

Regulated information, Leuven, 27 January 2012 (17.40 hrs CET)

Interim financial report

Leuven, 27 January 2012 (17.40 hrs CET) – KBC Ancora recorded a negative result of EUR 15.8 million in the first half of the financial year 2011/2012. 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 2011/2012

	1H fin. year 2011/2012		1H fin. year 2010/2011	
	(x EUR 1,000)	per share (EUR)	(x EUR 1,000)	per share (EUR)
Recurring financial profit/loss	-14,653	-0.19	-14,671	-0.19
Other recurring profit/loss	-1,098	-0.01	-1,132	-0.01
Profit/loss from capital operations	0	0.00	0	0.00
Extraordinary profit/loss	0	0.00	0	0.00
Result before taxes	-15,751	-0.20	-15,803	-0.20
Result after taxes	-15,751	-0.20	-15,803	-0.20
Number of shares in issue*		78,301,314		78,301,314

* No instruments have been issued which could lead to dilution.

KBC Ancora recorded a negative result of EUR 15.8 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.

¹ KBC Ancora's reporting is based on Belgian GAAP
See Appendix for a detailed balance sheet and profit and loss account.

Balance sheet as at 31 December 2011

(x EUR 1,000)	31.12.2011	*30.06.2011
BALANCE SHEET TOTAL	2,589,824	2,589,828
<u>Assets</u>		
Fixed assets	2,589,816	2,589,816
<i>Financial fixed assets</i>	2,589,816	2,589,816
Current assets	8	12
<u>Liabilities</u>		
Capital and reserves	1,976,461	1,992,211
<i>Issued capital</i>	2,021,871	2,021,871
<i>Statutory reserves</i>	0	0
<i>Result carried forward</i>	-29,660	-29,660
<i>Result for the period</i>	-15,751	0
Creditors	613,363	597,617
<i>Amounts falling due after more than one year</i>	550,000	550,000
<i>Amounts falling due within one year</i>	45,039	43,452
<i>Accruals and deferred income</i>	18,324	3,922

* The balance sheet as at 30 June 2011 is shown after appropriation of profit.

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

The investment in KBC Group shares remained unchanged.

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 15.8 million). At the same time, liabilities increased by a corresponding amount.

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 2011/2012

Developments in the first half of the financial year 2011/2012

Results for the first six months of the financial year 2011/2012

KBC Ancora recorded a negative result (after taxes) of EUR 15.8 million in the first half of the current financial year.

The principal component in this result was the cost of debt (EUR 14.7 million). The interest charges were in line with those in the same period in the preceding financial year.

Apart from the cost of debt, the result was influenced by the usual operating costs. Those costs amounted to EUR 1.1 million, 5.5% lower than in the same period in the previous financial year. These operating costs consisted primarily of the operating costs within the cost-sharing association between Cera and KBC Ancora (EUR 0.88 million). Other costs related among other things to listing fees and management costs.

No income was realised.

Participating interest in KBC Group, net debt position and net asset value

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 Board of Directors of Almancora Société de gestion, statutory manager of KBC Ancora, decided to maintain the book value of these shares as at 31 December 2011, in view of:

- the long-term nature of KBC Ancora's participating interest in KBC Group, given its key role in the shareholder stability of the KBC group;
- the fact that the underlying results of the KBC group remain satisfactory despite the difficult market conditions.

KBC Ancora's net debt increased to EUR 7.83 per share as at 31 December 2011, EUR 0.10 higher than on 30 September 2011².

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 price of the KBC Group share on 31 December 2011 (EUR 9.731), the net asset value of one KBC Ancora share on that date amounted to EUR 2.39. The KBC Ancora share was listing at a price of EUR 4.84 on that date, corresponding to a premium of 103% to the net asset value. Based on the closing prices of the KBC Group share (EUR 15.435) and the KBC Ancora share (EUR 6.66) on 26 January 2012,

² Based on the interim statement published by KBC Ancora on 2 November 2011, it was announced that the net debt amounted to EUR 7.73 per KBC Ancora share.



the net asset value of the KBC Ancora share amounted to EUR 8.37, a discount to the net asset value of 20.5%.

KBC Ancora as a long-term investor in KBC Group (press release dated 23 November 2011)

On 23 November 2011, KBC Ancora confirmed that it was fully maintaining its position as a long-term investor in KBC Group. The KBC group has numerous strengths which justify this confidence:

- a strong liquidity position
- a healthy capital base
- core activities which generate good operating results
- strongly performing banking and insurance networks both in Belgium and Central Europe.

