

Interim financial report

Leuven, 29 January 2010 (17.40 hrs CET) – KBC Ancora recorded a negative result of EUR 15.3 million in the first half of the financial year 2009/2010. This result was in line with the result for the same period in the previous financial year.

Abridged financial summary and notes¹

Results for the first half of the financial year 2009/2010

	1H fin. year 2009/2010 (A) (x EUR 1,000) per share (in EUR)		1H fin. year 2008/2009 (B) (x EUR 1,000) per share (in EUR)		Change (B)->(A)
Recurring financial result	-14,094	-0.18	-14,126	-0.18	- 0.2%
Other recurring result	-1,227	-0.02	-1,204	-0.02	+ 1.9%
Result from capital operations	0	0.00	0	0.00	0.0%
Extraordinary result	0	0.00	0	0.00	0.0%
Result before taxes	-15,320	-0.20	-15,330	-0.20	- 0.1%
Result after taxes	-15,320	-0.20	-15,330	-0.20	- 0.1%
Number of shares in issue*	78,301,314		78,301,314		

* No financial instruments were issued which could lead to dilutions.

KBC Ancora recorded a negative result of EUR 15.3 million in the first six months of the current financial year, or EUR 0.20 per share, in line with the result in the same period in the previous financial year.

Both the recurring financial result (EUR -14,1 million), which relates to interest charges, and the other recurring result (EUR -1.2 million) determined by the usual operating costs of KBC Ancora, were virtually identical to those recorded in the same period in the previous financial year.

¹ KBC Ancora's reporting is based on Belgian GAAP.

Balance sheet as at 31 December 2009

(x EUR 1,000)	31.12.2009	*30.06.2009
BALANCE SHEET TOTAL	2,589,834	2,589,845
Assets		
Fixed assets	2,589,816	2,589,816
<i>Financial fixed assets</i>	<i>2,589,816</i>	<i>2,589,816</i>
Current assets	18	29
Liabilities		
Capital and reserves	1,977,185	1,992,505
<i>Issued capital</i>	<i>2,021,871</i>	<i>3,189,854</i>
<i>Statutory reserves</i>	<i>0</i>	<i>60,455</i>
<i>Result carried forward</i>	<i>-29,366</i>	<i>-1,257,804</i>
<i>Profit/loss for the period</i>	<i>-15,320</i>	<i>0</i>
Creditors	612,650	597,340
<i>Amounts falling due after more than one year</i>	<i>550,000</i>	<i>550,000</i>
<i>Amounts falling due within one year</i>	<i>44,907</i>	<i>43,557</i>
<i>Accruals and deferrals</i>	<i>17,743</i>	<i>3,782</i>

* The balance sheet as at 30.06.2009 is shown after appropriation of profit.

The balance sheet total has remained virtually unchanged over the past six months (EUR 2,589.8 million).

The asset position also underwent virtually no changes.

On the liabilities side of the balance sheet, capital and reserves fell by an amount equal to the negative result over the first six months of the year (EUR 15.3 million). At the same time, liabilities increased by a corresponding amount.

The Extraordinary General Meeting held on 30 October 2009 approved the making good of the non-recurring losses in the previous financial year (EUR 1,228.4 million) by drawing on the statutory reserves (EUR 60.5 million) and by means of a formal capital reduction (EUR 1,168 million). As a result, there was a reduction in both the issued capital and the statutory reserves, as well as in the loss carried forward.

The increase in liabilities is due to the apportionment of interest charges payable and KBC Ancora's operating costs.

Interim report on the first six months of the financial year 2009/2010

Highlights of the last six months

The Extraordinary General Meeting held on 30 October 2009 resolved among other things to approve the making good of the non-recurring losses by drawing on the statutory reserves and by means of a formal capital reduction (see above).

