

**KBC BANK BELGIAN COVERED BONDS BASE PROSPECTUS SUPPLEMENT (N°4)  
dated 27 September 2016**



**KBC Bank NV**

*(Incorporated with limited liability in Belgium)*

**Euro 10,000,000,000**

**Residential Mortgage Covered Bonds Programme**

This base prospectus supplement (the “**Supplement N°4**”) constitutes a supplement for the purposes of Article 16 of Directive n° 2003/71/EC (the “**Prospectus Directive**”) and Article 34 of the Belgian Law dated 16 June 2006 concerning the public offer of investment securities and the admission of investment securities to trading on a regulated market (the “**Belgian Prospectus Law**”), implementing the Prospectus Directive. The Supplement N°4 is supplemental to, forms part of, and must be read in conjunction with the base prospectus dated 10 November 2015 as supplemented by the supplement dated 12 January 2016 (the “**Supplement N°1**”), the supplement dated 23 February 2016 (the “**Supplement N°2**”) and the supplement dated 10 May 2016 (the “**Supplement N°3**”) (together the “**Covered Bonds Base Prospectus**”), issued by KBC Bank NV (the “**Issuer**”), for the purpose of giving information with regard to the issue of Belgian covered bonds (the “**Covered Bonds**”) under the Euro 10,000,000,000 Residential Mortgage Covered Bonds Programme during a period of twelve (12) months after the date of the Covered Bonds Base Prospectus. Terms defined in the Covered Bonds Base Prospectus or in any document incorporated by reference in the Covered Bonds Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement N°4.

This Supplement N°4 has been approved by the Financial Services and Markets Authority (the “**FSMA**”) on 27 September 2016, as competent authority under the Prospectus Directive and will be published on the website of Euronext Brussels ([www.nyx.com](http://www.nyx.com)) and on the [www.kbc.com](http://www.kbc.com)<sup>1</sup> website.

The Issuer accepts responsibility for the information contained in this Supplement N°4 and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement N°4 is, to the best of its knowledge and belief, in accordance with the facts and does not omit anything likely to affect the import of such information.

**1. Documents Incorporated by Reference**

On 11 August 2016, KBC Group NV published its extended quarterly report for the second quarter and the first half of 2016 in the document “*KBC Group – Extended Quarterly Report*”<sup>2</sup> accompanied by a press

<sup>1</sup> <https://www.kbc.com/en/euro-1000000000-residential-mortgage-covered-bonds-programme-issued-kbc-bank-nv?agree=1>

<sup>2</sup> [https://www.kbc.com/en/system/files/doc/investor-relations/Results/2Q2016/2Q2016\\_Quarterly\\_Report\\_en.pdf](https://www.kbc.com/en/system/files/doc/investor-relations/Results/2Q2016/2Q2016_Quarterly_Report_en.pdf)

release entitled “*Strong first-half profit of 1.1 billion euros. Interim dividend of 1 euro to be paid in November.*”<sup>3</sup>

On 31 August 2016 KBC Bank NV published its half-year financial results for 1H2016 together with the related statutory auditors’ report in the document titled as “*KBC Bank, Half-Year Report – 1H2016*”<sup>4</sup>.

As the financial position of KBC Group NV might affect the financial position of the Issuer, the latter being a direct subsidiary of KBC Group NV and in order to ensure that the information contained in the Covered Bonds Base Prospectus is up-to-date as required by the Prospectus Directive and the Belgian Prospectus Law, the aforementioned documents will be incorporated by reference in the Covered Bonds Base Prospectus.

The documents “*KBC Group – Extended Quarterly Report*” of KBC Group NV and “*Half-Year Report – 1H2016*” of the Issuer will be added to the documents incorporated by reference. This will have the following text impacts.

