

**SUPPLEMENT DATED 16 OCTOBER 2008  
TO THE BASE PROSPECTUS DATED 26 MARCH 2008**



**DEXIA BANQUE INTERNATIONALE A LUXEMBOURG, SOCIETE  
ANONYME**

*(incorporated with limited liability in Luxembourg)*

**DEXIA BANQUE INTERNATIONALE A LUXEMBOURG, SOCIETE  
ANONYME SINGAPORE BRANCH**

**Euro 10,000,000,000**

**Programme for the issue of Euro Medium Term Notes, Certificates  
and Warrants**

This supplement (the "**First Supplement**") is supplemental to, and should be read in conjunction with, the Base Prospectus dated 26 March 2008 (the "**Base Prospectus**"), prepared in relation to the €10,000,000,000 Euro medium term note program of Dexia Banque Internationale à Luxembourg S.A. and Dexia Banque Internationale à Luxembourg, société anonyme, Singapore branch. (the "**Issuer**"). On 26 March 2008, the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") approved the Base Prospectus as a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the "**Prospectus Directive**") and Article 8.4 of the Luxembourg Law on prospectuses for securities dated 10 July 2005 (the "**Luxembourg Law**").

This First Supplement constitutes a supplement to the Base Prospectus for the purposes of Article 16 of the Prospectus Directive and Article 13 of the Luxembourg Law.

This First Supplement provides information about the capital injection and the shareholders of Dexia S.A., the ratings of Dexia Banque Internationale à Luxembourg and the modification of the Board of Directors and Management Board of Dexia S.A.

The Issuer accepts responsibility for the information contained in this First Supplement. The Issuer declares that, having taken all reasonable care to ensure that such is the case, the information contained in this First Supplement is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

Unless the context otherwise requires, terms defined in the Base Prospectus shall have the same meaning when used in this First Supplement.

The First Supplement is available on the Luxembourg Stock Exchange's website: "[www.bourse.lu](http://www.bourse.lu)".

In accordance with Article 13 paragraph 2 of the Luxembourg Law, investors who have before the publication of this First Supplement already agreed to purchase or subscribe Notes which are not yet settled at the date of such publication, have the right, exercisable within a time limit of 2 working days after such publication, to withdraw their acceptance.

# 1 CAPITAL INCREASE, SHAREHOLDING STRUCTURE OF DEXIA S.A. AND GUARANTEE

## **Announcement of the capital increase**

On September 30, 2008, the authorities of Belgium and France, together with existing shareholders, announced that they have subscribed for an increase of the capital of Dexia at a price per share equal to the average of the closing prices of the Dexia share over the last 30 calendar days, i.e. EUR 9.90. In addition, the Government of Luxembourg will subscribe to Dexia Banque Internationale à Luxembourg, société anonyme newly-issued convertible bonds for a total amount of EUR 376 million.

The agreement between the parties provides for the following allocation:

### ***Belgium***

The Belgian Federal State, the 3 Regions and the 3 institutional shareholders have agreed together to jointly invest EUR 3 billion in Dexia SA

- o The Belgian Federal State invests EUR 1 billion
- o The 3 Regions invest EUR 1 billion
  - Flanders: EUR 500 million
  - The Walloon region: EUR 350 million
  - Brussels Capital Region: EUR 150 million
- o The current institutional shareholders invest EUR 1 billion
  - Holding Communal: EUR 500 million
  - Arco Group: EUR 350 million
  - Ethias Group: EUR 150 million

### ***France***

The French State has agreed to invest EUR 1 billion in Dexia SA while CDC and CNP will respectively invest a further EUR 1.7 billion and 0.3 billion.

### ***Luxembourg***

The Government of Luxembourg invests EUR 376 million in Dexia Banque Internationale à Luxembourg Société Anonyme in the form of convertible bonds.

## **EUR 6.4 billion of capital will secure a strong solvency for the Group**

Due to the significant deterioration in the business and market environment and the financial distress of a number of financial services companies, Dexia made a careful assessment of its situation and decided to take decisive action and raise EUR 6.4 billion of capital.

Dexia expects its Tier 1 capital ratio at the end of September 2008, before the capital increase, to be above 10%.

## **Completion of the capital increase**

Through the above-mentioned capital increase of Dexia SA, which was completed on October 3, 2008, the Belgian Federal and Regional authorities and the French State, as well as the current core

reference shareholders of Dexia, subscribed for a total of 606,060,606 newly-issued shares for a total amount (including issue premium) of EUR 6 billion.

Further to this capital increase, the shareholding structure of Dexia (based on information known to Dexia), is as follows:

	Shareholding in Dexia	
	As of June 30, 2008	After capital increase*
Belgian Federal State	-	5.7%
Three Belgian Regions	-	5.7%
Holding Communal	17.0%	14.0%
Arco Group	18.1%	13.9%
Caisse des Dépôts et Consignations	11.9%	17.6%
Ethias Group	6.4%	5.0%
CNP Assurances	2.0%	3.0%
French State	-	5.7%
Employee shareholding	3.9%	2.6%
Other institutional and individual shareholders	40.7%	26.7%

\* These percentages have been rounded up and are based on shareholding declarations as of June 30, 2008.

### Guarantee of the Governments

In order to support the Group's activity and to strengthen its development, the three Governments jointly undertook, from October 9, 2008 until October 31, 2009, to guarantee new interbank and institutional deposits and financings as well as new bond issuance targeted at institutional investors with a maximum maturity of three years, raised by Dexia SA, Dexia Banque Internationale à Luxembourg, Dexia Bank Belgium and Dexia Crédit Local.

## 2 RATINGS

The senior ratings of Dexia Bank have been modified on October 1<sup>st</sup> to Aa3 (Moody's), AA- (Standard & Poors) and AA- (Fitch-Ibca). On October 7, the rating from Standard & Poors has been modified to A+.

The actual senior ratings of DEXIA BANQUE INTERNATIONALE A LUXEMBOURG are Aa3 (Moody's), A+ (Standard & Poors) and AA- (Fitch-Ibca).

### **3 BOARD OF DIRECTORS AND MANAGEMENT BOARD OF DEXIA S.A.**

On September 30, 2008, Pierre Richard, Chairman of Dexia's Board of Directors, and Axel Miller, Chief Executive Officer and Chairman of Dexia's Management Board, tender their resignation to the Board of Directors, which was accepted.

On October 7, 2008, the Board of Directors of the Dexia Group decided to coopt Mr Jean-Luc Dehaene, former Belgian Prime Minister, and Mr Pierre Mariani, member of the Executive Committee of BNP Paribas, as members of the Board of Directors.

Mr Jean-Luc Dehaene has been appointed Chairman of the Board of Directors, replacing Mr Pierre Richard. Mr Pierre Mariani has been appointed Chief Executive Officer and Chairman of the Management Board, replacing Mr Axel Miller. Messrs Dehaene and Mariani will take up these positions with immediate effect.