These strengths continue to apply in the turbulent atmosphere that has been affecting the financial markets since the autumn of 2011 as a result of the eurozone crisis and the problems of sovereign debt in several European countries.

New director at statutory manager Almancora Société de gestion

During the Extraordinary General Meeting of Shareholders of Almancora Société de gestion, statutory manager of KBC Ancora, held on 16 December 2011, Anita Verresen was appointed as a B director. Ms Verresen succeeds Jos Plessers in this role.

Ms Verresen was appointed for a period of four years commencing on 16 December 2011. She has also been a director since 2000 of Cera Société de gestion, Cera's statutory manager, as representative of Cera members.

The Board of Directors of Almancora Société de gestion currently consists of 11 members: two managing directors (A directors), five non-executive directors from the Cera partnership (B directors) and four non-executive independent directors (C directors).

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 10 November 2011 that its result for the first nine months of 2011 amounted to EUR - 424 million. The underlying profit in the same period totalled EUR 937 million.



If KBC Group distributes a dividend in 2012 in respect of the financial year 2011, KBC Ancora will set off the result available for appropriation for the financial year 2011/2012 against the loss carried forward as at the end of the financial year 2010/2011 (EUR 29.7 million) before distributing any dividend itself. This set-off will enable KBC Ancora to reduce its current liabilities. If KBC Group should distribute no (or a very limited) dividend in 2012 in respect of the financial year 2011, KBC Ancora would close the financial year 2011/2012 with a loss, and would of course not distribute a dividend itself. In that case, KBC Ancora would probably seek to use debt finance to fund its operating costs and interest charges.

Declaration by the responsible individuals

“We, the members of the Board of Directors of Almancora Société de gestion, 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.”

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 2011.

We have performed a limited review of the interim financial statements of KBC Ancora SCA as at 31 December 2011, with a balance sheet total of EUR 2,589.82 million and a loss of EUR 15.75 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 opinion as set out above, we would draw attention to the fact that the value of the assets of KBC Ancora SCA, as well as its liquidity and 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
KPMG bedrijfsrevisoren



Press Release

Regulated information

Embargo until 27 January 2012 (17.40 CET)

Interim financial report

Auditors
Represented by
Erik Clinck
Auditor

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

4 May 2012 (17.40 hrs CEST): Quarterly statement (3Q)

31 August 2012 (17.40 hrs CEST): Annual press release

26 October 2012: General Meeting of Shareholders

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

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

(x EUR 1,000)	31.12.2011	30.06.2011
BALANCE SHEET TOTAL	2,589,824	2,589,828
<u>Assets</u>		
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	8	12
Cash at bank and in hand	8	8
Accruals and deferred income	0	4
<u>Liabilities</u>		
Capital and reserves	1,976,461	1,992,211
Capital	2,021,871	2,021,871
<i>Issued capital</i>	2,021,871	2,021,871
Reserves	0	0
<i>Statutory reserves</i>	0	0
Profit/loss carried forward	-29,660	-29,660
Profit/loss for the period	-15,751	
Creditors	613,363	597,617
Amounts falling due after more than one year	550,000	550,000
<i>Financial liabilities</i>	550,000	550,000
<i>Credit institutions</i>	550,000	550,000
Amounts falling due within one year	45,039	43,694
<i>Financial liabilities</i>	44,848	43,452
<i>Credit institutions</i>	44,848	43,452
<i>Trade creditors</i>	131	175
<i>Suppliers</i>	131	175
<i>Liabilities in respect of taxes, remuneration and social security costs</i>	1	0
<i>Taxes</i>	1	0
<i>Other creditors</i>	60	68
Accruals and deferred income	18,324	3,922

(x EUR 1,000)	01.07.2011- 31.12.2011	01.07.2010- 31.12.2010
RESULTS	-15,751	-15,803
Expenses	15,751	15,833
A. Cost of creditors	14,652	14,671
B. Other financial expenses	0	0
C. Services and sundry goods	1,098	1,162
E. Sundry current costs	1	0
Income	0	30
A. Income from financial fixed assets	0	0
1. Dividend	0	0
B. Income from current assets	0	0
E. Other current income	0	30