

KBC GROUP NV BASE PROSPECTUS SUPPLEMENT (N°4)

Dated 28 April 2020



KBC Group NV

(incorporated with limited liability in Belgium)

EUR 10,000,000,000

Euro Medium Term Note Programme

This supplement dated 28 April 2020 (the “**Supplement N°4**”) constitutes a supplement for the purposes of Article 34 of the Belgian Law of 16 June 2006 on public offerings of investment instruments and the admission of investment instruments to trading on a regulated market, as amended from time to time (the “**Belgian Prospectus Law**”). The Supplement N°4 is supplemental to, forms part of, and must be read in conjunction with the base prospectus dated 4 June 2019 (as supplemented by the supplement N°1, dated 20 Augustus 2019, the supplement N°2, dated 19 November 2019 and the supplement N°3, dated 18 February 2020 and together, the “**Base Prospectus**”), prepared in connection with the EUR 10,000,000,000 Euro Medium Term Note Programme (the “**Programme**”), established by KBC Group NV, incorporated as a limited liability company under the laws of Belgium, with registered office at Havenlaan 2, 1080 Brussels and registered with the Crossroads Bank of Enterprises VAT BE0403.227.515 (Brussels) (the “**Issuer**”). Terms defined in the Base Prospectus or in any document incorporated by reference in the 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 FSMA, as competent authority under the Belgian Prospectus Law. This approval does not imply any appraisal of the appropriateness or the merits of any issue under the Programme, nor of the situation of the Issuer.

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

I. New information

1. Introduction

Coronavirus (COVID-19) pandemic

On 23 March 2020, the Issuer published a press release entitled “*KBC reaction to measures announced by Belgian Federal Government*” in light of the global coronavirus (COVID-19) pandemic.

On 30 March 2020, the Issuer published a press release entitled “*In line with ECB recommendations, KBC Group withdraws final dividend over 2019 profit and cancels proposed share buy-back*”.

On 17 April 2020, the Issuer published a press release entitled “*KBC Group update on impact of Coronavirus crisis on 1Q2020 results*”.

Annual Report 2019

On 3 April 2020, the Issuer published its annual report for the financial year ended 31 December 2019 together with the related statutory auditors’ report in the document “*KBC Group Annual Report 2019*”.

A copy of the extended annual report has been filed with the FSMA.

In order to ensure that the information contained in the Base Prospectus is up-to-date as required by the Belgian Prospectus Law, the aforementioned documents will be incorporated by reference in the Base Prospectus. A copy of these documents, incorporated by reference in the Base Prospectus, can be obtained from the registered office of the Issuer, the website of the Issuer (www.kbc.com/investors) and from the website of Euronext Brussels (www.euronext.com).

If documents which are incorporated by reference themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Supplement N°4 for the purposes of the Belgian Prospectus Law, except where such information or other documents are specifically incorporated by reference or attached to this Supplement N°4.

Due to this new information the Base Prospectus is amended as described below.

2. Risk factors

In the subsection “*Other risks relating to the Group*” on page 24 et seq. of the Base Prospectus, a new subsection titled “*Coronavirus (COVID-19) pandemic*” shall be inserted:

“*Coronavirus (COVID-19) pandemic*”

The impact of the global pandemic resulting from the outbreak of a strain of novel coronavirus disease, COVID-19, as declared by the World Health Organization on 11 March 2020 presents the Group and, moreover, the global economy with complex challenges.

The economic challenges, worldwide but also in the Eurozone and Belgium, resulting from this crisis will undoubtedly have an impact on credit losses in general, including credit losses incurred by the Group, in the coming years. Such credit losses may include but may not be limited to credit losses situated in the Group’s loan portfolio (see also the section “*The Group has significant credit default risk exposure*”).

The Issuer may also face potential losses stemming from financial instruments to which the Issuer is exposed via its trading and non-trading activities (see also the section “*Risk Governance*”).

