

## 4Q18 and 2018 results

### Confirmation of New Dimension 2020 targets

Reported net income at €1,577m in 2018 and €252m in 4Q18

### Cash dividend of 0.78€ per share<sup>1</sup>

#### SUSTAINED GROWTH AND PROFITABILITY OF OUR BUSINESSES

UNDERLYING NET REVENUES<sup>2</sup> AT €9.5BN IN 2018 (+2% AT CONSTANT FX) AND €2.2BN IN 4Q18  
BUSINESSES' UNDERLYING NET REVENUES<sup>2</sup> UP +5% AT CONSTANT FX EXCLUDING NON-RECURRING ITEMS ANNOUNCED ON DECEMBER 18, 2018<sup>3</sup>

##### AWM - Net revenues and fee rate improving thanks to our active positioning

Underlying net revenues<sup>2</sup> up +13% at constant FX in 2018 and up +12% in 4Q18 amidst volatile markets  
Ninth consecutive year of fee rate increase at 31bps in 2018 vs. 29bps in 2017  
Performance fees up +50% YoY in 2018 with €249m booked in 4Q18  
Underlying RoE<sup>2</sup> at 16.0% in 2018, in line with the New Dimension 2020 target (~16%)

##### CIB - Underlying RoE<sup>2</sup> >10% in 2018 despite 4Q18 headwinds, thanks to our diversified expertise

Underlying net revenues<sup>2</sup> down a modest -3% in 2018 at constant exchange rate, excluding the -€259m non-recurring drag on Asian equity derivatives in 4Q18<sup>3</sup>  
Underlying net revenues<sup>2</sup> up in Global finance (+9% YoY at constant FX in 2018) and in IB/M&A (+4% YoY in 2018 of which +68% in 4Q18) offsetting, thanks to our sectorial approach, a decrease in Global markets, impacted by a challenging environment in 4Q18  
Underlying RoE<sup>2</sup> of 13.0% in 2018 excl. 4Q18 non-recurring impact<sup>3</sup>, close to the 2020 target (~14%)

##### Insurance - Solid profitability improvement

Underlying net revenues<sup>2</sup> up +8% YoY in 2018  
Underlying RoE<sup>2</sup> of 29.1% in 2018 in line with New Dimension 2020 target (~30%)

##### SFS - Strong growth dynamic in Payments

Underlying net revenues<sup>2</sup> from SFS up +6% YoY in 2018, of which +16% in Payments (+18% in 4Q18)  
Payments: Increase in business volumes from PayPlug and Dalenys, up +31% YoY in 2018. Historical processing activity up +11% YoY

#### SUSTAINABLE VALUE CREATION AND FINANCIAL STRENGTH

Underlying net income<sup>2</sup> at €1,607m in 2018 and at €261m in 4Q18  
Underlying RoTE<sup>2</sup> at 12.0% in 2018 and 13.9% adjusted<sup>3</sup>, in line with the New Dimension 2020 target (14-15.5%)  
Basel 3 FL CET1 ratio<sup>4</sup> at 10.8% as at December 31, 2018 and 11.1% pro forma  
Cash dividend of 0.78€ per share<sup>1</sup>: 0.30€ ordinary, 0.48€ special

#### 2018: A PROMISING START TO NEW DIMENSION

**François Riahi, Natixis Chief Executive Officer, said:** "Natixis has delivered strong results in 2018 and 4Q18 despite a challenging market environment. This performance illustrates how relevant our business model is - selective, asset light and diversified - with a complementary fit across our businesses that allows us to absorb shocks effectively. With a solvency level already at our 2020 target, we are in a position to distribute a €2.4bn total cash dividend to our shareholders. Our New Dimension strategic plan is well embarked and is already delivering satisfying results. We thus confirm all our strategic ambitions, continue to transform ourselves and as well as to provide our clients with differentiating solutions."

<sup>1</sup> Proposal of a 0.30€ ordinary dividend per share submitted to the approval of the Annual General Meeting on May 28, 2019. Special dividend of €1.5bn or 0.48€ per share subject to the closing of the disposal of retail banking activities to BPCE SA and regulatory approvals

<sup>2</sup> Excluding exceptional items

<sup>3</sup> Cf. December 18, 2018 press release: €(259)m non-recurring impact on Asian equity derivatives (net of tax for adjusted RoE and RoTE)

<sup>4</sup> See note on methodology

## DISPOSAL OF RETAIL BANKING ACTIVITIES

On February 12th 2019, the Board of Directors of Natixis approved the terms and conditions of the transaction and the entering into agreements relating to the sale by Natixis to BPCE of its subsidiaries Natixis Financement, Natixis Factor, Natixis Lease and CEGC as well as the Eurotitres business as a going concern (« fonds de commerce »), it being specified that only the independent directors of Natixis took part in such vote.

Morgan Stanley, appointed by Natixis independent directors as financial advisor (attestateur d'équité) to assess the fairness of the financial terms of the transaction, delivered on February 12th 2019 a fairness opinion to the Board of Directors, the conclusion of which is as follows: "*the consideration to be received by Natixis is fair from a financial point of view to Natixis*".

Natixis reminds the decision process which led to the approval of the transaction by its Board of Directors:

- The independent directors of Natixis have been informed of the contemplated transaction in July 2018;
- On July 20th 2018, the independent directors of Natixis have appointed Morgan Stanley as financial advisor (attestateur d'équité) to assess the fairness of the financial terms of the transaction;
- The independent directors of Natixis reviewed the terms and conditions of the contemplated transaction in several meetings, accompanied by Morgan Stanley, and have resolved at the Natixis Board of directors' meeting of September 12th 2018 in favor of the contemplated transaction and approved the entering into by Natixis of a non-binding memorandum of understanding with BPCE;
- Since September 12th 2018, discussions between Natixis and BPCE have continued, and led to the finalization of the sale agreements, which have been submitted today to the approval of the Board of Directors. The independent directors had previously met on February 7th 2019 to review the definitive terms and conditions of the transaction, accompanied by Morgan Stanley;
- In parallel, the employee representative bodies of Natixis and its relevant subsidiaries have been consulted and delivered their opinion on the transaction on January 24th 2019.

## 4Q18 RESULTS

On February 12, 2018, the Board of Directors examined Natixis' fourth quarter 2018 results and approved the accounts for the fiscal year 2018.

€m	4Q18 reported	4Q17 reported	4Q18 o/w underlying	4Q18 o/w exceptionals	4Q18 vs. 4Q17 reported	4Q18 vs. 4Q17 reported constant FX	4Q18 vs. 4Q17 underlying	4Q18 vs. 4Q17 underlying constant FX
Net revenues	2,251	2,506	2,235	16	(10)%	(11)%	(9)%	(10)%
o/w businesses	2,091	2,255	2,091		(7)%	(8)%	(7)%	(8)%
o/w businesses excl. (259)m non-recurring impact on Asian equity derivatives	2,350	2,255	2,350		4%	3%	4%	3%
Expenses	(1,773)	(1,737)	(1,742)	(31)	2%	1%	3%	2%
Gross operating income	478	769	493	(15)	(38)%	(39)%	(34)%	(35)%
Provision for credit losses	(29)	(65)	(29)					
Net operating income	449	704	464	(15)	(36)%		(32)%	
Associates and other items	58	29	58					
Pre-tax profit	507	733	522	(15)	(31)%		(25)%	
Income tax	(128)	(139)	(133)	5				
Minority interests	(127)	(76)	(128)	1				
Net income – group share	252	518	261	(9)	(51)%		(44)%	

Natixis' underlying net revenues for the businesses are up +4% YoY excluding the –€259m non-recurring drag on Asian equity derivatives (December 18, 2018 press release), driven by a continued strong momentum in **Asset and wealth management** (+12% YoY), **Insurance** (+6% YoY) and **Payments** (+18% YoY). **CIB** revenues down YoY amidst challenging market conditions, especially in Asia<sup>1</sup>.

**Underlying expenses** are well under control, up less than +1% YoY for the businesses and +3% YoY at Natixis level. **The underlying adjusted<sup>1</sup> businesses' gross operating income** is up +11% YoY. **The underlying cost/income ratio<sup>2</sup>** is at 80.4%, up +920bps vs. 4Q17. **Adjusted<sup>1</sup>** for the non-recurring revenue drag on Asian equity derivatives, it stands at 72.1%, up +90bps vs. 4Q17.

**The underlying adjusted<sup>1</sup> pre-tax profit** is up +12% YoY including a significant reduction in loan loss provisioning as well as capital gains realized on the disposals of *Selection 1818* and *Axeltis* in AWM (€42m). Expressed in basis points of loans outstanding (excluding credit institutions), **the businesses' underlying cost of risk** worked out to 8bps in 4Q18.

