NATIXIS

2011 Registration Document and Annual Financial Report

CORPORATE & INVESTMENT BANKING / INVESTMENT SOLUTIONS / SPECIALIZED FINANCIAL SERVICES

Content

Registration Document 2011

and Annual Financial Report

AUTORITÉ DES MARCHÉS FINANCIERS

AMF

This registration document was filed with the French Financial Markets Authority on March 23, 2012, in accordance with Article 212-13 of the general regulations of the French Financial Markets Authority. It may be used in connection with a financial transaction only if accompanied by a transaction note approved by the French Financial Markets Authority. The document has been prepared by the issuer and its signatories incur liability in this regard.

This registration document includes all components of the annual financial report mentioned in section I of Article L.451-1-2 of the French Monetary and Financial Code and Article 222-3 of the general regulations of the French Financial Markets Authority. A cross-reference table showing documents referred to in Article 222-3 of the general regulations of the French Financial Markets Authority and the corresponding sections of this registration document appear on page 425.

The English language version of this report is a free translation from the original, which was prepared in French. All possible care has been taken to ensure that the translation is an accurate presentation of the original. However, the original language version of the document in French prevails over the translation.

Copies of the present registration document are available free of charge from Natixis, Immeuble Arc de Seine, 30, avenue Pierre Mendès France, 75013 Paris, France.

Presentation of Natixis

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1.1 Natixis

Natixis is the corporate, investment and financial services arm of Groupe BPCE, the 2nd largest banking group in France [(1)] with 36 million customers spread over two networks, Banque Populaire and Caisse d'Epargne. Natixis is listed on the Paris stock exchange.

With close to 22,000 employees, Natixis boats a number of areas of recognized expertise which are divided into in three main business lines: Corporate and Investment Banking, Investment Solutions (asset management, private banking, insurance, private equity) and Specialized Financial Services.

SIMPLIFIED ORGANIZATION CHART OF NATIXIS

CORPORATE AND INVESTMENT BANKING

Capital Markets

- Equity markets
- Fixed income, credit, currencies, commodities, treasury and arbitrage
- Strategic derivatives and M&A advisory

Structured Finance

- Commodities and energy
- Asset financing: aircraft, project, shipping and international trade finance
- Real estate
- Strategic and acquisition financing
- Securization
- Strategic derivatives Europe

Coverage

- France/international coverage
- Commercial banking
- Flow and cash management

INVESTMENT SOLUTIONS

Asset Management

Natixis Global Asset Management

20 asset management companies: Natixis Asset Management, Loomis-Sayles, Harris Associates, AEW, etc.

- "Multi-boutique" structure with around twenty management companies adapting multiple investment approaches
- Global distribution platform covering Europe, the US, Asia and the Middle East

Insurance

Natixis Assurances

- Individual and collective life insurance
- Personnal protection insurance and payment protection insurance
- Property insurance

Private Banking

Banque Privée 1818

Natixis Private Banking

- Legal and tax expertise
- Financial and wealth management solutions
- Private banking
- CGPI' Platform

Private Equity

- Equity stakes in unlisted companies for third-party investors: venture capital, expansion capital, transmission capital
- International Funds of funds and investment advisors

(1) *No.2 in terms of number of branches (source: database, bank websites), No.2 in terms of market share in customer savings deposits and customer loans (source: Banque de France Q3 2011), No.2 in terms of market penetration on the individual professional and entrepreneur markets (source: Pépites CSA 2009-2010 survey).*

Natixis has a long-lasting commitment to its clients – corporates, financial institutions and institutional investors –, and to the customers of Groupe BPCE's two banking networks, i.e. personal banking, professional, and small and medium-size enterprises.

Natixis has adopted a sustainable development policy that aims to reduce its carbon footprint and actively participate in social progress, both in its business activities and the running of its operations. This policy is based on a number of international commitments, including:

- A commitment to the United Nations Global Compact since 2007;
- Adherence to the Principles for Responsible Investment (PRI) since 2008;
- Signature of the Equator Principles in 2010.

SPECIALIZED FINANCIAL SERVICES

SPECIALIZED FINANCING

Factoring

Natixis Factor

- Management and optimization of customer receivables
- Factoring and financing
- Business information and collection

Sureties and Financial Guarantees

Compagnie Européenne de Garanties et Cautions

- Design and development of multiple market surety and financial guarantee services

Leasing

Natixis Lease

- Equipment and real estate lease financing (equipment leasing, operational leasing, leasing with option to buy, IT operational leasing, Sofergie loans and long-term leasing)

Consumer Finance

Natixis Financement

- Revolving loans
- Personal loan management

Film Industry Financing

Natixis Coficiné

- Cash flow or structured loans
- Medium-term or corporate loans

FINANCIAL SERVICES

Employee Savings Scheme

Natixis Interépargne

Natixis Intertitres

- Employee savings plans
- Pension plans
- Collective non-life and personnal protection insurance
- Employee share ownership
- Special payment vouchers

Payments

Natixis Paiements

- Payment management for every type of transaction and exchange system

Securities services

EuroTitres Department

- Retail and private banking custody with back office functions

FINANCIAL INVESTMENTS

Natixis Private Equity

Natixis Algérie

Coface

- Credit insurance
- Services linked to credit insurance: business information, management of receivables and factoring

1.2 History and links with BPCE

1.2.1 HISTORY

Natixis was formed in 2006 through the combination of Natexis Banques Populaires and various subsidiaries of the Groupe Caisse d'Epargne, notably Ixis Corporate & Investment Bank (Ixis CIB) and Ixis Asset Management (Ixis AM):

- Natexis Banques Populaires itself was created from the July 1999 contribution of the operating activities of the Caisse Centrale des Banques Populaires, founded in 1921, to Natexis S.A., a holding company that was formed from Crédit National, founded in 1919 and which had gradually acquired a 100% stake in Banque Française du Commerce Extérieur, founded in 1946. At December 31, 2000, Groupe Banque Populaire held 79.23% of Natexis Banques Populaires following a capital increase largely taken up by retail investors;
- Ixis CIB and Ixis AM were originally part of CDC Ixis, itself part of the Caisse des Dépôts. The Ixis CIB and Ixis AM businesses were then contributed to the Caisse Nationale des Caisses d'Epargne (CNCE) as part of the transformation of the Groupe Caisse d'Epargne into a major full-service banking group at the end of 2004.

Natixis was formed by the completion of the following contributions:

- CNCE's contribution to Natexis Banques Populaires of certain subsidiaries and shareholdings in corporate, investment and service banking businesses as well as a share of the Cooperative Investment Certificates (CCI) issued since 2004 by each Caisse d'Epargne et de Prévoyance; and
- the contribution to Natexis Banques Populaires by SNC Champion, a vehicule set up by the Banque Fédérale des Banques Populaires (BFBP) and the Banques Populaires, of the rest of the Caisses d'Epargne CCIs not contribud by CNCE and which had previously been acquired by SNC Champion from CNCE. In addition, CNCE and SNC Champion contributed stakes in Ixis CIB and Ixis AM that they had previously acquired from San Paolo IMI.

As a result of these contributions, CNCE and BFBP (directly and indirectly through SNC Champion) each had a 45.52% shareholding in Natexis Banques Populaire, whose name was changed to Natixis.

Alongside these contributions, each Banque Populaire issued CCIs representing 20% of their capital in favor of Natexis Banques Populaires, which has since become Natixis.

Between November 18, 2006 and December 5, 2006, CNCE and BFBP (through SNC Champion) sold some of their Natixis shares on the market via a Retail Public Offering in France for retail investors and a Global Offering for institutional investors both in and outside France. Once this transaction was completed, CNCE and BFBP each held a 34.44% stake in Natixis.

On February 26, 2009, the BFBP Board of Directors and the CNCE Supervisory Board approved the terms and condition of the combination of their two central institutions, leading to the creation of the number two banking group in France.

- The underlying principles of BPCE, the central institution of Groupe BPCE created by Law No. 2009-715 of June 18, 2009, were approved on June 24, 2009 by the BFBP Board of Directors and the CNCE Supervisory Board. The last step in the formation of Groupe BPCE was completed on July 31, 2009 with the votes at the General Shareholders' Meetings of BFBP, CNCE and BPCE.
- With the formation of Groupe BPCE, BPCE took the place of CNCE and BFBP, becoming the majority shareholder of Natixis.
- Natixis has been affiliated with BPCE since July 31, 2009 (not inclusive), replacing the dual affiliation of Natixis with CNCE and BFBP.

Groupe BPCE is No. 2 banking group in France with more than 8,000 branches, 36 million customers, 8.1 million cooperative shareholders and 117,000 employees.

Groupe BPCE develops a broad range of banking and financial services for a wide variety of customers.

With Banque Populaire and Caisse d'Epargne, its two historic brands, and its expert subsidiaries specialized in their respective businesses, the Groupe BPCE is active in all commercial banking and insurance businesses while also providing corporate investment banking solutions.

Groupe BPCE provides a guarantee and solidarity system covering all banks affiliated with it.

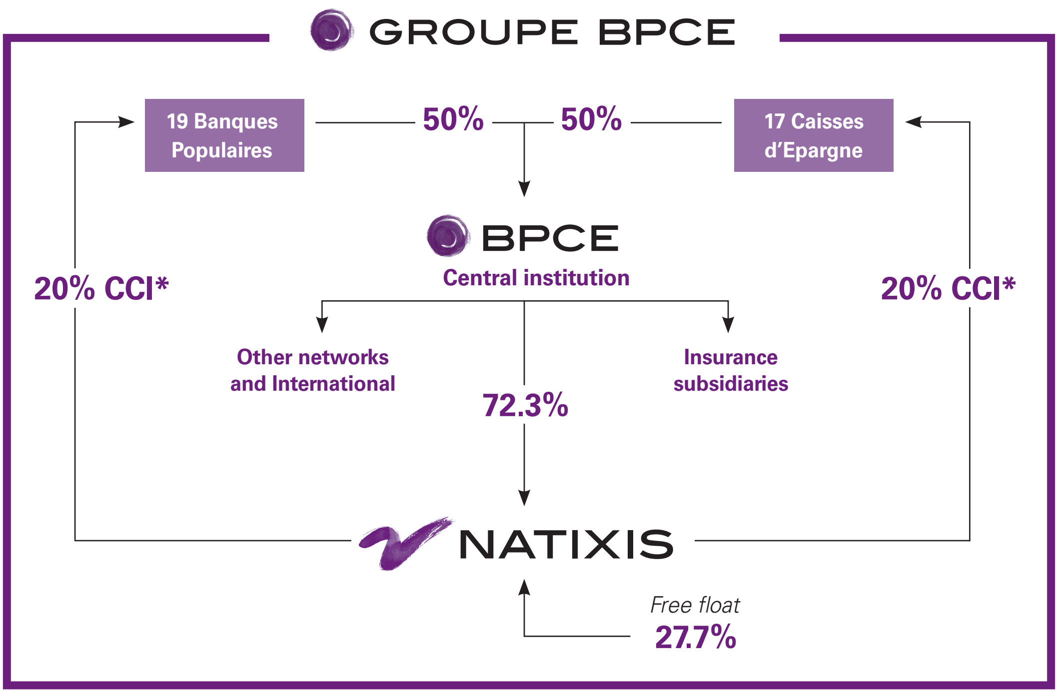
1.2.2 FINANCIAL SOLIDARITY MECHANISM

Pursuant to Article L.511-31 of the French Monetary and Financial Code (Code monétaire et financier), BPCE shall, as the central body, take any measures necessary in order to, notably, guarantee the liquidity and solvency of Groupe BPCE. Natixis, in its capacity as an institution affiliated with BPCE, is covered by the Groupe BPCE financial solidarity mechanism. Thus, in the event Natixis encounters financial difficulty, (i) BPCE would firstly provide support using its own regulatory capital in accordance with its duty as a shareholder; (ii) should this prove insufficient, it would use the mutual guarantee fund created by BPCE, totaling €1.128 billion in January 30, 2012 in assets provided jointly by both the Banques Populaires and Caisses d'Epargne networks, and which is increased through an annual contribution (subject to the amounts which would be used in the event of a call for funds); (iii) if BPCE's regulatory capital and this mutual guarantee fund should prove insufficient, BPCE would call on (in equal proportions) both the Banques Populaires and Caisses d'Epargne networks' own guarantee funds and, finally (iv) if calls on BPCE's regulatory capital and these three guarantee funds should prove insufficient, additional sums would be requested from all Banques Populaires and Caisses d'Epargne.

It should be pointed out that the guarantee funds referred to above consist of a Groupe BPCE internal guarantee mechanism activated at the initiative of the BPCE Executive Board or the French banking regulator, which may request that it be used if deemed necessary.

1.2.3 BPCE ORGANIZATION CHART

At December 31, 2011, BPCE held 72.26% of the share capital of Natixis (*see section 1.2.2 Financial solidarity mechanism*). The structure of Groupe BPCE at December 31, 2011 was as follows:



* CCI: Certificats Coopératifs d'Investissements (cooperative investment certificates).

1.3 2011 Key figures

1.3.1 INCOME STATEMENT

(in millions of euros)	2011	2010 [b]
Net revenues [a]	6,717	6,642
Gross operating income [a]	2,016	2,134
Net income (group share) [a]	**1,640**	**1,953**
Net GAPC income (Workout Portfolio Management)	(88)	(127)
NET INCOME (GROUP SHARE)	**1,562**	**1,745**

(a) Excl. GAPC, net income from discontinued operations and restructuring costs.
(b) Pro forma data, see section [5.1.1] "Methodology".

1.3.2 FINANCIAL STRUCTURE

	12.31.11	12.31.10
Tier 1 ratio	11.3%	11.4%
Core Tier 1 ratio	8.3% [a]	7.9%
Risk-weighted assets *(in billions of euros)*	145.6	147.9
TOTAL ASSETS *(in billions of euros)*	**507.7**	**458.0**
BOOK VALUE PER SHARE *(in euros)*	**5.35**	**5.47**

(a) 10.2% including the P3CI transaction.

1.3.3 NET REVENUES BY BUSINESS

(in millions of euros)	2011	2010 [a]
Corporate and Investment Banking	2,760	3,027
Investment Solutions	1,884	1,789
Specialized Financial Services	1,129	1,074
Financial Investments	865	869

(a) Pro forma data, see section [5.1.1] "Methodology".

1.3.4 INCOME BEFORE TAX BY BUSINESS

(in millions of euros)	2011	2010 [(a)]
Corporate and Investment Banking	979	1,175
Investment Solutions	436	498
Specialized Financial Services	281	254
Financial Investments	49	72

(a) Pro forma data, see section [5.1.1] "Methodology".

1.3.5 LONG-TERM RATINGS (AS OF FEBRUARY 2012)

- **Standard & Poor's:**

A (stable outlook)

- **Moody's:**

Aa3 (negative watch)

- **Fitch Ratings:**

A+ (negative outlook)

1.3.6 2012 INVESTOR RELATIONS CALENDAR

May, 09 2012 After market close (subject to modification)	2012 First Quarter Results
May 29, 2012	General Shareholders' Meeting
August 2, 2012 After market close (subject to modification)	2012 Second Quarter Results
November 14, 2012 After market close (subject to modification)	2012 Third Quarter Results

1.3.7 CONTACTS

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1.4 Natixis' business lines

1.4.1 CORPORATE AND INVESTMENT BANKING

At December 31, 2011, Natixis' Corporate and Investment Banking (CIB) division employed around 4,600 people (FTEs) in 31 different countries. CIB generated net revenues of €2,760 million in 2011.

2011 was a year of contrasts. H1 was buoyant for CIB activities whereas H2 saw a sharp exacerbation in the global financial crisis, which started to show signs of affecting the real economy. The most significant impact was on European banks' access to dollar funding, tension in liquidity and the increase in the cost of liquidity.

In this challenging environment, CIB benefited from the positive effects of the refocusing of its activities and its improved organisation under the New Deal plan.

As of 2009, Natixis and Groupe BPCE initiated efforts to reduce risk-weighted assets and improve liquidity management. This led to the implementation at the beginning of 2011 of integrated liquidity management at BPCE. At the same time, CIB invested in high-performance systems, such as the debt platform and the Global Structured Credit & Solutions team, to step up the rotation and reduction of balance sheet assets. These measures met with the approval of external investors. Demand for structured products based on the bank's own assets thus remained strong, even at the height of the European sovereign debt crisis.

At the same time, CIB put the client firmly back at the heart of its strategy, by restructuring the Coverage business, automating the processing of cross-selling opportunities in the system, capitalising on its strengths and solid franchises in financing and capital markets, and refocusing its expertise on value-added offerings. As a result, CIB reinforced its multi-specialist/multi-region model and maintained a satisfactory level of activity despite the deepening financial crisis.

In order to adapt to the new economic and regulatory environment, the operation of certain businesses must be redefined. To this end, the CIB division will selectively build up its franchise with large corporate clients in France and abroad and concentrate on developing relations with institutional investors. The strategic offering targeting these clients (Capital Advisory, Equity and Debt Capital Markets, etc.) will be developed. Scarce resources (capital and liquidity) will be divided between core businesses and activities in which CIB has maintained a strong presence by optimising the use of the balance sheet. Finally, the division will continue to improve synergies between the financing businesses, the debt platform and Fixed Income distribution.

1.4.1.1 Coverage

The Coverage division covers both coverage and commercial banking activities (conventional loans, flows and cash management) for 2,500 clients, including 90% of the top 350 companies in France.

This division provides global coverage of large corporate clients, financial institutions and the public sector for all products and services offered by Natixis, ranging from conventional loans to the most sophisticated deals set up with the business lines.

The Coverage division was extensively restructured in 2011 to provide better service to its clients and develop its advisory activities, primarily with the creation of a Capital Advisory Department and the reinforcement of the Financial Sponsors and Family Offices approach.

The new structure combines the coverage of clients both by sector and geographic area (national, regional and international): Coverage develops its expertise in 10 strategic sectors and the CIB division's presence in the regions is strengthened by the sale of higher value-added products and solid business with large and mid cap companies.

1.4.1.2 Debt and Financing

The Debt and Financing division provides structured financing solutions as an advisor and arranger for Natixis' corporate and institutional clients. The division employs almost 500 people, comprises six global business lines and is established in each of the bank's international platforms.

Global Energy & Commodities handles overall client relations in commodities and structures financing solutions tailored to these markets (export pre-financing, reserve-based lending for the oil industry). In 2011, Natixis consolidated its positioning, notably with major traders and producers (in metals and mining; Vale [(1)], Metinvest, etc.), agriculture (Louis Freyfus, Cocobod, Kernel, etc.) and oil (Glencore, Tullow, etc.).

Asset and International Trade Finance combines overall expertise in project financing (infrastructures, production of energy/renewable energy, natural resources, telecoms), aviation assets, maritime assets (offshore energy), structured export finance (international contracts covered primarily by export credit agencies). In 2011, Natixis confirmed its ability to advise, arrange and distribute financing solutions for its major clients, and was recognised for 19 financing operations. The bank is ranked number

(1) *International Finncing Review (IFR) "Latin America Loan of the Year 2011".*

five [(1)] worldwide in financial advisory services for project financing (Headquarter of the Ministry of Defence in Balard, etc.) and is among the top ten global arrangers of renewable energy projects (Terna-Rete, etc.). The bank was named "Innovative Aircraft Finance House of the Year" by *Jane's Transport Finance* magazine for the technical nature of its aviation finance offering. Shipping successfully refocused on its offshore energy franchise (Bassdrill, SBM Offshore, etc.). Structured Export Finance consolidated its position in the funding of large international contracts for major clients (Alstom, Huawei, ENRC, ACS, etc.).

Real Estate Finance is specialized in advising on balance-sheet transactions and arranging all types of deals. In 2011, Natixis financed 35 new transactions in Europe and 22 in the United States. These included Paris Hôtels Roissy Vaugirard's takeover bid on Foncière Paris France and the construction or renovation of several BBC [(2)] buildings including the Carré Breguet, the first BBC renovation in Paris.

Natixis is a first-class player in **Strategic and Acquisition Finance**, for both its corporate clients and investment funds. In 2011, Natixis impressed when it financed the acquisition of Parmalat by Lactalis [(3)] and served as MLA Bookrunner in 27 leveraged finance deals: in France (40% of transactions over €200 million), Europe (four out of eight of the biggest European LBOs: Spie, Delachaux, Foncia, Gruppo Coin), the United States (Cinedigm, Lantheus, etc.) and Asia (Home & Inns, etc.).

Equity Linked Finance (ELF) [(4)] originates, structures and executes financial engineering transactions in listed and/or related holdings, using all types of financial instruments, predominantly options. In 2011, Natixis set up an innovative convertible bond swap for Air France to offset the risk of the early redemption of the €450 million OCEANE issued in 2005.

As part of a joint venture with capital markets via the debt platform, **Global Structured Credit & Solutions (GSCS)** is Natixis' securitisation and credit and insurance solutions platform. In 2011, Natixis structured Arkea's SFH programmes [(5)], co-arranged the financing of Hertz's European fleet and launched Liberty Island's CLO. Natixis also placed 100% of euro-denominated catastrophe bonds and more than 18% of cat bonds issued worldwide, notably for EDF (Pylon II), Axa (Calypso) and Scor (Atlas VI).

1.4.1.3 Fixed Income, foreign exchange, credit, commodities, treasury and arbitrage markets (FIC&T)

FIC&T employs over 650 people, based in Europe (Paris, London, Milan, Madrid, Frankfurt, etc.), Singapore, Tokyo, Hong Kong and New York, and covering both sales and trading functions. FIC&T offers clients investment and hedging products in the Fixed Income, credit, foreign exchange and commodity markets of OECD countries, and is also positioned in emerging markets.

In an uncertain market, affected by the ongoing European sovereign debt crisis, **the Fixed Income** business proved resilient, boasting strong performances and finding new international growth drivers to offset the decline in margins.

The debt platform, which combines **loan syndication, the primary bond market and GSCS** [(6)], delivered an excellent performance across all types of borrowers. Through this new organisation, Natixis successfully developed a global "originate to distribute" model and transformed its product range into appropriate and tailor-made solutions. The fact that Natixis expanded its historic franchises is proof of this success. The bank is now number two in euro-denominated financial issues [(7)] and in French corporate issues [(8)], third in the global euro market [(9)], and the leader in the euro-denominated catastrophe bonds market [(10)]. Natixis was also voted best bank in the covered bonds market [(11)] and was recognised for arranging and syndicating the Lactalis-Parmalat Merger & Acquisition Deal of the Year and the Vale [(12)] Deal of the Year on the emerging markets.

Natixis also progressed in its areas of development:

- the high yield market, coordinating the restructuring of Faurecia's debt;
- the emerging market, with the first mandate for International Petroleum Investment Company, voted "Emerging Market Corporate Deal of the Year" by *Euroweek*;
- capital/liability management, with deals for Bilbao Bizkaia Kutxa in Spain and Caixa Geral de Depositos in Portugal;
- USD-denominated issues, with the first mandate for Sanofi;
- innovation, with the Tier 1 buyback deal for BPCE.

(1) Ranking EMEA advisory mandates closed / Global advisory closed - Project Finance International, Project Finance Magazine, IFR Asia, Jane's Transport Finance.
(2) French label "Bâtiment Basse Consommation," or energy-efficient building.
(3) IFR "EMEA Loan of the Year 2011"
(4) See 1.4.1.5.
(5) S.F.H.: Société de Financement de l'Habitat (credit institution licensed as a home financing company).
(6) Joint venture with Debt and Financing (see 1.4.1.2).
(7) Dealogic: Number two bookrunner in volume terms, FIG sector.
(8) Dealogic: Number two bookrunner in volume, "All French Corporate Bonds in Euro" ranking.
(9) IFR: "All Bonds in Euro" ranking in terms of number of operations carried out.
(10) Trading Risk: ranking in terms of volume and number of Euro-denomonated deals, "Closed insurance-linked securities transactions".
(11) Euroweek ranking, voted by international players.
(12) IFR ranking: Lactalis - IFR "EMEA Loan of the Year 2011". Vale - IFR "Latin America Loan of the Year 2011". Euroweek ranking: Lactalis - "Merger & Acquisition Deal of the Year 2011".

The Forex teams offer round-the-clock trading of all major currencies from platforms in Hong Kong, Paris and New York. The Forex division restructured its activity in 2010 to increase its trading capacity. The benefits of the new structure were seen in 2011, with higher business volumes and net revenues. In line with the medium-term development plan, spot, swaps and foreign exchange options revenues were balanced.

In **emerging markets**, Natixis offers a full range of Fixed Income, credit and forex products, with a geographic positioning that supports the expansion of the Bank's other activities. Natixis is expanding its emerging activities both at the local level (Moscow, Shanghai, Ho-Chi-Minh City) as well as in Paris and New York.

In 2011, a joint refinancing pool between BPCE and Natixis was created within **the Treasury Department** with the aim of increasing cash inflows, primarily from international investors, and making sure the business lines have access to the liquidity needed to carry out their respective development plans. In addition to the refinancing pool, a dedicated sales force and a single securities lending desk were set up to optimize management of the Bank's collateral.

1.4.1.4 Equity markets

Since the integration of the Cash and Equity Derivatives activities, the Equity Markets platform has expanded its teams in France and abroad in the interest of broadening the product range offered to its clients.

The ESOP [(1)] team was integrated with the institutional offering, with a proposal of share ownership, equity buying/selling and hedging products.

Equity Markets also set up a sales force dedicated to Equity Finance products, which is separate from the trading business.

Finally, cross-business processes and tools aimed at promoting internal and external cross-selling were implemented along with the creation of an Innovative Solution Platform team, in charge of optimising the marketing of Equity products. These measures complemented the cross-business vision of the Client Management Unit.

In addition to strengthening the sales teams, 2011 saw the client order execution business gain maturity and expand its range of products.

In a challenging environment, Natixis successfully maintained the quality of its services as a whole, in particular the Research team, which increased the number of companies and underlyings monitored.

These developments are highlighted by a certain number of success stories:

- winning the Barclays tender for a main broker in the brokerage retail business;
- structuring, coverage and involvement in the implementation of Axa's Shareplan 2011 investment leverage plan, an employee share ownership plan offered in 42 countries to more than 110,000 Axa Group employees;
- sale of investment products (Millésime Prestige and Sérénité Premium) reserved for Banques Populaires and Caisses d'Epargne clients in the form of venture capital funds with a partial or full capital guarantee. Under the New Deal between CIB and the shareholder network, this provision of diversified funds is in line with Equity Markets' product innovation policy and is based on proprietary risk management strategies.

1.4.1.5 Corporate Solutions & Advisory

Corporate Solutions offers tailored balance-sheet optimization and risk transfer solutions within the framework of restructuring plans and acquisitions. The Corporate Solutions team is made up of 90 staff in nine countries, targeting a wide client base of international corporations and sovereign funds in Europe, the Middle East, Asia and South America.

Business slowed in 2011 compared to 2010 and the division was restructured, with origination teams in charge of Europe transferred to the Debt and Financing division to create the ELF business line [(2)].

In 2011, **M&A Advisory Services** mainly operated on the French mid cap market. Clients include major French and international groups, SMEs, private equity funds and public entities. The team is particularly experienced in sectors such as Food, Retail, Media, Construction and Renewable Energy. In 2011, Natixis acted as advisor to the Cube Infrastructure fund on the acquisition of Idex, and to the founders of Rue du Commerce and the Apax Partners fund in the sale of their stake in the company to Altarea.

1.4.1.6 Third party asset management

Natixis develops third-party asset management activities offering substantial synergies with CIB and targeting French and international institutional investors. These activities include the management of infrastructure, environmental and sustainable development funds, the management of insurance risk transfer funds (alternative risk transfer) as well as a platform of managed funds and hedge funds. A number of diversified funds are reserved for Banques Populaires and Caisses d'Epargne clients.

1.4.1.7 Asia platform

With 450 employees in 12 countries, the Asia-Pacific platform covers the majority of financing and capital markets. Its goal is to assist the Bank's international clients and build up specialized business expertise in this fast-growing region.

(1) Employee Share Ownership Plan.

(2) See 1.4.1.2.

A development plan for the bank's capital markets activities was implemented in 2011, aimed at broadening the product range, reinforcing distribution capacities and systematically practicing cross-selling with the financing activities. Three major measures were taken: deployment of Equity and Fixed Income activities, targeted expansion of the sales team, and implementation of a debt platform combining syndication and primary bond market activities.

Corporate coverage was restructured in an effort to better focus sales initiatives on priority sectors and clients, in support of specialized business lines.

Commodities Finance continued to support the main producers and importers in each country, while Shipping Finance focused on offshore projects. Aviation Finance (China, Malaysia), Project Finance (Singapore, Australia), and Strategic and Acquisition Finance (Hong Kong) enhanced their positions as high-visibility arrangers.

The platform will continue to develop in 2012, drawing on the momentum of 2011, while refocusing on its most strategic activities and clients.

1.4.1.8 Americas platform

The Americas platform continued to grow – despite the liquidity crisis that transformed the second half of 2011, and the increase in regulation – playing leading roles in significant financing operations while decreasing its risk profile and controlling expenses.

Expanded to Latin America as well as North America, the platform covers the majority of debt & financing and capital markets activities through a staff of around 600 people in five countries.

The platform took several steps to expand its client base and product offering. To enhance FIC&T capabilities, it created a Credit platform covering bond and loan origination, syndication, trading, distribution, and research, giving clients access to the US dollar-denominated bond market. IRD and FX sales and trading capabilities were developed. In Equities, a strategic review was conducted and overall coordination was tightened to offer clients integrated investment and hedging financial solutions. The Global Structured Credit and Solutions team expanded the global reach of Natixis' Insurance Solutions capabilities. Lastly, Coverage focused on developing relations with corporates and financial sponsors in key CIB sectors.

Implementing a key strategic objective, the platform played a more prominent role in financing, helping to raise $49.5 billion in 51 bond issues, including as Joint Bookrunner on eight deals totaling $11.2 billion. The most significant deals were for Vale, the second-largest mining company in the world; Pemex/PMI Trading, the sixth-largest oil company in the world; and Cablevision, the fifth-largest cable operator in the US.

1.4.1.9 Europe, Middle East, Africa platform

The EMEA platform (Europe, excluding France, Africa and the Middle East) combines CIB's London, Madrid, Milan, Frankfurt, Moscow and Dubai branches.

The platform's strategy was drawn up in line with the bank's general aims: developing high value-added and low capital-intensive businesses, with particular attention given to key clients.

The EMEA platform is made up of the following sub-divisions:

- **Southern Europe**, offering the full range of CIB services;
- **Northern Europe**, with a selective positioning, specializing in financial institutions and offering high value-added products;
- **Emerging markets**, with a more opportunistic approach depending on the local clients and markets.

In 2011, the EMEA region focused on structured finance, notably acquisition financing, Equity-Linked Financing and project financing. Capital markets operations were developed in emerging markets and proved resilient in an uncertain European context, particularly in debt business lines. In the second half, the EMEA platform implemented a portfolio optimisation programme aimed at refocusing on the bank's priority clients, which was a necessary change given the financial context.

1.4.1.10 Research

CIB research is a strategic priority and an integral part of Natixis' client-driven approach. Every day, the Research teams publish analyses to guide clients in their investment decisions, while also contributing to the creation of financial solutions tailored to client needs.

Economic Research, headed by Patrick Artus, provides in-depth expertise combining contextual overviews, economic and financial forecasts, an analysis of the Fixed Income and equity markets, country assessments and investment strategies. With 350 European stocks tracked in 23 sectors, Natixis boasts one of the market's leading **equity research** departments. The **credit research** teams analyse credit market trends and recommend ideal market/sector weightings for clients' credit portfolios. Finally, **quantitative research** supports the Bank's financial innovation process and ensures that it remains competitive in today's fast-changing markets by developing pricing and risk management models.

1.4.2 INVESTMENT SOLUTIONS

Natixis has merged all of its investment activities into one core business, centered on Asset Management, a field in which Groupe BPCE has global ambitions, and rounded out by insurance, private banking and private equity activities, all of which are areas in which Natixis aims to accelerate growth.

Investment Solutions boasts internationally-acknowledged asset management expertise, as well as distribution structures adapted to the specific features and regulations of the various markets in which it operates. By implementing this model, the Banque Populaire and Caisse d'Epargne networks are able to strengthen their positioning on the financial savings segment in France and to tap into new growth potential internationally.

Investment Solutions plans to leverage its strength in its natural market to further the division's international expansion. Almost 52% of the people employed (around 4,000 people) by Investment Solutions already work outside France, mainly with Natixis Global Asset Management: over 1,700 people at 15 asset management companies in the US, the world's leading asset management market, and a global distribution platform employing 500 people throughout the world with a leading position in the US mutual fund segment.

Private Banking also has a platform in Luxembourg, where some 100 people are working to build up the European private banking business, while Private Equity offers a global range of funds of funds through asset management firms in the US and Asia.

1.4.2.1 Asset Management

Operating within the Investment Solutions division, Natixis Asset Management markets a wide range of investment solutions including funds, dedicated products and mandates in all asset classes (money market, bonds, equities, real estate, alternative and diversified).

A GLOBAL PLAYER IN ASSET MANAGEMENT

The Asset Management business is structured around the **Natixis Global Asset Management** holding company. Natixis Global Asset Management ensures the consistency of overall asset management operations and also has responsibility for developing a global distribution platform and overseeing the financial and strategic management of roughly 20 specialized asset management companies in Europe, the US and Asia. All in all, these entities employ more than 3,000 people, including over 1,700 in the US, and boast strong positions in Europe (mainly France) and the US, with a growing presence in Asia and the Middle East.

Natixis Global Asset Management's business model is based on a global distribution platform serviced by multi-specialist asset management companies meeting the needs of a large international client base. Drawing on its diverse range of portfolio management skills, strong distribution capacity and flexibile business model, Natixis Global Asset Management has consolidated its position as a major international player in asset management. As of year-end 2010, Natixis Global Asset Management was one of the top 15 asset managers in the world [(1)].

In 2011, Natixis Global Asset Management pursued its global growth strategy, which was reaffirmed under Natixis' strategic plan. The company carried out an investment policy aimed at ensuring the steady development of its asset management expertise and expansion of the distribution platform in the US, Europe and the rest of the world, particularly in emerging markets such as Asia.

The global asset management market was burdened by weak economic growth, the euro crisis and underperforming European financial markets in 2011, particularly in the second half of the year.

Natixis Global Asset Management performed well despite the challenging context for asset management, mainly in Europe, and recorded net inflows of €3.7 billion in 2011. Assets under management increased slightly to €543.9 billion in 2011, due to net inflows led by the United States and outflows in Europe, with a negative market effect in both Europe and the United States.

Sales performance in 2011 was boosted by Natixis Global Asset Management's dynamic centralized distribution platform. This platform covers asset management inflows from the United States, mainly for the retail activity, as well as from Europe (excluding France), the Middle East, Asia and Australia. The platform generated excellent net inflows in 2011, endorsing its increasingly diversified growth model by asset class, asset management company and geographic area.

Total assets under management generated by the platform amounted to $149.8 billion, or 21% of Natixis Global Asset Management's total assets under management. In the United States, distributed assets under management exceeded $100 billion for the first time during the first half of the year and reached $101.2 billion by end-2011. International assets under management (excluding France and the United States) totaled $48.6 billion, up 26% compared to end-2010.

Inflows in the Asia-Pacific region (China, Japan) and Australia increased significantly and these geographic areas are promising future growth drivers.

Several local entities were expanded (Tokyo, London) and three new offices were opened, in Amsterdam, Stockholm and Madrid.

Natixis Global Asset Management's multi-boutique model was strengthened by the acquisition of a majority share in Darius Capital Partners, an investment advisory firm specialized in alternative asset management. In addition, the strategic partnership agreement was finalized with IDFC AM, a leading Indian asset manager based in Mumbai, with Natixis Global Asset Management taking a 25% stake. Finally, Axeltis, a distribution company for the Group's third-party funds, became part of Natixis Global Asset Management.

(1) Cerrulli Rankings - July 2011 based on AuM at end-2010.

STRONG POSITIONS IN EUROPE

The European asset management business posted €306.4 billion in assets under management at end-2011, down 3.9% compared to 2010. This drop was due to a negative market effect and net outflows in numerous categories of assets under management.

European asset management companies at end-2011

(assets under management in billions of euros):

- Natixis Asset Management (€283.9 billion): money market, Fixed Income, equities and diversified, alternative and structured management, and SRI funds.
- AEW Europe and NAMI AEW Europe (€18.6 billion): management of real estate assets, real estate investment trusts (SCPIs) and real estate mutual funds (OPCIs).
- Natixis Multimanager (€1.9 billion): funds of funds management, a range of absolute return funds.
- H_2O Asset Management (€1.8 billion): global macro multi-strategy and international Fixed Income management.
- Ossiam (€0.2 billion): strategic ETF (Exchange Trade Funds).

Natixis Global Asset Management operates in Europe through Natixis Asset Management, one of the leading European asset management companies. Natixis Asset Management offers proven expertise in the main asset classes and management styles. It also provides privileged access to the complementary expertise of Natixis Multimanagers, its multi-management subsidiary, Dorval Finance in flexible management and H_2O Asset Management in global macro alternative management from London.

Natixis Asset Management's assets under management totaled €283.9 billion at end-2011 versus €299.8 billion at end-2010. The net outflow, which remained limited, was the result of outflows from different asset classes due to the drop in the financial markets and the intense competition in on-balance sheet investment products.

New collective products and packaged funds were launched for the Banque Populaire and Caisse d'Epargne networks. The reinforcement of Natixis Asset Management's sales in Europe and the development of synergies within the Investment Solutions division remain major priorities.

AEW Europe is owned in partnership with Caisse des Dépôts, which has a 40% stake. This subsidiary is a European leader in investment advisory services and third party real estate asset management. AEW Europe is present in nine European countries, notably in Paris and London, and managed €18.6 billion in real estate assets at end-2011, an 8% increase year on year. In 2011, AEW Europe created AEW UK, a London-based platform managing UK real estate assets, in which it has a 50% stake. The partnership between AEW Capital Management – in the United States and Asia – and AEW Europe and its regulated subsidiaries constitutes a global platform occupying the 6th leading positon in the world in terms of AuM.

Finally, Ossiam launched its strategic ETF (Exchange Trade Funds) activity with the introduction of numerous funds listed on the Paris, Frankfurt, London, Milan and Zurich markets.

Together, Natixis' European asset management companies provide a full range of products and services covering all traditional asset classes – money market, Fixed Income, equities and real estate – rounded out by expertise in high value-added areas such as structured products, socially-responsible investment and multi-management.

The European asset management companies received numerous awards again this year for the performance and specific features of their investment funds and management expertise.

US - DEVELOPMENT OF THE MULTI-BOUTIQUE MODEL

Assets under management for the fifteen US subsidiaries totaled \$302.8 billion at end-2011, compared to \$291.7 billion in 2010, an improvement of 3.8% despite a negative market effect. Net inflows climbed sharply compared to 2010, reaching an impressive \$17.3 billion. Three entities accounted for the majority of inflows: Loomis Sayles (Bonds), Harris Associates (Equities and mandates) and Alpha Simplex (Quantitative).

All the group's US asset management companies directly provide distribution services for institutional clients in the United States. In the retail banking segment in particular, they received strong support from the distribution platform in 2011, which provides asset management products, advisory and structuring capabilities, and related services that can be tailored to differences in markets and distribution channels. This platform supplies both volume retailers and private investment advisors. It also assists US asset management companies in developing sales of their products in the Asia-Pacific region, Singapore, Taipei, Japan and Australia.

The "Better Thinking. Together." media campaign that was launched in 2010 continued in 2011. This campaign highlighted the diversity and strength of the investment solutions offered by the group's US asset managers, including the "alternative" approach developed by asset management companies such as Gateway Investment Advisers and Alpha Simplex.

These communication campaigns were launched under the brand name Natixis Global Asset Management as the distribution entity. Natixis Global Associates' brand name was dropped at the beginning of 2012.

In 2011, several portfolio management teams and individual portfolio managers were once again recognized with awards, in particular those of Loomis and Harris Associates.

US and Asian asset management companies at end-2011

(assets under management in billions of dollars):

- Loomis Sayles ($162.6 billion): equities (growth, core, value) and bonds (core to high yield).
- Harris Associates ($64.5 billion): US and international value stocks.
- AEW Capital Management ($14.8 billion): real estate.
- Reich & Tang Asset Management ($12.9 billion): money market.
- Aurora Investment Management ($10.2 billion): funds of hedge funds.
- Gateway Investment Advisers ($8.1 billion): hedged equity.
- Vaughan Nelson ($7.7 billion): value stocks and bonds.
- Hansberger Global Investors ($7.6 billion): international equities.
- IDFC ($4.8 billion): equities and bonds.
- Capital Growth Management (50%-owned, $4.3 billion): equities.
- Alpha Simplex ($3.6 billion): quantitative.
- Snyder ($1.7 billion): US small- and mid-cap value stocks.
- Caspian Private Equity ($0.8 billion): private equity.
- Absolute Asia Management ($0.7 billion): Asian equities (excluding Japan), emerging Asian equities.
- Active Investment Advisors ($0.4 billion): discretionary index-based management.

1.4.2.2 Insurance

Natixis provides a wide range of insurance products for retail customers, independent professionals and, to a lesser extent, corporate clients. Pension and life insurance products, which are mainly distributed by the Banque Populaire network, work in synergy with the other Investment Solutions business lines. The personal protection insurance business has recorded robust growth in the last five years and features a wide variety of solutions distributed by the Banque Populaire and Caisse d'Epargne networks ranging from death benefit, work cessation and dependency products to payment protection insurance. Lastly, car and home insurance products available to retail customers in the Banque Populaire network are rounded out by a broad offering aimed at the Banque Populaire network's professional customers.

Natixis Assurances operates in Luxembourg through its subsidiary Natixis Life, and in Lebanon and Tunisia through equity stakes in subsidiaries in partnership with local private banks.

Natixis Assurances' total revenues reached €4.36 billion in 2011.

LIFE INSURANCE: RESILIENT DESPITE THE ADVERSE ENVIRONMENT

The life insurance market underperformed significantly in 2011. Gross inflows on the French market as a whole were down 14% and combined net inflows fell sharply due to high outflows in the fourth quarter. Natixis Assurances proved resilient in these adverse conditions. Gross inflows were less affected than the market as a whole (-9% for France) and combined net inflows totaled almost €600 million, bringing assets under management to €37.7 billion at year-end 2011.

Natixis Assurances Partenaires, the subsidiary dedicated to wealth management advisors and private banking, finished 2011 on a high note, with gross inflows up 34% year-on-year. 33% of inflows were invested in unit-linked policies. In 2011, collective discretionary management was launched with Natixis Multi Manager, OFI Asset Management and Rothschild et Cie. A dedicated extranet was made available for these partners and a new website for institutional investors was launched.

Natixis Assurances completed the renovation of its life-insurance asset management system: the OMEGA platform improves the ability to innovate and to meet client demands for better quality service.

AN EXCELLENT PERFORMANCE FOR PERSONAL PROTECTION INSURANCE

The personal protection insurance business posted strong growth in 2011, with premiums increasing by 20% to €456 million. Natixis Assurances completed the roll-out of its payment protection insurance offer, which covers conventional loans, as well as consumer loans and Natixis leasing products distributed by the Banque Populaire and Caisse d'Epargne networks. Payment protection insurance accounted for 61% of personal protection insurance premiums in 2011.

PROPERTY AND CASUALTY INSURANCE: SOLID GROWTH MOMENTUM

Property and casualty insurance revenues in France increased at their strongest rate since 2004. The first large-scale climatic event of 2011 was the serious flooding in the southeast of France at the beginning of November. Natixis Assurances recorded strong growth in business. The number of policies sold rose 5% to 888,919 at end-2011. On the whole, earned premiums in the property and casualty business rose 8% to €232 million, with a strong performance in the "professionals" segment, which improved by 48%.

1.4.2.3 Private Banking

Natixis' private banking activity is fully dedicated to offering wealth management services to private investors. It operates in France via Banque Privée 1818 and in Luxembourg via the teams of Natixis Private Banking. Private Banking manages assets totaling €18.9 billion.

As an expert in wealth management and financial solutions, Private Banking offers a range of products and services tailored to the demands of high net worth French and international clients. This offering covers not only legal and tax engineering, wealth management advisory services, life insurance and asset management (discretionary management, advised management, UCITS, structured products, etc.) but also lending, which is essential to any wealth structuring solution. The offer is built on a simple principle, namely the search for the best-performing solutions, whether created by Natixis teams, Groupe BPCE entities or external players recognized for their serious commitment to providing quality services.

Private bankers, portfolio managers, product specialists, wealth management experts and financial engineers are all high-level professionals with multi-disciplinary skills that allow them to handle very complex issues.

Private Banking leverages three high-potential distribution channels in order to foster growth: Groupe BPCE networks, Independent Wealth Management Advisors (IWMAs) and direct customers referred by Natixis in particular. In 2011, the business recorded net inflows of €1.9 billion, which was a genuine feat in a very challenging market.

SUPPORT TO GROUPE BPCE NETWORKS

As Groupe BPCE's partner of choice, Private Banking focuses on supporting the networks of Banque Populaire, Caisse d'Epargne and BPCE International et Outre Mer. It regularly provides the private banking teams of regional banks with all the wealth management and financial solutions they need to meet customer needs. In this capacity, it provides Groupe BPCE networks with a range of products and services that covers all stages of wealth management (discretionary management, fund picking, life insurance policies, etc.). The implementation in 2011 of a network-based life insurance platform allowed Banque Privée 1818 to position itself as Groupe BPCE's open architecture broker.

To provide network advisors with all the products and services they need, the Private banking business line has a team of 30 employees, including private bankers and Heads of Partner Support. In 2011, private banking gross inflows from the networks reached €884 million, of which €260 million from the transfer of discretionary management from two Banques Populaires.

INDEPENDENT WEALTH MANAGEMENT ADVISORS (IWMA) PLATFORM

Sélection 1818 was created in March 2011 from the merger of 1818 Partenaires and Séléction R. The new entity is the first multi-service and multi-product platform on the market solely dedicated to independent wealth management firms. With national coverage and dedicated contact points by region, Sélection R's strategy is to focus on the market's most active independent wealth management firms. In 2011, Sélection 1818 started to modernize its technical capabilities. This ambitious project is aimed at consolidating its leadership position and meeting the needs of IWMAs while improving quality of service.

With €5.8 billion in assets under management and with one in three IWMAs a client of the platform, Sélection 1818 generated gross inflows of €1.1 billion in 2011. The entity was voted the second-best banking platform by the French monthly wealth management magazine *Gestion de Fortune*.

WEALTH MANAGEMENT EXPERTISE

Business owners and senior executives represent the core target markets in France and abroad of private banking teams in charge of direct customers. These teams work regularly with Natixis' coverage teams on cross-selling initiatives. Business was strong in 2011 for the wealth management teams thanks to both historic clients and increased synergies with Luxembourg.

To meet the specific expectations of this demanding customer segment, Private Banking's experts constantly seek to provide clients with innovative and customized solutions. To this end, Banque Privée 1818 formed a new management advisory team in 2011 which generated inflows of €125 million in just six months. It has also developed a family office service for its very high net worth clients which encompasses all financial aspects of wealth management and has expanded its expertise in philanthropy with the introduction of two endowment funds. These products help boost the image of the private banking business line among Ultra High Net Worth clients and the entity's ranking in this segment of investors.

INTERNATIONAL ACTIVITY

The Natixis Private Banking teams, housed within Natixis Bank in Luxembourg, have been serving expatriates and non-residents for more than 20 years in the field of international wealth management. In 2011, gross inflows reached €1.2 billion, including €629 million following the creation of two venture capital companies (SICARs). The new Management team formed at the end of 2011 has been tasked with continuing to reposition the sales strategy to target a wealth management client base.

1.4.2.4 Private Equity

Through its historic private equity specialist, Natixis Private Equity (NPE), Natixis has been a key private equity services provider focusing on SMEs and covering the various segments of venture capital, expansion capital and diversified funds of funds in both France and abroad.

Underpinned by this strength and experience, Natixis decided in 2008 to restructure this business and focus on private equity structures capable of meeting the needs of external investors. Under Natixis' Investment Solutions division, alongside Asset Management, Insurance and Private Banking, Private Equity is a long-term alternative investment solution that the bank offers to its clients.

Natixis is positioned in the real economy via a range of financing, growth and sustainable support solutions provided to more than 500 companies, most of which are in France. In this role, it offers a range of high-potential original products in the form of genuinely diversifying long-term investments which are not easily accessible to investors directly.

Natixis' private equity operations comprise three distinct and complementary business lines, seven asset management companies and almost €3 billion in assets under management. The majority of the 121 employees are seasoned investors in their areas of expertise.

VENTURE CAPITAL

Seventure Partners. This 18-person company manages more than €390 million via 19 funds (mostly FCPIs and FCPRs), marketed primarily through the Banque Populaire network.

Masseran Gestion Capital Risque. Initially created as part of the CNCE, Masseran Gestion's six-person venture capital team manages more than €60 million via seven funds (all FCPRs), marketed primarily through the Caisses d'Epargne network and Banque Palatine.

Both Seventure Partners and Masseran Gestion Capital Risque are currently in the process of merging to create a leading player in French venture capital and the main provider of products to BPCE's two banking network partners.

EXPANSION CAPITAL AND TRANSMISSION

Naxicap Partners. With 49 employees, 15 years' experience and €910 million in assets under management, Naxicap Partners is one of France's leading providers of expansion capital on the SME segment. It ensures regional coverage through five offices around France.

Naxicap Partners recently acquired the asset management company AtriA Capital Partenaires, allowing it to consolidate its expertise and its portfolio of potential investors. The company now manages almost €1.2 billion.

Alliance Entreprendre. This 12-person company manages €145 million via ten funds – three FCPRs and seven local investment funds (FIPs) – marketed primarily through the Caisses d'Epargne network, but also through external investors.

DIVERSIFIED FUNDS OF FUNDS

Funds of funds emerged some 10 years ago and are perfectly suited to the needs and demands of certain investors because they offer a wide variety of underlying assets while limiting risk. This activity covers various strategies in Europe, the United States and Asia and various stages of a company's life cycle. Investment strategies are varied: primary, secondary and co-investment.

Dahlia Partners. Dahlia Partners was created in 2006 and the first primary fund of funds for €300 million was launched in partnership with the European Investment Fund (EIF). The company currently manages €500 million, with the majority invested on the primary market (68%), but also a share on both the secondary and co-investment markets. Through the state-owned France Investissement structure, Dahlia Partners created a €100 million venture capital fund in association with CDC Entreprises.

Masseran Gestion (Funds of funds). This four-person company manages more than €100 million via a predominantly French European funds of funds.

The merger of Dahlia Partners and Masseran Gestion Fund of Funds' teams was completed in the first quarter of 2012 and will allow Natixis to create a single entity specialized in European funds with a broad base of expertise and critical mass.

Caspian Private Equity. Created in 2008 and based in New York, Caspian Private Equity comprises nine professionals advised by a Strategic Committee. With almost $1 billion under management, Caspian Private Equity invests mainly through two funds.

Eagle Asia Partners. Formerly TIF Ventures' historic team, a Singapore government private equity structure, Eagle Asia Partners was founded in 2007 by six experienced professionals with a strong track record in Asia.

1.4.3 SPECIALIZED FINANCIAL SERVICES

Natixis' Specialized Financial Services division comprises two business lines, Specialized Financing and Financial Services, and eight activities with similar industry and distribution strategies.

These activities form a core part of the development of the BPCE networks.

Specialized Financing offers a range of services to retail, professional and corporate customers, designed to optimize their cash management or support their investment projects: factoring, sureties and guarantees, leasing, consumer finance, and film and audiovisual financing.

Financial Services combines settlement and account-keeping services in the field of payments (credit transfers, direct debits, electronic payment transactions, etc.), financial market transactions (retail and private banking custody), employee savings (profit-sharing and incentive plans, etc.) and pension schemes (individual and collective pension plans), special payment vouchers, and collective personal protection insurance.

In 2009, Group BPCE's "Ensemble" project targeted potential NBI synergies for Natixis of almost €400 million by 2013, more than half to be generated in Specialized Financial Services. At the halfway point, i.e. end-2011, the division's additional net revenues were already ahead of the 2013 target.

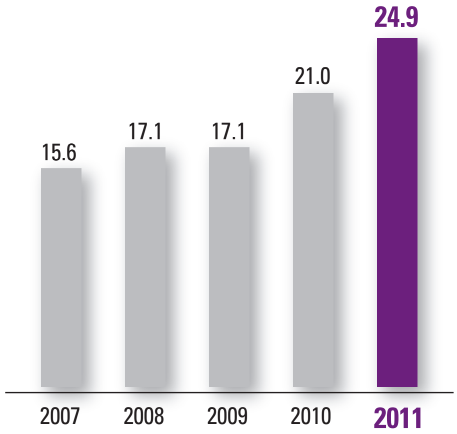
1.4.3.1 Factoring

The Natixis Factor subsidiary creates and manages solutions designed to enable companies of all sizes to optimize and manage their accounts receivable: factoring and financing, credit insurance, information and receivables management.

As the No. 4 player on the French market (14.3% market share – *source ASF at December 31, 2011*), Natixis Factor posted the strongest sales growth of the leading players in France, with annual factoring revenues of close to €25 billion at December 31, 2011, up 18%, i.e. nearly 1,800 contracts signed with clients from the Groupe BPCE, Natixis and brokerage networks.

Natixis Factor has greatly benefited from its new IT platform, both in terms of productivity gains and differentiating the entity's range of products and services.

FACTORING REVENUES OVER THE PAST 5 YEARS
(IN BILLIONS OF EUROS)



1.4.3.2 Sureties and Financial Guarantees

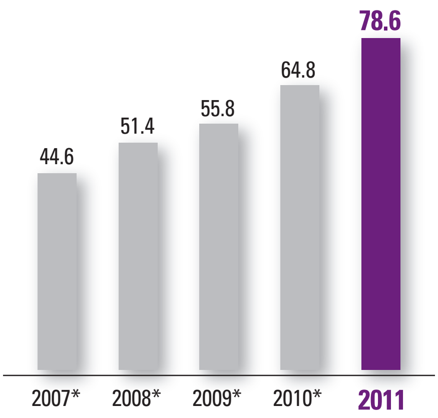
The insurance company Compagnie Européenne de Garanties et Cautions is Natixis' guarantee and surety platform for multiple business lines.

The platform offers a highly diverse range of products tailored to various markets and businesses: individuals (joint-and-several mortgage guarantees), professionals (business start-ups/transfers, equipment, commercial property), social economy and social housing, public-private partnerships, real estate companies and professionals (builders, developers, realtors, administrators).

Natixis ranks second in the French market for mortgage guarantees for individuals, with a 30% increase in guarantees issued in 2011, as well as for guarantees for property administrators and realtors under the Hoguet Law (nearly 5,000 guarantees issued in 2011. Moreover, Natixis shares the leading spot in the single-family home building sector (guaranteeing more than 20,000 houses in 2011) and also more than 40,000 guarantees issues for businesses (+40%) in order to help them comply with regulatory requirements (payment guarantees), tax requirements (excise taxes and customs duties) or contractual obligations.

The company continued working on its internal model, structure and procedures in 2011. Once these measures have been approved by the ACP (French Prudential Supervisory Authority), Compagnie Européenne de Garanties et Cautions will meet the European Solvency 2 requirements for insurance companies.

CHANGE IN TOTAL OUTSTANDING COMMITMENTS
(IN BILLIONS OF EUROS)



** recalculated pro forma outstandings*

1.4.3.3 Leasing

Natixis Lease provides companies of all sizes and professionals with a range of solutions for financing their equipment and installations, including equipment leasing, real estate leasing, operating leasing, long-term vehicle leasing, IT operational leasing and renewable energy financing.

In 2011's subdued market, new real estate leasing business was down slightly to €983 million, whereas equipment leasing rose 18% to more than €1.5 billion, thanks in large part to synergies with the Groupe BPCE network. Natixis consolidated its leading position in Sofergie renewable energy financing and recorded new business of €203 million, up 3% from 2010.

In 2011, Natixis improved its position in the vehicle fleet leasing business with the acquisition of GCE Car Lease, posting a 10% increase in business.

1.4.3.4 Consumer Finance

Natixis Financement develops revolving credit products and manages personal repayment loans for banking networks.

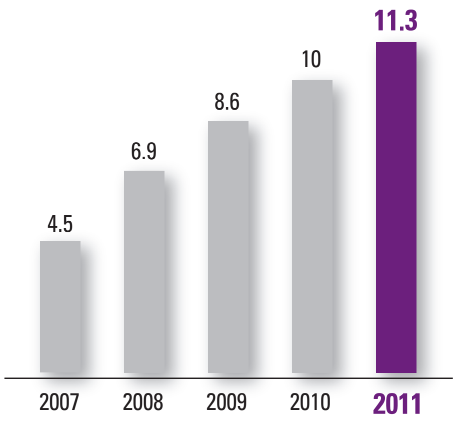
It provides the full range of consumer finance expertise for Groupe BPCE banks: design and marketing, network coordination, credit scoring, management or carrying of loans, recovery and litigation. Despite an unsupportive consumer financing backdrop during the year, Natixis Financement maintained solid sales momentum, driven largely by the circulation of debit/credit cards on the Caisse d'Epargne and Banques Populaire networks and the gradual adoption by the Banques Populaires of the personal repayment loans management tool.

New business totaled €6.1 billion (€1 billion for revolving credit and €5.1 billion for personal repayment loans).

Outstanding loans climbed 13% year-on-year to €11.3 billion, thus cementing the company's No. 3 spot on the French market.

The JV between Natixis Financement and BNP Paribas Personal Finance to develop a joint IT platform entered into the operational phase in 2011.

CHANGE IN OUTSTANDING MANAGED LOANS
(IN BILLIONS OF EUROS)



1.4.3.5 Film Industry financing

Operating through the Natixis Coficiné subsidiary and holding market-leading positions in France and Europe, Natixis finances the full range of audiovisual professions.

