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KBC acquires MetLife's 40% stake in UBB-MetLife joint venture (Bulgaria)

Today, MetLife and KBC reached agreement for KBC (through DZI, its Bulgarian insurance subsidiary) to acquire MetLife's remaining 40% stake in UBB-MetLife Life Insurance Company AD, a life insurance joint venture between UBB and MetLife ("UBB-MetLife").

Earlier this year, as part of KBC's acquisition of UBB and Interlease, KBC (through UBB) acquired 60% of UBB-MetLife. The life insurance products of UBB-MetLife are exclusively distributed via UBB's bank branches. UBB-MetLife has a 10% market share in the Bulgarian life insurance market and has a full life insurance product range.

The financial impact of this deal is immaterial to either KBC or MetLife. The deal is still subject to regulatory approval and is expected to close in the second quarter of 2018.

Once the deal is closed, KBC, through DZI, will service the insurance policies of the existing UBB-MetLife customers until maturity of their policies. Following this transaction, KBC will be able to distribute DZI life and non-life insurance products through UBB's bank branches and, in this way, fully roll out its bank-insurance approach in the Bulgarian market, one of KBC's core markets.

Combined, DZI and UBB-MetLife will have a market share of 21% in the Bulgarian life insurance market. Together with UBB-CIBANK, they will strengthen KBC's reference position in bank-insurance in Bulgaria, a country that boasts strong macroeconomic fundamentals while still offering potential for further penetration in financial services.

Johan Thijs, KBC Group CEO said: *"I am very pleased with this transaction, which forms the pinnacle of KBC's acquisition of UBB/Interlease earlier this year. It confirms our position as a strong local market player, which is able to offer a full range of bank-insurance products to its Bulgarian customers in an omni-channel environment. Expanding our activities in the country, building on the competence and dynamism of UBB-CIBank and DZI, and leveraging our joint product and service offering including life insurance will help us to reach this goal and ensure future success."*

George Tsakonas, General Manager of MetLife, Bulgaria added: *"We are pleased to complete the sale of our interest in UBB-MetLife to KBC. MetLife Europe d.a.c. will continue to have a leading presence in Bulgaria through our well established local business providing life insurance and protection solutions to meet the evolving needs of our customers."*

ENDS

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

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