DEXIA BANK BELGIUM NV/SA

Limited liability company
with registered office at B-1000 Brussels, Pachecolaan 44
registered under number 0403.201.185

(the "Issuer")

VERY LONG TERM WARRANT

€ 1,000,000,000

This Base Prospectus was approved by the Banking, Finance and Insurance Commission of Belgium in accordance with article 23 of the Prospectus Law of 16 June 2006. This approval does not entail any appraisal of the appropriateness or the merits of the issue nor of the situation of the Issuer.

This Base Prospectus should be read and construed in conjunction with any relevant Final Terms. In case of any inconsistency between the Base Prospectus and the relevant Final Terms, the Final Terms shall prevail. This Base Prospectus, the relevant Final Terms and the Summary together constitute the Prospectus.

This Base Prospectus is dated 3 February 2009 and is valid for one year from that date, provided that the Base Prospectus may be updated by any supplements in accordance with article 54, §2 of the Prospectus Law of 16 June 2006.

The Base Prospectus, the Final Terms and the Summary are available on the internet site www.dexia.com and a copy can be obtained free of charge in the offices of Dexia Bank.

Prospective purchasers of Warrants should ensure that they understand the nature of the relevant Warrants and the extent of their exposure to risks and that they consider the suitability of the relevant Warrants as an investment in the light of their own circumstances and financial condition. The Warrants involve a high degree of risk and potential investors should be prepared to sustain a total loss of the purchase price of the Warrants. See the "Important Remarks" on page 2 and the description of the "Risk Factors" on page 13 of this Base Prospectus.

IMPORTANT REMARKS

Potential investors in the Warrants and potential investors interested in this Offer are explicitly reminded that any investment involves financial risks. They are therefore advised to read this Base Prospectus, including the relevant Final Terms, carefully and in its entirety.

It is recommended that they consult about the Offer and the Warrants, and the risks related to any investment therein, with their legal, tax, investment and accounting advisors prior to making any investment decision.

Neither this Base Prospectus nor any other information supplied in connection with the Base Prospectus (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by the Issuer that any recipient of this Base Prospectus or any other information supplied in connection with the Base Prospectus should purchase any Warrants. Each investor contemplating purchasing any Warrants should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Base Prospectus nor any other information supplied in connection with the Base Prospectus constitutes an offer or an invitation by or on behalf of the Issuer or any other person to subscribe for or to purchase any Warrants.

The delivery of this Base Prospectus does not at any time imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Base Prospectus is correct as of any time subsequent to the date indicated in the document containing the same. Investors should review, inter alia, the most recently published annual and interim financial statements of the Issuer, when deciding whether or not to purchase any Warrants.

No person is authorized to give any information or to make any representation not contained in or not consistent with this document or any other information supplied in connection with the Base Prospectus and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer.

This document is to be read and construed in conjunction with any amendment or supplement hereto, with any Final Terms and with all documents which are deemed to be incorporated herein by reference.

The Warrants create options exercisable by the relevant holder. There is no obligation upon any holder to exercise his Warrant nor, in the absence of such exercise, any obligation on the Issuer to pay any amount to any holder of a Warrant, unless provided otherwise. The Warrants will be exercisable in the manner set forth herein and in the relevant Final Terms. The only means through which the Warrant Holder can realize value from the Warrant prior to the Exercise Period is to sell it through the secondary market.

The Warrants of each issue may be sold by the Issuer at such time and at such prices as the Issuer may select. There is no obligation upon the Issuer to sell all of the Warrants of any issue. The Warrants of any issue may be offered or sold from time to time in one or more transactions in the over-the-counter market or otherwise at prevailing market prices or in negotiated transactions, at the discretion of the Issuer.

The Issuer shall have complete discretion as to what type of Warrants it issues and when.

SUMMARY

The following Summary must be read as an introduction to the Base Prospectus and any decision to invest in the Warrants should be based on a careful consideration of the Base Prospectus as a whole, including the documents incorporated by reference and including the information in the applicable Final Terms. Civil liability relating to this Summary, including any translation thereof, attaches to the Issuer only in case this Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus. Where a claim relating to the information contained in the Base Prospectus is brought before a court in a member state of the European Economic Area, the plaintiff investor may, under the national legislation of that member state, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.

Words and expressions defined elsewhere in this Base Prospectus shall have the same meaning in this Summary.

Issuer:	Dexia Bank Belgium NV is a limited liability company ("naamloze vennootschap"/"société anonyme") incorporated under Belgian law and registered under the number 0403.201.185 and with its registered office situated at Pachecolaan 44, B-1000 Brussels, Belgium.
Group:	Dexia Bank Belgium NV is held for 99.9% by Dexia NV, a limited liability company ("naamloze vennootschap"/"société anonyme") incorporated under Belgian law and registered under the number 0458.548.296 and with its registered office situated at Rogierplein 11, B-1210 Brussels, Belgium. Dexia NV is listed on the Euronext Stock Exchange in Paris and in Brussels and on the Luxembourg Stock Exchange.
Warrants:	Each and any warrant offered pursuant to this Base Prospectus and the relevant Final Terms.
Form and Denomination :	The Warrants shall be represented by a temporary global warrant (the "Global Warrant") representing the Warrants in bearer. The Global Warrant will be deposited on the Issue Date with the Issuer and will not be exchangeable for definitive Warrants. The Issuer will not charge any fees for Warrants held in securities account with the Issuer or for the opening of such securities account.
Exercise Period:	The Warrants can be exercised during the Exercise Period. Consequently, the only means through which the Warrant Holder can realize value from the Warrant prior to the Exercise Period is to sell it through the secondary market.
Offer:	The Warrants will be offered for subscription as specified in the relevant Final Terms at the relevant Issue Price (Commission included). The Issuer has the right to anticipatively terminate the Offering Period if the maximum amount of the Warrants issue has been reached or if the market conditions adversely affect the interest of the Issuer, as the case may be.
Offering Period:	The offering period specified as such in the relevant Final Terms.
Issue Price:	The issue price specified as such in the relevant Final Terms.
Underlying Value:	The underlying value specified as such in the relevant Final Terms.
Status of the Warrants:	The Warrants constitute direct, unconditional, unsubordinated and

unsecured obligations of the Issuer and rank and will rank at all times pari passu without any preference among them. The payment obligations of the Issuer under the Warrants shall, subject to any exceptions as from time to time exist under applicable law, at all times rank equally with all its other present and future unsecured and unsubordinated obligations. In particular, the Warrants will not be secured by the Underlying Value to which such Warrants relate.

Use of Proceeds: The net proceeds of the issue of the Warrants will be used for covering the risks resulting of the issue of the Warrants by the Issuer. The Warrants issue will be subject to some out-of-pocket expenses and publicity fees estimated to be around EUR 25,000.

Governing law and Competent Courts: The Offer and the Warrants are governed by the laws of Belgium. All disputes arising out of or in connection with the Offer and the Warrants shall be exclusively submitted to the jurisdiction of the competent courts in Brussels.

Risk Factors: Prospective purchasers of the Warrants offered hereby should consider carefully, among other things and in light of their financial circumstances and investment objectives, all of the information in this document and, in particular, the risk factors set forth in the Base Prospectus in making an investment decision. These include risk factors relating to the Warrants, such as (i) the influence of trading or hedging transactions of the Issuer on the Warrants, (ii) hedging against the market risk, (iii) adjustments, (iv) possible illiquidity of the Warrants in the secondary market, (v) potential conflicts of interest, (vi) liquidity risk, or (vii) post-issuance information. They also include risk factors relating to the Issuer, such as (i) economic setting, (ii) operational risk, (iii) credit risk, (iv) market risk, (v) liquidity risk, (vi) lowering of the ratings and (vii) risks due to the crisis on the international financial markets.

Warrants involve a high degree of risk and investors must be prepared to sustain a total loss of the purchase price of their Warrants. The occurrence of fluctuations or the non-occurrence of anticipated fluctuations in the price of the underlying share will disproportionately affect the value of the Warrants and may lead to the Warrants expiring worthless. Purchasers of Warrants risk losing their entire investment if the share underlying the Warrants does not perform as anticipated. Further risks may include, among others, interest rate, foreign exchange, time value and political risks. The Warrants do not entitle the holder of the Warrants to receive a coupon payment or dividend yield and therefore do not constitute a regular source of income. Possible losses in connection with an investment in the Warrants can therefore not be compensated by other income from the Warrants.

Prospective purchasers of Warrants should be experienced with respect to options and option transactions, should understand the risks of transactions involving the relevant Warrants and should reach an investment decision only after careful consideration, with their financial and tax advisers, of the suitability of such Warrants in light of their particular financial circumstances.

See the Section “Risk factors” in the Base Prospectus.

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DEFINITIONS

The terms used in this Base Prospectus shall have the meaning as expressed hereunder, unless defined otherwise in this Base Prospectus. The definitions do not apply to terms used in the extracts and press releases that, as the case may be, are mentioned in this Base Prospectus.

Audit Committee	:	The committee established on 18 December 2002 to assist the board of directors in supervising the activities of Dexia Bank;
Banking, Finance and Insurance Commission	:	The *Commissie voor het Bank-, Financie en Assurantiewezen / Commission bancaire, financière et des assurances*, designated by the Prospectus Law of 16 June 2006 as the authority competent to approve this Base Prospectus;
Base Prospectus	:	the present document, including, for the avoidance of doubt, the Summary, any of its Annexes or, as the case may be, subsequent supplements, which together constitute a base prospectus for the purposes of the articles 29 and 49 of the Prospectus Law of 16 June 2006;
Calculation Agent	:	Dexia Bank, unless specified otherwise in the relevant Final Terms;
Commission	:	The commission included in the Issue Price, as specified under the relevant Final Terms;
Company Code	:	The Belgian company code, introduced by the Law of 7 May 1999 (as amended);
De-listing	:	Means that the Shares cease, for any reason, to be listed on the Related Exchange;
Dexia Bank	:	Dexia Bank Belgium NV/SA, a limited liability company of unlimited duration incorporated under Belgian law and registered under the number 0403.201.185 and having its registered office at Pachecolaan 44, B-1000 Brussels;
Dexia BIL	:	Dexia Banque Internationale à Luxembourg, a limited liability company incorporated under the law of Luxembourg and registered under the number B-6307 and having its registered office at 69, route d'Esch, L-2953 Luxembourg;
Dexia CL	:	Dexia Crédit Local S.A., a limited liability company incorporated under French law and having its registered office at 1, Passerelle des Reflets, Tour Dexia La Défense, TSA 92202, F-92919 La Défense Cedex;
Dexia Group	:	Dexia Bank, together with Dexia CL and Dexia BIL and any of their subsidiaries;
Dexia NV	:	Dexia NV/SA, a limited liability company of unlimited duration incorporated under Belgian law and registered under the number 0458.548.296 and having its registered office at Rogierplein 11, B-1210 Brussels;
Disrupted Day	:	Any scheduled trading day on which a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred;
Early Closure	:	The closure on any Exchange Business Day of the relevant Exchange or

		any Related Exchange(s) prior to its scheduled closing time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the scheduled closing time on such Exchange Business Day;
Early Termination Amount	:	Means that, if the Warrants, are cancelled the Issuer will pay an amount to each Warrant Holder in respect of each Warrant held by such Warrant Holder which amount shall be the fair market value of a Warrant, taking into account the Merger Event, De-listing, Nationalization or Insolvency, as the case may be, less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion;
Euronext Stock Exchange	:	A regulated market operating under the name "*Euronext*", including Euronext Brussels NV/SA located at Beursplein, B-1000 Brussels and Euronext Paris located at 39 rue Cambon, F-75039 Paris Cedex 01;
Exchange	:	Each exchange or quotation system, any successor or any substitute exchange or quotation system, including for the avoidance of doubt but without limitation, any regulated market;
Exchange Business Day	:	A day on which the Exchange is open for business;
Exchange Disruption	:	Any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Shares on the Exchange, or (ii) in futures or options contracts relating to the Share on any relevant Related Exchange;
Exercise	:	Delivery of the Underlying Value against payment of the Strike Price. The request to Exercise needs to be submitted during the Exercise Period;
Exercise Date	:	Date during the Exercise Period on which the Warrants are exercised;
Exercise Period	:	Each business day on which commercial banks in Belgium are open for business from the date as specified in the relevant Final Terms until and including the Maturity Date;
Final Terms	:	The document containing the specific final terms relating to a specific series of the Warrants;
Global Warrant	:	A temporary warrant representing the Warrants in bearer;
IFRS	:	International Financial Reporting Standards;
Insolvency	:	Means that by reason of the voluntary or involuntary liquidation, bankruptcy or insolvency of or any analogous proceeding affecting Dexia Bank (i) all the Shares are required to be transferred to a trustee, liquidator or other similar official or (ii) holders of the Shares become legally prohibited from transferring them;
Issue Date	:	The issue date specified as such in the relevant Final Terms;
Issue Price	:	The issue price specified as such in the relevant Final Terms;
Issuer	:	Dexia Bank;

Luxembourg Stock Exchange	:	The regulated market Bourse de Luxembourg, located at 11, avenue de la Porte-Neuve, L-2227 Luxembourg;
Market Disruption Event	:	Means in respect of any Share, the occurrence or existence of (i) a Trading Disruption, (ii) any disruption that affect a relevant Exchange which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant scheduled closing time or (iii) an Early Closure;
Maturity Date	:	The maturity date specified as such in the relevant Final Terms;
Merger Date	:	Means, in respect of a Merger Event, the date upon which all holders of Shares (other than, in the case of a takeover offer, Shares owned or controlled by the offeror) have agreed or have irrevocably become obliged to transfer their Shares;
Merger Event	:	Means any (i) reclassification or change of Shares that results in a transfer of or an irrevocable commitment to transfer all Shares outstanding, (ii) consolidation, amalgamation or merger of Dexia Bank with or into another entity (other than a consolidation, amalgamation or merger in which Dexia Bank is the continuing entity and which does not result in any such reclassification or change of all Shares outstanding) or (iii) other takeover offer for Shares that results in a transfer of or an irrevocable commitment to transfer all Shares (other than Shares owned or controlled by the offeror), in each case if the Merger Date is on or before the Valuation Date in respect of the relevant Warrant;
Nationalization	:	Means that all the Shares or all the assets or substantially all the assets of Dexia Bank are nationalized, expropriated or are otherwise required to be transferred to any governmental agency, authority or entity;
Offer	:	Any offer on the basis of and, in accordance with, this Base Prospectus;
Offering Period	:	The offering period specified as such in the relevant Final Terms;
Potential Adjustment Event	:	Means any of the following: (i) a subdivision, consolidation or reclassification of Shares (unless a Merger Event) or a free distribution or dividend of Shares to existing holders by way of bonus, capitalization or similar issue; (ii) a distribution or dividend to existing holders of Shares of (a) Shares or (b) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of Dexia Bank equally or proportionately with such payments to holders of Shares or (c) any other type of securities, rights or price as determined by the Calculation Agent; (iii) an extraordinary dividend (provided that any ordinary dividend, whether or not in the form of cash, will not be considered as a Potential Adjustment Event); (iv) a call by Dexia Bank in respect of Shares that are not fully paid; (v) a repurchase by Dexia Bank of Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or (vi) any other event having, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the Shares;

Prospectus Law of 16 June 2006	:	The Belgian Law of 16 June 2006 on the public offer of investment instruments and the admission to trading of investment instruments on a regulated market (as amended);
Related Exchange	:	Means, in respect of the Share, each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Share;
Share	:	The Underlying Value, specified as such in the relevant Final Terms;
Strike Price	:	The Strike Price is equal to the net asset value of the Underlying Value, specified as such in the relevant Final Terms;
Summary	:	The summary of the Base Prospectus as such term is used in the Prospectus Law of 16 June 2006;
Trading Disruption	:	Any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise (i) relating to the Share on the relevant Exchange, or (ii) in futures or options contracts relating to the Share on any relevant Related Exchange;
Underlying Value	:	The underlying value specified as such in the relevant Final Terms;
Valuation Date	:	Means in respect of any exercised Warrant, the Exercise Date in respect of such Warrant;
Warrant	:	Means a warrant that is offered pursuant to this Base Prospectus and the relevant Final Terms;
Warrant Holder	:	A person holding Warrants through a participant or, in the case a participant acts on its own account, that participant.

DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the audited annual accounts of Dexia Bank for the years ended 31 December 2007 and 31 December 2006, including the reports of the statutory auditors in respect thereof, which are incorporated by reference in this Base Prospectus. Copies of any documents incorporated by reference will be available throughout the entire term of this Base Prospectus, free of charge, from the offices of the Issuer as well as on the website of the Issuer (www.dexia.be/viadexia/publications).

The balance sheet, income statements, accounting policies, notes and auditors' reports of the Issuer are set out on the following pages of the annual reports of the Issuer and the Guarantor respectively:

	DEXIA BANK BELGIUM S.A.	
	Annual Report 2007	**Annual Report 2006**
Consolidated Balance Sheet	26	30
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Information contained in the documents incorporated by reference other than information listed in the table above is for information purposes only.

SELLING RESTRICTIONS

This Base Prospectus was approved by the Banking, Finance and Insurance Commission of Belgium on 3 February 2009, in accordance with article 23 of the Prospectus Law of 16 June 2006.

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), an offer to the public of the Warrants may only be made once the prospectus has been passported in such Relevant Member State in accordance with the Prospectus Directive as implemented by such Relevant Member State. For the other Relevant Member States an offer to the public in that Relevant Member State of any Shares may only be made at any time under the following exemptions under the Prospectus Directive, if and to the extent that they have been implemented in that Relevant Member State: (a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities; (b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; (c) to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) in such Relevant Member State; or (d) in any other circumstances falling within Article 3(2) of the Prospectus Directive, as implemented by the Relevant Member States; and in each of the circumstances mentioned under (a) to (d) (included) provided that no such offer of Shares shall result in a requirement for the publication by the Issuer or any offeror of the Warrants of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any offer of Warrants in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Offer and/or any Warrants to be offered so as to enable an investor to decide to purchase or subscribe for the Warrants, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

This Base Prospectus and/or any of the Final Terms does not constitute an offer of, or invitation by or on behalf of the Issuer to subscribe for or purchase any Warrants. The distribution of this Base Prospectus and/or any of the Final Terms, and the Offer of Warrants in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus and/or any of the Final Terms comes are required by the Issuer to inform themselves about and to observe any such restrictions. This document does 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 authorized 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 Warrants or the distribution of this document in any jurisdiction where any such action is required.

In particular, and without prejudice to the foregoing, the Warrants have not been offered, sold or delivered and will not be offered, sold or delivered, as part of their distribution at any time, or otherwise until 40 days after the commencement of the offering within the United States or to, or for the account or the benefit of, U.S. persons and a dealer to which the Warrants are sold during the restricted period, will receive a confirmation or other notice setting forth the restrictions on offers and sales of the Warrants within the U.S. or to, or for the account or benefit of, U.S. persons.

Until 40 days after the commencement of the offering, an offer or sale of Warrants within the U.S. by a dealer that is not participating in the offering may violate the registration requirements imposed by the U.S. Securities Act of 1933, as amended.

FORWARD-LOOKING STATEMENTS

The sections of this Base Prospectus contain forward-looking statements (such as for instance the sections with information relating to, respectively, the Issuer, the Offer and the Warrants). Dexia Bank and Dexia NV may also make forward-looking statements in their audited annual financial statements, in their interim financial statements, in their offering circulars, in press releases and other written materials and in oral statements made by their officers, directors or employees to third parties. Statements that are not historical facts, including statements about the Dexia Bank and Dexia NV's beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore undue reliance should not be placed on them. Forward-looking statements speak only as of the date they are made, and Dexia Bank and Dexia NV undertake no obligation to update publicly any of them in light of new information or future events.

RISK FACTORS

Prospective purchasers of the Warrants offered hereby should consider carefully, among other things and in light of their financial circumstances and investment objectives, all of the information in this document and, in particular, the risk factors set forth below (which the Issuer, in its reasonable opinion, believes represents or may represent the risk factors known to it which may affect such Issuer's ability to fulfill its obligations under the Warrants) in making an investment decision. Investors may lose the value of their entire investment in certain circumstances.

Risk factors relating to the Warrants

General

Warrants involve a high degree of risk and investors must be prepared to sustain a total loss of the purchase price of their Warrants. The occurrence of fluctuations or the non-occurrence of anticipated fluctuations in the price of the underlying share will disproportionately affect the value of the Warrants and may lead to the Warrants expiring worthless.

Purchasers of Warrants risk losing their entire investment if the share underlying the Warrants does not perform as anticipated. Further risks may include, among others, interest rate, foreign exchange, time value and political risks. A Warrant is an asset which, other factors held constant, tends to decline in value over time and which may become worthless when it expires. Prospective purchasers of Warrants should be experienced with respect to options and option transactions, should understand the risks of transactions involving the relevant Warrants and should reach an investment decision only after careful consideration, with their financial and tax advisers, of the suitability of such Warrants in light of their particular financial circumstances.

The risk of the loss of some or all of the purchase price of a Warrant upon expiration means that, in order to recover and realize a return upon his or her investment, a purchaser of a Warrant must generally be correct about the direction, timing and magnitude of an anticipated change in the value of the share underlying the Warrants. Assuming all other factors are held constant, the more a Warrant is 'out-of-the-money' and the shorter its remaining term to expiration, the greater the risk that purchasers of such Warrants will lose all or part of their investment.

In addition, investors should consider that the return on the investment in Warrants is reduced by the costs in connection with the purchase and exercise or sale of the Warrants.

The Warrants do not entitle the holder of the Warrants to receive a coupon payment or dividend yield and therefore do not constitute a regular source of income. Possible losses in connection with an investment in the Warrants can therefore not be compensated by other income from the Warrants. Further to this, the investor bears the risk that the financial situation of the Issuer declines - or that insolvency or bankruptcy proceedings are instituted against the Issuer - and that as a result the Issuer cannot fulfill its payment obligations under the Warrants.

The influence of trading or hedging transactions of the Issuer on the Warrants

The Issuer may in the course of its normal business activity engage in trading in the underlying shares. In addition, the Issuer may conclude transactions in order to hedge itself partially or completely against the risks associated with the issue of the Warrants. These activities of the Issuer may have an influence on the market price of the Warrants. A possibly negative impact of the conclusion or dissolution of these transactions on the value of the Warrants cannot be excluded.

Hedging against the market risk

Due to fluctuating supply and demand for the Warrants, there is no assurance that their value will correlate with movements of the underlying share. Prospective purchasers intending to purchase Warrants to hedge against the market risk associated with investing in the underlying share should recognize the complexities of utilizing Warrants in this manner. For example, the value of the Warrants may not exactly correlate with the value of the underlying share.

Adjustments

In relation to the terms and conditions of the Warrants, events relating to the underlying share may bring about adjustments to such terms and conditions which may vary from those made by the organized derivatives markets.

Possible illiquidity of the Warrants in the secondary market

It is not possible to predict the price at which Warrants will trade in the secondary market or whether such market will be liquid or illiquid. The Issuer may, but is not obliged to, list Warrants on an Exchange.

The Issuer may, but is not obliged to, at any time purchase Warrants at any price in the open market or by tender or private treaty. Any Warrants so purchased may be held or resold or surrendered for cancellation. The Issuer may, but is not obliged to, be a market-maker for an issue of Warrants. Even if the Issuer is a market-maker for an issue of Warrants, the secondary market for such Warrants may be limited. To the extent that an issue of Warrants becomes illiquid, an investor may have to exercise such Warrants to realize value.

Potential conflicts of interest

The Issuer may also engage in trading activities (including hedging activities) related to the share underlying the Warrants and other instruments or derivative products based on or related to the underlying share for their proprietary accounts or for other accounts under their management. The Issuer may also issue other derivative instruments in respect of the underlying share. The Issuer may also act as underwriter in connection with future offerings of the underlying shares or other securities related to the shares underlying the Warrants or may act as financial adviser to certain companies or in a commercial banking capacity for certain companies. Such activities could present certain conflicts of interest, could influence the prices of the underlying shares or other securities referring to the underlying share and could adversely affect the value of such Warrants. In case the Calculation Agent should make determinations and calculations in respect of the Warrants, the Calculation Agent shall act at all times in good faith and a commercially reasonable manner, but not necessarily in the interest of the Warrant Holder.

Liquidity risk

No application is made to list the Warrants on an Exchange. There is no assurance that an active trading market for the Warrants will develop.

Post-issuance information

The relevant Final Terms may specify that the relevant Issuer will not provide post-issuance information in relation to the Underlying Value. In such an event, investors will not be entitled to obtain such information from the relevant Issuer.

Risk factors relating to the Issuer

Economic setting

Demand for the products and services offered by the Issuer is mainly dependent upon economic performance as a whole. In the area of corporate and investment banking, for example, sluggish economic activity has a direct impact on companies' demand for credit and causes lending to decline and average creditworthiness to deteriorate. As there is also a greater likelihood of companies becoming insolvent and consequently defaulting on their loans in a shaky economic environment, higher provisioning is necessary. Moreover, a poorer corporate profit outlook leads to lower evaluations of companies and as a result to less interest in both mergers and acquisitions and such capital-market transactions as IPOs, capital increases and takeovers; accordingly, the revenues from advising clients and placing their shares decline when economic activity is sluggish. Furthermore, proprietary trading and the trading profit are also dependent upon the capital-market situation and the expectations of market participants. In the retail banking and asset management division, lower company evaluations prompt investors to turn to forms of investment entailing less risk (such as moneymarket funds rather than other fund products), the sale of which generate only weaker commissions.

Should the overall economic conditions deteriorate further or should the incentives and reforms necessary to boost the economies fail to materialize, this could have a serious negative impact on the Issuer's net assets, financial position and earnings performance.

