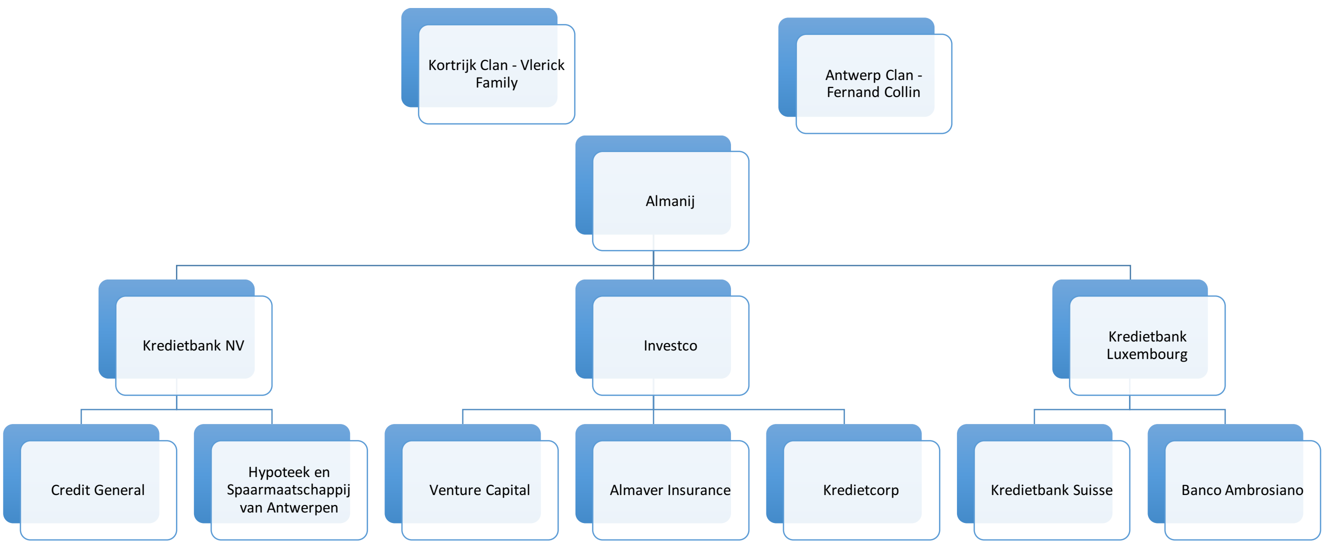
Kredietbank and Kredietbank Luxembourg – Ownership Structures

1. <u>1978 – 1998</u>

Entire group of subsidiaries and companies controlled by the bank through ***Almanij***. The new structure, instituted in 1978, created three pools, one centered around the commercial business of the Kredietbank, another headed by Almanij to provide special financial services, and a third using the ***Kredietbank S.A. Luxembourg*** as the focal point for developing an international merchant and investment-banking operation. Although international growth slowed temporarily in the early 1980s as many financial institutions suffered losses during the worldwide recession, the bank finished 1984 with assets of BF671 billion (2016 value is ZAR 268 billion) and net profit of BFr2 billion (2016 value is ZAR805 million).[1]

- Pool 1 includes Kredietbank (42.39%), Kredietbank in turn controls Credit General (63.26%) [Credit General is the Waloonian counterpart of Flemish Kredietbank] as well as the Hypoteek en Spaarmaatschappij van Antwerpen.
- Pool 2 focuses on financial services and contains Belgian companies such as Investco (64.64%) which is involved in Venture Capital (and where Andre Vlerick was Director), Almaver (insurance broker), Kredietcorp, Fidelitas (57.3%), Fidelis etc.
- **Pool 3 contains International and Merchant Investment Banking, centered around KB Lux (49.22%), which controls the Kredietbank Suisse (81.66%).** Almanij consolidated profits were approximately BF1 billion in both 1981 and 1982.[2]

