PRESS RELEASE

Paris, 15 March 2007
Time of distribution: 8.00am

NATIXIS
2006 PROFORMA RESULTS[1]

- **Strong commercial momentum in all business lines**
- **Sharp rise in net income**
- **Payout rate: 50% of proforma net income group share[2]**

Net banking income	**€7,322m**	**+22%**
Gross operating income[3]	**€2,354m**	**+23%**
Net income group share[3]	**€2,158m**	**+25%[4]**
ROE[5] (after tax)	**13.9%**	**+1.9 pts**
Dividend[2]	**€0.86**	

[1] Natixis was created through the combination of the corporate and investment banking and services activities of the Banque Populaire and Caisse d'Epargne groups.
Natixis was formed in the shareholders' meeting of 17 November 2006, which approved a capital increase through a capital contribution in kind to Natexis Banques Populaires, consisting of a set of assets transferred by Caisse Nationale des Caisses d'Epargne et de Prévoyance and the Champion* general partnership (100%-owned by Banque Fédérale des Banques Populaires). These contributions were described in Document E, registered with the AMF under number E. 06-162 and dated 16 October 2006.
Natixis' consolidated financial statements were approved by the Management Board on 8 March 2007.
The financial information in this press release relating to 2005 and 2006 is stated on a proforma basis, and reflects the situation that would have arisen if the merger transactions had taken place on 1 January 2005. Due to the harmonisation of presentation standards and the effect of changes in scope, certain 2005 proforma income statement items have undergone minor adjustments (affecting revenues by less than 1% and with no impact on net income) relative to those published in Document E.
2006 proforma figures mainly reflect the performance of the various entities before they were combined within the new company and before any expected integration-related benefits.
The 2006 proforma financial information and comparisons with 2005 were established in accordance with IFRSs as adopted by the European Union and applicable as of these dates.
They have been audited by the statutory auditors.
Unless otherwise mentioned, all changes presented in this press release have been calculated relative to 2005 proforma figures.
Statutory net income group share as reported for 2006, which comprises 10.5 months of Natexis Banques Populaires and 1.5 month of the new scope, was €943m.

[2] To be put to the AGM on 24 May 2007
[3] Excluding restructuring charges and costs relating to the creation of Natixis
[4] +30% excluding real-estate gains in 2005
[5] Net income group share divided by average book shareholders' equity

1 – INCOME STATEMENT

Proforma net banking income was €7,322m, up 22% relative to 2005.

Operating expenses (excluding restructuring charges and costs relating to the creation of Natixis) totalled €4,967m, and grew in line with NBI. This increase reflects development investment – with the creation of 1,418 jobs – and increased variable remuneration due to strong financial performance and harmonisation between teams.
There were €86m of additional pre-tax expenses in 2006, including €45m of restructuring charges relating to initial work on IT and logistics systems and €41m of costs relating to the creation of Natixis.
Excluding these non-recurrent expenses, **the cost/income ratio** was 68%.

Gross operating income grew by 23% to €2,354m.
Gross operating income was €1,389m in *CIB*, €386m in *Asset management*, €302m in *Private equity and private banking*, €383m in *Services*, €235m in *Receivables management* and €37m at *CIFG.*

The **cost of risk** remained very low at €50m, due to the credit risk environment – which remained highly favourable – and constant improvements in risk management. Collective provisions were stable, reflecting the prudent provisioning policy.

Operating income rose by 27% to €2,304m.

The share in the net income of equity affiliates was €679m, of which €652m came from retail banking.
The **net contribution for accounting purposes** from retail banking was €580m.

The **tax charge** was €733m.

Underlying net income group share grew by 25% to €2,158m.
After adjusting for exceptional real-estate gains in H205 (€67m), the increase was 30%.

Net income group share was up 22% at €2,100m.
Based on the average number of shares during the year, **earnings per share** came to €1.73.

ROE (after tax) rose by 1.9 points to 13.9%.