**Minority interests** are up YoY driven by a higher contribution from some European AM affiliates.

**Net income (group share), adjusted for IFRIC 21 and excluding exceptional items** came out at €211m in 4Q18. Accounting for exceptional items (–€9m net of tax in 4Q18) and IFRIC 21 impact (+€50m in 3Q18), the reported net income (group share) in 4Q18 is at €252m.

Natixis delivered a 5.9% underlying RoTE<sup>2</sup> excluding IFRIC 21 impact (13.4% **adjusted<sup>1</sup>**) vs. 12.6% in 4Q17. The businesses' underlying RoE<sup>2</sup> reached 9.0% (14.4% **adjusted<sup>1</sup>**) vs. 12.5% in 4Q17.

<sup>1</sup> Cf. December 18, 2018 press release: €(259)m non-recurring impact on Asian equity derivatives (net of tax for adjusted RoE and RoTE)

<sup>2</sup> See note on methodology and excluding IFRIC 21 impact for the calculation of the cost/income ratio and the RoE

## 2018 RESULTS

€m	2018 reported	2017 reported	2018 o/w underlying	2018 o/w exceptionals	2018 vs. 2017 reported	2018 vs. 2017 reported constant FX	2018 vs. 2017 underlying	2018 vs. 2017 underlying constant FX
Net revenues	9,616	9,467	9,500	116	2%	3%	0%	2%
o/w businesses	8,917	8,810	8,849	68	1%	3%	0%	2%
o/w businesses excl. (259)m non-recurring impact on Asian equity derivatives	9,176	8,810	9,108		4%	6%	3%	5%
Expenses	(6,823)	(6,632)	(6,731)	(92)	3%	4%	3%	4%
o/w expenses excluding SRF	(6,659)	(6,511)	(6,567)		2%	4%	2%	4%
Gross operating income	2,793	2,835	2,769	24	(1)%	1%	(6)%	(5)%
Provision for credit losses	(215)	(258)	(143)	(71)				
Net operating income	2,578	2,577	2,626	(47)	0%		(3)%	
Associates and other items	83	74	83					
Pre-tax profit	2,661	2,651	2,709	(47)	0%		(2)%	
Income tax	(781)	(789)	(797)	16				
Minority interests	(304)	(192)	(305)	1				
Net income – group share	1,577	1,669	1,607	(30)	(6)%		(6)%	

**Natixis' underlying net revenues** are up +2% YoY at constant exchange rate. Excluding the 4Q18 non-recurring impact on Asian equity derivatives<sup>1</sup>, they are up +5% YoY at constant exchange rate, essentially driven by strong dynamics across **AWM** (+13% YoY), **Insurance** (+8% YoY), **Payments** (+16% YoY) as well as for **Coface** (+9% YoY). **CIB adjusted**<sup>1</sup> revenues down a modest -3% YoY at constant exchange rate on a high 2017.

**Underlying expenses** are well under control despite a higher SRF contribution and 2018 being a period of investments. **The underlying adjusted<sup>1</sup> businesses gross operating income** is up +7% YoY at constant exchange rate with a slight improvement of their underlying<sup>2</sup> **adjusted<sup>1</sup> cost/income ratio** vs. 2017. **Natixis underlying cost/income ratio**<sup>2</sup> at 70.9% is up +200bps vs. 2017. **Adjusted<sup>1</sup>** for the non-recurring revenue impact on Asian equity derivatives, it ends up at 69.0%, up +10bps vs. 2017.

**The underlying pre-tax profit** is down a modest -2% YoY despite challenging market conditions. Excluding the €259m revenue drag from Asian EQD in 4Q18<sup>1</sup>, it is up +8% YoY, including a significant reduction in the cost of risk (~40%) vs. 2017. Expressed in basis points of loans outstanding (excluding credit institutions), **the businesses' underlying cost of risk** worked out to 16bps in 2018 vs. 23bps in 2017.

**The tax rate** stood at ~30% in 2018, in line with full-year guidance. **Minority interests** are up YoY due to a higher contribution from Coface and some European AM affiliates.

**Net income (group share) excluding exceptional items** came out at €1,607m in 2018. Including the exceptional items (-€30m net of tax in 2018), the reported net income (group share) in 2018 comes out at €1,577m, equivalent to ~142bps of annual capital generation.

Natixis delivered a 12.0% underlying<sup>2</sup> RoTE (13.9% **adjusted**<sup>1</sup>) vs. 12.3% in 2017. The businesses' underlying<sup>2</sup> RoE reached 13.7% (15.1% **adjusted**<sup>1</sup>) vs. 13.8% in 2017.

Natixis will submit the payment of an ordinary dividend of 0.30€ per share for the year 2018 to the next Annual General Meeting on May 28, 2019 (64% pay-out ratio). Besides, a special dividend of 0.48€ (€1.5bn) per share will be paid subject to the closing of the disposal of retail banking activities announced on September 12, 2018 and regulatory approvals. Natixis confirms its dividend policy, i.e. a minimum pay-out ratio of 60% for each single year of the New Dimension plan (2018-2020) and a strict discipline when it comes to excess capital with an 11% **fully-loaded** CET1 ratio target for 2020.

<sup>1</sup> Cf. December 18, 2018 press release: €(259)m non-recurring impact on Asian equity derivatives (net of tax for adjusted RoE and RoTE)

<sup>2</sup> See note on methodology

## 4Q18 & 2018 RESULTS

### Exceptional items

€m		4Q18	4Q17	2018	2017
Exchange rate fluctuations on DSN in currencies ( <i>Net revenues</i> )	<i>Corporate center</i>	16	(18)	48	(104)
SWL reversal provision ( <i>Net revenues</i> )	<i>CIB</i>			68	
Capital gain on the sale of 15% stake in CACEIS ( <i>Net revenues</i> )	<i>CIB</i>		74		74
Transformation & Business Efficiency Investment costs ( <i>Expenses</i> )	<i>Business lines &amp; Corporate center</i>	(28)	(39)	(89)	(74)
Fit to Win investments & restructuring expenses ( <i>Expenses</i> )	<i>Corporate center</i>	(3)		(3)	
Non-recurring additional Corporate Social Solidarity Contribution resulting from agreement with CNP ( <i>Expenses</i> )	<i>Insurance</i>				(19)
Legal provision ( <i>Provision for credit losses</i> )	<i>CIB</i>			(71)	
Capital gain on the liquidation of a holding structure ( <i>Gain or loss on other assets</i> )	<i>CIB</i>		18		18
Total impact on income tax		5	14	16	59
Total Impact on minority interests		1		1	
<b>Total impact in net income (gs)</b>		<b>(9)</b>	<b>48</b>	<b>(30)</b>	<b>(46)</b>

## TRANSFORMATION & BUSINESS EFFICIENCY

### Investment costs by reporting line

€m	4Q18	4Q17	2018	2017
<i>AWM</i>	(8)	(2)	(20)	(2)
<i>CIB</i>	(6)	0	(14)	(3)
<i>Insurance</i>	(2)	1	(2)	(4)
<i>SFS</i>	(1)	(7)	(8)	(8)
<i>Corporate center</i>	(11)	(32)	(45)	(57)
<b>Impact on expenses</b>	<b>(28)</b>	<b>(39)</b>	<b>(89)</b>	<b>(74)</b>

Unless specified otherwise, the following comments and data refer to underlying results, i.e. excluding exceptional items (see detail p5)

## Asset & Wealth Management

€m	4Q18	4Q17	4Q18 vs. 4Q17	2018	2017	2018 vs. 2017	2018 vs. 2017 constant FX
<b>Net revenues</b>	<b>1,005</b>	<b>899</b>	<b>12%</b>	<b>3,419</b>	<b>3,113</b>	<b>10%</b>	<b>13%</b>
o/w Asset management	971	857	13%	3,274	2,972	10%	13%
o/w Wealth management	34	42	(19)%	144	142	2%	2%
Expenses	(614)	(609)	1%	(2,244)	(2,175)	3%	6%
<b>Gross operating income</b>	<b>392</b>	<b>290</b>	<b>35%</b>	<b>1,174</b>	<b>938</b>	<b>25%</b>	<b>28%</b>
Provision for credit losses	0	0		(1)	0		
Associates and other items	43	3		39	11		
<b>Pre-tax profit</b>	<b>435</b>	<b>293</b>	<b>48%</b>	<b>1,212</b>	<b>949</b>	<b>28%</b>	
Cost/income ratio <sup>1</sup>	61.2%	67.8%	(6.6)pp	65.7%	69.9%	(4.2)pp	
RoE after tax <sup>1</sup>	20.0%	14.0%	+6.0pp	16.0%	12.8%	+3.2pp	

**Underlying net revenues** from Asset & Wealth Management (AWM) are up +13% YoY in 2018 at constant exchange rate (+9% excluding AM performance fees) and +12% YoY in 4Q18, above New Dimension growth target of ~6%. **Asset management** underlying revenues increased by +6% YoY at constant exchange rate in North America (€1,612m) and +27% in Europe (€1,205m) over 2018. **Wealth management** underlying revenues are up +2% YoY in 2018.

