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BNP Paribas

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BNP PARIBAS



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BNP Paribas completes the acquisition of Fortis Bank and forms a strategic partnership in insurance with Fortis

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Fortis bank is now part of the BNP Paribas Group, which becomes the number 1 bank in the eurozone by deposits with a domestic retail business now in four founding countries of the European Union: Belgium, France, Italy and Luxembourg.

The board of directors of BNP Paribas, chaired by Michel Pebereau, approved the transfer by SFPI, a wholly-owned Belgian State company, of 54.55% of shares and voting rights of Fortis Bank to BNP Paribas. In consideration for this transfer, BNP Paribas issued 88,235,294 ordinary shares to SFPI.

Furthermore, Fortis Bank purchased 25% of the share capital of Fortis Insurance Belgium for €1,375 million.

Lastly, BNP Paribas has acquired a 12% equity stake in Royal Park

Investment, a company 45%-owned by Fortis Holding and 43%-owned by the Belgian State, which has purchased a portfolio of structured loans from Fortis Bank for €11.7 billion.

Two other additional transfers will be submitted to the General Meeting of BNP Paribas shareholders, that has been convened for the 13th May:

- a second transfer by SFPI of an additional stake of approximately 20.39% in Fortis Bank's share capital and voting rights to BNP Paribas. In consideration for this transfer, BNP Paribas will issue 32,982,760 ordinary shares to SFPI.

- a third transfer by the Grand Duchy of Luxembourg of an approximately 16.57% stake in the share capital and voting rights of BGL (in which Fortis Bank holds a controlling interest) to BNP Paribas. In consideration for this transfer, BNP Paribas will issue 11,717,549 ordinary shares to the Grand Duchy of Luxembourg.

Finally, the board of directors of BNP Paribas, will reconvene after the General Meeting, chaired by Michel Pebereau, to approve the transfer by the Grand Duchy of Luxembourg, of a further approximately 0.69% of shares and voting rights of BGL to BNP Paribas. In consideration for this transfer, BNP Paribas will issue 500,000 ordinary shares to The Grand Duchy of Luxembourg.

Following these four transfers:

- the Belgian State, via SFPI, will hold 11.6% of BNP Paribas' ordinary shares* and voting rights, while the Grand Duchy of Luxembourg will hold 1.2% of the ordinary shares** and voting rights.

- BNP Paribas' share capital will be divided into 1,045,531,710 ordinary shares and 187,224,669 non-voting shares, each with a nominal value of €2. The new ordinary shares will have the same rights and obligations (including entitlement to the dividend for year

ended December 31, 2008) as existing BNP Paribas shares with effect from their issue date.

- BNP Paribas will hold 74.93% of the share capital of Fortis Bank, and directly 15.96% of the share capital of BGL, in addition to 50.01% of the share capital of BGL held via Fortis Bank.

This transaction is totally in line with the bank's acquisition strategy, enabling it to deploy its proven integrated banking model to new high quality franchises and two new domestic markets. BNP Paribas has developed a solid universal banking model based on three core businesses – retail banking, investment solutions, and corporate and investment banking.

Commenting on this transaction, Baudouin Prot, CEO of BNP Paribas said: “BNP Paribas is fully aware of its responsibilities towards all Fortis's private, corporate and institutional customers and towards all employees and the economies of both countries. The project of tying up with Fortis Bank will be strongly value creative for all stake holders. Initial meetings between the staff revealed a strong desire to work together. The professionalism of Fortis employees coupled with BNP Paribas' renowned expertise in terms of integration will be key success factors for this transaction.”

*i.e. 9.8% of total capital

**i.e. 1.0% of total capital

About BNP Paribas

BNP Paribas (www.bnpparibas.com (<https://www.bnpparibas.com>)) is a European leader in global banking and financial services and is one of the 6 strongest banks in the world according to Standard & Poor's. The group is present in 85 countries, with more than 173,000

employees, including 132.700 in Europe. The group holds key positions in three major activities: Retail Banking, Investment Solutions and Corporate & Investment Banking. Present throughout Europe in all of its business lines, the bank's two domestic markets in retail banking are France and Italy. BNP Paribas also has a significant presence in the United States and strong positions in Asia and the emerging markets.