CONSOLIDATED INCOME STATEMENT

€ M	2006 Proforma	2005 Proforma	Change
• **Net banking income**	**7,322**	**6,006**	**+22%**
Operating expenses	(4,967)	(4,084)	
• **Gross operating income**	**2,354**	**1,921**	**+23%**
Cost of risk	(50)	(111)	
• **Operating income**	**2,304**	**1,810**	**+27%**
Net gains or losses on other assets	14	98	
Share in the net income of equity affiliates	679	596	
of which CCIs	*652*	*571*	
Change in value of goodwill	(3)	2	
• **Income before tax**	**2,995**	**2,506**	**+20%**
Income tax	(733)	(711)	
Minority interests	(104)	(68)	
• **Underlying net income group share**	**2,158**	**1,727**	**+25%**
Restructuring charges and costs relating to the creation of Natixis, net of tax	(58)	-	
• **Net income group share**	**2,100**	**1,727**	**+22%**

2 - FINANCIAL POSITION

Based on the number of shares at 31 December 2006 (1,219,864,330), **NAV per share** was €14.3.

Tier 1 capital, calculated in accordance with CRD/Basel II rules, was €11.2bn.

Risk-weighted assets[1] totalled €125bn, up 8%.

The **regulatory CAD ratio** was 10.6% and the **Tier 1 ratio** was 8.9% (after deductions in accordance with CRD/Basel II rules).

[1] With affiliation of Ixis CIB and without affiliation of Natixis

3 - BUSINESS LINE ANALYSIS

Net banking income from business lines was €7,510m, up 23% relative to 2005. Growth was driven by strong performance in two major businesses, Corporate and investment banking and Asset management.

CORPORATE AND INVESTMENT BANKING (CIB) - 47% of business-line NBI

CIB net banking income rose by 27% to €3,494m. Net income group share grew by 33% to €943m[1]. ROE[2] (after tax) was 15.0%.

There was excellent performance (revenues as well as net income) in all CIB segments.

Corporate banking revenues rose by 22%, while **investment banking** revenues were up 31%. The corporate/investment banking split was 35%/65%. This performance was achieved alongside a controlled 17% increase in average risk-weighted assets to €104.5bn.

All CIB's **international** activities grew at a rapid pace. Almost 300 jobs were created outside France. The main branches in Europe and Asia were strengthened and new operations were set up in Asia and the USA.
International activities accounted for 50% of CIB's revenues in 2006.

The *Corporate and institutional relations* activity remains the main route for establishing commercial relationships with all business lines. In traditional financing, outstandings were near-flat. Total NBI was stable relative to 2005 at €416m. Margins remained under serious pressure at constant credit quality, offsetting stronger performance in leasing and cash management.

Structured financing and commodities performed very well, with strong commercial activity and more numerous lead arranger mandates. The main growth drivers were real-estate financing for corporates, project financing, acquisition financing and commodity financing. NBI rose by 39% to €631m.

Within the *Capital markets* business, revenues from fixed-income activities rose by 14% to €425m and accounted for 30% of NBI. There was excellent performance in equity derivatives and arbitrage (NBI up 45% at €359m), as well as in primary equity and broking (up 35% at €200m). There was also strong growth in other capital markets activities such as corporate finance, structured products and commodity trading. Overall, NBI was up 36% at €1,389m.

The *Securitisation and principal finance* business saw robust development, both in the USA in the ABS (Asset Backed Securities), CMBS (Collateralized Mortgage Backed Securities), RMBS (Residential Mortgage Backed Securities) markets, and in Europe in all segments of the CDO (Collateralized Debt Obligation) market. NBI rose by 43% to €553m.

International financing (trade finance, international financial institutions, international corporates) *and services* (assistance for international corporate clients) saw very firm growth, resulting in a 28% rise in NBI to €171m. The sharp increase in new loan production, particularly with financial institutions, led to a 30% rise in average loans outstanding in 2006.

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[1] For the purpose of calculating business-line net income, each business line has its own average allocated capital.
[2] In this press release, business-line ROE is calculated using average allocated capital.

ASSET MANAGEMENT - 20% of business-line NBI

Asset management *generated NBI of €1,497m, an increase of 23%. Net income group share jumped by 39% to €266m. ROE (after tax) was 98.9%.*

Assets under management totalled €583bn, an increase of 13% at constant exchange rates. This makes Natixis a major player in the asset management sector worldwide. Assets under management break down between Europe (68% or €394bn, mainly in France) and the USA (32% or €188bn).

Net new money was €30bn in 2006, an increase of 19%. The strategy of diversifying into higher-margin products continued with the development of alternative and structured products, where AuM rose by more than €5bn.

In France, business levels benefited from strong commercial momentum in the Banque Populaire and Caisse d'Epargne networks. Most net new money flowed into life insurance products, where AuM rose by 8% to €198bn.

