Press Release

Outside trading hours - Regulated information*
Brussels, 12 November 2026 (07.00 a.m. CET)

KBC Group: Third-quarter result of 1 142 million euros

KBC Group – overview (consolidated, IFRS)	3Q2026	2Q2026	3Q2025	9M2026	9M2025
Net result (in millions of EUR)	1 142	1 152	1 002	2 851	2 566
Basic earnings per share (in EUR)	2.80	2.83	2.44	6.95	6.26
Breakdown of the net result by business unit (in millions of EUR)					
Belgium	*714*	*747*	*589*	*1 778*	*1 477*
Czech Republic	*252*	*272*	*244*	*746*	*691*
International Markets	*280*	*240*	*237*	*619*	*609*
Group Centre	*-104*	*-106*	*-68*	*-292*	*-211*
Parent shareholders' equity per share (in EUR, end of period)	66.1	64.3	60.8	66.1	60.8

'We recorded an excellent net profit of 1 142 million euros in the third quarter of 2026. Compared to the previous quarter, our total income benefitted from higher insurance revenues, net fee and commission income, trading and fair value income, and net interest income (excluding the significantly lower net interest income on inflation-linked bonds). Net other income, on the other hand, was down, as was dividend income, following its seasonal peak in the second quarter. Our loan portfolio grew organically by 2% quarter-on-quarter and by as much as 7% year-on-year. Hence, year-to-date, organic loan growth has already surpassed our guidance for full-year 2026. Customer deposits – excluding volatile, low-margin short-term deposits at KBC Bank's foreign branches – fell organically by 1% quarter-on-quarter due to seasonality, retail government bond issues and shifts towards asset management products, but rose by 3% year-on-year. Disregarding bank and insurance taxes, operating expenses were up 3% quarter-on-quarter, but on a year-to-date and like-for-like basis (disregarding forex effects, the recent acquisitions and the exceptional bonus paid to staff), they remained perfectly in line with our full-year 2026 guidance. Insurance service expenses after reinsurance were up quarter-on-quarter, while total impairment charges were largely in line with the level recorded in the previous quarter, with the decrease in non-loan related impairment more or less offsetting the increase in loan loss impairment. Compared to year-end 2025, our year-to-date credit cost ratio improved to 12 basis points in the first nine months of 2026 when the reserve for geopolitical and macroeconomic uncertainties and the recent acquisition of 365.bank are excluded.

Consequently, when adding up the results for the first three quarters of the year, our year-to-date net profit amounted to 2 851 million euros, up 11% on the year-earlier figure.

Our solvency position remained strong, with an unfloored fully loaded common equity ratio under Basel IV of 14.6% at the end of September 2026. Our liquidity position remained very solid too, as illustrated by an LCR of 157% and an NSFR of 131%. In line with our dividend policy, we paid out an interim dividend of 1 euro last week as an advance on the total dividend for financial year 2026.

Kate, our digital assistant, has already reached 6.4 million customers across our core countries and is at the centre of our digital innovation strategy, playing a pivotal role in delivering faster, smarter and more personal services to our customers. Kate now solves more than 75% of customer questions fully autonomously and also plays an increasingly important role in our ecosphere approach. These ecospheres allow customers to retrieve useful information, obtain guidance and support and run simulations for, for instance, mobility and housing-related matters, while the digital interaction with the customer provides useful leads for KBC to reach out and set up a further dialogue. To date, our 'MyMobility' ecosphere has already onboarded approximately 450 000 customers in Belgium and the Czech Republic, while close to 90 000 customers in Belgium have already been onboarded to the 'MyHome' ecosphere. Our successful focus on innovation and customer convenience is also reflected in the external recognition we receive. We are, for instance, very proud that KBC Mobile has been named the world's best mobile banking app for the third year in a row by independent research firm Sia.

We repeat that, to provide additional insight into our digital journey, we will extend the usual conference call regarding the fourth-quarter and full-year results for 2026 on Thursday 11 February 2027 with a topical event on the digital transformation of our group, leading to new financial and non-financial guidance.

I'd like to take this opportunity to sincerely thank all our employees for their contribution to our group's continued success. I also wish to thank all our customers, shareholders and all other stakeholders for their trust and support, and to assure them that we remain committed to being the reference in bank-insurance and innovation in all our core markets.'



Johan Thijs
Chief Executive Officer

Financial highlights in 3Q2026

- **Net interest income** increased by 1% quarter-on-quarter when excluding the significantly lower net interest income on the inflation-linked bonds, and by 16% year-on-year (14% year-on-year on an organic basis, i.e. excluding the recent acquisitions of 365.bank and Business Lease). The net interest margin for the quarter under review amounted to 2.17%, down 6 basis points on the previous quarter and up 12 basis points year-on-year (10 basis points on an organic basis). Customer loan volumes increased organically by 2% quarter-on-quarter and by 7% year-on-year. Customer deposits – excluding volatile, low-margin short-term deposits at KBC Bank's foreign branches – were down organically by 1% quarter-on-quarter (due to seasonality, retail government bond issues and shifts towards asset management products) and were up by 3% year-on-year.

