

Utrecht, 17 July 2008

Vereniging van Effectenbezitters  
Postbus 240  
2501 CE Den Haag  
Nederland

Dear Sirs,

We write with reference to your letters of 27 June, 1 July and 10 July 2008 as well as to your request, formulated via the press, to modify the Fortis structure in response to the communication by Fortis on 26 June 2008 concerning the accelerated execution of the solvency plan.

The answers to your questions are summarised in this letter and were discussed with you at today's meeting which was held at your request in Utrecht.

Your questions of 27 June 2008:

**On what did Mr Votron base his statement that the balance sheet was in good shape at the end of April 2008 and that it would not need to be strengthened?**

**If the balance sheet was in good shape at the end of April, why does Fortis suddenly need to accelerate the execution of its solvency plan?**

**What events or circumstances have taken place since April 2008 that have had a significant impact on Fortis's balance sheet ratios?**

The decision to accelerate the execution of the solvency plan was based on a combination of factors which manifested themselves mainly in the month of June. At the end of April, as well as at the time of publication of the figures for the first quarter on 13 May 2008, negotiations were still ongoing on the sale of parts of ABN AMRO that had been demanded by the European Commission. Fortis had moreover not yet announced its intention of acquiring the remaining interest in the joint venture with Delta Lloyd. It is important to note here that insurance remains a very important activity for Fortis from both a strategic and commercial perspective. Having full control of ABN AMRO Insurance, in combination with our extensive knowledge in the field of bancassurance, puts Fortis in a unique position to strengthen its activities in this area in the Netherlands. In addition, the deterioration of the equity markets in June, expectations of a continuation of the challenging market conditions and the need in such a climate for a prudent approach to the capital required, inspired by the various stakeholders, together led to the decisions that were communicated on 26 June.

**Fortis**

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The solvency plan announced on 26 June combines measures already announced (such as the issue of non-dilutive capital instruments, the implementation of a capital relief programme and controlled growth of our capital requirements in 2008 and 2009) with a number of new measures (such as the share issue and non-payment of an interim dividend).

**Why did Fortis fail to discuss the amendment to its dividend policy at the AGM of 29 April 2008?**

At the end of April, there were no plans to possibly amend the dividend policy. The reasons for the accelerated execution of the solvency plan manifested themselves mainly in June.

The announcement on 26 June that no interim dividend would be distributed was based on the exceptional circumstances referred to above. Fortis did not consider it opportune to distribute an interim dividend a few weeks after a share issue. It also seems more prudent to the Board of Directors to propose to the next AGM that the dividend for the full year 2008 be distributed in shares, taking into account as always the annual profit for the year in question, the solvency position and the outlook for the business in the medium term.

**Does Fortis expect any new (significant) write-downs or losses on its loan portfolio?**

**Can shareholders trust that all information regarding Fortis's solvency and liquidity has now been disclosed and that they will no longer be faced with any further surprises in the future?**

Information given in a press release is always based on all available information at that moment and on an assessment of possible future developments.

As regards the write-downs on the structured credit portfolio, we announced on 26 June that there would be additional write-downs, but that these would be lower than in the previous quarter.

Fortis will provide further information on the quality of the loan portfolio when it publishes its half year results on 4 August.

Fortis also announced on 26 June that the continued fall in the equity markets and the resultant reduction in the value of our equity portfolio was likely to have an impact of EUR 400 million on shareholders' equity and therefore on solvency. As reported on 26 June, Fortis has taken measures to mitigate its sensitivity to movements of the equity markets.

On 15 July, Fortis also announced that the Board of Directors, held on 11 July, discussed and reaffirmed the adequacy of the measures announced on 26 June, and that an additional capital increase was not anticipated.

Your request of 1 July 2008:

**The request that Fortis convene an informative Extraordinary General Meeting within 30 days.**

Fortis can confirm that this request will be discussed at the next meeting of the Board of Directors.

Your questions of 10 July 2008:

We understand that, with the exception of the question below, the questions in this letter had already been included in your previous letter, and we therefore refer to our answers above.

**Did the Board of Directors have information before 26 June 2008 concerning the financial position of Fortis which it did not make public, and did the Board publish communications which contradicted that information?**

The Board of Directors has always acted to the best of its knowledge and ability, naturally taking as its starting point the requirement that all relevant rules should be observed.

Your question concerning the structure of Fortis:

**In the press you have expressed a wish to modify the 'Fortis structure'. More specifically, you believe that its 'bi-national' structure means that Fortis is 'not entirely flexible'.**

As stated earlier, Fortis is continually exploring the need for changes in its structure in order to improve its efficiency (partly in the light of changing European legislation). Since Fortis was created in 1990, it has already gone through a complete evolution which has led to a number of radical changes in the structure of the company, such as the creation of a single Board of Directors, a single Executive Committee, a single CEO, articles of association of the two parent companies which are coordinated as far as possible, a single operational model and a single share. At the present time, however, Fortis does not believe that amending its structure would generate added value.

We feel it is important to point out that the present legal structure of Fortis was set up at the end of 2001 in the interests of the shareholders in Belgium and the Netherlands. The ability to choose the source of a dividend (the Netherlands or Belgium) makes it possible to secure optimum fiscal treatment. In addition, the entire market capitalisation of Fortis serves as a basis for the weight of the share in both the Brussels and Amsterdam stock exchange indexes.

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We hope that the above information provides a satisfactory answer to your questions.  
We greatly value your interest in our company and remain at your disposal for further dialogue.

Yours faithfully,

A stylized handwritten signature in black ink, consisting of several loops and a long horizontal stroke.

Herman Verwilt  
CEO  
Fortis

A handwritten signature in black ink, appearing to read 'Maurice Lippens' in a cursive style.

Maurice Lippens  
Chairman Board of Directors  
Fortis