The coronavirus pandemic may also lead to regulatory developments in the jurisdictions in which the Issuer operates (see also the sections “*The Group is exposed to the risk of breaches of regulatory and compliance-related requirements in connection with the exercise of its business activity, such as provisions for limitation of money laundering*” and “*The Group is subject to increasingly onerous minimum regulatory capital, liquidity and leverage requirements*”) in response to the crisis. Examples of such regulatory developments currently include the announcement of the Basel Committee on Banking Supervision (“**BCBS**”) of 27 March 2020 to postpone the introduction of Basel IV with one year to 1 January 2023; also the phasing-in of the aggregated output floor has been delayed with one year and should be fully phased in on 1 January 2028 (instead of 1 January 2027). The BCBS further

announced on 3 April 2020 that jurisdictions may allow banks to add-back up to 100% of the transitional adjustment amount to CET1 in 2020 and 2021 (the “add-back” amount must then be phased-out on a straight line basis over the subsequent three years). In the EU, these measures require amendments to the Capital Requirements Regulation (“CRR”). Other examples of regulatory developments in response to the coronavirus crisis and which may have an adverse effect on the Issuer’s business and operations may include, without limitation, the measures and regulations adopted by the Belgian Federal Government regarding the granting of payment deferrals, additional lines of credit or other types of financial relief provided by the Belgian financial sector (see also the subsection “*Coronavirus (COVID-19) pandemic*” in the section “*Recent events*”).

The credit ratings of the Group, including the ratings of the Issuer, may be adversely affected by the coronavirus crisis. Such adverse effects may include but may not be limited to a downgrade in the credit ratings or the outlook currently assigned to the Issuer (see also the section “*Network and ratings of KBC Group*”). There can thus be no assurance that the current credit ratings of the Issuer or the Group will be maintained (see also the section “*A downgrade in the credit rating of the Issuer or its subsidiaries may limit access to certain markets and counterparties and may necessitate the posting of additional collateral to counterparties or exchanges*”).”

3. Documents incorporated by reference

- (i) The list of documents which are incorporated and form part of the Base Prospectus as set out in limbs (a) to (e) of the section “*Documents incorporated by reference*” on page 49 of the Base Prospectus shall be deleted and replaced by the following:

“(a) the audited consolidated annual financial statements of the Issuer for the financial year ended 31 December 2018, together with the related auditors’ report (available on www.kbc.com/content/dam/kbccom/doc/investor-relations/Results/JVS_2018/JVS_2018_GRP_en.pdf);

(b) the audited consolidated annual financial statements of the Issuer for the financial year ended 31 December 2019, together with the related auditors’ report (available on www.kbc.com/content/dam/kbccom/doc/investor-relations/Results/JVS-2019/JVS_2019_GRP_en.pdf);

(c) the press release dated 23 March 2020 entitled “*KBC reaction to measures announced by Belgian Federal Government*” (available on https://www.kbc.com/content/dam/kbccom/doc/newsroom/pressreleases/2020/20200323_reacton-government-measures_en.pdf);

(d) the press release dated 30 March 2020 entitled “*In line with ECB recommendations, KBC Group withdraws final dividend over 2019 profit and cancels proposed share buy-back*” (available on www.kbc.com/content/dam/kbccom/doc/newsroom/pressreleases/2020/20200330-maatregelen-KBC_en.pdf); and

(e) the press release dated 17 April 2020 entitled “*KBC Group update on impact of Coronavirus crisis on 1Q2020 results*” (available on https://www.kbc.com/content/dam/kbccom/doc/newsroom/pressreleases/2020/20200417_KBC-Group-update_en.pdf).”

