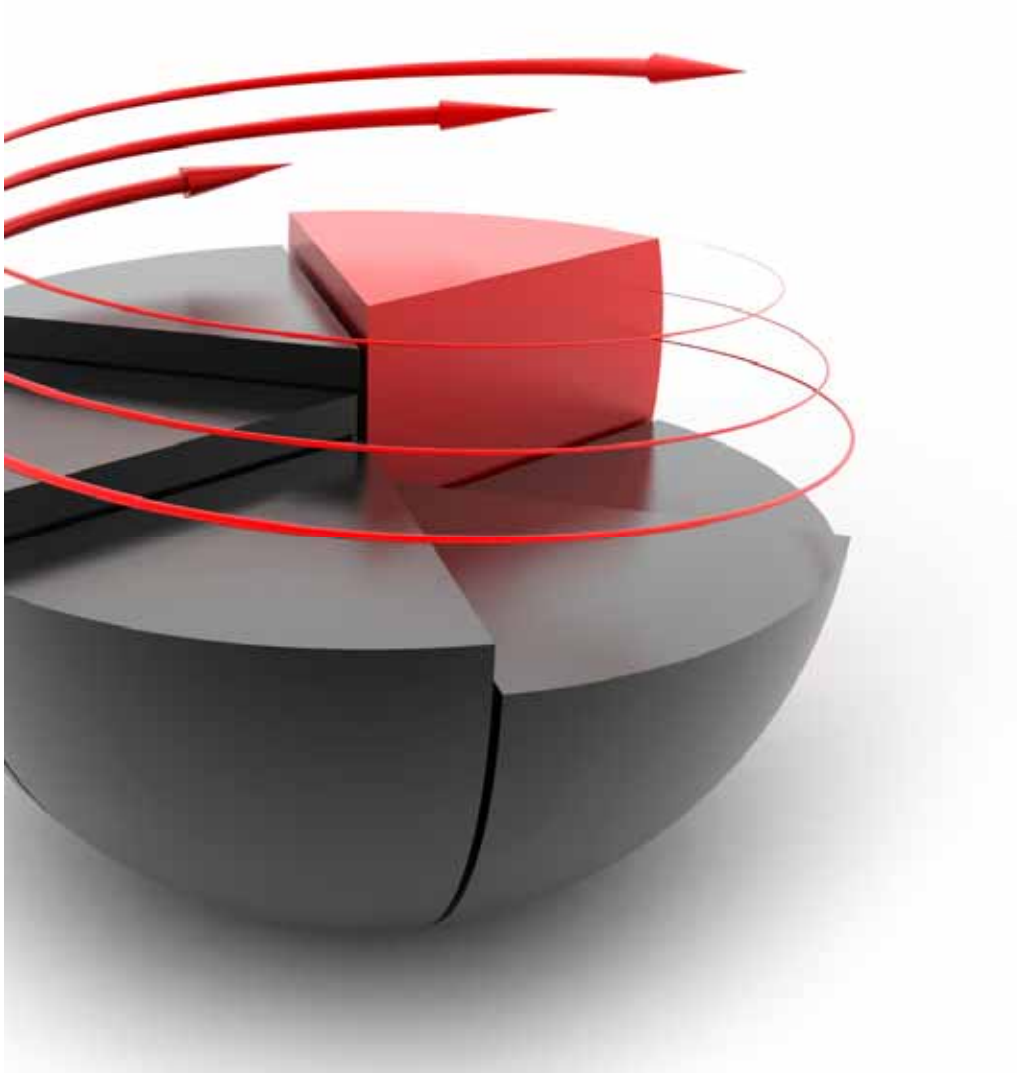




Towards a sound international insurance group, excelling in partnerships in Europe and Asia (*slides based on Investor Day, 25 September 2009*)

*KBC Belgian Excellence Investment Seminar
New York, 17 November 2009*



1. Fortis today

2. Fortis going forward

3. Conclusion

<i>9m 2009</i>	AG Insurance*	FII**	General	Total
Gross inflow (EUR mio)	5,098	3,474	n.a.	8,572
Life	3,925	2,596		6,521
Non-Life	1,173	878		2,051
Net profit (EUR mio)	301	70	711	1,082
Total capital (EUR mio)	3,938	2,242	2,572	8,752
Embedded value (EUR mio) (end '08)	3,816	1,106	n.a.	4,922
Funds under Management (EUR bn)	47.7	23.1	n.a.	70.8

* AG Insurance at 100% until 13 May 2009, thereafter 75%

** FII is Fortis Insurance International at 100%, inflow of non-consolidated joint ventures at 100% 9m 09 at EUR 2,836 mio

Fortis is a solid mid-sized insurance group



Company	2008 Global Gross Inflow (EUR bn)	% Life / Non-Life	Solvency ratio***
1 Allianz	89	51% / 49%	159%
2 Axa	85	68% / 32%	133%
3 Generali	69	68% / 32%	125%
4 Aviva	45	67% / 33%	146%
5 ING	44	89% / 11%	257%
6 Zurich	37	37% / 63%	180%
7 CNP	28	83% / 17%	137%
8 Prudential	24	100% / -	237%
9 Aegon	22	88% / 12%	183%
10 Crédit Agricole	22	83% / 17%	n.a.
11 Eureko	19	22% / 78%	176%
12 Talanx	19	45% / 55%	n.a.
13 Munich Re	17	66% / 34%	266%
14 Groupama	16	31% / 69%	128%
15 BNP Paribas	15	89% / 11%	128%
16 Mapfre	14	24% / 76%	n.a.
17 Fortis*	12	75% / 25%	229% **
18 Covea	12	26% / 74%	n.a.
19 Swiss Life	12	100% / -	155%
20 Fonsai	12	37% / 63%	130%

* On a consolidated basis; EUR 15 bn when including equity associates on a 100% basis

** Solvency ratio of insurance activities

*** As of H1 09 except for BNP Paribas and Aegon as of FY 08, Fortis solvency 9m 09 at 232%

Source: Company Data

European insurance activities in a nutshell



UK (100%):

- Life + Non-Life
- Inflow* FY 08: 954; 9m 09: 702
- # 3 car insurer (in # policies)

Belgium (75%):

- Life + Non-Life
- Inflow* FY 08: 6,283; 9m 09: 5,098
- # 1 insurer
- 25% market share

Luxembourg

(50% Life; 100% Non-Life*):

- Life + Non-Life
- Inflow* FY 08: 1,055; 9m 09: 435
- Market share of 11%

France (100%):

- Life
- Inflow* FY 08: 433; 9m 09: 231

Portugal (51%):

- Life + Non-Life
- Inflow* FY 08: 2,430; 9m 09: 1,815
- 16% market share in Life
- Market leader in pension funds

Germany (100%)

- Start-up in 2007
- Credit Life and Unit Linked products

Russia (100%)**

- Start-up in 2007
- Term life/savings

Ukraine (100%)

- Acquisition #7 life Insurer in 2006, 180,000 customers
- Life

Turkey (100%):

- Life
- Inflow* FY 08: 82; 9m 09: 50

Italy (50%)

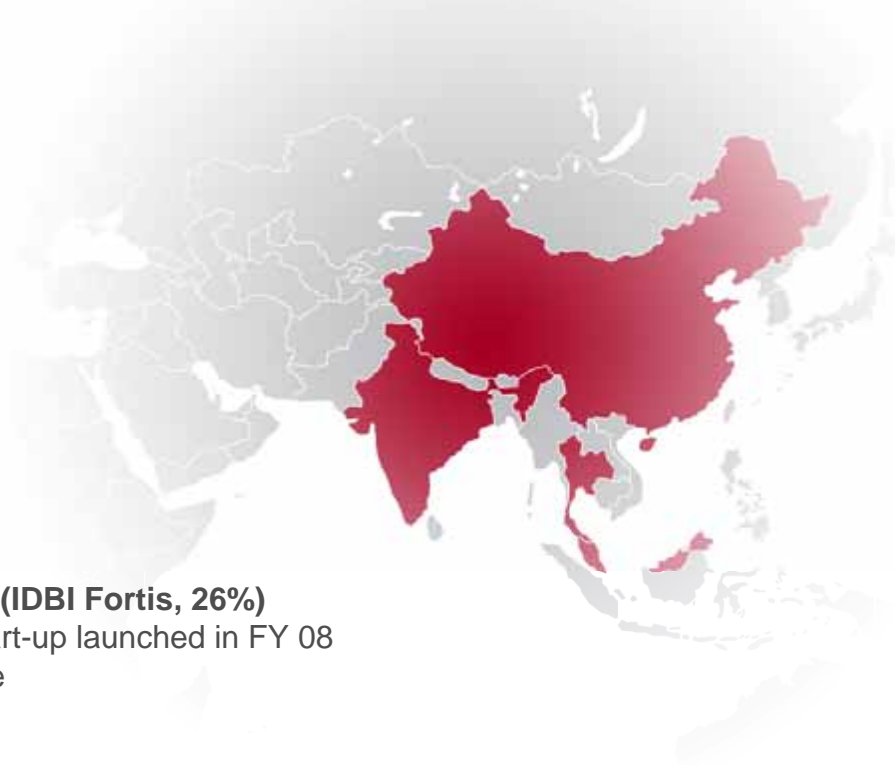
- Joint acquisition with BNP Paribas Assurances in 2009 (not closed yet)
- Non-Life

