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BRUSSELS, Belgium (AP) - Dutch-Belgian bank and insurance giant Fortis NV was given a euro11.2 billion ($16.4 billion) lifeline to avert insolvency as part of a wider bailout plan agreed to by Belgium, the Netherlands and Luxembourg, officials said Sunday.

Belgium's Prime Minister Yves Leterme said the bailout shows savers and investors that debt-laden Fortis will not be allowed to fall victim to the global credit crisis after its share price plummeted in recent days.

Leterme announced the deal after weekend talks between the three countries, EU and national banking officials.

The deal will force the bank -- which has headquarters in both Brussels and the Dutch city of Utrecht -- to sell an expensive stake in Dutch bank ABN Amro, which it partially took over last year, loading itself with debt to pay for it.

The Dutch government refused to name potential buyers, saying it was up to them to come forward.

Fortis will also have to recruit new company leaders, to be nominated by the three governments.

"We have taken up our responsibility, we did not abandon the savers," Leterme told reporters.

Dutch Finance Minister Wouter Bos said the lack of market confidence in Fortis was unjustified and that it was a good bank.

"We would not have done this unless we had trust in the bank," Bos said.

The bailout will see Belgium invest euro4.7 billion ($6.88 billion) and the Netherlands euro4 billion ($5.86 billion) in Fortis' banking operations in the two countries. In return, they each receive 49 percent ownership in those national arms of the bank.

Luxembourg will invest euro2.7 billion ($3.95 billion) in the bank's Luxembourg operations, also for a 49 percent stake.

Fortis Chairman Maurice Lippens will be forced to resign and will be replaced by a candidate from outside the company, Leterme said.

The deal, orchestrated by the three neighboring countries and European Central Bank chief Jean-Claude Trichet, is meant to restore confidence in the bank before the reopening of markets on Monday after a tumultuous week of imploding share values at Fortis.

Nout Wellink, the head of the Dutch central bank, said the U.S. financial crisis was partly to blame for the Fortis crisis.
“What is happening in the U.S. has most certainly had an impact on the financial sector in the rest of the world,” he told reporters. “It will hit first banks in a special position. ... Due to rumors, I have to say, Fortis became a bank in a special position.”

Belgian officials also announced Sunday that they planned to offer better guarantees for all retail deposits at Fortis, the country's largest bank and largest private employer. Belgium has just over a third of the company's 62,000 employees worldwide.

Fortis named its third chief executive officer in as many months Friday after insolvency fears caused the company's shares to tumble to euro5.18 ($7.56), their lowest level in more than a decade. The shares have lost more than three-fourths of their value in the past year.

Fortis denies any imminent solvency problems, but it has been in trouble since it took part in a three-bank consortium last year that acquired ABN Amro in a euro70 billion ($102.5 billion) deal that was the largest takeover in the history of the banking industry.

Fortis paid euro24 billion ($35 billion) for its share of ABN, and said prior to Sunday's bailout it needed around euro5 billion ($7.3 billion) to maintain its target financial ratios to integrate ABN's Dutch retail operations. In the meantime, consortium leader Royal Bank of Scotland PLC is ABN's nominal owner.

Analysts have been skeptical of Fortis' assertions it can sell assets or issue debt to raise the money. A new plan Friday to sell up to euro10 billion ($14.6 billion) in assets if necessary failed to ease uncertainty.

Traders too, appeared to think the bank was overleveraged. Based on its share price, the bank's market capitalization was Friday worth less than euro14 billion ($20 billion).

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AP Business Writer Toby Sterling contributed to this report from Amsterdam.