

Final Terms dated 29 August 2007

**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-Duchess 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 10y Subordinated Notes due 2017**

**Guaranteed by FORTIS BANK nv-sa**

**under the EUR 30,000,000,000**

**Euro Medium Term Note Programme**

The Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer of the Notes may only do so in:

- (i) in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer; or
- (ii) in those Public Offer Jurisdictions mentioned in Paragraph 40 of Part A below, provided such person is one of the persons mentioned in Paragraph 40 of Part A below and that such offer is made during the Offer Period specified for such purposes therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

**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 9 July 2007 which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). 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. The Base Prospectus is available for viewing at the website of the Luxembourg Stock Exchange 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, Fortis Banque Luxembourg S.A. at 50 Avenue J.F. Kennedy, L-2951 Luxembourg and the Paying and Transfer Agents, Fortis Bank (Nederland) N.V. at Rokin 55, 1012 KK Amsterdam, The Netherlands, Fortis Banque (Suisse) S.A. at 20, boulevard des Philosophes CH-1211 Geneva and Citibank, N.A. at Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB.

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.

An investment in the Notes involves certain risks. Prospective investors should carefully consider the risk factors included in the Base Prospectus and any complementary risk considerations included in these Final Terms prior to investing in the Notes. Each prospective investor should also carefully consider the tax considerations relating to the Notes included in the Base Prospectus and any other up-to-date tax considerations that would be relevant for such prospective investor.

Moreover, prospective investors and purchasers of Notes must inform themselves about all the relevant applicable and up-to-date restrictions, including but not limited to, selling and transfer restrictions relating to the Notes, prior to investing in the Notes.

In case of any doubt about the functioning of the Notes or about the risk involved in purchasing the Notes, prospective investors should consult a specialised financial advisor or abstain from investing. Each prospective purchaser of Notes must determine his investment decision based on its own independent review of the information included in the Base Prospectus and in this Final Terms.

1.	(i)	Issuer:	Fortis Luxembourg Finance S.A.
	(ii)	Guarantor:	Fortis Bank nv-sa
2.	(i)	Series Number:	424
	(ii)	Tranche Number: (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).	1
3.		Currency or Currencies:	EUR
4.		Form:	Bearer Notes
5.		Principal Amount of Tranche:	
	(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 and Units:	
	(i)	Specified Denomination(s):	EUR 1,000
	(ii)	Calculation Amount:	EUR 1,000
	(iii)	Trading in Units:	Applicable
8.	(i)	Issue Date:	28 September 2007
	(ii)	Interest Commencement Date:	Issue Date
9.		Maturity Date:	28 September 2017
10.		Interest Basis:	5.00 per cent. Fixed Rate <i>(further particulars specified below)</i>
11.		Redemption Amount:	Principal Amount <i>(further particulars specified below)</i>
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.		Fixed Rate Note Provisions	Applicable
	(i)	Interest Rate[s]:	5.00 per cent. per annum payable annually in arrear
	(ii)	Interest Payment Date(s):	28 September in each year from 28 September 2008 to and including 28 September 2017, adjusted in accordance with the Following Business Day Convention
	(iii)	Interest Period Dates:	28 September in each year from 28 September 2008 to and including 28 September 2017
	(iv)	Fixed Coupon Amount[(s)]:	EUR 50.00 per Calculation Amount
	(v)	Broken Amount(s):	Not Applicable
	(vi)	Day Count Fraction:	Actual/Actual (ICMA)
	(vii)	Other terms relating to the method of calculating interest for Fixed Interest Rate Notes:	Not Applicable
16.		Floating Rate Note Provisions	Not Applicable

- |     |  |                |
|-----|--|----------------|
| 17. | Zero Coupon Note Provisions  | Not Applicable |
| 18. | Index-Linked Interest<br>Note/Equity-Linked Interest<br>Note/other variable-linked interest<br>Note Provisions | Not Applicable |

**PROVISIONS RELATING TO REDEMPTION**

- |     |  |                                  |
|-----|--|----------------------------------|
| 19. | Redemption at the option of the Issuer or other Issuer's option  | Not Applicable                   |
| 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 Calculation Amount |
| 22. | Early Redemption Amount  |                                  |
|     | (i) Early redemption for taxation reasons and method of calculating the same (if required or if different from that set out in the Conditions):                          | Not Applicable                   |
|     | (ii) Early redemption on event of default and method of calculating the same (if required or if different from that set out in the Conditions):                          | Not Applicable                   |
|     | (iii) Early redemption for other reasons ( <i>specify</i> ) and/or the method of calculating the same (if required or if different from that set out in the Conditions): | Not Applicable                   |
| 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:  | Not Applicable                   |