**The Asset management fee rate excluding performance fees** (€249m in 4Q18 and €426m in 2018; ~13% of 2018 AM revenues) stood at 31bps in 2018 and remained flat QoQ in 4Q18. In 2018, it rose both in Europe to 16bps (+1.3bps vs. 2017 and +0.6bps excl. Life insurance) and in North America to 40bps (+0.9bps YoY) including a slight uptick QoQ in 4Q18. 2018 is the 9<sup>th</sup> consecutive year of fee rate increase in AM.

**Asset management net inflows** nil in 2018 due to 4Q18 net outflows offsetting the good performance of the first three quarters amidst very challenging market conditions, especially in North America that experienced net outflows of -€10bn in 2018 (-€16bn in 4Q18) of which -\$3bn at Harris and -\$8bn at Loomis. In Europe, net inflows reached +€11bn in 2018 (of which +€2bn on LT products in 4Q18) and is positive across a vast majority of our European affiliates in 4Q18 (e.g. H<sub>2</sub>O, AEW, Mirova, Seeyond, OSSIAM). ~€7bn of net outflows on money-market products in November/December.

**Asset management AuM** reached €808bn as at December 31, 2018 (including Vega IM) and are decreasing by -€23bn over the year due to a negative market effect of -€44bn and a positive FX/scope effect of +€22bn. Over 2018, average AuM increased by +9% in Europe (excl. Life insurance) and by +5% in North America at constant exchange rate. **Wealth management AuM** reached €26.1bn<sup>2</sup>.

**The underlying RoE<sup>1</sup>** improved materially at 16.0% in 2018 (+320bps YoY) in line with New Dimension 2020 target (20.0% in 4Q18, up +600bps YoY) with a significant positive jaws effect of 7pp in 2018 (11pp in 4Q18) and an **underlying cost/income ratio<sup>1</sup>** improvement of 420bps YoY to 65.7% (660bps YoY improvement in 4Q18). **The underlying gross operating income** is up +28% YoY in 2018 at constant exchange rate in 2018.

<sup>1</sup> See note on methodology and excluding IFRIC 21 impact for the calculation of the cost/income ratio and the RoE at 4Q

<sup>2</sup> Including a scope effect of €(5.7)bn due to the closing of the disposal of Selection 1818 in 4Q18



Unless specified otherwise, the following comments and data refer to underlying results, i.e. excluding exceptional items (see detail p5)

## Corporate & Investment Banking

€m	4Q18	4Q17	4Q18 vs. 4Q17	2018	2017	2018 vs. 2017	2018 vs. 2017 constant FX
<b>Net revenues</b>	<b>512</b>	<b>817</b>	<b>(37)%</b>	<b>3,169</b>	<b>3,581</b>	<b>(12)%</b>	<b>(10)%</b>
Net revenues excl. CVA/DVA	510	840	(39)%	3,167	3,576	(11)%	(10)%
Net revenues excl. (259)m non-recurring impact on Asian equity derivatives	771	817	(6)%	3,428	3,581	(4)%	(3)%
Expenses	(552)	(567)	(3)%	(2,178)	(2,191)	(1)%	0%
<b>Gross operating income</b>	<b>(40)</b>	<b>249</b>		<b>990</b>	<b>1,390</b>	<b>(29)%</b>	<b>(27)%</b>
Provision for credit losses	(11)	(21)		(104)	(115)		
Associates and other items	3	2		14	10		
<b>Pre-tax profit</b>	<b>(49)</b>	<b>231</b>		<b>901</b>	<b>1,285</b>	<b>(30)%</b>	
Cost/income ratio <sup>1</sup>	109.3%	70.6%	+38.7pp	68.7%	61.2%	+7.5pp	
RoE after tax <sup>1</sup>	-	10.3%	-	10.1%	13.2%	(3.1)pp	
Adjusted <sup>2</sup> Cost/income ratio <sup>1</sup>	72.6%	70.6%	+2.0pp	63.6%	61.2%	+2.4pp	
Adjusted <sup>2</sup> RoE after tax <sup>1</sup>	9.0%	10.3%	(1.3)pp	13.0%	13.2%	(0.2)pp	

**Underlying net revenues** are down a modest -3% YoY in 2018 at constant exchange rate excluding the €259m non-recurring drag on Asian equity derivatives in 4Q18. Diversification is a key asset both in terms of activities (Global finance and Investment banking/M&A notably offsetting a more challenging 4Q18 for Global markets) and geographies (Europe and the US, both broadly flat YoY at constant exchange rate, offsetting the decrease in Asia). These evolutions are to be put in the context of a high 2017.

**Global markets** revenues are down -15% YoY in 2018 at constant exchange rate excluding the €259m non-recurring drag on Asian equity derivatives in 4Q18<sup>2</sup> and the cash equity contribution. **FICT** net revenues are down -12% YoY in 2018 (-11% at constant exchange rate) on the back of challenging market conditions in Rates and FX (-15% YoY including a -34% YoY decline in 4Q18). **Equity adjusted<sup>2</sup>** net revenues are down -26% YoY in 2018 at constant scope (excl. cash equity). The 4Q18 **adjusted<sup>2</sup>** top-line is not representative of Natixis' revenue run-rate in Equity since the quarter was marked by much tighter financial hurdles to new business pending the internal review of our books that followed the identification of a deficient hedging strategy in Asia (December 18<sup>th</sup> announcement) as well as the teams' full engagement to handle the matter. **Global finance** net revenues are up +9% YoY at constant FX in 2018 and slightly up YoY in 4Q18 on a high 4Q17. Strong performance across Real Assets (+23% YoY) and Energy & Natural Resources (+4% YoY). Dynamic new loan production, up +20% YoY in 2018 (o/w RA +22% YoY and ENR +14% YoY). **The distribution rate on Real Assets** is close to 70% in 2018 (~60% in 2017). **Investment banking and M&A** net revenue are up +4% YoY at constant exchange rate in 2018 including a 4Q18 YoY growth by 2/3 vs. 4Q17. M&A revenues are close to €200m in 2018 (including a ~€15m contribution from Fenchurch and Vermillion, boutiques consolidated in 2Q18), and up +36% YoY vs. 2017. **The proportion of revenues generated from service fees<sup>3</sup>** is slightly up at 43% in 2018 vs. 39% in 2017 and 37% in 2016.

**The underlying expenses** are well under control, down -1% YoY in 2018 and -3% YoY in 4Q18, despite important regulatory projects.

**The underlying adjusted<sup>2</sup> gross operating income** is down mid-single digit YoY in 2018 at constant exchange rate.

**The underlying cost of risk** is improving markedly through focus on O2D and a favourable environment.

**The underlying RoE<sup>1</sup>** of CIB reached 10.1% in 2018, despite 4Q18 headwinds and 13.0% on an **adjusted** basis<sup>2</sup> vs. an already very good 2017 (13.2%). **RWA** are flat YoY at constant exchange rate (up +2% YoY at current exchange rate).

<sup>1</sup> See note on methodology and excluding IFRIC 21 impact for the calculation of the cost/income ratio and the RoE in 4Q

<sup>2</sup> Cf. December 18, 2018 press release: €(259)m non-recurring impact on Asian equity derivatives (net of tax for adjusted RoE and RoTE)

<sup>3</sup> ENR, Real Assets, ASF

Unless specified otherwise, the following comments and data refer to underlying results, i.e. excluding exceptional items (see detail p5)

## Insurance

€m	4Q18	4Q17	4Q18 vs. 4Q17	2018	2017	2018 vs. 2017
<b>Net revenues</b>	201	190	6%	790	734	8%
Expenses	(116)	(110)	6%	(446)	(416)	7%
<b>Gross operating income</b>	85	80	6%	344	318	8%
Provision for credit losses	0	0		0	0	
Associates and other items	9	4		15	13	
<b>Pre-tax profit</b>	93	84	12%	358	331	8%
Cost/income ratio <sup>1</sup>	60.3%	60.0%	+0.3pp	56.5%	56.6%	(0.1)pp
RoE after tax <sup>1</sup>	29.8%	25.3%	+4.5pp	29.1%	23.9%	+5.2pp

**Underlying net revenues** are up +8% YoY in 2018 above New Dimension growth target of ~7% driven by both Life and P&C.

**Underlying expenses** are up +7% YoY in 2018, translating into a positive jaws effect and a slight improvement in the cost/income ratio<sup>1</sup> despite an increase in the Corporate Social Solidarity Contribution (C3S) in 1Q18.

**Gross operating income** up +8% YoY in 2018.

**The RoE<sup>1</sup>** improved of +520bps YoY in 2018 to 29.1% in line with New Dimension 2020 target, in part driven by the buy-back of BPCE Assurances minorities (29.8% in 4Q18, up +450bps YoY).