- **The insurance service result** (insurance revenues before reinsurance - insurance service expenses before reinsurance + net result from reinsurance contracts held) amounted to 158 million euros, compared to 170 million euros in the previous quarter and 142 million euros in the year-earlier quarter. The insurance service result for the quarter under review breaks down into 86 million euros for non-life insurance and 72 million euros for life insurance. The non-life insurance combined ratio for the first nine months of 2026 came to an excellent 87%, the same as for full-year 2025. Sales of non-life insurance products grew by 9% year-on-year, while life insurance sales were down slightly by 2% and 5% on the level recorded in the previous and year-earlier quarters, respectively.

- **Net fee and commission income** was up 2% quarter-on-quarter and 9% year-on-year (7% on an organic basis). Assets under management increased by 1% quarter-on-quarter and by 13% year-on-year.

- **Trading & fair value income and insurance finance income and expense** was up by 65 million euros and 36 million euros on the figures for the previous and year-earlier quarters, respectively. **Net other income** was below its normal run rate. **Dividend income** was down on the previous quarter's level, since the bulk of dividend income is traditionally received in the second quarter of the year.

- **Operating expenses excluding bank and insurance taxes** were up 3% quarter-on-quarter and 9% year-on-year (6% on an organic basis). Bank and insurance taxes amounted to 59 million euros in the quarter under review. The cost/income ratio for the first nine months of 2026 came to 43%, compared to 46% for full-year 2025. In that calculation, certain non-operating items have been excluded and bank and insurance taxes spread evenly throughout the year. When excluding all bank and insurance taxes, the cost/income ratio for the first nine months of 2026 amounted to 40%, compared to 41% for full-year 2025.

- **Loan loss impairment charges** amounted to 114 million euros in the quarter under review and included 103 million euros for the loan book (up on the 53 million euros recorded in the previous quarter) and an 11-million-euro increase in the reserve for geopolitical and macroeconomic uncertainties (compared to a 13-million-euro increase in the previous quarter). Excluding the reserve for geopolitical and macroeconomic uncertainties and the impact of the acquisition of 365.bank, the credit cost ratio for the first nine months of 2026 amounted to 0.12%, compared to 0.13% for full-year 2025. Impairment on assets other than loans amounted to 24 million euros in the quarter under review (related to software), compared to 69 million euros in the previous quarter and 5 million euros in the year-earlier quarter.

- Our **liquidity position** remained strong, with an LCR of 157% and NSFR of 131%. Our **capital base** remained robust, with an unfloored fully loaded common equity ratio of 14.6%*.

* Unfloored fully loaded common equity ratio: account taken of the total impact of Basel IV on risk-weighted assets, excluding the output floor impact.

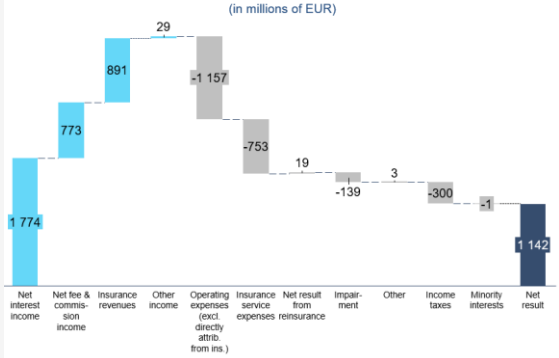
The cornerstones of our strategy



- We place our customers at the centre of everything we do
- We look to offer our customers a unique bank-insurance experience
- We focus on our group's long-term development and aim to achieve sustainable and profitable growth
- We assume our role in society and local economies
- We build upon the PEARL+ values, while focusing on the joint development of solutions, initiatives and ideas within the group

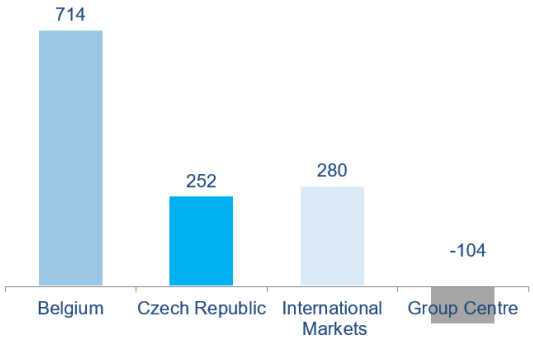
Breakdown of 3Q2026 result

(in millions of EUR)



Contribution of the business units to 3Q2026 group result

(in millions of EUR)