After initially targeting a French client base, Natixis Coficiné has now expanded to other markets in the European Union (Germany, Belgium, Spain, Luxembourg, the UK) and Canada.

In 2011, Natixis Coficiné issued 328 new loans (up 14.5%) totaling €423 million. Total provision of funds amounted to €590 million, up 16.7% year-on-year. This brought the portfolio to €613 million at December 31, 2011.

1.4.3.6 Employee Benefit Scheme

Natixis offers a comprehensive range of employee benefits planning solutions, developed by Natixis Interépargne and Natixis Intertitres. These include employee savings, pension schemes, employee share ownership, collective insurance and special payment vouchers.

In 2011, Natixis consolidated its leading position in employee savings account-keeping in France, with 3 million employee accounts under management, i.e. market share of 25% *(source: AFG at June 30, 2011)*.

As a pioneer in solidarity employee savings, Natixis held on to its top spot on this market via Natixis Asset Management, with 56.2% market share *(source: Finasol June 2011)*.

For the second year in a row, the collective pension plan (PERCO) offer posted robust growth notably in the corporate and institutional client segments (up 40% year-on-year), taking the market share of accounts under management beyond 30% *(source: AFG at June 30, 2011)*.

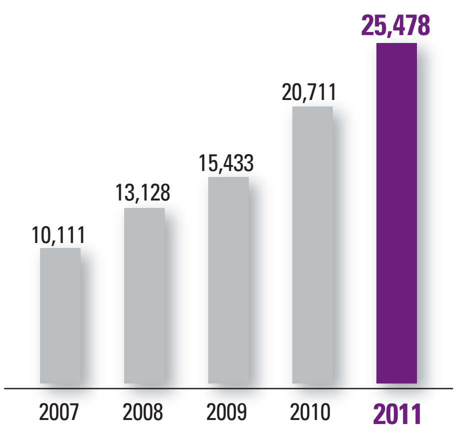
The employee savings offer tailored to SMEs and professionals, distributed by the Banques Populaires and Caisses d'Epargne networks, delivered another strong performance with 11,622 new contracts.

Natixis broadened its virtual service offer in 2011, in line with its policy of continuing innovation in real-time information on employee savings accounts: launch of a new Internet portal divided into separate pages aimed at corporate, institutional and savings clients, first natural language voice interactive server and first smartphone application aimed at employee savings accounts (25,000 downloads in the first three months).

Special payment vouchers, which are now issued by the Caisses d'Epargne, grew steadily with more than 96,000 new Chèques de table® (meal vouchers) and CESU Domalin® (employment services vouchers) issued, mainly to mid caps and local authorities. The total volume of vouchers issued increased by almost 16%, for an equivalent value of over €690 million in 2011.

Titres Cadeaux, a joint venture with La Banque Postale, recorded significant annual growth, with almost 85 million in "CA DO CHÈQUE" gift vouchers issued in 2011 and the marketing of the "CA DO CARTE" multi-brand pre-payed gift voucher since its launch in June in certain post offices and, since the beginning of November, in Caisse d'Epargne branches.

CHANGE IN THE NUMBER OF CORPORATE CLIENTS WITH COLLECTIVE RETIREMENT PLANS



1.4.3.7 Payments

Natixis' payments business combines management of payment tools and systems with services to retail customers.

Payment flows are processed by specialist subsidiary Natixis Paiements. It handles payment transactions (checks, mass and single transactions, electronic banking, etc.) across the entire range of interbank channels, while also offering affiliated services. Natixis Paiements, a unified payments operator for Groupe BPCE, processes payment flows for Banques Populaires, Caisses d'Epargne, major French banking institutions and some 100 other banks and financial establishments.

Natixis, the No. 3 payments operator in France, with market share of over 20% in the exchange systems and electronic banking field, processed over 6.3 billion mass transactions in the Core system in 2011. On the international market, Natixis is one of the top 10 European players, with plans to develop industry partnerships. To this end, Natixis is continuing to build a joint electronic payment platform with BNP Paribas through the Partecis joint venture.

In electronic banking, Natixis is developing a full array of services for the distribution networks, ranging from product design to technical and marketing support. Natixis contributes to the development of professional and retail markets and prepares the systems needed to launch new products (e.g. contactless payments, multi-visual cards, debit/credit cards, prepaid cards, e-commerce). Natixis managed over 17 million cards and processed nearly 3.2 billion card transactions in 2011 (up 9% year-on-year).

CHANGE IN NUMBER OF TRANSACTIONS PER PREPAID CARD (CARDHOLDERS AND RETAILERS)
(IN BILLIONS OF TRANSACTIONS)

* *including ex-GCE Paiements transactions, September to December 2010*

1.4.3.8 Securities Services

Natixis' EuroTitres Department provides custody services for retail and private banking and has the leading open custody platform in France.

Its service offer is customizable and à la carte: from the secure provision of office service processing systems to all-inclusive back office services (order routing, transaction accounting, client reporting, securities custody, etc.).

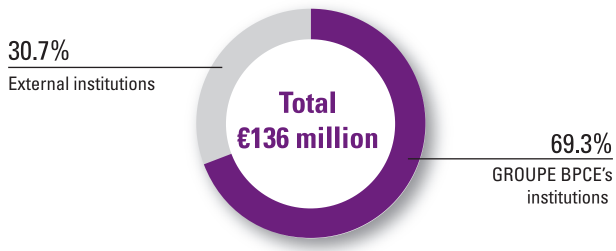
Natixis serves a diversified client base comprising Groupe BPCE's banking networks, other banking institutions with or without retail networks, financial companies and private banking asset management firms.

In a year plagued by declining transaction volumes affecting financial savings firms across the Board, Natixis successfully completed the restructuring of its Securities Services business (transfer of activities, IT migrations for the all Caisse d'Epargne banks) with a view to creating one of the leading players in retail custody in Europe.

In total, Natixis manages almost 4.4 million securities accounts.

In addition, Natixis holds a 15% stake in CACEIS and 33.4% in Slib (a software editor which provides innovative software solutions for investment service providers) after the sale of a 33.2% stake to BNP Paribas in 2011.

REVENUE BREAKDOWN OF EUROTITRES DEPARTMENT BY CUSTOMER TYPE



1.4.4 CCI

Natixis holds a 20% stake in each of the Banques Populaires and each of the Caisses d'Epargne through CCIs "Certificats Coopératifs d'Investissement" ("Cooperative Investment Certificates"). As such, the retail banking business of the networks contributes to Natixis' results.

1.4.4.1 The Banque Populaire and Caisse d'Epargne networks

The Banque Populaire

- 19 Banque Populaire.
- 3.8 million cooperative shareholders.
- 3,336 branches.
- 8.4 million customers.
- €192.5 billion in customer savings.
- €154.8 billion in customer loan outstandings.

The Banque Populaire banks are cooperative banks created by and for entrepreneurs, working closely with local businesses and business owners. They form the fourth largest banking network in France with 17 Banque Populaire regional banks, CASDEN Banque Populaire, which serves the staff of the French Ministry of Education, Research, and Culture, and Crédit Coopératif, a major player in the social and solidarity-based economy.

The Banque Populaire banks are 80% owned by their cooperative shareholders, who are also their customers. Natixis owns the remaining 20% in the form of cooperative investment certificates (CCIs). The Fédération Nationale des Banques Populaires (FNBP) is the institution providing deliberation, communication and representation for the Banques Populaires banks. Its activities are in line with developing the common interests of the Banque Populaire banks and their cooperative shareholders.

2011 significant events

- Banque Populaire won the Podium de la relation client 2011 [(1)] client-service award for the banking sector.
- Services accessible on mobile terminals were enhanced and now each Banque Populaire bank has a remote branch. These e-BanquePopulaire offer the same services as a traditional branch, with an appointed advisor who can be reached by telephone, e-mail, videoconference or online chat. 17 e-BanquePopulaire branches were operational at year-end 2011.
- Banque Populaire launched its new communications campaign, capitalizing on its traditional values as a local bank supporting entrepreneurship and the spirit of initiative. The new image is conveyed by a new tagline "The bank that encourages action" and a modernized logo.
- The Banque Populaire du Sud-Ouest and the Banque Populaire Centre Atlantique merged to create the Banque Populaire Aquitaine Centre Atlantique. This new major regional bank covers eleven departments in France.

(1) According to the BearingPoint TNS Sofres survey.

INDIVIDUAL CUSTOMERS

The Banque Populaire banks have made successful efforts to increase the number of products and services subscribed by their active customers and to acquire new individual customers.

Payment cards

Banque Populaire was the first French bank to launch the Visa Platinum card, aimed at clients who want to enjoy many exclusive benefits: high limits for payments and cash withdrawals, concierge services and more. Like other Visa cards, the Facelia version is available, offering the choice between a debit or credit payment for each transaction.

The NRJ Banque Pop' payment card, launched one year ago, has won over nearly 32,000 young cardholders. The card gives them opportunities to win concert tickets and to enjoy discounts with partner companies.

Loans and credit

For personal loans, the Banque Populaire banks now draw on the expertise and tools made available by Natixis Financement. Consequently, bank advisors can most adequately respond to customers plans based on their budgets.

The exclusive partnership with LMDE, the main mutual insurance group for students, was renewed. Banque Populaire promotes the financial independence of LMDE subscribers through loans not requiring co-signers to finance their studies or to rent an apartment.

In residential loans, Banque Populaire was the first to offer the PTZ+, an interest-free loan open to all first-time homebuyers and adjusted to the energy efficiency of the home.

Thanks to another strong loan-production year, loan outstandings to individuals grew by 6.3%. At year-end 2011, loan outstandings amounted to €85.9 billion.

Bancassurance

The year was characterized by a global approach to bancassurance needs with the launch of two offers: Parents prudents for young families with children, and Rentrée sereine for active seniors and retirees, prompted in particular to anticipate financial dependence.

A new car insurance product was launched: Assur-BP Auto offers fully flexible, complete coverage starting with the basic formula and may be purchased online.

An ambitious growth plan was implemented in order to make bancassurance a day-to-day business line of the Banque Populaire banks.

Savings

Emphasis was placed on balance sheet savings, in the context of liquidity crisis. Accordingly, savings account outstandings grew by 6.6%. Five tranches of BPCE bonds, sold in the form of securities accounts or life insurance, brought in €691 million, three times more than in 2010.

Regarding life insurance, outstandings were maintained despite a difficult context, with a slight decline of 0.7% recorded in 2011.

In mutual funds, three guaranteed-capital funds collected €635 million in inflows, including €285 million in ordinary securities accounts and Personal Equity Plans.

PRIVATE BANKING

Banque Populaire private banking supports its clients in building, managing and transferring their wealth. The expertise of private banking advisors is perfectly suited to help professionals, liberal professions and business owners in the context of a dual professional-personal banking relationship.

A Wealth Management Agreement underscores the quality of service provided and a growth plan for this business was defined through 2015. Exclusive private banking products and services now include Cadencia, highly personalized services dedicated to clients holding at least €150,000. Private banking assets under management totaled €50 billion at year-end 2011.

PROFESSIONAL CUSTOMERS

Long-standing partners of the Chambers of Trade and Craft Industries (Chambres de métiers et de l'artisanat), leading banks of franchise businesses, active with liberal professions and farmers, the Banque Populaire banks are the reference banking institutions for small businesses.

Business creations, takeovers and day-to-day banking

Loan outstandings to professional customers totaled €34.5 billion at year-end 2011, a 3% increase. Professional customers with dual relationships (professional and family accounts) grew by 1.4%.

As the leading distributors of business start-up loans with 28.4% of the market [1] and partners with the top networks assisting entrepreneurs, the Banque Populaire banks facilitate new business start-ups and takeovers with loans backed by personal sureties or reduced financial guarantees in partnership with small-business mutual guarantee companies (Socama) and the European Investment Fund.

In 2011, Banque Populaire formed the only partnership in France with the country's professional accounting association, the Ordre des experts comptables, to facilitate the financing of micro-enterprises in shorter timeframes.

A new electronic funds-transfer diagnostic tool helps clients optimize their choices, which include electronic commerce with the highly acclaimed CyberPlus Paiement tool.

Craftspeople and small retailers

Created in 2011 for the Chambers of Trade and Craft Industries, Espace Sherpa offers craftspeople with project proposals online simulations and helps them develop relationships with the bank branch of their choice.

New brands were listed. Over 150 benefited from new relationships with their future franchisees within 48 hours with the help of small-business advisors in the regions.

(1) Source: OSEO.

Liberal professions

The Atout Libéral line is tailored to meet the needs of each and every profession. The line is enhanced on a regular basis, particularly in the areas of personal protection and employee savings schemes.

Farmers

The new online sales platform for agricultural products, *directetbon.com*, was an instant success among producers with 186 e-shops opened at year-end 2011, close to 26,000 visits, and more than 120,000 pages viewed.

Fodder purchases associated with the drought were facilitated by cash advances.

A product to hedge market prices of principal agricultural commodities was launched.

CORPORATE AND INSTITUTIONAL CLIENTS

The Banque Populaire banks serve 221,000 companies, or 37% of companies with more than 10 employees [1]. Payment processing, international business and companies with over €15 million in sales are the targeted areas of growth. In addition, Banque Populaire also has 171,000 institutional and association clients.

Financing and transferring businesses

Medium- and long-term business loan outstandings amounted to €20 billion, a 4% increase at year-end 2011.

14 Banque Populaire banks signed a risk-sharing agreement that allows them to increase their financing offerings.

Banque Populaire is the only banking network with national coverage in advisory services for business transfers. The network implemented software that centralizes information on sellers and buyers to facilitate transactions.

A partnership agreement was signed with the Federation of Real Estate Developers (Fédération des promoteurs immobiliers) and the National Association of Planners-Developers (Syndicat national des aménageurs lotisseurs) to facilitate new relationships with real estate professionals.

Payment processing

2011 was characterized by the migration of the electronic data interchange protocol. 75% of clients migrated easily and without any additional cost thanks to the dedicated Turbo Suite Entreprise software.

In addition to the EBICS protocol, the Banque Populaire banks made Swiftnet and Planet Link available to their customers for their payments and data exchanges and offered the Click&Trust and Certeurope electronic signature solutions for secure transactions.

International

Foreign-exchange hedging transactions were developed with the support of Natixis.

Actiflow Trésorerie Internationale, a new centralized cash-management service, allows customers to see the consolidated and forecasted positions of all of their subsidiaries' accounts worldwide.

The development of an international correspondent network continued with the Confédération Internationale des Banques Populaires, which now has members in 22 countries and a newly created dedicated website.

The Caisses d'Epargne

- 17 Caisses d'Epargne.
- 4.3 million cooperative shareholders.
- 4,228 branches.
- 26.5 million customers.
- €345.2 billion in customer savings.
- €171 billion in customer loan outstandings.

Since 1818, the Caisses d'Epargne cooperative banks combine confidence, solidarity and modernity. The second largest retail banking network in France, the 17 regional Caisses d'Epargne are among the leading banks in their regions. They support all economic players and are leaders in providing financing for the public sector, social housing and the social economy.

The Caisses d'Epargne are 80% owned by cooperative shareholder customers through local savings companies. Natixis owns the remaining 20% in the form of cooperative investment certificates. The Fédération Nationale des Caisses d'Epargne is the institution providing deliberation, communication and representation for the Caisses d'Epargne and their cooperative shareholders.

(1) *TNS Sofres June 2011.*

2011 significant events

- The only major French bank to pay interest on demand deposits for all customers holding a package of services, Caisse d'Epargne systematized an overall approach to its customers' needs in 2011.
- In 2011, the Caisses d'Epargne had business dealings with over 600,000 new customers.
- Caisse d'Epargne was ranked in first place worldwide for its mobile banking application [1]. Over one million customers use this application for iPhone, iPad, Android and Blackberry.
- All the Caisses d'Epargne have established an online branch, Monbanquierenligne, offering all the services of a traditional branch and an appointed advisor available on-line.
- French people's favorite bank [2], Caisse d'Epargne has a new tagline, «The bank. A new definition» and a new brand territory actively promoted among each customer segment.

INDIVIDUAL CUSTOMERS

As the reference bank for young adults and the bank for families and seniors, Caisse d'Epargne seeks to provide more advisory services to its customers with a dedicated bank advisor, greater accessibility through multi-channel banking, and more choice with products and services tailored to each customer's needs and situation.

À la carte services

Caisse d'Epargne expanded the Bouquet Liberté à la carte package of services and launched new flexibleproducts and services: Solution Etudiants offers students essential services for €1 per month; Solution Libre Retraite is a flexible monthly savings contract for retirement planning starting at €50 for 6 to 16 years; and CA DO CARTE is a no-fee prepaid gift card ranging from €30 to €150, available in the branches.

Loans and credit

New consumer loans stood at €5.4 billion, a 1% increase. New real estate loans exceeded €21.9 billion, bringing total outstandings to €96 billion, an increase of 12%.

Caisse d'Epargne was the number two distributor of the PTZ+ [3] product, with a 16% market share.

Savings

In an uncertain economy, customers sought secure savings products that generate income such as savings accounts and term accounts. Balance-sheet savings inflows (demand deposits, savings accounts, regulated home savings products, etc.) represented €4.4 billion, €1.8 billion of which was collected through BCPE bonds. Livret A savings accounts brought in more than €1.4 billion in 2011. At the same time, off-balance sheet savings outstandings (life insurance, mutual funds) remained stable with a total of €110 billion.

Private Banking

Caisse d'Epargne continued to roll out a structure to provide dedicated services to Private Banking. The number of private banking customers grew by 4.8% to 320,000. Dedicated Private Banking service areas fostering a special banking relationship were opened or will soon be opened in all the regions.

PROFESSIONAL CUSTOMERS

In 2011, over 275,000 professional customers signed a national agreement with CAPEB [4], an association of craftspeople and small businesses in the building trades, and partnership agreements on commerce arranged with several brands. New products and services for factoring and employee savings were launched along with an electronic funds-transfer product for healthcare professionals and solutions designed for wine producers and the building craftsmen. New medium- and long-term loans grew by 9% to €2.5 billion. Average daily loan outstandings grew by 13% to €3.2 billion. Net inflows, including Livret A savings accounts, amounted to €347 million.

CORPORATE CUSTOMERS

Caisse d'Epargne continued to record strong growth among corporate customers with 12% market penetration [5], a four-point increase in two years. It signed partnership agreements with France Clusters and the APERE business support network. Caisse d'Epargne is a partner, through capital structure, in regional businesses, offering corporate customers and their managers 360-degree support.

Commercial payment processing grew by 21% to exceed €63 billion. New loans totaled €2 billion, a 3% increase, and loan outstandings were up 19% to €7.6 billion. International activity is strongly growing.

The migration to EBICS and Swiftnet was successful.

(1) *2011 ranking by the independent firm "myprivatebanking."*
(2) *JDD/Postenak/IPSOS image barometer (January 2012).*
(3) *Source: Société de Gestion du Fonds de Garantie à l'Accession Sociale (SGFGAS), which provides services to banks that distribute special property mortgages established by the French government to promote home ownership.*
(4) *Confédération de l'artisanat et de petites entreprises du bâtiment.*
(5) *Observatoire des entreprises et des banques 2011.*

Caisse d'Epargne launched new centralized cash-management and risk-hedging services and expanded its payment voucher offering.

It increased its technical sales teams and its segment expertise in the areas of renewable energy and healthcare.

Net banking income and earnings were up significantly.

PROFESSIONAL REAL ESTATE

Major players among real estate professionals in France's regions, the Caisses d'Epargne financed residential properties, assisted-living facilities, real estate services and commercial real estate activities for an amount of €2.3 billion in 2011. New loans to developers and real estate agents, underpinned by rental property investments, represented €1.7 billion. The Caisses d'Epargne financed over 9,000 residential properties in 2011, i.e. a 9% market share. They are positioned as the reference bank among regional developers regardless of the project. Eight out of ten customers [1] trust them for their projects and believe that they know their specific needs.

SOCIAL ECONOMY

As the leading social-economy financial provider [2] with 22.6% of loans, Caisse d'Epargne forged new partnerships with the Centre français des fondations (the Center for French Foundations) and with Fehap [3], increased its actions with major corporate clients, and reinforced its positions in the healthcare sector.

New loans exceeded €1.5 billion, a 23% decrease, and payment processing totaled €23 billion, a 16% increase.

The Associatis savings account proved its appeal among associations with over €1 billion collected.

Protected persons

Over one in three people covered by social protection is a client of Caisse d'Epargne, which provides specialised advisors and an offering designed for this client base. In 2011, the webprotexion management service was enhanced with new functions that facilitate the tasks of legal representatives. Savings managed for this client base amounted to €5.5 billion at year-end 2011.

PUBLIC SECTOR

A major player in lending to local municipalities, to their organizations and to public hospitals, Caisse d'Epargne maintained its loan outstandings at €48 billion in a very difficult environment. Out of the €420 million obtained from the Caisse des Dépôts, €205 million were distributed in 2011 and €206 million in EIB-supported loans were committed.

The group brought in €1.4 billion in public-private partnership projects, thereby reinforcing its leadership in this sector.

Debt-management transactions totaled €3.1 billion. Active asset management continued to grow steadily, as did electronic funds-transfer services, with the Carte Achat Public, the web-based collection service SP+, and the Chèque de Table®, CESU Domalin®, CA DO CHÈQUE, and Chèque Interservices® payment vouchers.

SOCIAL HOUSING

Caisse d'Epargne is the leading private bank for social housing enterprises and public housing offices[4], which finance construction projects largely through Livret A deposits. Caisse d'Epargne finances over one-third of this sector's private debt. It also supports several local public enterprises and participates in the governance of over 500 of these entities.

In 2011, Crédit Foncier and the Caisses d'Epargne committed €1,359 million in regulated social-housing loans (PLS, PLI, PSLA) for the 2011 year. The second phase of the €125 million "France Logement Social" EIB pool for constructing and rehabilitating social housing was used at year-end. Medium- and long-term financing for social housing totaled €2.8 billion, increasing loan outstandings to €13.4 billion. Commercial payment processing grew by 10%. Total inflows at year-end 2011 amounted to €6.4 billion, €3.1 billion of which were invested in Livret A savings accounts.

Habitat en Région

Caisse d'Epargne is one of the main private operators in social housing in France's regions with 159,000 social housing units managed by its social-housing company affiliates (ESHs) and rent-subsidized housing cooperatives (HLMs). The largest are Erilia, Logirem and SIA.

The Habitat en Région association helps group entities share their expertise and benefit from services at the best price: real estate research, energy audits, construction projects, equipment, energy savings certificates. In 2011, partnerships with Eiffage and Vinci were signed for this purpose.

1.4.5 MAJOR CONTRACTS

1.4.5.1 Cooperative Investment Certificates (CCIs)

DESCRIPTION OF THE MAIN PROVISIONS OF THE BANQUES POPULAIRES CCI MEMORANDUM OF UNDERSTANDING

The main provisions of the memorandum of understanding relating to the issue of cooperative investment certificates by Banques Populaires (the "Banques Populaires CCIs") signed on September 26, 2006 by Natexis Banques Populaires, BFBP and all Banques Populaires, are as follows:

Restrictions on the free transferability of Banques Populaires CCIs

Banques Populaires CCIs are freely tradable. However, the sale of Banques Populaires CCIs must be approved beforehand by the Board of Directors of the Banque Populaire concerned.

(1) *TNS SOFRES satisfaction survey.*
(2) *Source: Banque de France.*
(3) *Fédération des établissements hospitaliers et d'aide à la personne privés non lucratifs/Federation of non-profit private hospitals and personal assistance establishments.*
(4) *Internal source*

In the event that approval is refused and the vendor does not abandon the proposed sale, the Banque Populaire concerned must repurchase the said CCIs (with the consent of the vendor) or must arrange for them to be purchased by a third party, at a selling price that takes account of the proportion of the net assets to which the Banques Populaires CCIs entitle the holder, and which complies with the valuation methods used to value Banques Populaires CCIs at the time of their issue. In the absence of agreement between the vendor and the relevant Banque Populaire, the purchase price of the Banques Populaires CCIs shall be determined by an expert.

Right to repurchase Banques Populaires CCIs

Banques Populaires CCIs may be repurchased from Natixis at the initiative of each Banque Populaire, without the prior authorization of the Special General Meeting of CCI holders and with the prior authorization of BPCE, in the event BPCE's control of Natixis ceases or a reform is passed of the 1947 law involving a substantial alteration of the rights of Banques Populaires CCI holders.

In addition, in the event that legislative or regulatory changes or changes in the assessment by the relevant regulators or by Natixis' Statutory Auditors should make it necessary to increase Natixis' influence or to alter it significantly in order to enable Natixis to continue to consolidate Banques Populaires CCIs, Natixis must submit the precise terms of the changes made necessary to Banques Populaires in order for them to be able to determine whether they should incorporate these new aspects of influence into the existing arrangements or whether they should decide, on receiving prior authorization from the Board of Directors of BPCE, to exercise their right to buy back the CCIs that they have issued.

The buyback value of Banques Populaires CCIs will be calculated using the method of valuation used when they were issued, particularly as regards the calculation of net assets, and must take account of the profitability of the Banques Populaires and of the proportion of the net assets to which the Banques Populaires CCIs entitle the holder. If Natixis and the Banque Populaire cannot reach an agreement, this buyback value shall be determined by an expert.

Technical and industry cooperation between Natixis and the Banques Populaires

Natixis and the Banques Populaires have agreed to maintain existing industry and commercial relations for a period of at least 10 years from the subscription date of Banques Populaires CCIs and, in particular, the provision of the following services:

- provision of IT infrastructure;
- provision of industry services (custodial services, payment systems, operational management of currency accounting);
- design and management of customer products on behalf of Banques Populaires (asset management, the entire range of insurance products (life, personal protection, property and casualty), factoring and lease financing, financial engineering, expansion capital, employee benefits planning (and particularly company savings schemes), international financial engineering, credit insurance and commercial information (Coface).

During this period, Natixis has undertaken to provide its services at market price and under market terms and conditions. If Banques Populaires consider that the products and/or services provided by Natixis are not competitive, the matter will be referred to BPCE which may, if necessary, commission an expert to carry out an external assessment and, if appropriate, to propose measures to improve the competitiveness of the said products and/or services.

Upon the expiry of the 10-year period, either of the parties may terminate these existing commercial and industry relationships subject to providing one year's prior notice and, where applicable, complying with specific contractual provisions governing these relationships.

Natixis is required to maintain its 20% stake in the capital of each Banque Populaire

The memorandum of understanding pertaining to the issue of CCIs by the Banques Populaires requires Natixis to maintain the level of its equity stake in the Banques Populaires under the following terms:

- Mechanism for regulating the capital of Banques Populaires possessing variable capital:

  The Banques Populaires are entities with variable capital (except BRED). In order to maintain the level of Natixis' interest, a carrying structure was set up for each Banque Populaire in the form of a subsidiary of the Banque Populaire concerned, the said subsidiary being administered and managed by the issuing Banque Populaire. The carrying structure regulates the variability of the share capital by subscribing for a unit of the share capital each time a unit of the share capital is redeemed and, conversely, by requesting redemption of a unit of the share capital each time the Banque Populaire issues a new unit of share capital.

- Preservation of Natixis' stake in the event of a change in the share capital of the Banques Populaires:

  Any decision to undertake a cash capital increase for a Banque Populaire that would not be offset by the redemption of shares as described above must be made concomitantly with a decision to undertake a cash capital increase through the issue of new Banque Populaires CCIs at nominal value, in order to ensure the level of interest represented by the CCIs in the capital of the Banque Populaire is maintained at the level that existed prior to the operation. Natixis must then subscribe for the CCIs to maintain its level of interest. In the event of a capital increase through the incorporation of reserves, the said capital increase must be undertaken either through the simultaneous and equivalent raising of the nominal value of the shares and the CCIs, or through the simultaneous free allocation of shares and CCIs issued at the nominal value.

In the event of a capital reduction through the redemption of shares, not offset by subscriptions for shares in accordance with the above terms, the Banque Populaire may redeem, with a view to their cancellation, the number of CCIs required to maintain the stake, without the prior approval of Natixis.

In 2011, maintaining the 20% stake in the capital of each of the Banques Populaires represented an investment of €135,224,960.50 for Natixis.

DESCRIPTION OF THE MAIN PROVISIONS OF THE CAISSES D'EPARGNE CCI MEMORANDUM OF UNDERSTANDING

A memorandum of understanding relating to the CCIs issued by the Caisse d'Epargne banks and transferred to Natexis Banques Populaires (the Caisses d'Epargne CCIs) was entered into by each Caisse d'Epargne et de Prévoyance, CNCE, SNC Champion and Natexis Banques Populaires on November 16, 2006 (the "Caisses d'Epargne CCI Memorandum of Understanding").

The main provisions of the Caisses d'Epargne CCI Memorandum of Understanding are as follows:

Restrictions on the free transferability of Caisses d'Epargne CCIs

The Caisses d'Epargne CCI Memorandum of Understanding stipulates that the transfer of all or part of the Caisses d'Epargne CCIs by Natixis shall be subject to the prior approval of BPCE.

Right to repurchase Caisses d'Epargne CCIs

Under the terms of the Caisses d'Epargne CCI Memorandum of Understanding, Natixis undertakes to sell to BPCE or the relevant Caisse d'Epargne, in accordance with the terms and conditions defined below, the Caisses d'Epargne CCIs without the prior authorization of the Special General Meeting of the holders of Caisse d'Epargne CCIs, in the following circumstances:

(i) in the event that BPCE's control over Natixis ceases;

(ii) any sale and/or transfer of Caisses d'Epargne CCIs for any reason whatever, including in the event of a merger or spin-off of Natixis;

(iii) reform of France's 1947 law resulting in a substantial change to the rights of CCI holders;

(iv) any legislative or regulatory changes or changes in the assessment by the relevant regulators or by Natixis' Statutory Auditors making it necessary to increase Natixis' influence or to alter it significantly in order to enable Natixis to continue to consolidate Caisses d'Epargne CCIs. In such an event, Natixis must submit the precise terms of the changes made necessary to BPCE and the Caisse d'Epargne concerned in order for them to be able to determine whether they should incorporate these new aspects of influence into the existing arrangements or whether they should decide to exercise their right to buy back the CCIs.

In addition, without prejudice to the benefit of paragraph (iii), in the event of a legislative amendment conferring a voting right to the holders of CCIs, Natixis undertakes to act in concert with BPCE and the Caisses d'Epargne, to make the necessary adjustments while either maintaining the rights and characteristics of the securities issued or replacing Caisse d'Epargne CCIs with securities possessing the same characteristics, and particularly without voting rights and with Natixis having the ability to consolidate the results of the Caisses d'Epargne in proportion to its investment in the capital.

In the event that the right to buy back Caisses d'Epargne CCIs is exercised under cases (ii) or (iv), BPCE enjoys a preferential right over the Caisse d'Epargne concerned as regards the exercise of the promise of sale.

In the event that the right to buy back Caisses d'Epargne CCIs is exercised under case (iii) above, the right of the Caisse d'Epargne concerned will have priority over that of BPCE.

The buyback value of Caisses d'Epargne CCIs will be calculated using the method of valuation used when they were transferred to Natixis and must take account of the proportion of the net assets to which the CCIs entitle the holder. If Natixis and BPCE or the Caisse d'Epargne concerned cannot reach an agreement, this buyback value will be determined by an expert.

Technical and industry cooperation between Natixis and the Caisses d'Epargne

The subsidiaries and financial investments in the Corporate and Investment Banking (CIB) businesses transferred by CNCE in 2006 provide the following services, in particular, to the Caisses d'Epargne network:

- custodial services;
- design and management of customer products (asset management, revolving credit facilities, surety bonds for borrowers, factoring and equipment lease financing, financial engineering and capital market products, local government financing, debt management); and
- securities and derivatives brokerage.

For the purposes of developing their industry and commercial cooperation, Natixis and Caisse d'Epargne have agreed to maintain their existing industry and commercial relationships described above for at least 10 years.

Upon expiry of this period, either of the parties may terminate, in whole or in part, the existing commercial and industry relationships described above, subject to providing one year's prior notice and, where applicable, complying with the specific contractual provisions governing these relationships.

Natixis is required to maintain its 20% stake in the capital of each Caisse d'Epargne

The memorandum of understanding relating to cooperative investment certificates issued by Caisses d'Epargne requires Natixis to maintain its stake in the event of a change in the capital of the Caisses d'Epargne.

Any decision to increase the capital of a Caisse d'Epargne must be made concomitantly with a decision to undertake a cash capital increase through the issue of new CCIs at nominal value in order to maintain its stake represented by the CCIs. In the event of a capital increase through the incorporation of reserves, the said capital increase must be undertaken either through the simultaneous and equivalent raising of the nominal value of the shares and the CCIs, or through the simultaneous free allocation of shares and CCIs issued at the nominal value, so as to maintain the stake represented by the CCIs.

In the event of a capital reduction through the redemption of shares, the Caisses d'Epargne may redeem, with a view to their cancellation, the number of CCIs required to maintain the stake, without the prior approval of Natixis.

In 2011, maintaining the 20% stake in the capital of each of the Caisses d'Epargne represented an investment of €10,000,000.00 for Natixis.

1.4.5.2 Workout portfolio management (GAPC)

BPCE and Natixis have agreed to implement protective measures to guard against future Natixis losses and the volatility of its results brought on by the GAPC credit portfolio assets, in the form of a guarantee.

More detailed information concerning this guarantee is available in the section [1.5] "GAPC".

1.4.5.3 P3CI

On January 6, 2012, Natixis launched an operation to optimize its financial structure through the issuance of P3CI (CCIs hedged by loan) bonds for a total of €6.9 billion and the simultaneous buyback of Tier 1 hybrid notes for a total of €2.3 billion.

The P3CI mechanism is as follows:

- a structured bond issuance by Natixis (P3CI) subscribed for in full by BPCE for a total of €6.9 billion;
- by subscribing for these bonds, BPCE guarantees the regulatory capital requirement of the Cooperative Investment Certificates (CCIs) at €6.9 billion. This guarantee can be implemented via quarterly adjustments of the P3CI nominal value in the event of a drop in the regulatory capital requirement of the CCIs on Natixis' balance sheet;
- with this guarantee, Natixis decreased its risk-weighted assets by €25.6 billion (a weighting of 370% applied to the guaranteed amount of €6.9 billion).

1.4.6 FINANCIAL INVESTMENTS

Coface

COFACE: AN EXPERT IN TRADE RISK FOR CORPORATE CLIENTS

To support the development of its corporate clients, both at home and abroad, Coface offers credit insurance solutions aimed at protecting companies against the risk of financial default by their purchasers. In addition to this credit insurance offer, Coface strives to help its clients assess and anticipate risks upstream, allowing them to make informed decisions at the right time. Coface thus offers detailed country, sector and credit risk analysis. This analysis is carried out using its unrivalled global network consisting of 79 countries, in which it operates either directly (66 countries) or via its CreditAlliance network partners.

In France, Coface manages guarantees backing French exports, on behalf of the French State. These various guarantees cover risks that are not insured by the private sector. The State, which pays Coface for these management services under the terms of a financial agreement, collects the premiums and pays out compensation to policyholders, where applicable.

Global leader in credit insurance.

REFOCUSING ON ITS CORE BUSINESS: CREDIT INSURANCE

In 2011, Coface gradually implemented its end-2010 strategy of refocusing on credit insurance. This is its historic core business and accounts for more than 83% of the company's revenues. The company has therefore retained its business information and receivables management businesses, the key components need to provide its clients with the best credit insurance services. Coface has also maintained its factoring activities in Germany and Poland within its strategic scope, in view of the high overlap with the credit insurance business (common clients, shared risk) and their profitability, which brings added value to its core business.

A YEAR OF BUOYANT GROWTH

Coface saw a return to growth and profitability in 2010. This trend was confirmed in 2011. Consolidated revenues (strategic scope) at December 31, 2011 reached €1,550 million, up 7.4% year on year (5.6% at constant scope and exchange rates). All of the group's regional platforms made a positive contribution to this growth. The loss ratio was 55.1% in 2011 versus 55.9% in 2010 and would have been 3.6 points lower had it not been for a major claim made at the end of the year 2011. The cost ratio (excluding reinsurance) improved 2.5 points to 25.2%. Recurring net income, excluding restructuring costs, was up 21% to €121 million.

A NEW PLATFORM-BASED INTERNATIONAL SET-UP TO IMPROVE QUALITY AND PROXIMITY FOR ITS CLIENTS

Coface has set up a matrix-type organization, run by an Executive Committee drawing from seven regional platforms (Northern Europe, Western Europe, Central Europe, Mediterranean & Africa, North America, Latin America, Asia Pacific) and nine group functions (sales, arbitrage, litigation & information, communication, legal, information systems, finance, organization and corporate secretariat-human resources, reinsurance & asset management). The control functions are carried out by the group's Audit and Risk Departments, which report directly to Coface's Chief Executive Officer.

1.5 GAPC

In 2008, Natixis established a division, known as GAPC (Gestion Active des Portefeuilles Cantonnés – Workout Portfolio Management) in order to (i) isolate the assets that were most impacted by the crisis and those that are no longer deemed to fit the new strategic direction of Natixis and to (ii) progressively offload these assets by means of active management, ensuring the proper balance between speeding up the return of capital and the resale price of the assets. The assets held by GAPC, the organization of GAPC as well as the governance structure in place are described below.

Since June 30, 2009, a portion of the GAPC portfolios has been covered by a guarantee from BPCE. The mechanism, cost and accounting & prudential consequences of this guarantee are also described below.

1.5.1 DESCRIPTION OF GAPC (WORKOUT PORTFOLIO MANAGEMENT)

The process for determining the scope of the GAPC portfolio was as follows:

December 2008

- Approval of the plan to refocus Corporate and Investment Banking (CIB): CIB's operations were split into a segment known as "CIB continuing activities", consisting of the operations to be maintained, and another containing the assets to be run off within GAPC. This separation was intended to ensure optimal proactive management of the assets segregated within GAPC, to protect the operations retained within "CIB continuing activities", and to highlight the performance of the operations within "CIB continuing activities".
- Appointment of the Head of GAPC.
- Determination of the scope covered by GAPC.
- Detailed selection of segregated assets within derivative portfolios.
- Decision on valuation (transfer to banking book) of segregated assets.

First half 2009

- Decision on the organization of GAPC.
- Completion of asset transfer.
- Presentation to employee representative bodies and composition of teams.
- Valuation of assets by external advisors using base case and stress case scenarios.

Second half 2009

- Change in governance and transfer of GAPC out of CIB: GAPC is now directly under Executive Management.
- Approval and announcement in August 2009 of the principle of the guarantee provided by BPCE to Natixis (the "Guarantee").
- Formal approval of the Guarantee by the corporate bodies of BPCE and of Natixis, and implementation of the Guarantee in November 2009 (retroactive effect to July 1, 2009).

1.5.2 DESCRIPTION AND VALUATION OF SEGREGATED ASSETS WITHIN GAPC

The identification of assets for segregation was primarily based on three criteria: (i) assets or operations that did not offer, or no longer offered, synergies with the CIB continuing activities with regard to CIB's new direction laid out in 2009; (ii) assets or operations offering poor returns on the capital or cash tied up; (iii) assets or operations with excessive risk profiles or offering insufficient liquidity.

GAPC's final scope thus includes the following proprietary investment activities: structured credit, mortgage portfolios of the ABM Corp. subsidiary based in New York, credit correlation portfolios (at end-2011 only the counterparty risk component remained as all market risk had been disposed of), portfolios of complex interest rate and equity derivatives, as well as structured funds. At December 31, 2011, these operations accounted for €15.5 billion in risk-weighted assets, before the effect of the Guarantee (under Basel 2.5).

Overall, GAPC's 2011 net revenues amounted to €42.4 million after factoring in the Guarantee.

BREAKDOWN AND VALUATION OF GAPC ASSETS

(in billions of euros)	12.31.2011				12.31.2010			
Type of assets (type of portfolios)	**Gross notional amount**	**Net notional amount***	**VaR**** *(in millions of euros)*	**Risk-weighted assets**	**Gross notional amount**	**Net notional amount***	**VaR**** *(in millions of euros)*	**Risk-weighted assets**
ABS CDOs	1.3	0.5			1.6	0.6		
Other CDOs	5.8	4.4			7.4	5.0		
RMBS and covered bonds	3.4	2.7			5.8	4.7		
CMBS	0.3	0.2		12.8	0.6	0.4		13.8
Other ABS	0.5	0.4			0.6	0.6		
Assets covered	8.9	8.4			11.9	11.1		
Portfolio of corporate credits	3.9	3.9			4.8	4.8		
Complex derivatives (credit)			1.1	0.2			0.4	0.3
Complex derivatives (interest rate)			7.9	1.7			4.0	1.4
Complex derivatives (equities)			0.2	0.1			0.3	0.1
Structured funds			0.2	0.6			0.8	0.8

* *Net of provisions.*
** *End of period.*

Regarding credit assets, the change in the notional amount net of provisions in 2011 stemmed from:

- asset disposals and amortization;
- portfolio restructuring;
- the positive impact of commutations with the monoline insurers.

In addition, in the case of non-credit assets, the change in Value at Risk ("VaR") in 2011 stemmed from:

- additional workout portfolio management of equity derivatives;
- additional hedging transactions in complex interest rate derivatives, in a more volatile market compared to 2010;
- further liquidation of structured funds.

It should be noted that risk-weighted assets at December 31, 2011 incorporated the "Basel 2.5" effect, with a positive net impact of around €2.7 billion in 2011 pre-guarantee and €1.6 billion post-guarantee.

1.5.3 REVIEW OF CREDIT ASSETS

The credit asset portfolio was assessed line by line by external advisors at the end of the first half of 2009, using the following methodology:

- measurement of potential losses at completion (maturity) of underlying assets, regardless of any hedging on the basis of micro and macroeconomic assumptions comparable to those used by the US authorities as part of their stress testing of US banks;
- measurement of the recovery rate of these losses at completion for assets insured by monoline insurers on the basis of a credit analysis specific to each monoline insurer;
- analysis of the sensitivity of results on the basis of "high stress" assumptions and, as regards monoline insurers, junior treatment of the CDS contracts compared to the financial guarantees.

This review concluded that the valuation in the Natixis financial statements of these assets reflected the losses at completion expected in the event of a stress scenario. The external valuation carried out gave a total portfolio value of €36.6 billion. The assumptions used were downgraded with respect to certain digital assets at the request of Natixis' management, trimming €2 billion off this value (€34.6 billion), ending up very close to the value at which these assets are carried in the Natixis accounts (€34.4 billion).

1.5.4 DESCRIPTION OF THE GUARANTEE

1.5.4.1 General mechanism of the Guarantee

Although correctly valued, the GAPC credit asset portfolio remains notably exposed to the volatility of these assets with a potential impact on the income statement and capital adequacy ratio of Natixis. In order to deal with this risk, which Groupe BPCE is better equipped to manage than Natixis alone, BPCE and Natixis agreed to put in place a mechanism to protect Natixis against future losses and earnings volatility potentially stemming from the GAPC credit asset portfolio, represented by the Guarantee.

The Guarantee, which was agreed in principle and announced in August 2009, was formally approved on November 12, 2009 by the corporate bodies of BPCE and of Natixis, with retroactive effect to July 1, 2009.

The Guarantee covers credit assets, except for complex credit derivative portfolios and RMBS portfolios insured by US Agencies (FNMA known as Fannie Mae, FHLMC known as Freddie Mac) but including the hedging of risks linked to counterparties not providing collateral.

The general mechanism behind the Guarantee is based on the establishment of:

(i) two Total Return Swap agreements (TRS), one in dollars and the other in euros covering 85% of the net value of the assets recognized in the trading portfolio and risks linked to counterparties not providing collateral. The purpose of these TRS is to transfer 85% of the gains or losses of the accounting units in which the assets are recognized at their fair value through profit or loss. On top of these two TRS, Natixis purchased an option from BPCE (the "Option") allowing it, should it be exercised, to recover, in 10 years' time, the capitalized net performance of the portfolios covered by the TRS and to terminate the TRS;

(ii) a financial guarantee covering 85% of the nominal value of the assets recognized under IFRS as "Loans and receivables" (L&R) and "Available-for-sale assets" (AFS), as determined at the effective date of the guarantee (i.e. June 30, 2009), less any amortization expensed prior to June 30, 2009. Pursuant to the terms of this financial guarantee, in the event of non-payment confirmed on the scheduled contractual payment date of sums due in respect of any of the assets in the guaranteed portfolio, Natixis will be paid by BPCE from the first euro up to 85% of the amount due. The payment will be made in the currency in which the defaulting asset is denominated. The expiry date of the guarantee granted to Natixis is that of the asset in the guaranteed portfolio with the longest maturity – currently April 28, 2099 – plus nine months (it being noted that this date may be brought forward to the date of termination of the guarantee in the event of a change in control at Natixis within the meaning of Article L.233-3 of the French Commercial Code). The expiry date of the financial guarantee is the date from which Natixis is no longer required to pay over to BPCE the sums recovered on assets in the guaranteed portfolio having defaulted. It post-dates the expiry date of the guarantee by 15 years.

The Guarantee covers portfolio assets held both by Natixis S.A. and by its subsidiaries, and agreements between Natixis S.A. and its subsidiaries have been put in place with respect to this mechanism.

The breakdown of the assets covered by the Guarantee as of December 31, 2011 is as follows:

(in billions of euros)		Total assets at 12.31.2011
Type of assets	**Gross notional amount**	**Net notional amount**
ABS CDOs	1.3	0.5
Assets covered	8.9	8.4
Other ABS	0.5	0.4
Other CDOs	5.8	4.4
CMBS	0.3	0.2
Corporate	3.9	3.9
RMBS	2.3	1.6
TOTAL	**23.0**	**19.3**

The scope of the Guarantee, in net value terms, amounted to €19.3 billion (excluding "CDPC") at December 31, 2011, down €5.9 billion compared to December 31, 2010 (*see 5.1 – Management Report*), due in large part to amortization and disposals.

1.5.4.2 Cost of the Guarantee

The implementation of the Guarantee triggered two payments to BPCE:

- the first for €1.183 billion in respect of the financial guarantee (including €1.035 billion for assets recognized as loans and receivables (L&R) and €148 million for available-for-sale assets (AFS)) versus €1.249 billion in provisions; and

- the second for €367 million in respect of the Option.

The terms and conditions of the agreements constituting the Guarantee were deemed reasonable and balanced from a financial perspective for Natixis by Mediobanca.

In 2011, the impact of the Garantee on the Natixis financial statements was +€17.5 million. Over this period, disposals represented a €2.286 billion nominal amount for assets covered by the financial guarantee, and a €2.661 billion nominal amount for assets under the TRS, with a net impact on results before the Guarantee of €70 million.

1.5.4.3 Accounting and prudential consequences of the implementation of the Guarantee

The implementation of the Guarantee did not have an initial impact on Natixis' earnings. Since, the consequences are as follows:

- changes in the value of the portfolio guaranteed, from June 30, 2009, by the TRS will be offset by the TRS up to 85%;
- the Option is measured at fair value through profit and loss primarily on the basis of the change in the value of the portfolio guaranteed by the two TRS;
- the equivalent value of the €1.183 billion payment in consideration for the financial guarantee is amortized almost symmetrically with the reversal of the provisions for write-down that were funded for this portfolio at June 30, 2009 and the amortization of reclassification discounts.

On the other hand, Natixis enjoyed a substantial prudential impact, representing a reduction in its risk-weighted assets and its regulatory deductions, resulting in an increase in its Core Tier 1 ratio at December 31, 2011.

1.5.5 GAPC GOVERNANCE

The implementation of the Guarantee was accompanied by a change in governance at the end of summer 2009, resulting in:

The establishment of a CSG (Comité de Suivi de la Garantie – Guarantee Monitoring Committee), responsible solely for the GAPC scope covered by the Guarantee:

- the members of the CSG are the Executive Chairman of BPCE and the Chief Executive Officer of Natixis. The Heads of Finance, Risk, Legal Affairs and Strategy of BPCE and Natixis are systematically invited to the meetings;
- the CSG meets every quarter and can also be convened at will when circumstances so require;
- in order to be in a position to properly carry out its responsibilities, the CSG receives regular reports of necessary information and follow-up on issues dealt with by other Committees connected with the Guarantee or the guaranteed assets;
- the CSG is the decision-making body for all issues relating to the Guarantee. It is notably responsible for monitoring the proper performance of the Guarantee and in this respect may intervene in any decision, or any plans, of the CGAC (Comité de Gestion des Actifs Cantonnés – Segregated Assets Management Committee), likely to have an impact on the Guarantee mechanism and/or the obligations of Natixis or of BPCE.

Retention of existing governance structures and Committees as regards accounting, financial, risk, asset and liability management (ALM) and other issues:

- arrangements regarding ad hoc reporting (regular reporting and reporting of warnings) and specific monitoring of risks of GAPC assets covered by the Guarantee between the BPCE and Natixis Risk Departments;
- arrangements which provide for procedures for obtaining the advice and assessment of the BPCE Risk Department on procedures implemented within Natixis regarding the GAPC assets, including in addition procedures to access information on the control of system reliability and model validation.

Transformation of the CRPC (Comité des Risques du Portefeuille Cantonné – Segregated Portfolio Risks Committee) into the CGAC (Comité de Gestion des Actifs Cantonnés – Segregated Assets Management Committee), responsible for the entire scope of GAPC, with the involvement of BPCE with respect to the sub-scope covered by the Guarantee.

The CGAC is the new body responsible for providing direction and monitoring regarding all counterparty and market risks relating to the operations transferred to GAPC. It has replaced the CRPC.

This change was implemented to achieve two main goals:

- to provide BPCE's representatives with increased and effective participation in this Committee's decision-making; and
- to provide BPCE, in connection with certain matters relating to the Guarantee or the guaranteed assets, with the right to suspend a decision pending review by a meeting of the CSG.

Operation of the CGAC

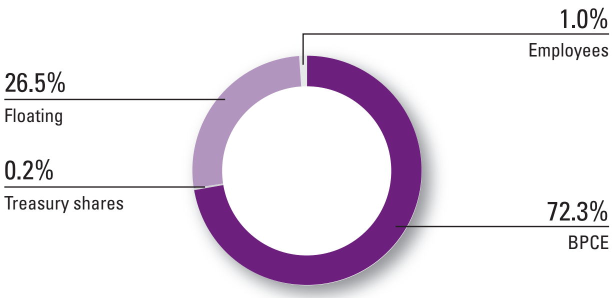
- Decisions are taken by the CGAC Chairman (namely the Chief Executive Officer of Natixis) following discussion.
- Where decisions represent for BPCE a financial impact or specific risks as a result of the safeguard mechanism, BPCE's representatives may request that the CSG examine the issue prior to the decision.
- The CGAC meets at least once a month.
- The Natixis Risk Department, Natixis Finance Department and BPCE's representatives are each completely free to add items deemed relevant to the CGAC agenda.

1.6 Natixis and its shareholders

1.6.1 KEY SHARE DATA AT DECEMBER 31, 2011

Share capital	€4,931,753,420.80
Number of shares	3,082,345,888
Stock market capitalization (reference share price = EUR 1.94)	€5,979,751,022
Market	Eurolist Paris (compartment A), eligible for deferred settlement
ISIN code	FR0000120685
Reuters code	CNAT.PA
Bloomberg France Code	KN
Stock market indexes	CAC Next 20, SBF 80, SBF 120, SBF 250 and Euronext 100

1.6.2 BREAKDOWN OF SHARE CAPITAL AT DECEMBER 31, 2011



1.6.3 SHAREHOLDER SCORECARD

(in euros)	2011	2010	2009	2008
Earnings per share [(a)]	0.43	0.46	(0.60)	(1.57)
Book value per share [(b)]	5.35	5.47	4.75	5.37
Net dividend per share	0.10	0.23	-	-
Number of shares	3,082,345,888	2,908,137,693	2,908,137,693	2,908,137,693
Pay-out ratio	24%	50%	-	-
Maximum price	4.39	4.90	4.65	8.9 [(c)]
Minimum price	1.67	3.06	0.76	1.20 [(c)]

(a) Calculated using the average number of shares (excluding treasury shares) during the period and after accounting for net interest payments on the Deeply Subordinated Notes after tax.

(b) Calculated using the number of shares at December 31 of the year in question.

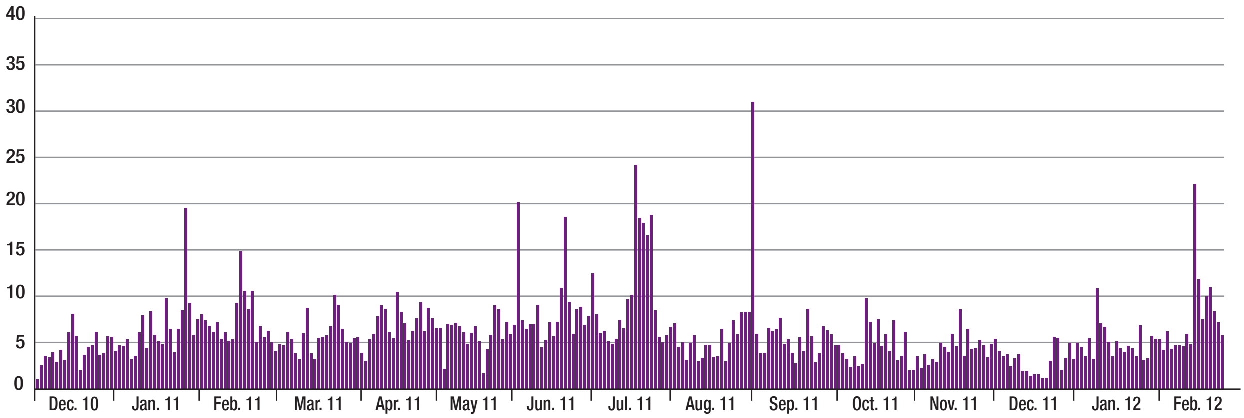
(c) Adjusted price.

1.6.4 SHARE PRICE INFORMATION

Change in closing share price and number of shares traded

SHARE PRICE SINCE JANUARY 1, 2011 *(IN EUROS)*

DAILY VOLUMES *(IN MILLIONS OF SHARES TRADED)*



In 2011, the Natixis' share price decreased by 40.9% (from €3.29 at the end of 2010 to €1.94 at the end of 2011). Over the same period, the Euro zone banking stocks index (DJ Euro Stoxx Bank) declined by around 32.5%. At March 5, 2012, the Natixis share price stood at €2.70.

The average daily volume of Natixis shares traded on the market amounted to around 6.2 million in 2011 versus an average of around 6.3 million in 2010.

1.6.5 NATIXIS AND ITS INDIVIDUAL SHAREHOLDERS

The Natixis individual shareholder relations and communication platform is manned by a four-person team and has three main access points:

- A toll-free number (*numéro vert*) (+33 800 41 41 41) available Monday to Friday from 9 a.m. to 6 p.m. (except weekends and public holidays) to answer questions about Natixis. This number provides access to an interactive voice response system that provides round-the-clock access to the share price.
- A dedicated e-mail address (actionnaires@natixis.com), managed directly by the Individual Shareholder Relations team, where individual shareholders can send questions to the Company.
- The website: *www.natixis.com*:
  - provides round-the-clock access to information about the Company;
  - features Natixis press releases, calendar and financial news in the "Investor Relations" section;
  - includes all editorial content and documents for shareholders and, in particular, all issues of the Shareholder Newsletter in the "Individual Shareholders' Corner".

In addition, the following two bodies coordinate relations with individual investors:

- The Natixis Shareholders' Club, created in 2007, with almost 20,000 members, for shareholders who want greater access to company news. Any shareholder owning at least one registered share or 50 bearer shares may join the Club. Using the ID and password provided upon registration, Shareholders' Club members can access a dedicated website containing information relating to the Club's activities.
- The Natixis Shareholders' Consultative Committee (CCAN), created in 2008, that comprises 12 members. This Committee met twice in 2011 and is dedicated to individual investor relations, in particular the preparation of the two main shareholders meetings of the year, the AGM and the Actionaria trade show. Moreover, conference calls are regularly organized to inform the Committee of recent news, in particular following the publication of results.

Other opportunities for discussion and communication between Natixis and its shareholders took place during 2011:

- The Individual Shareholder Relations team held 12 **meetings** both in **Paris** and the **rest of France** to meet with members of the Shareholders' Club. During these meetings, Natixis' internal expertise was presented to members of the Club. Members were thus offered the opportunity to attend a range of conferences and web-based conferences presented by economists, equity strategists and also employee savings specialists from Natixis and its subsidiaries. Five of these Shareholders' Club meetings were broadcast on the Internet, in live and downloadable format, facilitating access to these events for members from further afield than Paris and its suburbs.
- Some 650 individual shareholders attended the **General Shareholders' Meeting** held on May 26, 2011 at the Carrousel du Louvre. Once again this year, the Individual Shareholder Relations team welcomed members of the Shareholders' Club as well as prospective members, at its dedicated stand.
- For the eleventh consecutive year, Natixis had a stand at the **Actionaria trade show** on November 18 and 19, 2011. Shareholders' Club members were once again personally invited to this event by letter accompanied by an invitation giving them direct access to the trade show. They were also personally welcomed at the Natixis stand.

2

Social and environmental performance

2.1 Directions and program of activities

Mindful of its social and environmental responsibility and with the backing of its employees, Natixis has implemented a sustainable development policy around three major themes:

- **incorporating social and environmental considerations in its business activities** by better identifying and managing the CSR risks of the projects it finances and seizing opportunities for development in the green growth and responsible investment sectors;
- **minimizing our direct impact on the environment,** by reducing consumption of resources, waste production and carbon emissions and by managing supplier relationships responsibly;
- **driving social progress through its Human Resources policy**, in terms of career management, hiring, training, compensation, labor relations and safety.

Natixis' corporate social responsibility (CSR) strategy and operational practices are guided by a set of international agreements and consultations within the banking industry:

- **commitment to the United Nations Global Compact** confirmed each year since 2007;
- **adherence to the Principles for Responsible Investment** (PRI) since 2008;
- **signatory of the Equator Principles** since 2010.

