policy, which has been extended to cover the new legislative and regulatory provisions and includes the concept of “conduct risk” defined by the European Banking Authority in the existing concepts. In addition, the Compliance Charter, which sets out the status of the Compliance function and its role and responsibilities, has been updated.

As announced in our previous report, following approval by the regulatory bodies, Ms M-A. Haegeman, Chief Risk Officer of CBC and the Belgium Business Unit has formally become a Member of the Executive Committee and was appointed Executive Director by the General Meeting of CBC Banque.

Composition of the board of directors

CBC Banque S.A.

Registered office: Grand-Place 5, 1000 Brussels

Directors

Daniel Falque, Chairman of the Board of Directors

Marc Debaillie

Jean-Pierre Depaemelaere, Independent Director

Franky Depickere

Johan Lema

Arnold van Wassenhove (until 30 March 2015)

Charles Van Wymeersch

Hans Verstraete

Sybille Mertens de Wilmars, Independent Director
(since 27 November 2015)

Executive Committee

Fernand de Donnea, Director

(until 29 February 2016)

and CEO of CBC Banque

(until 30 November 2015)

David Moucheron, Director

(since 1 September 2015)

and CEO of CBC Banque

(since 1 December 2015)

Pascal Deman, Executive Director

(until 30 June 2015)

Jean-Pierre Jansen, Executive Director

Denis Knaepen, Executive Director

(since 1 July 2015)

Marie-Anne Haegeman, Executive Director

(since 28 April 2015)

Honorary chairmen

Frans Florquin

(Honorary Chairman of the Board of Directors)

Baron Jan Huyghebaert

(Honorary Chairman of the Board of Directors)

Christian Deleu

Chevalier Richard Evers

Fernand de Donnea (from 1 March 2016)

Honorary directors

Luc Debaillie

Chevalier André M. de Patoul

Eric De Vos

Baron Donckels

Jean-Marie Gérardin

Baudouin Harmant

Philippe Marlier

Guido Poffé

Ignace Temmerman

	Board	Executive Committee	Audit, Risk & Compliance Committee	Remuneration Committee
Daniel Falque, Director Chairman of the Board of Directors	X			X ⁽¹⁾
Marc Debaillie, Administrateur	X			
Jean-Pierre Depaemelaere, Independent Director	X		X ⁽²⁾	
Franky Depickere, Director	X			X ⁽³⁾
Johan Lema, Director	X		X ⁽⁴⁾	
Charles van Wymeersch, Director	X			
Hans Verstraete, Director	X		X ⁽²⁾	
Sybille Mertens de Wilmars, Independent Director (since 27 November 2015)	X			X ⁽³⁾
Fernand de Donnea, Director (until 29 February 2016)	X			
David Moucheron, Director (since 1 September 2015), CEO (since 1 December 2015)	X	X	X ⁽⁵⁾	
Jean-Pierre Jansen, Managing Director, Member of the Executive Committee	X	X		
Denis Knaepen, Managing Director, Member of the Executive Committee (since 1 July 2015)	X	X		
Marie-Anne Haegeman, Executive Director, Member of the Executive Committee (since 28 April 2015)	X	X	X ⁽⁵⁾	

- (1) Chair of the Remuneration Committee and Nomination Committee
(2) Member of the Audit Committee and of the Risk & Compliance Committee
(3) Member of the Remuneration Committee and Nomination Committee
(4) Chair of the Audit Committee and of the Risk & Compliance Committee
(5) Member of the Audit Committee and of the Risk & Compliance Committee

Changes in the composition of the Board of Directors

Having expressed his intention to take retirement, Fernand de Donnea, Executive Director and CEO, stepped down from office but will continue to serve the bank as a non-executive director until the end of February 2016.

In accordance with the provisions of Belgian banking legislation and with the agreement of the competent control authority, David Moucheron assumed the position of CEO and has been appointed Director by the General Meeting for a period of four years.

Pascal Deman, Executive Director and member of the Executive Committee resigned and was replaced by Denis Knaepen in accordance with the internal and regulatory rules in force.

The Board also accepted the resignation of Arnold van Wassenhove, a non-executive director.

Marie-Anne Haegeman has been appointed Executive Director for a period of four years. She has become a member of the Executive Committee and acts as the bank's Chief Risk Officer.

Sibylle Mertens de Wilmars, an Independent Director within the meaning of the criteria established by article 526ter of the Belgian Companies Code and by the Belgian Corporate Governance Code and in accordance therewith, was appointed by the General Meeting to this role for a period of four years.

The Board of Directors, which is responsible for defining the general policy, monitoring the business activities and regularly assessing the management structure, the organisation and the bank's internal monitoring mechanisms, currently consists of 13 directors, including 10 non-executive directors (two of which having been appointed independent directors in accordance with the criteria of article 526ter of the Companies Code) and three executive directors.

Presentation of the new directors:

David Moucheron, born in 1973, has a law degree from the University of Louvain, Louvain-la-Neuve (1996), a diploma in tax law from Brussels Tax College (EHSAL) (1998) and achieved Master of Law from the Columbia Law School of New York (United States) (2000).

He embarked on his career as a member of the Brussels bar association at de Bandt, Van Hecke & Lagae (now Linklaters) and then worked as a management consultant at McKinsey & Company in Brussels from 2000 to 2005. In 2006, he was appointed sales director and member of the management team of Fortis Retail Banking, then secretary-general of the Executive Committee and Chief of Staff at Fortis Group (now BNP Paribas Fortis). Three years later, he became CEO of bpost banque, a joint venture between La Poste and BNP Paribas Fortis launched in 1995.

Denis Knaepen, born in 1971, has a European Baccalaureate from the European School of Brussels (1989), a degree in commercial and financial sciences from ICHEC, Brussels (1993), a Masters in administration and management from IAG-UCL, Louvain-La-Neuve (1994), a degree in tax management from the Institut Supérieur de Commerce Saint-Louis, Brussels (1997), holds an Executive Master in Finance from Solvay Business School (2007) and completed the Inter-Alpha Banking Management Programme at INSEAD (2014). He began his career in 1994 as a credit analyst at Crédit Lyonnais, where he occupied a variety of positions in the area of corporate banking. After six years, he joined Deutsche Bank, continuing to operate in the major corporates segment, and took on the management of corporate finance in the Belux region. In 2009, he became director of development at Puilaetco Dewaay Private Bankers

before joining CBC Banque three years later as general manager of corporate and institutional clients.

He is also a visiting professor at the Louvain School of Management, Louvain-la-Neuve and is responsible for the International Financial Management course.

Born in 1965, Marie-Anne Haegeman obtained a commercial engineering and corporate management degree from KU Leuven in 1988 and has completed a number of training programmes on ALM (2008-2013) and management: Inter-Alpha Banking Management Programme at INSEAD (2005), various training programmes organised within KBC and by Vlerick Management School (2006-2013) and an Ashridge leadership training programme (2013-2014).

She joined Kredietbank (now KBC Bank) in 1989 and was in turn responsible for the bank's accounting systems (1994) and management accounting (1998) departments and then for the KBC Group's financial support department (2002).

In 2007, she was appointed group director of ALM (asset & liability management) risk management. In 2011, she became treasurer of the group's insurance companies and in 2014 Chief Risk Officer (CRO) of the Belgium Business Unit and of CBC Banque. It was during her time in the latter role that she became a member of the Executive Committee of CBC Banque in 2015.

Sybille Mertens de Wilmars, born in 1969, holds a doctorate in economic sciences from the University of Liège (2002). Holder of the Cera Chair in Social Entrepreneurship and a member of the Centre for Social Economy, she lectures at HEC (University of Liège business school), where she runs the Social Enterprise Management specialisation of the Master in Management Sciences.

After producing a PhD thesis that led her to achieve a world first in the field of non-profit sector statistics by designing (in collaboration with the United Nations Statistics Division, the John

Hopkins University of Baltimore and the National Bank of Belgium) the first comprehensive satellite account of non-profit institutions, she gradually concentrated her academic career on three areas of research, which combine an economic sciences and management sciences approach: an assessment of the overall performance of (economic, social and environmental) enterprises, how these social enterprises are funded and social entrepreneurship. A speaker and consultant at national and international universities and institutions, Mertens is an author and co-author of numerous books and chapters of books, articles for scientific journals, research reports and other publications.

In addition to her vast scientific career, and more particularly with respect to the skills required to fulfil a mandate on the Board and its committees, we should highlight the experience she has acquired as a Member of the Advisory Committee of the Francophonie Institute for Sustainable Development (IFDD), a Member of the Board of Directors of Meusinvest (a public holding company) and a Member of the Credit Committee of Sowecsom (public investor in the market-oriented social economy).

Composition of the Committees within the Board: Members of the Audit Committee and of the Risk & Compliance Committee:

- Jean-Pierre Depaemelaere, Independent Director, introduced in the 2012 annual report;
- Johan Lema, introduced in the 2014 annual report;
- Hans Verstraete, Director, holder of a Master's Degree in Applied Economics and a graduate in fiscal sciences, Senior General Manager of KBC Assurances S.A. and member of the Management Committee of the Belgium Business Unit of KBC Banque & Assurance S.A.;

have, on the basis of their training, expertise and professional experience, the individual and collective competences required for the field of activities of CBC Banque as well as for the areas of accounting, risk management, audit and compliance. Similarly, they possess the knowledge, experience and

individual skills to understand and monitor CBC Banque's risk strategy and tolerance level.

Based on these same criteria, the Remuneration and Nomination Committees, composed of:

- Sybille Mertens de Wilmars, Independent Director, introduced above;
- Daniel Falque, Director, graduate in business, social and political science, CEO of KBC's Belgium Business Unit;
- Franky Depickere, Director, graduate in business and financial sciences and masters in financial business administration, Executive Director of Cera Beheersmaatschappij NV and Almancora Beheersmaatschappij NV and CEO of Cera CVBA;

are constituted in such a way as to enable them to arrive at a competent and independent decision on remuneration policies and practices, on incentives created for risk, equity and liquidity management and on the composition and working methods of administrative and management bodies, and in particular on the individual and collective expertise of their members and on the integrity, reputation, impartiality and aptitude of the latter.

Committees within the Board

In accordance with the provisions of the Belgian banking legislation of 25 April 2014 (the “Banking Act”), the Board of Directors of CBC Banque has established four separate committees, namely the Audit Committee, a Risk and Compliance Committee, a Remuneration Committee and a Nomination Committee. These committees have supervisory, evaluative, advisory and consultative functions for the Board of Directors, which retains decision-making authority. They are exclusively composed of non-executive directors (members) and each committee comprises at least one independent director within the meaning of article 526ter of the Companies Code. A member may not, however, sit on more than two of these advisory committees.

Audit and Risk & Compliance Committees

The two committees’ competences, organisation and reporting lines are similar, though their roles and responsibilities differ fundamentally.

The Audit Committee advises the Board of Directors on the integrity of the financial reporting and the effectiveness of the internal control and risk management systems, assists the Board by ensuring that necessary corrective measures have been taken, steers the internal audit function and oversees the external audit function.

The Risk & Compliance Committee advises the Board of Directors on (current and future) strategy and tolerance levels in relation to risks and on the (current and future) rules in relation to compliance, assists the Board in supervising implementation of these aspects and rules by the Executive Committee, ensures that prices charged to clients are in line with the business model and risk strategy adopted by CBC, especially that pertaining to potential reputation risks linked to such earnings, and supervises the risk management and compliance functions. The roles, responsibilities and operations of each of these committees are set out in a Charter ratified by the Board. This complies with the KBC Group’s rules of good governance

and satisfies the relevant requirements laid down by statute and regulation. Each committee consists of three non-executive members of the Board of Directors, including one independent director, as set down in article 526ter of the Belgian Companies Code.

Their chairmen cannot at the same time act in the same capacity on the Board of Directors. These committees meet at least three times a year. All the members are systematically invited to meetings. The committees may only sit if at least half their members are present.

The Chairman of the bank, the internal auditor of the bank and of the KBC Group, the statutory auditor, the Compliance Officer of the bank and of the Belgium Business Unit of the KBC Group and the Chief Risk Officer are also invited to attend. As part of their supervisory role at Group level, the chairman of KBC Group’s Audit Committee and the chairman of its Risk & Compliance Committee are automatically invited to meetings of each of these committees of CBC Banque.

Part of one of the annual meetings is held in the absence of the Chairman of the bank to enable the Internal Auditor, Compliance Officer and auditor to express their opinions freely and independently. During the final committee meeting of each calendar year, the frequency, dates and key points of the agendas for the meetings to be held during the following year are presented for approval.

The chairmen of these committees brief the Board of Directors on the committee’s deliberations. Both the Board and the Executive Committee receive copies of the minutes of committee meetings.

Every year, the committees review their composition, their working methods and the presence of the necessary expertise and experience, in accordance with the terms of their Charters and legal requirements.

The Board of Directors is informed of the results of these reviews and the improvements proposed.

Remuneration Committee

The Remuneration Committee advises the Board of Directors on the remuneration policy to be adopted and on any changes made thereto. It prepares the decisions regarding remuneration, and particularly remuneration that has an influence on risk and the management of the bank's risks and on which the Board of Directors must deliver an opinion and the remuneration of persons responsible for independent audit functions. It directly supervises the remuneration of such persons.

The Committee consists of three non-executive members of the Board of Directors, including one independent director, as set down in article 526ter of the Belgian Companies Code. It meets as often as is necessary but at least twice per year. The Chairmen of the Nomination Committee and the Risk & Compliance Committee are permitted to attend the meetings, but have no voting rights.

The Chairman of this Committee briefs the Board of Directors on the Committee's deliberations.

Every year, the Committee reviews its composition, its working methods and the presence of the necessary expertise and experience, in accordance with the terms of its own Charter and legal requirements. The Board of Directors is informed of the results of these reviews and the improvements proposed.

Nomination Committee

The Nomination Committee advises the Board of Directors regarding suitable candidates for the Board of Directors, its advisory committees and the Executive Committee. Its tasks are detailed in a Charter, which also describes its composition and working methods.

This Committee is chaired by the Chairman of the Board of Directors and consists of two other non-executive members of the Board, including one independent director, as set down in Article 526ter of the Belgian Companies Code, and one shareholder representative.

