

## **FINAL TERMS**

Final Terms dated 10 July 2006

### **FORTIS LUXEMBOURG FINANCE S.A.**

*(incorporated as a société anonyme under the laws of the Grand Duchy of Luxembourg, having its registered office at 65, boulevard Grande-Duchesse Charlotte, L-1331, Luxembourg and registered with the Luxembourg Registry of Commerce and Companies under No. B.24.784)*

**Issue of EUR 50,000,000 10Year Subordinated Notes due 29 August 2016**

**Guaranteed by FORTIS BANK nv-sa on a Subordinated Basis**

**under the EUR 8,000,000,000**

**Euro Medium Term Note Programme**

**Public offering in Belgium, in the Grand Duchy of Luxembourg and in the Netherlands**

**Subscription period: from 11 July to 24 August 2006 included save in case of early termination due to oversubscription or to material changes in market conditions**

In case of early closing of the subscription period due to an oversubscription or a material modification of the market conditions as determined by the Dealer or the Issuer at its only discretion, the allocation of the Notes will be made on the basis of objective allocation criteria as follows: subscriptions will be treated in the chronological order of their receipt and, if necessary, the amount of the last subscriptions received shall be reduced proportionally in order to correspond to the total amount of the Notes that will be issued. Each payment made in relation to the subscription of the Notes which is not allocated shall be reimbursed within 7 TARGET Settlement Days after the payment date and the holders cannot claim any interest on these payments.

### **PART A - CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 3 November 2005 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**") as supplemented by the Supplement to the Base Prospectus dated 16 January 2006. This document constitutes the Final Terms relating to the issue of Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus (together, the "**Base Prospectus**").

Full information on the Issuer and the Notes described herein is only available on the basis of a combination of these Final Terms and the Base Prospectus as supplemented. The Base Prospectus and its supplement are available for viewing at the [www.bourse.lu](http://www.bourse.lu) and copies may be obtained from Fortis Luxembourg Finance S.A. at 65, boulevard Grande-Duchesse Charlotte, L-1331, Luxembourg and Fortis Bank nv-sa at Montagne du Parc 3, B-1000 Brussels, the Fiscal Agent (save in the case of X/N Notes), Fortis Banque Luxembourg S.A. at 50 Avenue John F Kennedy, L-2951 Luxembourg and the Paying and Transfer Agents, Fortis Bank (Nederland) N.V. at Rokin 55, 1012 KK Amsterdam, The Netherlands, and Citibank, N.A. at 5 Carmelite Street, London EC4Y 0PA.

These Final Terms do not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of these Final Terms in any jurisdiction where such action is required.

1.	(i)	Issuer:	Fortis Luxembourg Finance S.A.
	(ii)	Guarantor:	Fortis Bank nv-sa
2.	(i)	Series Number:	292
	(ii)	Tranche Number:	1
3.		Currency or Currencies:	Euros (“EUR”)
4.		Form:	Bearer Notes
5.		Principal Amount of Tranche of Notes admitted to trading:	
	(i)	Series:	EUR 50,000,000
	(ii)	Tranche:	EUR 50,000,000
6.		Issue Price:	102.00 per cent. of the Principal Amount of Tranche
7.		Specified Denominations:	EUR 1,000, EUR 10,000 and EUR 100,000
8.	(i)	Issue Date:	29 August 2006
	(ii)	Interest Commencement Date:	Issue Date
9.		Maturity Date:	29 August 2016
10.		Interest Basis:	4.625% p.a.Fixed Rate
11.		Redemption Amount:	Principal Amount
12.		Change of Interest or Redemption Amount:	Not Applicable
13.		Terms of redemption at the option of the Issuer/Noteholders or other Issuer's/Noteholders' option:	Not Applicable
14.	(i)	Status of the Notes:	Senior Subordinated
	(ii)	Status of the Guarantee:	Senior Subordinated

## PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	<b>Fixed Rate Note Provisions</b>	Applicable
	(i) Interests Rate:	4.625 per cent.p.a.payable annually in arrears
	(ii) Interest Payment Date(s):	29 August in each year, starting on 29 August 2007 and ending on the Maturity Date, each of such dates being subject to adjustment in accordance with the Following Business Day Convention.
	(iii) Interest Period Dates:	29 August in each year, starting on 29 August 2007 and ending on the Maturity Date.
	(iv) Fixed Coupon Amount (s):	EUR 46.25 per EUR 1,000 in Principal Amount EUR 462.50 per EUR 10,000 in Principal Amount EUR 4,625 per EUR 100,000 in Principal Amount
	(v) Broken Amount(s):	Not Applicable
	(vi) Day Count Fraction:	Act/Act unadjusted
	(vii) Other terms relating to the method of calculating interest for Fixed Interest Rate Notes:	Not Applicable
16.	<b>Floating Rate Note Provisions</b>	Not Applicable
17.	<b>Zero Coupon Note Provisions</b>	Not Applicable
18.	<b>Index-Linked Interest Note/other variable-linked interest Note Provisions</b>	Not Applicable

## PROVISIONS RELATING TO REDEMPTION

19.	<b>Redemption at the option of the Issuer or</b>	Not Applicable
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**other Issuer's option**

20. **Redemption at the option of the Noteholder or other Noteholder's option** Not Applicable
21. **Final Redemption Amount of each Note** EUR 1,000 per Note of EUR 1,000 specified denomination  
EUR 10,000 per Note of EUR 10,000 specified denomination  
EUR 100,000 per Note of EUR 100,000 specified denomination.
22. **Early Redemption Amount**  
Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions): The Conditions shall apply
23. Instalment Date(s) (if applicable): Not Applicable
24. Instalment Amount(s) (if applicable): Not Applicable
25. Unmatured Coupons to become void upon early redemption: Yes

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

26. Form of Notes: **Bearer Notes:**  
Temporary Global Note exchangeable for Definitive Notes.
27. Business Day Jurisdictions for Condition 7(g) and any special provisions relating to payment dates: Target
28. Talons to be attached to Notes and, if applicable, the number of Interest Payment Dates between the maturity of each Talon: No
29. Details relating to Redemption by Instalments: amount of each instalment, date on which each payment is to be made: Not Applicable
30. Consolidation provisions: Not Applicable
31. Exchange for Definitive Notes at the request of the holder at the expense of: Not Applicable

32. The aggregate principal amount of Notes issued has been translated in euro at the rate of < > Not Applicable

#### **CREDIT-LINKED NOTE PROVISIONS**

33. Cash-Settled Credit Linked Note Provisions: Not Applicable
34. Credit-linked Notes (*non-Cash Settled Credit Linked Notes*): Not Applicable
35. Other terms or special conditions: Not Applicable

#### **DISTRIBUTION**

36. (i) If syndicated, names and addresses of Managers and underwriting commitments: Not Applicable
- (ii) Stabilising Manager (if any): Fortis Bank nv-sa
- (iii) Date of Subscription Agreement: Not Applicable
- (iv) Total commission and concession 2.00 per cent. of the Principal Amount of Tranche
37. If non-syndicated, name and address of Dealer: Fortis Bank nv-sa  
3 Montagne du Parc  
B-1000 Brussels
38. Additional selling restrictions: Not Applicable

#### **ADMISSION TO TRADING**

These Final Terms comprises the final terms required to list and have admitted to trading the Notes described herein pursuant to the EUR 8,000,000,000 Euro Medium Term Note Programme of Fortis Bank nv-sa and Fortis Luxembourg Finance S.A. guaranteed by Fortis Bank nv-sa

#### **RESPONSIBILITY**

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By: .....  
*Duly authorised*

Signed on behalf of the Guarantor:

By: .....  
*Duly authorised*

## PART B – OTHER INFORMATION

### 1. LISTING

- (i) Listing: Luxembourg
- (ii) Admission to trading: Application has been made for the Notes to be admitted to listing on the official list and to trading on the regulated market of the Luxembourg Stock Exchange for the purposes of the Prospectus Directive.
- (iii) The aggregate principal amount of Notes issued has been translated in euro at the rate of < > (for Notes not denominated in euro) Not Applicable
- (iv) Estimate of total expenses related to admission to trading: EUR 5,000