**Global turnover<sup>2</sup>** reached €12.0bn in 2018, up +2% YoY. **Net inflows<sup>2</sup>** in Life insurance reached €5.8bn in 2018 of which 44% in the form of unit-linked products (33% of gross inflows vs. 28% for the French market as at end-December<sup>3</sup>).

**Assets under management** in Life insurance reached €60.1bn as at December 31, 2018 of which 23% in the form of unit-linked products.

**The P&C combined ratio** worked out to 88.9% in 4Q18 and 91.2% in 2018, down respectively -2.6pp YoY and -0.9pp YoY.

<sup>1</sup> See note on methodology and excluding IFRIC 21 impact for the calculation of the cost/income ratio and the RoE in 4Q

<sup>2</sup> Excluding reinsurance agreement with CNP

<sup>3</sup> Source: FFA



Unless specified otherwise, the following comments and data refer to underlying results, i.e. excluding exceptional items (see detail p5)

## Specialized Financial Services

€m	4Q18	4Q17	4Q18 vs. 4Q17	2018	2017	2018 vs. 2017
<b>Net revenues</b>	<b>373</b>	<b>350</b>	<b>7%</b>	<b>1,472</b>	<b>1,382</b>	<b>6%</b>
Specialized financing	217	210	3%	894	862	4%
Payments	105	89	18%	389	336	16%
Financial services	51	51	1%	188	184	2%
Expenses	(259)	(242)	7%	(995)	(930)	7%
<b>Gross operating income</b>	<b>114</b>	<b>108</b>	<b>6%</b>	<b>476</b>	<b>451</b>	<b>6%</b>
Provision for credit losses	(6)	(24)		(23)	(73)	
Associates and other items	0	0		1	0	
<b>Pre-tax profit</b>	<b>109</b>	<b>83</b>	<b>30%</b>	<b>454</b>	<b>379</b>	<b>20%</b>
Cost/income ratio <sup>1</sup>	70.0%	69.9%	+0.1pp	67.6%	67.3%	+0.3pp
RoE after tax <sup>1</sup>	13.8%	11.2%	+2.6pp	14.3%	13.3%	+1.0pp

**Underlying net revenues** from Specialized Financial Services are up +6% YoY in 2018 and +7% YoY in 4Q18. **Specialized financing** revenues increased by +4% YoY in 2018, driven by Leasing and Sureties & financial guarantees. **Payments** revenues are up +16% YoY in 2018 (~50% driven by the acquisitions made since 2017, ~50% by Natixis' historical payment activities), consistent with New Dimension target and including an +18% increase in 4Q18. **Financial services** revenues are up +2% YoY in 2018 driven by Employee savings plans.

**Within Payments**, business volumes generated by Natixis' recent acquisitions (Dalenys and PayPlug) in **Merchant Solutions** increased by +31% YoY in 2018. In the meantime, **Prepaid & Managed/Consumer Solutions** revenues are up +45% YoY in 2018 (+29% excluding perimeter effect from Comitéo) and +54% in 4Q18 (+31% excl. Comitéo). The number of mobile payments has been multiplied by more than x2 YoY in 2018. The number of card transactions processed in the **Services & Processing** activity is up +11% YoY in 2018. Overall, 41% of 4Q18 Payments revenues have been realized outside Groupe BPCE networks.

**Underlying expenses** from SFS are up +7% YoY in 2018 and +3% at constant scope. **The underlying cost/income ratio<sup>1</sup>** excluding Payments acquisitions stands at 68.1% in 4Q18 and 66.0% in 2018.

**The underlying cost of risk** remains well under control, down YoY both in 4Q18 and 2018.

**The underlying RoE<sup>1</sup>** of SFS improved +100bps YoY to 14.3% in 2018.

<sup>1</sup> See note on methodology and excluding IFRIC 21 impact for the calculation of the cost/income ratio and the RoE in 4Q

Unless specified otherwise, the following comments and data refer to underlying results, i.e. excluding exceptional items (see detail p5)

## Corporate Center

€m	4Q18	4Q17	4Q18 vs. 4Q17	2018	2017	2018 vs. 2017
<b>Net revenues</b>	<b>144</b>	<b>195</b>	<b>(26)%</b>	<b>651</b>	<b>687</b>	<b>(5)%</b>
Coface	165	167	(1)%	678	624	9%
Others	(21)	28		(27)	63	
Expenses	(202)	(169)	19%	(867)	(827)	5%
Coface	(125)	(114)	9%	(485)	(484)	0%
SRF	0	1		(164)	(121)	
Others	(77)	(56)	37%	(218)	(222)	(2)%
<b>Gross operating income</b>	<b>(57)</b>	<b>26</b>		<b>(216)</b>	<b>(140)</b>	
Provision for credit losses	(12)	(20)		(15)	(71)	
Associates and other items	3	2		14	22	
<b>Pre-tax profit</b>	<b>(66)</b>	<b>8</b>		<b>(216)</b>	<b>(189)</b>	

**Underlying net revenues** from the Corporate Center are down YoY in 4Q18 due to FVA (Funding Value Adjustment) and negative mark-to-market effect on listed financial participations.

**Underlying expenses**, excluding Coface and the SRF contribution are largely stable YoY in 2018 and up in 4Q18 due to digital and IT investments as well as costs related to strategic projects.

The P&L drag at the pre-tax profit level has been reduced by €16m in 2018 excl. SRF.

## COFACE

**The turnover** reached €1.4bn in 2018, up +5% YoY<sup>1</sup>, driven by record client activity (volume effect) and retention.

**The cost ratio** at 34.5% in 2018 is down -0.7pp YoY, reflecting tight cost control while sustaining investments.

**The loss ratio** at 45.1% in 2018 is down -6.3pp YoY, thanks to good claims performance in a riskier economic environment through strong underwriting.

**The net combined ratio**<sup>2</sup> at 79.6% in 2018 is down -7pp YoY. The 4Q18 combined ratio is below the “*through the cycle target*” (~83%).

Natixis has mandated today an investment service provider (Oddo BHF SCA) to proceed to the sale of 700,000 shares of Coface representing 0.45% of the capital and voting rights of the company. It is a purely technical sale with the sole objective to limit Natixis' accretion in Coface's capital following the cancellation of Coface's own shares. This sale comes after the cancellation of 3,348,971 treasury shares (acquired by Coface between February 2018 and October 2018) and in the context of an additional 1,867,312 treasury shares to be cancelled (acquired by Coface between October 2018 and February 2019). The mandate will be executed over the coming weeks. After such a sale, Natixis will remain Coface's reference shareholder with 41.69% of the capital.

<sup>1</sup> At constant scope and exchange rate

<sup>2</sup> Reported ratios, net of reinsurance

## FINANCIAL STRUCTURE

### Basel 3 fully-loaded<sup>1</sup>

Natixis' **Basel 3 fully-loaded CET1 ratio** worked out to 10.8% as at December 31, 2018.

- **Basel 3 fully-loaded CET1 capital** amounted to €11.8bn
- **Basel 3 fully-loaded RWA** amounted to €109.2bn

Based on a Basel 3 fully-loaded CET1 ratio of 10.6% as at December 31, 2017, the respective 2018 impacts were as follows:

- Effect of allocating net income (group share) to retained earnings in 2018: +142bps
- Accrued dividend for 2018: -85bps
- Impacts of disposals and acquisitions: -19bps
- IFRS9 impacts: -9bps
- RWA and other effects: -12bps

Pro-forma for the announced disposal of retail banking activities to BPCE SA (+236bps), the payment of a €1.5bn special dividend (-158bps), the acquisitions as announced in AWM (-29bps) as well as the irrevocable payment commitment deduction from capital (IPC) and the impact of IFRS16 implementation on RWAs (-16bps of aggregated impact), Natixis' Basel 3 fully-loaded CET1 ratio stands at 11.1% as at December 31, 2018.

### Basel 3 phased-in, regulatory ratios<sup>1</sup>

As at December 31, 2018, Natixis' **Basel 3 regulatory (phased-in) capital ratios stood at 10.4% for the CET1, 12.3% for the Tier 1 and 14.5% for the total solvency ratio.**

- **Core Tier 1 capital** stood at €11.3bn and **Tier 1 capital** at €13.4bn
- Natixis' **RWA** totaled €109.2bn, breakdown as follows:
  - Credit risk: €76.7bn
  - Counterparty risk: €5.9bn
  - CVA risk: €1.7bn
  - Market risk: €9.6bn
  - Operational risk: €15.3bn

### Book value per share

Equity capital (group share) totaled €19.9bn as at December 31, 2018, of which €2.0bn in the form of hybrid securities (DSNs) recognized in equity capital at fair value (excluding capital gain following reclassification of hybrids).

Natixis' book value per share stood at **€5.35** as at December 31, 2018 based on 3,146,571,614 shares excluding treasury shares (the total number of shares being 3,150,288,592). The tangible book value per share (after deducting goodwill and intangible assets) was **€4.05**.

