Prospectus

Fortis Luxembourg Finance S.A.

(Incorporated as a société anonyme under the Laws of the Grand Duchy of Luxembourg, registered with the Luxembourg Registry of Commerce and Companies under N° B24784)

unconditionally and irrevocably guaranteed by

Fortis Bank

(Incorporated in the Kingdom of Belgium)

minimum EUR 10,000,000 and maximum EUR 50,000,000

Reverse Convertible Notes 2005/2006 due 8 September 2006
convertible into Deutsche Bank AG shares

Public Offering in Belgium

Subscription period: from 17 February 2005 to 4 March 2005 included
save in case of early termination due to oversubscription
Issue Price: 102 %
Issue date: 8 March 2005
Application has been made to list the Notes
on Euronext Brussels

Fortis Bank

DEXIA CAPITAL MARKETS **KBC INTERNATIONAL GROUP**

PROSPECTIVE INVESTORS AND PURCHASERS SHOULD CONSIDER THE RISK FACTORS SET FORTH ON PAGES 3, 13 AND 25 OF THIS PROSPECTUS

This Prospectus is dated 16 February 2005

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SAMENVATTING VAN HET PROSPECTUS

dd 16 februari 2005 met betrekking tot de uitgifte van minimum EUR 10.000.000 en maximum EUR 50.000.000 *Reverse Convertible Notes* 2005/2006, terugbetaalbaar op 8 september 2006 hetzij in contanten tegen de nominale waarde, hetzij met een vooraf bepaald aantal aandelen Deutsche Bank AG

uitgegeven door Fortis Luxembourg Finance S.A.

onvoorwaardelijk en onherroepelijk gewaarborgd door

Fortis Bank nv

Belangrijk bericht – Risicofactoren

Deze *Reverse Convertible* 2005/2006 op aandelen Deutsche Bank AG ("Deutsche Bank"), uitgegeven door Fortis Luxembourg Finance S.A. met een bedrag van minimum EUR 10.000.000 en maximum EUR 50.000.000 en met een vervaldag op 8 september 2006, is een schuldinstrument met een korte looptijd en een relatief hoge coupon. Deze hogere opbrengst moet beschouwd worden als een vergoeding voor een eventuele terugbetaling, volgens de evolutie van de koers van de aandelen Deutsche Bank, hetzij in contanten tegen de nominale waarde van het schuldinstrument, hetzij met aandelen Deutsche Bank. Technisch gezien komt het product neer op de combinatie van een gewone obligatie en de aankoop van een put-optie door de emittent. De premie die de emittent betaalt voor de put-optie wordt in de hogere coupon verrekend. Bovendien wordt rekening gehouden met het feit dat Deutsche Bank **twee dividenden zou uitbetalen tussen 8 maart 2005 en 8 september 2006. De geschatte impact van deze dividendbetalingen op de waarde van het aandeel wordt eveneens verrekend in de premie voor de put-optie en dus ook in de hogere coupon.**
De investeerder kan als dusdanig worden beschouwd als de verkoper van een put-optie van het Europese type (enkel uitoefenbaar op vervaldag) die aan de koper ervan (de emittent van het schuldinstrument) het recht verleent om op de afloopdatum aan de verkoper (de investeerder) een bepaald aantal aandelen te leveren tegen een vooraf bepaalde koers, zelfs als die aandelen geen waarde meer hebben, wat tot gevolg zou kunnen hebben dat ingeval van een terugbetaling van het schuldinstrument in aandelen, het terugbetaalde bedrag nihil is.
Er wordt bijgevolg nadrukkelijk op gewezen dat, op het ogenblik van de aflossing van het schuldinstrument in aandelen Deutsche Bank, de investeerder een waarde in aandelen kan ontvangen die, op basis van de dan geldende beurskoers, een lagere waarde vertegenwoordigt dan de nominale waarde van de Reverse Convertible. De investeerder moet zich er degelijk van bewust zijn dat hij in dergelijk geval een verlies kan lijden dat theoretisch evenveel bedraagt als het ingelegd kapitaal.

Indien twijfel bestaat over het risico moeten de investeerders hun financieel adviseur raadplegen.

Goedkeuring door de Commissie voor het Bank-, Financie- en Assurantiewezen

Op 15 februari 2005 heeft de Commissie voor het Bank-, Financie- en Assurantiewezen het prospectus (samengesteld uit de *Offering Circular* in het Engels en uit de samenvattingen) goedgekeurd overeenkomstig artikel 14 van de Wet van 22 april 2003 betreffende de openbare aanbiedingen van effecten. Deze goedkeuring houdt geenszins een beoordeling in van de opportuniteit en de kwaliteit van de verrichting noch van de toestand van de persoon die ze uitvoert.
Het bericht voorgeschreven door artikel 13, lid 1 van de Wet van 22 april 2003 betreffende de openbare aanbiedingen van effecten verscheen in de pers.

In deze samenvatting heeft Fortis Bank de voornaamste karakteristieken van de verrichting vertaald. Fortis Bank verklaart verantwoordelijk te zijn voor deze vertaling. Een volledige beschrijving van de kenmerken van de *Reverse Convertible Notes* en van de uitgever en de borg kan teruggevonden worden in de *Offering Circular*. Enkel de *Offering Circular* heeft bewijskracht. De concordantie tussen de samenvattingen werd geverifieerd door Fortis Bank, die er de verantwoordelijkheid voor neemt.

Kenmerken van de verrichting

Uitgever *(Issuer)*	:	Fortis Luxembourg Finance S.A. – Luxemburg
Garant*(Guarantor)*	:	Fortis Bank nv-sa – België
Bedrag *(Principal Amount)*	:	Minimum EUR 10.000.000 tot maximum EUR 50.000.000
Vorm *(Denomination)*	:	Toondereffecten van EUR 1.000
Coupon *(Coupon))*	:	Een bedrag van EUR 120 bruto per coupure betaalbaar na 18 maanden op 8 september 2006
Uitgiftedatum *(Issue Date)*	:	8 maart 2005
Eindvervaldag *(Maturity Date)*	:	8 september 2006
Uitgifteprijs *(Issue Price)*	:	102%
Statuut van de effecten *(Status of the Notes)*	:	De effecten vormen een gewone niet-achtergestelde schuld van de Uitgever. Deze is pari passu geklasseerd in dezelfde rang als alle andere niet-achtergestelde huidige en toekomstige schulden van de Uitgever.
Notering *(Listing)*	:	Euronext Brussel (effectieve notering vanaf de levering van de Reverse Convertible Notes)
Financiële dienst	:	Fortis Bank
Vervroegde terugbetaling naar keuze van de uitgever *(Optional early Redemption)*	:	Niet toegelaten, behalve in volgende gevallen: • vereffening van de uitgever; • schrapping van de notering van de aandelen; • nationalisatie van de aandelen zoals beschreven in art.5(b) van de "Terms and Conditions" vervat in de Offering Circular hierna.
Vervroegde terugbetaling naar keuze van de houder	:	Niet toegelaten
Inschrijvingsperiode	:	Van 17 februari 2005 tot en met 4 maart 2005, vervroegde afsluiting mogelijk
Betalingsdatum	:	8 maart 2005
Codes	:	ISIN : XS0213297202
Levering van de Reverse Convertible Notes	:	Binnen de 6 maanden volgend op de betaaldatum
Terugbetaling *(Redemption)*	:	De terugbetaling op de vervaldatum gebeurt:

1. **HETZIJ TEGEN 100% VAN DE NOMINALE WAARDE**, in EUR tegen overhandiging van de toonderstukken, indien de Eindwaarde van de aandelen Deutsche Bank AG ("**Deutsche Bank**") gelijk is aan of hoger is dan de Initiële waarde.

2. **HETZIJ, NAAR KEUZE VAN DE UITGEVER, TEGEN 100% VAN DE NOMINALE WAARDE OF MET AANDELEN DEUTSCHE BANK** indien de Eindwaarde van de aandelen Deutsche Bank lager is dan de Initiële Waarde.

2.1 Het aantal aandelen per schuldinstrument wordt vastgesteld op basis van het gemiddelde van de slotkoersen van de aandelen op Xetra Frankfurt op drie werkdagen voorafgaand aan 8 maart 2005.
Aantal aandelen= EUR 1.000 / Initiële Waarde.
De levering van de aandelen gebeurt op de effectenrekening van de houder tegen afgifte van de mantel van het schuldinstrument. Fracties van aandelen zullen cash in euro betaald worden op basis van de slotkoers van de aandelen op Xetra Frankfurt op 1 september 2006.

2.2 Conform de marktgebruiken en de belangen van de houders, kunnen de voorwaarden aangepast worden in bepaalde omstandigheden, zoals buitengewone dividenden, kapitaalwijzigingen, fusie, reorganisatie, conversie van de aandelen,(zoals beschreven in art. 6 van de "Terms and Conditions" vervat in de Offering Circular hierna).

2.3 Zes maanden na de vervaldag heeft de fiscale agent het recht om, in naam van de uitgever :
(i) de aandelen aangaande de Reverse Convertible effecten die niet voor terugbetaling aangeboden werden te verkopen, en
(ii) het bedrag in euro te bepalen, waartegen de Reverse Convertible effecten vanaf die datum zullen terugbetaald worden.

Initiële Waarde: het gemiddelde van de slotkoersen van de aandelen op Xetra Frankfurt op de drie werkdagen voorafgaand aan 8 maart 2005.
Eindwaarde: de slotkoers van de aandelen op Xetra Frankfurt op 1 september 2006.
De beslissing aangaande de terugbetaling in aandelen of tegen 100% wordt bekendgemaakt in de pers voor 8 september 2006.

Toepasselijk recht	:	Luxemburg
Rechtbanken	:	Luxemburg of België
Kosten	:	- Taks op beursverrichtingen bij verkoop/aankoop na de initiële inschrijvingsperiode: 0,07% ; - Taks op beursverrichtingen ingeval van terugbetaling in aandelen: 0,17%; - Kosten van de fysieke levering van de Reverse Convertible Notes: ten laste van de inschrijver (EUR 20 + BTW per levering, bij Fortis Bank); - Leveringskosten van de Reverse Convertible Notes en/of de aandelen op de effectenrekening: ten laste van de inschrijver (gratis bij Fortis Bank); - Financiële dienst: gratis bij de betaalkantoren (zie hierboven).
Mededelingen	:	Alle mededelingen aan de houders van de Reverse Convertible Notes zullen gepubliceerd worden in de Belgische financiële pers (De Tijd en L'Echo) binnen de 7 dagen na elk feit dat een publicatie noodzaakt.
De Uitgever	:	Fortis Luxembourg Finance is een dochtervennootschap van Fortis Bank met als doel de bank bij te staan in haar financieringsbehoeften.
De Garant	:	Fortis Bank maakt deel uit van de Fortis groep die in 1990 ontstond uit de fusie van Belgiës grootste verzekeraar AG 1824 met de Nederlandse bankverzekeringscombinatie AMEV/VSB. Sindsdien is Fortis, zowel op eigen kracht als door toetreding van diverse bedrijven (bijvoorbeeld de fusie van ASLK Bank en Generale Bank op 23 juni 1999), die stuk voor stuk een goede reputatie hebben opgebouwd, uitgegroeid tot een concern dat wereldwijd actief is op het

gebied van verzekeren, bankieren en beleggen.
Operationeel heeft Fortis haar activiteiten onderverdeeld in een bankgroep en een verzekeringsgroep. Via haar eigen distributienetwerken (waaronder zo'n 3000 kantoren in de Benelux) wordt, voornamelijk onder de naam Fortis Bank, een volledig pakket financiële diensten verleend (inclusief bankverzekeren). Bij de verzekeringsactiviteiten verloopt de financiële dienstverlening hoofdzakelijk via tussenpersonen (ondermeer makelaars).

Fortis Bank stelt zich tot doel een toonaangevende geïntegreerde financiële dienstverlener te zijn. Daarom wil zij in de Benelux, die haar thuismarkt is, haar positie van leidende bank nog versterken, en dit voor alle marktsegmenten: particulier en zakelijk bankieren, private banking, asset management en andere gespecialiseerde domeinen.
Die toonaangevende positie op haar thuismarkt moet het Fortis Bank mogelijk maken ook over de grenzen heen haar voortrekkersrol te verstevigen en te verruimen. In Europa wil Fortis Bank haar huidige aanwezigheid versterken en zich selectief op nieuwe markten begeven. Daarbij zal de bank selectief gebruik maken van (beperkte) overnames. Fortis Bank streeft zo op middellange termijn naar een leidende rol in bepaalde marktsegmenten.
Buiten Europa wil Fortis Bank aanwezig zijn in alle landen waar dat wenselijk is voor haar klanten. Dat kan zijn als financiële dienstverlener, zoals in Zuidoost-Azië, en als nichespeler, zoals in Afrika.
Fortis Bank is bovendien wereldwijd actief in bepaalde gespecialiseerde domeinen, zoals private banking, asset management en financial markets. Zij richt zich ook tot bepaalde cliëntengroepen zoals grote ondernemingen, institutionele klanten, banken en tussenpersonen op de financiële markt.

Fortis Bank profileert zich als een bank met een grensoverschrijdende organisatie en een virtueel hoofdkwartier in de Benelux. Dit betekent dat naargelang de activiteit, de aansturing gebeurt vanuit Brussel, Amsterdam, Rotterdam of Luxemburg.
De organisatie is niet alleen grensoverschrijdend, maar ook cliëntgericht. De business lines richten zich op cliënten met dezelfde of gelijksoortige behoeften en producten/diensten.
De "op segmenten steunende" 3 businesses zijn:

- particulieren, professionelen en kleine ondernemingen
- middelgrote ondernemingen, corporates en de publieke sector
- private banking.

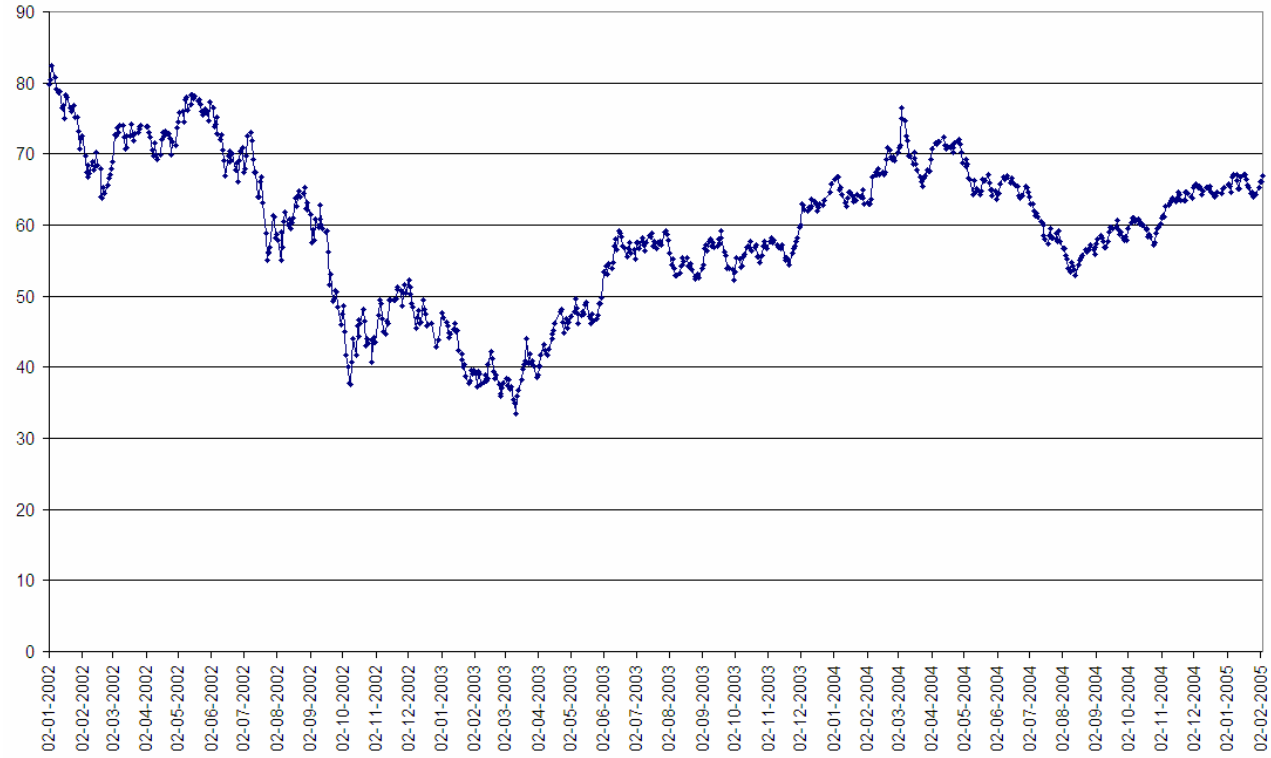
De "gespecialiseerde" business lines zijn:

- Network Banking
- Merchant banking :
  - Global Markets
  - Corporate and Investment Banking
  - Global Private Equity
  - Institutional Banking and OnShore Fund Services
- Private Banking, Asset Management and Information Banking

Het aandeel : Met haar 68.500 bedienden en meer dan 13 miljoen klanten verspreid over 76 landen is Deutsche Bank een van de leiders inzake internationale financiële dienstverlening. Als moderne en universele bank biedt zij tal van bankdiensten aan particulieren, en beschikt zij tevens over een ruim productaanbod voor corporate en institutionele klanten.

Evolutie van de aandelen : Inlichtingen over de waarde van de aandelen Deutsche Bank en de koers van de Reverse Convertible Notes gedurende de looptijd van de lening kunnen in de kantoren van Fortis Bank worden verkregen.
De onderstaande grafiek toont de evolutie van de aandelen Deutsche Bank op Xetra Frankfurt voor de periode van 1 januari 2002 tot 3 februari 2005. Op 15 februari 2005 bedroeg de slotkoers van de aandelen op Xetra Frankfurt EUR 64,20.

DEUTSCHE BANK



(in EUR) *(Bron : Bloomberg)*

Simulatie op de vervaldag : De onderstaande tabel geeft de theoretische rendementen voor de investeerder in functie van de waarde van de aandelen.
De rendementen zijn bruto actuariële rendementen berekend op basis van de rentevoet, de volledige looptijd, de uitgifteprijs en de terugbetalingsprijs

Verschil tussen de Eindwaarde en de Initiële Waarde	Rendement investeerder
>0%	6,434%
0%	6,434%
- 5%	3,242%
-10%	0,000%
-20%	-6,648%
-50%	-28,244%

Samenstelling van de coupon : De jaarlijkse rentevoet is samengesteld uit:
(i) de rentevoet van een obligatie op één jaar uitgegeven door de emittent;
(ter informatie: deze rentevoet bedraagt heden 2,43% en
(ii) een jaarlijkse premie voor de put-optie.
De coupon die weerhouden werd bedraagt EUR 120, zodat de interest op jaarbasis 8% is, en werd vastgesteld op 16 februari 2005.
De marktwaarde van de put-optie wordt door de uitgever geschat op 8,65% van de nominale waarde van de Reverse Convertible Notes op het moment van de uitgifte. De prijs van deze optie werd onder andere berekend in functie van de looptijd, de uitoefenprijs, de rentevoet en de graad van volatiliteit van het onderliggende aandeel. Om deze waarde te berekenen werd een volatiliteit van 17,5% toegepast, terwijl de volatiliteit op één jaar 21% bedraagt.

Secundaire markt	:	Fortis Bank is *market maker* voor deze uitgifte en garandeert, onder normale marktomstandigheden, een *spread* van 1% tot de vervaldatum van de Reverse Convertible Notes.

Algemene Informatie

De Raad van bestuur van de Uitgever heeft op 9 februari 2005 beslist deze schuldinstrumenten uit te geven. De beslissing inzake de waarborg werd door het Merchant Bank Risk Committee van de Garant genomen op 10 februari 2005 in overeenstemming met de delegatie gegeven door de Raad van Bestuur.

De netto opbrengst van deze uitgifte zal door de Uitgever gebruikt worden voor de financieringsbehoeften van de Fortis groep.

Het volledige bedrag van de uitgifte van de Reverse Convertible Notes zal worden onderschreven door de banken vermeld op de eerste pagina van de *Offering Circular*, op basis van een *Underwriting Agreement*.

De Uitgever betaalt aan de voornoemde banken een commissie van 2% van het uitgiftebedrag van de Reverse Convertible Notes alsook een bedrag dat de wettelijke, administratieve en diverse kosten dekt. De opbrengst van de lening na afhouding van de kosten is bestemd voor de financiering van de activiteiten van de Fortis Bank groep.

Het prospectus (de *Offering Circular* en de samenvattingen van het prospectus) kan verkregen worden bij Fortis Bank, Warandeberg 3, 1000 Brussel. De investeerder kan op deze adressen ook gratis een kopie bekomen van de laatste jaarrekeningen van de Uitgever, de Garant, Deutsche Bank en van de laatste jaarrekeningen en halfjaarrekeningen van Fortis groep. De meest recente jaarrekeningen en halfjaarrekeningen van Fortis Groep zijn ook beschikbaar op www.Fortis .com

Het Fiscal Agency Agreement, de tekst van de borg en de statuten van de Uitgever en de Garant kunnen op hetzelfde adres geraadpleegd worden.

De Reverse Convertible Notes werden aanvaard in de liquidatiesystemen van Clearstream en Euroclear onder de Common Code 021329720 en de ISIN Code XS0213297202.

Fiscaal Regime

Alle betalingen in verband met deze Reverse Convertible Notes zullen in elk geval onderworpen zijn aan de fiscale wetten of andere wetten of reglementen van kracht in het land waar de betalingen gebeuren.

Belgisch fiscaal regime betreffende de schuldinstrumenten:
Voor de toepassing van de Belgische inkomstenbelasting zijn de schuldinstrumenten als vastrentende effecten te beschouwen (artikel 2 § 4 WIB/92).

Fiscaal regime voor natuurlijke personen die Belgisch rijksinwoner zijn.
Uitgenomen in het uitzonderlijk geval van natuurlijke personen die hun schuldinstrumenten hebben aangewend voor hun beroepsactiviteit is de fiscale behandeling van de interesten betaald aan natuurlijke personen die Belgische rijksinwoners zijn, de volgende:
Op de inkomsten uit buitenlandse schuldinstrumenten die worden geïnd door tussenkomst van een in België gevestigde professionele tussenpersoon (bvb. financiële instelling) zal 15% roerende voorheffing worden ingehouden. De inhouding van de roerende voorheffing is bevrijdend in hoofde van de particuliere beleggers. Dit betekent dat de belastingplichtigen er niet zullen toe gehouden zijn in hun belastingaangifte melding te maken van inkomsten uit effecten van Belgische of buitenlandse schuldvorderingen die ze hebben verkregen, voor zover op deze inkomsten roerende voorheffing werd geheven (artikel 313 W.I.B./92).
Indien de interesten niet onderworpen zijn geweest aan de inhouding van roerende voorheffing, dan is de belastingplichtige natuurlijke persoon ertoe gehouden ze aan te geven in zijn belastingaangifte in de personenbelasting. In dit geval zijn de interesten onderworpen aan het afzonderlijk tarief van 15% verhoogd met gemeentelijke opcentiemen.
Meerwaarden verwezenlijkt op de verkoop van effecten voor vervaldag zijn (buiten de reeds verlopen interesten) in principe niet belastbaar, tenzij bij terugkoop door de Uitgever. In dit geval, evenals op de eindvervaldag, worden de meerwaarden belastbaar als interesten. De minderwaarden zijn in geen geval fiscaal aftrekbaar.

Fiscaal regime van toepassing op vennootschappen.
In hoofde van de belastingplichtigen die onderworpen zijn aan de vennootschapsbelasting maken de inkomsten uit buitenlandse schuldinstrumenten, die als beroepsinkomsten worden aangemerkt, deel uit van hun belastbare basis.
Het feit dat deze inkomsten in hun hoofde als beroepsinkomsten worden beschouwd heeft echter geen invloed op de toepassing van de roerende voorheffing. Inderdaad, artikel 37 W.I.B./92 bepaalt dat “onverminderd de toepassing van de voorheffingen, worden inkomsten van roerende goederen en kapitalen als beroepsinkomsten aangemerkt wanneer die goederen en kapitalen worden gebruikt voor het uitoefenen van de beroepswerkzaamheid van de verkrijger van de inkomsten”. In hoofde van deze belastingplichtigen heeft de roerende voorheffing haar ware aard van op de vennootschapsbelasting aan te rekenen voorschot behouden. De roerende voorheffing is slechts verrekenbaar in verhouding tot het tijdperk waarin de vennootschap de volle eigendom van de effecten heeft gehad (artikel 280 W.I.B./92).
In geval van inning in België kan de vennootschap die in België verblijf houdt, mits voorlegging van een identificatiebewijs *ad hoc*, een vrijstelling van roerende voorheffing bekomen (artikel 108 K.B./W.I.B. 92).
In geval van vervreemding op de secundaire markt zijn de meerwaarden belastbaar, terwijl de minderwaarden aftrekbaar zijn.

Fiscaal regime van toepassing op niet-verblijfhouders.
De inkomsten uit buitenlandse schuldinstrumenten die werden geïnd door tussenkomst van een in België gevestigde tussenpersoon (bvb. financiële instelling) zijn onderworpen aan een heffing van roerende voorheffing ten belope van 15%.
In geval van inning in België kunnen de niet-verblijfhoudende spaarders, mits voorlegging van een identificatiebewijs *ad hoc*, een vrijstelling van roerende voorheffing bekomen Deze vrijstelling zal slechts kunnen worden bekomen indien de schuldinstrumenten niet voor het uitoefenen van een beroepswerkzaamheid in België worden aangewend (artikel 230 WIB 92).
De niet-verblijfhouders die de schuldinstrumenten aanwenden voor het uitoefenen van een beroepswerkzaamheid in België (bvb. onder de vorm van een vaste inrichting), zijn onderworpen aan dezelfde regels als de Belgische binnenlandse vennootschappen (artikel 280 WIB./92 en artikel 108 KB/WIB.92).
Krachtens de Europese richtlijn op het spaarwezen (N° 2003/48/EG van 3 juni 2003 (OJ – L 157)), zal België maatregelen invoeren om vanaf 2005 een bronbelasting van 15% (tarief dat geleidelijk oploopt tot 20% en 35%) in te houden op de rentebetalingen aan natuurlijke personen woonachtig in de Europese Unie maar niet woonachtig in België. België zal tevens een procedure van niet-toepassing van deze belasting moeten invoeren die zal toegepast worden als de lidstaat waar de gerechtigde woonachtig is op de hoogte is van zijn identiteit, van het bedrag van de rentebetalingen, enz.

Fiscaal regime van toepassing op de belastingplichtigen onderworpen aan de rechtspersonenbelasting.
Wat betreft de belastingplichtigen onderworpen aan de rechtspersonenbelasting, t.t.z. verenigingen, inrichtingen van instellingen die rechtspersoonlijkheid bezitten maar die geen onderneming exploiteren of zich niet met verrichtingen van winstgevende aard bezighouden, is de roerende voorheffing een definitieve belasting. Dit betekent dat de roerende voorheffing van 15% die wordt ingehouden op de interesten van de schuldinstrumenten die ze in België innen in hun hoofde de enige belasting is met betrekking tot deze inkomsten.

De belastingplichtigen onderworpen aan de rechtspersonenbelasting die de interesten van de schuldinstrumenten in het buitenland innen zonder de tussenkomst van een in België gevestigde tussenpersoon zijn zelf gehouden tot voldoening van de roerende voorheffing. Meerwaarden verwezenlijkt op de verkoop van effecten voor vervaldag zijn (buiten de reeds verlopen interesten) niet belastbaar, tenzij bij terugkoop door de Uitgever. In dit geval, evenals op de eindvervaldag worden de meerwaarden belastbaar als interesten. De minderwaarden zijn in geen geval fiscaal aftrekbaar.

Fiscaal regime betreffende de ***aandelen*** (indien op de eindvervaldag certificaten van aandelen worden geleverd):

Belgisch fiscaal regime:
Fiscaal regime voor natuurlijke personen die Belgisch rijksinwoner zijn.
Bovenop de buitenlandse bronheffing zal in geval van inning in België d.m.v. een financieel tussenpersoon een Belgische bevrijdende roerende voorheffing van in principe 25 % op het nettobedrag van het dividend worden ingehouden. Daarna zullen geen bijkomende belastingen meer worden geheven, zodat de Belgische verblijfhouder geen verdere opgave hoeft te doen bij zijn jaarlijkse aangifte. In geval van inning zonder dat de Belgische roerende voorheffing werd ingehouden (bij inning in het buitenland), dienen de Belgische rijksinwoners het bedrag der dividenden (na aftrek van de buitenlandse voorheffing) te vermelden in hun belastingaangifte. Deze zullen dan in principe belast worden aan het afzonderlijk tarief van 25 %, vermeerderd met de aanvullende gemeentebelastingen.
De eventueel gerealiseerde meerwaarden op overdracht van deze certificaten van aandelen door natuurlijke personen die in België verblijven zijn niet belastbaar. Deze natuurlijke personen kunnen eventueel onderworpen zijn aan een Belgische belasting van 33 % (te vermeerderen met de aanvullende crisisbijdrage en de aanvullende gemeentebelasting), indien de gerealiseerde meerwaarden winsten zijn uit verrichtingen of speculatie(s) die buiten het gewone beheer van het privé-patrimonium vallen. De eventuele gerealiseerde minderwaarden zijn fiscaal niet aftrekbaar.

Fiscaal regime van toepassing op vennootschappen.
Dividendbetalingen die, in België, via een financieel tussenpersoon werden geïnd of ontvangen door een vennootschap zijn niet onderhevig aan Belgische roerende voorheffing (art.108KB/WIB92) op voorwaarde dat de begunstigde daartoe een formulier *ad hoc* invult. Deze dividenden kunnen definitief belaste inkomsten (DBI) uitmaken in overeenstemming met de normale regels in dit verband (dat zal in principe het geval zijn).
De door Belgische vennootschappen gerealiseerde meerwaarden op verkoop van de ontvangen certificaten van aandelen blijven in principe onbelast. De eventuele gerealiseerde minderwaarden zijn fiscaal niet aftrekbaar.

Fiscaal regime van toepassing op niet-verblijfhouders.
De inkomsten uit buitenlandse certificaten van aandelen die werden geïnd door tussenkomst van een in België gevestigde tussenpersoon (bvb. financiële instelling) zijn onderworpen aan een heffing van roerende voorheffing ten belope van 25 %.In geval van inning in België kunnen de niet-verblijfhoudende spaarders, mits voorlegging van een identificatiebewijs *ad hoc*, een vrijstelling van roerende voorheffing bekomen. Deze vrijstelling zal slechts kunnen worden bekomen indien de certificaten van aandelen niet voor het uitoefenen van een beroepswerkzaamheid in België worden aangewend (artikel 230 WIB92). De niet-verblijfhouders die de certificaten van aandelen aanwenden voor het uitoefenen van een beroepswerkzaamheid in België (bvb. onder de vorm van een vaste inrichting), zijn onderworpen aan dezelfde regels als de Belgische binnenlandse vennootschappen (artikel 280 WIB/92 en artikel 108 KB/WIB.92).

Fiscaal regime van toepassing op de belastingplichtigen onderworpen aan de rechtspersonenbelasting.
Bovenop de buitenlandse bronheffing zal in geval van inning in België d.m.v. een financieel tussenpersoon een Belgische bevrijdende roerende voorheffing van in principe 25 % op het nettobedrag van het dividend worden ingehouden. Daarna zullen geen bijkomende belastingen meer worden geheven op deze inkomsten. Indien de dividenden buiten België worden geind, zonder tussenkomst van een Belgische tussenpersoon, dan zal de aandeelhouder, entiteit onderworpen aan de Belgische rechtspersonenbelasting, ertoe gehouden zijn om zelf de Belgische roerende voorheffing door te storten. De meerwaarden gerealiseerd door aan de Belgische rechtspersonenbelasting onderworpen entiteiten zijn niet belastbaar. Gerealiseerde minderwaarden zijn fiscaal niet aftrekbaar.

Dividenden uitgekeerd door een Duitse vennootschap aan een Belgische verblijfhouder:
Volgens de huidige Duitse belastingwetgeving wordt op de dividenden uitgekeerd door een vennootschap gevestigd in Duitsland aan een niet-verblijfhouder 26,375 % (Kapitalertragsteuer en Solidaritätszuschlag) aan de bron ingehouden. De overeenkomst ter voorkoming van de dubbele belasting afgesloten tussen Duitsland en België (11 april 1967) voorziet dat die inhouding kan worden beperkt tot 15 % ten gunste van de Belgische aandeelhouder.
De overeengekomen vermindering verkrijgt men door terugbetaling, na afgifte aan de Duitse belastingoverheid van de aanvraag daartoe (formulieren DBA -Allgemeine Kapitalertragsteuererstattung), voorzien van het visum van het Taxatiekantoor van de aanvrager.

Europese Richtlijn met betrekking tot de heffing op inkomsten uit spaargelden
De EU heeft een Richtlijn met betrekking tot de heffing op inkomsten uit spaargelden aangenomen. Indien er een aantal belangrijke voorwaarden worden vervuld, wordt er voorgesteld dat Lidstaten verplicht zullen worden vanaf ten vroegste 1 juli 2005 aan belastingsadministraties van andere Lidstaten informatie te verstrekken betreffende betalingen van interest en andere

vergelijkbare inkomsten door een persoon aan een natuurlijke persoon in een andere Lidstaat, behalve dat Oostenrijk, België en Luxemburg gedurende een overgangsperiode, in de plaats van het systeem van automatische uitwisseling van informatie, een bronheffing zullen toepassen op dergelijke inkomsten tenzij zij gedurende deze overgangsperiode anders verkiezen (deze overgangsperiode zal eindigen op de inwerkingtreding van bepaalde overeenkomsten met niet-EU Lidstaten betreffende de uitwisseling van informatie). Een Wetsontwerp tot omzetting in het Belgisch recht van de bovenvermelde Richtlijn werd bekendgemaakt in de Parlementaire Documenten van de Belgische Kamer van Volksvertegenwoordigers op 17 maart 2004. De Wet van 17 mei 2004 (Belgisch Staatsblad, 27 mei 2004) zet de bovenvermelde Richtlijn in het Belgisch recht om. Deze Wet bevat de mogelijkheid dat de overgangsperiode eindigt vóór de inwerkingtreding van de overeenkomsten met bepaalde niet-EU landen waarnaar verwezen wordt in de Richtlijn.

Bovenstaande beschrijving is een samenvatting van de huidige belastingwetgeving en kan dus in de tijd veranderen. Raadpleeg uw financiële en fiscale adviseur ingeval van twijfel.

RESUME DU PROSPECTUS

daté du 16 février 2005 relatif à l'émission de minimum EUR 10.000.000 et maximum EUR 50.000.000 *Reverse Convertible Notes* 2005/2006, remboursable le 8 septembre 2006 soit à 100% de la valeur nominale en espèces, soit en un nombre prédéterminé d'actions Deutsche Bank AG

émis par
Fortis Luxembourg Finance S.A.
avec la garantie inconditionnelle et irrévocable de
Fortis Banque sa

Avis important – Facteurs de Risque

Ce titre Reverse Convertible 2005/2006 émis par Fortis Luxembourg Finance S.A. sur actions Deutsche Bank AG («Deutsche Bank»), pour un montant de minimum EUR 10.000.000 et maximum EUR 50.000.000 et arrivant à maturité le 8 septembre 2006, est un titre de créance courant sur une courte période et offrant un coupon relativement élevé qui doit être considéré comme rémunérant le fait que le montant à l'échéance peut être remboursé, suivant l'évolution du cours des actions Deutsche Bank, soit au comptant (valeur nominale du titre de créance), soit en un nombre prédéterminé d'actions Deutsche Bank.
D'un point de vue technique, ce produit correspond à la combinaison d'une obligation ordinaire et de l'achat, par l'émetteur, d'une option put. La prime payée par l'émetteur pour cette option put est comprise dans le coupon élevé. Il est à noter que deux dividendes devraient être payés par Deutsche Bank entre le 8 mars 2005 et le 8 septembre 2006. L'estimation de l'impact du paiement de ces dividendes sur la valeur des actions Deutsche Bank est comprise dans la prime de l'option put et donc dans le coupon élevé.
L'investisseur peut être considéré comme le vendeur d'une option put de type européen (exerçable seulement à échéance). Celle-ci donne droit à l'acheteur de l'option (l'émetteur du titre de créance) de livrer au vendeur de l'option (l'investisseur), le jour du terme de l'option, un certain nombre d'actions à un cours préalablement déterminé, même si ces actions ont une valeur de marché nulle. Cela peut avoir pour conséquence que, dans le cas d'un remboursement du titre de créance en actions, le montant remboursé sera également nul.
Dès lors, nous insistons sur le fait qu'au moment du remboursement du titre de créance en actions Deutsche Bank, l'investisseur peut recevoir une valeur en certificats d'actions représentant, au cours de bourse en vigueur, une valeur inférieure à la valeur nominale du titre de créance *Reverse Convertible*. L'investisseur doit prendre conscience qu'un tel risque peut provoquer une perte théoriquement aussi élevée que le capital investi.

En cas de doute relatif au risque impliqué, les investisseurs doivent consulter un spécialiste en conseils financiers.

Approbation Commission bancaire, financière et des assurances

En date du 15 février 2005, le prospectus (composé de l'*Offering Circular* rédigé en langue anglaise et du résumé) a été approuvé par la Commission bancaire, financière et des assurances conformément à l'article 14 de la Loi du 22 avril 2003 relative aux offres publiques de titres. Cette approbation ne porte aucun jugement sur l'opportunité ou la qualité de la transaction, ni sur la situation de la personne qui l'effectue.
L'avis prescrit par l'article 13, alinéa 1 de la Loi du 22 avril 2003 relative aux offres publiques de titres a été publié dans la presse.

Fortis Banque a traduit dans le présent résumé les principales caractéristiques de l'opération. Fortis Banque prend la responsabilité de la présente traduction. Une description complète des termes et conditions des *Reverse Convertible Notes*, de l'émetteur et du garant se trouve dans l'*Offering Circular*. C'est *l'Offering Circular* qui fait foi. La concordance entre les résumés a été vérifiée par Fortis Banque qui en prend la responsabilité.

Caractéristiques de l'opération

Emetteur (*Issuer*)	:	Fortis Luxembourg Finance S.A. – Luxembourg
Garant (*Guarantor*)	:	Fortis Bank nv-sa – Belgique
Montant (*Principal* A*mount*)	:	Minimum EUR 10.000.000 et maximum EUR 50.000.000
Forme (*Denomination*)	:	Titres au porteur de EUR 1.000
Coupon (*Coupon*)	:	EUR 120 brut par coupure de EUR 1.000 après 18 mois, le 8 septembre 2006,
Date d'émission (*Issue Date*)	:	8 mars 2005
Echéance finale *(Maturity Date)*	:	8 septembre 2006
Prix d'émission (*Issue price*)	:	102%
Statut des titres *(Status of the Notes)*	:	Les titres constituent une dette ordinaire non subordonnée de l'Emetteur. Elle est classée pari passu au même rang que toutes les autres dettes non-subordonnées présentes et futures de l'Emetteur.
Cotation (*Listing*)	:	Euronext Bruxelles (cotation effective dès la livraison physique des Reverse Convertible Notes)
Service financier	:	Fortis Banque
Remboursement anticipé au gré de l'émetteur *(Optional Early Redemption)*	:	Non autorisé, sauf dans les cas suivants : • liquidation de l'émetteur • suppression de la cotation des actions • nationalisation des actions comme spécifié dans l'art.5(b) des « Terms and Conditions » repris dans l'Offering Circular ci-après.
Remboursement anticipé au gré du détenteur	:	Non autorisé
Période de souscription	:	Du 17 février 2005 au 4 mars 2005 inclus, clôture anticipée possible
Date de paiement	:	8 mars 2005
Codes	:	ISIN : XS0213297202
Livraison des Reverse Convertible Notes	:	Dans les six mois suivant la date de paiement
Remboursement du principal (*Redemption*)	:	Le remboursement à l'échéance se fera :

1. **<u>SOIT A 100% DE LA VALEUR NOMINALE</u>,** en EUR contre remise des titres au porteur, si la Valeur Finale des actions Deutsche Bank AG ("**Deutsche Bank**") est supérieure ou égale à la Valeur Initiale ;

2. **<u>SOIT, AU CHOIX DE L'EMETTEUR, A 100% DE LA VALEUR NOMINALE OU EN ACTIONS DEUTSCHE BANK</u>**, si la Valeur Finale des actions Deutsche Bank est inférieure à la Valeur Initiale.