It meets as often as is necessary and at least once a year to carry out its recurring annual duties defined by law.

The Chairman of this Committee briefs the Board of Directors on the Committee's deliberations. The Board receives copies of the minutes of committee meetings. The Committee periodically reviews its composition and its internal procedures and reports on this to the Board of Directors, providing proposals resulting from this, where applicable.

Statutory auditor

Ernst & Young Réviseurs d'Entreprises SCC, represented by: Jean-François Hubin As decided by KBC Group and subject to approval by the National Bank and the Works Council of CBC Banque, the Board has agreed to undertake the necessary arrangements to submit the replacement of EY Entreprises by Price Waterhouse Coopers for a period of three years for approval by the General Meeting (+ a possible extension of two years) from the 2016 financial year. E&Y shall continue to act as auditor in the first quarter of 2016.

5

Total remuneration of the Board of Directors

The total amount of remuneration and directors' fees paid to the directors and executive directors for performance of their official duties at CBC Banque was 1 147 397.49 euros in 2015.

6

Proposed profit appropriation

After the requisite depreciation, write-downs and allocations to reserves, the net profit for the 2015 financial year was 73 922 093 euros, compared to 78 392 308 euros as at 31 December 2014.

In accordance with Article 34 of the Articles of Association and the group's policy, the following profit appropriation is proposed (in euros):

Profit for the financial year	73 922 093
Profit carried forward from previous years	4 162
Staff profit share	1 982 253
Directors' fees	0
Profit carried forward	44 704
Dividends	31 899 299
Reserve	40 000 000

The dividend will be payable as from 2 May 2016.

External offices held by officers of CBC Banque – 2015 financial year

In accordance with circular PPB-2006-13-CPB-CPA of 13 November 2006 issued by the Banking, Finance and Insurance Committee (CBFA), specific external positions held by directors must be disclosed in the annual management report.

This list only includes the external offices of the executive and non-executive officers exercised outside the group.

Officers of CBC Banque	Office held
Name: Marc DEBAILLIE Position: Non-executive director	Company name: AGROLY SA (until 01-04-2015) Place of registration: Belgium Office held: Director Activities: Wholesale food trade Registered on a regulated market: no Capital ties held: none
	Company name: DE BRABANDER VOEDERS (until 01-04-2015) Place of registration: Belgium Office held: Executive director Activities: Manufacture of feed Registered on a regulated market: no Capital ties held: none
	Company name: FIMADERO SA Place of registration: Belgium Office held: Director Activities: Ancillary service provider Registered on a regulated market: no Capital ties held: none
	Company name: HERELIXKA Place of registration: Belgium Office held: Executive director Activities: Meat processing and preservation Registered on a regulated market: no Capital ties held: none
	Company name: VECTURA S.A. Place of registration: Belgium Office held: Director Business activities: transport Registered on a regulated market: no Capital ties held: none
	Company name: SELECTA INVEST (until 01-04-2015) Place of registration: Belgium Office held: Executive director Activities: Management Registered on a regulated market: no Capital ties held: none

<p>Name: Pascal Deman Office: Executive Director</p> <p>Resignation: 30-06-2015</p>	<p>Company name: PAVOBUR NV Place of registration: Belgium Office held: Non-executive director Activities: Retail trade in pharmaceutical products in specialist shops Registered on a regulated market: no Capital ties held: none</p>
	<p>Company name: E. VANDEN BUSSCHE NV Place of registration: Belgium Office held: Non-executive director Activities: Retail trade in pharmaceutical products in specialist shops Registered on a regulated market: no Capital ties held: none</p>
<p>Name: Jean-Pierre DEPAEMELAERE Position: Non-executive director</p>	<p>Company name: DAF TRUCKS Place of registration: Netherlands Office held: Non-executive director Activities: Construction and sale of lorries Registered on a regulated market: no Capital ties held: none</p>
	<p>Company name: JPD CONSULT BVBA Place of registration: Belgium Office held: Director Activities: Management Registered on a regulated market: no Capital ties held: none</p>
<p>Name: Franky DEPICKERE Position: Non-executive director</p>	<p>Company name: ALMANCORA BEHEERSMAATSCHAPPIJ SA – ALMANCORA SOCIETE DE GESTION SA Place of registration: Belgium Office held: Executive director Activities: Management Registered on a regulated market: no Capital ties held: none</p>
	<p>Company name: KBC ANCORA COMMANDITAIRE VENNOOTSCHAP OP AANDELEN Place of registration: Belgium Office held: Executive director Activities: Holding companies Registered on a regulated market: no Capital ties held: none</p>
	<p>Company name: CERA CVBA Place of registration: Belgium Office held: Executive director Activities: Management Registered on a regulated market: no Capital ties held: none</p>
	<p>Company name: CERA BEHEERSMAATSCHAPPIJ NV Place of registration: Belgium Office held: Executive director Activities: Management Registered on a regulated market: no Capital ties held: none</p>

	<p>Company name: MIKO SA Place of registration: Belgium Position held: Independent director Activities: Coffee and packaging industry Registered on a regulated market: NYSE/Euronext Capital ties held: none</p>
	<p>Company name: EUROPOOL SYSTEM INTERNATIONAL BV Place of registration: Netherlands Office held: Director Activities: Packaging Registered on a regulated market: no Capital ties held: none</p>
	<p>Company name: FWR CONSULT CVBA Place of registration: Belgium Office held: Executive director Activities: Consultancy Registered on a regulated market: no Capital ties held: none</p>
	<p>Company name: BRS FONDS SCRL Place of registration: Belgium Office held: Executive director Activities: Subsidiary with the object of promoting sustainable development initiatives Registered on a regulated market: no Capital ties held: none</p>
<p>Name: Jean-Pierre JANSEN Position: Executive director</p>	<p>Company name: TRENDY FOODS FINANCES SA Place of registration: Belgium Office held: Director Activities: Confectionery and biscuit production Registered on a regulated market: no Capital ties held: none</p>
<p>Name: Arnold van Wassenhove Office: Non-Executive Director Resignation: 30-03-2015</p>	<p>Company name: JIMANO SA Place of registration: Belgium Office held: Executive director Activities: Real estate Registered on a regulated market: no Capital ties held: none</p>
<p>Name: Charles VAN WYMEERSCH Office: Administrateur non exécutif</p>	<p>Company name: CERA BEHEERSMAATSCHAPPIJ NV Place of registration: Belgium Office held: Independent director Activities: Management Registered on a regulated market: no Capital ties held: none</p>
	<p>Company name: LOCINVEST SA Place of registration: Belgium Office held: Representative Activities: Property leasing Registered on a regulated market: no Capital ties held: none</p>

	<p>Company name: AGROBOS TECHNOLOGY SA Place of registration: Belgium Office held: Representative Activities: Accountants and tax advisers Registered on a regulated market: no Capital ties held: none</p>
	<p>Company name: INVESTSUD SA Place of registration: Belgium Office held: Representative Activities: Holding company activities Registered on a regulated market: no Capital ties held: none</p>
<p>Name: Hans Verstraete Office: Non-Executive Director</p>	<p>Company name: SOMPO JAPAN NIPPONKOA INSURANCE OF EUROPE LTD Place of registration: United Kingdom Office held: Non-Executive Director Activities: insurance and pension funds Registered on a regulated market: no Capital ties held: none</p>
<p>Name: Sybille Mertens de Wilmars Office: Non-Executive Director</p>	<p>Company name: INNODEM SA Place of registration: Belgium Office held: director Activities: holding company management Registered on a regulated market: no Capital ties held: none</p>
	<p>Company name: INNODEM2 SA Place of registration: Belgium Office held: director Activities: fund management Registered on a regulated market: no Capital ties held: none</p>
	<p>Company name: INVEST SERVICES SA Place of registration: Belgium Office held: director Activities: investment firm Registered on a regulated market: no Capital ties held: none</p>
	<p>Company name: MEUSINVEST Place of registration: Belgium Office held: director Activities: investment firm Registered on a regulated market: no Capital ties held: none</p>

A photograph of two men in an office environment. The man on the left, with curly hair and a beard, is smiling and looking towards the camera. The man on the right, with straight hair, is looking off-camera to the right with a focused expression. A bright blue speech bubble is overlaid on the lower-left side of the image.

**Additional
data.**

Name

CBC Banque S.A.

Registered office

Grand-Place 5, 1000 Brussels, Belgium

Date of incorporation

A company formed on 9 January 1958, currently bearing the name CBC Banque (since 4 June 1998).

Unlimited duration

Governing law and legal form

A société anonyme (company with limited liability) incorporated under Belgian law that makes or has made public calls for savings.

Corporate object: summary

As provided for in Article 3 of its articles of association, the company's objects are any banking and financial transactions of any kind generally. The company may do anything that might help in any way whatsoever to achieve its corporate object providing always that, in doing so, it shall comply with the restrictive terms and conditions imposed on the activities of deposit banks by the consolidated royal decrees on banking supervision and the regulations for issues of stocks and securities.

Licensed by the Financial Services and Markets Authority

CBC Banque is licensed by the FSMA and is entered on the list of credit institutions. CBC Banque is registered with the FSMA under the number 017588A.

VAT No.

BE 403 211 380 - RLP Brussels

ONSS (Belgian Social Security) No.

30-271541-79

Bank account

IBAN BE37 7289 0006 2028 – BIC CREGBEBB

Websites and internet links

www.cbc.be

jobs.cbc.be

www.facebook.com/CBCBanqueEtAssurance

be.linkedin.com/company/cbc-banque-&-assurance

twitter.com/CBC_BE

www.youtube.com/user/CBCBanqueEtAssurance

Place where documents accessible to the public can be consulted

The bank's articles of association can be consulted at the Registry of Brussels Commercial Court and at the bank's registered office.

The annual accounts are filed at the Balance Sheet Centre of the National Bank of Belgium. The bank's annual report is available at www.cbc.be.

Capital

On 31 December 2015, the issued share capital was 145.7 million euros. It was fully paid up and represented by 2 989 625 registered shares with no par value.

Shareholder structure

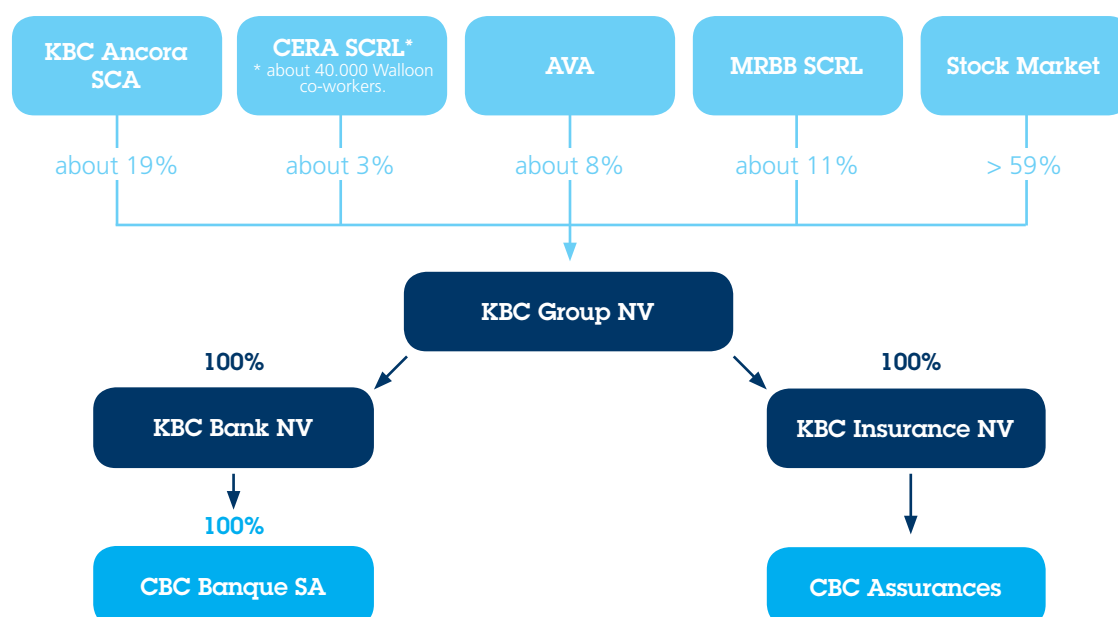
Name	Number of shares owned
a) declarant company:	
KBC Bank NV,	
Havenlaan 2,	
1080 Brussels	2.989.624
b) KBC Bank NV	
affiliate: KBC Securities,	
Havenlaan 12,	
1080 Brussels	1

	2.989.625

KBC Group NV: shareholder structure (source: www.kbc.com)

Notifications from:	Last update*	Number of ordinary shares
KBC Ancora	30 June 2015	77.516.380
Cera	30 June 2015	11.127.166
MRBB	30 June 2015	47.889.864
Other major shareholders	30 June 2015	31.768.376
KBC Group companies	30 November 2015	2

* Latest notification or update cf. the Law of 2 May 2007 (disclosure of significant participating interests) or the Law of 1 April 2007 (on takeover bids) or other notification to the public. Information regarding the number of shares at group companies is updated every month.



KBC Group NV

KBC Group was created on 2 March 2005 by the merger of KBC Bancassurance Holding and its parent company, Almanij. The simplified group structure comprises a single entity (KBC Group NV), which controls two underlying companies: KBC Bank and KBC Insurance.

KBC is an integrated bank-insurance group focused on serving retail, private banking, SME and mid-cap clients. Operationally, the group focuses on its core markets of Belgium, the Czech Republic, Slovakia, Hungary and Bulgaria. It is also present in Ireland and, to a limited extent, in several other countries to support corporate clients from its core markets.

As at 31 December 2014, the KBC Group had around 36 000 employees and around ten million clients worldwide.

A close-up photograph of a person's hands working on financial documents. The left hand is pointing at a bar chart on a document, while the right hand holds a silver pen, poised to write. The background is softly blurred, showing more documents and a bright, airy office environment. A blue speech bubble is overlaid in the bottom right corner.