Operational risk

Within Dexia Bank, operational risk comprises the exposure to loss from inadequate or failed internal processes, people and systems or from external events (such as, but not limited to natural disasters and fires), risk relating to the security of information systems, litigation risk and reputation risk. Operational risks are inherent in all activities within the organisation, in outsourced activities and in all interaction with external parties.

Dexia Bank's operational risk management framework, is responsible for, inter alia, coordinating the collection of risk event data and risk and control self-assessment within the different entities and activities of the Dexia Group, defining methodological principles, selecting adequate tools and ensuring global consistency.

Unforeseen events like severe natural catastrophes, terrorist attacks or other states of emergency can lead to an abrupt interruption of Dexia Bank's operations, which can cause substantial losses. Such losses can relate to property, financial assets, trading positions and to key employees. Such unforeseen events can also lead to additional costs (such as relocation of employees affected) and increase Dexia Bank's costs (such as insurance premiums). Such events may also make insurance coverage for certain risks unavailable and thus increase Dexia Bank's risk.

As with most other banks, Dexia Bank relies heavily on communications and information systems to conduct its business. Any failure or interruption or breach in security of these systems could result in failures or interruptions in the Issuer's customer relationship management, general ledger, deposit, servicing and/or loan organization systems. Dexia Bank cannot provide assurances that such failures or interruptions will not occur or, if they do occur, that they will be adequately addressed. The occurrence of any failures or interruptions could have a material adverse effect on Dexia Bank's financial condition and results of operations.

Credit risk

The Issuer is exposed to credit risk, i.e. the risk of losses or lost profits as a result of the default or deterioration in the creditworthiness of counterparties and also the resulting negative changes in the market value of financial products. Apart from the traditional risk, credit risk also covers country risk and issuer risk, as well as counterparty and settlement risk arising from trading transactions. This can arise, for instance, through customers' lack of liquidity or insolvency, which may be due either to the economic downturn, mistakes made in the corporate management of the relevant customers or competitive reasons. Such credit risks exist in every transaction which a bank conducts with a customer, including the purchase of securities (risk of price losses due to the unexpected deterioration in the creditworthiness of an issuer (issuer risk)) or, for instance, the hedging of credit risk by means of credit derivatives (counterparty risk). A credit risk exists to an especially high degree, however, in connection with the granting of credits, since, if this risk is realized, not only is the compensation for the activity lost, but also and above all the loans which have been made available. The Issuer believes that adequate provision has been made for all of its recognized potentially or acutely endangered credit commitments. It cannot be ruled out, however, that the Issuer will have to make further provision for possible loan losses or realize further loan losses, possibly as a consequence of the persistently weak economic situation, the continuing deterioration in the financial situation of borrowers from Dexia Bank, the increase in corporate and private insolvencies, the decline in the value of collateral, the impossibility in some cases of realizing collateral values or a change in the provisioning and risk-management requirements. This could have a serious negative impact on the Issuer's net assets, financial position and earnings performance.

Market risk

Market risk covers the potential negative change in value of the Issuer's positions as a result of changes in market prices – for example, interest rates, currency and equity prices, or parameters which influence prices (volatilities, correlations).

Fluctuations in current interest rates (including changes in the relative levels of short- and long-term interest rates) could affect the results of the Issuer's banking activities. Changes in the level of both the short- and the long-term interest rates always affect the level of gains and losses on securities held in the Issuer's financial investments portfolio and the point of time at which these gains and losses were realized. A rise in the interest-rate level could substantially reduce the value of the fixed-income financial investments, and unforeseen interest-rate fluctuations could have a very adverse effect on the value of the bond and interest-rate derivative portfolios held by the Issuer.

The Issuer's management of interest-rate risk also influences the treasury result. The relationship of assets to liabilities as well as any imbalance stemming from this relationship causes the revenues from the Issuer's banking activities to change with different correlations when interest rates fluctuate. Significant for the Issuer are above all changes in the interest-rate level for different maturity brackets and currencies in which the Issuer holds interest-sensitive positions. An imbalance between interest-bearing assets and interest-bearing liabilities with regard to maturities can have a considerable adverse effect on the financial position and earnings performance of the Issuer's banking business in the relevant month or quarter. Should the Issuer be unable to balance mismatches between interest-bearing assets and liabilities, the consequences of a narrowing of the interest margin and interest income might be a considerable adverse impact on the Issuer's earnings performance.

Some of the revenues and some of the expenses of the Issuer arise outside the Eurozone. As a result, it is subject to a currency risk. As the Issuer's consolidated financial statements are drawn up in Euros, foreign-currency transactions and the non-Euro positions of the individual financial statements of the subsidiary, which are consolidated in the Issuer's financial statements, are translated into Euros at the exchange rates valid at the end of the respective period. The Issuer's results are subject, therefore, to the effects of the Euro's fluctuations against other currencies, e.g. the Pound sterling. If, due to currency fluctuations, the revenues denominated in a currency other than the Euro prove to be lower on translation, while expenses denominated in a currency other than the Euro prove to be higher on translation, this might have an adverse impact on the Issuer's financial position and earnings performance.

The trading profit of the Issuer may be volatile and is dependent on numerous factors which lie beyond the Issuer's control, such as the general market environment, trading activity as a whole, the interest rate level, currency fluctuations and general market volatility.

Liquidity risk

The Issuer is exposed to liquidity risk, i.e. the risk that the Issuer is unable to meet its current and future payment commitments, or is unable to meet them on time (solvency or refinancing risk). In addition, the risk exists for the Issuer that inadequate market liquidity (market-liquidity risk) will prevent the Issuer from selling trading positions at short notice or hedging them, or that it can only dispose of them at a lower price. Liquidity risk can arise in various forms. It may happen that on a given day the Issuer is unable to meet its payment commitments and then has to procure liquidity at short notice in the market on expensive conditions. There is also the danger that deposits are withdrawn prematurely or lending commitments are taken up unexpectedly.

Lowering of the ratings

The rating agencies Standard & Poor's, Moody's and Fitch Ratings use ratings to assess whether a potential borrower will be able in future to meet its credit commitments as agreed. A major element in the rating for this purpose is an appraisal of the company's net assets, financial position and earnings performance. A bank's rating is an important comparative element in its competition with other banks. In particular, it also has a significant influence on the individual ratings of the most important subsidiaries. A downgrading or the mere possibility of a downgrading of the rating of the Issuer or one of its subsidiaries might have adverse effects on the relationship with customers and on the sales of the products and services of the company in question. In this way, new business could suffer, the company's competitiveness in the market might be reduced, and its funding costs would increase substantially. A downgrading of the rating would also have adverse effects on the costs to the Issuer of raising equity and borrowed funds and might lead to new liabilities arising or to existing liabilities being called that are dependent upon a given rating being maintained. It could also happen that, after a downgrading, the Issuer would have to provide additional collateral for derivatives in connection with rating-based collateral agreements. If the rating of the Issuer were to fall to within reach of the non-investment grade category, it would suffer considerably. In turn, this would have an adverse effect on the Issuer's ability to be active in certain business areas.

Current Market Volatility and Recent Market Developments

Significant declines in the housing market in the United States and in various other countries in the past two years have contributed to significant write-downs of asset values by financial institutions, including government-sponsored entities and major commercial and investment banks. These write-downs have caused many financial institutions to seek additional capital, to merge with larger and stronger institutions and, in some cases, to fail. Amid concerns about the stability of the financial markets generally and the strength of counterparties, many lenders and institutional investors have substantially reduced, and in some cases, halted their funding to borrowers, including other financial institutions.

While the capital and credit markets have been experiencing volatility and disruption for more than 12 months, the volatility and disruption has reached unprecedented levels in recent months. In some cases, this has resulted in downward pressure on stock prices and significantly reduced the capacity of certain issuers to raise debt. The resulting lack of credit availability, lack of confidence in the financial sector, increased volatility in the financial markets and reduced business activity could materially and adversely affect the Issuer's or Dexia Group's business, financial condition and results of operations, which could in turn affect the Issuer's ability to meet its payments under the Warrants.

INFORMATION RELATING TO THE ISSUER

General information relating to the Issuer

Persons responsible

Dexia Bank accepts responsibility for the information contained in this Base Prospectus and each relevant Final Terms. To the best of the knowledge of the Issuer (who has taken all reasonable care to ensure that such is the case), the information contained herein is in accordance with the facts and does not omit anything likely to affect the import of such information.

Information contained in this Base Prospectus which is sourced from a third party has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer has also identified the source(s) of such information.

Statutory auditors

The statutory auditor of the Issuer is the civil cooperative limited liability company Deloitte CVBA, having its registered office at Lange Lozanastraat 270, B-2018 Antwerp, Belgium, represented by Mr. Frank Verhaegen and Mr. Bernard Demeulemeester, both auditors. The relevant auditor's report with respect to the audited accounts of Dexia Bank for the financial years ended 31 December 2007 and 31 December 2006, as incorporated in this Base Prospectus under Section "selected financial information" were delivered without any reservations.

Information about the Issuer

History and development

Dexia Bank is a limited liability company ("naamloze vennootschap" / "société anonyme") incorporated under Belgian law on 23 October 1962 and registered in the Crossroad Bank for Enterprises ("Kruispuntbank voor Ondernemingen" / "Banque-Carrefour des Entreprises") under the number 0403.201.185. Its registered office is situated at Pachecolaan 44, B-1000 Brussels, Belgium.

Dexia Bank was created and developed as the financial institution of municipalities in 1860. Since 1945, the bank has also approached the market of private individuals and set up a network of branches. From 1990 onwards it has been operating on the international market and in 1996 it has joined Crédit Local de France and Banque Internationale à Luxembourg to create the Dexia Group.

As Dexia Group is an expert in public banking, providing local public finance actors with comprehensive banking and financial solutions, Dexia Bank has generally ranked first in Belgium in this business line for the local sector and other public authorities.

On 1 April 2002, Artesia Banking Corporation SA has legally taken over Dexia Bank and changed its name into Dexia Bank. The "old" Dexia Bank has been dissolved without liquidation. The date of incorporation of the "new" Dexia Bank (previously named "Financieringsbank" and "Artesia Banking Corporation") is 23 October 1962. Following the merger with Artesia Banking Corporation (Banque Artesia, BACOB, Artesia Services) in 2002, Dexia Bank became one of the major players in the Belgian retail market and strengthened its activity in the field of insurance, financial markets, social profit as well as private and corporate banking. Together with Dexia CL and Dexia BIL, Dexia Bank now is part of Dexia Group.

Dexia Bank has more than 36,500 members of staff. Dexia Bank's object is to carry on the business of a credit institution and it has in furtherance of its object all the necessary powers, including the power to enter into transactions on financial derivatives. As such Dexia Bank may - for its own account and for the account of third parties - even by intermediary of a natural person or a legal entity, both in Belgium and abroad, undertake any and all activities and carry out all banking transactions including inter alia:

1. transactions regarding deposits, credits within the broadest sense, brokerage, stock exchange related operations, launches of issues, guarantees and surety;

2. short, medium and long-term credit transactions, sustain investments by provinces, municipalities and organisations of a regional and local character, and likewise investments effected by all public establishments, companies, associations and organisations, which are constituted for regional and local purposes, and which provinces, municipalities and organisations of a regional and local character are authorised to support;

3. to further, by means of appropriate credit transactions, the day-to-day operation of the budgets of provinces, municipalities and organisations of a regional and local character, and of all other institutions referred to in 2. above, and likewise the day-to-day management of their concerns, public companies and enterprises.

Furthermore, Dexia Bank may distribute insurance products from third party insurance companies. Dexia Bank may acquire, own and sell shares and participations in one or more companies, within the limits provided for by the legal status of credit institutions. Dexia Bank is entitled to carry out any transactions of whatever nature, inter alia financial, commercial, including goods and estate, relating directly or indirectly to the furtherance of its object or of such a nature as to facilitate the achievement thereof.

The articles of association of Dexia Bank are included in Annex 1 (any such Annexes forming integral part of this Base Prospectus).

Ratings

Dexia Bank is rated AA- with stable outlook by Fitch (30 September 2008), A1 with negative outlook by Moody’s (19 January 2009) and A with stable outlook by Standard & Poor's (19 December 2008).

Organizational structure

Dexia Bank is held for 99.9% by Dexia NV, Rogierplein 11, B-1210 Brussels, Belgium.

Administrative management, and supervisory bodies and senior management

In accordance with the Belgian Company Code and the articles of association of Dexia Bank, Dexia Bank is managed by its board of directors, which is entitled to take any action the right to which is not expressly reserved to the general meeting of shareholders of Dexia Bank by law or the articles of association of Dexia Bank.

In accordance with Belgian banking law, the board of directors may delegate all or part of its powers, provided that such delegation does not affect either the determination of general policy or any actions which are reserved to the board of directors by law. The board of directors of Dexia Bank has delegated to the management board of Dexia Bank all such powers.

Pursuant to the articles of association of Dexia Bank, the board of directors of Dexia Bank is composed of a maximum of 26 members appointed for maximum terms of four years, and includes a maximum of 8 members with professional banking experience proposed by the board of directors of Dexia Bank, each of whom must also be a member of the management board of Dexia Bank, and a majority of members representing the local authorities. The table below sets forth the names, principal occupation or employment, dates of initial election as directors and the years of expiration of their current terms as members of the board of directors of Dexia Bank.

The table below sets forth the names and positions and dates of initial appointment and expiry of term of the members of the board of directors.

Name	*Principal Occupation or Employment*	*Since*	*Term Expires*
Chairman			
Marc Deconinck	Burgomaster-Beauvechain	2002	2010
Vice-chairmans			
Jozef Gabriels	Burgomaster-Genk	2002	2010

Name	Principal Occupation or Employment	Since	Term Expires
Jean-Luc Dehaene	Chairman of the Board of Directors of Dexia S.A.	2008	
Members			
Stefaan Decraene	Chairman of the Management Board, Director of Dexia Insurance Belgium	2003	2010
Dirk Gyselinck	Member of the Management Board, Corporate and Public & Wholesale Banking	2006	2010
Marc Lauwers	Member of the Management Board, Personal Financial Services	2007	2010
Pierre Mariani	CEO Dexia S.A.	2008	
Jean-François Martin	Member of the Management Board, Chief Financial Officer and Risk Management	2007	2010
Ann De Roeck	Member of the Management Board, Secretary General, Legal and Fiscal Services, Wealth Analysis and Planning	2007	2010
Roger Leyssens	Member of the Management Board, Human Resources Services	2007	2010
Dirk Vanderschrick	Member of the Management Board, Treasury and Financial Services	2007	2010
Wivina Demeester	Former Municipal Councillor – Zoersel/Consultant	2002	2010
Jean-Jacques Viseur	Burgomaster - Charleroi	2006	2010
Marc Justaert	Chairman of the National Alliance of Christian Mutual Societies	2002	2010
Serge Kubla	Burgomaster – Waterloo/ Deputy Chief of the MR in the Walloon Parliament	2007	2010
Patrick Lachaert	Lawyer/Municipal Councillor – Merelbeke/Member of Flemish Parliament	2007	2010
Thierry Jacques	Chairman of the Christian Workers Movement	2006	2010
Patrick Janssens	Burgomaster-Antwerpen	2007	2010
Claude Rolin	Secretary General Confederation of Belgian Christian Unions	2006	2010
Tony Van Parys	Lawyer/Municipal Councillor Ghent/Member of Parliament	2002	2010
Bernard Lux	Vice-chancellor of the University of Mons-Hainaut	2006	2010
Bruno Flichy	Director and honorary chairman of Crédit du Nord	2004	2010
Luc Van Thielen	Member of the Management Board, IT, Operations, Facility Management and Organisation	2008	

Name	Principal Occupation or Employment	Since	Term Expires
Francine Swiggers	President of the Management Committee of Arco Group	2009	2012

Mr. J.L. Dehaene, Mr. P. Mariani and Mr. L. Van Thielen were co-opted at 21 October 2008. Their definitive appointment will be submitted to the next general shareholders' meeting of Dexia Bank.

Specialised committee set up by the board of directors

The Audit Committee, installed on 18 December 2002, is composed of 3 directors who may not be members of the management board of Dexia Bank. The Auditor General of Dexia Bank and, at his request, the Group Auditor General, the chairman or a member of the management board and the college of statutory auditors of Dexia Bank attend the meetings.

The role of the Audit Committee is to assist the board of directors in supervising the activities of Dexia Bank, taking into account principles of good corporate governance, and to improve communication between the members of the board of directors, the management board, the internal audit department and the auditors. In this regard, the Audit Committee considers external financial information, compliance with legal, regulatory and statutory provisions, risks and the effectiveness of internal control mechanisms to manage risks, internal auditing and audit plans produced by them.

The Audit Committee currently comprises Bruno Flichy, chairman, Wivina Demeester and Marc Deconinck.

Dexia Bank voluntarily complies with the corporate governance regime in Belgium that applies to listed companies in Belgium only.

Operations of the board of directors

The board of directors conducts the general policy as determined at Dexia NV level. It decides the strategic direction for the bank in accordance with the basic strategy devised at Dexia NV level, and approves the plans and budgets as well as any major structural modifications.

As defined in the protocol on the autonomy of the banking function, the management of the bank is entrusted to the management board, comprising members of the board of directors. The management board currently consists of eight members.

The management board manages Dexia Bank in accordance with the general policy guidelines laid down by Dexia Bank's board of directors, and indirectly by the board of directors of Dexia NV. The management board has the necessary decision-making powers for this purpose and powers of representation. The management board operates in accordance with the principle of joint and several liability.

The table below sets forth the names and positions of the members of the management board.

Composition	Position
Stefaan Decraene(*)	Chairman
Dirk Gyselinck	Corporate and Public & Wholesale Banking
Marc Lauwers	Personal Financial Services
Dirk Vanderschrick	Treasury and Financial Services
Luc Van Thielen	Chief Operations Officer and IT, Operations, Facility Management and Organisation
Jean-François Martin	Chief Financial Officer and Risk Management

Roger Leyssens	Human Resources Management
Ann De Roeck	Secretary General, Legal and Tax Services and Wealth Analysis and Planning

(*) Chairman since 1st January 2006

External duties of the directors

Dexia Bank is required to disclose the external duties performed by its directors and executive managers. Dexia Bank chose to publish the posts mentioned in the bank's official annual report, which is lodged with the National Bank of Belgium.

Supervision

Since November 1962, Dexia Bank (formerly Artesia Banking Corporation) has been under the supervision of the Belgian Banking, Finance and Insurance Commission.

Conflicts of interests

There are no potential conflicts of interest between any duties to Dexia Bank of the members of the management board and their private interests and other duties.

Major Shareholders

General information relating to the shareholder structure of Dexia Bank

The Issuer is part of the international banking group Dexia Group. The parent company of the Dexia Group is Dexia NV, which is listed on the Euronext Stock Exchange in Paris and in Brussels and on the Luxembourg Stock Exchange. The shareholder structure of Dexia NV since the capital increase of 3 October 2008, can be found in Annex 3.

There is no arrangement that may result in a change in control of the Issuer.

Recent developments relating to Dexia NV and Dexia Group

Due to the significant deterioration in the business and market environment and the financial distress of a number of financial services companies, Dexia NV undertook a careful assessment of its situation and decided to take decisive action and raise EUR 6.4 billion of capital. The press release of this action is available in Annex 2. Through a capital increase of Dexia NV, which was completed on 3 October 2008, the Belgian federal and regional authorities and the French state, as well as the current core reference shareholders of Dexia, subscribed for a total of 606,060,606 newly-issued shares for a total amount (including issue premium) of EUR 6 billion. Further to this capital increase, the shareholding structure of Dexia NV (based on information known to the Issuer), can be found in Annex 3.

Drawing conclusions from the current financial crisis and its impact on the Dexia Group and its subsidiaries, including the Issuer, Pierre Richard, chairman of the board of directors of Dexia NV, and Axel Miller, chief executive officer and chairman of the management board of Dexia NV, tendered on 30 September 2008 their resignation to the board of directors; The Board accepted their resignations and asked Messrs. Richard and Miller to continue to look after the daily management until their successors have been appointed.

On 7 October 2008, the board of directors of the Dexia Group decided to co-opt Mr. Jean-Luc Dehaene, former Belgian Prime Minister, and Mr. Pierre Mariani, member of the Executive Committee of BNP Paribas, as members of the board of directors.

Mr. Jean-Luc Dehaene has been appointed chairman of the board of directors, replacing Mr. Pierre Richard. Mr. Pierre Mariani has been appointed chief executive officer and chairman of the management board, replacing Mr. Axel Miller. Messrs. Dehaene and Mariani will take up these posts with immediate effect.

On 14 November 2008 Dexia Group announced together with its 3Q 08 results, an agreement to sell FSA Insurance Business, a sharp refocus on core businesses and a new management team.

- Agreement reached for the sale of FSA Insurance Business and containment of FSA Financial Products portfolio through a State guarantee mechanism.
- The Dexia Group's risk profile will be reduced through a significant decrease in trading activities, the run-off of bond portfolios, improving the liquidity situation.
- Dexia Group's activities will be refocused on core client franchise in Public, Retail & Commercial Banking in core markets and selected geographies.
- A program targeting a 15% cost reduction has been launched. EUR 300 million cost savings have already been identified, with significant savings already achievable in 2009.
- The top management team is profoundly renewed, the organization simplified and the governance strengthened

A more comprehensive report of Dexia NV's transformation plan and 3Q 08 results is available in Annex 4 for informational purposes.

The Dexia NV's board of directors met on 29 January 2009 to review the progress made on the transformation plan announced on 14 November 2008 and also examined the situation regarding the closing of the financial statements for 2008. On 30 January 2009, Dexia NV announced its transformation plan to strengthen its recovery and announced that it should book an estimated net loss of 3 billion euros in 2008.

The transformation plan includes:

- The improvement of the Dexia Group's risk profile by (i) the sale of the insurance activities of FSA and (ii) an in-depth restructuring of trading activities.
- The acceleration of the refocusing of public finance activities.
- Savings of 200 million euros from 2009.
- Efforts shared by shareholders, management and employees such as (i) the proposal to cancel dividends exceptionally for the 2008 financial year, (ii) lowering of the compensation to directors for 2009 and (iii) no bonus paid to management in respect of 2008.

Results estimate:

As forecast, the fourth quarter financial statements bear the mark of still difficult market conditions which have prevailed during this period and the accounting of losses associated with the ongoing sale of FSA's insurance activities. On the basis of the provisional and non-audited data available, Dexia Group should book a net loss of approximately 2.3 billion euros in the fourth quarter 2008.

Following the turmoil at the financial markets, it is not excluded that the Issuer or Dexia Group will undergo some more changes. This Base Prospectus should therefore be read in combination with the latest available information, which is published under the news sections on www.dexia.com and www.dexia.be and which is incorporated hereby with reference.

The recent press releases with respect to Dexia NV or Dexia Group are included in Annex 2 to Annex 5 included.

Share capital

The capital stock of Dexia Bank totals EUR 958,066,225.54 and is represented by 359,412,609 shares held by Dexia NV, 6 shares held by Dexia Lease Services NV and 1 share held by Arcofin CVBA.

There are also 300,000 registered beneficial shares. These shares have no par value and do not represent the capital stock. The rights attached to these founders' shares are laid down by the articles of association and by agreements.

The combined assets of Dexia Group amount to EUR 636,898 million as of 30 September 2008.

Material contracts

There have been no material contracts that are not entered into in the ordinary course of the Issuer's business, which could result in any group member being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to security holders in respect of the securities being issued.

Third party information and statement by experts and declarations of any interest

There has been no statement or report attributed to a person as an expert which is included in this Base Prospectus.

Documents on display

Copies of the annual reports dated 31 December 2006 and of all subsequent annual reports to be published of the Issuer as well as copies of the articles of association of the Issuer are available free of charge at the office of the Issuer during the entire lifetime of the Warrants. Additionally, the annual report of the Issuer and of Dexia Group is available on the internet site of Dexia: www.dexia.com. On 14 November 2008, the results for the 3th Quarter of 2008 of the Dexia Group are published (see above). This publication is also available on the internet site of Dexia (www.dexia.com). All quarterly results and recent developments of Dexia Group can also be found there under ‘News – What’s new’.
Documents to which this Prospectus refers can be obtained either on the website or, if such documents cannot be consulted on the website of the Issuer, through a written request at the corporate seat of the Issuer.

Business overview of the Issuer

Dexia Bank today leads the market in the provision of financial services to the public and social sectors and in project finance and corporate banking. This position is based essentially on the long-term relationship that the bank has been able to develop with its customers and on its capacity for on-going renewal of the range of products and services it offers. This vast range enables the bank to satisfy the ever more complex needs of its customers by offering tailor-made services and multi-service lending products or structured loans, capital solutions, insurance and investment products, debt management and short-term cash management facilities, etc.

Public and social sector

2007, being the first year of the new legislature, did not see any genuine recovery in demand for new funding by local authorities. Total new long-term loans granted by Dexia Bank in 2007 to local government amounted to EUR 1,115 million. Thanks to the exemplary efforts by a Public Finance network made up of commercial staff spread throughout the country, Dexia Bank was able to maintain its leading position on the market with a market share of some 78%.

Other public sector customers were also able to rely on the bank, which granted a total of EUR 1,464 million to finance new projects. Worth highlighting is the funding provided for a new telecom operator which sought to launch its business at regional level, and for a para-federal agency of the energy sector which obtained the finance required to operate on the international markets.

The social sector took out new funding contracts worth a total of EUR 515 million.

At December 31, 2007 the total volume of outstanding longterm loans granted to the public and social sectors by Dexia Bank and its subsidiaries amounted to EUR 28.6 billion, up 7% on the previous year. At the end of 2007 the total volume of outstanding short-term loans to these sectors amounted to EUR 3.5 billion.