Natixis is also a member of the French Observatory for Corporate Social Responsibility (ORSE) and as such participates in the work of the ORSE Finance Club.

2.1.1 SUSTAINABLE DEVELOPMENT AS A GROWTH DRIVER

2.1.1.1 A leader in green growth financing

Through its financing and investment activities, the bank has a major role to play in the development of an environmentally sound economy. Natixis is increasingly involved through its various business lines in the financing of renewable energy projects, green technology and management of anti-global warming investment funds.

FINANCING OF RENEWABLE ENERGIES

Renewable energies are financed through the project finance and "Sofergie" leasing activities and through investments of the dedicated funds EUROFIDEMEM 2, FIDEME, EKF and ECF.

In 2011, Natixis expanded its **project finance** offering to include biomass and offshore wind technologies. It also expanded the scope of its activities to Germany (Global Tech 1, see below), Canada ("Le Plateau" wind farm in Quebec) and the Middle East (Shams 1 solar thermal power plant in Abu Dhabi).

The Corporate and Investment Banking division's project finance activity continued to grow rapidly, with 11 new projects:

- four solar PV projects with a capacity of 300MW;
- three solar thermal projects with a capacity of 210MW;
- three wind power projects with a capacity of 650MW;
- a biomass project with a capacity of 100MW.

2011 Key event

Natixis arranged funding for 80 wind farms off the coast of Germany, with a capacity of 1,300 GWh (the equivalent of the annual consumption of a town of 200,000 people). This project, named Global Tech 1, is remarkable because of the distance between the wind turbines and the coast (96km) and the depth of the foundations (30 to 50 meters depending on location). It will reduce carbon emissions by 730,000 metric tons per year.

Natixis Lease, Natixis' lease financing subsidiary, continued its expansion in 2011 with the support of shareholder networks and with a strong focus on the PV industry.

Its subsidiary Natixis Energéco was involved in the financing of 28 renewable energy operations, including 20 solar projects, three wind farms, two biomass plants, one hydropower plant and one combined heat and power plant, with a total output of 120MW.

With a total of €311 million in funding arranged in 2011 (including Natixis Energéco's contribution of €203 million), Natixis Energéco has strengthened its position as lead arranger on the French renewable energy market.

2011 Key event

Natixis Energéco arranged funding for a biomass combined heat and power plant, with a capacity of 16 MWp (megawatt-peak) in Nesle-Mesnil Saint-Nicaise in the Somme region of France.

This plant will generate 131,200 MWh of electricity per annum and will supply 55t/h of steam to two factories: Ajinomoto Foods Europe, which produces glutamate, and Syral Tereos, which produces starch. €59 million in funding was provided in part by Natixis Energéco (lead arranger), in association with a pool of banks including Caisse d'Epargne de Picardie.

	Renewable energy financing operations	As at December 31, 2011	2011 Operations	2010 Operations
Project finance	Number of renewable energy financing operations	80	11	8
	Project capacities *(in Megawatt)*	10,000	1,260	560
	Share of renewable energy in the electricity financing business *(as %)*	42	48	41
Natixis Energéco financing operations	Number of renewable energy financing operations	217	28	34
	Project capacities *(in Megawatt)*	1,612	120	137

INVESTING IN THE ENVIRONMENT

Natixis Environnement & Infrastructures[1] **(NEI) and NEI Luxembourg (NEIL)** manage six investment funds representing nearly €1.5 billion with teams of specialists in Paris, Luxembourg and Beijing.

The EUROFIDEME 2[2], FIDEME, EKF and ECF funds invest in renewable energies and carbon credits, while the FIDEPPP[3] and Cube Infrastructures funds invest in regulated assets such as concessions or public-private partnerships.

2011 Key event

In November 2011, 14 renovated and furnished secondary schools were delivered in the Alsace region, under France's first energy performance partnership agreement[4]. With targets of a 35% reduction in energy consumption and a 65% reduction in CO_2 emissions over the course of the 20-year agreement, the project will generate carbon savings of 90,000 metric tons.

In December 2011, the largest PV plant in France was commissioned near Curbans in the Provence-Alpes-Côte d'Azur (PACA) region. With a capacity of 24.5 MW, the plant supplies power to 35,000 people. The EUROFIDEME 2 fund, which is managed by NEI, invested in the construction of the plant in partnership with GDF Suez.

(1) *Asset Management Company approved by the AMF.*
(2) *Simplified-procedure FCPR (private equity investment fund).*
(3) *Simplified-procedure FCPR.*
(4) *FIDEPPP, managed by Natixis Environnement & Infrastructures, owns 42.5% of the company ECOLYA, named in the partnership agreement. FIDEPPP is a shareholder of Ecolya alongside Caisse des Dépôts (42.5%) and GDF-Suez Énergies Services (15%). Caisse d'Epargne Alsace provides funding (over €30million) for Ecolya.*

2.1.1.2 A leading player in SRI (Socially Responsible Investment) and solidarity investment

Natixis firmly believes that extra-financial considerations are a vital ingredient of value creation in investment strategies, whether in terms of identifying opportunities arising from new areas of sustainable development or identifying the risks involved.

SRI AND SOLIDARITY PRODUCTS

The backing of dedicated research teams

The Equity Markets Department of the Corporate and Investment Banking division has a team of analysts dedicated to SRI issues. This team supplies research and customized services to the European SRI investor community (specialized publications, sector-based presentations, investment optimization and SRI management structuring assistance, organization of events, etc.). The approach taken by Natixis Equty Markets' SRI team is to incorporate SRI criteria in the fundamental research carried out by all sector-based financial analysts.

In 2007, Natixis Asset Management (Natixis AM), a subsidiary of the Investment Solutions division, put together an extra-financial research team in 2007, which advises the various asset management units on environmental, social and governance (ESG) issues. This team of 11 specialists assesses and contributes to the development of the ESG practices of companies via an ongoing dialogue with their management teams and through the responsible exercise of voting rights.

Natixis' SRI and solidarity-based offering

Natixis AM has developed three types of SRI and solidarity strategies:

- "ESG selection": selection of companies with an attractive financial and extra-financial profile within their sector;
- "Theme-based": selection of companies whose activity contributes to protecting the environment, improving quality of life or fighting global warming, while displaying sound ESG practices and an attractive financial profile;
- "Solidarity": strategy calling for a portion of assets (5% to 10%) to be invested in economic solidarity projects such as microfinance, employment of individuals experiencing financial difficulties, and social housing. The rest of the portfolio invests in companies that implement sustainable development policies while also offering an attractive financial profile.

2011 Key event

In March 2011, Natixis AM expanded its SRI range with the creation of a sub-fund of the Luxembourg mutual fund IMPACT FUNDS. The new sub-fund, called Impact Funds - Climate Change Emerging Markets, applies the climate change strategy to the emerging markets universe. These countries are particularly vulnerable to climate change and, at the same time, the strong growth of their economies has led to a significant increase in their CO_2 emissions. The fund aims to combine concern for climate change issues with strong performance, with the support of a Scientific Climate Change Committee made up of international experts.

Positioning on the SRI and solidarity markets

Natixis AM ranks among the leaders in SRI and solidarity management in France and in Europe and is No. 1 in solidarity-based employee savings[(1)] through its fund distributor, Natixis Interépargne.

Moreover, in 2011 many of the SRI and solidarity funds managed by Natixis AM were awarded the Finansol label[(2)] for solidarity-based savings investments and the Novethic SRI label[(3)], which aims to encourage more transparent information on ESG criteria.

(1) Source: 2011 edition of Finansol's annual survey of solidarity-based finance professionals.

(2) Finansol is an association of solidarity-based finance professionals.

(3) Novethic is a research center and leading French authority on Corporate Social Responsibility (CSR) and Socially Responsible Investment (SRI). Novethic also assesses the SRI quality of funds distributed in France.

	2011	2010
SRI and solidarity assets under management (in billions of euros) in open-end mutual funds	9.3	11.6
Share of SRI and solidarity assets under management relative to Natixis Asset Management's total AuM *(as %)*	3.24	3.84
Share of solidarity-based asset management market *(as %)* [(a)]	35	36.6
Share of SRI-based employee savings market *(as %)* [(b)]	13.7	26.6
Share of solidarity-based employee savings market *(as %)* [(c)]	52.6	48.4
Number of SRI funds *(open-end mutual funds)*	13	12
Number of funds with the Novethic SRI label	5	6
Number of solidarity-based FCPEs *(French employee savings funds)*	25	25
Number of solidarity-based FCPEs with the Finansol label	10	6

(a) Source: 2011 edition of Finansol's annual survey of solidarity-based finance professionals.
(b) Source: Comité intersyndical de l'épargne salariale (Interunion Employee Savings Committee) as at 06/30/2011
(c) Source: AFG (French financial management association) as at 06/30/2011

COMMITMENTS OF THE PRIVATE EQUITY BUSINESS

Natixis invests in unlisted SMEs, through its private equity business.

Roll-out of ESG analysis of the portfolio of investments in unlisted companies

As a member of the steering Committee of the Sustainable Development Club run by the French Private Equity Association (AFIC) since September 2009, Natixis private equity business has contributed to the development of best practices in the area of sustainable development in the private equity industry in a number of ways. In late 2010, it helped draft a white paper entitled "Private Equity and Sustainable Development", recommending signing the UN Principles for Responsible Investment and then establishing ESG procedures to be applied to holdings in unlisted companies.

In July 2011, the Management Committee of the private equity business, made up of the senior managers of the various asset management companies in the division, decided to launch an ESG program in 2012, with the aim of making sufficient headway by early 2013 to be able to include information about the initiative in the FCPR (private equity investment fund) reports for fiscal year 2012.

Solidarity-based private equity: sponsorship of the EVPA and partnership with PhiTrust Partenaires

Natixis' private equity business has been a partner of the European Venture Philanthropy Association (EVPA) since 2007. At Natixis' initiative, the AFIC Sustainable Development Club decided to promote the EVPA during the presentation of its "Venture Philanthropy for Private Equity" study in 2011.

In this study, the partnership between Natixis and PhiTrust Partenaires is presented as a prime example of a private equity professional focusing exclusively on companies with a social purpose and an obligation to achieve a set result in various sectors such as social integration, social housing, microfinance, fair trade, innovation or entrepreneurship in Africa.

In this case, venture philanthropy consists in investing capital without seeking a high return, with the Natixis teams volunteering their expertise in setting up and monitoring equity investments in small companies (governance, reporting, contact sharing networks, seeking partnerships to ensure the sustainability of small companies, etc.). Natixis AM and Crédit Coopératif also invested in PhiTrust Partenaires alongside Natixis. PhiTrust Partenaires was approved as a "solidarity-based investment" at the end of 2011.

ECO-RESPONSIBLE REAL ESTATE MANAGEMENT

AEW Europe, a subsidiary of Natixis Global Asset Management, provides real estate investment advisory services and real estate asset management for third parties. The goal of the 2010-2015 five-year sustainable development plan, apart from that of raising employee awareness, is to incorporate new criteria:

- when new investment products are launched (building quality requirements);
- when buildings are being constructed, with the goal of certification for all new buildings (HQE, BREEAM or LEED [(1)]);
- when existing buildings are purchased, with the systematic performance of environmental assessments and the incorporation of energy efficiency improvements in the budgets;
- when improving the performances of the existing portfolio (all properties must be audited by the end of 2013). These assessments serve as the basis for action plans, partnerships with tenants, etc.

Three evaluation tools are used: energy audits (energy consumption with a 10-year works program), Green Rating, which AEW Europe was instrumental in setting up (environmental performance criteria

(1) HQE: High Environmental Quality, a voluntary French standard; BREEAM: the UK voluntary Building Research Establishment Environmental Assessment Method; LEED: the US voluntary standard Leadership in Energy and Environmental Design.

in a number of areas distinguishing between intrinsic performance – independent of the building's tenants at the time – and quality of use, e.g. as offices, shops) and the CO_2 audit (status before improvements and post-work follow-up).

In order to improve monitoring of building performances, a general information system will be tested at eight sites in 2012. The system will record consumption, technical information and environmental indicators, with a gradual roll-out across all properties managed by AEW Europe from 2013.

	2010	2011	2012 outlook
Acquisitions of certified or eco-labeled assets *(as % of assets)*	11	32	
Number and type of assessments on the portfolio of existing assets	-	152 CO_2 assessments 96 energy audits 58 Green Ratings audits	+200 energy audits +150 energy performance surveys

2.1.1.3 CSR risk management

COMPLIANCE

Compliance and observation of professional rules of conduct are among Natixis' core values. Through its preventative and monitoring activities, the Compliance department enhances the trust afforded by our customers, the markets and the regulators.

The Compliance department protects Natixis' customers, the bank itself and its employees from any non-compliance risks. It also serves the public interest in combating terrorist financing, money laundering, corruption and fraud. For further details on Compliance, please refer to Chapter [3], section [3.6] "Chairman's report on the internal control procedures".

Preventing money laundering

As a founding member of the FATF[1], France has introduced measures to combat money laundering and terrorist financing in compliance with European and French laws and regulations. The obligations imposed by these regulations apply to Natixis and their implementation is subject to audits by supervisory authorities. Natixis is approved and supervised by the ACP[2], which has the power to issue administrative or financial penalties.

Fight against terrorist financing

To meet its regulatory obligations, Natixis has implemented a rigorous risk management system in the area of terrorist financing and compliance with embargoes. This ensures that non-compliant transactions are prevented and helps to foster an effective, balanced and secure relationship with each customer.

Prevention of corruption

Natixis is one of the world's leading financial institutions and operates in all corners of the world. Its reputation is built on solid values of integrity and its teams are recognized for their fair and ethical conduct.

Natixis is opposed to all forms of corruption, regardless of the business or person in question. Accordingly, it has adopted procedures, increased staff awareness, and introduced controls to prevent corrupt practices. At Natixis, the prevention of corruption is part of an overall system of financial security designed to combat all forms of fraud, money laundering and terrorist financing.

Prevention of fraud

As a leading global player in the financial sector, fraud is a major concern for Natixis. As such, Natixis has invested heavily in combating fraud in order to provide a secure environment for its customers, partners and employees.

At the practical level, anti-fraud measures have been instituted throughout Natixis and employees are made aware of fraud risk, including through e-learning. Furthermore, special controls are carried out on activities that are particularly exposed to fraud risk.

INCORPORATING SOCIAL AND ENVIRONMENTAL CRITERIA IN FINANCING OPERATIONS

As a signatory of the Equator Principles (EP) since December 2010, Natixis attaches great importance to environmental and social (E&S) considerations when examining and following up new financing projects. To this end, it applies a methodology that is recognized by the market and used by a large number of financial institutions.

A CSR team set up in 2011 has developed an evaluation and decision-making chart for the relevant business lines, the Risk Department and the other bodies associated with Natixis' credit approval process. It has also commissioned an external consultant to help it set up training programs for the teams.

(1) *FATF: Financial Action Task Force, an intergovernmental body whose purpose is to coordinate policies to combat money laundering and terrorist financing.*
(2) *ACP: Autorité de Contrôle Prudentiel, the French prudential supervisory authority for the banking and insurance sector.*

The business lines analyze the environmental and social aspects of financing projects and categorize them according to their E&S impact, which determines which internal credit approval procedure is used (A = high impact, B = limited impact and C = little or no impact).

The CSR team then carries out a review of the main projects. It validates or amends the analysis carried out by the business line and, if necessary, informs the senior management of the Corporate and Investment Banking division of any particular E&S considerations pertaining to the projects.

An E&S rider (attached to the credit application report) is created for all new projects that are submitted to the credit approval bodies for a decision. The rider summarizes the key elements to be taken into account in assessing the project. It is drafted by the business line and, in the case of A and B category projects, expanded by the CSR team, which validates or amends the project category and outlines its position on the project and any recommendations.

More sensitive projects (mainly in category A) must be submitted to a more senior authority for approval.

2011 Key event

Natixis took part in the strategic review of the Equator Principles through its active involvement in two workshops: one on the "Scope of the Equator Principles" and the other on "Reporting and Transparency". As a recent EP signatory, the workshops provided Natixis with an opportunity to learn about the challenges facing EP adherents in preparing for the new version of the principles (amendment III). Natixis' internal processes will be adapted to take account of the approval of this amendment and its conditions.

CSR RISK MANAGEMENT IN CREDIT INSURANCE

Coface, a credit insurance subsidiary of Natixis, takes into account the social and environmental risks of projects managed on behalf of the government. In line with the OECD's Recommendation on Common Approaches on Environment and Officially Supported Export Credits, an environmental and social impact assessment is systematically carried out for all projects involving exceeding €10 million or located in sensitive areas. Such projects must comply with host country and applicable international standards, specifically certain standards developed by the World Bank in the area of environmental protection and social well-being in a broad sense: management of emissions, protection of populations, biodiversity, cultural heritage, working conditions, etc.

At least 30 days before deciding to grant a guarantee, Coface publishes information about the larger projects on its website, including information about the environmental and social aspects (essentially a project impact study) in order to gather comments from stakeholders and provide information to all interested parties.

In general, Coface works closely with its clients and the parties involved in the project to meet the required standards and to mitigate any potentially significant impacts as much as possible. It also communicates on a regular basis with the general public and NGOs (specifically those concerned with environmental protection) on these procedures and their application, as well as on current projects where appropriate, while complying with confidentiality requirements.

Finally, Coface takes an active part in think tanks in order to promote certain types of projects, such as renewable energy projects and to grant them preferential guarantee terms.

EXCLUSION OF THE WEAPONS INDUSTRY

Since March 2009, Natixis has followed a policy that excludes all financing and investment in companies involved in the manufacture, storage and trade of land mines and cluster bombs.

This policy applies to the financing of these companies, to proprietary investment and to third-party asset management by Natixis AM, which has also launched a customer awareness program.

This policy is taken into account during the decision-making process (e.g. credit or investment Committee) applicable to each activity concerned.

2.1.2 MANAGING OUR DIRECT IMPACT ON THE ENVIRONMENT

With 22,000 employees worldwide, Natixis' operations have a substantial impact on the environment in terms of both resource consumption and the production of waste and CO_2 emissions.

2.1.2.1 Environmental management of our buildings

The Real Estate and Logistics Department has adopted a life cycle cost approach to its projects and investments that considers the environmental impacts of its activities, with precise monitoring of energy consumption in buildings, waste management and the company's carbon emissions.

Natixis has had ISO 9001[(1)] and 14001[(2)] certification for the operation of its buildings since 2009. These certifications recognize the quality and environmental management systems implemented in all central buildings managed by Real Estate and Logistics. In 2011, these certifications covered 87% of the buildings managed by Real Estate and Logistics, or 247,000 m².

The ISO 9001 and ISO 14001 certification process has also begun for the technical operation of the data centers.

Energy surveys were launched for some buildings in 2011 with the aim of assessing the potential for energy savings and eventually setting targets in this area.

Many different actions were undertaken to optimize performance in all buildings.

For example, various projects begun several years ago were continued in 2011 to further improve the environmental management of the "Grand Seine" building, such as automatic light switch-off during off-peak hours, installation of motion detectors and optimization of settings for building management systems. The consumption of heating and cooling utilities in this building was reduced by 27% from 2008 to 2011 as a result (data restated for annual climate variations).

2011 Key event

Over 55% of the hot water used in the staff restaurant of one of Natixis' main buildings, Liberté 2 (2,200 workstations) building, is now produced by solar energy following the installation of a "solar rug" on the roof of the building combined with a heat pump system.

The "Green Works Charter" established in 2010 is now used for all major works including fitting-out, construction and renovations. The criteria set by this charter are included in the specifications of service providers and are later audited by an external firm. In 2011, the charter was used for the fitting-out of a number of buildings in Nantes and Paris (Quai de Bercy Yonne).

Finally, the "Accessibility Charter" drafted in 2010 requires Natixis, in addition to the regulatory requirements, to facilitate access to and use of its facilities by persons with disabilities during the building, extension or fitting out-of its offices. An accessibility audit was carried out on the "Grand Seine" building in 2011.

2.1.2.2 Use of resources and waste management

In conjunction with building management, the Real Estate and Logistics Department also oversees energy consumption, while staff are made aware of the environmentally-friendly practices that help to control water, energy and paper consumption.

In 2011, there was a significant decrease in energy consumption, while paper consumption remained stable (the environmental indicators are detailed in section [2.4] "Environmental information").

Furthermore, the waste-sorting procedures initiated in 2006 have now been adopted throughout the company. They are organized around various actions:

- sorting of paper in offices;
- recycling of paper;
- collection and special disposal of used ink cartridges and batteries (for business and personal use);
- recovery of WEEE (Waste Electrical and Electronic Equipment) and cell phones by recycling companies.

2.1.2.3 Commuting

A Company Travel Plan was established in 2008. In 2011, the plan included:

- a carpool platform (covering 7,000 employees);
- shuttles between buildings (4 sites out of 27 in the Île-de-France region) and between the main site and public transport;
- bike stands: 123 bike stands at eight of the bank's buildings in Paris and the Paris region.

Indicator	2009	2010	2011	2012 outlook
Number of people signed up on the carpool platform	1,223	1,333	1,375	Owing to the low number of ads, ideas to improve the carpool platform are currently being discussed.
Number of ads placed on the carpool platform	111	187	204	

(1) *French standard in accordance with ISO 9001:2000*

(2) *French standard in accordance with ISO 14001:2004*

2011 Key event

European Mobility Week, which is coordinated by the Ministry of Sustainable Development aims to raise public awareness of the need to reduce transport-related carbon emissions, pollution and noise.

As part of the event, some 300 employees had the opportunity to try out a C-ZERO, the first electric vehicle in the car fleet in the Natixis colors, at two of Natixis' main locations.

The feedback was unanimously positive. The employees liked the look, quiet and performance of the vehicle and remarked on the dynamic and innovative image of the company it conveys.

2.1.2.4 Car fleet management

Since 2006, Natixis has chosen very low CO_2-emitting vehicles and since 2007 it has gradually harmonized procedures and choice of vehicles through the adoption of a standardized car policy:

- in 2011, the maximum authorized CO_2 emission rate per vehicule was limited to 190g. The limit for motor pool vehicles was set at 110g in 2011 and the limit for personal company vehicles assigned to Category 1 sales representatives and managers, which account for the majority of fleet orders, at 150g;
- hybrid or electric vehicles are now included in the list of possible company cars.

Indicator	2009	2010	2011
Average CO_2 emission rate of the company fleet of Natixis S.A. *(in g of CO_2/km)*	148	147*	141
Average CO_2 emission rate of the company fleet of Natixis S.A. and its subsidiaries, excluding Coface and Kompass *(in g of CO_2/km)*	146*	140*	139
Number of company vehicles managed	356	392	543
Tax on company vehicles *(in €)*	217,312	174,300	163,360

* *The difference versus the figures published in the 2010 sustainable development report is the result of a data update campaign in the fleet management application.*

Other fleets will be centralized in 2012 in an effort to reduce emission rates through an indirect system (for example by replacing vehicles reimbursed to employees through a mileage allowance with personal company cars listed in the car policy).

2.1.2.5 Travel policy

In 2008, Natixis developed a travel policy giving prority to rail travel, but still allowing air travel under certain conditions.

More restrictive rules on the use of air travel were adopted in 2011:

- where the destination is served by both rail and air, trains are now compulsory for a number of destinations in France and Europe (depending on journey time);
- economy class is compulsory for domestic flights, flights between European countries and intercontinental flights of less than four hours.

However, Natixis encourages the use of conference calls and video and web-conferencing. In 2011, 15,500 video conferences were held (an increase of over 20% on 2010). The use of videoconferencing is expected to increase in 2012 thanks to new videoconferencing rooms, which use high-definition technology to create more "real-world" communication.

Finally, Natixis prefers the use of "green taxis" (hybrid vehicles) for short-distance employee trips.

2.1.2.6 Combating climate change

Natixis' activities generate carbon emissions and have a dual impact on climate change:

- within the company, office activities use natural resources (water, paper, consumables, energy, meals and transport) and produce waste. The manufacture and use of these resources and removal of waste generate greenhouse gas (GHG) emissions;
- GHG emissions from projects or businesses that the bank finances or invests in may be fully or partially included in the bank's carbon footprint in line with the concept of broader responsibility.

Following two carbon footprint assessments in 2006 and 2010, Natixis updated the calculations in 2011 (based on the data from 2010). The results and information about the action plan can be found in paragraph [2.4.4].

2.1.3 RESPONSIBLE PURCHASING POLICY

Natixis applies environmentally and socially responsible principles to its purchasing decisions and helps to influence the practices of its suppliers in these areas.

The "fair purchasing" approach launched in 2010 governs the policy and is based on the pillars of fair quantity, fair quality, fair price, innovation, sustainability and social responsibility. A responsible purchasing framework was formally defined in 2007 and updated in 2010. It is aimed at buyers and business introducers and is based on a grid structure that combines various fields:

- environmental criteria such as management of energy consumption, use of materials and environmental labeling, and relevant social criteria including working conditions, employment of disabled persons and corruption;
- a general clause and specific clauses for each type of service (24 categories are identified including consumables and IT equipment);
- three levels of criteria: regulatory, required by Natixis, and recommended.

In 2011, a sustainable development survey was carried out on 15 suppliers selected for their importance in the purchasing portfolio. The survey covered four areas (environment, labor and human rights, business ethics and responsible purchasing) with a rating for each area and an overall rating out of 10.

According to the results:

- 80% of the suppliers surveyed had an overall rating in the average range (5-6) and none of them had a high total risk score (below 2);
- the area that is best addressed is that of labor and human rights (63% of firms have their head office in France): 87% of suppliers had an average rating on this issue;
- in light of the results of these surveys, Natixis is determined to discuss these matters with its suppliers.

In line with the disability agreement that was signed in March 2011 (refer to paragraphs [2.1.2] and [2.3.7]), a disability representative was appointed at the end of the year to expand the use of State-approved suppliers employing persons with disabilities.

Indicator	2010	2011	2012 outlook
Share of purchases incorporating social and environmental criteria *(as %)*	86	90	
Share of purchase amounts incorporating social and environmental criteria *(as %)*	94.5	95	
Number of suppliers surveyed in the sustainable development survey	-	15	30 new suppliers surveyed

2.1.4 HUMAN RESOURCES POLICY AND DIVERSITY MANAGEMENT

Natixis' Human Resources function acts as a partner to the company's managers and employees in their personal development and the development of their teams. In 2011, the HR function continued to implement the road map developed in 2010 under the New Deal strategic plan in line with BPCE's HR strategy. Progress was achieved around a shared vision on a number of major projects: providing Natixis with a Human Resources function that is solid and efficient, innovative and committed:

- strengthening career management and mobility processes and tools, with career Committees for senior managers, mobility Committees and an overhaul of job classifications;
- the Management Charter, centered on six key roles defined by the Executive Management Committee, which has become one of the pillars of managerial leadership coordination;
- expansion of the range of training tools, with the establishment of a shared e-learning platform for consolidated Natixis;
- the integrated, shared HR information system planned for late 2012, as well as enhancement of key HR tools, particularly those related to appraisals and time management, which will facilitate the implementation of HR policies;
- further centralization of payroll;
- enhanced formalization of the compensation policy based on clear and uniform processes, including, in particular, a compensation policy for senior managers combining targets and performance with the more systematic completion of benchmarks;

- formal definition of procedures and controls and the establishment of HR performance indicators with a preliminary external and internal benchmarking exercise;
- increasing involvement of staff representative bodies at the consolidated level and signing of a number of major agreements in areas such as disability, profit-sharing and employee savings plans. This will reinforce the integration of Natixis and the feeling of belonging among employees.

In 2011, consolidated Natixis' headcount rose by 5.2%, i.e. around 800 more contracts than at end-2010. The business lines' HR departments and the heads of those departments were extremely active in the areas of external hiring, career management and mobility.

Based on an analysis of the results of the first employee survey, suitable action plans were defined at both the individual and the group level in response to employee concerns.

As ever, mobility is an integral part of Natixis' career development policy and is driven by a number of tools and initiatives including the Mobility Charter, job listings on the Natixis intranet (that provides access to all vacancies), career development meetings, career Committees, as well as tools and support for employees taking on new positions. These measures contribute to staff retention and promote professional development, all in accordance with the current and future needs of the Company.

Disability Agreement (March 2011)

A commitment: to double the overall percentage of disabled staff in the company.

Measures:

- adaptation of workstations and working conditions, access to professional training and adaptation to technology changes to enable disabled people to remain in employment;
- development of a hiring plan and improvement of professional integration conditions;
- greater partnerships with disability-friendly companies;
- awareness-raising initiatives for all employees;
- specific support measures (parents and spouses of persons with disabilities).

Management Charter and the six key roles

- strive for excellence;
- focus on developing a client-centric culture;
- develop the team's skills;
- promote collaboration across departments/entities and implement the Natixis strategic vision;
- manage change;
- encourage performance, commitment and teamwork within one's team.

2.1.5 COMMUNITY OUTREACH

2.1.5.1 Commitment to the fight against malaria

For eight years, Natixis has been involved in combating this most important of health issues on two fronts: actively supporting prevention programs in areas where malaria is endemic and funding research carried out by the Institut Pasteur:

- in the field, Natixis has supported Plan France since 2005, an association that implements prevention programs in Cameroon, Burkina Faso and Togo. The distribution of 75,100 mosquito nets has helped protect 45,980 children under five and 46,339 pregnant women;
- in 2011, the bank continued to support an anti-malaria program targeting 17,000 children and 1,600 pregnant women in Togo. Activities in 2011 mainly involved training of health professionals and raising awareness among local communities (52 beneficiary communities). The latest assessment in the field showed that 89% of children under five now sleep under mosquito nets (vs. 10% in 2004) and that 95% of pregnant women have received preventative treatment against malaria;
- in light of these highly positive results, Natixis intends to continue its commitment in this area in 2012, providing further support to efforts to distribute mosquito nets and medication, and to strengthen the capacities of healthcare workers;
- Natixis also supports the research program of the Institut Pasteur, including studies on the resistance of parasites to anti-malaria drugs. In 2010 and 2011, the bank funded a study led by Dr. Odile Pujalon, in collaboration with the Institut Pasteur in Cambodia, on the resistance of the Plasmodium falciparum parasite to the latest generation of artemisinin-based therapy.

2.1.5.2 Employee participation in solidarity initiatives

Like every year, Natixis rallied a large number of its employees around solidarity-based events and partnerships in 2011:

- in partnership with the Works Council and the Athletic Union, more than 250 employees and their families took part in the 2011 Odysséa race organized to raise money for the fight against breast cancer. Many also took part in the 25th annual Stock Market and Finance Industry Telethon. The funds raised for the Odysséa race and the telethon were matched 100% by the company;
- in partnership with the "Nos Quartiers ont des Talents" association, Natixis' managers mentored young graduates from underprivileged neighborhoods looking for their first job;
- Natixis Asset Management signed a sponsorship agreement with the "La Mie en Pain" association in relation to its work with the homeless. The association provides a combination of one-to-one support, emergency assistance, and reintegration through long-term follow-up;
- Natixis Assurance formed a partnership with the "Planète Urgence" association, which works in the areas of international solidarity and development aid, and offers its employees the opportunity to spend part of their paid leave participating in humanitarian activities.

2.2 Reporting standards and scope

Social and environmental information for 2011 is based on the following standards:

- reporting obligations set out in France's NRE[1] law;
- the social and environmental information set out in Article 225 of the Grenelle 2 law which governs reporting structure;
- the GRI[2] framework.

The cross-reference table in Chapter [7.6] indicates how the content of this report meets the requests and obligations of these reporting standards.

The social and environmental information refers, with some exceptions, to the French scope which includes Natixis S.A. and its subsidiaries, including in particular five subsidiaries with more than 500 employees each (Natixis Asset Management, Natixis Factor, Natixis Financement, Coface S.A. and Coface Services).

As part of the "New Deal" strategic plan, the definition of the Natixis integrated scope excludes financial investments (in particular Coface S.A. and its subsidiaries).

Name of scope	Description	Number of employees at 12.31.2011 (under contract)
Global Natixis	Natixis and all of its subsidiaries worldwide	22,783
Natixis France	Natixis and all of its subsidiaries in France	14,258
Integrated Natixis France	Natixis and all of its subsidiaries in France excluding financial investments (see Note 16 in Chapter [5] "Financial Data")	11,995

Changes in the Natixis France scope between 2010 and 2011 are as follows:

- Specialized Financial Services division: consolidation of new subsidiaries within the leasing business line (Océor Lease SAS, Océor Lease Réunion, Cicobail, GCE Car Lease), i.e. 144 additional employees, and deconsolidation of SLIB (-101 employees);
- Investment Solutions: consolidation of Sélection R within the scope of Banque Privée 1818 (+30 employees);
- Support functions: integration of 94 ICDC employees within Natixis S.A.;
- Financial investments (Coface): disposal of La Librairie Informatique (-38 employees).

(1) New Economic Regulations (Article 116 amending Article 225-102-1).

(2) GRI: Global Reporting Initiative, a multi-stakeholder association that develops and disseminates an internationally recognized sustainable development reporting framework.

2.3 Labor information

2.3.1 CHANGES IN THE WORKFORCE

The company's headcount increased by 840 FTEs as a result of scope changes but also following a new hiring campaign launched in the first half, mainly in the following business lines:

- CIB: impact of new hires until the end of September, hiring freeze starting in October;
- Investment Solutions: increased number of employees mainly in asset management outside France;
- Support functions: implementation of the "Mission P" service internalization plan;
- Financial investments: continued expansion of Natixis Algérie's workforce.

Scope: Global Natixis

Change in headcount	2011	2010[a]	2009
FTE staff[b]	20,451	19,576	19,439
Breakdown by business line			
Corporate and Investment Banking & GAPC	4,569	4,362	4,393
Specialized Financial Services	3,431	3,361	3,158
Investment Solutions	3,939	3,732	3,653
Support functions and others	2,781	2,484	2,372
Private Equity, Coface and Natixis Algérie	5,731	5,637	5,863
Breakdown by geographic area			
Geographic area 1: France *(as %)*	61.6	61.2	
Geographic area 2: Europe (excluding France) *(as %)*	15.9	16.4	
Geographic area 3: Americas *(as %)*	13.9	14.1	
Geographic area 4: Asia *(as %)*	3.6	3.8	
Geographic area 5: Africa, NME, Russia & Others *(as %)*	5.0	4.5	

(a) Pro forma data.

(b) With respect to employees under contract, "FTE staff" incorporates workforce participation rates and subsidiary consolidation rates, but excludes employees on long-term leave.

Scope: Natixis France

	2011	2010	2009
Staff under contract	14,258	13,825	13,601
Staff under permanent contracts	97.9	97.8	98.1
Men *(as %)*	48.8	48.1	48.3
Women *(as %)*	51.2	51.9	51.7

Scope: Natixis France

New hires	2011	2010	2009
Total new hires	1,547	1,235	1,101
% under permanent contracts	69.9	61.8	57.9

Scope: Natixis France

Departures	2011	2010	2009
TOTAL DEPARTURES	**1,192**	**1,130**	**1,549**
o/w resignations	355	238	-
o/w terminations	107	63	112

2.3.2 COMPENSATION

Compensation policy is integral to the implementation of Natixis' strategy. The policy`s objectives are to:

- provide incentive and be competitive in order to attract, retain and motivate employees;
- be equitable whatever the position in order to ensure individual performance is fairly compensated;
- be compliant with current financial sector regulations.

Natixis' compensation policy principles are proposed by the Human Resources Department, in collaboration with the relevant business lines. The policy complies with the principles laid out by the regulator, the professional standards of the French banking sector, local labor laws, and local tax regimes.

The decision-making process includes different approval stages: first by the subsidiaries/business lines and business divisions, then by Natixis' Human Resources Department and Executive Management, and finally by the Natixis' Board of Directors on the recommandation of the Appointments and Compensation Committee.

Overall remuneration includes the following components:

- fixed compensation, which remunerates the skills and expertise that are expected of the employee in a given position. It is determined by taking into account other companies' practices for similar positions and internal levels;
- variable compensation depending on the business lin, which takes into account external practices and complies with the compensation policy;
- collective compensation (employee savings plan), which comprises:
  - a common component for all employees of Consolidated Natixis:
    - a single profit-sharing agreement signed on July 4, 2011,
    - a collective Employee Retirement Savings Plan,
    - an employee savings plan signed in 2011;
  - a component that differs for each company of Natixis Consolidated:
    - a specific employee incentive agreement for each company.

The compensation package is rounded out by additional employee benefits, especially in countries without a universal insurance scheme.

The compensation system for employees in charge of controlling risks and compliance and, more broadly, for support staff and teams in charge of validating transactions, is founded on targets that are different from those of the departments whose transactions they validate. Variable compensation takes account of Natixis' overall performance and market trends.

Compensation surveys are conducted each year by specialized firms in order to measure the relevance of the overall compensation policy.

Variable compensation of Natixis material risk takers whose activities have a significant impact on Natixis' risk profile

The details of the 2011 compensation policy for this category of employees, along with the associated quantitative data, will be published in a special report, which will be available on the Natixis website before the General Shareholders' Meeting of May 29, 2012.

Scope: Consolidated Natixis France

Compensation	2011*	2010	2009
Average gross annual compensation of staff under permanent employment contracts (excluding profit sharing, employee incentives, and employer contributions to the company savings plan) *(in thousands of euros)*	79.2	69.4	66.3
Employee profit-sharing *(in millions of euros)*	19.4	25.5	21.1
Employee incentives *(in millions of euros)*	67.7	73.7	38.5
Total employer contribution paid in respect of the company savings plan and the collective pension plan (PERCO) *(in millions of euros)*	22.7	-	-

* *Consolidated data at February 20, 2012.*

2.3.3 WORK MANAGEMENT

More than three-fourths of the employees of Natixis Consolidated in France, working at 44 different companies, are covered by the collective bargaining agreements of the banking and insurance industries. There are, however, seven separate agreements within this scope, containing specific details depending on the sector in question, particularly with respect to working time.

Within Natixis S.A., the collective workweek is 38 hours and employees also enjoy compensatory time off in lieu of overtime.

The current set of agreements on the management of working time covers a variety of proposed options (part-time, short-time, special working conditions for employees with disabilities, etc.) along with the associated terms and conditions of compensation and social security contributions (e.g. parent child-rearing leave can give rise to a social security contribution based on full-time working hours).

Scope: Natixis France

Work management	2011	2010	2009
Part-time staff (as % of total headcount)	9.8	9.6	9.3
Absenteeism (as % of total headcount)	5.8	5.8	6.1
Overtime *(in hours)*	29,364	32,201	27,322
Overtime *(in annual FTEs)*	15.3	16.7	17.0

In 2010, there was a change in the method used to calculate overtime, which now includes on-call work by hourly-based employees.

2.3.4 EMPLOYEE RELATIONS AND SOCIAL PROGRAMS

2.3.4.1 Employee relations

Employee Representative Bodies have been established by Natixis Consolidated, comprising Natixis S.A. and the French subsidiaries of the Corporate and Investment Banking, Investment Solutions, and Specialized Financial Services divisions, with the aim of creating a forum for employer-employee communications and ensuring that all staff within this scope are duly represented.

In addition to these contractual Employee Representative Bodies, all companies of significant size comprising the scope of Natixis Consolidated have their own local Employee Representative Bodies.

The agreement pertaining to “union and collective bargaining rights within Consolidated’ Natixis’, signed in 2010 by the Management and the majority of the Union Representative Organizations in order to adapt the union and collective bargaining rights system to the scope and structure of the «consolidated company», is a key component in creating a companywide employee representation framework.

As a result of this agreement, the Executive Management of Natixis Consolidated works with union coordinators on the organization of employer-employee communications, and with a contractual collective bargaining body which, in accordance with the employee relations policy adopted by Groupe BPCE, negotiates collective bargaining agreements on matters of general interest to some or all of the companies making up Natixis Consolidated, which are deployed through agreements applied consistently to all employees.

A Natixis Sub-Group Committee, combining elected representatives of the different companies making up Natixis Consolidated, has also been set up for this scope to ensure that all employees are duly represented. This Committee keeps Management and union bodies informed of the company’s strategy and results.

Scope: Consolidated Natixis France

Collective bargaining agreements	2011
Number of agreements negotiated	5
% of employees covered by these agreements	100% of consolidated scope

Annual salary agreement	2/21/2012
Agreement on the professional integration and retention of employees with disabilities	3/7/2011
Amendment to the PERCO agreement	5/5/2011
Profit-sharing agreement	6/15/2011
Natixis Employee Savings Plan agreement	8/5/2011

The collective bargaining negotiations carried out within the scope of Natixis Consolidated in 2011 resulted in the implementation of consistent measures gradually establishing a Groupwide employee representation framework:

- companywide salary measures;
- development of a companywide policy on the professional integration and retention of employees with disabilities (accredited by order of the prefecture on July 5, 2011), and extension of allocations for children with disabilities;
- establishment of a single collective pension plan (PERCO);
- establishment for the first year of a single employee profit-sharing system for the entire scope of Natixis Consolidated;
- establishment of a single Natixis employee savings plan, replacing the 31 individual plans previously in force, starting on January 1, 2012 and extension of allocations for children with disabilities.

In addition to the agreements covering the consolidated scope, several agreements were entered into with each of the Natixis companies. Two major agreements were signed at Natixis S.A., including an amendment (June 15, 2011) to the PERCO agreement of December 28, 2000, establishing a transition from the CET (time savings account) to the collective pension plan (PERCO), and an agreement on gender equality in the workplace (November 16, 2011).

Within the scope of Natixis Consolidated France, more than 70 agreements and amendments were signed in 2011 by the representative bodies of Natixis S.A. and its French subsidiaries.

2.3.4.2 Social programs

Natixis' allocation to the Natixis S.A. Central Works Council for the funding of social and cultural activities accounted for 1.3% of total payroll costs. Moreover, holiday vouchers were issued to all employees based on a family quotient (number of dependents), and subsidies provided for childcare, both measures combined accounting for about 1% of total payroll costs.

These measures enable the central works council and locally-based works councils to offer all staff a range of social, cultural and recreational activities at attractive prices.

In addition, a mutual assistance scheme exists for employees suffering bereavement or struggling with serious personal or family problems. Annual employee contributions are topped up by the company at twice the amount of the employee contributions.

Furthermore, Natixis' supplementary health insurance plan, which advocates intergenerational solidarity between current and retired employees, is administered by a joint Board of employer and employee representatives. The plan also has a solidarity fund to provide assistance to employees in critical situations.

2.3.5 OCCUPATIONAL HEALTH AND SAFETY

In 2011, Natixis S.A.'s Committee for Hygiene, Safety and Working Conditions (CHSCT), whose membership changed at the end of the year, continued to work closely with each of its sub-Committees responsible for ensuring the application of rules on health & safety and working conditions at each specific site (Charenton, Lumière, Austerlitz, Bourse). This organization allows the Committee's plenary sessions to focus on matters of general interest.

The agreement on the prevention of stress and psychosocial risks, in force since 2010, includes:

- a Committee for Hygiene, Safety and Working Conditions (CHSCT);
- the continuation of the Stress Observatory questionnaire instigated in early 2009;
- the provision of free psychological support by telephone;
- a special training offer for managers.

In 2011, the "Professional Behavior, Prevention of Harassment and Distress at Work" Commission continued to fulfill its role in analyzing special case situations.

The Stress Observatory is a questionnaire given to employees prior to their regular medical check-up, followed by a discussion of the results at the doctor's office. From a companywide standpoint, the observatory is used to maintain a statistical database for the measurement of stress levels, broken down by organizational and geographic criteria, the results of which are presented annually to the CHSCT.

The 2011 results of the Stress Observatory questionnaire confirmed an improvement since its instigation in 2009, with an environment that on average is more favorable than that of the financial sector as a whole.

The CHSCT's "Office Moves" Commission was also busy in 2011, though to a lesser extent than in 2010 when the company initiated vast office redeployments. The Commission examines site plans and may issue remarks or ask for changes in the plans, with the aim of improving employees' physical working conditions.

On the medical front, Natixis has a full-service medical department (three company physicians, five clinics, nine nurses) and three company social workers.

Scope: Natixis France

Accidents in the workplace	2011	2010	2009
Frequency rate of workplace accidents [(a)] *(number per million hours worked)*	6.48	-	-
Severity rate of workplace accidents [(b)] *(number of days of work incapacity per thousand hours worked)*	0.10	-	-
Absentee rate for sick leave (including for occupational illness) [(c)]	2.2%	-	-

(a) Frequency rate: (number of accidents with leave/hours worked) x 1,000,000, source INSEE

(b) Severity rate: (number of days lost due to temporary incapacity/hours worked) x 1,000, source INSEE

(c) It is not possible to isolate days of sick leave related to occupational illness.

2.3.6 TRAINING

In accordance with its strategic focuses, Natixis' training policy aims to further the development of the three core businesses in four major areas: increasing the professionalization of staff, advancing major projects, guiding individual career paths, and developing managerial skills.

As partners to the business lines and employees, the teams in charge of training develop comprehensive as well as tailored solutions, offered through one-off initiatives or longer-term programs targeting the development of individual and collective skills. As such, they contribute to the continuous improvement of the company's competitiveness and help anticipate changing requirements in terms of employment.

In 2011, more than 230,000 training hours were logged by Natixis' employees. New e-learning solutions, such as the "Behavior under stress" module, were also rolled out.

In addition, Natixis defined and deployed its Management Charter, which was distributed to all of its managers. The managerial training offer was expanded to meet the individual and collective requirements identified. Over 700 operational managers and managers of managers took one or more managerial development modules out of the twenty or so choices available. Training initiatives were stepped up in 2011, with the integration of the Natixis management framework in all the modules, in the interest of harmonizing managerial practices within the company.

To meet the company's specific transformation needs, individual and collective aid (coaching, team cohesion, change management, etc.) was provided alongside these training initiatives. All of these managerial development measures will be continued and expanded in 2012, with the main goal of developing Natixis' managerial culture.

Scope: Natixis France

Training	2011*	2010	2009
Number of training hours	230,417	184,432	229,190
o/w % of e-learning	8.3	-	-
Number employees trained	11,418	8,444	7,725
Training topics as % of training hours			
▪ IT *(in %)*	15.3	17.4	16.0
▪ Languages *(in %)*	18.1	17.4	24.4
▪ General training *(in %)*	21.4	18.2	10.4
▪ Regulatory matters *(in %)*	7.5	3.8	2.5
▪ Business line *(in %)*	26.6	32.1	30.0
▪ Official qualification courses *(in %)*	7.7	4.7	6.7
▪ Other *(in %)*	3.4	6.3	10.0

** Temporary Consolidated at February 3, 2012.*

2.3.7 DIVERSITY AND EQUAL OPPORTUNITY

Natixis has continued and strengthened its corporate approach to managing diversity over the past few years.

The 2010-2011 action plan, based on the conclusions from the 2009 assessment, is primarily focused on gender equality in the workplace, extending the careers of senior staff and supporting employees with disabilities. Diversity in the workplace was another key focus alongside these three priorities.

As regards gender equality, action plans have been implemented in the companies comprising the consolidated scope. A special initiative aimed at bridging the gap between men's and women's salaries, launched in 2009, continued in 2010 and 2011. Concerning career management, a specific career path for women with high potential was introduced. Natixis Ltd signed a three-year agreement in December 2011 to maintain this policy over the long term. This agreement provides for measures to guarantee equitable treatment in terms of hiring, training, career management and parenting, as well as increased hiring of women to top management positions.

The action plan for older members of staff, defined in late 2009 for years 2010 and 2011, promotes the retention of the over-55s and the extension of the retirement age by one quarter per year. New action plans for 2012 to 2014 have been developed for the companies in the consolidated scope, drawing on the same guidelines as the previous plan while increasing the number of initiatives, primarily in terms of career management interviews and part-time work, in an effort to meet the expectations of older staff members at the end of their career.

Natixis has confirmed the place of employees with disabilities within the Company as an important corporate responsibility issue. Based on an assessment conducted in 2010, an agreement was entered into between Management and union bodies in March 2011. This agreement was subsequently accredited by DIRECCTE (Regional organization for businesses, competition, consumption, labor and employment).

The resulting action plan generated significant results in terms of hiring of employees with disabilities. Employees participated in awareness-raising programs, such as Disabled Persons Employment Week and the two information campaigns conducted in partnership with Agefiph.

The Mission Handicap program was significantly enhanced, with the appointment of disability officers and contacts to the business lines, with the aim of assisting employees with disabilities and providing them with equitable working conditions and appropriate compensation. A number of initiatives were carried out, including partnerships with hiring associations, participation in specialized job forums, development of purchases with service providers specialized in working with disabilities, and support for handicapped workers. Additional awareness-raising initiatives were carried out, during events such as Disabled Persons Employment Week and two information campaigns conducted in partnership with Agefiph (French association for the professional integration of disabled persons).

Alongside the three priorities of the Diversity policy, Natixis also promotes non-discrimination in its hiring process by ensuring that the appropriate rules and best practices are applied.

In partnership with the association *Nos Quartiers ont des Talents*, Natixis set up a skills-sharing program in which Senior Managers sponsor young people from disadvantaged neighborhoods seeking their first job.

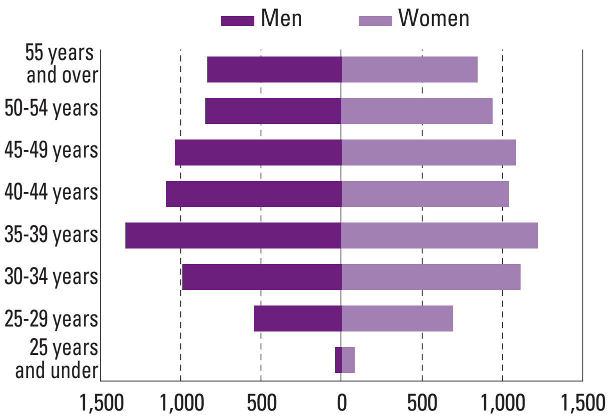
Natixis' website, which has received the "AccessWeb" label, is accessible to persons with disabilities, and employees can turn to the Diversity intranet site launched in 2010 to research, apply and keep abreast of Natixis' Corporate and Social Responsibility commitments.

Scope: Natixis France

Gender diversity	2011	2010	2009
Percentage of women in the workforce	51.2	51.9	51.7
Percentage of women on the Senior Management Committee	11	13	11
Percentage of women on the Executive Committee	15	13	20
Percentage of women occupying managerial positions	42.2	42.3	41.5
Percentage of women promoted*	55.6	57.1	57.9
Women granted individual pay increases* *(as %)*	50.8	49.5	51.9
Female staff trained *(as %)*	52.0	53.8	54.7
Percentage of women in the part-time workforce	90.6	92.2	92.6
Percentage of employees aged 55 and over in the workforce	13.3	11.1	11.4

* *Natixis Consolidated France*

AGE PYRAMID FOR NATIXIS FRANCE



DISABLED WORKERS ON STAFF

	2011	2010	2009
Disabled workers on staff	166	120	109
Direct rate [(a)] *(as %)*	1.4	1.1	1.1
Overall rate [(b)] *(as %)*	1.9	1.5	1.4

(a) The direct rate is the ratio of disabled workers to all staff.
(b) The overall rate takes account of service contracts with entities that work with people with disabilities and of weightings for age.

2.4 Environmental information

This chapter presents the results of the programs and measures described in section [2.1.2] 'Managing our direct impact on the environment'.

The 2011 reporting scope includes Natixis and its subsidiaries in continental France and French overseas departments (DOM), excluding the data center. This represents 331,630[1] m² of office space and 18,048 workstations.

2.4.1 GENERAL ENVIRONMENTAL POLICY

The company's organization in terms of environmental matters and certification processes is produced at the section [2.1.2].

Other examples include:

Employee training and awareness-raising issues relating to environmental protection: regular communication on «green practices» aimed at helping employees reduce their impact on the environment. Employees responsible for managing operations and technical maintenance of the group's premises receive more in-depth training in this field.

The resources allocated to the prevention of environmental risks and pollution: mock spill exercises are carried out in each building.

2.4.2 POLLUTION AND WASTE MANAGEMENT

Waste sorting, which began in 2006, has now been made a widespread practice (see section [2.1.2] 'Managing our direct impact on the environment').

Scope: Natixis France

Volume of waste sorted	2011	2010	2009
Paper, envelopes and boxes *(in metric tons)*	1,126	858	1,084
Batteries *(in metric tons)*	12	0.9	1.2
Cartridges *(in metric tons)*	11	-	-
IT and office materials, excluding mobile phones *(in metric tons)*	89	80	52
Mobile phones and smartphones *(in units)*	1,407	1,419	893
Fluorescent and neon lighting *(in units)*	13,863	-	-
Ordinary industrial waste - not sorted *(in metric tons)*	614	550	-

The significant increase in the number of batteries sorted is due to a change in scope: since 2011 included are the inverter batteries replaced at Natixis as well as the batteries collected from employees.

In order to prevent, reduce and compensate for emissions, work has been carried out in three car parks to ensure compliance with regulations. A contract has been established for the treatment of dangerous waste.

No noise pollution or any other specific pollution as a result of Natixis' activity has been identified.

(1) *Including the office space managed by the Real Estate and Logistics Department and the office space used by third parties (owners or property administration agencies).*

2.4.3 SUSTAINABLE USE OF RESOURCES

2.4.3.1 Water consumption

Scope: Natixis France

Water	2011	2010	2009
Total consumption of drinking water *(in m^3)*	116,398	108,970	103,587
Consumption in m^3 per workstation	6.26	6.13	5.17
Consumption in m^3 per m^2 of usable floor area	0.33	0.29	0.23

The total amount of water consumed has been increasing for the past three years. Measures have been taken to optimize water consumption: continuous monitoring of networks for leaks, installation of pressure relief devices and rain gauges to stop automatic sprinkler systems in rainy weather.

2.4.3.2 Consumption of raw materials

Consumption of raw materials mainly concerns paper consumption by Natixis. The figures indicated present the consumption of white paper, color paper, desktop publishing, envelopes, internal and external print-outs, etc.

Scope: Natixis France

Paper	2011	2010	2009
Total paper consumption *(in metric tons)*	911	946	761
Consumption per workstation *(in kg)*	49	53	38
Consumption per workstation (in 500-sheet reams)	19.6	21.2	15.2

2.4.3.3 Energy consumption

Scope: Natixis France

Energy	2011	2010	2009
Total energy consumption: electricity, hot and cold liquids from office buildings - excluding data center *(in MWh)*	87,672	97,501	96,012
Total energy consumption of the data centers	50,626	48,010	32,533
Total energy consumption of buildings and data centers	138,298	145,541	128,545
Total energy consumption per workstation *(in MWh)*	7.44	8.19	6.42
Total energy consumption per m^2 of usable office space *(in MWh)*	0.39	0.39	0.29
Total gas consumption *(in m^3)*	87,471	134,378	133,000
Total fuel consumption of buildings and data center *(in m^3)*	60	51	59

Energy consumption as a whole decreased by 6% year on year in 2011, with a marked decrease in energy consumed by office buildings (down 12% in 2011 vs. 2010). The commissioning and start-up of two new data centers led to an increase in energy consumption for these facilities. Gas and fuel consumption remained low. Measures implemented to improve energy efficiency and the use of renewable energy sources are presented in section [2.1.2.1].

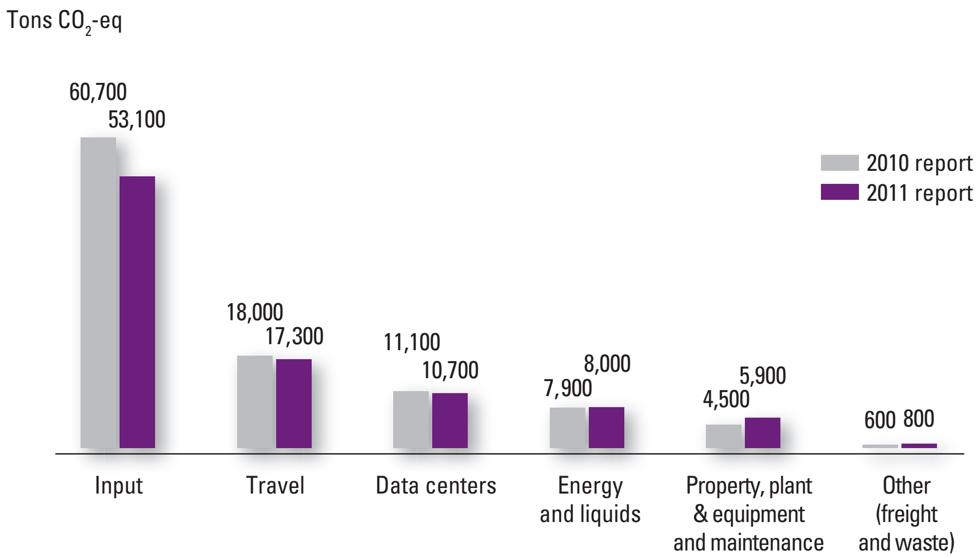
2.4.4 CONTRIBUTION TO THE ADAPTATION TO AND THE FIGHT AGAINST GLOBAL WARMING

2.4.4.1 Greenhouse gas emissions (GHG)

In 2011, new regulations applicable to companies with more than 500 employees and whose head offices are based in France came into force, obliging them to publish the level of greenhouse gas emissions (GHG) generated by their energy consumption.

Natixis carried out GHG assessments in 2006, 2010 and 2011 (based on data from the previous year) of activities relating to the internal functioning of Natixis Consolidated France. The assessment includes regulatory constraints as well as other emissions (see detail below).

The activities of Natixis Consolidated France generated 96,000 metric tons of CO_2 equivalent (tCO_2eq) in 2010, i.e. an 8% drop in volume compared to emissions in 2009. This drop is mainly due a decrease in the number of employees, as emissions per employee remained stable at 9.1 tCO_2eq in 2010 compared to 9.5 tCO_2eq in 2009.



Emissions generated by input are mainly from the purchase of goods and services and represent 55.4% of total emissions. This is a 13% decrease compared with 2009, in line with lower purchasing volumes due to the economic crisis.

