FORTIS BANK

This statement relates to Fortis Bank. Since 10 October 2008, Fortis Bank is a legal entity that no longer is part of the listed Fortis holding (Fortis SA/NV and Fortis N.V.). The transactions leading to the sale of the banking business of Fortis to various States at the end of September and beginning of October 2008 have significantly changed the scope of activities and ownership of Fortis Bank. Today Fortis Bank is held for 99.93% by the Belgian State through its SFPI/FPIM investment vehicle, with the Luxembourg State owning 49.9% of BGL, the major Luxembourg subsidiary of Fortis Bank. The Dutch activities of Fortis Bank (incl. its participation in ABN AMRO) have been sold to the Dutch State.

Fortis Bank has no obligation nor is there a legal requirement to publish quarterly results updates. However, as rumours have started circulating in the media, the Fortis Bank Board has decided, after careful consideration, to make public statements on the performance of the bank in the second half of 2008.

The information in this press release is based on un-audited 9 months 2008 figures. The process of closing the third quarter results, including the detailed evaluation and discussion with the Board, management and auditors, was completed on 12 December 2008, before the judgment of the Brussels Court of Appeal. Fortis Bank did not finalize the preparation of Interim Financial Statements as of 30 September 2008 in accordance with IAS 34[1], as a result of the uncertainties relating to the legal actions introduced and recent court decisions pronounced in respect of certain transactions of early October 2008 and the potential significant impact thereof on the financial position of Fortis Bank. For that reason and also given the above mentioned uncertainties, the Joint Auditors are not in a position to issue a review opinion.

All 2008 figures are based on a going concern valuation and take into account the Protocole d'Accord with BNP Paribas, the Belgian State and Fortis holding and the execution thereof. These figures could be materially different if these assumptions were not to be validated.

Fortis Bank is now in the closing period for full year 2008 results, to be published in its annual report in preparation of the Bank's Shareholders Meeting on 23 April 2009. The Board will start its review process shortly, which will be finalized in March 2009. Still, Fortis Bank also provides today a preliminary and un-audited update on elements that have impacted the Q4 2008 performance.

There will be further communication on Fortis Bank's performance, when the process of closing the full year 2008 results will formally have been completed.

Fortis Bank

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Press release

Brussels, 22 January 2009

Fortis Bank provides financial update

- **Underlying net profit[2] for Fortis Bank of EUR 1.2 billion after 9 months 2008**
- **9 months net loss[3] of EUR 14.1 billion after extraordinary items, of which EUR 12.5 billion due to the divestment of ABN AMRO and the transactions described above**
- **Liquidity position improved**
- **Tier 1 solvency is expected to be around 10% at year-end 2008**

[1] IAS 34, *Interim Financial Reporting*, requires disclosure of material events or transactions subsequent to the end of the interim period that have not been or could not been reflected in the interim financial statements.

[2] Profit excluding extraordinary items as explained in paragraph 3

[3] Including the 9 months result contribution of Fortis Bank Nederland (Holding) of EUR 0.7 billion

The transactions leading to the sale of the banking business of Fortis to various States at the end of September and beginning of October 2008 have significantly changed the scope of activities and ownership of Fortis Bank. Today Fortis Bank is held for 99.93% by the Belgian State through its SFPI/FPIM investment vehicle, with the Luxembourg state owning 49.9% of BGL, the Luxembourg subsidiary of Fortis Bank. The Dutch activities of Fortis Bank (incl. its participation in ABN AMRO) have been sold to the Dutch State. The Belgian and Luxembourg States have recapitalized the respective entities of the new Fortis Bank for a total consideration of respectively EUR 4.7 and 2.4 billion.

Over the first nine months of 2008, the activities within the new scope of Fortis Bank delivered an underlying net profit of EUR 1.2 billion of which EUR 172 million in the third quarter.

However, the actual reported net result over the same period is a EUR 14.1 billion net loss. This result is mainly attributable to exceptional, largely non-cash, effects of the ABN AMRO divestment and the transactions described above, with an impact of EUR 12.5 billion. The latter includes, in particular, EUR 9.0 billion impairment on Fortis Bank Nederland Holding (incl. ABN AMRO), EUR 1.8 billion goodwill impairment on Asset Management activities (cancellation of the joint-venture with Ping An and non-divestment of the acquired non-core asset managers), and EUR 1.34 billion impairment of the US Deferred Tax Assets, triggered by the change of ownership. In addition, the nine month net loss also results from the impact of the structured credit, bond and equity portfolios (EUR 3.6 billion total impact, of which EUR 3.2 billion in the third quarter as a result of severe market deterioration). Finally, also included in this nine months result, is a positive net contribution of Fortis Bank Nederland Holding (EUR 0.7 billion).