* Fortis announced the sale to La Baloise on 6 October

** Fortis announced the decision to discontinue this activity on 28 October



Inflow = inflow (Life) or GWP (Non-Life) in EUR mio, based on 100%; nr = market ranking; %= % Fortis ownership



India (IDBI Fortis, 26%)

- Start-up launched in FY 08
- Life

Thailand (Muang Thai Fortis, 31% Life, 12% Non-Life)

- JV Cooperation in FY 04
- Life + Non-Life
- Inflow* FY 08: 426; 9m 09: 407
- # 3 Life insurer
- # 5 Non-Life insurer

China (Taiping Life, 24.9%)

- JV Cooperation started in FY 01
- Life
- Inflow* FY 08: 1,850; 9m 09: 1,754
- # 6 Life insurer

Hong Kong (Fortis Insurance Company Asia, 100%)

- Acquired in FY 07
- Life
- Inflow* FY 08: 282; 9m 09: 215
- 2.5% New business market share; overall 2%

Malaysia (Mayban Fortis / eTiQa, 31%)

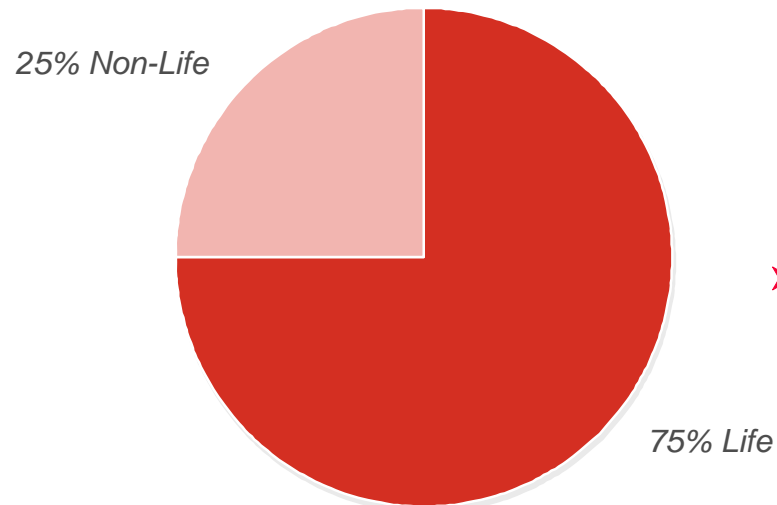
- JV Cooperation started in FY 01
- Life + Non-Life
- Inflow* FY 08: 626; 9m 09: 624
- # 1 new business Life insurer
- # 1 in Banca, Takaful and Non-Life

Inflow = inflow (Life) or GWP (Non-Life) in EUR mio, based on 100%; nr = market ranking; %= % Fortis ownership

- **Very well balanced insurance portfolio with Life and Non-Life, mature and growth markets**
- **Very strong position in Belgium**
- **Strong partnerships in key markets with leading partners**
- **Pro-active management of investment portfolio**
- **Strong capital base**



Fortis premium inflow, 2008* (%)



A mix of Life & Non-Life:

- Reduces volatility in earnings and provides cross-selling opportunities

Fortis has deep expertise in retail Life:

- Majority of Fortis business
- Majority of sales through bank channel, for which Life is preferred product

Fortis has strong capabilities in retail Non-Life:

- Excellent and exportable know-how in UK and Belgium
- Emerging interest from banks to expand selling non-life
- Affinity channel in UK well positioned to sell non-life

In Belgium Fortis is strong in Employee Benefits:

- Fortis has significant expertise and scale which results in a sustainable position

Continued focus on product innovation:

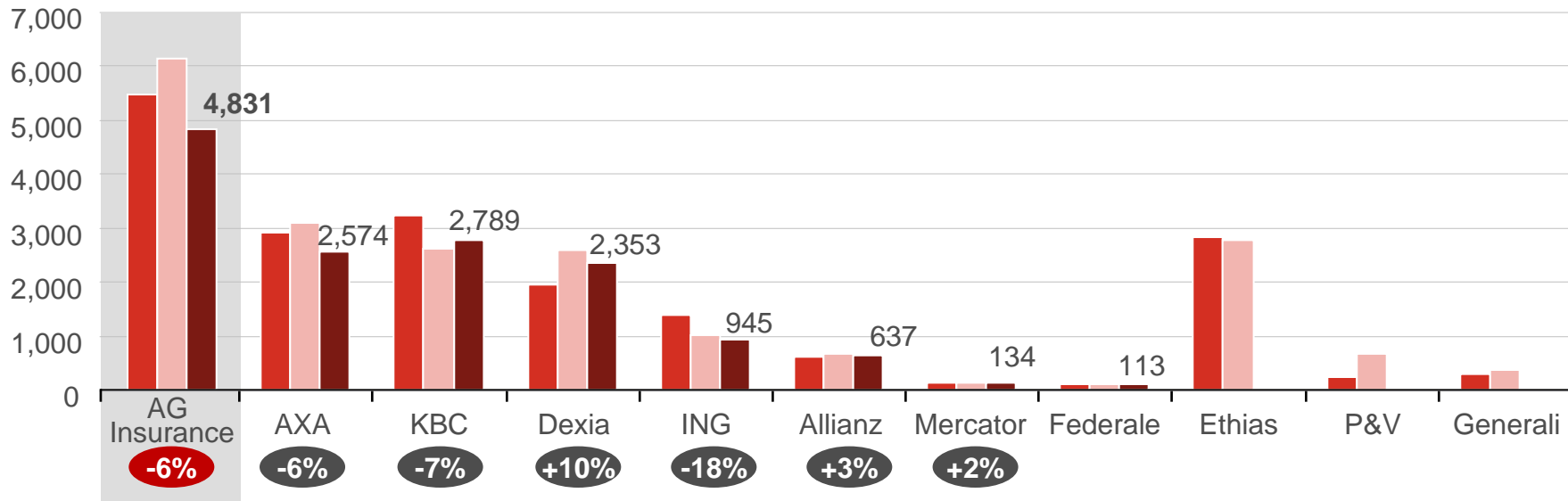
- Fortis has a tradition of leadership in product innovation, with emphasis on customer needs and cost leadership

* Pro rata for non consolidated companies

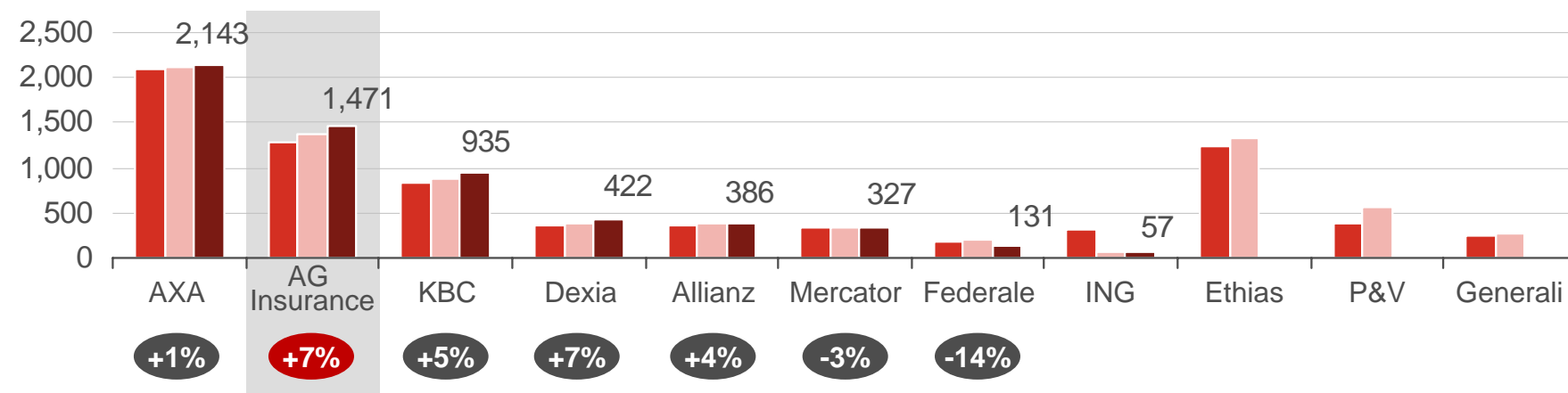
Fortis maintained its leading position in Belgium...



