



KBC 20-year Subordinated Lower Tier 2 USD Structured CMS Linked Notes

Final terms and conditions

The Notes

Issuer	KBC IFIMA NV
Bookrunner	BNP Paribas
Expected Ratings of the Notes	[A1] by Moody's Investor Services / [A] by Standard and Poor's / [A+] Fitch
Type of Security	Dated Subordinated Notes (the "Notes")
Status of Notes	The Notes constitute direct, unconditional, unsecured and dated subordinated obligations of the Issuer and rank and will rank pari passu among themselves and pari passu with all other present and future ordinary subordinated obligations of the Issuer
Issue Amount	USD 150 million
Issue Price	100.00%
Purchase Price	100.00%
Net Proceeds	Issue Amount x Purchase Price
Launch Date	19 January 2005
Closing Date	07 February 2005
Maturity Date	07 February 2025
Call Option	No call option
Coupon Payment Date	Annually each 07 February. Starting 07 February 2006 to and including Maturity Date
Coupon Rate	7.00% in year 1 and year 2; 4 x (CMS10 – CMS2) thereafter floored at 3.50%, capped at 8.50%
CMS10	10-year mid swap rate in USD (semi-annual, 30/360) versus USD Libor 3-month (quarterly, ACT/360) which appears on Reuters Page ISDAFIX1 under the heading "USD 11:00AM" as of 11:00 am New York time on the Coupon Reference Fixing Date. If such rate does not appear on the Reuters Screen ISDAFIX1 page, the rate will be determined on the basis of : the Calculation Agent shall determine the applicable rate based on five Reference Banks' (to be chosen by BNP Paribas and KBC) quotations for the Reference Rate. The highest and lowest Reference Rate so determined shall be disregarded by the

	<p>Calculation Agent for the purpose of determining the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such provided quotations on the Coupon Reference Fixing Date</p>
CMS2	<p>2-year mid swap rate in USD (semi-annual, 30/360) versus USD Libor 3-month (quarterly, ACT/360) which appears on Reuters Page ISDAFIX1 under the heading "USD 11:00AM" as of 11:00 am New York time on the Coupon Reference Fixing Date.</p> <p>If such rate does not appear on the Reuters Screen ISDAFIX1 page, the rate will be determined on the basis of :</p> <p>The Calculation Agent shall determine the applicable rate based on five Reference Banks' (to be chosen by BNP Paribas and KBC) quotations for the Reference Rate. The highest and lowest Reference Rate so determined shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such provided quotations on the Coupon Reference Fixing Date</p>
Coupon Fixing Date	2 London and New York Business Days prior to the beginning of the relevant interest period
Coupon Basis	30/360 unadjusted
Business Days	London and New York, following
Denominations	USD 1000
Calculation Agent	BNP Paribas
Clearing System	Euroclear / Clearstream
Documentation	KBC Euro Medium Term Note Programme
Listing	Luxembourg

The Swap

Trade Date	Notes Launch Date
Start Date	07 February 2005
Maturity Date	07 February 2025
Party A Notional	EUR 106,870,229 million (EUR/USD = 1.3100)
Party B Notional	USD 140,000,000 million
Notional Exchange	On Start Date and on Maturity Date
Swap Counterparties	KBC Bank NV and BNP Paribas
Party A	KBC Bank NV
Party A pays	Floating Rate Index + Margin
Floating Rate Index	3-month Euribor
Margin	20 basis points
Party A Payment Date	Quarterly each 07 February, 07 May, 07 August and 07 November
Party A Fixing Date	3-month Euribor fixed as determined by the Calculation Agent by reference to Reuters page EURIBOR01 for the fixing at 11:00 am CET, 2 TARGET Business Days prior to the start of the relevant interest period
Party A Basis	Quarterly, ACT / 360
Party A Business Days	TARGET, London and New York, modified following
Party B	BNP Paribas
Party B pays Coupon Rate	
Coupon Rate	7.00% in year 1 and year 2; 4 x (CMS10 – CMS2) thereafter floored at 3.50%, capped at 8.50%
CMS10	10-year mid swap rate in USD (semi-annual, 30/360) versus USD Libor 3-month (quarterly, ACT/360) which appears on Reuters Page ISDAFIX1 under the heading "USD 11:00AM" as of 11:00 am New York time on the Coupon Reference Fixing Date. If such rate does not appear on the Reuters Screen ISDAFIX1 page, the rate will be determined on the basis of : the Calculation Agent shall determine the applicable rate based on five Reference Banks' (to be chosen by BNP Paribas and KBC) quotations for the

Reference Rate. The highest and lowest Reference Rate so determined shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such provided quotations on the Coupon Reference Fixing Date

CMS2

2-year mid swap rate in USD (semi-annual, 30/360) versus USD Libor 3-month (quarterly, ACT/360) which appears on Reuters Page ISDAFIX1 under the heading "USD 11:00AM" as of 11:00 am New York time on the Coupon Reference Fixing Date.

If such rate does not appear on the Reuters Screen ISDAFIX1 page, the rate will be determined on the basis of :

The Calculation Agent shall determine the applicable rate based on five Reference Banks' (to be chosen by BNP Paribas and KBC) quotations for the Reference Rate. The highest and lowest Reference Rate so determined shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such provided quotations on the Coupon Reference Fixing Date

Party B Payment Date

Annually each 07 February

Party B Fixing Date

2 London and New York Business Days prior to the beginning of the relevant interest period

Party B Basis

30/360 unadjusted

Party B Business Days

London and New York, following



This document has been prepared by BNP Paribas for informational purposes only. Although the information in this document has been obtained from sources which BNP Paribas believes to be reliable, we do not represent or warrant its accuracy, and such information may be incomplete or condensed. This document does not constitute a prospectus and is not intended to provide the sole basis for any evaluation of the securities discussed herein. All estimates and opinions included in this document constitute our judgement as of the date of the document and may be subject to change without notice. Changes to assumptions may have a material impact on any recommendations made herein.

BNP Paribas or its affiliates may, from time to time, have a position or make a market in the securities mentioned in this document, or in derivative instruments based thereon, may solicit, perform or have performed investment banking, underwriting or other services (including acting as adviser, manager or lender) for any company, institution or person referred to in this document and may, to the extent permitted by law, have used the information herein contained, or the research or analysis upon which it is based, before its publication. BNP Paribas will not be responsible for the consequences of reliance upon any opinion or statement contained herein or for any omission.

This document is confidential and is being submitted to selected recipients only. It may not be reproduced (in whole or in part) to any other person without the prior written permission of BNP Paribas. Any U.S. person receiving this presentation and wishing to effect a transaction in any security discussed herein, must do so through a U.S. registered broker dealer. BNP Paribas Securities Corp. is a U.S. registered broker dealer.

© 2005 BNP Paribas. All rights reserved.