PRESS RELEASE

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Regulated information - **National Bank of Belgium approves exchange of uncalled Fortis Bank SA/NV Debt Securities for cash by Ageas.**

On 27 May 2011, Ageas announced that Fortis Bank SA/NV, a BNP Paribas affiliate partially held by the Belgian State, had decided not to exercise its call option on the 6.5% Redeemable Perpetual Cumulative Coupon Debt Securities 2001 issued by Fortis Bank SA/NV (the "Securities")[1].

Following the Fortis Bank SA/NV decision, and pursuant to the terms and conditions of the Securities, Ageas sought the approval of the National Bank of Belgium (the "NBB") to acquire the Securities against cash and at par (the "Exchange") on the first call date i.e. 26 September 2011 (the "Exchange Date"). Ageas has now been notified by the NBB of its consent to the Exchange. In addition, Ageas was informed that holders representing 95% of the amount of the Securities have decided to opt for the Exchange.

Due to the high participation in the Exchange, Ageas has decided, contrary to the previous announcement, to record the acquired Securities under Loans and Receivables at their fair value[2] at the Exchange Date and not as Financial Instruments "available for sale". Ageas included a net charge of EUR 40 million in the second quarter of 2011 representing the difference between the par value and fair value of the Securities as at 30 June 2011. Changes in the fair value until the Exchange Date may have a further impact on the net result of the General Account.

As a holder of the Securities Ageas will be entitled to a quarterly coupon payment of 3-months Euribor + 237 bps on the total amount of the acquired Securities. The net interest income on the cash amount invested is expected to rise by approximately EUR 24 million.

Ageas emphasizes that the Exchange will not affect the solvency position of its insurance operations, nor its discretionary capital, as EUR 1 billion has already been set aside for the Exchange.

[1] On 10 September 2001, Fortis Bank SA/NV issued EUR 1,000 million of Redeemable Perpetual Cumulative Coupon Debt Securities, benefiting from a Support Agreement entered into by the former Fortis' parent companies, now ageas SA/NV and ageas N.V. This Support Agreement grants Securities' holders the option, should Fortis Bank SA/NV not call the instrument, to request ageas SA/NV and ageas N.V. to exchange the Securities against newly issued Ageas's shares. On 27 and 28 April 2011, the shareholders' meetings of Ageas did not approve sufficient authorised capital for the exchange. Therefore, ageas SA/NV and ageas N.V. will need to settle the exchange for cash, subject to regulatory approval, as provided by the Securities' issuance terms and conditions.

[2] The valuation model will be based on the yield to call of comparable Tier 1 securities of Fortis Bank or BNP Paribas and an assumed call of the Securities in March 2013, based on Ageas' interpretation of recently introduced CRD IV rules for banks, regarding the disqualification of Tier 1 instruments as regulatory capital as of 2013.

Ageas is an international insurance company with a heritage spanning more than 180 years. Ranked among the top 20 insurance companies in Europe, Ageas has chosen to concentrate its business activities in Europe and Asia, which together make up the largest share of the global insurance market. These are grouped around four segments: Belgium, United Kingdom, Continental Europe and Asia and served through a combination of wholly owned subsidiaries and partnerships with strong financial institutions and key distributors around the world. Ageas operates successful partnerships in Belgium, UK, Luxembourg, Italy, Portugal, Turkey, China, Malaysia, India and Thailand and has subsidiaries in France, Germany, Hong Kong and UK. It is the market leader in Belgium for *individual life* and *employee benefits*, as well as a leading *non-life* player, through AG Insurance, and in the UK, it has a strong presence as the second largest player in private car insurance and the over 50's market. It employs more than 13,000 people and has annual inflows of almost EUR 18 billion.

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