Life inflow Belgium (EUR mio) FY 06 - FY 08 ■ FY 06 ■ FY 07 ■ FY 08 % CAGR '06-'08



Non-Life GWP Belgium (EUR mio) FY 06 - FY 08



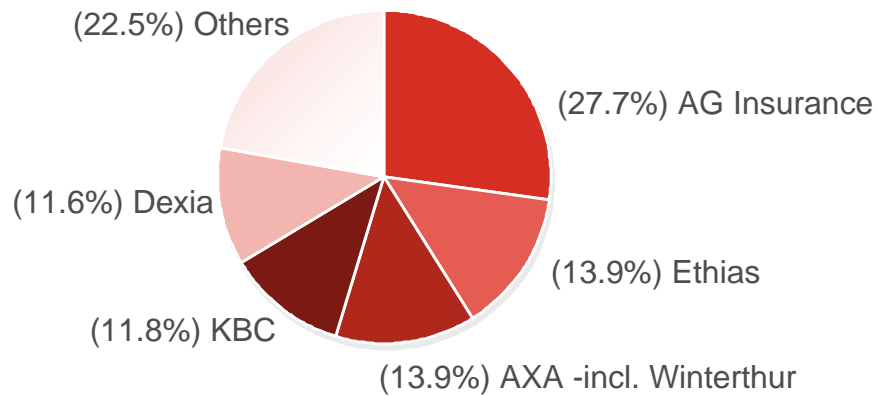
... largely unaffected by recent events



Overview of gross inflow H1 09 vs. H1 08, AG Insurance vs. Belgium market

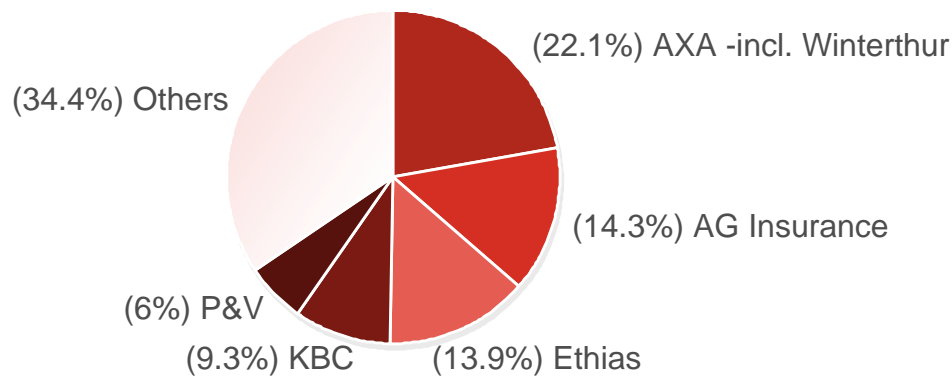
Life

2007 market shares (based on BGAAP annual accounts)

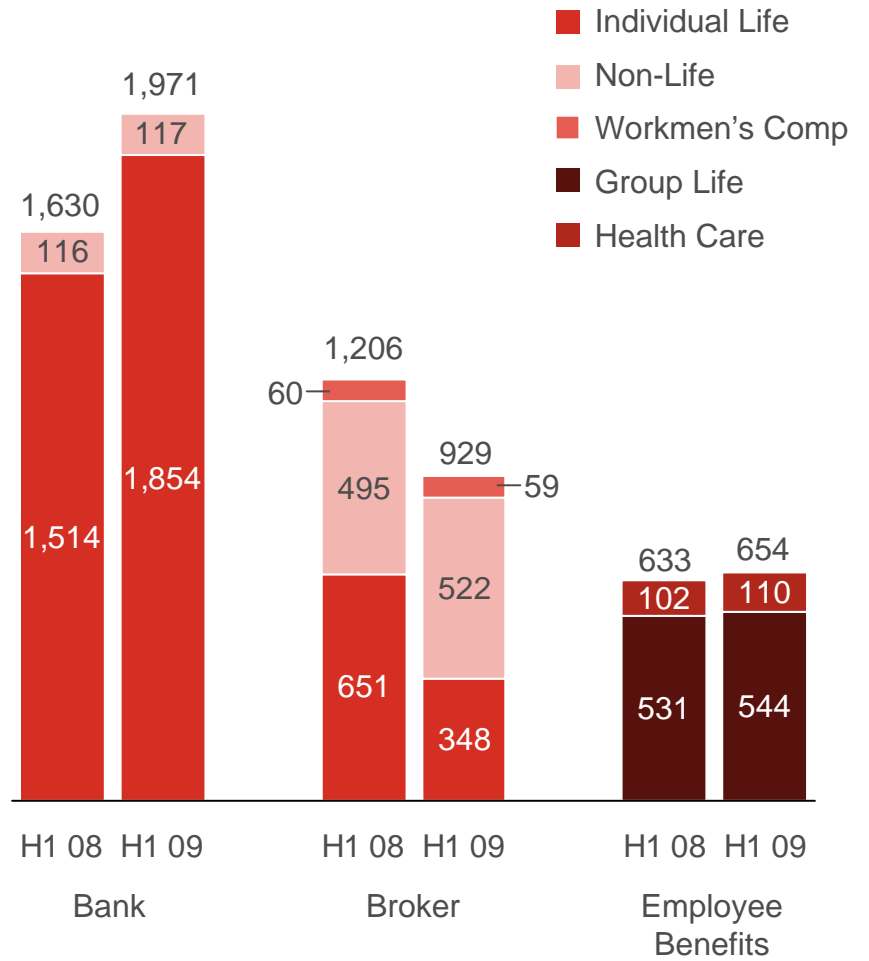


Non-Life

2007 market shares (based on BGAAP annual accounts)



Inflow per distribution channel (EUR mio)

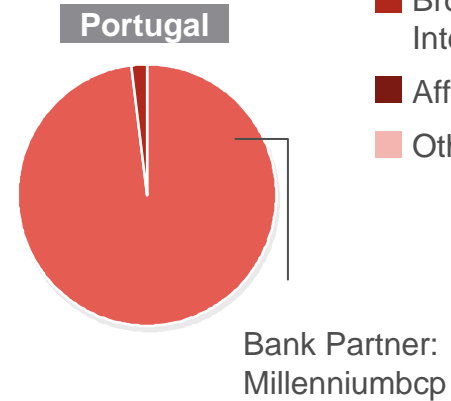
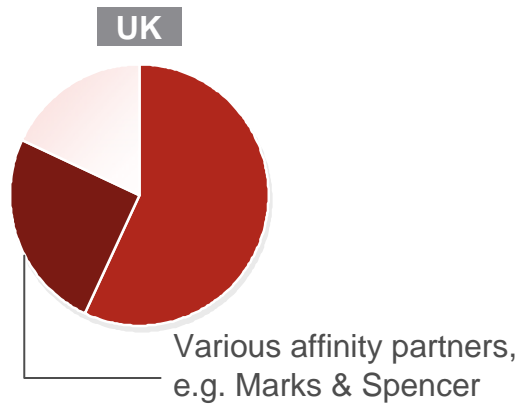
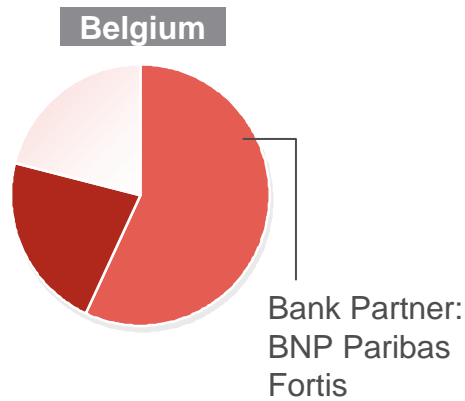


Fortis has developed strong partnerships with leading partners



Distribution mix and distribution partners, selected entities

- Bank & Bank Agents
- Brokers/ Intermediaries/ IFA's
- Affinities
- Other

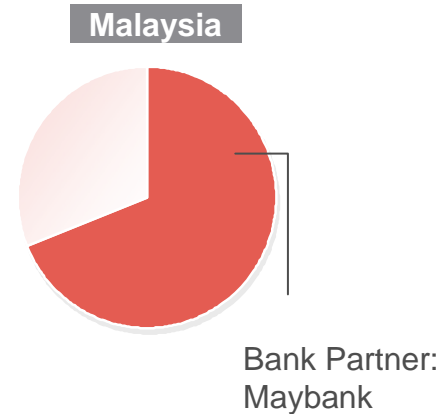
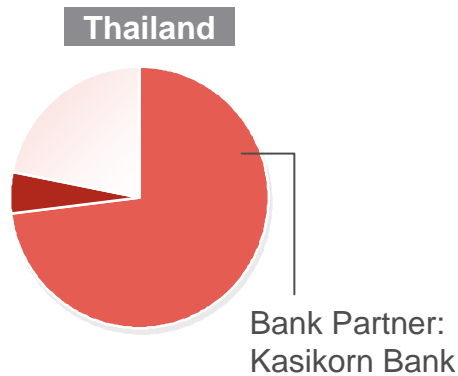
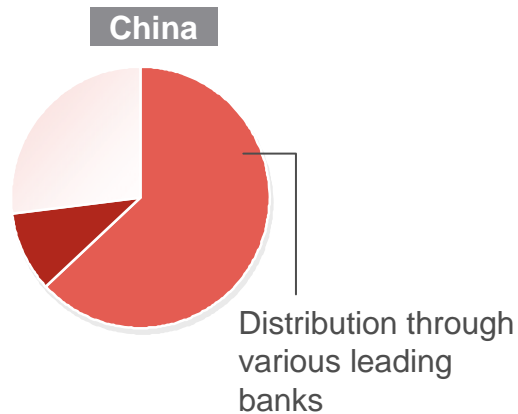