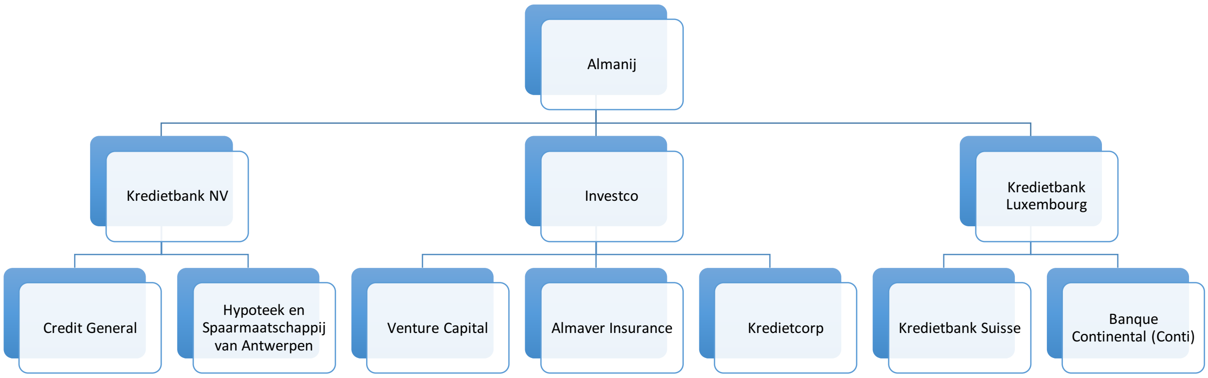


[1] http://www.referenceforbusiness.com/history2/53/KREDIETBANK-N-V.html

[2] Article Titled "Almanij Vertrouwt in Financiële Roeping", January 1984, KADOC – Archief Walter de Bock (Banken en Bedrijven, Banken, bedrijven, Belgie, 2.20, 4).

2. 1996 – Bank Conti Absorbed

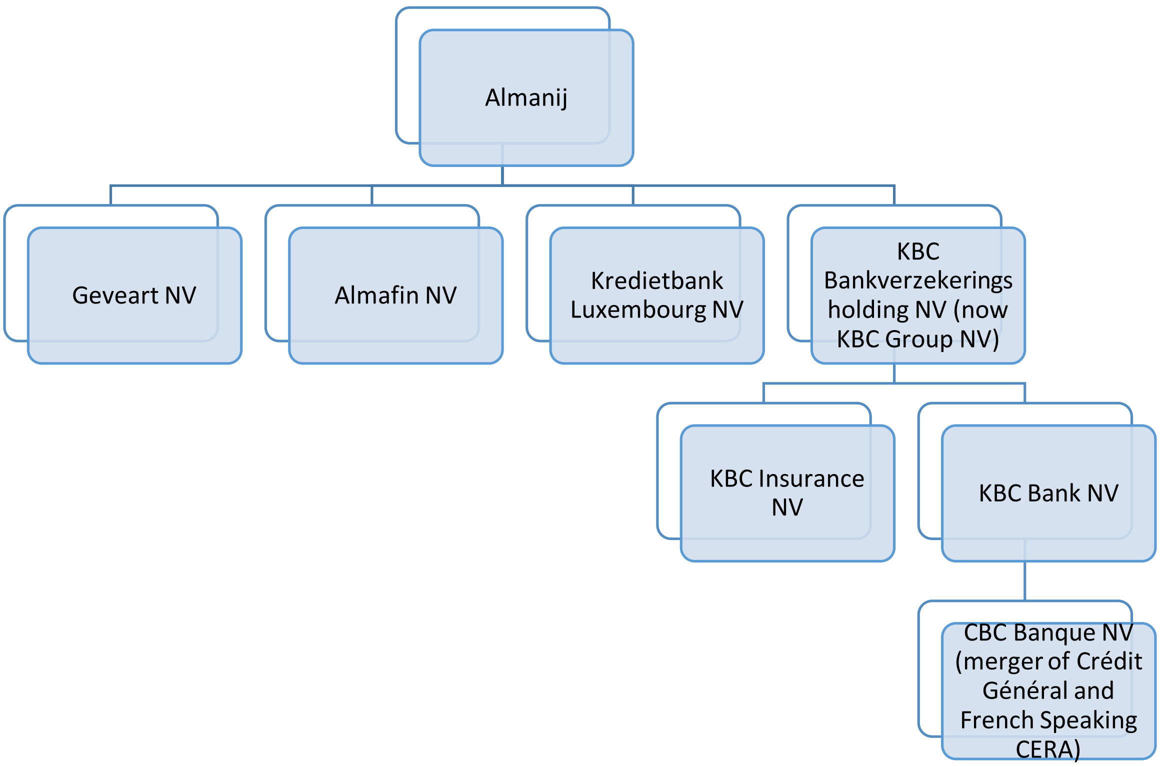
Kredietbank Luxembourg absorbs Banque Continental ("Bank Conti") in 1996 – Conti was previously owned by Nadmi Auchi in the 1980s and then BIL (Banque Internationale de Luxembourg) and Paribas respectively until 1996.