- (ii) The sub-section “*Audited consolidated annual financial statements of the Issuer for the financial years ended 31 December 2017 and 31 December 2018**” in the section “*Documents incorporated by reference*” on pages 49-50 of the Base Prospectus shall be deleted and replaced by the following:

“Audited consolidated annual financial statements of the Issuer for the financial years ended 31 December 2018 and 31 December 2019”

	Issuer’s Annual Report for the financial year ended 31 December 2018	Issuer’s Annual Report for the financial year ended 31 December 2019
<i>Audited consolidated annual financial statements of the Issuer</i>		
report of the Board of Directors	page 6-167	page 6-177
income statement	page 170-171	page 180-181
balance sheet	page 174-175	page 184
statement of changes in equity	page 176	page 185-186
cash flow statement	page 177-178	page 186-187
notes to the financial statements	page 179-251	page 188-254
<i>Auditors’ report</i>	page 252-258	page 255-262
<i>Additional information</i>		
ratios used	page 267-273	page 273-278

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

4. Credit ratings

In the section “*Network and ratings of KBC Group*” on page 100 et seq. of the Base Prospectus, the subsection “*Credit ratings*” shall be amended as follows:

“Credit ratings

The Group’s main credit ratings as at the date of this Base Prospectus are published in the table below:

KBC Group

	S&P	Moody’s	Fitch
Long term issuer credit rating	A-	Baa1	A
Outlook long term issuer credit rating	negative outlook	stable outlook	negative outlook
Short term issuer credit rating	A2	P-2	F1
Latest rating action	23 April 2020	28 November 2019	30 March 2020
Latest credit opinion	15 January 2020	20 January 2020	24 April 2020

KBC Bank

	S&P	Moody's	Fitch
Long term issuer credit rating	A+	A1 (*)	A+
Outlook long term issuer credit rating	stable outlook	stable outlook	negative outlook
Short term issuer credit rating	A-1	P-1	F1
Latest rating action	23 April 2020	28 November 2019	30 March 2020
Latest credit opinion	15 January 2020	20 January 2020	24 April 2020

* Long term deposit rating: Aa3

KBC Insurance

	S&P
Long term issuer credit rating	A
Outlook long term issuer credit rating	negative outlook
Latest rating action	23 April 2020
Latest credit opinion	8 August 2019

As regards KBC Insurance, it is the financial strength rating. This rating gives an idea of the likelihood of the insurance company meeting claims submitted by insured parties, whereas the ratings given for the bank indicate the likelihood of the bank meeting its financial obligations (debts).”

5. Recent Events

The following paragraphs shall be added to the subsection “Recent Events” on pages 133 to and including 134 of the Base Prospectus:

“Coronavirus (COVID-19) pandemic

Since December 2019, a significant increase of cases of pneumonia associated with the coronavirus (COVID-19) has been reported worldwide. Initially reported in the province of Hubei in the People’s Republic of China, it has spread across other countries, resulting in reported infections and deaths in numerous countries and leading to a global pandemic.

As the coronavirus pandemic and the ensuing global health crisis have led to a massive impact on economic activity, the Belgian Federal Government, the NBB and Febelfin (the Belgian banking federation) reached an agreement at the end of March 2020 on a number of measures for banks. Pursuant to this agreement, the Belgian financial sector is committed to providing viable (i.e., if there were no payment arrears on 1 February 2020 or payment arrears of less than 30 days on 29 February 2020) non-financial companies, self-employed persons and individuals with mortgage credit which have payment problems due to the coronavirus crisis with a temporary deferment of payment until 30 September 2020 without charge. Non-financial companies are required to have a permanent establishment in Belgium. Borrowers will be required to evidence the fact that they are in distress because of the coronavirus crisis and request their bank for a postponement of payment.

In addition to the above, Belgium’s four largest banks (Belfius, BNP Paribas Fortis, ING and KBC Bank) agreed on measures to support companies facing difficulties due to the coronavirus crisis, such

as the granting of extensions for the repayment of interest and/or capital and the granting of additional credit. This agreement is likely to be extended to other, if not all, banks which are active in the granting of loans. Each bank will act on a case-by-case basis and will invite its client companies to contact it to find the appropriate solution.

The measures taken by the Belgian federal authorities are part of a series of measures taken in countries all over Europe and are also supported by the response of the ECB in reaction to the coronavirus pandemic. These are meant to protect the economy and the most vulnerable sectors.