### Leverage ratio<sup>1</sup>

The **leverage ratio worked out to 4.2%** as at December 31, 2018.

### Overall capital adequacy ratio

As at December 31, 2018, the financial conglomerate's excess capital was estimated at around €3.2bn. Before consideration of current financial year's earnings and dividend declared for 2018, the excess capital was estimated at around €2.6bn.

<sup>1</sup> See note on methodology

## APPENDICES

### Note on methodology:

**The results at 31/12/2018 were examined by the board of directors at their meeting on 12/02/2019.**

Figures at 31/12/2018 are presented in accordance with IAS/IFRS accounting standards and IFRS Interpretation Committee (IFRIC) rulings as adopted in the European Union and applicable at this date.

In view of the new strategic plan New dimension, the 2017 quarterly series have been restated for the following changes in business lines organization and in standards for implementation in 4Q17 as if these changes had occurred on 1<sup>st</sup> January 2017.

### The new businesses organization mainly considers:

- The split of Investment Solutions into two new divisions: Insurance and Asset & Wealth Management<sup>1</sup>
- Within CIB:
  - Global finance and Investment banking<sup>2</sup> are now two separate business lines
  - Creation of Global Securities & Financing (GSF), a joint-venture between FIC and Equity derivatives. The joint-venture includes Securities Financing Group (SFG, previously in FIC) and Equity Finance (previously in Equity). Revenues of GSF are equally split between Equity & FIC
  - Transfer of short term treasury activities run by Treasury & collateral management department from FIC-T in CIB to Financial Management Division in 04/01/2017 in accordance with the French banking law. To ensure comparability, in this presentation CIB refers to CIB including Treasury & collateral management
- Within SFS, the Payments division is split out of Financial services and reported separately within the SFS business line
- The removal of the Financial investments division and its inclusion within the Corporate center

### The following changes in standards have been included:

- Increase in capital allocation to our business lines from 10% to 10.5% of the average Basel 3 risk weighted assets
- Reduction in normative capital remuneration rate to 2% (compared to 3% previously)

### Business line performances using Basel 3 standards:

- The performances of Natixis business lines are presented using Basel 3 standards. Basel 3 risk-weighted assets are based on CRR-CRD4 rules as published on June 26<sup>th</sup>, 2013 (including the Danish compromise treatment for qualified entities).
- **Natixis' RoTE** is calculated by taking as the numerator net income (group share) excluding DSN interest expenses on preferred shares after tax. Equity capital is average shareholders' equity group share as defined by IFRS, after payout of dividends, excluding average hybrid debt, average intangible assets and average goodwill.
- **Natixis' RoE**: Results used for calculations are net income (group share), deducting DSN interest expenses on preferred shares after tax. Equity capital is average shareholders' equity group share as defined by IFRS, after payout of dividends, excluding average hybrid debt, and excluding unrealized or deferred gains and losses recognized in equity (OCI).
- **RoE for business lines** is calculated based on normative capital to which are added goodwill and intangible assets for the business line. Normative capital allocation to Natixis' business lines is carried out based on 10.5% of their average Basel 3 risk-weighted assets. Business lines benefit from remuneration of normative capital allocated to them. By convention, the remuneration rate on normative capital is maintained at 2%.

**Net book value:** calculated by taking shareholders' equity group share (minus dividend declared but not paid yet), restated for hybrids and capital gains on reclassification of hybrids as equity instruments. Net tangible book value is adjusted for goodwill relating to equity affiliates, restated goodwill and intangible assets as follows:

€m	31/12/2018
Goodwill	3,796
Restatement for Coface minority interests	(160)
Restatement for AWM deferred tax liability & others	(305)
<b>Restated goodwill</b>	<b>3,331</b>

<sup>1</sup> Asset management includes Private equity

<sup>2</sup> including M&A business

€m	31/12/2018
Intangible assets	678
Restatement for Coface minority interest & others	101
<b>Restated intangible assets</b>	<b>779</b>

**Own senior debt fair-value adjustment:** calculated using a discounted cash-flow model, contract by contract, including parameters such as swap curves and revaluation spread (based on the BPCE reoffer curve). Adoption of IFRS 9 standards, on November 22, 2016, authorizing the early application of provisions relating to own credit risk as of FY2016 closing. All impacts since the beginning of the financial year 2016 are recognized in equity, even those that had impacted the income statement in the interim financial statements for March, June and September 2016

**Regulatory (phased-in) CET1 capital and ratio:** based on CRR-CRD4 rules as reported on June 26, 2013, including the Danish compromise - phased in. **Presentation excluding 2018 financial year's earnings and dividend declared (excluding 60% pay-out ratio accrual in 2Q18 and 3Q18)**

**Fully-loaded CET1 capital and ratio:** based on CRR-CRD4 rules as reported on June 26, 2013, including the Danish compromise - without phase-in. **Presentation including 2018 financial year's earnings and dividend declared**

**Leverage ratio:** based on delegated act rules, without phase-in (presentation including 2018 financial year's earnings and dividend declared) and with the hypothesis of a roll-out for non-eligible subordinated notes under Basel 3 by eligible notes. Repo transactions with central counterparties are offset in accordance with IAS 32 rules without maturity or currency criteria. Leverage ratio disclosed including the effect of intragroup cancelation - pending ECB authorization

**Exceptional items: figures and comments on this press release are based on Natixis and its businesses' income statements excluding non-operating and/or exceptional items detailed page 5.** Figures and comments that are referred to as 'underlying' exclude such exceptional items. Natixis and its businesses' income statements including these items are available in the appendix of this press release

**Restatement for IFRIC 21 impact:** the cost/income ratio, the RoE and the RoTE excluding IFRIC 21 impact calculation in 4Q18 take into account a quarter of the annual duties and levies concerned by this accounting rule.

**Earnings capacity:** net income (group share) restated for exceptional items and the IFRIC 21 impact

**Expenses:** sum of operating expenses and depreciation, amortization and impairment on property, plant and equipment and intangible assets

## Natixis - Consolidated P&L

€m	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	4Q18 vs. 4Q17	2017	2018	2018 vs. 2017
Net revenues	2,347	2,410	2,205	2,506	2,412	2,577	2,376	2,251	(10)%	9,467	9,616	2%
Expenses	(1,771)	(1,594)	(1,530)	(1,737)	(1,795)	(1,640)	(1,615)	(1,773)	2%	(6,632)	(6,823)	3%
<b>Gross operating income</b>	<b>576</b>	<b>815</b>	<b>674</b>	<b>769</b>	<b>618</b>	<b>936</b>	<b>761</b>	<b>478</b>	<b>(38)%</b>	<b>2,835</b>	<b>2,793</b>	<b>(1)%</b>
Provision for credit losses	(70)	(67)	(55)	(65)	(43)	(40)	(102)	(29)		(258)	(215)	
Associates	7	6	5	8	7	3	6	13		26	29	
Gain or loss on other assets	9	18	(1)	22	6	4	(1)	45		48	54	
Change in value of goodwill	0	0	0	0	0	0	0	0		0	0	
<b>Pre-tax profit</b>	<b>523</b>	<b>772</b>	<b>623</b>	<b>733</b>	<b>587</b>	<b>903</b>	<b>665</b>	<b>507</b>	<b>(31)%</b>	<b>2,651</b>	<b>2,661</b>	<b>0%</b>
Tax	(214)	(255)	(181)	(139)	(204)	(266)	(184)	(128)		(789)	(781)	
Minority interests	(28)	(29)	(59)	(76)	(60)	(57)	(59)	(127)		(192)	(304)	
<b>Net income (group share)</b>	<b>280</b>	<b>487</b>	<b>383</b>	<b>518</b>	<b>323</b>	<b>580</b>	<b>422</b>	<b>252</b>	<b>(51)%</b>	<b>1,669</b>	<b>1,577</b>	<b>(6)%</b>

## Natixis - IFRS 9 Balance sheet

Assets (in €bn)	31/12/2018	01/01/2018
Cash and balances with central banks	24.3	36.9
Financial assets at fair value through profit and loss <sup>1</sup>	214.1	225.7
Financial assets at fair value through Equity	10.8	10.0
Loans and receivables <sup>1</sup>	96.6	125.1
Debt instruments at amortized cost	1.2	1.0
Insurance assets	100.5	96.2
Non-current assets held for sale	25.6	0.7
Accruals and other assets	16.8	18.5
Investments in associates	0.7	0.7
Tangible and intangible assets	1.1	1.6
Goodwill	3.8	3.6
<b>Total</b>	<b>495.5</b>	<b>520.0</b>
Liabilities and equity (in €bn)	31/12/2018	01/01/2018
Due to central banks	0.0	0.0
Financial liabilities at fair value through profit and loss <sup>1</sup>	208.2	221.3
Customer deposits and deposits from financial institutions <sup>1</sup>	109.2	135.3
Debt securities	35.0	32.6
Liabilities associated with non current assets held for sale	9.7	0.0
Accruals and other liabilities	17.0	17.8
Insurance liabilities	89.5	86.5
Contingency reserves	1.7	1.9
Subordinated debt	4.0	3.7
Equity attributable to equity holders of the parent	19.9	19.7
Minority interests	1.3	1.2
<b>Total</b>	<b>495.5</b>	<b>520.0</b>