**Annual
Accounts.**

BALANCE SHEET AFTER APPROPRIATION

	Note	Codes	Financial year	Previous financial year
ASSETS				
I. Cash, credit balances with central banks and post office banks		10100	35.912.477,54	38.332.192,80
II. Government securities eligible for refinancing with the central bank		10200	0,00	0,00
III. Loans and advances to credit institutions	5.1	10300	252.039.559,70	349.979.860,53
A. On demand		10310	78.507.122,09	70.001.517,45
B. Other loans and advances (with agreed maturity dates or periods of notice)		10320	173.532.437,61	279.978.343,08
IV. Loans and advances to customers	5.2	10400	8.413.469.343,90	7.809.105.818,27
V. Bonds and other fixed-income securities	5.3	10500	1.723.053.907,04	1.795.009.531,22
A. Issued by public bodies		10510	1.723.053.906,93	1.794.989.486,14
B. Issued by other borrowers		10520	0,11	20.045,08
VI. Shares and other variable-yield securities	5.4	10600	0,00	0,00
VII. Financial fixed assets	5.5/ 5.6.1	10700	103.233.802,78	103.235.005,78
A. Participating interests in affiliated enterprises		10710	102.966.337,91	102.966.337,91
B. Participating interests in other enterprises linked by participating interests		10720	12.896,24	12.896,24
C. Other shares constituting financial assets		10730	254.568,63	255.771,63
D. Subordinated loans and advances to affiliated companies and other associated companies		10740	0,00	0,00
VIII. Formation expenses and intangible assets	5.7	10800	0,00	0,00
IX. Tangible assets	5.8	10900	81.372.851,03	76.989.826,83
X. Own shares		11000	0,00	0,00
XI. Other assets	5.9	11100	26.135.874,79	33.819.106,60
XII. Accruals and deferrals	5.10	11200	233.023.405,56	274.163.279,45
TOTAL ASSETS		19900	10.868.241.222,34	10.480.634.621,48

	Note	Codes	Financial year	Previous financial year
LIABILITIES				
THIRD-PARTY FUNDS		201/208	<u>10.311.177.139,49</u>	<u>9.963.611.080,05</u>
I. Amounts owed to financial institutions	5.11	20100	923.048.028,32	819.258.866,42
A. On demand		20110	8.606.553,32	5.147.469,51
B. Amounts due as a result of rediscounting bills of exchange		20120	0,00	0,00
C. Other debts with agreed maturity dates or periods of notice	5.12	20130	914,44	814.111.396,91
		20200	8.987.217.303,26	8.621.468.056,45
II. Amounts owed to customers		20210	4.016.334.704,99	3.787.607.083,75
A. Savings deposits		20220	4.970.882.598,27	4.833.860.972,70
B. Other debts		20221	3.367.677.618,15	2.770.000.500,61
1. On demand		20222	1.603.204.980,12	2.063.860.472,09
2. With agreed maturity dates or periods of notice		20223	0,00	0,00
3. As a result of rediscounting bills of exchange	5.13	20300	92.858.604,75	74.496.521,83
III. Debt represented by a security		20310	92.858.604,75	74.496.521,83
A. Notes and bonds in issue	5.14	20320	0	0,00
B. Other		20400	73.411.955,00	118.646.487,65
IV. Other debts	5.15	20500	213.399.443,45	258.760.153,82
V. Accruals and deferrals		20600	14.771.158,14	13.128.150,60
VI. Provisions and deferred taxes		20610	14.771.158,14	13.128.150,60
A. Provisions for risks and charges		20611	5.261.342,43	6.325.152,82
1. Pensions and similar obligations	5.16	20612	1.883.823,04	0,00
2. Income tax expense		20613	7.625.992,67	6.802.997,78
3. Other risks and charges		20620	0,00	0
B. Deferred taxes		20700	0,00	0
VII. Reserve for general banking risks	5.17	20800	6.470.646,57	57.852.843,28
VIII. Subordinated liabilities EQUITY	5.18	209/213	<u>557.064.082,85</u>	<u>517.023.541,43</u>
IX. Capital		20900	145.662.647,07	145.662.647,07
A. Subscribed capital		20910	145.662.647,07	145.662.647,07
B. Uncalled capital		20920	0,00	0
X. Share premium account		21000	324.876.243,43	324.876.243,43
XI. Revaluation surpluses		21100	0,00	0
XII. Reserves		21200	86.480.488,60	46.480.488,60
A. Legal reserve		21210	14.566.264,71	14.566.264,71
B. Reserves not available for distribution		21220	18.966.608,35	18.966.608,35
1. For own shares		21221	0,00	0
2. Other		21222	18.966.608,35	18.966.608,35
C. Untaxed reserves		21230	12.063.804,32	12.063.804,32
D. Reserves available for distribution	(+)/(-)	21240	40.883.811,22	883.811,22
		21300	44.703,75	4.162,33
XIII. Profit (Loss) carried forward TOTAL LIABILITIES		29900	10.868.241.222,34	10.480.634.621,48

OFF-BALANCE SHEET HEADINGS**I. Contingent liabilities**

- A. Non-negotiated acceptances
- B. Guarantees serving as credit substitutes
- C. Other guarantees
- D. Documentary credits
- E. Assets subject to a security interest on behalf of third parties

Note

5.22

II. Commitments which could give rise to a credit risk

- A. Firm credit commitments
- B. Commitments as a result of spot purchases of transferable or other securities
- C. Unused portion of confirmed credit lines
- D. Securities underwriting and placement commitments
- E. Commitments as a result of open-ended sales and repurchase agreements

5.22
Je suis**III. Assets entrusted to the credit institution**

- A. Assets entrusted under a fiduciary regime
- B. Safe custody and equivalent items

IV. Uncalled amounts of share capital

Codes	Financial year	Previous financial year
30100	506.956.661,34	541.757.962,56
30110	1.972.134,90	112.304,70
30120	158.832.447,36	170.088.846,21
30130	309.466.351,22	324.419.753,12
30140	33.841.711,86	44.293.042,53
30150	2.844.016,00	2.844.016,00
30200	1.273.688.090,75	1.062.971.469,26
30210	0,00	12.077.925,00
30220	10.790,77	104.048,36
30230	1.273.677.299,98	1.050.789.495,90
30240	0,00	0,00
30250	0,00	0,00
30300	6.945.664.443,28	6.877.341.794,04
30310	230.296.734,23	210.121.404,30
30320	6.715.367.709,05	6.667.220.389,74
30400	0,00	0

STATEMENT OF INCOME (presentation in list form)

	Note	Codes	Financial year	Previous financial year
I. Interest and similar income	5.23	40100	311.44	324.93
A. On fixed-interest securities		40110	46.697.080,88	49.551.034,54
II. Interest payable and similar charges		40200	99.015.748,47	118.577.704,98
III. Interest income on variable-yield securities	5.23	40300	20.799.740,32	16.108.613,33
A. Shares and other variable-yield securities		40310	5,68	0,01
B. Participating interests in affiliated companies		40320	20.794.424,17	16.108.147,85
C. Participating interests in other associated companies		40330		
D. Other shares held as financial fixed assets		40340	4.845,00	0,00
IV. Commission income			465,47	465,47
A. Brokerage and related fees	5.23	40400	76.048.229,97	75.191.153,81
B. Remuneration for management, advisory and custody services		40410	54.199.525,87	52.952.087,97
		40420		
C. Other commissions received			3.080.300,89	3.281.351,44
V. Commissions paid		40430	18.768.403,21	18.957.714,40
VI. Profit (Loss) on financial transactions		40500	6.750.611,56	6.653.510,34
A. On foreign exchange transactions, trading in securities and other financial instruments	(+)/(-) 5.23	40600	-4.173.342,43	1.098.481,12
B. On the disposal of investment securities		40610	- 4.370.653,54	-2.533.493,77
		40620	197.311,11	3.631.974,89
VII. General administrative expenses		40700	173.707.395,11	167.824.610,95
A. Salaries, social security contributions and pensions		40710	99.849.403,43	99.406.366,45
B. Other administrative expenses		40720	73.857.991,68	68.418.244,50
VIII. Depreciation and write-downs on formation expenses, intangible and tangible fixed assets		40800		
IX. Write-downs on receivables and provisions for "I. Contingent liabilities" and "II. Commitments which could give rise to a credit risk" off-balance sheet items: increases (reductions)	(+)/(-)	40900	5.193.645,82	5.104.314,19
X. Write-downs on the investment portfolio of bonds, shares and other fixed-income and variable-yield securities: increases (reductions)	(+)/(-)	41000	-8.225.812,10	-11.429.977,23
XI. Provisions for liabilities and charges other than those included in "I. Contingent liabilities" and "II. Commitments which could give rise to a credit risk" off-balance sheet items: utilisation (write-backs)	(+)/(-)	41100	0,00	0,00
XII. Provisions for liabilities and charges other than those included in "I. Contingent liabilities" and "II. Commitments which could give rise to a credit risk" off-balance sheet items		41200	3.220.067,96	4.895.252,66
XIII. Transfer from (to) the reserve for general banking risks		41300	3.028.025,90	2.991.454,11
XIV. Other operating income	(+)/(-)		0,00	0,00
XV. Other operating expenses	5.23	41400	6.200.190,08	7.777.769,15
XVI. Profit (Loss) on normal activities before taxes	5.23	41500	11.720.285,83	12.547.796,28
	(+)/(-)	41600	105.893.571,87	104.876.864,86

	Note	Codes	Financial year	Previous financial year
XVII. Exceptional income		41700	0,00	36.615,83
A. Write-backs of depreciation/amortisation and writedowns on intangible and tangible assets		41710	0,00	0,00
B. Write-backs of amounts written down on financial fixed assets		41720	0,00	36.615,83
C. Write-backs of provisions for extraordinary liabilities and charges		41730	0,00	23
D. Gains on the disposal of fixed assets		41740	0,00	1.188
E. Other extraordinary income	5.25	41750	0,00	0,00
XVIII. Extraordinary expenses		41800	1.203,00	31.398,83
A. Extraordinary depreciation and write-downs on formation expenses and intangible and tangible fixed assets		41810	0,00	0,00
B. Amounts written down on financial fixed assets		41820	0,00	0,00
C. Provisions for extraordinary liabilities and charges (utilisation)	(+/-)	41830	0,00	0,00
D. Losses on disposal of fixed assets		41840	1.203,00	31.398,83
E. Other extraordinary expenses	5.25	41850	0,00	0
XIX. Profit (Loss) for the financial year before taxes	(+/-)	41910	105.892.368,87	104.882.081,86
XIX (a). A. Transfer to deferred taxes		41921	0,00	1.703.074,67
B. Transfers from deferred taxes		41922	1.423.391,13	0,00
XX. Income taxes	(+/-) 5.26	42000	33.393.666,77	24.786.698,82
A. Income tax expense		42010	33.502.537,05	26.802.211,65
B. Tax adjustments and write-backs of tax provisions		42020	108.870,28	2.015.512,83
XXI. Profit (Loss) for the financial year	(+/-)	42100	73.922.093,23	78.392.308,37
XXII. Transfer to (transfers from) untaxed reserves	(+/-)	42200	0,00	0,00
XXIII. Profit (Loss) of the financial year available for appropriation	(+/-)	42300	73.922.093,23	78.392.308,37

APPROPRIATION ACCOUNT

	Codes	Financial year	Previous financial year
A. Profit available for appropriation(loss to be recognised)	(+)/(-) 49100	73.926.255,56	78.392.308,37
	(+)/(-) (42300)	73.922.093,23	78.392.308,37
1. Profit for the year available for appropriation (Loss to be recognised)	(+)/(-) (21300P)	4.162,33	0
2. Profit (Loss) brought forward from the previous financial year	49200	0,00	0
	49210	0,00	0
	49220	0,00	0
B. Transfers from capital and reserves	49300	40.000.000,00	0
1. From capital and the share premium account	49310	0,00	0
2. From reserves	49320	0,00	0
C. Appropriation to capital and reserves	49330	40.000.000,00	0
1. To capital and the share premium account	(+)/(-) 49400	44.703,75	4.162,33
2. To legal reserves	49500	0,00	0
3. To other reserves	49600	33.881.551,81	78.388.146,04
D. Profit (Loss) to be carried forward	49610	31.899.298,75	76.833.362,50
E. Contribution of shareholders to the loss	49620	0,00	0
F. Distribution of profit	49630	1.982.253,06	1.554.783,54
1. Dividends			
2. Directors and partners			
3. Other recipients			

APPENDIX

I. STATEMENT OF ADVANCES AND LOANS TO CREDIT INSTITUTIONS (item III of assets)

	Codes	Financial year	Previous financial year
A. GENERAL STATEMENT FOR THE ITEM AS A WHOLE	(10300)	<u>252.039.559,70</u>	349.979.860,53
1. Loans and advances to affiliated companies	50101	57.712.483,26	47.380.940,29
2. Loans and advances to other associated companies	50102	0,00	0,00
3. Subordinated loans and advances	50103	0,00	0,00
B. STATEMENT OF OTHER LOANS AND ADVANCES (WITH AGREED MATURITY DATES OR PERIODS OF NOTICE)	(10320)	<u>173.532.437,61</u>	279.978.343,08
1. Bills eligible for refinancing with the central bank of the country or countries where the credit institution has offices	50104	0,00	0,00
2. Breakdown of other loans and advances (with agreed maturity dates or periods of notice) according to their residual maturity			
a. Three months or less	50105	166.903.618,54	
b. Over three months but not more than one year	50106	3.857.157,23	
c. Over one year but not more than five years	50107	1.077.988,08	
d. More than five years	50108	0,00	
e. Undated	50109	1.693.673,76	