Overview of results and balance sheet

Consolidated income statement, IFRS, KBC Group (simplified; in millions of EUR)	3Q2026	2Q2026	1Q2026	4Q2025	3Q2025	9M2026	9M2025
Net interest income	1 774	1 805	1 672	1 608	1 527	5 251	4 457
Insurance revenues before reinsurance	891	868	843	830	810	2 602	2 372
Non-life	*751*	*731*	*706*	*705*	*688*	*2 188*	*2 004*
Life	*140*	*136*	*137*	*125*	*122*	*413*	*368*
Dividend income	15	42	11	23	12	68	54
Net result from financial instruments at fair value through P&L[1] and Insurance finance income and expense	-27	-92	-118	-22	-62	-237	-141
Net fee and commission income	773	758	729	725	707	2 261	2 064
Net other income	40	50	89	39	47	179	191
Total income	3 467	3 431	3 225	3 203	3 041	10 123	8 997
Operating expenses (excl. directly attributable from insurance)	-1 157	-1 128	-1 599	-1 133	-1 055	-3 884	-3 573
Total operating expenses excluding bank and insurance taxes	*-1 246*	*-1 209*	*-1 214*	*-1 224*	*-1 143*	*-3 670*	*-3 375*
Total bank and insurance taxes	*-59*	*-64*	*-549*	*-51*	*-49*	*-671*	*-615*
Minus: operating expenses allocated to insurance service expenses	*148*	*145*	*164*	*142*	*138*	*457*	*417*
Insurance service expenses before reinsurance	-753	-683	-644	-638	-643	-2 080	-1 874
Of which Insurance commission paid	*-122*	*-113*	*-110*	*-114*	*-109*	*-345*	*-315*
Non-Life	*-685*	*-606*	*-561*	*-573*	*-578*	*-1 853*	*-1 662*
Life	*-67*	*-77*	*-83*	*-65*	*-66*	*-228*	*-212*
Net result from reinsurance contracts held	19	-14	-27	-26	-25	-22	-49
Impairment	-139	-135	-165	-120	-51	-439	-213
Of which: on financial assets at amortised cost and at fair value through other comprehensive income[1]	*-114*	*-66*	*-164*	*-73*	*-45*	*-345*	*-200*
Share in results of associated companies & joint ventures	3	3	2	3	2	7	4
Result before tax	1 441	1 473	791	1 289	1 269	3 705	3 291
Income tax expense	-300	-319	-235	-285	-267	-854	-725
Result after tax	1 141	1 153	557	1 003	1 003	2 851	2 567
attributable to minority interests	-1	2	0	0	1	0	1
attributable to equity holders of the parent	**1 142**	**1 152**	**557**	**1 003**	**1 002**	**2 851**	**2 566**
Basic earnings per share (EUR)	2.80	2.83	1.32	2.44	2.44	6.95	6.26
Diluted earnings per share (EUR)	2.80	2.83	1.32	2.44	2.44	6.95	6.26

Key consolidated balance sheet figures, IFRS, KBC Group (in millions of EUR)	30-09-2026	30-06-2026	31-03-2026	31-12-2025	30-09-2025
Total assets	409 670	412 249	396 820	397 372	383 338
Loans & advances to customers	225 003	221 636	214 487	208 612	206 113
Securities (equity and debt instruments)	94 062	96 100	93 757	88 980	85 310
Deposits from customers	247 355	251 478	246 450	237 868	232 462
Insurance contract liabilities	17 545	18 118	17 559	17 423	17 152
Liabilities under investment contracts, insurance	18 874	18 688	16 877	16 998	16 433
Total equity	28 884	28 147	28 285	27 985	27 019

Selected ratios for KBC Group (consolidated)	9M2026	FY2025
Return on equity (excluding non-operating items and evenly spreading bank and insurance taxes throughout the year)[2]	16%	15%
Cost/income ratio, group		
- excl. non-operating items and evenly spreading bank and insurance taxes throughout the year	43%	46%
- excl. all bank and insurance taxes	40%	41%
Combined ratio, non-life insurance	87%	87%
Common equity ratio (CET1), fully loaded (Basel IV, Danish Compromise, unfloored[3])	14.6%	14.9%
Credit cost ratio		
- *excluding* the reserve for geopolitical and macroeconomic uncertainties and the recent acquisition of 365.bank	0.12%	0.13%
- *including* the reserve for geopolitical and macroeconomic uncertainties and the recent acquisition of 365.bank	0.18%	0.13%
Impaired loans ratio	1.8%	1.8%
for loans more than 90 days past due	1.0%	0.9%
Net stable funding ratio (NSFR)	131%	138%
Liquidity coverage ratio (LCR)	157%	159%

1 Net result from financial instruments at fair value through P&L is also referred to as 'Trading & fair value income' and Impairment on financial assets at amortised cost and at fair value through other comprehensive income is also referred to as 'Loan loss impairment'.
2 Based on tangible equity, this was 18% for the first nine months of 2026 and 16% for full-year 2025.
3 Unfloored fully loaded common equity ratio: account taken of the total impact of Basel IV on risk-weighted assets, excluding the output floor impact.

Analysis of the quarter (3Q2026)

Total income: 3 467 million euros

+1% quarter-on-quarter and +14% year-on-year

Net interest income amounted to 1 774 million euros, up 1% quarter-on-quarter when excluding the significantly lower net interest income on the inflation-linked bonds, and up 16% year-on-year (14% year-on-year on an organic basis, i.e. excluding the impact of the recently acquired 365.bank and Business Lease).

The 1% quarter-on-quarter increase (excluding the impact of inflation-linked bonds) was due mainly to the further increase in the commercial transformation result, a higher net interest income on the (non-inflation-linked) insurance bond portfolio and a higher number of days in the quarter. These items were partly offset by a negative one-off item in the Czech Republic (consolidation adjustment to intercompany transactions of -8 million euros), a slightly lower level of income from lending activities (the positive effect of the increasing loan volume was more than offset by the negative effect of pressure on margins in most core markets and a positive one-off item in Hungary in the previous quarter), lower net interest income from dealing room, ALM and short-term cash management activities, as well as slightly higher costs related to the minimum required reserves held with central banks and slightly higher wholesale and subordinated funding costs.

The 16% year-on-year increase was attributable primarily to a much higher commercial transformation result, a higher level of income from lending activities, higher interest income on customer term deposits and higher interest income from ALM, dealing room and short-term cash management activities. These items were offset to just a small extent by higher wholesale funding costs and the negative one-off adjustment in the Czech Republic.