The second highest source of emissions is travel, at 18% of total emissions. Home-work journeys and business trips by plane, train, taxi and corporate vehicles are included in this category. The decrease in emissions in this category is partly due to lower business trip.

These two categories are followed by:

- the energy consumption of the data centers (11.2%). This data was separated from the energy and liquids of buildings due to its high impact;
- the energy and liquid consumption of buildings (8.4%), up marginally due to the integration of buildings that use gas;
- property, plant & equipment and maintenance (6.2%), up slightly due to a policy of increased work and maintenance following the acquisition of new buildings;
- freight and waste (less than 1%).

2.4.4.2 CO_2 reduction plan

Initiatives aimed at limiting energy consumption are already in place at the operational level, these measures needed to be better organized. In 2011, a steering Committee, chaired by a member of the Senior Management Committee, launched discussions on additional measures to be implemented to further limited GHG emissions. The parties involved (property, business travel, purchasing, etc.) put forward detailed proposals in terms of GHG reductions and their associated savings or cost. These measures will then be revised by the Senior Management Committee. The aim is to release a list of the adopted measures during the first semester of 2012.

2.4.5 PROTECTION OF BIODIVERSITY

Natixis' service operations are predominately located in urban environments and do not have a direct material impact on the natural environment. Nevertheless, preventive measures are taken to avoid any accidental discharges into the atmosphere or sewage systems: regular maintenance of sensitive facilities and reinforcing the water tightness of premises containing potentially polluting substances or contaminants.

2.5 Social information

2.5.1 TERRITORIAL, ECONOMIC AND SOCIAL IMPACTS

Natixis is the corporate, investment and financial services arm of Groupe BPCE. It assists regional development by funding the businesses of the retail, corporate and small and medium-sized enterprises clients of Groupe BPCE's two banking networks, Banque Populaire and Caisse d'Epargne.

Natixis has a long-lasting commitment to its clients – corporates, financial institutions and institutional investors – and its international businesses contribute to local development in the countries in which they are established. Some 8,759 employees work in our offices, branches and subsidiaries outside France. Virtually all of these employees are recruited locally. The group has a very limited number of expatriate employees. Only 149 employees from the "France" scope are currently working abroad as expatriates.

2.5.2 RELATIONS WITH STAKEHOLDERS

In the course of its business, Natixis has dealings with various stakeholders, including but not limited to:

Stakeholders	Who?	Relationship
Clients	▪ Companies ▪ Organizations ▪ Authorities ▪ Employees ▪ Retail banking	▪ Completion of questionnaires ▪ Invitations to tender ▪ Product development and management ▪ Contracts
Shareholders	▪ Groupe BPCE ▪ Active and inactive employees ▪ Individual shareholders	▪ Shareholders' Meetings, ▪ Meetings and newsletters (specific process for individual shareholders)
Employees	▪ Employees of Natixis S.A. and its subsidiaries ▪ Staff representatives and unions	▪ In-house information ▪ Specific committees (e.g. Committee for Hygiene, Safety and Working Conditions (CHSCT)) ▪ Internal satisfaction survey
NGOs	▪ Environmental protection ▪ Human rights and banking transparency groups	▪ Responding to questions ▪ Meetings
Partner NGOs	▪ Humanitarian organizations	▪ Donations ▪ Skills sponsorship ▪ Voluntary work by employees
Institutionals, regulators	▪ Financial regulatory authorities	▪ Transmission of information and documents for control and audits
Experts	▪ Ratings agencies	▪ Transmission of information and documents
Universities and schools	▪ Business and finance universities and schools	▪ Supporting chairs ▪ Interventions in the school curriculum ▪ Student tutoring ▪ Welcoming work placements including co-op students

2.5.3 SUBCONTRACTING AND SUPPLIERS

Sustainable development in our relations with suppliers is presented in section [2.1.3] 'Responsible purchasing policy'.

2.5.4 FAIR PRACTICES

Measures taken to safeguard against all forms of corruption are described in section [2.1.1.3] 'CSR risk management'.

Measures taken in favor of human rights in terms of purchasing are described in section [2.1.3] 'Responsible purchasing policy'.

No risks to consumers' health and safety have currently been identified in relation to Natixis' products.

3

Corporate governance

This section is an extract from the Chairman of the Board's report on the Board's composition, the preparation and organization of its work and the internal control and risk management procedures implemented by Natixis including information regarding the mandates off corporate officers and their compensation.

3.1 Introduction

- This report was prepared in application of Article L.225-37 of the French Commercial Code.

The information it contains takes into consideration, in particular, annex I of European Regulation (EC) 809/2004 of April 29, 2004 as well as the 2009 French Financial Markets Authority (AMF - Autorité des Marchés Financiers) report on corporate governance and internal control published on July 12, 2010 and the complementary report of December 7, 2010, and the Guide for compiling registration documents, also published by the AMF on December 10, 2009, updated on December 20, 2010.

In accordance with Article 26 of Law 2008-649 of July 3, 2008, involving various provisions to adapt Company law to EU law, the Corporate Governance Code to which reference has voluntarily been made when preparing this report is the Corporate Governance Code for listed companies published in December 2008 by the French association of private sector companies Association Française des Entreprises Privées – AFEP and the French business confederation Mouvement des Entreprises de France – MEDEF (the "AFEP-MEDEF Code"). The AFEP-MEDEF Code is available for consultation at the Company's head office and on the Natixis website.

- On April 30, 2009, Natixis changed its form of governance from a French "société anonyme" (a public limited company) with a Supervisory Board and an Executive Board to a French "société anonyme" with a Board of Directors.

3.2 Structure of the corporate and executive bodies [a]

3.2.1 BOARD OF DIRECTORS AT MARCH 1, 2012

Member	Main role in the Company	Main role outside the Company
Mr. François Pérol Date of birth: 11.06.1963 Natixis shares held: 60,000	**Chairman of the Board of Directors** First appointed AGM of 04.30.2009 Chairman of the Board: Board Meeting of 04.30.2009 Term expires: 2015 AGM [b]	Chairman of the BPCE Executive Board 50, avenue Pierre Mendès-France 75201 Paris cedex 13
BPCE Natixis shares held: 2,227,221,174	**Director** **Permanent representative: Mr. Nicolas DUHAMEL** Date of birth: 08.13.1953 First appointed: Co-opted by the Board Meeting of 08.25.2009 and ratified by AGM of 05.27.2010 Term expires: 2015 AGM [b] **Member, Audit Committee** First appointed: Board Meeting of 08.25.2009 Term expires: 2015 AGM [a]	Member of BPCE Management Board 50, avenue Pierre Mendès-France 75201 Paris cedex 13
Mr. Vincent Bolloré* Date of birth: 04.01.1952 Natixis shares held: 1,000	**Director** First appointed: AGM of 04.30.2009 Term expires: 2015 AGM [b] **Chairman, Appointments and Compensation Committee** First appointed: Board Meeting of 04.30.2009 Term expires: 2015 AGM [b]	Chairman & CEO, Bolloré Group Tour Bolloré 31-32, quai de Dion-Bouton 92800 Puteaux
Ms. Christel Bories* Date of birth: 05.20.1964 Natixis shares held: 1,000	**Director** First appointed: Co-opted by the Board Meeting of 02.22.2011 and ratified by AGM of 05.26.2011 Term expires: 2015 AGM [b] **Member, Appointments and Compensation Committee** First appointed: Board Meeting of 02.22.2011 Term expires: 2015 AGM [b]	Ex-Chief Executive Officer of Constellium
Mr. Jean Criton Date of birth: 06.02.1947 Natixis shares held: 2,699	**Director** First appointed: Co-opted by the Board Meeting of 11.12.2009 and ratified by AGM of 05.27.2010 Term expires: 2015 AGM [b] **Member, Audit Committee** First appointed: Board Meeting of 12.17.2009 Term expires: 2015 AGM [b]	Chief Executive Officer of Banque Populaire Rives de Paris, Member of BPCE Supervisory Board Immeuble Cirius 67 -78 avenue de France 75204 Paris cedex 13
Ms. Laurence Debroux* Date of birth: 07.25.1969 Natixis shares held: 1,000	**Director** First appointed: Co-opted by the Board Meeting of 04.01.2010 and ratified by AGM of 05.27.2010 Term expires: 2015 AGM [b] **Member, Audit Committee** First appointed: Board Meeting of 04.01.2010 Term expires: 2015 AGM [a] **Chairman, Strategic Committee** First appointed: Board Meeting of 05.11.2011 Term expires: 2015 AGM [b]	Chief Financial and Administrative Officer and Member of the Executive Board, JC Decaux S.A. Zone Industrielle Saint Appoline 78378 Plaisir Cedex

* *Independent director.*

(a) *A brief curriculum vitae of each of Natixis corporate officers as well as a list of the offices held in 2011 and in previous years appears in the section [3.2.4].*

(b) *AGM called to approve the 2014 financial statements.*

Member	Main role in the Company	Main role outside the Company
Mr. Stève Gentili Date of birth: 06.05.1949 Natixis shares held: 57,780	**Director** First appointed: AGM of 04.30.2009 Term expires: 2015 AGM (b)	Vice-Chairman of the Supervisory Board of BPCE Chairman, BRED Banque Populaire 18 quai de la Rapée 75012 Paris
Mr. Bernard Jeannin Date of birth: 04.19.1949 Natixis shares held: 2,547	**Director** First appointed: AGM of 04.30.2009 Term expires: 2015 AGM (b) **Member, Appointments and Compensation Committee** First appointed: Board Meeting of 04.30.2009 Term expires: 2015 AGM (b)	Chief Executive Officer of Banque Populaire Bourgogne Franche-Comté Member of BPCE Supervisory Board 5 avenue de Bourgogne – BP 63 21802 Quetigny Cedex
Mr. Olivier Klein Date of birth: 06.15.1957 Natixis shares held: 1,000	**Director** First appointed: AGM of 04.30.2009 Term expires: 2015 AGM (b) **Member, Audit Committee** First appointed: Board Meeting of 12.17.2009 Term expires: 2015 AGM (b)	Chief Executive Officer – Commercial Banking Member of BPCE Management Board 50, avenue Pierre Mendès-France 75201 Paris cedex 13
Mr. Bernard Oppetit* Date of birth: 08.05.1956 Natixis shares held: 1,000	**Director** First appointed: Co-opted by the Board Meeting of 11.12.2009 and ratified by AGM of 05.27.2010 Term expires: 2015 AGM (b) **Chairman, Audit Committee** First appointed: Board Meeting of 12.17.2009 Term expires: 2015 AGM (b)	Chairman of Centaurus Capital 33 Cavendish Square London W1G0PW
Mr. Didier Patault Date of birth: 02.22.1961 Natixis shares held: 2,442	**Director** First appointed: AGM of 04.30.2009 Term expires: 2015 AGM (b) **Member, Appointments and Compensation Committee** First appointed: AGM of 04.30.2009 Term expires: 2015 AGM (b)	Chairman, Executive Board, Caisse d'Epargne Bretagne – Pays de Loire Member of BPCE Supervisory Board 8 rue de Bréa – BP 835 44000 Nantes
Mr. Henri Proglio* Date of birth: 06.29.1949 Natixis shares held: 1,000	**Director** First appointed: AGM of 04.30.2009 Term expires: 2015 AGM (b) **Member, Appointments and Compensation Committee** First appointed: Board Meeting of 04.30.2009 Term expires: 2015 AGM (a)	Chairman and Chief Executive Officer of EDF 38 avenue Kléber 75016 Paris
Mr. Philippe Queuille Date of birth: 11.02.1956 Natixis shares held: 68,019	**Director** First appointed: Co-opted by the Board Meeting of 05.27.2010 and ratified by AGM of 05.26.2011 Term expires: 2015 AGM (b)	Chief Executive Officer – Operations of BPCE Member of BPCE Management Board 50 avenue Pierre Mendès-France 75201 Paris cedex 13
Mr. Philippe Sueur Date of birth: 07.04.1946 Natixis shares held: 3,500	**Director** First appointed: AGM of 04.30.2009 Term expires: 2015 AGM (b) **Member, Appointments and Compensation Committee** First appointed: Board Meeting of 12.17.2009 Term expires: 2015 AGM (b)	Vice-Chairman of the Steering and Supervisory Board of Caisse d'Epargne Île-de-France 57 rue du Général de Gaulle 95880 Enghien-les-Bains

* *Independent director.*

(a) *A brief curriculum vitae of each of Natixis corporate officers as well as a list of the offices held in 2011 and in previous years appears in the section [3.2.4].*

(b) *AGM called to approve the 2014 financial statements.*

3.2.2 EXECUTIVE MANAGEMENT AT MARCH 1, 2012

Name and surname of the executive corporate officer	Main role in the Company	Main role outside the Company
Mr. Laurent Mignon Date of birth: 12.28.1963	**Chief Executive Officer** First appointed: Board Meeting of 04.30.2009, effective May 14, 2009 Term expires: 05.14.2015	[a]

(a) A list of the offices held by the Chief Executive Officer in 2011 and in previous years appears in the section 3.2.4.

3.2.3 SENIOR MANAGEMENT COMMITTEE AND EXECUTIVE COMMITTEE

MEMBERS OF THE SENIOR MANAGEMENT COMMITTEE (CDG) AT MARCH 1, 2012

Mr. Laurent Mignon Chief Executive Officer Chairman of the Board	**Mr. Luc-Emmanuel Auberger** Finance and Risks	**Ms. Aline Bec** Information Systems Purchasing Logistics	**Mr. De Doan Tran** Corporate and Investment Banking
Mr. Alain Delouis Human Resources	**Mr. Jean-Yves Forel** Specialized Financial Services	**Mr. André-Jean Olivier** General Secretary	**Mr. Pierre Servant** Investment Solutions
Mr. Olivier Perquel Strategy and GAPC			

MEMBERS OF THE EXECUTIVE COMMITTEE (COMEX) AT MARCH 1, 2012

Mr. Laurent Mignon Chief Executive Officer Chairman of the Board	**Mr. Luc-Emmanuel Auberger** Finance and Risks	**Ms. Aline Bec** Information Systems Purchasing Logistics	**Mr. De Doan Tran** Corporate and Investment Banking
Mr. Alain Delouis Human Resources	**Mr. Jean-Yves Forel** Specialized Financial Services	**Mr. André-Jean Olivier** General Secretary	**Mr. Pierre Servant** Investment Solutions
Mr. Olivier Perquel Strategy and GAPC	**Mr. Stéphane About** CIB – Fixed Income	**Ms. Virginie Banet** CIB – Coverage	**Mr. Pierre Besnard** SFS – Natixis Lease
Mr. Jacques Beyssade Risks	**Ms. Nathalie Broutèle** Investment Solutions – Natixis Assurances	**Mr. Stéphane Caminati** SFS – Compagnie Européenne de Garanties et Cautions	**Mr. Marc Cattelin** SFS – EuroTitres
Mr. Frédéric Chenot SFS – Natixis Financement	**Mr. Jean Cheval** CIB – Debt and Financing	**Mr. Norbert Cron** Operational efficiency	**Mr. Éric Franc** Investment Solutions – Banque Privée 1818
Ms. Élisabeth de Gaulle Communication and Sustainable Development	**Mr. John Hailer** Investment Solutions – Natixis Global Asset Management US and Asia	**Mr. Christophe Lanne** BFI - Supports, Organization, Operations	**Mr. Christian Le Hir** General Secretariat – Legal
Ms. Ghislaine Mattlinger Finance	**Mr. Jean-Claude Petard** CIB – Equity	**Mr. Philippe Petiot** SFS – Natixis Factor	**Mr. Jean-Marc Pillu** Coface
Mr. Didier Trupin SFS – Natixis Interépargne	**Mr. Jean-Marie Vallée** SFS – Natixis Paiements	**Mr. Pascal Voisin** Investment Solutions – Natixis Asset Management	

3.2.4 LIST OF CORPORATE OFFICERS' POSITIONS

Mr. Vincent Bolloré, aged 59, manages and controls the Bolloré group, which has a workforce of more than 30,000 people and holds a leading position in the industry, transport and logistics, energy distribution and media sectors.

Offices held in 2011

FRANCE
Member of the Board of: Natixis [1]
Chief Executive Officer of: Bolloré [1], Bolloré Participations
Chairman of Board of Directors of: Havas [1], Financière de l'Odet [1]
Chairman of: VEPB (until 04.27.2011)
Chief Executive Officer of: Sofibol, Omnium Bolloré, Financière V
Member of the Board of: Batscap, Bolloré [1], Bolloré Participations, Direct 8, Direct Soir, Financière Moncey [1], Financière de l'Odet [1], Financière V, Havas [1], Havas Média France, Matin Plus, Omnium Bolloré, Sofibol, VEPB (until 04.27.2011)
Permanent representative for Bolloré Participations, member of the Board of: la Cie des Tramways de Rouen, la Société Anonyme Forestière et Agricole (Safa), la Société des Chemins de Fer et Tramways du Var et du Gard, la Société Industrielle et Financière de l'Artois [1], la Société Bordelaise Africaine
Permanent representative for Bolloré Participations, Member of the Supervisory Board of: la Compagnie du Cambodge [1]
Permanent representative for Bolloré, Member of the Board of Directors of: Bolloré Média, Fred et Farid Paris, Fred et Farid Group (since 08.30.2011)

INTERNATIONAL
Chairman of: Nord Sumatra Investissements, Financière du Champ de Mars, Financière Nord Sumatra, Champ de Mars Investissements
Vice-President of: la Société des Caoutchoucs de Grand Bereby (SOGB) [1], Bereby Finances, Generali [1]
Member of the Board of: BB Group, Centrages, Champ de Mars Investissements, Financière Nord Sumatra, Generali [1], Socfinal [1] (ex Intercultures), Liberian Agricultural Company (Lac), Mediobanca [1], Plantations Nord Sumatra Limited, Plantations des Terres Rouges [1], SDV Gabon, Bolloré Africa Logistics Sénégal (ex SDV Sénégal), Socfin KCD, Socfin (ex Socfinaf), Socfinasia [1], Socfinco, Socfindo, la Société de Gestion pour le Caoutchouc and les Oléagineux (Sogescol)
Managing Director of: Nord Sumatra Investissements, Financière du Champ de Mars
Permanent representative for Bolloré Participations, Member of the Board of: Bolloré Africa Logistics Cameroun, SDV Congo, SAFA Cameroun, Socapalm [1] (Société Camerounaise de Palmeraies), Palmcam (Société des Palmeraies du Cameroun), Société des Caoutchoucs de Grand Bereby – SOGB [1], Bereby Finance
Co-Manager of: Brabanta

(1) Listed company.

Vincent Bolloré (continued)

Offices held in previous financial years

2010	2009	2008	2007
FRANCE **Member of the Board of:** Natixis **Chief Executive Officer of:** Bolloré, Bolloré Participations **Chairman of Board of Directors of:** Havas, Financière de l'Odet **Chairman of:** VEPB **Chief Executive Officer of:** Sofibol, Omnium Bolloré, Financière V **Member of the Board of:** Batscap, Bolloré, Bolloré Participations, Direct 8, Direct Soir, Financière Moncey, Financière de l'Odet, Financière V, Havas, Havas Média France, Matin Plus, Omnium Bolloré, Sofibol, VEPB **Permanent representative for Bolloré Participations, member of the Board of:** la Cie des Tramways de Rouen, la Société Anonyme Forestière et Agricole (Safa), la Société des Chemins de Fer et Tramways du Var et du Gard, la Société Industrielle et Financière de l'Artois, la Société Bordelaise Africaine, IER (up to 04.16.2010) **Permanent representative for Bolloré Participations, Member of the Supervisory Board of:** la Compagnie du Cambodge **Permanent representative for Bolloré, Member of the Board of Directors of:** Bolloré Média, Fred et Farid	**FRANCE** **Member of Supervisory Board (until 04.30.2010) and member of the Board of:** Natixis **Chief Executive Officer of:** Bolloré, Bolloré Participations **Chairman of the Board of Directors of:** Financière de l'Odet, Havas, Havas Média France (until April 7, 2009) **Chairman of:** Bolloré Production (until June 22, 2009), Véhicules Électriques Pininfarina-Bolloré (VEPB) **Chief Executive Officer of:** Omnium Bolloré, Financière V, Sofibol **Member of the Board of:** Batscap, Bolloré, Bolloré Participations, Compagnie des Glénans (until June 11, 2009), Direct 8 (formerly Bolloré Média), Direct Soir, Financière Moncey, Financière de l'Odet, Financière V, Havas, Havas Média France, Matin Plus (formerly Compagnie de Bangor), Omnium Bolloré, Sofibol, VEPB **Permanent representative for Bolloré Participations, member of the Board of:** la Cie des Tramways de Rouen, la Société Anonyme Forestière and Agricole (Safa), la Société des Chemins de Fer et Tramways du Var et du Gard, la Société Industrielle et Financière de l'Artois, la Société Bordelaise Africaine, IER **Permanent representative for Bolloré Participations, Member of the Supervisory Board of:** la Compagnie du Cambodge **Permanent representative for Bolloré to the Board of:** Bolloré Média (starting December 17, 2009), Fred et Farid (formerly F.F.L. Paris) **Permanent representative for Havas to the Board of:** Médiamétrie (until November 13, 2009)	**FRANCE** **Member of the Supervisory Board of:** Natixis **Chief Executive Officer of:** Bolloré, Bolloré Participations **Chairman of the Board of Directors of:** Financière de l'Odet, Havas, Havas Média France **Chairman of:** Bolloré Production, Véhicules Électriques Pininfarina-Bolloré (VEPB) **Chief Executive Officer of:** Omnium Bolloré, Financière V, Sofibol **Member of the Board of:** Batscap, Bolloré, Bolloré Participations, Compagnie des Glénans (up to June 11, 2009), Direct 8 (formerly Bolloré Média), Direct Soir, Financière Moncey, Financière de l'Odet, Financière V, Havas, Havas Média France, Matin Plus (formerly Compagnie de Bangor), Omnium Bolloré, Sofibol, VEPB **Permanent representative for Bolloré Participations, member of the Board of:** la Société Anonyme Forestière et Agricole (Safa), la Société des Chemins de Fer et Tramways du Var et du Gard, la Société Industrielle et Financière de l'Artois, la Société Bordelaise Africaine, la Compagnie des Tramways de Rouen, IER **Permanent representative for Bolloré Participations to the Supervisory Board of:** la Compagnie du Cambodge **Permanent representative for Bolloré to the Board of:** Fred et Farid **Permanent representative for Havas to the Board of:** Médiamétrie	**FRANCE** **Member of the Supervisory Board of:** Natixis **Chief Executive Officer of:** Bolloré, Bolloré Participations **Chairman of the Board of Directors of:** Financière de l'Odet, Direct 8 (previously known as Bolloré Média), Matin Plus (previously known as Compagnie de Bangor), Direct Soir, Havas Media France, Havas; **Chairman of:** Bolloré Production **Chief Executive Officer of:** Omnium Bolloré, Financière V, Sofibol **Member of the Board of:** BatScap, Bolloré, Bolloré Participations, Direct 8 (previously known as Bolloré Média), Compagnie des Glénans, Matin Plus (previously known as Compagnie de Bangor), Direct Soir, Financière Moncey, Financière de l'Odet, Financière V, Omnium Bolloré, Sofibol, Havas Media France, Havas **Member of the Supervisory Boards of:** Vallourec (until 05.03.2007) **Permanent representative for Bolloré Participations member of the Board of:** la Société Anonyme Forestière and Agricole (Safa), la Société des Chemins de Fer et Tramways du Var et du Gard, la Société Industrielle et Financière de l'Artois, la Société Bordelaise Africaine, la Compagnie des Tramways de Rouen, IER **Permanent representative for Bolloré Participations to the Supervisory Board of:** la Compagnie du Cambodge **Permanent representative for Bolloré to the Board of:** F.F.L Paris **Permanent representative for Havas to the Board of:** Médiamétrie

Vincent Bolloré (continued)

Offices held in previous financial years (continuation)

INTERNATIONAL
Chairman of: Nord Sumatra Investissements, Financière du Champ de Mars, Financière Nord Sumatra, Champ de Mars Investissements
Vice-President of: la Société des Caoutchoucs de Grand Bereby (SOGB), Bereby Finances, Generali (since 04.24.2010)
Member of the Board of: BB Group, Centrages, Champ de Mars Investissements, Financière Nord Sumatra, Generali (since 04.24.2010), Intercultures, Liberian Agricultural Company (Lac), Mediobanca, Plantations Nord Sumatra Limited, Plantations des Terres Rouges, SDV Gabon, Bolloré Africa Logistics Sénégal (formerly SDV Sénégal), Socfin KCD, Socfinaf Cy Ltd (up to 04.01.2010), Socfinal, Socfinasia, Socfinco, Socfindo, la Société de Gestion pour le Caoutchouc and les Oléagineux (Sogescol)
Managing Director of: Nord Sumatra Investissements, Financière du Champ de Mars
Permanent representative for Bolloré Participations, Member of the Board of: SDV Cameroun (up to 09.16.2010), Bolloré Africa Logistics Cameroun (since 09.16.2010), SDV Congo, SAFA Cameroun, Socapalm (Société Camerounaise de Palmeraies), Palmcam (Société des Palmeraies du Cameroun), SPFS (Société des Palmeraies de la Ferme Suisse – Palm'or) (up to 06.09.2010), Société des Caoutchoucs de Grand Bereby – SOGB, Bereby Finance
Co-Manager of: Brabanta

INTERNATIONAL
Chairman of: Champ de Mars Investments, Financière du Champ de Mars, Financière Nord Sumatra, Nord Sumatra Investissements
Vice-President of: la Société des Caoutchoucs de Grand Bereby (SOGB), Bereby Finances
Member of the Board of: BB Group, Centrages, Champ de Mars Investissements, Financière Nord Sumatra, Intercultures, Liberian Agricultural Company (Lac), Mediobanca, Plantations Nord Sumatra Limited, Plantations des Terres Rouges, SDV Gabon, SDV Sénégal, Socfin KCD, Socfinaf Cy Ltd, Socfinal, Socfinasia, Socfinco, Socfindo, la Société de Gestion pour le Caoutchouc and les Oléagineux (Sogescol)
Managing Director of: Nord Sumatra Investissements, Financière du Champ de Mars
Permanent representative for Bolloré Participations, member of the Board of: SDV Cameroun, SDV Congo, SAFA Cameroun, Socapalm (Société Camerounaise de Palmeraies), Palmcam (Société des Palmeraies du Cameroun), SPFS (Société des Palmeraies de la Ferme Suisse – Palm'or), Société des Caoutchoucs de Grand Bereby – SOGB, Bereby Finance
Co-Manager of: Brabanta

INTERNATIONAL
Chairman of: Champ de Mars Investments, Financière Nord Sumatra, Nord Sumatra Investissements and Financière du Champ de Mars
Vice-President of: Société des Caoutchoucs du Grand Bereby (SOGB), Bereby Finances
Member of the Board of: BB Group, Centrages, Champ de Mars Investissements, Financière Nord Sumatra, Intercultures, Liberian Agricultural Company (LAC), Mediobanca, Plantations Nord Sumatra Limited, Plantations des Terres Rouges, Red Lands Roses (up to 01.27.2008), SDV Gabon, SDV Sénégal, Socfinaf Cy Ltd, Socfinal, Socfinasia, Socfinco, Socfindo, Société de Gestion pour le Caoutchouc et les Oléagineux (Sogescol), Socfin KCD
Managing Director of: Nord Sumatra Investissements, Financière du Champ de Mars
Permanent representative for Bolloré Participations, member of the Board of: Bereby Finance, SDV Cameroun, SDV Congo, SAFA Cameroun, Société des Palmeraies du Cameroun, Palmeraies du Cameroun, Société des Palmeraies de la Ferme Suisse, Société des Caoutchoucs du Grand Bereby (SOGB)
Manager of: Huilerie de Mapangu Sprl

INTERNATIONAL
Chairman of: Plantations des Terres Rouges
Managing Director of: Nord Sumatra Investissements
Vice-President of: Société des Caoutchoucs du Grand Bereby (SOGB), Bereby Finances
Member of the Boards of: BB Group, Centrages, Compagnie Internationale de Cultures, Liberian Agricultural Company (LAC), Mediobanca, Plantations Nord Sumatra Limited, Plantations des Terres Rouges, Red Lands Roses, SDV Gabon, SDV Sénégal, Financière du Champ de Mars (previously known as Socfin), Socfinaf, Socfinal, Socfinasia, Socfinco, Socfindo, Socfininter, Société de Gestion pour le Caoutchouc et les Oléagineux (Sogescol)
Managing Director of: Nord Sumatra Investissements
Permanent representative for Bolloré Participations, member of the Board of: SDV Cameroun, SDV Congo

Ms. Christel Bories, aged 47, a graduate of HEC, worked for 7 years as a strategy consultant with Booz-Allen & Hamilton, followed by Corporate Value Associates. She joined Umicore (formerly Union Minière) in 1993 as Head of Strategy and Control and served on Management Committee. On April 1, 1995, Ms. Bories joined Pechiney Group as Head of Strategy and Finance Control, in charge of implementing the Group's cost-cutting plan (the "Challenge Plan"). In 1998, she became a member of Pechiney's Executive Committee and headed up the Packaging division as from January 1, 1999. After Pechiney was absorbed by Alcan Group, on December 3, 2003 Ms. Bories was appointed Chairman and CEO of Alcan Packaging and then Chairman and CEO of Alcan Engineered Products. She served successively as a member of Alcan's expanded Executive Committee, then as a member of Rio Tinto Alcan's Executive Committee after Alcan was absorbed by Rio Tinto Group on October 25, 2007. In January 2011, Alcan EP was deconsolidated from Rio Tinto. The company was renamed Constellium, with Apollo Management as its majority shareholder, FSI holding 10% and Rio Tinto 39%. Christel Bories was Chief Executive Officer of Constellium from January to November 2011.
From January 2007 to January 2009, Ms. Bories was Chairman of the Executive Committee of the European Aluminium Association (EAA) based in Brussels, Belgium, which represents the aluminium industry in Europe. From 2008 to 2010, Ms. Bories was a member of the Board of Directors of Swedish company Atlas Copco AB.

Offices held in 2011

Director of: Natixis [(1)] (since February 22, 2011)
Chief Executive Officer of: Constellium (until November 2011)

Offices held in previous financial years

2010	2009	2008	2007
Member of: AFEP **Member of:** the Women Forum **Member of:** the Women Corporate Directors (WCD) **Member of the Board of Directors of:** Atlas COPCo AB (Sweden) **Senior Vice President of:** Rio Tinto **Member of:** the Executive Committee of Rio Tinto Alcan **Member of:** the Executive Committee of the EAA (European Aluminium Association) **Member of:** the Cercle de l'Industrie (Association of the Chairmen of the leading French industrial companies)	**Member of:** the Cercle de l'Industrie (Association of the Chairmen of the leading French industrial companies) **Senior Vice President of:** Rio Tinto **Member of:** the Executive Committee of Rio Tinto Alcan **Member of:** the Executive Committee of the EAA (European Aluminium Association) **Chairman of:** the EAA (European Aluminium Association) (end-January 2009)	**Senior Vice President of:** Rio Tinto **Member of:** the Cercle de l'Industrie (Association of the Chairmen of the leading French industrial companies) **Member of:** the Executive Committee of Rio Tinto Alcan **Member of:** the Board of Directors of Atlas COPCo AB (Sweden) **Chairman of:** the EAA (European Aluminium Association)	**Senior Vice President of:** Rio Tinto **Member of:** the Executive Committee of Rio Tinto Alcan **Chairman and CEO of:** Alcan **Member of:** the Cercle de l'Industrie (Association of the Chairmen of the leading French industrial companies) Engineered Products (end-October 2007) **Senior Vice President of:** Alcan (end-October 2007) **Member of:** the Executive Committee of Alcan (end-October 2007) **Chairman of:** the EAA (European Aluminium Association)

(1) Listed company.

Mr. Jean Criton, aged 64, Chief Executive Officer of Banque Populaire Rives de Paris.
After studying law and political science, Jean Criton, began his professional career in internal audit of the Banques Populaires Group.
He has worked for the group throughout his career: after several years with the central body, he occupied management functions in three regional Banques Populaires banks – Banque Populaire du Centre, Banque Populaire Nord de Paris and BICS Banque Populaire – before conducting the merger that gave rise to Banque Populaire Rives de Paris.

Offices held in 2011

Member of the Supervisory Board of: BPCE
Member of the Board of: Natixis [1]
Chief Executive Officer of: Banque Populaire Rives de Paris
Chairman and Chief Executive Officer of: Sud Participation S.A.
Chairman of the Board of Directors of: BPCE Achats, Turbo S.A.
Vice-Chairman of the Board of Directors of: Fondation d'Entreprise Banque Populaire
Member of the Board of: Natixis Private Banking Equity
Permanent representative for Banque Populaire Rives de Paris, member of the Board of: i-BP, Banques Populaires' corporate start-up organisation (Chairman)

Offices held in previous financial years

2010
Member of the Supervisory Board of: BPCE
Member of the Board of: Natixis
Chief Executive Officer of: Banque Populaire Rives de Paris
Chairman and Chief Executive Officer of: Sud Participation S.A.
Chairman of: BPCE Achats (since 06.15.2010)
Chairman of the Board of Directors of: Turbo S.A.
Member of the Board of: Banque Privée 1818 (up to 09.30.2010), Coface (up to 09.13.2010), Natixis Assurances (up to 09.13.2010), Natixis Private Banking, (up to 09.13.2010) Natixis Private Equity, Société Marseillaise de Crédit (up to 09.21.2010), Banque Populaire's corporate foundation
Permanent representative for Banque Populaire Rives de Paris, member of the Board of: i-BP, Banques Populaires' corporate start-up organisation (Chairman)
Chairman of: SAS Sociétariat BP Rives de Paris.

2009
Member of the Supervisory Board of: BPCE (since 07.30.2009)
Member of the Board of: Natixis (since 11.12.2009)
Chief Executive Officer of: Banque Populaire Rives de Paris
Chairman and Chief Executive Officer of: Sud Participation S.A.
Chairman of the Board of Directors of: Turbo S.A.
Member of the Board of: Banque Privée 1818 (since 06.30.2009), Coface, Natixis Assurances, Natixis Private Banking, Natixis Private Equity, Société Marseillaise de Crédit (SMC), Banque Populaire corporate foundation
Permanent representative for Banque Populaire Rives de Paris, member of the Board of: i-BP (Vice President),
Chairman of: SAS Sociétariat Banque Populaire Rives de Paris

2008
Chief Executive Officer of: Banque Populaire Rives de Paris
Chairman and Chief Executive Officer of: Sud Participation S.A.
Chairman of the Board of Directors of: Turbo S.A.
Member of the Board of: Coface, Natexis Assurances, Natexis Private Banking, Natexis Private Equity, Société Marseillaise de Crédit (SMC), Banque Populaire corporate foundation
Permanent representative for Banque Populaire Rives de Paris to the Board of Directors of: i-BP (Vice-President)
Chairman of: SAS Sociétariat Banque Populaire Rives de Paris

2007
Chief Executive Officer of: Banque Populaire Rives de Paris
Chairman and Chief Executive Officer of: Sud Participation S.A.
Member of the Board of: Coface, Natexis Assurances, Natexis Private Banking, Banque Populaire corporate foundation
Permanent representative for Banque Populaire Rives de Paris to the Board of Directors of: i-BP (Chairman)
Chairman of: SAS Sociétariat Banque Populaire Rives de Paris

(1) Listed company.

Ms. Laurence Debroux, aged 42, is Chief Financial and Administrative Officer and Member of the Executive Board of JC Decaux. Before joining JC Decaux in 2010, Laurence Debroux worked in various positions at Sanofi for 14 years. She started as Treasury Manager and was subsequently promoted to financial director and then Head of Strategy and member of the Sanofi-Aventis Executive Committee. Previously, Laurence Debroux worked for the Elf Aquitaine Group's Finance Department. Laurence Debroux is a graduate of HEC.

Offices held in 2011

Member of the Board of: Natixis [(1)]
Member of the Executive Board of: JC Decaux (Chief Financial and Administrative Officer)
Member of the Board: Média Aéroports de Paris (SAS) (since 09.07.2011)
Member of the Supervisory Board of: Médiakiosk (SAS) (since 11.30.2011)

Offices held in previous financial years

2010	2009	2008	2007
Member of the Board of: Natixis (since 04.01.2010) **Member of the Executive Board of:** JC Decaux (Chief Financial and Administrative Officer) **Director Board of Directors of:** Merial Ltd (up to 05.19.2010)	**Chairman of:** Sanofi 1 (until 07.24.2009) **Chief Executive Officer of:** Sanofi Aventis Europe (until 07.28.2009), Sanofi Aventis Participations (until 07.24.2009) **Member of the Board of:** Sanofi Pasteur Holding (until 09.11.2009) **Managing Director of:** Sanofi 4 (until 09.11.2009), Sanofi Aventis North America (until 07.24.2009) **Director of:** Merial Ltd (since 03.02.2009), Zentiva NV (from 04.03.2009 to 09.22.2009)	**Chairman of:** Sanofi 1 **Chief Executive Officer of:** Sanofi Aventis Europe, Sanofi Aventis Participations **Member of the Board of:** Sanofi Pasteur Holding **Managing Director of:** Sanofi 4, Sanofi Aventis North America	**Chairman of:** Biocitech Sas (until 03.23.2007), Sanofi 1 **Chief Executive Officer of:** Sanofi Aventis Europe, Sanofi Aventis Participations **Member of the Board of:** Sanofi Pasteur Holding (since 05.29.2007) **Managing Director of:** Sanofi 3 (up to 05.29.2007), Sanofi 4, Sanofi Aventis North America

(1) Listed company.

Mr. Nicolas Duhamel, aged 58, graduated from IEP Paris and holds a bachelor's degree in law, as well as a DESS in economics. Nicolas Duhamel is a graduate of ENA and was an Inspecteur des Finances (financial inspector) in France's Ministry for the Economy until 1984. He then held financial posts in several companies: Head of France Telecom's Treasury Department from 1984 to 1988, Chief Financial Officer for Havas (listed in the CAC 40 index) from 1993 to 1998, Deputy Chief Executive Officer of Vivendi Universal's Publishing division until 2001. Nicolas Duhamel moved to Groupe La Poste in 2002 where he was Chief Operating Officer, Chief Financial Officer and a member of the group's Executive Committee. Since July 31, 2009, he has been Chief Executive Officer [2] and a member of the Management Board of BPCE in charge of finance.

Offices held in 2011

Chief Financial Officer and Member of the Management Board of: BPCE
Chief Operating Officer of: CE Holding Promotion
Member of the Supervisory Board of: Fonds de Garanties des Dépôts (since March 29, 2010)
Member of the Board of: BPCE IOM
Permanent representative for BPCE on the Boards of: Natixis [1], Crédit Foncier de France, CE Holding Promotion

Offices held in previous financial years

2010	2009	2008	2007
Chief Financial Officer and Member of the Management Board of: BPCE **Chief Operating Officer of:** CE Participations (up to 08/05/2010), BP Participations (up to 08/05/2010), CE Holding Promotion (since 06/30/2010) **Member of the Supervisory Board of:** Fonds de Garanties des Dépôts (since March 29, 2010) **Member of the Board of:** BPCE IOM **Permanent representative for BPCE on the Boards of:** Natixis, Crédit Foncier de France, CE Holding Promotion (since 06/30/2010) **Chairman of the CFF Audit Committee**	**Chief Financial Officer and Member of the Management Board of:** BPCE (since 07/31/2009) **Permanent representative for BPCE on the Board of:** Natixis (since 08/25/2009) **Chief Operating Officer of:** CE Participations (since 07/31/2009), BP Participations (since 07/31/2009) **Member of the Board of:** Financière Océor (since 07/15/2009) **Permanent representative for CE Participations on the Board of:** Crédit Foncier de France (since 10/15/2009) **Chairman of the CFF Audit Committee** (since 10/15/2009)	**Chief Operating Officer:** Groupe La Poste **Member of the Executive Committee:** Groupe La Poste	**Chief Operating Officer:** Groupe La Poste **Member of the Executive Committee:** Groupe La Poste

(1) Listed company.
(2) The title of Chief Executive Officer is not used in the sense intended by Article L.225-66 of the French Commercial Code.

Mr. Stève Gentili, aged 62, Vice-Chairman of the Supervisory Board of BPCE and Chairman of BRED Banque Populaire since 1998. Until 2004, Stève Gentili was head of a large food industry corporation. He also chairs Bureau International du Forum Francophone des Affaires.

Offices held in 2011

Member of the Supervisory Board of: BPCE
Member of the Board of: Natixis [(1)]
Chairman of the Board of Directors of: BRED Banque Populaire
Chairman of the Board of Directors of: Natixis Pramex International (until 02.23.2011), SPIG, Natixis Institutions Jour, Banque Internationale de Commerce-Bred, Bred Gestion, Cofibred, NRJ Invest, Fondation d'entreprise de la Bred
Chairman of: Agence Banque Populaire pour la Coopération et le Développement, Bureau International-Forum Francophone des Affaires
Member of the Board of: Natixis Pramex International Milan, Natixis Algeria, BCI Mer Rouge, Thales, Bercy Gestion Finances +, Promépar Gestion, Bred Cofilease, Prépar Iard
Member of the Supervisory Board of: Prépar-Vie
Permanent representative to BRED Banque Populaire to the Board of Directors of: BICEC, BCI (Banque Commerciale Internationale)

Offices held in previous financial years

2010
Member of the Supervisory Board of: BPCE
Member of the Board of: Natixis
Chairman of the Board of Directors of: BRED Banque Populaire, Natixis Pramex International, SPIG, Natixis Institutions Jour
Chairman of the Supervisory Board of: Banque Internationale de Commerce-BRED (BIC-BRED)
Chairman of: BRED Gestion, Cofibred, Agence Banque Populaire pour la Coopération et le Développement, Bureau International-Forum Francophone des Affaires
Member of the Board of: Coface (until 10.07.2010), Natixis Algeria (up to 12.31.2010), Natixis Pramex International Milan, Société Marseillaise de Crédit (up to 09.21.2010), Thales, BGF+, Promépar Gestion, BRED Cofilease, Prépar Iard
Member of the Supervisory Board of: Prépar-Vie
Permanent representative to BRED Banque Populaire to the Board of Directors of: BICEC, BCI (Banque Commerciale Internationale)

2009
Member of the Supervisory Board of: BPCE
Member of Supervisory Board (until 04.30.2010) and member of the Board of: Natixis
Chairman of the Board of Directors of: BRED Banque Populaire, Natixis Pramex International, SPIG, Natixis Institutions Jour
Chairman of the supervisory Board of: Banque Internationale de Commerce-BRED (BIC-BRED)
Chairman of: BRED Gestion, Cofibred, Agence Banque Populaire pour la Coopération et le Développement, Bureau International-Forum Francophone des Affaires
Vice-Chairman of the Board of Directors of: BP Participations (until 05.14.2009)
Member of the Board of: Coface, Natixis Algeria, Natixis Pramex International Milan, Société Marseillaise de Crédit, Thales, BGF+, Promépar Gestion, BRED Cofilease, Prépar Iard
Member of the Supervisory Board of: Prépar-Vie
Representative to BRED Banque Populaire to the Board of Directors of: BICEC, BCI (Banque Commerciale Internationale)

2008
Member of the Supervisory Board of: Natixis
Chairman of the Board of Directors of: BRED Banque Populaire, BRED Gestion, Natixis Pramex International, Spig, Natixis Institutions Jour
Chairman of the Supervisory Board of: Banque Internationale de Commerce – BRED
Chairman of: Compagnie Financière de la BRED (Cofibred)
Vice-Chairman of: Banque Fédérale des Banques Populaires
Member of the Board of: Bercy Gestion Finances +, BRED Cofilease, Coface, Natixis Algeria, Natixis Pramex Italia Srl, Prepar Iard (société anonyme), Promepar Gestion (société anonyme), Société Marseillaise de Crédit
Member of the Supervisory Board of: Prépar-Vie
Permanent representative for BRED Banque Populaire to the Board of Directors of: BICEC, BCI – Banque Commerciale Internationale, NRJ Invest

2007
Member of the Supervisory Board of: Natixis
Chairman of the Board of Directors of: BRED Banque Populaire, Natixis Pramex International, BRED Gestion
Chairman of: Agence Banque Populaire pour la Coopération et le Développement, Bureau international – Forum francophone des affaires, Compagnie Financière de la BRED (Cofibred)
Vice-Chairman of the Supervisory Board of: Banque Internationale de Commerce-BRED (BIC-BRED)
Vice-Chairman of: Banque Fédérale des Banques Populaires
Member of the Board of: Coface, Natexis Algeria, Pramex International Milan, BGF+, BRED Cofilease, Prépar IARD, Promépar Gestion
Member of the Supervisory Board of: Prépar-Vie, LFI
Permanent representative for BRED Banque Populaire to the Board of: BICEC, BCI
Permanent representative for Cofibred to the Board of: LFI

(1) Listed company.

Mr. Bernard Jeannin, aged 62, Chief Executive Officer of Banque Populaire Bourgogne Franche-Comté
He holds a master's degree in Economic Science and joined Groupe Banque Populaire via Banque Populaire Franche-Comté in 1972. After a period in the Loans Department and in operations (notably branch management), he joined senior management and successively held the posts of central director in charge of Human Resources, then commitments and lastly general control. In 1992, he was appointed Deputy Chief Executive Officer of Banque Populaire Bretagne-Atlantique, in charge of development and subsidiaries. He subsequently became Chief Executive Officer of Banque Populaire du Quercy et de l'Agenais in 1997, then Chief Executive Officer of Banque Populaire de Franche-Comté, du Mâconnais et de l'Ain in 2001. He was appointed Chief Executive Officer of Banque Populaire Bourgogne Franche-Comté in 2002, at the time of its creation through the merger of Banque Populaire Bourgogne and Banque Populaire de Franche-Comté, du Mâconnais et de l'Ain.

Offices held in 2011

Member of the Supervisory Board of: BPCE
Member of the Board of: Natixis (1)
Chief Executive Officer of: Banque Populaire Bourgogne Franche-Comté
Member of the Board of: IPMPE
Permanent representative for Banque Populaire Bourgogne Franche-Comté to the Boards of Directors of: i-BP, BPCE Domaine, Banques Populaires' corporate start-up organisation

Offices held in previous financial years

2010	2009	2008	2007
Member of the Supervisory Board of: BPCE **Member of the Board of:** Natixis **Chief Executive Officer of:** Banque Populaire Bourgogne Franche-Comté **Member of the Board of:** Natixis Assurances, (until 09/20/2010) Natixis Lease (until 09/22/2010), Natixis Paiements (until 10/06/2010), Banque de Savoie (until 02/25/2010), BP Participations (up to 08/05/2010), IPMPE **Permanent representative for Banque Populaire Bourgogne Franche-Comté to the Boards of Directors of:** i-BP, BPCE Domaine (since 06/18/2010), Banques Populaires' corporate start-up organisation	**Member of the Supervisory Board of:** BPCE (since 07/31/2009) **Member of Supervisory Board (up to 04/30/2010) and member of the Board of:** Natixis **Chief Executive Officer of:** Banque Populaire Bourgogne Franche-Comté **Member of the Board of:** Natixis Assurances, Natixis Lease (Vice-President), Natixis Paiements, Banque de Savoie, BP Participations, IPMPE **Permanent representative for Banque Populaire Bourgogne Franche-Comté to the Board of Directors of:** i-BP, Banques Populaires' corporate start-up organisation	**Member of the Supervisory Board of:** Natixis **Chief Executive Officer of:** Banque Populaire Bourgogne Franche-Comté **Member of the Board of:** Banque Fédérale des Banques Populaires (Secretary), Natixis Assurances, Natixis Lease, Natixis Paiements, Banque de Savoie, IPMPE **Permanent representative for Banque Populaire Bourgogne Franche-Comté to the Board of Directors of:** i-BP	**Member of the Supervisory Board of:** Natixis **Chief Executive Officer of:** Banque Populaire Bourgogne Franche-Comté **Member of the Board of:** Natixis Assurances, Natixis Paiements, Natixis Lease, C.A.R, IPMPE, Institution de Prévoyance du Groupe Banque Populaire **Permanent representative for Banque Populaire Bourgogne Franche-Comté to the Board of Directors of:** i-BP

(1) Listed company.

Mr. Olivier Klein, aged 54, graduated from ENSAE and holds an advanced degree in finance from HEC. He has had various responsibilities within BFCE and notably created and managed the investment bank specialized in M&A and private equity. He joined Groupe Caisse d'Epargne in 1998 and became Chairman of the Management Board of Caisse d'Epargne Ile-de-France Ouest in 2000. He was subsequently appointed Chairman of the Management Board of Caisse d'Epargne Rhône-Alpes in 2007. Olivier Klein is Chairman of the national retail banking commission for the Caisses d'Epargne banks. He is also a member of the Boards of Natixis and Coface and an associate professor of Economics and Finance at HEC.
Since April 7, 2010, Olivier Klein has been Chief Executive Officer [2] in charge of Commercial Banking and Insurance and a member of the Management Board of BPCE.

Offices held in 2011

Member of the Executive Board of: BPCE – Banque Commerciale and Assurances
Member of the Board of: Natixis [1]
Member of the Supervisory Board of: SOCFIM, Banque Palatine (since September 2011)
Member of the Board of: Crédit Foncier de France, BPCE International and Outre-Mer, Banque Privée 1818, CNP Assurances [1], Sopassur, ENS Lyon, Neptune Technologies, I-BP, Nexity (since October 2011)
Member of the Supervisory Board of: Banque Palatine, GCE Capital, Socfim
Permanent representative for BPCE, member of the Board of: SAS Ecureuil Vie Développement, GCE Business Services (until 03.01.2011)

Offices held in previous financial years

2010
Member of the Executive Board of: BPCE – Banque Commerciale and Assurances (since 04.07.2010)
Member of the Board of: Natixis
Chairman of the Executive Board of: Caisse d'Epargne Rhône Alpes (up to 06.30.2010)
Chairman of the Board of Directors of: Rhone-Alpes PME Gestion (up to September 2010)
Member of the Board of: Crédit Foncier de France (since 04.26.2010), BPCE International and Outre-Mer (since 03.17.2010), Banque Privée 1818 (since 09.30.2010), CNP Assurances (since 04.22.2010), Sopassur (since 04.22.2010), ENS Lyon, Neptune Technologies, Coface (up to 09.30.2010), Natixis Global Asset Management (up to 09.30.2010), Natixis Financement (up to 09.30.2010)
Member of the Supervisory Board of: Banque Palatine (since 05.26.2010), GCE Capital (since 04.06.2010), Socfim (since 05.10.2010)
Permanent representative for CE Participations, member of the Supervisory Board of: la Compagnie des Alpes (up to 07.28.2010)
Permanent representative for CERA, member of the Supervisory Board of: la Société des Trois Vallées, GCE Business Services (up to in July 2010)
Permanent representative for BPCE, member of the Board of: SAS Ecureuil Vie Développement (since 04.15.2010) and GCE Business Services, I-BP

2009
Chairman of the Executive Board of: Caisse d'Epargne Rhône Alpes (individual office)
Chairman of the Supervisory Board of: Rhône-Alpes PME Gestion
Member of the Board of: Natixis, Coface, Natixis Consumer Finance (up to 12.31.2009), Natixis Global Asset Management, Natixis Financement, Neptune Technologies
Member of the Supervisory Board of: Compagnie 1818 (up to 06.30.2009)
Permanent representative for CE Participations, member of the Supervisory Board of: la Compagnie des Alpes
Permanent representative for CERA, member of the Supervisory Board of: la Société des Trois Vallées, GCE Business Services

2008
Member of the Supervisory Board of: Natixis
Chairman of the Executive Board of: Caisse d'Epargne Rhône Alpes
Chairman of the Supervisory Board of: Rhône-Alpes PME Gestion
Member of the Board of: Coface, Natixis Consumer Finance, Natixis Financement, Natixis Global Asset Management, Neptune Technologies
Member of the Supervisory Board of: la Compagnie 1818 – Banquiers Privés
Permanent representative for CERA, member of the Board of: la Fédération Nationale des Caisses d'Epargne
Permanent representative for CNCE, member of the Supervisory Board of: la Compagnie des Alpes
Permanent representative for CERA, member of the Supervisory Board of: GCE Business Services, la Société des Trois Vallées
Permanent representative for CERA: Manager of Terrae

2007
Chairman of the Executive Board of: Caisse d'Epargne Rhône Alpes
Member of the Supervisory Board of: Ecureuil Gestion, Ecureuil Gestion FCP
Permanent representative for CERA, member of the Board of: SALT
Permanent representative for CERA, member of the Supervisory Board of: ARPEGE

(1) Listed company.
(2) The title of Chief Executive Officer is not used in the sense intended by Article L.225-66 of the French Commercial Code.

Mr. Jean-Bernard Mateu, aged 47, is a graduate of École Polytechnique and a graduate engineer of École Nationale Supérieure des Télécommunications de Paris. After successively working as Methods Group Manager at La Compagnie Bancaire, Sales Development Director then IT Studies Director at Crédit du Nord and General Secretary then Head of Operations at La Banque Directe (Axa Banque), he joined the Caisses d'Epargne group in 2000. He first joined Caisse d'Epargne de Picardie as a member of the Executive Board in charge of Networks and Sales Development. He then moved on to work as head of the Sales Planning and Supervision Department, then went to the Social Economy and Social Housing Department at Caisse Nationale des Caisses d'Epargne (now known as BPCE) before becoming Chief Executive Officer of Natixis Financement (formerly Caisse d'Epargne Financement) 2005 – member of Natixis' Executive Committee. He was Chairman of the Executive Board of Caisse d'Epargne Rhône Alpes from 07.01.2010 to 12.05.2011.

Offices held in 2011

Member of the Board of: Natixis [1]
Chairman of the Executive Board of: Caisse d'Epargne et de Prévoyance de Rhône Alpes (CERA) (until 12.05.2011)
Chief Executive Officer of: Novacrédit
Chairman of the Supervisory Board of: Rhône-Alpes PME Gestion
Member of the Board of: Novacrédit, Natixis Paiements, Siparex Associés (since 04.19.2011)
Permanent representative for CERA to the Supervisory Board of: GCE Business Services, Société des Trois Vallées
Permanent representative for CERA to the Board of: Fédération Nationale des Caisses d'Epargne

Offices held in previous financial years

2010	2009	2008	2007
Member of the Board of: Natixis (since August 5, 2010) **Chairman of the Executive Board of:** Caisse d'Epargne et de Prévoyance de Rhône Alpes (CERA) (since 07.01.2010) **Chief Executive Officer of:** Novacrédit, Natixis Financement (up to 11.23.2010), Natixis Consumer Finance (up to 11.23.2010) **Chairman of the Supervisory Board of:** Rhône-Alpes PME Gestion (since 09.20.2010) **Member of the Board of:** Natixis Paiements (since 10.06.2010) **Permanent representative for CERA to the Supervisory Board of:** GCE Business Services (since 07.19.2010), Société des Trois Vallées (since 07.19.2010) **Permanent representative for CERA to the Board of:** Fédération Nationale des Caisses d'Epargne (since 07.19.2010)	**Chief Executive Officer of:** Natixis Financement, Natixis Consumer Finance, Novacrédit **Member of the Board of:** Novacrédit	**Chief Executive Officer of:** Natixis Financement, Natixis Consumer Finance, Novacrédit **Member of the Board of:** Novacrédit	**Chief Executive Officer of:** Natixis Financement, Natixis Consumer Finance (since 11.09.2007), Novacrédit (since 11.27.2007) **Member of the Board of:** Novacrédit (since 11.27.2007)

(1) Listed company.

Mr. Laurent Mignon, aged 48, has been Chief Executive Officer of Natixis since May 2009. A graduate of HEC and the Stanford Executive Program, for 10 years, Laurent Mignon has worked in various positions at Banque Indosuez, from the trading floor to corporate banking. In 1996, he joined Schroders Bank in London before going on to AGF in 1997 as CFO; he was appointed to the Executive Committee in 1998. He then worked on Investments in 2002 at Banque AGF, AGF Asset Management, and AGF Immobilier, and then for the Life and Financial Services and Credit Insurance divisions in 2003. From September 2007 to May 2009, he was associate Manager at Oddo et Cie alongside Philippe Oddo.

Offices held in 2011

Chief Executive Officer of: Natixis [(1)]
Chairman of the Board of Directors: Natixis Global Asset Management
Member of the Board of: Sequana, Arkema, Lazard Ltd
Chairman of: SAS Coface Holding
Permanent representative for Natixis, Member of the Board of: Coface
Permanent representative for Natixis, Non-voting member of: BPCE's Board

Offices held in previous financial years

2010	2009	2008	2007
Chief Executive Officer of: Natixis **Member of the Board of:** Natixis Global Asset Management (until 09.01.2010 then Chairman of the Board of Directors), Coface (until 10.15.2010 then permanent representative for Natixis to the Board of Directors), Sequana, Arkema, Lazard Ltd **Chairman of:** SAS Coface Holding **Non-voting member of:** BPCE's Board (Permanent representative for Natixis)	**Chief Executive Officer of:** Natixis (since 05.14.2009) **Member of the Board of:** Natixis Global Asset Management (since 09.11.2009), Sequana, Arkema, Coface (since 10.27.2009), Lazard Ltd (since July 28, 2009), Cogefi S.A. (up to 05.13.2009), Génération Vie (up to 05.13.2009) **Non-voting member of:** BPCE's Board (Permanent representative for Natixis) (since 08.25.2009) **Associate Manager of:** Oddo et Cie (up to 05.13.2009) **Chairman and Chief Executive Officer of:** Oddo Asset Management (up to 05.13.2009) **Member of the Supervisory Board of:** la Banque Postale Gestion Privée (up to 05.13.2009) **Permanent representative for Oddo et Cie**: associate Manager of Oddo Corporate Finance (up to 05.13.2009)	**Associate Manager of:** Oddo et Cie **Chief Executive Officer of:** Oddo Asset Management **Chairman of the Supervisory Board of:** Oddo Corporate Finance **Member of the Supervisory Board of:** la Banque Postale Gestion Privée **Permanent representative for Oddo et Cie**: associate Manager of Oddo Corporate Finance	**Associate Manager of:** Oddo et Cie **Chief Executive Officer of:** Oddo Asset Management **Chief Executive Officer of:** AGF **Chairman of:** the AGF France Executive Committee **Deputy CEO of:** AGF S.A., AGF Holding **Chairman of the Supervisory Board of:** Oddo Corporate Finance, AGF Informatique, AVIP **Chairman of the Board of Directors of:** Coparc, Génération Vie **Vice-Chairman of the Supervisory Board of:** Euler Hermès **Member of the Supervisory Board of:** Oddo & Cie SCA **Member of the Board of:** W Finance, AGF Holding, GIE Placements d'Assurance, AGF Asset Management **Permanent representative for Oddo et Cie**: associate Manager of Oddo Corporate Finance

(1) Listed company.