II. STATEMENT OF LOANS AND ADVANCES TO CUSTOMERS
(item IV of assets)

	Codes	Financial year	Previous financial year
1. Loans and advances to affiliated companies	50201	275.511,50	405.568,19
2. Loans and advances to other associated companies			
3. Subordinated loans and advances	50202	0,00	0
4. Bills eligible for refinancing with the central bank of the country or countries where the credit institution has offices	50203	16.653.775,61	1.761.243,09
	50204	0,00	0
5. Breakdown of loans and advances to customers by residual maturity			
a. Three months or less			
b. Over three months but not more than one year	50205	826.853.550,29	
c. Over one year but not more than five years	50206	174.352.886,38	
d. More than five years	50207	1.190.541.291,40	
e. Undated	50208	5.938.027.420,78	
	50209	283.694.195,05	
6. Breakdown of loans and advances to customers by type of borrower			
a. Receivables from public authorities			
b. Receivables from private individuals	50210	586.232.834,93	531.144.472,22
c. Receivables from businesses	50211	4.355.385.030,95	3.900.826.975,79
	50212	3.471.851.478,02	3.377.134.370,26
7. Breakdown of loans and advances to customers by type of facility			
a. Bills of exchange (including own acceptances)			
b. Amounts receivable under leasing and similar agreements	50213	521.223,81	
c. Fixed-rate loans	50214	0,00	
d. Mortgage loans	50215	140.051.273,45	
e. Other term loans at more than one year	50216	3.493.237.179,63	
f. Other amounts receivable	50217	3.676.097.952,93	
	50218	1.103.561.714,08	
8. Geographical breakdown of loans and advances to customers			
a. Belgium			
b. Other countries	50219	8.310.742.232,19	
	50220	102.727.111,71	
9. Details of mortgage loans with reconstitution of the capital with the institution or linked to life insurance or capitalisation policies			
a. Principal sums initially lent			
b. Reconstituted funds and related mathematical reserves	50221	0,00	
	50222	0,00	
c. Net amount outstanding of such loans (a – b)	50223	0,00	

III. STATEMENT OF BONDS AND OTHER FIXED-INCOME SECURITIES (item V of assets)
A. GENERAL STATEMENT
1. Bonds and securities issued by affiliated companies
2. Bonds and securities issued by other associated companies
3. Bonds and securities representing subordinated debt
4. Geographical breakdown of debt claims

- a. Belgian public sector issuers
- b. Foreign public sector issuers
- c. Non-public sector Belgian issuers
- d. Non-public sector foreign issuers

5. Listing

- a. Book value of listed securities
- b. Market value of listed securities
- c. Book value of unlisted securities

6. Terms

- a. Residual maturity of one year or less
- b. Residual maturity of over one year

7. Breakdown by type of portfolio:

- a. Trading portfolio
- b. Investment portfolio

8. For the trading portfolio

- a. The positive difference between market value and acquisition cost for marked to market securities
- b. The positive difference between market value and book value for securities valued in accordance with article 35 (b), §2, sub-paragraph 2

9. For the investment portfolio

- a. The positive difference of all securities whose redemption value is higher than book value
- b. The negative difference of all securities whose redemption value is lower than book value

Codes	Financial year	Previous financial year
(10500)	1.723.053.907,04	1.795.009.531,22
50301	0,00	20.004,97
50302	0,00	0,00
50303	0,00	0,00
50304	1.636.402.603,27	
50305	86.651.303,66	
50306	0,00	
50307	0,11	
50308	1.723.053.907,04	
50309	1.897.246.660,55	
50310	0,00	
50311	133.143.983,27	
50312	1.589.909.923,77	
50313	0,07	
50314	1.723.053.906,97	
50315	0,00	
50316	0,00	
50317	952.693,20	
50318	107.719.540,01	

**B. DETAILED STATEMENT OF THE BOOK VALUE OF THE INVESTMENT
PORTFOLIO OF BONDS AND OTHER FIXED-INCOME SECURITIES**
1. Acquisition value at the end of the financial year

Codes	Financial year	Previous financial year
50323P	xxxxxxxxxxxxxx	1.795.009.531,15

2. Movements during the financial year

- Acquisitions
- Disposals
- Adjustments pursuant to article 35 (b), §4 and 5

(+/-)

50319	-71.955.624,11	
50320	343.425.374,45	
50321	-401.992.930,84	
50322	-13.388.067,72	

3. Acquisition value at the end of the financial year

50323	1.723.053.907,04	
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4. Transfers between portfolios

- Transfers from the investment portfolio to the trading portfolio
- Transfers from the trading portfolio to the investment portfolio
- Impact on result

50324		
50325		
50326		

5. Amounts written down at the end of the financial year

50332P	xxxxxxxxxxxxxx	0,00
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6. Movements during the financial year

- Recorded
- Written back as superfluous
- Cancellations
- Transferred between items

(+/-)

50327	0,00	
50328	0,00	
50329	0,00	
50330	0,00	
50331	0,00	

7. Amounts written down at the end of the financial year

50332	0,00	
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8. Net book value at the end of the financial year

(50314)	1.723.053.907,04	
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IIIBIS. PRETS CITOYENS THEMATIQUES (COMMUNITY INVESTMENT LOANS)
1. Total amount of funds collected

- as short-term notes and term deposits
- through interbank loans (article 6)

50340	75.202.305	55.053.711
50341	75.202.305	55.053.711
50342	0	0

2. Allocation of funds collected

- Community loans granted
- Investments made (article 11)
- Interbank loans granted

50350	237.599.053	55.053.711
50351	237.599.053	55.053.711
50352	0	0
50353	0	0

3. Investment income (article 11)

50360	0	0
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IV. STATEMENT OF SHARES AND OTHER VARIABLE-YIELD SECURITIES (Heading VI of assets)**A. GENERAL STATEMENT****1. Geographical breakdown of debt claims**

- a. Belgian issuers
- b. Foreign issuers

2. Listing

- a. Book value of listed securities
- b. Market value of listed securities
- c. Book value of unlisted securities

3. Breakdown by portfolio

- a. Trading portfolio
- b. Investment portfolio

4. For the trading portfolio

- a. The positive difference between market value and acquisition cost for marked to market securities
- b. The positive difference between market value and book value for securities valued in accordance with article 35 (b), §2, sub-paragraph 2

Codes	Financial year	Previous financial year
(10600)	0,00	0,00
50401	0,00	0,00
50402	0,00	0,00
50403	0,00	
50404	0,00	
50405	0,00	
50406	0,00	
50407	0,00	
50408	0,00	
50409	0,00	

B. DETAILED STATEMENT OF THE BOOK VALUE OF THE INVESTMENT PORTFOLIO OF SHARES AND OTHER VARIABLE-YIELD SECURITIES**1. Acquisition value at the end of the financial year****2. Movements during the financial year**

- a. Acquisitions
- b. Disposals
- c. Other adaptations

(+)/(-)

3. Acquisition value at the end of the financial year**4. Transfers between portfolios**

- a. Transfers from the investment portfolio to the trading portfolio
- b. Transfers from the trading portfolio to the investment portfolio
- c. Impact on result

5. Amounts written down at the end of the financial year**6. Movements during the financial year**

- a. Recorded
- b. Written back as superfluous
- c. Cancellations
- d. Transferred between items

(+/ -)

7. Amounts written down at the end of the financial year**8. Net book value at the end of the financial year**

Codes	Financial year	Previous financial
5041P	xxxxxxxxxx xxxx	0,00
50410	0,00	
50411	0,00	
50412	0,00	
50413	0,00	
50414	0,00	
50415		
50416		
50417		
50423P	xxxxxxxxxx xxxx	0,00
50418	0,00	
50419	0,00	
50420	0,00	
50421	0,00	
50422	0,00	
50423	0,00	
(50407)	0,00	

V. STATEMENT OF FINANCIAL FIXED ASSETS (item VII of assets)

A. GENERAL STATEMENT

1. Breakdown of financial fixed assets by economic sector

- a. Participating interests in affiliated companies that are credit institutions
- b. Participating interests in affiliated companies that are not credit institutions
- c. Participating interests in other associated companies that are credit institutions
- d. Participating interests in other associated companies that are not credit institutions
- e. Other shares in companies that are credit institutions held as financial fixed assets
- f. Other shares in companies that are not credit institutions held as financial fixed assets
- g. Subordinated loans and advances to affiliated companies that are credit institutions
- h. Subordinated debt claims on affiliated enterprises which are not credit institutions
- i. Subordinated debt claims on other enterprises linked by participating interests and which are credit institutions
- j. Subordinated debt claims on other enterprises linked by participating interests and which are not credit institutions

2. Listing

- a. Participating interests in affiliated companies that have a stock market listing
- b. Participating interests in affiliated companies that do not have a stock market listing
- c. Participating interests in other associated companies that have a stock market listing
- d. Participating interests in other associated companies that do have a stock market listing
- e. Other shares in listed companies held as financial fixed assets
- f. Other shares in unlisted companies held as financial fixed assets
- g. Amount of subordinated debt claims represented by listed securities

Codes	Financial year	Previous financial year
50501	0,00	0,00
50502	102.966.337,91	102.966.337,91
50503	0,00	0,00
50504	12.896,24	12.896,24
50505	0,00	0,00
50506	254.568,63	255.771,63
50507	0,00	0,00
50508	0,00	0,00
50509	0,00	0,00
50510	0,00	0,00
50511	0,00	
50512	102.966.337,91	
50513	0,00	
50514	12.896,24	
50515	0,02	
50516	254.568,61	
50517	0,00	

B. DETAILED STATEMENT OF THE BOOK VALUE OF PARTICIPATING INTERESTS IN AFFILIATED COMPANIES**1. Acquisition value at the end of the financial year****2. Movements during the financial year**

- a. Acquisitions
b. Sales and disposals
c. Transfers between items (+/-)

3. Acquisition value at the end of the financial year**4. Gains at the end of the financial year****5. Movements during the financial year**

- a. Recorded
b. Acquisition from third parties
c. Cancellations
d. Transferred between items (+/-)

6. Gains at the end of the financial year**7. Amounts written down at the end of the financial year****8. Movements during the financial year**

- a. Recorded
b. Written back as superfluous
c. Acquisition from third parties
d. Cancellations
e. Transferred between items (+/-)

9. Amounts written down at the end of the financial year**10. Net book value at the end of the financial year**

Codes	Financial year	Previous financial year
50522P	xxxxxxxxxxxxxxx	102.966.337,91
50518	0,00	
50519	0,00	
50520	0,00	
50521	0,00	
50522	102.966.337,91	
50528P	xxxxxxxxxxxxxxx	0,00
50523	0,00	
50524	0,00	
50525	0,00	
50526	0,00	
50527	0,00	
50528	0,00	
50535P	xxxxxxxxxxxxxxx	0,00
50529	0,00	
50530	0,00	
50531	0,00	
50532	0,00	
50533	0,00	
50534	0,00	
50535	0,00	
10710	102.966.337,91	

C. DETAILED STATEMENT OF THE BOOK VALUE OF PARTICIPATING INTERESTS IN OTHER ASSOCIATED COMPANIES**1. Acquisition value at the end of the financial year****2. Movements during the financial year**

- a. Acquisitions
b. Sales and disposals
c. Transfers between items (+/-)

3. Acquisition value at the end of the financial year**4. Gains at the end of the financial year****5. Movements during the financial year**

- a. Recorded
b. Acquisition from third parties
c. Cancellations
d. Transferred between items (+/-)

6. Gains at the end of the financial year**7. Amounts written down at the end of the financial year****8. Movements during the financial year**

- a. Recorded
b. Written back as superfluous
c. Acquisition from third parties
d. Cancellations
e. Transferred between items (+/-)

9. Amounts written down at the end of the financial year**10. Net book value at the end of the financial year**

Codes	Financial year	Previous financial year
50540P	xxxxxxxxxxxxxxx	12.896,24
50536	0,00	
50537	0,00	
50538	0,00	
50539	0,00	
50540	12.896,24	
50546P	xxxxxxxxxxxxxxx	0,00
50541	0,00	
50542	0,00	
50543	0,00	
50544	0,00	
50545	0,00	
50546	0,00	
50553P	xxxxxxxxxxxxxxx	0,00
50547	0,00	
50548	0,00	
50549	0,00	
50550	0,00	
50551	0,00	
50552	0,00	
50553	0,00	
10720	12.896,24	

D. DETAILED STATEMENT OF THE BOOK VALUE OF OTHER SHARES HELD AS FINANCIAL FIXED ASSETS
1. Acquisition value at the end of the financial year
2. Movements during the financial year

- a. Acquisitions
- b. Sales and disposals
- c. Transfers between items

(+/ -)

3. Acquisition value at the end of the financial year
4. Gains at the end of the financial year
5. Movements during the financial year

- a. Recorded
- b. Acquisition from third parties
- c. Cancellations
- d. Transferred between items

(+/ -)

6. Gains at the end of the financial year
7. Amounts written down at the end of the financial year
8. Movements during the financial year

- a. Recorded
- b. Written back as superfluous
- c. Acquisition from third parties
- d. Cancellations
- e. Transferred between items

(+/ -)

9. Amounts written down at the end of the financial year
10. Net book value at the end of the financial year

Codes	Financial year	Previous financial year
50558P	xxxxxxxxxx	255.771,63
50554	-1.203,00	
50555	0,00	
50556	-1.203,00	
50557	0,00	
50558	254.568,63	
50564P	xxxxxxxxxx	0,00
50559	0,00	
50560	0,00	
50561	0,00	
50562	0,00	
50563	0,00	
50564	0,00	
50571P	xxxxxxxxxx	0,00
50565	0,00	
50566	0,00	
50567	0,00	
50568	0,00	
50569	0,00	
50570	0,00	
50571	0,00	
10730	254.568,63	

E. DETAILED STATEMENT OF THE BOOK VALUE OF SUBORDINATED LOANS AND ADVANCES TO AFFILIATED COMPANIES
1. Net book value at the end of the financial year
2. Movements during the financial year

- a. Additions
- b. Reimbursements
- c. Writedowns
- d. Reversal of writedowns
- e. Exchange differences
- f. Other

(+) / (-)

(+) / (-)

3. Net book value at the end of the financial year
4. Total writedowns at the end of the financial year

Codes	Financial year	Previous financial year
50579P	xxxxxxxxxx xxxxx	0
50572	0,00	
50573	0,00	
50574	0,00	
50575	0,00	
50576	0,00	
50577	0,00	
50578	0,00	
50579	0,00	
50580	0,00	

F. DETAILED STATEMENT OF THE BOOK VALUE OF SUBORDINATED LOANS AND ADVANCES TO OTHER ASSOCIATED COMPANIES

1. Net book value at the end of the financial year

2. Movements during the financial year

- a. Additions
- b. Reimbursements
- c. Writedowns
- d. Reversal of writedowns
- e. Exchange differences
- f. Other

3. Net book value at the end of the financial year

4. Total writedowns at the end of the financial year

Codes	Financial year	Previous financial year
50588P	xxxxxxxxxxxxxx	0,00
50581	0,0	
50582	0,0	
50583	0,0	
50584	0,0	
(+)/(-) 50585	0,0	
(+)/(-) 50586	0,0	
50587	0,0	
	n	
50588	0,0	
	n	
50589	0,0	

VI. INFORMATION ON PARTICIPATING INTERESTS

A. PARTICIPATING INTERESTS IN OTHER COMPANIES

The following list shows all the companies in which the institution holds a participating interest within the meaning of the Royal Decree dated 23 September 1992, and other companies in which it has shares representing at least 10% of their issued capital.