- (i) The section *Documents incorporated by reference* on page 79 of the Covered Bonds Base Prospectus will be supplemented by adding the following limbs to the list of documents which are incorporated and form part of the Covered Bonds Base Prospectus:
- *The semi-annual financial statements of the Issuer for the six months ended on 30 June 2016, set out in the document “Half-Year Report – 1H2016”;*
  - *The unaudited financial statements of KBC Group NV for the six months ended 30 June 2016, set out in the Extended Quarterly Report 2Q of KBC Group NV; and*
  - *The press release of KBC Group NV dated 11 August 2015 “Strong first-half profit of 1.1 billion euros. Interim dividend of 1 euro to be paid in November.”*
- (ii) The sub-section *Specific items contained in Documents Incorporated by Reference* on page 80 – 81 of the Covered Bonds Base Prospectus shall be supplemented as follows:

*Interim financial report for the half year to June 30, 2016 of the Issuer (limited review)\**

Report for the first six months of 2016	page 2-8
Consolidated financial statements according to IFRS	page 9
Consolidated income statement	page 10
Condensed consolidated statement of comprehensive income	page 11
Consolidated balance sheet	page 12
Consolidated statement of changes in equity	page 13
Condensed consolidated cash flow statement	page 14
Notes on statement of compliance and changes in accounting policies	page 14
Notes on segment reporting	page 15
Other notes	page 17
Report of the statutory auditor	page 26

\* Page references are to the English language PDF version of the relevant incorporated documents.

<sup>3</sup> [https://www.kbc.com/system/files/doc/investor-relations/Results/2Q2016/2Q2016\\_pb\\_20160811\\_en.pdf](https://www.kbc.com/system/files/doc/investor-relations/Results/2Q2016/2Q2016_pb_20160811_en.pdf)

<sup>4</sup> [https://www.kbc.com/en/system/files/doc/investor-relations/9-Bank-info/2016\\_1H\\_Year\\_Bank\\_en.pdf](https://www.kbc.com/en/system/files/doc/investor-relations/9-Bank-info/2016_1H_Year_Bank_en.pdf)

*Unaudited Interim financial report for the half year to 30 June 2016 of KBC Group NV\*\**

Report for 2Q2016 and 1H2016	page 4
Consolidated financial statements according to IFRS	page 22
Consolidated income statement	page 23
Consolidated statement of comprehensive income (condensed)	page 24
Consolidated balance sheet	page 25
Consolidated statement of changes in equity	page 26
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Report of the accredited auditor to the shareholders of KBC Group NV on the review of the interim condensed consolidated financial statements as at 30 June 2016 and for the six-month period then ended	page 38

\*\* Page references are to the English language PDF version of the relevant incorporated documents.

*Press release of KBC Group NV dated 11 August 2016 "Strong first-half profit of 1.1 billion euros. Interim dividend of 1 euro to be paid in November"*

Financial highlights for the second quarter of 2016, compared with the previous quarter	page 1 - 2
Highlights in the quarter under review	page 3 - 4
Overview of our results and balance sheet	page 4 - 5
Analysis of the quarter (2Q2016)	page 5 - 7
Analysis of the year-to-date period (1H2016)	page 7 - 8

- (iii) The sub-section *Significant or Material Change* on page 217 of the Covered Bonds Base Prospectus shall be deleted and replaced by the following paragraph:

*"There has been:*

- (a) *no significant change in the financial or trading position of the Issuer or the KBC Bank Group since 30 June 2016; and*
- (b) *no material adverse change in the prospects of the Issuer or the KBC Bank Group since 31 December 2015."*

## **2. General**

Save as disclosed in this Supplement N°4, there has been no significant change in the information in the Covered Bonds Base Prospectus and no significant new matter has arisen since 10 May 2016, the date of the publication of the Supplement N°3 to the Covered Bonds Base Prospectus.

Copies of this Supplement N°4 will be available without charge (i) at the specified office of the Issuer and the Paying Agent, (ii) on the website of Euronext Brussels at [www.nyx.com](http://www.nyx.com) and (iii) on the [www.kbc.com](http://www.kbc.com) <sup>5</sup> website.

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<sup>5</sup> <https://www.kbc.com/en/euro-1000000000-residential-mortgage-covered-bonds-programme-issued-kbc-bank-nv?agree=1>

To the extent that there is an inconsistency between (a) any statement in this Supplement N°4 and (b) any statement in, or incorporated by reference into, the Covered Bonds Base Prospectus, the statements in (a) above will prevail.

27 September 2016



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Authorized signatory  
on behalf of KBC Bank NV

Innocenzo Soi



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Authorized signatory  
on behalf of KBC Bank NV

CATHERINE ROSENFELD