In the USA, the popularity of the open-architecture model – combining a multi-specialist organisation with a global distribution platform – was confirmed. Business growth was supported by a high level of investment from the group. Management teams were awarded many prizes across the full range of mutual funds. Barron's ranked Ixis Advisors first for 5-year fund performance and second for 1-year fund performance.

PRIVATE EQUITY AND PRIVATE BANKING (PEPB) - 6% of business-line NBI

The ***Private equity and private banking*** *business line posted NBI of €449m, a 63% increase on 2005. Net income group share more than doubled to €229m. ROE (after tax) was 95.6%.*

Private equity was the main contributor (79% of NBI) with revenues of €354m, an increase of 74% relative to what was already an excellent showing in 2005. Disposal gains hit a record level of more than €400m (gross).

Investment activity was also very strong, up 63% at €603m.

Assets under management totalled €3.2bn, with 51% managed for third parties.

Despite the strong level of disposals in 2006 (twice the 2005 amount), the stock of unrealised capital gains remained high at €180m, reflecting the portfolio's regeneration capacity.[1]
This confirmed the steady and very strong long-term performance of Natixis' private equity business.

The *Private banking* business consists of Compagnie 1818, Banque Privée Saint Dominique and Natixis Private Banking Luxembourg. Assets under management totalled €15.5bn at end-2006, and NBI was up 31% at €95m.

[1] Under IFRSs, changes in the stock of unrealised capital gains are recorded in the income statement.

SERVICES - 15% of business-line NBI

*NBI in the **Services** business line rose by 10% to €1,151m. Net income group share grew by 15% to €238m. ROE (after tax) was 16.8%.*

The **Services** business line consists of two kinds of activities:

- insurance, employee benefits planning, sureties and financial guarantees and consumer finance, where products are distributed mainly through the two retail networks
- transaction processing businesses, i.e. securities and payments.

The *Insurance* business saw strong growth. In life insurance, gross new money rose by 35% to €4.1bn in a market that grew by 17%, driven by the success of new unit-linked products (60% growth against the market figure of 45%). Assets under management (excluding Foncier Assurances) rose by 15% (market growth: 11%) to €27.3bn. NBI increased by 16% to €245m.

Employee benefits planning generated NBI of €85m, an increase of 14%. The number of employee accounts rose by 8% to 2.8m, and the number of companies grew by 17% to 30,200. Assets under management increased by 23% to €17bn. Natixis Interépargne confirmed its leading position in the account management market.
The Service vouchers business continued to expand, with the number of vouchers issued rising significantly.

Revenues in *Sureties and financial guarantees* increased by 5%, despite greater competition in the corporate market and despite new mortgage rules, which led to lower prices in the personal customer market. NBI fell by 12% to €84m, due to a specific provision relating to one transaction.

The *Consumer finance* business, formed through the merger between CEFI and Novacrédit, saw revenues rise by 30% to €72m. In revolving credit, distributed by both CEFI and Novacrédit, outstandings totalled €994m. In consumer loans, sold exclusively by CEFI, outstandings ended the year at €1.1bn.

Securities activities comprise Caceis[1] (50/50-owned with Crédit Agricole), Natixis Services Financiers and Gestitres. NBI in the securities business totalled €503m in 2006, up 7%. Assets in custody amounted to €2,405bn (€1,787bn for Caceis, €513bn for Natixis Services Financiers and €105bn for Gestitres).

The *Payments* business saw further growth in electronic banking (transaction volumes up 5%) and a substantial increase in the number of international payments (+10%). NBI grew by 15% to €161m.

RECEIVABLES MANAGEMENT - 11% of business-line NBI

*NBI in the **Receivables management** business line rose by 7% to €840m. Net income group share grew by 8% to €144m. ROE (after tax) was 15.1%.*

This business line consists of Coface's four activities (credit insurance, information, debt collection and factoring) and the factoring activities of Natixis Factor, VR Factorem and GCE Affacturage.

[1] Caceis is consolidated on a proportional basis. NBI, expenses and headcount are taken into account at 50% in Natixis' presentations.

Coface's NBI grew by 6% to €718m. Insurance revenues rose by 10%. The loss ratio remained very low at 49%. Services NBI increased by 14%, due in particular to strong factoring performance in Germany. International expansion continued with two acquisitions (information in Israel and debt collection in the USA) and the acquisition of an equity stake in Italy (information).