<sup>1</sup> Including deposit and margin call



## Natixis - 4Q18 P&L by business line

€m	AWM	CIB	Insurance	SFS	Corporate Center	4Q18 reported
Net revenues	1,005	512	201	373	160	2,251
Expenses	(622)	(558)	(118)	(260)	(216)	(1,773)
Gross operating income	384	(46)	83	113	(56)	478
Provision for credit losses	0	(11)	0	(6)	(12)	(29)
Net operating income	384	(57)	83	107	(68)	449
Associates and other items	43	3	9	0	3	58
Pre-tax profit	427	(54)	91	107	(65)	507
					Tax	(128)
					Minority interests	(127)
					Net income (gs)	252

## Asset & Wealth Management

€m	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	4Q18 vs. 4Q17	2017	2018	2018 vs. 2017
Net revenues	704	743	766	899	777	819	818	1,005	12%	3,113	3,419	10%
Asset Management <sup>1</sup>	671	713	730	857	739	782	782	971	13%	2,972	3,274	10%
Wealth management	33	30	36	42	37	37	36	34	(19)%	142	144	2%
Expenses	(519)	(521)	(528)	(610)	(529)	(549)	(564)	(622)	2%	(2,178)	(2,264)	4%
Gross operating income	186	222	239	289	248	269	253	384	33%	936	1,154	23%
Provision for credit losses	0	0	0	0	0	(1)	(1)	0		0	(1)	
Net operating income	186	223	239	289	248	268	253	384	33%	936	1,153	23%
Associates	0	0	0	1	0	0	0	2		1	3	
Other items	9	0	(1)	2	0	(3)	(2)	41		10	37	
Pre-tax profit	195	222	238	291	248	266	251	427	47%	947	1,192	26%
Cost/Income ratio	73.6%	70.1%	68.8%	67.9%	68.1%	67.1%	69.0%	61.8%		69.9%	66.2%	
Cost/Income ratio excluding IFRIC 21 effect	73.2%	70.2%	69.0%	68.0%	67.5%	67.3%	69.2%	62.0%		69.9%	66.2%	
RWA (Basel 3 – in €bn)	10.6	10.2	10.2	11.7	11.5	11.6	12.3	12.0	3%	11.7	12.0	3%
Normative capital allocation (Basel 3)	3,874	3,828	3,715	3,676	4,077	3,997	4,087	4,302	17%	3,773	4,116	9%
RoE after tax (Basel 3) <sup>2</sup>	11.3%	12.5%	13.5%	14.0%	13.7%	15.2%	13.9%	19.5%		12.8%	15.6%	
RoE after tax (Basel 3) excluding IFRIC 21 effect <sup>2</sup>	11.5%	12.4%	13.4%	13.9%	14.0%	15.1%	13.8%	19.4%		12.8%	15.6%	

<sup>1</sup> Asset management including Private equity

<sup>2</sup> Normative capital allocation methodology based on 10.5% of the average RWA - including goodwill and intangibles

## Corporate & Investment Banking

€m	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	4Q18 vs. 4Q17	2017	2018	2018 vs. 2017
<b>Net revenues</b>	971	1,019	775	817	938	965	822	512	(37)%	3,581	3,237	(10)%
<b>Global markets</b>	603	547	363	408	528	457	335	11	(97)%	1,921	1,331	(31)%
FIC-T	388	389	253	288	378	299	252	229	(20)%	1,317	1,158	(12)%
Equity	179	172	103	144	148	145	97	(220)		599	170	
<i>o/w Equity excl. cash</i>	170	165	95	137	143	140	97	(219)		566	161	
<i>o/w Cash equity</i>	10	7	9	7	5	4	0	0		32	9	
CVA/DVA desk	35	(13)	7	(24)	1	13	(15)	2		5	2	
<b>Global finance</b>	312	343	315	358	334	382	335	360	0%	1,328	1,411	6%
<b>Investment banking<sup>1</sup></b>	81	122	85	75	83	85	79	125	68%	362	372	3%
<b>Other</b>	(25)	7	12	(24)	(7)	41	74	16		(30)	123	
Expenses	(566)	(555)	(506)	(567)	(563)	(549)	(523)	(558)	(2)%	(2,194)	(2,193)	0%
<b>Gross operating income</b>	404	464	269	249	375	417	299	(46)		1,387	1,045	(25)%
Provision for credit losses	(29)	(48)	(16)	(21)	(29)	(39)	(96)	(11)		(115)	(175)	
<b>Net operating income</b>	375	416	253	228	346	378	203	(57)		1,272	870	(32)%
Associates	3	3	3	3	4	3	3	3		10	12	
Other items	0	0	0	18	3	0	0	0		18	3	
<b>Pre-tax profit</b>	378	418	255	249	352	380	206	(54)		1,300	884	(32)%
Cost/Income ratio	58.3%	54.4%	65.3%	69.5%	60.1%	56.8%	63.6%	108.9%		61.3%	67.7%	
Cost/Income ratio excluding IFRIC 21 effect	55.5%	55.4%	66.5%	70.6%	57.7%	57.6%	64.5%	110.4%		61.3%	67.7%	
RWA (Basel 3 – in €bn)	64.4	61.3	60.4	59.0	58.9	60.8	60.4	60.3	2%	59.0	60.3	2%
Normative capital allocation (Basel 3)	7,136	6,963	6,623	6,519	6,365	6,346	6,601	6,552	1%	6,810	6,466	(5)%
RoE after tax (Basel 3) <sup>2</sup>	14.7%	16.5%	10.5%	11.8%	16.1%	17.3%	9.1%	NR		13.5%	9.9%	
RoE after tax (Basel 3) excluding IFRIC 21 effect <sup>2</sup>	15.7%	16.1%	10.2%	11.4%	17.2%	17.0%	8.8%	NR		13.5%	9.9%	

<sup>1</sup> Including M&A

<sup>2</sup> Normative capital allocation methodology based on 10.5% of the average RWA - including goodwill and intangibles

## Insurance

€m	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	4Q18 vs. 4Q17	2017	2018	2018 vs. 9M17
Net revenues	189	179	176	190	204	193	192	201	6%	734	790	8%
Expenses	(129)	(102)	(99)	(109)	(118)	(108)	(103)	(118)	8%	(439)	(448)	2%
Gross operating income	60	77	77	80	86	85	89	83	3%	295	342	16%
Provision for credit losses	0	0	0	0	0	0	0	0		0	0	
Net operating income	60	77	77	80	86	85	89	83	3%	295	342	16%
Associates	4	3	2	4	3	0	3	9		13	15	
Other items	0	0	0	0	0	0	0	0		0	0	
Pre-tax profit	65	80	79	85	89	85	92	91	8%	308	356	16%
Cost/Income ratio	68.1%	56.9%	56.2%	57.5%	58.0%	56.1%	53.8%	58.9%		59.8%	56.7%	
Cost/Income ratio excluding IFRIC 21 effect	54.9%	61.5%	60.9%	61.9%	51.1%	58.5%	56.2%	61.2%		59.8%	56.7%	
RWA (Basel 3 – in €bn)	7.4	7.2	7.4	7.2	7.3	7.0	7.1	7.3	1%	7.2	7.3	1%
Normative capital allocation (Basel 3)	857	871	849	875	853	868	828	841	(4)%	863	848	(2)%
RoE after tax (Basel 3) <sup>1</sup>	17.7%	21.6%	22.3%	26.7%	28.6%	26.4%	30.3%	30.7%		22.1%	29.0%	
RoE after tax (Basel 3) excluding IFRIC 21 effect <sup>1</sup>	25.6%	19.0%	19.6%	24.2%	33.0%	24.9%	28.8%	29.2%		22.1%	29.0%	

<sup>1</sup> Normative capital allocation methodology based on 10.5% of the average RWA - including goodwill and intangibles