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

- |     |   |   |
|-----|---|---|
| 26. | Form of Notes:  | Bearer Notes:<br><br>Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note. |
| 27. | New Global Note:  | Applicable  |
| 28. | Business Day Jurisdictions for Condition 7(g) and any special provisions relating to payment dates:                         | Not Applicable  |
| 29. | Talons to be attached to Notes and, if applicable, the number of Interest Payment Dates between the maturity of each Talon: | No  |
| 30. | Details relating to Redemption by Instalments: amount of each instalment, date on which each payment is to be made:         | Not Applicable  |
| 31. | Consolidation provisions:   | Not Applicable  |

32. Exchange for Definitive Notes at the request of the holder at the expense of: Not Applicable

**INDEX LINKED NOTES PROVISIONS**

33. Index Linked Provisions Not Applicable

**EQUITY LINKED NOTES PROVISIONS**

34. Equity Linked Provisions Not Applicable

**CREDIT LINKED NOTE PROVISIONS**

35. Credit Linked Note Provisions: Not Applicable

36. Other terms or special conditions: Not Applicable

**DISTRIBUTION**

37. (i) If syndicated, names and addresses of Managers and underwriting commitments: Not Applicable

(ii) Stabilising Manager (if any): Not Applicable

(iii) Date of Subscription Agreement: Not Applicable

(iv) Total commission and concession: 2.00 per cent. of the Principal Amount of Tranche

38. If non-syndicated, name and address of Dealer: Fortis Bank nv-sa

39. U.S. Selling Restrictions: TEFRA D

40. Non-exempt Offer: An offer of the Notes may be made by the Manager other than pursuant to Article 3(2) of the Prospectus Directive in Belgium, the Netherlands and the Grand Duchy of Luxembourg ("**Public Offer Jurisdictions**") during the period from 31 August 2007 until 24 September 2007 ("**Offer Period**"). See further Paragraph 11 of Part B below.

41. Additional selling restrictions: Not Applicable

**ADMISSION TO TRADING**

These Final Terms comprise the final terms required for issue and public offer in the Public Offer Jurisdiction and to list and have admitted to trading the Notes described herein pursuant to the EUR 30,000,000,000 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: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to listing on the official list and to trading on the Luxembourg Stock Exchange with effect from 28 September 2007.

### 2. RATINGS

- Ratings: The Notes to be issued have been rated (ratings allocated to Notes issued under the Programme generally):
- S & P: A+
- Moody's: Aa3
- 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.

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

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.

**AA:** Very high credit quality. 'AA' ratings denote expectations of very low credit risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories. Such suffixes are not added to the 'AAA' Long-term rating category, to categories below 'CCC', or to Short-term ratings other than 'F1'. (The +/- modifiers are only used to denote issues within the CCC category, whereas issuers are only rated CCC without the use of modifiers).

**Note:** 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.

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 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 is "A+".

categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.

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 Senior Notes issued under the Programme is "Aa3".

3) Fitch: AA-

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

2) Moody's: Aa3

source : [www.moody's.com](http://www.moody's.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:** An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated

3. **NOTIFICATION**

The Luxembourg *Commission de Surveillance du Secteur Financier* 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") with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.

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

"Save as disclosed in "Plan of Distribution", so far as the Issuer and the Guarantor are aware, no person involved in the offer of the Notes has an interest material to the offer"

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 50,000

6. **YIELD**

<b>Indication of yield:</b>	4.744%.
	Calculated as on the Issue Date on the basis of the Issue Price, the Interest Rate and the Final Redemption Amount.
	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. **HISTORIC INTEREST RATES**

Not Applicable

8. **PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING THE UNDERLYING**

Not Applicable

9. **PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT**

Not Applicable

10. **OPERATIONAL INFORMATION**

- |        |   |                          |
|--------|---|--------------------------|
| (i)    | ISIN Code:  | XS0318517009             |
| (ii)   | Common Code:  | 031851700                |
| (iii)  | New Global Note intended to be held in a manner which would allow Eurosystem eligibility:   | No                       |
| (iv)   | X/N Note intended to be held in a manner which would allow Eurosystem eligibility:  | Not Applicable           |
| (v)    | 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           |
| (vi)   | Delivery:   | Delivery against payment |
| (vii)  | Names and addresses of additional Paying Agent(s) (if any):   | Not Applicable           |
| (viii) | Name and address of Calculation Agent:  | Not Applicable           |