The economic impact of the coronavirus pandemic on the Belgian economy is still uncertain. Although it is not possible at this stage to make a detailed and correct assessment of potential provisioning or financial impact of the measures announced by the Belgian Federal Government, the Group is closely monitoring the situation on a daily basis.”

6. Selected Financial Information

The section “*Selected Financial Information*” on pages 150 to and including 154, shall be deemed to be deleted in its entirety and replaced with the updated section “*Selected Financial Information*” set out in Annex 1 to this Supplement N°4.

7. General Information

Paragraph (3) on page 177 of the Base Prospectus shall be deleted and replaced by the following paragraph:

“(3) Save as disclosed in this Base Prospectus, there has been no significant change in the financial or trading position of the Issuer since 31 December 2019 and no material adverse change in the prospects of the Issuer since 31 December 2019.”

Paragraphs (8) and (9) on pages 177 to 178 of the Base Prospectus shall be deleted and replaced by the following paragraphs:

“(8) For so long as Notes may be issued pursuant to this Base Prospectus, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the registered office of the Issuer:

- (i) the constitutional documents of the Issuer;
- (ii) the Agency Agreement;
- (iii) the audited consolidated financial statements of the Issuer for each of the two financial years ended 31 December 2018 and 31 December 2019, in each case together with the audit reports in connection therewith;
- (iv) each Final Terms (save that Final Terms relating to a Note which is neither admitted to trading on a regulated market within the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the Agent as to its holding of Notes and identity); and
- (v) a copy of the Base Prospectus together with any further or supplement prospectuses relating to the Programme.

This Base Prospectus, the Final Terms for Notes that are listed and admitted to trading on Euronext Brussels’ regulated market and each document incorporated by reference will be published on the website of Euronext Brussels (www.euronext.com).

(9) Copies of the latest annual report and audited consolidated annual financial statements of the Issuer and the latest unaudited interim condensed consolidated financial statements of the Issuer may be obtained, and copies of the Agency Agreement will be available for inspection, at the specified offices of the Agent during normal business hours, so long as any of the Notes is outstanding.

PricewaterhouseCoopers Bedrijfsrevisoren BV/CVBA (*erkende revisor/réviseur agréé*), represented by Roland Jeanquart and Tom Meuleman, with offices at Woluwedal 18, B-1932 Sint-Stevens-Woluwe (Brussels) (“**PwC**”), has been appointed as auditor of the Issuer for the financial years 2016-

2018 and this appointment has been extended for the financial years 2019-2021. PwC is a member of the *Instituut der Bedrijfsrevisoren/Institut des Réviseurs d'Entreprises*. The consolidated financial statements of the Issuer (as well as the annual accounts of the Issuer) for the years ended 31 December 2018 and 31 December 2019 have been audited in accordance with ISA by PwC and the audits resulted, in each case, in an unqualified opinion with an emphasis of matter paragraph in the 2019 audit opinion. The reports of the auditor of the Issuer on the Issuer's consolidated financial statements are included or incorporated in the form and context in which they are included or incorporated, with the consent of the auditors."

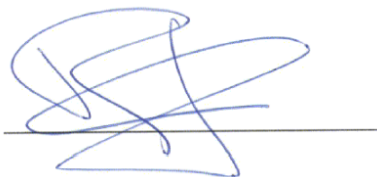
II. General

Save as disclosed in this Supplement N°4, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus since 4 June 2019, the date of publication.

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 Base Prospectus, the statements in (a) above will prevail.

Copies of this Supplement N°4 will be available without charge at the specified office of the Issuer and the Agent, on the website of Euronext Brussels (www.euronext.com) and the website of the Issuer (www.kbc.com¹).

28 April 2020



Name: Rik Janssen
Title: Group Treasurer

Annex 1
Selected Financial Information

The following tables set out in summary form certain statements of financial position, income statements, statements of comprehensive income and cash flow information relating to the Issuer. The information has been extracted from the audited consolidated financial statements of the Issuer for the years ended 31 December 2018 and 31 December 2019.

The consolidated financial statements of the Issuer for the years ended 31 December 2018 and 31 December 2019 have been audited in accordance with ISA.