### 2. RATINGS

Ratings: The Notes will not be specifically rated. The rating allocated to the Notes issued under the Programme and guaranteed on a Senior Subordinated basis are the following:

S & P: A+

Moody's: A1

Fitch: A+

#### Definitions/additional information:

1) S & P: A+

source : [www.standardandpoors.com](http://www.standardandpoors.com)

A Standard & Poor's issue credit rating is a current opinion of the creditworthiness of an obligor with respect to a specific financial obligation, a specific class of financial obligations, or a specific financial program (including ratings on medium-term note programs and commercial paper programs). It takes into consideration the creditworthiness of guarantors, insurers, or other forms of credit enhancement on the obligation and takes into account the currency in which the obligation is denominated. The issue credit rating is not a recommendation to purchase, sell, or hold a financial obligation, inasmuch as it does not comment as to market price or suitability for a particular investor.

Issue credit ratings are based on current information furnished by the obligors or obtained by Standard & Poor's from other sources it considers reliable. Standard & Poor's does not perform an audit in connection with any credit rating and may, on occasion, rely on unaudited financial information. Credit ratings may be changed, suspended, or withdrawn as a result of changes in, or unavailability of, such information, or based on other circumstances.

Issue credit ratings can be either long term or short term. Short-term ratings are generally assigned to those obligations considered short-term in the relevant market. In the U.S., for example, that means obligations with an original maturity of no more than 365 days—including commercial paper. Short-term ratings are also used to indicate the creditworthiness of an obligor with respect to put features on long-term obligations. The result is a dual rating, in which the short-term rating addresses the put feature, in addition to the usual long-term rating. Medium-term notes are assigned long-term ratings.

#### Long-Term Issue Credit Ratings

Issue credit ratings are based, in varying degrees, on the following considerations:

- Likelihood of payment—capacity and willingness of the obligor to meet its financial commitment on an obligation in accordance with the terms of the obligation;
- Nature of and provisions of the obligation;
- Protection afforded by, and relative position of, the obligation in the event of bankruptcy, reorganization, or other arrangement under the laws of bankruptcy and other laws affecting creditors' rights.

The issue rating definitions are expressed in terms of default risk. As such, they pertain to senior obligations of an entity. Junior obligations are typically rated lower than senior obligations, to reflect the lower priority in bankruptcy, as noted above. (Such differentiation applies when an entity has both senior and subordinated obligations, secured and unsecured obligations, or operating company and holding company obligations.) Accordingly, in the case of junior debt, the rating may not conform exactly with the category definition.

**A:** An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.

**Plus (+) or minus (-):** The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

The rating allocated to the Senior Notes issued under the Programme and guaranteed on a Senior Subordinated basis is “A+”.

#### 2) Moody's: A1

source : [www.moodys.com](http://www.moodys.com)

Moody's long-term obligation ratings are opinions of the relative credit risk of fixed-income obligations with an original maturity of one year or more. They address the possibility that a financial obligation will not be honored as promised. Such ratings reflect both the likelihood of default and any financial loss suffered in the event of default.

**A:** Obligations rated A are considered upper-medium grade and are subject to low credit risk.

Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

The rating allocated to the Notes issued under the Programme and guaranteed on a Senior Subordinated basis is “A1”.



### 3) Fitch: A+.

source : [www.fitchratings.com](http://www.fitchratings.com)

Fitch's credit ratings provide an opinion on the relative ability of an entity to meet financial commitments, such as interest, preferred dividends, repayment of principal, insurance claims or counterparty obligations. Credit ratings are used by investors as indications of the likelihood of receiving their money back in accordance with the terms on which they invested. Fitch's credit ratings cover the global spectrum of corporate, sovereign (including supranational and sub-national), financial, bank, insurance, municipal and other public finance entities and the securities or other obligations they issue, as well as structured finance securities backed by receivables or other financial assets.