3. 1998 – 2005

The KBC Group Prospectus 2013 states that the KBC Group N.V. legal structure is made up of KBC Bank NV and KBC Insurance NV, each with its own subsidiaries.

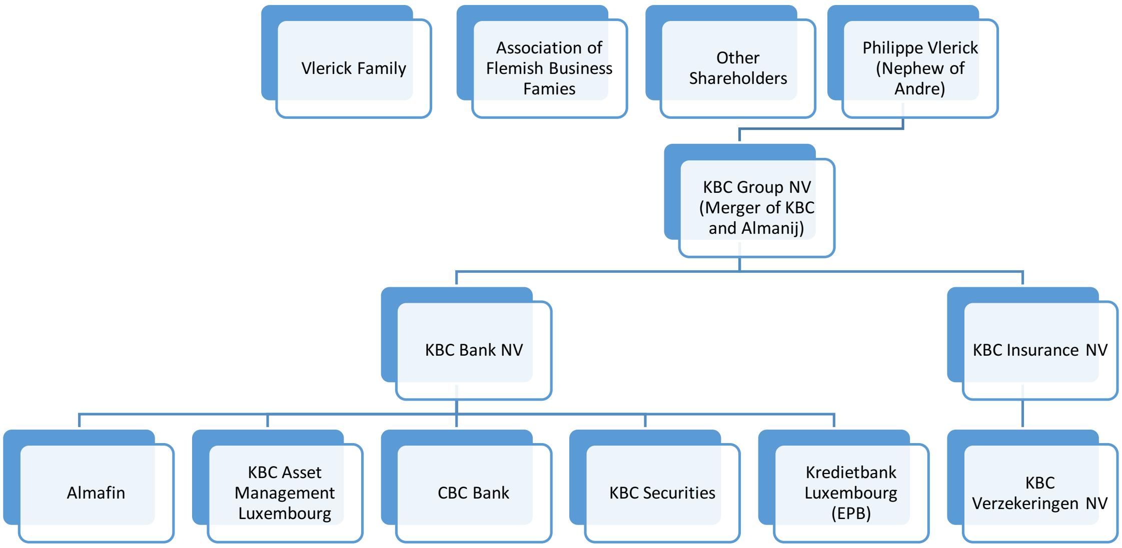
- On 3 June 1998 Kredietbank NV contributed its totality to KBC Bank NV. At the same time Kredietbank NV changed its name to KB ABB Cera Bank and Insurance Holding Company NV.
- On 27 April 2000 KB ABB Cera Bank and insurance Holding Company NV changed its name into KBC Bank and Insurance Holding Company NV.
- On 2 March 2005 KBC Bank and Insurance Holding Company NV changed its name to KBC Group NV. The Company operates under Belgian laws, and has its registered office at 2 Havelaan, BE-1080 Brussels, Belgium. This restructuring included the **merger of KBC with its parent Almanij**, making it the 10th largest financial institution in Europe.[3]



[3] http://www.wsj.com/articles/SB110380532007008181.