2.1 Le nombre d'actions par titre de créance sera fixé sur base de la moyenne des cours de clôture des actions les trois jours ouvrables précédant le 8 mars 2005 sur Xetra frankfurt : Nombre d'actions = EUR 1.000 / Valeur Initiale.
La livraison des actions s'effectuera sur le compte-titres des détenteurs des Reverse Convertible Notes contre remise du manteau du titre de créance. Les fractions d'actions seront payées en espèces en euro sur base du cours de clôture des actions le 1 septembre 2006 sur Xetra Frankfurt.

2.2 En conformité avec les usances du marché et les intérêts des détenteurs des Reverse Convertible Notes, les conditions peuvent être adaptées en cas d'événements exceptionnels : dividende extraordinaire, modification du capital, fusion, réorganisation, conversion des actions (comme spécifié dans l'art.6 des « Terms and Conditions » repris dans l'Offering Circular ci-après).

2.3 Six mois après la date d'échéance, l'agent fiscal, au nom de l'émetteur, a le droit de (i) vendre les actions concernant les titres Reverse Convertible non présentés pour remboursement et (ii) déterminer le montant en euros auquel les titres Reverse Convertible seront remboursés à partir de cette date.

<u>Valeur Initiale</u> : moyenne des cours de clôture des actions les trois jours ouvrables précédant le 8 mars 2005 sur Xetra Frankfurt.

Valeur Finale : cours de clôture des actions le 1 septembre 2006 sur Xetra Frankfurt.
La décision de rembourser en actions ou en cash à 100% sera publiée dans la presse avant le 8 septembre 2006.

Droit applicable : Luxembourg

Tribunaux : Luxembourg ou Belgique

Frais :
- Taxe sur opérations de bourse à la vente/achat après la période initiale de souscriptiion: 0,07%);
- Taxe sur opérations de bourse en cas de remboursement actions : 0,17% ;
- Frais de livraison physique des Reverse Convertible Notes : à charge des souscripteurs (EUR 20 + TVA par livraison, chez Fortis Banque);
- Frais de livraison des Reverse Convertible Notes et/ou desactions sur compte titre: à charge des souscripteurs (gratuit chez Fortis Banque);
- Service financier : gratuit auprès des agents payeurs (cfr supra).

Avis : Tous les avis aux détenteurs des Reverse Convertible Notes seront publiés dans la presse financière belge (L'Echo et De Tijd) endéans les 7 jours après la survenance d'un fait qui nécessite une publication.

L'Emetteur : Fortis Luxembourg Finance est une filiale de Fortis Banque, ayant pour objectif principal de contribuer au financement de Fortis Banque.

Le Garant : Fortis Banque fait partie du groupe Fortis, issu de la fusion, en 1990, de AG 1824, principale compagnie d'assurances belge, et du groupe néerlandais AMEV/VSB. Depuis, Fortis s'est considérablement développé, tant de manière autonome que par l'acquisition d'entreprises qui, comme la CGER et la Générale de Banque (fusion du 23 juin 1999), se sont forgé une solide réputation.
Sur le plan opérationnel, Fortis se compose d'un pôle bancaire et d'un pôle assurances. Le pôle bancaire propose, principalement sous le nom de Fortis Banque, une palette complète de services financiers (y compris la bancassurance) via ses propres réseaux (dont 3.000 agences au Benelux). Le pôle assurance distribue ses services financiers essentiellement par l'intermédiaire de tiers (notamment des courtiers).

Fortis Banque a pour objectif de devenir un prestataire de services financiers intégrés de premier ordre. C'est pourquoi elle entend renforcer encore la position dominante qu'elle occupe au Benelux, son marché domestique, et ce, dans tous les segments de clientèle.
Cette position de tête sur son marché domestique doit permettre à Fortis Banque de conforter et d'étendre son rôle de précurseur par-delà les frontières également. En Europe, Fortis Banque entend renforcer sa présence actuelle et développer ses activités de manière sélective sur de nouveaux marchés. Elle compte y parvenir par le biais d'acquisitions choisies (et limitées).
Dans le reste du monde, Fortis Banque veut être présente partout où l'exigent les activités de ses clients, en tant que prestataire de services financiers tantôt actif sur tous les marchés, comme en Asie du Sud-Est, tantôt concentré sur certaines niches, comme en Afrique.
Fortis Banque offre en outre des services spécialisés dans le monde entier, dans les domaines du private banking, de l'asset management et des financial markets. Elle s'adresse aussi à des segments de clientèle spécifiques tels que les grandes entreprises, les clients institutionnels, les banques et les intermédiaires sur les marchés financiers.

Fortis Banque se profile comme une banque dotée d'une organisation transfrontalière. Une banque qui a virtuellement établi son quartier général au Benelux, dirigeant, selon le cas, ses activités au départ de Bruxelles, Amsterdam, Rotterdam ou Luxembourg.
Transfrontalière, donc, l'organisation de Fortis Banque est également centrée sur le client. Chaque business line regroupe des activités qui s'adressent à des clients ayant des besoins similaires et utilisant des produits et services spécifiques.
On distingue trois businesses orientés vers des segments de clientèle spécifiques :
- particuliers, indépendants et petites entreprises
- moyennes entreprises, corporates et secteur public
- private banking.

Les business lines se concentrant sur une activité spécialisée sont:
- Network Banking
- Merchant banking :

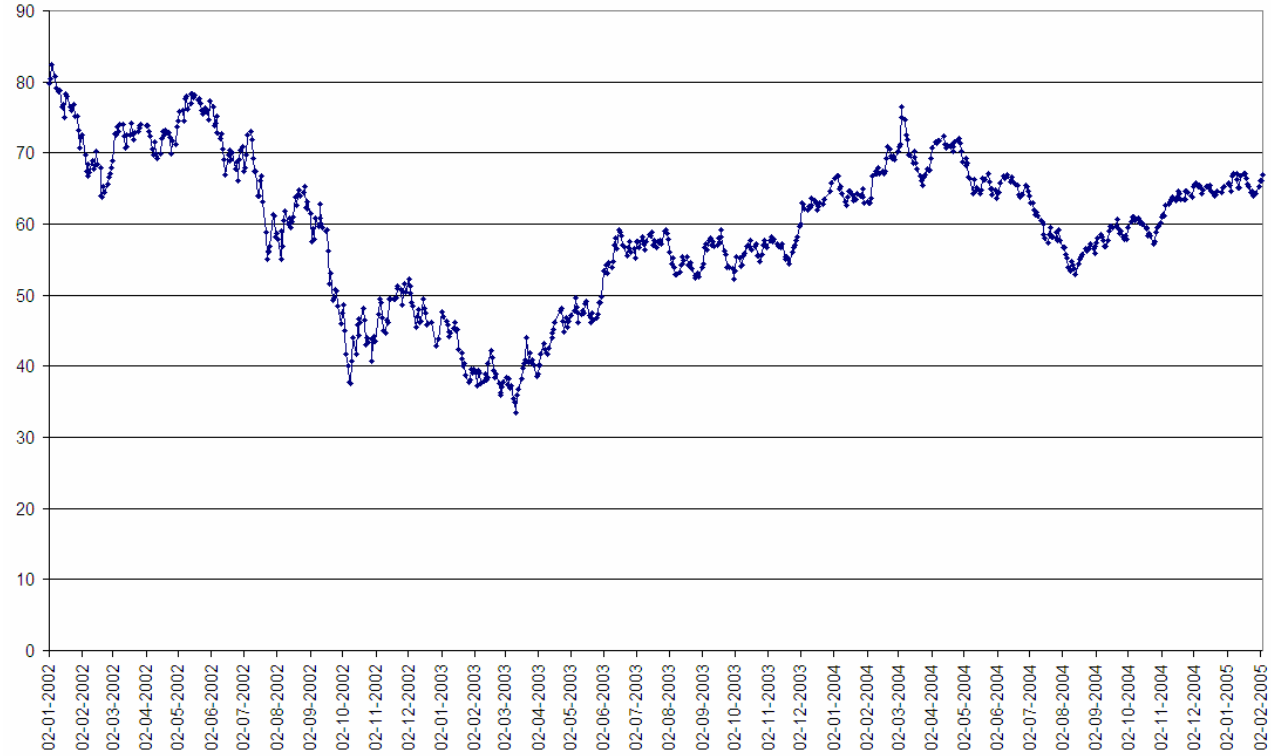
- Global Markets
- Corporate and Investment Banking
- Global Private Equity
- Institutional Banking and OnShore Fund Services

• Private Banking, Asset Management and Information Banking

L'action : Avec 68.500 employés et 13 millions de clients dans 76 pays, Deutsche Bank est un des leaders dans le domaine du service financier international.
En tant que banque moderne et universelle, elle offre de nombreux services bancaires aux particuliers, ainsi que des produits spécialisés pour les clients corporate et institutionnels.

Evolution de l'action : Des informations sur la valeur des actions Deutsche Bank et le cours des Reverse Convertible Notes pendant la durée de l'emprunt peuvent être obtenus dans les agences de Fortis Banque.
Le graphique ci-dessous montre l'évolution des actions Deutsche Bank sur Xetra Frankfurt entre le 1 janvier 2002 et le 3 février 2005.
Le 15 février 2005, le cours de clôture des actions Deutsche Bank sur Xetra Frankfurt était de EUR 64,20.

DEUTSCHE BANK
(en EUR)
Source : Bloomberg



Simulations à l'échéance : Le tableau ci-dessous montre l'évolution théorique du rendement de l'investisseur en fonction de la valeur des actions.

Les rendements sont des rendements actuariels bruts, calculés sur base du taux, de la durée complète, du prix d'émission et du prix de remboursement.

Différence entre la Valeur Finale et la Valeur Initiale de l'action	Rendement investisseur
>0%	6,434%
0%	6,434%
- 5%	3,242%
-10%	0,000%
-20%	-6,648%
-50%	-28,244%

Composition du coupon	:	Le taux d'intérêt annuel est composé : (i) d'un taux d'intérêt d'une obligation courant sur un an émise par l'émetteur. (à titre indicatif, ce taux est actuellement de 2,43%) et (ii) d'une prime annuelle pour l'option de vente. Le coupon qui a été retenu et fixé en date du 16 février 2005 s'élève à EUR 120, ce qui donne un intérêt annuel de 8%. La valeur de l'option de vente, est estimée par l'émetteur à 8,65% de la valeur nominale des titres de créance au moment de l'émission, cette option de vente étant calculée entre autres en fonction de la durée du titre de créance, du prix d'exercice, du taux d'intérêt et du degré de volatilité de l'action concernée. Afin de calculer cette valeur, une volatilité de 17,5% est appliquée, alors que la volatilité historique sur un an est de 21%.
Marché secondaire	:	Fortis Banque est *market maker* pour cette émission et garantit un *spread* maximum de 1% jusqu'à l'échéance des titres de créances sous conditions normales de marché.

Informations Générales

L'émission des Reverse Convertible Notes a été autorisée par une décision du Conseil d'Administration de l'Emetteur en date du 9 février 2005. La décision au sujet de la garantie a été prise par le Merchant Bank Risk Committee du Garant le 10 février 2005 conformément à la délégation accordée par le Conseil d'Administration.

Le montant récolté par l'Emetteur dans le cadre de cette émission sera utilisé pour les besoins de financement du groupe Fortis.

L'émission des Reverse Convertible Notes sera intégralement souscrite par les banques mentionnées sur la première page de l'*Offering Circular*, sur base d'un contrat de prise ferme (*Underwriting Agreement*).

L'Emetteur paiera aux banques précitées, une commission de 2% du montant de l'émission des Reverse Convertible Notes ainsi qu'un montant pour couvrir les frais légaux, administratifs et divers. Après déduction des frais, le produit de l'emprunt, est destiné au financement des activités de Fortis Banque.

Le prospectus (l' *Offering Circular* et le Résumé du prospectus et*)* peut être obtenu chez Fortis Banque, Montagne du Parc 3, 1000 Bruxellles, ainsi qu'au numéro de téléphone 02/565 8535. L'investisseur pourra également obtenir gratuitement à ces adresses une copie des derniers comptes annuels de l'Emetteur, du Garant, de Deutsche Bank et des derniers comptes annuels et semestriels de Fortis groupe. Le Fiscal Agency Agreement, le texte de la garantie ainsi que les statuts de l'Emetteur et du Garant peuvent également y être consultés. Les derniers comptes annuels et semestriels de Fortis groupe sont également disponibles sur www.Fortis .com.

Les Reverse Convertible Notes ont été acceptées dans les systèmes de liquidation de Clearstream et d'Euroclear sous le code commun 021329720 et le code ISIN XS0213297202.

Régime fiscal

Tous les paiements en rapport avec ces titres de créance sont soumis dans tous les cas aux lois fiscales ou autres lois ou règlements en vigueur dans les pays où les paiements seront sollicités.

Régime fiscal belge concernant les titres de créance:
Pour l'application de l'impôt sur le revenu belge, les titres de créances sont considérés comme des titres à revenus fixes (art. 2 § 4 CIR/92).

Régime fiscal applicable aux investisseurs privés résidant en Belgique.
Hormis le cas exceptionnel ou les personnes physiques ont affecté leurs titres de créance à une activité professionnelle, le régime des intérêts payés à des résidents belges personnes physiques est le suivant :
Les revenus de titres de créances étrangers encaissés auprès d'un intermédiaire financier établi en Belgique sont soumis à la retenue du précompte mobilier de 15%. Le prélèvement du précompte mobilier a un caractère libératoire dans le chef des investisseurs privés. Cela signifie que ces contribuables ne sont pas tenus de mentionner dans leur déclaration fiscale les

revenus de titres de créances belges ou étrangers qu'ils ont perçus dans la mesure ou ces revenus auraient été soumis à la retenue du précompte mobilier (art. 313 CIR/92).
Si les intérêts n'ont pas été soumis à la retenue du précompte mobilier, le contribuable personne physique a l'obligation de les mentionner dans sa déclaration d'impôt des personnes physiques. Dans ce cas , les intérêts subiront un impôt au taux distinct de 15% augmenté des centimes additionnels locaux.

Les plus-values réalisées sur la vente de titres (en dehors de la quote-part d'intérêts courus) avant l'échéance ne sont en principe pas taxables, pour les personnes physiques sauf en cas de rachat par l'émetteur. Dans ce cas, ainsi qu'à l'échéance, les plus-values sont taxables comme des intérêts. Les moins-values ne sont en aucun cas déductibles fiscalement.

Régime fiscal applicable aux investisseurs sociétés.
Dans le chef des contribuables soumis à l'impôt des sociétés, les revenus des titres de créance étrangers font partie de leur base imposable au titre de revenus professionnels.
Le fait que ces revenus soient considérés comme revenus professionnels dans leur chef n'a cependant aucune incidence sur l'application du précompte mobilier. En effet, l'article 37CIR/92 précise que «sans préjudice de l'application des précomptes, les revenus des capitaux et biens mobiliers sont considérés comme des revenus professionnels, lorsque ces avoirs sont affectés à l'exercice de l'activité professionnelle du bénéficiaire desdits revenus ». Dans le chef de ces contribuables, le précompte mobilier a gardé sa vraie nature d'acompte imputable sur l'impôt des sociétés. Le précompte mobilier est cependant imputable en proportion de la période pendant laquelle la société a eu la pleine propriété des titres (art.280 CIR.92)
Moyennant remise d'une attestation d'identification *ad hoc*, la société résidente en Belgique peut obtenir une exonération du précompte mobilier en cas d'encaissement en Belgique (art.108 AR/CIR/92).
En cas de cession sur le marché secondaire, les plus-values sont imposables fiscalement, alors que les moins-values sont déductibles.

Régime fiscal applicable aux non-résidents.
Les revenus de titres de créance étrangers encaissés auprès d'un intermédiaire financier établi en Belgique sont soumis à la retenue d'un précompte mobilier de 15%.
Moyennant remise d'une attestation d'identification *ad hoc*, les épargnants non-résidents peuvent obtenir une exonération du précompte mobilier en cas d'encaissement en Belgique, si les titres de créance font l'objet d'un dépôt à découvert auprès d'une institution financière en Belgique et pour autant que les non-résidents n'affectent pas ces titres de créance à l'exercice d'une activité professionnelle en Belgique (art.230 CIR/92).
Les non-résidents qui affectent les titres de créance à l'exercice d'une activité professionnelle en Belgique (p. e. sous forme d'établissement stable), sont soumis aux mêmes règles que les sociétés résidentes en Belgique (art. 280 CIR/92 et art.108 AR/CIR92).

En vertu de la directive européenne sur l'épargne (N° 2003/48/CE du 3 juin 2003 (OJ – L 157)), la Belgique adoptera des mesures pour, à partir de 2005, soumettre les intérêts payés à des personnes physiques résidents de l'Union Européenne, non-résidentes belges, à une retenue à la source de 15 % (évoluant après vers 20% et 35 %). La Belgique devra également adopter une procédure de non-application de ce précompte qui s'appliquera dans des situations où l'état de résidence du bénéficiaire des intérêts est informé de l'identité de ce dernier, du montant des intérêts, etc.

Régime fiscal applicable aux contribuables soumis à l'impôt des personnes morales.

En ce qui concerne les contribuables assujettis à l'impôt des personnes morales, c'est-à-dire les associations, établissements ou organismes quelconques qui possèdent la personnalité juridique mais qui ne se livrent pas à une exploitation ou à des opérations à caractère lucratif, le précompte mobilier a le caractère d'un impôt définitif. Cela signifie que le précompte mobilier de 15% retenu sur les intérêts des titres de créance qu'ils encaissent en Belgique est, dans leur chef, le seul impôt relatif à ces revenus.

Les contribuables soumis à l'impôt des personnes morales qui recueillent ou encaissent des intérêts des titres de créance à l'étranger sans intervention d'un intermédiaire établi en Belgique sont eux-mêmes redevables du précompte mobilier.

Les plus-values réalisées sur la vente de titres (en dehors de la quote-part d'intérêts courus) avant l'échéance ne sont pas taxables, pour les contribuables soumis à l'impôt des personnes morales sauf en cas de rachat par l'émetteur. Dans ce cas, ainsi qu'à l'échéance, les plus-values sont taxables comme des intérêts. Les moins-values ne sont en aucun cas déductibles fiscalement.

*Régime fiscal concernant les **actions** (si des certificats d'actions sont délivrées à l'échéance) :*

Régime fiscal belge :
Régime fiscal applicable aux investisseurs privés résidant en Belgique.
Outre la retenue à la source étrangère, un précompte mobilier libératoire belge de 25 % sera en principe, retenu sur le produit net du dividende en cas d'encaissement en Belgique auprès d'un intermédiaire financier. Ces dividendes ne seront plus taxés par la suite, et ne doivent pas être mentionnés dans la déclaration fiscale. Si les intérêts n'ont pas été soumis à la retenue du

précompte mobilier (en cas d'encaissement à l'étranger), le contribuable personne physique a l'obligation de mentionner le montant des dividendes (après retenue de la taxe étrangère) dans sa déclaration d'impôt des personnes physiques. Dans ce cas , les intérêts subiront un impôt au taux distinct de 25 % augmenté des centimes additionnels locaux.
Les plus values éventuelles réalisées lors de la cession de ces certificats d'actions par les personnes physiques résidentes belges sont non imposables. Ces personnes physiques peuvent néanmoins être soumis à un impôt de 33 % (à majorer des centimes additionnels de contribution de crise et des centimes additionnels locaux) si les plus values réalisées sont des bénéfices provenant d'opération(s) ou spéculation(s) sortant de la gestion normale d'un patrimoine privé. Les moins values éventuelles ne sont pas fiscalement déductibles.

Régime fiscal applicable aux investisseurs sociétés.
Les dividendes d'certificats d'actions étrangères encaissés ou recueillis en Belgique auprès d'un intermédiaire financier par un société ne sont pas soumis au précompte mobilier belge (art 108 AR/CIR92) si le bénéficiaire remplit à cette fin le formulaire *ad hoc*. Ces dividendes peuvent constituer des revenus définitivement taxés en conformité avec les règles habituelles en la matière. (ce que sera le cas en principe).
Les plus-values réalisées sur la vente des certificats d'actions sous-jacentes ne sont normalement pas imposables. Les moins-values ne sont généralement pas fiscalement déductibles.

Régime fiscal applicable aux non-résidents.
Les revenus de certificats d'actions étrangères encaissés auprès d'un intermédiaire financier établi en Belgique sont soumis à la retenue d'un précompte mobilier de 25%.
Moyennant remise d'une attestation d'identification *ad hoc*, les épargnants non-résidents peuvent obtenir une exonération du précompte mobilier en cas d'encaissement en Belgique, si les obligations font l'objet d'un dépôt à découvert auprès d'une institution financière en Belgique et pour autant que les non-résidents n'affectent pas ces certificats d'actions à l'exercice d'une activité professionnelle en Belgique (art.230 CIR/92).
Les non-résidents qui affectent les obligations à l'exercice d'une activité professionnelle en Belgique (p. e. sous forme d'établissement stable), sont soumis aux mêmes règles que les sociétés résidentes en Belgique (art. 280 CIR/92 et art.108 AR/CIR92).

Régime fiscal applicable aux contribuables soumis à l'impôt des personnes morales.
Outre la retenue à la source étrangère, un précompte mobilier belge d'en principe 25 % sera retenu sur le produit net du dividende en cas d'encaissement en Belgique auprès d'un intermédiaire financier. Ces revenus ne seront plus taxés par la suite. Si les dividendes sont encaissés hors de la Belgique, sans intervention d'un intermédiaire belg, l'actionnaire entité assujettie à l'impôt belge des personnes morales sera tenue de verser lui-même le précompte mobilier belge. Les plus-values réalisées par des entités assujetties à l'impôt belge des personnes morales ne sont pas imposables. Les moins-values ne sont pas déductibles fiscalement.

Dividendes distribués par une société allemande à un résident belge:
Dans l'état actuel de la législation fiscale allemande, les dividendes distribués par une société résidente de l'Allemagne à un non-résident supportent une retenue à la source (Kapitalertragsteuer et Solidaritätszuschlag) de 26,375%. La convention préventive de double imposition conclue entre la Belgique et l'Allemagne (11 avril 1967) prévoit que cette retenue peut, en principe, être limitée au taux de 15% en faveur de l'actionnaire belge.
La réduction conventionnelle s'obtient par voie de remboursement en introduisant auprès des autorités fiscales allemandes des demandes (formules DBA-Allgemein : Kapitalertragsteuererstattung) qui doivent porter le visa du Bureau de Taxation du requérant.

La Directive européenne en matière de fiscalité des revenus de l'épargne sous forme de paiements d'intérêts
L'UE a adopté une Directive en matière de fiscalité des revenus de l'épargne. Pour autant qu'une série de conditions importantes soient remplies, il est proposé que les Etats membres soient tenus, à partir du 1er juillet 2005 au plus tôt, de fournir des informations aux administrations fiscales des autres Etats membres concernant les paiements d'intérêts et d'autres revenus comparables par une personne à une personne physique d'un autre Etat membre, sauf que l'Autriche, la Belgique et le Luxembourg appliqueront, durant une période transitoire, un prélèvement à la source sur ces revenus au lieu du système d'échange automatique d'informations, sauf s'ils font un autre choix durant la période transitoire (cette période transitoire se terminera lors de l'entrée en vigueur de certains accords avec des Etats non-membres de l'UE concernant l'échange d'informations). Un Projet de loi transposant en droit belge la Directive susmentionnée a été publié dans les Documents Parlementaires de la Chambre des Représentants belge le 17 mars 2004. La Loi du 17 mai 2004 (Moniteur belge du 27 mai 2004) transpose la Directive susmentionnée en droit belge. Cette Loi prévoit la possibilité de mettre un terme à la période de transition avant l'entrée en vigueur des accords entre la Communauté européenne et certains pays non-membres auxquels il est référé dans la Directive.

La description ci-dessus ne constitue qu'un résumé de la législation fiscale actuelle qui peut changer au cours du temps. En cas de doute veuillez consulter votre conseiller financier et fiscal.

Offering Circular

Fortis Luxembourg Finance S.A.

(Incorporated as a société anonyme under the Laws of the Grand Duchy of Luxembourg, registered with the Luxembourg Registry of Commerce and Companies under N° B24784)

unconditionally and irrevocably guaranteed by

Fortis Bank

(Incorporated in the Kingdom of Belgium)

minimum EUR 10,000,000 and maximum EUR 50,000,000

Reverse Convertible Notes 2005/2006 due 8 September 2006
convertible into Deutsche Bank AG shares

Public Offering in Belgium
Subscription period: from 17 February 2005 until 4 March 2005 included
save in case of early termination due to oversubscription
Issue Price: 102 %
Issue date: 8 March 2005
Application has been made to list the Notes
on Euronext Brussels

Fortis Bank

DEXIA CAPITAL MARKETS **KBC INTERNATIONAL GROUP**

PROSPECTIVE INVESTORS AND PURCHASERS SHOULD CONSIDER THE RISK FACTORS SET FORTH ON PAGE 23 OF THIS OFFERING CIRCULAR

This Offering Circular is dated 16 February 2005

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Approval by the Belgian Banking and Finance Commission

The present Offering Circular as well as a “Résumé du prospectus” and a “Samenvatting van het prospectus” were approved by the Belgian Banking, Finance and Insurance Commission on 15 February 2005, pursuant to article 14 of the Law dated 22 April 2003 on the public offerings of securities. This approval in no way implies an evaluation of the appropriateness or quality of the operation, or the situation of the Issuer.
The notice prescribed by article 13 first section of the aforementioned Law has appeared in the press.

Important Notice

FORTIS LUXEMBOURG FINANCE S.A., a limited liability company incorporated for an unlimited duration under the laws of the Grand-Duchy of Luxembourg (hereinafter referred to as the "**Issuer**" or the "**Company**") and FORTIS BANK nv-sa, a bank incorporated for an unlimited duration in the Kingdom of Belgium (hereinafter referred to as the "**Guarantor**" or the "**Bank**"), having made all reasonable enquiries, confirm that this Offering Circular contains all information with regard to the Issuer, the Guarantor and the Notes which is material in the context of the Notes, that such information is true and accurate in all material respects and is not misleading, that the opinions and intentions expressed herein are honestly held and that there are no other facts the omission of which makes or would make this Offering Circular as a whole or any of such information or the expression of any such opinion or intentions misleading. The Issuer and the Guarantor accept responsibility for this Offering Circular/Prospectus accordingly.
The registered and principal office of the Issuer is at rue Aldringen 14, L-1118 Luxembourg.
The registered office of the Guarantor is located in 1000 Brussels, Montagne du Parc 3.

The information contained herein with regard to Deutsche Bank AG (“**Deutsche Bank**”) and its shares (the “**Shares**”) consist of a summary of publicly available information. The Issuer and the Guarantor confirm having made their best efforts to collect and summarise all information that as of the date of this Offering Circular they deem to be material in the context of the issue of the Notes. The Issuer and the Guarantor accept responsibility for accurately reproducing such information. Neither the Issuer nor the Guarantor accept further or other responsibility in respect of such information and, in particular do not accept responsibility for the accuracy or completeness of the information concerning the Shares and no representation is made that there has not occurred any event which would affect the accuracy or completeness of such information.
The Notes will be obligations solely of the Issuer and the Guarantor and will not be obligations of Deutsche Bank. This is not an offer of Shares and consequently holders of Notes are not and will not be, entitled to any shareholders’ rights attached to the Shares. Noteholders will obtain all shareholder’s rights if and when the Shares are delivered to them. Deutsche Bank has not been involved in the preparation of this Offering Circular, nor in the issue of the Notes.

No person has been authorised to give any information or make any representation in connection with the offering of the Notes other than as contained in this Offering Circular and, if given or made, any such information representation should not be relied upon as having been authorised by the Issuer, the Guarantor, or any of the Managers (as defined under "Subscription and Sale" below). Neither the delivery of the Offering Circular, nor the issue of the Notes, nor any sale thereof shall, in any circumstances, create any implication that there has been no change in the affairs of the Issuer and/or the Guarantor since the date hereof. The Managers have not separately verified the information contained in this Offering Circular other than any information relating to the Managers themselves.
Neither this Offering Circular nor any other information supplied in connection with any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation or constituting an invitation or offer by the Issuer, the Guarantor or any of the Managers that any recipient of this Offering Circular or any other information supplied in connection with this Offering Circular or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and the Guarantor.
The Managers do not make any representation or warranty, express or implied, as to the accuracy or completeness of the information in this Offering Circular. Each person receiving this Offering Circular acknowledges that such person has not relied on the Managers or any person affiliated with the Managers in connection with its investigation of the accuracy of such information.

In connection with the issue of the Notes, only Fortis Bank may in its capacity as lead manager over-allot Notes or effect transactions in the open market or otherwise in connection with the distribution of the Notes with a view to stabilising or maintaining the price of the Notes at levels other than those which might otherwise prevail in the open market. Such stabilisation, if commenced, may be discontinued at any time and will in any event be discontinued 30 days after the Issue Date.

The distribution of this Offering Circular and the offering and sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer and the Managers to inform themselves about and to observe any such restrictions. Save for the public offering in Belgium, no action has been or will be

taken by the Issuer, the Guarantor or the Managers that would permit a public offering of the Notes or the distribution of this Offering Circular or any offering material in any country or jurisdiction where action for that purpose is required.

General Information

The Articles of Association of the Issuer and the Articles of Association of the Guarantor as well as the legal notice relating to the issue of the Notes have been, or will be at the time of the relevant Note issue, lodged with the Registrar of the District Court of Luxembourg (*Greffier en Chef du Tribunal d'Arrondissement de et à Luxembourg*) where such documents are available for inspection and where copies of such documents will be obtainable upon request.
The present Offering Circular, the text of the Fiscal Agency Agreement, the text of the Guarantee and the articles of association of the Issuer and the Guarantor will be available free of charge at the specified office of the Paying Agents (as defined below) in Belgium and in the Netherlands and at the head office of the Fiscal Agent (as defined below) in Luxembourg during the life of the Notes. The articles of association of the Issuer and the Guarantor are hereby incorporated by reference.
In addition, copies of the three most recent annual accounts and future annual accounts of the Issuer and of the three most recent consolidated and unconsolidated accounts and future annual consolidated and unconsolidated accounts of the Guarantor will be available free of charge at the office of the Paying Agents in Belgium and in the Netherlands and at the head office of the Fiscal Agent in Luxembourg.

Neither the Issuer nor the Guarantor publish themselves interim reports. Those interim reports are incorporated in the quarterly interim reports of Fortis (the parent company) which can be found on the internet address of Fortis Group: www.fortis.com.

The financial statements of the Issuer for the years ending 31st December 2001 and 31st December 2002 have been audited by Ernst & Young, Société Anonyme, BP 780 L-2017 Luxembourg. The financial statements of the Issuer for the year ending 31st December 2003 have been audited by KPMG Audit, Luxembourg.

The 2001, 2002 and 2003 financial statements of the Guarantor have been audited without qualification by PricewaterhouseCoopers, Réviseur d'Entreprises S.C.C., represented in 2001 and 2002 by Daniel Van Woensel, Partner, and represented in 2003 by Luc Discry, Partner, Woluwedal 18, B-1932 Sint-Stevens-Woluwe and Klynveld Peat Marwick Goerdeler Réviseurs d'Entreprises S.C.C., represented by Virgile Nijs, Partner, Avenue du Bourget 40, B-1130 Brussels in accordance with the laws of Belgium.

There has been no material adverse change in the financial position of the Issuer since 31 December 2003.
There has been no material adverse change in the financial position of the Guarantor since 31 December 2003.

The issue of the Notes was duly authorised by the Issuer pursuant to a resolution adopted by its Board of Directors on 9 February 2005. The issue of the Guarantee attached to the Notes was duly authorised by the Guarantor pursuant to an authorisation of its Merchant Bank Risk Committee on 10 February 2005 within the delegation as decided by the Management Committee.
Neither the Issuer nor the Guarantor is involved in any litigation that may have a material adverse effect on their financial position.

Application has been made to list the Notes Euronext Brussels.

A temporary global note (the "Temporary Global Note"), without interest coupons, representing the Notes will be deposited with a common depository for Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream, Luxembourg, société anonyme ("**Clearstream**") on or about 8 March 2005. The Issuer will undertake to cause definitive Notes to be available for delivery in exchange for such Temporary Global Note not earlier than 40 days after the Issue Date and not later than 9 September 2005.

The Notes have been accepted for clearance through Clearstream and Euroclear (common code: 021329720, ISIN code: XS0213297202).

Use of Proceeds

The net proceeds from the issue of the Notes amounting to EUR 9,950,000 (subject to be increased up to EUR 49,950,000) will be used by the Issuer for the general financing operations of Fortis.

Risk Factors

1. **An investment in these Reverse Convertible Notes involves financial risks: upon reimbursement, investors in the Notes may receive Shares that on the basis of the stock price at that moment represent a lower value than the par value of the reimbursed Notes. The risk may amount to the total par value of the Notes if the Shares have no more value at the moment of the reimbursement;**
2. **The Issuer does not give information on and does not take responsibility for the financial position of Deutsche Bank. It is impossible to predict the evolution of the price of the Shares of these companies; this means that the price may increase, decrease or remain the same;**
3. **The Notes are debts from the Issuer and not from Deutsche Bank.**
4. **The information contained in this Offering Circular does not constitute a solicitation to invest. Potential investors must rely on their own examination of and, if necessary, consult an independent specialist on the structure of the Reverse Convertible Notes and the risks involved in investing in the Reverse Convertible Notes as well as the compatibility with their risk profile of such investment.**

In case of any doubt about the content or the meaning of this Offering Circular or about the risk involved in purchasing the Notes, investors should consult a specialised financial advisor.

Subscription and Sale

Investors may subscribe the Notes at the branches of Fortis Bank nv-sa and at the branches, if any, of the Managers (as defined below) specified on the cover page of this Offering Circular.

Banque Générale du Luxembourg S.A.**,** 50 avenue J.-F. Kennedy L-2951 Luxembourg, has been appointed Fiscal Agent and principal Paying Agent of this Issue. On the date of this Offering Circular, the other Paying Agents are Fortis Bank nv-sa, Montagne du Parc 3, B 1000 Brussels , and Fortis Bank (Nederland) N.V., Rokin 55, NL 1012 KK Amsterdam.

The issue has been underwritten jointly and severally by the banks (the "**Managers**") specified on the cover page pursuant to an Underwriting Agreement dated 4 March 2005.
The Issuer will pay a combined management, underwriting and selling Commission of 2% of the aggregate principal amount of the issue.
The Managers are entitled to terminate, and to be released and discharged from their obligations under, the Underwriting Agreement in certain circumstances (such as, non execution of the issue documents, force majeure, adverse change in the condition of the Issuer or the Guarantor) prior to payment to the Issuer in which case the issue can be cancelled.

Selling Restrictions
The distribution of this Offering Circular and the offering and sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer and the Managers to inform themselves about and to observe any such restrictions.
Save for the public offering in Belgium, no action has been or will be taken by the Issuer, the Guarantor or the Managers that would permit a public offering of the Notes or the distribution of this Offering Circular or any offering material in any country or jurisdiction where action for that purpose is required.
The Notes are not and will not be registered under the Securities Act 1933 (as amended) of the United States of America (the "Securities Act") and may not be offered, sold of delivered, directly or indirectly, in the United States of America, its territories, dependencies and possessions, in any State of the United States and in the District of Columbia or to "US Persons" (as defined in Regulation S under the Securities Act). The Notes are subject tot U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

Each Manager has agreed that (i) it has not offered or sold and, prior to the date six months after the date of issue of the Notes, will not offer or sell any Notes to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995; (ii) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom; and (iii) it will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000)

received by it in connection with the issue or sale of the Notes in circumstances in which section 21(1) of the Financial Services and Markets Act 2000 does not apply to the Issuer.

Tax treatment

The information below is not intended as tax advice and it does not purport to describe all the tax consequences that may be relevant to a prospective purchaser. Prospective purchasers are urged to satisfy themselves as to the overall tax consequences of purchasing, holding and/or selling the Notes.

Tax treatment in Belgium

Please refer to the "Résumé du prospectus" / "Samenvatting van het prospectus", which has been published for the purpose of the public offering in Belgium.

European Directive on taxation of savings income in the form of interest payments

The EU has adopted a Directive regarding the taxation of savings income. Subject to a number of important conditions being met, it is proposed that Member States will be required from a date not earlier than 1 July 2005 to provide the tax authorities of other Member States with details of payments of interest and other similar income paid by a person to an individual in another Member State, except that Austria, Belgium and Luxembourg will instead impose a withholding system for a transitional period unless during such period they elect otherwise (such transitional period will expire upon the execution of certain agreements relating to information exchange with certain non-EU countries). A Draft Bill relating to the implementation of the above Directive was published in the Parliamentary Documents of the Belgian Chamber of Representants on 17 March 2004. The Bill of 17 May 2004 (Belgian official gazette, 27 May 2004) implements the above Directive in Belgian law. It provides for a possibility of ending the transitional period before the execution of the agreements with certain non-EU States referred to in the Directive.

The following is the text of the Terms and Conditions of the Notes (the "Terms and Conditions") which, subject to amendment, will be endorsed on each Note in definitive form.

By subscribing to or otherwise acquiring the Notes, the holders of the Notes are deemed to have knowledge of all the Terms and Conditions of the Notes hereafter described and to accept the said Terms and Conditions.

Terms and Conditions of the Notes

EUR 10,000,000 (subject to be increased up to EUR 50,000,000)
Reverse Convertible Notes 2005/2006 due 8 September 2006
Convertible into Deutsche Bank AG shares
issued by
Fortis Luxembourg Finance S.A. (the "Issuer")
Unconditionally and irrevocably guaranteed by
Fortis Bank (the"Guarantor")

1. PRINCIPAL AMOUNT AND DENOMINATION

The aggregate principal amount of the Notes (the "**Note**s") is of minimum EUR 10,000,000 and maximum EUR 50,000,000, the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union (hereinafter referred to as "**EUR**" or "**euro**"). The Notes are issued serially numbered in bearer form, in denominations of EUR 1,000 each with interest coupons (the "**Coupon**s") attached.

Title to the Notes and Coupons will pass by delivery. The Issuer and the Paying Agents (as defined below) may deem and treat the bearer of each Note and Coupon to be the absolute owner thereof for the purpose of making payments and for all other purposes.