As of 2018, the financial information is prepared in accordance with IFRS 9.

Consolidated balance sheet

(in millions of EUR)	31-12-2019	31-12-2018
ASSETS		
Cash, cash balances with central banks and other demand deposits with credit institutions	8 356	18 691
Financial assets	273 399	256 916
<i>Amortised cost</i>	230 639	216 792
<i>Fair value through OCI</i>	19 037	18 279
<i>Fair value through profit or loss</i>	23 563	21 663
<i>of which held for trading</i>	7 266	6 426
<i>Hedging derivatives</i>	158	183
Reinsurers' share in technical provisions, insurance	121	120
Fair value adjustments of the hedged items in portfolio hedge of interest rate risk	478	64
Tax assets	1 396	1 549
<i>Current tax assets</i>	96	92
<i>Deferred tax assets</i>	1 300	1 457
Non-current assets held for sale and disposal groups	29	14
Investments in associated companies and joint ventures	25	215
Property, equipment and investment property	3 818	3 299
Investment property	570	561
Property & equipment	3 247	2 737
Goodwill and other intangible assets	1 640	1 330
Other assets	1 474	1 610
TOTAL ASSETS	290 735	283 808
LIABILITIES AND EQUITY		
Financial liabilities	248 400	242 626
<i>Amortised cost</i>	224 093	220 671
<i>Fair value through profit or loss</i>	23 137	20 844
<i>of which held for trading</i>	6 988	5 834
<i>Hedging derivatives</i>	1 171	1 111
Technical provisions, before reinsurance	18 560	18 324
Fair value adjustments of the hedged items in portfolio hedge of interest rate risk	- 122	- 79
Tax liabilities	478	380
<i>Current tax liabilities</i>	98	133
<i>Deferred tax liabilities</i>	380	247

Liabilities associated with disposal groups	0	0
Provisions for risks and charges	227	235
Other liabilities	2 827	2 689
TOTAL LIABILITIES	270 371	264 175
Total equity	20 365	19 633
Parent shareholders' equity	18 865	17 233
Additional tier-1 instruments included in equity	1 500	2 400
Minority interests	0	0
TOTAL LIABILITIES AND EQUITY	290 735	283 808

Consolidated income statement

(in millions of EUR)	2019	2018
Net interest income	4 618	4 543
<i>Interest income</i>	7 244	6 996
<i>Interest expense</i>	- 2 626	- 2 453
Non-life insurance (before reinsurance)	756	760
<i>Earned premiums</i>	1 721	1 582
<i>Technical charges</i>	- 966	- 822
Life insurance (before reinsurance)	- 6	- 18
<i>Earned premiums</i>	1 323	1 359
<i>Technical charges</i>	- 1 329	- 1 377
Ceded reinsurance result	- 25	- 41
Dividend income	82	82
Net result from financial instruments at fair value through profit or loss	181	231
<i>of which result on equity instruments (overlay approach)</i>	93	51
Net realised result from debt instruments at fair value through OCI	6	9
Net fee and commission income	1 734	1 719
<i>Fee and commission income</i>	2 476	2 456
<i>Fee and commission expense</i>	- 741	- 737
Net other income	282	226
TOTAL INCOME	7 629	7 512
Operating expenses	- 4 303	- 4 234
<i>Staff expenses</i>	- 2 357	- 2 343
<i>General administrative expenses</i>	- 1 595	- 1 612
<i>Depreciation and amortisation of fixed assets</i>	- 351	- 280
Impairment	- 217	17
<i>on financial assets at AC and at FVOCI</i>	- 203	62
<i>on goodwill</i>	0	0
<i>other</i>	- 14	- 45
Share in results of associated companies and joint ventures	7	16
RESULT BEFORE TAX	3 116	3 310
Income tax expense	- 627	- 740
Net post-tax result from discontinued operations	0	0
RESULT AFTER TAX	2 489	2 570
attributable to minority interests	0	0
<i>of which relating to discontinued operations</i>	0	0
attributable to equity holders of the parent	2 489	2 570
<i>of which relating to discontinued operations</i>	0	0
Earnings per share (in EUR)		
Ordinary	5,85	5,98
Diluted	5,85	5,98

