



Press release

Paris, December 19, 2019

Groupe BPCE, Natixis and La Banque Postale reached a major milestone in deepening and expanding their business partnership including plans to create a major player in insurance-related asset management in Europe.

Groupe BPCE and La Banque Postale have been continuing their discussions on the various aspects of the expanded business partnership between the two groups, announced in June 2019. The agreements concerning CNP Assurances (extension of commercial agreements and shareholders' agreement) were signed and the main terms of the contemplated combination of asset management activities have been defined.

Creation of a major asset management player in Europe

Natixis and La Banque Postale have set out the main principles and conditions of the contemplated combination of some of their asset management operations in France.

This contemplated combination will be presented to the relevant staff representative bodies during the first quarter of 2020. The objective is to implement the transaction during the second half of 2020.

The contemplated project aims to combine within Ostrum Asset Management the euro fixed-income and credit activities and expertise, as well as the insurance-related asset management businesses of Ostrum Asset Management and La Banque Postale Asset Management, thereby combining around €435 billion in assets under management (based on figures at June 30, 2019), with the ambition to be fully compliant with socially responsible investing (SRI) principles.

This joint entity will also benefit from a cutting-edge technology and operating platform, allowing it to offer a wide range of services to the two groups' large long-term insurance partners as well as third-party clients, notably in the insurance industry.

La Banque Postale, via its subsidiary La Banque Postale Asset Management, 70%-owned alongside minority shareholders, will continue to develop a business model based on multi-specialist management.

The joint entity would be 55%-owned by Natixis (via its subsidiary Natixis Investment Managers) and 45%-owned by La Banque Postale (via its subsidiary La Banque Postale Asset Management), with a balanced governance structure.

Philippe Setbon, currently Chief Executive Officer at Ostrum Asset Management, would manage the joint entity as CEO. Emmanuelle Mourey, currently Chairman of the Management Board at La Banque Postale Asset Management, would be Deputy Chief Executive Officer of the joint entity.

Agreements with CNP Assurances

Groupe BPCE and CNP Assurances today signed agreements, effective from January 1, 2020, to extend the agreements entered into in 2015 between BPCE/Natixis and CNP Assurances (credit insurance, collective savings and health products in particular) from December 31, 2022 to December 31, 2030, thereby supporting the multi-partnership model of CNP Assurances.

These agreements include the change in the credit insurance coinsurance allocation to 50-50% between Natixis Assurances (BPCE Vie and BPCE Prévoyance) and CNP Assurances, and reinsurance by CNP Assurances of 34% of individual borrowers' insurance underwritten by BPCE Vie.

Shareholders' agreement regarding CNP Assurances

Concomitantly with the combination of CNP Assurances and La Banque Postale scheduled for early January 2020, and following the termination in late June 2019 by La Banque Postale of the current shareholders' agreement relating to CNP Assurances that expires on December 31, 2019, BPCE and La Banque Postale have entered into a new shareholders' agreement as shareholders of CNP Assurances (with respective stakes of 16.11% and 62.13%). This new shareholders' agreement will be in force until end-2030.

With two directors, Groupe BPCE will remain represented in the Board of Directors of CNP Assurances and its specific committees.

About Groupe BPCE

Groupe BPCE, the second-largest banking group in France, includes two independent and complementary cooperative commercial banking networks: the network of 14 Banque Populaire banks and the network of 15 Caisses d'Épargne. It is also active in real estate financing through Crédit Foncier. It is a major player in asset management, insurance, corporate and investment banking and specialised financial services with Natixis. Through its 106,500 employees, Groupe BPCE serves a total of 31 million customers and enjoys a strong presence in France with 7,800 branches and 9 million cooperative shareholders. The Group's long-term senior preferred debt is rated by four financial rating agencies: Moody's (A1, stable outlook), S&P (A+, stable outlook), Fitch (A, stable outlook) and R&I (A, stable outlook).

About La Banque Postale

La Banque Postale, a subsidiary of Groupe La Poste, operates in the retail banking, insurance and asset management markets. As a bank whose mission is to work in the best interest of the community, it supports its customers by offering a sustainable banking relationship with a comprehensive range of reasonably priced and accessible products and services. As a local bank providing a public service, La Banque Postale meets the needs of each and all: private individuals, businesses, professionals and the local public sector. It serves its customers through the Post Office network, on-line and over the telephone as part of a fully multi-channel relationship.

La Banque Postale at a glance:

- 5,570 billion euros in NBI
- 10.3 million active customers
- close to 365,000 legal and local public entity customers
- 8.2 million bank cards

Figures at end-2018

About Natixis

Natixis is a French multinational financial services firm specialized in asset & wealth management, corporate & investment banking, insurance and payments. A subsidiary of Groupe BPCE, the second-largest banking group in France through its two retail banking networks, Banque Populaire and Caisse d'Épargne, Natixis counts nearly 16,000 employees across 38 countries. Its clients include corporations, financial institutions, sovereign and supranational organizations, as well as the customers of Groupe BPCE's networks. Listed on the Paris stock exchange, Natixis has a solid financial base with a CET1 capital under Basel 3(1) of €11.4 billion, a Basel 3 CET1 Ratio(1) of 11.5% and quality long-term ratings (Standard & Poor's: A+ / Moody's: A1 / Fitch Ratings: A+).

(1) Based on CRR-CRD4 rules as reported on June 26, 2013, including the Danish compromise - without phase-in and including current financial year's earnings and accrued dividend (based on a 60% pay-out).

Figures as at 30 September 2019

About CNP Assurances

A leading player in the French personal insurance market, CNP Assurances operates in 19 countries in Europe and Latin America, where it is very active in Brazil, its second largest market. As an insurance, coinsurance, and reinsurance provider, CNP Assurances designs innovative personal risk/protection and savings/retirement solutions. The company has more than 37 million insured in personal risk/protection insurance worldwide and more than 14 million in savings/retirement. In accordance with its business model, its solutions are distributed by multiple partners and adapt to their physical or digital distribution method and to the needs of customers in each country.

CNP Assurances has been listed on the Paris Stock Exchange since October 1998. The Group declared a net income of €1,367M in 2018.

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