2. STATUS OF THE NOTES

The Notes constitute direct, unconditional, general and unsecured obligations of the Issuer and will rank *pari passu* without any preference or priority by reason of date of issue, currency of payment or otherwise among themselves and equally with all other unsecured and unsubordinated obligations of the Issuer, whether outstanding on the date hereof or hereafter.

3. GUARANTEE

The Guarantor has, by the guarantees enfaced on the Notes (the "**Guarantee**"), unconditionally and irrevocably guaranteed the due and punctual payment of all amounts due from the Issuer under the Notes when and as the same shall become due and payable in accordance with the Terms and Conditions.

The obligations of the Guarantor in respect of the Guarantee constitute direct, unconditional, irrevocable, unsubordinated and (subject to the provisions set forth in the Guarantee) unsecured obligations of the Guarantor.

4. INTEREST

The Notes will bear interest at the rate of 8%, beginning on 8 March 2005 (the "**Issue Date**") and payable after 18 months, on 8 September 2006 (which means an amount of EUR 120 per denomination).
The Notes will cease to bear interest from the due date for redemption thereof unless, upon due presentation, payment of principal thereof is improperly withheld or refused.
Should interest be payable for a period of less than one year, it shall be calculated on the basis of the actual number of days elapsed in the period, using as denominator in the calculation of the interest the actual number of calendar days in the coupon period.

5. REDEMPTION AND PURCHASE

(a) At maturity on 8 September 2006 (the "**Maturity Date**"), the Notes will be redeemed by the Issuer either:

(A) at par if the Final Value is greater than or equal to the Initial Value, or

(B) at the sole discretion of the issuer, at par or by delivery (book entry) of ordinary shares (the **"Shares"**) of Deutsche Bank AG (the **"Company"**), if the Final Value is smaller than the Initial Value. The number of Shares will be determined by the Calculation Agent (as defined below), on the basis of the average of the closing price of the Shares on the Exchange on the three Business Days preceding 8 March 2005: Number of Shares = EUR 1,000 / Initial Value.

The Noteholders will be informed of the number of Shares in accordance with Condition 15 below.

(C) Definitions

"Initial Value" means the average of the closing values of the Shares at the Valuation Time, on the Initial Valuation Dates;

"Final Value" means the value of the Shares at the Valuation Time, on the Final Valuation Date;

"Initial Valuation Dates" means the three Business Days preceding 8 March 2005;

"Final Valuation Date" means 1 September 2006 or if such day is not a Business Day the next following Business Day;

"Valuation Time" means the time that is customary for the announcement, by the Exchange, of the closing value of the Shares on each Business Day;

"Business Day" means a day that is (or, but for the occurrence of a Potential Adjustment Event, would have been) a trading day on the Exchange, to the effect that trading is open for the Shares, and

"Exchange" means, the stock exchange on which the Shares have their primary listing from time to time, being Xetra Frankfurt on the issue date.

(i) The Issuer will give not later than 2 Luxembourg and Brussels business days before the Maturity notice to the Principal Paying Agent in accordance with the Fiscal Agency Agreement and to the Noteholders in accordance with Condition "Notices" below, stating whether it will redeem the Notes at par or by delivery of Shares.

(ii) The delivery of the Shares will be made to the relevant account of the Noteholder's bank or in such other commercial reasonable manner as the Issuer shall, in its sole discretion, determine to be appropriate for such delivery.

All expenses including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax and/or other taxes or duties arising from the delivery of the Shares shall be for the account of the relevant Noteholder.

(iii) Subject as provided in this Condition, in relation to each Note which is to be redeemed by delivery of the Shares, the Shares will be deliverable at the risk of the relevant Noteholder on the Maturity Date (such date, the "**Delivery Date**").

(iv) If, prior to the delivery of the Shares in accordance with this Condition, in the opinion of Fortis Bank, Brussels as calculation agent (the "**Calculation Agent**" which expression shall include any successor calculation agent) a Settlement Disruption Event (as defined below) has occurred and is continuing on the Maturity Date with respect to the Shares, then the Delivery Date shall be postponed until the next Business Day on which no Settlement Disruption Event is subsisting, provided however that in no event shall the Delivery Date be later than the tenth day following the Maturity Date. If in respect of such tenth day a Settlement Disruption Event subsists in respect of the relevant Share or Shares, then in lieu of physical delivery, the Issuer shall satisfy its obligations by payment to the Noteholders of the Cash Equivalent Redemption Price. The Noteholders shall not be entitled to any payment whether of interest or otherwise on such Note in the event of any delay in the delivery of the Shares pursuant to this paragraph and no liability in respect thereof shall attach to the Issuer.

"Cash Equivalent Redemption Price" in respect of the Shares shall be their fair market value on such day as shall be selected by the Issuer in its sole and absolute discretion provided such day is not more than 15 days before the date that a notice is given of such payment, adjusted to account fully for any losses, expenses and costs to the Issuer and/or any affiliate of the Issuer (including but not limited to selling or otherwise realising any Shares or other instruments), all as determined by the Calculation Agent in its sole and absolute discretion.

"**Settlement Disruption Event**" means an event beyond the control of the Issuer, the result of which, as the Issuer determines in good faith, is that it cannot make delivery of the Shares as envisaged by the Terms and Conditions.

(v) The Issuer is entitled to any rights under the Shares existing before or on the Maturity Date, if the day on which the Shares are first traded on the Exchange "ex" such right is prior to or on the Maturity Date of the Notes.

If the delivery of the Shares, for whatever reason, is effected after the Maturity Date of the Notes, the Noteholders are, with respect to such rights, to be treated as if they had already become owners of the Shares on the Maturity Date of the Notes.

(vi) If the Notes are to be redeemed by delivery of the Shares, the Issuer is under no obligation to pass on to the Noteholders any notices, circulars or other documents received by the Issuer prior to delivery of the Shares, even if such notices, circulars or other documents relate to events occurring after delivery of the Shares. If the delivery of the Shares, for whatever reason, is only effected after the Maturity Date of the Notes, the Issuer is not obliged to exercise any rights under the Shares during the intervening period.

(vii) On the date that is 6 months after the Maturity Date, the Fiscal Agent (as defined below) on behalf of the Issuer shall be entitled (i) to sell the Shares with respect to Notes not presented for reimbursement and (ii) to determine the cash amount at which the Notes will be redeemed as from such date.

(viii) For the purpose of determining the number of Shares to be delivered, a Noteholder's entire holding will not be aggregated. Where the redemption of a Note is to be by delivery of Shares other than a whole number of Shares, the Noteholders will receive the nearest whole number (rounded down) of the Share(s), and an amount in euro which shall

be the value of the outstanding fraction of the Share(s), as calculated by the Calculation Agent on the basis of the closing price of the Share(s) as quoted on the Exchange on 1 September 2006. Payment will be made in such manner as shall be notified to the Noteholders in accordance with Condition 15.

(b) Optional Early Redemption

In the event of an Early Redemption Event (as defined below) the Issuer may, having given not more than 30 not less than 10 days' notice to the Noteholders, redeem all, but not some only, of the Notes at their Early Redemption Amount (as defined below).

"Early Redemption Event" means any of:

(i) Liquidation: if at any time the Company has become unable to pay debts or application or petition is submitted for bankruptcy, commencement of composition of creditors, commencement of corporate reorganisation proceeding, commencement of company arrangement, or commencement of special liquidation.

(ii) Delisting of the Shares: the Exchange gives notice that the listing of the Shares on the section of the Exchange in which the Shares were listed on the Issue Date shall cease.

(iii)Nationalisation: the Shares or all the assets or substantially all the assets are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity.

"Early Redemption Amount" shall be the amount determined solely at the discretion of the Calculation Agent that, subject to adjustment in the listed options of the Shares at the Exchange five Business Days prior to the due date for early redemption, will be the market value of the requisite number of Shares for which the Notes would have been convertible but for the election to redeem the Notes early together with accrued interest (if any) to the date of repayment. The calculations and determinations of the Calculation Agent shall (save in the case of manifest error) be final and binding upon all parties. The Calculation Agent shall have no responsibility for good faith errors or omissions in the calculation of the Early Redemption Amount of any Notes as provided herein.

(c) The Issuer may at any time purchase Notes in the open market or by private treaty at any price.

(d) Cancellation

All Notes redeemed or purchased pursuant to the provisions under this Condition shall forthwith be cancelled together with all unmatured coupons attached thereto.

6. ADJUSTMENTS FOLLOWING CERTAIN EVENTS / DILUTING, CONCENTRATIVE EFFECT

Following each Potential Adjustment Event (as defined below), the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the market value of the relevant Shares and will:

(i) calculate the corresponding adjustment to be made to the number of Shares to be delivered on the maturity date in a case of redemption by delivery of shares to account for such diluting or concentrative effect; and

(ii) determine the effective date of such adjustment and/or replacement of the Shares, if applicable, in the event of a consolidation or merger.

For the purposes of this Condition "**Potential Adjustment Event**" means any of the following:

(1) the declaration of any of the following:

(A) a subdivision, consolidation or reclassification of Shares, or a change in par or paid value of the Shares, or a free distribution or dividend of any shares to existing holders of shares by way of bonus, capitalisation or similar issue;

(B) a distribution or dividend to existing shareholders of (i) Shares or (ii) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of that Company equally or proportionately with such payments to shareholders or (iii) any other type of securities, rights or warrants granting the right to a distribution of Shares or to purchase, subscribe or receive Shares in any case for payment (in cash or otherwise) at less than the prevailing market price per Share as determined by the Calculation Agent;

(C) an extraordinary dividend or other distribution whether in cash or Shares;

(D) a call in respect of shares that are not fully paid;

(E) a repurchase by the Company of its Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or

(F) any other similar event that may have a diluting or concentrative effect on the theoretical value of the Shares.

Regular cash dividends and cash bonifications do not constitute a Potential Adjustment Event in accordance with this Condition.

(2) the effective date of a consolidation of the Company with another company or merger of the Company with another company.

Upon making any such adjustment, the Calculation Agent shall give notice as soon as practicable to the Noteholders in accordance with Condition “Notices” below stating the Potential Adjustment Event and the adjustment to be made.

The Calculation Agent and the Issuer will have no responsibility for good faith errors or omissions in the calculations as provided herein. The calculations and determinations of the Calculation Agent and the Issuer will be made in accordance with these Terms and Conditions having regard in each case, to the relevant criteria stipulated herein and (where relevant) on the basis of information provided to or obtained by it and such further enquiries as it deems necessary and will, in the absence of manifest error, be final, conclusive and binding on the holders of Notes.

7. PAYMENT OF INTEREST AND REIMBURSEMENT OF PRINCIPAL

Payments of principal and interest will be made to the bearer upon presentation and surrender of the Notes and Coupons, as the case may be, at the offices of the Fiscal Agent and of the Paying Agents (both as defined below), subject to any applicable laws and regulations in effect in the country of payment.

Payments of principal and interest will be made by the Issuer in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Delivery of Shares shall be made to the account of the bearer upon presentation and surrender of the Notes at the offices of the Fiscal Agent and of the Paying Agents, subject to any applicable laws and regulations and within a period as is customarily required for the delivery of the Shares.
Banque Générale du Luxembourg S.A. or any other duly appointed fiscal agent (the "**Fiscal Agent**") shall act as fiscal agent and principal Paying Agent pursuant to a fiscal agency agreement dated 8 March 2005, (the "**Fiscal Agency Agreement**") between the Issuer, the Fiscal Agent and the paying agents named therein (the "**Paying Agents**"), copies of which are available at the principal offices of the Fiscal Agent and of the Paying Agents during normal business hours.

Additional Paying Agents may be appointed and the appointment of any Paying Agent may be terminated in accordance with the provisions of the Fiscal Agency Agreement provided that notice thereof be published in accordance with the provision under Condition "Notices".
Each Note presented for redemption is to be presented accompanied by all Coupons appertaining thereto which are due after the date fixed for redemption. The aggregate face amount of all missing Coupons due after such date shall be deducted from the principal to be paid on redemption and the amount so deducted will be paid upon surrender of the relevant missing Coupons at any time before the expiration of a period of five years after its due date.
If the due date, or any later date on which a Note or Coupon could otherwise be presented for payment of any amount of principal or interest, is not a Business Day, then the holder thereof shall not be entitled to payment of the amount
due or delivery of the Shares due until the next following business day nor to any further interest or other payment in respect of such delay. In this Condition "Business Day" means a day (i) on which banks are open for business in the place of presentation and (ii) on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open.
Neither the Issuer, nor the Fiscal Agent, nor the Paying Agents shall be required to verify the capacity or title of any holder of any Note or Coupon and all payments and deliveries will be made without discrimination as to nationality or domicile of the holder thereof or the fulfilment of any formality, except as may be prescribed by applicable laws or regulations in the country where such payment is made.

8. NEGATIVE PLEDGE

So long as any of the Notes remains outstanding, neither the Issuer nor the Guarantor will create or permit to exist any mortgage, lien (other than liens arising by operation of law), pledge, charge or other security interest upon the whole or any part of its present or future assets or revenues

(i) in the case of the Issuer, to secure any loan, debt, guarantee or other obligation or

(ii) in the case of the Guarantor, to secure any indebtedness represented by, or in the form of bonds, notes, debentures or other securities or any guarantee or indemnity from the Guarantor in respect of such indebtedness of others, in each case unless the Notes share in and are equally and rateably secured by such mortgage, lien, pledge, charge or other security interest and the instrument creating such mortgage, lien, pledge, charge or other security interest expressly provides.

9. TAX STATUS

All payments of principal and interest in respect of the Notes and the Coupons will be made by the Issuer without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or other charges of whatever nature, imposed or levied by or on behalf of Grand Duchy of Luxembourg or any political subdivision or any authority thereof or therein having power to tax, unless the withholding or deduction of such taxes, duties, assessments or other charges is required by law.
In that event, the Issuer will make the required withholding or deduction for the account of the Noteholders but shall not pay any additional amounts to the Noteholders.

10. EVENTS OF DEFAULT

The holder of any Note may, by written notice to the Issuer delivered before all defaults shall have been remedied, cause such Note to become due and payable at its Early Redemption Amount, together with accrued interest thereon to the date of payment, as of the date on which the said notice of acceleration is received by the Issuer in the event that:

(a) default in the payment of any amount due in respect of the Notes or any of them and such default continues for a period of 12 days; or

(b) default by the Issuer or the Guarantor, in the due performance or observance of any obligation, condition or other provision under or in relation to the Notes or the Guarantee, as the case may be, if such default is not cured within 20 days after receipt by the Fiscal Agent of a written notice of default given by any Noteholder; or

(c) default by the Issuer or the Guarantor in the payment of the principal of, or premium or prepayment charge (if any) or interest on, any other loan indebtedness of or assumed or guaranteed by the Issuer or the Guarantor (which indebtedness in the case of the Guarantor has an aggregate principal amount of at least US$ 10,000,000 or its equivalent in any other currency or currencies) when and as the same shall become due and payable, if such default shall continue for more than the period of grace, if any, originally applicable thereto and the time for payment of such interest or principal has not been effectively extended, or in the event that any loan indebtedness of or assumed by the Issuer or the Guarantor (which indebtedness in the case of the Guarantor has an aggregate principal amount of at least US$ 10,000,000 or its equivalent in any other currency or currencies) shall have become repayable before the due date thereof as a result of acceleration of maturity caused by the occurrence of an event of default thereunder ; or

(d) the Issuer or the Guarantor is dissolved or wound up or otherwise ceases to exist (except in connection with a reconstruction, merger or amalgamation the terms of which have previously been approved by an Extraordinary Resolution of the Noteholders or except in the case contemplated in Condition 13 or 14) prior to the redemption of all outstanding Notes; or

(e) the Issuer or the Guarantor becomes insolvent, is unable to pay its debts generally (or in the case of the Guarantor is in "cessation de paiements") or, as they fall due, stops, suspends or threatens to stop or suspend payment of all or a material part of its debts or ceases or threatens to cease to carry on its business, or proposes or makes a general assignment or an arrangement or composition with or for the benefit of its creditors, or a moratorium is agreed or declared in respect of or affecting all or a material part of the indebtedness of the Issuer or the Guarantor, or if the Guarantor applies for a "sursis de paiements, liquidation

volontaire" (except for the purpose of a reconstruction, merger or amalgamation the terms of which have previously been approved by an Extraordinary Resolution of the Noteholders or except in the case contemplated in Condition 13 or 14) or "faillite" or any similar procedures shall have been initiated in respect of the Issuer or the Guarantor ; or

(f) it becomes unlawful for the Issuer or the Guarantor to perform any of their respective obligations under the Notes or the Guarantee, or any of their obligations ceases to be valid, binding or enforceable, or

(g) the Guarantee is not in full force and effect in accordance with its terms.

11. PRESCRIPTION

Interest will cease to be payable after five years from the relevant interest payment date and principal after ten years from the due date for payment thereof.

12. REPLACEMENT OF THE NOTES AND COUPONS

In the case of theft, loss or other involuntary dispossession or mutilation of any Note or Coupon, application for replacement thereof is to be made at the specified office of the Fiscal Agent. Any such Note or Coupon shall be replaced by the Issuer in compliance with such procedures and on such terms as to evidence and indemnification as the Issuer and the Fiscal Agent may require. Subject to applicable stock exchange regulations, all such costs as may be incurred in connection with the replacement of any such Note or Coupon shall be borne by the applicant.

Mutilated Notes or Coupons must be surrendered before new ones will be issued.

13. SUBSTITUTION OF ISSUER

The Issuer may at any time, without the consent of the Noteholders or the Fiscal Agent, so long as any of the Notes remains outstanding, substitute another legal entity (the **"New Issue**r") as the Issuer hereunder and of the Notes in substitution for and in lieu of the Issuer, provided that:

(i) the New Issuer is 75% or more directly or indirectly controlled by the Issuer or the Guarantor;

(ii) the New Issuer expressly assumes by amendment to the Fiscal Agency Agreement the performance and observance of all the obligations of the Issuer pursuant to these Terms and Conditions, the Fiscal Agency Agreement and under the Notes;

(iii) prior to the substitution taking effect, the New Issuer shall have obtained in its country all governmental and regulatory approvals and consents, if any, necessary for, or in connection with, the assumption by the New Issuer of the performance of all obligations and covenants under the Fiscal Agency Agreement and the Notes to be performed or observed on the part of the Issuer, and it shall have provided sufficient evidence that it can transfer to the Fiscal Agent, in immediately

available and freely transferable funds in euro, all the amounts necessary for the payment of principal, interest payable under the Notes and pursuant to the Fiscal Agency Agreement.

By the substitution of Issuer, all the obligations of the Issuer pursuant to the Fiscal Agency Agreement and under the Notes will be transferred to the New Issuer.

Accordingly, in the event of such substitution taking place:
(i) all the Issuer's obligations under the Notes and the Fiscal Agency Agreement will be assumed exclusively by the New Issuer;
(ii) the Issuer will be discharged from all its obligations under the Notes and the Fiscal Agency Agreement;
(iii) the Guarantor's guarantee will apply to the obligations of the New Issuer under the Notes and the Fiscal Agency Agreement;
(iv) any reference to the Issuer in the Terms and Conditions, the Notes and the Fiscal Agency Agreement will apply to the New Issuer and the reference to the Grand Duchy of Luxembourg in Condition 9. Tax Status will apply to the country of the New Issuer.

The Noteholders will be informed of any substitution of Issuer within a period of 90 days in accordance with Condition 15 herebelow.

14. SUBSTITUTION OF GUARANTOR

The Fiscal Agency Agreement provides that the Guarantor may at any time, without the consent of the Noteholders or the Fiscal Agent, so long as any of the Notes remains outstanding, substitute another legal entity (the "**New Guarantor**") as the Guarantor hereunder and of the Notes in substitution for and in lieu of the Guarantor, provided that:
(i) the New Guarantor is the result of the merger, consolidation or other form of amalgamation of the Guarantor with another company;
(ii) the shareholder's equity of the New Guarantor is at least equal to the shareholder's equity of the Guarantor at the time of the Substitution;
(iii) the New Guarantor expressly assumes by amendment to the Fiscal Agency Agreement the performance and observance of all the obligations of the Guarantor pursuant to these Terms and Conditions, the Fiscal Agency Agreement, the Notes and under the Guarantee.

By the substitution of Guarantor, all the obligations of the Guarantor pursuant to the Fiscal Agency Agreement and under the Notes and the Guarantee will be transferred to the New Guarantor.

Accordingly, in the event of such substitution taking place:
(i) all the Guarantor's obligations under the Notes, the Guarantee and the Fiscal Agency Agreement will be assumed exclusively by the New Guarantor;
(ii) the Guarantor will be discharged from all its obligations under the Notes, the Guarantee and the Fiscal Agency Agreement;
(iii) any reference to the Guarantor in the Terms and Conditions of the Notes, the Notes and the Fiscal Agency Agreement will apply to the New Guarantor and any reference to the Kingdom of Belgium will apply to the country of the New Guarantor.

The Noteholders will be informed of any substitution of Guarantor within a period of 90 days in accordance with Condition 15 herebelow.

15. NOTICES

Any notice to noteholders and couponholders will be validly given if published in at least two Belgian newspapers (“L’Echo” and “De Tijd”) or if any of said newspapers shall cease to be published or timely publication therein shall not be practicable, in such other newspaper(s) as the fiscal agent shall deem necessary to give fair and reasonable notice to the noteholders and couponholders.
Any such notice shall be deemed to have been given on the date of the last publication provided above.

16. FURTHER ISSUES AND CONSOLIDATION

The Issuer may from time to time, without the consent of the holders of the Notes and Coupons, create and issue further notes or amend the terms and conditions of other notes so as to be consolidated and form a single issue with the Notes.

17. REPRESENTATION OF THE NOTEHOLDERS

Pursuant to the provisions of the law of 9 April, 1987 (the « Law ») of the Grand -Duchy of Luxembourg relating to the representation of noteholders, amending articles 86 to 95 of the Luxembourg Company Law of 10 August, 1915, as amended, one or more noteholder-representative(s) representing the interests of the Noteholders vis-à-vis the Issuer may be appointed in accordance with the procedures set out in the Law.

18. GOVERNING LAW AND JURISDICTION

The Notes and Coupons are governed by, and shall be construed in accordance with, the laws of the Grand-Duchy of Luxembourg. Claims against the Issuer thereunder may be brought before any competent court in Luxembourg or in Belgium, to the non-exclusive jurisdiction of all of which the Issuer and the Guarantor hereby submit.

The Guarantor has elected domicile at the office of the Issuer for all acts, formalities or procedures.

Guarantee

The following is substantially the text of the Guarantee that will be executed by the Guarantor for each Note issue and that will be endorsed on the Notes.

FORTIS BANK nv-sa (the "Guarantor") unconditionally and irrevocably guarantees to the holder of this Note (and, where relevant, the coupons appertaining hereto) the due and punctual payment, in accordance with the Terms and Conditions of the Notes (terms defined in the Terms and Conditions shall, insofar as the context so admits, have the same meaning when used herein), of the principal of, interest (if any) on, and any other amounts and Considerations payable under this Note upon the following terms:

(1) In the event of any failure by the Issuer to pay punctually any such principal, interest (if any) or other amount or consideration, the Guarantor agrees to cause each and every such payment to be made as if the Guarantor instead of the Issuer were expressed to be the primary obligor of this Note or, as the case may be, of any coupons appertaining hereto to the intent that the holder shall receive the same amounts in respect of principal, interest (if any) or such other amount or consideration as would have been receivable had such payments been made by the Issuer.

(2) The Guarantor agrees that its obligations under this Guarantee shall be unconditional and irrevocable, irrespective of the validity, regularity or enforceability of any Note or any coupon, the absence of any action to enforce the same, the recovery of any judgement against the Issuer or any action to enforce the same or any circumstance which might otherwise constitute a discharge or defence of a guarantor.

(3) The Guarantor confirms with respect to each Note (and coupon, if any) and the indebtedness evidenced thereby, that it does not have and will not assert as a defence to any claim hereunder any right to require any proceedings first against the Issuer nor will it assert as a defence to any claim hereunder any lack of diligence, presentment to the Issuer or the Paying Agents, any demand for payment from the Issuer or the Paying Agents, any filing of claims with any court in the event of merger, insolvency or bankruptcy of the Issuer, any protest, notice or any other demand whatsoever (other than a demand for payment of this Guarantee) and the Guarantor covenants that this Guarantee will not be discharged except by complete performance of the obligations contained in each Note (and coupon, if any) and in this Guarantee.

(4) This Guarantee constitutes a direct, unconditional, irrevocable, unsubordinated and (subject to the provisions below) unsecured obligation of the Guarantor and ranks pari passu (subject to mandatory preferred debts under applicable laws) equally and rateably with all other present and future outstanding unsecured and unsubordinated obligations of the Guarantor including deposits received by it in its banking business.

(5) The Guarantor agrees that it shall comply with and be bound by those provisions contained in the Terms and Conditions of the Notes which relate to it.

(6) This Guarantee is governed by, and shall be construed in accordance with, the laws of the Grand Duchy of Luxembourg. Claims against the Guarantor thereunder may be brought before any competent court in Belgium, to the non-exclusive jurisdiction of all of which the Guarantor hereby submits.

In witness whereof the Guarantor has caused this Guarantee to be duly executed.

Dated as of the Issue Date

FORTIS BANK nv-sa

The Shares

ALL INFORMATION CONTAINED IN THIS OFFERING CIRCULAR REGARDING DEUTSCHE BANK AG (THE "**COMPANY**" OR "**DEUTSCHE BANK**") AND THE SHARES HAS BEEN REPRODUCED FROM INFORMATION PUBLISHED BY THE COMPANY. THE ISSUER HAS NOT PARTICIPATED IN THE PREPARATION OF SUCH INFORMATION NOR MADE ANY DUE DILIGENCE INQUIRY WITH RESPECT TO THE INFORMATION PROVIDED THEREIN OR HEREIN AND ASSUMES NO RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF SUCH INFORMATION.
INVESTORS IN THE NOTES ARE URGED TO CONDUCT THEIR OWN INVESTIGATION INTO THE COMPANY. THE ISSUER MAKES NO REPRESENTATION THAT SUCH INFORMATION REGARDING THE COMPANY IS ACCURATE OR COMPLETE. FURTHERMORE, THERE CAN BE NO ASSURANCE THAT ALL EVENTS OCCURING PRIOR TO THE DATE OF THIS PROSPECTUS (INCLUDING EVENTS THAT WOULD AFFECT THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION) THAT WOULD AFFECT THE TRADING PRICE OF THE SHARES (AND THEREFORE THE TRADING PRICE AND EXCHANGE VALUE OF THE NOTES) HAVE BEEN PUBLICLY DISCLOSED. SUBSEQUENT DISCLOSURE OF ANY SUCH EVENTS OR THE DISCLOSURE OR FAILURE TO DISCLOSE MATERIAL FUTURE EVENTS CONCERNING THE COMPANY OR THE SHARES COULD AFFECT THE TRADING PRICE AND REDEMPTION VALUE OF THE NOTES.
DURING THE LIFE OF THE NOTES, THE LATEST AND FUTURE ANNUAL REPORTS OF THE COMPANY WILL BE AVAILABLE FREE OF CHARGE FROM THE PAYING AGENTS.

THE LATEST ANNUAL REPORTS OF THE COMPANY CAN BE FOUND ON THE FOLLOWING INTERNET ADDRESS : www.deutschebank .com

DEUTSCHE BANK

1. THE COMPANY

Deutsche Bank at a glance (source: www.deutschebank.com)

Deutsche Bank is one of the leading international financial service providers. With 68,500 employees, the bank serves more than 13 million customers in 76 countries worldwide; more than half of the bank's staff work outside Germany.
Its home market is Europe. A strong position in the European market and especially in the German market is the basis for its global activities.
As a modern universal bank, Deutsche Bank offers its customers a broad range of first-class banking services. Deutsche Bank provides its private clients with an all-round service extending from account-keeping and cash and securities investment advisory to asset management. It offers corporate and institutional clients the full product assortment of an international corporate and investment bank - from payments processing and corporate finance to support with IPOs and M&A advisory. In addition, the bank has a leading position in international foreign exchange, fixed-income and equities trading.
Deutsche Bank aspires to be a leading global provider of integrated financial solutions for demanding clients and the pre-eminent bank in Germany.

2. HIGHLIGHTS OF CONSOLIDATED FINANCIAL INFORMATION

BALANCE SHEET OF DEUTSCHE BANK AG FOR THE YEAR ENDED DECEMBER 31, 2003

Assets in € m.				31.12.2003	31.12.2002
Cash reserve					
a) cash on hand			16		18
b) balances with central banks			5,579		9,470
thereof: with Deutsche Bundesbank	3,935				(8,301)
c) balances with post office banks			–		–
				5,595	9,488
Debt instruments of public-sector entities and bills of exchange eligible for refinancing at central banks					
a) Treasury bills, discountable Treasury notes and similar debt instruments of public-sector entities			1,530		542
thereof: eligible for refinancing at Deutsche Bundesbank	333				(169)
b) bills of exchange			538		167
thereof: eligible for refinancing at Deutsche Bundesbank	474				(70)
				2,068	709
Claims on banks					
a) repayable on demand			68,038		69,237
b) other claims			74,937		71,158
				142,975	140,395
thereof: reverse repos	52,041				(49,829)
Claims on customers				288,935	286,437
thereof: secured by mortgage charges	3,820				(5,336)
loans to or guaranteed by public-sector entities	2,553				(3,455)
reverse repos	97,431				(91,287)
Bonds and other fixed-income securities					
a) money market instruments					
aa) of public-sector issuers		1,092			603
ab) of other issuers		5,955			5,917
thereof: eligible as collateral for Deutsche Bundesbank advances	93				(–)
			7,047		6,520
b) bonds and notes					
ba) of public-sector issuers		58,770			44,516
thereof: eligible as collateral for Deutsche Bundesbank advances	38,474				(28,868)
bb) of other issuers		76,126			57,222
thereof: eligible as collateral for Deutsche Bundesbank advances	13,571				(12,741)
			134,896		101,738
c) own debt instruments			1,543		3,853
nominal amount	1,770				(3,721)
				143,486	112,111
Equity shares and other variable-yield securities				74,523	38,066
Participating interests				1,156	2,496
thereof: in banks	334				(476)
in financial services institutions	6				(3)
Shares in affiliated companies				34,676	34,775
thereof: in banks	5,357				(5,352)
in financial services institutions	960				(985)
Assets held on a trust basis				944	527
thereof: loans on a trust basis	423				(489)
Intangible assets				610	702
Tangible assets				716	1,189
Own shares (accounting par value € 43 million)				965	1,745
Sundry assets				42,049	67,107
Tax deferral				2,456	2,341
Prepaid expenses				1,247	2,782
Total Assets				**742,401**	**700,870**

Liabilities in € m.				31.12.2003	31.12.2002
Liabilities to banks					
a) repayable on demand			178,352		132,689
b) with agreed period or notice period			145,006		156,000
				323,358	288,689
thereof:					
repos	37,990				(42,022)
Liabilities to customers					
a) savings deposits					
aa) with agreed notice period of three months		1,567			522
ab) with agreed notice period of more than three months		866			988
			2,433		1,510
b) other liabilities					
ba) repayable on demand		101,899			93,933
bb) with agreed period or notice period		172,224			158,522
			274,123		252,455
				276,556	253,965
thereof:					
repos	52,614				(48,638)
Liabilities in certificate form					
a) bonds in issue			25,322		25,276
b) other liabilities in certificate form			49,838		44,273
				75,160	69,549
thereof:					
money market instruments	24,141				(26,237)
own acceptances and promissory notes in circulation	29				(75)
Liabilities held on a trust basis				944	527
thereof: loans on a trust basis	423				(489)
Sundry liabilities				28,192	46,944
Deferred income				593	2,200
Provisions					
a) provisions for pensions and similar obligations			2,733		2,448
b) provisions for taxes			1,590		2,301
c) other provisions			3,581		3,795
				7,904	8,544
Special items with partial reserve character				–	16
Subordinated liabilities				8,965	7,458
Participatory capital				728	1,342
thereof: due in less than two years	728				(1,342)
Capital and reserves					
a) subscribed capital			1,490		1,592
conditional capital € 226 m. (31.12.2002: € 232 m.)					
b) capital reserve			11,062		10,960
c) revenue reserves					
ca) statutory reserve		13			13
cb) reserve for own shares		965			1,745
cc) other revenue reserves		5,598			6,518
			6,576		8,276
d) distributable profit			873		808
				20,001	21,636
Total Liabilities				**742,401**	**700,870**
Contingent liabilities					
a) contingent liabilities from rediscounted bills of exchange			–		–
b) liabilities from guarantees and indemnity agreements (see also pages 24 and 26)			23,174		27,983
c) liability arising from the provision of collateral for third-party liabilities			4		–
				23,178	27,983
Other obligations					
a) repurchase obligations under agreements to sell securities with an option to repurchase them			–		–
b) placement and underwriting obligations			–		–
c) irrevocable credit commitments			73,360		78,345
				73,360	78,345

Profit and Loss Account

of Deutsche Bank AG for the year ended December 31, 2003

Expenses in € m.			2003	2002
Interest expenses			15,783	17,579
Commission expenses			1,151	839
Administrative expenses				
a) staff expenses				
aa) wages and salaries	4,278			4,182
ab) compulsory social security contributions and expenses for pensions and other employee benefits	1,222			950
		5,500		5,132
thereof: for pensions	603			(313)
b) other administrative expenses		4,148		3,951
			9,648	9,083
Write-downs and depreciation of and value adjustments to tangible and intangible assets			297	364
Other operating expenses			794	510
Write-downs of and value adjustments to claims and certain securities as well as additions to provisions for possible loan losses			363	1,842
Write-downs of and value adjustments to participating interests, shares in affiliated companies and securities treated as fixed assets			807	1,846
Expenses from assumption of loss			156	120
Extraordinary expenses			2	223
Income taxes			– 708	– 303
Other taxes, unless reported under other operating expenses			32	37
Net income			820	820
Total Expenses			**29,145**	**32,960**

		2003	2002
Net income		820	820
Profit carried forward from the previous year		53	8
		873	828
Withdrawal from revenue reserves			
– from reserve for own shares	780		–
– from other revenue reserves	–		1,226
		780	1,226
Allocations to revenue reserves			
– to reserve for own shares	–		1,246
– to other revenue reserves	780		–
		780	1,246
Distributable profit		**873**	**808**

Income in € m.		2003	2002
Interest income from			
a) lending and money market business	12,999		15,279
b) fixed-income securities and government-inscribed debt	3,372		3,427
		16,371	18,706
Current income from			
a) equity shares and other variable-yield securities	200		507
b) participating interests	193		161
c) shares in affiliated companies	1,208		4,677
		1,601	5,345
Income from profit-pooling, profit-transfer and partial profit-transfer agreements		1,043	1,346
Commission income		5,477	5,512
Net income from financial transactions		3,548	1,885
Other operating income		1,059	136
Income from the release of special items with partial reserve character		16	16
Extraordinary income		30	14
Total Income		**29,145**	**32,960**

Consolidated Statement of Income

Income Statement

in € m.	[Notes]	2003	2002	2001
Interest revenues	[23], [31]	27,583	35,781	53,639
Interest expense	[23], [31]	21,736	28,595	45,019
Net interest revenues		5,847	7,186	8,620
Provision for loan losses	[6], [7], [8]	1,113	2,091	1,024
Net interest revenues after provision for loan losses		4,734	5,095	7,596
Commissions and fees from fiduciary activities		3,273	3,926	3,537
Commissions, broker's fees, markups on securities underwriting and other securities activities		3,564	4,319	4,557
Fees for other customer services		2,495	2,589	2,633
Insurance premiums		112	744	2,717
Trading revenues, net	[31]	5,611	4,024	6,031
Net gains on securities available for sale	[5]	20	3,523	1,516
Net loss from equity method investments	[6]	(422)	(887)	(365)
Other revenues	[6], [13], [31]	768	1,123	295
Total noninterest revenues		15,421	19,361	20,921
Compensation and benefits	[20], [25], [31]	10,495	11,358	13,360
Net occupancy expense of premises		1,251	1,291	1,334
Furniture and equipment		193	230	357
IT costs		1,913	2,188	2,343
Agency and other professional service fees		724	781	1,080
Communication and data services		626	792	891
Policyholder benefits and claims		110	759	3,002
Other expenses		2,002	2,883	3,182
Goodwill impairment/amortization	[12]	114	62	871
Restructuring activities	[29]	(29)	583	294
Total noninterest expenses		17,399	20,907	26,714
Income before income tax expense and cumulative effect of accounting changes		2,756	3,549	1,803
Income tax expense	[26]	1,327	372	434
Reversal of 1999/2000 credits for tax rate changes	[26]	215	2,817	995
Income before cumulative effect of accounting changes, net of tax		1,214	360	374
Cumulative effect of accounting changes, net of tax	[2]	151	37	(207)
Net income		1,365	397	167

Earnings per Share Figures

in €	[Notes]	2003	2002	2001
Earnings per common share	[2], [12], [20], [27]			
Basic				
Income before cumulative effect of accounting changes, net of tax		2.17	0.58	0.60
Cumulative effect of accounting changes, net of tax		0.27	0.06	(0.33)
Net income		2.44	0.64	0.27
Diluted				
Income before cumulative effect of accounting changes, net of tax		2.06	0.57	0.60
Cumulative effect of accounting changes, net of tax		0.25	0.06	(0.33)
Net income		2.31	0.63	0.27
Cash dividends declared per common share		1.30	1.30	1.30

Consolidated Balance Sheet

Assets

in € m.	[Notes]	Dec 31, 2003	Dec 31, 2002
Cash and due from banks		6,636	8,979
Interest-earning deposits with banks	[33]	14,649	25,691
Central bank funds sold and securities purchased under resale agreements	[33]	112,419	117,689
Securities borrowed	[33]	72,796	37,669
Trading assets of which 107 billion and 70 billion were pledged to creditors and can be sold or repledged at December 31, 2003 and 2002, respectively	[4], [10], [33]	345,371	294,679
Securities available for sale of which 404 million and 736 million were pledged to creditors and can be sold or repledged at December 31, 2003 and 2002, respectively	[6], [10], [33]	24,631	21,619
Other investments	[6], [33]	8,570	10,768
Loans, net	[7], [8], [9], [10], [32], [33]	144,946	167,303
Premises and equipment, net	[10], [11]	5,786	8,883
Goodwill	[2], [12]	6,735	8,372
Other intangible assets, net	[2], [12]	1,122	1,411
Other assets related to insurance business	[24]	8,249	7,797
Due from customers on acceptances		60	99
Accrued interest receivable		3,612	4,208
Pending securities transactions past settlement date		11,082	5,624
Other assets	[26]	36,950	37,764
Total assets		803,614	758,355

Liabilities and Shareholders' Equity

in € m.	[Notes]	Dec 31, 2003	Dec 31, 2002
Deposits	[14], [33]	306,154	327,625
Trading liabilities	[4], [33]	153,234	131,212
Central bank funds purchased and securities sold under repurchase agreements	[10], [33]	102,433	90,709
Securities loaned	[10], [33]	14,817	8,790
Other short-term borrowings	[16], [19], [33]	22,290	11,573
Acceptances outstanding		60	99
Insurance policy claims and reserves	[24]	9,071	8,667
Accrued interest payable		3,793	4,668
Pending securities transactions past settlement date		10,390	4,611
Other liabilities	[19], [26], [26], [29]	53,380	33,084
Long-term debt	[19], [16], [33]	97,480	104,065
Trust preferred securities	[17]	–	3,103
Obligation to purchase common shares	[18]	2,310	278
Total liabilities		775,412	728,364
Common shares, no par value, nominal value of € 2.56[1]	[20]	1,490	1,592
Additional paid-in capital		11,147	11,199
Retained earnings		20,486	22,087
Common shares in treasury, at cost[2]		(971)	(1,960)
Equity classified as obligation to purchase common shares	[18]	(2,310)	(278)
Share awards		954	965
Accumulated other comprehensive income (loss)			
Deferred tax on unrealized net gains on securities available for sale relating to 1999 and 2000 tax rate changes in Germany		(2,828)	(3,043)
Unrealized net gains on securities available for sale, net of applicable tax and other		1,937	166
Unrealized net gains (losses) on derivatives hedging variability of cash flows, net of tax		(3)	1
Minimum pension liability, net of tax		–	(8)
Foreign currency translation, net of tax		(1,700)	(710)
Total accumulated other comprehensive loss		(2,594)	(3,604)
Total shareholders' equity	[20], [22]	28,202	29,991
Total liabilities and shareholders' equity		803,614	758,355

Commitments and contingent liabilities: see Notes [11],[31] and [34].
[1] Issued: 2003: 581.9 million shares; 2002: 621.9 million shares.
[2] 2003: 16.8 million shares; 2002: 36.4 million shares.