Partner Position:

#1

#1 in retail

#2



Partner Position:

Top 5

#3

#1

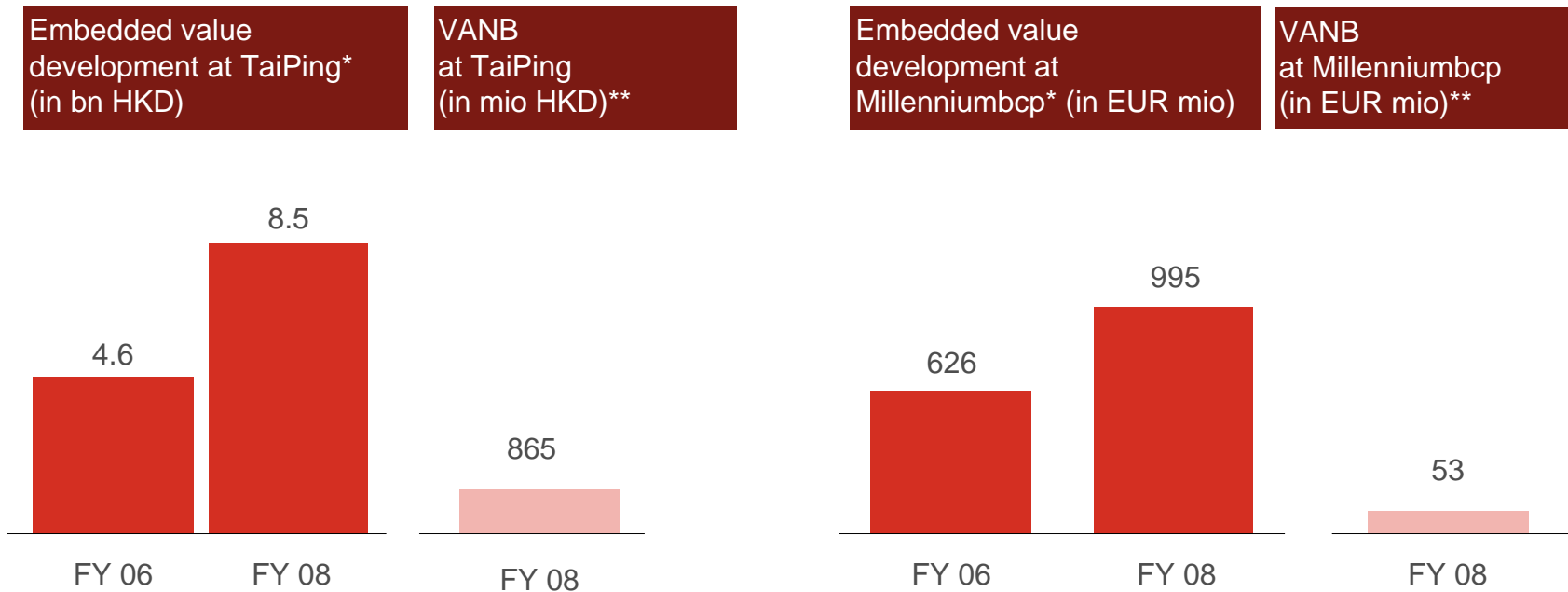
Through partnerships, Fortis leverages its distribution capacity

Value creation in Fortis Insurance



EUR mio

Examples of Value creation in Insurance



* Embedded value at 100%; Taiping under local methodology; HKD/EUR 0.0873 at 22 September 2009

** VANB at 100%



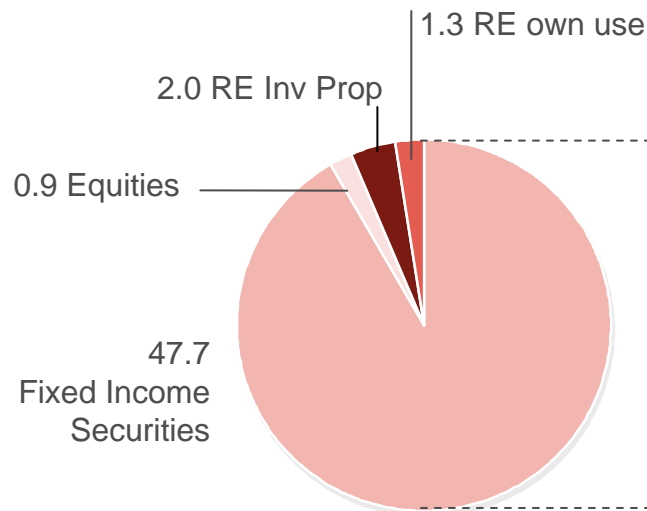
A pro-active management of the Investment Portfolio....



Fortis Investment Portfolio, 30 June 2009

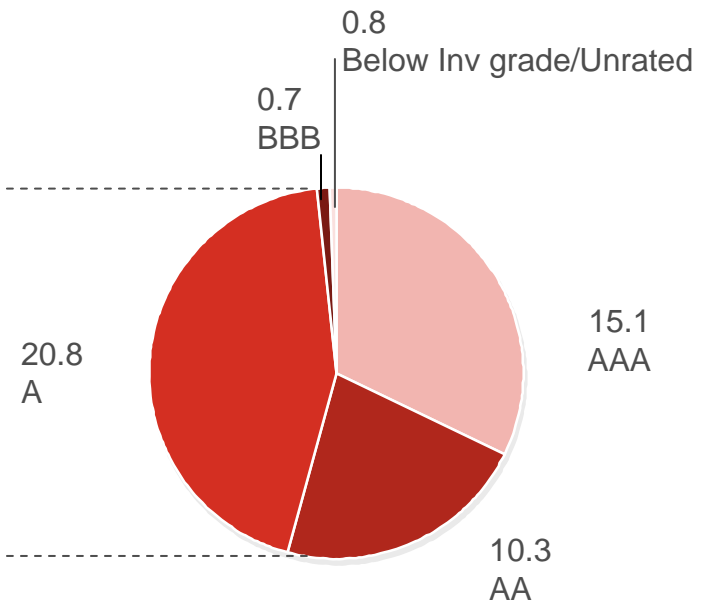
Insurance Investment Portfolio (EUR bn)

Total = 51.9



Ratings fixed income Portfolio (EUR bn)

Total = 47.7



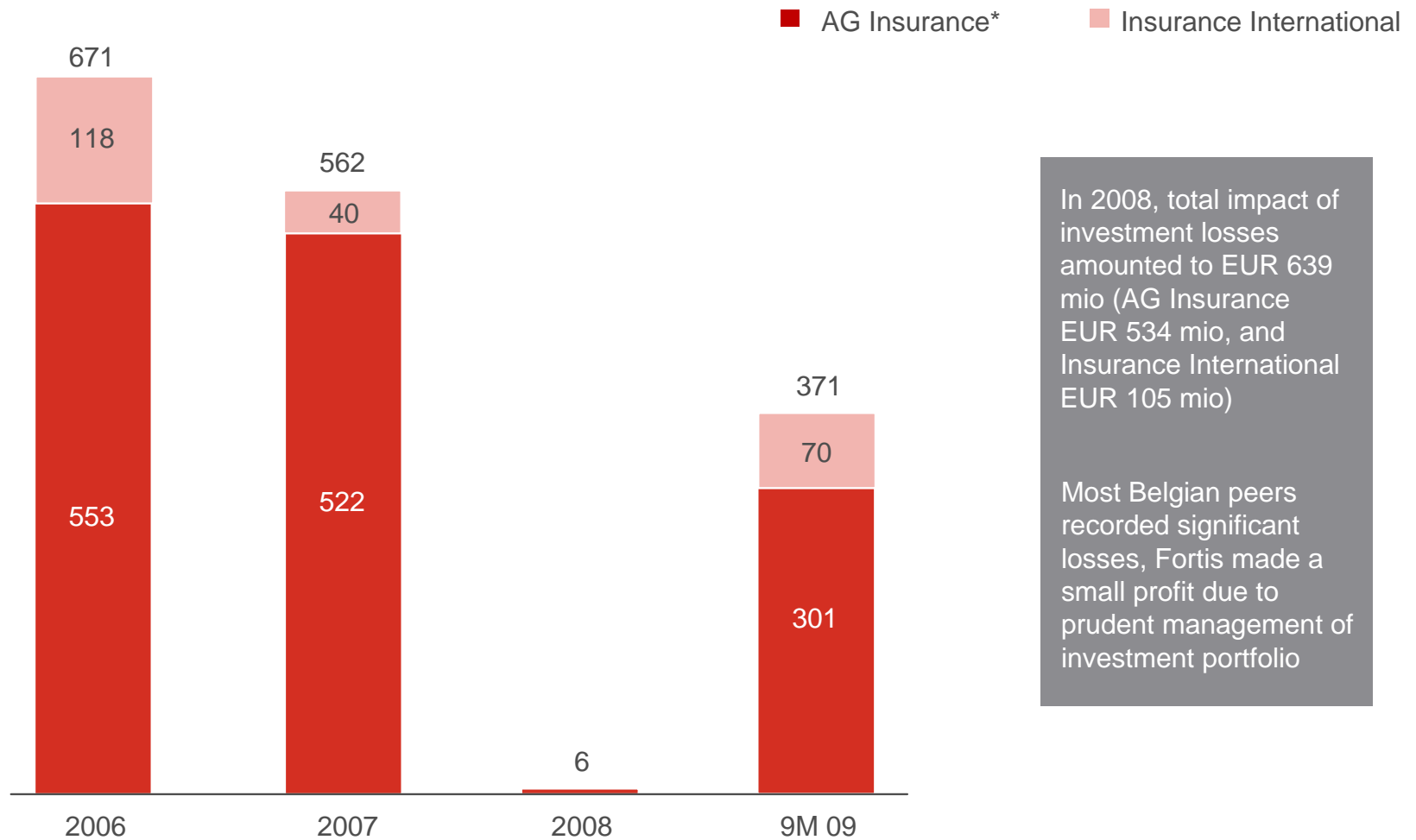
- Pro-active approach towards asset mix in 2008, equity exposure reduced to 2%
- 92 % of investments invested in fixed income
- Well diversified real estate portfolio at amortized cost