NAME, full address of the REGISTERED OFFICE and for companies incorporated under Belgian law, their ENTERPRISE NUMBER	Shares held				Data taken from the most recently published financial statements			
	directly			by subsidi aries	Annual accounts for the financial year ended	Curren cy code	Equity	Net profit
	Type	Number	%	%			(+) of (-) (in thousands of units)	
1. Connected companies								
KBC Asset Management NV Brussels BE, 0469.444.267	Ordinary	260.000	4,51		31-Dec-14	EUR	124.575	335.216
KBC Securities NV Brussels BE, 0437.060.521	Ordinary	1.000	0,05		31-Dec-14	EUR	96.645	12.534
KBC Commercial Finance Brussels BE, 0403.278.488	Ordinary	1	0,01		31-Dec-14	EUR	9.459	3.568
2. Associated companies >=20% to <= 50%								
3. Associated companies >=10% and <= 20%								
Europay Belgium CVBA Brussels BE, 0434.197.536	Ordinary	323	0,95		31-Dec-14	EUR	941	75
Visa-Belgium CVBA Brussels BE, 0435.551.972	Ordinary	1	0,56		31-Dec-14	EUR	275	7

B. LIST OF COMPANIES FOR WHICH THE INSTITUTION HAS UNLIMITED LIABILITY AS A SHAREHOLDER OR MEMBER

The annual accounts of each of the companies for which the institution has unlimited liability are attached to these annual accounts to be published at the same time as the latter, unless the institution specifies the reason why that is not the case in the second column of the table below. This information is communicated by means of the code (A, B or C) defined below.

The annual accounts of the company in question:

- A. are published by filing with the National Bank of Belgium by said company;
- B. are actually published by said company in another European Union Member State, in the form laid down in article 3 of Directive 2009/101/EEC;
- C. are integrated by way of full or proportional consolidation in the institution's consolidated accounts, drawn up, audited and published in accordance with the Royal Decree of 23 September 1992 on the consolidated accounts of credit institutions, investment firms and management companies of undertakings for collective investment.

NAME, full address of the REGISTERED OFFICE, LEGAL FORM and, for companies incorporated under Belgian law, their ENTERPRISE NUMBER	Code, if any

VII. STATEMENT OF FORMATION EXPENSES AND INTANGIBLE FIXED ASSETS (item VIII of assets)

A. FORMATION EXPENSES

1. Net book value at the end of the financial year

Codes	Financial year	Previous financial year
50705P	xxxxxxxxxxxxxxx	0,00

2. Movements during the financial year

a. New expenses incurred

50701 0,00

b. Depreciation

50702 0,00

c. Other

50703 0,00

(+)/(-)

50704 0,00

3. Net book value at the end of the financial year

50705 0,00

4. Of which

a. Expenses relating to incorporation and capital increases, loan issue expenses and other formation expenses

50706 0,00

b. Restructuring costs

50707 0,00

B. GOODWILL

1. Acquisition value at the end of the financial year

Codes	Financia	Previous financial year
50712P	xxxxxxxxxxxxxxx	0,00

2. Movements during the financial year

a. Acquisitions, including capitalised production

50708 0,00

b. Sales and disposals

50709 0,00

c. Transfers between items

50710 0,00

(+/ -)

50711 0,00

3. Acquisition value at the end of the financial year

50712 0,00

4. Depreciation and amounts written off at the end of the financial year

50719P	xxxxxxxxxxxxxxx	0,00
--------	-----------------	------

5. Movements during the financial year

a. Recorded

50713 0,00

b. Written back

50714 0,00

c. Acquisition from third parties

50715 0,00

d. Reversals following sales and disposals

50716 0,00

e. Transferred between items

50717 0,00

(+/ -)

50718 0,00

6. Depreciation and amounts written off at the end of the financial year

50719 0,00

7. Net book value at the end of the financial year

50720 0,00

C. COMMISSIONS PAID FOR THE INTRODUCTION OF NEW CUSTOMER BUSINESS**1. Acquisition value at the end of the financial year****2. Movements during the financial year**

- a. Acquisitions, including capitalised production
- b. Sales and disposals
- c. Transfers between items

(+/ -)

3. Acquisition value at the end of the financial year**4. Depreciation and amounts written off at the end of the financial year****5. Movements during the financial year**

- a. Recorded
- b. Written back
- c. Acquisition from third parties
- d. Reversals following sales and disposals
- e. Transferred between items

(+/ -)

6. Depreciation and amounts written off at the end of the financial year**7. Net book value at the end of the financial year**

Codes	Financial year	Previous financial year
50725P	xxxxxxxxxxxxxx	0,00
50721	0,00	
50722	0,00	
50723	0,00	
50724	0,00	
50725	0,00	
50732P	xxxxxxxxxxxxxx	0,00
50726	0,00	
50727	0,00	
50728	0,00	
50729	0,00	
50730	0,00	
50731	0,00	
50732	0,00	
50733	0,00	

D. OTHER INTANGIBLE ASSETS**1. Acquisition value at the end of the financial year****2. Movements during the financial year**

- a. Acquisitions, including capitalised production
- b. Sales and disposals
- c. Transfers between items

(+/ -)

3. Acquisition value at the end of the financial year**4. Depreciation and amounts written off at the end of the financial year****5. Movements during the financial year**

- a. Recorded
- b. Written back
- c. Acquisition from third parties
- d. Reversals following sales and disposals
- e. Transferred between items

(+/ -)

6. Depreciation and amounts written off at the end of the financial year**7. Net book value at the end of the financial year**

Codes	Financial year	Previous financial year
50738P	xxxxxxxxxxxxxx	0,00
50734	0,00	
50735	0,00	
50736	0,00	
50737	0,00	
50738	0,00	
50745P	xxxxxxxxxxxxxx	0,00
50739	0,00	
50740	0,00	
50741	0,00	
50742	0,00	
50743	0,00	
50744	0,00	
50745	0,00	
50746	0,00	

VIII. STATEMENT OF TANGIBLE FIXED ASSETS (item IX of assets)

A. LAND AND BUILDINGS

1. Acquisition value at the end of the financial year

2. Movements during the financial year

- a. Acquisitions, including capitalised production
- b. Sales and disposals
- c. Transfers from one heading to another

3. Acquisition value at the end of the financial year

4. Gains at the end of the financial year

5. Movements during the financial year

- a. Recorded
- b. Acquisition from third parties
- c. Cancellations
- d. Transferred from one heading to another

6. Gains at the end of the financial year

7. Depreciation and amounts written off at the end of the financial year

8. Movements during the financial year

- a. Recorded
- b. Written back
- c. Acquisition from third parties
- d. Reversals following sales and disposals
- e. Transferred from one heading to another

9. Depreciation and amounts written off at the end of the financial year

10. Net book value at the end of the financial year

Codes	Financial year	Previous financial
50805P	xxxxxxxxxxxxxx	131.121.503,32
(+)/(-) 50801	8.067.089,00	
50802	9.070.184,06	
50803	-1.003.095,06	
(+)/(-) 50804	0,00	
50805	139.188.592,32	
50811P	xxxxxxxxxxxxxx	11.686.181,72
(+)/(-) 50806	0,00	
50807	0,00	
50808	0,00	
50809	0,00	
(+)/(-) 50810	0,00	
50811	11.686.181,72	
50818P	xxxxxxxxxxxxxx	73.676.226,80
50812	2.955.029,31	
(+)/(-) 50813	3.521.219,50	
50814	0,00	
50815	0,00	
50816	-566.190,19	
50817	0,00	
(+)/(-) 50818	76.631.256,11	
50819	74.243.517,93	

B. PLANT, MACHINERY AND EQUIPMENT**1. Acquisition value at the end of the financial year**

Codes	Financial year	Previous financial year
50824P	xxxxxxxxxxxx	0,00

2. Movements during the financial year

- a. Acquisitions, including capitalised production
- b. Sales and disposals
- c. Transfers between items

(+)/(-)	50820	0,00
	50821	0,00
	50822	0,00
(+)/(-)	50823	0,00

3. Acquisition value at the end of the financial year

50824	0,00
-------	------

4. Gains at the end of the financial year

50830P	xxxxxxxxxxxx	0,00
--------	--------------	------

5. Movements during the financial year

- a. Recorded
- b. Acquisition from third parties
- c. Cancellations
- d. Transferred from one heading to another

(+)/(-)	50825	0,00
	50826	0,00
	50827	0,00
	50828	0,00
(+)/(-)	50829	0,00

6. Gains at the end of the financial year

50830	0,00
-------	------

7. Depreciation and amounts written off at the end of the financial year

50837P	xxxxxxxxxxxx	0,00
--------	--------------	------

8. Movements during the financial year

- a. Recorded
- b. Written back
- c. Acquisition from third parties
- d. Reversals following sales and disposals
- e. Transferred from one heading to another

(+)/(-)	50831	0,00
	50832	0,00
	50833	0,00
	50834	0,00
	50835	0,00
(+)/(-)	50836	0,00

9. Depreciation and amounts written off at the end of the financial year

50837	0,00
-------	------

10. Net book value at the end of the financial year

50838	0,00
-------	------

C. FURNISHINGS AND VEHICLES**1. Acquisition value at the end of the financial year****2. Movements during the financial year**

- a. Acquisitions, including capitalised production
- b. Sales and disposals
- c. Transfers from one heading to another

3. Acquisition value at the end of the financial year**4. Gains at the end of the financial year****5. Movements during the financial year**

- a. Recorded
- b. Acquisition from third parties
- c. Cancellations
- d. Transferred from one heading to another

6. Gains at the end of the financial year**7. Depreciation and amounts written off at the end of the financial year****8. Movements during the financial year**

- a. Recorded
- b. Written back
- c. Acquisition from third parties
- d. Reversals following sales and disposals
- e. Transferred from one heading to another

9. Depreciation and amounts written off at the end of the financial year**10. Net book value at the end of the financial year**

Codes	Financial year	Previous financial year
50843P	xxxxxxxxxxxxxx	46.255.735,02
(+)(-) 50839	347.886,97	
50840	1.134.680,51	
50841	-786.793,54	
(+)(-) 50842	0,00	
50843	46.603.621,99	
50849P	xxxxxxxxxxxxxx	0,00
(+)(-) 50844		
50845		
50846		
50847		
(+)(-) 50848		
50849		
50856P	xxxxxxxxxxxxxx	38.397.366,43
50850	1.076.922,46	
(+)(-) 50851	1.672.426,32	
50852	0,00	
50853	0,00	
50854	-595.503,86	
50855	0,00	
(+)(-) 50856	39.474.288,89	
50857	7.129.333,10	

D. FINANCIAL LEASING CONTRACTS AND SIMILAR ENTITLEMENTS**1. Acquisition value at the end of the financial year****2. Movements during the financial year**

- a. Acquisitions, including capitalised production
- b. Sales and disposals
- c. Transfers from one heading to another

3. Acquisition value at the end of the financial year**4. Gains at the end of the financial year****5. Movements during the financial year**

- a. Recorded
- b. Acquisition from third parties
- c. Cancellations
- d. Transferred from one heading to another

6. Gains at the end of the financial year**7. Depreciation and amounts written off at the end of the financial year****8. Movements during the financial year**

- a. Recorded
- b. Written back
- c. Acquisition from third parties
- d. Reversals following sales and disposals
- e. Transferred from one heading to another

9. Depreciation and amounts written off at the end of the financial year**10. Net book value at the end of the financial year****11. Of which**

- a. LAND AND BUILDINGS
- b. PLANT, MACHINERY AND EQUIPMENT
- c. Furniture and vehicles

Codes	Financial year	Previous financial year
50862P	xxxxxxxxxxxxxxx	0,00
(+)/(-) 50858	0,00	
50859	0,00	
50860	0,00	
(+)/(-) 50861	0,00	
50862	0,00	
50868P	xxxxxxxxxxxxxxx	0,00
(+)/(-) 50863	0,00	
50864	0,00	
50865	0,00	
50866	0,00	
(+)/(-) 50867	0,00	
50868	0,00	
50875P	xxxxxxxxxxxxxxx	0,00
(+)/(-) 50869	0,00	
50870	0,00	
50871	0,00	
50872	0,00	
50873	0,00	
50874	0,00	
(+)/(-) 50875	0,00	
50876	0,00	
50877	0,00	
50878	0,00	
50879	0,00	

E. OTHER INTANGIBLE ASSETS**1. Acquisition value at the end of the financial year**

Codes	Financial year	Previous financial year
50884P	xxxxxxxxxxxx	0,00

2. Movements during the financial year

- a. Acquisitions, including capitalised production
- b. Sales and disposals
- c. Transfers from one heading to another

(+)/(-)	50880	0,00
	50881	0,00
	50882	0,00
(+)/(-)	50883	0,00

3. Acquisition value at the end of the financial year

50884	0,00
-------	------

4. Gains at the end of the financial year

50890P	xxxxxxxxxxxx	0,00
--------	--------------	------

5. Movements during the financial year

- a. Recorded
- b. Acquisition from third parties
- c. Cancellations
- d. Transferred from one heading to another

(+)/(-)	50885	0,00
	50886	0,00
	50887	0,00
	50888	0,00
(+)/(-)	50889	0,00
	50890	0,00

