

KBC INTERNATIONAL FINANCE N.V., CURAÇAO,  
NETHERLANDS ANTILLES

**INTERIM FINANCIAL REPORT FOR THE HALF YEAR TO JUNE 30, 2009**

(UNAUDITED)

of

KBC INTERNATIONAL FINANCE N.V.  
CURAÇAO, NETHERLANDS ANTILLES

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## INTERIM DIRECTORS' REPORT

### General

During the half year to June 30, 2009 the company did not launch any new issues, bonds or other financing programme. This is in line with the group policy.

### Financial

The financial indicators for the half year to June 30, 2009 are summarised as follows:

	June 30, 2009	June 30, 2008
Net profit after tax	€ 163,324	€ 65,784
Interest income	€ 7,433,916	€ 9,438,596
Notes issued and on-lent during the half year	0	0
Earnings per share (Diluted and undiluted)	€ 16.33	€ 6.58

No further important events, material or financial, occurred relating to the company since June 30, 2009.

The Financial Report for the half year to June 30, 2009 is unaudited.

### Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the financial statements for the half year to June 30, 2009 give a true and fair view of the assets, liabilities, financial position and profit of KBC International Finance N.V. and the directors' report includes a fair review of the development and performance of the business and the position of KBC International Finance N.V. together with a description of the principal opportunities and risks associated with the expected development of KBC International Finance N.V.

### Future Developments

It is not planned that KBC International Finance N.V. will launch any new issues, bonds or other financing programme during the financial year ending December 31, 2009. Outstanding bond issues will be repaid as and when they fall due.

Rotterdam, August 31, 2009

Management Board:

J.G. Heffernan

J.J.M. Sluijter

**BALANCE SHEET AS AT JUNE 30, 2009 (UNAUDITED)**  
(before profit appropriation)

**A s s e t s**

	<b>June 30, 2009</b>		December 31, 2008	
	€	€	€	€
<b>Fixed assets</b>				
Financial fixed assets (2)		13,511,005		32,932,275
<b>Current assets</b>				
Loans falling due within one year (2)	35,785,250		325,053,582	
Interest and other receivables (3)	3,245,331		13,001,099	
Cash	3,524,224		3,797,891	
		42,554,805		341,852,572
<b>Total assets</b>		56,065,810		374,784,847

**L i a b i l i t i e s**

<b>Capital and reserves</b>				
Paid-in and called-up share capital (4)	84,012		84,012	
Retained earnings (5)	1,678,370		1,655,309	
Net profit for the half year/year (5)	163,324		23,061	
		1,925,706		1,762,382
<b>Long term liabilities</b> (6)		13,987,155		34,165,145
<b>Current liabilities</b>				
Issued bonds falling due within one year (6)	36,919,299		325,956,986	
Other current liabilities (7)	3,233,650		12,900,334	
		40,152,949		338,857,320
<b>Total liabilities</b>		56,065,810		374,784,847

**PROFIT AND LOSS ACCOUNT FOR THE HALF YEAR ENDED JUNE 30, 2009 (UNAUDITED)**

	<b>June 30, 2009</b>		<b>June 30, 2008</b>	
	€	€	€	€
<b>Interest Income</b>	(8) 7,433,916		9,438,596	
<b>Interest expense</b>	(8) (7,200,060)		(9,337,589)	
<b>Gross margin</b>		233,856		101,007
<b>Operating expenses</b>				
General and administrative expenses	(13,266)		( 4,501)	
Exchange rate differences	(1,363)		(8,204)	
		(14,629)		(12,705)
<b>Profit before taxation</b>		219,227		88,302
Corporation tax		(55,903)		(22,518)
<b>Net profit for the half year</b>		163,324		65,784