3. RECENT DEVELOPMENTS EXTRACTED FROM THE PRESS RELEASE DATED 3 FEBRUARY 2005

The entire press release can be found on www. deutschebank.com

Deutsche Bank reports 2004 pre-tax profit of Euro 4.1 billion, up 50 per cent, and fourth quarter 2004 pre-tax profit of Euro 418 million after reorganisation charges of Euro 574 million

Frankfurt am Main, 03.02.2005

. Full year 2004 net income of € 2.5 billion, up 87%

. Recommended dividend increase of 13% to € 1.70 per share

. Substantial progress with Business Realignment Program

Deutsche Bank (XETRA: DBKGn.DE / NYSE: DB) today reported income before income taxes for the fourth quarter 2004 of € 418 million after reorganisation charges of € 574 million. These charges included restructuring expenses of € 400 million related to the bank's Business Realignment Program, which was launched in the fourth quarter 2004 and € 174 million related to additional efficiency measures. In the prior year fourth quarter, income before income taxes was € 676 million. For the full year 2004 income before income taxes was € 4.1 billion, a rise of 50% compared to 2003.

Net income was € 269 million for the fourth quarter 2004, compared to € 436 million in the prior year period. For the full year, net income was € 2.5 billion, up 87% from € 1.4 billion in 2003.

Pre-tax return on average active equity for the year 2004 was 17% compared to 10% in 2003. Full year diluted earnings per share were € 4.67, up 102% from € 2.31 in 2003. The Board of Managing Directors recommends a dividend increase of 13% to € 1.70 per share.

Deutsche Bank also announced details of its Business Realignment Program which covers a series of initiatives aimed at revenue growth and cost efficiency. The program, together with additional efficiency measures in the fourth quarter 2004, is expected to result in a reduction of approximately 6,400 in full-time equivalent headcount. Of these 1,600 are covered by the restructuring and severance charges in the fourth quarter 2004. Restructuring charges for the remaining 4,800 will be taken in 2005. This headcount reduction includes the Efficiency and Investment Plan for Germany announced in December 2004. However, the Business Realignment Program and the additional efficiency measures include smartsourcing (i.e., transferring jobs to lower cost locations) which will add 1,200 headcount, leading to a net reduction of 5,200 headcount.

Total expenses related to the Business Realignment Program and other efficiency measures recorded in the fourth quarter 2004 and expected in 2005 are estimated to be € 1.3 billion. The bank expects to reduce its operating cost base by € 1.2 billion in 2005, of which € 0.8 billion will relate to the Business Realignment Program. The annualized run-rate of cost savings related to the Business Realignment Program is targeted at € 1.1 billion.

Josef Ackermann, Spokesman of the Board of Managing Directors and Chairman of the Group Executive Committee, said: "Deutsche Bank delivered continued growth in profitability, driven by a record year in Debt Sales and Trading, solid growth in Advisory and Origination, and by reaching our ambitious profit target of € 1 billion underlying pre-tax profit in Private and Business Clients. We also made continued good progress in credit risk management, leading to further reductions in problem loans and provisions for credit losses."

"Our recommended dividend increase demonstrates our desire to see shareholders benefit from our profit growth. This also reflects our commitment to an attractive dividend policy and our confidence in continued profitable growth going forward. "

He added: "The investments we have made in our core businesses, together with our planned cost savings, underline our firm commitment to deliver on our financial targets."

Group Highlights

Income before income taxes for the fourth quarter 2004 was € 418 million, after reorganisation charges of € 574 million. Of these, € 400 million were recorded as restructuring charges related to the Business Realignment Program. Additional charges of € 82 million were related to office space which became excess as a consequence of staff reduction and € 92 million to additional severance not qualifying as restructuring charges under U.S. GAAP. For the full year, income before income taxes was € 4.1 billion, compared to € 2.8 billion in 2003, a rise of 50%.

Net income for the quarter was € 269 million, compared to € 436 million for the fourth quarter 2003. Net income for the full year 2004 was € 2.5 billion, a rise of 87% versus 2003. The annual effective tax rate for 2004 was 39%, compared to 56% in 2003, both including the tax reversal effect for the sale of industrial holdings. Excluding this reversal effect the effective tax rates were 36% and 48%, respectively.

Revenues for the fourth quarter 2004 were € 5.3 billion, up 2% compared to the prior year quarter. Revenues in Debt Sales and Trading and in Origination and Advisory both registered gains compared to the prior year quarter, and Equity Sales and Trading Revenues strongly recovered from the levels of the second and third quarters 2004. These increases

were in part offset by the impact of the stronger Euro. For the full year 2004, reported revenues were € 21.9 billion, compared to € 21.3 billion in 2003. Revenues benefited from a record performance in Debt Sales and Trading, with particular strengths in higher-value structured products, derivatives and securitization, while revenues in Equity Sales and Trading were below 2003 levels.

Noninterest expenses for the fourth quarter 2004 were € 4.9 billion, compared to € 4.3 billion in the prior year quarter. The fourth quarter 2004 was impacted by two specific effects: € 574 million reorganisation charges and approximately € 200 million due to the reduction of the proportion of deferred share awards used in the Group's compensation model. The latter decision was taken by management in order to lower the cost of equity commitments in future years. The prior year fourth quarter included € 211 million severance charges.

The operating cost base (which excludes restructuring charges) for 2004 was € 16.9 billion and includes the two mentioned effects of € 174 million reorganisation charges and € 200 million from the change in the compensation model. In 2003 the operating cost base was € 17.3 billion. The reduction in 2004 was the result of lower severance charges and the strengthening of the Euro, partly offset by increased performance-related compensation, from both improved operating results and the change in the compensation model.

Provisions for credit losses were € 24 million in the fourth quarter 2004, compared to € 189 million in the prior year quarter. Ongoing improvements in the credit environment, together with rigour in the bank's credit risk management activities and a release following the restructuring of a previously impaired loan resulted in lower provisions for credit losses and in an improvement of the quality of the loan book. For the year 2004, provisions for credit losses were € 307 million, down 71% from € 1.1 billion in 2003. Furthermore, at the end of 2004, problem loans were € 4.8 billion, down 27% from € 6.6 billion at the end of 2003.

After financing investments in growth and maintaining capital strength the bank was able both to recommend a dividend increase and to continue its third share buyback program. By the end of 2004, the bank had repurchased 26,152,000 shares or 4.8% of shares issued under this program.

Business Segment Review

Corporate and Investment Bank Group Division

The Corporate and Investment Bank's (CIB) fourth quarter 2004 underlying pre-tax profit was € 567 million, an increase of € 129 million, or 29%, from € 438 million in the fourth quarter 2003. Underlying revenues of € 3.2 billion increased € 190 million, or 6%, versus the same period in 2003. Underlying pre-tax profit for the full year was € 3.0 billion, ahead of € 2.9 billion in 2003; an excellent performance considering the impact of a more than 9% decline in the average value of the US-Dollar against the Euro over the year.

Sales and Trading (Debt and other products) generated over € 1.3 billion of underlying revenues in the fourth quarter, a 10% or € 117 million increase over the same period in 2003. Despite a seasonally quiet second half of December, the bank enjoyed a comparably strong fourth quarter, driven by continued outperformance in interest rate and credit derivatives, with high-yield and commercial mortgage backed securities also performing well. Foreign Exchange and Emerging Markets were also stronger performers compared with the fourth quarter 2003. On a full year basis, underlying revenues were a record € 6.3 billion, € 222 million higher than 2003. This performance was driven by market-leading positions in high value, structured products such as interest rate derivatives, securitised products, credit derivatives, high-yield and distressed debt. Significant volume growth in other products, particularly foreign exchange, helped offset ongoing margin erosion, with customer activity continuing to predominate.

Underlying revenues in Sales and Trading (Equity) totalled € 759 million in the quarter, a rebound of 90% from the previous quarter. This improvement was driven by recoveries in cash equities and proprietary trading revenues. Compared to the fourth quarter 2003, underlying revenues were € 103 million lower and for the full year 2004 at € 2.5 billion, € 0.6 billion lower than recorded in 2003. Both reductions were largely attributable to a sharp fall in revenues from proprietary activities. Offsetting this decline was continued strong growth in structured equity products, in particular derivatives and prime services.

Origination and Advisory reported underlying revenues of € 519 million in the fourth quarter, up 15% compared to the same period in 2003. Full year underlying revenues of € 1.9 billion were € 146 million higher than 2003. Equity Origination produced a solid performance. The focus of the business remains one of innovation while at the same time minimising unprofitable transactions. High-yield issuance and leveraged lending, particularly in the US, also performed well. In Advisory, the mergers and acquisitions market gained pace throughout the year, with announced volumes up globally and in all regions versus 2003. The fourth quarter was particularly strong for both the market and Deutsche Bank.

Loan Products underlying revenues of € 276 million for the fourth quarter 2004 were € 108 million higher than the comparable period last year. The majority of this increase is attributable to lower mark-to-market losses on credit risk hedge positions. The bank continued to reduce overall credit exposure of the loan portfolio and in particular it undertook a landmark securitization of German MidCap loans in the fourth quarter. Over the full year, underlying revenues of € 1.1 billion were only marginally lower than 2003, partly as a consequence of further reductions in the average size of the loan portfolio over the period.

Transaction Services revenues in the fourth quarter of € 444 million were similar to the same period in 2003. In Cash Management the bank strengthened its global franchise by gaining market share across customer segments, particularly in the Euro clearing business and corporate deals across Europe. In Trade Finance the bank executed landmark syndicated trade loan transactions, while the Trust & Securities Services business maintained strong impetus in structured finance services worldwide and domestic custody in Asia. In addition the bank completed the successful integration of the former Dresdner Bank institutional custody business in Germany. On a full year basis, underlying revenues amounted to € 1.9 billion, only marginally below the full year 2003.

CIB recorded a net release of € 57 million in provision for credit losses in the fourth quarter compared to a charge of € 91 million in the same period last year. This continues to reflect the improved credit environment witnessed throughout the year and enhanced credit discipline, as well as a release following the restructuring of a previously impaired loan. On a full year basis, provisions for credit losses amounted to € 24 million, compared to € 707 million in the same period in 2003.

CIB's operating cost base in the fourth quarter totalled € 2.7 billion, an 8% increase over the same period last year. This increase was almost entirely due to performance-related compensation, including the aforementioned change in the equity compensation model. Over the full year, the operating cost base was 3% higher at € 10.2 billion, again almost entirely due to performance-related compensation.

CIB's noninterest expenses in the fourth quarter included € 299 million restructuring charges representing its share of the Business Realignment Program.

Private Clients and Asset Management Group Division

Private Clients and Asset Management's (PCAM) underlying pre-tax profit was € 363 million in the fourth quarter of 2004, 28% higher than the fourth quarter 2003. Underlying revenues were € 2.0 billion in fourth quarter 2004, 6% lower than the fourth quarter 2003. The operating cost base decreased by € 176 million, or 10%, to € 1.6 billion compared to the fourth quarter 2003. The provision for credit losses for the fourth quarter of 2004 was € 79 million, € 19 million below the fourth quarter of 2003.

For the full year, PCAM reported underlying pre-tax profit of € 1.5 billion, an increase of € 387 million, or 35%, compared to the full year 2003. The operating cost base decreased by € 487 million to € 6.2 billion from the full year 2003 primarily due to lower severance charges. Underlying revenues were € 8.0 billion compared to € 8.1 billion in 2003. The provision for credit losses for 2004 was € 263 million, € 58 million below 2003.

PCAM's noninterest expenses in the fourth quarter 2004 included € 98 million restructuring charges.

Asset and Wealth Management (AWM) reported an underlying pre-tax profit of € 99 million in the fourth quarter of 2004 compared to an underlying pre-tax profit of € 207 million in the fourth quarter of 2003, primarily due to lower underlying revenues. Underlying revenues of € 850 million were € 210 million below the fourth quarter 2003, which included significant revenues from the real estate business, including € 121 million in gains from the sale of private real estate equity assets to the Global Real Estate Opportunity Fund. The remaining decline was due to difficult market conditions affecting performance, the impact of the strengthening of the Euro, and the effect of invested asset net outflows. These negative effects could only be partially offset by higher brokerage fees driven by the successful distribution of investment products. AWM's operating cost base was € 758 million in the fourth quarter of 2004, 11% lower than in the fourth quarter 2003. This decrease resulted largely from declines of performance-based compensation and non-compensation costs as well as the impact of the strengthening Euro.

For the full year 2004, AWM reported underlying pre-tax profit of € 490 million, a decrease of € 158 million. The operating cost base decreased by € 169 million to € 2.9 billion for the full year 2004. Underlying revenues of € 3.4 billion were 9% lower compared to the full year 2003, primarily due to the above-mentioned gain from the real estate transaction, which was € 194 million for the full year 2003.

Asset Management underlying revenues during the fourth quarter 2004 suffered from lower performance fees compared to the fourth quarter 2003 due to continued difficult market conditions, particularly in the Alternative Asset businesses and from the absence of significant gains from the sale of real estate investments. Compounding this decline was the impact of unfavorable foreign exchange developments and invested asset net outflows. Net asset outflows were € 20 billion during the fourth quarter 2004, largely in the UK Institutional, Continental Europe Retail (primarily short-term) and Americas Retail businesses, which accounted for 77% of the total. A review of the UK business is underway.

In Private Wealth Management underlying revenues increased compared to the fourth quarter 2003, predominantly due to an upswing in transaction-based revenues as well as new offerings of alternative investments and specialized structured products. The Asian business achieved strong revenues as it increased distribution of alternative investments to an active client base. The German markets continued to benefit from enhanced performance on discretionary products and new investment initiatives towards the year-end.

Private and Business Clients (PBC) generated an underlying pre-tax profit of € 265 million in the fourth quarter of 2004, an increase of € 189 million compared to the fourth quarter 2003. Fourth quarter 2004 underlying revenues increased by € 86 million, or 8%, compared to the fourth quarter 2003 to a record € 1.2 billion - the highest since the establishment of Private and Business Clients. This increase was driven by higher sales of investment and insurance products, the latter supported by changes in German tax legislation. In addition, PBC recorded growth in both lending business, mainly consumer finance, and deposit volumes. The operating cost base of € 845 million was € 79 million lower compared to the fourth quarter 2003, with most of the reduction attributable to lower severance payments. Provisions for credit losses of € 77 million were € 23 million lower than in the fourth quarter 2003, which included higher provisions for German mortgage loans.

PBC achieved its full year underlying pre-tax profit target of € 1 billion, more than doubling underlying pre-tax profit compared to the full year 2003. Underlying revenues increased to € 4.6 billion, 4% higher compared to the full year 2003. The operating cost base declined 9% to € 3.3 billion due primarily to lower severance expenses, while provisions for credit losses of € 269 million were € 53 million lower reflecting better customer performance.

Corporate Investments Group Division

Corporate Investments (CI) reported an underlying pre-tax loss of € 154 million in the fourth quarter 2004, compared to a loss of € 42 million in last year's fourth quarter. The underlying pre-tax loss for the full year 2004 was € 194 million

compared to € 236 million in 2003.

Underlying revenues were negative € 1 million in the fourth quarter 2004 compared to € 60 million in last year's fourth quarter with the decline being mainly attributable to the deconsolidation of maxblue America in the first quarter of 2004. The major contributor to the difference between underlying and reported revenues (€ 68 million in the fourth quarter 2004) was a gain of € 52 million from the sale of the bank's 49% stake in DSI Financial Solutions Pte Ltd in exchange for a 6% interest in HCL Technologies Ltd. From a full year perspective, underlying revenues decreased from € 448 million in 2003 to € 238 million in 2004. The decline was mainly attributable to deconsolidation effects (Telecolumbus and maxblue Americas) as well as to lower dividend income from the bank's industrial holdings portfolio. The difference between underlying and reported revenues in 2004 was driven by € 176 million gains from our industrial holdings portfolio and € 48 million net gains from other investments. In 2003, charges related to our industrial holdings portfolio and to other investments totalled € 1.1 billion, including € 490 million for the complete write-off of our equity method investment in Gerling-Konzern Versicherungs-Beteiligungs-AG.

CI's operating cost base was € 149 million in the fourth quarter 2004 and included € 82 million for the cost of eliminating excess space resulting from headcount reductions and the sale of businesses. Similar charges in the fourth quarter 2003 amounted to € 11 million. The decrease in the operating cost base from € 681 million in 2003 to € 414 million in 2004 mainly results from the aforementioned deconsolidation effects as well as from lower project-related costs.

CI's alternative assets decreased from € 2.9 billion at the end of 2003 to € 1.6 billion at 31 December 2004. The decline by 45% reflects the continued success of our strategy to de-risk the bank.

These figures are preliminary and unaudited. The Annual Report 2004 and Form 20-F will be published on 24 March 2005. For further details regarding the results, please refer to the 4Q2004 Financial Data Supplement which is available under www.deutsche-bank.de/ir/financial-supplements .

This Release contains forward-looking statements. Forward-looking statements are statements that are not historical facts; they include statements about our beliefs and expectations. Any statement in this Release that states our intentions, beliefs, expectations or predictions (and the assumptions underlying them) is a forward-looking statement. These statements are based on plans, estimates and projections as they are currently available to the management of Deutsche Bank. Forward-looking statements therefore speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

By their very nature, forward-looking statements involve risks and uncertainties. A number of important factors could therefore cause actual results to differ materially from those contained in any forward-looking statement. Such factors include the conditions in the financial markets in Germany, in Europe, in the United States and elsewhere from which we derive a substantial portion of our trading revenues; potential defaults of borrowers or trading counterparties; the implementation of our management agenda; the reliability of our risk management policies, procedures and methods; and other risks referenced in our filings with the U.S. Securities and Exchange Commission. Such factors are described in detail in our SEC Form 20-F of 25 March 2004 in the section "Risk Factors." Copies of this document are readily available upon request or can be downloaded from www.deutsche-bank.com/ir.

Financial Summary

Deutsche Bank

	1Q 2003	2Q 2003	3Q 2003	4Q 2003	1Q 2004	2Q 2004	3Q 2004	4Q 2004	4Q2004 vs. 4Q2003	4Q2004 vs. 3Q2004	FY 2002	FY 2003	FY 2004	FY2004 vs. FY 2003
Share price at period end	€ 38.50	€ 56.48	€ 52.25	€ 65.70	€ 67.65	€ 64.58	€ 57.87	**€ 65.32**	(1)%	13 %	€ 43.90	€ 65.70	**€ 65.32**	(1)%
Share price high	€ 47.90	€ 60.10	€ 59.95	€ 66.04	€ 77.77	€ 73.08	€ 65.35	**€ 66.33**	0 %	1 %	€ 82.65	€ 66.04	**€ 77.77**	18 %
Share price low	€ 32.97	€ 37.20	€ 51.20	€ 51.55	€ 62.20	€ 63.02	€ 52.37	**€ 56.96**	10 %	9 %	€ 35.60	€ 32.97	**€ 52.37**	59 %
Basic earnings per share	€ (0.37)	€ 0.97	€ 1.08	€ 0.83	€ 1.81	€ 1.31	€ 1.42	**€ 0.57**	(31)%	(60)%	€ 0.64	€ 2.44	**€ 5.17**	112 %
Diluted earnings per share[1]	€ (0.37)	€ 0.93	€ 1.00	€ 0.78	€ 1.67	€ 1.16	€ 1.28	**€ 0.52**	(34)%	(60)%	€ 0.63	€ 2.31	**€ 4.67**	102 %
Basic shares outstanding (average), in m.	587	588	536	528	521	501	480	**470**	(11)%	(2)%	616	559	**493**	(12)%
Diluted shares outstanding (average), in m.	587	615	556	561	563	540	512	**507**	(10)%	(1)%	626	590	**532**	(10)%
Return on average shareholders' equity (post-tax)	(2.9)%	7.7 %	8.1 %	6.4 %	13.2 %	9.3 %	10.2 %	**4.2 %**	(2.2)ppt	(6.0)ppt	1.1 %	4.7 %	**9.4 %**	4.7 ppt
Adjusted return on average active equity (post-tax)[2]	(2.6)%	8.3 %	7.6 %	8.4 %	15.1 %	11.7 %	11.1 %	**4.6 %**	(3.8)ppt	(6.5)ppt	10.2 %	5.2 %	**10.8 %**	5.6 ppt
Pre-tax return on average shareholders' equity	3.1 %	14.6 %	10.6 %	9.9 %	22.0 %	16.4 %	15.2 %	**6.6 %**	(3.3)ppt	(8.6)ppt	9.6 %	9.5 %	**15.2 %**	5.7 ppt
Pre-tax return on average active equity	3.2 %	15.3 %	11.3 %	10.8 %	24.4 %	18.2 %	16.4 %	**7.1 %**	(3.7)ppt	(9.3)ppt	11.4 %	10.1 %	**16.7 %**	6.6 ppt
Cost/income ratio[3]	87.7 %	75.8 %	82.0 %	82.8 %	72.6 %	75.6 %	78.5 %	**91.9 %**	9.1 ppt	13.4 ppt	78.8 %	81.8 %	**79.4 %**	(2.4)ppt
Total revenues, in EUR m.	4,994	5,905	5,161	5,208	6,154	5,395	5,056	**5,313**	2 %	5 %	26,547	21,268	**21,918**	3 %
Provision for loan losses[4], in EUR m.	380	340	174	219	123	155	83	**11**	(95)%	(87)%	2,091	1,113	**372**	(67)%
Total noninterest expenses, in EUR m.	4,380	4,474	4,232	4,313	4,470	4,079	3,967	**4,884**	13 %	23 %	20,907	17,399	**17,400**	0 %
Income before income tax expense and cumulative effect of accounting changes and reversal of 1999/2000 credits for tax rate changes, in EUR m.	234	1,091	755	676	1,561	1,161	1,006	**418**	(38)%	(58)%	3,549	2,756	**4,146**	50 %
Net income (loss) before reversal of 1999/2000 credits for tax rate changes, in EUR m.	(189)	588	654	527	964	749	683	**269**	(49)%	(61)%	3,214	1,580	**2,666**	69 %
Net income (loss), in EUR m.	(219)	572	576	436	941	656	680	**269**	(38)%	(60)%	397	1,365	**2,546**	87 %
Underlying revenues, in EUR m.	5,570	6,041	5,096	5,186	5,921	5,333	4,904	**5,197**	0 %	6 %	22,755	21,892	**21,355**	(2)%
Provision for credit losses[5], in EUR m.	350	333	191	189	141	83	58	**24**	(87)%	(58)%	1,908	1,063	**307**	(71)%
Operating cost base, in EUR m.	4,277	4,459	4,175	4,346	4,400	4,124	3,957	**4,419**	2 %	12 %	19,442	17,257	**16,900**	(2)%
Underlying pre-tax profit, in EUR m.	950	1,237	726	662	1,377	1,128	884	**755**	14 %	(15)%	1,360	3,575	**4,145**	16 %
Underlying pre-tax return on average active equity	12.9 %	17.4 %	10.9 %	10.6 %	21.5 %	17.7 %	14.4 %	**12.9 %**	2.3 ppt	(1.5)ppt	4.4 %	13.1 %	**16.7 %**	3.6 ppt
Underlying cost/income ratio	76.8 %	73.8 %	81.9 %	83.8 %	74.3 %	77.3 %	80.7 %	**85.0 %**	1.2 ppt	4.3 ppt	85.4 %	78.8 %	**79.1 %**	0.3 ppt
Total assets[6], in EUR bn.	802	851	864	804	878	849	845	**840**	5 %	(1)%	758	804	**840**	5 %
Loans, net[6], in EUR bn.	168	161	162	145	146	142	137	**136**	(6)%	(1)%	167	145	**136**	(6)%
Shareholders' equity[6], in EUR bn.	29.4	29.9	27.4	28.2	28.6	27.2	26.3	**26.0**	(8)%	(1)%	30.0	28.2	**26.0**	(8)%
BIS core capital ratio (Tier I)[6]	9.6 %	10.0 %	9.5 %	10.0 %	10.1 %	9.4 %	9.2 %	**8.7 %**	(1.3)ppt	(0.5)ppt	9.6%	10.0%	**8.7 %**	(1.3)ppt
Branches[6]	1,634	1,634	1,627	1,576	1,553	1,555	1,557	**1,559**	(1)%	0 %	1,711	1,576	**1,559**	(1)%
thereof: in Germany	894	895	890	845	828	828	829	**831**	(2)%	0 %	936	845	**831**	(2)%
Employees (full-time equivalent)[6]	70,882	69,308	68,481	67,682	66,877	65,746	65,374	**65,417**	(3)%	0 %	77,442	67,682	**65,417**	(3)%
thereof: in Germany[7]	31,867	31,132	30,630	29,878	29,168	28,073	27,330	**27,093**	(9)%	(1)%	33,844	29,878	**27,093**	(9)%
Long-term rating[6]														
Moody's Investors Service, New York	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3	Aa3			Aa3	Aa3	Aa3	
Standard & Poor's, New York	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-			AA-	AA-	AA-	
Fitch Ratings, New York	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-			AA-	AA-	AA-	

1 Including effect of dilutive derivatives, net of tax.
2 The reconciliation of average active equity and adjusted net income (loss) is provided on page 5 of this document.
3 Total noninterest expenses as a percentage of net interest revenues before provision for loan losses plus noninterest revenues.
4 FY 2002 includes EUR 200 m provision due to change in measurement of other inherent loss allowance.
5 FY 2002 excludes EUR 200 m provision due to change in measurement of other inherent loss allowance.
6 At period end.
7 Numbers prior 2004 are restated for revised assignment of representation offices employees.
Source for share price information: Thomson Financial, based on XETRA; high and low based on intraday prices.

Consolidated Statement of Income
(in EUR m.)

Deutsche Bank

	1Q 2003	2Q 2003	3Q 2003	4Q 2003	1Q 2004	2Q 2004	3Q 2004	4Q 2004	4Q2004 vs. 4Q2003	4Q2004 vs. 3Q2004	FY 2002	FY 2003	FY 2004	FY2004 vs. FY2003
Net interest revenues	**1,306**	**1,672**	**1,612**	**1,257**	**1,394**	**1,459**	**1,158**	**1,171**	**(7)%**	**1 %**	**7,186**	**5,847**	**5,182**	**(11)%**
Provision for loan losses	380	340	174	219	123	155	83	**11**	(95)%	(87)%	2,091	1,113	**372**	(67)%
Net interest revenues after provision for loan losses	**926**	**1,332**	**1,438**	**1,038**	**1,271**	**1,304**	**1,075**	**1,160**	**12 %**	**8 %**	**5,095**	**4,734**	**4,810**	**2 %**
Commissions and fees from fiduciary activities	830	772	801	870	798	771	773	**868**	(0)%	12 %	3,926	3,273	**3,211**	(2)%
Commissions, broker's fees, markups on securities underwriting and other securities activities	855	896	921	892	983	994	851	**883**	(1)%	4 %	4,319	3,564	**3,711**	4 %
Fees for other customer services	627	620	657	591	622	603	665	**694**	17 %	4 %	2,589	2,495	**2,584**	4 %
Insurance premiums	29	25	29	29	31	29	21	**43**	48 %	105 %	744	112	**123**	10 %
Trading revenues, net	1,784	1,529	940	1,358	2,035	1,416	1,273	**1,462**	8 %	15 %	4,024	5,611	**6,186**	10 %
Net gains (losses) on securities available for sale	(396)	202	69	145	65	153	39	**(23)**	N/M	N/M	3,523	20	**235**	N/M
Net income (loss) from equity method investments	(646)	(62)	139	147	163	37	54	**135**	(8)%	150 %	(887)	(422)	**388**	N/M
Other revenues	605	251	(7)	(81)	63	(67)	222	**80**	N/M	(64)%	1,123	768	**298**	(61)%
Total noninterest revenues	**3,688**	**4,233**	**3,549**	**3,951**	**4,760**	**3,936**	**3,898**	**4,142**	**5 %**	**6 %**	**19,361**	**15,421**	**16,736**	**9 %**
Compensation and benefits	2,582	2,801	2,584	2,528	2,816	2,489	2,327	**2,590**	2 %	11 %	11,358	10,495	**10,222**	(3)%
Net occupancy expense of premises	366	296	286	303	305	314	286	**352**	16 %	23 %	1,291	1,251	**1,258**	1 %
Furniture and equipment	42	44	48	59	45	47	43	**43**	(27)%	0 %	230	193	**178**	(8)%
IT costs	473	465	457	518	450	428	396	**452**	(13)%	14 %	2,188	1,913	**1,726**	(10)%
Agency and other professional service fees	184	195	196	261	170	203	196	**255**	(2)%	30 %	1,001	836	**824**	(1)%
Communication and data services	169	160	151	146	156	156	142	**145**	(1)%	2 %	792	626	**599**	(4)%
Policyholder benefits and claims	28	37	37	8	50	29	31	**34**	N/M	11 %	759	110	**143**	30 %
Other expenses	424	503	473	490	478	413	546	**594**	21 %	9 %	2,643	1,890	**2,031**	7 %
Goodwill impairment / impairment of intangibles	114	-	-	-	-	-	-	**19**	N/M	N/M	62	114	**19**	(83)%
Restructuring activities	(2)	(27)	-	-	-	-	-	**400**	N/M	N/M	583	(29)	**400**	N/M
Total noninterest expenses	**4,380**	**4,474**	**4,232**	**4,313**	**4,470**	**4,079**	**3,967**	**4,884**	**13 %**	**23 %**	**20,907**	**17,399**	**17,400**	**0 %**
Income before income tax expense and cumulative effect of accounting changes and reversal of 1999/2000 credits for tax rate changes	**234**	**1,091**	**755**	**676**	**1,561**	**1,161**	**1,006**	**418**	**(38)%**	**(58)%**	**3,549**	**2,756**	**4,146**	**50 %**
Income tax expense	423	503	252	149	597	412	323	**149**	0 %	(54)%	372	1,327	**1,480**	12 %
Income (loss) before cumulative effect of accounting changes and reversal of 1999/2000 credits for tax rate changes	**(189)**	**588**	**503**	**527**	**964**	**749**	**683**	**269**	**(49)%**	**(61)%**	**3,177**	**1,429**	**2,666**	**87 %**
Cumulative effect of accounting changes, net of tax	-	-	151	-	-	-	-	-	N/M	N/M	37	151	-	N/M
Net income (loss) before reversal of 1999/2000 credits for tax rate changes	**(189)**	**588**	**654**	**527**	**964**	**749**	**683**	**269**	**(49)%**	**(61)%**	**3,214**	**1,580**	**2,666**	**69 %**
Reversal of 1999/2000 credits for tax rate changes	30	16	78	91	23	93	3	-	N/M	N/M	2,817	215	**120**	(44)%
Net income (loss)	**(219)**	**572**	**576**	**436**	**941**	**656**	**680**	**269**	**(38)%**	**(60)%**	**397**	**1,365**	**2,546**	**87 %**

4. THE SHARES

Type : common stock shares with no par value entitling the holder to one vote per Share, to a dividend and to a part in the distribution upon winding-up.
ISIN: DE0005140008

Dividend:

12 June 2000 :	EUR 1.15
18 May 2001:	EUR 1.30
23 May 2002:	EUR 1.30
11 June 2003:	EUR 1.30
3 June 2004:	EUR 1.50

Price-earnings ratio 2004: 12.4
Price-earnings-growth ratio 2004: 0.95

Estimated price-earnings ratio 2005: 11.4
Estimated price-earnings-growth ratio 2005: 0.88

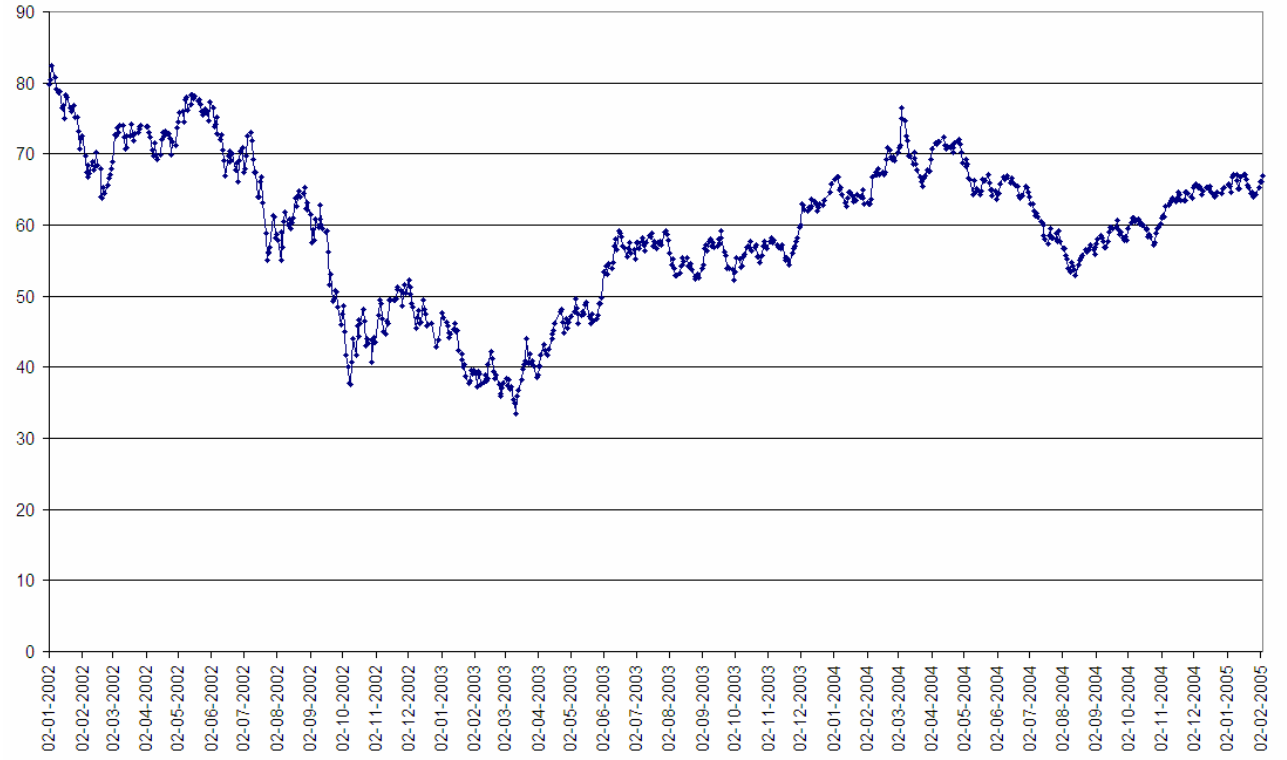
The historical evolution of the Deutsche Bank Shares does not imply any indication about the future evolution of the Shares, and any information regarding the expected evolution of the Shares in 2005 mentioned herein is just an estimate.

Price movements on Xetra Frankfurt: (*Source Bloomberg)*

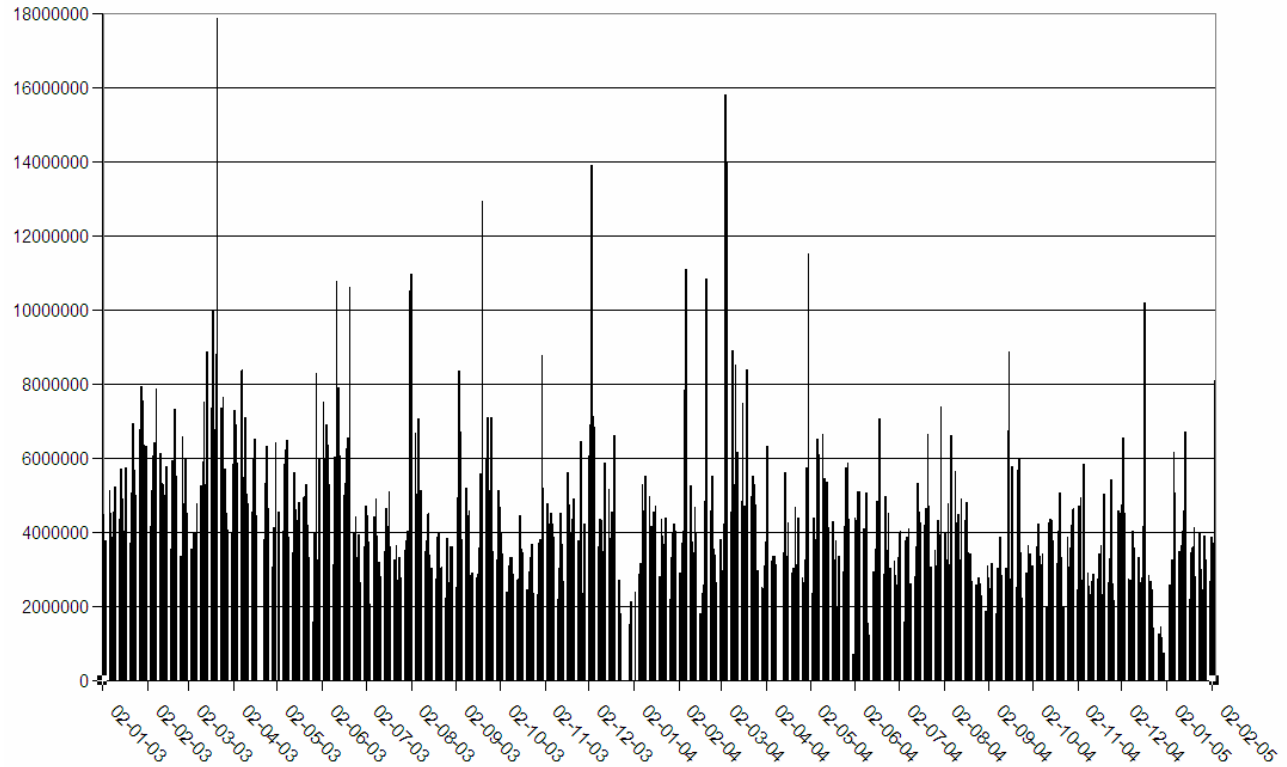
	High	Low	Average
		(in EUR)	
1 January 2002 – 31 December 2002	82.40	37.53	63.20
1 January 2003 – 31 December 2003	65.70	33.50	50.94
1 January 2004 – 31 December 2004	76.41	52.90	63.70-
1 August 2004 – 31 August 2004	57.20	52.90	55.40
1 September 2004 – 30 September 2004	60.67	56.82	58.43
1 October 2004 – 31 October 2004	61.02	57.24	59.58
1 November 2004 – 30 November 2004	64.69	60.13	63.22
1 December 2004 – 31 December 2004	65.75	63.88	64.97
1 January 2005 – 31 January 2005	67.12	64.01	65.63

The chart hereafter shows the evolution of the Shares on Xetra Frankfurt during the period from 1 January 2002 until 3 February 2005. On 15 February 2005, the closing level of the Shares was EUR 64.20.