6. Gains at the end of the financial year

50897P	xxxxxxxxxxxx	0,00
--------	--------------	------

7. Depreciation and amounts written off at the end of the financial year**8. Movements during the financial year**

- a. Recorded
- b. Written back
- c. Acquisition from third parties
- d. Reversals following sales and disposals
- e. Transferred from one heading to another

(+)/(-)	50891	0,00
	50892	0,00
	50893	0,00
	50894	0,00
	50895	0,00
(+)/(-)	50896	0,00
	50897	0,00

9. Depreciation and amounts written off at the end of the financial year

50898	0,00
-------	------

10. Net book value at the end of the financial year

F. ASSETS UNDER CONSTRUCTION AND ADVANCES PAID**1. Acquisition value at the end of the financial year**

Codes	Financial year	Previous financial year
50903P	xxxxxxxxxxx	
(+)/(-) 50899		
50900		
50901		
(+)/(-) 50902		
50903		
50909P	xxxxxxxxxxx	
(+)/(-) 50904		
50905		
50906		
50907		
(+)/(-) 50908		
50909		
50916P	xxxxxxxxxxx	
(+)/(-) 50910		
50911		
50912		
50913		
50914		
(+)/(-) 50915		
50916		
50917		

2. Movements during the financial year

- a. Acquisitions, including capitalised production
- b. Sales and disposals
- c. Transfers from one heading to another

3. Acquisition value at the end of the financial year**4. Gains at the end of the financial year****5. Movements during the financial year**

- a. Recorded
- b. Acquisition from third parties
- c. Cancellations
- d. Transferred from one heading to another

6. Gains at the end of the financial year**7. Depreciation and amounts written off at the end of the financial year****8. Movements during the financial year**

- a. Recorded
- b. Written back
- c. Acquisition from third parties
- d. Reversals following sales and disposals
- e. Transferred from one heading to another

9. Depreciation and amounts written off at the end of the financial year**10. Net book value at the end of the financial year****IX. OTHER ASSETS (item XI of assets)****Breakdown of item XI of assets if the amount of this item is significant**

Taxes receivable
 Unbilled revenue & credit notes receivable Premiums
 on options
 Deferred taxes
 Others

Financial year
224.897,28
5.268.413,31
14.283.703,75
6.041.474,78
14.035,66

X. ACCRUALS AND DEFERRED CHARGES (item XII of assets)

1. Deferred charges

2. Accrued income

Codes	Financial year
51001	1.674.108,42
51002	231.349.297,14

X. (a) USE OF SEGREGATED CUSTOMER FUNDS

Total

Codes	Financial year
51003	0,00

XI. STATEMENT OF DEPOSITS BY FINANCIAL INSTITUTIONS (item I of liabilities)

1. Amounts owed to associated enterprises

2. Amounts due to other associated companies

3. Breakdown of other amounts due, other than those repayable on demand, listed by residual maturity

- a. Three months or less
- b. Over three months but not more than one year
- c. Over one year but not more than five years
- d. Over five years
- e. Undated

Codes	Financial year	Previous financial year
51101	902.985.015,00	729.619.312,84
51102	0,00	0,00
51103	564.441.475,00	
51104	0,00	
51105	150.000.000,00	
51106	200.000.000,00	
51107	0,00	

XII. STATEMENT OF AMOUNTS PAYABLE TO CUSTOMERS (item II of liabilities)

1. Amounts owed to associated enterprises

2. Amounts due to other associated companies

3. Breakdown of amounts payable to customers by residual maturity

- a. On demand
- b. Three months or less
- c. Over three months but not more than one year
- d. Over one year but not more than five years
- e. Over five years
- f. Undated

4. Breakdown of amounts payable to customers by type of customer

- a. Debts to public authorities
- b. Debts to private individuals
- c. Debts to businesses

5. Geographical breakdown of amounts payable to customers

- a. Belgium
- b. Other countries

Codes	Financial year	Previous financial year
51201	614.124,67	221.571,57
51202	0,00	0,00
51203	7.555.750.340,76	
51204	229.914.323,22	
51205	446.816.515,80	
51206	648.445.515,74	
51207	103.991.947,70	
51208	2.298.660,04	
51209	552.683.413,44	686.775.000,97
51210	5.283.773.362,45	4.970.888.204,97
51211	3.150.760.527,37	2.963.804.850,51
51212	8.716.185.919,22	
51213	271.031.384,04	

N°	0403.211.380	C-in 5.13
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XIII. STATEMENT OF DEBTS REPRESENTED BY A SECURITY (item III of liabilities)

1. Debt represented by a security which, to the best of the institution's knowledge, is due to affiliated companies
2. Debt represented by a security which, to the best of the institution's knowledge, is due to other associated companies
3. Breakdown of debts represented by a security listed by residual maturity
 - a. Three months or less
 - b. Over three months but not more than one year
 - c. Over one year but not more than five years
 - d. Over five years
 - e. Undated

Codes	Financial year	Previous financial year
51301	0,00	0,00
51302	0,00	0,00
51303	5.365,89	
51304	13.575,35	
51305	73.900.599,00	
51306	18.939.064,51	
51307	0,00	

N°	0403.211.380	C-in 5.14
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XIV. STATEMENT OF OTHER LIABILITIES (item IV of liabilities)

1. Tax, payroll and social security liabilities to the tax authorities
 - a. Overdue debts
 - b. Non-overdue debts
2. Tax, payroll and social security liabilities to the National Office of Social Security
 - a. Overdue debts
 - b. Non-overdue debts
3. Income tax expense
 - a. Taxes payable
 - b. Estimated tax liabilities
4. Other debts

Codes	Financial year
51401	0,00
51402	0,00
51403	0,00
51404	0,00
51405	0,00
51406	0,00
51407	3.729.178,17
51408	0,00

Breakdown if the amount of this sub-item is significant	Salaries	19.548.960,01
Premiums on options		8.215.682,33
Dividends to be distributed and directors' fees	Staff profit-sharing	31.899.298,75
Accounts payable		1.982.253,06
Grants from the Walloon Region to be retroceded		2.120.945,71
Other		3.916.090,41
		1.999.546,56

N°	0403.211.380	C-in 5.15
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XV. ACCRUALS AND DEFERRED INCOME (item V of liabilities)

1. Accrued expenses
2. Deferred income

Codes	Financial year
51501	213.196.396,00
51502	203.047,45

N°	0403.211.380	C-in 5.16
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XVI. PROVISIONS FOR OTHER LIABILITIES AND CHARGES (item VI.A.3 of liabilities)

Breakdown of item VI.A.3 of liabilities if the amount of this item is significant

Credit commitments
Market risk
Miscellaneous risks

Financial year
1.426.065,88
0
6.199.926,79

N°	0403.211.380	C-in 5.17
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XVII. STATEMENT OF SUBORDINATED LIABILITIES (item VIII of liabilities)

1. Subordinated liabilities to affiliated companies

2. Subordinated liabilities to other associated companies

Codes	Financial year	Previous financial year
51701	0	0
51702	0	0

3. Expenses relating to subordinated liabilities in respect of the financial year

Codes	Financial year
51703	752.958,49

4. For each subordinated loan, the following information: reference number, ISO code of the currency, the amount of the loan in the currency of the loan, the repayment terms, the maturity date and, if there is no fixed-term maturity, the method for determining the maturity date, if applicable the circumstances under which the institution is required to make early repayment, the subordination conditions and, if applicable, the conditions under which it can be converted into capital or another form of liability.

Reference number	Currency	Amount (in thousands of EUR)	Maturity date or method for determining the maturity date	a) early repayment circumstances b) subordination conditions c) convertibility conditions	Repayment terms
0007	EUR	39.041	Tap issues choice between 6 terms: 5, 6, 7, 8, 9 or 10 years Subordinated certificate	a) Unconditional b) Subordinated certificate c) Not applicable	
0008	EUR	18.812	Tap issues choice between 6 terms: 5, 6, 7, 8, 9 or 10 years Subordinated certificate	a) Unconditional b) Subordinated certificate c) Not applicable	

XVIII. STATEMENT OF CAPITAL AND SHAREHOLDER STRUCTURE
A. STATEMENT OF CAPITAL
1. Capital

- a. Issued capital at the end of the financial year
b. Issued capital at the end of the financial year

Codes	Fin year	Previous financial year
20910P (20910)	xxxxxx 145.662.647,07	145.662.647,07

- c. Changes during the financial year

- d. Representation of the capital

- e. Share categories
ordinary distribution shares

- f. Registered shares
g. Bearer and/or dematerialised shares

Codes	Amounts	Number of shares
	145.662.647,07	2.989.625
51801 51802	xxxxxxxxxxxxxx xxxxxxxxxxxxxx	2.989.625 0

2. Uncalled capital

- a. Uncalled capital
b. Called up share capital, not paid
c. Called-up capital due by shareholders

Codes	Amount of uncalled	Amount of called-up, unpaid
(20920) 51803	0,00 XXXXXXXXXXXXXX	XXXXXXXXXXXXXX 0,00

3. Own shares

- a. Held by the institution itself
* Amount of capital held
* Number of corresponding shares
b. Held by its subsidiaries
* Amount of capital held
* Number of corresponding shares

Codes	Financial year
51804 51805	0,00 0,00
51806 51807	0,00 0,00

4. Share issuance commitment

- a. Following the exercising of CONVERSION rights
* Amount of outstanding convertible loans
* Amount of capital to be subscribed for
* Maximum number of shares to be issued
b. Following the exercising of APPLICATION rights
* Number of application rights in circulation
* Amount of capital to be subscribed for
* Corresponding maximum number of shares to be issued

Codes	Financial year
51808 51809 51810	0,00 0,00 0,00
51811 51812 51813	0,00 0,00 0,00
51814	0,00

5. Authorised capital, unissued
6. Shares not representing capital

- a. Breakdown
* Number of shares
* Number of attached voting rights
b. Breakdown by shareholder
* Number of shares held by the company itself
* Number of shares held by subsidiaries

Codes	Financial year
51815 51816	0,00 0,00
51817 51818	0,00 0,00

N°	0403.211.380	C-in 5.18
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B. THE INSTITUTION'S SHAREHOLDER STRUCTURE ON THE ACCOUNT CLOSING DATE, ACCORDING TO THE DECLARATIONS RECEIVED BY THE INSTITUTION

KBC Bank NV	Number of	2.989.624
KBC Securities	shares: Number	1
	of shares:	

N°	0403.211.380	C-in 5.19
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XIX. BREAKDOWN OF THE BALANCE SHEET IF IT TOTALS MORE THAN EUR 15 MILLION, IN EURO AND IN FOREIGN CURRENCIES

1. Total assets

- a. In euro
- b. In foreign currency (equivalent amount in euro)

Codes	Financial year
51901	10.725.399.444,67
51902	142.841.777,67
51903	10.588.020.135,88
51904	280.221.086,46

2. Total liabilities

- a. In euro
- b. In foreign currency (equivalent amount in euro)

N°	0403.211.380	C-in 5.20
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XX. FIDUCIARY TRANSACTIONS REFERRED TO IN ARTICLE 27 (B), § 1, SUB-PARAGRAPH 3

Items concerned on the asset and liability sides

(EUR thousands)
Financial year

XXI. STATEMENT OF AMOUNTS PAYABLE AND GUARANTEED LIABILITIES**A. MORTGAGES** (amount registered or the book value of the mortgaged property if the latter is lower)**1. Real guarantees provided or to be provided under an irrevocable commitment by the institution on its own assets as collateral for the institution's debts and commitments**

a. Liability side

b. OFF-BALANCE SHEET HEADINGS

2. Real guarantees provided or to be provided under an irrevocable commitment by the institution on its own assets as collateral for third-party debts and commitments

Financial year

B. PLEDGES ON BUSINESS ASSETS (registration amount)**1. Real guarantees provided or to be provided under an irrevocable commitment by the institution on its own assets as collateral for the institution's debts and commitments**

a. Liability side

b. OFF-BALANCE SHEET HEADINGS

2. Real guarantees provided or to be provided under an irrevocable commitment by the institution on its own assets as collateral for third-party debts and commitments

Financial year

N° 0403.211.380

C-in 5.21.3

C. PLEDGES ON OTHER ASSETS (book value of pledged assets)

1. Real guarantees provided or to be provided under an irrevocable commitment by the institution on its own assets as collateral for the institution's debts and commitments

a. Liability side

b. OFF-BALANCE SHEET HEADINGS

2. Real guarantees provided or to be provided under an irrevocable commitment by the institution on its own assets as collateral for third-party debts and commitments

Financial year

414.504.278,84

40.740.000,00

2.844.016,00

N° 0403.211.380

C-in 5.21.4

D. FUTURE ASSETS CHARGED OR PLEDGED (amount of assets in question)

1. Real guarantees provided or to be provided under an irrevocable commitment by the institution on its own assets as collateral for the institution's debts and commitments

a. Liability side

b. OFF-BALANCE SHEET HEADINGS

2. Real guarantees provided or to be provided under an irrevocable commitment by the institution on its own assets as collateral for third-party debts and commitments

Financial year

N° 0403.211.380

C-in 5.22

XXII. STATEMENT OF CONTINGENT LIABILITIES AND COMMITMENTS WHICH COULD GIVE RISE TO A CREDIT RISK (off-balance sheet items I and II)

1. Total contingent liabilities on behalf of affiliated companies

2. Total contingent liabilities on behalf of other associated companies

3. Total commitments towards affiliated companies which could give rise to a credit risk

4. Total commitments towards other associated companies which could give rise to a credit risk

Codes	Financial year	Previous financial year
52201	1.989.839,72	1.836.574,58
52202	0,00	0,00
52203	0,00	0,00
52204	0,00	0,00

XXIII. OPERATING RESULTS (items I to XV of the income statement)

(EUR thousands)