At the end of 2007 public and social sector sums on deposit and assets under management amounted to EUR 12.6 billion, up 21% on the position at the end of 2006.

With regard to insurance products, the professional and integrated approach to customers resulted in a growth of over 20% in premiums paid by public sector customers throughout the year as a whole, amounting to a total of EUR 55 million.

In 2007 too, Dexia Bank made several major advances in the improvement of the range of products and services it offers to the public and social sectors. In addition to its general banking services, customers welcomed the introduction of decision support tools in the field of assistance, information needs and training. In line with Dexia’s vision of sustainable development, Dexia Bank focuses mainly on structural problems which, if they are not sufficiently addressed in the near future, risk compromising the financial balance of the public authorities and institutions in the social sector. The “Energy Line” and “People Line” programs thus contain among other things proposals for solutions which the authorities and institutions can apply with a view to achieving a responsible consumption of energy and for managing the consequences of an ageing population.

With the “IT Line” the bank has rationalized its full range of electronic services to the public and social sectors. This is a field in which the bank has been ahead of the market for over ten years. Customers appreciate this approach as can be seen from the 800 users of the “PaPyRus” application for managing dematerialized documents which, in legal and security terms, have the same value as their paper-based versions. “Dexia Immoline” offers local authorities and social institutions solutions that enable them to manage their extensive real-estate assets in the most efficient manner possible.

For institutions in the health sector (hospitals, rest homes, institutions for the care of the handicapped) Dexia Bank has specifically developed tailor-made financing systems as part of the VIPA (*Vlaams Instrastructuurfonds voor Persoonsgebonden aangelegenheden* – Flemish infrastructural fund for matters linked to persons) alternative funding system. The first applications for funding made by the Flemish care institutions under this new system of subsidies were entrusted to Dexia Bank. The bank is also a major partner in the provision of alternative funding through the CRAC (*Centre régional d’aide aux communes* – Regional centre for assistance to municipalities) account for local government supra-municipal investments in the hospital sector in Wallonia. The approved lending companies in the social housing sector, whose funding since 2007 has been guaranteed by the Flemish Community, have appointed Dexia Bank as the sole financier of their loans. As part of the current restructuring of French-speaking university institutions, a partnership has been concluded with the bank which has been able to offer the Belgian market original and novel solutions for large scale financing projects.

Dexia Bank enhanced its reputation in 2007 as an expert in financial information for local government. The brochure entitled *“What is at stake financially for new local councils”* provided the newly elected representatives with information on the principal issues that will have financial repercussions on local government finance during the new municipal legislature. With the *“New socio-economic typology of municipalities”* the bank has updated its ten-year-old classification of Belgian local councils into categories that are as homogeneous as possible on the basis of a broader set of socio-economic criteria. The distribution offers a framework within which it is possible to show a growth dynamic of groups of municipalities which operate under similar socio-economic conditions. That dynamic can have serious consequences for the issues confronting local government and the availability of funding to finance certain strategic options.

By adding a “Rest-Home” section to the annual financial analysis of institutions in the social sector (MARA or Model for Automatic Resthome Analysis) in collaboration with the two Flemish umbrella organizations, Dexia Bank has again enhanced its expertise in this widely disparate sector.

<u>Corporate sector</u>

Innovation and diversification in Corporate Banking, combined with a solid approach to customers, are the basic ingredients in the bank’s success in developing business in the different segments of the market. The creation of new products as presented in an innovative “Energy Line”, the search for diversification in debt management and the introduction of appropriate web applications for electronic banking for corporate customers are a few examples of such innovation.

Initiated last year, the commercial approach adopted by Dexia Bank and its subsidiaries (which consists in integrating a system for coordinating information and commercial experience into the Strategic Account Plans) made a substantial contribution in 2007 to the 110% (EUR 4.6 billion) rise in the volume of new long-term financing contracts concluded.

As regards Structured & Project Finance, Dexia Bank was able to use its experience and expertise in the financing of large-scale national and international infrastructure projects. In Belgium the bank acted as the sole Mandated Lead Arranger (MLA) for a EUR 111 million arrangement of long-term debt for C-Power to finance the first fase of the construction and running of the wind farm off the Belgian coast. “Project Finance Magazine” awarded the project its “Deal of the Year 2007” prize. In collaboration with three other MLA s, Brussels Airport was granted credit lines amounting to EUR 1.6 billion to replace its existing credit facilities of EUR 1.1 billion. In this way Brussels Airport will be able to fund a series of infrastructural projects, among them the new “Brucargo West” freight space.

Large financing projects were also undertaken with other MLAs in the harbor infrastructure sector, notably the Maher Container Terminals in the port of New York and the Carrix on the west coast of North America. Dexia Bank also participated to the tune of EUR 286 million as co-MLA in the acquisition by Benelux Port Holdings of two specialized installations in the handling of bulk merchandize and cargo in general. Dexia Bank consolidated its position in Shipping Finance by a number of funding operations for various Belgian and international shipping companies. The US D 450 million Multi-option credit granted by the bank as lead manager to CSA V, the main Latin-American container operator was nominated the "Most innovative shipping finance deal" of 2007 by Lloyds Shipping Economist.

Within Dexia Corporate Finance, the bank was able to boast several successful operations in such key sectors as electricity supply and property in Belgium, France and Denmark. It intervened as a promoter for the introduction to the stock market of the European tranche of the private placement by the sustainable French energy company "Velcan Energy" for which EUR 20 million were placed with several institutional customers. As senior co-lead manager, it organized the private placement of EUR 153 million in shares of the renewable Danish energy company "Greentech Energy System".

On the Belgian market Dexia Bank intervened as a Joint Global Coordinator for one of the biggest capital increases last year, the Befimmo SPO[a], the proceeds of which served to finance the acquisition of Fedimmo (Belgian State Sicaf – fixed capital investment fund). The bank was also the financial adviser for the public offering of Dolmen for the purchase of its own shares, a first on the Belgian capital market. Furthermore, Dexia Bank was a co-manager for the placement of Fortis shares when it increased its capital by EUR 13.4 billion (an operation without precedent on the Belgian market), a joint lead manager and a promoter of the capital issue of Quest For Growth (EUR 19.8 million) and co-manager for the retail tranche of the Transics IPO[b].

Dexia Private Equity contributed to the success of the sale of Indaver, a high-tech company specializing in the sustainable and integral management of waste for public sector enterprises and administrations. However special mention should be made of the EUR 135 million first closure of DG Infra+, the investment fund run by Dexia and GIM V (the Regional Investment Company of Flanders) for infrastructural projects and public-private sector partnerships in the Benelux. At that first closure, several major investors, including Ethias, Holding Communal, SR WI (the Regional Investment Company of Wallonia) and Arcofin, subscribed. The call for funds was launched in September 2007 and will without doubt be definitively closed in the spring of 2008.

The activities of Dexia Real Estate were affected above all by the slowdown in the Brussels office property market. However, that slowdown was offset by the increase in funding operations on the residential market and the support provided by the property-market transactions carried out by Belgian customers in Luxembourg. The prominent position of the bank on the public sector property market in Belgium was confirmed by the delivery of the "Lex" building to the European Council of Ministers and the "D4" building to the European Parliament. The participation in the Scholenbouw Vlaanderen (school buildings of Flanders) tender and the creation of Dexia Immorent in collaboration with Arco, Holding Communal and GVA, are evidence of an active search for alternative building solutions for the local authorities.

Personal financial services

Unlike last year, the economy in general and the climate on the financial markets in particular gave rise to a certain degree of glumness on the part of households and entrepreneurs.

Although kept buoyant at the beginning of the year under the favourable effects of new jobs being created, consumer confidence was seriously shaken in the middle of the year by the liquidity crisis and its repercussion on the stock markets. The savings rate remained stable though relatively low, thus sustaining consumer spending despite the rise in energy and food prices. The building sector sustained a slight setback following the rise in the long-term interest rate, above all during the first half of the year and from the hike in prices. However, both the mortgage market and the business lending market continued to grow unabated.

For Belgian investors 2007 was a year of disappointment. Until May, there was nothing to suggest that the long rise in the stock market prices would ever end. Then the markets were engulfed in the liquidity crisis following the defaults on redemptions of American mortgages, which resulted in the BEL 20 sustaining in 2007 its first

[a] *SPO: Secondary Public Offering.*

[b] *IPO: Initial Public Offering.*

loss for five years with a fall of 6%. Since then this liquidity crisis has also ended the rising trend in the shortterm and long-term rates and caused them to fall.

The weakening of the stock markets and the decline in rates prompted wary investors to look around for suitable returns, thereby enhancing the competition between the banks. Savings accounts have always been less attractive to savers than fixed term accounts. During the first half of the year until the stock market hit hard times, equity-linked investment products (investment funds and investments in Branch 23 insurance products) had found favor with investors.

The total investments by retail and private banking customers at Dexia Bank amounted at the end of 2007 to EUR 98 billion, a rise of 3.1% on the previous year. Like last year, the main thrust came from the bank's private banking customers. For the second year running, balances on savings accounts fell, settling at EUR 24 billion at the end of 2007, down 8% on the previous year. The relative share of savings accounts in the overall investments of retail customers thus fell to a quarter. During the course of 2007 the basic rate of interest on savings accounts remained unchanged whereas it was only during the month of January – traditionally the month for sales drives on savings accounts – that the growth premium was raised from 0.5 to 2%.

The lack of interest in savings accounts initially benefited term accounts on which the rate of interest, particularly for short periods, increased. As a result fixed-term account balances almost doubled. Savings bonds were not really able to take advantage of the limited and hesitant increases in rates that were brought in up to the middle of 2007. The cuts in rates applied in August and November 2007 ended up causing a 6% drop in year-end balances as compared with December 2006. To attract investors more to savings bonds, Dexia Bank launched the 5-year DexiaBon with its annual fixed or progressive coupon but allowing the bank the possibility of early redemption (from the payment of the 2nd coupon).

Investment products on which the return depends in whole or in part on the progress of the stock market were affected by the fall in prices, mainly during the second half. At the end of 2007 both the net assets of investment funds and the Branch 23 insurance investment reserves were 8% down on the previous year. However, the 60 structured bonded loans which the bank offered its retail and private banking customers through its Dexia Funding Netherlands subsidiary met with considerable success. Even so, the biggest growth was to be found in investments in Branch 21 insurance products with a guaranteed return, whose reserves increased by no less than 36% in 2007.

In order to establish a long-term sustainable relationship, Dexia Bank aims to achieve a maximum degree of satisfaction among its customers through the range of financial services it offers private individuals and small companies. Which is why the bank adopts the role of partner with its customers in the achievement of their objectives through a range of specific information to enable them to take the right decisions in the complex and ever-developing field of investment. The bank thus invests considerably in the structural aid brought to its agents and sales staff when advising customers and selling the bank's products.

In connection with that, the bank has developed a major new instrument that enables investment advisers to effect an in-depth examination of an investment portfolio when discussing it with the customer. The system takes into account as many of the factors that can influence the customer's present and future financial situation as possible, such as his current assets, his family situation, his chosen investor profile as well as his needs and future projects. These factors make it possible to simulate a typical portfolio best able to respond to the customer's expectations and future needs and, should he wish so, to formulate proposals to steer his portfolio in that direction within the guidelines laid down by the MiFID directives.

In the autumn of 2007 the bank organized no fewer than 360 talks in the framework of the "Dexia Investor Days". These talks, arranged by the sales networks throughout the country and with the collaboration of specialists from the head office, covered certain subjects linked to investment, pension provision, inheritance, and subjects of concern to small and medium-sized businesses (e.g. transfer from a family business). The abundance of information that risks overwhelming the customer is distilled during these talks to its essential and objective points, supplemented by the experienced view of the bank's specialists. These initiatives have been widely appreciated all round, have promoted customer satisfaction and opened up avenues for a proactive approach to customers.

With regard to the problem of pensions in particular, Dexia Bank has put in a lot of additional work to make customers aware of the need to constitute a pension capital in good time. The sales network has been equipped with a simulator which gives the customer an idea of the extra efforts he will have to make to save in order to maintain his desired purchasing power. That capital can be constituted through Dexia Horizon B, a flexible investment fund without any capital guarantee but in which the risk of loss is almost automatically excluded, on the one hand by the long duration and on the other by a gradual shift from holdings in equities to holdings in bonds as the maturity date approaches.

2007 was also a fruitful year for lending. Outstanding loans to retail and private banking customers amounted at the end of the year to EUR 27.7 billion, a rise of 9.4% in one year. As with investment, the main rise (+31%) was to be found in the private banking segment. This favourable development is still dictated by mortgages in a market that has certainly peaked but where competition remains intense. At 10%, the increase in outstanding mortgages in 2007 was slightly down on that of the previous year. The rise in outstanding consumer loans on the other hand was halved to 4%. Loans to small and medium-sized businesses did well, with outstanding loans increasing by 9% in 2007 against 6% in 2006.

The favourable development of business loans shows that Dexia Bank is on the right path to achieving its ambitions in the field of business banking. The main objectives here are to recruit new customers, become their principal banker through cross-sales and persuade them also to entrust their private investments to the bank. SCRL s (limited liability cooperative companies) and the branch network were able to count on the support of some thirty business bankers specializing mainly in approaching business customers, particularly medium-sized companies. Spread throughout the country on a regional basis, they act as direct partners of their business customers and offer them expertise and knowledge beyond that possessed by employees in the branches.

Dexia Business Banking thus takes as its example the success story of Dexia Private Banking (DPB). For several years DPB has been working with more than forty private bankers who approach their private banking customers directly from the regional head offices or indirectly by supporting the sales networks. Such a win-win collaboration between the private bankers and the sales networks bore fruit in 2007 as well. In a market where customers change, where products become increasingly complex and where new competitors emerge, DPB managed to increase its clientele by 8% in 2007. Investments rose by 10% and lending by 30% under highly volatile and less favourable market conditions.

Asset management contracts (discretionary and advisory) saw a sharp rise (23%) in terms of the net value of assets under management. New products enabled DPB to respond to the wishes of new customers. “Dexia Portfolio Advanced” is a new discretionary management contract offering greater flexibility for reacting to changing market conditions. The launching of a new asset-management training program, the Dexia Private Banking Academy, provided a means of continually improving the aptitudes and skills of those responsible for private banking in the branch networks. For the fact is that specialized and highly qualified employees are still the best weapon with which to address the virulent competition between market operators when it comes to attracting and retaining customers.

The focus on the customer and on customer satisfaction is also the cornerstone of the new range of current account services offered by Dexia Bank. Everything indicates that the customer prefers to carry out his transactions electronically by using a debit or credit card or over the internet. And in so doing, he demands a clear and transparent overall package that enables him to make payments rapidly, simply and in full security both in Belgium and abroad. From now on every retail customer can choose between five current accounts and go for the account with its cards and services that suits him best. The new accounts bear the name of the colour of the card linked to the account and also reflect the range of services that go with it (from Blue for the accounts with all the basic services to Platinum for accounts offering additional services for payments in Belgium and abroad).

Still in the field of payments, Dexia Bank has installed eight new automatic teller machines at Brussels Airport which, with 60,000 to 70,000 people passing through each day, is undeniably a “high traffic point” and is very important for its brand image as a point of access to Brussels and Belgium. From now on one can buy tickets to enter various theme parks and festivals using one’s debit card in cashless machines located in those branches that display the Dexia Ticket Shop logo.

In 2007 the number of subscribers to Dexia Direct Net increased by 260,000 – up 35% on the previous year – bringing the total to over a million subscribers. The enormous success of the internet bank was enhanced last year by the extension of the range of transactions that can be carried out on line such as the opening of a pension-savings accounts, the application for a credit card, consultation of the status of loans and obtaining digitalized bank statements.

In the light of the Dexia Group's commitment to sustainable development, Dexia Bank continued to expand its range of green products for its retail customers: eco-housing credit, eco-car credit and variable mileage insurance. The bank aims to limit the direct impact it has on the environment by offering the option mentioned above of requesting bank statements through Dexia Direct Net in digitalized rather than paper-based form and by using electronic signatures for documents in the branches – two measures which produce a considerable saving in paper.

<u>Treasury and financial markets</u>

Through its activities on the financial markets Dexia Bank aims first and foremost to offer high quality financial products to customers of the different commercial networks. Treasury & Financial Markets (TFM) is also responsible for the dynamic management of the bank's balance sheet putting the working capital allocated to the business lines to work in the best possible manner. TFM activities focus on the preparation and development of new business and the generation of additional revenue for the bank.

These characteristics also lie at the heart of the new organizational structure of TFM . The bank's business on the financial markets has been divided into three groups, which has made it possible to bring together expertise in certain segments of the market. TFM's aim is always to raise and stimulate the customer focus of the business through interaction with other divisions within the business unit.

The first group is Treasury, which is responsible for the financial management of Dexia Bank's balance sheet and includes such departments as Cash & Liquidity Management, ALM Short Term, Long Term-funding and ALM LT . The second group, Market Engineering & Trading (MET), brings together all the expertise in Forex, equities and structured products both for retail customers and for the public sector. The third group, Fixed Income, covers all transactions regarding the Credit Spread Portfolio (CSP), Credit Structuring & Trading (CST), Securitization, Structured Solutions, and Sales & Modelling.

The multi-annual strategy for TFM ("TFM +") fits in perfectly with this new organizational structure and is intended to enable TFM to make a greater contribution towards the income of the Dexia Group. The aim is to make the most of the bank's skills in these activities, such as its knowledge of particular assets, its capacity for "origination" through its branch networks, its technological and innovative strength and the management of its balance sheet. At the same time the IT infrastructures of all the dealing rooms of the Dexia Group match each other in the best possible manner, thereby making it possible to adopt an effective and integrated front-to-back approach to transactions.

The creation of Dexia Investment Company (DIC) in 2006 provided the bank with a skills centre for its long-term ALM investments. In 2008 DIC will become the Dexia Group's only skills and investment centre for the Group's long-term ALM investments in EUR.

In 2007 the TFM activities of the London branch were integrated into Dexia Bank, the main task being to develop funding activities in sterling within Cash & Liquidity Management and ALM Short Term. In a second stage, Sales & Equity business will also be launched and developed in London.

In the field of securitization Dexia also carried out various transactions in 2007. Using a synthetic securitization transaction, the bank was able to pass on the risk on a 3 billion US D portfolio of ABS (Asset Backed Securities). A second transaction related to public sector loans. A EUR 1.7 billion portfolio was transferred to Dexia Municipal Agency with a view to generating finance through the issuing of hedged bonds. Lastly, Denizbank also raised funds by issuing ABS notes based on the future cash flows to Turkey that pass through Denizbank accounts from abroad.

In order to meet its long-term funding needs, the bank issued a total of EUR 3.4 billion in structured bonded loans either itself, or through its subsidiary Dexia Funding Netherlands (DFN). 70 of the 78 issues were launched by DFN . 60 issues were sold through the bank's branch network and placed with its retail and private banking customers.

<u>Litigation</u>

Legal and Arbitration Proceedings

The main legal actions brought against Dexia Bank and some of its current and former directors concern the Lernout&Hauspie case and the inheritance tax case. The detailed disclosures are described on pages 21 to 23 and 187 to 189 in Dexia Bank's Annual Report for 2007. Below is a description of the recent developments in these proceedings. It should be noted that these disclosures below do not contain a description of the procedural steps in the various proceedings referred to in Dexia Bank's Annual Report.

Inheritance tax case

The inquiry initiated by the judicial authorities on 28 September 1999 into Dexia Bank regarding possible inheritance tax evasion is drawing to a close. Four former senior managers were indicted at the end of March 2004, but have not been convicted. The bank still has every confidence in them. Dexia Bank has the necessary internal control and IT procedures in place to conform to the directives issued by the Belgian Banking, Finance and Insurance Commission in relation to the matter. There were no major developments in this case in 2008.

Lernout&Hauspie

The involvement of Dexia Bank in various proceedings relating to the Lernout&Hauspie Speech Products (LHSP) bankruptcy matter has been described in the Annual Reports 2005, 2006 and 2007. It should be noted that the present report does not contain a description of the procedural steps in the various proceedings referred to in the Annual Reports. Dexia Bank disputes the merits of all claims made against it in respect of the LHSP file.

Proceedings in Belgium

Criminal proceedings

The proceedings on the merits restarted on 7 January 2008. As from this date, the defendants argued their case. The oral pleadings have been closed on 19 December 2008. A judgment of the Ghent Court of Appeal - before which the case has been brought given the proceeding of "privilège de juridiction/voorrang van rechtsmacht" - on the criminal part is only to be expected in 2009. The civil aspect has been suspended sine die. Among the most important parties claiming damages are individual shareholders and the Belgian LHSP bankruptcy receivers.

In September 2008, Dexia Bank had received the files of 15.039 individual parties having filed claims for amounts estimated at € 313.495.611,27, USD 2.002.557,94 and Bef. 21.288.208. Additional shareholders could still join the proceedings in the future. Several parties claim provisional amounts, without mentioning their actual damage. The Belgian receivers of LHSP, are claiming approximately EUR 750 mio. This amount is largely contested by several parties, among which civil parties, which argue that the receivers' claim duplicates partially their own claims for damages. Discussions exist on the amounts in principal, the applicable interest rates and the exchange rate USD/€.

These events have been extensively covered and commented in the Belgian press.

Dexia Bank itself, which also suffered losses as a result of the LHSP bankruptcy, has also filed a claim as a civil party against the former senior executives of LHSP and the company LHSP for provisional amounts.

Civil proceedings

Several civil proceedings have been brought against - among others – Dexia Bank. The most relevant ones have been initiated by Deminor and the L&H Holding bankruptcy receivers. These civil proceedings duplicate the claims brought forward in the criminal proceedings.

Proceedings in the Netherlands and Luxembourg

In the proceedings regarding the Bastiaens loan, Banque Artesia Nederland (BAN) has complied with the judgment of the Luxembourg Court of Appeals dated 12 July 2006, by compensating BNP Paribas for the full value of the Parvest shares, which amounted to USD 30,039,336.54. In accordance with what was agreed in the context of the sale of BAN, Dexia Bank has reimbursed this amount to GE Commercial Finance Holding Nederland on 9 July 2007.

Proceedings in the USA

All the proceedings in the USA have been terminated.

Dexia Bank remains convinced of its innocence and has taken no specific provisions in relation to the Belgian proceedings in the LHSP matter.

Trend information relating to the Issuer

Other than the information set out elsewhere in this Prospectus (including without limitation the information relating to the financial markets turmoil), since 31 December 2007, there has been no material adverse change in the prospects of the Issuer and there are no other known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the prospects of the Issuer for the current financial year.

Financial information relating to the Issuer

Selected financial information

Under the Belgian Royal Decree of 5 December 2004 on the consolidated financial statements of credit institutions, Belgian credit institutions and investment firms are required to apply IFRS when drawing up their financial statements for financial years commencing on or after 1 January 2006. The Issuer has therefore produced and published financial statements in accordance with IFRS from 1 January 2006 onwards.

The consolidated financial information below has been extracted without material adjustment from the consolidated audited financial statements of the Issuer for the years ended on 31 December 2006 and on 31 December 2007 which were prepared in accordance with IFRS.

This Base Prospectus should be read and construed in conjunction with the audited consolidated accounts of Dexia Bank for the year ended on 31 December 2006 and on 31 December 2007, including the reports of the statutory auditors in respect thereof. The annual reports of the Issuer are available on the internet site of Dexia (www.dexia.be/viadexia/publications).

