

The sale of Belgian and Luxembourg banking and insurance activities of Fortis to BNP Paribas

Brussels, 5 October 2008

Consistent with the agreement reached on Sunday 28 September concerning the rising involvement of the Belgian, Dutch and Luxembourg States in the Fortis Group, the Belgian government in consultation with the Luxembourg government, has decided to implement additional measures aimed at ensuring the lasting solvency of Fortis Banque. It will provide the bank with the resources necessary for its development, which will focus on the core businesses that has made it a successful bank. These measures are perfectly in line with the commitment by the Belgian State towards savers and customers, as well as with its concern to preserve employment within the Fortis group.

The result of these measures will be that a leading European bank, BNP Paribas, will ensure that Fortis Banque Belgium fulfils the conditions necessary for its sustainability and its development and will do so alongside the Belgian State.

The measures concerned are the following:

- The Belgian State, via the SFPI (Federal Public Service for Participations and Investments), has concluded an agreement concerning the acquisition of the remainder of the shares of Fortis Banque Belgium held by the Fortis Group for the sum of EUR 4.7 billion. As a result of this transaction, the Belgian State holds 99.93% of Fortis Banque Belgium.
 - Furthermore, the Government has agreed with BNP Paribas the transfer of 75% of its interest in Fortis Banque Belgium in exchange for new shares to be issued by BNP-Paribas, for a value of EUR 8.25 billion.
 - It has lastly been agreed that a portfolio of structured products for a value of EUR10.4 billion will be transferred by Fortis Banque Belgium to a financial structure to be created which will be owned and financed to the amount of 24% by the Belgian State, 10% by BNP Paribas and 66% by Fortis Group.
 - BNP Paribas will purchase the Belgian insurance activities of the Fortis Group (Fortis Insurance Belgium) from the Fortis group.
 - BNP Paribas will acquire 67% of Fortis Banque Luxembourg, the Luxembourg State 33%.
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