

## DOC. 103

### FINANCIAL CRISIS

### **Fortis Group to be partially nationalised**

28 SEPTEMBER 2008

The Fortis financial group, BCP's partner in the insurance area that is going through a serious market confidence crisis, is going to be partially nationalised. The Belgian prime minister made the announcement on Sunday.

The governments of Belgium, Holland and Luxembourg agreed today to inject €1.2 billion into that bank to help the institution get out of the financial crisis.

The agreement was reached today at a meeting of members of government from the three countries and representatives of the respective central banks and the European Union.

Belgium is going to invest €4.7 billion in exchange for 49% of the Belgian affiliate of the Fortis group, while Holland is going to inject €4 billion for the same sized stake in the Dutch affiliate and Luxembourg €2.5 billion again for the same stake in the respective affiliate.

The three countries expect to avoid the bankruptcy of this financial group, giving investors guarantees and ensuring clients that their money is not at risk.

On the other hand, Fortis, which saw 35% wiped off its value on the Brussels stock exchange, will be forced to sell the stake it had in the Dutch bank ABN Amro, which it bought last year.

Fortis is BCP's partner in the insurance segment, jointly controlling the Millenium BCP Fortis Grupo Segurador, a company that owns various insurers, namely Ocidental Vida, Ocidental Seguros, Pensões GERE and Médis.

Fortis owns 51% of that holding, while BCP owns the other 49%.