Factoring NBI came in up 15% at €121m, as a result of aggressive commercial efforts in a market that remains highly competitive. Factored receivables rose by 16% to €13.9bn.

CIFG (financial guarantees) - 1% of business-line NBI

CIFG's *NBI rose by 54% to €79m in 2006. Net income group share grew by 24% to €22m. ROE (after tax) was 4.7%.*

With 625 deals in 2006, CIFG is a well-known player in the financial guarantee market, operating both in the US local authority market and in credit enhancement for securitisation vehicles.

RETAIL BANKING (contribution)

Natixis owns a 20% stake in Banques Populaires and Caisses d'Epargne through CCIs (mutual investment certificates). In Natixis' consolidated financial statements, this stake is accounted for under the equity method and contributes only to Natixis' net income.

The **combined proforma net income** of the two networks was €2,622m in 2006, up 17%. Natixis' 20% share of this equalled €524m.

Taking into account the accretion profit and the tax due on CCI dividends, the adjusted **contribution from the retail banking business** was €487m. This represents an increase of 18% relative to the 2005 figure of €413m, and equals 21% of business-line net income.

ROE (after tax) was 19.1%.

Corporate and investment banking

€ m	2006	2005	change
• **Net banking income**	**3,494**	**2,749**	**+27%**
Operating expenses	(2,105)	(1,594)	
Cost/income ratio	*60%*	*58%*	
• **Gross operating income**	**1,389**	**1,155**	**+20%**
Cost of risk	(10)	(83)	
• **Income before tax**	**1,387**	**1,085**	**+28%**
• **Net income group share**	**943**	**706**	**+33%**
• **ROE**	**15.0%**	**13.1%(*)**	**+1.9 pts**

(*) Versus 12.4% reported on 17/10/2006:
the difference results from the reallocation of some proprietary activities between CIB and treasury

Asset management

€ m	2006	2005	change
• **Net banking income**	**1,497**	**1,222**	**+23%**
Operating expenses	(1,112)	(909)	
Cost/income ratio	*74%*	*74%*	
• **Gross operating income**	**386**	**314**	**+23%**
Cost of risk	(-)	(2)	
• **Income before tax**	**397**	**320**	**+24%**
• **Net income group share**	**266**	**192**	**+39%**
• **ROE**	**98.9%**	**81.9%**	**+17 pts)**

Private equity and private banking

€ m	2006	2005	change
• **Net banking income**	**449**	**276**	**+63%**
Operating expenses	(147)	(124)	
Cost/income ratio	*33%*	*45%*	
• **Gross operating income**	**302**	**151**	**+99%**
Cost of risk	(7)	(2)	
• **Income before tax**	**297**	**153**	**+93%**
• **Net income group share**	**229**	**109**	**+109%**
• **ROE**	**95.6%**	**62.4%**	**+33.2 pts**

Services

€ m	2006	2005	change
• **Net banking income**	**1,151**	**1,045**	**+10%**
Operating expenses	(768)	(717)	
Cost/income ratio	*67%*	*69%*	
• **Gross operating income**	**383**	**329**	**+16%**
Cost of risk	(12)	(15)	
• **Income before tax**	**378**	**323**	**+17%**
• **Net income group share**	**238**	**207**	**+15%**
• **ROE**	**16.8%**	**18,3%**	**-1.5 pts**

Receivables management

€ m	2006	2005	change
• **Net banking income**	**840**	**785**	**+7%**
Operating expenses	(604)	(564)	
Cost/income ratio	*72%*	*72%*	
• **Gross operating income**	**235**	**221**	**+7%**
Cost of risk	(11)	(7)	
• **Income before tax**	**229**	**213**	**+7%**
• **Net income group share**	**144**	**134**	**+8%**
• **ROE**	**15.1%**	**16.0%**	**-0.9 pts**

CIFG (financial guarantees)

€ m	2006	2005	change
• **Net banking income**	**79**	**51**	**+54%**
Operating expenses	(42)	(27)	
Cost/income ratio	*53%*	*53%*	
• **Gross operating income**	**37**	**24**	**+55%**
Cost of risk	0	0	
• **Income before tax**	**37**	**24**	**+55%**
• **Net income group share**	**22**	**18**	**+24%**
• **ROE**	**4.7%**	**3.8%**	**+0.9 pts**

4- OUTLOOK

The proforma 2006 results are in line with the Natixis' 2005-2010 business plan presented in October 2006.

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