Mr. Bernard Oppetit, aged 55, is Chairman of Centaurus Capital, a fund management company he founded in 2000. Centaurus Capital, a major player in alternative asset management, operates in London and Hong Kong. Before he founded Centaurus Capital, he spent 20 years at the Paribas group, in Paris, New York and then London. From 1995 to 2000, he was global head of Equity Derivatives. Bernard Oppetit is an alumnus of École Polytechnique and a French External Trade Advisor.

Offices held in 2011

FRANCE
Member of the Board of: Natixis [(1)]

INTERNATIONAL
Chairman of: Centaurus Capital Limited
Member of the Board of: Centaurus Capital Holdings Limited, Centaurus Global Holding Limited, Centaurus Management Company Limited, Centaurus Capital International Limited
Member of the Supervisory Board of: HLD
Trustee of: the École Polytechnique Charitable Trust, Tigers Alliance Fund Management (Vietnam) (since 07.01.2010)
Member of the advisory Board of: Ondra Partners

Offices held in previous financial years

2010
FRANCE
Member of the Board of: Natixis
INTERNATIONAL
Chairman of: Centaurus Capital Limited
Member of the Board of: Centaurus Capital Holdings Limited, Centaurus Global Holding Limited, Centaurus Management Company Limited
Trustee of: the École Polytechnique Charitable Trust, Tigers Alliance Fund Management (Vietnam) (since 07.01.2010)
Member of the advisory Board of: Ondra Partners

2009
FRANCE
Member of the Board of: Natixis (starting November 12, 2009)
INTERNATIONAL
Chairman of: Centaurus Capital Limited
Member of the Board of: Centaurus Capital Holdings Limited, Centaurus Global Holding Limited, Centaurus Management Company Limited
Trustee of: the École Polytechnique Charitable Trust
Member of the advisory Board of: Ondra Partners
Offices below end on September 18, 2009
Member of the Board of: Centaurus Alpha Master Fund Limited, Centaurus Alpha Fund Limited, Centaurus Capital International Limited, Centaurus International Risk Arbitrage Master Fund Limited (formerly Centaurus Kappa Master Fund Limited), Centaurus International Risk Arbitrage Fund Limited (formerly Centaurus Kappa Fund Limited), Centaurus Asia Pacific Opportunities Master Fund Limited (formerly Centaurus Omega Fund Limited), Centaurus Asia Pacific Opportunities Fund Limited (formerly Centaurus Omega Fund Limited)

2008
INTERNATIONAL
Chairman of: Centaurus Capital Limited
Member of the Board of: Centaurus Alpha Master Fund Limited, Centaurus Alpha Fund Limited, Centaurus Capital International Limited Centaurus International Risk Arbitrage Master Fund Limited (formerly Centaurus Kappa Master Fund Limited), Centaurus International Risk Arbitrage Fund Limited (formerly Centaurus Kappa Fund Limited), Centaurus Asia Pacific Opportunities Master Fund Limited (formerly Centaurus Omega Fund Limited), Centaurus Asia Pacific Opportunities Fund Limited (formerly Centaurus Omega Fund Limited), Centaurus Capital Holdings Limited, Centaurus Global Holdings Limited, Centaurus Management Company Limited
Trustee for: École Polytechnique Charitable Trust, Maison de l'Institut de France in London

2007
INTERNATIONAL
Chairman of: Centaurus Capital Limited
Member of the Board of: Centaurus Alpha Master Fund Limited, Centaurus Alpha Fund Limited, Centaurus Capital International Limited Centaurus International Risk Arbitrage Master Fund Limited (formerly Centaurus Kappa Master Fund Limited), Centaurus International Risk Arbitrage Fund Limited (formerly Centaurus Kappa Fund Limited), Centaurus Asia Pacific Opportunities Master Fund Limited (formerly Centaurus Omega Fund Limited), Centaurus Asia Pacific Opportunities Fund Limited (formerly Centaurus Omega Fund Limited), Centaurus Capital Holdings Limited, Centaurus Global Holdings Limited Centaurus Management Company Limited
Trustee for: École Polytechnique Charitable Trust, Maison de l'Institut de France in London

(1) Listed company.

Mr. Didier Patault, aged 51, is Chairman of the Caisse d'Epargne Bretagne Pays de Loire Executive Board and a member of the BPCE Supervisory Board.
He is an alumnus of École Polytechnique and École Nationale des Statistiques et de l'Administration Économique (ENSAE).
Throughout his career, Didier Patault has served as Chairman of the Executive Board of Caisse d'Epargne des Pays du Hainaut, Chairman of the Executive Board of Caisse d'Epargne des Pays de la Loire and Chairman and Chief Executive Officer of SODERO.

Offices held in 2011

Member of the Supervisory Board of: BPCE
Member of the Board of: Natixis [(1)]
Chairman of the Executive Board of: la Caisse d'Epargne et de Prévoyance de Bretagne Pays de Loire
Chief Executive Officer of: SODERO
Chairman of the Board of Directors of: SODERO Participations, S.A. des Marches de l'Ouest (SAMO)
Chairman of the Supervisory Board of: SODERO Gestion, BATIROC Bretagne – Pays de Loire
Member of the Supervisory Board of: GCE Capital
Member of the Board of: Compagnie de Financement Foncier – SCF, Natixis Coficiné, La Mancelle d'Habitation, CE Holding Promotion
Permanent representative for CEBPL, member of the Board of: Pays de la Loire Développement, SEMITAN, NAPF , FNCE
Permanent representative for CEBPL, member of the Supervisory Board of: GCE Business Services, GCE Technologies

(1) Listed company.

Didier Patault (continued)

Offices held in previous financial years

2010
Member of the Supervisory Board of: BPCE
Member of the Board of: Natixis
Chairman of the Executive Board of: la Caisse d'Epargne et de Prévoyance de Bretagne Pays de Loire
Chief Executive Officer of: SODERO
Chairman of the Board of Directors of: SODERO Participations, S.A. des Marches de l'Ouest (SAMO), Mancelle d'Habitation (up to 11.17.2010)
Chairman of the Supervisory Board of: SODERO Gestion, BATIROC Bretagne – Pays de Loire
Member of the Supervisory Board of: GCE Capital
Member of the Board of: CE Participations (up to 08.05.2010), Natixis Global Asset Management (up to 09.01.2010), Compagnie de Financement Foncier – SCF, Natixis Coficiné (since 10.19.2010), La Mancelle d'Habitation (since 11.17.2010), CE Holding Promotion (since 06.30.2010)
Permanent representative for CEBPL, member of the Board of: Pays de la Loire Développement, SEMITAN, NAPF, FNCE
Permanent representative for CEBPL, member of the Supervisory Board of: GCE Business Services, GCE Technologies

2009
Member of Supervisory Board of: BPCE (since 07.31.2009)
Member of the Supervisory Board (up to 04.30.2010) and member of the Board of: Natixis
Chairman of the Executive Board of: la Caisse d'Epargne et de Prévoyance de Bretagne Pays de Loire
Chief Executive Officer of: SODERO
Chairman of the Supervisory Board of: SODERO Gestion, BATIROC Bretagne – Pays de Loire
Chairman of the Board of Directors of: SODERO Participations, Mancelle d'Habitation, S.A. des Marches de l'Ouest (SAMO)
Member of the Supervisory Board of: GCE Capital, Caisse Nationale des Caisses d'Epargne (from 05.28.2009 to 07.31.2009)
Member of the Board of: CE Participations, Natixis Global Asset Management, Compagnie de Financement Foncier SCF, Fédération Nationale des Caisses d'Epargne
Permanent representative for CEBPL, member of the Board of: Pays de la Loire Développement, SEMITAN, NAPF
Permanent representative for CEBPL, member of the Supervisory Board of: GCE Business Services, GCE Technologies
Permanent representative for Sodero Participations: Chairman of the Supervisory Board of Grand Ouest Gestion (up to 12.31.2009)

2008
2nd Vice-Chairman of the Supervisory Board of: Natixis
Chairman of the Executive Board of: la Caisse d'Epargne et de Prévoyance de Bretagne Pays de Loire (since 04.11.2008)
Chairman and Chief Executive Officer of: SODERO
Chairman of the Supervisory Board of: SODERO Gestion, BATIROC Bretagne – Pays de Loire, Grand Ouest Gestion (permanent representative for SODERO Participations)
Chairman of the Board of Directors of: SODERO Participations, la Mancelle d'Habitation, S.A. des Marches de l'Ouest
Member of the Supervisory Board of: GCE Capital, GCE Business Services (permanent representative for CEBPL), GIRCE Ingénierie (permanent representative for CEBPL) (up to 07.01.2008)
Member of the Board of: Pays de la Loire Développement (permanent representative for CEBPL), SEMITAN (permanent representative for CEBPL), NAPF (permanent representative for CEBPL), Compagnie de Financement Foncier SCF, Oterom Holding (up to 12.11.2008), Meilleurtaux (up to 12.11.2008) GIRCE Stratégie (permanent representative for CEBPL) up to 07.01.2008, Caisse d'Epargne Group University (up to 06.16.2008), FNCE

2007
Member of the Supervisory Board of: Natixis
Chairman of the Executive Board of: la Caisse d'Epargne et de Prévoyance des Pays de la Loire
Chairman and Chief Executive Officer of: SODERO
Chief Executive Officer of: Caisse d'Epargne et de Prévoyance de Bretagne
Chairman of the Supervisory Board of: SODERO Gestion, BATIROC Pays de Loire, Grand Ouest Gestion (permanent representative for SODERO Participations)
Chairman of the Board of Directors of: SODERO Participations, la Mancelle d'Habitation, S.A. des Marchés de l'Ouest
Member of the Supervisory Board of: GCE Capital, GCE Business Services (permanent representative for CEP PDL), GIRCE Ingénierie (permanent representative for CEP PDL), Ecureuil Vie (up to 02.19.2007), Ixis CIB (up to 05.24.2007)
Member of the Board of: Meilleurtaux, Oterom Holding, Caisse d'Epargne Group University, Pays de la Loire Développement (permanent representative for CEP PDL), SEMITAN (permanent representative for CEP PDL), NAPF (permanent representative for CEP PDL), GIRCE Stratégie (permanent representative for CEP PDL)
Member of the Audit Committee of: Compagnie de Financement Foncier SCF, Ecureuil Vie, Ixis CIB

Mr. François Pérol, aged 48, is a graduate of HEC and the Institut d'Études Politiques de Paris. After graduating from ENA, François Pérol started his career in 1990 at the Inspection Générale des Finances (financial inspection body). In 1994, he became deputy general secretary of France's interministerial Committee on industrial restructuring (CIRI). In 1996, he was appointed head of financial markets within the French Treasury.
From 1999-2001, he served as General Secretary of the Paris Club, in charge of international debt negotiations. After serving as deputy Corporate Development and Financing Director within the French Treasury in 2001, in 2002 he was named deputy cabinet Director to Francis Mer, the Minister for the Economy, Finance and Industry, then deputy cabinet Director to Nicolas Sarkozy, the Minister of State for the Economy, Finance and Industry, in 2004.
In 2005, he became managing partner of Rothschild & Cie.
In May 2007, he was appointed Deputy Secretary General to the French President's office.
From March 2 to July 31, 2009, he chaired the Executive Board of la Caisse Nationale des Caisses d'Epargne and was Chief Executive Officer of La Banque Fédérale des Banques Populaires.
Since July 31, 2009, he has been Chairman of the Management Board of BPCE. He is also Chairman of the Boards of Directors of Natixis, Crédit Foncier de France and BPCE International et Outre-Mer, and Chairman of the French banking federation.

Offices held in 2011

Chairman of the Executive Board of: BPCE
Chairman of the Board of Directors of: Natixis [(1)], BPCE IOM, Crédit Foncier de France, Fondation des Caisses d'Epargne pour la Solidarité (until 03.09.2011)
Chairman of: CE Holding Promotion, Fédération Bancaire Française (until 09.01.2011)
Chairman of the Supervisory Board of: Foncia Groupe (until July 2011)
Vice-Chairman of the Board of Directors of: Crédit Immobilier et Hôtelier (Morocco)
Member of the Board of: Natixis [(1)], BPCE IOM, BP Participations, Crédit Foncier de France, CNP Assurances [(1)], Sopassure, Crédit Immobilier et Hotelier-CIH (Morocco), Musée d'Orsay
Permanent representative for BPCE, Manager of: SNC Bankeo, SCI Ponant Plus

Offices held in previous financial years

2010	2009	2008	2007
Chairman of the Executive Board of: BPCE **Chairman of the Board of Directors of:** Natixis **Chief Executive Officer of:** BP Participations, CE Participations (up to 08.05.2010) **Chairman of the Board of Directors of:** BPCE IOM, Crédit Foncier de France (since 04.26.2010), Fondation des Caisses d'Epargne pour la Solidarité (since 06.30.2010) Chairman of CE Holding Promotion (since 06.30.2010) **Chairman of the Supervisory Board of:** Foncia Groupe **Vice-Chairman of the Board of Directors of:** Crédit Immobilier et Hôtelier (Morocco) **Chairman:** Fédération Bancaire Française (since 09.01.2010) **Member of the Board of:** BP Participations, CE Participations (up to 08.05.2010) CNP Assurances, Sopassure, Crédit Immobilier et Hotelier-CIH (Morocco), Musée d'Orsay (since 04.22.2010), CE Holding Promotion (since 06.30.2010)	**Chairman of the Executive Board of:** BPCE (since 07.31.2009), la Caisse Nationale des Caisses d'Epargne – CNCE (until July 31, 2009) **Chief Executive Officer of:** BP Participations (since 02.26.2009), CE Participations (since 07.31.2009) **Chairman of the Board of Directors of:** Natixis (since 04.30.2009), Financière Océor (since 07.15.2009) **Chairman of the Supervisory Board of:** Foncia Groupe (since 09.10.2009) **Vice-Chairman of the Executive Committee of:** Fédération Bancaire Française (since 07.08.2009) **Member of the Board of:** BP Participations, CE Participations (since 07.31.2009), CNP Assurances (since 04.21.2009), Sopassure (since 03.23.2009), Crédit Immobilier et Hotelier-CIH (Morocco) (since 05.28.2009)	Deputy General Secretary – French President's Office	Deputy General Secretary – French President's Office

(1) Listed company.

Mr. Henri Proglio, aged 62, has held various general management positions at Générale des Eaux and Vivendi, before serving as Chief Executive Officer of Veolia Environnement, and he has served on the Boards of Directors and the Supervisory Boards of several French financial and industrial groups. Since November 2009, he has been Chairman and Chief Executive Officer of EDF.

Offices held in 2011

FRANCE

Member of the Board of: Natixis [1]
Chairman and Chief Executive Officer of: EDF [1]
Chairman of the Board of Directors of: Veolia Propreté (until 03.23.2011), Veolia Transport (until 03.24.2011)
Member of the Board of: Dassault Aviation [1], CNP Assurances [1], Veolia Environnement [1], Veolia Propreté, EDF International S.A. (until 05.01.2011), EDF International SAS (since 05.02.2011), EDF Energies Nouvelles (since 09.21.2011)
Chairman of: EDF Energy Holdings Ltd (since 03.08.2010)
Member of the Supervisory Board of: Veolia Eau
Member of: the High Commission for Transparency and Information on Safety in Nuclear Facilities, the National Commission for Sectors of Vital Importance, the Committee for Atomic Energy

INTERNATIONAL

Chairman of the Board of Directors of: Transalpina di Energia
Member of the Board of: FCC [1] Espagne and Edison
Chairman of: EDF Energy Holdings Ltd

(1) Listed company.

Henri Proglio (continued)

Offices held in previous financial years

2010

FRANCE

Member of the Board of: Natixis
Chairman and Chief Executive Officer of: EDF
Chairman of the Board of Directors of: Veolia Environnement (up to 12.12.2010), Veolia Propreté, Veolia Transport
Member of the Board of: Dassault Aviation, CNP Assurances, Veolia Environnement (since 12.16.2010), EDF International (since 12.06.2010)
Member of the Supervisory Board of: Veolia Eau and Boards A and B of Dalkia (SAS) (up to 03.23.2010)
Member of: the High Commission for Transparency and Information on Safety in Nuclear Facilities, the National Commission for Sectors of Vital Importance, the Committee for Atomic Energy.

INTERNATIONAL

Chairman of: EDF Energy Holdings Ltd (since 03.08.2010)
Chairman of the Board of Directors of: Transalpina di Energia (since 02.08.2010)
Director of: Veolia Environnement North America Operations (up to 09.13.2010)
Member of the Board of: FCC Espagne (since 05.27.2010) and Edison (since 02.08.2010)

2009

FRANCE

Member of the Supervisory Board (up to 04.30.2010) and member of the Board of: Natixis
Chairman and Chief Executive Officer of: EDF (starting 11.25.2009), Veolia Environnement (up to 11.27.2009)
Chairman of the Board of Directors of: Veolia Environnement (starting 11.27.2009), Veolia Propreté, Veolia Transport, Veolia Water (up to 11.27.2009)
Member of the Board of: Dassault Aviation, Dalkia International (up to 11.27.2009), la Société des Eaux de Marseille (up to 11.27.2009), Sarp Industries (up to October 19, 2009), CNP Assurances
Manager of: Veolia Eau – Compagnie Générale des Eaux (up to 11.27.2009)
Member of the Supervisory Board of: Lagardère (up to 11.16.2009), Veolia Eau (starting 12.30.2009), Boards A and B of Dalkia (SAS)
Member and Chairman of the Supervisory Board of: Dalkia France (up to 11.27.2009), EOLFI (from 04.06.2009 to 11.27.2009)
Member of: the High Commission for Transparency and Information on Safety in Nuclear Facilities (starting in 11.25.2009), the National Commission for Sectors of Vital Importance (starting in 12.08.2009), the Comité d'Energie Atomique (starting 11.25.2009)
Non-voting member of: Caisse Nationale des Caisses d'Epargne (up to 07.31.2009)

INTERNATIONAL

Director of: Veolia ES Australia (up to 10.19.2009), Veolia Transport Australasia (up to 10.19.2009), Veolia Environmental Services UK (up to 10.19.2009), Siram (up to 11.27.2009), Veolia Transport Northern Europe (up to 09.02.2009), Veolia Environmental Services North America Corp. (up to 10.29.2009), Veolia Environnement North America Operations

2008

FRANCE

Member of the Supervisory Board of: Natixis
Chairman and Chief Executive Officer of: Veolia Environnement
Chairman of the Board of Directors of: Veolia Propreté, Veolia Transport, Veolia Water
Member of the Board of: EDF, Dassault Aviation, Dalkia International, la Société des Eaux de Marseille, Sarp Industries, CNP Assurances
Manager of: Veolia Eau – Compagnie Générale des Eaux
Member of the Supervisory Boards of: Lagardère, A and B Dalkia (SAS)
Member and Chairman of the Supervisory Board of: Dalkia France
Non-voting member of: Caisse Nationale des Caisses d'Epargne

INTERNATIONAL

Director of: Veolia ES Australia, Veolia Transport Australasia, Veolia Environmental Services UK, Siram, Veolia Transport Northern Europe, Veolia Environmental Services North America Corp., Veolia Environnement North America Operations

2007

FRANCE

Member of the Supervisory Board of: Natixis
Chairman and Chief Executive Officer of: Veolia Environnement
Chairman of the Board of Directors of: Veolia Propreté, Veolia Transport, Veolia Water
Member of the Board of: EDF, Casino, Guichard-Perrachon, Dalkia International, la Société des Eaux de Marseille, Sarp Industries
Member of the Supervisory Boards of: Elior, Lagardère, CNP Assurances, A and B Dalkia (SAS)
Manager of: Veolia Eau – Compagnie Générale des Eaux
Member and Chairman of the Supervisory Board of: Dalkia France
Non-voting member of: Caisse Nationale des Caisses d'Epargne

INTERNATIONAL

Director of: Veolia ES Australia, Veolia Transport Australia, Veolia Environmental Services, Siram, Veolia Environmental Services Asia, Veolia Transport Northern Europe, Veolia Environmental Services North America Corp.

Mr. Philippe Queuille, aged 55, graduated from the École Nationale Supérieure d'Arts et Métiers and joined Groupe Banque Populaire, via Banque Populaire du Sud-Ouest, in 1980. He was appointed Chief Executive Officer of Banque Populaire de la Loire in 1998, then Chief Executive Officer of Banque Populaire de l'Ouest in 2001. He subsequently became Chairman and Chief Executive Officer of i-BP in 2006, before being appointed Deputy Chief Executive Officer of Banque Fédérale des Banques Populaires in January 2008. On July 31, 2009, Philippe Queuille became a member of the Senior Management Committee and Deputy Chief Executive Officer in charge of operations for BPCE.
Since April 7, Philippe Queuille has been BPCE's Chief Executive Officer[2] in charge of operations and reorganization of the central body, and a member of the BPCE Management Board.

Offices held in 2011

Member of the Management Board of: BPCE – Operations
Member of the Board of: Natixis [1]
Chairman of the Board of Directors of: Albian-IT, i-BP
Member of the Board of: Partecis, ICDC (until March 2011), BPCE Achats
Permanent representative for BPCE, member of the Board of: Natixis Paiements
Permanent representative for BPCE, member of the Supervisory Board of (Chairman): GCE IT-CE (formerly GCE Technologies), GCE Business Services (until December 2011) (absorbed by GCE IT-CE, formerly GCE Technologies)

Offices held in previous financial years

2010
Member of the Management Board of: BPCE – Operations
Member of the Board of: Natixis (since 05.27.2010)
Chief Executive Officer of: Albiréo (up to October 2010), i-BP (up to March 2010)
Chairman of the Board of Directors of: Albiréo, i-BP, GCE Paiements (up to 07.28.2010)
Chairman of the Supervisory Board of: BP Covered Bonds (up to 03.15.2010), GCE Achats (up to 06.15.2010), GCE Business Services, GCE Technologies
Member of the Board of: Partecis, ICDC (since January 2010), BPCE Achats (since 06.15.2010)
Permanent representative for i-BP to the Board of Directors of: Natixis Altaïr IT Shared Services (S.A.) (up to 05.26.2010), BP Investissements (up to 06.22.2010), Natixis Paiements (up to in March 2010)
Permanent representative for BPCE, member of the Board of: Natixis Paiements (since 10.06.2010)
Permanent representative for BPCE, member of the Supervisory Board of (chairman): GCE Business Services, GCE Technologies

2009
Deputy CEO of: BPCE – Operations
Chairman of the Board of Directors and Chief Executive Officer of: Albiréo, i-BP, GCE Paiements (since10.26.2009)
Chairman of the Supervisory Board of: Banques Populaires Covered Bonds (since 03.04.2009), GCE Achats (since 10.13.2009)
Member of the Board of: Partecis, Crédit Commercial du Sud-Ouest – CCSO (up to 07.09.2009)
Permanent representative for i-BP to the Board of Directors of: Natixis Altaïr IT Shared Services (S.A.), Natixis Paiements (since 08.03.2009)
Permanent representative for BP Participations (formerly BFBP) to the Board of Directors of: Natixis (up to 08.25.2009)
Permanent representative for BPCE, member of the Supervisory Board of (Chairman): GCE Business Services (since 09.24.2009), GCE Technologies (since 10.14.2009)

2008
Deputy CEO of: Banque Fédérale des Banques Populaires
Chairman and Chief Executive Officer of: i-BP, Albiréo
Permanent representative for i-BP to the Board of Directors of: Natixis Altaïr IT Shared Services (S.A.)
Permanent representative for BFBP to the Supervisory Board of: Natixis
Permanent representative for BFBP to the Board of Directors of: Partecis, Crédit Commercial du Sud-Ouest (CCSO)

2007
Chairman and Chief Executive Officer of: i-BP
Member of the Board of: Natexis Paiements
Permanent representative for i-BP to the Board of Directors of: Natexis Altaïr
Permanent representative of BFBP to the Board of Directors of: Partecis

(1) Listed company.
(2) The title of Chief Executive Officer is not used in the sense intended by Article L.225-66 of the French Commercial Code.

Mr. Philippe Sueur, aged 65, is Vice-Chairman of the Caisse d'Epargne Île-de-France Steering and Supervisory Board. Mr. Sueur is a university law professor and has held various elected positions in the Paris region.

Offices held in 2011

Member of the Board of: Natixis (1)
Vice-Chairman of the Steering and Supervisory Board of: Caisse d'Epargne Île-de-France
Member of the Board of: BPCE AssuranceS, S.E.M.A.V.O. (Société d'Économie Mixte d'Aménagement du Val d'Oise)
Vice President of: the French association for mayors of tourist municipalities
President of: IFAC (Local Supervisors' Training Institute) for France and Val d'Oise (non-profit organisations)

Offices held in previous financial years

2010	2009	2008	2007
Member of the Board of: Natixis **Vice-Chairman of the Steering and Supervisory Board of:** Caisse d'Epargne Île-de-France **Member of the Board of:** Groupe Ecureuil Assurance, S.E.M.A.V.O. (Société d'Économie Mixte d'Aménagement du Val d'Oise) **Vice President of:** the French association for mayors of tourist municipalities **President of:** IFAC (Local Supervisors' Training Institute) for France and Val d'Oise (non-profit organisations)	**Member of the Supervisory Board (up to 04.30.2010) and member of the Board of:** Natixis **Vice-Chairman of the Steering and Supervisory Board of:** Caisse d'Epargne Île-de-France **Member of the Boards of:** Groupe Ecureuil Assurance, S.E.M.A.V.O. (Société d'Économie Mixte d'Aménagement du Val d'Oise) **Permanent representative for CEIDF to:** SICAV Associations **Vice President of:** the French association for mayors of tourist municipalities **President of:** IFAC (Local Supervisors' Training Institute) for France and Val d'Oise (non-profit organisations)	**Member of the Supervisory Board of:** Natixis **Vice-Chairman of the Steering and Supervisory Board of:** Caisse d'Epargne Île-de-France **Member of the Board of:** Groupe Ecureuil Assurance, S.E.M.A.V.O. **Permanent representative for CEIDF to:** SICAV Associations **Vice President of:** the French association for mayors of tourist municipalities **President of:** IFAC (Local Supervisors' Training Institute) for France and Val d'Oise (non-profit organisations)	**Member of the Supervisory Board of:** Natixis **Vice-Chairman of the Steering and Supervisory Board of:** Caisse d'Epargne Île-de-France **Chairman and Chief Executive Officer of:** Semavo (Société d'Économie Mixte d'Aménagement du Val d'Oise) **Chairman of:** the Val d'Oise Departmental Tourism and Recreation Committee **Member of the Board of:** the Syndicat des Transports d'Île-de-France (STIF), Sicav Association, Ecureuil Assurances IARD, AFTRP (Agence Foncière and Technique de la Région parisienne)

(1) Listed company.

3.3 Role and operating rules of the corporate bodies

Natixis' corporate governance, based on the Group's current form as a French "société anonyme" with a Board of Directors as defined in Articles L.225-17 and subsequent of the French Commercial Code, is based on the corporate bylaws adopted by Natixis' combined Ordinary and Extraordinary Shareholders' Meeting of April 30, 2009.

This form of corporate governance stems from the desire to create a single custodian of Natixis' best interests and value creation. It permits unity of action, an essential requirement in terms of control, responsiveness and foresight in Company management.

At its meeting of April 30, 2009, Natixis' Board of Directors opted to separate the positions of Chairman of the Board and Chief Executive Officer. This decision is explained by the Company's wish to comply with corporate governance best practices and to guarantee, by virtue of transparency, a better balance of power between its managing and controlling bodies.

Following the merger of Banque Fédérale des Banques Populaires (BFBP) and Caisse Nationale des Caisses d'Epargne (CNCE) that resulted in the creation of BPCE, Natixis has been partly owned by BPCE since August 1, 2009. As of December 31, 2011, BPCE held a 72.26% stake in Natixis.

3.3.1 BOARD OF DIRECTORS

3.3.1.1 Organization

As indicated above, Natixis' Board of Directors, whose members are appointed for six years, had 14 members on March 1, 2012, including:

- four members from BPCE, namely Messrs Pérol, Klein and Queuille and BPCE;
- three members from Banques Populaires, namely Messrs. Criton, Gentili and Jeannin;
- two members from Caisses d'Epargne, namely Messrs. Patault and Sueur;
- five independent members, namely Ms. Bories and Ms. Debroux and Messrs. Bolloré, Oppetit and Proglio.

Ms. Christel Bories was Chief Executive Officer of Constellium. Ms. Laurence Debroux is Chief Financial and Administrative Officer of JC Decaux S.A., the world's second largest outdoor advertising group and inventor of the "street furniture" concept. Vincent Bolloré manages and controls the Bolloré Group, which occupies leading positions in several industrial, services and media sectors. Henri Proglio is Chairman and Chief Executive Officer of EDF. Bernard Oppetit is Chairman of Centaurus Capital.

At its meeting of December 15, 2011 and following the report submitted by the Appointments and Compensation Committee, Natixis' Board of Directors examined each director's expertise, quality of judgment and freedom of thought and expression and, more generally, compliance with the independence criteria laid down in the AFEP-MEDEF Code and incorporated into the Board's Internal Rules *(see 3.3.1.2 - Role and Powers of the Board of Directors below)*. The report noted that the five independent members fully satisfy independence criteria requirements.

One third of Natixis' Board of Directors are independent members.

The term of office for Natixis directors is set at six years (and not four years as recommended by the AFEP-MEDEF Code). This term is in line with provisions set out in the Natixis bylaws and is consistent with the terms of office in place within Groupe BPCE.

Since April 30, 2009, the Board of Directors has been chaired by François Pérol, Chairman of the BPCE Executive Board.

- Changes made to the Board of Directors in 2011:
  - on February 22, 2011, following the resignation of Jean-Charles Naouri on December 31, 2010, Ms. Christel Bories was co-opted as Board member for the remainder of the term of office, i.e. until the Natixis General Shareholders' Meeting called to approve the financial statements for 2014. This decision was ratified by the Combined General Shareholders' Meeting of May 26, 2011.
- Changes made to the Board of Directors since January, 1, 2012:
  - on January, 10, 2012, Jean-Bernard Mateu resigned as Director of Natixis.

In order to comply with the AFEP-MEDEF recommendation that terms of office are staggered so that not all are renewed at the same time, and so that the members of the Board of Directors are replaced in a harmonious nature, Natixis decided, following the resignation during the first quarter of 2012 of three members of the Board of Directors, to wait until the Combined Shareholders' Meeting on May 29, 2012 to appoint their replacements. Henceforth, the terms of office of three members of the Board of Directors will be staggered compared to the other members.

With respect to the principle of gender parity within the Board of Directors, as set out in the January 27, 2011 Law, Natixis has two women Board members out of a total of 14 as at March 1, 2012. Moreover, the nomination of two additional women as Board member will be put forward during the next General Shareholders' Meeting on May 29, 2012.

In accordance with Article 9 of the Natixis bylaws, each Board member must own at least one hundred and forty (140) Company shares during their term of office.

When a Board member is appointed, his/her curriculum vitae with a career summary is sent to the other Board members and to the shareholders.

3.3.1.2 Role and powers of the Board of Directors

A LEGAL AND STATUTORY REQUIREMENTS

In accordance with the law and the bylaws, the Board of Directors:

- defines the strategy governing the Company's activities and oversees its implementation. Within the limits of the Company's corporate purpose and the powers expressly granted by law or its bylaws to the General Shareholders' Meetings, the Board concerns itself with all matters affecting the Company's performance and governs by virtue of its deliberations. The Board of Directors shall perform the inspections and verifications it deems appropriate;
- defines the Company's Executive Management policy, it being specified that the Board may only deliberate on this matter when it features on the agenda sent out at least 15 days prior to the Board Meeting and when at least two thirds of the Board members are present or represented;
- may appoint a Chief Executive Officer from among the Board members or otherwise, whom it may dismiss at any time;
- may, at the proposal of the Chief Executive Officer, appoint one to five individuals as Deputy Chief Executive Officers whose role is to assist the Chief Executive Officer;
- convenes all General Shareholders' Meetings, sets the agenda and oversees the execution of all decisions taken;
- may, at the proposal of the Chairman, decide to set up its own Committees to deliberate on those issues submitted for examination by the Board itself or its Chairman. It determines the structure and powers of these Committees, which conduct their activities under its responsibility.

In accordance with the law and the bylaws, the Chairman convenes and chairs the Board and organizes and manages its work. He chairs General Shareholders' Meetings.

The Chairman of the Board or the Chief Executive Officer are required to provide each Board member with all of the documents and information needed to carry out their duties.

B INTERNAL RULES

In addition to the legal and statutory requirements with which it complies, the Board of Directors has adopted a set of internal rules governing its operation and setting out the rights and duties of its members. These are sent to each member at the time of his/her appointment.

Amongst these Internal Rules, which were last amended on December 15, 2011, particular attention should be drawn to the following provisions:

- circumstances requiring the Board of Directors' prior authorization:
  - the extension of Natixis' activities to a new core business not currently carried out by the Company;
  - the appointment or dismissal of the CEO or, where applicable, one or more Deputy CEOs;
  - any acquisition or increase in shareholdings, as well as any investments or divestments (including the transfer of cooperative investment certificates issued by the Caisses d'Epargne or Banques Populaires) or the formation of joint ventures by Natixis or any of its main subsidiaries, involving an amount in excess of €100 million in the event that the group's structure is modified;
  - any asset transfers, mergers or demergers in which Natixis is involved.
- criteria used to qualify member of the Board of Directors as "independent":

  An independent director is a person who has no ties with the management, Company or Group of a nature liable to compromise their freedom of judgment or create a conflict of interest with the management, Company or Group.

  Accordingly, an independent member of the Board of Directors may not:
  - be an employee or a corporate officer of the Company or Group, or an employee or Board member of a shareholder with a controlling interest, either on its own or in concert, in the Company (as per Article L.233-3 of the French Commercial Code) or in a Company consolidated by it, or have served in such a capacity during the previous five years;
  - be a corporate officer of a company in which the Company holds a directorship either directly or indirectly, or in which a designated employee of the Company or a corporate officer of the Company holds a directorship;
  - be a major customer, supplier, or corporate or investment banker to the Company or the Group, or derive a significant portion of its business from the Company or its Group;

- have close family ties with an executive of the Company or its Group; have been an auditor of the Company or a Group company in the previous five years; have been an executive of the Company or one of the Group's companies in the previous five years; have been a member of the Company's Supervisory Board/Board of Directors for more than 12 years; receive or have received additional material compensation from the Company or the Group other than their directors fees.

Board members representing major shareholders in the Company in either a direct or indirect capacity may be considered independent if these shareholders do not control the Company within the meaning of Article L.233-3 of the French Commercial Code. However, if a Board member represents a shareholder of the Company that holds, directly or indirectly, more than 10% of the share capital or voting rights, the Board shall, based on a report from the Appointments and Compensation Committee, systematically review the member's independence, taking into account the structure of the Company's share capital and the existence of any potential conflicts of interest.

The independent status of each member of the Board of Directors is examined by the Appointments and Compensation Committee (the composition and role of which are described in greater detail below), which prepares a report for the Board.

- Compliance Charter for members of the Board of Directors:

  The Compliance Charter for members of the Board of Directors, included in the Board of Directors Internal Rules, defines a code of conduct which aims to encourage Board members to act independently and responsibly.

  More specifically, the Compliance Charter states that:

  - all Board members must devote sufficient time and attention to the performance of their duties and regularly attend the meetings of the Board and Committee(s) of which they are a member. All Board members must ensure that they act at all times in the best interests of Natixis and undertake to defend and promote Natixis' values;
  - Board members and Committee members, as well as anyone attending meetings of the Board and its Committees, have a general obligation of confidentiality with respect to matters discussed at meetings, as well as with respect to any information of a confidential nature or information presented as such by the Chairman or Chief Executive Officer;
  - each Board member must declare any trading in Company shares in accordance with the provisions of Article L.621-18-2 of the French Monetary and Financial Code. Members must also inform the Company of the number of shares held on December 31 of each year and any financial transactions carried out, so that this information may be disclosed by the Company;
  - Natixis may also ask each Board member to provide any information in relation to the trading of listed companies' securities necessary for it to fulfill its reporting obligations to all authorities such as stock market authorities, both in France and abroad;
  - Board members must refrain from carrying out any transactions involving Natixis shares during the 45 days preceding the publication of the Company's quarterly, interim or full-year results or a General Shareholders' Meeting and during the two trading days after the date of the event concerned;
  - Board members must also refrain from acting against the interests of Natixis or the companies that it controls, namely in the event of a transaction in which a Board member or a non-voting member is directly or indirectly involved.

  Evaluation of the Board of Directors: At least once a year, an agenda item will be devoted to evaluating the Board's operation, an account of this assessment will be included in Natixis' annual report *(For 2011, see point 3.3.1.4 – Assessment of the Board's work in 2011)*;

- Board operating procedures specified in the Internal Rules:

  In particular, the Internal Rules stipulate that, except in the case of decisions linked to the preparation of parent and consolidated financial statements and management reports (Company and Group), Board members participating in a Board Meeting by videoconference or through the use of telecommunication facilities transmitting at least the member's voice and whose technical characteristics allow for continuous and simultaneous streaming of the proceedings, shall be deemed present for the purposes of quorum and majority.

Minutes of Board Meetings are prepared and sent out to the Company's Board members.

3.3.1.3 Work of the Board of Directors in 2011

The Board of Directors held a total of seven meetings in 2011. The attendance rate was 86% for the year as a whole, compared with 78% in 2010.

The Chief Executive Officer attended all meetings, thereby enabling Board members to hear his opinion on important issues and to ask him any questions that they deemed to be relevant.

As and when required, the Chief Finance and Risk Officer, Corporate Secretary or one or more business-line heads were invited to provide further information on subjects raised in meetings. The Works Council representatives also attended the meetings.

In accordance with banking legislation, the Board examined the reports on internal control requirements and the assessment and monitoring of risks. It also reviewed the internal control operations carried out and their results, in particular compliance controls. The Board approved the Board of Directors' report for 2010 as well as the Chairman's report on the preparation and organization of the

Board's work and the internal control procedures implemented by the Company.

Throughout the year, the Board also examined the reports on the work of the Audit and the Appointments and Compensation Committees.

In terms of monitoring activities, the Board approved the Company and consolidated financial statements and received and approved the Natixis strategic plan as well as the budget projections for 2012. It received regular updates on GAPC asset positions.

All draft press releases were examined and approved by the Board at each meeting held to discuss the financial results of the Company and Group.

It was regularly informed of all correspondence from the Autorité de Contrôle Prudentiel (ACP - French Prudential Supervisory Authority) and the Autorité des Marchés Financiers (AMF - French Financial Markets Authority). The Board also prepared the draft resolutions for submission to the General Shareholders' Meeting.

In addition to the business reports submitted by Natixis' Executive Management on the events occurring between Board Meetings and the business trends over the period, the Board received regular updates on measures affecting the Company's organization.

Over the course of 2011 and in accordance with the bylaws and the Internal Rules, the Board also met to approve the different restructuring operations between subsidiaries prior to the implementation of these operations, namely:

- Coface's new strategy;
- the transfer of Natixis Factor, from Coface Holding to Natixis;
- the Coccinelle project related to the P3CI issue;
- the acquisition by Natixis of all of Natixis Private Equity's stakes in six asset management companies (Seventure Partners, Naxicap Partners, Dahlia Partners, Dahlia Gestion, Caspian Private Equity, Eagle Asia Management);
- the transfer of GCE Capital's shares in Masseran Gestion, Alliance Entreprendre and BDR Invest to Natixis;
- the creation of a joint holding company between Natixis and Natixis Paiements;
- various "Transmission Universelle du Patrimoine" transactions (the transfer of all of a company's assets and liabilities) between Natixis and some of the group's small structures.

In accordance with current regulations, the Board approved a number of regulated agreements prior to their signing (see the special report by the Statutory Auditors in Chapter 5 "Financial Data" for more detailed information on regulated agreements).

3.3.1.4 Assessment of the Board's work in 2011

For the third year in a row, Natixis carried out an assessment of the work of its Board of Directors and specialized Committees, in accordance with recommendations set out in the AFEP-MEDEF Code regarding the correct governance of listed companies.

For the 2010 financial year, Natixis hired the services of the Spencer Stuart consulting firm. For the 2011 financial year, Natixis carried out an internal assessment, based on individual interviews and a questionnaire.

The main aims of the assessment were to:

1. Take stock of the organization, running and composition of the Board;
2. Ensure that the main questions are correctly prepared and the subjects debated;
3. Judge the relationship between members of the Board and Executive Management;
4. Appraise the work of the specialized Committees;
5. Measure the general performance of the Board.

On the whole, the assessment of the Board's work in 2011 was positive, with more than 83% of the Board members indicating that the Board's overall performance had improved in comparison with fiscal year 2010. 75% of the Board members found this overall performance to be satisfactory or very satisfactory (versus 55% in 2010). Finally, 25% found Natixis' Board of Directors to be more effective than the other boards on which they were seated, while 66% found it equally effective.

Among the highlights of the assessment was the view that the delivery time for submitting matters to the Board for consideration had improved compared to the previous year and that it is now satisfactory, thanks in large part to the dedicated website. The documentation provided was deemed complete, or very complete, but sometimes insufficiently concise.

The Board members were pleased to note the introduction of a general economic overview and a benchmark, which in their opinion calls for further development and the addition of a business market overview.

In their view, the Board should be more involved in the Company's strategy, in keeping with the progress achieved with the creation of the Strategy Committee.

Furthermore, while the Board members feel they are able to ask the questions they want and are satisfied with the answers given, they nevertheless believe that more time should be reserved for deliberation.

Lastly, the Board members unanimously considered that a relationship of trust had been established with the Chairman and Chief Executive Officer. Similarly, they found the distribution of duties between the two offices to be clear.

With respect to specialized committees, the Board members were satisfied with their role, their composition and the frequency of their meetings. The Strategy Committee was deemed useful, or very useful, although after the first meeting the Committee members expressed an interest in more open-ended discussons.

3.3.1.5 Board member training

Natixis has decided to initiate a training program for its Board members as of the 2012 financial year. This training will be divided into two parts:

- a training program aimed at new Board members joining the company. This half-day training session is in particularly aimed at presenting Natixis (its business lines, governance, organization), outlining the main elements of the income statement and the risk management policy, and heightening Board members' awareness of regulatory aspects and their responsibilities;
- an ongoing training program for existing Board members which is composed of various modules, in particular ones on Natixis' different business lines, the financial markets, the accounting and financial regulations of financial institutions, as well as on issues concerning compliance with internal audits and the responsibilities of Board members.

3.3.2 SPECIALIZED COMMITTEES: EXTENSIONS OF THE BOARD OF DIRECTORS

Natixis' Board of Directors has three specialized Committees: an Audit Committee, an Appointments and Compensation Committee and a Strategic Committee. Each Committee is chaired by an independent member of the Board of Directors.

3.3.2.1 Audit Committee

A ORGANIZATION

During 2011, the Audit Committee comprised five members: Mr. Oppetit, Chairman, Ms. Debroux and Messrs. Criton, Duhamel and Klein.

Two of the five members are independent members (Ms. Debroux and Mr. Oppetit).

The Committee was chaired by independent Board member, Bernard Oppetit, throughout 2011.

Two thirds of the Audit Committee are not independent members, as recommended by the AFEP-MEDEF Code, in order to represent the different components of the Company's main shareholders (members from the Caisses d'Epargne and Banques Populaires).

The Chairman and the members of the Audit Committee have extensive accounting and financial expertise gained over the course of their professional careers.

No changes were made to the Committee in 2011.

B ROLE AND POWERS

Natixis' Audit Committee has internal rules specifying its powers and its operating procedures, the latest version of which was approved by the Board of Directors on February 22, 2011.

The Audit Committee has the following responsibilities:

- it assists the Board of Directors in preparing the financial statements and the Company's management report. Within this context, it monitors the quality of the information issued to shareholders and, more generally, it performs the duties set out by banking regulations;
- it examines the parent and consolidated annual and interim financial statements as well as the Company's budget projections and financial documents distributed when the financial statements are approved;
- it monitors the independence of the Statutory Auditors, gives its opinion on their selection or the renewal of their appointment and examines their schedule of works, the results of their audits and their recommendations as well as any actions taken on the basis of these recommendations;
- it gives an opinion on the procedures implemented by the Company to ensure compliance with regulations, and monitors the efficacy of internal control and risk management systems;
- it gives opinions on the appointment or dismissal of the Head of Group Internal Audit;
- it monitors the implementation of actions based on the conclusions of assignments undertaken by Group Internal Audit and the French Prudential Supervisory Authority (ACP); for this purpose, it may receive reports from Group Internal Audit and the ACP in relation to the Company and its subsidiaries;
- it approves the Company's annual internal audit, including audits of subsidiaries, with this program being presented to the Committee at least one week prior to its approval;
- it gives its opinion on the report presented to it on an annual basis regarding commercial relations between the Company or one or more of its subsidiaries and all or some of the entities forming Groupe BPCE.

The Company's CEO provides the Audit Committee with any documents and information it needs to perform its duties. The following list is not exhaustive:

- parent and consolidated financial, accounting, and regulatory documents prepared periodically by the Company;

- summary reports by the Company's Statutory Auditors;
- any audit reports concerning the Company;
- any internal control reports prepared by the Company for the regulation and control authorities;
- accounting policies and methods applied within the Company;
- internal control policies and procedures;
- projected parent results at the end of March, June, September and December;
- consolidated budgets and financial statements of the main subsidiaries, as well as any related documents provided to the Board of Directors or, if applicable, the Audit Committee of the principal subsidiaries.

The Audit Committee may submit to the Board of Directors any proposals to conduct an audit, especially concerning the financial statements of the Company and its subsidiaries.

The Audit Committee meets at least once a quarter.

Minutes of the Audit Committee Meetings are prepared by the secretary of the Board of Directors. These minutes are distributed to members of the Audit Committee and the Board of Directors is made aware of the Audit Committee's work so that it can be fully informed in its decision-making.

C WORK OF THE AUDIT COMMITTEE IN 2011

The Natixis Audit Committee met five times in 2011. The attendance rate was 80% for the year as a whole, compared with 77% in 2010.

For each matter submitted for review and analysis, the Audit Committee had the opportunity to hear from relevant Natixis personnel as well as to familiarize itself with reports on the said matters.

Depending on its agenda, the Audit Committee also benefited from the presence at its various meetings of the Natixis Chief Finance and Risk Officer, as well as the head of Finance, the Head of Risk, the heads of General Audit for Natixis and BPCE, the Corporate Secretary and the head of compliance for Natixis.

In order to enable it to audit the accounts, the Audit Committee is sent a copy of the reports of the Finance Department and the comments of the Statutory Auditors regarding full-year accounts and the review of the half-year and quarterly accounts.

In order to enable it to audit the risks, the Audit Committee is provided a copy at each of its meetings of the consolidated monthly risk monitoring report.

On the subject of internal control and compliance, the Committee received a presentation of risk monitoring and internal control reports submitted to the ACP. It also reviewed the activity and results of the Natixis compliance and internal control functions, as well as the work program of Natixis' Internal Audit.

In 2011, the Committee's duties focused on the following items in particular:

- the reappointment of Statutory Auditors;
- the review of the monthly risk monitoring report;
- the exposure of Natixis' various business lines to sovereign risk;
- market and credit liquidity and risks;
- the mechanisms of the CCIs (cooperative investment certificates);
- the review of reports on internal control processes and procedure (Article 42 of CRBF rule 97-02) and risk measurement and monitoring (Article 43 of CRBF rule 97-02);
- Natixis Assurances' asset management;
- IT expenditures;
- risk of non-compliance, business continuity, outsourcing core services/activities;
- the proposed audit plan for 2012;
- the 2012 annual budget; and
- the acknowledgement of all correspondence from the ACP as well as all correspondence and information from the Autorité des Marchés Financiers and the answers to said correspondence from Natixis.

3.3.2.2 Appointments and Compensation Committee

A ORGANIZATION

During 2011, the Compensation Committee was renamed the "Appointments and Compensation Committee" following suggestions made during the assessment of the Committee's work.

The Appointments and Compensation Committee is made up of six members: Mr. Bolloré, Chairman, Ms. Bories and Messrs. Jeannin, Patault, Proglio and Sueur.

Three of the six members are independent (Ms. Bories and Messrs. Bolloré and Proglio).

The Committee was chaired throughout the year by Vincent Bolloré, an independent Board member.

Changes made to the Committee in 2011:

- on February 22, 2011, following the resignation of Mr. Oppetit from his function within the Appointments and Compensation Committee, the Board of Directors appointed Ms. Bories.

B ROLE AND POWERS

The scope of responsibility of Natixis' Appointments and Compensation Committee essentially relates to pay reviews and the selection of corporate officers. The Appointments and Compensation Committee's powers and operating procedures are described in greater detail in the Internal Rules of the Board of Directors, the latest version of which was approved on May 11, 2011.

The Appointments and Compensation Committee is responsible for submitting proposals to the Company's Board of Directors on the following issues:

Compensation for corporate officers

The Committee is responsible for submitting proposals to the Board of Directors concerning:

- the level and terms of compensation paid to the Chairman of the Board of Directors, the CEO and, where applicable, one or more Natixis Deputy CEOs (including fringe benefits, pension plans and health insurance, as well as the allocation of stock options or share purchases);
- rules for allocating Board members' fees to the Board and the total amount submitted for approval by Natixis' General Shareholders' Meeting;
- the general policy on stock options allocation.

Lastly, the Committee examines and gives an opinion on insurance policies taken out by the Company in relation to corporate officers' liability.

Compensation for market professionals

Since the final quarter of 2009, the Committee has also been responsible for an annual review of Natixis' compensation policy, in particular for market professionals, and for checking, on the basis of an Executive Management report, that said policy complies with Chapter IV, Section VI of CRBF rule 97-02 and is in line with the provisions set out by the French Financial Stability Board and the professional standards to which the Company adheres.

To this end, the Committee may confer with Natixis' internal control departments or outside experts as appropriate.

Selection and appointment procedures

The Committee is also in charge of selections and appointments. The Committee gives an opinion and, upon request from the Board, makes proposals and recommendations to the Board on the appointment of a CEO and, when appropriate, one or more Deputy CEOs or Board members.

As part of the selection process, the Board may interview prospective candidates during one of their meetings.

The Company's CEO provides the Appointments and Compensation Committee with any documents that may assist it in performing its duties and to ensure it is fully informed. At the request of the Board of Directors, the Committee may also appoint outside experts to carry out reviews or analyze the compensation paid to the corporate officers of comparable companies in the banking sector.

Minutes of each of the Appointments and Compensation Committee's Meetings are prepared and sent to individual members. The Chairman of the Committee provides a report on the Committee's work to the Board of Directors, thereby enabling the Board to be fully informed of its decisions. It is also specified that when these reports are presented, the Board of Directors shall not decide upon compensation in the presence of corporate officers.

The classification of the status of Board members as independent members is debated by the Appointments and Compensation Committee which prepares a report for the Board of Directors. Each year, based on this report and before the publication of the annual report, the Board of Directors reviews the situation of each of its member based on independence criteria set out in Article 2.3.2 of the Board of Directors' internal regulations. Furthermore, members are considered to be independent when their position as a member of the Appointments and Compensation Committee does not constitute a conflict of interest with the company in question (in particular, they are not employees of the company in question).

C WORK OF THE APPOINTMENTS AND COMPENSATION COMMITTEE IN 2011

The Appointments and Compensation Committee met four times in 2011 to give an opinion on:

- the calculation of the CEO's base and variable compensation for 2011 and 2012;
- the calculation of the CEO's compensation for early termination of service;
- the compensation of the Chairman of the Board of Directors for 2012;
- Board members' fees at the end of each quarter in 2011;
- compensation for market professionals for 2010 and 2011;
- the implementation of the CRD 3 Directive - concerning material risk takers [(1)];
- the Corporate and Investment Banking (CIB) and GAPC's policy regarding variable compensation;
- the compensation of control functions;
- the strategy and organization of Asset Management in the US and the consequences on the compensation structures;
- the annual review of the classification of the status of Board members as independent members;

(1) *Employees whose professional activities have a significant impact on the Group's risk profile.*

- the annual review of AFEP-MEDEF Code recommendations; and
- the replacement of independent Board members.

The attendance rate was 92% for the year as a whole, compared with 88% in 2010.

3.3.2.3 Strategic Committee

A ORGANIZATION

The Strategic Committee was formed in 2011 following suggestions made by the Board of Directors as part of the assessment of the Board's work.

The Strategic Committee meets once a year. The members of the Board of Directors and members of the Management Board are invited to this meeting.

The Committee is chaired by Ms. Laurence Debroux, an independent Board member.

B ROLE AND POWERS

The scope of responsibility of the Strategic Committee relates to exploring in depth the global strategy of Natixis and its business lines, and sharing the same vision as Executive Management for Groupe BPCE.

In addition, the meetings of this committee allow the Board of Directors to get to know the management team that works with the Chief Executive Officer better and improve the Board's work methods.

3.3.3 EXECUTIVE MANAGEMENT

3.3.3.1 Organization

The Chief Executive Officer is responsible for the executive direction of Natixis, in accordance with the Board of Directors' decision of April 30, 2009 to separate the offices of Chairman of the Board and Chief Executive Officer.

On April 30, 2009, the Board appointed Laurent Mignon as Chief Executive Officer starting May 14, 2009 for a six-year term ending on May 14, 2015.

The Chief Executive Officer subsequently set up a Senior Management Committee that he chairs, made up of the heads of Natixis' three core businesses (Corporate and Investment Banking, Investment Solutions, Specialized Financial Services), and support functions.

On December 31, 2011, Board members included Ms. Aline Bec (Information Systems Purchasing Logistics) and Messrs. Luc-Emmanuel Auberger (Finance and Risks), Alain Delouis (Human Resources), De Doan Tran (Corporate and Investment Banking), Jean-Yves Forel (Specialized Financial Services), André-Jean Olivier (Corporate Secretariat), Olivier Perquel (Strategy and GAPC) and Pierre Servant (Investment Solutions).

As Natixis' decision-making body, the Senior Management Committee's remit is to examine and validate the Company's core strategy and oversee its management, notably as regards the effective application of the Company's strategy; its budget; all major projects and investments; its organization and Human Resources; the performance of its business lines and its results; and the control of its activities.

Lastly, Natixis has an Executive Committee comprising the members of the Management Board and the heads of certain business lines and support functions essential to the Company's success (see members of the Executive Committee section [3.2.3]). The Committee's role mainly focuses on information and monitoring.

3.3.3.2 Role and powers of the CEO

In accordance with Article 15 of the bylaws, the Chief Executive Officer is vested with the broadest powers to act on behalf of the Company under all circumstances. He exercises those powers within the limits of the corporate purpose and subject to the powers expressly reserved for shareholders' meetings and the Board of Directors by law and to the provisions and restrictions stipulated by the Internal Rules. He represents the Company in its relations with third parties.

The Board of Directors may nominate a Secretary selected from among its Board members or otherwise.

The Chief Executive Officer may delegate a portion of his powers to any corporate officer of his choosing, with or without the option of substituting one for another. In this respect, Natixis revised all of the provisions governing the delegation of authority and signature authority in 2010 and 2011.

On the Chief Executive Officer's proposal, the Board of Directors may appoint one to five Deputy Chief Executive Officers from among the Board members or otherwise to assist the Chief Executive Officer.

In conjunction with the Chief Executive Officer, the Board of Directors determines the scope and duration of the powers conferred upon the Deputy Chief Executive Officers. They have the same powers with respect to third parties as the Chief Executive Officer.

3.3.3.3 Work of the Management Board in 2011

Following Natixis' conversion into a French "société anonyme" with a Board of Directors, a Management Board was set up in early May 2009 in order to examine and validate the Company's main decisions and steer its management. In 2010, the Board met on a weekly basis without exception, apart from during part of the summer holidays and the end-of-year holiday season. The Board held a total of forty six meetings during 2011. These meetings were chaired by the Chief Executive Officer.

Except where circumstances prevented them from doing so, the members of the Senior Management Committee were present at all meetings during the year. Representatives from the business lines or different support functions were invited to present projects or policies falling within their departmental remits.

Natixis' Senior Management Committee closely surveyed changes in the economic and regulatory climate within the banking and insurance sectors and their possible impact on the Company's respective businesses. In particular, the Board monitored changes related to European sovereign debt and steered the management of Natixis' exposure in this field. The Senior Management Committee also oversaw the development of existing measures to safeguard Natixis' growth in a time of heightened liquidity and solvency constraints. The Committee launched and validated projects to reinforce Natixis' financial structure (issue of P3CI) and to diversify its sources of financing (creation of a Pfandbriefbank in Germany).

The Senior Management Committee determined the Bank's main strategic priorities, during specific work meetings where necessary. In particular, the Committee validated the change in the strategic priorities of Corporate and Investment Banking. This marks the stepping up of measures implemented within the New Deal strategic plan. It also examined new challenges facing the various business lines, in terms of financing, markets and investment solutions management.

The Senior Management Committee continued the implementation and monitoring of the New Deal strategic plan, downsizing GAPC (workout portfolio management) and enhancing commercial cooperation with Groupe BPCE's networks as part of the "Groupe Ensemble" project. It also paid particular attention to the strengthening of the common social standards within Natixis. The Senior Management Committee also oversaw the operational execution of these priorities.

