

Measuring success

FORTIS

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ROI Study Highlights

ETHIAS

- 526% ROI over 5 years
- 160% IRR over 5 years
- 50%+ Operating cost reduction
- Improve productivity and better leverage headcount
- Improve data quality, reporting and reconciliation
- Minimise capital investment
- Reduce operating costs
- Enable Straight Through Processing (STP)

FORTIS

- 389% ROI over 1 year
- 164% IRR over 5 years
- Payback within 3 months
- Enable STP—reduce errors and costs
- Increase revenue and products sold through cross-selling

Study Scope

- Member/Concentrator
 - Connectivity via AEMS
 - Cash Management
 - Custody and Securities-Lending

Fortis implements SWIFTNet Member Concentrator solution to deliver multi-bank visibility and extended service offerings for customers—Ethias realises 274% ROI in 1 year

Executive Summary

Fortis is an international provider of banking and insurance services to personal, business and institutional customers. The company delivers a total package of financial products and services through its own high-performance channels, and via intermediaries and other partners.

Combining excellent solvency and a presence in over 50 countries with a dedicated, professional workforce of above 60,000, Fortis combines global strength with local flexibility.

Growing Business Challenges—In search of a single process

When Fortis customers, like Ethias—the second largest insurer in Belgium, are multi-banked or their business moves beyond domestic borders, frequently they require a new approach that is standards-based to improve interactions and data exchange between customers and their banking partners. While Fortis strives to meet the needs of its customers, its proprietary systems could only address Fortis' piece of the equation, leaving customers like Ethias to address the various formats, IT systems and processes for each financial institution. This lack of standards, connectivity and dynamic information exchange oftentimes constrains a customer's ability to obtain timely information and visibility into their business operations—not to mention the ability to optimise their business performance. The problem was not Fortis' solutions, but the fact that they were only part of the overall equation—no matter how good Fortis' solution was, it did not provide a complete solution, with a single process, channel and standard that could enable its customers' goals of Straight Through Processing (STP).

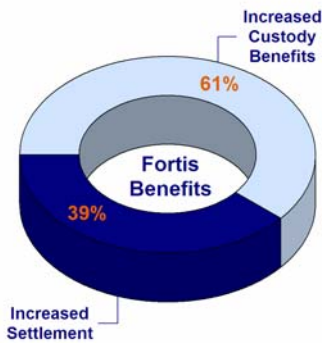
High-Value Solution Strengthens Customer Relationships

To address these shortcomings, Fortis developed a partnership with SWIFT Service Bureau provider, Atos Euronext Market Solutions (AEMS), separating the infrastructure and the operational run from the business service to provide a commercially oriented and independent solution while leveraging the bank's services, reputation and customer relationships. Fortis, with the SWIFTNet Member Concentrator (M/C) solution, now delivers an integrated, comprehensive solution focused on delivering true business value—all enabled by greater, more accurate and timely information flow. The Fortis M/C solution is designed to:

- Increase information flow and data quality by maximising STP with custodians and banks
- Leverage existing headcount and improve productivity, while increasing trading and cash management activities
- Optimise business processes and increase visibility
- Create a timely, single view of all bank-related activities, enabling customers like Ethias to improve their financial performance

The SWIFTNet Member/Concentrator solution is enabling Fortis to maximise Straight Through Processing to drive new services and value for both Fortis and its customers—delivering impressive gains in only 1 year—274% ROI for its customer Ethias, and 389% for Fortis. With Member Concentrator, Fortis is helping customers streamline processes, reduce risk and increase the return on capital.

Financial Impact



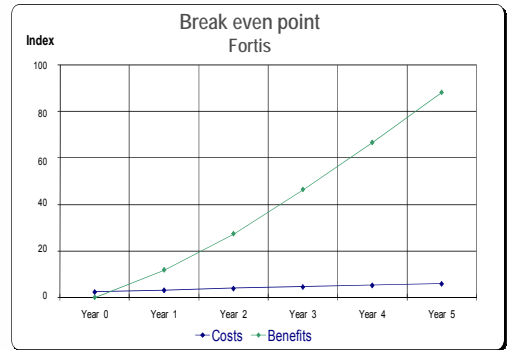
Enhance Business relations

Fortis can further leverage the SWIFT M/C Programme as an easy entry point to strengthen relationships with customers, in turn providing increased opportunities for up-sell and cross-sell of bank services. With SWIFT M/C, Fortis is helping Ethias improve its business, enabling greater information flow, security and visibility



STP enabling financial service offerings

Ethias is able to increase business performance by decreasing transaction cost, optimising resource utilization—managing by exception vs. touching each transaction and investing its assets in a risk free “environment”



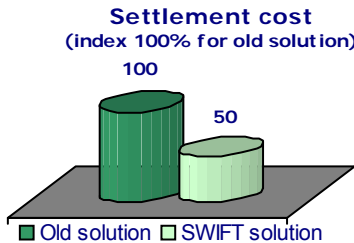
Holistic streamline solution

The SWIFT M/C delivers immediate value to Fortis, enabling it to leverage its brand strength and intensify customer relationships by delivering comprehensive, streamlined solutions that bring enhanced value to its customers. By eliminating communication bottlenecks and complexities, SWIFT drives value for all parties

Benefits to Customer

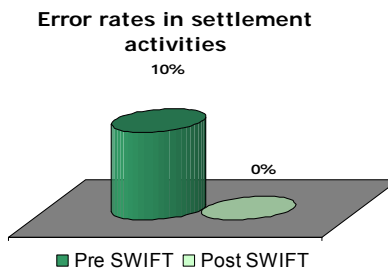
Reduced Operating Costs

With the SWIFTNet enabled solution, Ethias is able to eliminate communication errors while reducing operating costs by more than 50% and increasing trading volume without additional resources. The old approach would have constrained Ethias' ability scale with its growth



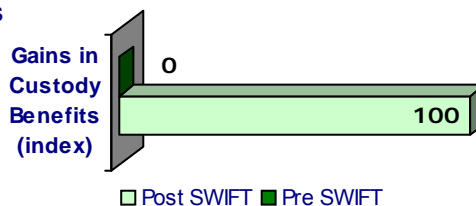
Fewer errors

Moving to the electronic SWIFTNet Member Concentrator solution, the transaction error rate is almost zero with instant confirmation, upon receipt. With the old solution, 10%+ of the outbound facsimiles were lost or not delivered, causing disruption of business, delays, extra work and frustration for all parties



New products and services on offer

With the M/C solution, Fortis and Ethias are able to partner and engage in additional activities, such as securities lending and increased custody which yields a respectable return for both parties.



Future Opportunities

Leveraging its highly successful pilot SWIFTNet M/C programme, Fortis has the opportunity to harvest additional value by:

- Extending the M/C program to additional customers, in order to achieve economies of scale and standardisation
- Strengthening existing customer relationships by providing low-cost solution for financial communications. By participating in this program with Fortis, its customers stand to reduce their operating costs significantly
- Using the M/C relationship as a pull-through for additional Fortis services, such as Custody and Securities Lending

Both Fortis and Ethias would reap additional benefits from:

- Increasing STP for operational payments (use of electronic signatures, strong authentication, encryption)
- Expanding the use of SWIFT, FX trading, SWAPS, payments and other SWIFT trading products, including cash pooling for asset management