- 97% bond portfolio single A or higher
- Only 2% below investment grade or unrated
- Very limited exposure to structured credits (EUR 437 mio, of which EUR 90 mio in CDOs)

... has resulted in a positive net result in 2008 despite the financial turmoil



Net profit Fortis, 2006 - 2009 9M (EUR mio)



In 2008, total impact of investment losses amounted to EUR 639 mio (AG Insurance EUR 534 mio, and Insurance International EUR 105 mio)

Most Belgian peers recorded significant losses, Fortis made a small profit due to prudent management of investment portfolio

* AG Insurance at 100% until 13 May 2009, thereafter 75%

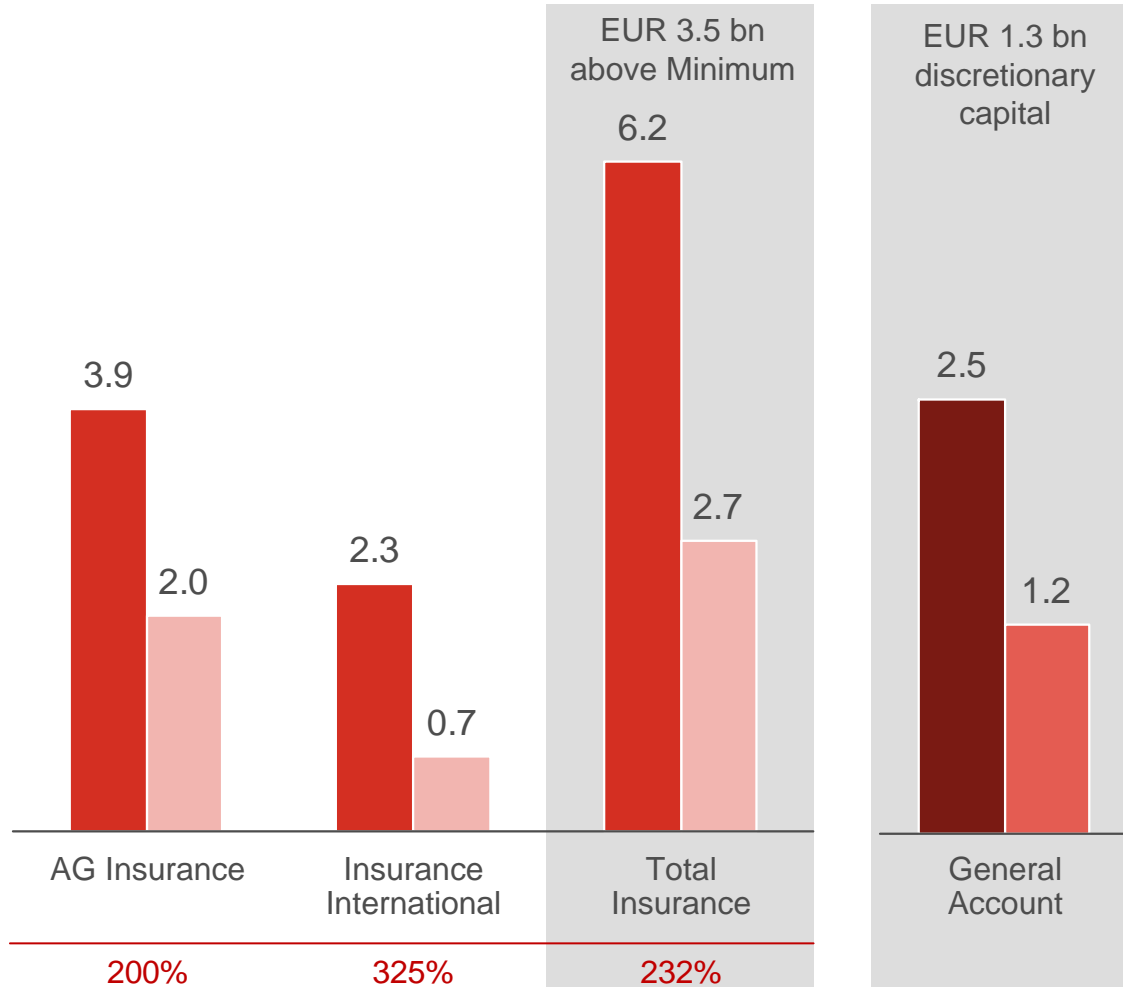


Strong capital position: 232% solvency ratio of Insurance activities, EUR 1.3 bn discretionary capital in General Account



EUR bn, 30 September 2009

- Solvency Capital (Actual)
- Required Regulatory minimum (Minimum)
- Capital
- Contingent liquidity requirements



Fortis defines discretionary capital as the lower of the available cash and total capital of the General Account corrected for (contingent) illiquid assets and existing investment commitments

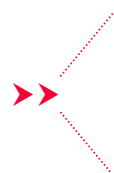
Discretionary Capital of the General Account: a view on liquidity & capital



EUR bn, 30 September 2009

	Assets		Liabilities	
Net Cash: EUR 2.9 bn	Cash & Cash equivalents	4.1	ST (EMTN (1.0) + Bank (0.2))	1.2
Passed on	Due from Fortis Bank Belgium	0.9	NITSH I & NITSH II	0.9
LT assets & LT liabilities	Other	0.4	RPN(I)	0.4
			Other	0.4
Discretionary Capital on balance sheet	Royal Park Investments	0.8	FRESH	1.2
	Call option net of tax on BNP P	0.6	Net equity	2.8
	Perpetual loan to AG insurance	0.1		
	Total	6.9	Total	6.9

Shareholders equity + FRESH	4.0 EUR bn
▪ Invested in non-current assets on balance sheet	1.5 EUR bn
Total Capital	2.5 EUR bn
▪ Contingent asset off balance (Fortis Bank Tier 1 loan, due Sept 2011)	1.0 EUR bn
▪ Already committed to projects (Tesco JV and Italy)	0.2 EUR bn
Discretionary Capital * (if available in cash)	1.3 EUR bn



- Part of discretionary capital will be reserved for prudential reasons in order to ensure liquidity at all times
- The remainder might allow a number of potential investments currently under consideration and aimed at creating value

* Fortis defines discretionary capital as the lower of the available cash and total capital of the General Account corrected for (contingent) illiquid assets and existing investment commitments

A balanced approach to ensure organic and external growth while respecting capitalization and liquidity constraints

Invest in businesses

- ▪ Support organic growth
 - To selectively acquire
- 1) To strengthen current Businesses
- 2) To create new partnerships
- 3) Explore opportunities with BNP Paribas

Return to shareholders

- ▪ Pay dividend
 - Shares buy-back (is EPS accretive)
 - Lowering of cash position could pose liquidity risk
 - Strategic flexibility reduced

Return to debt holders

- ▪ Buyback of debt
 - Limited amount of debt: NITSH I & II, Hybrone and FRESH
 - Potential increase in NAV
 - Positive carry in P&L
 - Also, lowering of cash position could pose liquidity risk
 - Strategic flexibility reduced