The net interest margin for the quarter under review amounted to 2.17%, down 6 basis points quarter-on-quarter and up 12 basis points year-on-year (10 basis points on an organic basis). At 225 billion euros, customer loan volume was up 2% quarter-on-quarter and 9% year-on-year. Excluding recent acquisitions, loan volume was up on an organic basis by 2% quarter-on-quarter and by 7% year-on-year, with increases in every core country. Customer deposits amounted to 247 billion euros and were down 2% quarter-on-quarter and up 6% year-on-year. On an organic basis and excluding volatile, low-margin short-term deposits at KBC Bank's foreign branches (driven by short-term cash management opportunities), customer deposits were down 1% quarter-on-quarter (impacted in some core countries by seasonality, retail government bond issues and shifts towards asset management products) and up 3% year-on-year.

For guidance regarding expected net interest income in 2026 and the years to come, please refer to the 'Our guidance' section.

The insurance service result (insurance revenues before reinsurance - insurance service expenses before reinsurance + net result from reinsurance contracts held; the two latter items are not part of total income) amounted to 158 million euros and breaks down into 86 million euros for non-life insurance and 72 million euros for life insurance.

The **non-life** insurance service result was down 23% quarter-on-quarter, due essentially to higher insurance service expenses (including large claims related to industrial fires in the Czech Republic and Slovakia in the quarter under review), but partly offset by higher insurance revenues and a better reinsurance result (cf. the aforementioned large claims). It was more or less stable year-on-year, as the higher insurance service expenses were fully offset by the increase in insurance revenues and a better reinsurance result. The **life** insurance service result was up 23% quarter-on-quarter, owing mainly to lower insurance service expenses combined with higher insurance revenues, and up 30% year-on-year, thanks largely to the increase in insurance revenues.

The combined ratio of the non-life insurance activities amounted to an excellent 87% in the first nine months of the year, the same as for full-year 2025. At 713 million euros, non-life insurance sales (gross written premiums) were up 9% year-on-year, with growth in all countries and all the main insurance classes. Sales of life insurance products amounted to 800 million euros, down slightly by 2% and 5% on the level recorded in the previous and year-earlier quarters, due in both cases to lower sales of guaranteed-interest insurance products, partly offset by higher sales of unit-linked insurance products. Overall, the share of guaranteed-interest products and unit-linked products in our life insurance sales in the quarter under review amounted to 38% and 54%, respectively, with hybrid products (mainly in Belgium and the Czech Republic) accounting for the remainder.

For guidance regarding expected insurance revenues in 2026 and the years to come, as well as the combined ratio, please refer to the 'Our guidance' section.

Net fee and commission income amounted to 773 million euros, up 2% quarter-on-quarter and 9% year-on-year (7% on an organic basis).

The 2% quarter-on-quarter increase was attributable to higher fees from asset management activities (increased management fees), while fees from banking activities fell slightly (seasonally higher payment-related fees were more than offset by lower fees related to securities transactions and credits, lower network income as well as higher SRT-related coupon expenses). The 9% year-on-year increase was also accounted for by significantly higher fees from asset management activities, while fees from banking activities fell slightly (increases in payment and credit-related fees more than offset by decrease in network income, higher SRT-related coupon expenses and higher distribution commissions paid for banking products, among other factors).

At the end of September 2026, our total assets under management amounted to 330 billion euros, up 1% quarter-on-quarter due to the positive effect of net inflows (+2 percentage points) combined with the effect of the negative market performance in the quarter (-1 percentage point). Our asset management business saw strong net inflows in the quarter under review, both in higher-margin direct customer money (with a record-high increase of 2.1-billion-euro in the quarter) and in lower-margin assets. Assets under management grew by 13% year-on-year, with net inflows accounting for 4 percentage points and the positive market performance during the past 12 months for 9 percentage points.

Trading & fair value income and insurance finance income and expense amounted to -27 million euros, up 65 million euros quarter-on-quarter and 36 million euros year-on-year. The quarter-on-quarter increase came about mainly because of the positive impact of market value adjustments (xVA), a higher result from derivatives used for asset/liability management purposes and higher dealing room income. The year-on-year increase was due mainly to a higher result from derivatives used for asset/liability management purposes and the positive impact of market value adjustments, partly offset by lower dealing room income.

The **other remaining income items** included dividend income of 15 million euros, down 27 million euros on the previous quarter since the bulk of dividend income is traditionally received in the second quarter, and net other income of 40 million euros, below its normal run rate of 50 million euros.

Operating expenses excluding bank and insurance taxes: 1 246 million euros

+3% quarter-on-quarter and +9% year-on-year (+6% year-on-year on an organic basis)

Operating expenses excluding bank and insurance taxes amounted to 1 246 million euros in the quarter under review, up 3% on their level in the previous quarter and 9% year-on-year (6% year-on-year on an organic basis). The quarter-on-quarter increase was due to higher staff costs, ICT expenses and depreciation charges, and offset only to a small extent by lower facilities costs, marketing costs and professional fees, among other things. The year-on-year increase was driven by higher staff costs, ICT expenses, depreciation charges and some smaller items.

Like-for-like (excluding forex effects, recent acquisitions and the one-off profit bonus for employees), operating expenses excluding bank and insurance taxes rose by 3.7% year-on-year in the first nine months of 2026, only slightly higher than our 3.4% guidance due to timing differences. As such, our organic 3.4% year-on-year guidance remains still valid. For further guidance regarding expected operating expenses in 2026 and the years to come, please refer to the 'Our guidance' section.

