

<p style="text-align: center;"><b>Explanatory note to the Agenda of the Extraordinary General Meeting of Shareholders of Fortis SA/NV on 7 May 2007</b></p>
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**Agenda item 2: Acquisition and disposal of Fortis Units**

The reason for the authorisation to allow the Board of Directors to acquire and dispose of Fortis shares for a period of 18 months is to provide the Board of Directors with the flexibility necessary to manage net equity and to respond appropriately to any demand for Fortis twinned shares that may arise at any time. The actual reason to exercise this authorisation may, for example, be that shares need to be acquired to hedge share and option purchase schemes, or to prevent the dilution of earnings per share.

By law, this authorisation may not exceed a period of eighteen months and must specify the exact number of shares that the Board of Directors can acquire and the maximum and minimum price that may be paid.

**Agenda item 3: Amendments to the Articles of Association**

***3.1. Section: Capital – Shares***

The amendments to article 10 and 20 paragraph a) point 4 of the current articles of association are required to allow for the Fortis Twinned Share the dematerialisation of bearer shares that will be imposed by Belgian law starting as of 1 January 2008.

As from 1 January, 2008 new shares will only be issued in registered or in dematerialised form. On 1 January, 2008 all bearer shares kept on a bank account will automatically be changed to dematerialised shares. Bearer shares being subsequently credited to a bank account will also be changed to dematerialised shares. Owner of registered or dematerialised shares will no longer be able to request the physical delivery of shares and existing physical shares will have to be converted to registered or dematerialised shares before 31 December, 2013.

***3.2. Section: Board of Directors and Management***

This amendment (new article 14 of the articles of association) will authorize the Board of Directors to take decisions by unanimous written consent of the Board Members without the need to meet in person. This authority may only be used in exceptional cases and when required by urgent necessity and the interest of the company. By law, such procedure may never be followed for the adoption of the Annual Accounts and the use of the authorised capital.

***3.3. Section: General Meetings of Shareholders***

***3.3.1. Date of the annual General Meeting of Shareholder (current article 17 sub a) of the articles of association)***

In line with international recommendations, it is proposed to bring forward the date of the annual General Meeting of Shareholders from the last Wednesday of May to the last Wednesday of April (unless provided otherwise in the convocation). If the General Meeting of Shareholders accepts the proposal, this will be the case for the first time in 2008.

*3.3.2. Registration date (current article 20 sub c) of the articles of association)*

This amendment will authorise the Board of Directors for an indefinite period to introduce a registration date for the company as referred to article 536 paragraph 3 of the Company Code. If the Board of Directors would set a registration date, a person will be entitled to attend the General Meeting of Shareholders and to vote there for the number of twinned shares recorded in such person's name on the registration date in a record designated for that purpose by the Board of Directors, irrespective of whether or not such person is the rightful owner of such Twinned Shares at the time of the general meeting. This proposal is in line with the proposal for a Directive of the European Parliament and of the Council on the exercise of shareholders' rights in listed companies, aiming at abolishing share blocking requirements.

**3.4. Section: Financial year – Annual accounts - Dividends**

Purpose of this amendment to article 25 paragraph a) is to change the reference to Necigef and CIK by Euroclear Nederland and Euroclear Belgium

**3.5. General provision**

Proposal to delegate authority to the company secretary, with power to sub-delegate, to coordinate the text of the Articles of Association according to the decisions made and the expiry date of some transitory provisions of the Articles of Association.

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