The Senior Management Committee also focused on reinforcing Natixis' role in defining Groupe BPCE's strategy, i.e. the creation of a main long-term leasing operator within Natixis Lease, the launch of new products/services, the development of distribution synergies with the networks, the pooling of resources (IT infrastructures). The Senior Management Committee was also consulted on the main choices of financial policy.

The Senior Management Committee also supervised Natixis' business restructuring projects. The Committee reviewed and validated the Group's strategic transactions prior to their submittal to the Board of Directors, including in particular: Natixis Global Asset Management's acquisition of a majority stake in Darius Capital Partners (hedge fund analysts), the strategic partnership between Natixis Global Asset Management and the Indian financial group IDFC (acquisition of a 25% stake in IDFC Asset Management Company), the disposal of Natixis' proprietary private equity business in Brazil, and the disposal of a controlling stake in software solutions editor SLIB to BNPP. The Senior Management Committee regularly examined the Company's business development and results during its meetings throughout the year. It reviewed the half-yearly and quarterly financial statements before they were presented to the Board of Directors and was involved in the publication of the Company's financial communications.

The Senior Management Committee also validated the main management decisions and, in particular, reviewed and approved the Company's budget; the terms and conditions governing mandatory annual negotiations and the compensation review policy; the definition of the general terms and principles governing variable compensation for market professionals; the appointment of senior executives and managers; the enhancement of supervisory tools and internal control and compliance procedures as well as all significant projects and investments.

The Senior Management Committee also monitored Natixis' risk management and control measures.

3.3.4 GENERAL SHAREHOLDERS' MEETINGS

3.3.4.1 Convening procedure

General Shareholders' Meetings are convened by the Board of Directors or, failing this, under the conditions of Article L.225-103 of the French Commercial Code. Notices of meeting are prepared in accordance with the conditions laid out in the applicable regulations (Article 21 of the bylaws).

Meetings take place either at the head office or at another location specified in the notice.

3.3.4.2 Different types of meeting

Shareholder meetings may take the form of Ordinary, Extraordinary or Combined Ordinary and Extraordinary Meetings depending on the topics on the agenda.

ORDINARY GENERAL SHAREHOLDERS' MEETINGS (OGM)

OGMs are held annually and their purpose is to inform shareholders about the running of the Company. Their principal objective is to give an opinion on the financial statements of the previous fiscal year, to determine the appropriation of income, and to set the dividend and the conditions for its payment.

OGMs may also be used to appoint or re-appoint Board members and non-voting members as well as to appoint or re-appoint Statutory Auditors and, if necessary, ratify the co-opting of a member of the Board.

Decisions are taken by a simple majority of the votes of the shareholders present or represented.

EXTRAORDINARY GENERAL SHAREHOLDERS' MEETINGS (EGM)

EGMs are convened each time there are decisions concerning a change in the bylaws, notably in the event of a financial transaction affecting the share capital.

Decisions are taken by a two-thirds majority of the votes of the shareholders present or represented.

COMBINED SHAREHOLDERS' MEETINGS (AGM)

AGMs combine the two previous types of meetings (OGM and EGM) on the same date under the same notice of meeting.

3.3.4.3 Conditions for admission

Shareholders' meetings include all the shareholders whose shares have been fully paid up.

Those shareholders that are able to justify their status with an accounting entry (pursuant to paragraph seven of Article L.228-1 of the French Commercial Code) in their name or in the name of an intermediary acting on their behalf, either in the registered share accounts held by the Company or in the bearer share accounts held by their authorized intermediaries, no later than three working days before the date of the meeting (by midnight Paris local time hereinafter referred to as D-3), may attend the meetings.

An authorized proxy (namely the shareholder's spouse or another shareholder, a partner with whom the shareholder has a civil partnership, or any other individual or legal entity of his/her choice) may always represent a shareholder at shareholders' meetings. This proxy may not represent another person.

For holders of registered shares, an entry dated D-3 is sufficient to enable them to attend the meeting.

In the case of holders of bearer shares, authorized intermediaries keep accounts of bearer shares which serve to prove their clients' status as a shareholder directly to the centralizing body of the meeting. They do so by producing a certificate that they attach to the voting form or admission card request in the name of the shareholder or the name of the registered intermediary acting on behalf of the shareholder. A certificate is also delivered to shareholders wishing to attend the meeting in person and who have not received an admission card by D-3.

Under the terms and conditions set forth by law and regulations, shareholders may send their proxy and absentee voting ballots, either in paper format or, on the decision of the Board of Directors published in the notices of meeting, through remote transmission. The Board of Directors may also decide that shareholders may participate and vote at any General Shareholders' Meeting by videoconference or electronic transmission under the terms and conditions set by the regulations.

3.3.4.4 Shareholders' rights

In line with the provisions of Article L.225-105 of the French Commercial Code, one or several shareholders holding the requisite portion of the share capital may, subject to the conditions and timeframes set by law, request by means of recorded delivery letter the inclusion of items or draft resolutions on the agenda of the meeting.

In line with the provisions of Article 27 of the bylaws, each shareholder may, subject to the terms and conditions and at the times fixed by law, request a copy of the documents needed to allow them to reach an informed opinion on the management and control of the Company. The nature of the documents and the terms and conditions for their dispatch or availability are determined by law and regulations.

3.3.4.5 Conditions for exercising voting rights

In line with the provisions of Article 25 of the bylaws, each member of the Shareholders' Meeting is entitled to the same number of votes as the shares he/she owns or represents.

3.3.4.6 Identification of shareholders

In line with the provisions of Article 5 of the bylaws, the Company may, subject to the conditions provided for by the laws and regulations in force, request from any authorized organization or intermediary, all information relating to the holders of shares conferring immediately, or in the future, the right to vote at Shareholders' Meetings, notably their identity, nationality, address, the number of shares that they own and the restrictions that may be placed on these shares.

Any individual or legal entity that owns, directly or indirectly, alone or jointly, a 1% share of the voting rights, or any multiple of this percentage, must notify the Company, by registered letter, of the number of voting rights that they possess. This notice must be made within a period of 15 days following each acquisition or sale of this fraction.

In the event of non-compliance with the notification requirement provided for in the previous paragraph and upon request, recorded in the minutes of the meeting from a shareholder representing at least 1% of the voting rights, the shares exceeding the fraction which should have been declared will lose their voting rights for a period of two years following the notification compliance date.

3.4 Policies and rules for determining compensation and benefits of all kinds paid to members of the corporate bodies

The recommendations of the AFEP-MEDEF Code on the compensation of executive corporate officers of listed companies are taken into account in the bank's corporate governance approach. As shown above, the AFEP-MEDEF Code is the one that the Company refers to when preparing the report provided for by Article L.225-37 of the French Commercial Code.

The AFEP-MEDEF Code is available for consultation at the Company's head office and on the Natixis website.

3.4.1 COMPENSATION AND BENEFITS OF ALL KINDS FOR BOARD MEMBERS

3.4.1.1 Compensation and benefits of all kinds for the Chairman of the Board of Directors

The Chairman of the Board of Directors waived all fixed and variable compensation with respect to the performance of his duties at Natixis in 2011, as in previous fiscal years.

3.4.1.2 Compensation and benefits of all kinds for members of the Board of Directors

The members of the Board of Directors of Natixis received attendance fees with respect to 2011 under the terms and conditions stipulated below.

Note that the overall annual budget for attendance fees to be allocated to members of the Board of Directors is €500,000 *(Cf. 38th resolution of the Extraordinary General Meeting of April 30, 2009)*.

Attendance fees are granted according to the following rules, provided that Natixis' results are positive:

- members of the Board of Directors:
  - fixed portion: €10,000 per year,
  - variable portion: €2,000 per meeting, up to a maximum of 5 meetings,

    i.e. €20,000 maximum in total;
- Specialized Committee members:
  - Audit Committee:

    Chairman: €20,000,

    Members of the Audit Committee:
    - fixed portion: €5,000,
    - variable portion: €1,000 per meeting, up to a maximum of 5 meetings,
  - Appointment and Compensation Committee:

    Chairman: €10,000,

    Members of the Appointment and Compensation Committee:
    - fixed portion: €3,000,
    - variable portion: €1,000 per meeting, up to a maximum of 5 meetings.

Committee Chairpersons have no variable portion, in accordance with the principle that no Committee Meeting can be held in their absence.

Furthermore, in accordance with the rules applicable within Groupe BPCE, the portion of attendance fees going to BPCE directors (including that of the Chairman) is granted and paid to BPCE and not to the directors.

After each quarter in 2011, the Appointments and Compensation Committee and the Board of Directors assessed whether or not there were grounds for paying attendance fees given the results for the period in question.

3.4.2 COMPENSATION AND BENEFITS OF ALL KINDS FOR THE CEO

3.4.2.1 Monetary compensation

The fixed gross annual compensation of Laurent Mignon in relation to his duties as CEO of Natixis was €800,000 for 2011.

With regard to calculation of the variable compensation paid to the CEO for 2011, the Board of Directors, based on the opinion of the Compensation Committee, approved the proposal that, for 2011, said compensation should represent 83.7% of his fixed compensation.

The variable compensation to be paid for 2011 was calculated on the basis of quantitative and qualitative criteria defined by the Board of Directors in advance, as follows:

- quantitative criteria relate to 70% of the variable compensation. These criteria depend on the performance of Groupe BPCE (pre-tax profit) and Natixis net income (group share), net revenues, GAPC's liquidity budget and RWA);
- qualitative criteria relate to 30% of the variable compensation. These criteria are assessed by the Board of Directors and are linked to the continued implementation of the strategic New Deal plan, cross-function projects and performance. This in turn is assessed according to the CEO's capacity for foresight, decision-making and implementation, investment in compliance and control and risk management systems and management of executive staff.

On February 22, 2012, the Board of Directors, on the advice of the Compensation Committee, decided to pay the CEO gross variable compensation of €670,000, in light of the performance of Groupe BPCE, Natixis and the achievement of his personal targets.

In accordance with applicable "Professional standards concerning the governance and variable compensations of employees whose professional activities have a significant impact on the company's risk profile" and with the provisions of Regulation 97-02 of February 21, 1997, concerning the internal control of credit institutions and investment firms, as amended by the Decree of December 13, 2010, the variable remuneration of Laurent Mignon will be paid as follows:

- 37% of this variable compensation will be paid in 2012, 50% of which shall be index-linked to Natixis shares;
- 63% of this variable compensation will be deferred for three years, 50% of which shall take the form of Natixis shares.

3.4.2.2 Compensation paid to the CEO in the form of stock options

No stock options were allocated to the CEO in 2011.

3.4.2.3 Benefits in kind

For 2011, Laurent Mignon benefited from a Company car valued at €5,180 gross.

3.4.2.4 CEO's group pension plan and severance payments

GROUP PENSION PLAN

No group pension plan was set up in 2011.

SEVERANCE PAYMENTS

With regard to calculation of severance payments for the duties of CEO, the Board of Directors, on the advice of the Compensation Committee, authorised during its Meeting of February 22, 2011 the commitment establishing the terms and conditions of the compensation due or liable to be due to Laurent Mignon in the event of him ceasing his functions as Chief Executive Officer. This commitment was also approved by the Combined General Shareholders' Meeting of May 26, 2011 (Cf. sixth resolution).

Under the terms of this commitment, the Chief Executive Officer does not receive severance payments if he leaves the Company at his initiative to perform new duties or changes his position within Groupe BPCE. Nor is the severance payment granted if the company experiences major economic difficulties. Furthermore, in accordance with the provisions of the AFEP-MEDEF Code of corporate governance, the right to compensation is subject to a certain number of criteria and performance conditions.

Furthermore, members of the Board of Directors do not benefit from severance payments in relation to their function with Natixis.

Standardized tables compliant with AMF recommendations

TABLE 1

Summary of the compensation, stock options and shares granted to each executive director

	2011 Fiscal year	2010 Fiscal year
Laurent Mignon, CEO		
Compensation in relation to the fiscal year	€1,477,906 [(a)]	€2,007,784
Value of options granted during the fiscal year	n/a	n/a
Value of performance shares granted during the fiscal year	n/a	n/a
TOTAL	**€1,477,906**	**€2,007,784**

(a) Including a €5,180 vehicle allowance +€2,726 family allowance.

TABLE 2

Summary table of the compensation of each executive corporate officer

In the tables below:

- the expression "amounts due" corresponds to compensation and benefits allocated to corporate officers within the context of their duties over the year irrespective of the payment date;
- the expression "amounts paid" corresponds to compensation and benefits actually paid to corporate officers within the context of their duties over the year irrespective of the date of allocation.

Laurent Mignon, CEO (term of office commencing 05.14.2009)	2011 Fiscal year		2010 Fiscal year	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed compensation for corporate duties	€802,726	€802,726	€802,604	€802,604
Variable compensation	€670,000 [(a)]	€445,734 [(b)]	€1,200,000	€185,000
Extraordinary compensation	€0	€0	€0	€0
Directors' fees	€0	€0	€0	€0
Benefits in kind (car)	€5,180	€5,180	€5,180	€5,180
TOTAL	**€1,477,906**	**€1,253,640**	**€2,007,784**	**€992,784**

(a) On February 22, 2012, the Board of Directors, on the advice of the Appointments and Compensation Committee, decided to allocate a variable compensation of €670,000 to the Chief Executive Officer. In accordance with applicable "Professional standards concerning the governance and variable compensation of employees whose professional operations have a significant impact on the company's risk profile" and with the provisions of Regulation 97-02 of February 21, 1997, concerning the internal control of credit institutions and investment firms, as amended by the Decree of December 13, 2010, 63% of this variable compensation will be differed for three years and subject to performance criteria linked to Natixis' results. This deferred portion will be in the form of Natixis securities and cash.

(b) This amount includes the payment of deferred variable compensation in respect of previous fiscal years.

TABLE 3

Table showing directors' fees and other compensation received by non-executive corporate officers of NATIXIS from January 1 to December 31, 2011

(in euros) Non-executive corporate officers	2011 Fiscal Year		2010 Fiscal Year	
	Amounts due	Amounts paid [2]	Amounts due	Amounts paid [1]
BPCE				
Directors' fees				
Natixis Director	96,000	140,000	146,000	89,000
In respect of Natixis subsidiaries	34,200	21,550	16,550	8,700
Mr. Vincent Bolloré				
Directors' fees				
Natixis Director	18,000	16,000	20,000	18,000
Member of the Natixis Appointments and Compensation Committee	10,000	10,000	10,000	10,000
Other compensation				
Ms. Christelle Bories (appointed to Natixis Board on February 22, 2011)				
Directors' fees				
Natixis Director	20,000	18,000	NA	NA
Member of the Natixis Appointments and Compensation Committee	5,000	4,000	NA	NA
Other compensation				
Mr. Jean Criton				
Directors' fees				
Natixis Director	20,000	18,000	20,000	20,000
Member of the Natixis Audit Committee	10,000	10,000	10,000	8,000
In respect of Natixis subsidiaries	2,700	12,800	12,800	12,900
In respect of BPCE and its subsidiaries	27,000	25,000	27,500	27,250
Other compensation				
Ms. Laurence Debroux				
Directors' fees				
Natixis Director	18,000	12,000	20,000	20,000
Member of the Natixis Audit Committee	9,000	9,000	9,000	7,000
Other compensation				
Mr. Nicolas Duhamel				
Directors' fees				
Natixis Director	0	0	0	0
Member of the Natixis Audit Committee	0	0	0	0
In respect of BPCE and its subsidiaries	4,750	4,750	6,097.96	6,097.96
Other compensation				
BPCE corporate office	500,000	500,000	500,000	500,000
BPCE variable compensation	259,000 [6]	161,500 [5]	288,000 [3]	105,000 [4]
BPCE extraordinary compensation	-	0	-	0
BPCE benefits in kind	5,364	5,364	0	0

(1) Part of which from attendance fees due in respect of fiscal year 2009.

(2) Part of which from attendance fees due in respect of fiscal year 2010.

(3) Variable compensation in respect of fiscal year 2010, of which €144,000 (50%) paid in cash (5) in 2011 and the balance deferred (50%) over three years in equal shares of €48,000. For 2012, the final amount paid will be €43,802 (after application of the indexing factor).

(4) Variable compensation in respect of fiscal year 2009, of which 75% paid in 2010. 12.5% was paid in 2011 (5) and 12.5% will be paid in 2012.

(5) Equals 50% of the 2010 variable compensation (€144,000) and 12.5% of the 2009 variable compensation (€17,500).

(6) Variable compensation in respect of fiscal year 2011, of which €129,500 (50%) paid in cash in 2012 and the balance deferred (50%) over three years in equal shares of €43,167.

Table showing director's fees and other compensation received by non-executive corporate officers

(in euros) **Non-executive corporate officers**	**2011 Fiscal Year** Amounts due	Amounts paid [2]	**2010 Fiscal Year** Amounts due	Amounts paid [1]
Mr. Stève Gentili				
Directors' fees				
Natixis Director	20,000	18,000	20,000	20,000
In respect of Natixis subsidiaries	0	5,000	7,700	2,700
In respect of BPCE and its subsidiaries	26,443.72	24,943.72	26,443.72	25,443.72
Other compensation				
Mr. Bernard Jeannin				
Directors' fees				
Natixis Director	20,000	18,000	20,000	20,000
Member of the Natixis Appointments and Compensation Committee	7,000	7,000	7,000	6,000
In respect of Natixis subsidiaries	0	5,400	5,400	9,900
In respect of BPCE and its subsidiaries	19,000	17,000	23,000	26,341.67
Other compensation				
Mr. Olivier Klein				
Directors' fees				
Natixis Director	0	0	0	0
In respect of Natixis subsidiaries	0	4,000	4,000	7,800
In respect of BPCE and its subsidiaries	22,407	12,507	22,050	11,400
BPCE corporate office	500,000	500,000	375,000.03	375,000.03
BPCE variable compensation	259,000 [7]	144,000 [5]	288,000 [4]	N/A
BPCE extraordinary compensation	-	26,659.42 [6]	-	0
BPCE benefits in kind	5,196	5,196	3,897	3,897
Mr. Jean-Bernard Mateu				
Directors' fees				
Natixis Director	20,000	22,000	16,000	12,000
In respect of Natixis subsidiaries	900	450	450	
In respect of BPCE and its subsidiaries	2,400	2,400	1,200	1,200
Other compensation				
Mr. Bernard Oppetit				
Directors' fees				
Natixis Director	20,000	18,000	20,000 [3]	20,000 [3]
Member of the Natixis Audit Committee	20,000	22,000 [3]	8,000 [3]	6,000 [3]
Member of the Natixis Appointments and Compensation Committee	4,000	5,000 [3]	7,000 [3]	6,000 [3]
In respect of Natixis subsidiaries				
Other compensation				
Mr. Didier Patault				
Directors' fees				
Natixis Director	20,000	18,000	20,000	20,000
Member of the Natixis Appointments and Compensation Committee	7,000	7,000	6,000	5,000
In respect of Natixis subsidiaries	1,350	2,400	2,400	3,600
In respect of BPCE and its subsidiaries	21,176.80	19,176.80	26,376.80	29,543.47
Other compensation				

(1) Part of which from attendance fees due in respect of fiscal year 2009.
(2) Part of which from attendance fees due in respect of fiscal year 2010.
(3) Before 25% withholding tax.
(4) Variable compensation in respect of fiscal year 2010, of which €144,000 (50%) paid n cash in 2011 (5) and the balance deferred (50%) over three years in equal shares of €48,000. For 2012, the final amount paid will be €43,802 (after application of the indexing factor).
(6) Mobility bonus.
(7) Variable compensation in respect of fiscal year 2011, of which 129,500 (50%) paid in cash in 2012 and the balance deferred (50%) over three years in equal shares of €43,167.

(in euros) Non-executive corporate officers	2011 Fiscal Year Amounts due	2011 Fiscal Year Amounts paid [2]	2010 Fiscal Year Amounts due	2010 Fiscal Year Amounts paid [1]
Mr. François Pérol				
Directors' fees				
Natixis Director	0	0	0	0
In respect of BPCE and its subsidiaries	0	0	0	0
Other compensation				
BPCE corporate office	550,000	550,000	550,000	550,000
BPCE variable compensation	534,188 [5]	316,800 [4]	1,056,000 [3]	0
BPCE extraordinary compensation	-	0	-	0
Benefits in kind in respect of CNCE then BPCE	5,148	5,148	0	0
Mr. Henri Proglio				
Directors' fees				
Natixis Director	14,000	14,000	12,000	12,000
Member of the Natixis Appointments and Compensation Committee	6,000	6,000	6,000	5,000
In respect of Natixis subsidiaries				
Other compensation				
Mr. Philippe Queuille				
Directors' fees				
Natixis Director	0	0	0	0
In respect of Natixis subsidiaries	0	0	0	0
In respect of BPCE and its subsidiaries	0	0	0	0
BPCE corporate office	459,800	459,800	444,744.69	444,744.69
BPCE variable compensation	259,000 [9]	168,000 [8]	288,000 [6]	144,000 [7]
BPCE extraordinary compensation	-	0	-	0
BPCE benefits in kind	40,200	40,200	35,850	35,850
Mr. Philippe Sueur				
Directors' fees				
Natixis Director	20,000	18,000	20,000	20,000
Member of the Natixis Appointments and Compensation Committee	7,000	7,000	6,000	5,000
In respect of Natixis subsidiaries				
Other compensation				

(1) Part of which from attendance fees due in respect of fiscal year 2009.

(2) Part of which from attendance fees due in respect of fiscal year 2010.

(3) Variable compensation in respect of fiscal year 2010, of which €316,800 (30%) paid in cash in 2011 (4) and the balance deferred (70%) over three years in three equal shares of €246,400. For 2012, the final amount paid will be €224,851 (after application of the indexing factor).

(5) Variable compensation in respect of fiscal year 2011, of which €213,675 (40%) paid in cash in 2011 and the balance deferred (60%) over three years in equal shares of €106.838.

(6) Variable compensation in respect of fiscal year 2010, of which €144,000 (50%) paid in cash in 2011 (8) and the balance deferred (50%) over three years in equal shares of €48,000. For 2012, the final amount paid will be €43,802 (after application of the indexing factor).

(7) Variable compensation in respect of fiscal year 2009 and of his previous offices at BFBP.

(8) Equals 50% of the 2010 variable compensation (€144,000) and in respect of his previous offices at BFBP (€24,000).

(9) Variable compensation in respect of fiscal year 2011, of which €129,500 (50%) paid in cash in 2012 and the balance deferred (50%) over three years in equal shares of €43,167.

TABLE 4

Subscription or purchase options allocated during the period to each executive corporate officer by the issuer and by any group companies

Name of executive corporate officer	No. and date of plan	Type of options (purchase or subscription)	Valuation of options according to the method adopted for the consolidated financial statements	Number of options allocated during the period	Exercise price	Exercise period
Laurent Mignon	n/a	n/a	€0	0	n/a	n/a
TOTAL	**N/A**	**N/A**	**€0**	**0**	**N/A**	**N/A**

TABLE 5

Subscription or purchase options exercised during the period by each executive corporate officer

Name of executive corporate officer	No. and date of plan	Number of options exercised during the period	Exercise price
Laurent Mignon	n/a	0	n/a
TOTAL	**N/A**	**0**	**N/A**

TABLE 6

Performance shares allocated to each executive corporate officer

Performance shares allocated by the AGM during the period to each executive corporate officer by the issuer and by all Group companies	No. and date of plan	Number of options exercised during the period	Valuation of options according to the method adopted for the consolidated financial statements	Date granted	Date available	Performance conditions
Laurent Mignon	n/a	0	€0	n/a	n/a	n/a
TOTAL	**N/A**	**0**	**€0**	**N/A**	**N/A**	**N/A**

TABLE 7

Performance shares that became available-for-sale during the period for each executive corporate officer

Performance shares that became available-for-sale during the period for each executive corporate officer	No. and date of plan	Number of options exercised during the period	Grantingconditions
Laurent Mignon	n/a	0	n/a
TOTAL	**N/A**	**0**	**N/A**

TABLE 8

Group (Natixis, BPCE, Groupe Caisse d'Epargne, Groupe Banque Populaire). Record of purchase or subscription options allocated.

Information on purchase and subscription options	2005 Plan	2007 Plan	2008 Plan
Date of the General Shareholders' Meeting	05/19/05	11/17/06	05/24/07
Date of the Executive Board's decision	11/15/05	01/29/07	01/21/08
Number of exercisable options, including those exercisable by:	7,653,800	15,398,922	7,576,800
1) Natixis Directors in 2011:	**158,620**	**345,730**	**0**
Vincent Bolloré	n/a	0	0
Christelle Bories	n/a	n/a	n/a
Jean Criton	47,740	61,600	n/a [(a)]
Laurence Debroux	n/a	n/a	n/a
Nicolas Duhamel	n/a	n/a	n/a
Steve Gentili	15,400	20,020	n/a [(a)]
Bernard Jeannin	47,740	61,600	n/a [(a)]
Olivier Klein	0	60,060	n/a [(a)]
Jean-Bernard Mateu	0	17,710	0
Bernard Oppetit	n/a	n/a	n/a
Didier Patault	n/a	63,140	n/a [(a)]
François Pérol	n/a	n/a	n/a
Henri Proglio	n/a	0	0
Philippe Queuille	47,740	61,600	n/a [(a)]
Philippe Sueur	n/a	0	0
2) Natixis CEO in 2011 :	**n/a**	**n/a**	**n/a**
Laurent Mignon	n/a	n/a	n/a
Vesting date	11/15/09	01/29/11	01/21/12
Expiry date	11/14/12	01/28/14	01/20/15
Subscription price in euros [(b)]	7.74	14.38	8.27
Terms of exercise (for plans with several tranches)	n/a	n/a	n/a
Number of shares subscribed as at Dec. 31, 2011	21,560	0	0
Cumulative number of lapsed and cancelled subscription options	1,198,844	3,046,582	3,340,299
Cumulative number of outstanding subscription options at end of period	6,433,196	12,352,340	4,236,501

(a) In consideration of the individual waivers of stock options granted in 2008, given the material losses recorded over the 2008 fiscal year.

(b) The subscription price corresponds to the average price of Natixis shares in the 20 trading days prior to the date of the Executive Board's decision.

TABLE 9

Subscription or purchase options allocated to the top ten non-executive employees and options exercised by them

	Total number of options allocated/shares subscribed or bought	Weighted average price	Plan
Options granted during the fiscal year by the issuer and any company included in the scope for issue over the period, to the top ten salaried employees of the issuer and of any company included in this scope who hold the most number of options granted in this way	0	n/a	n/a
Options held in respect of the issuer and the companies referred to above, exercised during the period, by the top ten salaried employees of the issuer and of these companies who hold the most options purchased or subscribed in this way	0	n/a	n/a
	0	n/a	n/a

TABLE 10

2011 Fiscal Year Executive corporate officers	Employment contract		Supplementary pension plan		Payments or benefits due, or likely to be due, as a result of the termination or change of function		Payments in relation to a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Laurent Mignon, CEO Date term of office commenced: May 14, 2009 Date term of office expires: May 14, 2015		X		X*	X			X

* *Pension plan benefits for all personnel.*

3.5 Potential conflicts of interest

3.5.1 COMPETENCE AND INTEGRITY OF DIRECTORS

In accordance with regulations, a list of the functions performed by the corporate officers of Natixis is included in this document. The brief summary of their curriculum vitae shows that they all possess recognized business expertise acquired through their positions as executives of banks or large industrial companies or as former bank executives.

In accordance with the enforcement decree of EU Directive 2003/71 (Article 14.1 of Appendix 1 of Regulation 809/2004), none of the members of the Board of Directors or the Executive Management has been convicted of fraud, subject to bankruptcy, liquidation or receivership, convicted or punished by official or regulatory bodies, disqualified from acting as a member of administrative, management or supervisory bodies of an issuer, or from participating in the management or conduct of the business of an issuer within the previous five years at least.

3.5.2 CONTRACTS BINDING THE COMPANY AND THE DIRECTORS AND THE EXECUTIVE MANAGEMENT

In accordance with EU regulations, it is hereby stipulated that there are no service agreements binding members of the Board of Directors or Executive Management to the Company that could confer benefits according to the terms of such an agreement and that might by their nature compromise the independence of members or interfere with their decision-making.

Natixis and its subsidiaries maintain business relationships with their main shareholder and Board member BPCE or some of its subsidiaries.

3.5.3 CONFLICT OF INTEREST

Members of the Natixis Board of Directors include Natixis' main shareholder BPCE, as well as salaried employees of Groupe BPCE. Moreover, Natixis maintains business relationships with its shareholder and Board member BPCE. Natixis considers that this situation does not constitute a conflict of interest.

Banking relationships between Natixis and the groups chaired by the independent members of the Board are not of a nature liable to affect the impartiality of their judgment.

3.6 Chairman's report on the internal control procedures

INTRODUCTION

Natixis was formed from the merger of the Corporate and Investment Banking operations and services of the Banques Populaires and Caisses d'Epargne in 2006, continuing in 2007 with Ixis CIB's absorption into Natixis. Following a subsequent merger between Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne in 2009, Natixis' core shareholder is now BPCE. For further details about Natixis' history, please refer to Chapter 1, "Presentation of Natixis".

Natixis' internal control system complies with the principles on which the CECEI (France's Credit Institution and Investment Firms Commission) issued its approval to Natixis as well as the governance rules defined within Groupe BPCE. This system is also consistent with the legal and regulatory framework applicable to Natixis and which is notably set out in amended CRBF rule 97-02 (the "CRBF rule"). In particular, this rule provides for the implementation of an internal control system on a consolidated basis and which comprises arrangements to ensure:

- permanent control regarding the compliance, security and validation of transactions, as well as compliance with other requirements related to the monitoring of risks of any nature resulting from transactions;
- periodic checks in the form of investigations and audits implemented centrally and, if necessary, locally, and which concern the compliance of transactions, compliance with procedures and the effectiveness of permanent control mechanisms.

In reference to its regulatory requirements, to commitments made to the CECEI and to the governance framework established within Groupe BPCE, Natixis has structured its internal control system around a periodic control department that performs audits, together with entities responsible for permanently testing transaction compliance and security as well as overseeing the effectiveness of Natixis' risk management and monitoring mechanisms.

Natixis is subject to the control of its majority shareholder and central body, BPCE, which oversees compliance with risk monitoring requirements on a consolidated basis. As such, structures and systems for coordinating the permanent and periodic control mechanism, and thus for ensuring overall consistency, were introduced when BPCE was formed on July 31, 2009. In the same way, Natixis' risk, compliance and audit functions are incorporated into Groupe BPCE's corresponding functions.

3.6.1 INTERNAL CONTROL MECHANISMS

Natixis' internal control mechanism complies with the following regulatory requirements and standards:

External standards

Many external standards apply due to the diversity of business lines in which Natixis operates. The main standards are as follows:

- as a credit institution, Natixis is governed by the provisions of the French Monetary and Financial Code (which encompasses the provisions of the French Banking Act of January 24, 1984 and the French Financial Activity Modernization Act of July 2, 1996) and more specifically, it is subject to the specific banking guidelines resulting from the CRBF rule relating to internal control;
- as a provider of investment services, Natixis is subject to the provisions set out by the French Financial Markets Authority (AMF - Autorité des Marchés Financiers), and especially the code of good conduct concerning market intervention and customer relations;
- Natixis complies with the terms of the best practices published by professional associations whenever the regulator recommends or enforces their application (for example, the code of ethics and compliance for Financial Analysts, made mandatory by the AMF);
- Natixis applies anti-money laundering and terrorist financing regulations, under the control of the French Prudential Supervisory Authority (Autorité de contrôle prudentiel);
- regarding its foreign branches and subsidiaries, Natixis applies the Group's organization standards and also the regulations defined by the regulators in the markets in which Natixis has offices (in particular, the Financial Services Authority in the United Kingdom, the Bundesanstalt für Finanzdienstleistungsaufsicht/BAFIN in Germany, the Banca Centrale in Italy, the Financial Supervisory Authority in Japan, the Federal Reserve, the National Association of Securities Dealers and the Securities and Exchange Commission in the United States, the Hong Kong Monetary Authority in Hong Kong, the Commission de Surveillance du Secteur Financier in Luxembourg, the Irish Financial Services Regulatory Authority in Ireland), in cases where the operations exercised locally are subject to these regulations;

- for permanent and periodic control, Natixis applies the standards defined in Groupe BPCE's control function charters;
- Natixis complies with recommendations from international organizations dealing with prudential regulation issues for international banks, the most important being the Basel Committee.

Internal standards

Natixis' internal control system is organized according to the following bodies of rules:

- a set of charters and procedures for governing and managing Natixis' risk processes (such as the procedure governing the credit decision process, the market risk management charter, the charter for measuring, controlling and managing operational risks, the charter for managing compliance risks, etc.);
- Natixis' audit charter;
- the general IT/data security policy establishing the governance rules for the security and continuity of IT systems, as well as the security principles to be applied;
- the charter formalizing areas of responsibility for country managers in Natixis' foreign operations and organizing relations with heads of the business lines represented locally;
- the "compliance manual" which defines all best practices applicable to Natixis' employees (especially concerning preventing conflicts of interest, countering money laundering, employee professional ethics, protection of confidential information, etc.).

The objective of these standards is to ensure the effectiveness and quality of the Company's internal operation, the reliability of accounting and financial information distributed both internally and externally, the security of operations, and compliance with laws, regulations and internal policies.

3.6.2 GENERAL ORGANIZATION

Permanent and periodic controls introduced by Natixis are organized from the first operational or functional level up to the highest level. They are structured according to three principles:

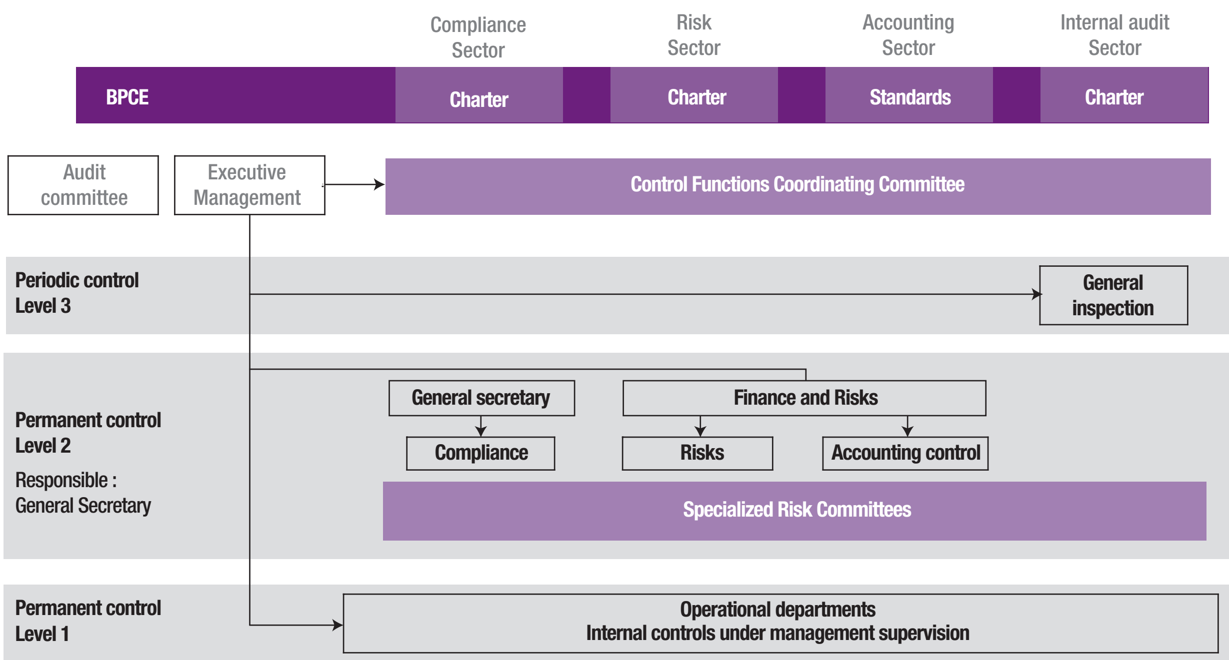
- Natixis separates its risk-taking and control functions, as well as the different levels of control. This separation results in:
  - a distinction between front- and back-office functions,
  - the existence of first-level controls at the operational level,
  - the distinction between periodic and permanent controls.

  Although responsibility for first-level internal control lies firstly with operational or functional departments, second-level permanent controls and periodic controls are carried out by independent central functional departments (whose heads as defined in Articles 7 and 11 of the CRBF rule, report directly to Natixis' executive body as defined in Article 4 of the same rule);
- Concerning the scope of internal control, Natixis organizes its control functions on a global basis so as to ensure consistency of the internal control mechanism throughout the whole Company. The internal control system thus covers all risks and extends to all business lines and subsidiaries within Natixis. Local permanent and periodic control functions within subsidiaries or business lines report to Natixis' corresponding central control departments, either on a functional basis in the case of subsidiaries or on a hierarchical basis in the case of business lines. The "risk", "compliance" and "audit" functions constitute distinct business functions;
- Natixis structures its control mechanism in a manner consistent with the principles set out by BPCE, with the objective of ensuring a consolidated approach to risk under the framework of control exercised by the shareholder group and central body, as well as satisfying the consolidated monitoring requirements set out in the CRBF rule.

3.6.3 CONTROL SYSTEM PARTICIPANTS

Executive Management, under the stewardship of the Board of Directors, is responsible for the whole of the Group internal control mechanism.

ORGANIZATION OF NATIXIS' INTERNAL CONTROL MECHANISM



3.6.3.1 First-level control

First-level permanent controls are an essential component of Natixis' internal control system.

These controls are carried out by operational or functional departments under managerial supervision. These departments are responsible for:

- checking transaction processing procedures are adhered to and compliant;
- justifying account balances for active accounts relating to the transactions they execute.

Depending on situations and activities, these first-level controls are carried out by the operating entities themselves or by ad hoc control units, such as middle office or accounting control entities.

First-level controls are described in formal written procedures and their results are documented.

3.6.3.2 Second-level control

The Corporate Secretary is responsible for the second-level permanent controls system, which is carried out by two main participants: the Compliance Department (including IT Systems Security) and the Risk Department.

A COMPLIANCE

Overall organization

- The Compliance Department ensures the development of best practices for preventing and managing compliance risk at Natixis, thereby helping to prevent financial loss and the associated reputation risk. It acts in accordance with instructions prescribed by BPCE and its scope of action covers Natixis, its subsidiaries and branches.
- The Compliance Department's main responsibilities are to:
  - ensure legal and regulatory watch relating to compliance, in conjunction with the legal function;
  - define standards and methods for assessing compliance, control and reporting risks. These standards are devised in order to ensure market integrity and the primacy of customer interest, and to prevent conflicts of interest (including independence in third-party account management) as well as to counter money laundering and terrorist financing;
  - ensure the execution of permanent second-level controls (including controlling compliance with standards and the application of procedures);
  - establish and maintain a compliance risk map;

- implement a system of cooperation and links with the Risk Department, concerning the observation of operational defects that may entail compliance risks and measures to rectify them;
- issue a written compliance opinion regarding all new activities, structures, processes, products and transactions, as well as significant changes to existing products. This opinion is accompanied by the right of blockage or appeal, under the New Product Committees framework set up within Natixis' business lines and its subsidiaries, or centrally for products common to several business lines;
- intervene in an advisory role in order to support activities with a view to ensuring security and compliance with standards;
- contribute to employee training in conjunction with the Human Resources Department;
- manage IT systems projects dedicated to monitoring and managing compliance risks on a consolidated basis at Natixis group level;
- centralize logging and reporting of malfunctions resulting in non-compliance at subsidiary or business-line level, with a view to their consolidation by Natixis;
- centralize logging and reporting of possible malfunctions as set out in Article 11-2 of amended rule 97-02, at subsidiary or business-line level, with a view to their consolidation by the Natixis group and their communication to BPCE; and defining the conditions for exercising the alert mechanism provided for by this article whilst respecting the confidentiality of declaring parties;
- prepare regular summary reports, notably for Natixis' and BPCE Executive Management;
- oversee the consistency and effectiveness of permanent controls for compliance risk.

• Organizational structure

The Compliance Department reports to the Corporate Secretary and functions independently of operational departments. The Corporate Secretary is responsible for permanent control, as defined in rule 97-02.

• Subsidiaries and branches

As part of a broader Compliance function, Natixis' Compliance Department provides direction and impetus to Compliance managers in subsidiaries and branches, this being done through a strong functional link of a hierarchical nature. Compliance managers in subsidiaries and branches report to the executive body or, exceptionally, if the size of the entity warrants it, to a permanent control manager who, in turn, reports to the executive body, and to Natixis' Chief Compliance Officer through a strong functional link of a hierarchical nature.

This strong functional link of a hierarchical nature expresses itself through:

- Natixis' Chief Compliance Officer being required to issue prior approval to the secondment, appointment or removal of a subsidiary's Compliance manager;
- Natixis' Chief Compliance Officer participating in annual performance and career advancement reviews;
- the obligation to send information to Natixis' Chief Compliance Officer.

For business lines operated by the head office, Compliance managers report directly and hierarchically to Natixis' Chief Compliance Officer.

The Compliance Function Charter published in June 2010 details the network's operating procedures.

Focus of the compliance control mechanism

There are three key focuses to Natixis' Compliance mechanism:

Ethics/Compliance

At Natixis, the Code of Conduct refers to the set of rules applicable to the professional conduct expected of our employees when providing investment services. These rules are set out in the AMF's General Regulation and are meant to safeguard the integrity of the markets and the primacy of the client's interests.

To define these rules and to ensure that they are fully known to all Natixis employees, the Compliance function introduced a company-wide effort, "Conduct/Ethics/Training", deployed to each core businesses and each business line, including all subsidiaries, by the Compliance Officers.

The challenges addressed in 2011 included stepping up training initiatives and the oversight of personal transactions and tailoring detection of conflicts of interest to changes within the organization.

A special effort designed to raise awareness concerning rules of good conduct was rolled out in 2011 and 1,300 employees, including all major stakeholders, received classroom training. In addition, a special e-learning module on personal behavior and ethics was created for roll-out in early 2012.

The monitoring of personal transactions by employees resulted in several reminders and one-on-one meetings on the arrangement in force. Oversight of market professionals identified as "material risk takers" was strengthened.

The mapping of potential conflicts of interest was updated to account for changes in the organization of operating activities in 2011. This work and new advances in IT have strengthened the prevention of conflicts of interest and the improper circulation of inside information.

Financial security

The mission of the Financial Security Department (SECFIN), which reports to Compliance management, is to organize the mechanism to combat money laundering, terrorist financing and fraud at Natixis and its subsidiaries. In addition to this standing supervisory mission, SECFIN may directly spearhead special efforts on behalf of some business lines.

In 2011, the main initiatives were:

- the project to update CIB's "Know Your Customer" procedures;
- the transfer to CIB of the task of issuing opinions on relationship forming as part of an on-boarding mechanism, after analysis of the anti-money laundering risk posed by clients classified as low or medium risk, a function that previously fell within SECFIN's remit;
- at the end of the year, SECFIN organized the operating activities that it still conducts on behalf of CIB into a unit created specifically for this purpose. This unit is designed to handle opinions on relationship forming for high-risk clients, the detection of unusual transactions and reporting on suspicious transactions;
- the updating and validation of anti-money laundering, know-your-customer and anti-terrorist financing procedures, in particular those related to activities performed on behalf of CIB;
- in the area of combating terrorist financing, Natixis signed an agreement with BPCE in December that specifies the services that SECFIN provides to all the entities of Groupe BPCE. This primarily relates to forwarding anti-terrorism and Politically Exposed Persons lists to the banks, regional caisses and BPCE subsidiaries so that they can take the necessary precautions in this regard before entering into a business relationship. Finally, we note that there was increased intensity in 2011 in the oversight of embargoes due to events associated with the "Arab Spring";
- in the area of fraud, SECFIN consolidated its network of reporting agents within the business lines and instituted a Committee that meets quarterly and serves as forum for dialog and harmonization of the anti-fraud mechanism. Fraud or attempts a fraud in any Natixis business line will result in an investigation and will then be the subject of warnings issued to all reporting agents and relayed to all Customer Relationship Officers. Furthermore, the work conducted together with the Risk Department has led to progress in mapping and anti-fraud measures;
- as to training in combating money-laundering offered to all employees of the business lines, a special effort has been made in classroom instruction. Training available via e-learning continues in parallel along with the design and roll-out of a module dedicated to combating fraud in 2011.

Controls

Permanent second-level controls, for which the Compliance Department has responsibility, focus on:

- transaction compliance: this involves checking not only transactions, but also that transaction execution processes comply with applicable banking and financial rules, and market rules;
- organizational compliance;
- the quality of data transmitted to the Compliance Department (through automated systems and indicators); and
- the application of procedures. This control involves ensuring that procedures exist and are effectively applied (in accordance with Article 40 of rule 97-02), and are compliant with the rules governing the various types of risk.

Controls performed by the Compliance Department may take three forms:

- controls based on indicators arising from first-level controls;
- controls based on warnings issued by automated control systems, especially under the framework of anti-money laundering and market abuse detection plans;
- controls through checks on accounting documents and, if appropriate, on-site checks, so as to ensure that automated controls are relevant. They can also be used to check the application of more qualitative rules (knowledge and classification of the customer, application of Chinese walls, management of conflicts of interest, etc.).

The "First-Level Internal Control" Project, launched in late 2011, was designed to strengthen the first-level control system and its monitoring. Its roll-out, which concerns all of the Natixis consolidation scope, is being carried out in waves of entities or business lines. By late December 2011, deployment had taken place in seven entities and was in progress in four. Control reporting assessments have been issued since June.

The Compliance function made detailed maps of compliance risk by business line and entity. These maps are a supplement to the comprehensive risk mapping conducted in 2010. Nearly 80 generic risks were identified in addition to specific risks to the business lines.

The format of second-level control plans was reviewed in late 2011, with a direct link between planned controls and the assessment of compliance risks. This facilitated the setting of control priorities notably by making provision for the criticality of risk.

The accounting control mechanism will continue to develop in 2011 under the impetus of BPCE as part of a function-based approach.

Finally, several projects are underway to strongly delineate the distinction between the control mechanisms set up by the Operational Risk and Compliance functions. This relates primarily to incidents, mapping and controls.

B IT SYSTEMS SECURITY

The IT Systems Security and Business Continuity Department reports to Executive Management on IT Systems Security and Business Continuity policy, which it defines, controls and maintains.

The Head of ITSS and Business Continuity (Head of ITSS and BC) works for Natixis and its subsidiaries in France and abroad. His/her role includes:

- ensuring at all times that security policy is appropriate to the risks incurred and to regulations;
- promoting security policy and ensuring its compliance at all levels;
- if necessary, identifying the security services to be implemented;
- verifying and monitoring compliance with this policy and ensuring overall tracking across the whole of Natixis.

Natixis' Head of ITSS and BC reports to the Head of Compliance. He/she works in close cooperation with the Internal Audit Department and the Risk Department.

He/she also participates in certain Committees responsible for the Bank's controls and operational risks, in particular the Natixis Operational Risk Committee.

Natixis' Head of ITSS and BC is in charge of the IT Systems Security and Business Continuity function, which includes the ITSS-BC Department (reporting to the Compliance Department) and all persons charged with implementing and controlling IT System Security and Business Continuity locally. These persons include:

- the Head of ITSS and the Head of BCP who report to Natixis' subsidiaries or business lines and are in charge of applying security policy locally according to the context in the sector concerned;
- local correspondents within the business lines (notably Business Continuity Plan correspondents and logical security correspondents). They are responsible for relaying security policy locally and delivering advice and assistance on the subject within their area of responsibility;
- correspondents within IT project management teams responsible for implementing and maintaining security mechanisms.

Governance of the IT Systems Security and Business Continuity function is ensured by the following Committees:

- a strategic ITSS Committee, which is Natixis' highest-level decision-making body in the field of IT security and business continuity. This Committee is chaired by a member of the Senior Management Committee and is responsible for approving the annual security plan prepared for Natixis. All business lines are featured in it;
- an IT Systems Security Coordination Committee that regularly brings together the various participants involved in security, and especially the Heads of ITSS within subsidiaries. It is responsible for monitoring the annual security plan, coordinating and steering all the function's actions and pooling security projects;
- a Plenary Business Continuity Committee that regularly brings together all persons involved in business continuity to ensure that continuity actions are monitored;
- Business Line or Subsidiary Security Committees that steer IT security and business continuity actions for their subsidiary or business line.

In 2011, ITSS activities and business continuity focused on:

Governance of the function

In 2011, ITSS-BC rolled out the organization provided for in the charter on IT Systems Security and Business Continuity introduced as the result of new orientations of the New Deal strategic plan. In connection with a unified function, the Heads of ITSS in the divisions lent their assistance to steering and leading the ITSS function within their specific areas of responsibility in order to better serve business needs.

A campaign to review ITSS objectives was conducted to make provision for the security directives issued by BPCE.

Permanent controls

A plan covering more than 200 controls classified according to the COBIT and ISO 27002 standards and organized by business line has been developed and implemented. It includes intrusion tests, vulnerability tests and internal investigations, as well as permanent IT monitoring (correlation of security events, Internet monitoring and security breach monitoring).

Logical security

Fundamental actions have been taken to reinforce and control logical security. These actions involve:

- control of access to company information and compliance with the different regulations on "information barriers";
- protecting Natixis against information leaks (laptop PC encryption, protecting sensitive USB ports, etc...). The area will be subject to further development in 2012 throughout the company;
- the consolidation of a security data warehouse that performs multi-database and multi-environment queries on in-house user authorizations and enables wider control of authorizations;
- IT infrastructure security, notably rolling out an "electronic safe" software package to secure high-privilege administrators' passwords.

Risk prevention

In 2011, ITSS-BC continued its IT project control program.

Initial mapping of ITSS-BC risks was completed in 2011. IT application sensitivity was also mapped. It has become the preferred management tool for security measures more closely geared to needs of the business lines and regulations.

In 2011, ITSS-BC continued its IT project control program. Mandatory controls were instituted to verify the smooth integration of security into IT applications. Project management methodology now includes a "Security Criticality Checklist" to identify information system security and business continuity needs before a project starts up.

Security is also provided by raising the awareness of employees regarding good practices. More than 4,000 employees directly participated in awareness-raising via e-learning modules.

Business continuity

Natixis' continuity mechanism is placed under the responsibility of Natixis' head of ITSS and BC. Work in 2011 focused on:

- keeping the business continuity arrangement in working order. Natixis has over 1,500 backup positions for users, an IT backup site and crisis meeting rooms. A campaign focused on updating Impact Analysis Assessments was conducted with 28 user backup drills, around 30 IT backup tests and 5 crisis management drills. Furthermore, two telecommuting exercises involving nearly 500 employees were conducted;
- plan review. Above and beyond first-level business continuity planning controls, a second-level control campaign was conducted focused on the four most critical business lines: CIB France, EuroTitres, Natixis Financement and Natixis Paiements;
- monitoring and supervision. The monitoring and support unit set up to coordinate and steer the various crisis units and to inform executive crisis unit members in the event of a crisis was contacted for several incidents that did not cause any harm. This unit demonstrated its effectiveness, especially in handling the crisis in Japan (Fukushima). Furthermore, an alert tool was successfully tested and will be rolled out in 2012;
- coverage of flood risk. A plan that specifically focuses on the Seine reaching flood stage was included by the business lines and support functions.

3.6.3.3 Third-level control

Third-level control – or periodic control – is the responsibility of the Internal Audit Department.

The Internal Audit Department reports directly to Natixis' Chief Executive Officer. It has strong functional ties with Groupe BPCE's General Inspection, in accordance with the principles approved by the CECEI in its decision on November 15, 2007 and the BPCE General Inspection's charter. Also in accordance with these principles, the Internal Audit Department leads a global audit function.

Natixis' Internal Audit Department is responsible for verifying the Bank's controls and is one of the bodies responsible for the correct functioning of the Bank's internal control system within the meaning of the CRBF rule. In this respect, it is independent from all operational entities and support functions. It has no operational role and can therefore never find itself in a position of conflict of interest.

The Internal Audit Department conducts audit assignments across the whole of Natixis (parent company, subsidiaries and branches) and covers all classes of risk arising from the business lines involved. It has full and unrestricted access to all information, confidential or otherwise. Its field of investigation encompasses all of Natixis' operational activities (including run-off activities under the GAPC framework, for further information, please refer to Chapter 1 "GAPC"), its functional activities – notably including entities in charge of permanent control assignments – and its outsourced activities. In all business lines, it carries out in-depth analyses of operations, as well as the "front-to-back" processes by which operations are carried out. These analyses lead to an evaluation of existing control points in processes audited as well as an assessment of risks arising from the activities concerned. They lead to recommendations to strengthen the comprehensiveness and robustness of the mechanisms for controlling or managing the risks audited. These recommendations are ranked by order of priority.

The Internal Audit Department reports are sent to Natixis' Executive Management as well as to the audited units. In addition, Groupe BPCE's General Inspection receives a copy of all internal audit reports issued by Natixis' Internal Audit Department, in accordance with the provisions targeted by the CECEI document in its decision of November 15, 2007, as well as those set out in the charter of Groupe BPCE's General Inspection.

Natixis' Internal Audit is responsible for following up on progress in implementing its recommendations. It conducts follow-up audits and checks, making use of recurrent work in the area carried out by permanent control teams where necessary.

The work of Natixis' Internal Audit Department is based on an annual Audit Plan drafted jointly with Groupe BPCE's General Inspection and which aims to optimize the allocation of audit resources across the perimeter covered. It is part of a four-year plan that sets out the intervention frequency and adapts resources to the risks to be controlled.

The Audit Plan may be revised during the year at the request of Executive Management or if required by circumstances.

In addition to conventional audit assignments, the Internal Audit Department is also able to carry out ad hoc audits in order to address issues arising during the year and not initially included in the Audit Plan.

Natixis' annual and multi-year audit plans are approved by its Chief Executive Officer and by BPCE's General Inspection. The Annual Audit Plan is examined by the Audit Committee. In 2011, Group Audit conducted audit assignments on all risk classes to which Natixis' activities are exposed. It devoted a fairly significant share of its resources to assignments of a regulatory nature, as part of the Bank's Basel 2 and Solvency 2 certification process undertaken by Natixis, as well as assignments conducted in Natixis subsidiaries pursuant to audit agreements entered into with them in 2008.

In addition, efforts were made to continue consolidating the Natixis' "Audit" function in three main directions:

- measures were taken to strengthen Audit function governance mechanisms with enhanced standards and procedures rolled out to local auditing departments, in particular those existing in foreign Natixis subsidiaries;
- in application of the principles adopted when the Groupe BPCE "Audit" function was put together, Natixis' Internal Audit continued the work started to consolidate its methods with those of the BPCE General Inspection;
- in 2011, General Inspection conducted a major effort to refine its risk assessment methods and to evaluate its missions in order to increase the relevance of its interventions, better meet regulators' requirements on streamlining auditing efforts and to ensure the alignment of its methodology with that of BPCE's General Inspection;
- finally, in 2011, as during the last two reporting periods, the treatment of auditing recommendations were given special attention. Efforts conducted in 2010 on the follow-up of priority recommendations were actively continued. General Inspection provided assistance in strengthening monitoring mechanisms within Natixis' business lines with the active cooperation of BPCE's General Inspection. To this end, nine meetings were held during the year. These meetings provided a forum for addressing issues related to auditing programs and practices (Internal Audit Coordination Committee), as well as topics associated with risk assessment and mission evaluation (the Risk Assessment Committee instituted in 2011).

3.6.3.4 Coordination of controls

The Control Functions Coordination Committee ("CFCC") is chaired by the Natixis Chief Executive Officer, or his substitute the Corporate Secretary, and comprises the Chief Financial Officer, and the heads of Risk, Compliance and Internal Audit. The head of Compliance acts as the Committee's secretary.

Its role and methods of operation are set out in a charter. It deals with all issues relating to the organization and planning of control services, as well as highlighting areas of emerging or recurring risk within the scope of consolidation and reports any significant dysfunctions observed in the executive body. It also supplies the executive body with updates on ongoing controls performed by internal or external control functions or regulators, and ensures that the conclusions from these undertakings are taken into account by the operational business lines.

It may also meet with operational managers when necessary. Four CFCC meetings were held in 2011.

3.6.4 RISK MONITORING AND CONTROL

Consistent with the organization of Groupe BPCE, the second-level permanent control mechanism is organized under the authority of the Compliance function and the Risk function, in accordance with their respective powers. These two functions oversee the proper functioning of the chain of first- and second-level controls.

The Natixis Risk Department belongs to the BPCE mechanism organized into functions, with the relationship between the shareholding central body and its subsidiary Natixis being governed by the Group Risk Charter.

Its scope of action extends to the following risks:

- credit risk;
- market risk;
- overall interest rate, liquidity and structural foreign-exchange risk;
- operational risk;

and covers all entities consolidated by Natixis.

Natixis' highest-level risk governance authority is the Natixis Global Risk Committee, which defines the key elements of risk policy, analyzes the main risks and validates the main risk standards and methods implemented.

The main missions of the Risk function are to:

- propose a risk policy for Natixis in line with the company's strategy, and monitor its regular application and updates;

- define methods and standards that make it possible to measure risks and approve risk taking (models, reporting, limits, delegation systems) in compliance with Groupe BPCE's standards;
- provide a second opinion on business-line cases based on workflow and Committees, for which the Risk Department undertakes preparation and supervision and acts as secretary;
- set out supervision and risk monitoring procedures at the individual and consolidated level;
- produce risk reports for the Senior Management Committee, the business lines, BPCE and regulatory authorities.

Finally, it provides information to the Natixis Board of Directors and Audit Committee by providing summary information and one-off analysis.

In accordance with Articles 17 ter and 38 of amended rule 97-02, alert procedures for serious incidents were introduced with alert levels set by type of risk. In 2011, the alert system was implemented after observation of a backtesting exception concerning regulatory VaR over 20%. The requisite information was transmitted to the Risk Management Committee and French Prudential Supervisory Authority.