*(Source**: Bloomberg.**)*



The chart hereafter shows the volume of the Shares traded on Xetra Frankfurt during the period from 1 January 2003 until 3 February 2005.



Source Bloomberg

5. EXECUTIVE COMMITTEE AND SUPERVISORY BOARD

Management Board
Josef Ackermann
Clemens Börsig
Tessen von Heydebreck
Hermann-Josef Lamberti

Board of Directors

Rolf-E. Breuer	Paul Kirchhof
Heidrun Förster	Henriette Mark
Karl-Hermann Baumann	Margret Mönig-Raane
Klaus Funk	Michael Otto
Ulrich Hartmann	Gabriele Platscher
Sabine Horn	Karin Ruck
Rolf Hunck	Tilman Todenhöfer
Sir Peter Job	Jürgen Weber
Henning Kagermann	Albrecht Woeste
Ulrich Kaufmann	Leo Wunderlich

6. CORRESPONDENCE ADDRESS

Taunusanlage 12
Tower A
D-60325 Frankfurt am Main
Germany
Tel.:+49-69-910-00(Switchboard)
Tel.:+49-69-910-38080/35395(InvestorRelations)
Fax:+49-69-910-38591
E-mail: db.ir@db.com

SOURCE: BLOOMBERG/ WWW.DEUTSCHEBANK.COM

Fortis Luxembourg Finance S.A.

(the Issuer)

1. GENERAL DESCRIPTION

Fortis Luxembourg Finance S.A. (the "Company") was incorporated in Luxembourg on 24th September, 1986 for a limited duration of thirty years in the form of a "Société Anonyme" and its registered number is B 24784. Until 12 November 2001, the legal denomination of Fortis Luxembourg Finance S.A. was "Genfinance Luxembourg S.A."
The Articles of Association of the Company have been amended several times, most recently by notarial deed in Luxembourg on 12 November 2001.The duration of the Company is now unlimited. According to Luxembourg Act of 12 December, 1998, the capital of the Company has been converted into euro on 18 April 2001.

The Articles of Association were published in the "Mémorial, Recueil Spécial des Sociétés et Associations" on 29th November, 1986 (C Nr332) and amendments thereto were published in the "Mémorial, Receuil Spécial des Sociétés et Associations" on 29th September, 1987 (C Nr 241), on 30th December, 1987 (C Nr 385), on 19th March, 1988 (C Nr 71),on 26th May, 1988 (C Nr 140), on 28th August, 1989 (C Nr 236), on 13th June, 1990 (C Nr 194), on 10th January, 1991 (C Nr 9), on 15th June, 1992 (C Nr 258), on 19th July, 1996 (C Nr 346) and on 20 March 2002 (C Nr 445).

The Company's registered office is at 14, rue Aldringen, Luxembourg.

The Company's object is to grant loans to the companies which are members of the Fortis Group (as defined below). For that purpose the Company may issue bonds or similar securities, raise loans, with or without a guarantee and in general have recourse to any sources of finance.

The Company's issued and authorised share capital at 30 June 2004 is EUR 500,000 represented by 20,000 ordinary shares with a nominal value of EUR 25 each. The Company has no other classes of shares.

Fortis Bank (as defined below) holds 99.995% of the Company's shares.

The Articles of Association of the Company are filed with the Chief Registrar of the District Court of Luxembourg (Greffier en Chef du Tribunal d'Arrondissement de et à Luxembourg) and on written request a copy is available to any interested person.

Fiscal year
The Company's fiscal year starts on 1st January and ends on 31st December.

Board of Directors

As at the date of this Offering Circular the Board of Managing Directors was comprised of the following::

Bas Schreuders, Managing Director of BGL-Meespierson Trust (Luxembourg) S.A.
Edward Bruin, Director of Commercial Relations & Fiscal Affairs of BGL-MeesPierson Trust
Jean Thill, Global Markets Director of Banque Générale du Luxembourg S.A.
Matthijs van der Want, Manager of the Guarantor
Christian Pithsy, Manager of Fortis S.A./N.V.

No member of the Board of Directors works on a full-time basis for the Company.

Auditor

The financial statements of the Company for the years ending 31 December 2001 and 31 December 2002 have been audited without qualification by Ernst & Young Société Anonyme, BP 780 L-2017 Luxembourg. The financial statements of the Company for the year ending 31 December 2003 have been audited without qualification by KPMG Audit, Société Civile, 31, Allée Scheffer, L-2520 Luxembourg.

2. CAPITALISATION AND INDEBTEDNESS OF FORTIS LUXEMBOURG FINANCE S.A. AS AT 31 DECEMBER 2004

The capitalisation and indebtedness of Fortis Luxembourg Finance S.A. (extracted from Fortis Luxembourg Finance S.A.'s unaudited accounts) as at 31 December 2004, is as set out below:

	As at 31 December 2004 (In EUR)
Shareholders' Equity	
Share capital	500,000.00
Legal reserve	50,000.00
Reserve not available	1,182,021.25
Retained earnings	13,876,527
Result not yet allocated	3,753,366.18
Total Shareholders' Equity	**15,608,548.25**

Long Term Debt
Notes with unsubordinated guarantee

LUF 2,000,000,000	7 1/4%	1995/2005[1][4]		XS0059443761	49,578,704.95
LUF 3,000,000,000	5%	1996/1999 7% 1999/2002 9% 2002/2005[1][4][7]		XS0064533507	74,368,057.43
LUF4,000,000,000	5 1/2%	1996/2000 7% 2000/2003 9% 2003/2006[1][4][7]		XS0067038959	99,157,409.91
LUF 3,000,000,000	4 1/4%	1996/1999 6% 1999/2002 8% 2002/2005[1][4][7]		XS0071703192	74,368,057.43
EUR 2,000,000.00		3 May 2002	3 May 2012	XS0147076037	2,000,000.00
USD 5,000,000		16 June 2003	16 June 2008	XS0170126659	3,666,495.56
HKD100,000,000		25 March 2003	25 March 2008	XS0165573071	9,431,026.19
USD 4,000,000		15 July 2003	15 July 2008	XS0171778003	2,933,196.45
USD 10,500,000		Range Accrual Notes	25 July 2013	XS0172877028	7,699,640.68
USD 10,000,000		Range Accrual Notes	15 August 2013	XS0173627554	7,332,991.13
USD 2,000,000		Bermudan Callable Fixed Rate Notes	18 November 2010	XS0180133398	1,466,598.23
USD 5,000,000		Callable Range Accrual Notes	18 November 2013	XS0180217498	3,666,495.56
EUR 4,720,000		0% Basket Linked Notes	5 March 2007	XS0187132096	4,720,000.00
EUR 5,000,000		Credit Linked Floating Rate Notes	15 March 2007	XS0187825459	5,000,000.00
EUR 3,000,000		Equity Index Linked Notes	2 April 2012	XS0189252736	3,000,000.00
USD 8,000,000		Credit Linked Notes	1 October 2009	XS0189310799	5,866,392.90
EUR 5,000,000		Credit Linked Notes	5 July 2006	XS0189850042	5,000,000.00
EUR 5,000,000		Notes with Floored Yearly Tec-10 Click	20 April 2016	XS0190360734	5,000,000.00
EUR 20,000,000		Target Redemption Notes	20 April 2012	XS0190412394	20,000,000.00
EUR 10,000,000		Target Redemption Notes	24 May 2014	XS0192707775	10,000,000.00
EUR 10,000,000		"Five out of Five" Notes	22 June 2009	XS0193721205	10,000,000.00
EUR 10,000,000		Credit Linked Notes	12 July 2005	XS0196339260	10,000,000.00
EUR 10,000,000		Five Year Target Redemption Notes	06 July 2009	XS0194459177	10,000,000.00
EUR 25,000,000		Credit Linked Notes	22 April 2008	XS0167356392	25,000,000.00
EUR 20,000,000		Exchangeable Zero Coupon Notes on	10 November 2008	XS0179754550	20,000,000.00
EUR 1,300,000		Peugeot SA	10 November 2008	XS0179754550	1,300,000.00
EUR 2,500,000		Credit Linked Notes	07 July 2011	XS0196095888	2,500,000.00
EUR 20,000,000		Credit Linked Notes	20August 2007	XS0199182899	20,000,000.00
EUR 11,260,000		Target Redemption Notes	27 August 2014	XS0197902587	11,260,000.00
EUR 50,000,000		Credit Linked Notes	20 September 2016	XS0199957985	50,000,000.00
EUR 5,000,000		"Going for Gold" Notes	21 September 2007	XS0199207555	5,000,000.00
EUR 5,000,000		Credit Linked Notes	10 October 2005	XS0201884136	5,000,000.00

EUR 85,000,000		Credit Linked Notes	22 October 2012	XS0201907952	85,000,000.00
EUR 20,000,000		CMS Linked Notes	14 October 2019	XS0202613666	20,000,000.00
EUR 3,000,000		CMS Linked Notes	14 October 2019	XS0202613666	3,000,000.00
EUR 20,000,000		CMS Linked Notes	14 October 2019	XS0202614391	20,000,000.00
EUR 1,500,000		Ten Year Target Redemption Notes	22 October 2014	XS0203697015	1,500,000.00
EUR 15,383,000		Ten Year Target Redemption Notes	1 November 2014	XS0202071832	15,383,000.00
EUR 24,816,000		Ten Year Target Redemption Notes	1 November 2014	XS0202963640	24,816,000.00
EUR 75,000,000	3.40%	Notes	22 December 2010	XS0206388182	75,000,000.00
USD 1,950,000	15%	Capella Notes	09 January 2007	XS0195862866	1,429,933.27
USD 9,030,000		Callable Range Accrual Notes	20 July 2014	XS0196215023	6,621,690.99
USD 3,000,000		Bermudan Step-up Coupon Notes	28 August 2007	XS0199017186	2,199,897.34
USD 10,550,000		Ten Year Callable Range Accrual Notes	28 October 2014	XS0203361299	7,736,305.64
USD 5,000,000		Ten Year Callable Range Accrual Notes	27 October 2014	XS0203471395	3,666,495.56
USD 106,107,100		Bermudan Callable Zero Notes	25 October 2024	XS0203790810	77,808,242.28
USD 10,000,000		Bermudan Callable CMS Linked Notes	25 November 2014	XS0206015074	7,332,991.13
USD 10,000,000		CMS Linked Range Accrual Notes	25 December 2014	XS0208904283	7,332,991.13
Total					**923,142,613.76**

Reverse Convertible Notes[8]

EUR30,000,000.00	23 May 2003	23 May 2005	XS0168017803	30,000,000.00
EUR15,000,000.00	25 July 2003	25 July 2005	XS0171782450	15,000,000.00
EUR15,000,000.00	21 October 2003	21 October 2005	XS0177422648	15,000,000.00
EUR 30,000,000.00	16 December 2003	16 December 2005	XS0181018317	30,000,000.00
EUR 15,000,000.00	10 February 2004	10 February 2006	XS0184245099	15,000,000.00
EUR 25,000,000.00	12 May 2004	12 May 2006	XS0191265957	25,000,000.00
EUR 10,000,000.00	28 July 2004	28 July 2005	XS0195608210	10,000,000.00
EUR 10,500,000.00	22 November 2004	22 November2005	XS0204904543	10,500,000.00
Total				**150,500,000.00**

Index Linked Notes

EUR100,000,000.00	15 April 1999	15 April 2005	XS0095602545[4]	100,000,000.00
EUR50,000,000.00	8 February 2000	8 February 2005	XS0106290710[4]	50,000,000.00
EUR50,000,000.00	15 February 2000	15 February 2008	XS0106569071[4]	50,000,000.00
EUR50,000,000.00	28 March 2000	28 March 2005	XS0108677039[4]	50,000,000.00
EUR70,000,000.00	20 April 2000	20 April 2005	XS0109552389[4]	70,000,000.00
EUR50,000,000.00	9 June 2000	9 June 2005	XS0111290564[4]	50,000,000.00
EUR25,000,000.00	4 October 2000	4 October 2005	XS0117447531[4]	25,000,000.00
EUR40,000,000.00	7 February 2001	7 February 2005	XS0123291303[4]	40,000,000.00
EUR25,000,000.00	28 February 2001	28 February 2005	XS0124841601[4]	25,000,000.00
EUR35,000,000.00	15 January 2002	15 January 2007[4]	XS0140809889[4]	35,000,000.00
EUR25,000,000.00	15 March 2002	15 March 2006[4]	XS0143766821[4]	25,000,000.00
EUR15,000,000.00	3 July 2002	3 July 2006[4]	XS0148947566[4]	15,000,000.00
EUR50,000,000.00	17 June 2003	17 June 2015	XS0106569071[4]	50,000,000.00
Total				**585,000,000.00**

Notes in EUR with subordinated guarantee

LUF3,000,000,000	6%	1997/2007[1][3]	XS0074671339[3]	74,368,057.43
LUF3,700,000,000	5%	1997/2001 7 1/2% 2001/2005(1)(3)(7)	XS0076525060[3]	91,720,604.17
LUF3,000,000,000	5 1/4%	1997/2002 7 1/4% 2002/2007[1][3][7]	XS0080323784[3]	74,368,057.43
LUF2,000,000,000	6 1/8%	1997/2007[1][3]	XS0082285155[3]	49,578,704.95

NLG150,000,000	$5^1/_{8}$%	1998/2005[(1)(3)]		XS0166164789[(3)]	68,067,032.41
LUF2,000,000,000	$4^1/_{2}$%	1998/2003 6.375% 2003/2008[(1)(3)(7)]		XS0088649347[(3)]	49,578,704.95
LUF2,000,000,000	$4^1/_{4}$%	1998/2003 $6^1/_{4}$% 2003/2008[(1)(3)(7)]		XS0090170209[(3)]	49,578,704.95
EUR100,000,000	$5^1/_{8}$%	1999/2009[(1)(3)]		XS0098609919[(3)]	100,000,000.00
EUR75,000,000	5.625%	1999/2009[(1)(3)]		XS0100182004[(3)]	75,000,000.00
EUR100,000,000	6%	1999/2009[(1)(3)]		XS0101623600[(3)]	100,000,000.00
EUR150,000,000	$6^1/_{8}$%	1999/2009[(1)(3)]		XS0102274700[(3)]	150,000,000.00
EUR100,000,000.00	6%	17 December 1999	17 December 2009	XS0104211957[(3)]	100,000,000.00
EUR200,000,000.00	6.25%	11 May 2000	11 May 2010	XS0110173555[(3)]	200,000,000.00
EUR250,000,000.00	6.5%	14 June 2000	14 June 2010	XS0111481403[(3)]	250,000,000.00
EUR50,000,000.00	5.5%	20 October 2000	20 October 2010	XS0117512548[(3)]	50,000,000.00
EUR150,000,000.00	6.5%	15 December 2000	15 December 2010	XS0120236269[(3)]	150,000,000.00
EUR50,000,000.00	5.5%	27 December 2000	27 December 2010	XS0121176472[(3)]	50,000,000.00
EUR150,000,000.00	6.375%	16 February 2001	16 February 2016	XS0122720732[(3)]	150,000,000.00
EUR100,000,000.00	5.125%	16 May 2003	16 May 2013	XS0166164789[(3)]	100,000,000.00
EUR 150,000,000.00	4.5%	19 March 2004	19 March 2012	XS0186431895	150,000,000.00
EUR 100,000,000.00	4.5%	25 May 2004	25 May 2012	XS0190917160	100,000,000.00
EUR 200,000,000.00	4.75%	3 September 2004	3 September 2014	XS0196988587	200,000,000.00
EUR 100,000,000.00	4.625%	1 October 2004	1 October 2014	XS0200031200	100,000,000.00
EUR 100,000,000.00	4%	31 December 2004	31 December 2014	XS0208412063	100,000,000.00
Total					**2,582,259,866.29**

Notes in foreign currencies with subordinated guarantee

USD22,330,000	FRN	1995-undated[(1)(2)(3)(5)]	XS0055748544	16,374,569.19
GBP100,000,000	9%	1995-undated[(1)(2)(5)(6)]	XS0062063952	141,262,890.24
DKK400,000,000	5%	1998/2003 6% 2003/2008[(1)(3)(5)(7)]	XS0091182419	53,775,005.38
DKK600,000,000	7%	1997/2006[(1)(3)(5)]	XS0075421866	80,662,508.07
DKK600,000,000	$5^1/_{8}$%	1999/2007[(1)(3)(5)]	XS0097938525	80,662,508.07
SEK515,000,000	7%	1999/2007 (1) (3) (5)	XS0102708632	57,114,973.00
Total				**429,852,453.95**
Total Long Term Debt				**4,670,754,934.00**
Short Term Debt (including Commercial Paper)				**1,361,561,894.79**
Total Long Term Debt and Short Term Debt				**6,032,316,828.79**
Total capitalisation[(9)(10)]				**6,047,925,377.04**

Notes:
(1) Redeemable early at 100% in the event of a change in tax regulations.
(2) Redeemable early at 100% from February 2000 onwards.
(3) Guaranteed on a subordinated basis by Fortis Bank.
(4) Guaranteed by Fortis Bank.

(5) Foreign currency amounts have been translated at the rates prevailing on 31 December 2004.

AUD	1.7498
CAD	1.6390
CHF	1.5432
DKK	7.4384
EUR	1
GBP	0.7079
HKD	10.6033
NZD	1.8965
SEK	9.0169
USD	1.3637

(6) Redeemable early at 100% or exchangeable for new Notes from 5 January, 2006 onwards.
(7) Step-up Notes.
(8) The Reverse Convertible Notes are booked at their nominal value.
(9) The following issues will be added to the Long Term Debt of the issuer:
EUR 3,000,000 Callable Range Accrual Notes due 5 January 2012 XS0208319870

(10) Save as disclosed above there has been no material change in the capitalisation of Fortis Luxembourg Finance S.A. since 31 December 2004
Fortis Luxembourg Finance S.A. has no notes cum warrants, nor convertible notes outstanding.

Fortis Luxembourg Finance S.A. has no subsidiaries and therefore its financial statements are produced on an unconsolidated basis. It does not publish interim financial statements.

3. SELECTED FINANCIAL INFORMATION OF FORTIS LUXEMBOURG FINANCE S.A.

Balance Sheet of Fortis Luxembourg Finance S.A.

	As at 31 December		
	2001	2002	2003
	(in EUR)	(in EUR)	(in EUR)
Assets			
Financial fixed assets	5,093,095,353.87	4,372,101,192.53	4,252,058,894.32
Current assets			
Loans	376,363,984.65	1,657,328,300.95	1,987,326,340.77
Bank deposit	11,948,675.00	6,567,637.85	15,425,959.83
Regularisation	53,844,667.23	41,917,159.56	35,978,839.60
Total Assets	5,535,252,680.75	6,077,914,290.89	6,290,790,034.52
Liabilities			
Issued capital	500,000.00	500,000.00	500,000.00
Non-distributable reserves	606,359.95	765,371.25	965,371.25
Profit brought forward	5,237,245.52	8,032,253.03	10,389,810.82
Accounts payable			
Debenture	5,296,669,756.73	5,866,656,349.06	6,098,183,301.89
Other accounts payable	179,362,411.82	161,327,368.29	144,147,714.91
Regularisation	49,922,887.92	38,075,391.47	32,850,469.47
Profit for the fiscal year/period	2,954,018.81	2,557,557.79	3,753,366.18
Total Liabilities	5,535,252,680.75	6,077,914,290.89	6,290,790,034.52

Profit and Loss Account of Fortis Luxembourg Finance S.A.

	For the year ended 31 December		
	2001	2002	2003
	(in EUR)	(in EUR)	(in EUR)
Gross results[1]	227,369,885.78	656,099,417.97	374,826,800.00
Interests and similar costs[1]	223,011,338.34	651,002,665.85	364,251,761.00
Other costs and taxes	1,404,528.63	2,539,194.33	3,068,307.00
Profit for the fiscal year	2,954,018.81	2,557,557.79	3,753,366.18

The above information for the years ended 31 December 2001, 2002 and 2003 is extracted from, and should be read in conjunction with, the audited financial statements (including the Notes thereto) of the Company. The audited and approved financial statements of the Company for the year ended 31 December 2002 are available free of charge at the office of the Paying Agent in Luxembourg and at the head office of the Fiscal Agent in Belgium.

(1) These amounts include gains on reverse convertible notes/losses on reverse convertible loans to the parent company of EUR 42,654,402, EUR 244,673,545 and EUR 15,072,442 for the years/period ended 31 December 2001, 31 December 2002 and 31 December 2003 respectively. Gains and losses on reverse papers balance out.

2003 Financial Statements

Balance Sheet (in EUR)

	Notes	2003	2002
ACTIF			
Actif immobilisé			
Immobilisations corporelles		553	842
Immobilisations financières			
Créances sur des entreprises liées	3	4.212.058.341	4.372.100.350
		4.212.058.894	4.372.101.192
Actif circulant			
Créances à moins d'un an			
Autres créances	4	2.027.326.341	1.657.328.301
Avoirs en banques		15.425.960	6.567.638
		2.042.752.301	1.663.895.939
Comptes de régularisation	5	35.978.840	41.917.160
		6.290.790.035	6.077.914.291
PASSIF			
Capitaux propres			
Capital souscrit	6	500.000	500.000
Réserves			
Réserve légale	7	50.000	50.000
Réserve indisponible	8	915.371	715.371
Résultats reportés	9	10.389.811	8.032.253
		11.855.182	9.297.624
Dettes			
Dettes à plus d'un an			
Emprunts obligataires	10	3.423.163.326	3.876.668.704
Dettes à moins d'un an			
Emprunts obligataires et et papiers commerciaux à court terme		2.675.019.976	1.989.987.645
Dettes envers les établissement de crédit		-	24
Autre dettes (dont dettes fiscales: EUR 2.744.267; (2002 EUR 1.008.192))	11	144.147.715	161.327.344
		6.242.331.017	6.027.983.717
Comptes de régularisation	5	32.850.470	38.075.392
Bénéfice de l'exercice		3.753.366	2.557.558
		6.290.790.035	6.077.914.291

Income Statement (in EUR)

	Notes	2003	2002
Frais généraux administratifs		(406.295)	(426.933)
Produits provenant d'autres valeurs mobilières et de créances de l'actif immobilisé	12	345.429.278	395.070.879
Bénéfice sur "reverse convertible"	13	15.072.442	244.673.545
Autre intérêts et produits assimilés	14	10.571.714	16.353.878
Intérêts et charges assimilées	15	(349.179.339)	(406.329.121)
Perte sur créances "reverse convertible"	13	(15.072.422)	(244.673.545)
Impôts sur le résultat provenant des activités ordinaires		(2.662.012)	(2.112.261)
Résultat provenant des activités ordinaires, avant impôts		3.753.366	2.556.442
Produits exceptionnels		-	1.116
Bénéfice de l'exercice		3.753.366	2.557.558

1.Généralités

Fortis Luxembourg Finance S.A.("la Société") a été constituée le 24 septembre 1986 à Luxembourg sous forme d'une société anonyme sous le nom de GENFINANCE LUXEMBOURG S.A., changé en FORTIS LUXEMBOURG FINANCE S.A. le 12 novembre 2001.

La Société a pour objet l'octroi de prêts à des sociétés du groupe Fortis Banque ("le Groupe"), société anonyme. Pour réaliser son objet, la société pourra émettre des obligations ou titres analogues et contracter des emprunts avec ou sans garantie. La société peut faire toutes opérations qu'elle jugera utiles à l'accomplissement et au développement de son objet, en restant toutefois dans les limites tracées par la loi du 10 août 1915 telle que modifiée sur les sociétés commerciales.

Les prêts sont octroyés aux mêmes conditions que celles relatives aux emprunts, mis à part une marge d'intermédiation.

Suite à une restructuration des activités du Groupe au Grand Duché du Luxembourg, la société a repris de Fortis Lux Finance S.A. les dettes titrisées sous forme d'obligations et de papiers commerciaux existants au 30 novembre 2001, ainsi que les prêts octroyés au Groupe grâce à l'émission de ces papiers. Le prix de transfert s'est fait à la valeur comptable de ces actifs, dettes et éléments financiers y rattachés. La valeur comptable des dettes, créances et des éléments financiers y rattachés, le cas échéant résiduels (tels que les primes d'émission non amorties,…) reprise dans les livres de Fortis Lux Finance S.A. a été obtenue sur base des mêmes principes et méthodes comptables que ceux retenus par la société.

Les comptes annuels de la société sont consolidés dans les comptes de Fortis Banque. Les comptes consolidés et le rapport de gestion de Fortis Banque sont disponibles à son siège social: 3 Montagne du Parc, B-1000 Bruxelles.

2.Principales méthodes comptables

La Société prépare ses comptes conformément aux dispositions de la législation luxembourgeoise sur les sociétés commerciales.

Conversion de devises

La comptabilité de la Société est tenue en Euro (« EUR ») et les comptes annuels sont établis dans la même devise.

Durant l'exercice, les transactions, revenus et charges libellés dans une devise autre que l'EUR sont enregistrés sur base des cours de change en vigueur à la date de l'opération.

A la date de clôture, les avoirs et dettes exprimés en devises autres que l'EUR sont évalués sur base des cours de change en vigueur à cette date.

Depuis le 1er janvier 1999, lorsqu'il existe un lien économique entre deux opérations comptabilisées respectivement à l'actif et au passif et libellées dans la même devise, les postes du bilan sont réévalués aux cours de clôture sans que le compte de profits et pertes ne soit impacté.

Créances

Les créances sont évaluées au plus bas de leur valeur nominale ou de leur valeur estimée de réalisation. Une correction de valeur est enregistrée si, de l'avis du Conseil d'Administration, une dépréciation durable est constatée, sauf si la moins-value latente est liée économiquement à une plus-value latente sur dettes.

Primes sur emprunts

Les primes sur emprunts sont présentées en comptes de régularisation à l'actif ou au passif, distinctement des emprunts auxquels elles se rapportent. Elles sont imputées en compte de profits et pertes sur la durée des emprunts.

Dettes

Les dettes sont valorisées au plus haut de leur valeur nominale ou de remboursement.

Primes sur créances

Les primes sur créances sont amorties prorata temporis sur la durée des créances auxquelles elles se rapportent.

3.Immobilisations financières

Aucune correction de valeur n'a été constituée sur les prêts.

La structure des créances est la suivante :

	2003 **EUR**	**2002** **EUR**
Echéance à moins d'un an	833.402.230	499.996.679
Echéance à plus d'un an		
1-5 ans	2.340.950.253	2.118.832.321
5 ans et plus	1.037.705.858	1.578.206
A durée indéterminée	-	175.065.694
	3.378.656.111	3.872.103.671
Total	4.212.058.341	4.372.100.350

4.Créances à moins d'un an

Le poste « créances à moins d'un an » comprend essentiellement les prêts consentis à la maison-mère à raison des papiers commerciaux émis dans le cadre du programme « Euro Medium Term Notes » (voir Note 10), les intérêts à recevoir sur les prêts accordés ainsi que la partie non amortie des sous-primes d'émissions ou sur créances.

5.Comptes de régularisation

Le poste « comptes de régularisation » figurant à l'actif (ou au passif) du bilan comprennent essentiellement les commissions payées lors de l'émission de certains emprunts, déduction faite des amortissements pratiqués sur la durée de vie des emprunts concernés, ainsi que la partie non amortie des primes sur emprunts ou sur créances.

Ils comprennent également les frais d'émission tels que les frais de conseils et les frais d'impression.

6.Capital souscrit

Au 31 décembre 2003, le capital social autorisé, souscrit et entièrement libéré, s'élève à EUR 500.000 représenté par 20.000 actions nominatives d'une valeur nominale de EUR 25 chacune.

Durant l'exercice, la société n'a pas racheté ses actions propres.

7.Réserve légale

Selon la législation luxembourgeoise sur les sociétés anonymes, un prélèvement de 5% au moins est fait annuellement sur les bénéfices nets. Ce prélèvement est affecté à la constitution d'une réserve légale jusqu'à ce que celle-ci atteigne 10% du capital social. La distribution de cette réserve n'est pas permise.

8.Réserve disponible

Conformément à l'article 2, 12° de la loi du 21 décembre 2001 portant réforme de certaines dispositions en matière d'impôts directs et indirects, la Société impute l'impôt sur la fortune sur le montant de l'impôt sur la fortune lui-même, à concurrence d'au maximum le montant de l'impôt sur le revenu. A cet effet, l'assemblée générale des actionnaires de la Société inscrit, à une réserve non distribuable pendant cinq ans au moins, un montant correspondant au moins à cinq fois le montant de l'impôt sur la fortune imputé.

9.Résultats reportés
Les assemblées approuvant les comptes de 2002 et 2001 ont décidé de répartir les bénéfices relatifs à ces années comme suit, compte tenu des résultats reportés :

	2003 EUR	2002 EUR
Résultats reportés au début de l'exercice	**8.032.253**	**5.237.245**
Bénéfice de l'exercice précédent	**2.557.558**	**2.954.019**
Total distribuable	10.589.811	**8.191.264**
Dotation à la réserve légale	**-**	**(421)**
Dotation à la réserve indisponible	**(200.000)**	**(158.590)**
Résultats reportés à la fin de l'exercice	**10.389.811**	**8.032.253**

10.Emprunts obligataires à plus d'un an et papiers commerciaux
Au 31 décembre, la structure de la dette à plus d'un an est la suivante :

	2003 EUR	**2002 EUR**
Echéance de 1 à 5 ans	2.381.656.468	2.119.177.374
Echéance dans plus de 5 ans	1.041.506.858	1.582.425.636
A durée indéterminée	-	175.065.694
	3.423.163.326	3.876.668.704

11.Autres dettes
Au 31 décembre 2003 et 2002, le poste « autres dettes »se compose principalement des intérêts à payer sur les emprunts obligataires décrits ci-dessus ainsi que sur les contrats de swaps de taux d'intérêt relatifs à certains emprunts, des dettes fiscales ainsi que des commissions à payer.

12.Produits provenant d'autres valeurs mobilières et de créances de l'actif immobilisé – entreprises liées
Au 31 décembre 2003 et 2002, ce poste comprend essentiellement les intérêts reçus sur les prêts accordés.

13.Bénéfice sur les obligations « reverse convertible » / perte sur créance « reverse convertible »
Au 31 décembre 2003, les gains enregistrés sur les remboursements en actions des obligations « reverse convertible » arrivées à échéance s'élèvent à EUR 15.072.442 (en 2002 : EUR 244.673.545).
La société a subit des pertes d'un même montant sur les prêts faits à la maison mère.

14.Autres intérêts et produits assimilés
Au 31 décembre, ce poste comprend :

	2003 EUR'000	**2002 EUR'000**
Prorata des primes sur emprunts	10.230	16.241
Intérêts sur comptes bancaires	342	113
	10.572	16.354

15.Intérêts et charges assimilées

Au 31 décembre, ce poste comprend :

	2003 EUR'000	2002 EUR'000
Intérêts sur emprunts, commercial papier et swaps de taux d'intérêt	337.167	388.461
Charges financières	103	24
Amortissements commissions syndicales et frais d'émission	10.881	17.145
Commissions d'agent payeur	628	265
Prorata des primes sur emprunts	65	140
Pertes de change	162	225
Divers	173	69
	349.179	406.329

Fortis Bank
(the Guarantor)

1. General Description

FORTIS BANK nv-sa ("Fortis Bank" or the "Bank") is a public company with limited liability (*naamloze vennootschap/société anonyme*) under Belgian law. The registered office of the company is located in 1000 Brussels, Montagne du Parc 3, where its headquarters are based. Fortis Bank was established for an indefinite period.

As stated in article 3 of its Articles of Association, Fortis Bank has as its purpose to carry on the business of a credit institution, including brokerage and transactions involving derivatives. It is free to carry out all businesses and operations which are directly or indirectly related to its purpose or which are of a nature to benefit of the realisation thereof. Fortis Bank is free to hold shares and share interests within the limits set by the legal framework for banks.

Fortis Bank is registered in the Register of Legal Entities under the number 0403.199.702.

Fortis Bank and its subsidiaries regroup the banking activities of Fortis, an integrated financial services provider active in the fields of banking and insurance (see paragraph 4). Fortis offers its private, business and institutional customers a comprehensive package of products and services through its own distribution channels and in cooperation with intermediaries. Its multi-channel distribution strategy gives Fortis the flexibility to meet its customers' need to be reachable at all times and their demand for user-friendliness.

The banking businesses offer a wide range of financial services (including insurance products), mostly under the Fortis Bank name and via its own networks (including 1,493 branches in the Benelux countries).

2. Historical Overview

1720 Rotterdam: the Mees family developed a trade financing business that developed into MeesPierson
1817 Establishment of the "*Maatschappij tot Nut 't Algemeen*", the first of the savings banks which merged in 1983 to become VSB
1822 William I, King of the United Netherlands, set up the *"Algemeene Nederlandsche Maatschappij ter begunstiging van de Volksvlijt*" in Brussels, out of which grew Generale Bank
1865 The reorganisation of the Belgian financial world led to the establishment of the Algemene Spaar- en Lijfrentekas (ASLK-CGER)
1989 In the Netherlands, the merger of the insurer AMEV and the savings bank group VSB resulted in AMEV-VSB
1990 Fortis grew out of the merger between the Belgian insurer AG and the Dutch company AMEV-VSB
1993 The government institution ASLK-CGER was privatised: Fortis first obtained half the shares and subsequently took full control
1995 Generale Bank took over Credit Lyonnais Bank Nederland: Generale Bank Nederland came into being
1997 Fortis took over MeesPierson from ABN-AMRO
1998 Generale Bank joined the Fortis Group.
1999 Fortis Bank resulted from the merger of Generale Bank and ASLK-CGER in Belgium and Generale Bank Nederland, VSB Bank and MeesPierson in the Netherlands
2000 - Closer strategic links between Fortis and Banque Générale du Luxembourg through a public offer of exchange on their shares;
- Acquisition of the remaining stake in Beta Capital in Spain
- Acquisition of ASR, a Dutch insurance group. This operation makes Fortis the largest insurance company in the Benelux countries

2001 - Signing of a joint venture agreement between Fortis and Maybank (Malaysia), whereby Fortis is to acquire a 30 per cent. share in Maybank's life and general insurance business
- Acquisition, in the United States, of Core, a large independent supplier of absentee management at national level, a provider of invalidity reinsurance and management services for insurance companies
- Acquisition of the Spanish insurance portfolio of Bâloise (Switzerland).

2002 - In April 2002 Fortis sold TOP Lease.
- In April 2002 Fortis AG strengthened its property investment portfolio by acquiring Bernheim Comofi in Belgium.
- In July 2002 Fortis acquired 100 per cent. of Intertrust Group. Intertrust Group is active in trust and company management.

2003 - January: Fortis Bank takes over some of KBC Bank's retail activities in the Netherlands. (Fortis Bank had already taken over the maj,ority of their corporate banking operations in November 2002).
- August: Fortis sells subsidiary Theodoor Gilissen Bankiers.
- November: Fortis Insurance International reaches agreement with Grupo Catalana Occidente on the sale of Seguros Bilbao, a Spanish subsidiary of Fortis.

- At the same time CaiFor-subsidiary Vida Caixa concludes the takeover of Swiss Life (Espana).
- And Fortis and Bank Austria Creditanstalt AG (BA/CA) reach agreement on the sale of BA/CA Asset Finance Ltd., BA/CA's lease operation, to Fortis Lease.

2004 - January: Fortis and ICBC (Asia) sign an agreement to merge the consumer and commercial banking activities of Fortis Bank Asia HK and ICBC (Asia).

– February: Fortis announced that the underwriters of the IPO of Assurant, Inc. have exercised in full their over-allotment option to purchase an additional 12,000,000 shares of common stock. This completed Assurant's initial public offering of common stock whereby a total of 92,000,000 shares were being sold at USD 22 per share, resulting in gross proceeds to Fortis of approximately USD 2 billion. As a result, Fortis holds approximately 35 per cent. of Assurant's common stock.

– July: Fortis signed an agreement with Banco Comercial Português (BCP), Portugal's leading privately owned bank, by which it will acquire 50 per cent. – including management control – of the Portuguese bancassurance activities of BCP, for an amount of EUR 500 million in cash. The new bancassurance joint venture, Millennium bcp Fortis Insurance Group, will become the market leader in life insurance in Portugal

3. ACTIVITIES

Fortis Bank and its subsidiaries operate on a cross border basis with offices in the Benelux countries and they co-ordinate their operations from Brussels, Amsterdam, Rotterdam and Luxembourg.

The Fortis Bank organisation is centred around 3 businesses which are integrated in the Fortis structure:

– Network Banking, providing financial services to retail customers, the independent professions and to small and medium sized enterprises

– Merchant Banking, providing financial markets, corporate and investment banking, onshore fund and private equity services to institutional customers, financial institutions, large companies and multinationals

– Investment Services, covering three activities: private banking and trust, asset management and information banking

Each business comprises several business lines which, in turn, group together activities focusing on a specific customer segment.

In parallel to the organisation of Fortis Bank on the basis of its businesses, the Fortis Bank structure also includes operational and support functions which provide back-up for all the businesses. Fortis Bank's operational activities ('Operations'), such as securities handling, accounts and payments and standardised credits for retail customers, are combined into one general national and cross-border activity. This should lead to enhanced quality of service, greater cross-border synergy and improved cost control.

Network Banking

Network Banking's key focus is on the needs and expectations of its customers – an approach that has enabled Fortis Bank to develop into a genuinely customer-focused bank for the retail market and the market for medium-sized enterprises in Europe. It aims to become the bank of preference for customers in both markets.

Network Banking is composed of 2 business lines:

Retail Banking

In pursuit of its goal of becoming the bank of preference for retail customers in the Benelux countries, Fortis Bank closely aligns its services, commercial organisation and information provision with the needs and expectations of its customers. They determine how the bank is to serve them. Customers make intensive use of the different electronic distribution channels for their daily financial transactions. When it comes to financial advice – demand for which is growing steadily – customers want access to the bank whenever it suits them. Fortis' commercial advisers provide tailored advice, also outside office hours and enjoy ample decision-making authority. At the end of the day, customers want to receive optimum service, irrespective of the channel they choose.

Although the centre of gravity of the retail operations is in the Benelux region, Fortis is also active in France and Poland. Its market position in the latter countries varies widely, and so its strategy there is adapted to local conditions and opportunities.

Commercial Banking

Fortis Bank will continue growing in the medium-sized enterprises market in the segments for internationally active companies and for businesses with complex financial needs. This relates in particular to businesses wishing to use several banking services, such as leasing, factoring, acquisition financing, trade finance, international credit facilities and international cash management. Fortis has developed its 'Act as One' strategy for these businesses, enabling them to arrange all their financial services internationally via a single contact – the Global Relationship Manager – who provides specialist, tailored solutions based on a uniform and integrated European network of Business Centres. That network is already strongly developed in the Benelux countries and is being expanded in other regions with strong growth potential.

Merchant Banking

Merchant Banking provides financial markets, corporate and investment banking, onshore fund and private equity services to institutional customers, financial institutions and large enterprises.