Bank and insurance taxes in the quarter under review amounted to 59 million euros, compared to 64 million euros recorded in the previous quarter and 49 million euros in the year-earlier quarter.

When certain non-operating items are excluded and bank and insurance taxes are spread evenly throughout the year, the cost/income ratio for the first nine months of 2026 amounted to 43%, compared to 46% for full-year 2025. When excluding all bank and insurance taxes, the cost/income ratio amounted to 40%, compared to 41% for full-year 2025.

Loan loss impairment: 114-million-euro net charge

versus a 66-million-euro net charge in the previous quarter and a 45-million-euro net charge in the year-earlier quarter

In the quarter under review, we recorded a 114-million-euro net **loan loss impairment** charge, compared to a net charge of 66 million euros in the previous quarter and 45 million euros in the year-earlier quarter. Excluding recent acquisitions, net loan loss impairment charges amounted to 102 million euros in the quarter under review.

The 114-million-euro net charge in the quarter under review included:

- A 103-million-euro impairment charge related to the loan book, up on the 53 million euros recorded in the previous quarter. This was due mainly to two corporate files in Belgium and to 365.bank (13 million euros, up from 9 million euros in the previous quarter)
- An 11-million-euro increase in the reserve for geopolitical and macroeconomic uncertainties, compared to an increase of 13 million euros in the previous quarter (see also the risk statement below and Note 3.9 in the financial statements of the quarterly report). Consequently, the remaining reserve for geopolitical and macroeconomic uncertainties amounted to 198 million euros at the end of September 2026.

The resulting **credit cost ratio** came to 0.12% for the first nine months of 2026 (excluding the changes in the reserve for geopolitical and macroeconomic uncertainties, as well as the acquisition of 365.bank) compared to 0.13% for full-year 2025. Including the reserve for geopolitical and macroeconomic uncertainties and 365.bank, the credit cost ratio amounted to 0.18% for the first nine months of 2026. At the end of September 2026, 1.8% of our total loan book was classified as impaired ('Stage 3'), the same level as at year-end 2025. Impaired loans that are more than 90 days past due amounted to 1.0% of the loan book, compared to 0.9% at year-end 2025.

For guidance regarding the expected credit cost ratio in 2026 and the years to come, please refer to the 'Our guidance' section.

Impairment charges on assets *other than loans* amounted to 24 million euros in the quarter under review, compared to 69 million euros in the previous quarter. The figure for the quarter under review mainly included impairment on software in Slovakia, whereas the previous quarter's figure had included impairment on software in Belgium and impairment related to modification losses in Hungary.

Net result by business unit

Belgium 714 million euros; Czech Rep. 252 million euros; International Markets 280 million euros; Group Centre -104 million euros

Belgium: the net result (714 million euros) was down 4% quarter-on-quarter, due to the combined effect of:

- Stable total income (mainly increased insurance revenues, trading and fair value income and net fee and commission income, offset by a decrease in net interest income from inflation-linked bonds and lower dividend income (seasonal drop))
- A slightly higher level of costs
- Higher insurance service expenses after reinsurance
- Higher impairment charges (increase in loan loss impairment due mainly to two corporate files, partially offset by a decrease in other impairment)

Czech Republic: the net result (252 million euros) was down 7% quarter-on-quarter, due to the combined effect of:

- Slightly higher total income (mainly increased insurance revenues and net fee and commission income, offset by lower trading and fair value income, net other income and net interest income (the latter entirely due to the one-off consolidation adjustment of -8 million euros mentioned above))
- A higher level of costs
- Higher insurance service expenses after reinsurance
- Slightly lower impairment charges

International Markets: the 280-million-euro net result breaks down as follows: 27 million euros in Slovakia (with the recent acquisitions in this country accounting for 6 million euros), 150 million euros in Hungary and 103 million euros in Bulgaria. For the business unit as a whole, the net result was up 17% quarter-on-quarter, due to the combined effect of:

- Higher total income (thanks mainly to higher net interest income, insurance revenues and trading and fair value income)
- A higher level of costs
- Slightly higher insurance service expenses after reinsurance
- Lower impairment charges (the previous quarter had been impacted by significant modification losses related to the lifetime extension of the mortgage interest cap in Hungary)

Group Centre: the net result (-104 million euros) was 2 million euros less negative quarter-on-quarter, due to:

- A stable level of (negative) total income
- Slightly higher costs
- Slightly lower insurance service expenses after reinsurance
- A slightly lower release of impairments

A full results table is provided in the 'Additional information' section of the quarterly report. A short analysis of the results per business unit is provided in the analyst presentation (available at www.kbc.com).

	Belgium		Czech Republic		International Markets	
Selected ratios by business unit	**9M2026**	**FY2025**	**9M2026**	**FY2025**	**9M2026**	**FY2025**
Cost/income ratio						
- excl. non-operating items and evenly spreading bank and insurance taxes throughout the year	39%	43%	41%	42%	45%	45%
- excl. all bank and insurance taxes	36%	39%	41%	41%	37%	37%
Combined ratio, non-life insurance	84%	86%	89%	87%	89%*	90%*
Credit cost ratio						
- excluding the reserve for geopolitical and macroeconomic uncertainties and the recent acquisition of 365.bank	0.13%	0.15%	0.06%	0.07%	0.19%	0.16%
- including the reserve for geopolitical and macroeconomic uncertainties and the recent acquisition of 365.bank	0.19%	0.13%	0.11%	0.10%	0.27%	0.18%
Impaired loans ratio	1.8%	1.8%	1.2%	1.3%	1.8%	1.7%

* Excluding windfall insurance taxes in Hungary, the combined ratio amounted to 87% for the first nine months of 2026 and 88% for full-year 2025.

