



*Press Release*

25 June 2009

## **CNP Assurances and Barclays set up a long term life bancassurance partnership in Southern Europe**

CNP Assurances (CNP) and Barclays Bank PLC (Barclays) have agreed to enter into a 25 year business alliance to develop life insurance through Barclays networks in Spain, Portugal and Italy.

Under the terms of this agreement:

- ✓ CNP will acquire 50% shareholding in the existing life insurance captive of Barclays - Barclays Vida y Pensiones (BVP) - that operates in Spain and Portugal. In addition to that, CNP and Barclays will launch new insurance operations in Italy in order to build upon the current business in this country. CNP will assume management control of the existing and future insurance operation.
- ✓ The partners enter into an exclusive distribution agreement for life and pension products including savings, pensions and risk business lines, distributed through Barclays retail networks in Spain, Portugal and Italy.

Barclays and CNP share the common ambition of setting up a strong life insurance franchise in Spain, Portugal and Italy capitalizing on the proven track record and fast growing presence of Barclays in these countries (some 1 000 branches at end 2008) and on the growth potential of Southern Europe insurance markets.

As a result of this agreement, CNP will pay Barclays an initial upfront consideration of €140 million in cash on completion. This is subject to a post-completion adjustment by reference to BVP's net assets as at closing. An additional consideration potentially leading to a substantial amount will be payable to Barclays in cash over a period of 12 years, dependent upon achieving certain volume and margin thresholds and Barclays branch openings, to maintain a balanced sharing of the value created through the joint venture between the two shareholders.

This self-financed transaction won't have any material impact on CNP Assurances Solvency ratio. The transaction is conditional on receipt of the necessary regulatory approvals.

*Gilles Benoist, Group Chief Officer of CNP Assurances, said "We are delighted to launch this partnership with such a highly regarded bank as Barclays. CNP's long standing experience and expertise in life insurance, particularly in Southern Europe, combined with the growth capacity of Barclays in this region will create long term value for all parties. Moreover, this partnership refocuses and strengthens CNP's footprint in the region, and will be source of positive synergies."*

*Leo Salom., Chief Executive of Barclays Global Retail and Commercial Banking, Western Europe said: "Barclays joint venture with CNP presents an exciting opportunity for both businesses. Barclays is an ambitious player in the Spanish, Portuguese and Italian markets and we are confident that CNP's expertise in insurance product design and manufacture, coupled with the strength of the Barclays brand and distribution network, will be a winning combination for our customers and shareholders."*

**CNP Assurances - Press Relation**

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**Cautionary Note Regarding Forward-Looking Statements**

Some of the statements contained in this press release may be forward-looking statements referring to projections, future events, trends or objectives which, by their very nature, involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated in such statements by reason of factors such as changes in general economic conditions and conditions in the financial markets, legal or regulatory decisions or changes, changes in the frequency and amount of insured claims, particularly as a result of changes in mortality and morbidity rates, changes in surrender rates, interest rates, foreign exchange rates, the competitive environment, the policies of foreign central banks or governments, legal proceedings, the effects of acquisitions and the integration of newly-acquired businesses, and general factors affecting competition.

Further information regarding factors which may cause results to differ materially from those projected in forward looking statements is included in CNP Assurances' filings with the Autorité des Marchés Financiers. CNP Assurances does not undertake to update any forward-looking statements presented herein to take into account any new information, future event or other factors

**Appendices****Barclays**

Barclays is a major global financial services provider engaged in retail and commercial banking, credit cards, investment banking, wealth management and investment management services with an extensive international presence in Europe, the USA, Africa and Asia. With over 300 years of history and expertise in banking, Barclays operates in over 50 countries and employs approximately 156,000 people. Barclays moves, lends, invests and protects money for 49 million customers and clients worldwide. For further information about Barclays, please visit our website [www.Barclays.com](http://www.Barclays.com).

**CNP Assurances**

CNP Assurances, France's leading personal insurer and among the top 5 European life insurers, reported 2008 premium income of €28.3 billion and EBIT of more than €2.3 billion. The Group's international operations represented premium income of €3.2 billion, or 11% of total premiums, and accounted for 22% of total EBIT. Its main host countries outside France are Italy, Brazil, Portugal and Spain. The group is committed to expanding its international footprint as evidence by Marfin Popular Bank deal in Cyprus and Greece in July 2008.

**Additional information about Barclays Vida y Pensiones ('BVP') and Italian Insurance business**

As at 31/12/2008 (m€)	BVP*	o/w Spain *	o/w Portugal *	Italy **
Gross Written Premiums	251	196	55	38
Technical Provisions	1,338	-	-	-
Net Income	28	-	-	-
Embedded Value (Spain and Portugal)***	165	-	-	-
Branches ****	794	588	206	115

\* local gaap

\*\* Third-party products

\*\*\* Best estimate of CNP at end 2008 (to be revised at Purchase) with a Net Asset Value of circa 100M€ (to be adjusted at Closing)

\*\*\*\* Barclays branches through which BvP's products are currently distributed