

**EuroBusiness Media: Natixis, the corporate, investment, insurance and financial services arm of Groupe BPCE, the second largest banking group in France, reports results for 2014. Laurent Mignon, hello, you are the CEO of Natixis, how would you define these results, do they reflect the company's activity and performance?**

Laurent Mignon: I think they are very high quality results and they are very consistent with our strategic plan which we announced a year ago, New Frontier. The turnover of our core businesses reached €7 billion at the end of this year, up 7% compared to last year and our net earnings reached €1.3 billion, up 16%. These results really reflect the very good dynamism of all our businesses. In our Wholesale Banking, our international franchise has grown very strongly during the year. We had dramatic growth in the activity of our Structured Asset Finance, we reached new loans of €28 billion during the year without growing the balance sheet of the group thanks to the *Originate to Distribute* [the model consists in actively managing the Bank's loan book by leveraging distribution capacity when new loans are granted, while keeping a portion of the loans we originate] strategy that we implement since two years now. And in the Equity Derivative business we had great success during the year. If I take the Asset Management business, it has been a record year. We had solid €2 billion net inflows during the year, if we exclude the money market funds businesses, which is really a very fine achievement. The insurance business, +25% in turnover, really a great year. And in the Specialised Financial Services we have kept on working, adding more synergies with the two networks, Banque Populaire and Caisse d'Epargne, and really seeing great success in the consumer credit, in the employee saving benefit or in the card management payment.

**EBM: Last year you presented the strategic plan for Natixis, New Frontier, out to 2017. How do today's 2014 results sit with respect to your ambitions?**

Laurent Mignon: Indeed it's always very important to succeed in the first year if you want to be successful in a full plan. And I think really 2014 is a good first step to achieve our goal. And I think in fact we are even ahead of our ambition in some of the areas. Let me give you two numbers; I told you that we grew our net banking income by 7% in our core businesses, this is ahead of the plan that we have, slightly ahead, but it's still ahead. In Asset Management, I mentioned to you that we had solid 2 billion of net inflows during the year. Our goal for the full four year plan is €75 billion, so you see, we're ahead of the plan; it doesn't mean that we will achieve it, but at least a good start. If we think about where we have made the most strategic advance during the year, it's mostly in the Investment Solution area. First of all we have created a true insurance expertise area, with the creation of the business line of Insurance, which is a very important goal for BPCE and for Natixis. We've done that by buying 60% of BPCE Assurances at the beginning of the year, but also by reaching a new agreement with CNP, between BPCE and CNP, which will allow Natixis Assurances to distribute the life insurance products of Caisse d'Epargne starting in January 1<sup>st</sup>, 2016, which is a very important step in terms of strategy. In the Asset Management business, we have announced that we will acquire DNCA. DNCA is a €15 billion asset manager, a French asset manager but with a global European reach and a great expertise in the equity business, which is really something that we were lacking and that is really a step in implementing further our strategy of a multi-boutique organisation based on entrepreneurial spirit and great asset managers and this is really a key and important step that we have announced. So I think we have taken important first moves to our plan which will allow us to be in a very comfortable in the fact that we will achieve that plan by 2017.

**EBM: And lastly, how will you share these good results with your shareholders?**

Laurent Mignon: When we announced our plan we said a very important element that we would develop ourselves as an asset light organisation, asset light bank, which means that we are generating earnings but we are not increasing our balance sheet at the same time so we don't increase the need of new capital at the same time, which allows us to have a disciplined distribution of dividends, which allows us to generate ability to distribute dividends to our shareholders. We said we would have a pay-out ratio above 50%, we will have a normal dividend policy of 51% this year, 20 cents per share. At the same time, this allows us also to invest in our businesses. In this year we've also divested from Coface, which has freed some capital and allowed us to distribute further to the normal distribution, 14 cents further. So in total its 34 cents of dividend that will be paid to our shareholders, an 87% pay-out ratio. At the same time, we have the ability to continue investing in our businesses and the NCA investment is illustrating that. So our strategy which is a strategy of disciplined capital management, asset light business, allows us to have a friendly distribution policy and also keep on investing in our businesses, creating further value for the future.

**EBM: Laurent Mignon, CEO of Natixis, thank you.**

Laurent Mignon: Thank you.