For more detailed information, see Chapter [4], "Risk Management".

3.6.4.1 Credit risks

Identifying and analyzing credit issuance risks

The Risk Department is responsible for analyzing counterparty credit risk. It conducts this counter-analysis using a formalized credit file for each counterparty and beneficiary group, including all information relevant and useful for decision-making purposes:

- information regarding the client, its business and its environment;
- external data: ratings allocated by rating agencies, sector analysis, country risk and sovereign risk analyses, etc.;
- internal data regarding commitments, collateral and guarantees;
- a summary of all of the credit risks incurred by Natixis and the effects of the proposed transactions on profitability and regulatory ratios.

Credit decisions are made either through mandates granted jointly to business lines and certain members of the Risk Department ("workflow" process) or by the relevant Credit Committees, following an independent analytical process. These mandates are set out formally and granted individually by the Chief Executive Officer or by any person whom he authorizes to that end. They are sized according to the counterparty's category and internal credit rating, and the nature and duration of the commitment. Furthermore, these authorizations can be exercised only when the commitment of interest satisfies the different criteria set out in the risk policy of each business line.

Credit risk measurement methods

The credit risk management system has been based on the advanced internal ratings based approach since 2010.

In addition, Natixis regularly conducts methodological work aiming at assessing the relevance of its credit stress tests.

To date, two types of stress tests have been developed:

- macro-economic stress tests according to scenarios drawn up by Natixis' economic research team;
- stress tests specific to certain Natixis business lines.

A COUNTERPARTY RATINGS

Credit risk management requires a risk rating, an LGD and commitment or transaction monitoring procedures in accordance with title II of the CRBF rule and the French ministerial order of February 20, 2007.

Natixis uses the advanced internal ratings based approach for each counterparty and each commitment for the purposes of managing credit risks (decision-making, monitoring, etc.). In concert with BPCE, it has defined the rating methods applicable to the asset classes held jointly.

B CREDIT RISK MONITORING

Natixis' commitments are measured and monitored on a daily basis using dedicated consolidation systems.

An IT system allows for an overall consolidation of limits and credit exposures across a scope covering all of Natixis' exposure to credit risk and most of that of its subsidiaries.

The Risk Department provides Executive Management and the bank's business line managers with reports analyzing Natixis' risks: trend analyses, scorecards, the results of stress tests, etc.

C CREDIT RISK SURVEILLANCE

Credit risk is surveyed by making the various business lines accountable and by various control measures overseen by a dedicated team within the Risk Department.

As regards limit excesses, the dedicated monthly Committee Meeting analyzes changes in limit excesses using specific indicators (number, total, duration, business lines concerned, etc.), and examines significant excesses and monitors their correction.

Cases showing a deterioration in the level of risk are identified as they arise and reported immediately to the Risk Department and the business line concerned, in accordance with both the counterparty watch list and alert procedures.

Quarterly monitoring of watch-listed counterparties and the process for determining specific additions to and reversals of provisions are examined concomitantly. It relies on preparatory committees organized by the Risk Department and the managers of the various business lines within the bank.

D MONITORING OF DOUBTFUL CASES AND CASES IN LITIGATION

Specific provisions

The Natixis Watch List and Provisions Committee meets once a quarter and covers all the Bank's business lines. It reviews all doubtful loans under watch that may give rise to provisions or adjustments to existing provisions, and decides on the level of provision necessary.

The Committee is organized by the Risk Department and chaired by the Chief Executive Officer and assembles members of the Senior Management Committee in charge of the business lines, Finance and Risk, the Head of Risk and the heads of the support functions concerned.

Collective provisions

In addition to specific provisions, Natixis also sets aside provisions to cover country risk and sector risk. These collective provisions are based on groups of homogeneous assets and formed according to three criteria:

- ratings for exposure to private individuals and professionals;
- sector risk;
- geographic risk for other counterparties (corporate, sovereign, etc.).

The search for objective evidence of impairment is undertaken using analysis and close monitoring of business sectors and countries. When necessary, an expert opinion is sought to improve the result obtained.

The determination of industries and countries subject to provisions is made based on an analysis performed by the Risk Department as part of special monitoring activities.

3.6.4.2 Market risks

ORGANIZATION OF NATIXIS' MARKET RISK MANAGEMENT MECHANISM

Market risk control is primarily the responsibility of business-line front offices, which ensure the limits allocated to them are managed and monitored on a continuous basis every day.

The duties and organization relating to the control of Natixis' market risks are described in the Natixis Market Risk Management Charter, which is approved by Natixis' Global Risk Committee.

The charter defines:

- the principles and system for managing Natixis' market risks;
- the conditions under which market risk limits are examined, allocated and monitored;
- the respective roles of the business-line front offices, the Market Risk Department and the Natixis Market Risk Committee.

Natixis' Market Risk Committee meets twice a month and is chaired by the Chief Executive Officer or his duly appointed delegate, a member of the Senior Management Committee. The Committee Chairman is the only person authorized to rule on all the cases presented.

The Risk Department:

- defines risk measurement and fair value adjustment methods and submits them to the Market Risk Committee for approval;
- suggests limits or examines limit requests (VaR, stress tests, operational limits, loss alerts);
- takes over alert functions for areas at risk relating to the business lines or to Executive Management;
- is responsible for the daily analysis and measurement of risks, daily reporting, and notifying front office and the management of any excesses;
- approves the pricing models used by front office in its management tools.

The operational breakdown of the mechanism described in the Natixis market risk regulation charter is specified in procedures.

The delegation system was improved to smooth decision-making between two Committee Meetings. The system is based on double signature according to levels of delegation (front office and risks) and determining factors such as VaR limit levels, stress tests, operational factors, type of indicators (quantitative, qualitative), percentage increase compared with limits, type of transaction.

In line with the recommendations of the "Lagarde" report, the Market Risk Department ensures that each trader is aware of his/her own limits; each trader has to send an e-mail confirming his/her attachment to the desk concerned and agree to their limits. The limit notification procedure has been changed accordingly.

In mid-2009, BPCE granted a guarantee on most of the workout portfolio management assets in Paris and New York. Nevertheless, the Market Risk Department continues to manage risks on all transactions on a standardized and exhaustive basis, whether these transactions are guaranteed or not by BPCE. Overall VaR and stress tests taking into account the effects of this guarantee are now produced on a daily basis.

Specific reports by activity are sent to the traders and managers concerned on a daily basis. A global market risk report is also distributed daily to Executive Management, BPCE and front office managers. Finally, specific reports covering the scope of BPCE's guarantee are sent to BPCE daily.

NATIXIS' METHODOLOGY FOR MEASURING MARKET RISKS

The various measures of market risk used by Natixis are VaR, overall and specific stress tests, qualitative and quantitative operational limits, and loss alerts.

Natixis uses a Monte Carlo simulation of VaR over a 1-day time period and using a confidence interval of 99%.

The calculation methodology is based on an econometric model whose standard deviations are calculated as being the maximum (risk factor by risk factor) standard deviations calculated over 12-month and 3-month rolling periods. This method makes VaR more responsive if the markets become more volatile.

All decisions regarding risks factors are revised annually in Committee Meetings attended by all the parties concerned (Risk Department, Front Office and Results Department, with the objective of ensuring consistency between VaR calculations, results and sensitivities (use of the same risk factors).

Natixis uses VaR to calculate capital requirements for market risks over acceptable periods.

Only one backtesting exception was observed in 2011 relative to regulations. The loss responsible for this exception exceeding VaR by more than 20% was reported to the Audit Committee and the Prudential Supervision Authority in connection with the alert thresholds defined under Regulation No. 97-02 (Articles 17 ter and 38).

In connection with changes in regulatory requirements, Natixis instituted a Stress VaR (SVaR) calculated based on a fixed economic model spanning a period of one year and including a representative crisis for the bank's portfolio as well as an IRC (Incremental Risk Charge) calculation to make provision for migration risk and a market securities default. The regulator has authorized Natixis to use these new indicators to determine capital requirements at December 31, 2011.

A series of stress tests covering all portfolios and specific activities per business complete this mechanism; they are calculated daily.

3.6.4.3 Overall interest rate, liquidity and structural foreign-exchange risks

GOVERNANCE

The structural balance sheet risks of Natixis (the parent company) are managed and monitored under the authority of the Asset/Liability Management Committee (the "ALM Committee"), chaired by the Chief Executive Officer, and attended by members of the Senior Management Committee in charge of Finance and Risks and Corporate & Investment Banking, the Head of Risk, the head of the single treasury and central bank collateral management pool, the Head of Financial Management and BPCE's Head of Asset/Liability Management. This umbrella Committee meets every two months and its main responsibilities are to:

- validate the main asset/liability management rules (including those relating to internal liquidity pricing), agreements, indicators and limits (including liquidity budgets allocated to the business lines as part of budgetary procedure) to monitor, manage and supervise structural balance sheet risks, all within the standard ALM framework set up by BPCE;
- validate the overall funding policy;
- monitor the main balance sheet aggregates and changes affecting them;
- monitor structural balance sheet risks and compliance with limits.

The ALM Committee is responsible for monitoring across the following scope:

- the banking portfolios of Natixis S.A. and of its credit subsidiaries for overall interest-rate risk;
- Natixis' entire scope of consolidation excluding insurance subsidiaries that do not present intrinsic liquidity risks and which are specifically monitored and managed in respect of liquidity risk;
- Natixis' entire scope of consolidation for structural foreign exchange risk.

Natixis' ALM organization is as follows:

- Natixis S.A.'s Treasury aims to refinance all the business lines within the rules and limits set by the ALM Committee;
- subsidiary and non-subsidiary activities without ALM risk management mandates from the ALM Committee transfer management of their risk to the Treasury through individual matching contracts. The activities concerned primarily correspond to the Corporate and Investment Banking division's financing activities;
- subsidiary and non-subsidiary activities that possess ALM risk management mandates match their net needs with Treasury subject to rules and limits set by the ALM Committee. The activities concerned include capital markets and specialized credit subsidiaries.

All of Natixis' ALM indicators are sent to BPCE. Natixis' Risk and Finance Department's ALM system is interfaced with BPCE's so that it can monitor ALM risks across the entire Group.

Since May 2011, with the creation of a single treasury and central bank collateral management pool, BPCE and Natixis have been coordinating the operational management of their treasuries in order to secure and to optimize access to liquidity for the entire group and their businesses.

The Natixis Market Risks Department is responsible for second-level monitoring of ALM indicators produced by the Financial division (mismatching ratios, liquidity stress tests, etc.) and third-level control of the indicators established by the liquidity management team (1- to 60-day static liquidity gaps); second-level control falls under the remit of the Financial division.

OVERALL INTEREST RATE RISK

The very large majority of Natixis' exposure is in euros and US dollars and uses a floating rate; as a result, Natixis' overall interest-rate risk is essentially linear and concerns mismatching positions between contractual operations.

The largest positions concern exposures to the short end of yield curves and are notably linked to time-lags between LIBOR reset dates. This risk is measured in terms of the sensitivity of the economic value of portfolios by percentage point of the yield curve and by currency. It is controlled, for the most important portfolios, through limits confirmed and monitored by the Finance and Risk Department. As regards Treasury, on which most positions are concentrated, this mechanism is rounded out with daily VaR measurements governed by limits and stress tests.

LIQUIDITY RISK

Liquidity risk is controlled, managed and monitored in the following manner:

- management of each business line's liquidity consumption: to manage balance sheet growth, liquidity budgets are allocated for each business line as part of the budgetary procedure and approved by the ALM Committee. Consumption is monitored weekly for CIB business lines and monthly for all other business lines;
- supervision of short-term mismatching: this is measured on the basis of liquidity gaps. In order to manage estimated forecast short-term liquidity requirements, this indicator is produced daily for a three-month horizon in intervals of one day, based on all the parent company's contractual transactions. It is supervised by two permanent limits approved by the ALM Committee and monitored daily; one on overnight market exposure and the other on the two-month static liquidity gap;
- supervision of medium-term mismatching: this is measured on the basis of liquidity gaps and asset-liability hedging ratios. These ratios include minimum coverage ratios approved by the ALM Committee. They are monitored monthly for Treasury and quarterly for Natixis' entire scope of consolidation;
- simulations of liquidity stress scenarios: the purpose of these scenarios is to measure Natixis' ability to withstand different crisis scenarios (systemic, specific, combined, etc.) over a three-month period, with assumptions revised periodically and approved by the ALM Committee;
- Liquidity stress resiliency exercises: their purpose is to measure the group's ability to continue to meet its commitments and to pursue its business activities in the event of a crisis. From time to time, Natixis simulates its contribution to group earnings under different crisis scenarios (systemic, specific, combined, etc.) and for different degrees of severity (moderate, high, extreme, etc.) over a three-month period.

STRUCTURAL FOREIGN EXCHANGE RISK

Natixis' structural forex risk for the most part concerns structural positions on the US dollar reflecting the presence of foreign branches and subsidiaries funded in this currency within Natixis' scope of consolidation. Given the existence of weighted risks denominated in currencies other than the euro (in particular the US dollar), the ALM Committee has approved currency purchases to fund long-term investments in order to immunize the bank's capital adequacy ratio against changes in the euro-US dollar exchange rate.

3.6.4.4 Operational risks

The Operational Risk Department is responsible for monitoring and controlling risks arising from failures attributable to operating procedures, employees and internal systems or arising from outside events.

The duties and organization related to operational risk are described in the operational risk policies and procedures validated by the Natixis Operational Risk Committee in May 2011. This document defines:

The duties and organization related to operational risk are described in:

- the procedures for detecting, analyzing and measuring operational risk:
  - recording incidents,
  - investigating serious incidents,
  - risk mapping,
  - environmental indicators and variables;
- operational risk control procedures:
  - drawing up and monitoring action plans,
  - risk limiting policies in the form of caps on some activities.

The Operational Risk function is deployed globally on a matrix-type basis according to the two axes of activity and location.

The mechanism is managed by Natixis' Operational Risk Committee, a specialized body overseeing operational risks policy. It is the operational extension of the executive body and, as such, possesses its full decision-making power for issues relating to its field of application. This Committee meets quarterly and is chaired by the Chief Executive Officer or his substitute the Chief Finance and Risk Officer, with the Head of the Operational Risk Department acting as secretary.

Business-line Operational Risk Committees are offshoots of Natixis' Operational Risk Committee. They closely manage each business line's operational risk exposure. The Committees meet at least quarterly and are chaired by the head of the relevant business line with the participation of the Operational Risk Department, which acts as Committee secretary.

Operational Risk function governance has served to accompany change and reorganization in the banking business lines, while also maintaining constant efforts to improve procedures through corrective actions and action plans.

3.6.5 INTERNAL CONTROL PROCEDURES RELATING TO ACCOUNTING AND FINANCIAL INFORMATION

3.6.5.1 Process for preparing consolidated financial statements

Natixis' consolidated financial statements are prepared by the Finance Department using the consolidation tools and standards developed and administered by Natixis S.A. As a listed company, Natixis is required to prepare its own consolidated financial statements, although the sub-group of which it is the parent has been part of the BPCE consolidated group formed by the Banques Populaires and Caisses d'Epargne groups since July 1, 2009.

The consolidation process is operationally autonomous, but linked with that of BPCE.

The reliability of this process is based on the following core principles:

- definition and dissemination of the accounting principles applicable to Natixis companies, including the analysis and interpretation of new IFRS accounting regulations published during the period;
- use of the direct consolidation method, broadly rolled out throughout the group, allowing for the analysis and control of the consolidation reports of each consolidated company via a formal review process;
- preparation of consolidated financial statements on a quarterly basis. This allows for greater control over financial reporting, thus anticipating significant transactions over the fiscal year;
- reporting and reconciliation of intra-group transactions at M-1 and then at M, M being the reporting month, thus increasing the number of reconciliations and contributing to the preparation of quarterly statements;
- use of an automated control process for individual information provided by the consolidated entities through the use of consolidation reports that incorporate accuracy and consistency controls, which must be complied with before the data can be transmitted;
- individual analysis of all entries impacting consolidated shareholders' equity and the preparation of a tax proof, including proof of deferred taxes, for each consolidated entity, thus contributing to the final calculation of consolidated shareholders' equity;
- an audit trail justifying all accounting entries published in the financial statements and their notes based on the individual accounts of each of the consolidated entities and consolidation entries;
- data archiving and security procedures;
- provision of support and appropriate training to the accounting teams of those consolidated entities where the consolidation system is rolled out, thus allowing for best practices to be spread within the Company.

Natixis has a system enabling it to:

- produce a local IFRS-compliant reporting package, including, for foreign entities, a reporting period foreign currency conversion feature;
- guarantee the consistency of data relating to the banking and insurance consolidation scopes;
- benefit from the transparency of Natixis sub-group reports;
- offer retrieval features that can be used to input data into the various reports;
- enable BPCE to access Natixis data through dedicated interfaces;
- secure the integration process for consolidation reports received from international entities through the implementation of local first-level controls followed by centralized second-level controls.

In 2011, Natixis introduced a version enhancement of the system, which has enabled it to reinforce the data integration process as well as the process of controlling and tracing consolidation restatements.

Apart from the consolidation tool, Natixis has continued the effort, begun in 2009, to reduce publication timeframes.

3.6.5.2 Management process for internal control of consolidated entities

As part of the regulatory process introduced by the French Prudential Supervisory Authority (CRBF rule) concerning the internal control systems of credit institutions, Natixis' Internal Audit Department uses the results of the periodic audits it performs to assess internal control procedures. There is a particular focus on accounting and financial procedures of all consolidated entities, whether or not they have credit institution status.

The fact that most subsidiaries have their own management and control functions means that internal control procedures are decentralized and are tailored to the organization of each of the consolidated entities and rely on a multi-tier accounting control process:

- a first-level control where permanent and local controls in operational business lines are integrated into the operating process and formalized in clearly-defined work programs;
- an intermediate level overseen by each entity's financial or accounting departments where independent controls of operating processes are performed to ensure the reliability and exhaustive nature of the financial statements;
- a final level of control carried out by the Group Audit as part of its regular audits.

Permanent and periodic controls particularly involve conducting and monitoring:

- account justifications;
- clearing of suspense items;
- management/financial accounts reconciliation procedures (balance sheet and income statement);
- compliance with accounting rules regarding the correct allocation of income and expenses;
- correct processing of specific transactions in line with the relevant principles;
- adjustment of anomalies identified at the time of these controls as well as the corresponding analyses and documentation.

These controls are conducted using the various accounting systems in place throughout Natixis.

For all these systems, Natixis and its subsidiaries continue to upgrade their accounting and financial control procedures and equip themselves with suitable audit trail tools. In this respect, Natixis' Finance Department supervises, manages and monitors the various controls performed by the subsidiaries.

Firstly, as regards the scope of the Natixis entity, Accounting Controls are based on the following fundamental principles:

- separation of the accounting entry and control functions;
- standardization of control processes with the different business lines: methods, tools, reporting and schedules;
- management centralized by the Finance Department and taken up by an independent Accounting Review team;
- ensuring the size of the team is suited to the objectives defined.

Since 2010, the organization of the Accounting Controls function has been based on:

- accounting production teams within the business lines that handle all work related to the correct entry of transactions and the implementation of day-to-day controls;
- first-level controls under the hierarchical and/or functional authority of the Accounting Department including all monthly and quarterly controls that make the accounts more reliable;
- second-level controls under the hierarchical authority of the Accounting Department and the functional authority of the Compliance Department and which, beyond managing period-end control processes, include reviewing all work carried out by first-level control teams.

Accounting Control draws upon:

- dedicated tools that allow for the automated reconciliation of account entries and centralization of control results in an internal application;
- formalized documentation, governed by a charter established by Groupe BPCE and specifically containing detailed procedures describing the mechanism's structure as well as a map of controls spelling out the nature, execution frequency and responsibility of the two levels of control.

From an organizational standpoint, the 2011 fiscal year was dedicated to:

- completing the implementation of the New Deal "Support Functions" project, which in 2011 culminated in the attachment of the Accounting Control team (financing) to the Accounting Department;

  Capital Markets Accounting, reporting to the Accounting Department and responsible for first-level monthly production and control work, centralizes all contract, economic performance and accounting data reconciliation work, with these tasks being gradually carried out via a single reconciliation system;

- continuing with a program of periodic auditing tasks, defined within an annual plan, reviewed mid-year and which, in addition to reporting, allows further investigation of specific subjects or enhances the control mechanism;
- designing a regulatory reporting control process, which includes account closing activities and periodic auditing tasks;
- launch of a facilitation process for the Auditing function within Natixis subsidiaries via the introduction of scorecards on the organization of accounting control mechanisms and their effectiveness.

Elsewhere, 2011 was characterized by continued improvement in the internal control environment (including real-time processes, introduction of a new funding management tool, etc.).

Internationally, Natixis has introduced a plan to revamp the accounting information system in the United States which will entail the roll-out of the Natixis S.A. accounting solution to US entities. Further, in this respect, the documentation of accounting production and control processes was redefined.

The 2012 fiscal year will be mainly dedicated to:

- a tighter timetable for publishing the financial statements;
- continuing the roll-out of the accounting system across the US;
- continuing the migration of funding operations to the new tool that Natixis has acquired.

The accounting control mechanism will continue to be developed and upgraded in 2012 through:

- strengthening controls in the area of funding through the continuation of the recent reorganization and, in the example of what was initially done, in the area of market operations;
- extending the areas covered by regulatory audit work;
- providing support to Natixis subsidiaries in bringing their accounting control mechanisms into line with the principles established by BPCE.

3.6.5.3 External controls

In addition to the control procedures followed by the financial departments responsible for preparing individual or consolidated accounts, the quality of accounting controls is verified by:

- ad hoc audit assignments conducted by BPCE's and Natixis' Group Audit;
- audits required by the Prudential Supervision Authority in its role as banking regulator;
- audits conducted by Statutory Auditors. This work is carried out by three firms working in a uniform manner each quarter on most of the entities falling within Natixis' scope of consolidation and whose opinions rely, in particular, on compliance with Natixis policies and the effectiveness of local internal control procedures.

3.7 Statutory auditors' report on the report prepared by the Chairman of the Board of Directors

STATUTORY AUDITORS' REPORT, PREPARED IN ACCORDANCE WITH ARTICLE L.225-235 OF THE FRENCH COMMERCIAL CODE ON THE REPORT PREPARED BY THE CHAIRMAN OF THE BOARD OF DIRECTORS

Year ended December 31st, 2011

To the Shareholders,

In our capacity as Statutory Auditors of Natixis and in accordance with Article L.225-235 of the French Commercial Code, we hereby report on the report prepared by the Chairman of your company in accordance with Article L.225-37 of French Commercial Code for the year ended December 31, 2011.

It is the Chairman's responsibility to prepare, and submit to the Board of Directors for approval, a report on the internal control and risk management procedures implemented by the company and containing the other disclosures required by Article L.225-37 of French Commercial Code, particularly in terms of corporate governance.

It is our responsibility:

- to report to you on the information contained in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information, and
- to attest that this report contains the other disclosures required by Article L.225-37 of French Commercial Code, it being specified that we are not responsible for verifying the fairness of these disclosures.

We conducted our work in accordance with professional standards applicable in France.

Information on the internal control and risk management procedures relating to the preparation and processing of accounting and financial information

The professional standards require that we perform the necessary procedures to assess the fairness of the information provided in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information. These procedures mainly consisted of:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the Chairman's report is based and the existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and the existing documentation;
- determining if any significant weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information that we would have noted in the course of our engagement are properly disclosed in the Chairman's report.

On the basis of our work, we have nothing to report on the information in respect of the company's internal control and risk management procedures relating to the preparation and processing of accounting and financial information contained in the report prepared by the Chairman of the Board in accordance with Article L.225-37 of French Commercial Code.

Other disclosures

We hereby attest that the Chairman's report includes the other disclosures required by Article L.225-37 of French Commercial Code.

The statutory auditors

French original signed by

Neuilly-sur-Seine and Paris-La-Défense, March 23rd, 2012

DELOITTE & ASSOCIÉS	KPMG Audit Department of KPMG S.A.	MAZARS
José-Luis GARCIA	Fabrice ODENT	Charles DE BOISRIOU Emmanuel Dooseman

This is a free translation into English of a report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.

4

Risk management

The information provided in the following sections is an integral part of the financial statements certified by the Statutory Auditors:

- *4.2.5.1 Natixis' general risk management system;*
- *4.2.5.2 Natixis' Risk Department;*
- *4.2.5.3 Credit risks (only for data mentioned as certified);*
- *4.2.5.4 Market risks (only for data mentioned as certified);*
- *4.3 Overall interest rate, liquidity and structural foreign exchange risks;*
- *4.6. Insurance risks;*
- *4.7 Sensitive exposures according to Financial Stability Board Recommendations.*

4.1 Risk factors

Natixis operates in an environment that presents inherent risks, some of which it cannot control. Certain risks to which Natixis is exposed are identified below, it being emphasized that it is not an exhaustive list of all risks taken by Natixis in relation to its business or in consideration of its environment. The risks set out below, as well as other currently unidentified risks or which are currently considered immaterial by Natixis, may have a material adverse impact on its operations, financial position and/or results. The scale and impact that these risks could have on the results and assets of Natixis, as well as the organization and control of these risks, are more fully described in subsequent sections of Chapter [4] "Risk management".

Natixis' sensitive exposures are detailed in section [4.7], in accordance with the recommendations of the Financial Stability Forum.

4.1.1 RISKS RELATED TO THE MACROECONOMIC ENVIRONMENT AND THE FINANCIAL CRISIS

Adverse market or economic conditions and increased regulatory requirements may cause a decrease in the net revenues, profitability and financial position of Natixis

Natixis' businesses are sensitive to changes in the financial markets and more generally to economic conditions in France, Europe and the rest of the world.

Over the course of 2011, the intensification of the sovereign debt crisis, beginning with peripheral European countries, profoundly impacted the economic environment in which Natixis operates. The handling of the crisis and its repercussions can generate major disruptions both in terms of credit and market volatility. Furthermore, this crisis of confidence could also continue to impact the bank's refinancing conditions and the liquidity of the financial assets it holds.

In addition to the European sovereign debt crisis that dominated 2011, the financial (and banking) markets were also adversely affected by other significant events, often of a political nature, such as the revolutions in Northern Africa and the Middle East, as well as the nuclear disaster in Fukushima, the loss of the United States' AAA rating and the political debates surrounding the increase of the US federal debt ceiling.

Given the uncertainty of the global economic outlook for the short and medium term, further widespread economic deterioration in France and the rest of the world could also have negative repercussions on provisions for credit losses and capital adequacy.

As a result of political advances in the euro zone, central banks could decide at any time, with or without prior consultation, to change their monetary policy and adjust their liquidity policy, which could cause liquidity to suddenly dry up in these markets and in the economy at large. Against this backdrop, such developments could have a negative impact on the environment in which financial institutions operate and, as a result, have an adverse impact on Natixis' financial position and results.

Natixis has incurred significant losses in recent years, and may continue to post losses, on its portfolio of assets impacted by the financial crisis (GAPC - workout portfolio - assets). As 85% of the GAPC credit portfolio is still covered by the guarantee granted by BPCE, described in Chapter [1] of this registration document, this risk is now associated with a lower volume of assets. For further information on the workout portfolio and its assets, refer to section [1.5] "GAPC".

On the whole, significant disruptions to the overall economic situation could negatively impact Natixis' results and financial condition.

Governments (including governments of countries where Natixis entities are established) have responded to the financial crisis by adopting, or are currently in the process of submitting to Parliament, a certain number of regulatory measures implementing major changes to the existing framework (Basel 3 (CRD4), Solvency 2, Dodd-Frank Wall Street Reform and Consumer Protection Act, Foreign Account Tax Compliance Act, European market infrastructures (EMIR), MiFID 2, Vickers Report, etc.). Other measures are currently under review, particularly regarding systemic institutions. The analysis and interpretation of these measures, which arise from diverse sources, may generate new pressures for Natixis in its efforts to comply with all of the new regulations.

The implementation and observation of these measures could result in:

- an increase in capital and liquidity requirements;
- a structural increase in refinancing costs;
- an increase in some of Natixis' costs (compliance costs…);
- a change in tax laws in Natixis' countries of operation.

The scale and impact of these measures (in particular those still being examined or not yet finalized) on the situation of financial markets in general, and Natixis in particular, are still difficult to precisely determine at this point.

In addition, a certain number of exceptional measures taken by governments (support measures), central banks (lowering of key interest rates) and regulators to remedy the financial crisis, stabilize the financial markets and support financial institutions have recently been, or soon could be, suspended or stopped, which given the uncertainty regarding growth could have an adverse impact on the business conditions of financial institutions.

Finally, any structural banking sector reforms in certain countries (segregation of retail banking and CIB businesses, etc.) represent factors of instability for banking institutions.

4.1.2 RISKS RELATED TO THE LINKS WITH BPCE AND THE BANQUE POPULAIRE AND CAISSE D'EPARGNE NETWORKS

Natixis' principal shareholder has a significant influence on certain corporate actions

BPCE, Natixis' principal shareholder, held 72.26% of its capital (and 72.38% of its voting rights) at December 31, 2011. Consequently, BPCE is in a position to exercise significant influence over the appointment of Natixis' corporate officers and executive managers, and on any other corporate decisions requiring shareholder approval. BPCE's interests in relation to these decisions may differ from those of other Natixis shareholders.

Natixis' risk management policies and procedures are subject to the approval and control of BPCE

As the central body, BPCE is required to ensure that all of Groupe BPCE – to which Natixis belongs – complies with regulations in force governing the banking sector in France in areas such as regulatory capital adequacy and risk management requirements. As a result, BPCE has been vested with significant rights of approval over important aspects of Natixis' risk management policies. In particular, BPCE has the power to approve the appointment or removal of Natixis' Head of Risks, as well as certain aspects of risk management such as the approval of credit limits and the classification of loans granted to joint Natixis-Groupe BCPE customers as doubtful loans. For further information about the risk management policies and procedures at Natixis, please refer to section [3.6.4] "Chairman's report on internal control procedures". BPCE's interests (on behalf of Groupe BPCE) concerning risk management may differ from those of Natixis.

Natixis refinances through BPCE

Since the inception of BPCE, Natixis' medium-to-long-term funding requirements have been met by Groupe BPCE through BPCE S.A. In the event market conditions deteriorate in the future, BPCE, which obtains financing on the international debt markets among other sources, may have difficulty issuing debt instruments under reasonable terms and conditions.

Natixis depends in part on the performances of the Banque Populaire and Caisse d'Epargne networks

Natixis' result depends partly on the performances of the Banque Populaire and Caisse d'Epargne networks, both through services provided to their customers and through the share of the net income from the 20% shareholding in each Banque Populaire and Caisse d'Epargne, in the form of cooperative investment certificates ("CCIs") issued by each of these entities. For further information about the contractual relationships relating to these subjects, please refer to section [1.4.5] "Major contracts".

Natixis has no voting rights with respect to the cooperative investment certificates representing 20% of the share capital of Banques Populaires and Caisses d'Epargne

As indicated above, Natixis holds 20% of the share capital of Banques Populaires and Caisses d'Epargne, in the form of CCIs. These CCIs are non-voting securities, with different rights from those attached to cooperative shares issued by Banques Populaires and Caisses d'Epargne. Although Natixis is entitled to participate in meetings of the cooperative shareholders ("sociétaires") of Banques Populaires and Caisses d'Epargne, it is not entitled to vote at these meetings and has no control over decisions requiring approval by the shareholders of Banques Populaires and Caisses d'Epargne.

However, Natixis has significant influence over Banques Populaires and Caisses d'Epargne as a result of various rights it has been granted in relation to agreements entered into at the time CCIs were acquired by Natixis.

Natixis cannot freely sell its 20% equity interests in Banques Populaires or Caisses d'Epargne, and in some circumstances could be required to sell them

APPROVAL PROCEDURE

Pursuant to agreements made when the CCIs were acquired, Natixis may only sell all or part of its 20% holding in Banques Populaires with the prior consent of the Board of Directors of the Banque Populaire concerned and all or part of its 20% holding in the Caisses d'Epargne with the prior consent of BPCE. In the event of refusal, the Banque Populaire in question will be required to repurchase the relevant equity interests from Natixis at a price determined based on the related proportionate share of net assets, according to the valuation methods used to value the interests at the time of their acquisition by Natixis. The repurchase price could thus differ from the price that Natixis would have obtained from the proposed buyer. In addition, the very fact that Natixis must obtain prior approval could make it difficult for Natixis to sell these holdings.

COMPULSORY REPURCHASE

Moreover, if BPCE ceased to control Natixis, or if certain legislative or regulatory changes or other events occurred (for further information on the events liable to trigger a compulsory repurchase, please refer to section [1.4.5] "Major contracts"), Banques Populaires, Caisses d'Epargne or BPCE, depending on the case, would also have the right to purchase its 20% holding from Natixis at a price determined based on the related proportionate share of net assets, according to the valuation methods used to value the interests at the time of their acquisition by Natixis. The repurchase price could thus differ from the price that Natixis would have obtained through a sale to an independent third party.

In the event such repurchases are carried out via the approval procedure or by compulsory repurchase, Natixis would no longer have any financial interest in the results of the Banques Populaires or Caisses d'Epargne bank, or banks, concerned, and its ability to sell products and services through the Banques Populaires or Caisses d'Epargne bank, or banks concerned, could be impacted.

For further information on the contractual relationships relating to these subjects, please refer to section [1.4.5] "Major contracts".

Natixis is obliged to maintain its holding in the capital of each Banque Populaire and Caisse d'Epargne at 20%

Pursuant to the agreements entered into at the time the CCIs were acquired, Natixis is obliged to maintain its holding in the capital of each Banque Populaire and Caisse d'Epargne at 20%. As a result, during any issue of new shares liable to dilute Natixis' shareholding, Natixis must subscribe to additional CCIs so as to maintain its shareholding at 20%. For further information on the contractual relationships relating to these subjects, please refer to section [1.4.5] "Major contracts".

4.1.3 RISKS RELATING TO NATIXIS' OPERATIONS AND THE BANKING SECTOR

Natixis is exposed to several categories of risk inherent to banking operations

There are five main categories of risk (credit risk, market, liquidity and financing risk, operational risk and insurance risk) inherent to Natixis' operations, which are summarized below and described more fully in the "Risk Management" section, repeated in sections [4.2.5 to 4.3, and 4.6] and in the Chairman's Report, repeated in section [3.6.4] "Chairman's Report on Internal Control" (the "Chairman's Report"), (concerning, notably, the scale and the impact that these risks could have on the results and assets of Natixis, as well as the organization and control of these risks). In addition, the growing number of new regulations established, in Natixis' countries of operation, is a risk factor associated wth Natixis' business.

CREDIT RISK (FOR FURTHER DETAILS REFER TO SECTION [4.2.5.3] OF CHAPTER [4] AND SECTION [3.6.4] OF CHAPTER [3])

MARKET, LIQUIDITY AND FINANCING RISK

Market risk (For further information, please refer to sections [4.2.5.4] and [3.6.4]).

Overall interest rate risk, liquidity and structural foreign exchange risk (for further details please refer to sections [4.3] and [3.6.4])

OPERATIONAL RISKS (FOR FURTHER DETAILS PLEASE REFER TO SECTIONS [4.2.5.5] AND [3.6.4])

INSURANCE RISK (FOR FURTHER DETAILS, PLEASE REFER TO SECTION [4.6])

4.1.4 OTHER RISKS

New strategy

In the second half of 2009, Natixis implemented a new strategy aimed at simplifying and clarifying its governance, increasing synergies with retail networks, reinforcing the integration of teams and "customer focus", and improving the method of operation of support functions. While Natixis believes that these strategic directions provide a number of opportunities, it will continue to face uncertainties given the current state of the global economy, and there is no guarantee the targets of this new strategy will be reached.

If Natixis decided to dispose of certain operations, the selling price could turn out to be lower than expected and Natixis might continue to bear significant risks stemming from these operations as a result of liability guarantees or indemnities that it might have to grant to the buyers concerned.

Natixis' ability to attract and retain qualified employees is critical to the success of its business and any failure to do so may significantly affect its performance

Natixis' employees are one of its most important resources and there is intense competition to attract qualified employees in many areas of the financial services industry. Natixis' results depend on its ability to attract new employees and to retain and motivate its existing employees.

Future events may differ from those reflected in the assumptions used by management in the preparation of Natixis' financial statements, which may cause unexpected losses in the future

Pursuant to the IFRS standards and interpretations currently in force, Natixis is required to use certain estimates in the preparation of its financial statements, including accounting estimates to determine provisions relating to loans and doubtful debts, provisions relating to possible litigation, and the fair value of certain assets and liabilities. If the values used for these items by Natixis should prove to be significantly inaccurate, particularly in the event of significant and/or unexpected market trends, or if the methods by which they are determined should be changed under future IFRS standards or interpretations, Natixis may be exposed to unexpected losses.

Natixis may generate lower revenues from brokerage and other commission and fee-based businesses during market downturns

A market downturn is liable to cause a decline in the volume of transactions that Natixis executes for its customers and as a market maker, leading in turn to a decline in its net revenues from these operations. In addition, as management fees that Natixis charges its customers are in many cases based on the value or performance of the portfolios, any market downturn that reduces the value of these portfolios or increases the amount of redemptions would reduce the revenues Natixis receives from its asset management and private banking businesses.

Independent of market changes, any under-performance of Natixis' asset management business may result in a decline in assets under management (in particular, as a result of redemptions of mutual funds) as well as fees, premiums and other portfolio management income received by Natixis.

Despite the risk management policies, procedures and methods in place, Natixis may be exposed to unidentified or unanticipated risks, likely to give rise to significant losses

Natixis' risk management policies and procedures may not be effective in limiting its exposure to all types of market environments or all types of risk, including risks that Natixis has not been able to identify or anticipate. Furthermore, the risk management procedures and strategies used by Natixis cannot guarantee risk reductions in all market configurations. These procedures may not be effective against certain risks, particularly those that Natixis has not previously identified or anticipated. Some of Natixis' qualitative tools and metrics used to manage risk are based on its use of observed historical market behavior. Natixis uses tools to analyze these observations, notably statistically, to quantify its risk exposure. The tools and metrics used may provide erroneous conclusions as to future risk exposures, notably because of factors that Natixis has not anticipated or correctly assessed in its statistical models, or because of unexpected and unprecedented market trends. This would limit Natixis' ability to manage its risks. The losses borne by Natixis could prove to be significantly greater than those forecast in light of historical averages. In addition, Natixis' quantitative models do not incorporate all risks. Certain risks are subject to a more qualitative analysis that could prove insufficient and thus expose it to significant and unanticipated losses. In addition, while no material issue has been identified to date, the risk management systems are subject to the risk of operational failure, including fraud. *(Please refer to section [4.2.5.5] "Risk management" for a more detailed presentation of the policies, procedures and methods used by Natixis to identify, monitor and manage its risks).*

The hedging strategies implemented by Natixis do not eliminate all risk of loss

Natixis could suffer losses if any of the various instruments and hedging strategies that it uses to hedge the various types of risk to which it is exposed prove ineffective. Many of these strategies are based on observation of historical market behavior and historical correlation analysis. For example, if Natixis holds a long position in an asset, it could hedge the risk by taking a short position in another asset whose change in the past has allowed it to offset the change in the long position. In some cases, Natixis may only be partially hedged, or these strategies may not fully hedge future risks or effectively reduce risk in all market configurations, or may even cause an increase in risks. Any unexpected change in the market can also reduce the effectiveness of these hedging strategies. In addition, the manner in which gains and losses resulting from certain ineffective hedges are recorded may increase the volatility of Natixis' reported earnings.

Natixis may encounter difficulties in identifying, executing and integrating its policy in relation to acquisitions or joint ventures

Even though external growth does not constitute a significant part of its current strategy, in the future, Natixis may consider external growth or partnership opportunities from time to time. Even though Natixis performs in-depth reviews of companies that it plans to acquire or joint ventures it plans to carry out, it is generally not feasible for these reviews to be comprehensive in all respects. As a result, Natixis may have to assume liabilities unforeseen initially. Similarly, the results of the acquired company or joint venture may prove disappointing and the expected synergies may not be realized in whole or in part, or the transaction may even give rise to higher-than-expected costs. Natixis may also encounter difficulties in consolidating a new entity. The failure of an announced external growth operation or the failure to consolidate the new entity or joint venture is likely to materially affect Natixis' profitability. This situation could also lead to the departure of key employees. Insofar as Natixis may feel compelled to offer its employees financial incentives in order to retain them, this situation could also result in increased costs and an erosion of profitability. In the case of joint ventures, Natixis is subject to additional risks and uncertainties in that it may be dependent on, and subject to liability, losses or reputational damage relating to systems, controls and personnel that are not under its control. In addition, conflicts or disagreements between Natixis and its joint venture partners may negatively impact the benefits sought by the joint venture.

Intense competition, both in Natixis' home market of France, its largest market, and internationally, could adversely affect Natixis' net revenues and profitability

Competition is intense in all of Natixis' primary business areas in France and in other areas of the world where it has significant operations. Consolidation, both in the form of mergers and acquisitions and through alliances and cooperation, is increasing competition. Consolidation has created a number of firms that, like Natixis, have the ability to offer a wide range of products and services. Natixis competes with other entities on the basis of a number of factors, including transaction execution, products and services offered, innovation, reputation and price. If Natixis is unable to maintain its competitiveness in France or in its other major markets with attractive and profitable product and service offerings, it may lose market share in important areas of its business or incur losses on some or all of its operations. In addition, downturns in the global economy or in the economy of Natixis' major markets are likely to increase competitive pressure, notably through increased price pressure and lower business volumes for Natixis and its competitors. More competitive new competitors could also enter the market, subject to separate or more flexible regulation, or other requirements relating to prudential ratios. These new market participants may therefore be able to offer more competitive products and services. Technological advances and the growth of e-commerce have made it possible for non-deposit taking institutions to offer products and services that traditionally were banking products, and for financial institutions and other companies to provide electronic and Internet-based financial solutions, including electronic securities trading. These new players may exert downward price pressure on Natixis' products and services or may affect Natixis' market share.

The financial soundness and behavior of other financial institutions and market participants could have an adverse impact on Natixis

Natixis' ability to carry out its operations could be affected by the financial soundness of other financial institutions and market participants. Financial institutions are closely interconnected as a result, notably, of their trading, clearing, counterparty and financing operations. The default of a sector participant, or even simple rumors or questions concerning one or more financial institutions or the finance industry more generally, have led to a widespread contraction in liquidity in the market and in the future could lead to additional losses or defaults. Natixis is exposed to several financial counterparties such as investment service providers, commercial or investment banks, mutual funds and hedge funds, as well as other institutional clients, with which it conducts transactions in the usual manner, thus exposing Natixis to a risk of insolvency if a group of Natixis' counterparties or customers should fail to meet their commitments. This risk would be aggravated if the assets held as collateral by Natixis were unable to be sold or if their price was unable to cover all of Natixis' exposure relating to loans or derivatives in default.

In addition, fraud or misappropriations committed by financial sector participants may have a significant adverse impact on financial institutions as a result, notably, of interconnections between institutions operating in the financial markets.

The losses that could result from the above-mentioned risks could have a significant bearing on Natixis' results.

An extended market decline may reduce the liquidity of assets and make it more difficult to sell them. Such a situation could give rise to significant losses

In some of Natixis' businesses, a prolonged fall in asset prices could threaten the level of activity or reduce liquidity in the market concerned. This situation would expose Natixis to significant losses if it was unable to rapidly close out its potentially loss-making positions. This is particularly true in relation to assets that are intrinsically illiquid. Certain assets that are not traded on a stock exchange or on a regulated market, such as derivatives traded between banks, are generally valued using models rather than market prices. Given the difficulty in monitoring changes in prices of these assets, Natixis could suffer unforeseen losses.

4.2 Pillar III

4.2.1 BASEL 2 REGULATORY FRAMEWORK

Regulatory monitoring of bank capital was introduced by the Basel Committee on Banking Supervision (Basel 2) in 1988 and is based on three pillars that form an indivisible whole:

4.2.1.1 Pillar I

Pillar I sets minimum capital requirements. It aims to ensure that banking institutions hold sufficient capital to provide a minimum level of coverage for their credit risk, market risk, and operational risk. To calculate its capital requirement, the financial institution may use standardized methods or, with the prior approval of the French Prudential Supervisory Authority (ACP - Autorité de Contrôle Prudentiel), its own internal models.

4.2.1.2 Pillar II

Pillar II establishes a process of prudential supervision that complements and strengthens Pillar I.

It consists of:

- analysis by the bank of all of its risks, including those already covered by Pillar I;
- calculation by the bank of the amount of economic capital it needs to cover those risks;
- comparison by the banking supervisor of its own analysis of the bank's risk profile with the analysis conducted by the bank, to inform its choice of prudential measures, which may take the form of capital requirements greater than the minimum requirements or any other appropriate technique.

Thus, Natixis' operations are subject to a system of country limits that regulates the geographic diversification of activities. This system, which has been in place for several years for emerging countries, was extended to developed countries in 2011.

Natixis has also strengthened its supervision system by adopting risk policies, including specific risk budgets, for the Bank's main businesses/sectors. These risk policies define in particular the risk budgets.

Macroeconomic stress scenarios are also regularly simulated across the portfolio to examine their effects on the Bank's capital adequacy.

4.2.1.3 Pillar III

Pillar III is concerned with establishing market discipline through a series of reporting requirements. These requirements – both qualitative and quantitative – are intended to improve financial transparency in the assessment of risk exposure, risk assessment procedures and capital adequacy.

4.2.2 SCOPE OF APPLICATION

Natixis is subject to consolidated regulatory reporting to the French Prudential Supervisory Authority (Autorité de Contrôle Prudentiel - ACP). To this end, Pillar III disclosures are prepared on a consolidated basis.

The scope of prudential consolidation is established on the basis of the scope of statutory consolidation. The main difference between these two scopes lies in the consolidation method for the insurance companies, which are accounted for by the equity method under the prudential scope, regardless of the statutory consolidation method.

The following insurance companies are accounted for by the equity method under the prudential consolidation scope:

- Coface (insurance activities);
- Natixis Assurances;
- Compagnie Européenne de Garanties et de Cautions.

The entity EDF Investment Group is proportionally consolidated in accordance with the level of economic interest, i.e. 7%.

4.2.3 CAPITAL ADEQUACY RATIO

The French decree dated February 20, 2007 (amended by the decrees dated October 19, 2007, September 11, 2008, October 29, 2009, August 25, 2010 and December 13, 2010) is France's version of the European CRD (Capital Requirements Directive), which implements the Basel 2 reform. It set out the "regulatory capital requirements applicable to banks and investment companies". It was amended by the French decree dated November 23, 2011 transposing the new CRD3 Directive, which introduced new provisions for calculating requirements in respect of market risk and securitization.

Natixis applies these directives to the management of its risks and capital.

In accordance with the decree of February 20, 2007 credit risk exposure can be measured using two approaches:

- the "standardized" approach, based on external credit ratings and specific risks weightings according to Basel categories of exposure;
- the "internal ratings based" (IRB) approach based on the financial institution's internal ratings system, which consists of two categories:
  - the Foundation IRB approach, for which banks use only their probability of default estimates,
  - the Advanced IRB approach, under which banks use all of their internal estimates of the components of risk, i.e. probability of default, loss given default, exposure at default, maturity.

4.2.4 COMPOSITION OF CAPITAL

Regulatory capital is determined in accordance with CRBF Regulation No. 90-02 of February 23, 1990 relating to capital, meaning it is divided into three categories: Tier 1 capital, Tier 2 capital and Tier 3 capital. Deductions are made from these categories relative to statutory consolidation data.

These categories are broken down according to decreasing degrees of solidity and stability, duration and degree of subordination.

4.2.4.1 Tier 1 capital

CORE CAPITAL AND DEDUCTIONS

- Share capital.
- Reserves, including revaluation reserves, and unrealized or deferred gains or losses.

Unrealized capital gains or losses on available-for-sale financial assets are recorded in equity and restated as follows:

- for capital instruments, net unrealized capital gains are deducted from Tier 1 capital net of the amount of tax already deducted. Of these pre-tax gains 45% is included in Tier 2 capital. Net unrealized capital losses are not restated;
- unrealized capital gains or losses recorded directly in equity due to a cash flow hedge are eliminated;
- for other financial instruments, including debt instruments or loans and receivables, unrealized capital gains or losses are also eliminated;
- impairment losses on any available-for-sale assets recognized in the income statement are not restated.

- Issue or merger premiums.
- Retained earnings.
- Net income (group share), after deducting an estimated portion of this income for cash-settled dividends.

The following deductions are made:

- treasury shares held and stated at their carrying value;
- intangible assets, including set-up costs and goodwill;
- unrealized capital gains and losses for own credit risk.

OTHER TIER 1 CAPITAL

- Minority interests include shares of minority interests in stakes held by Natixis.

HYBRID SECURITIES

These comprise innovative or non-innovative equity instruments, with progressive remuneration for innovative equity instruments. They are subject to limits as to the total of Tier 1 capital.

4.2.4.2 Tier 2 capital

- Capital resulting from the issue of subordinated securities or loans (perpetual subordinated securities).
- Capital subject to the conditions of Article 4d of CRBF Regulation No. 90-02 of February 23, 1990 pertaining to capital (redeemable subordinated securities).
- Equity instruments: 45% of pre-tax net unrealized capital gains recognized as Tier 2 capital.
- Positive difference between the sum of value adjustment and portfolio-assessed impairment and expected losses calculated using internal ratings-based approaches.

4.2.4.3 Tier 3 capital

Tier 3 capital comprises subordinated debt with a maturity of over five years that are only used to hedge market risk. Natixis is not affected by these instruments.

4.2.4.4 Deductions

They include:

- financial investments representing more than 10% of the share capital of a credit institution or investment firm, as well as subordinated loans and any other element constituting capital;
- securitization positions with a rating of less than BB-;
- total expected losses for equity exposure;
- positive difference between expected losses calculated using internal ratings-based approaches and the sum of value adjustments and portfolio-assessed impairment relating to the exposures concerned.

50% are deducted from Tier 1 capital and 50% from Tier 2 capital.

Since December 31, 2010 and in accordance with the French Prudential Supervisory Authority (ACP), Natixis' investments in the Caisse d'Epargne and Banque Populaire banks, in the form of Cooperative Investment Certificates (CCIs), are no longer deducted from capital but are included in risk-weighted assets. For further details on CCIs, see section [1.4.5] "Presentation of Natixis - Major contracts".

4.2.4.5 Regulatory capital and ratios

SHARE CAPITAL

Registered share capital amounted to €4,931,753,420.80 at December 31, 2011 (i.e. 3,082,345,888 shares with a par value of €1.60) versus €4,653,020,308.80 at December 31, 2010. The increase was due to the payment of dividends in shares.

REGULATORY CAPITAL AND CAPITAL ADEQUACY RATIO

Regulatory capital and risk-weighted assets are calculated in accordance with the French decree of February 20, 2007 as amended on October 19, 2007, September 11, 2008, October 29, 2009, August 25, 2010, December 29, 2010 and November 23, 2011, relating to regulatory capital requirements applicable to banks operating within the Basel 2 and Basel 2.5 (CRD3) frameworks.

The prudential scope of consolidation is based on the statutory scope of consolidation, but with equity-method accounting for insurance companies Coface (insurance activities), Natixis Assurances and Compagnie Européenne de Garanties et Cautions.

The entity EDF Investment Group is proportionally consolidated in accordance with the level of economic interest, i.e. 7%.

The main shareholding resulting in a capital deduction was the €0.35 billion stake in CACEIS.

CFDI is the only Natixis subsidiary subject to management ratios (solvency, large exposures, monitoring of the shareholding) on an individual basis. Natixis S.A. and other French subsidiaries having the status of credit institutions are exempt from compliance with these requirements on an individual basis, by authorization of the French Prudential Supervisory Authority (Autorité de Contrôle Prudentiel - ACP).

Regulatory capital is structured as follows (all data after impact of the financial guarantee granted by BPCE):

(in billions of euros)	12.31.2011	12.31.2010	Change
Equity (as per accounting)	20.7	20.9	(0.3)
Restatements, o/w:			
• Dividend forecast	(0.3)	(0.2)	(0.1)
• Reclassification of hybrids and fair value filtering	(4.3)	(5.1)	0.8
• Goodwill and intangible assets	(3.7)	(3.6)	(0.1)
• Other prudential restatements	0.5	0.5	0.0
Deductions from Tier 1 capital	(0.7)	(0.8)	0.1
Core Tier 1 capital	**12.1**	**11.7**	**0.4**
Hybrids	4.2	5.1	(0.8)
Basel 2 Tier 1 capital	**16.4**	**16.8**	**(0.4)**
Tier 2 capital	6.3	7.3	(1.0)
Deductions from Tier 2 capital	(0.7)	(0.8)	0.1
TOTAL CAPITAL	**22.0**	**23.3**	**(1.3)**

Core Tier 1 capital totaled €12.1 billion at December 31, 2011, up by €0.4 billion over the year.

The decline in equity to €20.7 billion was mainly the result of the repayment of deeply subordinated notes (DSNs), of €0.8 billion, and the increase in unrealized and deferred losses (a €0.7 billion decrease due to the change in reserves to be recycled in respect of CCIs, available-for-sale assets and cash flow hedging derivatives, a change that was partly filtered through prudential capital). These items were largely offset by income for the year of €1.3 billion (net of interest on DSNs) and the impact of the rise of the dollar on foreign exchange translation and on the DSNs (+€0.1 billion).

Core Tier 1 capital includes a provision for distribution of 2011 cash dividends of €0.3 billion (i.e. 10 euro cents per share). It benefited from higher prudential filters on unrealized and deferred losses excluding CCIs (+€0.1 billion), the increase in minority interests (€0.1 billion capital increase for BP Développement) and deducted securitizations (+€0.1 billion), partly offset by the higher prudential filter on the valuation of own credit rise (€0.2 billion). The other prudential restatements and deductions did not vary significantly.

The main reason for the reduction in Tier 1 capital, other than the above factors, was the redemption of DSNs, costing €0.8 billion.

Tier 2 capital decreased as a result of the early redemption of two redeemable subordinated securities not compatible with future Basel 3 rules (-€1.2 billion) and the regulatory depreciation and amortization of lines approaching maturity. These effects were partly offset by an increase in the positive gap between provisions and estimated losses (+€0.4 billion) and the reduction in deducted securitizations.

Risk-weighted assets amounted to €145.6 billion after the financial guarantee granted by BPCE (€8.4 billion, down by €0.9 billion compared to December 31, 2010), and fell by €2.3 billion over the year.

(in billions of euros)	12.31.2011	12.31.2010	Change
Credit risks	85.2	94.0	(8.8)
CCI	37.7	38.3	(0.5)
Market risks	14.4	9.8	4.6
Operational risks	8.2	5.8	2.4
TOTAL RISK-WEIGHTED ASSETS	**145.6**	**147.9**	**(2.3)**

The decrease in credit risks (-€8.8 billion) over the year was primarily due to the following factors:

- the improved quality of the portfolio (decline in PD's and LGD's);
- a decrease in outstandings, thanks in large part to a strategy to reduce exposures;
- and the fine-tuning of methodologies (received guarantees are better taken into account).

CCI risk-weighted assets decreased by €0.5 billion due to the reduction in recyclable reserves (-€2.6 billion), offset by the Banque Populaire and Caisse d'Epargne capital increases (+€0.6 billion) and the capitalization of non-distributed earnings (+€1.4 billion).

Market risks increased by €4.6 billion, mainly because of the entry into force of the Basel 2.5 (CRD3) reform (+€6.2 billion), which was partly offset by the reduction in positions.

Operational risks increased by €2.4 billion due to the replacement of 2008 net revenues with 2011 net revenues (standard practice is to calculate operational risk using average net revenues for the previous three years).

The Core Tier 1 ratio rose from 7.9% at December 31, 2010 to 8.3% at December 31, 2011, while the Tier 1 ratio stood at 11.3% at December 31, 2011 versus 11.4% at December 31, 2010.

Including the impact of the P3CI transaction, which came into effect on January 6, 2012, the Core Tier 1 ratio was 10.2% at December 31, 2011.

(in millions of euros)	12.31.2011	12.31.2010
Regulatory capital requirements	**11,649**	**11,832**
Regulatory capital requirements for credit risk, counter party risk and dilution risk	**9,838**	**10,583**
Credit risk – standard approach	**1,045**	**1,218**
Governments and central banks		
Banks	84	38
Corporate entities	616	697
Retail customers	204	169
Shares	109	115
Assets other than credit obligations	9	15
Of which present value of residual exposure at default on financial leases	9	15
Securitization positions	23	184
Credit risk – Internal ratings-based approach	**8,793**	**9,365**
Governments and central banks	30	14
Banks	560	587
Corporate entities	4,267	4,542
Retail customers	27	33
Shares	3,566	3,645
Securitization positions	114	100
Assets other than credit obligations	229	444
Regulatory capital requirements for market and settlement risks	**1,154**	**784**
Regulatory capital requirements for operational risk	**657**	**465**

ECONOMIC CAPITAL

The calculation of economic capital requirements is conducted and covers four areas of risk: credit, market (trading, ALM, investment portfolios and Private Equity, etc.), operational and business-related.

Economic capital requirements are compared with regulatory capital requirements and equity that would be available to Natixis in the event of a crisis.

OTHER REGULATORY RATIOS

New regulations relating to liquidity risk took effect on June 30, 2010 (French decree dated May 5, 2009). The liquidity ratio is designed to ensure that liquid assets with maturities of less than one month are greater than or equal to liabilities falling due within the same period. It is defined as the ratio between cash/cash-equivalents and liabilities falling due in less than one month.

This ratio is calculated on a parent company (non-consolidated) basis and according to regulations must be above 100%. Natixis' ratio was 122% at December 31, 2011.