Consolidated statement of comprehensive income

(in millions of EUR)	2019	2018
RESULT AFTER TAX	2 489	2 570
attributable to minority interests	0	0
attributable to equity holders of the parent	2 489	2 570
OCI THAT MAY BE RECYCLED TO PROFIT OR LOSS	510	- 425
Net change in revaluation reserve (FVOCI debt instruments)	411	- 246
Fair value adjustments before tax	544	- 312
Deferred tax on fair value changes	- 129	74
Transfer from reserve to net result	- 4	- 8
Impairment	- 1	- 3
Net gains/losses on disposal	0	- 7
Deferred taxes on income	- 3	2
Net change in revaluation reserve (FVPL equity instruments) - overlay	191	- 228
Fair value adjustments before tax	288	- 176
Deferred tax on fair value changes	- 4	0
Transfer from reserve to net result	- 93	- 51
Impairment	24	58
Net gains/losses on disposal	- 117	- 110
Deferred taxes on income	0	0
Net change in hedging reserve (cashflow hedges)	- 68	76
Fair value adjustments before tax	- 158	46
Deferred tax on fair value changes	37	- 9
Transfer from reserve to net result	53	39
Gross amount	71	60
Deferred taxes on income	- 17	- 21
Net change in translation differences	- 18	- 60
Gross amount	- 18	- 60
Deferred taxes on income	0	0
Hedge of net investments in foreign operations	3	41
Fair value adjustments before tax	- 20	45
Deferred tax on fair value changes	- 13	- 13
Transfer from reserve to net result	36	10
Gross amount	49	14
Deferred taxes on income	- 13	- 4
Net change in respect of associated companies and joint ventures	- 6	- 7
Gross amount	- 7	- 8
Deferred taxes on income	1	1
Other movements	- 3	- 2
OCI THAT WILL NOT BE RECYCLED TO PROFIT OR LOSS	127	- 66
Net change in revaluation reserve (FVOCI equity instruments)	8	- 6
Fair value adjustments before tax	11	- 17
Deferred tax on fair value changes	- 3	- 1
Transfer to retained earnings on realisation of assets	0	12
Gross amount	0	12
Deferred taxes on income	0	0
Net change in defined benefit plans	119	- 67

Remeasurements	157	- 89
Deferred tax on remeasurements	- 38	22
Net change in own credit risk	- 1	7
Fair value adjustments before tax	- 1	9
Deferred tax on fair value changes	0	- 2
Transfer to retained earnings on realisation of assets	0	0
Gross amount	0	0
Deferred taxes on income	0	0
Net change in respect of associated companies and joint ventures	0	0
Remeasurements	1	0
Deferred tax on remeasurements	0	0
TOTAL COMPREHENSIVE INCOME	3 126	2 079
attributable to minority interests	0	0
attributable to equity holders of the parent	3 126	2 079