The use of credit ratings defines their function: "investment grade" ratings (international Long-term 'AAA' — 'BBB-' categories; Short-term 'F1' — 'F3') indicate relatively low to moderate credit risk, while those in the "speculative" or "non investment grade" categories (international Long-term 'BB+' — 'D'; Short-term 'B' — 'D') either signal a higher level of credit risk or that a default has already occurred. Credit ratings express risk in relative rank order, which is to say they are ordinal measures of credit risk and are not predictive of a specific frequency of default or loss.

Depending on their application, credit ratings address benchmark measures of probability of default as well relative expectations of loss given default. For example, issuers are typically assigned Issuer Default Ratings that are relative measures of default probability. Similarly, short-term credit ratings give primary consideration to the likelihood that obligations will be met on a timely basis. Securities, however, are rated taking into consideration probability of default and loss given default. As a result, for entities such as corporations security ratings may be rated higher, lower or the same as the issuer rating to reflect expectations of the security's relative recovery prospects, as well as differences in ability and willingness to pay. While recovery analysis plays an important role throughout the ratings scale, it becomes a more critical consideration for below investment-grade securities and obligations, particularly at the lower end of the non-investment-grade ratings scale where Fitch often publishes actual Recovery Ratings, that are complementary to the credit ratings.

Structured finance ratings typically are assigned to each individual security or tranche in a transaction, and not to an issuer. Each structured finance tranche is rated on the basis of various stress scenarios in combination with its relative seniority, prioritization of cash flows and other structural mechanisms.

**A:** High credit quality. 'A' ratings denote expectations of low credit risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to changes in circumstances or in economic conditions than is the case for higher ratings.

The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories.

The rating allocated to the Notes issued under the Programme and guaranteed on a Senior Subordinated basis is "A+".

### 3. NOTIFICATION

The Luxembourg *Commission de Surveillance du Secteur Financier* ("CSSF") has provided the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the "AFM") and the Banking Finance and Insurance Commission (*Commission bancaire, financière et des assurances*, the "CBFA") (in its capacity as the competent authority for the purposes of the Prospectus Directive) with a certificate of approval attesting that the Base Prospectus as supplemented has been drawn up in accordance with the Prospectus Directive.

### 4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE OFFER

Potential investors should pay attention to the fact that the Issuer is a subsidiary of Fortis Bank and part of of Fortis Group whereas Fortis Bank is guarantor, dealer (on a firm underwriting basis), arranger, and market maker under the issue of Notes, so that various potential conflicts of interest may arise. The Issuer and Fortis Bank undertake to ensure, for each of such conflict, to act in good faith and to use reasonable efforts to come to a commercially acceptable arrangement for the Noteholders. Fortis Banque Luxembourg SA (previously

named Banque Générale du Luxembourg SA) that will act as fiscal and principal paying agent is also part of Fortis Group.

## 5. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- |                                 |   |
|---------------------------------|---|
| (i) Reasons for the offer       | See "Use of Proceeds" wording in Base Prospectus                  |
| (ii) Estimated net proceeds:    | EUR 50,000,000  |
| (iii) Estimated total expenses: | EUR 35,000 (these costs are included in the pricing of the Notes) |

## 6. Fixed Rate Notes only – YIELD

- |                      |   |
|----------------------|---|
| Indication of yield: | 4,3740%   |
|                      | Calculated as the internal rate of return on the Issue Date.  |
|                      | As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield. |

## 7. Floating Rates Notes only-HISTORICAL INTEREST RATES- Not Applicable

## 8. PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING - Not Applicable

## 9. Dual Currency Notes only - PERFORMANCE OF RATES OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT: Not Applicable

## 10. OPERATIONAL INFORMATION

ISIN Code: XS0260531297

Common Code: 26053129

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking Société Anonyme and the relevant identification number(s): Not Applicable

Delivery: Delivery against payment

Names and addresses of additional Paying Agent(s) (if any): None

Additional information: An extraordinary shareholders meeting of the fiscal and principal paying agent has been held on November 17, 2005, and has decided to rename Banque Générale du Luxembourg S.A.

to Fortis Banque Luxembourg S.A.

Calculation Agent:

Not Applicable