11. **TERMS AND CONDITIONS OF THE OFFER**

- |      |   |   |
|------|---|---|
| (i)  | Offer Price:                              | Issue Price   |
| (ii) | Conditions to which the offer is subject: | The Issuer reserves the right to withdraw the present offer, or to reduce the Principal Amount to be issued if the Scheduled Principal Amount is not placed or if there are market or other disruptions not enabling a smooth placement or settlement of the Notes, as determined by the Issuer in its sole discretion. |

Moreover, the offer of the Notes is subject to the following conditions:

- the Notes have been accepted for listing on regulated market mentioned under item 1 of the Part B above;
- there has been no such a change in national or international financial, political or economic conditions or currency exchange rates or exchange controls as would in the view of the Issuer or the Dealer be likely to prejudice materially the success of the offering and distribution of the Notes or dealings in the Notes in the secondary market; and
- there has been no adverse change, financial or otherwise in the condition or general affairs of the Issuer and/or the Guarantors as determined by the Dealer in its sole discretion.



- (iii) Description of the application process: An offer to the public will be made in Belgium, the Grand Duchy of Luxembourg and the Netherlands from (and including) 31 August 2007 to (and including) 24 September 2007
- (iv) Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: In case of early termination of the subscription period due to oversubscription or to changes in market conditions as determined by the Dealer or the Issuer in its sole discretion, allotment of the Notes will be made based on objective allotment criteria according to which the subscriptions will be served in the chronological order of their receipt by the Dealer and, if required, the last subscriptions will be reduced proportionately in order to correspond with the total amount of Notes that will be issued. Any payments made in connection with the subscription of Notes and not allotted will be redeemed within 7 Brussels Business Days (i.e., days on which banks are open for general business in Brussels) after the date of payment and the holders thereof shall not be entitled to any interest in respect of such payments.
- 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 and to accept the said Terms and Conditions.
- (v) Details of the minimum and/or maximum amount of application: Total amount of the offer: EUR 50,000,000  
Minimum subscription amount per investor: EUR 1,000
- Nevertheless, the Issuer reserves the right to modify the total nominal amount of the Notes to which investors can subscribe, to close earlier the subscription period and to cancel the planned issue, being understood that in the later case no Notes will be issued. Such an event will be published in the same way the Final Terms and the Base Prospectus will be published in relation to the Notes and, in case of Notes which are admitted to listing on the official list and to trading on the regulated market of the Luxembourg Stock Exchange (so long as such Notes are admitted to listing on the official list and to trading on the regulated market of the Luxembourg Stock Exchange and the rules and regulations of that exchange so require), in a leading newspaper having general circulation in Luxembourg (which is expected to be the *d'Wort*) or on the website of the Luxembourg Stock Exchange.
- (vi) Details of the method and time limits for paying up and delivering the Notes: Payment of the Notes must be received at the latest on or before the Issue Date by debit of a cash account.
- The delivery of the Notes will take place as described in the Base Prospectus and this Final Terms. On or about the Issue Date, the relevant securities account of each Noteholder will be credited of the relevant amount of Notes purchased.
- (vii) Manner in and date on which results of the offer are to be made to the public: The results of the offer of the Notes will be published as soon as possible on the website of the Dealer ([www.fortisbanking.be](http://www.fortisbanking.be)).

(viii)	Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	Not Applicable
(ix)	Categories of potential investors to which the Notes are offered and whether tranche(s) have been reserved for certain countries:	The offer will consist of an offer to the public in Belgium, the Grand Duchy of Luxembourg and the Netherlands.
(x)	Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made;	The Noteholders will be directly notified of the number of Notes which has been allotted to them as soon as possible after the Issue Date (See also above the manner and date in which results of the offer are to be made public).
(xi)	Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	<p>Expenses and taxes charged to the subscribers or purchasers of the Notes include:</p> <ul style="list-style-type: none"> <li>- Legal, administrative and other costs relating to the issue of the Notes and amounting to EUR 50,000 (these costs are included in the pricing of the Notes);</li> <li>- Costs for the subscribers relating to holding of the Notes on a securities account: free of charge at Fortis Bank nv-sa(*), Fortis Bank (Nederland) N.V. and Fortis Banque Luxembourg S.A..</li> <li>- Financial service: free of charge at Fortis Bank nv-sa, Fortis Bank (Nederland) N.V. and Fortis Banque Luxembourg S.A..</li> <li>- Tax on stock market transactions other than upon initial subscription: 0.07 % capped at €500 per transaction and per party.</li> </ul> <p>(* ) Investors must inform themselves well as to the costs that could be charged to them by financial institutions.</p>
(xii)	Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.	The Dealer