Merchant Banking is composed of 4 business lines:

Global Markets

Global Markets covers the whole range of products and services in Fixed Income, Money Market, Foreign Exchange, Credit and Equity. In addition to basic bond trading, FX, Repo, deposits and swaps, Fortis Bank offers extensive derivatives capabilities as well as market and company research. Global Markets structures nearly all cash-flow patterns and provides coverage against unfavourable market developments.

Fortis Bank also has an extensive experience in securitisation and can offer outstanding expertise in pricing all sorts of asset & mortgage backed securities. Finally, the New Issues desk fills funding and investment needs, as it can issue bonds that range from "plain vanilla" to structured notes.

Corporate and Investment Banking

Corporate and Investment Banking is internationally active in the field of specialised and customised finance, financial advisory, mergers and acquisitions and equity capital markets. The business line is organised around a number of commercial sectors and specialists and includes the activities of Corporate Finance & Capital Markets. The international network covers the European continent (Benelux, France, Spain, Italy, Germany), the United Kingdom, the United States (Stamford, Dallas) and Asia (Singapore, Shanghai, Hong Kong).

Global Private Equity

Global Private Equity supplies venture capital, growth capital and buyout capital to companies in both traditional and innovative sectors, with a view to achieving capital growth. The investments are effected among others by entities which are wholly owned by Fortis Bank. In innovative sectors, Fortis is playing an important role in the formation of university spin-off companies. Investments are also made through participation in funds managed by independent management teams in which Fortis Bank seeks synergy both within the business line and with other parts of the bank. Finally, investments may be based on the 'fund of funds' approach. With a view to maximising profitability, this business line is looking to analyse and manage its private equity portfolio in a dynamic way.

Institutional Banking and Funds

The business line of Institutional Banking & Funds (IBF) is responsible, at worldwide level, for the institutional clients sector (banks, insurance companies, international organisations, asset managers, funds, brokers etc). The main objective is to make the Merchant Banking range of products and services more suitable for meeting our institutional clients' needs.

- IBF oversees all the commercial aspects of relations with institutional clients, as well as the risks therein.
- Onshore Funds, which handles all European funds covered by the various UCITS directives of the EU, complements the range of Merchant Banking products by offering administrative and fund distribution services. Onshore Funds offers its clients a "one-stop shopping" service by combining Global Markets products with its own.

Investment Services

The three activities of Private Banking & Trust, Asset Management and Information Banking are all key elements in Fortis' asset building strategy.

Fortis' international private banking activities are branded as 'MeesPierson, the Private Bankers of Fortis', while its trust and corporate services operations are pursued worldwide under the name 'MeesPierson Intertrust'. The relationship between the two activities and cooperation with Network Banking, Asset Management and Merchant Banking further bolster

the potential for integrated services. All this has enabled MeesPierson to go on expanding its service offering and to provide an even better service to more clients. Other operational priorities capable of boosting performance and efficiency include quality management, cost control, upscaling, restructuring of operations and continuous training.

Fortis Investments – Fortis' autonomous asset manager – offers international expertise in the field of asset management. The company is consolidating its position as a leading European asset manager with niche markets in Asia and the United States. Fortis Investments is structured around fourteen specialist investment centres, each focused on one asset class and based in eight locations worldwide. These centres, supported by a highly experienced team of some 170 investment professionals, share their information but are autonomous and fully accountable for their investment performance. Fortis Investments aims to maintain a diversified customer base and fund mix.

Information Banking has built up a unique position in fully-integrated investment services, specifically in portfolio financing, transaction processing, financial logistics, risk management, performance measurement and asset optimisation. These services are offered in the areas of global cash and derivatives clearing, securities borrowing and lending as well as financing and administrative services for offshore investment funds. Information Banking intends to capitalise on its strong international position by supporting its customers in optimising their investment administration and by constantly refining the services it provides.

4. FORTIS

Fortis Bank is approximately 100 per cent. owned by Fortis.

Fortis is an international financial services provider active in the field of banking and insurance. It was established in December 1990 through the merger of the operating activities of the AG Group in Belgium and the AMEV/VSB Group in The Netherlands. Legally, the group has two parent companies, Fortis SA/NV and Fortis N.V., each of which owns 50 per cent. of both Fortis Brussels SA/NV and Fortis Utrecht N.V. Since the end of 2001, the formerly listed Fortis (B) and Fortis (NL) shares have been replaced by a single new Fortis share. This share is a 'twinned' equity holding in each of what are now the parent companies, Fortis SA/NV and Fortis N.V., with the associated voting, dividend and other rights. Fortis is listed on the exchanges of Amsterdam, Brussels and Luxembourg and has a sponsored ADR programme in the United States.

With a market capitalisation of EUR 23.6 billion as at 30 April 2004 and around 53,000 employees, Fortis ranks in the top 20 of European financial institutions. In its home market, the Benelux countries, Fortis occupies a leading position which it aims to develop and bolster. Fortis is drawing on the expertise it has acquired in its home market to realize its European ambitions via growth platforms. Fortis also operates successfully worldwide in selected activities. In specific countries in Europe and Asia, it effectively exploits its know-how and experience in bancassurance.

The activities of Fortis are organised in five businesses, three of which are banking businesses and two are insurance businesses. The three banking businesses, organised according to specialisation and hence transnational by nature, were described previously. The two insurance businesses are divided geographically: Insurance Netherlands and Insurance Belgium and International.

Insurance Netherlands

Fortis ASR comprises all of Fortis' insurers in the Netherlands and cultivates the market exclusively via independent insurance brokers. Fortis ASR offers individuals and businesses a wide range of life, pension, non-life, healthcare and disability insurances, and mortgage and savings products.

Insurance Belgium and International

In Belgium, Fortis AG works through intermediaries to offer a comprehensive range of life and non-life insurances to individuals and small and medium-sized enterprises (SME), and through Fortis Employee Benefits, group policies to large enterprises. Fortis Real Estate is Fortis' asset manager for real estate in Belgium. Non-life insurance for medium-sized and large enterprises is provided by Fortis Corporate Insurance. Insurance activities are developed internationally in Luxembourg, France and the United Kingdom and with joint ventures in Spain, China and Malaysia.

5. STRATEGY AND POLICY

As for Fortis, the bank's strategy is based on the following objectives:

- Improve home market performance in distribution/relationship intensive businesses covering a broad range of financial services
- European leadership in skill-based activities
- Continue to grow selective businesses with a global reach

6. CAPITAL ADEQUACY - RATING

The Basle Committee on Banking Regulations and Supervisory Practices (the "Basle Committee") has developed guidelines for the measurement of capital adequacy of international banking organisations. These guidelines set minimum capital adequacy ratios of 4 per cent. for Tier 1 capital and 8 per cent. for total capital (Tier 1 and 2).

	31-Dec-2001	**31-Dec-2002**	**31-Dec-2003**
	Fortis Bank	**Fortis Bank**	**Fortis Bank**
Tier 1 capital ratio	8.50%	8.2%	7.4%
Total capital ratio	13.50%	13.0%	11.68%

As the statutory minimum for the Tier 1 capital ratio is 4 per cent., the group is in a comfortable position.
The current ratings of Fortis Bank regarding its senir unsecured debt are the following:

	Long-Term Debt	**Short-Term Debt**
Moody's	Aa3	P-1
Standard & Poor's	AA-	A-1+
Fitch IBCA	AA-	F1+

7. MANAGEMENT, DECISION-MAKING AND SUPERVISION

In accordance with the principle of autonomy of the banking function, the decision-making and management structure of Fortis Bank is based on a distinction between the Management Committee and the Board of Directors of Fortis Bank.
The management of Fortis Bank is exclusive responsibility of the Management Committee, which consists of a number of managing directors and operates within the framework of the general policy outlined by the Board of Directors.
The Board of Directors is responsible for the supervision of the management and control of the financial position of the Bank, and for defining the general policy and holds the power to nominate and discharge the members of the Management Committee within the limits of the Protocol on the banking autonomy.
All matters not determined by law or the articles of association for the General Shareholders Meeting are the responsibility of the Board of Directors or the Management Committee.

Management of the Bank

Board of Directors

Jean-Paul Votron	Chairman
Herman Verwilst	Chairman of the Management Committee
Jean-Pierre Cardinael	Managing Director
Karel De Boeck	Managing Director
Filip Dierckx	Managing Director
Patrick Evrard	Managing Director
Joop Feilzer	Managing Director
Gilbert Mittler	Managing Director
Christian Schaack	Managing Director
Jozef De Mey	Director
Jacques van Ek	Director
Victor Goedvolk	Director
Walter Mersch	Director
Jean Meyer	Director
Jean Stephenne	Director
Robert van Oordt	Director
Michel van Pée	Director
Jean-Jacques Verdickt	Director
Luc Vansteenkiste	Director

Management Committee
Herman Verwilst
Jean-Pierre Cardinael
Karel De Boeck
Filip Dierckx
Patrick Evrard
Joop Feilzer
Gilbert Mittler
Christian Schaack

Accredited Statutory Auditors
PricewaterhouseCoopers, Réviseurs d'Entreprises S.C.C., represented by Luc Discry Partner.
Klynveld Peat Marwick Goerdeler Réviseurs d'Entreprises S.C.C., represented by Virgile Nijs, Partner.

8.1 RECENT DEVELOPMENTS OF FORTIS GROUP EXTRACTED FROM THE PRESS RELEASE DATED 24 NOVEMBER 2004

Fortis raises full-year outlook after strong nine-month results

First nine months of 2004 (versus same period last year)

• Net operating profit increased by 79% from EUR 1,376 million to EUR 2,466 million. Value adjustments to the equity portfolio contributed EUR 257 million, compared with a loss of EUR 585 million last year. Net realised capital gains were down by EUR 226 million, or 42%, to EUR 307 million. Net operating profit before realised capital gains increased by EUR 474 million, or 33%, to EUR 1,902 million or by 53% excluding Assurant and Seguros Bilbao.

• Net profit doubled from EUR 1,348 million to EUR 2,716 million, benefiting from EUR 250 million in non-operating items, mainly in respect of gains realised on the sale of 65% of Assurant and of Seguros Bilbao. Earnings per share amounted to EUR 2.09 compared with EUR 1.04 last year. Based on the last twelve months, return on equity came to 29.1%.

• The Banking business's net operating profit increased by 40% to EUR 1,591 million. Substantial increases in net interest income (+7%) and commissions (+10%) were offset by lower net realised capital gains and a lower trading result within other revenues. A 3% reduction in operating expenses together with sharply lower value adjustments to loans were the main drivers of the strong improvement in results.

• The Insurance business's net operating profit more than doubled from EUR 411 million to EUR 996 million. Excluding Assurant and Seguros Bilbao, net operating profit increased from EUR 150 million to EUR 915 million. Value adjustments to the equity portfolio added EUR 225 million to net operating profit, whereas last year they depressed it by EUR 592 million. Net realised capital gains came down by EUR 154 million. Excluding Assurant and Seguros Bilbao, net operating profit before realised capital gains increased by 18% as a result of a continued good performance at Life and an excellent performance at Non-life.

Key figures (in EUR million)	First nine months 2004	First nine months 2003	% change	% change [1]
Net operating profit before realised capital gains	1,902	1,428	33	53
Banking	1,246	759	64	
Insurance	764	815	(6)	15
General	(108)	(146)	(26)	
Net realised capital gains [2]	307	533	(42)	(41)
Net operating profit excluding value adjustments to the equity portfolio	2,209	1,961	13	24
Value adjustments on the equity portfolio	257	(585)	*	*
Realised	(66)	(766)	(91)	(91)
Unrealised	323	171	89	*
Net operating profit	2,466	1,376	79	*
Banking	1,591	1,139	40	
Insurance	996	411	*	*
General	(121)	(174)	(30)	
Non-operating items	250	(28)	*	(61)
Net profit	2,716	1,348	*	*

[1] *Excluding Assurant and Seguros Bilbao.*
[2] *Excluding equity portfolio, after tax.*

Third quarter 2004 (versus third quarter 2003)

• Net operating profit before realised capital gains increased by EUR 171 million (+34%) to EUR 676 million (+56% excluding Assurant and Seguros Bilbao). Net operating profit went down by EUR 56 million (-8%) to EUR 637 million, due to lower net realised capital gains and substantially lower value adjustments to the equity portfolio.

Compared with the second quarter of 2004, net operating profit before realised capital gains slipped only 1% to EUR 676 million, whereas, excluding Assurant and Seguros Bilbao, it stabilised.

• The Banking business's net operating profit before realised capital gains advanced EUR 188 million (+77%) to EUR 432 million, thanks to higher revenues, lower value adjustments on loans and lower costs. Net operating profit increased by EUR 146 million (+51%) to EUR 434 million. Value adjustments to the equity portfolio went down by EUR 45 million. Compared with the second quarter of 2004, net operating profit before realised capital gains dropped by EUR 40 million (-8%) to EUR 432 million. The ongoing reduction in operating expenses (-2%) could not fully compensate for the decline in total revenues net of interest expense (-4%), while value adjustments on loans (including real estate and other) increased by EUR 16 million (+40%).

• The Insurance business's net operating profit before realised capital gains dropped by 11% to EUR 265 million. However, excluding Assurant and Seguros Bilbao, a 15% increase was posted. Net operating profit decreased by EUR 215 million (-48%) to EUR 230 million as a result of a decrease in net realised capital gains and lower value adjustments to the equity portfolio (-44% excluding Assurant and Seguros Bilbao). Compared with the second quarter of 2004, net operating profit before realised capital gains increased by 2% (+5% excluding Assurant and Seguros Bilbao).

Key quarterly figures (in EUR million)

	Q3 2004	Q3 2003	% change	% change[1]	Q2 2004	% change	% change[1]
Net operating profit before realised capital gains	676	505	34	56	685	(1)	0
Banking	432	244	77		472	(8)	
Insurance	265	299	(11)	16	260	2	6
General	(21)	(38)	(44)		(47)	(55)	
Net realised capital gains [2]	(25)	33	*	*	30	*	*
Net operating profit excluding value adjustments to the equity portfolio	651	538	21	42	715	(9)	(9)
Value adjustments to the equity portfolio	(14)	155	*	*	90	*	*
Realised	27	(109)	*	*	1	*	*
Unrealised	(41)	264	*	*	89	*	*
Net operating profit	637	693	(8)	0	806	(21)	(21)
Banking	434	288	51		504	(14)	
Insurance	230	445	(48)	(44)	349	(34)	(35)
General	(27)	(40)	(32)		(48)	(44)	
Non-operating items	1	(16)	*	*	(2)	*	*
Net profit	638	677	(6)	3	803	(20)	(20)

[1] *Excluding Assurant and Seguros Bilbao.*
[2] *Excluding equity portfolio, after tax.*

Fortis CEO Jean-Paul Votron comments:

'Although I only joined Fortis at the start of the fourth quarter, I am very pleased to present this set of good results. In the first nine months of 2004, net operating profit before realised capital gains increased by 33% compared with the challenging 2003. The main drivers of the strong operating improvement were tight cost control, lower value adjustments on loans and very strong technical results at Non-life insurance. Therefore, barring unforeseen circumstances and with the stock markets remaining at today's levels, this should result in at least a 30% increase in net operating profit for Fortis as a whole in 2004.

'After almost seven weeks in office, I am even more excited about my new job than I was at the start. The Fortis people I have met in that period have strengthened my conviction of being part of a dynamic company with many opportunities. After a period of integration with strict cost and risk control, our key focus in the years ahead will be on profitable revenue growth, while maintaining our efficiency discipline. The current strategy will be the basis for this, although it will have a sharpened focus on the key axes of our future development. I look forward to discussing my views and plans with you at the end of January 2005.'

	First nine months 2004	First nine months 2003
Net equity (in EUR million)	13,609	11,894 [1]
Return on equity (in %) [2]	29.1	18.3
Per share:		
• Net operating profit	1.90	1.06
• Net profit	2.09	1.04
• Net equity	10.48	9.16 [1]
Weighted average shares (in thousands)	1,298,200	1,295,380

[1] *Year-end*
[2] *Based on last twelve months.*

The entire Press Release can be consulted on www.fortis.com

8.2 RECENT EVELOPMENTS OF FORTIS GROUP EXTRACTED FROM THE PRESS RELEASE DATED 28 JANUARY 2005

Fortis back to growth, focusing on client and Europe

Double-digit organic growth over the 2005-2009 period

At his first meeting with analysts and the press since becoming CEO of Fortis, Jean-Paul Votron will today discuss his ambitions for Fortis. While the presented strategy is a continuation of the previous one, it puts a particular emphasis on the customers and on European expansion. Fortis aims at a double-digit organic growth over the 2005-2009 period.

'Fortis is a diamond in the rough,' says Mr Votron. *'I have discovered a company where the employees truly have the power to achieve outstanding results in terms of the management of multiple distribution channels, profitable integration of businesses, leading edge cost management and achievements in specific areas of the banking and insurance sectors. Being one company with banking and insurance as two highly profitable activities,* ***we now want to exploit this potential to accelerate growth while continuing to strictly control costs. In addition to double-digit organic growth, selective acquisitions and partnerships will help Fortis to secure a strategic position in Europe.'***

Our ambition for growth

Geographically the focus on profitable growth means that Fortis will grow further in its home markets, focus on the enlarged Europe, and selectively grow in Asia and North America.
In terms of businesses, Commercial and Private Banking will be the 'backbone' of its pan-European expansion and become the leading, integrated solution provider for 'Enterprise and the Entrepreneur'. The business will further roll-out its unique network of Business Centers across 15 new countries, in addition to the current 10. Merchant Banking will continue to grow in the Benelux and internationally invest in specific client and product niches. Insurance will accelerate its international growth. The retail focus in banking and insurance will be sustained.
Organic growth will be double-digit over the 2005-2009 period (Compound Annual Growth Rate in terms of Net Operating Profit before capital gains – NOP BCG).
Acquisitions will be considered to accelerate our organic growth and penetrate new markets.
Our expansion will lead to a better balanced business mix. By 2009, at least 30% of our NOP BCG will come from outside the Benelux (compared to 15% now).

I. Focus on the customer

'We will invest in innovation, sales and service provision,' says Mr Votron. *'I will personally make sure that we gear our products and distribution channels to the needs of our customers, and that we provide a level of service equal to that of a first-class financial institution. Reduce the number of complaints and boost customer satisfaction –*

that is the message.
To grow market share, we will also swiftly migrate our main businesses towards one Fortis brand and increase Fortis' visibility.'
This focus on the customer is now even more possible because Fortis has a proven track record in terms of cost savings: the integration of several banks yielded more than EUR 850 million of synergies, 28% more and a year sooner than anticipated. The latest reported bank's cost income ratio is 60% and the combined ratio for non-life insurances stands at 97%. With the appointment of a COO (see below), Fortis will continue to identify new cost savings and this by operating as one company across banking and insurance activities. In doing so, it will never lose sight of its number one priority: the customer – private individuals, businesses and institutions.

II. From leadership in the Benelux to a strategic position in Europe
In addition to improving banking and insurance services in its home market and developing a number of specialized activities internationally, Fortis will use its expertise to accelerate further expansion of its existing European network. Commercial and Private Banking will become the 'backbone' of the pan-European expansion.
*'National borders are no longer an issue for our **business customers**,'* Mr Votron continues. *'Which means we have our sights set on all of Europe. One of the key aims of our strategy is to accelerate expansion of our unique European network of more than 100 business centers and specialized cross-border services for mid-cap business customers into an enlarged Europe and this by penetrating 15 new countries in addition to the current 10. Combining our unique Commercial Banking business model with our state-ofthe-art Private Banking activities allows us to become the leading, integrated solution provider for 'Enterprise and the Entrepreneur'. Selective acquisitions can help us to step up our pan-European growth.*
'A number of our activities aimed at corporate and institutional customers are performed in a global environment,' says Mr Votron. *'World leaders in a particular client or product area should always tackle all markets within that area. With this in mind, we should not hesitate to expand our reputable shipping, commodities, export & project finance and fund administration operations in Asia and the US as well.'*
***'**Last but not least**,** if we want to acquire the expertise, resources and scope to achieve our European ambitions, we need to be top of the bill in our home market for our five million **retail customers**. As market leader, we see plenty of opportunities for profitable growth in the Benelux,'* concludes Mr Votron.
In the rest of Europe, too, Fortis offers retail customers a range of services, such as insurance in the United Kingdom, banking and insurance in France and bancassurance in Spain and Portugal. *'Here, too, we will investigate selective acquisitions and partnerships that can bolster our strategic position in an enlarged Europe,'* confirms Mr Votron. He concludes the geographic overview by referring to selective retail growth in Asia, where Fortis has recently built – together with its strategic partners –leading bancassurance positions in China, Malaysia and Thailand and seeks to penetrate attractive, new markets as well.

III. Transform Fortis for growth: From separate businesses to one company under one flag
'*What will differentiate us from others, are the Fortis people, with many talents, also intercultural,'* stresses Mr Votron. *'We will emphasize leadership and winning spirit, invest in management development and mobility, and, with clear accountability, be able to reward outstanding performance.'* The first series of decisions on the application of the growth strategy and the clear delineation of responsibilities have already been carried out.
*'People don't realize it yet, but the appointment of a **Chief Operating Officer (COO)** marks a minor revolution.'* Mr Votron expounds: *'In the Benelux countries, the operations of the bank were already harmonized. The insurers have also put their house in order. But there needs to be further integration between them and outside the home market in order to standardize ancillary services such as IT, HR management, procurement, facility management, legal and compliance services, risk management and operations. As one of the first major financial institutions in Europe, we have now opted*

to create one infrastructure for these activities, across banking and insurance.' In fact, we go for a step-up of the cost containment efforts following the creation of the COO function. In the first year of the implementation of the COO plan, planned to start by the summer of 2005, additional savings of EUR 100 million are expected. As such, Fortis will improve its operating leverage and cost income ratio.
Herman Verwilst has been appointed COO and, as such will chair the new group-wide Management Committee that will promote and supervise the implementation of the strategy throughout Fortis.
To better serve its clients, a new commercially orientated **organizational structure** has been chosen, with both functional (business per business) and geographic (Europe, Asia and America) areas of authority.
'Working together is key, across businesses and across borders,' Mr Votron explains. '*The furthe harmonization of insurance and banking distribution systems and products is therefore of paramount importance.'*
The new structure involves a change to the Executive Committee (ExCo) (see new composition in appendix), with the addition (pending advice of the competent bodies and approval of the supervisory authorities) of two new members, i.e. Jos Clijsters for Retail Banking and Peer van Harten for Insurance International.
Joop Feilzer has been appointed to the new position of Chief Institutional Relations to support Fortis' international expansion.
Several businesses have been merged. Thus, Information Banking will be integrated with Merchant Banking, Private Banking will join Commercial Banking and Asset Management, which remains under the leadership of Joop Feilzer, will be reported under the results of Retail Banking. The CFO will be responsible for the new Performance Management task of monitoring the businesses in the achievement of their objectives.
'*We shall approach the customer as one company under one flag,*' comments Mr Votron, explaining the decision to use **the Fortis brand** for the main businesses within 2 years.
'*And this flag will stand for our values: stable, caring, innovative and straightforward. The route we take, is the route of sustainable development, as decided in our recently approved Agenda 2006, and to be presented, in a few months from now, in our first sustainability report.'*

Conclusion
'We have set our sights high because Fortis has enormous potential,' says Mr Votron. *'We want to grow all our core activities and we have the necessary skills, resources and ambition to do so. The growth plans for each business will be ready by the summer, with an acceleration of growth-related investments in the second half of this year. The initial benefits will be visible as from 2006 and lead to a double-digit organic growth over the 2005-2009 period.*

Appendix:
• Fortis' new Exco composition
• Profiles of the new ExCo members
A Fortis Investor Day is organized today in Brussels for analysts and investors . It is webcast on www.fortis.com, starting at 10:00 CET. The presentations will be posted on the same website.
Fortis is also providing today a first indication of the impact of the First Time Adoption of IFRS on its opening balance sheet and its first half 2004 results.
CFO Gilbert Mittler comments: "IFRS represents an important accounting change but does not change the underlying economics nor the risk profile of our business model. Since IFRS may lead to incremental volatility in our results due to a mismatch in valuation between assets and liabilities, we are implementing hedge accounting to reduce this effect. The underlying cash flows are unaffected and so is our solvency and our dividend paying capacity."
The presentation " Fortis and IFRS, New Accounting, Same Economics " is available on the Fortis website.
A press conference will be held in Brussels today, Friday, 28 January 2005, at 12:45 CET. The press meeting will be webcast live at www.fortis.com and will also be

accessible through dial-in numbers:
+44 (0)207 784 1020 (United Kingdom),
+31 (0)20 713 2790 (Netherlands), and
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Fortis is an integrated financial services provider active in the fields of insurance and banking. With a market capitalization of EUR 26.4 billion (31/12/2004) and around 52,000 employees, Fortis ranks in the top 20 of European financial institutions. In its home market, the Benelux countries, Fortis occupies a leading position and offers a broad range of financial services to individuals, companies and the public sector. Fortis is drawing on the expertise it has acquired in its home market to realize its European ambitions via growth platforms. Fortis also operates successfully worldwide in selected activities. In specific countries in Europe and Asia it effectively exploits its know-how and experience in bancassurance. Fortis is listed on the exchanges of Amsterdam, Brussels and Luxembourg and has a sponsored ADR program in the United States. More information is available at www.fortis.com.

Appendix 1

Fortis Executive Committee
New composition
Chief Executive Officer (CEO): Jean-Paul Votron
Chief Operating Officer (COO) – Deputy CEO: Herman Verwilst
Chief Financial Officer (CFO): Gilbert Mittler
Chief Institutional Relations (CIR): Joop Feilzer
Retail Banking: Jos Clijsters
Commercial & Private Banking: Karel De Boeck (also Regional Coordinator Europe)
Merchant Banking: Filip Dierckx (also Regional Coordinator North America)
Insurance Belgium: Jozef De Mey (also Regional Coordinator Asia)
Insurance Netherlands: Jacques van Ek
Insurance International: Peer van Harten

Appendix 2

Jos Clijsters

Jos Clijsters (54, married, 2 children) obtained a license in applied economics from the Catholic University in Leuven in 1973. After a one year training scheme at the Ministry of Economic Affairs, he moved to Unilever starting as a junior product manager. He rose to senior product manager leaving Unilever in 1979 for Cobepa (Paribas). Here he worked as the personal assistant to the Managing Director of the holding company.
Jos Clijsters joined the Generale Bank in 1981 as a marketing specialist. He rose to Director of Markets, Products & Communications for retail marketing before his career took a change. Jos Clijsters successfully argued for the bank to submit a proposal to create a joint venture with the Post. He served approximately three years as the Managing Director leaving in 1998 following the acquisition of Generale Bank by Fortis.
In 1999 Jos Clijsters was appointed to the role of General Manager, Marketing for Individuals, Professionals and Small Enterprises with the overall responsibility for all marketing in Belgium and co-ordination of the marketing activities in the other markets; the Netherlands, France, Luxembourg, Poland and Hong Kong. Since 2002 he is the General Manager Retail Banking Belgium and CEO of Fortis Bank in Belgium. He has dramatically improved the profitability of the Belgium retail bank in a very difficult market. As CEO of Fortis Bank Belgium he played a good ambassador's role and kept negotiations with unions on track.
Jos Clijsters will now head up and further develop all Fortis' retail banking activities.

Appendix 3

Peer van Harten

Peer van Harten (42) obtained a bachelors degree in Business Administration and he studied Philosophy at the University of Utrecht.
He started his career as an area sales manager in cable applications (Lantor International).

After three years he joined AKZO where he was the responsible export manager for chlorine/alkali products. After about three years he switched to Nedlloyd to become Marketing and Sales manager. He was promoted in 1993 to Group Commercial Manager. In 1993 he joined Aegon where he became manager for marketing and insurance technique. Two years later he was promoted to become Vice-President Division Business-to-Businesses Insurances. For the Aegon Board he did a special project about Aegon in the Far East.
After he obtained his degree in Philosophy (sabbatical in 1996) he started at AMEV (in 1998) as Managing Director Accidents and Health, Life and Amev Bancair. In 2003 he became member of the ASR Management Team responsible for Operations. He is responsible for the integration of the former Amev, Stad Rotterdam and Woudsend organizations (back-offices for Individual Life, Group Life, Accidents and Health). Peer's "Back-to-Basics" policy in Operations results in a very strong bottom-line improvement. Peer van Harten will now put his experience to ensure growth at Insurance International, while continuing to support the smooth integration at Fortis ASR.

9. CAPITALISATION OF THE GUARANTOR

The unaudited capitalisation and indebtedness of Fortis Bank as at 30 June 2003 and 30 June 2004 and the audited capitalisation and indebtedness of Fortis Bank as at 31 December 2003, are set forth below on a consolidated basis:

	As at 30 June 2003 (in millions of EUR)	As at 31 December 2003 (in millions of EUR)	As at 30 June 2004 (in millions of EUR)
Shareholders' Equity			
Share capital [(1)]	3,112	3,112	3,112
Share premium account	4,875	4,875	4,875
Reserves and accumulated profit	1,551	1,332	2,454
Translation differences	-13	2	8
Total Shareholders' Equity	9,525	9,320	10,448
Contingency Reserve	1,737	1,766	1,765
Long Term Debt (2)			
Subordinated liabilities	9,941	10,267	9,647
Unsubordinated liablities	35,856	37,939	40,503
Total Long Term Debt	45,797	48,206	50,150
Total capitalisation	57,059	59,292	62,363

Notes

(1) As at date of this Offering Circular, the issued and paid-up share capital amounted to EUR 3,111,838,861 and was represented by 160,404,065 no-par-value ordinary shares.

(2) Since 30 June 2004, the Bank guaranteed the following new issues made by Fortis Luxembourg Finance S.A.:

EUR 10,000,000 Five Year Target Redemption Notes 2004 due 6 July 2009 XS0194459177
USD 1,950,000 15% Capella Notes due 15 July 2014 XS0195862866 Series Number 171
EUR 10,000,000 11.50% Reverse Convertible Notes due 28 July 2005 convertible into Allianz AG shares XS0195608210
USD 9,030,000 Callable Range Accrual Notes due 20 July 2014 XS0196215023 Series Number 172
EUR 2,500,000 Credit Linked Notes due 7 July 2011 XS0196095888 Series Number 173
EUR 10,000,000 Credit Linked Notes due 12 July 2005 XS0196339260 Series Number 174
EUR 200,000,000 4.75% Subordinated Notes due 3 September 2014 XS0196988587
EUR 50,000,000 Credit Linked Notes due 20 September 2016 XS0199957985 Series Number 175
EUR 11,260,000 due 27 August 2014 XS0197902587 Series Number 176
USD 3,000,000 Bermudan Step-Up Coupon Notes due 28 August 2007 XS0199017186 Series Number 177
EUR 20,000,000 Credit Linked Notes due 20 August 2007 XS0199182899 Series Number 178
EUR 5,000,000 "Going for Gold" Notes 2004 due 22 September 2007 XS0199207555
EUR 100,000,000 4.625% Subordinated Notes due 1 October 2014 XS0200031200
EUR 5,000,000 Credit Linked Notes due 10 October 2005 XS0201884136 series 179
EUR 85,000,000 Credit Linked Notes due 22 October 2012 XS0201907952 series 180
EUR 15,383,000 Ten Year Target Redemption Notes due 1 November 2014 XS0202071832
EUR 24,816,000 Ten Year Target Redemption Notes due 1 November 2014 XS0202963640

EUR 23,000,000 CMS Linked Notes due 14 October 2019 XS0202613666 series 181
EUR 20,000,000 CMS Linked Notes due 14 October 2019 XS0202614391 series 182
USD 10,550,000 Ten Year Callable Range Accrual Notes due 28 October 2014 XS0203361299 series 183
USD 5,000,000 Ten Year Callable Range Accrual Notes due 25 October 2014 XS0203471395 series 184
EUR 1,500,000 Ten Year Target redemption Notes due 22 October 2014 XS0203697015 series 185
USD 106,107,100 Bermudan Callable Zero Notes due 25 October 2024 XS0203790810 series 186
EUR 10,500,000 10% Reverse Convertible Notes due 22 November 2006 convertible into Aegon N.V. shares XS0204904543
EUR 75,000,000 3.40% Notes due 22 December 2010 XS0206388182
USD 10,000,000 Bermudan Callable CMS Linked Notes due 25 November 2014 XS0206015074 series 187
USD 10,000,000 CMS Linked Range Accrual Notes due 25 December 2014 XS0206015074 series 190
USD 3,000,000 Callable Range Acrual Notes due 5 January 2012 XS0208319870 series 188

(3) The Guarantor has no notes cum warrants, nor convertible notes outstanding.

Save as disclosed in the notes above, there has been no material change in the capitalisation of the Bank since 30 June 2004. There has neither been a material change in the off-balance sheet items since 31 December 2003.

10. SELECTED FINANCIAL INFORMATION: EXTRACT FROM THE CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTS OF THE GUARANTOR

The Consolidated Financial Statements and Accounts of the Guarantor are available in printed form and on the website (www.fortis.com). The Fortis group Annual Report 2003 is available in printed form and on the website http://www.fortis.com/investor

Audited consolidated 2003 accounts of FORTIS BANK nv-sa

V.A.T. : BE 403.199.702

		Codes	Financial year 2003	Financial year 2002	Financial year 2001
			(in thousands EUR)		
	1. BALANCE SHEET AFTER APPROPRIATION				
	ASSETS				
I.	**Cash in hand, balances with central banks and giro offices**	**101.000**	**1,178,378**	**1,086,432**	**1,274,637**
II.	**Government securities eligible for refinancing at the central bank**	**102.000**	**2,481,204**	**2,709,852**	**5,462,317**
III.	**Amounts receivable from credit institutions**	**103.000**	**83,692,486**	**83,783,497**	**65,403,669**
	A. At sight	103.100	4,664,522	10,416,934	6,033,441
	B. Other amounts receivable (at fixed term or period of notice)	103.200	79,027,964	73,366,563	59,370,228
IV.	**Amounts receivable from customers**	**104.000**	**174,304,909**	**151,880,681**	**158,377,169**
V.	**Bonds and other fixed-income securities**	**105.000**	**117,390,440**	**94,208,876**	**99,459,858**
	A. Of public issuers	105.100	82,178,031	67,987,235	71,121,409
	B. Of other issuers	105.200	35,212,409	26,221,641	28,338,449
VI.	**Corporate shares and other variable-income securities**	**106.000**	**5,043,488**	**5,045,126**	**8,722,655**
VII.	**Financial fixed assets**	**107.000**	**2,657,898**	**2,321,468**	**2,841,567**
	A. Companies valued by equity method				
	1. Participating interests	107,100	1,054,989	889,395	1,252,404
	2. Subordinated loans	107,200	100,000		17
	B. Other companies				
	1. Participating interests and shares	107,300	1,476,885	1,412,651	1,571,881
	2. Subordinated loans	107,400	26,024	19,422	17,265
VIII.	**Formation expenses and intangible fixed assets**	**108.000**	**175,280**	**140,839**	**158,436**
IX.	**Consolidation differences**	**109.000**	**478,716**	**200,094**	
X.	**Tangible fixed assets**	**110.000**	**3,791,187**	**3,625,189**	**4,131,100**
XI.	**Own shares**	**111.000**			
XII.	**Other assets**	**112.000**	**6,892,675**	**6,235,015**	**7,186,320**
XIII.	**Deferred charges and accrued income**	**113.000**	**26,996,718**	**26,491,028**	**18,540,530**
	TOTAL ASSETS	**199.000**	**425,083,379**	**377,728,097**	**371,558,258**

					Codes	Financial year 2003	Financial year 2002	Financial year 2001
						(in thousands EUR)		
	LIABILITIES							
I.	**Amounts payable to credit institutions**				**201.000**	**109,036,175**	**94,200,507**	**94,465,741**
	A.	At sight			201.100	9,228,883	6,772,752	5,347,427
	B.	Resulting from refinancing by rediscounting			201.200	701	56,606	80,004
		of trade bills						
	C.	Other amounts payable at fixed term or period of notice			201.300	99,806,591	87,371,149	89,038,310
II.	**Amounts payable to clients**				**202.000**	**219,001,437**	**188,173,733**	**187,843,058**
	A.	Savings deposits			202.100	40,708,637	33,455,345	31,142,477
	B.	Other amounts payable			202.200	178,292,800	154,718,388	156,700,581
		1.	At sight		202.201	*67,531,809*	*62,699,613*	*62,340,673*
		2.	at fixed term or period of notice		202.202	*110,760,338*	*92,017,075*	*94,356,946*
		3.	resulting from refinancing by rediscounting		202.203	*653*	*1,700*	*2,962*
			of trade bills					
III.	**Amounts payable represented by a security**				**203.000**	**37,938,507**	**39,094,156**	**40,870,311**
	A.	Bills and bonds in circulation			203.100	17,841,465	22,201,704	24,862,352
	B.	Other			203.200	20,097,042	16,892,452	16,007,959
IV.	**Other amounts payable**				**204.000**	**9,060,808**	**8,184,772**	**6,188,348**
V.	**Accrued charges and deferred income**				**205.000**	**26,629,235**	**24,965,568**	**18,063,770**
VI.	**Provisions for risks and charges, deferred taxes**				**206,000**	**1,141,376**	**1,573,084**	**2,249,968**
	A.	Provisions for risks and charges			206.100	1,023,527	1,429,880	2,082,978
		1.	*Pensions and similar obligations*		*206.101*	*182,844*	*270,647*	*484,880*
		2.	*Fiscal charges*		*206.102*	*17,328*	*17,784*	*22,262*
		3.	*Other risks and charges*		*206.103*	*823,355*	*1,141,449*	*1,575,836*
	B.	Deferred taxes			206.200	117,849	143,204	166,990
VII.	**Fund for general banking risks**				**207.000**	**1,766,306**	**1,738,609**	**1,740,348**
VIII.	**Subordinated amounts payable**				**208.000**	**10,266,657**	**9,975,778**	**10,437,247**
	SHAREHOLDERS' EQUITY					**9,320,022**	**8,881,136**	**8,923,373**
IX.	**Capital**				**209.000**	**3,111,839**	**3,111,839**	**3,111,838**
	A.	Subscribed capital			209.100	3,111,839	3,111,839	3,111,838
	B.	Uncalled capital			209.200			
X.	**Share premiums**				**210.000**	**4,874,776**	**4,874,776**	**4,874,776**
XI.	**Revaluation surpluses**				**211.000**			
XII.	**Reserves and profit brought forward**				**212.000**	**1,331,861**	**890,735**	**888,839**
XIII.	**Consolidation differences**				**213.000**			
XIV.	**Exchange differences**				**214.000**	**1,546**	**3,786**	**47,920**
XV.	**THIRD PARTY INTERESTS**				**215.000**	**922,856**	**940,754**	**776,094**
				TOTAL LIABILITIES	**299.000**	**425,083,379**	**377,728,097**	**371,558,258**

