



Press Release

Brussels, 05 January 2021

Special financing rate for bicycles, motorcycles and ecological cars, two months free fully comprehensive insurance, Private Lease as alternative.

From 05 January to 31 March 2021, KBC¹ customers and non-customers alike can take advantage of special car financing rates:

- 0.69% for environmentally friendly cars (electric, plug-in hybrids, CNG) and bicycles
- 0.89% for other new cars, motorcycles and motor homes

There was strong demand in 2020 for bicycle loans and car financing.

- **Car loan applications:** KBC witnessed a spectacular **increase of 90%** during and after the 2020 Motor Show (January/February 2020) compared to an average month (2020).
- **Bicycle loans** were up 37% at KBC between the end of December 2019 and the same time in 2020. **The number of bicycle loans has risen 76% since the end of May (following the first lockdown) compared to the equivalent period last year.**
- **KBC Autolease recently began to offer out-of-contract lease bicycles for sale with a 12-month guarantee:** traditional and electric city bikes, as well as racing bikes, folding bikes and cargo cycles.

Customers are opting more and more for user-friendly digital channels:

- **In 2017, 24% of finance agreements were concluded digitally and 76% via a bank branch.**
In 2020, 19% of customers agreed finance via a branch and 81% via a digital channel, including 53% of applications via KBC Mobile (compared to just 13% in 2018). Customers can apply for and sign finance agreements, simulate and conclude insurance

¹ By KBC we also mean KBC Brussels and CBC.

policies, register and track claims and take out a Private Lease contract all entirely digitally.

- Car insurance can be taken out via KBC Touch or KBC Mobile. Claims can also be registered and processed entirely digitally. And since 2020, customers have been provided with digital proof of insurance (the former 'green card') via KBC Mobile.
- Customers with a fully comprehensive policy who register a claim via KBC Mobile or KBC Touch are informed instantly in 55% of cases whether the claim is covered. They can also book the car into a repair shop straight away. KBC Mobile then enables them to follow the entire claim-handling process.

Cheaper rate for anyone taking out a loan for an environmentally friendly car or bicycle

Patrick Tans, Senior General Manager Bank Products & Transformation, Belgium Business Unit: *'This year too – entirely in keeping with KBC's sustainability goals – we're highlighting our most environmentally friendly solutions and offering existing and future customers a special rate of 0.69% for ecological cars and bikes. The rate for other vehicles is 0.89%. People in Belgium have discovered cycling more than ever during lockdown. The number of bicycle loans and leases arranged by employers has grown vigorously. The increase was most pronounced when cycle shops reopened in May, with the total number of bicycle loans going up 76% since that month compared with the corresponding period last year. Existing and potential customers can both simulate and take out the full range of KBC finance, Private Lease and insurance products through our highly accessible and user-friendly digital solutions in KBC Mobile/KBC Touch and via the KBC website. The figures demonstrate how much our customers appreciate the convenience and speed of this channel.'*

The same special rates apply to nearly-new used cars (up to three years old, counting from the vehicle's first registration date). The rate for other used cars is 3.70%.

The duration of the loan depends on the amount borrowed, as required by law.

In the case of digital applications, the term is a maximum of 72 months for new cars, motorcycles and motor homes and 60 months for used vehicles.

Customers receive two months' free Fully Comprehensive Insurance and take out their policy entirely digitally.

Between 1 January and 30 April 2021, customers – whether existing or new – will qualify for two months' free fully comprehensive insurance if they take out:

- All-Risks Comprehensive Insurance for their passenger car, or
- Fully Comprehensive Insurance for their light goods vehicle.

Hans Verstraete, Senior General Manager, KBC Insurance: *'We have firmly opted for the digital route when concluding new vehicle insurance as well as for claims registration and tracking. Growth will be underpinned by the ongoing refinement of our processes. We're also seeing our customers increasingly opting for fast, user-friendly and straightforward digital reporting of claims. Customers with a fully comprehensive policy who register a claim via KBC Mobile or KBC Touch receive an instant decision in 55% of cases as to whether the claim is covered and can also book the car into a repair shop straight*

away. KBC Mobile then enables them to follow the entire claim-handling process. It's another example of how we aim to make our customers' lives easier.'

Take advantage of the latest trends and technological developments and enjoy care-free driving with KBC Private Lease.

Customers who take out a Private Lease contract get a comprehensively equipped car and can count on a raft of services such as maintenance, roadside assistance (plus replacement vehicle), car insurance and repairs.

Private Lease offers customers several key benefits:

- Virtually all standard costs are included, i.e. insurance, maintenance and repairs, annual tax, summer or all-season tyres. So, with your fixed monthly lease payment, you know exactly where you stand financially for several years.
- The number of kilometres is specified in the contract and you know in advance exactly what it will cost if you exceed that number.
- Any reduction in value does not affect you when the contract ends: you simply return the vehicle (ordinary wear and tear is calculated based on the Renta-Norm system).

A customer with a Private Lease contract gets to drive a comfortable, well-equipped car for 47 months, delivered to a dealer of their choice.

KBC Autolease currently offers a selection of around 20 vehicles, including conventional-fuel models and electric, hybrid and plug-in hybrid cars.

Stefan Delaet, CEO KBC Autolease, explains: *'Belgian consumers are only just becoming aware of the Private Lease formula, which has already proved a big success in the Netherlands. The car market is evolving rapidly, and so too is the way vehicles are taxed. Five years ago, who would have predicted how strongly the sales of electric and/or hybrid cars would grow, or the way we look at diesel cars now? A Private Lease car makes it far easier to respond to the latest trends and technological developments. That's why we firmly believe in Private Lease for our Belgian customers. The formula is simple: all it takes is a few clicks to choose your car and you're ready to head off and enjoy care-free driving for an attractive, fixed monthly price.'*

You can find out more about KBC Private Lease on the [KBC website](#). The offering can be explored via the website, KBC Touch and KBC Mobile. For the time being, it is only possible to conclude a Private Lease contract via KBC Touch or KBC Mobile.

Lease bikes get a second life on sale to the public

It hasn't gone unnoticed at KBC Autolease that people in Belgium are opting *en masse* for cycling: in the past few years, **over 18 500 employees** have taken the opportunity to lease the bike of their dreams on favourable tax terms. In the meantime, those first bikes have started to reach the end of their lease period and are being returned to KBC Autolease, **precisely as waiting times for new cycles have grown considerably.**

They are thoroughly inspected and serviced, before KBC Autolease offers them for sale to the public, complete with a 12-month warranty.

The range includes traditional and electric city bikes, as well as racing bikes, folding bikes and cargo cycles. Check out the complete range on the [KBC Autolease website](#).

Simulation example

Car loan – 15 000 euros – 0.69%

* Representative example: for an instalment loan of 15 000 euros to be repaid over 60 months at a fixed annual percentage rate of charge and a fixed actuarial debit interest rate of 0.69%, you pay 60 monthly instalments of 254,40 euros (or 15 263.63 euros in total). Rate applies from 5 January 2020 to instalment loans taken out for up to 60 months by private individuals and used to finance the purchase of environmentally friendly cars (electric, plug-in hybrids, CNG).

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