

*Regulated information, Leuven, 1 September 2010 (17.40 hrs CEST)*

## KBC Ancora records annual result of EUR -30.5 million

*Leuven, 1 September 2010 (17.40 CEST)* – KBC Ancora recorded a negative result of EUR 30.5 million in the financial year 2009/2010, equivalent to EUR -0.39 per share. This compares with a loss of EUR 1.26 billion in the previous financial year. The loss was the result of normal operating costs and interest charges on debt. The loss in the second half of the financial year was EUR 15.1 million, or EUR -0.19 per share. As announced earlier, KBC Ancora will not be distributing a dividend for the financial year 2009/2010.

*The Board of Directors of Almancora Société de gestion SA, statutory manager of KBC Ancora SCA, hereby announces the annual figures for the financial year ended 30 June 2010, subject to the approval of the KBC Ancora General Meeting of Shareholders to be held on 29 October 2010.*

### Abridged financial summary and notes<sup>1</sup>

#### **Results for the financial year**

	<b>FY 2009/2010</b>		<b>FY 2008/2009</b>	
	(x EUR 1,000)	<i>per share</i> (EUR)	(x EUR 1,000)	<i>per share</i> (EUR)
Recurring financial profit/loss	-28,203	-0.36	-28,140	-0.36
Other recurring profit/loss	-2,257	-0.03	-2,102	-0.03
Profit/loss from capital operations	0	-0.00	-1,228,438	-15.69
Extraordinary profit/loss	0	0.00	0	0.00
Result before taxes	-30,461	-0.39	-1,258,680	-16.07
<b>Result after taxes</b>	<b>-30,461</b>	<b>-0.39</b>	<b>-1,258,680</b>	<b>-16.07</b>
Number of shares in issue*		78,301,314		78,301,314

\* No instruments were issued which could lead to dilution.

<sup>1</sup> KBC Ancora's reporting is based on Belgian GAAP.



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## ***Developments in the last six months of the financial year 2009/2010***

### ***Net asset value of KBC Ancora***

KBC Ancora did not buy or sell any KBC Group shares in the second half of the financial year, and holds 82,216,380 KBC Group shares.

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. KBC Ancora's net debt position as at 30 June 2010 stood at EUR 8,02 per share .

Based on the closing price of the KBC Group share on 31 August 2010 (EUR 32.76) the net asset value of one KBC Ancora share amounted to EUR 26.38, and the KBC Ancora share (EUR 16.08) was trading at a discount of 39.0% to the net asset value.

### ***New managing director***

On 20 May 2010, Mr Luc Discry was appointed managing director of Almancora Société de gestion on a part-time basis. With effect from 13 August 2010 he replaced Mr Germain Vantieghem, who on that date reached the age limit specified in the articles of association. Luc Discry joins Franky Depickere, who is a full-time managing director of Almancora Société de gestion SA, statutory manager of the listed KBC Ancora SCA.

### ***Cera's participating interest in KBC Ancora***

On 29 June 2010, KBC Ancora received a transparency report from Cera SCRL, in which Cera SCRL disclosed that as at 24 June 2010 it held 46,974,074 KBC Ancora shares. These shares represent a participating interest in KBC Ancora of 59.99%, with equivalent voting rights.

The previous transparency report from Cera was dated 30 October 2008 and stated that Cera held a participating interest in KBC Ancora of 60.69%.

**Balance sheet as at 30 June 2010**

(x EUR 1,000)	<b>30.06.2010</b>	<b>30.06.2009</b>	<b>31.12.2008</b>
<b>BALANCE SHEET TOTAL</b>	<b>2,589,834</b>	<b>2,589,845</b>	<b>3,818,290</b>
<b>Assets</b>			
<b>Fixed assets</b>	<b>2,589,816</b>	<b>2,589,816</b>	<b>3,818,254</b>
<i>Financial fixed assets</i>	<i>2,589,816</i>	<i>2,589,816</i>	<i>3,818,254</i>
<b>Current assets</b>	<b>18</b>	<b>29</b>	<b>36</b>
<b>Liabilities</b>			
<b>Capital and reserves</b>	<b>1,962,044</b>	<b>1,992,505</b>	<b>3,235,855</b>
<i>Issued capital</i>	<i>2,021,871</i>	<i>3,189,854</i>	<i>3,189,854</i>
<i>Statutory reserves</i>	<i>0</i>	<i>60,455</i>	<i>60,455</i>
<i>Earnings carried forward</i>	<i>-59,827</i>	<i>-1,257,804</i>	<i>876</i>
<b>Creditors</b>	<b>627,790</b>	<b>597,340</b>	<b>582,435</b>
<i>Amounts falling due after more than one year</i>	<i>550,000</i>	<i>550,000</i>	<i>550,000</i>
<i>Amounts falling due within one year</i>	<i>73,864</i>	<i>43,557</i>	<i>14,780</i>
<i>Accruals and deferrals</i>	<i>3,926</i>	<i>3,782</i>	<i>17,655</i>

Total assets stood at EUR 2.59 billion on 30 June 2010, virtually unchanged compared with the previous financial year.