Audited consolidated balance sheet of the Issuer as of 31 December 2006 and 31 December 2007

ASSETS

in thousands of EUR		Dec. 31, 2006	Dec. 31, 2007
I.	Cash and balances with central banks	938 245	4 912 969
II.	Loans and advances due from banks	80 693 485	79 269 848
III.	Loans and advances to customers	83 545 044	80 205 945
IV.	Financial assets measured at fair value through profit or loss	15 484 989	16 195 140
V.	Financial investments	54 288 491	64 477 908
VI.	Derivatives	15 189 000	14 943 021
VII.	Fair value revaluation of portfolio hedge	225 929	(109 849)
VIII.	Investments in associates	616 901	628 391
IX.	Tangible fixed assets	1 318 279	1 297 492
X.	Intangible assets and goodwill	218 953	217 032
XI.	Tax assets	243 418	481 021
XII.	Other assets	1 616 848	2 149 498
XIII.	Non current assets held for sale	44 590	29 112
	Total assets	**254 424 172**	**264 697 528**

LIABILITIES

in thousands of EUR		Dec. 31, 2006	Dec. 31, 2007
I.	Due to banks	119 470 433	113 091 738
II.	Customer borrowings and deposits	66 536 382	76 079 030
III.	Financial liabilities measured at fair value through profit or loss	5 333 071	7 052 683
IV.	Derivatives	15 428 478	14 306 907
V.	Fair value revaluation of portfolio hedge	0	0
VI.	Debt securities	21 990 958	26 820 484
VII.	Subordinated debts	3 139 242	3 087 464
VIII.	Technical provisions of insurance companies	12 143 466	14 929 260
IX.	Provisions and other obligations	1 002 512	901 613
X.	Tax liabilities	186 627	130 903
XI.	Other liabilities	2 325 293	2 911 885
XII.	Liabilities included in disposal groups held for sale	0	0
Total liabilities		**247 556 462**	**259 311 967**

EQUITY

in thousands of EUR			
XIV.	Subscribed capital	958 066	958 066
XV.	Additional paid-in capital	209 232	209 232
XVI.	Treasury shares	0	0
XVII.	Reserves and retained earnings	3 202 512	3 216 186
XVIII.	Net income for the period	1 157 195	1 046 693
Core shareholders' equity		**5 527 005**	**5 430 177**
XIX.	Gains and losses not recognized in the statement of income	886 946	(231 557)
Total shareholders' equity		**6 413 951**	**5 198 620**
XX.	Minority interests	27 729	71 916
XXI.	Discretionary participation features of insurance contracts	426 030	115 025
Total equity		**6 867 710**	**5 385 561**
Total liabilities and equity		**254 424 172**	**264 697 528**

Audited consolidated statement of income of the Issuer as of 31 December 2006 and 31 December 2007

in thousands of EUR		Dec. 31, 2006	Dec. 31, 2007
I.	Interest income	37 929 848	54 832 258
II.	Interest expense	(35 967 959)	(52 624 237)
III.	Dividend income	118 068	114 550
IV.	Net income from associates	122 346	110 329
V.	Net income from financial instruments at fair value through profit or loss	78 324	(24 183)
VI.	Net income on investments	652 393 (1)	270 683
VII.	Fee and commission income	486 042	554 590
VIII.	Fee and commission expense	(92 595)	(102 000)
IX.	Premiums and technical income from insurance activities	3 521 081	4 518 424
X.	Technical expense from insurance activities	(3 735 193)	(4 826 133)
XI.	Other net income	(60 115)	63 125
	Income	**3 052 240**	**2 887 406**
XII.	Staff expense	(764 379)	(695 280)
XIII.	General and administrative expense	(517 308)	(564 856)
XIV.	Network costs	(352 575)	(366 889)
XV.	Depreciation & amortization	(142 371)	(108 660)
XVI.	Deferred acquisition costs	0	0
	Expenses	**(1 776 633)**	**(1 735 685)**
	Gross operating income	**1 275 607**	**1 151 721**
XVII.	Impairment on loans and provisions for credit commitments	(38 391)	(60 065)
XVIII.	Impairment on tangible and intangible assets	(1 269)	(1 370)
XIX.	Impairment on goodwill	0	0
	Net income before tax	**1 235 947**	**1 090 286**
XX.	Tax expense	(74 898)	(37 835)
	Net income of continuing operations	**1 161 049**	**1 052 451**
XXI.	**Discontinued operations (net of tax)**		
	Net income	**1 161 049**	**1 052 451**
	Attributable to minority interest	3 854	5 758
	Attributable to equity holders of the parent	1 157 195	1 046 693

Audited cash flow statement of the Issuer as of 31 December 2006 and 31 December 2007

in thousands of EUR	Dec. 31, 2006	Dec. 31, 2007
Cash flow from operating activities		
Net income after income taxes	1 161 049	1 052 451
Adjustment for:		
- Depreciation , amortization and other impairment	154 324	127 625
- Impairment on bonds , equities, loans and other assets	(64 919)	33 496
- Net gains on investments	(532 487)	(333 974)
- Charges for provisions (mainly insurance provision)	2 796 093	3 325 947
- Unrealized gains or losses	207	(25 841)
- Income from associates	(122 346)	(110 329)
- Dividends from associates	78 239	71 095
- Deferred taxes	(69 062)	(42 464)
- Other adjustments		
Changes in operating assets and liabilities	13 183 330	15 250 648
Net cash provided (used) by operating activities	**16 584 428**	**19 348 654**
Cash flow from investing activities		
Purchase of fixed assets	(149 116)	(273 503)
Sales of fixed assets	131 784	216 374
Acquisitions of unconsolidated equity shares	(826 965)	(2 265 014)
Sales of unconsolidated equity shares	983 581	1 663 980
Acquisitions of subsidiaries and of business units	217	(1 884)
Sales of subsidiaries and of business units	147 975	63 666
Net cash provided (used) by investing activities	**287 476**	**(596 381)**
Cash flow from financing activities		
Issuance of new shares	1 843	10 056
Issuance of subordinated debts	667 525	241 090
Reimbursement of subordinated debts	(238 561)	(276 905)
Purchase of treasury shares		
Sale of treasury shares		
Dividends paid	(881 457)	(871 284)
Net cash provided (used) by financing activities	**(450 650)**	**(897 043)**
Net cash provided	**16 421 254**	**17 855 230**
Cash and cash equivalents at the beginning of the period	**43 128 870**	**59 546 293**
Cash flow from operating activities	16 584 428	19 348 654
Cash flow from investing activities	287 476	(596 381)
Cash flow from financing activities	(450 650)	(897 043)
Effect of exchange rate changes and change in scope of consolidation on cash and cash equivalents	(3 831)	(3 092)
Cash and cash equivalents at the end of the period	**59 546 293**	**77 398 431**
Additional information		
Income tax paid	(165 956)	(76 089)
Dividends received	196 307	185 646
Interest received	38 940 874	56 169 377
Interest paid	(37 926 778)	(53 469 298)

Un*<u>audited consolidated balance sheet of the Issuer as of 30 June 2007 and 30 June 2008</u>*

DEXIA BANK BELGIUM

Assets	Consolidated Figures June 2007	Consolidated Figures June 2008	Δ
I. Cash and balances with central banks	596.591.435	3.272.353.220	2.675.761.785
II. Loans and advances due from banks	70.903.782.696	86.502.070.213	15.598.287.517
III. Loans and advances to customers	87.564.600.763	88.052.682.412	488.081.649
IV. Financial assets measured at fair value through profit or loss	16.546.292.889	17.091.802.449	545.509.560
V. Financial investments	56.797.823.164	62.767.185.512	5.969.362.348
VI. Derivatives	16.684.896.440	19.390.799.662	2.705.903.222
VII. Fair value revaluation of Portfolio hedge	-323.128.567	-537.582.109	-214.453.542
VIII. Investments in associates	597.769.299	578.337.599	-19.431.700
IX. Tangible fixed assets	1.246.860.520	1.294.162.525	47.302.005
X. Intangible assets and goodwill	206.489.906	228.078.705	21.588.799
XI. Tax assets	514.625.416	750.576.166	235.950.750
XII. Other assets	2.705.744.322	1.206.455.668	-1.499.288.654
XIII. Non current assets held for sale	37.932.792	41.550.003	3.617.211
Total Assets	**254.080.281.075**	**280.638.472.024**	**26.558.190.949**

DEXIA BANK BELGIUM

Liabilities

	Consolidated Figures June 2007	Consolidated Figures June 2008	Δ
Liabilities			
I. Due to banks	111.542.050.746	125.057.552.805	13.515.502.059
II. Customer borrowings and deposits	72.134.331.586	80.546.608.621	8.412.277.035
III. Financial liabilities measured at fair value through profit or loss	5.076.990.520	7.052.812.169	1.975.821.649
IV. Derivatives	14.997.288.326	17.508.628.558	2.511.340.232
V. Fair value revaluation of Portfolio hedge	0	0	0
VI. Debt securities and convertible debts	23.904.918.443	24.358.947.626	454.029.183
VII. Subordinated debts	3.340.141.070	2.839.777.410	-500.363.660
VIII. Technical provisions of insurance companies	13.128.404.674	16.915.375.525	3.786.970.851
IX. Provisions and other obligations	889.657.401	864.878.932	-24.778.469
X. Tax liabilities	213.264.523	173.215.337	-40.049.186
XI. Other liabilities	2.957.459.056	2.242.851.335	-714.607.721
XIII. Liabilities included in disposal groups held for sale	0	11.301.005	11.301.005
Total Liabilities	**248.184.506.345**	**277.571.949.323**	**29.387.442.978**
Equity			
XIV. Subscribed capital	958.066.226	958.066.226	0
XV. Additional paid-in capital	209.232.120	209.232.120	0
XVI. Treasury shares	-87	-87	0
XVII. Other reserves	2.648.259.527	3.030.509.757	382.250.230
XVIII. Retained earnings	547.392.070	733.462.916	186.070.846
XIX. Net income for the period	635.161.409	553.447.742	-81.713.667
Core shareholders' equity	**4.998.111.265**	**5.484.718.674**	**486.607.409**
Gains and losses not recognised in the statement of income	**639.313.586**	**-2.466.363.548**	**-3.105.677.134**
XX. Gains and losses of securities not recognised in the income statement	634.887.314	-2.428.430.239	-3.063.317.553
XXI. Gains and losses of derivatives not recognised in the income statement	-1.760.844	-12.689.222	-10.928.378
XXII. Gains and losses of associates not recognised in the income statement	10.064.400	-13.019.556	-23.083.956
XXIII. Non realized performance reserves relating to non current assets held for sale	0	0	0
XXIV. Cumulative translation adjustments	-3.877.284	-12.224.531	-8.347.247
Total shareholders' equity	**5.637.424.851**	**3.018.355.126**	**-2.619.069.725**
XXV. Minority interests	27.635.247	48.139.298	20.504.051
XXVI. Discretionary Participation Feature (Insurance)	230.714.632	28.277	-230.686.355
Total equity	**5.895.774.730**	**3.066.522.701**	**-2.829.252.029**
Total equity and liabilities	**254.080.281.075**	**280.638.472.024**	**26.558.190.949**

Unaudited consolidated statement of income of the Issuer as of 30 June 2007 and 30 June2008

DEXIA BANK BELGIUM

Income Statement	Consolidated Figures June 2007	Consolidated Figures June 2008	Δ
I. Interest income	25.918.892.542	28.101.049.700	2.182.157.158
II. Interest expense	-24.916.822.522	-26.735.289.438	-1.818.466.916
Net interest income	1.002.070.019	1.365.760.263	363.690.244
III. Dividend income	87.119.113	114.545.127	27.426.014
IV. Net income from associates	67.886.744	32.528.534	-35.358.210
V. Net income from financial instruments at fair value through profit or loss	94.063.737	-65.218.296	-159.282.033
VI. Net income on investments	228.515.020	34.689.627	-193.825.393
Net income on capital	**1.479.654.633**	**1.482.305.255**	**2.650.622**
VII. Fee and commission income	282.642.934	286.146.783	3.503.849
VIII. Fee and commission expense	-53.748.102	-59.278.433	-5.530.331
Net commissions	228.894.832	226.868.351	-2.026.481
IX. Premium and technical income from insurance companies	2.052.600.323	2.929.595.514	876.995.191
IX. Technical expense from insurance activities	-2.274.682.297	-3.130.098.561	-855.416.264
X. Other net income	22.485.078	23.055.771	570.694
Income	**1.508.952.569**	**1.531.726.330**	**22.773.761**
XI. Staff expense	-338.432.060	-344.916.431	-6.484.371
XII. General and administrative expense	-274.387.582	-274.475.211	-87.629
XIII. Network costs	-182.470.664	-183.786.258	-1.315.594
XIV. Depreciation & amortisation	-53.998.832	-50.663.530	3.335.302
XV. Deferred acquisition costs	0	0	0
Expenses	**-849.289.138**	**-853.841.430**	**-4.552.292**
Gross operating income	**659.663.431**	**677.884.900**	**18.221.469**
XVI. Impairment on financial assets and provisions for credit commitments	-25.596.498	-17.730.688	7.865.810
XVII. Impairment on tangible and intangible assets	198.056	628.978	430.922
XVIII. Impairment on goodwill			
Net income before tax	**634.264.989**	**660.783.190**	**26.518.201**
XIX. Tax expense	2.425.055	-103.321.301	-105.746.356
Net income	**636.690.044**	**557.461.889**	**-79.228.155**
XXI. Minority interests	-1.528.634	-4.014.145	-2.485.510
XXII. Net result attributable to shareholders of the parent	**635.161.410**	**553.447.744**	**-81.713.666**

Unaudited cash flow statement of the Issuer as of 30 June 2007 and 30 June 2008

DBB CONSOLIDATED	30/06/08	30/06/07
CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the period	553,447,743	635,161,409
Net income attributable to minority interests	4,014,145	1,528,634
ADJUSTMENT FOR :		
Depreciation, amortization and other impairment	59,117,460	62,776,293
Impairment on bonds, equities,loans and other assets	51,714,521	6,731,727
Net gains on investments	-95,073,686	-257,360,127
Charges for provisions	1,989,577,376	1,461,250,849
Unrealised gains or losses	-11,665,973	-8,407,929
Income from associates (except dividends received)	-32,528,534	-67,886,744
Dividends received from associates	62,490,579	68,369,547
Deferred taxes	19,496,087	-97,613,303
Other adjustments	2,805,060	0
Changes in operating assets and liabilities	-3,551,878,049	7,303,670,654
NET CASH PROVIDED BY OPERATING ACTIVITIES	**-948,483,271**	**9,108,221,010**
CASH FLOW FROM FINANCING ACTIVITIES		
Issuance of new shares	0	767,802
Reimbursement of capital	0	0
Issuance of subordinated debt	300,000,000	262,904,319
Reimbursement of subordinated debt	-186,153,517	-43,259,890
Purchase of treasury shares		
Sales of treasury shares		
Dividend paid	-503,545,444	-871,300,552
NET CASH PROVIDED BY FINANCING ACTIVITIES	**-389,698,961**	**-650,888,321**
Effect of exchange rates changes on cash and cash equivalents	**-250,355**	**-1,274,613**
NET INCREASE IN CASH AND CASH EQUIVALENT	**-1,983,122,882**	**8,383,445,063**
CASH & CASH EQUIVALENT AT THE BEGINNING OF PERIOD	77,398,430,713	59,546,292,575
NET CASH PROVIDED BY OPERATING ACTIVITIES	-948,483,271	9,108,221,010
NET CASH PROVIDED BY INVESTING ACTIVITIES	-644,690,295	-72,613,013
NET CASH PROVIDED BY FINANCING ACTIVITIES	-389,698,961	-650,888,321
EFFECT OF EXCHANGE RATES CHANGES ON CASH AND CASH EQUIV.	-250,355	-1,274,613
CASH & CASH EQUIVALENT AT THE END OF PERIOD	75,415,307,831	67,929,737,638

BALANCE SHEET (after appropriation)

ASSETS (in thousands of EUR)		31/12/06	31/12/07
I.	Cash in hand, balances with central banks and Post Office banks	387,201	369,052
II.	Treasury bills eligible for refinancing with central banks	112,438	289,035
III.	Loans and advances to credit institutions	78,733,286	82,174,338
	A. Repayable on demand	1,547,266	1,832,193
	B. Other loans and advances (with agreed maturity dates)	77,186,020	80,342,145
IV.	Loans and advances to customers	89,280,126	93,574,598
V.	Debt securities and other fixed-income securities	37,761,009	39,513,251
	A. Issued by public bodies	6,501,698	1,729,940
	B. Issued by other borrowers	31,259,311	37,783,311
VI.	Shares and other variable-yield securities	734,135	371,634
VII.	Financial fixed assets	7,998,944	8,130,074
	A. Participating interests in affiliated enterprises	7,236,967	7,250,820
	B. Participating interests in other enterprises linked by participating interests	396,755	396,483
	C. Other shares held as financial fixed assets	199,204	189,209
	D. Subordinated loans to affiliated enterprises and to other enterprises linked by participating interests	166,018	293,562
VIII.	Formation expenses and intangible fixed assets	9,467	12,045
IX.	Tangible fixed assets	885,780	887,819
X.	Own shares	0	0
XI.	Other assets	638,805	1,027,237
XII.	Deferred charges and accrued income	17,019,038	18,324,860
TOTAL ASSETS		**233,560,229**	**244,673,943**

LIABILITIES (in thousands of EUR)		31/12/06	31/12/07
I.	Amounts owed to credit institutions	118,450,964	112,232,517
	A. Repayable on demand	18,287,495	14,470,670
	B. Amounts owed as a result of the rediscounting of trade bills	0	0
	C. Other debts with agreed maturity dates or periods of notice	100,163,469	97,761,847
II.	Amounts owed to customers	79,599,404	95,687,513
	A. Saving deposits	24,472,001	22,588,939
	B. Other debts	55,127,403	73,098,574
	1. Repayable on demand	20,297,394	28,028,285
	2. With agreed maturity dates or periods of notice	34,830,009	45,070,289
	3. As a result of the rediscounting of trade bills	0	0
III.	Debts evidenced by certificates	11,235,156	10,760,340
	A. Debt securities and other fixed-income securities in circulation	7,039,964	6,896,297
	B. Other	4,195,192	3,864,043
IV.	Other liabilities	1,506,565	1,182,816
V.	Accrued charges and deferred income	15,857,222	17,779,373
VI.	A. Provisions for liabilities and charges	456,159	345,864
	1. Pensions and similar obligations	90,891	81,233
	2. Taxation	50,139	65,404
	3. Other liabilities and charges	315,129	199,227
	B. Deferred taxes	71,689	77,540
VII.	Global Banking Risks Reserve	988,737	988,737
VIII.	Subordinated liabilities	2,697,519	2,638,672
CAPITAL AND RESERVES		**2,696,814**	**2,980,571**
IX.	Capital	958,066	958,066
	A. Subscribed capital	958,066	958,066
	B. Uncalled capital (-)	0	0
X.	Share premium account	209,232	209,232
XI.	Revaluation surpluses	245	238
XII.	Reserves	1,522,520	1,808,871
	A. Legal reserve	231,333	231,333
	B. Reserves not available for distribution	2,344	2,344
	1. In respect of own shares held	0	0
	2. Other	2,344	2,344
	C. Untaxed reserves	165,409	176,753
	D. Reserves available for distribution	1,123,434	1,398,441
XIII.	Profits (losses (-)) brought forward	6,751	4,164
TOTAL LIABILITIES		**233,560,229**	**244,673,943**

STATEMENT OF INCOME (presentation in list form)

(in thousands of EUR)		31/12/06	31/12/07
I.	Interest receivable and similar income	7,210,818	9,665,238
	Of which: from fixed-income securities	1,658,502	1,929,663
II.	Interest payable and similar charges (-)	(6,171,470)	(8,609,333)
III.	Income from variable-yield securities	395,739	237,796
	A. From shares and other variable-yield securities	23,014	37,123
	B. From participating interests in affiliated enterprises	333,331	152,287
	C. From participating interests in other enterprises linked by participating interests	39,394	48,386
	D. From other shares held as financial fixed assets	0	0
IV.	Commissions receivable	401,429	497,889
V.	Commissions payable (-)	(404,737)	(411,792)
VI.	Profit (Loss (-)) on financial transactions	349,841	480,151
	A. On trading of securities and other financial instruments	108,346	295,861
	B. On disposal of investment securities	241,495	184,290
VII.	General administrative expenses (-)	(1,001,001)	(1,051,828)
	A. Remuneration, social security costs and pensions	(628,358)	(610,888)
	B. Other administrative expenses	(372,643)	(440,940)
VIII.	Depreciation (Amortization) of and other write-downs on (-) formation expenses, intangible and tangible fixed assets	(91,170)	(69,734)
IX.	Decrease (Increase (-)) in write-downs on receivables and in provisions for off-balance-sheet items «I. Contingent liabilities» and «II. Commitments which could give rise to a risk»	(20,794)	(32,345)
X.	Decrease (Increase (-)) in write-downs on the investment portfolio of debt securities, shares and other fixed-income or variable-yield securities	21,893	(17,438)
XI.	Utilization and write-backs of provisions for liabilities and charges other than those included in the off-balance-sheet items «I. Contingent liabilities» and «II. Commitments which could give rise to a risk»	55,084	171,757
XII.	Provisions for liabilities and charges other than those included in the off-balance-sheet items «I. Contingent liabilities» and «II. Commitments which could give rise to a risk»	(220,196)	(74,863)
XIII.	Transfer from (Transfer to) the Global Banking Risks Reserve	0	0
XIV.	Other operating income	114,492	158,605
XV.	Other operating charges	(73,568)	(201,813)
XVI.	Profits (Losses (-)) on ordinary activities before taxes	566,360	742,290
XVII.	Extraordinary income	417,343	317,664
	A. Adjustments to depreciation (amortization) of and to other write-downs on intangible and tangible fixed assets	7,430	261
	B. Adjustments to write-downs on financial fixed assets	15	213,051
	C. Adjustments to provisions for extraordinary liabilities and charges	0	0
	D. Gain on disposal of fixed assets	409,898	104,352
	E. Other extraordinary income	0	0
XVIII.	Extraordinary charges (-)	(14,489)	(219,518)
	A. Extraordinary depreciation (amortization) of and extraordinary write-downs on formation expenses and intangible and tangible fixed assets	(13,071)	(2,367)
	B. Write-downs on financial fixed assets	0	(800)
	C. Provisions for extraordinary liabilities and charges	0	0
	D. Loss on disposal of fixed assets	(1,060)	(215,417)
	E. Other extraordinary charges	(358)	(934)
XIX.	Profits (Losses (-)) for the period before taxes	969,214	840,431
XIX*bis*.	A. Transfer to deferred taxes (-)	(4,928)	(7,560)
	B. Transfer from deferred taxes	1,774	1,709
XX.	Income taxes	(57,305)	(41,377)
	A. Income taxes (-)	(77,181)	(48,924)
	B. Adjustment of income taxes and write-back of tax provisions	19,876	7,547
XXI.	Profits (Losses (-)) for the period	908,755	793,208
XXII.	Transfer to untaxed reserves (-)	(9,571)	(14,669)
	Transfer from untaxed reserves	3,437	3,325
XXIII.	Profits (Losses (-)) for the period available for approbation	902,621	781,864

Report of the board of auditors of the Issuer on the annual accounts for the financial year ended on 31 December 2007

The following report is a copy of the board of auditors of the Issuer on the consolidated accounts for the financial year ended on 31 December 2007, dated 28 March 2008 and as reproduced in the 2007 annual report of the Issuer:

To the shareholders

As required by law and the company's articles of association, we report to you in the context of our appointment as statutory auditors. This report includes our opinion on the consolidated accounts and the required additional disclosure.

Unqualified opinion on the consolidated accounts

We have audited the consolidated accounts of Dexia Bank Belgium NV/SA and its subsidiaries (the "Group") as of and for the year ended 31 December 2007, prepared in accordance with the international financial reporting standards, as adopted by the European union, and with the legal and regulatory requirements applicable in Belgium. these consolidated accounts comprise the consolidated balance sheet as of 31 December 2007, the consolidated statements of income, changes in shareholders' equity and cash flows for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The total of the consolidated balance sheet amounts to eur 264,697,528 (000) and the consolidated statement of income shows a profit for the year (Group share) of eur 1,046,693 (000).

The company's board of directors is responsible for the preparation of the consolidated accounts. This responsibility includes among other things: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated accounts that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on these consolidated accounts based on our audit. We conducted our audit in accordance with the legal requirements and auditing standards applicable in Belgium, as issued by the "institut des reviseurs d'entreprises/instituut der bedrijfsrevisoren". Those auditing standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated accounts are free from material misstatement.

In accordance with the auditing standards referred to above, we have carried out procedures to obtain audit evidence about the amounts and disclosures in the consolidated accounts. The selection of these procedures is a matter of our judgment, as is the assessment of the risk that the consolidated accounts contain material misstatements, whether due to fraud or error. in making those risk assessments, we have considered the Group's internal control relating to the preparation and fair presentation of the consolidated accounts, in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. We have also evaluated the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as the presentation of the consolidated accounts taken as a whole. Finally, we have obtained from the board of directors and Group officials the explanations and information necessary for our audit. We believe that the audit evidence we have obtained provides a reasonable basis for our opinion.

In our opinion, the consolidated accounts give a true and fair view of the Group's net worth and financial position as of 31 December 2007 and of its results and cash flows for the year then ended in accordance with international financial reporting standards, as adopted by the European union, and with the legal and regulatory requirements applicable in Belgium.

Additional disclosures

The company's board of directors is responsible for the preparation and content of the directors' report on the consolidated accounts.

Our responsibility is to include in our report the following additional disclosure, which does not change the scope of our opinion on the consolidated accounts:

“ the management report deals with the information required by the law and is consistent with the consolidated accounts. However, we are not in a position to express an opinion on the description of the principal risks and uncertainties facing the company, the state of its affairs, its foreseeable development or the significant influence of certain events on its future development. Nevertheless, we can confirm that the information provided is not in obvious contradiction with “the information we have acquired in the context of our appointment.

Brussels 28 march 2008

The Board of Auditors

PricewaterhouseCoopers d’Entreprises Reviseurs d’Entreprises represented by	*Deloitte Reviseurs SC s.f.d SCRL represented by*
Reobert Peirce Reviseur d’Entreprise	*Joseph Vlaminckx Reviseur d’Entreprise”*

<u>Report of the board of auditors of the Issuer on the annual accounts for the financial year ended on 31 December 2006</u>

The following report is a copy of the board of auditors of the Issuer on the consolidated accounts for the financial year ended on 31 December 2006, dated 28 March 2007 and as reproduced in the 2006 annual report of the Issuer:

To the shareholders

As required by law and the company’s articles of association, we report to you in the context of our appointment as statutory auditors. This report includes our opinion on the consolidated accounts and the required additional disclosure.

Unqualified opinion on the consolidated accounts

We have audited the consolidated accounts of Dexia Bank Belgium NV/SA and its subsidiaries (the “Group”) as of and for the year ended 31 December 2006, prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium. These consolidated accounts comprise the consolidated balance sheet as of 31 December 2006, the consolidated statements of income, changes in shareholders’ equity and cash flows for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The total of the consolidated balance-sheet amounts to EUR 254,424,172 (000) and the consolidated statement of income shows a profit for the year (Group share) of EUR 1,157,195 (000).

The company’s board of directors is responsible for the preparation of the consolidated accounts. This responsibility includes among other things: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated accounts that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on these consolidated accounts based on our audit. We conducted our audit in accordance with the legal requirements and auditing standards applicable in Belgium, as issued by the “Institut des Reviseurs d’Entreprises/Instituut der Bedrijfsrevisoren”. Those auditing standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated accounts are free from material misstatement.

