

Approval of merger principles between Groupe Banque Populaire and Groupe Caisse d'Épargne

Paris, February 26, 2009 - Banque Fédérale des Banques Populaires (BFBP) Board of Directors and Caisse Nationale des Caisses d'Épargne's (CNCE) Supervisory Board met on February 24, and February 26, 2009, and approved the merger principles regarding the two central bodies that will lead to the creation of France's second largest banking group.

The new group will be supported by two complementary autonomous networks and two distinct brands. The new entity will consist of around 34 million customers, over 7 million member-stakeholders and a deeply rooted network, thanks to 7,700 branches, and almost 110,000 employees. The new group will have Tier 1 capital of €38 billion and 22% of French bank total deposits standing firmly as a first-rate entity funding the economy: i.e. personal customers, small businesses, SMEs and large corporates.

The retail banking business will be the focus of the new group, essentially concentrating on the domestic market. In addition, Natixis will steadfastly pursue its transformation plan.

The merger plan is based on the creation of a new central body, common to the Banque Populaire bank and Caisses d'Épargne et de Prévoyance networks. The central body will be held equally between the two groups and include their main retail banking subsidiaries and production entities (Natixis, Société Marseillaise de Crédit, SIBP (excluding VBI), Financière Océor, GCE Assurances, BCP France, BCP Luxembourg, DV Holding and the indirect 17.7% stake in CNP). The technical and human capabilities of BFBP and CNCE required to perform the duties of a central body will also be included in this new entity.

The subsidiaries of the real estate division of the two groups (Crédit Foncier de France, Nexity, Foncia, MeilleurTaux) as well as the other interests of the two central bodies (notably Banca Carige, Banque Palatine, DZ Bank and MaBanque) will be kept initially by CNCE and BFBP.

The French State, who had favourably welcomed the merger plan, has wished to support the establishment of the new group by proposing an equity contribution in line with its policy of supporting major French banking groups. In this way, the government has stated that it intends to subscribe to preference shares without voting rights and undated super-subordinated notes (TSSDI) issued by the new central body, for a maximum amount of €5 billion. The government support will enable the new group to benefit from a robust and durable capital structure. The preference shares will be convertible into ordinary shares, under certain conditions, leading the State to hold up to a 20% stake in the new central body.

The merger will also facilitate combining Natixis' ownership structure, whose governance will be simplified. In this respect, at the Annual Shareholders Meeting called to approve the 2008 financial statements, the transformation of Natixis into a Company with the separation of roles between Chairman and chief executive with a Board of Directors will be proposed.

The new central body will be a French joint stock company governed by a Management and Supervisory Board. In addition to two employee representatives, the Supervisory Board will include eighteen members: seven members will represent Groupe Banque Populaire, seven members will represent Groupe Caisse d'Epargne and four members will be appointed by the French State including two members nominated as independent directors.

The first chairmanship of the Supervisory Board will be occupied by a member from Groupe Banque Populaire until the start of the calendar year following the second year after they have commenced their duties. To this end, the BFBP Board of Directors has decided to propose Mr Philippe Dupont to occupy the position of first Chairman of the Supervisory Board of the new central body. At the end of the term of office of Mr Philippe Dupont, the position of Chairman of the Supervisory Board of the new central body will be subject to alternation between the two groups every two years. The appointment of Mr Yves Hubert, currently Chairman of CNCE's Supervisory Board will be proposed for the position of first Vice-Chairman of the new central body.

Mr François Pérol has been nominated as the Chairman of the Management Board of the new central body. Mr François Pérol has also been appointed to Natixis' Supervisory Board and will be the Chairman. Mr Dominique Ferrero, in his capacity as Chairman of the Management Board, will be responsible for the general management of Natixis.

To speed up the merger momentum, and to facilitate the best possible coordination of the work leading to its effective creation, Mr François Pérol has been appointed as of March 2, 2009 Chairman of CNCE's Management Board and Chief Executive Officer of BFBP.

The parties concerned continue their work and expect to obtain the required authorisations with the intention of signing the final agreements before the end of the first half of 2009. The employee representative bodies will naturally be consulted on the project, according to the legal and regulatory requirements in force.

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