

Brussels, 16 March 2015

KBC Brussels out of the starting blocks

During today's press conference Daniel Falque, Belgium Business Unit CEO, and Damien Van Renterghem, KBC Brussels CEO, showed us a first glimpse of KBC's plans in Belgium's capital.

Daniel Falque explained: *'As an addition to Flanders and Wallonia, Brussels is a strong strategic growth pool where we aim to provide a tailored service customised to the needs of its citizens. We will continue to invest in the local community and want to grow here together with our clients.'*

KBC's research centre has revealed the contradictions posed by our capital in its study,¹ 'Brussels, City of Contrasts'. Brussels is the beating heart of the European Union and the motor of our economy, but it also faces great social challenges. These are challenges that KBC is not afraid to meet and that it regards instead as opportunities.

Damien Van Renterghem further explained: *'The exciting and challenging environment of our capital city formed the backdrop on 1 January 2015 for the launch of KBC Brussels – the commercial, autonomous joint brand of KBC and CBC that is aimed specifically at everyone who lives or works in Brussels. Today we've outlined our operational and commercial structure, and our first projects are already in the pipeline. We will soon be moving to our new head office, we are recruiting new employees, optimising our opening hours and locations of our bank branches, and giving them a new look. We are warmly committed to Brussels and its citizens and will do our utmost to become the capital's financial partner of choice.'*

¹ Economic Notice No. 28 of 16 March 2015, available at www.kbceconomics.be and from the KBC Newsroom (<http://newsroom.kbc.com>).

Autonomous management structure for KBC Brussels

As announced at the KBC Investor Day held on 17 June 2014, KBC Brussels was launched at the beginning of this year. This new, separate entity will be headed by Damien Van Renterghem, who was appointed KBC Brussels CEO on 1 January 2015.

The new and autonomous management team is composed of experts from KBC and CBC who recently made the switch to KBC Brussels. They will manage the branch and agency network of KBC Brussels, draw up their own commercial policy for KBC Brussels and have formed the backbone of its operational structure since 1 March.

What's more, KBC Brussels' clients and staff will be able to draw on their own experts in real estate, wealth management and the complex subsidy arrangements in Brussels.

In June, this team will be moving into the newly renovated Pericles building on Rue de la Science (Wetenschapsstraat) which is located in the heart of the European quarter and testament to the cosmopolitan nature of Brussels and its citizens.

KBC Brussels – a network of branches close to its clients

All 48 KBC and CBC bank branches in Brussels (19 boroughs) display a clear KBC Brussels label on their windows and have started operating under the new structure. To further improve client expectations for quick, accessible and specialised advice, KBC Brussels reorganised its branch network into six new clusters (Brussels City, Brussels Atomium, Brussels Europe, Brussels South, Brussels East and Brussels K-Nal). Together with 13 independent agencies of KBC and CBC Insurance, which have also been given new KBC Brussels label, these 48 bank branches will be rolling out KBC's integrated bank-insurance model in Brussels.

In the course of 2015, the lobbies of all KBC Brussels bank branches will be restyled to create a uniform look and make KBC Brussels more recognisable.

To achieve its growing ambitions, KBC Brussels is seeking commercial employees who either live in Brussels, have studied there or are passionate about the city. This will further ensure KBC Brussels staff will reflect the city's multicultural and ethnic diversity. KBC Brussels also aims to cooperate more closely with Brussels schools and educational institutions to promote a grass-roots recruitment drive.

Mobility, housing and entrepreneurship form the back bone of KBC Brussels' market approach

KBC Brussels clients state that they are mainly concerned about mobility issues, high rents and house prices, and support for businesses.

KBC Brussels is therefore going full out for ease of access. Extended opening hours thanks to banking by appointment, branches with a broad range of expertise to provide one-stop advice for both banking and insurance, a separate contact centre for KBC Brussels by the end of the year, and last but not least, access to a broad digital and multi-channel offering. Furthermore, nearly all KBC Brussels bank branches offer the unique, practical bonus of free parking spaces for its clients.

A team of experts will give clients the right support to help them in their search for funding for a house or their business. They can help to set up important or complex transactions and lead clients through the administrative process. Brussels clients also think it's important that the majority of

Brussels credit files will be decided, and therefore processed quickly, by KBC Brussels staff as they know the market inside and out.

Brussels' challenges and opportunities: Mobility, housing and entrepreneurship

The recent study '*Brussels, City of Contrasts*', carried out by KBC's research centre, confirms these challenges. The rapid population growth of the Brussels region is straining traffic in a city which has been labelled the most congested in Europe. This is further exacerbated by the intense commuter traffic in and around the capital. However, the study also highlights an important turning point: thanks to improved mobility policy, public transport is gaining rapidly in popularity and cycling has become relatively more frequent, too. Also, for almost a decade now, people are primarily walking to get around in Brussels.

The strong population growth also ensures there is a persistent, high demand for housing in Brussels and this pressure keeps pushing up prices. Anyone interested in buying a home in Brussels should therefore seek timely professional advice from their financial partner.

Brussels also has a healthy entrepreneurial spirit. The net rate of start-ups (i.e. after closures are taken into account) is higher than in Flanders and Wallonia. Relatively speaking, Brussels also has many large and very small employers, and a high number of multinational companies that contribute considerably to employment. The study identified that smaller businesses included a high number of non-financial service providers and the liberal professions in particular.

KBC Brussels' broad product and service offering is sure to meet the needs of average Brussels citizens and businesses. However, KBC Brussels believes its client-centric approach given by specialists and experts will make a difference and provide most added value to SMEs, the self-employed, members of the liberal professions, wealthy individuals, commuters, expats and eurocrats. Thanks to KBC Brussels' close collaboration and engagement with Brussels' businesses and its social, cultural and sporting associations, it is a reliable and able partner for their specific needs. This cooperation also enables KBC Brussels to work out innovative solutions for our clients.

Start it @kbc – unique support for start-ups, also coming soon to Brussels

Start it @kbc, the incubator that gives start-ups a roof over their head and provides them with support and advice during their initial phase was successfully launched in Antwerp at the end of 2013. The initiative has proved highly successful and has been extended to Leuven, Ghent and Hasselt. With 134 start-ups employing 331 people, a follow-up in Brussels was inevitable. KBC Brussels wants to participate actively in this initiative and warmly invites Brussels partners who are willing to mentor and provide logistical support to emerging Brussels start-ups. This Brussels incubator should be ready to help its first start-ups before the summer.

In addition, KBC Securities Bolero crowdfunding platform is also available to help fledgling Brussels businesses to raise capital from investors and wealthy individuals.

Damien Van Renterghem concludes:

'KBC Brussels makes the difference. We are the only Brussels bank-insurer in the capital and we are the only financial player with an autonomous management team that is geared to meeting the specific challenges and opportunities of Brussels for its clients. KBC Brussels' decision-making centre is in Brussels and ready to champion the city's needs.

KBC Brussels aims to become the best possible financial partner, strongly embedded in the capital, and offering the best possible solutions to our clients.'

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