	Codes	Financial year	Previous financial year
1. Breakdown of operating results by origin			
a. Interest and similar income	(40100)	311.440.210,76	324.934.962,87
* Belgian offices	52301	311.440.210,76	324.934.962,87
* Foreign offices	52302	0,00	0,00
b. Income from variable-yield securities: from shares and other variable-yield securities	(40310)	5,68	0,01
* Belgian offices	52303	5,68	0,01
* Foreign offices	52304	0,00	0,00
c. Income from variable-yield securities: from participating interests in affiliated companies	(40320)	20.794.424,17	16.108.147,85
* Belgian offices	52305	20.794.424,17	16.108.147,85
* Foreign offices	52306	0,00	0,00
d. Income from variable-yield securities: from participating interests in other associated companies	(40330)	4.845,00	0,00
* Belgian offices	52307	4.845,00	0,00
* Foreign offices	52308	0,00	0,00
e. Income from variable-yield securities: from other shares held as financial fixed assets	(40340)	465,47	465,47
* Belgian offices	52309	465,47	465,47
* Foreign offices	52310	0,00	0,00
f. Commission income	(40400)	76.048.229,97	75.191.153,81
* Belgian offices	52311	76.048.229,97	75.191.153,81
* Foreign offices	52312	0,00	0,00
g. Profit on financial transactions	(40600)	-4.173.342,43	1.098.481,12
* Belgian offices	52313	-4.173.342,43	1.098.481,12
* Foreign offices	52314	0,00	0,00
h. Other operating income	(41400)	6.200.190,08	7.777.769,15
* Belgian offices	52315	6.200.190,08	7.777.769,15
* Foreign offices	52316	0,00	0,00
2. Employees recorded in the staff register			
a. Total number on the closing date	52317	1.308	1.314
b. Average number of employees calculated in full-time equivalents	52318	1.225	1.209
* Senior management	52319	4	4
* White-collar staff	52320	1.217	1.201
* Blue-collar staff	52321	5	5
* Other	52322	0	0
c. Number of hours actually worked	52323	1.780.788	1.769.336
3. Personnel costs			
a. Salaries and direct benefits	52324	71.795.498,42	69.790.351,54
b. Employer's social security contributions	52325	20.140.071,96	20.336.812,28
c. Employer's contribution for insurance benefits plan	52326	4.074.975,88	5.323.073,93
d. Other staff costs	52327	3.400.184,16	3.285.529,61
e. Retirement and survivors' pensions	52328	438.673,01	670.599,09
4. Provisions for pensions and similar obligations			
a. Increases	(+)	52329	121.152,11
b. Decreases	(-)	52330	-1.184.962,50
			-2.872.624,00

5. Breakdown of other operating income if the amount of this item is significant

- a. Write-backs of receivables written-off and disputes
- b. Miscellaneous write-backs
- c. Commissions and miscellaneous income
- d. Payroll tax exemption
- e. Visa Pinto commissions
- f. Deposit protection fund reimbursement
- g. Miscellaneous

6. Other operating expenses

- a. Taxes related to operations
- b. Other
- c. Breakdown of other operating expenses if the amount of this item is significant

7. Operating income relating to affiliated companies**8. Operating charges relating to affiliated companies**

Codes	Financial year	Previous financial year
	933.096,04	408.215,78
	290.048,90	462.208,54
	1.163.074,30	970.362,90
	680.030,53	674.806,92
	1.283.365,98	1.083.195,45
	0,00	1.068.572,20
	1.850.574,33	3.110.407,36
52331	11.504.883,80	12.474.100,57
52332	215.402,03	73.695,71
52333	60.955.991,34	104.862.878,18
52334	124.243.048,86	205.811.536,51

XXIV. STATEMENT OF OFF-BALANCE SHEET FORWARD TRANSACTIONS IN TRANSFERABLE SECURITIES, CURRENCIES AND OTHER FINANCIAL INSTRUMENTS WHICH DO NOT CONSTITUTE COMMITMENTS WHICH COULD GIVE RISE TO A CREDIT RISK WITHIN THE MEANING OF OFF-BALANCE SHEET ITEM II

A. TYPES OF TRANSACTIONS (amount on the account closing date)

1. Transactions in negotiable securities

- a. Forward purchases and sales of transferable securities
* Of which: non-hedging transactions

2. Foreign currency transactions (amounts to be delivered)

- a. Forward foreign exchange transactions
* Of which: non-hedging transactions
b. Currency and interest rate swaps
* Of which: non-hedging transactions
c. Currency futures
* Of which: non-hedging transactions
d. Currency options
* Of which: non-hedging transactions
e. Forward foreign currency transactions
* Of which: non-hedging transactions

3. Transactions in other financial instruments

Transactions in interest rate derivatives (nominal/notional reference amount)

- a. Interest rate swaps
* Of which: non-hedging transactions
b. Interest rate futures
* Of which: non-hedging transactions
c. Forward rate agreements
* Of which: non-hedging transactions
d. Interest rate options
* Of which: non-hedging transactions Other forward purchases and sales
(purchase/sale price agreed between parties)
e. Other foreign exchange transactions
* Of which: non-hedging transactions
f. Other future transactions
* Of which: non-hedging transactions
g. Other forward purchases and sales
* Of which: non-hedging transactions

Codes	Financial year
52401	0,00
52402	0,00
52403	545.100.336,80
52404	545.100.336,80
52405	21.009.384,68
52406	16.527.410,74
52407	0,00
52408	0,00
52409	97.686.848,88
52410	97.686.848,88
52411	0,00
52412	0,00
52413	5.685.566.139,07
52414	2.214.537.007,60
52415	0,00
52416	0,00
52417	0,00
52418	0,00
52419	1.196.933.834,37
52420	1.196.933.834,37
52421	8.559.840,00
52422	8.559.840,00
52423	0,00
52424	0,00
52425	0,00
52426	0,00

B. Quantified impact on the results of a derogation from the valuation rule specified in article 36 (a), § 2, with regard to transactions in interest rate derivatives

1. Transactions in interest rate derivatives for cash management purposes

- a. Nominal/notional reference amount on the account closing date
b. Difference between market value and book value

(+)/(-)

Codes	Financial year
52427	0,00
52428	0,00
52429	3.431.029.131,00
52430	-251.840.088,00
52431	0,00
52432	0,00

2. Transactions in interest rate derivatives for asset and liability management (ALM)

- a. Nominal/notional reference amount on the account closing date
b. Difference between market value and book value

(+)/(-)

3. Transactions in interest rate derivatives without risk reduction effect (LOCOM)

- a. Nominal/notional reference amount on the account closing date
b. Difference between market value and book value

(+)/(-)

XXV. EXTRAORDINARY RESULTS

1. Gains on transfers of fixed assets to affiliated companies

2. Losses on transfers of fixed assets to affiliated companies

3. Breakdown of other extraordinary results if the amount of this item is significant

4. Breakdown of other extraordinary charges if the amount of this item is significant

Codes	Financial year
52501	0,00
52502	0,00
	0,00
	0,00

XXVI. INCOME TAX

1. Income tax for the current financial year

- a. Taxes and withholding taxes due or paid
- b. Excess payments of taxes and withholding taxes included in assets
- c. Estimated additional taxes

2. Corporate income tax for previous financial years

- a. Additional taxes due or paid
- b. Estimated or provisioned additional taxes

3. Main sources of differences between pre-tax profit, recorded in the annual financial statements, and the estimated taxable profit

- Participation exemption
- Notional interest deduction
- The specific tax regime applicable to capital gains and capital losses on shares
- Changes in taxable reserves and provisions
- Non-deductible expenses (other than allowances, capital losses on shares and corporate tax)

4. Impact of the extraordinary results on the amount of income tax for the current financial year

- Realised capital gains and losses on shares included in financial fixed assets (non-taxable capital gains and non-deductible capital losses)
- Allowances (non-deductible) and reversals (non-taxable) of allowances on shares included in financial fixed assets

Codes	Financial year
52601	31.531.523,52
52602	31.199.933,66
52603	0,00
52604	331.589,86
52605	1.862.143,25
52606	-21.679,79
52607	1.883.823,04
	4.187.676,16
	1.203,00
	-14.984.441,28
	-6.622.811,23
	4.293.063,96

1.203,00

0,00

5. Sources of deferred taxation

- a. Deferred tax assets
 - * Total tax losses, deductible from future taxable profits
 - * Other deferred tax assets
- b. Deferred tax liabilities
 - * Breakdown of deferred tax liabilities

Codes	Financial year
52608	4.763.965,00
52609	0,00
	4.763.965,00
52610	0,00

XXVII. VALUE ADDED TAX AND TAXES TO BE SUPPORTED BY THIRD PARTIES

1. Value added tax charged

- a. To the institution (deductible)
- b. By the institution

2. Amounts retained on behalf of third parties, for

- a. Payroll taxes
- b. Withholding tax

Codes	Financial year	Previous financial year
52701	860.720,14	778.044,14
52702	2.332.297,01	2.815.380,47
52703	19.913.194,90	19.331.081,87
52704	25.050.692,43	32.195.226,97

XXVIII. OFF-BALANCE SHEET RIGHTS AND COMMITMENTS WITH AFFILIATES**A. OFF-BALANCE SHEET RIGHTS AND COMMITMENTS****1. Significant commitments for the acquisition of fixed assets****2. Significant commitments for the disposal of fixed assets****3. Major litigation and other significant commitments****4. If applicable, a brief description of any supplementary retirement or survivor's pension scheme in favour of staff or executives, and of the measures taken to cover the resulting charge**

All staff are eligible for a scheme providing supplementary pension benefits, additional death benefits, orphan's allowance and disability benefits.

The amount of these benefits and allowances depends on the final average salary, the number of years of service and the age at the time of retirement, within an "aims to be achieved" framework.

The pension schemes are fully funded by the employer by way of annual contributions charged to the income statement. The contributions, calculated on an actuarial basis using the *aggregate cost* method, are transferred to the Pension Fund (OFP) and to the KBC Senior Management Pension Fund (OFP), entrusted in particular with managing the reserves created, the payment of supplementary pension benefits and the related administration.

A plan "with defined mandatory contributions" for all new employees and optional for those already enrolled in the aforementioned plan "with an objective to be achieved" has been introduced in 2014. The plan "with an objective to be achieved" has therefore become a closed plan (no new possible membership) from 2015. This plan with "fixed contributions" is fully funded by the employer. For the contribution plans, a minimum guaranteed return is imposed by law; in 2015 it was 3.25% for funding by the employer; from 2016, the interest rate is set at 1.75%. The management of the reserves so constituted, their payment and administration have been entrusted equally to Pensioenfond KBC (OFP) and Pensioenfond Senior Management KBC (OFP).

A supplementary pension plan (defined contribution plan) is also provided on the basis of the exclusive personal contributions of staff through a deduction from wages. In 2015, the statutory performance guarantee is 3.75% for the employee contributions; from 2016, it will be 1.75%. The management of the constituted reserves, the payment and administration are entrusted to Pensioenfond KBC (OFP) and Pensioenfond Senior Management KBC (OFP).

5. Pensions funded by the institution itself: estimated amount of the commitments resulting for the institution from services already provided**6. Nature and commercial purpose of operations not recognised in the balance sheet**

Provided that the risks or benefits resulting from these transactions are significant and insofar as the disclosure of the risks or benefits is necessary in order to assess the institution's financial situation; if applicable, the financial consequences of these transactions for the institution must also be indicated:

7. Other off-balance sheet rights and commitments

Codes	Financial year

Code	Financial year
52801	

B. TRANSACTIONS WITH RELATED PARTIES NOT CARRIED OUT UNDER NORMAL MARKET CONDITIONS

Specification of these transactions if they are significant, including the amount involved in the transactions, the nature of the relationship with the related party, along with any other information regarding the transactions that might be necessary in order to gain a better understanding of the company's financial situation:

Transactions with affiliated companies are carried out in line with market conditions.

Financial year

XXIX. FINANCIAL RELATIONS WITH**A. DIRECTORS AND PARTNERS, NATURAL AND LEGAL PERSONS THAT CONTROL THE INSTITUTION DIRECTLY OR INDIRECTLY, BUT ARE NOT AFFILIATED TO IT OR THE OTHER COMPANIES CONTROLLED DIRECTLY OR INDIRECTLY BY SUCH PERSONS****1. Amounts receivable from such persons**

- a. Main conditions of such amounts receivable

2. Guarantees provided in their favour

- a. Main conditions of the guarantees provided

3. Other significant commitments in their favour

- a. Main conditions of the other commitments

4. Direct and indirect compensation and pensions charged to the income statement, as long as this disclosure does not concern, exclusively or mainly, the situation of a single identifiable person

- a. To directors and partners
b. To former directors and former partners

B. THE AUDITOR(S) AND RELATED PARTIES**1. Fees paid to the auditor(s)****2. Fees for extraordinary services or specific audit engagements carried out within the company by the auditor(s)**

- a. Other attestation engagements
b. Tax advisory services
c. Other services in addition to the audit engagement

3. Fees for extraordinary services or specific engagements carried out within the company by parties related to the auditor(s)

- a. Other attestation engagements
b. Tax advisory services
c. Other services in addition to the audit engagement

4. Particulars in application of article 133, § 6, of the Code of Company Law

Codes	Financial year
52901	
52902	
52903	
52904	1.147.397,49
52905	
Codes	Financial year
52906	201.560,00
52907	
52908	
52909	
52910	
52911	
52912	

XXX.POSITIONS RELATING TO FINANCIAL INSTRUMENTS

1. Financial instruments receivable by the institution on behalf of customers
2. Financial instruments to be delivered by the institutions to customers
3. Financial instruments of customers deposited with the institution
4. Financial instruments of customers deposited by the institution
5. Financial instruments of customers received as collateral by the institution
6. Financial instruments of customers used as collateral by the institution

Codes	Financial year
53001	0,00
53002	0,00
53003	7.234.911.534,52
53004	7.124.945.180,60
53005	408.974.298,78
53006	0,00

XXXI. DERIVATIVE FINANCIAL INSTRUMENTS NOT VALUED AT THEIR FAIR VALUE

Estimate of the fair value of each category of derivative financial instruments not valued at fair value in the accounts, with information on the nature and volume of the instruments

Interest rate swaps

Financial year
-251.840.088,00

XXXII. DECLARATION RELATING TO CONSOLIDATED FINANCIAL STATEMENTS**A. INFORMATION TO BE COMPLETED BY ALL INSTITUTIONS**

~~The institution draws up and publishes consolidated financial statements and a consolidated management report*.~~

The institution neither draws up consolidated financial statements nor a consolidated management report, because it is exempted from doing so for the following reason*

The institution is itself a subsidiary of a parent company that draws up and publishes consolidated financial statements in which its annual accounts are included by consolidation*

If so, proof of compliance with the conditions for exemption laid down in article 4 of the Royal Decree of 23 September 1992:

CBC and all its subsidiaries are included in the consolidated financial statements drawn up by the parent company.