			Codes	Financial year 2003	Financial year 2002	Financial year 2001
				(in thousands EUR)		
	OFF-BALANCE SHEET ITEMS					
I.	**Contingent liabilities**		**301.000**	**37,777,951**	**41,897,711**	**42,779,382**
	A.	Unnegotiated acceptances	301.100	500,309	195,361	235,679
	B.	Guarantees in the nature of credit substitutes	301.200	3,290,535	3,895,650	2,073,090
	C.	Other guarantees	301.300	29,994,901	33,677,537	37,455,950
	D.	Documentary credits	301.400	3,992,206	4,129,163	3,002,782
	E.	Assets pledged by secured guarantees	301.500			11,881
		on behalf of third parties				
II.	**Commitments which can give rise to a credit risk**		**302.000**	**89,523,934**	**69,915,029**	**85,767,031**
	A.	Firm commitments to make funds available	302.100	11,967,658	4,773,415	10,495,038
	B.	Commitments in respect of spot purchases of	302.200	711,173	1,215,594	846,827
		transferable securities or other assets				
	C.	Available margin under confirmed credit lines	302.300	76,741,727	63,504,691	74,161,313
	D.	Commitments to underwrite and	302.400	103,376	421,329	263,853
		place securities				
	E.	Repurchase commitments resulting from imperfect	302.500			
		repurchase agreements				
III.	**Assets entrusted to the consolidated institutions**		**303.000**	**393,265,564**	**416,762,975**	**469,258,117**
	A.	Assets held on an organized trusteeship basis	303.100	4,167,545	4,301,180	4,505,688
	B.	Assets in safe custody and under similar arrangements	303.200	389,098,019	412,461,795	464,752,429
IV.	**To be paid upon corporate shares and units**		**304.000**	**126,886**	**75,335**	**72,090**

		Financial year 2003	Financial year 2002	Financial year 2001
		(in thousands EUR)		
	2. INCOME STATEMENT			
I.	**Interest and similar revenues**	**13,465,052**	**15,606,733**	**17,498,014**
	of which : from fixed-income securities	4,190,212	4,492,678	5,019,731
II.	**Interest and similar charges**	**(9,193,161)**	**(11,304,097)**	**(13,257,590)**
III.	**Income from variable-income securities**	**47,628**	**145,944**	**149,382**
	A. Corporate shares and units and other variable-income securities	23,822	55,215	29,501
	B. Participating interests in affiliated enterprises	23,806	90,729	119,881
IV.	**Commission received**	**2,281,768**	**2,344,243**	**2,547,181**
V.	**Commission paid**	**(497,490)**	**(483,153)**	**(,572,974)**
VI.	**Profit from (loss on) financial operations**	**923,160**	**874,898**	**1,049,875**
	A. Foreign exchange transactions and transactions in securities	392,587	441,709	576,844
	and other financial instruments			
	B. Realization of investment securities	530,573	433,189	473,031
VII.	**General administrative expenses**	**(4,157,412)**	**(4,327,809)**	**(4,687,795)**
	A. Wages and salaries, social charges and pensions	2,640,254	2,744,470	2,953,881
	B. Other administrative expenses	1,517,158	1,583,339	1,733,914
VIII.	**Depreciation of and amounts written off on**	**(682,278)**	**(644,762)**	**(703,365)**
	formation expenses and intangible			
	and tangible fixed assets			
IX.	**Write-back of amounts written off (Amounts written off)**	**(701,965)**	**(599,674)**	**(563,662)**
	on amounts receivable and provisions for headings			
	"I. Contingent liabilities" and "II. Liabilities which may			
	give rise to a credit risk" in the off-balance sheet section			
X.	**Write-back of amounts written off (Amounts written off) on**	**(25,107)**	**(113,649)**	**22,511**
	the investment portfolio of bonds, shares and other			
	fixed-income or variable-income securities			
XI.	**Uses and write-back of provisions for risks and charges**	**192,971**	**185,116**	**246,528**
	other than those referred to by heading "I. Contingent			
	liabilities" and "II. Liabilities which may give rise to a			
	credit risk" in the off-balance sheet section			
XII.	**Provisions for risks and charges other than those**	**(370,310)**	**(290,094)**	**(220,528)**
	covered by headings "I. Contingent liabilities" and			
	"II. Liabilities which may give rise to a credit risk"			
	in the off-balance sheet section			
XIII.	**Transfers from (Appropriation to) the fund for**			**(166,742)**
	general banking risks			
XIV.	**Other operating income**	**619,753**	**605,079**	**658,016**
XV.	**Other operating charges**	**(194,558)**	**(187,534)**	**(178,189)**
XVI.	**Current profit (Current loss) before taxes**	**1,708,051**	**1,811,241**	**1,840,662**

			Financial year 2003	Financial year 2002	Financial year 2001
			(in thousands EUR)		
XVII.	**Extraordinary income**		**240,843**	**281,875**	**94,881**
	A.	Write-back of depreciation and amounts written off on intangible and tangible fixed assets		926	239
	B.	Write-back of amounts written off on financial fixed assets	14,856	23,658	9,890
	C.	Write-back of provisions for exceptional risks and charges	316	1,312	250
	D.	Capital gains on disposal of fixed assets	113,122	253,229	81,311
	E.	Other extraordinary income	112,549	2,750	3,191
XVIII.	**Extraordinary charges**		**(218,287)**	**(262,110)**	**(426,607)**
	A.	Extraordinary depreciation on and amounts written off on formation expenses, intangible and tangible fixed assets	12,642	1,484	55,640
	B.	Amounts written off on financial fixed assets	57,375	77,989	62,347
	C.	Provisions for extraordinary risks and charges	20,205	26,424	241,064
	D.	Capital losses on disposal of fixed assets	55,048	85,945	59,240
	E.	Other extraordinary charges	73,017	70,268	8,316
XIX.	**Consolidated profit (Loss) for the year before taxes**		**1,730,607**	**1,831,006**	**1,508,936**
XX.	**A. Transfers to deferred taxes**		**(122,091)**	**(197,408)**	**(143,431)**
	B. Transfers from deferred taxes		**68,310**	**365,812**	**134,651**
XXI.	**Taxes on result**		**(329,567)**	**(693,745)**	**(479,272)**
	A.	Taxes	(397,021)	(737,292)	(596,697)
	B.	Adjustment of income taxes and write-back of tax provisions	67,454	43,547	117,425
XXII.	**Consolidated profit (Loss) of the year**		**1,347,259**	**1,305,665**	**1,020,884**
XXIII.	**Part of the results of participating interests valued by equity method**		**(30,266)**	**(219,973)**	**141,796**
	A.	Profits	47,939	40,200	159,798
	B.	Losses	(78,205)	(260,173)	(18,002)
XXIV.	**Consolidated profit**		**1,316,993**	**1,085,692**	**1,162,680**
XXV.	**Third party interests**		**51,023**	**60,583**	**61,674**
XXVI.	**Group profit**		**1,265,970**	**1,025,109**	**1,101,006**

NOTES

CRITERIA FOR FULL CONSOLIDATION, PROPORTIONAL CONSOLIDATION AND VALUATION BY EQUITY METHOD AND EXCLUSIONS.

The consolidated accounts are prepared in accordance with the Royal Decree of 23 September 1992 concerning the consolidated accounts of credit institutions. This decree largely refers to the Royal Decree of 6 March 1990 concerning the consolidated accounts of companies.

LIST OF CONSOLIDATED COMPANIES

1. Changes to the consolidation scope in 2003

1.1. Modifications within the group of fully consolidated companies :

- Robertsau Gestion has been transfered from Banque Générale de Luxembourg to Fortis Bank ;

1.2. Modifications within the group of companies reported using the full consolidation :

1.2.1. Entries in the consolidation scope :

- Beta Bolsa SA, MeesPierson Corporate Finance (BE), Nazca Capital, Nazca Inversiones, FCM Private Equity, Fortis Lease Holdings UK Ltd. (in 2002 named Fortis Lease UK Ltd), Victory Ultramax and Eight Vessels Company Ltd. were previously consolidated under equity method and are now fully consolidated;
- Fortis Proprietary Investment (Ireland) Ltd is founded by Fortis Bank Belgium;
- Fortis Lease Holding UK Ltd has earned all the shares in BA/CA Asset Finance Ltd; the name of the company changed afterwards in Fortis Lease UK Ltd;
- GIE Immobilier Groupe Fortis Paris has been established by Fortis Banque France;
- Fondo Nazca FCR, 100 % daughter of Nazca Inversiones, is fully consolidated;
- Fortis Lease Italy has been established by Fortis Lease (B);
- Courtage Hausonville, Générale de Conseil, Hidayat Participaties NV, International Mezzanine Capital BV, Sicomi Rhone Alpes, Socariv en Triviaal III BV were not consolidated before ;
- Building Automation Investment BV, Fortis Commercial Finance UK, Fortis Prime Fund Solutions Bank (Ireland) Limited, Jurrian SA, Moeara Enim Investeringsmaatschappij I BV, Moeara Enim Investeringsmaatschappij II BV, Moeara Enim Investeringsmaatschappij III BV, Moeara Enim Investeringsmaatschappij IV BV and Moeara Enim Investeringsmaatschappij V BV were established by Fortis Bank Nederland;
- Banque Générale du Luxembourg acquired in 2003 the control over The Bank of TDW & BGL (in 2002 reported using the proportional consolidation);
- ASR Bank, who acquired in 2003 al the shares in AMEV Hypotheekbedrijf N.V. and AMEV Praktijkvoorziening N.V., has been acquired by Fortis Bank Nederland.

1.2.2. Exits from the consolidation scope :

- Calamander, ES-Investment, ES-Capital, Belu Capital, Bel Capital, Short Capital, Panel Capital, Gammafund Capital, G-Equity Fund Conseil, G-Bond Fund Conseil, G-short Term Fund Conseil, G-Equity Fix Conseil, G-Strategy Conseil, G-Distrifix Conseil, G-Treasury International Conseil, G-Treasury Conseil, Generale Advisory Company, G-rentifix Conseil Interselex Europa Conseil, Interselex Equity and Investissement Selecta have been wound up;
- Administratiekantoor van Gebroeders Boissevan and Gebroeders Teixeira de Mattos B.V., Administratiekantoor van Gebroeders Boissevan and Kerckhoven and Compagnie B.V., Administratiekantoor van Theodoor Gilissen B.V., Administratiekantoor voor Handel and Nijverheid B.V. and the Administratiekantoor Interland B.V. have been sold;
- FMN Lease BV is merged with Generale Bank Lease;
- ES-Finance Luxembourg is merged with Eurolease Factor;

- Following companies within Fortis Bank Nederland (Holding) NV are sold : Albatrans B.V., Alspan Marketing S.A., American Biomed, Anginor Corporation NV, Arma Alphen Beheer B.V., Assto B.V., Assurantiekantoor West-Friesland B.V., Astragal Corporation NV, Athena B.V., B & R Internationale Handelsonderneming B.V., B.G.T. Strik Beleggingen B.V., Baluster Holding B.V., Barenboim Holding BV, Barleycorn NV, BéGé Holding BV, Beleggings- en beheersmaatschappij Ypma BV, Beleggingsinstelling Tilia II BV, Beleggingsmaatschappij Achthoven BV, Beleggingsmaatschappij At Home BV; Beleggingsmaatschappij H.J. Gorter BV; Beleggingsmaatschappij Ipendaal BV; Beleggingsmaatschappij J.D. Pruijssers; Berebijt B.V., Bernal Holding BV, Bertrans B.V.; BioQuest General Partner Interest, BioQuest Limited Partner Interest, Biotransplant, BOC Options & Futures B.V., Bookshell Holding BV, Bordex NV, Bos Holding B.V., Brideshead B.V., Bull's Eye N.V., Canarie Geel BV, Canteen Holding BV, Carmagnole BV, Carthage Ltd, Casket Holding BV, Centaco Corporation BV, Chemical Venture Partners BV, Club Mobimar S.A., Coldec Beheer BV, Compaster Holding BV, Coppermount Ltd, Coreopsis BV, Corsham Holding BV, Cotoneaster Holding BV, Currin Holding BV, Darlin Investments BV, Darter Investment BV, DB Secretaries Ltd, De Dalen BV, Delenda Beheer BV, Dinex BV, Dinvest Holding BV, Doelle NV, Domaca BV, Dornleigh Ltd, Drafin Holding BV, Eagan NV, Ebbecon Holding BV, Elinar Corporation NV, Elisir Corporation NV, Ellenville NV, Embarca Ltd, Emmeska Beleggingsfonds BV, Entertainment Participaties Amsterdam BV, Erdoli BV, Essef BV, Eurodis Film Production BV, European Pictures BV, Fallriver NV, Faringdon Company Ltd, Fax International, Finn Finance BV, Flint Properties Inc, Folkertsma BV, Fumerolia BV, Fundacre Ltd, Galena BV, General Derivatives Services BV, Genesis Invest, Gosi BV, Goudsmit Holding BV, Groot Boerlo BV, Hamerico Int. Hold., Hammack International BV, Harbourgate BV, Harmonium Corporation BV, HC Nijs Beheer BV, Hekata NV, HIG Investment Group, HIG Partners, Houdstermaatschappij De Slangenbrug BV, Incorman Investments Inc, Inspiras BV, Intangible Property Investment BV, International Cash Management Programm SA, Jagisu Beheer B.V., Jobo Beleggingen BV, Judaal Holding BV, JW Fakkert Beheer BV, Kadushi BV, Kajani Holding BV, Kalticof Holding BV, Karuard Edu Beleggingsmaatschappij BV, Kastanjedael Beleggingsmaatschappij BV, Kesshan NV, Konraad BV, Kustlijn Beheer BV, Linskens Aannemersbedrijf BV, Louwers Beheer BV, Lovo Isle of Man Ltd, Maatschappij " De Vest" tot expl. Van onroerende goed. BV, Marigold Holding BV, Matebel Beleggingsmaatschappij BV, Matila Investments Pte Ltd, Meereboer Beleggings- en beheersmaatschappij BV, MeesPierson Accounting Services Ltd, MeesPierson Advisory Company SA, MeesPierson AIS Holding Luxembourg SA, MeesPierson International Money Market Fund Inc., MeesPierson Investment Finance (UK) Ltd, MeesPierson Management Services Ltd, MeesPierson Management Agents Ltd, MeesPierson MARS Advisory Company SA, Middlestead NV, MM Driesen Beheer BV, Monam Holding BV, Nantore Invest Ltd, Nederlandse Financieringsmaatschappij BV, New Horizon, Norfin Investments BV, Nugro BV, NV Beleggingsmaatschappij Aeneas, NV Beleggingsmaatschappij Zeus, OCA Clearing BV, OCA POM BV, Ockeloen Beleggingsmaatschappij BV, Octrooi Hold Folk BV, Old Parc Lane, Pacific Administratiekantoor BV, Philemon NV, PJ Geelen BV, Plashof Holding BV, Platium Invest BV, Popoval Holding, Pretoe BV, Pyracantha BV, Quinta da Bela Vista N.V., Rackham Invest Ltd, Rantaka Ltd, Redson NV, Ridiculous Holding BV, Rijkeboer Holding BV, Rilex Handelsmaatschappij BV, Rilex Kledingindustrie B.V., Sabater Holding BV, Satis Habeo BV, SCA Beleggingsmaatschappij BV, Scalpel NV, Scelsi Beheer BV, Schiekas Beheer BV, Seacolumn Invest NV, Seimora BV, Seweran B.V., Shaw & Co Ltd., Shaw & Co Nominees Ltd., Shinishi BV, Snieder Beleggingen BV, Société Privée Services BV, Sonambula Corporation NV, Sphenodon Holding BV, Spica Alba BV, Sternlan Holding BV, Suurd J; Holding BV, T.G. Derivatives VOF, TG Fund Management BV, TG Ventures BV, Theodoor Gilissen Bewindvoering en Trust BV, Theodoor Gilissen Bankiers N.V., Theodoor Gilissen Global Custody N.V., Tiebreaking International BV, Toelon Holding N.V., Trust- en administratiemaatschappij Interland BV, Tulipwood Corporation NV, Ultimo Tact BV, Van Dien Holding BV, Van Kollem & Broekman Effekten B.V., Van Rhijn Pensioen BV, Vengeris Holding BV, Vijverduin Beheer BV, Vincent Verhoog Beheer B.V., Wabelma Beheer B.V., Wellink Intertrade Ltd, Weststar Ltd, Zebra-Wood Corporation NV, Zeevisserij Maatschappij Holland BV;
- Following companies within Fortis Bank Nederland (Holding) BV have been wound up : Basement Holding BV, Beleggingsmaatschappij Cohafrane BV, Lanxide, Lunenburg Shipping Company Inc, Plaudit Holding.

1.3. Changes in the consolidation scope of proportional consolidated companies :

1.3.1 Entry into the consolidation scope :

- Alsabail
- AES ICS Nominees Ltd., BSL ICS Nominees Ltd, Pershing ICS Nominees Ltd, Pritchard ICS Nominees Ltd, WICS ICS Nominees Ltd and Zantingh Greenlease BV were fully consolidated before;

- Betafin and CF Leasing were not consolidated before, are reported by the proportional consolidation method;
- Diana Shipping Investment Corporation Ltd and Leamaat Alpha BV is no longer consolidated using the equity method but is reported using the proportional consolidation method;

1.3.2. No longer included in the consolidated accounts :

- IL participaties BV.

1.4. Change in consolidation method using the equity method:

1.4.1. Entry into the consolidation scope :

- Demetris Sud-Ouest and Comptoir du Hainaut have been reported using the equity method;
- Within FBN's subconsolidation, International Mezzanine Investment NV, Nesbic Holdings I BV en Nesbic Holdings III BV, Asian Pacific Growth Fund Investment NV, ClearWater BV, CommonWealth Investment BV, Nimbus B.V., T.C.H. Investment NV "A", T.C.H. and Investment NV "B" are reported using the equity method;
- Tarapaca Investment NV previously consolidated proportionally, is reported using the equity method;
- Nesbic Investment Fund II Partners B.V.

1.4.2. No longer included in the consolidated accounts :

- Grand Generale Asia, Xplanation Language Services, ACG Acquisition 28, Sitca Mutual Fund Company Ltd and Le Crédit Plus have been sold;
- CIG Intersys Group, Selecta I, Isanet, BGL Finance Asia, Discontokantoor van Hasselt en Euro Traveller Cheque Belgium S.C. were fully wound up;
- Comptoir d'Escompte de Wallonie have merged with Demetris;

1.5. Name changes :

- Fortis Lease Holding UK Ltd was previously Fortis Lease UK Ltd;
- ALFAM Holding BV was previously FBN Intermediate Bedrijven BV;
- Fortis Bank Global Clearing NV was previously Fortis Clearing International;
- Fortis Equipment Leasing XI BV was previously MeesPierson Equipment Leasing XI BV;
- Fortis Equipment Leasing XV BV was previously MeesPierson Equipment Leasing XV BV;
- Fortis Equipment Leasing XXII BV was previously MeesPierson Equipment Leasing XXII BV;
- Fortis Equipment Leasing XXX BV was previously MeesPierson Equipment Leasing XXX BV;
- Fortis Global Market Holding was previously Leamaat Jota B.V.;
- Fortis Investment Management Luxembourg was previously Fortis Investment Finance Luxembourg;
- Quion 9 BV was previously Hypotrust 9 BV;
- Alfam Nederland BV was previously J. Gerstner BV;
- Defam Totaal B.V. was previously Defam Select B.V.;
- Alpha Credit Nederland BV was previously Kragten Holding B.V.;
- FB Acquisition Finance Holding B.V. was previously MeesPierson Acquisition Finance Holding BV;
- FB Asset Based Finance B.V. was previously MeesPierson Asset Based Finance B.V.;
- FB Corporate Participaties B.V. was previously MeesPierson Corporate Participaties B.V.;
- FB Energy Holding B.V. was previously MeesPierson Energy Holding B.V.
- Saltory B.V. was previously Nordisk Aluminat B.V.;
- Beta Capital MeesPierson SA was previously Beta Capital S.A;
- Petroleum Maatschappij Moeara Enim B.V. was previously Petroleum Maatschappij Moeara Enim N.V.;

2. The Decree requires the consolidation of all subsidiaries, defined as entreprises in which the parent company has the right – directly or indirectly through a subsidiary – to exercise a dominant influence on the appointment of the majority of the board of directors or on the latter's conduct of its management.

Excluding subsidiaries from the consolidation is permitted under Article 5 of the Royal Decree of 23 September 1992 which refers to Articles 12 -18 of the Royal Decree of 6 March 1990.

- Companies with insurance activities are reported using the equity method, in accordance with the periodic reporting of credit institutions related to their financial position;

- Companies managing real estate and real estate certificates are excluded from the consolidated accounts in accordance with Article 13.2° of the Royal Decree of March 1990 ;

- In order to respect the true and fair view, the participating interest of Fortis Bank in Fortis Insurance NV is not reported using the equity method pursuant to Article 23 of the Royal Decree of 6 March1990. The participation is reported in the consolidated accounts under the heading *VII.B.1.Financial fixed assets: other companies – participating interests;*

- Under the terms of Article 13.1° of the Royal Decree of 6 March 1990, the following subsidiaries are of minor importance and are excluded from the consolidated accounts :

  Aerochange SARL, ASLK-CGER Services ESV, AVISA sa, BGL International NL, BGL Trustees (GB), BPC Courtages, BPC developpement, Channel Corporate Services, Clinical Innovations Ltd., Comcolux SA, Commerce Holdings, CommonWealth Administratie BV, CommonWealth Informatie BV, CommonWealth Private Equity BV, Ecoreal SA, Elimmo, Est-Developpement, Eurl Gourville, FB Brokerage Luxembourg, Finalpi Lenzerheide, Fortis L Capital, Fortis Services Monétiques, Genconsultoria LTDA, Generale Branch Nominees LTD, Genfimo SA, GeschäftsführungsGmbH der Generale Bank, Isep Medical Research, KVG Options BV, LINC Financial Services, MeesPierson Intereast Finance Co. Ltd., Monterey Management, Monterey Services, Northumberland Group Limited, Parisienne d'Acquisition Fonçière, Prominter Curacao nv, SAFE, SCI Norlum, Svenson, Sybetra sa, Universal Management Services, VIV Management Services, Wa Pei Nominees Ltd.
  The joint subsidiaries Caso ESV et Legibel ESV are excluded from the consolidated accounts for the same reason;

- The following subsidiaries are reported using the equity method because of their minor importance to the consolidated statements:

  Asian Pacific Growth Fund Investment NV, B.I.A.O. Côte d'Ivoire, CommonWealth Investment BV, Comptoir Agricole de Wallonie, Comptoir du Hainaut, Coppefis, Credissimo, Demetris Sud-Ouest, Discontokantoor van Turnhout, Explotaciones Industriales de Optica, Fortis Securities Polska, International Mezzanine Investment N.V., Krediet voor Sociale Woningen Watermaal Bosvoorde, Landbouwkantoor Vlaanderen, Maison Sociale Tournai Ath, Mijn Huis Edouard Pecher, Mine.Be, NBM Bank Nigeria, NeSBIC Holdings III BV, NeSBIC Buy out Fund Invest VI BV, T.C.H. Investment NV "A", T.C.H. Investment NV "B", Titrisation Belge SA;

- The following associated companies are not reported using the equity method as they are not significant for the purposes of a true and fair view (Article 68 of the Royal Decree of 6 March 1990) :

  Altsys, Anaxis, Baekeland Fonds, Bedrijvencentrum Zaventem, Bexco, Brussels I3 Fund, C-CAM Technologies, CDM, Cetrel Lux sc, Composite Damping Material, Conticlima, Coolstar, Dibag-Diproteg, Etna, Europay Lux sc, European Fund Administration, Flanders Engineering, G.B.M, Gemma Frisius-Fonds K.U. Leuven NV, Gemma Frisius-Fonds K.U. Leuven II, Gudrun Xpert, Guka Delicatessen, Hemag (Atlantic), IMEC Incubatie Fonds, Immo Royal Conseil, Immo Regenboog, Impact Logistics Ltd., L.C.H. Investment NV, Lesire Software Engineering, Meta Holding, N&V, Nova Electro int., P.X.L., Polysto, Prisme, Q-Face B.V., Rodilla Sanchez, Rovast Real Estate Fund Management bv, Salyp NV, Sophis System, Synes, Unipost, Valofin, Visalux, Xenics;

- The participation in the subsidiary IDBP will be disposed of in the future and is therefor not consolidated (Article 13.4°) but valued using the equity method.

- The participation in Petrochem UK Limited will be disposed of in the future and is therefor not consolidated (artikel 13,4°);

- Under the terms fo Article 13,3°, Belgolaise's African participating interests, including the subsidiaries A.M.B. – West Africa, Allied Bank International Uganda, Banque Internationale pour l'Afrique au Togo, Eurafrican Bank Tanzania and the participations in Banque Commerciale du Congo, Banque Crédit de Bujumbura, Banque de Kigali, Banque Internationale Afrique au Niger, Banque Internationale pour Centrafrique, Middle East Bank and The Trust Bank are not included in the consolidation because of the risk of an unacceptable delay in reporting and because of the minor importance to the consolidated statements.

- Pursuant to Article 14 (diversity of activities), the following companies are not consolidated :

Bene Pretium Ltd, Fagus.

SUMMARY OF VALUATION RULES FOR THE CONSOLIDATED ACCOUNTS

GENERAL PRINCIPLES

Fortis Bank's valuation rules comply with the rules laid down in the Royal Decree of 23 September 1992 on the non-consolidated and consolidated annual accounts of credit institutions, except for a number of points for which the Banking, Finance and Insurance Commission has exempted the bank, based on article 18 of the said Royal Decree. Fortis Bank applied for these exemptions in order to harmonise its valuation rules with those of Fortis as far as possible.

Fortis continued working on the project for the conversion of the current valuation rules to IAS/IFRS (International Accounting Standards/International Financial Reporting Standards). The European Parliament and the European Commission approved on March 12th, 2002 and June 7th 2002 respectively the regulation concerning the implementation of the international accounting standards.

The valuation rules of Fortis Bank are the same as the previous year.

The following summary gives further details of the valuation rules used for the major captions in the balance sheet and income statement.

ASSETS

LOANS AND ADVANCES TO CREDIT INSTITUTIONS AND CUSTOMERS

Loans and advances to credit institutions and customers are posted in the balance sheet for the initial amount paid less subsequent repayments and related allowances. All expenses paid to third parties bringing transactions with customers are immediately recognised in the income statement.

Any difference between the redemption value of the loans and advances and the amounts originally granted is posted on an accrual basis as interest income or expense in the income statement.

Other receivables are recognised at their nominal value.

Allowances for doubtful loans and for loans with an uncertain future are provided for, if a portion is considered as unrecoverable based on objective sources of information. Once a loan has been classified as doubtful or uncertain, related interests are normally no longer included in the income statement.

The required allowances are recorded for countries listed by the Banking, Finance and Insurance Commission. These are based on Fortis Bank Group rules, corresponding for a minimum to the rules set out by the Banking, Finance and Insurance Commission. In addition, the bank sets up allowances for other countries with risk exposure.

The valuation rules provide for the possibility to set up an internal security fund up to cover well-defined risks, possibly arising in the future, but which cannot be individualised.

BONDS AND SHARES

Securities or receivables represented by marketable securities are included in the trading portfolio if they are acquired with the intention to sell them back based on their return over a period which normally does not exceed six months.

Trading securities are valued at market value if traded on a liquid market. In absence of a liquid market, they are valued at the lower of cost (all costs included, provisions received deducted) or market value.

For bonds in the investment portfolio, the difference between the acquisition cost (all costs included, provisions received deducted) and the redemption value is recognised in the income statement, on basis of its yield-to-maturity.

The gains and losses realised on the sale of fixed-income securities are immediately recognised in the income statement. If however they are realised on arbitrage transactions, they may be accrued, in accordance with the provisions of article 35ter §5 of the Royal Decree of 23 September 1992.

Shares in the investment portfolio are valued at the lower of cost all costs included, provisions received deducted) or market value, with all differences recognised in the income statement.

If the debtor presents a risk of non-payment, write-downs are made as for doubtful loans or loans with an uncertain future.

FINANCIAL FIXED ASSETS

Equity accounting is used for investments with significant influence.

Investments with significant influence are rights in the capital of other companies, whether or not represented in the form of securities that are intended, through the creation of a lasting relationship, to contribute to the activity of the investing company. In absence of evidence to the contrary, a significant influence is presumed if the voting rights (on Fortis Bank Group level) attached to the holding represents one fifth or more of the total voting rights of the shareholders or partners of the company.

Under the equity method :

- the book value of the holding is replaced by the net asset value of the enterprise multiplied by the participating interest percentage
- the dividends received are replaced with the share of the parent company in net income of the enterprise.

The other financial fixed assets are recognised at cost. A write-off is recorded to the extent that the decrease in value presents a permanent change. When financial fixed assets are financed with borrowed funds, the translation differences on the borrowed funds are not recognised in the income statement.

Incremental costs are immediately expensed in the income statement.

FORMATION EXPENSES AND INTANGIBLE FIXED ASSETS

Capital increase and start-up costs are activated and depreciated on a straight-line basis over 5 years.

The issuing costs of subordinated loans are depreciated on a straight-line basis over the duration of the loan. The issuing costs of perpetual loans are depreciated on a straight-line basis over 5 years, or over the length of the period before the date of the first call, if this date is earlier.
If a consolidated subsidiary or an equity accounted affiliate is acquired for a price different form its net asset value; this difference is set off against the appropriate captions in the balance sheet. As from 1 January 2002, a remaining positive difference (goodwill) is reported in the balance sheet as an intangible asset and amortised using the straight-line method over its estimated useful life. In determining the period of amortisation, the expected period of benefits to be received from the acquired company is considered. A negative difference (badwill) is not depreciated. Consolidation differences relating to acquisitions prior to 2002 are charged to equity.

Costs relating to software developed by the bank itself or relating to standard or specific software acquired from third parties are booked directly to the results as general expenses. If it is certain that the economic life of specific software purchased from a third party is more than one year, the economic life being determined mainly on the risk of technological changes and commercial developments, the said software may be booked to assets and depreciated on a straight-line basis over the estimated useful life, with a maximum of five years.

The other intangible fixed assets are depreciated over maximum 10 years.

The option to capitalise is not used for the following :

- research and development costs
- commissions paid to third parties bringing transactions with clients with a contractual period exceeding one year.

TANGIBLE FIXED ASSETS

Tangible fixed assets are recognised on the assets side of the balance sheet at cost, including ancillary cost and non-recoverable indirect taxes, less depreciation.

Depreciation occurs on a straight-line basis over the estimated economic life.

Revaluation of tangible fixed assets is allowed, provided that the value clearly and durably exceeds their carrying value.

OTHER ASSETS

This account includes, amongst other items, the deferred tax assets, based on an exemption granted by the Banking, Finance and Insurance Commission following article 18 of the Royal Decree of 23 September 1992, and calculated in accordance with international accounting practice, as for instance the US GAAP Financial Accounting Standard 109 “Accounting for Income Taxes”.

LIABILITIES

AMOUNTS OWED TO CREDIT INSTITUTIONS AND CUSTOMERS

The debts to credit institutions and customers are posted in the balance sheet for the initial amount received, less subsequent repayments. All expenses paid to third parties bringing deposits are immediately recognised in the income statement.

DEBT SECURITIES ISSUED

Debt securities issued with fixed capitalisation are posted for the original amount plus capitalised interests.

OTHER DEBTS

This account includes, amongst other items, all debts to personnel related to salaries and other social security charges incurred during the present accounting period and paid in the next accounting period.

PROVISIONS FOR RISKS AND CHARGES

Provisions for risks and charges are accumulated to cover probable or certain losses and expenses that have a cost that can be reasonably estimated and have a due date in the future that, in general, is not clearly defined.

Provisions for pensions and similar social obligations are calculated using a methodology based on the international accounting practice, as for instance the USGAAP FAS87 Standard "Employers Accounting for Pensions". The main difference of using this approach is the effective booking of any differences that may arise between the projected benefit obligations and the fair value of plan assets.

Provisions are also recorded for various risks and charges, e.g. pending litigation, restructuring, etc.

Also included are the deferred tax liabilities resulting from timing differences or differences from losses that could be carried forward. These are calculated in accordance with international accounting practice, for instance the US GAAP Financial Accounting Standard 109 “Accounting for Income Taxes”. Deferred taxes can also be generated from consolidation adjustments.

FUNDS FOR GENERAL BANKING RISKS

Setting up the fund for general banking risks is based on a defined method, approved by the Board of Directors, applied systematically and based on the weighted volume of credit and market risks for the banking business.

INCOME STATEMENT

INTEREST REVENUES AND CHARGES

Interest revenues and charges are recognised when earned or due. Once a loan has been classified as doubtful or uncertain, related interests are normally reserved and no longer included in the income statement. The actuarial depreciation of the difference between the acquisition cost and the redemption price of fixed-income securities from the investment portfolio is also included in the interest revenues.

INCOME FROM VARIABLE-INCOME SECURITIES

Revenues on shares and financial fixed assets are recognised as from the moment the dividend distribution is communicated to the bank.

DERIVATIVES

The derivatives results are recorded differently depending on the type of transaction.

a) Hedging Transactions

Transactions that protect against the risk of fluctuation in exchange rates, interest rates or prices. Gains and losses are recorded in the income statement symmetrically; whereby the gains and losses on the hedged instruments are recorded in order to neutralise, entirely or partially, their impact. To be considered as a hedge, transactions must comply with the following conditions:

The hedged component or the hedged homogeneous set should expose the bank to a fluctuation risk of exchange rates, interest rates or prices.

The hedge transactions must be specifically indicated from inception, as well as the hedged components.

Sufficient correlation is required between the value fluctuations of the hedged component and the hedging transaction (or the underlying instrument).

As soon as a transaction does not meet the conditions to be considered as a hedge, then it should be recorded at its fair value.

b) Trading Transactions

All transactions made in connection with the current trading activities that do not meet the requirements to be classified as hedging, are valued at market prices, with both gains and losses recognised in the income statement. If the market is not liquid, only the losses are posted to the income statement.

c) Some forward interest rate transactions are valued in accordance with other valuation methods, based on derogation from the Banking, Finance and Insurance Commission, in conformity with article 18 of the Royal Decree of 23 September 1992 :

Transactions concluded in the framework of the treasury management, with an initial maturity of a maximum of 1 year;

Transactions concluded in the framework of balance sheet and off-balance sheet transactions, conducted with the objective of reducing the interest rate risk and documented as such;

Transactions concluded in the framework of strategic ALM-transactions in BEF, euro or a currency belonging to the European Monetary Union.

These 3 categories are valued by recording the related result on an accrual basis.

Transactions concluded in the framework of a global management, and do not have the objective of reducing the interest rate risk.

These transactions are valued by recording the related result on an accrual basis, with the condition that the potential losses resulting from the valuation at market value is recorded in the income statement.

FOREIGN CURRENCIES

When valuing foreign currencies, a distinction is made between the monetary and non-monetary items.

Monetary items are assets and liabilities, including accruals and deferrals, rights and commitments that represent a specific amount of money, as well as shares and other non-fixed income securities in the trading portfolio. Monetary items are converted at the average rate (average of bid and ask rate on the spot exchange market) at the closing date. Items settled at specific currency rates must be valued at those specific average rates. The resulting exchange differences are posted in the income statement (with the exception of exchange gains on foreign currencies for which no liquid market exists).

Tangible, intangible and financial fixed assets are considered to be non-monetary items and are recorded at cost based on the exchange rate at the date of acquisition. When non-monetary items, exposed to a foreign exchange risk, are financed on a permanent basis with borrowed funds in the same currency, the translation differences on the borrowed funds are not recognised in the income statement.

Profit and loss components in foreign currencies are converted into euro in the income statement, at the spot exchange rate at the time of recognition as income or expense.