In accordance with the auditing standards referred to above, we have carried out procedures to obtain audit evidence about the amounts and disclosures in the consolidated accounts. The selection of these procedures is a matter of our judgment, as is the assessment of the risk that the consolidated accounts contain material misstatements, whether due to fraud or error. In making those risk assessments, we have considered the Group's internal control relating to the preparation and fair presentation of the consolidated accounts, in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. We have also evaluated the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as the presentation of
the consolidated accounts taken as a whole. Finally, we have obtained from the board of directors and Group officials the explanations and information necessary for our audit. We believe that the audit evidence we have obtained provides a reasonable basis for our opinion.

In our opinion, the consolidated accounts give a true and fair view of the Group's net worth and financial position as of 31 December 2006 and of its results and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium.

Additional disclosure

The company's board of directors is responsible for the preparation and content of the directors' report on the consolidated accounts.

Our responsibility is to include in our report the following additional disclosure, which does not change the scope of our opinion on the consolidated accounts:

- *• The directors' report on the consolidated accounts includes the information required by the law and is in agreement with the consolidated accounts. However, we are not in a position to express an opinion on the description of the principal risks and uncertainties facing the companies included in the consolidation, the state of their affairs, their forecast development or the significant influence of certain events on their future development. Nevertheless, we can confirm that the information provided is not in contradiction with the information we have acquired in the context of our appointment.*

28 March 2007

The Board of Auditors

PricewaterhouseCoopers d'Entreprises Reviseurs d'Entreprises
represented by

Reobert Peirce
Reviseur d'Entreprise

Deloitte Reviseurs SC s.f.d SCRL
represented by

Joseph Vlaminckx
Reviseur d'Entreprise"

INFORMATION RELATING TO THE OFFER

Terms and conditions of the Offer

The Warrants will be offered for subscription as specified in the relevant Final Terms (the "Offering Period") at the relevant Issue Price (Commission included). The Issuer has the right to anticipatively terminate the Offering Period if the maximum amount of the Warrants issue has been reached or if the market conditions adversely affect the interest of the Issuer, as the case may be.

The Warrants have not been offered or sold and will not be offered or sold directly or indirectly and the Base Prospectus and the relevant Final Terms has not been distributed and will not be distributed, except in such circumstances that will result in compliance with all applicable laws and regulations.

The Warrants are deposited in a Dexia Bank securities account and Dexia Bank will not charge any fees for this service, nor for the opening of such securities account.

The Warrants have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and are subject to U.S. tax law requirements and, subject to certain exceptions, Warrants may not be offered, sold or delivered within the United States of America, including its territories and possessions, or to U.S. persons.

The Warrants will be offered at the relevant Issue Price (Commission included). This price comprises all costs.

The financial service will be performed by Dexia Bank.

The Offer is governed by the laws of Belgium. All disputes arising out of or in connection with the Offer shall be exclusively submitted to the jurisdiction of the competent courts in Brussels.

Use of the proceeds

The net proceeds of the issue of the Warrants will be used for covering the risks resulting of the issue of the Warrants by the Issuer. The Warrants issue will be subject to some out-of-pocket expenses and publicity fees estimated to be around EUR 25,000.

Admission to the Exchange

The Warrants offered will not be the object of an application for admission to trading on a stock Exchange or a regulated market. There are no securities of the same class as the Warrants to be offered that are already admitted to trading on an Exchange.

Dexia Bank will organise the secondary market from the day following the Issue Date, thereby providing liquidity through a single bid price per trading day. These bid prices are subject to a brokerage fee (excluding stock market tax) of 1% maximum. In addition, the bid prices of the Warrants are subject to the market conditions (in practice, the conditions between 4.30 pm. and 5.30 p.m. (Brussels time)) concerning, amongst other things, interest rates, the Underlying Value or volatility. The price of each previously executed transaction with the Warrants is available on demand in every agency of Dexia Bank Belgium or on www.dexia.be the day after the transaction occurred (Corporate Banking / Beleggingen / Warranten / Corporate Banking / Placements / Warrants).

Tax treatment

This section on the tax treatment only contains general information which is not intended to deal with specific aspects of an investment in Warrants. Potential investors are recommended to consult their tax or others advisers and make any assessment regarding the purchase of the Warrants on the basis of their own particular situation.

Tax system applicable to natural persons who do not use the Warrants for professional purposes

The acquisition of Warrants, whether or not for free, forms a benefit in kind for the beneficiary. The moment that is taken into account to tax this benefit is the date on which the Warrants are granted. This date of attribution is fixed on the 60th day following the date on which the Warrants were granted provided that the beneficiary accepts the Offer in writing within this period. The amount of the benefit to be taxed is calculated on the basis of the last indicative exchange rate on the day preceding the Offer, possibly reduced with the amount that the beneficiary has paid for these Warrants. The benefits acquired with to the sale of the Warrants, with the exercise thereof or with the sale of the Shares acquired pursuant to the exercise of the Warrants, do not form taxable professional income. Moreover, the profit is not taxable as various income, provided that it is not related to the usual administration of private property of the beneficiary (values in portfolio). The loss sustained with the sale of the Warrants is, however, not tax deductable.

Tax system applicable to enterprises who are subject to corporate taxes

In case a company grants Warrants by way of remuneration, the company can deduct the prime costs of the Warrants. A person (such as the employer) granting the Warrants should deliver individual slips 281 and records 325, otherwise these benefits will be considered as abnormal and benevolent benefits ("abnormale en goedgunstige voordelen") that should be attached to the taxable income. It is not excluded that the general provision relating to secret commissions (309%) may become applicable. If the company decides to keep its Warrants, corporate tax on the surplus value that the company would realize through the sale of the Warrants is to be paid. The short value that the company would book through the sale of the Warrants is tax deductable. Corporate tax is to be paid on the surplus value on the underlying assets booked at the exercise of the Warrants. The short value booked at the exercise of the underlying assets, however, is not tax deductable.

Additional information

Except for the audited financial statements of the Issuer, there is no information in the Base Prospectus which has been audited or reviewed by statutory auditors and no auditor has produced a report with respect to this Base Prospectus.

There is no statement or report attributed to a person as an expert included in the Base Prospectus.

The Issuer does not intend to provide post-issuance information.

INFORMATION RELATING TO THE WARRANTS

Terms and conditions of the Warrants

Form, denomination and title

The Warrants shall be represented by a temporary global warrant (the “Global Warrant”) representing the Warrants in bearer. The Global Warrant will be deposited on the Issue Date with Dexia Bank and will not be exchangeable for definitive Warrants. Dexia Bank will not charge any fees for Warrants held in securities account with Dexia Bank or for the opening of such securities account.

These Warrants can be exercised during the Exercise Period. Consequently, the only means through which the Warrant Holder can realize value from the Warrant prior to the Exercise Date is to sell it through the secondary market.

The issue of the Warrants has been authorized by resolutions of the Issuer, as will be specified in the relevant Final Terms.

Governing law and jurisdiction

The Warrants are governed by the laws of Belgium. All disputes arising out of or in connection with the Warrants shall be exclusively submitted to the jurisdiction of the competent courts in Brussels.

Currency

The Warrants are issued in EUR and their value will always be expressed in EUR.

Status

The Warrants constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank and will rank at all times pari passu without any preference among them. The payment obligations of the Issuer under the Warrants shall, subject to any exceptions as from time to time exist under applicable law, at all times rank equally with all its other present and future unsecured and unsubordinated obligations.

In particular, the Warrants will not be secured by the Underlying Value to which such Warrants relate.

Exercise procedure

<u>Exercise notice</u>

The day on which the Warrants are exercised is called the Exercise Date and falls within the Exercise Period. In order to exercise the Warrants the Warrant Holder shall fill out and file the attached exercise form at a Dexia Bank agency at the earliest at the start of the Exercise Period and at the latest on the Maturity Date. The exercise form (“avis d’exercice” / “uitoefeningsformulier”) is available in all Dexia Bank agencies.

In case of an Exercise the Warrant Holder will receive the Underlying Value on his securities account 3 business days after the Exercise Date.

The costs related to the Exercise amount to 2.5% of the Strike Price of the Warrant with a minimum of 100 EUR per transaction increased with the subscription costs and fees related to the Underlying Value.

If the Warrants are not exercised within the above-mentioned Exercise Period, they will be bought back by the Issuer at Maturity Date against the bid price at that date, which at Maturity Date equals the net asset value of the Underlying Value minus the Strike Price, in as far as this difference is a positive number. This amount will subsequently be reduced with a brokerage fee (with a maximum of 1%) and the stock market tax.

Settlement

Dexia Bank delivers or will deliver the Underlying Value to a securities account chosen by the investor or which must be opened by the investor for this purpose.

Consequence of the Exercise

The Exercise is irrevocable.

Exercise period

The Exercise Period is defined in the relevant Final Terms.

Exercise Notice

AVIS D'EXERCICE

Je, soussigné(e)

Nom : ____
Prénom : ____
Adresse : ____
titulaire de ________ (nombre) Very Long Term Warrants L EURO Series _________ sur l'action Dexia Equities L Euro 50 Capitalisation:

- déclare par la présente vouloir exercer ________ (nombre) Warrants et donc acheter le total des actions Dexia Equities L EURO 50 Capitalisation auxquelles j'ai droit au prix de < TO BE DETERMINED > EUR (le Prix d'Exercice mentionné dans le Prospectus relatif à l'émission des Very Long Term Warrants Series ________);

- m'engage à ce qu'à la Date d'Exercice mon compte _ _ _ - _ _ _ _ _ _ _ - _ _ chez Dexia Banque soit suffisamment approvisionné pour satisfaire le montant total du Prix d'Exercice, à savoir ______________ EUR, plus les frais liés à l'Exercice;

- autorise Dexia Banque à prélever le montant total du Prix d'Exercice plus les frais, sur ce compte;

- demande que les Valeurs Sous-Jacentes me soient livrées par inscription en mon dossier-titres numéro _ _ _ - _ _ _ _ _ _ _ - _ _ chez Dexia Banque;

- déclare avoir pris entière connaissance des conditions mentionnées dans le Prospectus de Dexia Banque relatif à l'émission des Very Long Term Warrants Series __________.

Fait le_________________________________ à _______________________

Signature :

UITOEFENINGSFORMULIER

Ik, ondergetekende

Naam : ____
Voornaam : ____
Adres : ____
houder van __________ (aantal) Very Long Term Warrants Series _________ op het aandeel Dexia Equities L Euro 50 Kapitalisatie:

* verklaar hierbij _____ (aantal) Warrants te willen uitoefenen en aldus het overeenstemmende aantal aandelen Dexia Equities L EURO 50 Kapitalisatie waarop ik recht heb aan te kopen tegen < TO BE DETERMINED > EUR (de Uitoefenprijs vermeld in het Prospectus van de uitgifte van de Very Long Term Warrants Series ___________);

* verbind mij ertoe dat op datum van de Uitoefening mijn rekening _ _ _ - _ _ _ _ _ _ _ - _ _ bij Dexia Bank over voldoende provisie zal beschikken om aan het totaal bedrag van de Uitoefenprijs, namelijk ______________ EUR te voldoen vermeerderd met de kosten verbonden aan de Uitoefening;

* geef Dexia Bank volmacht om het totaal bedrag van de Uitoefenprijs vermeerderd met de kosten, van deze rekening op te nemen;

* vraag dat de Onderliggende Waarden mij worden geleverd via inschrijving op mijn effectendossier nr. _ _ _ - _ _ _ _ _ _ _ - _ _ bij Dexia Bank;

* verklaar volledig kennis te hebben van de voorwaarden die vermeld staan in het Prospectus van Dexia Bank betreffende de uitgifte van Very Long Term Warrants Series __________.

Opgemaakt te____________________________ op _______________________

Handtekening :

Notices

For the Warrants held in a Dexia Bank securities account, all notices to the Warrant Holders shall be validly given by a direct notification from the Issuer each time the Issuer shall deem it necessary to give fair and reasonable notice. The Warrant Holder will be notified of his or her existing position at least once a year.

Any such notice shall be deemed to have been given on the date immediately following the date of notification from the Issuer.

Further information relating to the Warrants

Information relating to the pricing of the Warrants.

The value of the Warrants is determined, as with options, by valuation models for options (for example, the 'Black & Scholes' model, trinomial model,…). This value is determined by different variables. The impact of some of these variables can be described as follows:

- The value of the Underlying Value: the value of the Warrant increases if the Underlying Value increases in respect to the Strike Price.
- The Strike Price: the value of the Warrant increases if the Underlying Value increases in respect to the Strike Price.
- The volatility: the value of the Warrant varies according to the expected volatility of the Underlying Value until Maturity Date. The volatility is the change in the value of the Underlying Value calculated over a fixed time interval. The probability of a Warrant being more in-the-money is higher if the Underlying Values is highly volatile (i.e. if it has a large number of substantial price movements), than when the Underlying Value is little volatile. Accordingly, the value of a Warrant will increase if the volatility of the Underlying Value increases.
- The remaining maturity: the longer the remaining maturity (until Maturity Date) of a Warrant, the greater the probability of the Warrant being in-the-money at a certain point in time during this remaining maturity. Therefore under normal circumstances, the value of the Warrant with a longer remaining maturity will be greater than the value of a Warrant with a shorter remaining maturity. In short, the value of the Warrant decreases if the remaining maturity diminishes.
- The interest rate for the remaining maturity: the value of the Warrant increases if the interest rate until Maturity Date increases.

Investors may find information about the historical returns of the Underlying Value on the website of the Issuer or, if such information cannot be consulted on the website, through a written request at the corporate seat of the Issuer

Investors should take into consideration that all variables mentioned above may each influence the value of the Warrant independently. In practice, any of these variables can vary at the same time. Consequently, the change in the value of the Warrant can only be determined by taking into consideration the combined effect of the changes in value of each of these variables separately.

Information relating to the behaviour of the Warrants.

The Warrant has a leverage effect. This means that any variation in the price of the Underlying Value is in theory amplified.

A Warrant's leverage effect is determined by applying the following formula:

$$(\text{Leverage} = \partial P/\partial S \times S/P)$$

where:

S = the price of the Underlying Value
P = the value of the Warrant

The ratio $\partial P/\partial S$, which is called the Delta of the Warrant, is the degree to which the Warrant changes value divided by the degree to which the Underlying Value changes value. $\partial P/\partial S$ is not a constant, and the ratio changes throughout the term of the Warrant.

As and when the leverage effect approaches 1, a Warrant behaves more and more like the Underlying Value, and the risk associated with the Warrant is therefore almost the same as the risk associated with retaining that

Underlying Value. The above formula reveals that the leverage tends towards 1 if the Delta of the Warrant, $\partial P/\partial S$, and S/P tend towards 1. Both ratios move towards 1 as and when, among other things, the Warrant's term gets longer and therefore the Warrant's initial time value rises.

The Warrants issued by Dexia Bank have a very long term. The unavoidable consequence of this is that the initial leverage effect of the Warrant is almost equal to 1 (between 1 and 1.2). That also remains so for a large part of the lifetime of the Warrant.

Description of market disruption event or settlement disruption that affects the underlying

"Market Disruption Event" means in respect of the Share, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant scheduled closing time or (iii) an Early Closure.

If any Valuation Date is a Disrupted Day, then the Valuation Date shall be the first succeeding scheduled trading day that is not a Disrupted Day, unless each of the eight scheduled trading days immediately following the original Valuation Date is a Disrupted Day. In that case, (i) that eighth scheduled trading day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day and (ii) the Calculation Agent shall determine, its good faith estimate of the value of the Share as of the scheduled closing time on that eight scheduled trading day.

For the avoidance of doubt, the Valuation Date for the Share not affected by the occurrence of a Disrupted Day shall be the original Valuation Date.

Adjustments to the Underlying Value

Adjustments in case of the occurrence of a Potential Adjustment Event

Following the declaration by Dexia Bank of the terms of any Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will (i) make the corresponding adjustment, if any, to any one or more of the Strike Price and/or any of the other terms of these terms and conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect and (ii) determine the effective date of that adjustment (provided that no adjustment will be made as a result of any payment of an ordinary dividend, whether or not in the form of cash). The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by the Related Exchange to options on the Shares traded on that Related Exchange.

Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall give notice as soon as practicable to the Warrant Holders, stating the adjustment to the Strike Price and/or any of the other terms of these terms and conditions and/or the applicable Final Terms and giving brief details of the Potential Adjustment Event.

Adjustments in case of the occurrence of a De-listing, Insolvency, Merger Event or Nationalization

If a De-listing, Insolvency, Merger Event or Nationalization occurs in relation to the Share, the Issuer in its sole and absolute discretion may take the action described in (i), (ii) or (iii) below:

(i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of the Strike Price and/or any of the other terms of these terms and conditions and/or the applicable Final Terms to account for the Merger Event, De-listing, Nationalization or Insolvency, as the case may be, and determine the effective date of that adjustment. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the Merger Event, De-listing, Nationalization or Insolvency made by the Related Exchange to options on the Shares traded on that Related Exchange; or

(ii) cancel the Warrants by giving notice. If the Warrants are so cancelled the Issuer will pay the Early Termination Amount. If the Early Termination Amount is zero or negative, no payment will be due. Payments will be made in such manner as shall be notified to the Warrant Holders; or

(iii) following such adjustment to the settlement terms of options on the Shares traded on the Related Exchange, require the Calculation Agent to make a corresponding adjustment to any one or more of the Strike Price and/or any of the other terms of these terms and conditions and/or the applicable Final Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Related Exchange. If options on the Shares are not traded on the Related Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of the Strike Price and/or any of the other terms of these terms and conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, with reference to the rules and precedents (if any) set by the Related Exchange to account for the Merger Event, De-listing, Nationalization or Insolvency, as the case may be, that in the determination of the Calculation Agent would have given rise to an adjustment by the Related Exchange if such options were so traded.

Upon the occurrence of a Merger Event, De-listing, Nationalization or Insolvency, the Issuer shall give notice as soon as practicable to the Warrant Holders stating the occurrence of the Merger Event, De-listing, Nationalization or Insolvency, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

FINAL TERMS

Set out below is the form of Final Terms which will be completed for each series of Warrants issued under the Programme.

[Date]

DEXIA BANK
Limited liability Company of unlimited duration incorporated under Belgian law
Issue of [...] (Aggregate Nominal Amount of Series of Warrants)
[Title of relevant Series of Warrants]
under the EUR 1,000,000,000
Very Long Term Warrant

The issue of the Warrants has been authorized by resolutions of the Issuer dated [●].

Terms used herein shall be deemed to be defined as such in the Base Prospectus dated [●] which constitutes a base prospectus for the purposes of the Prospectus Directive. This document constitutes the Final Terms of the Warrants described herein for the purposes of Article 29, §2 of the Prospectus Law of 16 June 2006 and must be read in conjunction with the Base Prospectus, including, for the avoidance of any doubt, the Summary and any supplements to the Base Prospectus. Full information on the Issuer and the offer of the Warrants is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at [●] and copies may be obtained from the Issuer at that address.

These Final Terms relate to the securities and must be read in conjunction with, and are subject to, the provisions contained in the Base Prospectus as so supplemented. These Final Terms, and the relevant provisions constitute the conditions of each series of the Warrants described herein.

In case of any inconsistency between the Base Prospectus and the Final Terms, the Final Terms shall prevail.

Commission:	[●] EUR;
Costs:	There are no additional costs of subscription;
Exercise Date:	Date during the Exercise Period on which the Warrants are exercised;
Exercise Period:	Each business day on which commercial banks in Belgium are open for business from [●] until and including the Maturity Date;
Exercise:	Delivery of the Underlying Value against payment of the Strike Price. The request to Exercise needs to be submitted during the Exercise Period;
Governing law and jurisdiction:	The Warrants are governed by the laws of Belgium. All disputes arising out of or in connection with the Warrants shall be exclusively submitted to the jurisdiction of the competent courts in Brussels;
ISIN Code:	[●];
Issue Date:	[●];
Issue Price (Commission included):	10.00 EUR (being [●] EUR, increased with the Commission);

Issuer:	Dexia Bank, a limited liability company incorporated under the laws of Belgium (hereinafter “Dexia Bank”) (see the Base Prospectus for information about the Issuer);
Listing:	None;
Maturity Date:	[●];
Notional Amount:	Maximum [●] EUR;
Offering Period:	The Warrants will be offered for subscription from [●] until and including [●] (4 p.m. Brussels time);
Parity:	The Parity is the number of Warrants necessary to buy an Underlying Value at the payment of the Strike Price. The Parity equals [●]% of the net asset value of the Underlying Value at [●] (which will be posted on www.dexia.be on [●]) divided by the Issue Price (Commission excluded);
Payment Date:	[●];
Physical delivery:	Not applicable;
Responsibility:	The Issuer accepts responsibility for the information contained in these Final Terms;
Strike Price:	[The Strike Price is equal to the net asset value of the Underlying Value on [●] which will be posted on www.dexia.be (Sparen & Beleggen / Producten / Fondsen / Aandelenfondsen – Epargner & Investir / Produits / Fonds / Fonds d’actions) on [●] EUR)];
Underlying Value:	[The Underlying Value is a share of Dexia Equities L Euro 50 Capitalisation (ISIN code: LU0012091087 – Bloomberg Code: ELK3591 LX), a compartment of the Dexia Equities L, a UCITS incorporated under the laws of Luxembourg];
Warrant type:	The [●] Warrants can only be exercised during the Exercise Period.

Information relating to the Underlying Value

[The information regarding the Underlying Value has been sourced from the prospectus of Dexia Equities L Euro 50 (that is available free of charge in all Dexia Bank agencies and can be consulted at www.dexia.be : Sparen & Beleggen / Producten / Fondsen / Aandelenfondsen – Epargner & Investir / Produits / Fonds / Fonds SICAV d’actions). The Issuer confirms that this information has been partly reproduced from the Bloomberg screens < ELK3591 LX >. The Issuer also confirms that as far as it is aware and able to ascertain from such information, no facts have been omitted which would render the reproduced information inaccurate or misleading.]

[This information has been extracted from [Insert source]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Description and historical evolution of the Underlying Value

[Dexia Equities L Euro 50 is a compartment of Dexia Equities L, a UCITS incorporated under the laws of Luxembourg. The assets of this compartment consist mainly of a portfolio of variable-yield securities, mainly shares, convertible bonds and warrants issued for the most part by European companies and traded on the stock exchanges of those countries. At least two thirds of the net assets of the portfolio of this compartment are invested in equity-type transferable securities included in the Dow Jones EURO STOXX 50 ® index, although they are not themselves indexed. Two-thirds of the net assets will always be invested in euro-denominated securities on these markets.]

[The compartment may also hold, on an ancillary basis, cash or money market instruments whose residual maturity does not exceed 12 months.]

Historical evolution of the Underlying Value

Source: Bloomberg

	HIGH (in EUR)	*LOW (in EUR)*
1 January 1999 –31 March 1999	*579.20*	*529.89*
1 April 1999 – 30 June 1999	*596.89*	*552.60*
1 July 1999 - 30 September 1999	*612.44*	*544.27*
1 October 1999 – 31 December 1999	*742.99*	*554.78*
1 January2000 –31 March 2000	*857.50*	*694.09*
1 April 2000 – 30 June 2000	*834.95*	*756.97*
1 July 2000 - 30 September 2000	*827.75*	*760.75*
1 October 2000 – 31 December 2000	*779.46*	*703.84*
1 January 2001 –31 March 2001	*727.53*	*588.84*
1 April 2001 – 30 June 2001	*694.85*	*610.36*
1 July 2001 - 30 September 2001	*655.56*	*444.26*
1 October 2001 – 31 December 2001	*585.33*	*493.06*
1 January 2002 –31 March 2002	*584.96*	*523.03*
1 April 2002 – 30 June 2002	*575.16*	*452.06*
1 July 2002 - 30 September 2002	*487.56*	*338.82*
1 October 2002 – 31 December 2002	*413.73*	*332.16*
January 2003	*390.71*	*333.57*
February 2003	*350.90*	*318.07*
March 2003	*347.33*	*285.44*
April 2003	*365.53*	*314.64*

May 2003	*369.59*	*346.39*
June 2003	*393.06*	*368.28*
July 2003	*392.43*	*369.09*
August 2003	*405.26*	*380.28*
September 2003	*412.33*	*372.95*
October 2003	*400.73*	*379.31*
November 2003	*413.75*	*399.95*
December 2003	*428.25*	*412.31*
January 2004	*449.95*	*432.12*
February 2004	*456.20*	*437.43*
March 2004	*460.52*	*420.30*
April 2004	*452.37*	*433.36*
May 2004	*439.77*	*413.77*
June 2004	*444.89*	*424.08*
July 2004	*440.21*	*413.80*
August 2004	*425.95*	*406.58*
September 2004	*439.84*	*423.65*
October 2004	*446.24*	*430.17*
November 2004	*458.97*	*448.58*
December 2004	*463.46*	*453.41*
January 2005	*468.06*	*458.59*
February 2005	*484.96*	*471.79*
March 2005	*489.21*	*475.56*
April 2004	*484.47*	*460.83*
May 2005	*490.91*	*464.48*
June 2005	*504.90*	*491.40*
July 2005	*529.78*	*503.63*
August 2005	*536.15*	*512.03*
September 2005	*543.50*	*519.58*
October 2005	*549.35*	*514.17*
November 2005	*550.36*	*526.62*
December 2005	*572.86*	*554.39*
January 2006	*583.46*	*559.68*
February 2006	*603.57*	*581.09*
March 2006	*610.51*	*584.94*
April 2006	*615.20*	*595.33*
May 2006	*613.87*	*557.64*
June 2006	*575.31*	*537.35*
July 2006	*583.10*	*550.69*
August 2006	*604.02*	*574.14*
September 2006	*611.35*	*587.85*
October 2006	*629.77*	*607.66*
November 2006	*642.54*	*621.04*
December 2006	*647.18*	*616.14*
January 2007	*663.23*	*642.05*
February 2007	*674.31*	*642.85*
March 2007	*655.70*	*611.50*
April 2007	*691.54*	*654.29*
May 2007	*717.84*	*692.26*
June 2007	*724.34*	*695.66*
July 2007	*726.19*	*673.99*
August 2007	*695.22*	*646.85*
September 2007	*699.94*	*658.49*
October 2007	*713.42*	*694.54*
November 2007	*703.37*	*669.97*
December 2007	*716.75*	*690.26*
January 2008	*696.89*	*578.67*
February 2008	*621.70*	*590.15*
March 2008	*591.67*	*549.72*
April 2008	*615.49*	*603.23*

May 2008	*630.28*	*607.68*
June 2008	*615.02*	*552.66*
July 2008	*558.33*	*519.76*
August 2008	*565.25*	*537.12*
September 2008	*563.28*	*483.90*
September 2008	*563.28*	*483.90*
October 2008	*497.09*	*360.24*
November 2008	*442.30*	*350.78*
December 2008	*399,56*	*362,62*
Net Asset Value in EUR (2/1/2009)	*407,48*	

Source: *Bloomberg*

Description and historical evolution of the Dow Jones Euro Stoxx 50 ® index

General

The Dow Jones EURO STOXX 50 ® index represents the performance of 50 companies representing the market sector leaders in the Euro zone. The index is a free float market capitalisation weighted index which captures around 60% of the underlying market capitalisation of the Dow Jones EURO STOXX Total Market ® Index. Components weightings are based on the number of free float shares, i.e. those shares that are available for trading.