Solvency and liquidity

Common equity ratio of 14.6%, LCR of 157%, NSFR of 131%

At the end of September 2026, **total equity** came to 28.9 billion euros and comprised 26.2 billion euros in parent shareholders' equity, 2.5 billion euros in additional tier-1 instruments and 0.1 billion euros in minority interests. Total equity was up 0.9 billion euros on its level at the end of 2025. This was due to the combined effect of:

- The inclusion of the profit for the first nine months of 2026 (+2.9 billion euros)
- The payment of the final dividend for 2025 in May 2026 and the interim dividend in November 2026 (-2.0 billion euros)
- Higher revaluation reserves (+0.1 billion euros)
- A number of smaller items

We have provided details of these changes under 'Consolidated statement of changes in equity' in the 'Consolidated financial statements' section of the quarterly report.

At the end of September 2026, our unfloored fully loaded **common equity ratio** (CET1) amounted to 14.6%, compared to 14.9% at year-end 2025 (however, when excluding the recent acquisitions of 365.bank and Business Lease – with a combined negative impact of approximately 50 basis points – our CET1 would have slightly increased in the year-to-date period under review). The solvency ratio for KBC Insurance under the Solvency II framework was 221% at the end of September 2026, compared to 227% at the end of 2025. We have provided more details on solvency under 'Solvency' in the 'Additional information' section of the quarterly report.

Our **liquidity position** also remained excellent, as reflected in an LCR ratio of 157% and an NSFR ratio of 131%, compared to 159% and 138%, respectively, at the end of 2025, well above the regulatory minima of 100%.

In line with our **dividend** policy, we have paid out an interim dividend of 1 euro on 6 November 2026 as an advance on the total dividend for financial year 2026.

Analysis of the year-to-date period (9M2026)

Net result for 9M2026: 2 851 million euros

up 11% year-on-year

Highlights (compared to the first nine months of 2025, unless otherwise stated):

- **Net interest income**: up 18% to 5 251 million euros. This was mainly attributable to the much higher commercial transformation result, a higher level of income from lending activities, higher interest income related to inflation-linked bonds, higher interest income from the dealing room, ALM and short-term cash management activities, lower costs related to the minimum required reserves held with central banks and higher interest income on customer term deposits, partly offset by higher wholesale funding costs. The volume of customer loans rose by 7% on an organic basis. Hence, organic year-to-date loan growth has now already surpassed our full-year 2026 guidance. Customer deposits (excluding KBC Bank's foreign branches) increased by 3% year-on-year on an organic basis. The net interest margin in the first nine months of 2026 came to 2.19%, up 13 basis points year-on-year.
- **Insurance service result** (insurance revenues before reinsurance - insurance service expenses before reinsurance + net result from reinsurance contracts held): up 11% to 499 million euros (315 million euros for non-life insurance and 184 million euros for life insurance). The non-life combined ratio for the first nine months of 2026 amounted to 87%, the same as for full-year 2025. Non-life insurance sales (gross written premiums) were up 9% to 2 302 million euros, with increases in all the main insurance classes, while life insurance sales were up 11% to 2 775 million euros, thanks to higher sales of unit-linked and guaranteed-interest life insurance products, while sales of hybrid products fell somewhat.