Find the right balance between risk (including liquidity risk) and return

Ranking of employment of Capital

- Determine amount of discretionary capital that can be invested, leaving enough buffer to cope with volatility reduces the risk of forced sales
- Investment in businesses should be preferred as long as returns on investments are expected to exceed cost of equity
- If no investment opportunities in businesses are envisaged or possible, one should start to redeem capital with highest cost, being equity

Key investment criteria

- Critical size
- Meaningful contribution
- Return in excess of cost of equity while taking into account the specificities of the business

When evaluating the return generation and the profit contribution of growth businesses, the expected value creation will also be taken into consideration



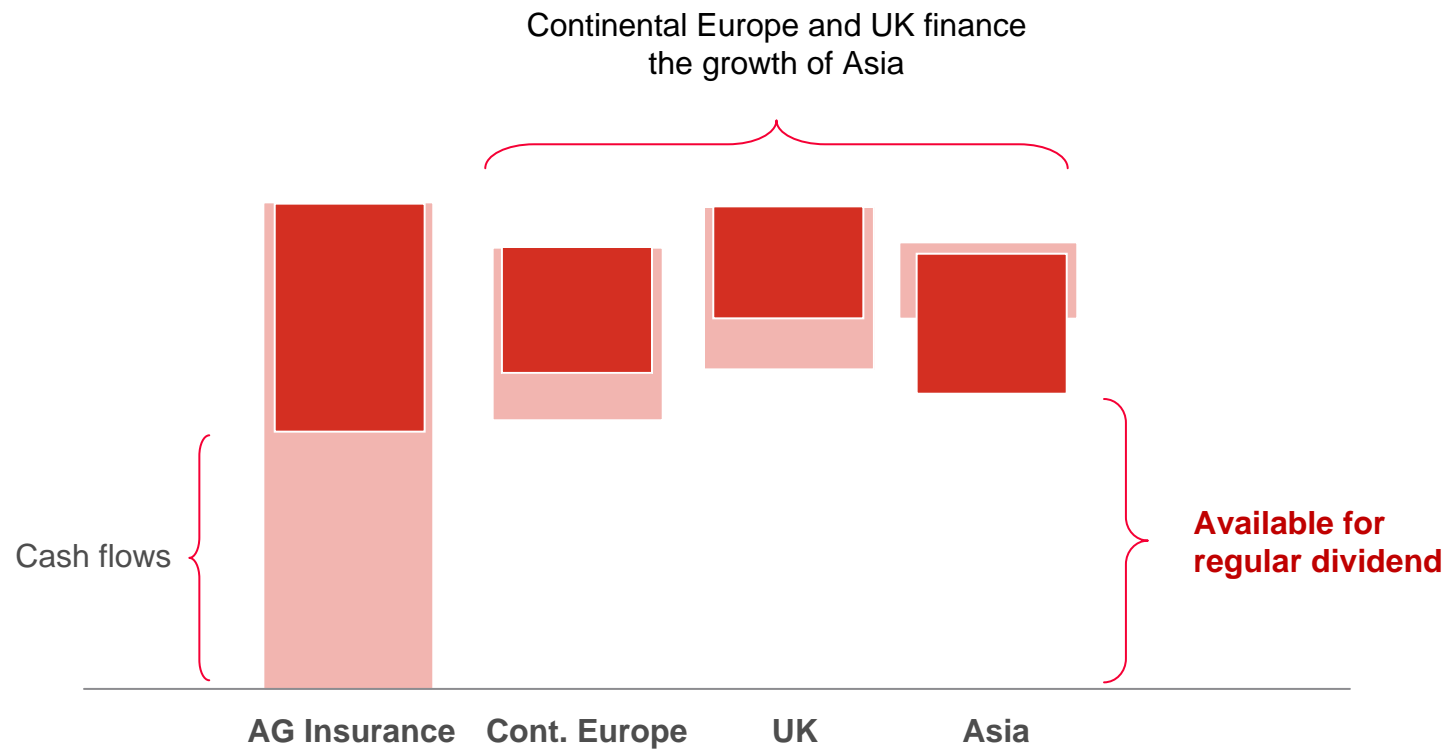
Fortis does not intend a buy back of hybrid instruments at this stage



Profile of expected free cash flows of Insurance businesses



■ Net profit ■ Capital requirement

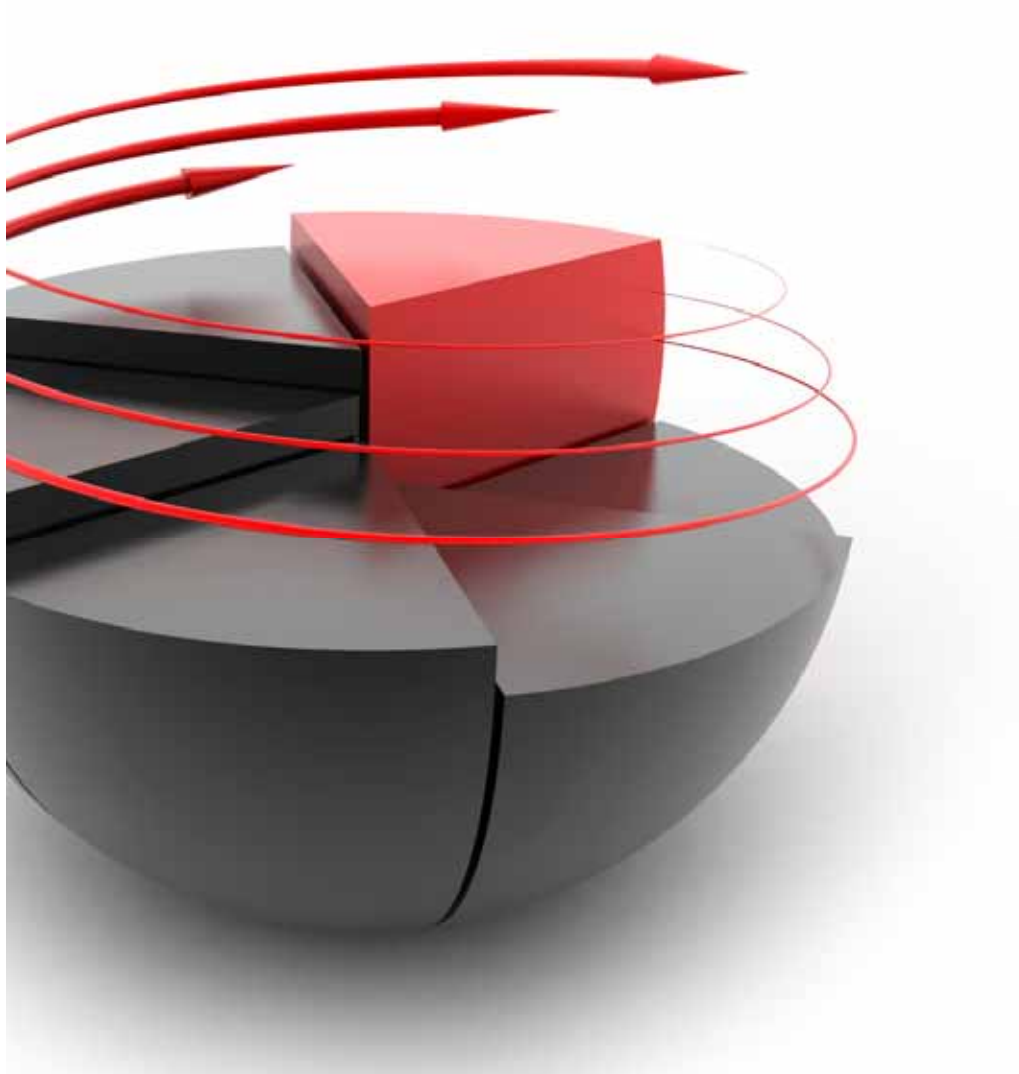


➤➤ Dividend target is to pay-out 40% to 50% of the net profit of the Insurance activities

Remaining legacy issues are addressed, aim to extract value



Approach to legacy issues and litigation >	<ul style="list-style-type: none">▪ 2 separate task forces set up to advise the Board on financial instruments and litigation issues▪ Dedicated Ex-co member for legacy issues
Litigation >	<ul style="list-style-type: none">▪ Litigation remains a contingent liability
Financial instruments >	<ul style="list-style-type: none">▪ Balance sheet in General Account has been halved since the end of 2008:<ul style="list-style-type: none">– EMTN program largely redeemed– Significant reduction of exposure to Fortis Bank (EUR 5.75 bn loan redeemed)▪ A task force focusing on potential solutions to optimize the debt structure and adapt the outstanding liabilities at the General Account
Legacy instruments from the transactions >	<ul style="list-style-type: none">▪ Structured Credit Vehicle, Royal Park Investments, investment intact▪ BNP Paribas call Option: Exploring alternatives to extract maximum value for Fortis' shareholders▪ CASHES, RPN(I): Interest payments are minimal under current market conditions