STATEMENT OF THE AMOUNTS RECEIVABLE FROM CREDIT INSTITUTIONS (in thousands EUR)

(heading III of the assets)

A. For the heading as a whole :

	Codes	05	10
		Financial year	Previous financial year
1. - amounts receivable from affiliated enterprises, not consolidated	010	138,467	33,503
- amounts receivable from other enterprises linked by participating interests	020	40,459	16,386
		Financial year	Previous financial year
2. subordinated amounts receivable	030	596,658	746,215

B. Other amounts receivable (with a term or period of notice) on credit institutions (heading III B. of the assets)

		Financial year	Previous financial year
1. Bills eligible for refinancing at the central bank of the country or countries of establishment of the credit institution	040	34,233	178,928

2. Breakdown of these amounts receivable by residual term :

		Financial year
. up to 3 months	050	56,541,402
. over 3 months and up to one year	060	16,603,172
. over one year and up to 5 years	070	770,137
. over 5 years	080	308,690
. of indeterminate duration	090	4,804,563

STATEMENT OF THE AMOUNTS RECEIVABLE FROM CLIENTS

(heading IV of the assets)

	Codes	05	10
1. Amounts receivable			
		Financial year	Previous financial year
- from affiliated enterprises, not consolidated	110	1,036,809	1,426,525
- from other enterprises linked by participating interests	120	64,400	98,699
		Financial year	Previous financial year
2. Subordinated amounts receivable	130	88,177	72
		Financial year	Previous financial year
3. Bills eligible for refinancing at the central bank of the country or countries of establishment of the credit institution	140	823,926	842,252

4. Breakdown of amounts receivable by residual term :

		Financial year
. up to 3 months	150	53,140,308
. over 3 months and up to one year	160	16,264,859
. over one year and up to 5 years	170	21,963,687
. over 5 years	180	73,376,174
. of indeterminate duration	190	9,559,881

STATEMENT OF BONDS AND OTHER FIXED-INCOME SECURITIES (in thousands EUR)

(heading V of the assets)

Codes	05	10

1. Bonds and other securities issued by :

		Financial year	Previous financial year
- affiliated enterprises, not consolidated	010		
- other enterprises linked by participating interests	020		

		Financial year	Previous financial year
2. Bonds and securities representing subordinated loans	030	351,345	176,775

3. Geographical breakdown of the following headings :

		Belgium	Foreign countries
V.A. - public issuers	040	20,943,977	61,234,054
V.B. - other issuers	050	830,269	34,382,140

4. Quotations and durations

		Book value	Market value
a) . Listed securities	060	93,566,775	95,059,015
. Unlisted securities	070	23,823,665	

		Financial year
b) . Residual term up to one year	080	26,588,075
. Residual term over one year	090	90,802,365

5. Bonds and securities belonging to the :

		Financial year
a) commercial portfolio	100	16,845,686
b) investment portfolio	110	100,544,754

6. For the commercial portfolio :

		Financial year
. positive difference between the higher market value and the acquisition value for bonds and securities valued at their market value	120	71,430
. positive difference between the market value, when higher, and the book value for bonds and securities valued in accordance with Article 35 ter §2 (2) of the Royal Decree of 23rd september 1992 on the annual accounts of credit institutions	130	11,186

7. For the investment portfolio

		Financial year
. positive difference in respect of all securities combined whose redemption value is higher than their book value	140	891,313
. negative difference in respect of all securities combined whose redemption value is lower than their book value	150	2,140,173

8. Details of the book value of the investment portfolio
(heading V of the assets - continued)

a) ACQUISITION VALUE	Codes	Financial year
At the end of the previous financial year	010	85,859,813
Changes during the financial year :		
. acquisitions	020	68,105,934
. transfers	030	(51,178,531)
. adjustments made in accordance with article 35 ter § 4 and 5 of the Royal Decree of Sept. 23, 1992 on the annual accounts of credit institutions	040	(304,724)
. exchange differences	050	(1,796,883)
. consolidation scope		(78,292)
. other changes	060	(9,415)
At the end of the financial year	099	100,597,902
b) TRANSFERS BETWEEN PORTFOLIOS		
1. Transfers		
. from the investment portfolio to the commercial portfolio	110	
. from the commercial portfolio to the investment portfolio	120	
2. Impacts of these transfers on the result	130	

c) WRITE-OFFS		
At the end of the previous financial year	200	52,208
Changes during the financial year :		
. charged	210	50,720
. taken back because surplus	220	(20,147)
. cancelled	230	(12,155)
. transferred from one heading to another	240	(773)
. exchange differences	250	(16,705)
. consolidation scope		
. other differences	260	
At the end of the financial year	299	53,148
d) BOOK VALUE AT THE END OF THE FINANCIAL YEAR (a) + b)1. - c))	399	100,544,754

STATEMENT OF CORPORATE SHARES, UNITS AND OTHER VARIABLE-INCOME SECURITIES

(heading VI of the assets)

(in thousands EUR)

	Codes	05	10
1) Geographical breakdown of the issuers of the securities		Financial year	Previous financial year
. Belgian issuers	010	218,829	577,553
. foreign issuers	020	4,824,659	4,467,573

2) Quotations		Book value	Market value
. Listed securities	030	4,587,243	4,633,121
. Unlisted securities	040	456,245	

3) Shares and securities belonging to the :		Financial year
. commercial portfolio	050	4,158,334
. investment portfolio	060	885,154

4) For the commercial portfolio :		Financial year
. positive difference between the acquisition value and the market value for securities valued at their market value	070	109,403
. positive difference between the market value, when higher, and the book value for securities valued in accordance with article 35 ter § 2 (2) of the Royal Decree of 23rd september 1992 on the annual accounts of credit institutions	080	551

5) Details of the book value of the investment portfolio

a) ACQUISITION VALUE		Financial year
At the end of the previous financial year	100	1,598,876
Changes during the financial year		
. acquisitions	110	348,161
. transfers	120	(473,460)
. exchange differences	130	(33,411)
. consolidation scope		(384,531)
. other changes	140	(32,807)
At the end of the financial year	199	1,022,828

b) TRANSFERS BETWEEN PORTFOLIOS		
Transfers		
. from the investment portfolio to the commercial portfolio	200	(35,888)
. from the commercial portfolio to the investment portfolio	210	
Impact of these transfers on the result	220	
c) WRITE-OFFS		
At the end of the previous financial year	300	185,992
Changes during the financial year :		
. charged	310	8,073
. taken back because surplus	320	(12,562)
. cancelled	330	(46,265)
. transferred from one heading to another	340	773
. exchange differences	350	(5,265)
. consolidation scope		(18,407)
. other changes	360	(10,553)
At the end of the financial year	399	101,786
d) BOOK VALUE AT THE END OF THE FINANCIAL YEAR (a) + b)1. - c))	499	885,154

STATEMENT OF THE FINANCIAL FIXED ASSETS (in thousands EUR)

(heading VII of the assets)

	Codes	05	10	15	20
		Credit institutions		Other enterprises	
A. Breakdown of the headings VII A.1 and VII B.1		Financial year	Previous financial year	Financial year	Previous financial year
a) economic sector of :					
- participating interests valued by equity method	100	19,282	31,190	1,035,707	858,205
- other companies	110	20,650	20,542	1,456,235	1,392,109

b) quotation		Listed	Unlisted
- participating interests valued by equity method	200	107,228	947,761
- other companies	210	315,640	1,161,245

c) Details on the book value at the end of the financial year
(VII A.1 and VII B.1)

	Codes	Enterprises	
		linked by equity method	Other
A. ACQUISITION VALUE			
At the end of the previous financial year	300	889,395	1,586,335
Changes during the financial year			
. acquisitions	310	274,878	146,934
. transfers	320	(23,671)	(69,194)
. transfers from one heading to another	330	8,045	59,999
. profit of the year		(27,659)	
. dividends paid		(33,107)	
. exchange differences	340	(16,576)	(8,296)
. consolidation scope		(30,974)	(5,185)
. other changes	350	14,658	7,231
At the end of the financial year	399	1,054,989	1,717,824
B. REVALUATIONS			
At the end of the previous financial year	400		33,084
Changes during the financial year			
. charged	410		
. acquired from third parties	420		
. cancelled	430		
. transferred from one heading to another	440		
. exchange differences	450		
. consolidation scope			
. other changes	460		
At the end of the financial year	499		33,084

	Codes	05	10
		Enterprises	
		linked by equity method	Other
C. WRITE-OFFS			
At the end of the previous financial year	100		171,563
Changes during the financial year			
. charged	110		56,222
. taken back because surplus	120		(14,457)
. acquired from third parties	130		
. cancelled	140		(5,129)
. transferred from one heading to another	150		34,753
. exchange differences	160		(1,858)
. consolidation scope			
. other changes	170		
At the end of the financial year	199		241,094
D. UNCALLED AMOUNTS			
At the end of the previous financial year	200		35,205
Changes during the financial year	210		(2,276)
At the end of the financial year	299		32,929
E. NET BOOK VALUE AT THE FINANCIAL YEAR (A+B-C-D)	300	1,054,989	1,476,885

B. Breakdown of the heading VII A.2 AND VII B. 2

Subordinated loans to :	Codes	Credit institutions		Other enterprises	
		Financial year	Previous financial year	Financial year	Previous financial year
- enterprises linked by equity method	400			100,000	
- other enterprises	410	3,771	3,771	22,253	15,651

Amount of subordinated amounts receivable represented by listed securities	500	

Details of the subordinated loans		Enterprises linked by equity method	Other Enterprises
NET BOOK VALUE AT THE END OF THE PREVIOUS FINANCIAL YEAR	600		19,422
Changes during the financial year			
. Additions	610	100,000	9,514
. Repayments	620		(1,036)
. Amounts written off recorded	630		(955)
. Amounts written off taken back	640		
. Exchange differences	650		
. Other changes	660		(921)
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR	700	100,000	26,024
CUMULATED WRITE-OFFS AT THE CLOSE OF THE FINANCIAL YEAR	800		

STATEMENT OF FORMATION EXPENSES AND INTANGIBLE FIXED ASSETS

(heading VIII of the assets) (in thousands EUR)

	Codes	05
A. Detail of the formation expenses		Financial year
Net book value at the end of the previous financial year	010	18,628
Changes during the financial year :		
. New expenses incurred	020	5,452
. Depreciation	030	(17,309)
. Exchange differences	040	327
. consolidation scope		292
. Other changes	050	39,890
Net book value at the end of the financial year	099	47,280
including :		
- formation and capital - increase expenses issuing expenses for loans and other start-up expenses	110	47,280
- reorganization expenses	120	

	Codes	05	10	15
B. Intangible fixed assets		goodwill	other intangible fixed assets	including commissions for the operations of art. 27 Bis *
a) ACQUISITION VALUE				
At the end of the previous financial year	210	77,231	203,292	
Changes during the financial year :				
. acquisitions including production shown as	220	4,155	18,124	
. transfers and disposals	230		(2,808)	
. transfers from one heading to another	240		5,792	
. exchange differences	250	(1,221)	(2,923)	
. consolidation scope			(3,862)	
. other changes	260	10,376	5,800	
At the end of the financial year	299	90,541	223,415	
b) DEPRECIATIONS AND AMOUNTS WRITTEN OFF				
At the end of the previous financial year	310	33,830	124,482	
Changes during the financial year :				
. charged	320	7,986	23,252	
. taken back because surplus	330			
. acquired from third parties	340			
. cancelled	350		(3,976)	
. transferred from one heading to another	360		4,938	
. exchange differences	370	(578)	(1,010)	
. consolidation scope			(3,095)	
. other changes	380		127	
At the end of the financial year	399	41,238	144,718	
c) NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR (a) - b))	499	49,303	78,697	

* If this heading contains an important amount

STATEMENT OF THE TANGIBLE FIXED ASSETS

(heading IX of the assets) (in thousands EUR)

	Codes	05	10	20	25	30
		Land and buildings	Installations, machines and tools	Leasing and similar rights	Other tangible fixed assets	Fixed assets under construction and advance payments
a) ACQUISITION VALUE						
At the end of the previous financial year	010	2,234,742	1,346,478	5,829	2,640,293	57,305
Changes during the financial year :						
. acquisitions including own production of fixed assets	020	108,754	144,971	218	1,622,582	3,810
. transfers and disposals	030	(123,746)	(151,220)	(234)	(701,223)	(25,598)
. transfers from one heading to another	040	40,094	2,746	(1,613)	(589,753)	(2,119)
. exchange differences	050	(26,945)	(16,977)	(18)	(12,478)	(151)
. consolidation scope		(2,729)	(5,506)		13,763	
. other changes	060					
At the end of the financial year	070	2,230,169	1,320,493	4,182	2,973,183	33,247
b) REVALUATIONS						
At the end of the previous financial year	100	377,407	73	2,900	77,324	1
Changes during the financial year :						
. recorded	110					
. acquired from third parties	120					
. cancelled	130	(15,162)	(48)	(441)	(1,812)	
. transferred from one heading to another	140	59,323	(732)		(57,843)	(1)
. exchange differences	150	(15)	(44)			(0)
. consolidation scope		(8,350)	776			
. other changes	160					
At the end of the financial year	170	413,203	25	2,460	17,669	0
c) DEPRECIATIONS AND AMOUNTS WRITTEN OFF						
At the end of the previous financial year	200	1,279,668	968,392	1,172	867,930	
Changes during the financial year :						
. charged	210	117,233	151,424	218	325,731	
. taken back	220		(0)			
. acquired from third parties	230	303	1,739		1,004	
. cancelled because surplus	240	(89,483)	(143,085)	(0)	(268,508)	
. transferred from one heading to another	250	58,853	1,438	(1,381)	(39,244)	
. exchange differences	260	(12,576)	(8,320)		(3,574)	
. consolidation scope		(1,715)	(3,749)		(810)	
. other changes	270		785			
At the end of the financial year	280	1,352,284	968,623	8	882,529	
d) NET BOOK VALUE AT THE CLOSE OF THE FINANCIAL YEAR (a) + b) - c))	300	1,291,088	351,895	6,634	2,108,324	33,247
including . land and buildings	310			6,634		
. installations, machines and tools	320					
. furniture and vehicles	330					

STATEMENT OF AMOUNTS PAYABLE TO CREDIT INSTITUTIONS
(heading I.B. and C. of the liabilities) (in thousands EUR)

A. For the heading as a whole :

	Codes	05	10
		Financial year	Previous financial year
- amounts payable to affiliated enterprises, not consolidated	010	31,916	129,132
- amounts payable to other enterprises linked by participating interests	020	85,893	67,564

B. Breakdown of the amounts payable other than at sight according to their residual term (heading I.B. and C. of the liabilities)

	Codes	Financial year
. up to three months	110	86,581,226
. over three months and up to one year	120	12,442,657
. over one year and up to five years	130	304,386
. over five years	140	468,734
. of indeterminate duration	150	10,289

STATEMENT OF AMOUNTS PAYABLE TO CLIENTS
(heading II of the liabilities)

1. Amounts payable to :

	Codes	05	10
		Financial year	Previous financial year
- affiliated enterprises, not consolidated	210	10,382,482	1,804,314
- other enterprises linked by participating interests	220	3,338	22,717

2. Geographical breakdown of the amounts payable to:

	Codes	Financial year
- Belgium	310	90,094,650
- foreign countries	320	128,906,787

3. Breakdown by residual term :

	Codes	Financial year
. at sight	410	71,224,620
. up to 3 months	420	57,904,560
. over 3 months and up to one year	430	22,090,115
. over one year and up to 5 years	440	11,284,816
. over 5 years	450	8,498,391
. of indeterminate duration	460	47,998,935

STATEMENT OF AMOUNTS PAYABLE REPRESENTED BY A SECURITY
(heading III of the liabilities)

(in thousands EUR)

1. Amounts payable which, to the knowledge of the credit institution, constitute amounts payable :	Codes	Financial year	Previous financial year
- affiliated enterprises, not consolidated	010		
- other enterprises linked by participating interests	020		

2. Breakdown according to the residual term :

		Financial year
. up to 3 months	110	14,805,517
. over 3 months and up to one year	120	9,766,159
. over one year and up to 5 years	130	11,853,760
. over 5 years	140	1,513,071
. of indeterminate duration	150	

STATEMENT OF SUBORDINATED AMOUNTS PAYABLE
(heading VIII of the liabilities)

		Financial year	Previous financial year
A. For the heading as a whole :			
- amounts payable of the parent company	010	5,440,614	5,225,531
- amounts payable of the other consolidated companies	020	4,826,043	4,750,247

		Financial year	Previous financial year
B. For the heading as a whole			
- amounts payable to affiliated enterprises, not consolidated	100	379,746	1,821,136
- other enterprises linked by participating interest	110		

		Financial year
C. Charges in respect of subordinated loans	200	563,478

C. Mentions concerning subordinated loans : (heading VIII of the liabilities)						
Reference n°	Currency	Amount	Maturity or method of determining repayment date			a) Early redemption conditions (1) b) Subordination conditions (2) c) Convertibility conditions (3)
						TIER 1
						Issued by Fortis Bank
BE	EUR	995,405	2001	/	perp.	If the issuer so wishes, as from the 10 th year
						TIER 2
						Issued by Fortis Bank
BE	EUR	700,000	2000	/	perp.	Redeemed at maturity
BE	EUR	760,000	1999	/	perp.	If the issuer so wishes
BE	NLG	40,000	1995	/	perp.	In the event of a change in tax regulations
BE	NLG	25,000	1995	/	perp.	If the issuer so wishes, as from the 10 th year
BE	NLG	20,000	1995	/	perp.	If the issuer so wishes, as from the 10 th year
BE	NLG	10,000	1995	/	perp.	If the issuer so wishes, as from the 10 th year
BE0061263082	JPY	20,000,000	1995	/	perp.	If the issuer so wishes, as from the ...
BE0061894316	JPY	5,000,000	1995	/	perp.	If the issuer so wishes, as from the 20 th year
BE	BEF	27,465,413	Each certificates			
						Issued by Banque Belgolaise
BE	BEF	1,041	1998	/	2007	Redeemed at maturity
						Issued by Banque De La Poste
BE	BEF	24,789	1998	/	2008	Redeemed at maturity
						Issued by Fortis Luxembourg Finance sa
LUGENFINANCE	GBP	100,000	1995	/	2006	Redeemed at maturity
LUGENFINANCE	USD	22,330	1995	/	2013	Redeemed at maturity
LU	EUR	100,000	2003	/	2013	Redeemed at maturity
LUFLUXF	USD	2,000	2002	/	2012	Redeemed at maturity
LU99.63EUR	EUR	100,000	1999	/	2009	Redeemed at maturity
LUE.O.200MIO	EUR	200,000	2000	/	2010	Redeemed at maturity
LU250MIOS	EUR	250,000	2000	/	2010	Redeemed at maturity
LUeo	EUR	50,000	2000	/	2010	Redeemed at maturity
LU50MIOS6%	EUR	50,000	2000	/	2010	Redeemed at maturity
LUEO 00/10	EUR	150,000	2000	/	2010	Redeemed at maturity
LU515 SEK	SEK	515,000	1999	/	2007	Redeemed at maturity
LU	EUR	68,067	1998	/	2005	Redeemed at maturity
LU	EUR	74,368	1997	/	2007	Redeemed at maturity
LU	EUR	91,721	1997	/	2005	Redeemed at maturity
LU	EUR	49,579	1998	/	2008	Redeemed at maturity
LU	EUR	49,579	1998	/	2008	Redeemed at maturity
LUFLF 25/2/94	EUR	24,789	1994	/	2004	Redeemed at maturity
LU	EUR	74,368	1997	/	2007	Redeemed at maturity

LU361627	DKK	600,000	1997	/	2006	Redeemed at maturity
LU	EUR	49,579	1997	/	2007	Redeemed at maturity
LU9017020	DKK	400,000	1998	/	2008	Redeemed at maturity
LUGENFINANCE	EUR	100,000	1999	/	2009	Redeemed at maturity
LUGENFINANCE	EUR	150,000	1999	/	2009	Redeemed at maturity
LU	DKK	600,000	1999	/	2007	Redeemed at maturity
LUGENFINANCE	EUR	75,000	1999	/	2009	Redeemed at maturity
LUGENFINANCE	EUR	100,000	1999	/	2009	Redeemed at maturity
LULU	EUR	150,000	2001	/	2016	Redeemed at maturity
						Issued by GenFinance N.V.
GB	GBP	7,250	1983	/	2007	Redeemed at maturity
GB285967/11	GBP	7,250	1983	/	2007	Redeemed at maturity
						Issued by Banque Générale Luxembourg
LU	USD	36,000	1990	/	perp.	Redeemed at maturity
LU	DEM	25,000	1998	/	2008	Redeemed at maturity
LU	EUR	5,000	1998	/	2008	Redeemed at maturity
LU	FRF	60,000	1998	/	2006	Redeemed at maturity
LU	LUF	692,400	1994	/	2004	Redeemed at maturity
LU	LUF	1,000,000	1994	/	2004	Redeemed at maturity
LU	LUF	2,000,000	1994	/	2004	Redeemed at maturity
LU	LUF	2,000,000	1996	/	2004	Redeemed at maturity
LU	LUF	2,000,000	1997	/	2007	Redeemed at maturity
LU	LUF	2,000,000	1997	/	2005	Redeemed at maturity
LU	LUF	2,000,000	1997	/	2005	Redeemed at maturity
LU	LUF	2,000,000	1998	/	2008	Redeemed at maturity
LU	LUF	2,000,000	1998	/	2008	Redeemed at maturity
LU	LUF	2,000,000	1998	/	2008	Redeemed at maturity
LU	EUR	75,000	1999	/	2009	Redeemed at maturity
LUXS118166577	LUF	100,000	2000	/	2010	Redeemed at maturity
LU	USD	100,000	2001	/	2011	Redeemed at maturity
						Issued by Fortis Bank Nederland
NLFBN	NLG	56,001	1994	/	2009	Redeemed at maturity
NLFBN	NLG	5,000	1996	/	2005	Redeemed at maturity
NLFBN	NLG	2,499	1999	/	2004	Redeemed at maturity
NLFBN	NLG	12,499	1996	/	2004	Redeemed at maturity
NLFBN	NLG	15,001	1999	/	2019	Redeemed at maturity
NLFBN	NLG	20,000	1999	/	2009	Redeemed at maturity
NLFBN	NLG	5,000	1999	/	2003	Redeemed at maturity
NLFBN	NLG	15,001	1989	/	2004	Redeemed at maturity
NLFBN	NLG	15,001	1993	/	2008	Redeemed at maturity
NLFBN	NLG	2,269	2002	/	2007	Redeemed at maturity
NLFBN	NLG	170,000	2001	/	2031	Redeemed at maturity
NLFBN	NLG	250,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	59,366	1996	/	2008	Redeemed at maturity
NLFBN	NLG	5,758	1999	/	2014	Redeemed at maturity
NLFBN	NLG	1,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	1,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	4,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	1,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	1,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	1,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	2,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	2,000	1997	/	2010	Redeemed at maturity
NLFBN	NLG	2,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	4,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	2,500	1997	/	2010	Redeemed at maturity

NLFBN	NLG	2,500	1997	/	2010	Redeemed at maturity
NLFBN	NLG	2,500	1997	/	2010	Redeemed at maturity
NLFBN	NLG	3,000	1997	/	2010	Redeemed at maturity
NLFBN	NLG	3,000	1997	/	2010	Redeemed at maturity
NLFBN	NLG	3,500	1997	/	2010	Redeemed at maturity
NLFBN	NLG	5,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	8,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	5,000	1997	/	2010	Redeemed at maturity
NLFBN	NLG	5,000	1997	/	2010	Redeemed at maturity
NLFBN	NLG	5,000	1997	/	2010	Redeemed at maturity
NLFBN	NLG	5,000	1994	/	2010	Redeemed at maturity
NLFBN	NLG	5,000	1997	/	2010	Redeemed at maturity
NLFBN	NLG	5,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	7,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	10,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	5,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	6,000	2001	/	2010	Redeemed at maturity
NLFBN	NLG	11,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	10,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	10,000	1997	/	2010	Redeemed at maturity
NLFBN	NLG	10,000	1997	/	2010	Redeemed at maturity
NLFBN	NLG	10,000	1997	/	2010	Redeemed at maturity
NLFBN	NLG	15,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	10,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	35,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	15,000	2000	/	2007	Redeemed at maturity
NLFBN	NLG	15,000	1997	/	2010	Redeemed at maturity
NLFBN	NLG	15,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	5,000	2001	/	2007	Redeemed at maturity
NLFBN	NLG	20,000	1998	/	2023	Redeemed at maturity
NLFBN	NLG	25,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	35,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	30,000	1997	/	2010	Redeemed at maturity
NLFBN	NLG	40,000	1994	/	2007	Redeemed at maturity
NLFBN	NLG	1,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	1,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	6,000	1998	/	2004	Redeemed at maturity
NLFBN	NLG	6,000	1998	/	2004	Redeemed at maturity
NLFBN	NLG	5,000	1997	/	2010	Redeemed at maturity
NLFBN	NLG	1,000	1998	/	2004	Redeemed at maturity
NLFBN	NLG	1,000	1998	/	2004	Redeemed at maturity
NLFBN	NLG	6,000	1995	/	2010	Redeemed at maturity
NLFBN	NLG	6,000	1995	/	2015	Redeemed at maturity
NLFBN	NLG	6,000	1995	/	2020	Redeemed at maturity
NLFBN	NLG	6,000	1995	/	2025	Redeemed at maturity
NLFBN	NLG	5,000	1994	/	2007	Redeemed at maturity
NLFBN	NLG	5,000	1995	/	2008	Redeemed at maturity
NLFBN	NLG	2,500	1994	/	2009	Redeemed at maturity
NLFBN	NLG	2,000	1994	/	2009	Redeemed at maturity
NLFBN	NLG	1,000	1992	/	2004	Redeemed at maturity
NLFBN	NLG	16,000	1995	/	2025	Redeemed at maturity
NLFBN	NLG	334	1989	/	2004	Redeemed at maturity
NLFBN	NLG	3,500	1990	/	2010	Redeemed at maturity
NLFBN	NLG	10,000	1994	/	2025	Redeemed at maturity
NLFBN	NLG	3,150	1990	/	2010	Redeemed at maturity
NLFBN	NLG	668	1989	/	2004	Redeemed at maturity
NLFBN	NLG	1,000	1988	/	2008	Redeemed at maturity
NLFBN	NLG	130	1986	/	2004	Redeemed at maturity
NLFBN	NLG	1,050	1990	/	2010	Redeemed at maturity
NLFBN	NLG	167	1986	/	2004	Redeemed at maturity
NLFBN	NLG	525	1990	/	2010	Redeemed at maturity
NLFBN	NLG	750	1988	/	2008	Redeemed at maturity

NLFBN	NLG	75,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	75,000	1997	/	2010	Redeemed at maturity
NLFBN	NLG	90,000	2000	/	2009	Redeemed at maturity
NLFBN	NLG	60,000	1997	/	2012	Redeemed at maturity
NLFBN	NLG	5,000	1994	/	2004	Redeemed at maturity
NLFBN	NLG	50,000	1993	/	2005	Redeemed at maturity
NLFBN	NLG	35,000	1994	/	2008	Redeemed at maturity
NLFBN	NLG	25,000	1994	/	2007	Redeemed at maturity
NLFBN	NLG	10,000	1997	/	2010	Redeemed at maturity
NLFBN	NLG	10,000	1997	/	2004	Redeemed at maturity
NLFBN	NLG	10,000	1995	/	2008	Redeemed at maturity
NLFBN	NLG	12,000	1991	/	2006	Redeemed at maturity
NLFBN	NLG	10,000	1994	/	2009	Redeemed at maturity
NLFBN	NLG	450	1986	/	2006	Redeemed at maturity
NLFBN	NLG	334	1989	/	2004	Redeemed at maturity
NLFBN	NLG	1,350	1989	/	2009	Redeemed at maturity
NLFBN	NLG	2,000	1994	/	2019	Redeemed at maturity
NLFBN	NLG	1,050	1986	/	2006	Redeemed at maturity
NLFBN	NLG	600	1989	/	2009	Redeemed at maturity
NLFBN	NLG	600	1989	/	2009	Redeemed at maturity
NLFBN	NLG	600	1989	/	2009	Redeemed at maturity
NLFBN	NLG	525	1995	/	2010	Redeemed at maturity
NLFBN	NLG	450	1989	/	2009	Redeemed at maturity
NLFBN	NLG	60,000	1997	/	2009	Redeemed at maturity
NLFBN	NLG	40,000	1997	/	2012	Redeemed at maturity
NLFBN	NLG	125,000	1997	/	2007	Redeemed at maturity
NLFBN	NLG	125,000	2000	/	2010	Redeemed at maturity
NLFBN	NLG	101,371	1999	/	2014	Redeemed at maturity
						Issued by FORTIS IFICO
KYIFICO	JPY	15,000,000	1994	/	perp.	Redeemed at maturity
KYIFICO	JPY	5,000,000	1995	/	perp.	Redeemed at maturity
KYIFICO	JPY	5,000,000	1996	/	perp.	Redeemed at maturity
KYIFICO	NLG	20,000	1995	/	perp.	Redeemed at maturity
KYIFICO	NLG	15,000	1995	/	perp.	Redeemed at maturity
KYIFICO	NLG	50,444	1995	/	perp.	Redeemed at maturity
KYIFICO	NLG	15,000	1995	/	perp.	Redeemed at maturity
KYIFICO	NLG	10,000	1995	/	perp.	Redeemed at maturity
KYIFICO	USD	35,040	1996	/	perp.	Redeemed at maturity
KYIFICO	USD	99,868	2000	/	2010	Redeemed at maturity
KYIFICO	EUR	51,340	2000	/	2010	Redeemed at maturity
KYIFICO	EUR	5,814	2000	/	2012	Redeemed at maturity
KYIFICO	DEM	80,000	1992	/	2007	Redeemed at maturity
KYIFICO	EUR	11,741	2000	/	2012	Redeemed at maturity
KYIFICO	EUR	99,800	2000	/	2010	Redeemed at maturity
KYIFICO	EUR	30,000	2001	/	2031	Redeemed at maturity
KYIFICO	EUR	4,887	2001	/	2010	Redeemed at maturity

STATEMENT OF RESERVES AND PROFIT BROUGHT FORWARD
(heading XII of the liabilities)

	Codes	Financial year
At the end of the previous financial year		890,735
Changes during the financial year		
- group profit	010	1,265,970
- dividends	020	(866,182)
- consolidation difference		(26,950)
- provisions for pensions		68,619
- deferred taxes		
- director's entitlements		(260)
- other		(71)
At the end of the financial year	040	1,331,861

CONSOLIDATION DIFFERENCES DUE TO FULL CONSOLIDATION AND TO VALUATION BY EQUITY METHOD

	Codes	Positive differences	Negative differences
A. Differences due to full consolidation			
Net book value at the end of the previous financial year	100	200,094	
Changes during the financial year			
- due to increase of the percentage held	110	319,371	
- due to decrease of the percentage held	120		
- depreciations	130	(46,556)	
- differences transfered to the income statement (art. 52 § 2 Royal Decree 06/03/90)	140		
- other changes	150	(321)	
Subtotal of changes	199	272,494	
Net book value at the end of the financial year	200	472,588	
B. Differences due to valuation by equity method			
Net book value at the end of the previous financial year	300		
Changes during the financial year			
- due to increase of the percentage held	310	7,210	
- due to decrease of the percentage held	320		
- depreciations	330	(1,082)	
- differences transfered to the income statement (art. 52 § 2 Royal Decree 06/03/90)	340		
- other changes	350		
Subtotal of changes	399	6,128	
Net book value at the end of the financial year	400	6,128	

BREAKDOWN OF TOTAL ASSETS AND TOTAL LIABILITIES
BETWEEN EURO & FOREIGN CURRENCIES

(in thousands EUR)

	Codes	05	10
		in euro	in foreign currencies (exchange value in EUR)
TOTAL ASSETS	010	330,796,529	94,286,850
TOTAL LIABILITIES	020	331,575,195	93,508,184

TRUSTEE OPERATIONS REFERRED TO IN ARTICLE 27ter, § 1 paragraph 3, ROYAL DECREE 23/09/92

Concerned headings of the assets and liabilities	Codes	05
		Financial year
.....	110	
.....	120	
.....	130	
.....	140	
.....	150	
.....	160	
.....	170	
.....	180	
.....	190	
.....	200	
.....	210	
.....	220	
.....	230	

STATEMENT OF THE GUARANTEED LIABILITIES AND COMMITMENTS

Secured guarantees provided or irrevocably promised by the credit institution on its own assets

(1) Amount registered or book value of the real estate encumbered if the latter is lower
(2) Amount registered
(3) Book value of the assets pledged
(4) Amount of the assets in question

	Codes	05	10	15	20
		Mortgages	Pledging of goodwill	Pledges on other assets	Guarantees established on future assets
		(1)	(2)	(3)	(4)
a) As security for liabilities and commitments of the consolidated entity					
1. Headings of the liabilities					
debts for mobilization and advances	010			76,705,864	
Recevables Banque de France pledged	020			61,995	
Guarantees repo/reverse repo transactions	030			3,730	
under repurchase agreements in respect of government s	040			89,835	
Current accounts from clients	050			486,870	
2. Off-balance sheet headings					
Margin account financial futures	110				7,213
	120				
	130				
	140				
	150				
b) As security for liabilities and commitments of third parties					
1. Headings of the liabilities					
.....	210				
.....	220				
.....	230				
.....	240				
.....	250				
2. Off-balance sheet headings					
.....	310				
.....	320				
.....	330				
.....	340				
.....	350				

STATEMENT OF THE CONTINGENT LIABILITIES AND OF COMMITMENTS WHICH MAY GIVE RISE TO A CREDIT RISK (in thousands EUR)

(headings I and II of the off-balance sheet)

	Codes	05	10
		Financial year	Previous financial year
Total of contingent liabilities on account of affiliated non-consolidated companies	010	53,358	66,308
Total of contingent liabilities on account of other enterprises linked by participating interests	020	41,549	47,339
Total of the commitments to affiliated non-consolidated enterprises	030	16,401	275,971
Total of the commitments to other enterprises linked by participating interests	040	14,119	153,228

STATEMENT OF THE FORWARD OFF-BALANCE SHEET OPERATIONS IN SECURITIES, FOREIGN CURRENCIES AND OTHER FINANCIAL INSTRUMENTS WHICH DO NOT CONSTITUTE COMMITMENTS WHICH MAY GIVE RISE TO A CREDIT RISK WITHIN THE MEANING OF HEADING II OF THE OFF-BALANCE SHEET

(in thousands EUR)

TYPES OF OPERATIONS	Codes	AMOUNT AT FINANCIAL YEAREND	OF WHICH TRANSACTIONS NOT CONSTITUTING HEDGING TRANSACTIONS (4)
		05	10
1. ON TRANSFERABLE SECURITIES			
forward purchases and sales of transferable securities	010	891,577	891,577
and negotiable instruments			
2. ON CURRENCIES (1)			
forward exchange operations	110	149,987,276	139,269,673
interest-rate and currency swaps	120	16,219,552	14,028,983
currency futures	130	54,741	54,741
currency options	140	28,377,371	27,676,016
forward exchange rate contracts	150	3,764,634	1,791,235
3. ON OTHER FINANCIAL INSTRUMENTS			
ON INTERESTS (2)			
1. interest-rate swaps	210	1,257,333,236	616,842,338
interest-rate futures	220	22,706,922	22,706,922
forward interest-rate contracts	230	53,237,789	35,082,166
interest-rate options	240	701,702,547	701,445,223
2. OTHER FORWARD PURCHASES AND SALES (3)			
other option contracts	310	73,806,268	66,278,687
other futures operations	320	4,166,738	4,166,738
other forward purchases and sales	330	402,496	402,496
TOTAL (1. + 2. + 3.1 + 3.2)	499	2,312,651,147	1,630,636,795

(1) Amounts to be delivered
(2) Nominal/notional reference amount
(3) Agreed buying/selling price
(4) Transactions which do not strictly meet the criteria for hedge accounting as specified in the Royal Decree of 23 September 1992 (articles 35c § 1. 36 § 1. And 36a § 1). For the must part, notional amounts given in this column do not represent open positions but are valued at the market price.

DETAILS CONCERNING THE OPERATING RESULTS

(in thousands EUR)

A. Breakdown of operating income according to origin

	Codes	05	10	15	20
		Financial year		Previous financial year	
		Belgian establishments	establishments abroad	Belgian establishments	establishments abroad
I. Interests and similar revenues	010	8,390,838	5,074,214	9,817,320	5,789,412
III. Income from variable-income securities					
- Corporate shares and units and other variable-income securities	110	8,074	15,748	36,455	18,760
- Participating interests and other corporate shares and units constituting financial fixed assets	120	4,390	19,416	62,257	28,472
IV. Commissions received	210	1,137,591	1,144,177	1,114,103	1,230,140
VI. Profit from financial operations					
- from exchange transactions and transactions in securities and other financial instruments	310	169,255	223,332	317,626	124,083
- from realization of investment securities	320	466,905	63,668	431,004	2,185
XIV. Other operating income	410	206,537	413,216	217,057	388,022

B. 1. Personnel

(unities)

	Codes	05	10
		fully consolidated enterprises	proportionally consolidated enterprises
Manual workers	500	3	
Non-manual workers	510	36,058	
Managerial staff	520	1,861	
Other persons on the payroll	530	414	

(in thousands EUR)

2. Personnel and pension expenses	600		2,640,254	

(in thousands EUR)

C. Extraordinary results	Codes	Financial year
1. Extraordinary profit (heading XVII of the income statement)		
Breakdown of this heading if it represents a substantial amount		
Sale Theodoor Gilissen	010	91,958
Restructuration	020	15,718
2. Extraordinary loss (heading XVIII of the income statement)		
Breakdown of this heading if it represents a substantial amount		
Restructurerung costs	100	79,885
.....	110	
.....	120	

D. Income taxes (heading XXI of the income statement)

Based on the valuation rules, the deferred taxes are booked :

1) MAJOR DIFFERENCES BETWEEN EXPECTED AND ACTUAL TAXATION

Profit before taxes	**1,730,607**
Statutory tax rate	33.99%
Expected taxation	588,233
Income from securities	(146,441)
Disallowed expenses	29,524
Net income from branch offices	(37,921)
Income taxed at specific rates and other taxes	(172)
Loss carry forwards	
Miscellaneous	(166)
Foreign tax rate differential	(19,352)
Effect tax rate change on temporary differences	(2,676)
Taxes relating to prior years	(27,681)
Taxation through P&L	**383,348**

2) SPECIFICATION OF DEFERRED TAXES

		Financial year
2.1 Deferred tax assets		
Receivables from credit institutions		5,484
Receivables from clients		95,608
Start-up costs and intangible fixed assets		15,343
Other creditors		5,051
Provisions for other risks and charges		182,115
Loss carry forwards and tax credits		459,103
	TOTAL	762,704
2.2 Deferred taxes liabilities		
Bonds and other interest bearing securities		28,645
Shares and other non-interest bearing securities		199
Financial fixed assets		51,719
Tangible fixed assets		164,946
Other assets		239,472
Deffered charges and accrued income		611
Accrued charges and deffered income		14,484
Reserves		9,774
	TOTAL	509,850
Net deferred tax asset		**252,854**

AMOUNTS FROM THE CONSOLIDATED BALANCE SHEET :

XII Other assets	
C. Other	370,703
VI. Provisions and deferred tax liabilities	
B. Deferred tax liabilities	(117,849)
	252,854

OFF-BALANCE SHEET RIGTHS AND COMMITMENTS WHICH ARE NOT COVERED EITHER ABOVE IN THIS SECTION OR BY THE OFF-BALANCE SHEET HEADINGS

(in thousands EUR)

	Codes	05
		Financial year
A. Major commitments for the acquisition of fixed assets		
.....	010	
.....	020	
.....	030	
.....	040	
Major commitments for the sale of fixed assets		
.....	110	
.....	120	
.....	130	
.....	140	
B. Important legal proceedings and other important commitments		
.....	210	
.....	220	
.....	230	
.....	240	

C. Commitments relating to the supplementary retirement and survivorship pension system in favour of personnel or directors due by the consolidated companies

	Financial year
cfr. Supplemental note about pension benefits (31bis) 310	
..... 320	
..... 330	
..... 340	

FINANCIAL RELATIONS WITH DIRECTORS AND MANAGERS

		Financial year
A. Amount of remunerations of directors or managers of the consolidated enterprise assigned because of their functions in the consolidated enterprise, in affiliates or associated enterprises, including pensions assigned to former directors or managers	400	7,485
B. Advances and credits granted to directors and managers referred to under A	500	1,383

Supplementary disclosure relating to pension benefits

The actuarial calculations are based on the following assumptions :

Discount rate :	4,60 % - 4,90 %
Expected long term rate of return :	4,90 % - 5,00 %
Rate of compensation :	1,90 % - 3,40 %

Components of net periodic pension cost (in EUR million)

Service cost	166
Interest cost	180
Expected return on plan assets	(180)
Amortization unrecognized net gains	37
Imputation prior service cost	7
Net periodic pension cost	210

Supplementary disclosure relating to pension benefits

Fortis Banque funds several non-statutory pension plans, covering the greater majority of staff. There are two kinds of plans:

I. pension plans with fixed contributions, for which payment of the contributions discharges the employer from any obligation

1. pension plans with defined benefits.

The expenses relating to the second category (15 schemes in the group) are calculated in accordance with the provisions of the various pension schemes.

In order to harmonise the methods used in the various group companies, and to evolve within Fortis Bank towards international accounting standards and the methods used by Fortis, pension obligations are calculated at consolidated level according to a method based on international accounting practice, including the US standard FAS87 "Employer’s Accounting for Pensions".

FREE TRANSLATION OF THE
UNQUALIFIED STATUTORY AUDITOR'S REPORT
ORIGINALLY PREPARED IN FRENCH AND DUTCH

Report of the joint Statutory Auditors on the consolidated financial statements for the year ended 31 December 2003 submitted to the General Shareholders' Meeting of the S.A.-N.V. Fortis Banque – Fortis Bank

In accordance with legal and regulatory requirements, we are pleased to report to you on the performance of the audit mandate that you have entrusted to us.

We have audited the consolidated financial statements, prepared under the responsibility of the Board of Directors of the Bank, as of and for the year ended 31 December 2003, and which show a balance sheet total of 425.083.379 thousands EURO and a consolidated profit for the year (group share) of 1.265.970 thousands EURO. We have also examined the consolidated directors'report.

Unqualified audit opinion on the consolidated financial statements

Our audit was performed in accordance with the standards of the "Institut des Reviseurs d'Entreprises-Instituut der Bedrijfsrevisoren". Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, taking into account the legal and regulatory requirements applicable in Belgium.

In accordance with those standards, we considered the Group's administrative and accounting organisation as well as its internal control procedures. We have obtained the explanations and information required for our audit. We examined, on a test basis, the evidence supporting the amounts in the consolidated financial statements. We assessed the accounting and consolidation policies used and the significant accounting estimates made by the Bank, as well as the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the Group's assets, liabilities and financial position as of 31 December 2003 and the consolidated results of its operations for the year then ended, in conformity with the legal and regulatory requirements applicable in Belgium, and the information given in the notes to the consolidated financial statements is adequate.

Additional certification

We supplement our report with the following additional certification, which does not modify our audit opinion on the consolidated financial statements:

- The consolidated directors' report contains the information required by law and is consistent with the consolidated financial statements.

Brussels, 15 March 2004

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Bedrijfsrevisoren/Reviseurs d'Entreprises

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