4. <u>2005 - 2012</u>

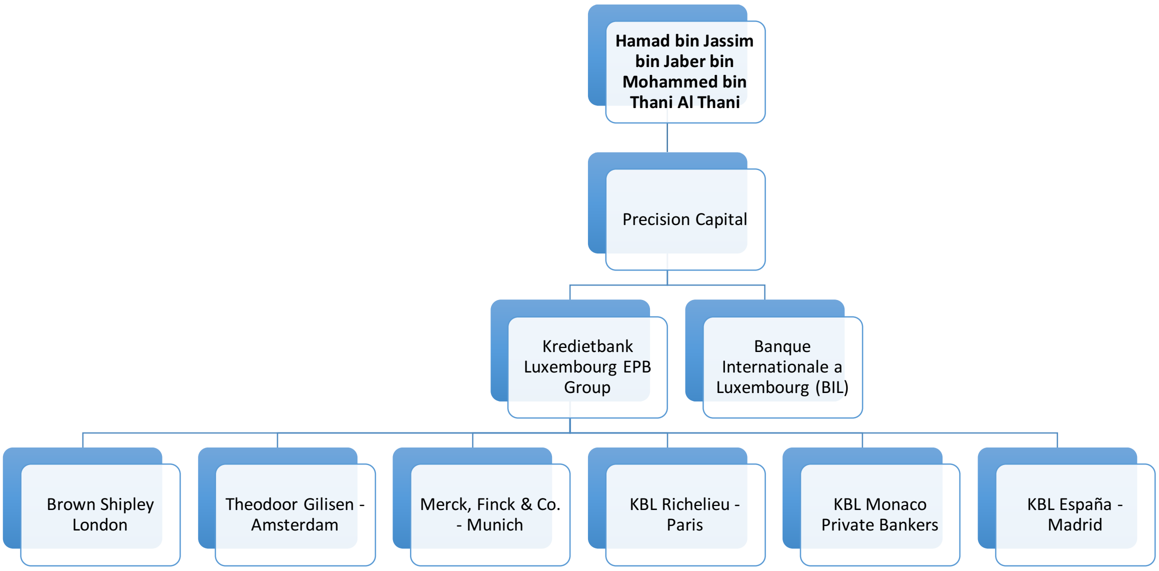
KBC merges with parent company Almanij to form KBC Group NV: The structure of the entity remains much the same. KBC Gorup NV have around 250 subsidiaries that are available in an excel spreadsheet. The business is split into a Belgian Business Unit, a Czech Republic Business unit and an International Market Business Unit (which includes Slovakia, Hungary, Bulgaria and Ireland). The Vlerick family, a core shareholder of KBC, have increased their interests in the banking and insurance group. In October 2015, **Philippe Vlerick (nephew of Andre Vlerick)** purchased 58 518 shares in KBC on the Brussels Stock Exchange, at a total cost of 3.2 million Euros. **Vlerick is Deputy Chair of the Board of Directors at KBC**. **The Vlerick family is one of the biggest shareholders in KBC, their interest and that of other families are spread over various associations, making it difficult to determine an exact percentage of ownership**. Vlerick is also the spokesperson of the Flemish business families who agreed last year to renew their holding as shareholders in KBC for a further 10 years. Collectively, they control 40% of the shares.[4] The rest of the Board of Directors can be found <u>here</u>.



[4] http://www.tijd.be/ondernemen/banken/Vlerick_verhoogt_belang_in_KBC.9684188-3095.art?ckc=1.

5. <u>2012-Present – Kredietbank Luxembourg (KBL EPB)</u>

During the 2008 financial crisis, the KBC Group received a significant government bailout, and by 2012 were required to sell off 'non-core assets' to repay this. As part of this, KBC sold of Kredietbank Luxembourg EPB (European Private Bankers) to Precision Capital. KBL EPB has subsidiaries in 6 key European markets.



