

Final Terms dated 25 November 2014

KBC Group NV

Issue of EUR 750,000,000 Tier 2 Subordinated Callable Fixed Rate Reset Notes due November 2024

**under the EUR 2,000,000,000
Euro Medium Term Note Programme**

PART A — CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 15 July 2014 which constitutes a base prospectus (the “**Base Prospectus**”) for the purposes of Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU) (the “**Prospectus Directive**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus has been published on the Issuer’s website (www.kbc.com) and copies may be obtained during normal business hours at the registered office of the Issuer.

1	(i) Series Number:	G00002
	(ii) Tranche Number:	1
	(iii) Date on which Notes will be consolidated and form a single Series	Not Applicable
2	Currency:	EUR
3	Aggregate Nominal Amount:	EUR 750,000,000
	(i) Series:	EUR 750,000,000
	(ii) Tranche:	EUR 750,000,000
4	Issue Price:	99.874 per cent. of the Aggregate Nominal Amount
5	(i) Specified Denominations:	EUR 100,000 and integral multiples of EUR 100,000 in excess thereof
	(ii) Calculation Amount:	EUR 100,000
6	(i) Issue Date:	25 November 2014
	(ii) Interest Commencement Date:	Issue Date
7	Maturity Date:	25 November 2024
8	Interest Basis:	2.375 per cent. to be reset on 25 November 2019 Fixed Rate Reset
9	Redemption Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount.
10	Change of Interest Basis:	Not Applicable

11	Issuer Call Option:	Applicable (further particulars specified below)
12	Status of the Notes:	Subordinated Tier 2 Notes

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13	Fixed Rate Note Provisions	Not Applicable
14	Fixed Rate Reset Note Provisions	Applicable
	(i) Initial Rate of Interest:	2.375 per cent. per annum payable in arrears on each Interest Payment Date
	(ii) Interest Payment Date(s):	25 November in each year from and including 25 November 2015 up to and including 25 November 2024
	(iii) First Reset Date:	25 November 2019
	(iv) Second Reset Date:	Not Applicable
	(v) Subsequent Reset Date(s):	Not Applicable
	(vi) Reset Determination Date:	Two Business Days prior to the First Reset Date
	(vii) Mid-Swap Rate:	Annualised
	(viii) Swap Rate Period:	5 years
	(ix) Relevant Screen Page:	Reuters Screen ISDAFIX2 Page at 11.00 a.m. (Central European Time) under the heading "EURIBOR BASIS – EUR" and above the caption "11:00AM FRANKFURT"
	(x) Margin(s):	+ 1.98 per cent. per annum
	(xi) Fixed Coupon Amount in respect of the period from (and including) the Interest Commencement Date up to (but excluding) the First Reset Date:	EUR 2,375 per Calculation Amount
	(xii) Broken Amount(s):	Not Applicable
	(xiii) Day Count Fraction:	Actual/Actual ICMA
	(xiv) Determination Dates:	25 November in each year
15	Floating Rate Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

16	Tax Event	
	Notice periods for Condition 4 (b):	Minimum period: 30days Maximum period: 60days
17	Capital Disqualification Event	

	Notice periods for Condition 4 (c):	Minimum period: 30 days Maximum period: 60 days
18	Capital Disqualification Event Variation	Applicable
19	Issuer Call Option	Applicable
	(i) Optional Redemption Date(s):	25 November 2019
	(ii) Optional Redemption Amount(s):	Early Redemption Amount
	(iii) If redeemable in part:	Not Applicable
	(a) Minimum Callable Amount:	Not Applicable
	(b) Maximum Callable Amount:	Not Applicable
	(iv) Notice period:	Minimum period: 30 days Maximum period: 60 days
20	Final Redemption Amount	EUR 100,000 per Calculation Amount
21	Early Redemption Amount	
	Early Redemption Amount(s) payable on redemption following a Tax Event, following a Capital Disqualification Event (in the case of Subordinated Tier 2 Notes) or on event of default or other early redemption:	EUR 100,000 per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

22 **Form of Notes:** Dematerialised form

THIRD PARTY INFORMATION

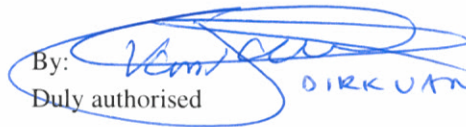
The Issuer accepts responsibility for the information contained in these Final Terms. The brief explanation on the meaning of the ratings in paragraph 2 of Part B of these Final Terms has been extracted from www.standardandpoors.com (the "Relevant Website"). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by each of the Relevant Website, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of the Issuer:



By: **FREDERIK VYNCKE**
Duly authorised

Signed on behalf of the Issuer:



By: **DIRK VAN DAMME**
Duly authorised

PART B – OTHER INFORMATION

1 LISTING AND ADMISSION TO TRADING

- (i) Admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Euronext Brussels with effect from the Issue Date.
- (ii) Estimate of total expenses related to admission to trading: EUR 7,000

2 RATINGS

The Notes to be issued are expected to be rated:

Standard & Poor's Credit Market Services Italy Srl. ("S&P"): BBB-

Fitch France S.A.S. ("Fitch"): BBB+

S&P is established in the EU and registered under Regulation (EC) No 1060/2009 (the "CRA Regulation"). As defined by S&P an obligation rated in the 'BBB' category exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

Fitch is established in the EU and registered under the CRA Regulation. As defined by Fitch a rating in the 'BBB' category indicates that expectations of credit risk are currently low. The capacity for payment of financial commitments is considered adequate but adverse business or economic conditions are more likely to impair this capacity.

3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

So far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the issue.

4 YIELD

Not Applicable

5 HISTORIC INTEREST RATES (*Floating Rate Notes only*)

Not Applicable

6 OPERATIONAL INFORMATION

- (i) ISIN: BE0002479542

- (ii) Common Code: 114398365
- (iii) Any clearing system(s) other than the Securities Settlement System, Euroclear Bank S.A./N.V. and Clearstream Banking, *société anonyme* and the relevant identification number(s): Not Applicable
- (iv) Delivery: Delivery against payment
- (v) Names and addresses of additional Agent(s) (if any): Not Applicable
- (vi) Name and address of the Calculation Agent: KBC Bank NV
2 Havenlaan, 1080, Brussels, Belgium
- (vii) Intended to be held in a manner which would allow Eurosystem eligibility: No.

7 **DISTRIBUTION**

- (i) Method of distribution: Syndicated
- (ii) If syndicated:
 - (A) Names and addresses of Dealers and underwriting commitments/quotas:
 - DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main, Platz der Republik, 60265 Frankfurt am Main Germany – EUR 150,000,000
 - Goldman Sachs International, Peterborough Court 133 Fleet Street, London EC4A 2BB – EUR 150,000,000
 - J.P. Morgan Securities plc, 25 Bank Street, Canary Wharf, London, E14 5JP, England – EUR 150,000,000
 - KBC Bank NV, 2 Havenlaan, 1080, Brussels, Belgium – EUR 150,000,000
 - Natixis, 30 Avenue Pierre Mendès-France, 75013 Paris, France – EUR 150,000,000
 - (B) Date of Subscription Agreement: 24 November 2014
 - (C) Stabilising manager(s) (if any): Not Applicable
- (iii) If non-syndicated, name and address of Dealers: Not Applicable
- (iv) US Selling Restrictions: Reg. S Category 2; TEFRA not applicable
- (v) Additional selling restrictions: Not Applicable