**CASH FLOW STATEMENT FOR THE HALF YEAR ENDED JUNE 30, 2009 (UNAUDITED)**

	<b>JUNE 30, 2009</b>	<b>JUNE 30, 2008</b>
	€	€
Net profit	163,324	65,784
Change in other assets and liabilities	33,181	895,530
Tax received	55,903	45,117
<b>Net cash flow from operational activities</b>	<b>252,408</b>	<b>1,006,431</b>
Financial fixed assets	<u>308,689,602</u>	<u>2,165,940</u>
<b>Net cash flow from investment activities</b>	<b><u>308,689,602</u></b>	<b><u>2,165,940</u></b>
Bonds repaid	(309,215,677)	(2,149,655)
<b>Net cash flow from financing activities</b>	<b>(526,075)</b>	<b>16,285</b>
<b>Net cash flow</b>	<b><u>273,667</u></b>	<b><u>1,022,716</u></b>
Cash balance as at January 1	3,797,891	3,769,168
Cash balance as at June 30	3,524,224	4,791,884
<b>Net cash flow</b>	<b><u>273,667</u></b>	<b><u>1,022,716</u></b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR TO JUNE 30, 2009

### 1 Accounting principles

#### General

The company is a wholly-owned subsidiary of KBC Internationale Financieringsmaatschappij N.V., Rotterdam and is legally incorporated according to the applicable laws of Curaçao, The Netherlands Antilles. The main activity of the company is to assist in financing the activities of KBC Bank N.V., its subsidiaries and associated companies. The address of the company is Watermanweg 92, 3067 GG Rotterdam, The Netherlands.

The same accounting principles as were applied in the Financial Report 2008 have also been applied in the financial statements for the half year to June 30, 2009.

### 2 Financial fixed assets and loans falling due within 1 year

The financial fixed assets consist of loans to group companies at June 30, 2009 and December 31, 2008.

#### Activity in loans to group companies

	<b>June 30 2009</b>	June 30 2008
	€	€
Loans issued in the half year to June 30	-	-
Loan repayments in the half year to June 30	308,689,602	2,165,940

### 3 Interest and other receivables

	<b>June 30 2009</b>	December 31 2008
	€	€
Accrued interest receivable	3,245,331	12,995,936
Receivable from parent company in respect of tax	-	5,163
	<u>3,245,331</u>	<u>13,001,099</u>

The interest on loans granted to group companies is calculated using a straight-line method.

## 4 Paid-in and called-up share capital

### Authorised

10,000 ordinary shares of USD 10 USD 100,000

**Paid-in and called-up share capital** € 84,012

The paid-in and called-up share capital is fully held by KBC Internationale Financieringsmaatschappij N.V., Rotterdam.

The share capital is valued in euros, using the original exchange rate of USD 1.1903/€ 1.000

There have been no movements in paid-in and called-up share capital during the half year to June 30, 2009 (year to December 31, 2008: no movements).

## 5 Retained earnings

	<b>June 30 2009</b>	June 30 2008
	€	€
Balance as at January 1	1,678,370	1,655,309
Net profit for the half year	163,324	65,784
Balance as at June 30	<u>1,841,694</u>	<u>1,721,093</u>

## 6 Activity in Bonds

	<b>June 30 2009</b>	June 30 2008
	€	€
Bonds issued in the half year to June 30	0	0
Bonds repaid in the half year to June 30	309,215,677	2,149,655

All bonds are guaranteed by KBC Bank NV, Brussels, Belgium.



## 7 Other current liabilities

This represents:

	<b>June 30, 2009</b>	<b>December 31, 2008</b>
	€	€
Accrual interest	3,175,470	12,892,599
Sundries	58,180	7,735
	<u>3,233,650</u>	<u>12,900,334</u>

## NOTES TO THE PROFIT AND LOSS ACCOUNT

### 8 Interest income and expense

The interest receivable mainly results from the loans granted by the company to KBC Bank NV, Brussels, Belgium. The interest payable relates to bonds issued.

### 9 Risk management

The structure and organisation of the company are such that interest, exchange, market and operational risks to the company are strictly limited, notes issued being on-lent within the group for the same currency, amount and tenor. The interest margins on the loans where applicable, have been set in conjunction with KBC Bank NV and take account of the company's obligations under an Advance Pricing Agreement entered into with the Dutch authorities.

## NOTES TO THE CASH FLOW STATEMENT

### 10 Cash Flow Statement

The Cash Flow Statement is compiled according to the indirect method.

The cash balances of the company are free of encumbrance.

**Rotterdam, August 31<sup>st</sup>, 2009**

**Board of Directors:**

J.G. Heffernan

J.J.M. Sluijter