The index was developed with a base value of 1000 as of 31 December 1991.

The index is continuously calculated and quoted.

Calculation method and dissemination

The Dow Jones EURO STOXX 50 ® (Price EUR) index is calculated with the Laspeyres formula which measures price changes against a fixed base quantity weight.
The formula can be simplified as follows:

$Index_t = M_t / D_t$

D_t	= B_t / Base Value = divisor at time (t)
P_{i0}	= the closing price of stock (i) at the base date (31 December 1991)
q_{i0}	= the number of shares of company (i) at the base date (31 December 1991)
p_{it}	= the price of stock (i) at time (t)
q_{it}	= the number of shares of company (i) at time (t)
C_t	= the adjustment factor for the base date market capitalisation
t	= the time the index is computed
M_t	= market capitalisation of the index at time (t)
B_t	= adjusted base date market capitalisation of the index at time (t)
X_{it}^{EURO}	= cross rate: domestic currency in euros of company (i) at time (t) {applies only for companies that are not traded in euros}
Base value	= 1,000 for the blue chip indexes and 100 for all other indexes on the base date; i.e. 31 December 1991

The closing value of the Dow Jones EURO STOXX 50 ® index is calculated at 20.00 CET (Central European Time) based on the closing/adjusted price of the shares in the Dow Jones EURO STOXX 50 ® index. If a stock did not trade all day then the previous day's closing/adjusted price is used. The same applies in case of a suspended quotation or stock exchange holiday.

More information is also available on the internet web site: http://www.stoxx.com/

Revision of the index

Annual review procedure:

(1) Selection List

- For each of the 18 market sectors, the largest stocks in the Dow Jones EURO STOXX ® index qualify for the selection list until the coverage is as close to, above or below, 60% of the relevant Dow Jones EURO STOXX ® Total Market ® Index (TMI) sector™s total free float market capitalisation at the end of August, with changes effective on the third Friday in September.
- All current components of the Dow Jones EURO STOXX 50 ® index.
- All stocks on the selection list are then ranked by free float market capitalisation.
- In exceptional cases the supervisory board could make additions or deletions to the selection list.

(2) 40-60 Rule

The 40-60™ rule is then applied to select the blue chip stocks from the selection list:

- The largest 40 stocks on the list are selected.
- The remaining 10 stocks are selected from the largest remaining current stocks ranked between 41 and 60.
- If the number of stocks selected is still below 50, the largest remaining stocks are selected to bring the total to 50.

In addition, a selection list is also published on the first trading day of every month to indicate possible changes to the blue chip index composition at the next annual review or in case of extraordinary corporate actions.

The free float factors are reviewed quarterly. If the free float weighting of a blue chip component is more than 10% of the total free float market capitalisation of the Dow Jones EURO STOXX 50 ® index at a quarterly review, then it is reduced to 10% by a weighting cap factor that is fixed until the next quarterly review.

Composition of the index (as of 1 January 2009)

Ticker	**Name**
AGN NA Equity	Aegon NV
AI FP Equity	Air Liquide
ALO FP Equity	Alstom
ALV GY Equity	Allianz SE
MTP FP Equity	ArcelorMittal
G IM Equity	Assicurazioni Generali SpA
CS FP Equity	AXA SA
BBVA SQ Equity	Banco Bilbao Vizcaya Argentaria SA
SAN SQ Equity	Banco Santander Central Hispano SA
BAS GY Equity	BASF AG
BAY GY Equity	Bayer AG
BNP FP Equity	BNP Paribas
CA FP Equity	Carrefour SA
SGO FP Equity	Cie de Saint-Gobain
ACA FP Equity	Credit Agricole SA
DAI GY Equity	DaimlerChrysler AG
DBK GY Equity	Deutsche Bank AG
DB1 GY Equity	DEUTSCHE BOERSE
DTE GY Equity	Deutsche Telekom AG
EOA GY Equity	E.ON AG
ENEL IM Equity	Enel SpA
ENI IM Equity	ENI SpA

FORA NA Equity	Fortis
FTE FP Equity	France Telecom SA
BN FP Equity	Groupe Danone
IBE SQ Equity	Iberdrola SA
INGA NA Equity	ING Groep NV
ISP IM Equity	Intesa Sanpaolo SpA
PHIA NA Equity	Koninklijke Philips Electronics NV
OR FP Equity	L'Oreal SA
MC FP Equity	LVMH Moet Hennessy Louis Vuitton SA
MUV2 GY Equity	Muenchener Rueckversicherungs AG
NOK1V FH Equity	Nokia OYJ
RNO FP Equity	Renault SA
REP SQ Equity	Repsol YPF SA
RWE GY Equity	RWE AG
SAN FP Equity	Sanofi-Aventis
SAP GY Equity	SAP AG
SU FP Equity	Schneider Electric SA
SIE GY Equity	Siemens AG
GLE FP Equity	Societe Generale
GSZEFP Equity	GDF Suez SA
TIT IM Equity	Telecom Italia SpA
TEF SQ Equity	Telefonica SA
FP FP Equity	Total SA
UC IM Equity	UniCredito Italiano SpA
UNA NA Equity	Unilever NV
DG FP Equity	Vinci SA
VIV FP Equity	Vivendi
VOW GR Equity	Volkswagen AG

Source: *Bloomberg*

Historical evolution of the index

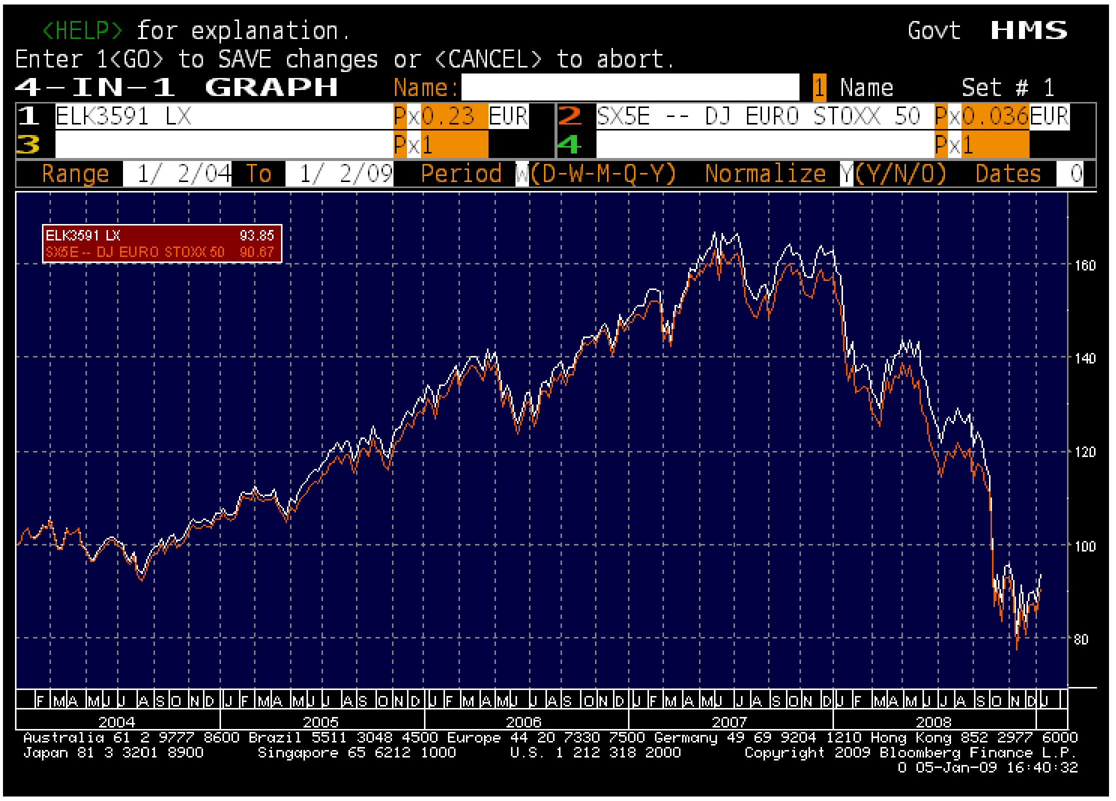
Source: Bloomberg

	HIGH	***LOW***
1 January1999 –31 March 1999	*3685.36*	*3325.56*
1 April 1999 – 30 June 1999	*3867.89*	*3573.60*
1 July 1999 - 30 September 1999	*3971.84*	*3512.71*
1 October 1999 – 31 December 1999	*4904.46*	*3607.72*
1 January2000 –31 March 2000	*5464.43*	*4500.69*
1 April 2000 – 30 June 2000	*5434.81*	*4903.92*
1 July 2000 - 30 September 2000	*5392.63*	*4915.18*
1 October 2000 – 31 December 2000	*5101.40*	*4614.24*
1 January 2001–31 March 2001	*4787.45*	*3891.49*
1 April 2001 – 30 June 2001	*4582.07*	*4039.16*
1 July 2001 - 30 September 2001	*4304.44*	*2877.68*
1 October 2001 – 31 December 2001	*3828.76*	*3208.31*
1 January 2002–31 March 2002	*3833.09*	*3430.18*
1 April 2002 – 30 June 2002	*3748.44*	*2928.72*
1 July 2002 - 30 September 2002	*3165.47*	*2187.22*
1 October 2002 – 31 December 2002	*2669.89*	*2150.27*
January 2003	*2529.86*	*2154.53*
February 2003	*2280.82*	*2058.97*
March 2003	*2249.11*	*1849.64*
April 2003	*2365.97*	*2067.23*
May 2003	*2389.7*	*2229.43*
June 2003	*2527.44*	*2365.76*
July 2003	*2519.79*	*2366.86*
August 2003	*2593.55*	*2436.06*
September 2003	*2641.55*	*2395.87*
October 2003	*2542.52*	*2427.06*
November 2003	*2592.91*	*2517.38*
December 2003	*2660.37*	*2572.70*
January 2004	*2746.40*	*2687.39*
February 2004	*2775.08*	*2678.48*
March 2004	*2804.06*	*2608.38*
April 2004	*2795.53*	*2694.18*
May 2004	*2753.15*	*2626.96*
June 2004	*2840.04*	*2713.29*
July 2004	*2806.62*	*2640.61*
August 2004	*2712.45*	*2580.04*
September 2004	*2790.67*	*2691.67*
October 2004	*2834.62*	*2734.37*
November 2004	*2922.24*	*2834.03*
December 2004	*2955.11*	*2888.02*
January 2005	*2984.59*	*2924.01*
February 2005	*3085.95*	*3008.85*
March 2005	*3114.54*	*3032.13*
April 2004	*3090.72*	*2930.10*
May 2005	*3096.54*	*2949.09*
June 2005	*3190.80*	*3099.20*
July 2005	*3333.05*	*3170.06*
August 2005	*3370.84*	*3224.10*
September 2005	*3429.42*	*3274.42*
October 2005	*3464.23*	*3241.14*
November 2005	*3471.43*	*3312.45*
December 2005	*3616.33*	*3499.40*
January 2006	*3691.41*	*3532.68*
February 2006	*3840.56*	*3671.37*
March 2006	*3874.61*	*3727.96*
April 2006	*3888.46*	*3770.79*
May 2006	*3890.94*	*3539.77*
June 2006	*3648.92*	*3408.02*

July 2006	*3710.60*	*3492.11*
August 2006	*3817.86*	*3640.60*
September 2006	*3899.41*	*3739.70*
October 2006	*4027.29*	*3880.14*
November 2006	*4109.81*	*3974.62*
December 2006	*4140.66*	*3932.09*
January 2007	*4195.22*	*4090.88*
February 2007	*4272.32*	*4087.12*
March 2007	*4191.58*	*3906.15*
April 2007	*4416.79*	*4189.55*
May 2007	*4512.65*	*4391.87*
June 2007	*4556.97*	*4376.42*
July 2007	*4557.57*	*4239.18*
August 2007	*4364.22*	*4062.33*
September 2007	*4389.33*	*4136.45*
October 2007	*4489.79*	*4356.24*
November 2007	*4415.27*	*4195.58*
December 2007	*4469.47*	*4301.34*
January 2008	*4339.23*	*3577.99*
February 2008	*3867.47*	*3678.16*
March 2008	*3684.54*	*3431.82*
April 2008	*3828.46*	*3671.28*
May 2008	*3882.28*	*3711.03*
June 2008	*3737.34*	*3340.27*
July 2008	*3387.50*	*3142.73*
August 2008	*3445.66*	*3248.92*
September 2008	*3416.46*	*3000.83*
October 2008	*3113.82*	*2293.05*
November 2008	*2755.12*	*2165.91*
December 2008	*2495,58*	*2252,09*
Closing Level (2/1/2009)	*2536,47*	

Source: *Bloomberg*

Historical evolution of the Underlying Value compared to the Index



Source: Bloomberg

ANNEXES

Annex 1: Articles of Association (unofficial translation)

DEXIA BANK BELGIUM
Abbreviated: Dexia Bank
Société anonyme

Boulevard Pachéco 44
1000 Brussels

RPM Brussels
VAT BE 403.201.185

CO-ORDINATED ARTICLES OF ASSOCIATION

Article 1 - NAME, LEGAL FORM, DURATION

The Company is a limited liability Company of unlimited duration.

The name of the Company is "Dexia Banque Belgique" in French, "Dexia Bank België" in Dutch, "Dexia Bank Belgien" in German and "Dexia Bank Belgium" in English, or in abbreviated form "Dexia Banque" and "Dexia Bank".

The Company may also carry on its business activities under the following commercial denominations "Artesia Banking Corporation", "Artesia BC", "Artesia Bank", "Banque Artesia", "Artesia", "BACOB", "BACOB Bank" and "BACOB Banque".

The Company publicly appeals to savings funds.

Article 2 - REGISTERED OFFICE, OTHER OFFICES

The registered office of the Company is situated at 1000 Brussels, boulevard Pachéco 44. The registered office may be transferred to another place, within the Region of Brussels-capital by decision of the Board of Directors.

The Company may establish offices and branches wherever the Board of Directors deems it useful.

Article 3 - OBJECT

The Company's object is to carry on the business of a credit institution and it has in furtherance of its object all the necessary powers, including the power to enter into transactions on financial derivatives. As such, the Company may - for its own account and for the account of third parties or in cooperation with third parties- even by intermediary of a natural person or a legal entity, both in Belgium and abroad, undertake any and all activities and carry out all banking transactions including inter alia:

1° transactions regarding deposits, credits within the broadest sense, brokerage, stock exchange related operations, launches of issues, guarantees and surety;

2° short, medium and long-term credit transactions, sustain investments by provinces, municipalities and organisations of a regional and local character, and likewise investments effected by all public establishments, companies, associations and organisations, which are constituted for regional and local purposes, and which provinces, municipalities and organisations of a regional and local character are authorised to support;

3° to further, by means of appropriate credit transactions, the day-to-day operation of the budgets of provinces, municipalities and organisations of a regional and local character, and of all other institutions referred to in 2° above, and likewise the day-to-day management of their concerns, public companies and enterprises.

Furthermore, the Company may distribute insurance products from third party insurance companies. The Company may acquire, own and sell shares and participations in one or more companies, within the limits provided for by the legal status of credit institutions.

The Company is entitled to carry out any transactions of whatever nature, inter alia financial, commercial, including goods and estate, relating directly or indirectly to the furtherance of its object or of such a nature as to facilitate the achievement thereof.

All the provisions of the present article must be interpreted in the broadest sense and within the context of the laws and regulations governing transactions of credit institutions.

Article 4 - CAPITAL, SHARES

The issued and fully paid-up capital amounts to three billion four hundred fifty eight million sixty six thousand two hundred twenty seven euros and forty one cent (EUR 3.458.066.227,41). It is divided into three hundred and fifty-nine million four hundred and twelve thousand six hundred sixteen registered shares (359.412.616) with no face value, each representing one / three hundred and fifty-nine million four hundred and twelve thousand six hundred sixteenth (1/359.412.616th) fraction of the share capital.

Article 4bis – AUTHORIZED CAPITAL

The board of directors is authorized to increase the authorized capital of the company in one or more instalments at such times and on such terms and conditions as it shall determine up to a maximum amount of twenty five million euros (25.000.000,00 EUR). Such authority shall be valid for a period of five years from the gazetting in the annexes to the Moniteur Belge [Official Gazette] of the alteration of the Articles resolved by the extraordinary general meeting of June 18th 2007. It shall be renewable.

The board of directors is authorized to issue in one or more instalments and on the conditions permitted by law, convertible bonds, equity notes, warrants or other financial instruments with share warrants attached up to a maximum amount fixed such that the capital resulting form the conversion or redemption of bonds or the exercise of the warrants or other financial instruments is not increased above the remaining maximum limit to which the board of directors is authorized to increase the capital pursuant to paragraph 1 hereof.

Increases of capital effected pursuant to these authorizations may be made by way of cash subscriptions, non-cash contributions within the permitted statutory limits, by capitalization of available or appropriated reserves, or share premiums, with or without an issue of new shares.

The board of directors shall act in observance of shareholders' statutory pre-emption rights. The board of directors may, in the interest of the company and in the conditions prescribed by statute, restrict or disapply existing shareholders' statutory pre-emption rights in respect of increases of capital subscribed in cash and for issues of convertible bonds, equity notes, warrants or other financial instruments with share warrants attached resolved by it, including in favour of one or more identified individuals other than employees of the company or its subsidiaries.

Any share premium resulting from an increase of capital resolved by the board of directors shall be recorded in a reserve account not available for distribution, which shall afford the same third party guarantees as the capital, and may not, other than where capitalised by resolution of the general meeting or board of directors as provided above, be reduced or cancelled other than by resolution of the general meeting taken in the conditions prescribed by article 612 of the Companies Code.

Article 5 - BENEFICIAL SHARES

There are three hundred thousand (300,000) registered beneficial shares. These beneficial shares have no face value and do not represent the share capital.

The beneficial shares are neither negotiable nor transferable, either for consideration or free of charge, except with the prior approval of the Board of Directors. Moreover, they cannot be pledged and may not be subject to the right of usufruct or any other form of splitting up economic and legal ownership, except with the prior approval of the Board of Directors.

Unless there are legal provisions to the contrary, beneficial shares shall not entitle their holders to attend General Meetings of the Company or to exercise any voting right.

They may only be cancelled by observing the procedure as provided for in article 560 of the Belgian Companies Code.

In case of a share capital increase, the holders of beneficial shares shall not enjoy any right of preferential subscription. Neither shall they have any preferential right when beneficial shares are issued on a later date.

Beneficial shares shall give right to a preferential dividend to be determined in a separate agreement. The total amount of dividends attributable each financial year to the entirety of the beneficial shares may not be more than two point two eight per cent (2.28 %) of the available profits as defined in article 13 of the articles of association, specific legal limits included. Beneficial shares shall give no right to the normal dividends distributed to the shareholders representing the share capital. A beneficial share shall no longer give right to a dividend when the beneficiary ceases to exist, after having received the dividend for the financial year preceding the financial year during the course of which the aforementioned occurs.

In the event of a winding up of the Company, if the beneficial shares still exist at that moment, and after all corporate debts being discharged or after allocation of the funds necessary to discharge those debts being made, the net proceeds of the winding up shall serve in the first place to pay the dividends to which the holders of beneficial shares are entitled until the date of winding up and which have not yet been paid. The holders of beneficial shares shall have no other right to participate in the distribution of the remaining portion of the net proceeds from the winding up of the Company.

Article 6 - COMPOSITION OF THE BOARD OF DIRECTORS

The Company is managed by a Board of Directors composed of maximum twenty-six members, who are appointed and may be revoked by the General Meeting. The majority of Directors, other than those referred to in the second paragraph, must be public representatives of local authorities.

The Board is composed of eight members who have professional experience in banking and financial matters, who shall be appointed by proposal of the Board of Directors in their capacity as members of the Management Board.

The mandates of the members of the Board of Directors are granted for a period of maximum four years. The members are eligible for re-election.

The General Meeting determines the remuneration of the members, with the exception of the members of the Board referred to in the second paragraph.

In the event of there being a vacancy on the Board, the Board of Directors provides for an interim appointment, in accordance with the nomination procedures referred to in this article. The following General Meeting shall make a permanent appointment. The mandate of the person so appointed shall be granted for a period of maximum four years.

The Chairman and Vice-Chairmen are appointed by the Board of Directors from among the members of the Board other than those referred to in the second paragraph.

The Board of Directors may set up one or more advisory committees from among its number and on its own responsibility. The Board shall determine their membership and describe their tasks.

The Board may appoint a Secretary, who is either a Director or not.

Article 7 – POWERS OF THE BOARD OF DIRECTORS

The Board of Directors shall have the powers to carry out all acts which are useful or necessary for the achievement of the object of the Company, except for the powers reserved to the General Meeting by law.

The Board of Directors may delegate special powers to its Chairman, its Vice-Chairmen or one or more of its members.

Article 8 – MANAGEMENT COMMITTEE

In accordance with the law, the Board of Directors may delegate all or part of the powers referred to in article 522, paragraph 1, 1 of the Belgian Companies Code to a Management Committee, for which only members of the Board of Directors can qualify. However, this delegation may not involve either the determination of general policy or acts reserved to the Board of Directors by other provisions of the said Company Code.

The Management Committee consists of maximum eight members who constitute a collegial body. The Chairman, Vice-Chairman and members are appointed by the Board of Directors from among the members referred to in article 6, second paragraph, by nomination of the Management Committee and with the approval of the Banking, Finance and Insurance Commission. The Chairman, Vice-Chairman and members may be removed from office by the Board of Directors, on the advice of the Management Committee and with the approval of the Banking, Finance and Insurance Commission. Termination of the mandate of a member of the Management Committee will result in the immediate termination of his mandate as a member of the Board of Directors. The remuneration of members of the Management Committee is determined by the Board of Directors in consultation with the Chairman of the Management Committee.

Every year, the Board of Directors will advise on the discharge to be given to the members of the Management Committee regarding the execution of their missions during the previous year.

The Management Board may appoint a Secretary, who is either a member of the Committee or not.

The quorum with which the committee may validly transact its business is at least half the directors present in person or by proxy. Each member may give a proxy to a fellow committee member by ordinary letter, telefax, printed email or any other way in writing. Provided that no director may hold proxies for more than one other committee member.

Meetings may be held by telephone conference or by videoconference. In that case, the meeting of the management committee shall be deemed to be held at the company's registered office.

The Management Board may validly deliberate and decide only when at least half of its members are present or represented. Each member is allowed to give another member power of proxy by letter, telefax, printed e-mail or any other written document. Each member can be represented by only one of his colleagues.

The decisions of the Management Board shall be taken by the simple majority of votes of all members present or represented. In case of a tighted vote, the vote of the chairman shall prevail.

Copies and extracts of the minutes of the Management Committee are signed by its Chairman, its Vice-Chairman, one of its members or the Secretary.

The Management Committee may delegate special powers to its Chairman, Vice-Chairman, one or more of its members, one or more members of the staff or any other person. The Committee may authorise sub-delegation thereof..

Article 9 – MEETINGS OF THE BOARD OF DIRECTORS

The Board meets when convened by the Chairman or, in the event of his absence, by one of the Vice-Chairmen or, in the event of the absence of the latter, two other members of the Board, whenever the interests of the Company so require. A meeting must be convened if three members of the Board so request.

Notices of meetings shall be validly made by letter, fax, email or any other means referred to in article 2281 of the Civil Code. Any director present or duly represented shall be assumed automatically to have been properly convened.

The meetings are chaired by the Chairman of the Board. In the absence of the Chairman, he shall be replaced by one of the Vice-Chairmen and, in the latter's absence, by a member designated by the other members of the Board from among members other than those referred to in article 6, second paragraph.

All deliberations require at least half of the members to be present or represented.

Decisions are taken by a majority of votes cast by the members present or represented, and in the event of a tied vote, the Chairman or the person representing him has the casting vote.

A member of the Board who is unable to be present may, by letter or any other means of communication in which the authority to vote on his behalf is recorded in a document, authorise another member to represent him and vote in his stead. However, no member of the Board may represent more than one other member.

In exceptional cases, duly justified by their urgency and in the interests of the Company, the decisions of the Board of Directors may be taken through the unanimous written consent of its members. The signatures of members of the Board may be placed either on one single document or on several copies of the same document. The decisions shall bear the date of the last signature placed on the said document or documents. However, recourse to this procedure shall not be possible for the closing of the annual accounts.