Consolidated cashflow statement

(in millions of EUR)	2019	2018
OPERATING ACTIVITIES		
Result before tax	3 116	3 310
Adjustments for:	380	438
Result before tax from discontinued operations	0	0
Depreciation, impairment and amortisation of property, plant and equipment, intangible fixed assets, investment property and securities	418	414
Profit/Loss on the disposal of investments	- 105	19
Change in impairment on loans and advances	204	- 59
Change in technical provisions (before reinsurance)	443	- 30
Change in the reinsurers' share in the technical provisions	1	10
Change in other provisions	25	- 58
Other unrealised gains/losses	- 599	158
Income from associated companies and joint ventures	- 7	- 16
Cashflows from operating profit before tax and before changes in operating assets and liabilities	3 496	3 748
Changes in operating assets (excluding cash and cash equivalents)	- 5 798	- 5 141
Financial assets at amortised cost (excluding debt securities)	- 4 254	- 7 363
Financial assets at fair value through OCI	- 99	911
Financial assets at fair value through profit or loss	- 1 612	1 350
<i>of which financial assets held for trading</i>	- 840	720
Hedging derivatives	24	63
Operating assets associated with disposal groups, and other assets	143	- 101
Changes in operating liabilities (excluding cash and cash equivalents)	337	- 6 015
Financial liabilities at amortised cost	- 1 296	- 3 586
Financial liabilities at fair value through profit or loss	1 697	- 1 871
<i>of which financial liabilities held for trading</i>	1 147	- 1 132
Hedging derivatives	- 120	- 127
Technical provisions, before reinsurance	- 206	- 288
Operating liabilities associated with disposal groups and other liabilities	262	- 143
Income taxes paid	- 498	- 554
Net cash from or used in operating activities	- 2 462	- 7 962
INVESTING ACTIVITIES		
Purchase of debt securities at amortised cost	- 7 335	- 2 609
Proceeds from the repayment of debt securities at amortised cost	5 870	5 438
Acquisition of a subsidiary or a business unit, net of cash acquired (including increases in percentage interest held)	439	- 19
Proceeds from the disposal of a subsidiary or business unit, net of cash disposed of (including decreases in percentage interest held)	0	0
Purchase of shares in associated companies and joint ventures	- 12	- 10
Proceeds from the disposal of shares in associated companies and joint ventures	0	2
Dividends received from associated companies and joint ventures	2	23
Purchase of investment property	- 45	- 74
Proceeds from the sale of investment property	59	29
Purchase of intangible fixed assets (excluding goodwill)	- 282	- 260
Proceeds from the sale of intangible fixed assets (excluding goodwill)	5	8

Purchase of property, plant and equipment	- 902	- 668
Proceeds from the sale of property, plant and equipment	347	237
Net cash from or used in investing activities	- 1 854	2 098

(in millions of EUR)	2019	2018
FINANCING ACTIVITIES		
Purchase or sale of treasury shares	0	- 179
Issue or repayment of promissory notes and other debt securities	1 366	1 389
Proceeds from or repayment of subordinated liabilities	- 118	- 928
Principal payments under finance lease obligations	0	0
Proceeds from the issuance of share capital	16	16
Issue of additional tier-1 instruments	- 902	995
Proceeds from the issuance of preference shares	0	0
Dividends paid	- 1 457	- 1 253
Coupon additional Tier-1 instruments	- 52	- 70
Net cash from or used in financing activities	- 1 148	- 30
CHANGE IN CASH AND CASH EQUIVALENTS		
Net increase or decrease in cash and cash equivalents	- 5 464	- 5 894
Cash and cash equivalents at the beginning of the period	34 354	40 413
Effects of exchange rate changes on opening cash and cash equivalents	228	- 165
Cash and cash equivalents at the end of the period	29 118	34 354
ADDITIONAL INFORMATION		
Interest paid (2)	- 2 626	- 2 453
Interest received (2)	7 244	6 996
Dividends received (including equity method)	84	105
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash and cash balances with central banks and other demand deposits with credit institutions	8 356	18 691
Term loans to banks at not more than three months (excl. reverse repos)	468	674
Reverse repos with credit institutions and investment firms at not more than three months	24 963	20 955
Deposits from banks repayable on demand	- 4 669	- 5 966
Cash and cash equivalents belonging to disposal groups	0	0
Total	29 118	34 354
<i>of which not available</i>	0	0

(1) The notes referred to do not always contain the exact same amounts as those included in the cashflow statement, as - among other things - adjustments have been made to take account of acquisitions or disposals of subsidiaries, as set out in IAS 7.

(2) 'Interest paid' and 'Interest received' in this overview are the equivalent of the 'Interest expense' and 'Interest income' items in the consolidated income statement. Given the large number of underlying contracts that generate interest expense and interest income, it would take an exceptional administrative effort to establish actual cashflows. Moreover, it is reasonable to assume that actual cashflows for a bank-insurance company do not differ much from the accrued interest expense and accrued interest income, as most rate products pay interest regularly within the year.