

Fitch Revises Rating Watch on Fortis Insurance Units and Holdings

Companies [Ratings](#)

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Fitch Ratings-Paris-06 October 2008: Fitch Ratings has today placed Fortis Insurance Belgium's 'A+' Insurer Financial Strength (IFS) Rating on Rating Watch Positive (previously Rating Watch Negative), reflecting potential benefits for the insurer of the planned acquisition by BNP Paribas.

Fitch has also revised Fortis ASR Levensverzekering's and Fortis ASR Schadeverzekering's IFS of 'A+' to Rating Watch Evolving (previously Rating Watch Negative), following the announcement of their full acquisition by the Dutch Government. This reflects uncertainties surrounding the future scope and ownership of these institutions as well as their standalone financial strength.

At the same time the ratings of Milleniumbcp-Fortis operating entities, Fortis Corporate Insurance and Fortis Insurance Company (Asia) have been placed on Rating Watch Evolving (previously Rating Watch Negative)

The five holding companies - Fortis SA/NV, Fortis N.V., Fortis Brussels, Fortis Utrecht and Fortis Insurance NV have had their Long-term IDR of 'BBB' put on Rating Watch Negative.

A full list of ratings follows at the end of this release. Fitch expects to resolve all Rating Watches in the coming months after having met with respective management teams.

The IDRs of the five holding companies have been placed on RWN as they will have sold almost all of their banking and insurance operating subsidiaries and lost most of their raison d'etre, once the above-mentioned transactions are finalised. According to the plan announced today, they would be left only with the non-Benelux insurance companies, a 66% share in a EUR10bn structured credit defeasance vehicle and cash proceeds from the sale of the operating companies. While Fitch understands from management that the holding companies should have enough cash to repay all of their outstanding debt, they can no longer rely on dividends being upstreamed from large operating entities in case of need. Moreover, they have not received any support from the governments, which have chosen to concentrate their efforts on the operating entities.

Fortis Insurance Belgium

- 'A+' Insurer Financial Strength (IFS) revised to Rating Watch Positive.
- 'A' Long-term IDR revised to Rating Watch Positive.

Fortis ASR Levensverzekering

- 'A+' Insurer Financial Strength (IFS) revised to Rating Watch Evolving.
- 'A' Long-term IDR revised to Rating Watch Evolving.

Fortis ASR Schadeverzekering

- 'A+' Insurer Financial Strength (IFS) revised to Rating Watch Evolving.
- 'A' Long-term IDR revised to Rating Watch Evolving.

Fortis Corporate Insurance N.V.

- 'A-' (A minus) Insurer Financial Strength (IFS) revised to Rating Watch Evolving.

Ocidental-Companhia Portuguesa de Seguros de Vida S.A.

- 'A' Insurer Financial Strength (IFS) revised to Rating Watch Evolving.

Ocidental-Companhia Portuguesa de Seguros S.A.

- 'A' Insurer Financial Strength (IFS) revised to Rating Watch Evolving.

Companhia Portuguesa de Seguros de Saude S.A.

- 'A' Insurer Financial Strength (IFS) revised to Rating Watch Evolving.

Fortis Insurance Company (Asia) Ltd

- 'A-' (A minus) Insurer Financial Strength (IFS) revised to Rating Watch Evolving.
- 'BBB+' Long-term IDR revised to Rating Watch Evolving.

Fortis SA/NV

- Long-term IDR 'BBB', placed on Rating Watch Negative
- Short-term IDR affirmed at 'F3'

Fortis N.V.

- Long-term IDR 'BBB', placed on Rating Watch Negative
- Short-term IDR affirmed at 'F3'

Fortis Brussels

-Long-term IDR 'BBB', placed on Rating Watch Negative

-Short-term IDR affirmed at 'F3'

Fortis Utrecht

-Long-term IDR 'BBB', placed on Rating Watch Negative

-Short-term IDR affirmed at 'F3'

Fortis Insurance N.V.

-Long-term IDR 'BBB', placed on Rating Watch Negative

-Short-term IDR affirmed at 'F3'

Fortis Trust Capital Securities (TOPrs)

-Hybrid Securities downgraded to 'A-', placed on Rating Watch Evolving

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