Meetings may be held by telephone conference or by videoconference. In that case, the meeting of the Board of Directors shall be deemed to be held at the company's registered office.

The minutes of the meetings are approved by the Board and signed by the Chairman or one of the Vice-Chairmen.

Copies and extracts of the minutes of the Board are signed either by the Chairman or one of the Vice-Chairmen of the Board, by the Chairman or the Vice Chairman or a member of the Committee, or by the Secretary of the Board

Article 10 - REPRESENTATION OF THE COMPANY

The Company is represented, both in legal proceedings and in relation to third parties, by two members of the Management Committee acting jointly.

The Company is also validly represented by one or more specially authorised agents within the limits of the powers conferred upon them.

Article 11 – AUDITORS

The auditing of the financial situation and the annual accounts of the Company is entrusted to one or more auditors approved by the Banking, Finance and Insurance Commission, who are appointed for a period of three years by the General Meeting, on the proposal of the Board of Directors and on the nomination of the Works Council.

If several auditors are appointed, they shall form a collegial body.

Article 12 – FINANCIAL YEAR, INVENTORY, ANNUAL ACCOUNTS

The financial year starts on the first of January and ends on the thirty-first of December.

On the thirty-first of December each year, the Board of Directors draws up an inventory of all assets, rights, receivables, debts and liabilities of whatever kind relating to the business activity of the Company and the Company's own funds allocated to this.

It reconciles the accounts with the inventory data and draws up the annual accounts.

Article 13 – DISTRIBUTION OF PROFITS

I. To the amount of the legal minimum, at least one twentieth of the net profits is taken each year to be allocated to the legal reserve.

   Distributable profits are made up of the net profits for the financial year, minus prior losses and the allocation provided for in the preceding paragraph, increased by the amount of credit balances carried forward.

II. The General Meeting, on the proposal of the Board of Directors, determines the portion of the distributable profits to be allocated to shareholders in the form of dividends, taking into account the provisions of article 5 of the present articles of association. With regard to any surplus, if any, the General Meeting decides either to carry it forward or to enter it under one or more reserve items of which it regulates the use and application. Furthermore, the General Meeting may decide to distribute sums withdrawn from the reserves available to it; in this case, the decision shall expressly indicate the reserve items from which the withdrawals are made. However, dividends are in the first instance taken from the distributable profits of the respective financial year.

III. The terms of payment of dividends are determined by the Board of Directors.

Under the conditions provided for in the Belgian Company Code, the Board of Directors may pay interim dividends.

Article 14 – ANNUAL MEETING

The Annual Meeting of shareholders takes place on the last Wednesday of April at 2.30 p.m., at the registered office or any other place indicated in the attendance notice. If that day is a legal or bank holiday, the Meeting will take place on the following bank working day.

Article 15 – FORMALITIES FOR ADMISSION TO THE GENERAL MEETING

The holders of registered shares must give notice of their intention to attend the General Meeting.

Any shareholder may be represented at the General Meeting by a proxy holder, whether the latter is himself a shareholder or not.

Bondholders, holders of warrants and certificates, issued in collaboration with the Company, may only attend the General Meeting in an advisory capacity.

Registered bondholders, registered holders of warrants and certificates, issued in collaboration with the Company, must at least five days prior to the date of the General Meeting, give notice in writing of their intention to attend the General Meeting.

Bearer bondholders, holders of warrants and certificates, issued in collaboration with the Company, must at least five days prior to the date of the General Meeting, deposit their securities at the registered office of the Company or at another place mentioned in the attendance notice; the holders of dematerialised securities must in the same manner deposit a certificate which is drawn up by the certified account holder or clearing institution, confirming that the securities are unavailable until the date of the Meeting, inclusive. They shall be admitted to the General Meeting upon presentation of the certificate proving that their securities or the certificate were deposited in time.

Co-owners, beneficial owners and bare owners, secured creditors and secured debtors must be represented respectively by one and the same person.

With the exception of resolutions which have to be passed by notarial act, the shareholders may adopt all resolutions, unanimously and in writing, for which the General Meeting is empowered. For this purpose the Board of Directors shall send the shareholders a registered circular and send the directors and statutory auditors a circular by ordinary mail, fax, e-mail or any other medium stating the agenda and motions and requesting approval of the motions by the shareholders and return of the letter, duly signed, to the address stated in the circular, within a period of fifteen banking days of receipt. If the approval of all shareholders is not received within this period, the resolution shall be deemed not passed. The holders of bonds, warrants and certificates issued with the company's collaboration may take note of the resolutions.

Article 16 – GENERAL MEETING

The Chairman of the Board of Directors chairs the Meeting. He also acts as a member of the board of the Meeting.

In the event of his absence, the Chairman is replaced by one of the Vice-Chairmen or, in the event of the latter's absence, by a member of the Board designated by the other members.

The minutes of the Meeting shall be signed by the members of the Board of the Meeting and by the shareholders who so request.

Copies and extracts of the minutes of the Meeting shall be signed by the Chairman or one of the Vice-Chairmen of the Board of Directors or by the Chairman, the Vice-Chairman or a member of the Management Committee.

Article 17 – WINDING-UP, DISTRIBUTION OF AVAILABLE ASSETS

In the event of the Company being wound up, the General Meeting appoints one or more liquidators, and determines their powers and fees and fixes the liquidation procedure.

The Board of Directors is as a matter of law responsible for the liquidation until the liquidators are appointed.

After clearance of the Company's debts and liabilities, the liquidation proceeds are distributed equally between the shareholders in one or more instalments.

Article 18 – ELECTION OF DOMICILE

The shareholders, members of the Board, auditors and liquidators are obliged to elect domicile in Belgium for all their dealings with the Company. If they do not comply with this obligation, they shall be deemed to have elected domicile at the registered office of the Company, where all writs, notices and summons will be served upon them and where all letters and communications may be sent to them.

TRANSITIONAL PROVISION

The new names and abbreviations are applicable as from the first of April two thousand and two. Any document emanating from the Company bearing the former names and abbreviations or the names or abbreviations of one of the Companies merged, even after the first of April two thousand and two, must, however, be read as emanating from the Company bearing the new names and abbreviations.

Annex 2: Dexia raises EUR 6.4 billion - Press Release 30/09/2008

This press release relates to Dexia NV. Any reference to "Dexia" is to be read as a reference to Dexia NV.

P R E S S R E L E A S E

Regulated information – Brussels, Paris, 30 September 2008 – 10:15 AM*

Dexia raises EUR 6.4 billion from the Governments of Belgium, France and Luxembourg and from existing shareholders

Concerted action by the three countries and existing shareholders to support Dexia

- **Belgian authorities and Belgian shareholders invest in total EUR 3 billion**
- **The French Government and CDC invest EUR 3 billion**
- **The Luxembourg Government invests EUR 376 million**

Today the authorities of Belgium and France, together with existing shareholders, announce that they have subscribed for an increase of the capital of Dexia at a price per share equal to the average of the closing prices of the Dexia share over the last 30 calendar days, i.e. EUR 9.90.

In addition, the Government of Luxembourg will subscribe for newly-issued convertible bonds for a total amount of EUR 376 million.

The agreement between the parties provides for the following allocation:

- *Belgium*

- the Belgian federal Government, the 3 Regions and the 3 institutional shareholders have agreed together to jointly invest EUR 3 billion in Dexia NV
    - The Belgian federal Government invests EUR 1 billion
    - The 3 Regions invest EUR 1 billion

        Flanders: EUR 500 million
        The Walloon region: EUR 350 million
        Brussels Capital Region: EUR 150 million

    - The current institutional shareholders invest EUR 1 billion

        Gemeentelijke Holding NV: EUR 500 million
        Arcofin CV: EUR 350 million
        Ethias: EUR 150 million

- *France*

- The French Government has agreed to invest EUR 1 billion in Dexia NV while CDC will invest a further EUR 2 billion.

- *Luxembourg*

- The Government of Luxembourg invests EUR 376 million in Dexia Banque Internationale à Luxembourg

* *Dexia is a listed company. This press release contains information subject to the transparency regulations for listed companies.*

S.A. in the form of convertible bonds.

EUR 6.4 billion of capital will secure a strong solvency for the Group

Due to the significant deterioration in the business and market environment and the financial distress of a number of financial services companies, Dexia made a careful assessment of its situation and decided to take decisive action and raise EUR 6.4 billion of capital.

Dexia expects its Tier 1 capital ratio at the end of September 2008, before the capital increase, to be above 10%.

The EUR 6.4 billion capital injection will allow Dexia to remain one of the better capitalized banks in Europe even when accounting for potential negative impacts that could arise from:

- Unprecedented market volatility creating potential impacts on marked-to-market securities and risk-weighted assets
- Overall deterioration in the creditworthiness of some banking counterparties - Further impairments on equity portfolios - Further deterioration in FSA Insured and Financial Products portfolios

Dexia is finalizing the terms and conditions of its support to FSA's Financial Products business line

In order to continue providing support to FSA's Financial Products liquidity whilst preserving Dexia's position and limiting its exposure, it has been decided that Dexia's USD 5 billion unsecured liquidity line granted to FSA's Financial Products asset management subsidiary would be converted into an equally sized repo facility hence significantly reducing the risk profile of this facility.

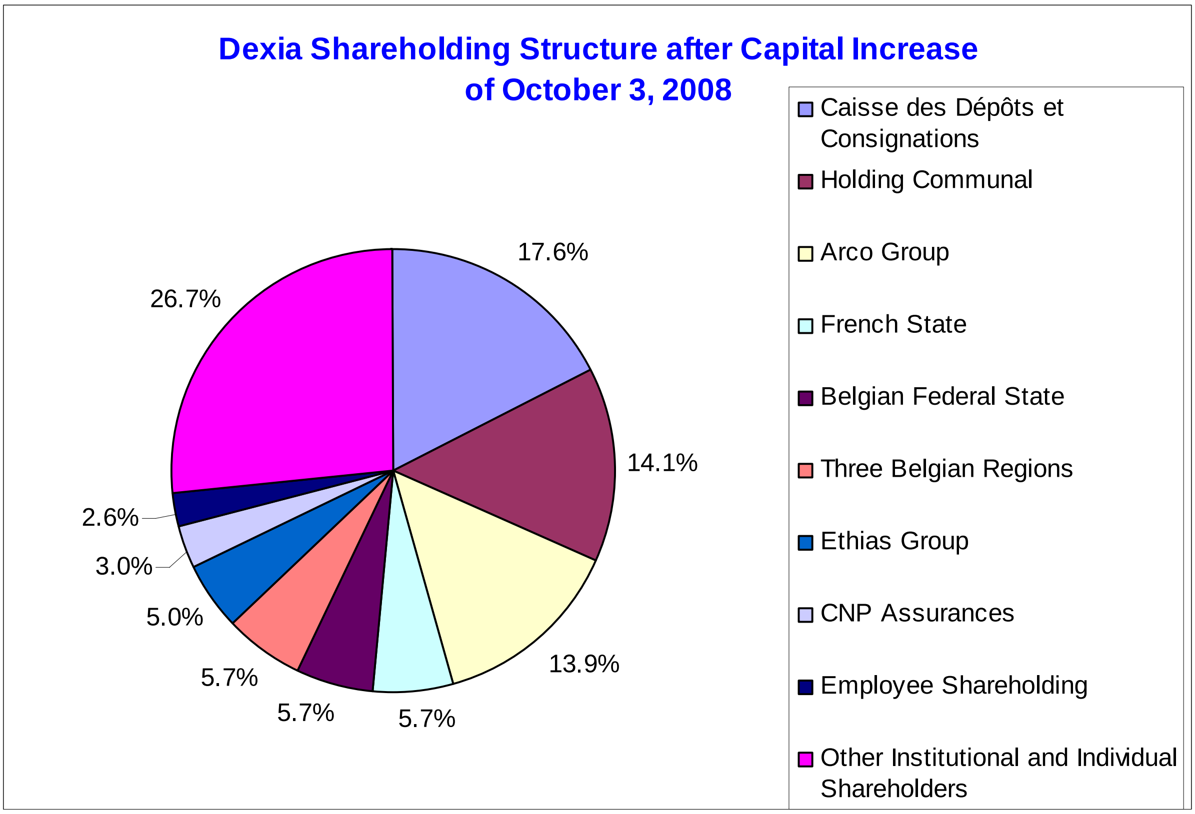
In taking the credit risk responsibility, Dexia has also decided that economic losses at FSA's Financial Products asset management subsidiary exceeding the USD 316 million recognized at the end of June 2008 would be compensated by capital injections into this subsidiary that shall under no circumstances exceed USD 500 million. Within that limit, the capital increases will match the amount of additional economic losses net of US corporate tax if and when they occur.

This measure will contribute to the liquidity of the Financial Products portfolios. This will allow to avoid divestments at distressed prices whilst capping Dexia's support and limiting its downside exposure.

Annex 3 : Shareholder structure on October 3, 2008

This shareholder structure relates to Dexia NV. Any reference to "Dexia" is to be read as a reference to Dexia NV.

	Shareholding in Dexia
Belgian Federal State, through *Société de Participations et d'Investissement*	5.7%
Flemish Region, through *Vlaams Toekomstfonds*	2.9%
Walloon Region, through *FIWAPAC*	2.0%
Brussels-Capital Region	0.9%
Holding Communal	14.1%
Arco Group	13.9%
Ethias Group	5.0%
French State, through *Société de Prise de Participation de l'Etat*	5.7%
Caisse des Dépôts et Consignations	17.6%
CNP Assurances	3.0%
Employee Shareholding	2.6%
Other institutional and individual shareholders	26.7%



Annex 4

This press release relates to Dexia NV. Any reference to "Dexia" is to be read as a reference to Dexia NV.

Press release dated 14 November 2008, relative to Dexia 's transformation plan and 3Q 08 results

PRESS RELEASE

Regulated information – Brussels, Paris, 14 November 2008 – 7:45 AM*

Dexia announces a EUR 1,544 million loss in 3Q 2008, an agreement to sell FSA Insurance Business, a sharp refocus on core businesses and a new management team

On 13 November 2008, the board of directors of Dexia, chaired by Mr. Jean-Luc Dehaene, reviewed and approved the Group's consolidated financial statements for the third quarter of 2008. It decided to limit its risks related to FSA by (i) entering into a binding agreement to sell the Insurance business of FSA and (ii) containing its exposure to FSA's Financial Products activity through a State guarantee. The board also approved Dexia's transformation plan presented by its chief executive officer, Mr. Pierre Mariani, and appointed a new management team.

3Q 2008 results highlights

- Dexia reported a net loss of EUR 1,544 million in 3Q 2008, reflecting a major negative impact from the financial crisis of EUR 2,191 million.
- Excluding all crisis impacts, net income was stable at EUR 647 million (group share).
- On YTD basis, net income (group share) amounted to a loss of EUR 723 million.
- Dexia has not made use in 3Q of the IAS 39 amendment which enables banks to reclassify their AFS investment and trading portfolio.
- State guarantees have enabled to overcome the liquidity crisis; EUR 6.0 billion capital injection has reinforced Dexia's solvency ratio, up to 14.5% Tier 1 at the end of September.

Sale of FSA Insurance Business

- Binding agreement to sell FSA Holding ("FSAH") to Assured Guaranty Ltd ("Assured Guaranty), a bond insurer listed on New York stock exchange.
- Financial Products activity excluded from the scope of transaction.
- Consideration of USD 361 million in cash and 44.6 million[1] of newly-issued Assured Guaranty shares. Based on Assured Guaranty's closing price of 13 November 2008 (USD 8.10 per share), the transaction results in:
    - A total consideration of USD 722 million;
    - A 50% cash / 50% stock consideration mix (up to 75% cash / 25% stock at buyer's discretion before closing);
    - A 24.7% Dexia ownership in Assured Guaranty.
- Completion subject to US regulatory and Assured Guaranty's shareholders' approvals.

** Dexia is a listed company. This press release contains information subject to the transparency regulations for listed companies.*

[1] 44,567,901 shares.

Containment of exposure to FSA's Financial Products activity

- Belgian and French States to provide guarantee of the assets of FSA Asset Management ("FSAM").
- Dexia to cover first loss of USD 3.1 billion on top of USD 1.4 billion existing reserves as of Sept. 30, 2008.

Transformation plan highlights

- The Group intends to reduce its risk profile through a significant decrease in trading activities and the run-off of bond portfolios, improving the liquidity situation.
- Dexia's activities will be refocused on core client franchise in Public, Retail & Commercial banking in core markets and selected geographies.
- A program targeting a 15% cost saving has been launched. EUR 300 million initial cost savings have already been identified, with significant savings achievable over 2009.
- The top management team is profoundly renewed, the organization simplified and the governance strengthened.

The social partners will be informed and consulted in due time, at European and at local level, before any decision will be made.

Mr. Jean-Luc Dehaene, chairman of the board, said "*I strongly welcome the agreement to sell FSA insurance activity as well as the granting by the Belgian and French States of a guarantee on FSA Financial Products activity, which allow Dexia to drastically reduce its exposure to the US. This guarantee, together with the previous State guarantee on Dexia wholesale funding and the recent capital injection by Dexia's core shareholders enables Dexia to face with confidence this major global financial crisis.*"

Mr. Pierre Mariani, chief executive officer and chairman of the management board of Dexia said: "*Amidst an unprecedented financial crisis, we need to tightly manage risks and restore sound business and financial discipline. We must now quickly focus on our core client franchises, reduce group's risk profile and remove unnecessary costs. With the commitment of our teams, the support from our shareholders and the trust from our clients, we can weather this deeply disturbed environment.*"

3Q results are further detailed at the end of the present document.

Sale of FSA Insurance Business

Dexia has entered into a sale and purchase agreement with Assured Guaranty Ltd (Assured Guaranty) relative to the sale of FSA Holdings (FSAH), excluding its Financial Products activity.

Through this transaction, Dexia will exit a no longer core insurance business with significant exposure to the US market. At the end of 3Q 2008, the sold Insured Portfolio – net of reinsurance – amounted to USD 425 billion of net par value, of which USD 315 billion was related to public finance and USD 110 billion to asset back securities.

The consideration received by Dexia will be USD 361 million in cash and 44.6 million[2] of newly issued Assured Guaranty shares. Based on Assured Guaranty's closing price of 13 November 2008 (USD 8.10 per share), the transaction results in: (i) a total consideration of USD 722 million; (ii) a 50% cash / 50% stock consideration mix (up to 75% cash / 25% stock at buyer's discretion, before closing); (iii) a 24.7% Dexia ownership in Assured Guaranty.

The combined entity will benefit from the highest level of financial solidity among financial guarantors. Assured Guaranty had a market capitalization of USD 737 million as of 13 November 2008, and is rated AAA (stable) by S&P, Aaa (under review) by Moody's and AAA (stable) by Fitch.

Completion is subject to US regulatory and Assured Guaranty's shareholders' approvals

Goldman Sachs acted as sole financial advisor to Dexia in the sale of FSAH to Assured Guaranty.

Containment of exposure to FSA's Financial Products activity

[2] 44,567,901 shares.

FSA's USD 16.5 billion Financial Products portfolio, managed by FSA Asset Management ("FSAM"), is excluded from the scope of the sale of FSAH. The Financial Products activity will thus be carved out of the transaction and be put into run-off, under Dexia's ownership.

The Belgian and French States have agreed to provide a guarantee of the assets managed by FSAM. Dexia will cover first loss of USD 3.1 billion above the amount of USD 1.4 billion already reserved for at 30 September 2008. If the losses exceed USD 4.5 billion, the States will be entitled to receive ordinary shares of Dexia or profit sharing certificates. This mechanism will be submitted for approval to a Dexia extraordinary shareholders' meeting.

Dexia will continue to ensure the liquidity of FSAM through the existing USD 5 billion liquidity line.

Dexia's Transformation plan

Reduction of Group's risk profile

The Group intends to reduce its risk profile through the following actions:

- The EUR 164 billion credit spread and public bond portfolios will be put in run-off and centrally managed;
- Proprietary trading activities will be stopped and the value-at-risk limits will be significantly reduced.

In order to improve its short and medium term liquidity, and reduce its balance sheet mismatch, the group already benefits from wholesale funding state guarantee from Belgium, France, Luxembourg and other country mechanisms. It will maximize deposit gathering in all its geographies and adjust its lending business to funding capabilities in each geography.

Priority on core franchises

The organization of the Group will be focused on two core client franchises: Public banking for comprehensive banking activities focused on local public finance clients and Retail & Commercial banking which now includes Retail, Corporate, Private banking as well as Insurance, Asset Management and Investor Services activities.

The Public banking model will be revisited in order to take into account the current market environment and the funding capacities of the group. The group will, from now on, focus on markets combining:

- Strong commercial franchises with direct client relationship and significant cross selling opportunities;
- Appropriate stable or long term domestic funding base;
- Attractive returns based on low risk "local authority" type of environment.

Dexia Retail & Commercial banking activities have demonstrated good resilience during the crisis and have supported the overall group liquidity. Dexia will continue to develop attractive retail, private and commercial banking franchises in Belgium, Turkey, Luxembourg and Slovakia, with stronger focus on attracting customer deposits. Certain developments in retail and private banking not offering attractive return patterns in a context of global liquidity crisis will be discontinued.

Cost savings

To adapt the Group cost base to the challenging market environment, a program targeting 15% cost savings over the next three years has been launched.

EUR 300 million cost savings have already been identified, with major savings already achievable in 2009.

The social partners will be informed and consulted in due time, at European and at local level, before any decision will be made.

New management board

In order to simplify and strengthen the group executive management team, the management board is renewed and reduced from 10 to 5 key positions:

- CEO & chairman of the management board (M. Pierre Mariani);
- Finance (M. Philippe Rucheton) with responsibilities covering now ALM and investor relations;

- Risks management (M. Claude Piret) with a fully integrated risks management line;
- Head of the Public Banking Business Line combined with the operational responsibility as CEO of Dexia Credit Local in France (M. Pascal Poupelle);
- Head of Retail & Commercial Banking Business Line combined with the operational responsibility as CEO of Dexia Bank Belgium (M. Stefaan Decraene).

Strengthened governance

In order to improve the group governance, the board of directors has decided to:

- Transform Dexia SA into a bank;
- Split the audit committee into two committees: one accounts committee and one internal control & risks committee meeting jointly at least once a year;
- Merge the remuneration and the nomination committees into one single remuneration and nominations committee.

3Q results detailed presentation

- Dexia reported a net loss of EUR 1,544 million in 3Q 2008, reflecting a major negative impact from the financial crisis of EUR 2,191 million.
- Excluding all crisis impacts, net income was stable at EUR 647 million (group share).
- On YTD basis, net income (group share) amounted to a loss of EUR 723 million.

Consolidated statement of income 3Q and 9M 2008						
In millions of EUR	3Q 2007	3Q 2008	Variation	9M 2007	9M 2008	Variation
Income*	**1,452**	**315**	**-78.3%**	**5,201**	**3,805**	**-26.8%**
Expenses	-967	-1,055	+9.1%	-2,830	-2,942	+4.0%
Gross operating income	**485**	**-740**	**ns**	**2,371**	**863**	**-63.6%**
Cost of risk	-47	-1,078	x 22.9	-100	-1,854	x 18.5
Impairment on (in)tangible assets	0	-5	ns	0	-12	ns
Tax expense	23	281	ns	-255	361	ns
Net income	461	-1,542	ns	2,016	-642	ns
Minority interests	22	2	ns	70	81	+15.7%
Net income – Group share	**439**	**-1,544**	**ns**	**1,946**	**-723**	**ns**
o/w Impact financial crisis	-216	**-2,191**		-244	**-2,758**	
o/w Net income excl. financial crisis	655	**647**		2,190	**2,035**	

** Income = interests, fees, and commissions, trading and other income; also mentioned as revenues.*

- The EUR 1,544 million 3Q08 loss was driven by EUR 2,191 million losses directly linked to the financial crisis, of which EUR 460 million from FSA and EUR 1,731 million from other credit and market effects.
- Revenues down 78% YoY owing to a EUR 1,606 million impact from the financial crisis. Excluding financial crisis impact, revenues were up 9.1% YoY.
- Costs up 9.1% YoY:
    - 1/3 of cost growth due to restructuring charges;
    - Remaining 2/3 mainly related to business developments.
- Cost of risk directly impacted by financial crisis for EUR 994 million. Excluding financial crisis, the cost of risk amounted to EUR 84 million.

Impact of the financial crisis

Financial impact on FSA			
In millions of EUR	Revenues (before tax)	Cost of risk (before tax)	Net income (after tax)
Own credit risk	+178		+115
MTM of insured CDS	-276		-178
Non economic FP impairments	-144		-93
Economic FP impairments	-139		-139
Losses on insured portfolio		-256	-165
Total	**-381**	**-256**	**-460**

Due to the deterioration of the economic and of the mortgage and financial markets environment in the US, FSA strengthened its provisions for a total after tax amount of EUR 460 million:

- Part of it came from the insured portfolio (EUR 165 million, after tax) and is related to the RMBS sector, and more specifically to transactions backed by home equity lines of credit (HELOCs), Alt-A mortgages and option ARMs.
- FSA also established "Other Than Temporary Impairments" for an amount, after tax, of EUR 232 million on certain assets which are held as available for sale in the Financial Products portfolio.
- In addition, FSA suffered from a EUR 178 million negative after tax mark-to-market effect on its insured Credit Default Swap (CDS) portfolio as a result of a further widening of market spreads.
- These negative impacts were partly offset by a positive mark-to-market adjustment on FSA's own credit risk (EUR +115 million, after tax).