In 2011, the KBC Group finalized the sale of its private banking subsidiary KBL European Private Bankers ("KBL epb") to Precision Capital S.A for around €1bn. **Precision Capital SA is a Luxembourg company representing the business interests of a Qatari investor.**[5] Regarding Precision Capital, the KBL website says the following: "Representing the private interests of members of the Al-Thani family of Qatar, Precision Capital holds 99.9% of KBL *epb* and 89.9% of Banque Internationale à Luxembourg (BIL), with the balance of the latter investment held by the Grand Duchy of Luxembourg....Precision Capital itself holds only the two assets mentioned above...Registered and headquartered in Luxembourg. Precision Capital is owned by **Hamad bin Jassim bin Jaber bin Mohammed bin Thani Al Thani** (born 1959) a former politician in Qatar[6]. He was the Prime Minister of Qatar from 2007 to 2013, and foreign minister from 1992 to 2013. Known as HBJ – he was investigated by authorities in Jersey for receiving a GBP7million payment from BAE as part of a GBP500million arms deal between Qatar and BAE in 2000. As a result of the Panama paper leaks we know that HBJ is worth a reported USD$1,2billion and is one of the 140 politicians implicated in the files of Panamanian law firm Mossack Fonesca.[7] He also co-owns numerous properties such as One Hyde Park in Knightsbridge and Harrods in London.

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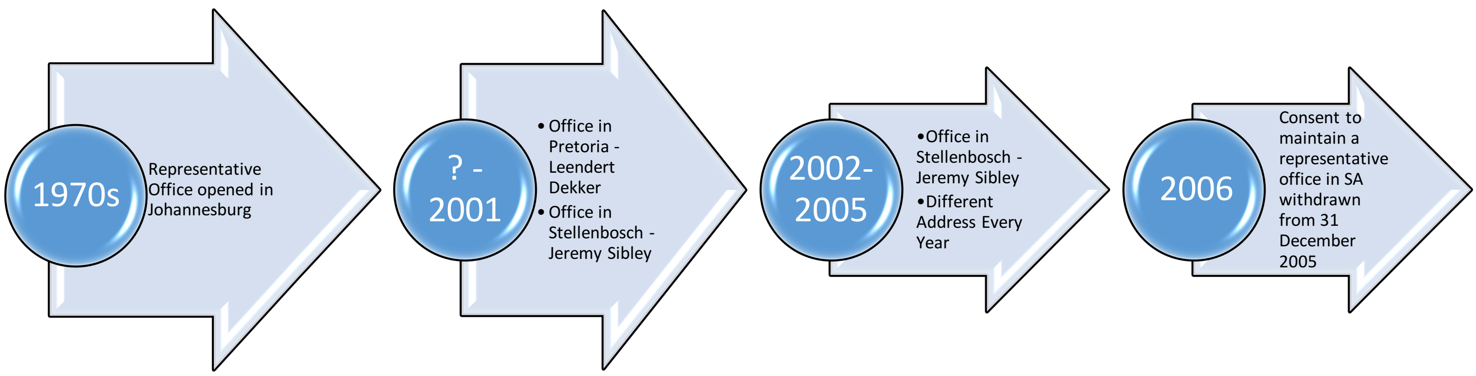
[5] http://www.investmenteurope.net/regions/benelux/kbc-group-sells-private-banking-business-to-precision-capital/.

[6] See interview with George Nasra in the Letzebuerger Journal (Luxembourg) confirming this: http://www.journal.lu/article/der-strippenzieher-aus-katar/ (12 December 2015)

[7] www.forbes.com/sites/chloesorvino/2016/04/13/panama-papers-leak-helps-show-that-qatars-former-prime-minister-is-a-billionaire/#d81ad6e25eed

6. Kredietbank Official Presence in South Africa over time



7. Inter-Alpha Group of Banks Membership – 1970s and Now