On 18 November 2009, KBC Group confirmed that it was continuing with its plan to build up its existing bancassurance model, with a clear focus on its core markets and on lowering its risk profile. This plan, which among other things proposes a reduction in risk-weighted assets and the disposal of non-core activities, is intended to make it possible to finance sustainable and profitable organic growth and to repay the core capital injected by the government within a reasonable period of time. The relevant strategic plan was approved by the European Commission.

KBC Ancora will not receive any dividends from its participating interest in KBC Group in the current financial year. As a result, KBC Ancora will record a loss equivalent to the amount of its operating costs and interest charges. These interest charges and operating costs will be financed by drawing down debt within the existing credit facilities. As a consequence, KBC Ancora will not distribute a dividend for the current financial year.

KBC Group has stated its intention of resuming the distribution of dividends in 2011 (for the financial year 2010).

Description of the period under review

KBC Ancora recorded a negative result (after taxes) of EUR 15.3 million in the first half of the current financial year.

The principal component in this result was the cost of debt (EUR 14.1 million). Interest charges remained at virtually the same level as in the same period in the previous financial year, as the impact of the increase in short-term debt was neutralised by the sharp fall in short-term interest rates.

As well as the cost of debt, the result was influenced by KBC Ancora's operating costs (EUR 1.2 million). These operating costs consisted primarily of the operating costs within the cost-sharing association between Cera and KBC Ancora, which amounted to EUR 0.89 million, EUR 0.07 million lower than in the same period in the previous financial year. Other costs related among other things to listing fees and management costs.

Virtually no revenues were realised.

KBC Ancora holds 82,216,380 KBC Group shares, with an average book value of EUR 31.5 per KBC Group share. These shares are included under financial fixed assets. The closing price of the KBC Group share as at 31 December 2009 was EUR 30.375. The Board of Directors of

Almancora Société de gestion SA, statutory manager of KBC Ancora, decided not to apply a further write-down to the value of the participating interest in KBC Group as at 31 December 2009.

KBC Ancora's net debt position rose to EUR 7.82 per share as at 31 December 2009.

The net asset value of the KBC Ancora share corresponds to 1.05 times the price of the KBC Group share, less the net debt per share. Based on the closing prices of the KBC Group share (EUR 30.375) and the KBC Ancora share (EUR 16.34) on 31 December 2009, the net asset value of the KBC Ancora share amounted to EUR 24.07, a discount to the net asset value of 32.1%. Based on the closing prices of the KBC Group share (EUR 31.71) and the KBC Ancora share (EUR 17.04) on 28 January 2010, the net asset value of the KBC Ancora share amounted to EUR 25.47, a discount to the net asset value of 33.1%.

Principal risks and uncertainties in the remaining months of the financial year

Certain risk factors could have an impact on the value of the assets held by KBC Ancora and on its ability to distribute a dividend.

The assets of KBC Ancora consist almost entirely of a participating interest in KBC Group. As a consequence, developments at KBC Ancora are largely dependent on the performance of the KBC group.

KBC Group announced on 18 November 2009 that it was not planning to distribute a dividend in respect of the financial year 2009. KBC Ancora will accordingly not receive any dividends from its participating interest in KBC Group in the remainder of the financial year 2009/2010, and will therefore itself not be able to distribute any dividend for the current financial year. KBC Ancora announced in its annual report for the financial year 2008/2009 that in its liquidity planning it took into account the possibility that KBC Group would not distribute a dividend for the financial year 2009.

Declaration by the responsible individuals

"We, the members of the Board of Directors of Almancora Société de gestion SA, statutory manager of KBC Ancora SCA, hereby jointly declare that, in so far as we are aware,

- a) the abridged financial summaries, drawn up in accordance with the applicable standards for financial statements, present a true and fair picture of the capital position, financial position and results of KBC Ancora,
- b) the interim financial report presents a true and fair view of the key events and principal transactions with affiliated parties during the first six months of the current financial year and of their impact on the abridged financial summaries, as well as a description of the principal risks and uncertainties during the remaining months of the financial year."