## Specialized Financial Services

€m	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	4Q18 vs. 4Q17	2017	2018	2018 vs. 2017
<b>Net revenues</b>	<b>344</b>	<b>347</b>	<b>341</b>	<b>350</b>	<b>362</b>	<b>371</b>	<b>366</b>	<b>373</b>	<b>7%</b>	<b>1,382</b>	<b>1,472</b>	<b>6%</b>
<b>Specialized Financing</b>	<b>219</b>	<b>218</b>	<b>215</b>	<b>210</b>	<b>223</b>	<b>230</b>	<b>225</b>	<b>217</b>	<b>3%</b>	<b>862</b>	<b>894</b>	<b>4%</b>
Factoring	39	39	38	42	40	40	39	41	(2)%	158	160	1%
Sureties & Financial Guarantees	55	46	52	47	54	50	51	50	8%	200	205	3%
Leasing	54	61	52	49	57	61	63	56	15%	216	237	10%
Consumer Financing	66	65	67	67	67	67	67	65	(4)%	265	265	0%
Film Industry Financing	5	6	5	6	6	11	6	5	(15)%	23	27	19%
<b>Payments</b>	<b>81</b>	<b>83</b>	<b>83</b>	<b>89</b>	<b>93</b>	<b>95</b>	<b>96</b>	<b>105</b>	<b>18%</b>	<b>336</b>	<b>389</b>	<b>16%</b>
<b>Financial Services</b>	<b>44</b>	<b>46</b>	<b>43</b>	<b>51</b>	<b>46</b>	<b>46</b>	<b>45</b>	<b>51</b>	<b>1%</b>	<b>184</b>	<b>188</b>	<b>2%</b>
Employee savings plans	21	22	21	26	23	23	23	26	0%	91	95	4%
Securities Services	23	23	22	25	23	23	22	25	2%	93	93	1%
Expenses	(233)	(228)	(229)	(249)	(245)	(250)	(248)	(260)	4%	(939)	(1,004)	7%
<b>Gross operating income</b>	<b>112</b>	<b>118</b>	<b>112</b>	<b>101</b>	<b>117</b>	<b>121</b>	<b>117</b>	<b>113</b>	<b>12%</b>	<b>443</b>	<b>468</b>	<b>6%</b>
Provision for credit losses	(21)	(14)	(13)	(24)	(9)	3	(11)	(6)	(75)%	(73)	(23)	(68)%
<b>Net operating income</b>	<b>90</b>	<b>104</b>	<b>99</b>	<b>77</b>	<b>108</b>	<b>123</b>	<b>107</b>	<b>107</b>	<b>39%</b>	<b>371</b>	<b>445</b>	<b>20%</b>
Associates	0	0	0	0	0	0	0	0		0	0	
Other items	0	0	0	0	0	1	0	0		(0)	1	
<b>Pre-tax profit</b>	<b>90</b>	<b>104</b>	<b>99</b>	<b>77</b>	<b>108</b>	<b>124</b>	<b>106</b>	<b>107</b>	<b>40%</b>	<b>371</b>	<b>445</b>	<b>20%</b>
Cost/Income ratio	67.6%	65.8%	67.1%	71.2%	67.7%	67.4%	67.9%	69.7%		67.9%	68.2%	
Cost/Income ratio excluding IFRIC 21 effect	65.6%	66.5%	67.7%	71.8%	65.9%	68.0%	68.5%	70.3%		67.9%	68.2%	
RWA (Basel 3 – in €bn)	15.2	16.0	15.7	16.7	17.5	15.8	15.7	16.2	(3)%	16.7	16.2	(3)%
Normative capital allocation (Basel 3)	1,961	1,889	1,907	1,958	2,145	2,232	2,084	2,072	6%	1,929	2,133	11%
RoE after tax (Basel 3) <sup>1</sup>	12.6%	15.1%	14.0%	10.7%	13.5%	14.9%	13.7%	14.0%		13.0%	14.0%	
RoE after tax (Basel 3) excluding IFRIC 21 effect <sup>1</sup>	13.6%	14.7%	13.6%	10.3%	14.4%	14.6%	13.4%	13.6%		13.0%	14.0%	

<sup>1</sup> Normative capital allocation methodology based on 10.5% of the average RWA - including goodwill and intangibles

## Corporate Center

€m	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	4Q18 vs. 4Q17	2017	2018	2018 vs. 2017
<b>Net revenues</b>	138	122	146	251	131	229	179	160	(36)%	657	699	6%
Coface	137	152	167	167	177	156	180	165	(1)%	624	678	9%
Others	1	(30)	(21)	84	(45)	73	(1)	(5)		33	21	
<b>Expenses</b>	(324)	(189)	(169)	(201)	(339)	(184)	(176)	(216)	7%	(883)	(915)	4%
Coface	(122)	(128)	(119)	(114)	(122)	(116)	(122)	(128)	12%	(484)	(488)	1%
SRF	(128)	6	0	1	(162)	(1)	0	0		(121)	(164)	35%
Others	(74)	(66)	(50)	(88)	(54)	(67)	(53)	(88)	0%	(278)	(263)	(6)%
<b>Gross operating income</b>	(186)	(67)	(23)	50	(208)	45	3	(56)		(226)	(215)	(5)%
Provision for credit losses	(20)	(5)	(26)	(20)	(5)	(3)	5	(12)		(71)	(15)	
<b>Net operating income</b>	(206)	(72)	(49)	30	(213)	42	8	(68)		(297)	(231)	(22)%
Associates	0	0	0	0	0	0	0	0		1	0	
Other items	1	18	0	2	3	6	2	3		20	14	
<b>Pre-tax profit</b>	(205)	(54)	(49)	32	(209)	48	10	(65)		(275)	(216)	(21)%

#### 4Q18 results: from data excluding non-operating items to reported data

€m	4Q18 Underlying	Exchange rate fluctuations on DSN in currencies	Transformation & Business Efficiency investment costs	Fit to Win investments & restructuring expenses	4Q18 Reported
Net revenues	2,235	16			2,251
Expenses	(1,742)		(28)	(3)	(1,773)
<b>Gross operating income</b>	<b>493</b>	<b>16</b>	<b>(28)</b>	<b>(3)</b>	<b>478</b>
Provision for credit losses	(29)				(29)
Associates	13				13
Gain or loss on other assets	45				45
<b>Pre-tax profit</b>	<b>522</b>	<b>16</b>	<b>(28)</b>	<b>(3)</b>	<b>507</b>
Tax	(133)	(3)	7	1	(128)
Minority interests	(128)			1	(127)
<b>Net income (group share)</b>	<b>261</b>	<b>13</b>	<b>(21)</b>	<b>(1)</b>	<b>252</b>

#### 2018 results: from data excluding non-operating items to reported data

€m	2018 Underlying	Exchange rate fluctuations on DSN in currencies	Transformation & Business Efficiency investment costs	Fit to Win investments & restructuring expenses	SWL provision reversal	Legal provision	2018 Reported
Net revenues	9,500	48			68		9,616
Expenses	(6,731)		(89)	(3)			(6,823)
<b>Gross operating income</b>	<b>2,769</b>	<b>48</b>	<b>(89)</b>	<b>(3)</b>	<b>68</b>		<b>2,793</b>
Provision for credit losses	(143)					(71)	(215)
Associates	29						29
Gain or loss on other assets	54						54
<b>Pre-tax profit</b>	<b>2,709</b>	<b>48</b>	<b>(89)</b>	<b>(3)</b>	<b>68</b>	<b>(71)</b>	<b>2,661</b>
Tax	(797)	(14)	28	1	(19)	20	(781)
Minority interests	(305)			1			(304)
<b>Net income (group share)</b>	<b>1,607</b>	<b>34</b>	<b>(61)</b>	<b>(1)</b>	<b>50</b>	<b>(52)</b>	<b>1,577</b>



## Regulatory capital in 4Q18 & financial structure - Basel 3 phased-in<sup>1</sup>, €bn

As of 2Q18, regulatory reporting excluding current financial year's earnings and accrued/declared dividend - See note on methodology

<b>Shareholder's equity group share</b>	<b>19.9</b>
Current financial year's earnings	(1.6)
Goodwill & intangibles	(3.9)
Other deductions	(1.0)
Hybrids restatement in Tier 1 <sup>2</sup>	(2.1)
<b>CET1 Capital</b>	<b>11.3</b>
Additional T1	2.1
<b>Tier 1 Capital</b>	<b>13.4</b>
Tier 2 Capital	2.4
<b>Total prudential capital</b>	<b>15.8</b>

	1Q17	2Q17	3Q17	4Q17	1Q18	1Q18 Pro forma	2Q18	3Q18	4Q18
CET1 ratio	10.9%	11.2%	11.4%	10.8%	10.8%	10.7%	10.6%	10.4%	<b>10.4%</b>
Tier 1 ratio	12.8%	13.1%	13.1%	12.9%	12.7%	12.5%	12.5%	12.4%	<b>12.3%</b>
Solvency ratio	15.1%	15.4%	15.3%	14.9%	14.8%	14.6%	14.5%	14.3%	<b>14.5%</b>
Tier 1 capital	14.6	14.7	14.6	14.3	13.9	13.7	13.7	13.6	<b>13.4</b>
RWA EoP	114.1	112.6	111.7	110.7	109.5	109.5	110.1	109.6	<b>109.2</b>

