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# Press release

Brussels / Utrecht, 29 August 2005

## **Mayban Fortis enters into conditional agreement to acquire Malaysia National Insurance Holdings**

Mayban Fortis - the joint venture between Maybank (70% ownership) and Fortis (30% ownership) - and PNB / ARN-ASB - the majority shareholders of Malaysia National Insurance Holdings (MNIH) - are pleased to announce that they have entered into a conditional sale and purchase agreement with a view to the acquisition of PNB / ARN-ASB's 74.24% stake in MNIH by Mayban Fortis. The acquisition price of 4.02 RM per share implies an estimated total value of MNIH of around EUR 245 million (RM 1138 million). The start of negotiations has received approval by Bank Negara Malaysia but the completion of the acquisition is subject to due diligence and regulatory approvals and is expected for Q4 2005. When successful, the acquisition will be followed by a mandatory public offer for the remainder of the ownership. This agreement will have no material impact on Fortis' profit and solvency position.

MNIH is an insurance holding company listed on the Kuala Lumpur Stock Exchange. Its operating companies offer Life, Non-life, and Takaful insurance, which respectively represent 40%, 28% and 32% of MNIH gross written premiums. The products are offered through direct sales as well as through the bancassurance and agent channels.

The enlarged entity will be positioned as a leading multi-channel insurer in Malaysia, ranking #3 in Life (#1 in new business), #2 in Non-Life, and #1 in Takaful. Market share would be in the area of 26% in Life (new business), 8% in Non-life, and 53% in Takaful insurance.

Peer van Harten, CEO of Fortis Insurance International, commented: "This strategic step is perfectly in line with our objective to grow in the promising Asian insurance markets, where penetration rates are still low compared to the more mature markets in Europe. Since the start of the joint venture, our partnership with Maybank has been very successful demonstrated by the securing of a leading position on the Malaysian Life market for new business. Moreover, the exchange of underwriting, claims and processing expertise has lead to improved performance of non-life activities. These achievements evidence the strong commitment and the high level of cross-fertilization that both parties have enjoyed over the last four years."

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Mr Datuk Amirsham A Aziz, President and CEO of Maybank added: "Currently, MNIH is a significant player in the corporate and government sectors with a strong agency force whilst Mayban Fortis' bancassurance operation is widely regarded as the most successful bancassurance operation in Malaysia. The complementing attributes both in the distribution channels and customer bases brought about in the enlarged insurance group that includes MNIH offer us the exciting opportunity to broaden our customer reach and customer bases as well as product range."

More complete information on the transaction can be found on the website of the Kuala Lumpur Stock Exchange and can be downloaded on <http://www.bursamalaysia.com> (company announcements – Malayan Banking Berhad).

**Mayban Fortis** is a joint venture between Maybank, the largest Malaysian bank, and Fortis, a leading European financial services company, in the field of bancassurance. Life insurance, which is distributed through the Maybank banking network, over 2004 ranked #1 in terms of new business. Non-life insurance is recognized as one of the most profitable in the market. Over the last financial year (30/6/2005), gross written premiums amounted to EUR 297 million (RM 1378 million)

**Malaysia National Insurance Holdings (MNIH)** Incorporated in Malaysia in 1973, MNIH is an investment holding company with subsidiaries principally involved in the underwriting of life insurance, all classes of general insurance, including family and general takaful business. MNIH was listed on the Main Board of Bursa Securities in Kuala Lumpur, Malaysia on 16 December 1981. Over the last financial year (31/3/2005), gross written premiums amounted to EUR 442 million (RM 2051 million).

**Fortis** is an integrated financial services provider active in the fields of banking and insurance. With a market capitalization of EUR 31.4 billion (31/07/2005) and around 55,000 employees, Fortis ranks in the top 20 of European financial institutions. In its home market, the Benelux countries, Fortis occupies a leading position which it aims to develop and bolster. Fortis is drawing on the expertise it has acquired in its home market to realize its European ambitions via growth platforms. Fortis also operates successfully worldwide in selected activities. In specific countries in Europe and Asia it effectively exploits its know-how and experience in bancassurance. Fortis is listed on the exchanges of Amsterdam, Brussels and Luxembourg and has a sponsored ADR programme in the United States. More information is available on [www.fortis.com](http://www.fortis.com)

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