Fortis Bank also expects its fourth quarter 2008 results to be impacted by the continuing global crisis for an incremental estimated net loss of between EUR 4 and 5 billion. EUR 2.2 billion of this is linked to the deterioration in the structured credit portfolio to be sold at the pre-agreed price to a SPV belonging to Fortis holding, BNP Paribas and the Belgian State . A further EUR 0.2 billion is related to goodwill impairment of the ABN AMRO Asset Management acquisition. The remainder is mainly due to negative operating results within Global Markets and increased credit impairments.

Fortis Bank's liquidity position has improved. The sale of the Dutch banking operations to the Dutch State, the capital increases by the Luxembourg and Belgian States and the funding provided by BNP Paribas allowed for the full redemption of the Marginal Lending and Emergency Lending Assistance facilities which had been called upon. Specifically, the ratio deposits/loans has moved from 65% at the end of the third quarter 2008 (old Fortis Bank scope - including FBNH) to 83%[4] at year-end 2008 (New Fortis Bank scope – excluding FBNH). The overall balance sheet size has been reduced from EUR 828 billion at the end of the third quarter (Old Fortis Bank - including FBNH) to around EUR 600 billion at year-end 2008 (New Fortis Bank), reflecting the changed perimeters.

Fortis Bank's solvency has been reinforced, even though the afore-mentioned elements had a major negative impact on Fortis Bank's reported results. Indeed, this negative impact is compensated by the EUR 7.1 billion capital increase by the Belgian and Luxembourg States and the reversal of the EUR 12.1 billion (Tier I capital) deduction for the participation in RFS Holdings (stake in ABN AMRO), which is no longer applicable as we have sold our Dutch activities. In addition, Fortis Bank has lower capital requirements as a consequence of the sale of the Dutch operations and the deliberate action to reduce risk weighted assets. Consequently, the expected increase in our solvency by year-end 2008 is mainly driven on the one hand by a higher capital base and on the other by lower capital requirements. Still, when applying the above mentioned impact for between EUR 4 and 5 billion in the fourth quarter of 2008, Fortis Bank's Tier 1 ratio is expected to be around 10% at year-end 2008.

[4] Customer Deposits at EUR 143 billion and Loans to Customers at 173 billion. Both figures are excluding repo and securities lending.

Immediately after the September and October 2008 transactions, Fortis Bank management has started a comprehensive program to restore customer confidence, to further improve the bank's liquidity position, to maintain solid solvency ratios and to generate recurrent earnings while limiting their volatility. This program has recently been accelerated and will positively influence business orientations.

Despite the turmoil in the financial sector and the impact it has, Fortis Bank and its 38,000 employees, have continued to service their clients effectively and has been able to sustain its position as the market leader in Belgium and Luxembourg. In Belgium, for instance, Fortis Bank remains a clear market leader in savings, mortgages and insurance. Fortis Bank has shown its continued support to the economy, illustrated by an increased market share in mortgages and by the amount of investment credits for professionals.

Fortis Bank CEO Filip Dierckx comments:

'We are disappointed with these results. The adverse effects mainly result from the mostly non-cash effects of the ABN AMRO acquisition and divestment, the additional provisions on our structured credit portfolio and the repercussions of the economic crisis on our market related activities and on bond issuers, such as the Icelandic banks and Lehman Brothers.

Nevertheless, comfort can be found in the fact that our traditional banking activities have so far held up and that our solvency today is stronger than at the time of the September and October 2008 transactions. The overall market conditions continue to be very challenging: money and debt capital markets still are not operating normally, the credit cycle has started to turn and the global structured credit turmoil continues. Fortis Bank is therefore adjusting the size, structure and composition of its balance sheet to this new reality. Given current circumstances, we have decided not to grant any bonus payment for the Executive Management.

Fortis Bank's strengthened financial position - together with the continued dedication of our staff - allows us to manage our commercial activities in an unusually difficult environment. We are turning a very dark page in the history of the bank. On behalf of the whole management, we would like to thank all customers, employees, the Belgian and Luxembourg States and BNP Paribas for their support and confidence in these difficult days. We will continue to take up our responsibility as a bank, which is to serve our customers and remain close to them in this difficult environment, and we will continue to serve and support the communities in which we're active!'

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Fortis Bank

Fortis Bank provides a total package of banking services to personal, business and institutional customers through its own channels and via other partners. The bank has built up a strong presence in the European retail banking market, operating through a variety of distribution channels. It offers financial services to companies, institutional clients and high net worth individuals and provides integrated solutions to enterprise and entrepreneur. Fortis Bank employs 38,000 people.

At present, the Belgian State has through the "Société Fédérale de Participations et Investissements" (SFPI) a shareholding of 99,93% in the bank. On 10 October 2008, an agreement has been signed between SFPI, Fortis holding and BNP Paribas. According to the terms of this agreement, BNP Paribas will take a participation of 75% in Fortis Bank whereas the SFPI will keep a shareholding of 25%. However, this transaction still needs to be closed and implemented.