



Press release



12 March, 2009

KBC responds to cut in short-term interest rates

On 5 March, the European Central Bank cut short-term interest rates by another 0.50%. The ECB rate is now 1.50% and at its lowest level since the introduction of the euro in 1999.

Accordingly, KBC will be adjusting the rates on savings accounts to reflect this cut. From 15 March 2009, the base rate applying to such accounts held by individuals will be 1.50%. The growth premium and fidelity bonus remain unchanged at 0.75%.

KBC also applies prevailing market rates to new home loans on a weekly basis. The rate applied to home loan formulas subject to annual change is related to the short-term rate. The KBC Convenience Rate for this formula is now 3.20% for a 20-year home loan.

An overview of the prevailing rates applying to KBC's savings products and loan formulas can be found at www.kbc.be.

Note to the editor

The growth premium and fidelity bonus are not cumulative. It is only after the growth premium has been earned that a deposit qualifies for the fidelity bonus. In accordance with the new law on regulated savings accounts, which will enter into effect on 1 April, KBC will no longer award a growth premium for deposits from this date on. It will, however, with immediate effect, grant a fidelity bonus which will be paid out after twelve months. Deposits made before 1 April will continue to earn the growth premium until the acquisition date (after six months). As of 1 April, the rate applying to the growth premium for these deposits will be equal to the prevailing rate applying to the fidelity bonus. Thereafter, these deposits qualify for the fidelity bonus which will be paid out twelve months later.

KBC Group NV
Havenlaan 2 - 1080 Brussels
Viviane Huybrecht
Director of Group Communications
and Press Office / spokesperson:
Tel (02) 429 85 45

Press Office:
Tel. (02) 429 65 01
Fax (02) 429 81 60
E-mail: pressofficekbc@kbc.be