

## **PRESS RELEASE**

Paris, December 6, 2017

### **Natixis and ODDO BHF are considering a long-term partnership aimed at creating a leading equity-market player in continental Europe**

Natixis and ODDO BHF are considering a long-term partnership aimed at creating a major player on equity brokerage and equity capital markets (ECM) in Continental Europe. The combination of the two partners' equity research and sales teams serving corporate clients and investors, the strength of Natixis' Corporate & Investment Banking business and ODDO BHF's distribution capabilities should enable them to gain market-shares.

More specifically, Natixis intends to strengthen its position as a major player on primary equity markets (capital increases and IPOs), while ODDO BHF wishes to invest in equity brokerage and equity research, with the goal of cementing its position in France and extending its coverage on German stocks so as to join the top 3 in Germany.

Natixis and ODDO BHF would like to offer investors and issuers a unique solution consistent with regulatory changes brought in by MiFID 2.

This partnership includes:

- The transfer of Natixis' equity broking and equity research activities in France to ODDO BHF
- The reunion of both players' equity capital markets activities in France within Natixis
- The acquisition by Natixis of a 5% equity interest in ODDO BHF

Natixis and ODDO BHF are seeking a long-term partnership geared to creating value for investors and issuers. This solution provides an innovative response that is consistent with regulatory changes and particularly the entry into force of MiFID 2.

ODDO BHF confirms its ambition of reinforcing its position in France (top broker on French stocks, source Extel 2017), and of ranking among the top three equity brokers in Germany, with these two markets representing 60% of the euro zone's overall market capitalization.

The new team created by ODDO BHF would cover 600 stocks, including 220 in France and 130 in Germany, and thereby cover over 80% of the main benchmark indices in France and Germany. The Research team would also be strengthened on the sectors and stocks defined as priorities in Natixis strategic ambitions.

The two partners' 515 existing institutional investor clients would have access to a single execution and distribution platform and to enhanced decision-making support. The new team would also increase its capacity to facilitate meetings between international investors and issuers.

Natixis would cement its position as a major player in equity capital markets and as a partner of choice offering strategic dialog to listed companies for equity and convertible related issuances.

Natixis would rank 3rd in terms of the number of equity capital markets deals in France, with over 45 transactions led on behalf of French issuers over the last 3 years and 22 since the start of 2017.

The expertise of Natixis' Equity Capital Markets team and ODDO BHF's reinforced research and placement capabilities would provide listed companies and IPO candidates with one-stop access to a broad base of French, European and international institutional investors.

To ensure the success of its transactions, Natixis would be able to leverage the unique positioning of its equity primary and syndication teams, and their leadership in corporate broking (1st in terms of volume and number of deals on share buybacks on SBF120 companies in 2017 for the 3rd consecutive year). This proposed partnership would enable Natixis and ODDO BHF to become leaders on market liquidity contracts in France, with 110 contracts.

*The project is subject to consultation with the employee representative bodies of the different companies concerned.*

#### **About Natixis**

Natixis is the international corporate and investment banking, asset management, insurance and financial services arm of Groupe BPCE, the 2nd-largest banking group in France with 31.2 million clients spread over two retail banking networks, Banque Populaire and Caisse d'Epargne.

With more than 17,000 employees, Natixis has a number of areas of expertise that are organized into four main business lines: Asset & Wealth Management, Corporate & Investment Banking, Insurance and Specialized Financial Services.

A global player, Natixis has its own client base of companies, financial institutions and institutional investors as well as the client base of individuals, professionals and small and medium-size businesses of Groupe BPCE's banking networks.

Listed on the Paris stock exchange, it has a solid financial base with a CET1 capital under Basel 3(1) of €12.9 billion, a Basel 3 CET1 Ratio (1) of 11.5 % and quality long-term ratings (Standard & Poor's: A / Moody's: A2 / Fitch Ratings: A).

(1) Based on CRR-CRD4 rules as reported on June 26, 2013, including the Danish compromise - without phase-in except for DTAs on tax-loss carryforwards following ECB regulation 2016/445.

Figures as at September 30, 2017

#### **About ODDO BHF**

ODDO BHF is an independent Franco-German financial services group, with a history stretching back over 150 years. It was created from the alliance of a French family-owned business built up by five generations of stockbrokers and a German bank specialising in Mittelstand companies. With 2,300 employees (1,300 in Germany and 1,000 in France), and more than 100 billion euros in assets under management, ODDO BHF operates in three main businesses, based on significant investment in market expertise: private banking, asset management and corporate and investment banking. The Group has a specific ownership structure as 60% of its capital is held by the Oddo family and 30 % by employees. This "partnership" ethos guarantees the long-term involvement of its teams. At 31 December 2016, ODDO BHF generated net banking income of 577 million euros, net profit after tax of 136 million euros and at 31 December 2016, the Group had over 814 million euros of shareholders' equity.

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