## IFRIC 21 effects by business line

### Effect in Expenses

€m	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	2017	2018
AWM	(3)	1	1	1	(4)	1	1	1	0	0
CIB	(28)	9	9	9	(22)	7	7	7	0	0
Insurance	(25) <sup>3</sup>	8 <sup>4</sup>	8 <sup>4</sup>	8 <sup>4</sup>	(14)	5	5	5	0	0
SFS	(6)	2	2	2	(6)	2	2	2	0	0
Corporate center	(94)	34	30	30	(119)	40	40	40	0	0
<b>Total Natixis</b>	<b>(156)</b>	<b>55</b>	<b>50</b>	<b>50</b>	<b>(166)</b>	<b>55</b>	<b>55</b>	<b>55</b>	<b>0</b>	<b>0</b>

### Effect in Net revenues

€m	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	2017	2018
SFS (Leasing)	(1)	0	0	0	(1)	0	0	0	0	0
<b>Total Natixis</b>	<b>(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<sup>1</sup> See note on methodology

<sup>2</sup> Including capital gain following reclassification of hybrids as equity instruments

<sup>3</sup> €(10.9)m in underlying expenses and -€14.1m in exceptional expenses linked to the additional Corporate Social Solidarity Contribution resulting from agreement with CNP

<sup>4</sup> €3.6m in underlying expenses and €4.7m in exceptional expenses linked to the additional Corporate Social Solidarity Contribution resulting from agreement with CNP

## Normative capital allocation and RWA breakdown - 31/12/2018

€bn	RWA EoP	% of total	Goodwill & intangibles 2018	Capital allocation 2018	RoE after tax 2018
AWM	12.0	13%	2.9	4.1	15.6%
CIB	60.3	63%	0.2	6.5	9.9%
Insurance	7.3	8%	0.1	0.8	29.0%
SFS	16.2	17%	0.4	2.1	14.0%
<b>Total (excl. Corporate center)</b>	<b>95.8</b>	<b>100%</b>	<b>3.6</b>	<b>13.6</b>	

<i>RWA breakdown (€bn)</i>	<b>31/12/2018</b>
<b>Credit risk</b>	<b>76.7</b>
<i>Internal approach</i>	55.7
<i>Standard approach</i>	21.0
<b>Counterparty risk</b>	<b>5.9</b>
<i>Internal approach</i>	5.0
<i>Standard approach</i>	0.9
<b>Market risk</b>	<b>9.6</b>
<i>Internal approach</i>	4.4
<i>Standard approach</i>	5.2
<b>CVA</b>	<b>1.7</b>
<b>Operational risk - Standard approach</b>	<b>15.3</b>
<b>Total RWA</b>	<b>109.2</b>

## Fully-loaded leverage ratio<sup>1</sup>

According to the rules of the Delegated Act published by the European Commission on October 10, 2014, including the effect of intragroup cancellation - pending ECB authorization

€bn	<b>31/12/2018</b>
<b>Tier 1 capital<sup>1</sup></b>	<b>13.9</b>
Total prudential balance sheet	394.6
Adjustment on derivatives	(40.0)
Adjustment on repos <sup>2</sup>	(31.5)
Other exposures to affiliates	(22.1)
Off balance sheet commitments	38.1
Regulatory adjustments	(5.1)
<b>Total leverage exposures</b>	<b>334.0</b>
<b>Leverage ratio</b>	<b>4.2%</b>

<sup>1</sup> See note on methodology. Without phase-in - supposing replacement of existing subordinated issuances when they become ineligible

<sup>2</sup> Repos with clearing houses cleared according to IAS32 standard, without maturity or currency criteria

## Net book value as at December 31, 2018

<i>€bn</i>	<b>31/12/2018</b>
<b>Shareholders' equity (group share)</b>	<b>19.9</b>
Deduction of hybrid capital instruments	(2.0)
Deduction of gain on hybrid instruments	(0.1)
Distribution	(0.9)
<b>Net book value</b>	<b>16.8</b>
Restated intangible assets <sup>1</sup>	0.8
Restated goodwill <sup>1</sup>	3.3
<b>Net tangible book value<sup>2</sup></b>	<b>12.7</b>
<b>€</b>	
<b>Net book value per share</b>	<b>5.35</b>
<b>Net tangible book value per share</b>	<b>4.05</b>

## 2018 Earnings per share

<i>€m</i>	<b>31/12/2018</b>
Net income (gs)	1,577
DSN interest expenses on preferred shares after tax	(97)
<b>Net income attributable to shareholders</b>	<b>1,480</b>
<b>Earnings per share (€)</b>	<b>0.47</b>

## Number of shares as at December 31, 2018

	<b>31/12/2018</b>
Average number of shares over the period, excluding treasury shares	3,141,934,648
Number of shares, excluding treasury shares, EoP	3,146,571,614
Number of treasury shares, EoP	3,716,978

<sup>1</sup> See note on methodology

<sup>2</sup> Net tangible book value = Book value – goodwill - intangible assets

## Net income attributable to shareholders

€m	4Q18	2018
Net income (gs)	252	1,577
DSN interest expenses on preferred shares after tax	(24)	(97)
<b>RoE &amp; RoTE numerator</b>	<b>228</b>	<b>1,480</b>

### Natixis RoTE<sup>1</sup>

€m	31/12/2018
Shareholders' equity (group share)	19,916
DSN deduction	(2,122)
Dividend provision	(944)
Intangible assets	(779)
Goodwill	(3,331)
RoTE Equity end of period	12,740
Average RoTE equity (4Q18)	12,701
<b>4Q18 RoTE annualized</b>	<b>7.2%</b>
Average RoTE equity (2018)	12,565
<b>2018 RoTE annualized</b>	<b>11.8%</b>

### Natixis RoE<sup>1</sup>

€m	31/12/2018
Shareholders' equity (group share)	19,916
DSN deduction	(2,122)
Dividend provision	(944)
Exclusion of unrealized or deferred gains and losses recognized in equity (OCI)	(240)
RoE Equity end of period	16,610
Average RoE equity (4Q18)	16,503
<b>4Q18 RoE annualized</b>	<b>5.5%</b>
Average RoE equity (2018)	16,145
<b>2018 RoE annualized</b>	<b>9.2%</b>

<sup>1</sup> See note on methodology

## Doubtful loans<sup>1</sup>

<i>€bn</i>	<b>31/12/2017</b> Pro forma IFRS9	<b>31/12/2018</b> Under IFRS9
Provisionable commitments <sup>2</sup>	2.7	2.3
Provisionable commitments / Gross debt	2.2%	2.0%
Stock of provisions <sup>3</sup>	2.0	1.8
Stock of provisions / Provisionable commitments	73%	78%

<sup>1</sup> On-balance sheet, excluding repos, net of collateral

<sup>2</sup> Net commitments include properties that are underlying leasing contracts and for which Natixis is the owner as well as factored loans for which the chargeable counterparties are not in default

<sup>3</sup> Specific and portfolio-based provisions

## Disclaimer

This media release may contain objectives and comments relating to the objectives and strategy of Natixis. Any such objectives inherently depend on assumptions, project considerations, objectives and expectations linked to future and uncertain events, transactions, products and services as well as suppositions regarding future performances and synergies.

No Insurance can be given that such objectives will be realized. They are subject to inherent risks and uncertainties, and are based on assumptions relating to Natixis, its subsidiaries and associates, and the business development thereof; trends in the sector; future acquisitions and investments; macroeconomic conditions and conditions in Natixis' principal local markets; competition and regulation. Occurrence of such events is not certain, and outcomes may prove different from current expectations, significantly affecting expected results. Actual results may differ significantly from those implied by such objectives.

Information in this media release relating to parties other than Natixis or taken from external sources has not been subject to independent verification, and Natixis makes no warranty as to the accuracy, fairness, precision or completeness of the information or opinions herein. Neither Natixis nor its representatives shall be liable for any errors or omissions, or for any prejudice resulting from the use of this media release, its contents or any document or information referred to herein.

Included data in this press release have not been audited.

NATIXIS financial disclosures for the fourth quarter 2018 are contained in this press release and in the presentation attached herewith, available online at [www.natixis.com](http://www.natixis.com) in the "Investors & shareholders" section.

The conference call to discuss the results, scheduled for February 13<sup>th</sup>, 2019 at 9:00 a.m. CET, will be webcast live on [www.natixis.com](http://www.natixis.com) (on the "Investors & shareholders" page).

## CONTACTS:

INVESTOR RELATIONS: [investorelations@natixis.com](mailto:investorelations@natixis.com)

PRESS RELATIONS: [relationspresse@natixis.com](mailto:relationspresse@natixis.com)

Damien Souchet T + 33 1 58 55 41 10  
Souad Ed Diaz T + 33 1 58 32 68 11  
Noemie Louvel T + 33 1 78 40 37 87

Daniel Wilson T + 33 1 58 19 10 40  
Sonia Dilouya T + 33 1 58 32 01 03  
Vanessa Stephan T + 33 1 58 19 34 16

[www.natixis.com](http://www.natixis.com)