Impact from credit and financial markets			
In millions of EUR	**Revenues (before tax)**	**Cost of risk (before tax)**	**Net income (after tax)**
Losses on Dexia's bond investment portfolio	-538	-292	-741
Collective provision for credit risks	-5	-325	-320
Losses on trading books	-407		-304
KA, DKB and DBS related losses	-177	-115	-267
Insurance – losses and impairments	-140		-138
Client indemnifications & other imp. and trading losses	-111	-6	-94
Securitization related CDS	153		134
Total	**-1,225**	**-738**	**-1,731**

- Dexia's bond investment portfolios were affected by the deterioration in the creditworthiness of some banking counterparties for a total amount, after tax, of EUR 741 million. This amount breaks down into the following: EUR 482 million on Lehman brothers; EUR 188 million on Icelandic banks; EUR 63 million on Washington Mutual and EUR 9 million on Hypo Real Estate. Losses on Lehman Brothers are higher than first expected as a more conservative recovery rate was retained (10%) and as the replacement costs of derivative products proved higher than anticipated due to adverse market conditions.

- Dexia decided to book an after tax EUR 320 million additional collective provision for credit risks. Reduced visibility and adverse credit risk factors led Dexia to adopt a cautious approach and build this additional reserve.

- Dexia's trading books were affected by the unprecedented market turbulences for an after tax amount of EUR 304 million. This is mostly explained by the effect of widening spreads on Treasury & Financial Markets trading portfolios, among which the trading portion of the Credit Spread Portfolio is the largest. Of notice, Dexia did not make use of accounting reclassification options related to the recently adopted IAS 39 amendment.

- An after tax charge of EUR 267 million related to the situation in Central Europe. As disclosed on 3 November 2008, the transaction by which Dexia exits from Kommunalkredit Austria AG and takes full ownership of Dexia Kommunalkredit Bank AG had a net impact of EUR 105 million. In addition, Dexia was affected by a clients related forex loss of EUR 82 million via its Slovakian subsidiary (disclosed on October 28), by a EUR 68 million after tax impact related to 3Q 2008 bond impairments at Dexia's previously 49% held Kommunalkredit Austria and by other items for a total amount of EUR 12 million.

- Insurance operations also booked a number of impairments, mainly on financial bonds and shares, for a total after tax amount of EUR 128 million. With realized gains below realized financial losses, the estimated impact from the financial crisis is estimated at EUR -138 million, after tax.

- A number of smaller negative impacts were also identified as a direct consequence of this exceptional financial crisis for an amount of EUR 94 million, after tax.

- Two securitization-related CDS had a positive after tax impact of EUR 134 million, as a result of the widening of market credit spreads.

3Q results per business line

All major business lines were impacted by the financial crisis.

Net income 3Q 2008 by business line			
In millions of EUR	**Net income (excl. financial crisis)**	**Impact financial crisis**	**Reported net income**
PWB (excl. FSA)	309	-430	-121
FSA	93	-460	-366
PFS	125	-278	-153
TFM	118	-981	-863
AM	20	-16	4
IS	18	0	18
CA	-36	-28	-64
Total	**647**	**-2,191**	**-1,544**

Public and Wholesale Banking (excluding FSA)

Reported statement of income						
In millions of EUR	**3Q 2007**	**3Q 2008**	**Variation**	**9M 2007**	**9M 2008**	**Variation**
Income	**575**	**485**	**-15.6%**	**1,702**	**1,899**	**+11.6%**
Expenses	-206	-231	+12.3%	-596	-658	+10.4%
Gross operating income	**369**	**254**	**-31.1%**	**1,106**	**1,241**	**+12.2%**
Cost of risk	-12	-288	x 24	-31	-324	x 10.5
Net income – Group share	**269**	**-121**	**ns**	**789**	**645**	**-18.3%**
o/w Impact financial crisis	4	**-430**		5	**-280**	
o/w Net income excl. financial crisis	265	**309**		784	**925**	

- 3Q08 Net loss resulting from a EUR 430 million loss related to the financial crisis, partly offset by EUR 41 million non-recurring items.
- Financial crisis effects mainly reflect the situation in Central Europe (Kommunalkredit Austria, Dexia Kommunalkredit Bank and Dexia banka Slovensko) and a part of the Group's 3Q collective provision for credit risks.
- Excluding crisis impact and non-recurring:
    - Revenues up 9% YoY;
    - Costs up 12% YoY due to International developments;
    - Operating profit up 6% YoY;
    - Cost of risk remained low at EUR 34 million;
    - Slight increase in net income.

In terms of PWB activity:

- Outstanding up 18.5% YoY, due to strong originations during previous years/quarters.
- Originations down 23% due to overall liquidity constraints/constrained growth of bond portfolio.
- Origination capabilities were refocused on historic markets (+36% in 3Q) and high margin commercial relationships.
- Improving asset margins and market shares in France and Belgium.

Personal Financial Services

Reported statement of income						
In millions of EUR	**3Q 2007**	**3Q 2008**	**Variation**	**9M 2007**	**9M 2008**	**Variation**
Income	**695**	**518**	**-25.5%**	**2,103**	**1,960**	**-6.8%**
Expenses	-476	-537	+12.8%	-1,391	1,499	+7.8%
Gross operating income	**220**	**-19**	**ns**	**712**	**461**	**-35.2%**
Cost of risk	-19	-159	x 8.3	-47	-200	x 4.3
Net income – Group share	**175**	**-154**	**ns**	**565**	**198**	**-64.9%**
o/w Impact financial crisis	0	**-278**		0	**-278**	
o/w Net income excl. financial crisis	175	**125**		565	**476**	

- 3Q08 Net loss resulting from:
    - EUR 278 million loss related to the financial crisis;
    - EUR 46 million restructuring charges: Russia and Belgium.
- Financial crisis effects mainly reflect:
    - Impairments/losses on the Insurance subsidiary investment portfolio;
    - Part of the Group's 3Q08 collective provision for credit risks;
    - Payment to deposit guarantee in Luxembourg;
    - Loss in Slovakia.
- Excluding crisis impact and restructuring charges:
    - Revenues up 3% YoY, o/w DenizBank up 34%;
    - Costs up 6% YoY, o/w DenizBank up 25%;
    - Cost of risk unchanged;
    - Net income flat YoY.

In terms of PFS activity:

- Customer assets down 5% YoY, as market effects more than offset positive net inflows.
- Customer assets down 2% QoQ (mainly due to a negative market effect), but customer deposits base was resilient.
- Loans up 15% YoY with double digit growth in all categories.
- Strong growth at DenizBank (loans up 55% and customer assets up 24% YoY).

Asset Management

Reported statement of income						
In millions of EUR	3Q 2007	3Q 2008	Variation	9M 2007	9M 2008	Variation
Income	**68**	**35**	**-48.7%**	**211**	**159**	**-24.7%**
Expenses	-39	-33	-15.6%	-114	-107	-5.7%
Gross operating income	**30**	**2**	**-92.1%**	**97**	**51**	**-46.9%**
Cost of risk	0	0	ns	0	0	ns
Net income – Group share	**26**	**4**	**-85.1%**	**87**	**45**	**-48.7%**
o/w Impact financial crisis	0	**-16**		0	**-16**	
o/w Net income excl. financial crisis	26	**20**		87	**61**	

- Volumes under pressure: AuM at EUR 94 billion, down EUR 5.1 billion QoQ (of which EUR 2.8 billion due to a negative market effect).
- Net profit affected by a financial crisis related commercial cost (EUR 16 million, post tax).
- Excluding financial crisis effect:
    - Asset Management revenues suffered from challenging market context (-25%YoY);
    - Focus on cost control (-16% YoY).

Investor Services

Reported statement of income						
In millions of EUR	3Q 2007	3Q 2008	Variation	9M 2007	9M 2008	Variation
Income	**103**	**101**	**-1.4%**	**314**	**320**	**+1.9%**
Expenses	-74	-76	+3.4%	-209	-223	+6.8%
Gross operating income	**29**	**25**	**-13.5%**	**106**	**98**	**-7.9%**
Cost of risk	1	0	ns	0	0	ns
Net income – Group share	**20**	**18**	**-9.7%**	**77**	**68**	**-11.9%**
o/w Impact financial crisis	0	**0**		0	**0**	
o/w Net income excl. financial crisis	20	**18**		**77**	**68**	

- Commercial performance:
    - Number of funds under administration up 7% QoQ (+11% YoY);
    - Number of shareholder accounts in transfer agent up 2% QoQ (+18% YoY).
- Assets under administration (USD 2.4 trillion) down 14% QoQ (-16% YoY) due to a significant negative market effect.
- Resilient revenue performance; +3.0% YoY at constant exchange rate.
- Continued sizeable investments: costs up 6.7% YoY at constant exchange rate.

Treasury and Financial Markets

Reported statement of income						
In millions of EUR	**3Q 2007**	**3Q 2008**	**Variation**	**9M 2007**	**9M 2008**	**Variation**
Income	**25**	**-606**	**ns**	**436**	**-222**	**ns**
Expenses	-57	-66	+15.6%	-163	-180	+10.7%
Gross operating income	**-33**	**-672**	**ns**	**273**	**-402**	**ns**
Cost of risk	0	-353	ns	0	-353	ns
Net income – Group share	**-22**	**-863**	**ns**	**223**	**-633**	**ns**
o/w Impact financial crisis	-82	**-981**		-82	**-1.048**	
o/w Net income excl. financial crisis	60	**118**		305	**415**	

- 3Q08 Net loss resulting from:
  - EUR 981 million loss related to the financial crisis;
  - EUR 20 million restructuring charge.
- EUR 981 million financial crisis related loss mainly reflects:
  - EUR 741 million loss on bond investment portfolios (Lehman Brothers, Icelandic Banks, Washington Mutual, Hypo Real Estate);
  - EUR 301 million negative MtM on trading portfolios and CVA.
- Still high contribution of Cash & Liquidity Management until the end of September (EUR 128 million in 3Q).
- Size of CSP portfolio was stabilized.
- Costs are stable excluding restructuring charges.

Strong solvency

Dexia's solvency ratio improved substantially over the quarter from 11.4% at the end of June 2008 to 14.5% at the end of September.

This marked improvement is entirely due to the EUR 6.0 billion capital increase recently underwritten by Dexia's main shareholders and the French and Belgian States. As also announced on the 30 September 2008, an additional EUR 0.4 billion Tier 1 capital will be provided by the Government of Luxembourg in the form of convertible bonds. At that point in time, Dexia highlighted that the EUR 6.4 billion Tier 1 capital increase secures a strong solvency for the Group, even when accounting for the impacts from the financial crisis.

Considering the sale of FSA financial guarantee business and the containment of Dexia's exposure to FSA's Financial Products activity, the estimated pro forma Tier 1 ratio is 11%.

After an important reduction due to market spread changes during 1H 2008, the Group's IFRS total shareholders' equity stabilized at EUR 8.5 billion as of September 2008, despite the EUR 6.0 billion positive impact related to the capital increase. With credit market spreads widening substantially during the 3Q of 2008, accumulated Other Comprehensive Income (OCI) deteriorated from EUR -7.0 billion at end of June 2008 to EUR -11.5 billion at end of September 2008 (Dexia did not make use of accounting reclassification options related to the recently adopted IAS 39 amendment).

Core shareholders' equity, which excludes accumulated Other Comprehensive Income, was EUR 20.1 billion at end of September 2008.

Shareholders' equity and solvency

	Dec. 2007	June 2008	Sept. 2008	Variation in 3 months
Core shareholders' equity (EUR m)	16,112	15,639	20,089	+28.5%
Total shareholders' equity (EUR m)	14,525	8,604	8,547	-0.7%
Tier 1 capital (EUR m) *	14,549	13,843	18,741	+35.4%
Total weighted risks (EUR m) *	159,383	121,670	129,400	+6.4%
Tier 1 ratio *	9.1%	11.4%	14.5%	
Net assets per share				
- Core shareholders' equity (EUR)	12.87	13.07	11.18	
- Total shareholders' equity (EUR)	11.51	6.99	4.63	

** Basel I applied as of Dec. 2007; Basel II applied as of June and Sept. 2008.*

Outlook 4Q

4Q reported results will be adversely impacted but solvency will remain strong:

- Dislocation of financial markets in the beginning of 4Q
- IAS39 amendment to be implemented in 4Q
- Sale of FSA Inc. and containment of Financial Products
- Increased cost of funding:
    - Market deteriorations since end of 3Q
    - Additional costs linked to State guarantees
- Beginning of scaling down of activities/portfolios
- Additional restructuring charges

Detailed information on results and balance-sheet data are provided in the 3Q 2008 Financial Report, available on the website www.dexia.com.

Annex 5

This press release relates to Dexia NV. Any reference to “Dexia” is to be read as a reference to Dexia NV.

Press release dated 30 January 2009, relative to Dexia ’s transformation plan and estimated net loss of 3 billion euros in 2008

Dexia implements its transformation plan to strengthen its recovery and should book an estimated net loss of 3 billion euros in 2008

Implementation of the transformation plan

- **Improvement of the Group’s risk profile**
  - The sale of the insurance activities of FSA is well under way, and all the accounting and prudential impacts of the sale of FSA will be recorded in the fourth quarter 2008
  - In-depth restructuring of trading activities
- **Acceleration of the refocusing of public finance activities**
- **Savings of 200 million euros from 2009**
  - In this context Dexia submits today to the social partners a plan for the adaptation of workforce numbers to the new activity perimeter through a reduction of the number of full time positions by about 900 in 2009
- **Efforts shared by shareholders, management and employees**
  - Proposal to cancel dividends exceptionally for the 2008 financial year
  - Lowering of the compensation to Directors for 2009
  - No bonus paid to management in respect of 2008

Results estimate

- **Estimated net loss of 3 billion euros in 2008**
  - An estimated net loss of 2.3 billion euros in the fourth quarter 2008, including 1.7 billion euros in relation to FSA’s insurance activities being sold
- **Group’s Tier 1 solvency ratio estimated at more than 10% at the end of December 2008**

** Dexia is a listed company. This press release contains information subject to the transparency regulations for listed companies*

The Dexia Board of Directors met yesterday evening in Brussels, chaired by Mr Jean-Luc Dehaene, to review the progress made on the transformation plan announced on November 14, 2008. It also examined the situation regarding the closing of the financial statements for 2008.
The Board observes that the initial work commenced two months ago on the transformation plan by Mr Pierre Mariani and his teams is progressing in line with the targets announced and the priorities set by the Board, particularly on the reduction of the Group’s risk profile and the refocusing on core businesses.
The Board approved the initial savings measures put forward, which will contribute up to 200 million euros in 2009 to the programme for an overall cost reduction of 15% over three years announced on November 14, 2008.
The Board also made a detailed examination of the plan to reduce the workforce submitted to them as a part of the transformation plan. It approved its principles and terms, as well as a proposal to reduce the workforce by about 900 full time positions in 2009.
The transformation plan will be submitted to the social partners within all the staff representative bodies concerned and to the competent bodies.
The Board also observes that the last months of the 2008 financial year are still affected, as forecast, by an economic situation which has deteriorated and a market environment which is still extremely strained and volatile. As forecast, the results for the last quarter 2008 include the entire accounting impact of the sale of FSA insurance activities. The estimated and non-audited net income should therefore be reflected by a loss of approximately 2.3 billion euros including 1.7 billion euros with regard to FSA’s insurance activities being sold. On the basis of these estimated and not yet audited data, the net income for the year 2008 should result in a net loss of approximately 3 billion euros. The Group’s Tier 1 solvency ratio should be above 10% at the end of December 2008, after taking full account of the impact of the ongoing sale of FSA’s insurance activities.
Jean-Luc Dehaene, Chairman of the Board of Directors, stated that, *“The steps announced today are difficult but necessary if our Group is to adapt to the demanding conditions of a sustainable recovery. The implementation of this transformation plan requires a contribution from shareholders, management and employees alike, with everyone assisting to place Dexia back on a firm footing.”*
Pierre Mariani, Chief Executive Officer, said, *“As we expected, the turbulence sweeping the financial markets and the economy for several months did not ease in the last quarter. The rapid implementation of the Dexia*

transformation plan to which we committed ourselves two months ago with the support of the Belgian, French and Luxembourg governments is now more than ever a necessity. I am aware that it requires effort and sacrifice by all, but it is fair and measured. We will adjust our workforce to our new activity perimeter respecting the Dexia culture of dialogue. I am confident of our ability from 2009 to gather the first fruit of this unprecedented mobilisation."

Implementation of the transformation plan

1. **Reduction of the Group's risk profile**

The sale process of FSA's insurance activity is in line with the planned timetable

An important point was reached on January 20, 2009 with the authorisation, by the US anti-trust authorities, for the sale of FSA insurance activities to Assured Guaranty. At the same time, the guarantee from the Belgian and French governments on the assets of FSA AM is at the stage of finalisation and approval by the European Commission. Dexia ensures the liquidity required for the realisation of the sale. Dexia is recording all the accounting and prudential impacts of the sale of FSA in the fourth quarter 2008. The Group maintains its aim to close the transaction at the beginning of the second quarter 2009, which will reduce its risk profile.

The Group's liquidity situation is gradually improving

The Board of Directors observes that the general market situation is still strained, but that the Group's liquidity situation is gradually improving. Dexia benefits from the States guarantee and has taken initiatives to structurally improve its refinancing requirements.

The guarantee from the Belgian, French and Luxembourg governments announced on October 9, 2008 was approved by the European Commission and its technical mechanism was validated by the three rating agencies Standard & Poor's, Moody's and Fitch.

The accumulated amount of deposits collected by the retail bank from its clients, both institutional and individual, increased at the end of the year so that in December 2008 it reached a higher level than before the crisis which began at the end of September 2008. This positive trend is significant for the deposits collected in Belgium from individual savers.

These good results are evidence of the loyalty of depositors and the confidence shown in the Dexia Group by its clients.

An in-depth reorganisation of trading activities

The organisation of trading activities (TFM), dispersed and decentralised as they were, was inefficient and exposed the Group to operational risks.

It was proposed and accepted by the Board that this activity should be reorganised in line with the following key principles:

- reduction by half of the Value at Risk limits for TFM activities and reduction of the activity perimeter as proprietary trading activities are stopped;
- tightening of the organisation around two market platforms, in Brussels (trading, central treasury) and Dublin (management of run-off portfolios) in order to strengthen control of the activities.

This reorganisation will also contribute to the reduction of the Group's risk profile.

2. **Transformation of Public and Wholesale Banking (PWB) activities**

An accelerated geographical refocusing

As announced in November, Dexia continued to work on analysing its PWB operations, leading to a refocusing on markets where the Group has the benefit of a commercial franchise, a local long-term funding capacity and potential for profitable growth.

The Board has already ratified the following proposals:

- Discontinuation of activities in Australia, Eastern Europe (excluding Dexia Banka Slovensko), Mexico, India and Scandinavia. These activities will be sold or carried out to partners after consultation of the regulatory authorities concerned;
- In Japan, Germany and Switzerland, maintenance of establishments to retain platforms for access to funding sources, in particular the German *Pfandbriefe*, but without any commercial development;
- Significant reduction of activities in the United Kingdom and North America;
- Confirmation of the commercial franchise in France, Belgium and Luxembourg, as well as in Italy and in the Iberian Peninsula.

Moreover, work is underway regarding PWB strategy, aiming at strengthening the range of products and services to customers. This approach, which is already largely effective in Belgium, will enable the Group to go beyond its role of specialist lender in order to offer a better service to a broader customer base.

3. **Cost reduction plan**

The programme announced on November 14, 2008 aims at reducing the Group's cost base by 15% in three years. It reflects the efforts made by the Group to adapt its organisation and its commercial product range in a crisis context.
From 2009, the impact of the savings plan on the financial statements will be in the order of 200 million euros. Almost half of these savings relates to the company's non-compensation charges.
On a proposal from the members of the Management Board and the Executive Committee of Dexia SA and of the Management Boards of Group's principal entities, the Board decided that no variable compensation will be paid to them for the 2008 financial year.
On a proposal from the Directors, the Board decided to reduce their compensation for 2009.

4. Workforce reduction plan

The refocusing and the review of activities announced in November 2008 are also accompanied by an overall workforce reduction plan, which is submitted today to the Group's European Works Council and its national works councils.
The principal elements presented to the works councils are as follows:

- A reduction of about 900 full time positions for the entire Group in 2009;
- The reduction will take place using instruments adapted to the diversity of situations prevailing in those of the Group's entities which are subject to the plan;
- Each departure envisaged will have the benefit of specific support and monitoring measures;

This plan will be discussed respecting the culture of social dialogue which has always prevailed in Dexia.
Dexia will use all levers allowing the impact on jobs to be reduced to a minimum.

Results estimate

Group results for the fourth quarter 2008: preliminary data

As forecast, the fourth quarter financial statements bear the mark of still difficult market conditions which have prevailed during this period and the accounting of losses associated with the ongoing sale of FSA's insurance activities.
On the basis of the provisional and non-audited data available, Dexia Group should book a net loss of approximately 2.3 billion euros in the fourth quarter 2008.
Two factors contribute to this result: on the one hand, an estimated net loss of 1.7 billion euros with regard to FSA's insurance activities being sold; on the other hand, 1.2 billion euros resulting from additional provisions and impairments as a consequence of the financial crisis.

On the basis of these estimated and not yet audited data, the Group's Tier 1 solvency ratio should be above 10% at the end of December 2008, after taking full account of the impact of the planned sale of the insurance activities of FSA and the consolidation of the Financial Products activity. This estimate does not integrate the contribution of 0.4 billion euros Tier 1 corresponding to the convertible bond issue which the Luxembourg government has undertaken to subscribe (+ 0.2% of additional Tier 1). The core Tier 1 ratio (Tier 1 capital minus hybrid capital) should be above 9% at the end of December 2008.
Finally, as announced on November 14 last, Dexia has retained the accounting reclassification options resulting from the adoption of amendment IAS 39 in the fourth quarter 2008.

Dividend

The Board of Directors has decided to propose to the next General Shareholders' Meeting that exceptionally no dividend should be paid for the financial year 2008.

Next meeting

The Board of Directors will meet on February 25, 2009 to draw up the final results for 2008. Dexia will publish those detailed results for the fourth quarter and for the full year 2008 on February 26, next at 07.00 Brussels/Paris time.

<u>Disclaimer</u>

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This press release may include future expectation and/or forward-looking statements and assumptions related to the possible evolutions of business environment. By their very nature, statements contained in this document involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution readers not to place undue reliance on these statements as a number of important factors could cause our actual results to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates and intentions expressed in such statements. Such important factors may include, but are not limited to, general economic conditions, general competitive factors, changes in the availability or costs of liquidity, general market conditions, changes in laws and regulations (including accounting principles), changes in the policies of regulatory authorities, changes in

interest rates and/or exchange rates, and other factors not specified herein. In any event, such forward-looking statements speak only as of the date on which they are made, and Dexia does not undertake any obligation to update or revise such statements as a result of new information, future events or otherwise.

Annex 6: Exercise note

<u>AVIS D’EXERCICE</u>

Je, soussigné(e)

Nom : ______________________________________
Prénom : ______________________________________
Adresse : ______________________________________
titulaire de ________ (nombre) Very Long Term Warrants L EURO Series ___________ sur l’action Dexia Equities L Euro 50 Capitalisation:

- déclare par la présente vouloir exercer ________ (nombre) Warrants et donc acheter le total des actions Dexia Equities L EURO 50 Capitalisation auxquelles j'ai droit au prix de < TO BE DETERMINED > EUR (le Prix d'Exercice mentionné dans le Prospectus relatif à l'émission des Very Long Term Warrants Series ___________);

- m'engage à ce qu’à la Date d’Exercice mon compte _ _ _ - _ _ _ _ _ _ _ - _ _ chez Dexia Banque soit suffisamment approvisionné pour satisfaire le montant total du Prix d'Exercice, à savoir ______________ EUR, plus les frais liés à l’Exercice;

- autorise Dexia Banque à prélever le montant total du Prix d'Exercice plus les frais, sur ce compte;

- demande que les Valeurs Sous-Jacentes me soient livrées par inscription en mon dossier-titres numéro _ _ _ - _ _ _ _ _ _ _ - _ _ chez Dexia Banque;

- déclare avoir pris entière connaissance des conditions mentionnées dans le Prospectus de Dexia Banque relatif à l’émission des Very Long Term Warrants Series ___________.

Fait le________________________________ à ______________________

Signature :

UITOEFENINGSFORMULIER

Ik, ondergetekende

Naam : ____
Voornaam : ____
Adres : ____
houder van __________ (aantal) Very Long Term Warrants Series __________ op het aandeel Dexia Equities L Euro 50 Kapitalisatie:

* verklaar hierbij _____ (aantal) Warrants te willen uitoefenen en aldus het overeenstemmende aantal aandelen Dexia Equities L EURO 50 Kapitalisatie waarop ik recht heb aan te kopen tegen < TO BE DETERMINED > EUR (de Uitoefenprijs vermeld in het Prospectus van de uitgifte van de Very Long Term Warrants Series __________);

* verbind mij ertoe dat op datum van de Uitoefening mijn rekening _ _ _ - _ _ _ _ _ _ _ - _ _ bij Dexia Bank over voldoende provisie zal beschikken om aan het totaal bedrag van de Uitoefenprijs, namelijk ______________ EUR te voldoen vermeerderd met de kosten verbonden aan de Uitoefening;

* geef Dexia Bank volmacht om het totaal bedrag van de Uitoefenprijs vermeerderd met de kosten, van deze rekening op te nemen;

* vraag dat de Onderliggende Waarden mij worden geleverd via inschrijving op mijn effectendossier nr. _ _ _ - _ _ _ _ _ _ _ - _ _ bij Dexia Bank;

* verklaar volledig kennis te hebben van de voorwaarden die vermeld staan in het Prospectus van Dexia Bank betreffende de uitgifte van Very Long Term Warrants Series __________.

Opgemaakt te____________________________ op _______________________

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