1. Fortis today

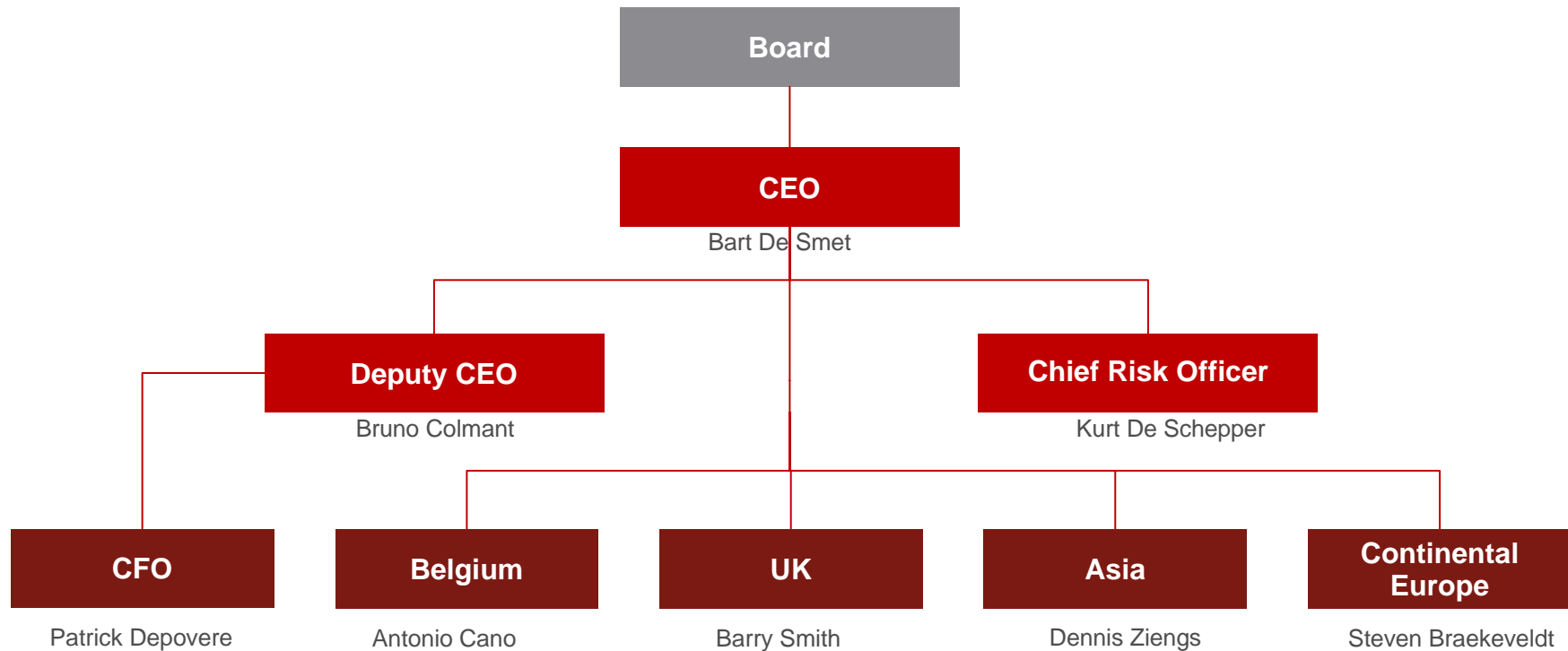
2. Fortis going forward

3. Conclusion

The new organizational structure reflects the new Fortis



■ Executive Committee ■ Management Committee



- ▶▶ Lean structure close to businesses
- ▶▶ Deputy CEO in charge of legacy issues

Going forward, Fortis will leverage on the basis of its current strengths and competences



“ FORTIS is a sound international insurance group, excelling in partnerships in Europe and Asia

- **Sound insurance group:**
 - Very long track record in insurance industry
 - Well capitalized, strong solvency
 - Conservative risk profile, sound risk management
 - Solid profitability

- **Excelling in Partnerships:**
 - A significant number of partnerships with leading distribution partners (banks, affinity partners, brokers, IFAs, agents)
 - Structured through distribution agreements or JVs

- **Strong positions in Europe and Asia:**
 - Leadership position in Belgium
 - Sustainable positions in attractive markets in Europe and Asia. These two markets represent 70% of world market in Life and 53% in Non-Life
 - Well managed balance between profitability in more mature markets and value creation in growth markets

Business priorities have been set

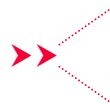


- ▪ **Streamline** the portfolio of insurance activities and address issues of entities that are lacking critical size or market position, or that do not meet the cost of equity and value creation criteria, possibly resulting in closing down or disposal
- **Grow** the core entities organically and small add-on acquisitions, based on the ability to team up with different partners, including BNP Paribas
- Optimize the operational performance of entities that are core
- ▪ Acquire new businesses in attractive markets, meeting strict strategic and financial criteria (critical size and market position) by building on partnerships expertise
- ▪ Develop greenfield operations

Fortis will streamline its insurance activities



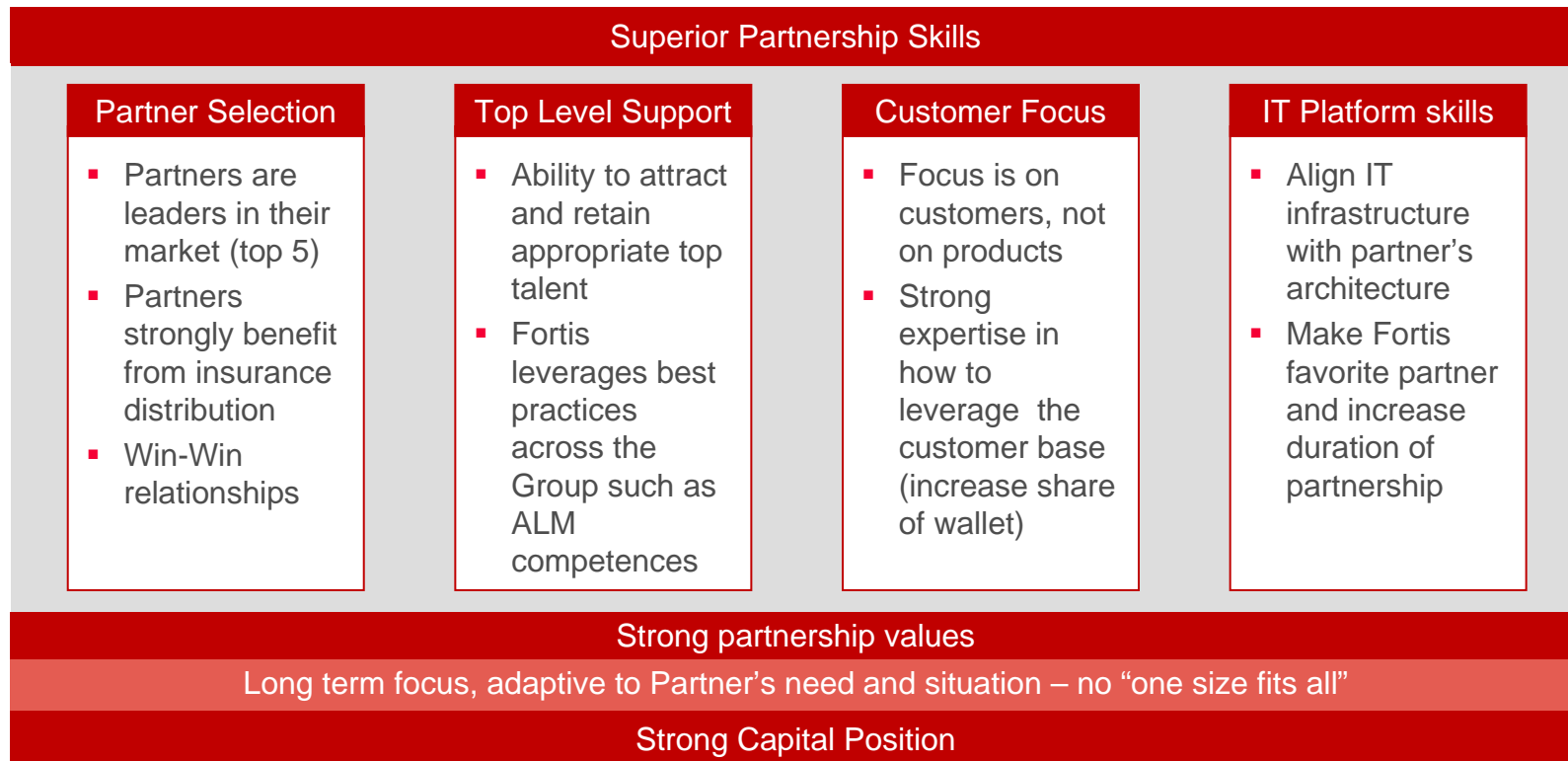
- Following the finalization of the transactions, Fortis has reviewed whether all its entities can meet three key criteria over time in the different markets it is active in. The three criteria are:
 - **Critical size**
 - The local presence should be such that every entity can compete effectively in its market or niche
 - Critical size will ensure that each activity is able to comply with Fortis' quality standards
 - **Meaningful contribution**
 - Each activity should make a meaningful contribution to the insurance earnings
 - The contribution to the insurance earnings should be significant enough to justify management time
 - **Return in excess of cost of equity**
 - The return of a business will have to exceed the cost of equity, which is estimated to be around 11% today, while taking into account the specificities of the business
 - The return of a growth business will also take into consideration the expected value creation
- Activities where the strategic and financial objectives (critical size, meaningful contribution and return in excess of cost of equity) are already met or are expected to be met over time are considered core
- Activities not expected to meet these criteria over time are under review and could ultimately be divested or closed down
- Streamlining of the business portfolio will further enhance management focus
- Any new organic or external growth opportunity shall also have to meet these three criteria