Press release
Regulated information
Leuven, 29 January 2010 (17.40 hrs CET)
Interim financial report

Information on the external audit

Report by the auditor of KBC Ancora SCA following a limited review of the interim financial statements relating to the period ending on 31 December 2009.

We have performed a limited review of the interim financial statements of KBC Ancora SCA as at 31 December 2009, with a balance sheet total of EUR 2,589.83 million and a loss of EUR 15.32 million. These interim statements relate to a period of six months and were drawn up in accordance with the accounting reference system applicable in Belgium.

Our review was conducted in accordance with the recommendations of the Belgian Institute of Auditors (Instituut der Bedrijfsrevisoren) as these apply for a limited review. Our review consisted primarily in the analysis, comparison and discussion of the financial information and was therefore less thorough than a full audit of the financial statements. No elements emerged during this review which could potentially lead to material changes in the interim financial statements.

Without prejudice to our statement of limited review, we would draw attention to the fact that the value of the assets of KBC Ancora SCA, as well as its results, are largely influenced by developments in relation to KBC Group, and therefore also by the specific risks to which KBC Group is exposed.

Brussels, 29 January 2010
Klynveld Peat Marwick Goerdeler Reviseurs d'entreprises
Auditors
Represented by
Erik Clinck
Auditor



Press release
Regulated information
Leuven, 29 January 2010 (17.40 hrs CET)
Interim financial report

KBC Ancora is a listed company which holds approximately 23% of the shares in KBC Group and which together with Cera, MRBB and the Other Permanent Shareholders is responsible for the shareholder stability and further development of the KBC group. As core shareholders of KBC Group, these parties have signed a shareholder agreement to this effect.

Financial calendar

30 April 2010 (17.40 hrs CEST): interim statement
1 September 2010 (17.40 hrs CEST): annual press release
29 October 2010: General Meeting of Shareholders

This press release is available in Dutch, French and English on the website www.kbcancora.be.

KBC Ancora Investor Relations & Press contact: Jan Bergmans
tel.: +32 (0)16 27 96 72
fax: +32 (0)16 27 96 94
e-mail: jan.bergmans@kbcancora.be

Appendix: Detailed balance sheet and profit and loss account with comparative figures

(x EUR 1,000)	31.12.2009	30.06.2009
BALANCE SHEET TOTAL	2,589,834	2,589,845
Assets		
Fixed assets	2,589,816	2,589,816
Financial fixed assets	2,589,816	2,589,816
<i>Companies with which there is a participatory relationship</i>	2,589,816	2,589,816
<i>Participating interests</i>	2,589,816	2,589,816
Current assets	18	29
Cash at bank and in hand	18	21
Accruals and deferrals	0	7
Liabilities		
Capital and reserves	1,977,185	1,992,505
Capital	2,021,871	3,189,854
<i>Issued capital</i>	2,021,871	3,189,854
Reserves	0	60,455
<i>Statutory reserves</i>	0	60,455
Result carried forward	-29,366	-1,257,804
Profit/loss for the period	-15,320	0
Creditors	612,650	597,340
Amounts falling due after more than one year	550,000	550,000
<i>Financial creditors</i>	550,000	550,000
<i>Credit institutions</i>	550,000	550,000
Amounts falling due within one year	44,907	43,557
<i>Financial creditors</i>	44,698	43,380
<i>Credit institutions</i>	44,698	43,380
<i>Trade creditors</i>	133	90
<i>Suppliers</i>	133	90
<i>Other creditors</i>	76	88
Accruals and deferred income	17,743	3,782

(x EUR 1,000)	01.07.2009- 31.12.2009	01.07.2008- 31.12.2008
RESULTS	-15,320	-15,330
Expenses	15,321	15,354
A. Cost of creditors	14,094	14,150
C. Services and sundry goods	1,227	1,204
E. Sundry current costs	0	1
Income	1	24
A. Income from financial fixed assets	0	0
1. Dividend	0	0
B. Income from current assets	0	24
E. Other current income	1	0