- **Net fee and commission income**: up 10% to 2 261 million euros. This was mainly attributable to higher fees for asset management services and, to a lesser extent, higher fees for banking services (increased fee income for payment services, credits and securities services, partly offset by SRT-related coupon expenses, higher distribution fees paid for bank products and lower network income, among other factors). At the end of September 2026, total assets under management were up 13% to 330 billion euros due to a combination of net inflows (+4 percentage points) and the effect of a positive year-on-year market performance (+9 percentage points).
- **Trading & fair value income and insurance finance income and expense**: down 96 million euros to -237 million euros. This was due to lower dealing room income and more negative insurance finance income and expense (due to strong growth in insurance), partly offset by a higher result from derivatives used for asset/liability management purposes and higher positive market value adjustments (xVA).
- **All other income items combined**: more or less stable at 247 million euros, with the increase in dividend income being offset by a decrease in net other income.
- **Operating expenses excluding bank and insurance taxes**: up 9% to 3 670 million euros, attributable to higher staff costs (due in part to wage drift and an exceptional bonus for staff related to the excellent results for 2025), higher costs related to ICT and depreciation, and some smaller items. Like-for-like (excluding forex effects, recent acquisitions and the exceptional bonus for staff), operating expenses rose by 3.7%, only slightly higher than our 3.4% guidance due to timing differences. As such, our organic 3.4% year-on-year guidance remains still valid. Bank and insurance taxes amounted to 671 million euros, up 9% year-on-year, due in part to higher national levies (mainly in Hungary and Belgium), though partly offset by a lower contribution to the deposit guarantee schemes (in Belgium). The cost/income ratio for the first nine months of 2026 amounted to 43% when certain non-operating items are excluded and bank and insurance taxes are spread evenly throughout the year (46% for full-year 2025). When bank and insurance taxes are fully excluded, the cost-income ratio for the period under review amounted to 40% (41% for full-year 2025).
- **Loan loss impairment**: net charge of 345 million euros, compared to a net charge of 200 million euros in the reference period. The first nine months of 2026 included a charge of 246 million euros for the loan book and an increase of 99 million euros in the reserve for geopolitical and macroeconomic uncertainties (compared to a charge of 214 million euros and a release of 14 million euros, respectively, in the reference period). As a result, the credit cost ratio came to 0.12% for the first nine months of 2026 when the changes in the reserve for geopolitical and macroeconomic uncertainties, as well as the recently acquired 365.bank, are excluded. When they are included, the credit cost ratio amounted to 0.18% for the first nine months of 2026. Impairment charges on assets *other than loans* amounted to 94 million euros (mainly impairment on software and impairment related to modification losses for the lifetime extension of the mortgage interest cap in Hungary), compared to 13 million euros in the reference period.
- **The 2 851-million-euro net result for the first nine months of 2026** breaks down as follows:
  - 1 778 million euros for the Belgium Business Unit, up 301 million euros on its year-earlier level
  - 746 million euros for the Czech Republic Business Unit, up 55 million euros
  - 619 million euros for the International Markets Business Unit, up 11 million euros. Excluding the significant windfall bank and insurance taxes and the impairment on modification losses in Hungary, the net result would have even been 124 million euros higher
  - -292 million euros for the Group Centre, down 81 million euros, attributable mainly to a combination of lower total income (due, among other things, to SRT-related coupon expenses) combined with higher costs

ESG developments, risk statement and economic views

ESG developments

Together with our customers, employees and other stakeholders, we continue to make progress on our sustainability ambitions and remain committed to transparent and consistent communication about our sustainability efforts. We do so through a separate Sustainability Statement in our annual report, as well as through a voluntary Sustainability Report. Both publications are available at www.kbc.com.

Our efforts do not go unnoticed either. Our S&P ESG score has risen again compared to last year, confirming our continued progress on environmental, social and governance issues. In October, the Belgian Institute of Registered Auditors (IBR) announced that KBC will receive a Lifetime Sustainability Award as part of the Belgian Awards for Sustainability Reports. We appreciate this clear recognition of our long-standing commitment to sustainability reporting and transparency.

Risk statement

As we are mainly active in banking, insurance and asset management, we are exposed to a number of typical risks for these financial sectors such as – but not limited to – credit default risk, counterparty credit risk, concentration risk, movements in interest rates, currency risk, market risk, liquidity and funding risk, insurance underwriting risk, changes in regulations, operational risk, customer litigation, competition from other and new players, as well as the economy in general. KBC closely monitors and manages each of these risks within a strict risk management framework, but they may all have a negative impact on asset values or could generate additional charges beyond anticipated levels.

At present, a number of factors are considered to constitute the main challenges for the financial sector. These stem primarily from geopolitical risks which have increased significantly over the past few years, including the war in Ukraine, conflicts in the Middle East (see next paragraph), trade wars as a consequence of US tariff policies and, more generally, increasing tensions between the US and Europe. These risks result or may result in shocks for the global economic system (e.g., GDP and inflation) and the financial markets (including interest rates). European economies, including KBC's home markets, are affected too, creating an uncertain business environment, including for financial institutions. Government budgets across Europe and beyond are under pressure. In the past few months, this has resulted in higher spreads on government debt, with France in particular being in the spotlight. In response to their weak budgetary situation and challenging economic conditions, we have seen governments across Europe taking additional measures to support their budgets (via increased tax contributions from the financial sector), their citizens and corporate sector (by, for instance, implementing interest rate caps on loans or by pushing for higher rates on savings accounts). Regulatory and compliance risks – for example in relation to capital requirements, anti-money laundering regulations, GDPR and ESG/sustainability – also remain a dominant theme for the sector, as does enhanced consumer protection. Digitalisation (with technology, including AI, as a catalyst) presents both opportunities and threats to the business model of traditional financial institutions, while climate and environmental-related risks are becoming increasingly prevalent. Cyber risk has become one of the main threats during the past few years, not just for the financial sector, but for the economy as a whole. This is partly driven by geopolitical tensions (state-sponsored cyberattacks), but is also increasingly supported by new technologies, such as recent developments surrounding several frontier AI companies which enable AI-driven vulnerability discovery. KBC has already taken necessary actions to increase vigilance and capacity to process a certain upcoming increase of zero day vulnerabilities.

Besides the ongoing war in Ukraine, recent months have been dominated by an armed conflict between the United States, Israel and Iran that began in late February 2026. The conflict has resulted in regional and increasingly global instability, disrupting trade routes and supply chains, especially in energy and other fossil-fuel-related markets, and causing significant volatility on financial markets. Financial conditions have tightened, at times putting pressure on funding markets. As a consequence, global and European economic growth projections have been revised

downwards, while inflation expectations have moved higher. This has also increased uncertainty about the future path of interest rates, which have already risen in recent months. KBC's direct exposure to the Middle East region is very limited. Nevertheless, KBC is closely monitoring the macroeconomic impact of the conflict and potential spillover effects for the group and its customers, both financially and operationally, with particular attention being paid to energy-related and energy-sensitive sectors and counterparties. Geopolitically driven cyber threats are an additional point of attention, including heightened threats directed at large US-based technology companies, which play an important role as suppliers of critical digital infrastructure to the financial sector, including KBC.

