



# Press release

Outside trading hours – Regulated information\*

Brussels, 1 October 2014

## KBC collapses last two CDOs in portfolio

On 16 and 25 September 2014, KBC collapsed the two remaining CDOs in its portfolio. These collapses will free up 0.3 billion euros in capital and increase KBC's solvency by 0.4%. They will also have a negative impact of slightly above 20 million euros on KBC's third-quarter income statement.

Collapsing these CDOs also releases KBC from the Portfolio Protection Agreement entered into with the Belgian Federal Government and completely eliminates the group's exposure to MBIA.

Standing at more than 25 billion euros in 2008, KBC has fully scaled down its CDO portfolio in the space of five years.

For the record, KBC wishes to point out that it is the counterparty to and issuer of a further 0.3 billion euros' worth of CDO notes held by investors that will remain outstanding until year-end 2017. Consequently, negligible movements may yet be recorded in KBC's income statement in the coming quarters based on changes in the value of these notes (due primarily to credit spreads on the underlying portfolio).

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

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