Name, full address of the registered office and, in the case of a company incorporated under Belgian law, the enterprise number of the parent company that draws up and publishes the consolidated financial statements on the basis of which the exemption is authorised:

B. INFORMATION TO BE COMPLETED BY THE INSTITUTION IF IT IS A SUBSIDIARY OR A JOINT SUBSIDIARY

Name, full address of the registered office and, in the case of a company incorporated under Belgian law, the enterprise number of the parent company or companies and information on whether said parent company or companies draw up and publish consolidated financial statements in which its annual accounts are integrated**:

KBC GROUP NV/SA
Havenlaan 2, 1080 Brussels
VAT BE 0403.227.515
The parent company draws up and publishes consolidated financial statements.

KBC Bank SA/NV
Havenlaan 2, 1080 Brussels
VAT BE 0462.920.226
The parent company draws up and publishes consolidated financial statements.

If the parent company (companies) is (are) incorporated under foreign law, the place where the aforementioned consolidated financial statements can be obtained**

* Delete as appropriate.

** If the institution's accounts are consolidated at several levels, data is provided firstly for the largest group and secondly for the smallest group of companies to which the institution belongs and for which consolidated accounts are drawn up and published.

C. FINANCIAL RELATIONS OF THE GROUP OF WHICH THE INSTITUTION IS AT THE HEAD IN BELGIUM WITH THE AUDITOR(S) AND THE PARTIES TO WHICH IT (THEY) IS (ARE) RELATED: PARTICULARS IN APPLICATION OF ARTICLE 133, § 6, OF THE CODE OF COMPANY LAW

D. FINANCIAL RELATIONS OF THE GROUP OF WHICH THE INSTITUTION IS AT THE HEAD IN BELGIUM WITH THE AUDITOR(S) AND THE PARTIES TO WHICH IT (THEY) IS (ARE) RELATED: PARTICULARS IN APPLICATION OF ARTICLE 134, §§ 4 AND 5, OF THE CODE OF COMPANY LAW

1. Fees paid to the auditor(s) for the performance of a mandate as auditor at the level of the group of which the company which publishes information is at the head

2. Fees for extraordinary services or specific engagements carried out for said group by the auditor(s)

- a. Other attestation engagements
- b. Tax advisory services
- c. Other services in addition to the audit engagement

3. Fees paid to parties with whom the auditor(s) has (have) a related party relationship for the performance of a mandate as auditor at the level of the group of which the company which publishes information is at the head

4. Fees for extraordinary services or specific engagements carried out for said group by parties with which the auditor(s) has (have) a related party relationship

- a. Other attestation engagements
- b. Tax advisory services
- c. Other services in addition to the audit engagement

Codes	Financial year
53201	
53202	
53203	
53204	
53205	
53206	
53207	
53208	



**Statutory
auditor's
report.**

Rapport du commissaire à l'assemblée générale de la société CBC Banque sa pour l'exercice clos le 31 décembre 2015

Conformément aux dispositions légales et statutaires, nous vous faisons rapport dans le cadre de notre mandat de commissaire. Ce rapport inclut notre opinion sur le bilan au 31 décembre 2015, le compte de résultats de l'exercice clos le 31 décembre 2015 et les annexes formant ensemble les « Comptes Annuels » ainsi que notre rapport sur d'autres obligations légales et réglementaires.

Rapport sur les Comptes Annuels - opinion sans réserve

Nous avons procédé au contrôle des Comptes Annuels de CBC Banque sa (la « Société ») pour l'exercice clos le 31 décembre 2015, établis sur la base du référentiel comptable applicable en Belgique, dont le total du bilan s'élève à € 10.868.241 milliers et dont le compte de résultats se solde par un bénéfice de l'exercice de € 73.922 milliers.

Responsabilité de l'organe de gestion relative à l'établissement des Comptes Annuels

L'organe de gestion est responsable de l'établissement des Comptes Annuels donnant une image fidèle conformément au référentiel comptable applicable en Belgique. Cette responsabilité comprend: la conception, la mise en place et le suivi d'un contrôle interne relatif à l'établissement des Comptes Annuels donnant une image fidèle et ne comportant pas d'anomalies significatives, que celles-ci résultent de fraudes ou d'erreurs; le choix et l'application de règles d'évaluation appropriées, ainsi que la détermination d'estimations comptables raisonnables au regard des circonstances.

Responsabilité du commissaire

Notre responsabilité est d'exprimer une opinion sur ces Comptes Annuels sur la base de notre audit. Nous avons effectué notre audit selon les normes internationales d'audit (International Standards on Auditing - « ISA's »). Ces normes requièrent de notre part de nous conformer aux exigences déontologiques, ainsi que de planifier et de réaliser l'audit en vue d'obtenir une assurance raisonnable que les Comptes Annuels ne comportent pas d'anomalies significatives.

Un audit implique la mise en œuvre de procédures en vue de recueillir des éléments probants concernant les montants et les informations fournis dans les Comptes Annuels. Le choix des procédures mises en œuvre relève du jugement du commissaire, y compris l'évaluation des risques que les Comptes Annuels comportent des anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs. En procédant à cette évaluation des risques, le commissaire prend en compte le contrôle interne de l'entité relatif à l'établissement des Comptes Annuels donnant une image fidèle, cela afin de définir des procédures d'audit appropriées selon les circonstances, et non dans le but d'exprimer une opinion sur l'efficacité du contrôle interne de l'entité. Un audit consiste également à apprécier le caractère approprié des règles d'évaluation retenues, le caractère raisonnable des estimations comptables faites par l'organe de gestion, et l'appréciation de la présentation d'ensemble des Comptes Annuels.

**Rapport du commissaire du 11 avril 2016 sur les Comptes Annuels
de CBC Banque sa pour l'exercice clos
le 31 décembre 2015 (suite)**

Nous avons obtenu de l'organe de gestion et des préposés de l'entité, les explications et informations requises pour notre audit et nous estimons que les éléments probants recueillis sont suffisants et appropriés pour fonder notre opinion.

Opinion sans réserve

A notre avis, les Comptes Annuels de la Société donnent une image fidèle du patrimoine et de la situation financière de la Société au 31 décembre 2015, ainsi que de ses résultats pour l'exercice clos à cette date, conformément au référentiel comptable applicable en Belgique.

Rapport sur d'autres obligations légales et réglementaires

L'organe de gestion est responsable de l'établissement et du contenu du rapport de gestion sur les Comptes Annuels conformément à l'article 96 du Code des sociétés ainsi que du respect des dispositions légales et réglementaires applicables à la tenue de la comptabilité, du Code des sociétés et des statuts de la Société.

Dans le cadre de notre audit et conformément à la norme complémentaire applicable émise par l'Institut des Réviseurs d'Entreprises comme publié au Moniteur Belge en date du 28 août 2013 (la « Norme Complémentaire »), notre responsabilité est d'effectuer certaines procédures, dans tous les aspects significatifs, sur le respect de certaines obligations légales et réglementaires, comme défini par la Norme Complémentaire. Sur base du résultat de ces procédures, nous faisons les déclarations complémentaires suivantes, qui ne sont pas de nature à modifier notre opinion sur les Comptes Annuels:

- ▶ Le rapport de gestion sur les Comptes Annuels traite des mentions requises par la loi, concorde avec les Comptes Annuels et ne comprend pas d'incohérences significatives par rapport aux informations dont nous avons eu connaissance dans le cadre de notre mandat.
- ▶ Sans préjudice d'aspects formels d'importance mineure, la comptabilité est tenue conformément aux dispositions légales et réglementaires applicables en Belgique.
- ▶ L'affectation des résultats proposée à l'assemblée générale est conforme aux dispositions légales et statutaires.
- ▶ Nous n'avons pas à vous signaler d'opération conclue ou de décision prise en violation des statuts ou du Code des sociétés.

Bruxelles, le 11 avril 2016

Ernst & Young Réviseurs d'Entreprises SCCRL
Commissaire
représentée par



Jean-François Hubin*
Associé

*Agissant au nom d'une SPRL

16JFH0209

Rapport du réviseur d'entreprises sur les constatations de fait quant au respect de l'article 11 de la loi du 14 décembre 2005 portant suppression des titres au porteur de la sa CBC Banque

Le présent rapport a été établi conformément aux conditions de notre contrat de mission daté du 29 février 2016 (ci-après le «Contrat») en vue d' assister la CBC Banque sa (la «Banque») dans le cadre et aux fins du respect de l'article 11 de la loi du 14 décembre 2005 portant suppression des titres au porteur, y compris le fait que le réviseur d'entreprises est tenu d'attester que les exigences de cet article ont été respectées.

Nous avons mis en œuvre les procédures convenues avec vous et indiquées ci-dessous relatives aux informations concernant les titres au porteur, telles que reprises dans l'annexe ci-joint (ci-après l'«Annexe»). Notre mission a été effectuée selon la norme internationale de services connexes 4400 « Missions de procédures convenues relatives aux informations financières » (*International Standard on Related Services 4400 "Engagements to Perform Agreed-Upon-Procedures regarding Financial Information"*, norme ISRS). Les procédures ont été mises en œuvre dans le seul but de vous assister dans le respect des exigences de l'article 11 de la loi du 14 décembre 2005 portant suppression des titres au porteur.

Nous avons mis en œuvre les procédures suivantes quant au tableau repris en annexe:

- (i) Approuver la liste de tous les titres au porteur de l'émetteur dont l'identité du titulaire n'est pas connue au 31 décembre 2014, établie par l'émetteur, par rapport au registre des bons de caisse de l'émetteur;
- (ii) Déterminer si la vente des titres au porteur pertinents qui n'ont pas encore été réclamés par leurs titulaires légitimes a été notifiée au préalable par le biais d'un avis et déterminer si cet avis contient les informations requises par la loi du 14 décembre 2005 portant suppression des titres au porteur et par l'arrêté royal du 25 juillet 2014 (MB du 8 septembre 2014) pris en exécution de l'article 11 de la loi en question (en particulier l'article 2);
- (iii) Déterminer si la vente par l'émetteur a eu lieu après un délai minimal d'un mois à compter de la publication de cet avis et a été initiée dans les trois mois suivant cette publication;
- (iv) Approuver la liste de tous les titres au porteur de l'émetteur qui ont été vendus entre le 1er janvier 2015 et le 30 novembre 2015, y compris le produit de la vente lié à l'encaissement en question, pour 31 des 31 transactions (correspondant à 100% des titres vendus);
- (v) En ce qui concerne l'échantillon défini sous le point (vi), vérifier si les coûts déduits du produit de la vente par l'émetteur sont conformes à la définition énoncée à l'art. 11, § 1, alinéa 3 de la loi du 14 décembre 2005;
- (vi) En ce qui concerne l'échantillon défini sous le point (vi), vérifier si le produit net de la vente a été transféré à la Caisse des Dépôts et Consignations;

**Rapport du réviseur d'entreprises sur les constatations de fait quant
au respect de l'article 11 de la loi du 14 décembre 2005 portant
suppression des titres au porteur**

- (vii) Déterminer si les titres au porteur qui n'ont pas été vendus par l'émetteur au 30 novembre 2015 ont été déposés auprès de la Caisse des Dépôts et Consignations au cours du mois de décembre 2015 au plus tard;
- (viii) Vérifier l'exactitude mathématique du rapprochement réalisé par l'émetteur, démontrant que le nombre de titres au porteur de l'émetteur dont l'identité du titulaire n'est pas connue au 31 décembre 2014, diminué des titres vendus selon la liste de tous les titres au porteur de l'émetteur qui ont été vendus entre le 1er janvier 2015 et le 30 novembre 2015, concorde avec le nombre de titres déposés auprès de la Caisse des Dépôts et Consignations;
- (ix) Déterminer si les informations accompagnant le dépôt des titres au porteur non vendus auprès de la Caisse des Dépôts et Consignations sont conformes à l'article 8 de l'arrêté royal du 25 juillet 2014 (MB du 8 septembre 2014) pris en exécution de l'article 11 de la loi du 14 décembre 2005 portant suppression des titres au porteur.

Aucune exception n'a été relevée lors de la mise en œuvre de ces procédures.

Compte tenu du fait que les procédures mentionnées ci-dessus ne constituent ni un audit ni un examen limité selon les normes internationales d'audit (*International Standards on Auditing*, normes ISA) ou les normes internationales d'examen limité (*International Standards on Review Engagements*, normes ISRE), nous n'exprimons aucun degré d'assurance sur les informations contenues dans l'Annexe.

Si nous avons mis en œuvre des procédures complémentaires ou si nous avons réalisé un audit ou un examen limité de l'Annexe selon les normes internationales d'audit ou les normes internationales d'examen limité, d'autres éléments auraient pu être portés à notre connaissance et vous auraient été communiqués. Le présent rapport porte uniquement sur les comptes et éléments spécifiés ci-dessus, et ne s'étend pas aux états financiers de la Banque, dans leur ensemble.

Le présent rapport est exclusivement réservé à l'usage de l'organe de gestion et a pour seul objectif celui indiqué dans le premier paragraphe. A cet égard, nous acceptons que notre rapport soit reproduit dans les comptes annuels de la Banque et transmis à la Caisse des Dépôts et Consignations, dans le seul but de démontrer la conformité aux exigences de l'article 11 de la loi du 14 décembre 2005 portant suppression des titres au porteur, étant entendu que nous déclinons toute responsabilité en cas de dommages causés à la Caisse des Dépôts et Consignations ou tout autre tiers à qui notre rapport pourrait être remis.

Bruxelles, le 29 mars 2016

Ernst & Young Réviseurs d'Entreprises scrl
Réviseur d'entreprises
représentée par



Jean-François Hubin*
Associé

* Agissant au nom d'une sprl

16JFH0181

Annexes:

1. Publications website Euronext
2. Tableau des ventes