We provide risk management data in our annual reports, quarterly reports and dedicated risk reports, all of which are available at www.kbc.com.

Our view on economic growth, interest rates and foreign exchange rates

The third quarter of 2026 was again dominated by global geopolitical events, further rising energy prices and by increased European political and social tensions. US economic activity grew by 0.8% (non-annualised) in the third quarter, somewhat stronger than in the second quarter. Domestic economic growth and especially (AI-related) business investment growth remained solid.

Third quarter growth in the euro area economy (0.4%) remained resilient, but was weaker than in the second quarter (0.6%). Growth in our core countries of Belgium, the Czech Republic, Hungary, Slovakia and Bulgaria amounted to 0.3%, 0.5%, 0.1%, 0.0% (estimate) and 0.7% (estimate), respectively. Overall, growth in the euro area and our core markets is expected to remain relatively subdued in 2026, but nevertheless resilient in the face of high energy prices and economic and political uncertainty.

In the euro area, headline and core inflation in October rose to 4% and 2.5%, respectively. Due to the ongoing conflict in the Middle East and the approaching winter season, energy prices have risen further, but have eased somewhat after the US mid-term elections. Amidst a broadening of underlying inflation pressures, the ECB raised its deposit rate in September by 25 basis points to 2.50% and kept it unchanged at its policy meeting of October, with a clear hint that a rate hike in December is very likely in the light of still present upward inflation risks. We also expect another rate hike by 25 basis points in December.

The Fed also raised its policy rate in September by 25 basis points to 3.875% and kept it unchanged in October. We expect another rate hike to 4.125% by the end of the fourth quarter, due to persistent above-target inflation in the context of strong domestic growth.

Since the start of the third quarter, US and German 10-year yields rose on balance by about 55 and 45 basis points respectively. The upward trend was attributable mainly to persistent inflationary pressure and the tightening policy stances of central banks, as well as to market concern about public finances and the large financing needs of (AI-related) investments. Elevated risks and uncertainty caused substantial volatility mainly in US long-term yields, and more recently, a flight to safety towards US and German bonds. In Europe, political and fiscal risks caused a sizeable increase of intra-EMU sovereign spreads.

The Czech National Bank raised its policy rate in early November to 4%. We expect the Czech koruna to remain broadly stable in the coming quarters.

In August 2026, the Hungarian central bank cut its policy rate to 5.50%. A still restrictive monetary policy and strong Hungarian forint will reinforce the disinflationary trend. Moreover, the central bank announced in September that it was lowering its inflation target from 3% to 2.5% (maintaining the 1 percentage point tolerance band) from January 2028 on.

Our guidance

Guidance for full-year 2026

(as provided with the 2Q2026 results)

Guidance for full-year 2026*	
Total income	approx.+11.0% y-o-y
Net interest income	approx. 7.05 billion euros
Organic loan volume growth	at least +6% y-o-y
Insurance revenues (before reinsurance)	approx. +9.0% y-o-y
Operating expenses (excl. bank and insurance taxes)	approx. +7.7% y-o-y* (approx. +3.4% y-o-y* organically)
Cost/income ratio (excl. bank and insurance taxes, but including insurance commissions paid)	approx. 40%
Combined ratio for non-life insurance	below 91%
Credit cost ratio	well below 25-30 basis points

* This does not include the one-off 23-million-euro profit bonus for staff.

Medium to long-term guidance

(as provided with the 4Q2025 results)

Guidance for full-year 2028	
Total income	CAGR (2025-2028) at least +7.7%
Net interest income	CAGR (2025-2028) at least +8.6%
Insurance revenues (before reinsurance)	CAGR (2025-2028) at least +7.5%
Operating expenses (excl. bank and insurance taxes)	CAGR (2025-2028) below +4.3%
Cost/income ratio (excl. bank and insurance taxes, but including insurance commissions paid)	below 38%
Combined ratio for non-life insurance	below 91%
Credit cost ratio	well below 25-30 basis points

Dividend and capital deployment policy (as provided with the 1Q2025 results)

- **Dividend policy:**
  - Payout ratio (including AT1 coupon) between 50% and 65% of consolidated profit of the accounting year
  - Interim dividend of 1 euro per share in November of each accounting year as an advance on the total dividend
- **Capital deployment policy:**
  - We aim to remain amongst the better capitalised financial institutions in Europe
  - Each year (when announcing the full-year results), the Board of Directors will take a decision, at its discretion, on the capital deployment. The focus will predominantly be on further organic growth and M&A
  - We see a 13% unfloored fully loaded common equity ratio as the minimum
  - We will fill up the AT1 and Tier 2 buckets within P2R and use SRTs (Significant Risk Transfers) as a part of a risk-weighted assets optimisation programme

Upcoming events and references

Agenda	4Q2026/FY2026 earnings release and topical event: 11 February 2027 Annual report for 2026: 31 March 2027 Annual meeting of shareholders: 5 May 2027 1Q2027 earnings release: 13 May 2027 Other events: www.kbc.com / Investor Relations / Financial calendar
More information on the quarter under review	Quarterly report: www.kbc.com / Investor Relations / Reports Company presentation: www.kbc.com / Investor Relations / Presentations

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