- The Luxemburg Non-Life activities will be sold to Baloise
- The Russian activities will be discontinued

➤➤ streamline

Distribution through partnerships is a key competence of Fortis and the basis for future growth





➤➤ **Tesco:** Joint venture agreement between Fortis Insurance UK & Tesco Personal Finance

- Non life products such as motor and household insurance
- Fortis controlling shareholder
- Fortis to provide underwriting and claims management
- Start-up joint venture expected second half 2010
- Gross Written Premiums of GBP 500 mio (per annum on a 100% basis) expected to grow further
- Estimated 1.5 mio additional motor and household customers for Fortis UK

➤➤ **UBI Banca:** Fortis and BNP Paribas Assurance enter into strategic partnership with UBI Banca

- First initiative in Non-life with BNP Paribas
- Joint acquisition by Fortis and BNP Paribas Assurance of majority stake in UBI Assicurazioni, currently owned by UBI Banca
- Exclusive 10-year distribution agreement with UBI Banca
- Fortis controlling shareholder in joint venture with BNP Paribas Assurance
- Non life products such as motor, household, and creditor insurance
- Transaction is still subject to regulatory approvals and is expected to close before the end of 2009

➤➤ **grow**

““ ... select the right partners

understanding partner needs and whether we have the right solution is more productive in the short and long term

““ ... focus on the strategic, not the tactical rationale

we focus on alignment of core competencies

““ ... base cooperation on customer need, not short term product sales

quick returns and inflated commissions are unstable. Creating the platform for a wider deeper relationship results in the partner having no reason to go elsewhere for their insurance needs

““ ... build on long term loyalty, not on financial return only

a pure financial motivation will never result in long term partnership that is mutually rewarding. Ability to evolve and be flexible creates more value

Capital allocation: finding the right balance between three investment opportunities and determining a new dividend policy



Invest in Businesses I	<ul style="list-style-type: none"> ▪ To support organic growth ▪ To selectively acquire ▪ To strengthen current Businesses ▪ To create new partnerships ▪ To explore opportunities with BNP Paribas
Return to shareholders II	<ul style="list-style-type: none"> ▪ Pay dividend ▪ Buy back of shares ▪ Buy back of shares is EPS accretive ▪ Lowering of cash position reduces strategic flexibility and could pose liquidity risk
Return to debt holders III	<ul style="list-style-type: none"> ▪ Buyback of debt ▪ Limited amount of debt: NITSH I & II, Hybrone and FRESH ▪ Potential increase in NAV ▪ Positive carry in P&L ▪ Lowering of cash position reduces strategic flexibility and could pose liquidity risk

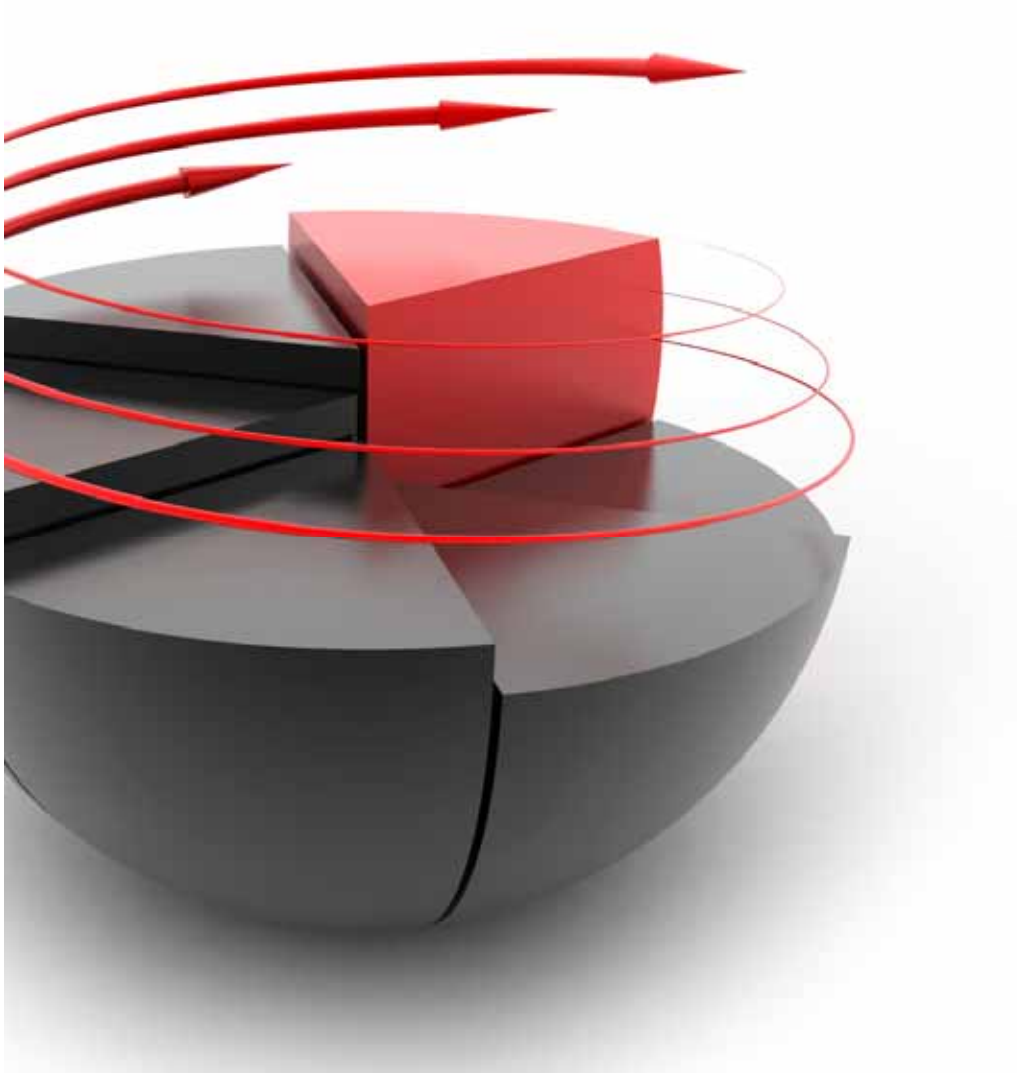


Using part of the EUR 1.3 bn of discretionary capital to invest in (existing) insurance activities while paying a recurrent dividend is expected to create most value. A buy back of hybrid instruments is not intended

Dividend policy >	<ul style="list-style-type: none"> ▪ Fortis is committed to pay a dividend in cash for 2009 ▪ Intends to pay an annual dividend of 40% to 50% of the net profit of the insurance activities
--------------------------	---

Management to meet appropriate business Key Performance Indicators (KPIs) quantifying our growth and profitability ambitions	Mature businesses <ul style="list-style-type: none">▪ Return on Equity▪ Top line growth▪ Value Added by New Business and Embedded Value▪ Cost ratio's in Life and Non-Life▪ Combined ratio Non-Life
	Growth businesses <ul style="list-style-type: none">▪ Top Line growth▪ Value added by new business and Embedded Value▪ Market share

➤➤ After completion of multi-year budget process, at the time of annual results 2009 results release, Fortis will quantify some target KPIs for the various businesses



1. Fortis today

2. Fortis going forward

3. Conclusion

“After the significant changes that have happened over the last year, Fortis has regained stability. The new Fortis is a solid international insurer with strong partnerships in Europe and Asia, ready to shape its future

Going forward

- Fortis will remain a **sound** insurance group, as demonstrated by its capital position, profile and profitability
- Fortis will **streamline** its portfolio to ensure that all activities meet 3 key criteria over time: meaningful contribution, critical size, and return in excess of cost of equity
- Fortis will **continue to invest** in its businesses as long as returns on investment are expected to exceed its cost of equity. For growth businesses, the value created will also be taken in consideration
- Fortis will grow further by developing value creating **partnerships** with leading distribution partners
- Fortis targets to pay an **annual cash dividend**. The target pay-out is 40% to 50% of the net profit of the insurance activities