The number of KBC Group shares held by KBC Ancora remained unchanged in the financial year 2009/2010. As at the balance sheet date, KBC Ancora had 82,216,380 KBC Group shares in portfolio. The book value of these shares remained unchanged at EUR 31.5 per share.

On 31 March 2009 a value write-down amounting to EUR 1,228.4 million was applied to the financial fixed assets (KBC Group shares). During the Extraordinary Meeting of Shareholders held on 30 October 2009, the negative impact of this value write-down on KBC Ancora's ability to distribute dividends in the future was neutralised by addressing the statutory reserve and by means of a formal capital reduction<sup>2</sup>. As a result:

- the statutory reserve totalling EUR 60.5 million was reduced to nil;
- the issued capital fell by EUR 1,168.0 million to EUR 2,021.9 million;
- the loss carried forward was reduced by EUR 1,288.4 million to a loss of EUR 29.4 million.

The loss for the past financial year (EUR -30.5 million) will be added to the remaining profit/loss to be carried forward. As a result, KBC Ancora will close the financial year with capital and reserves totalling EUR 1,962.0 million. This is made up of capital totalling EUR 2,021.9 million and a carry-forward loss of EUR 59.8 million.

<sup>2</sup> As stated earlier, in the event of subsequent full or partial reversal of the value write-down, KBC Ancora also intends to take the necessary steps to neutralise the impact of this reversal on its ability to distribute dividend.

In addition, the level of debt increased by EUR 30.5 million; as stated earlier, this was due to the raising of additional debt to finance the operating costs and interest charges in the past financial year.

**Result for the second half of the financial year 2009/2010**

	<b>2H FY 2009/2010</b>		<b>2H FY 2008/2009</b>	
	<b>(x EUR 1,000)</b>	<b>per share</b>	<b>(x EUR 1,000)</b>	<b>per share</b>
		<i>(EUR)</i>		<i>(EUR)</i>
Recurring financial profit/loss	-14,110	-0.18	-14,014	-0.18
Other recurring profit/loss	-1,031	-0.01	-898	-0.01
Profit/loss from capital operations	0	0.00	-1,228,438	-15.69
Extraordinary profit/loss	0	0.00	0	0.00
Result before taxes	-15,140	-0.19	-1,243,350	-15.88
<b>Result after taxes</b>	<b>-15,140</b>	<b>-0.19</b>	<b>-1,243,350</b>	<b>-15.88</b>

The result after tax in the second half of the year amounted to EUR -15.1 million. During the same period in the previous financial year, the loss was EUR 1,228.2 million higher. This was almost entirely attributable to the value write-down of EUR 1,228.4 million applied to the participating interest in KBC Group with effect from 31 March 2009. This reduced the average book value per KBC Group share from EUR 46.4 to EUR 31.5.

As KBC Group also distributed no dividend in 2010, KBC Ancora again closed the second half of the financial year with a negative recurring financial result, totalling EUR -15.1 million (compared with EUR -14.9 million in the same period in the previous financial year).

This result consisted almost entirely of interest charges on debt amounting to EUR 14.1 million (compared with EUR 14.0 million in the same period in the previous financial year).

The other recurring profit/loss consisted of a loss of EUR -1.0 million (compared with EUR -0.9 million in the same period in the previous financial year). Of this total, EUR 0.8 million relates to costs incurred within the cost-sharing association with Cera.



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### **Notes on anticipated developments in the financial year 2010/2011**

Costs within the cost-sharing association with Cera are likely to total approximately EUR 1.7 million, in line with the previous financial year. The total interest charge for the financial year 2010/2011 is estimated at approximately EUR 30 million. Other operating costs are likely to be around EUR 0.5 million.

When publishing its strategic plan on 18 November 2009, following its approval by the European Commission, KBC Group expressed the intention of distributing a dividend in 2011 in respect of the financial year 2010. On 5 August 2010, KBC Group announced an interim result of EUR 591 million for the first half of 2010. The underlying profit in the first half of 2010 amounted to EUR 1,097 million.

### **Information on the external audit of the annual accounting data**

The accounting data have been scrutinised by the auditor, who did not identify any elements that could give rise to material changes to those data for the period ending 30 June 2010. The auditor has issued an unqualified Auditor's Report on the financial statements.

The auditor has confirmed that the accounting information contained in this press release corresponds with the information contained in the financial statements prepared by the Board of Directors.

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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**

14 October 2010: annual report 2009/2010 available  
29 October 2010: General Meeting of Shareholders  
3 November 2010 (17.40 hrs CET): Quarterly statement (1Q)  
28 January 2011 (17.40 hrs CET): Interim financial report (1H)  
30 April 2011 (17.40 CEST): Quarterly statement (3Q)  
1 September 2011 (17.40 hrs CEST): annual press release

This press release is available in Dutch, French and English on the website [www.kbcancora.be](http://www.kbcancora.be).

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