The regulations on controlling large exposures were revised on December 31, 2010 (CRBF Regulation No. 93-05 as amended by the decree of August 25, 2010). It aims to prevent an excessive concentration of risks for sets of counterparties that are related in a way that if one encountered financial problems, the others would also be likely to have financing or reimbursement difficulties. The regulation is underpinned by a continuous obligation: all risks associated with a single counterparty cannot exceed 25% of the bank's capital. Natixis complied with this requirement over 2011.

4.2.5 RISK MANAGEMENT

4.2.5.1 Natixis' general risk management system

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Natixis' general risk management system is managed in accordance with banking regulations and governance guidelines laid down by its central shareholder, BPCE.

It uses three levels of coordinated controls:

- internal controls are carried out by operational or functional departments under the supervision of their management: business lines are responsible for the risks they incur in their transactions, until their maturity. Depending on the precise situation and activities, first-level controls are conducted either by personnel themselves or by an ad hoc body, such as a middle office or an accounting control department, or, where appropriate, by both acting together;

- second-level controls (within the meaning of Article 6-a of CRBF Regulation No. 97-02) are carried out by dedicated bodies acting independently from operational departments;
- third-level controls, also known as periodic controls, are carried out by the Internal Audit Department.

The control system is structured into global functions integrated into those defined by BPCE.

The Risk and Compliance Departments carry out permanent controls. The control system comes under the overall supervision of the Chief Executive Officer and Board of Directors of Natixis. The Board is assisted in its duties by the Audit Committee.

4.2.5.2 Natixis' Risk Department

(Data certified by the Statutory Auditors in accordance with IFRS 7)

The Risk function was reorganized over summer 2010. It is highly integrated, has short decision-making channels, and cross-business ties via dedicated teams, notably the Consolidated Risk Department, which adopts a comprehensive, cross-business approach to risks. A Service and Investment Solutions Risk Department coordinates the function and is in charge of the Heads of Risk in the two divisions.

The Risk function's operating methods and procedures are described in the Risk function charter.

The Risk Department recommends risk policies consistent with those of Groupe BPCE to Senior Management for approval.

Similarly, it makes proposals to the executive body concerning principles and rules in the following areas:

- risk acceptance procedures;
- limit authorizations;
- risk assessment;
- risk supervision.

It plays an essential role in the structure of Committees, the highest-level Committee being Natixis' Global Risk Committee.

It participates in the ALM Committee, which is steered and organized by the Financial Management Department.

Lastly, it reports regularly on its work, submitting its analyses and findings to Natixis' executive and decision-making bodies, and to Groupe BPCE. A risk consolidation team generates an overview through the use of scorecards that report on risks and risk management.

To fulfill these responsibilities, the Risk Department uses an IT system tailored to the activities of Natixis' core business lines and which applies the department's modeling and quantification methods for each type of risk.

4.2.5.3 Credit risks

DEFINITION

Credit risk is the risk of financial loss on Natixis' loans due to a debtor's inability to honor its contractual obligations. The assessment of the probability of a debtor's inability to repay and the expected recovery in this event are key factors in the measurement of credit quality. The debtor may be a bank, an industrial or a commercial company, a sovereign state and its various entities, an investment fund, or a natural person. Credit risk increases in periods of economic uncertainty, insofar as such conditions may lead to a higher rate of default.

Credit risk affects lending operations as well as other operations exposing Natixis to the risk of counterparty default, notably its trading operations in financial instruments on capital markets and its settlement-delivery operations. For instance, a default by a bank could directly and significantly affect Natixis through its trading positions and relations with said bank. Credit risk also exists in Natixis' credit insurance and factoring businesses, although the risk lies with the default of the debtor's customers rather than the default of the debtor itself.

OBJECTIVES AND POLICY

Risk policies are tailored to each business line according to their development objectives and strategies.

Individual credit risk is managed within a particular framework constituted by these risk policies, country limits and rules of diversification per unit of risk.

The Global Risk Committee validated the risk policies of the main businesses and subsidiaries in 2011. Risk policies are adapted over time in line with the strategy pursued.

GENERAL PRINCIPLES GOVERNING APPROVAL AND MANAGEMENT OF CREDIT RISK

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Natixis' credit risk measurement and management procedures are based on:

- a standardized risk-taking process, structured via a system of limit authorizations and decision-making Committees;
- independent analyses carried out by the Risk Department as part of reviewing loan approvals;
- rating tools and methodologies providing standardized and tailored assessments of counterparty risk, thereby making it possible to evaluate the probability of default within one year and loss given default;

- information systems that give an overview of outstanding loans and credit limits.

RISK MEASUREMENT AND INTERNAL RATINGS

(Data certified by the Statutory Auditors in accordance with IFRS 7)

The internal rating system is an integral part of Natixis' credit risk monitoring and control mechanism. It covers all the methods, processes, tools and controls used to evaluate credit risk. It takes into account fundamental parameters, including one-year counterparty default probability, which is expressed as a rating, and loss given default (LGD), which is expressed as a percentage.

Pursuant to regulatory requirements, all counterparties in the banking book and the related exposures must have an internal rating when they:

- carry a loan or are assigned a credit limit;
- guarantee a loan;
- issue securities used as collateral for a loan.

The mechanism is based on:

- internal rating methodologies specific to the various Basel asset classes and consistent with Natixis' risk profile;
- an IT system used for managing the successive stages of the rating process, from initiation of the process to validation and logging of the final rating;
- procedures and controls that place internal ratings at the heart of the risk-management system, from transaction origination to ex-post analysis of defaulting counterparties and the losses incurred on the relevant loans;
- periodic reviews of rating methodologies, the method of calculating LGD and underlying risk parameters.

With respect to country risk, the system is based on sovereign ratings and country ratings that cap ratings that can be given to non-sovereign counterparties. These ratings are reviewed annually, or more often if necessary.

Since September 30, 2010 Natixis has used internal rating methods specific to the different asset classes approved by the French Prudential Supervisory Authority (ACP), and that use the advanced internal ratings-based method (IRBA) to rate corporate, sovereign, banking, specialized lending and some categories of consumer finance exposures.

Ratings are established on the basis of two approaches, namely statistical approaches and expert appraisals.

Back-testing and performance-monitoring programs are also used to ensure the quality and reliability of LGD estimates and rating models and LGD grids or default probability scales. They include a detailed analysis based on a range of indicators, e.g. differences in terms of severity and migration compared with agency ratings, observed defaults and losses and changes in ratings prior to default and LGD measurements, and the predictive power of indicators used in statistical models.

Natixis checks whether default probability scales are consistent with actual default rates in its portfolio. Statistics and the results of these checks are reviewed by oversight Committees in charge of monitoring and imposing corrective measures or adjustments wherever necessary, such as the enrichment or redefinition of models, or the modification of reference samples.

In addition to quantitative work on models, Natixis has introduced standards and procedures and periodic controls undertaken at different levels within the Bank so as to ensure the quality of ratings and LGDs. As part of its oversight function, the Risk Department makes sure the rules and commitments underpinning the Bank's IRBA approval are respected, and also ensures the proper operation of the tools and processes used and the quality and consistency of data. It also runs training and provides support to Bank employees.

CREDIT RISK REDUCTION TECHNIQUES

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Natixis uses a number of credit risk reduction techniques including netting agreements, personal guarantees, asset guarantees or the use of credit-default swaps (CDS) for hedging purposes.

The principles used for identifying, measuring and managing credit risk hedging instruments are determined by the recommendations of the Basel Committee accord. The decision on whether a guarantee's risk-reducing effects make it eligible to be included in risk-exposure calculations is made on a case-by-case basis. Checkpoints are set up throughout the process. They cover the approval of the transaction, the monitoring of credit risk exposure and the calculation of the resulting capital requirements (predominantly calculated according to IRBA since September 30, 2010).

Collateral and netting agreements give rise to:

- an analysis undertaken when loan applications are approved or reviewed, assessing the suitability of the instrument or guarantee provided and the associated improvement in risk quality;
- verification, processing and documentation based on the use of standard contracts or contracts approved by the Legal Department;
- registration and monitoring procedures covering risk administration and management systems.

Similarly, providers of sureties (via signature guarantees or CDS) are examined, rated and monitored, as with debtors.

Credit Portfolio Management may take steps to reduce commitments in order to lower concentration risk by counterparty, sector and geographic area. Concentration risk is measured via stress test-type methods (migration of ratings according to macroeconomic scenarios).

Natixis buys credit-default swaps and enters into synthetic securitization transactions in order to reduce all or part of the credit risk exposure attached to some assets by transferring the risk to the market. CDS-protected loans remain on Natixis' balance sheet, but bear the counterparty risk attached to the credit-default sellers, which are generally OECD banks. Transactions with non-bank third parties are fully collateralized in cash.

These transactions are subject to decision-making and monitoring procedures that apply to derivative transactions.

COMMITMENT MONITORING PROCEDURES

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Credit risk is supervised by making the various business lines accountable, and by various control measures overseen by a dedicated Risk Department team.

The business lines carry out day-to-day counterparty risk monitoring and the Risk Department conducts second-level controls. Each month, the Risk Department submits an overview of its monitoring activities to Executive Management and the Audit Committee.

Natixis manages the risks associated with securitization positions through two mechanisms. The first involves the daily identification of all declines in ratings affecting the Group's securitization positions as well as the associated potential risks and, if necessary, deciding on an appropriate course of action. The second is underpinned by a quantitative (ratings, valuations) and qualitative analysis of securitization positions for the purpose of segmenting the portfolio on the basis of risk levels. The results of these analyses are written up and discussed in a quarterly presentation at the Group's Watch List and Provisions Committee.

Periodic reviews of sector-based risk policies help to ensure that the risk budgets allocated by the Global Risk Committee chaired by the Chief Executive Officer are adhered to.

Country risk is the risk that economic, financial, political or social conditions in a foreign country will affect Natixis' financial interests.

The limits governing country exposure (country caps) are examined annually (as a minimum) and approved by the Natixis Global Risk Committee in light of the countries' ratings and situations. Where there has been a significant change in a country, an analysis is presented to the Credit Risk Committee in order to adapt the monitoring and procedures relative to the country in question.

Moreover, the Credit Committee's decisions regarding transactions with a significant exposure in terms of the total amount, country situation or type of the transaction under review are based on an analysis of country risk.

The monthly Limit Breach Committee analyzes breaches of predefined limits using specific indicators (number, total, duration, business lines concerned, etc), examines significant breaches and monitors their correction.

Loans showing a deterioration in the level of risk are identified as they occur and are reported immediately to the Risk Department and the business line concerned, in accordance with the counterparty watch list, individual provision and alert procedures.

They are then considered for the watch list, a decision which falls upon the Risk Department or the competent Credit Committee depending on the level of exposure.

Significant Corporate & Investment Banking risks are monitored by the Restructuring and Special Affairs Department (DRAS), which intervenes in difficult cases where necessary. The Litigation Department handles collections of loans in litigation.

Impact of stress scenarios

Macroeconomic stress testing is regularly applied to the Natixis consolidation scope to evaluate the risk generated in the event of adverse economic and financial data. The results are presented quarterly at each Global Risk Committee.

Natixis also participated in various exercises in relation to the stress tests organized by the European regulator, the European Banking Authority. The results of these as they relate to Groupe BPCE have been published.

Monitoring of doubtful and disputed loans and impairment mechanism

(Data certified by the Statutory Auditors in accordance with IFRS 7)

INDIVIDUAL IMPAIRMENTS

The Natixis Watch List and Provisions Committee meets once a quarter and covers all the Bank's business lines (CIB, Investment Solutions and SFS). It reviews all doubtful loans under watch that may give rise to provisions or adjustments to existing provisions, and decides on the level of provision necessary.

This Committee is organized by the Risk Department and chaired by the Chief Executive Officer and assembles members of the Senior Management Committee in charge of the business lines, Finance and Risk, the Head of Risk and the heads of the support functions concerned.

It draws on a structure of preparatory Committees that are jointly steered by the Risk Department and each business line of the bank.

Collective impairments

Natixis also sets aside provisions to cover country risk and sector risk (see Note 5.3 to the consolidated financial statements presented in Section [5.2] Consolidated financial statements). These provisions are created on the basis of:

- ratings for loans to private individuals and professionals;
- sector risk;
- geographic risk for other counterparties (corporate entities, sovereigns, etc.).

For the latter, the search for objective evidence of impairment is undertaken using analysis and close monitoring of business sectors and countries. Such evidence typically arises from a combination of micro or macroeconomic factors specific to the industry or country concerned. When necessary, an expert opinion is sought to refine the results of this review.

CREDIT RISK EXPOSURE

Exposure at risk by category of exposure and average exposure at risk over the period

(Data certified by the Statutory Auditors in accordance with IFRS 7)

(in millions of euros)	Gross exposure	Exposure at risk		
Category of exposure	**December 2011**	**December 2011**	**2011 average [(a)]**	**December 2010**
Corporate	**177,559**	**133,415**	**130,511**	**132,836**
Other exposure recorded in the corporate entities category	145,324	104,016	101,882	104,858
Specialized lending	25,294	22,928	22,744	23,321
SMEs recorded in the corporate entities category	6,941	6,471	5,885	4,657
Banks	**88,129**	**84,316**	**77,908**	**74,081**
Banks and investment firms	86,811	83,034	77,155	73,448
Other banks	1,318	1,282	753	633
Other assets	**26,345**	**26,422**	**27,452**	**25,178**
Securitization	**16,299**	**16,285**	**19,447**	**22,327**
Retail customers	**14,612**	**5,258**	**5,268**	**5,214**
SMEs recorded in the corporate entities category	2,072	2,025	2,037	1,939
Other exposure recorded in the retail customer category	12,540	3,233	3,231	3,275
Sovereigns	**20,721**	**20,131**	**24,792**	**22,527**
Central administrations and central banks	20,721	20,131	24,792	22,527
Equities	**13,887**	**13,887**	**14,235**	**14,199**
TOTAL	**357,551**	**299,714**	**299,613**	**296,363**

(a) Average exposure at risk represents the average of the four quarter-end figures (these data are not audited).

The increase in exposure at risk in 2011 reflects the rise in "Banks and investment firms" exposure, which is primarily attributable to short-term deposits with Groupe BPCE, offset by a decrease in exposure to "Securitization" and "Sovereigns". The drop in "Securitization" exposure is linked to the termination of certain programs and the decline in "Sovereigns" exposure is primarily due to the reduction of short-term investments with the Fed in connection with liquidity management.

Geographic breakdown of exposure at risk

(After deducting other assets and generic counterparties)

(Data certified by the Statutory Auditors in accordance with IFRS 7)

(% breakdown) Geographic area	Exposure at risk 12.31.2011	12.31.2010
France	50.2%	45.9%
European Union	25.0%	26.1%
North America	14.9%	17.2%
Others	9.9%	10.8%
TOTAL	**100%**	**100%**

French and European Union counterparties account for 75.2% of Natixis' exposure.

Breakdown of exposure at risk by category of exposure for the main geographic areas

(After deducting other assets and generic counterparties)

(Data certified by the Statutory Auditors in accordance with IFRS 7)

(% breakdown) Category of exposure	Basel asset class	France	European Union	North America	Others	12.31.2011	12.31.2010
Corporate	Other exposure recorded in the corporate entities category	18.1%	8.5%	5.1%	4.5%	36.1%	37.4%
	Specialized lending	1.8%	3.3%	1.5%	2.6%	9.2%	9.8%
	SMEs recorded in the corporate entities category	1.9%	0.2%	0.0%	0.2%	2.4%	1.9%
TOTAL CORPORATE ENTITIES		**21.9%**	**11.9%**	**6.6%**	**7.3%**	**47.7%**	**49.1%**
Banks	Other banks	0.4%	0.1%	0.0%	0.0%	0.5%	0.3%
	Banks and investment firms	17.8%	9.5%	4.0%	1.0%	32.3%	30.2%
TOTAL BANKS		**18.2%**	**9.6%**	**4.0%**	**1.0%**	**32.8%**	**30.5%**
Sovereigns	Central administrations and central banks	4.6%	0.5%	2.0%	0.7%	7.7%	8.3%
Retail customers	Other exposure recorded in the retail customer category	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	SMEs recorded in the retail customer category	0.6%	0.0%	0.0%	0.0%	0.7%	0.6%
Total retail customers		**0.7%**	**0.0%**	**0.0%**	**0.0%**	**0.7%**	**0.7%**
Total securitization[(a)]		**0.8%**	**2.0%**	**3.5%**	**0.3%**	**6.5%**	**6.4%**
Equities		**4.2%**	**0.2%**	**0.1%**	**0.1%**	**4.6%**	**5.0%**
TOTAL 12.31.2011		**50.2%**	**25.0%**	**14.9%**	**9.9%**	**100.0%**	
TOTAL 12.31.2010		**45.9%**	**26.1%**	**17.2%**	**10.8%**		**100.0%**

(a) Securitization exposures for December 31, 2011 are broken down by the country in which risk associated with the underlying assets making up the securitization tranches is located.

Breakdown of exposure at risk by business sector

(After deducting other assets and generic counterparties)

(Data certified by the Statutory Auditors in accordance with IFRS 7)

(% breakdown) Business sector	12.31.2011	12.31.2010
Finance[a]	43.3%	41.4%
Administrations[b]	7.8%	8.0%
Securitization	6.8%	5.9%
Real estate	5.6%	6.1%
Services	3.6%	3.3%
Transportation	3.5%	3.4%
Oil/gas	3.1%	3.4%
Electricity	2.7%	2.7%
Holding companies and conglomerates	2.6%	2.8%
Retail	2.5%	2.6%
International trade, commodities	2.3%	2.5%
Base industries	2.2%	2.1%
Food	1.7%	1.7%
Construction	1.6%	1.5%
Consumer goods	1.5%	1.6%
Mechanical and electrical engineering	1.5%	1.4%
Utilities	1.2%	1.2%
Automotive	1.1%	0.9%
Media	1.1%	1.3%
Telecommunications	1.0%	1.0%
Tourism, hotels and leisure	0.8%	0.7%
Pharmaceuticals/healthcare	0.8%	1.3%
Miscellaneous	0.7%	1.4%
Technology	0.6%	1.0%
Aerospace/Defense	0.6%	0.6%
TOTAL	**100.0%**	**100.0%**

(a) Of which 18.6% in exposure to Groupe BPCE, compared with 11.8% at end-2010.
(b) "Local government" is included under "Administrations" in the reference framework for business sectors as at 12.31.2011.

Breakdown of exposure at risk by residual maturity and category of exposure

(Breakdown of exposure at risk with the exception of other assets that do not represent a credit obligation, equities or securitization positions)

(in millions of euros)		Exposure at risk at 12.31.2011 Residual maturities						
Category of exposure	Basel asset class	Maturity 3 months	Maturity 1 year	Maturity 2 years	Maturity 5 years	Maturity >5 years	Total 12.31.2011	Exposure at risk at 12.31.2010
Corporate	Other exposure recorded in the corporate entities category	18,193	18,746	18,570	29,949	18,559	104,016	104,858
	Specialized lending	1,541	1,831	2,185	7,843	9,528	22,928	23,321
	SMEs recorded in the corporate entities category	486	251	759	1,778	3,197	6,471	4,657
Total corporate entities		**20,220**	**20,827**	**21,514**	**39,570**	**31,283**	**133,415**	**132,836**
Banks	Other banks	3	4	21	107	1,146	1,282	633
	Banks and investment firms	19,934	7,867	12,809	18,144	24,280	83,034	73,448
Total banks		**19,937**	**7,871**	**12,830**	**18,251**	**25,427**	**84,316**	**74,081**
Sovereigns	Central administrations and central banks	9,412	1,292	5,845	751	2,832	20,131	22,527
Total sovereigns		**9,412**	**1,292**	**5,845**	**751**	**2,832**	**20,131**	**22,527**
Retail customers	Other exposure recorded in the retail customer category	152	2,136	292	176	478	3,233	3,275
	SMEs recorded in the retail customer category	387	44	148	811	635	2,025	1,939
Total retail customers		**539**	**2,180**	**440**	**987**	**1,113**	**5,258**	**5,214**
TOTAL		**50,107**	**32,170**	**40,629**	**59,559**	**60,655**	**243,121**	**234,658**

Exposure at risk by category of exposure and by approach as at December 31, 2011

The standard approach is used for European subsidiaries, retail asset class exposures and real-estate leasing.

(in millions of euros)	Exposure at risk at 12.31.2011			
Category of exposure	**IRBA approach**	**IBRF approach**	**Standard approach**	**Total**
Corporate	**102,019**	**19,861**	**11,535**	**133,415**
Other exposure recorded in the corporate entities category	77,450	17,543	9,023	104,016
Specialized lending	22,897	31	-	22,928
SMEs recorded in the corporate entities category	1,672	2,287	2,512	6,471
Banks	**78,330**	**1,637**	**4,349**	**84,316**
Banks and investment firms	78,330	1,637	3,067	83,034
Other banks	-	-	1,282	1,282
Other assets	**25,754**	**-**	**668**	**26,422**
Securitization	**8,214**	**-**	**8,071**	**16,285**
Excluding 1250% Securitization	7,689	-	8,064	15,753
1250% Securitization	525	-	7	532
Retail customers	**1,070**	**-**	**4,189**	**5,258**
SMEs recorded in the retail customer category	-	-	2,025	2,025
Other exposure recorded in the retail customer category	1,070	-	2,164	3,233
Sovereigns	**18,995**	**53**	**1,084**	**20,131**
Central administrations and central banks	18,995	53	1,084	20,131
Equities	**-**	**12,974**	**912**	**13,887**
TOTAL 12.31.2011	**200,414**	**68,492**	**30,808**	**299,714**
TOTAL 12.31.2010	**194,581**	**68,828**	**32,954**	**296,363**

Exposure at risk by rating (S&P equivalent) for IRB asset classes

(Data certified by the Statutory Auditors in accordance with IFRS 7)

The following table shows the breakdown of exposure at risk by internal rating (S&P equivalent) for asset classes measured using the IRB approach, after excluding:

- exposure to equities (calculated using a simple weighting approach);
- pool-based exposure (acquired portfolios);
- accounting adjustments;
- generic counterparties.

		% breakdown	
Grade	**Internal rating**	**12.31.2011**	**12.31.2010**
Investment Grade	AAA	2.0%	2.4%
	AA+	0.3%	0.2%
	AA	3.3%	3.4%
	AA-	16.0%	19.4%
	A+	16.6%	12.9%
	A	8.7%	7.9%
	A-	6.3%	5.0%
	BBB+	7.3%	8.0%
	BBB	8.0%	6.8%
	BBB-	9.3%	8.6%
Investment Grade		**77.7%**	**74.5%**
Non-Investment Grade	BB+	5.8%	6.7%
	BB	4.0%	4.3%
	BB-	3.8%	4.1%
	B+	1.5%	2.2%
	B	1.0%	1.0%
	B-	0.4%	0.8%
	CCC+	0.2%	0.4%
	CCC	0.1%	0.0%
	CCC-	0.0%	0.0%
	CC	0.1%	0.1%
	C	0.1%	0.1%
Non-Investment Grade		**17.0%**	**19.8%**
Not rated	**Not rated**	**2.5%**	**3.0%**
Default	**D**	**2.8%**	**2.7%**
TOTAL		**100.0%**	**100%**

Breakdown of IRBA credit risk exposure by category of exposure and internal rating

The tables below present the breakdown by rating of gross exposures and drawn and undrawn commitments, as well as the weighted average credit conversion factors (CCF), exposure at risk and risk-weighted assets.

They also present average loss given default (LGD's) and the average risk weighting.

Averages are weighted by exposure at risk.

These tables exclude generic and non-rated counterparties, including affiliates.

(in millions of euros) **Category of exposure at 12.31.2011**	Rating	Gross exposure	On-balance sheet exposure	Off-balance sheet exposure	Average CCF of off-balance sheet commit-ments	Exposure at risk	Risk-weighted assets	Average LGD	Average risk-weight-ing	Expected losses
Sovereigns	AAA / AA-	18,274	14,533	3,741	86%	17,755	0	7%	0%	0
	A+	55	55	-		55	4	35%	7%	0
	A / A-	882	571	311	91%	854	16	23%	2%	0
	BBB+ / BBB-	112	83	30	80%	106	11	29%	10%	0
	BB+ / BB-	106	61	46	22%	71	57	60%	80%	0
	B+ / CC	80	75	4	81%	79	273	57%	347%	9
	C	-	-	-		-	-			-
	D	53	53	-		53	-	104%		55
Sovereign Subtotal		**19,563**	**15,431**	**4,132**	**86%**	**18,973**	**360**	**9%**	**2%**	**64**
Banks	AAA / AA-	10,925	1,038	9,887	98%	10,770	699	19%	6%	0
	A+	19,014	1,226	17,788	98%	18,626	1,028	27%	6%	1
	A / A-	6,915	1,019	5,896	96%	6,683	1,088	27%	16%	2
	BBB+ / BBB-	3,501	1,424	2,077	79%	3,054	1,493	42%	49%	4
	BB+ / BB-	524	225	299	50%	373	493	61%	132%	3
	B+ / CC-	180	65	115	25%	94	231	78%	245%	3
	C	0	0	0	20%	0	0	48%	268%	0
	D	323	322	1	80%	323	-	79%		256
Bank Subtotal		**41,382**	**5,319**	**36,062**	**96%**	**39,923**	**5,032**	**27%**	**13%**	**270**
Corporate entities	AAA / AA-	14,366	3,995	10,371	69%	11,190	476	26%	4%	0
	A+	9,511	2,831	6,680	73%	7,680	824	32%	11%	1
	A / A-	19,244	5,397	13,848	65%	14,354	2,775	30%	19%	5
	BBB+ / BBB-	42,228	20,032	22,196	64%	34,220	15,122	28%	44%	51
	BB+ / BB-	23,165	14,471	8,694	70%	20,595	14,365	27%	70%	99
	B+ / CC-	5,479	3,712	1,766	69%	4,934	4,593	27%	93%	66
	C	170	111	59	52%	141	187	23%	132%	6
	D	3,952	3,573	379	83%	3,888	1,770	35%	46%	1,439
Corporate entity Subtotal		**118,115**	**54,122**	**63,993**	**67%**	**97,002**	**40,113**	**29%**	**41%**	**1,668**

(in millions of euros) Category of exposure at 12.31.2011	Rating	Gross exposure	On-balance sheet exposure	Off-balance sheet exposure	Average CCF of off-balance sheet commitments	Exposure at risk	Risk-weighted assets	Average LGD	Average risk-weighting	Expected losses
Retail customers	AAA / AA-	862	37	824	100%	394	17	33%	4%	0
	A+	41	15	26	100%	28	4	33%	15%	0
	A / A-	125	2	123	100%	49	9	33%	17%	0
	BBB+ / BBB-	236	176	60	100%	214	70	33%	33%	2
	BB+ / BB-	69	64	5	100%	70	34	33%	49%	1
	B+ / CC-	205	183	22	100%	191	141	31%	74%	13
	C	0	0	0		0	0			0
	D	124	123	0	100%	123	60	46%	49%	53
TOTAL RETAIL CUSTOMERS		**1,660**	**601**	**1,060**	**100%**	**1,070**	**336**	**35%**	**31%**	**71**

Average observed weighting by internal rating (S&P equivalent) for IRB asset classes

Breakdown by internal rating (S&P equivalent) for asset classes treated using the IRB approach, after excluding:

- exposure to equities (calculated using a simple weighting approach);
- pool-based exposure (acquired portfolios);
- accounting adjustments;
- generic counterparties.

Grade	Internal rating	Average risk-weighting 12.31.2011	Average risk-weighting 12.31.2010
Investment Grade	AAA	3.1%	3.8%
	AA+	5.7%	6.1%
	AA	5.4%	6.1%
	AA-	3.3%	1.9%
	A+	7.3%	7.5%
	A	14.7%	14.2%
	A-	23.6%	22.5%
	BBB+	35.5%	30.5%
	BBB	44.5%	45.0%
	BBB-	53.2%	52.1%
Investment Grade			
Non-investment Grade	BB+	62.4%	65.1%
	BB	74.8%	68.7%
	BB-	91.1%	95.0%
	B+	88.2%	104.0%
	B	93.8%	119.1%
	B-	113.2%	122.5%
	CCC+	127.7%	77.1%
	CCC	335.4%	209.0%
	CCC-	155.7%	
	CC	183.1%	186.2%
	C	138.4%	134.5%
Non-Investment Grade			
Not rated	**Not rated**	**115.9%**	**119.0%**
Doubtful[(a)]	**D**	**39.3%**	**43.1%**
TOTAL		**33.4%**	**35.0%**

(a) Under the advanced method, doubtful Corporate outstandings are calculated on a risk-weighted basis.

For each transaction, the risk-weighting is calculated not only on the basis of the counterparty's internal rating (probability of default), but also depending on whether the exposure is senior or subordinated, on the type of assets received as collateral (percentage of loss given default), the type of off-balance sheet commitments (credit conversion factor), as well as LGD and maturity.

Capital markets counterparty risk exposure

Gross fair value of contracts/exposure at risk/notional amount of credit derivative transactions.

IMPACT OF RISK-REDUCTION TECHNIQUES ON DERIVATIVES OTHER THAN CREDIT DERIVATIVES (DATA AS AT DECEMBER 31, 2011)

(in millions of euros) Type of contract	Notional	Gross positive replacement cost	Net positive replacement cost	Potential credit risk	Credit risk equivalent before collateral	Credit risk equivalent after collateral	Collateral received
Interest rate derivatives	5,104,524	124,260	12,821	10,029	28,684	22,848	5,836
Foreign exchange derivatives	762,269	19,345	3,927	6,976	12,705	10,903	1,802
Equity derivatives	91,627	6,862	1,823	2,195	5,747	4,014	1,733
Commodity derivatives	304,739	11,420	348	1,218	2,126	1,567	559
Metals derivatives	4,481	194	28	84	169	111	58

IMPACT OF RISK-REDUCTION TECHNIQUES ON CREDIT DERIVATIVES (DATA AS AT DECEMBER 31, 2011)

(in millions of euros) Buy/sell	Trading Book Notional Amount	Gross positive replacement cost	Net positive replacement cost[(a)]	Potential credit risk	Credit risk equivalent before collateral	Credit risk equivalent after collateral	Collateral received	Contracts including margin calls
Buy	219,793	10,160	562	3,896	9,140	4,458	4,682	178,181
Sell	207,216	722	24	3,851	5,323	3,875	1,448	190,230

(a) After applying netting agreements

COUNTERPARTY EXPOSURE AT RISK ON DERIVATIVE AND REPURCHASE TRANSACTIONS

		Exposure at risk	
(in millions of euros)	**Category of exposure**	**12.31.2011**	**12.31.2010**
Derivatives	**Corporate**	**11,589**	**11,946**
	Other exposure recorded in the corporate entities category	10,707	11,336
	Specialized lending	801	537
	SMEs recorded in the corporate entities category	81	73
	Banks	**36,541**	**29,139**
	Banks and investment firms	35,632	28,804
	Other banks	909	335
	Sovereigns	**1,347**	**1,340**
	Central administrations and central banks	1,347	1,340
	Retail customers	**56**	**42**
	SMEs recorded in the retail customer category	1	1
	Other exposure recorded in the retail customer category	55	41
	Securitization	**3,511**	**3,465**
	Excluding 1250% Securitization	43	275
	1250% Securitization	3,468	3,190
TOTAL		**53,045**	**45,931**
Repos	**Corporate**	**3,796**	**1,870**
	SMEs recorded in the corporate entities category	-	-
	Other exposure recorded in the corporate entities category	3,796	1,870
	Banks	**7,003**	**4,310**
	Banks and investment firms	7,003	4,310
	Other banks	-	-
	Sovereigns	**705**	**1,370**
	Central administrations and central banks	705	1,370
TOTAL		**11,504**	**7,550**

EXPOSURES COVERED BY FINANCIAL AND TANGIBLE COLLATERAL BY CATEGORY OF EXPOSURE AS AT DECEMBER 31, 2011

	Other physical collateral			
(in millions of euros) **Category of exposure**	**12.31.2011**	**o/w tangible collateral**	**o/w financial collateral**	**12.31.2010**
Corporate	**9,706**	**952**	**4,490**	**8,912**
Other exposure recorded in the corporate entities category	6,121	589	3,492	5,688
Specialized lending	2,651	341	853	2,242
SMEs recorded in the corporate entities category	934	22	145	982
Banks	**1,457**	**200**	**1,255**	**469**
Banks and investment firms	1,457	200	1,255	469
Retail customers	**-**	**-**	**-**	**0**
SMEs recorded in the retail customer category	-	-	-	0
Sovereigns	**0**	**-**	**-**	**0**
Central administrations and central banks	0	-	-	0
TOTAL	**11,163**	**1,152**	**5,744**	**9,381**

Other physical collateral is defined as collateral other than securities, financial instruments, real estate or loans. Tangible collateral comprises real estate or real-estate mortgages, in accordance with Articles 166.2 and 183.1 of the French decree of February 20, 2007.

Financial collateral encompasses securities and other instruments constituting tangible collateral in accordance with lines b) to f) of Article 338.3 of the French decree of February 20, 2007.

EXPOSURES COVERED BY PERSONAL COLLATERAL BY CATEGORY OF EXPOSURE AS AT DECEMBER 31, 2011

(in millions of euros)	Personal collateral	
Category of exposure	**12.31.2011**	**12.31.2010**
Corporate	**15,500**	**18,166**
Other exposure recorded in the corporate entities category	11,518	14,610
Specialized lending	2,520	2,504
SMEs recorded in the corporate entities category	1,462	1,053
Banks	**2,054**	**1,969**
Banks and investment firms	2,049	1,968
Other banks	5	1
Retail customers	**719**	**684**
SMEs recorded in the retail customer category	689	633
Other exposure recorded in the retail customer category	30	51
Sovereigns	**824**	**700**
Central administrations and central banks	824	700
Securitization	**7,586**	**9,564**
TOTAL	**26,683**	**31,083**

SECURITIZATION (BANKING BOOK SECURITIZATION POSITIONS INCLUDING THOSE DEDUCTED FROM CAPITAL)

	Exposure at risk	
	Banking book	Banking book
(in millions of euros) **Type of securitization**	**12.31.2011**	**12.31.2010**
C - Classic securitization	16,134	15,468
S - Synthetic securitization	151	6,859
TOTAL	**16,285**	**22,327**

Breakdown of aggregate amounts representing kept or acquired securitization positions by risk-weighting category

Presentation of banking book and trading book securitization positions by weighting, approach and method (including securitization positions deducted from capital)

(in millions of euros)	Banking book		Trading book	
Risk-weighting category at 12.31.2011	**Securitization**	**Resecuritization**	**Securitization**	**Resecuritization**
<10% [a]	11,490	495	39	-
12-18%	1,062	-	481	-
20-40%	1,511	168	1,252	4
50-75%	127	11	69	46
100%	33	-	7	52
150%	-	12	-	0
225%	-	0	-	27
250%	27	-	2	-
350%	-	3	2	-
425%	37	-	8	-
500%	-	2	-	1
650%	5	7	1	20
1250%	469	63	66	100
Supervisory formula	252	23	-	-
Transparency	468	20	-	-
TOTAL	**15,480**	**805**	**1,926**	**250**

(a) Including securitization positions covered by the Neptune guarantee.

Breakdown of securitization positions according to the role played by Natixis

PRESENTATION OF BANKING BOOK SECURITIZATION POSITIONS (INCLUDING SECURITIZATION POSITIONS DEDUCTED FROM CAPITAL)

INVESTOR

(in millions of euros) **at 12.31.2011**	**Exposure at risk**	**Risk-weighted assets**	**Regulatory capital requirements**
On-balance sheet exposure			
Securitization	6,235	5,560	445
Resecuritization	416	480	38
TOTAL ON-BALANCE SHEET EXPOSURE	**6,651**	**6,040**	**483**
Off-balance sheet exposure			
Securitization	4,380	560	45
Re-securitization	82	314	25
TOTAL OFF-BALANCE SHEET EXPOSURE	**4,462**	**874**	**70**
INVESTOR TOTAL	**11,113**	**6,914**	**553**

ORIGINATOR

(in millions of euros) **at 12.31.2011**	Exposure at risk	Risk-weighted assets	Regulatory capital requirements
On-balance sheet exposure			
Securitization	442	105	8
Re-securitization	153	8	1
TOTAL ON-BALANCE SHEET EXPOSURE	**595**	**112**	**9**
ORIGINATOR TOTAL	**595**	**112**	**9**

SPONSOR

(in millions of euros) **at 12.31.2011**	Exposure at risk	Risk-weighted assets	Regulatory capital requirements
Off-balance sheet exposure			
Securitization	4,423	542	43
Re-securitization	154	41	3
TOTAL OFF-BALANCE SHEET EXPOSURE	**4,577**	**582**	**47**
SPONSOR TOTAL	**4,577**	**582**	**47**

	Exposure at risk	Risk-weighted assets	Regulatory capital requirements
BANKING BOOK TOTAL	**16,285**	**7,609**	**609**

PRESENTATION OF TRADING BOOK SECURITIZATION POSITIONS (INCLUDING SECURITIZATION POSITIONS DEDUCTED FROM CAPITAL)

INVESTOR

(in millions of euros) **at 12.31.2011**	Exposure at risk	Risk-weighted assets	Regulatory capital requirements
Securitization	1,771	1,230	98
Resecuritization	187	1,484	119
TOTAL INVESTOR	**1,958**	**2,714**	**217**

SPONSOR

(in millions of euros) **at 12.31.2011**	Exposure at risk	Risk-weighted assets	Regulatory capital requirements
Securitization	155	50	4
Resecuritization	63	56	5
SPONSOR TOTAL	**218**	**107**	**9**

	Exposure at risk	Risk-weighted assets	Regulatory capital requirements
TRADING BOOK TOTAL	**2,405**	**2,821**	**226**

BREAKDOWN OF SECURITIZATION POSITIONS ACCORDING TO THE MAIN CATEGORIES OF UNDERLYINGS

(% breakdown)	Exposure at risk at 12.31.2011	
Type of underlying	**Banking book**	**Trading book**
ABS	22%	12%
CDO	46%	57%
RMBS	16%	22%
Consumer ABS	10%	0%
Other	6%	9%
TOTAL	**100%**	**100%**

BREAKDOWN OF SECURITIZATION POSITIONS BY STANDARD & POOR'S EQUIVALENT RATING

(% breakdown)		Exposure at risk at 12.31.2011	
Grade	**Standard & Poor's equivalent rating**	**Banking book**	**Trading book**
Investment Grade	**AAA**	65%	61%
	AA+	2%	3%
	AA	6%	2%
	AA-	7%	9%
	A+	2%	3%
	A	2%	3%
	A-	7%	7%
	BBB+	0%	0%
	BBB	1%	2%
	BBB-	0%	0%
Non-Investment Grade	**BB+**	0%	0%
	BB	0%	1%
	BB-	0%	0%
	B+	1%	0%
	B	1%	1%
	B-	0%	0%
	CCC+	0%	0%
	CCC	0%	0%
	CCC-	0%	1%
	CC	0%	2%
	C	1%	2%
Not rated	**Not rated**	**4%**	**3%**
Default	**D**	**0%**	**0%**
TOTAL		**100%**	**100%**

4.2.5.4 Market Risk

DEFINITION

Market risk is the risk of loss in value caused by any adverse fluctuations in market parameters. These parameters include, notably, bond prices, interest rates, securities and commodities prices, derivatives prices and prices of all other assets, notably real estate and foreign exchange rates.

Asset liquidity is also an important component of market risk. In the event of insufficient or non-existent liquidity (for example due to a reduction in the number of transactions or a major imbalance in the supply and demand of certain assets), a financial instrument or any other tradable asset may be unable to be traded at its estimated value. The lack of liquidity may lead to reduced access to capital markets, unforeseen cash or capital requirements, or legal restrictions.

Market risk affects Natixis' trading and investment portfolios. In investment portfolios, market risk encompasses:

- the overall interest rate risk associated with asset and liability management, which is the risk to earnings arising from asset and liability mismatches in the bank book or in the insurance business;
- the risk associated with investment operations, which depends directly on fluctuations in the value of invested assets in securities portfolios; and
- the risk associated with other operations, notably real estate, which is indirectly affected by changes in the value of tradable assets held in the normal course of business.

OBJECTIVES AND POLICY

The Risk Department places great importance on the formal definition of all risk policies governing market transactions based on both a qualitative and forward-looking analysis. This analysis includes the strategic review of global risk envelopes according to the respective objectives of each business line and market trends, and provides an early warning system for the different risks identified.

ORGANIZATION OF MARKET RISK MANAGEMENT

(Data certified by the Statutory Auditors in accordance with IFRS 7)

The Risk Department defines the principles for measuring risk, submits them to the Executive Management for approval and monitors their effective implementation and follow-up. It validates market product valuation models and regularly ensures that models used are consistent with market developments and changes in best practices.

The market risk control mechanism is based on a delegation structure which is under the responsibility of the Global Risk Committee and in which the Market Risk Committee, chaired by the Chief Executive Officer or his/her delegated representative, plays an essential role.

The Risk Department's main responsibilities are:

- the definition of all applicable risk measurement methods and risk indicators;
- the analysis and daily control of market risks and the corresponding reporting for each business;
- the validation of valuation models (pricers);
- the definition of provisioning and fair value adjustment policies (for liquidity risk, risks related to non-hedgeable parameters, model risks, etc.);
- the drawing up of all consolidated reports presented to management and control and supervisory bodies;
- the introduction of standards and procedures common to all entities (subsidiaries and branches) carrying market risks;
- the production of VaR, stressed VaR (SVaR), IRC [(1)] (Incremental Risk Charge) and backtesting models.

In accordance with the recommendations of France's Lagarde Report, it also ensures adherence to the limit notification procedure, under which each trader sends email confirmation that they belong to the desk where they are authorized to trade and that they respect their allocated limits.

MARKET RISK MEASUREMENT METHODS

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Natixis' market risk management is based on a risk metrics model that measures the risk run by each Group entity.

Different techniques are used to measure market risk:

1. Synthetic measures of VaR to identify potential losses in each business, based on a pre-determined confidence level (99%) and time period (1 day).

   To this end, a statistical model has been constructed to track the combined behavior of market parameters affecting portfolio value. The calculation method is based on an econometric model whose standard deviations are calculated as being the maximum (risk factor by risk factor) standard deviations calculated over rolling 12-month and 3-month periods. This method makes VaR more responsive if the markets suddenly become more volatile.

   All decisions regarding risks factors are revised annually in Committee meetings attended by all parties concerned (Risk Department, front office and P&L division). Quantitative, objective tools are used to measure the relevance of risk factors. The aim is to ensure consistency between VaR calculations, results and sensitivities (use of the same risk factors).

   Natixis uses VaR calculated by numerical simulation, based on Monte Carlo-type methodology taking into account a portfolio's possible non-linear characteristics with respect to different risk factors. Calculation methods are harmonized using a single calculation tool.

   VaR is calculated and monitored daily for all the group's trading portfolios. A VaR limit is set at an overall level and for each business.

   The robustness of the VaR indicator is regularly backtested against the change in daily trading results. This exercise means actual outcomes can be compared with ex-post loss potential as provided ex-ante by VaR.

   Natixis' internal VaR model was approved by the French Prudential Supervisory Authority (ACP) in January 2009. Natixis therefore uses VaR to calculate capital requirements in respect of market risks on the portfolios within its remit.

(1) Incremental Risk Charge whose aim is to cover default and migration risks.

As part of changing regulatory standards (Basel 2.5), Natixis implemented a stressed VaR model (SVaR), which is calculated based on a fixed econometric model over a continuous 12-month period that defines the charge that the bank's current VaR model would generate under a representative crisis scenario relevant to its portfolio, and has calculated an IRC (Incremental Risk Charge) that estimates the migration and default risks of market instruments. The IRC is based on a one-year capital horizon at a 99.9% confidence level. These indicators are calculated on a daily basis.

The regulator has authorized Natixis to use these new indicators in order to determine its capital requirement as at December 31, 2011.

2. Loss alerts by portfolio and aggregated by business line which alert the management and Risk Department if losses reach a certain threshold over a given month or on a cumulative basis since the beginning of the year. These thresholds are set by the Market Risk Committee according to the characteristics of each portfolio, past performance and budgetary targets.
3. Stress tests to measure potential losses on portfolios in extreme market conditions. Natixis' mechanism is based on two categories of stress tests: overall stress tests and dedicated stress tests for each business.

Overall stress tests are reviewed on a continuous basis. They are performed daily and can be grouped into two categories:

- **Historic stress tests** consist of reproducing sets of changes in market parameters observed during past crises in order to create an ex-post simulation of the P&L changes recorded. While stress tests do not have any predictive value, they do make it possible to gauge the exposure of the portfolio to known scenarios.
- **Hypothetical stress tests** are used to simulate variations in market parameters on all activities, on the basis of plausible assumptions concerning one market's predicted response compared with another's, depending on the nature of the initial stress. Stresses are determined through a joint effort involving the Risk Department, the front office and Natixis economists.

Specific stress tests are also calculated daily in the management tools for all portfolios and are governed by limits. They are defined using the same severity standard and are used to identify the main loss areas by portfolio.

4. Operational indicators are used to manage activity on an overall and/or homogenous business basis, by focusing on more directly observable criteria (sensitivity to changes in the underlying and to volatility, correlation, nominal, diversification indicators, etc.). Limits corresponding to these qualitative and quantitative operational indicators thereby complement VaR, stress test and loss alert limits. They are determined in accordance with the latter limits.

BPCE guarantees most of the workout portfolio management assets in Paris and New York. Nevertheless, the Market Risk Department continues to manage risks on all transactions on a standardized and exhaustive basis, whether these transactions are guaranteed or not by BPCE. A VaR, overall stress tests as well as a SVaR and IRC that take into account the effects of this guarantee are produced on a daily basis.

QUANTITATIVE DATA FOR MEASURING MARKET RISK

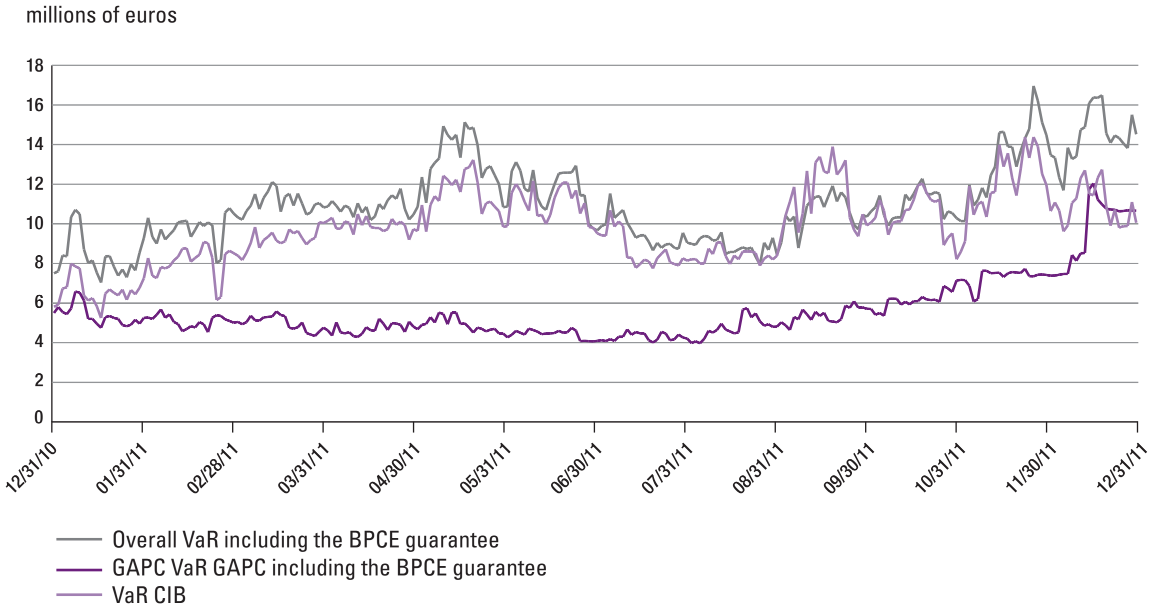
Change in VaR for Natixis taking into account BPCE's guarantee

The 99% 1-day VaR level for Natixis' trading portfolios averaged €11 million. It peaked at €16.9 million on December 5, 2011 and stood at €14.5 million at December 30, 2011.

As the chart below shows, VaR increased over the year on the back of growing market volatility, particularly in the wake of the European sovereign debt crisis.

The chart below presents the trading VaR history between December 31, 2010 and December 31, 2011 for the entire scope, for GAPC after accounting for BPCE's guarantee, as well as for CIB.

OVERALL NATIXIS VaR – TRADING PORTFOLIO (1 DAY VaR 99%)



Breakdown of total trading VaR by portfolio

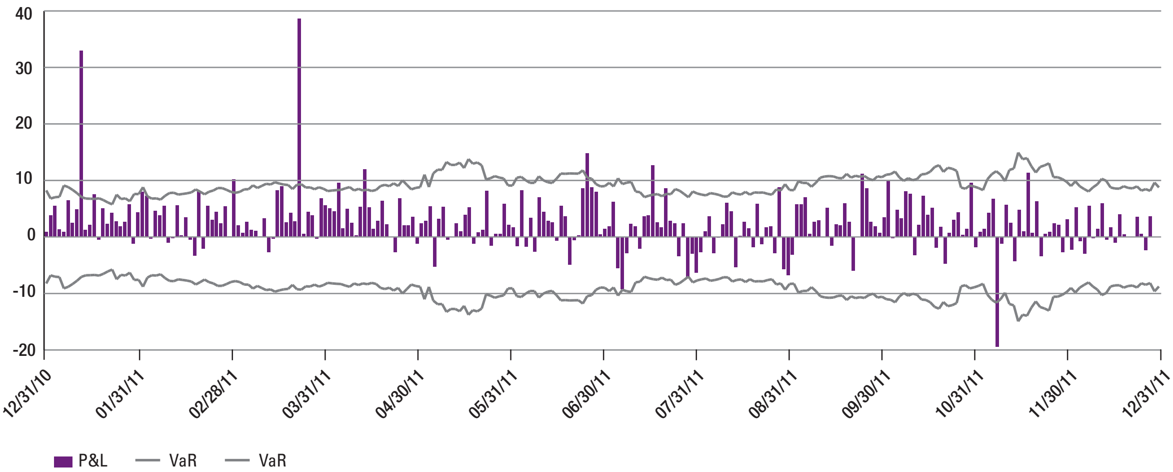
(Data certified by the Statutory Auditors in accordance with IFRS 7)

The following table presents VaR figures after accounting for the BPCE guarantee:

(in millions of euros) **NATIXIS trading portfolio**	**Limit**	**VaR including the BPCE guarantee – 12.31.11**
Natixis	28	14.5
CIB (Corporate and Investment Banking)	20	10.1
Corporate Solutions	9	2.5
Equity Markets	10	3.6
FIC-T	19	9.2
Trading GAPC	20	10.7

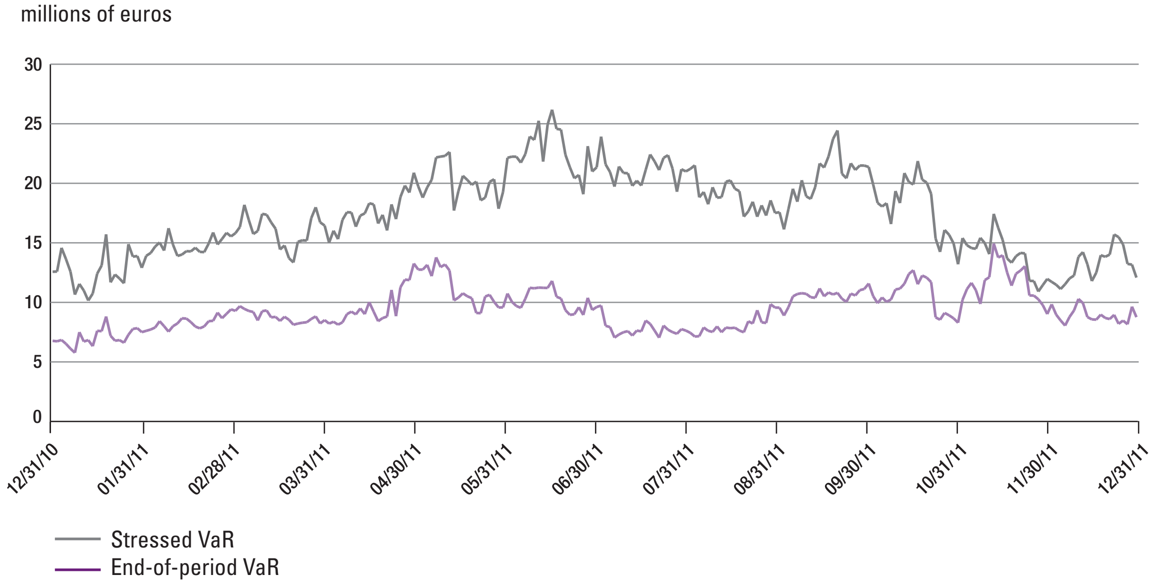
Natixis backtesting for regulatory scope

The following chart shows results of backtesting (comparison of potential losses, as calculated ex-post by VaR, with actual P&L impacts) on the regulatory scope. These results can be used to check the solidity of the VaR indicator:



One backtesting exception was observed in 2011 following the price update of a Greek security that had been incorrectly valued for several weeks due to a technical error. In accordance with Articles 17ter and 38 of CRBF rule 97-02 governing loss alerts, the Audit Committee and ACP were notified of this exception which exceeded VaR by more than 20%.

STRESSED NATIXIS VaR (REGULATORY SCOPE)



IRC INDICATOR

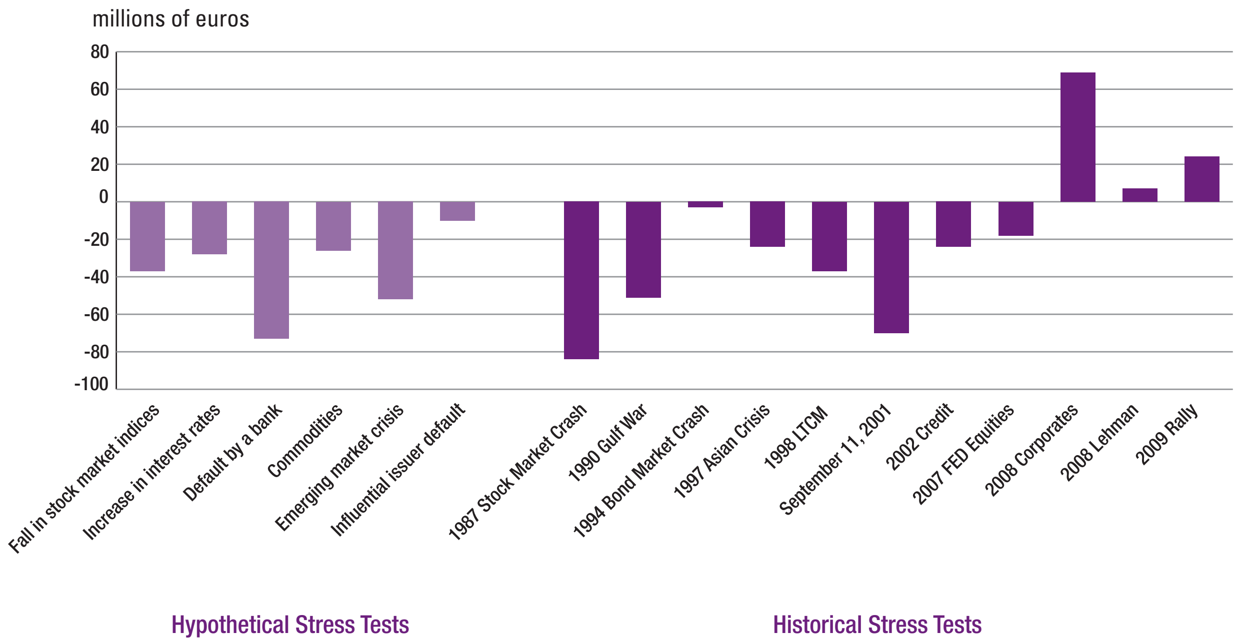
Stress test results for the Natixis scope

(Data certified by the Statutory Auditors in accordance with IFRS 7)

Overall stress test levels remained relatively reasonable at December 31, 2011 with an average loss of €25.7 million.

The historic stress test replicating the 1987 stock market crash gave the maximum loss (-€84 million at December 31, 2011).

OVERALL STRESS TESTS AS AT DECEMBER 31, 2011 (INCLUDING THE BPCE GUARANTEE)



REGULATORY CAPITAL REQUIREMENTS

Regulatory capital requirements as at December 31, 2011, were as follows:

(in millions of euros) — Regulatory capital requirements

Type and nature of risk	Interest rate risk	Commodity risk	Risk on property deeds	Foreign exchange risk	Internal model	Stress on alternative assets	Securitization risk	Total
General risk	52	95	9	61				**216**
Specific risk	116		14	0				**130**
Option risk	19	8	20	44		23		**114**
TOTAL	**187**	**103**	**42**	**105**	**630**	**23**	**59**	**1,150**

The new CRD3 market risk requirements implemented on December 31, 2011 imply an outsourcing of specific interest rate risk from securitization positions. The regulatory capital requirements for securitization positions in the trading book are subject to weightings similar to those of the banking book, with again a higher risk weight for resecuritization exposures.

4.2.5.5 Operational risks

RISK FACTORS

Any interruption or failure of Natixis' information systems, or those of third parties, may result in lost business and other losses

Like most of its competitors, Natixis relies heavily on its communication and information systems as its operations require it to process a large number of increasingly complex transactions. Any breakdown, interruption or failure of these systems could result in errors or interruptions to customer relationship management, general ledger, deposit, transaction and/or loan processing systems. If, for example, Natixis' information systems failed, even for a short period of time, it would be unable to meet customers' needs in a timely manner and could thus lose transaction opportunities. Likewise, a temporary breakdown of Natixis' information systems, despite back-up systems and contingency plans, could result in considerable information retrieval and verification costs, and even a decline in its proprietary business if, for instance, such a breakdown occurred during the implementation of hedging transactions. The inability of Natixis' systems to accommodate an increasing volume of transactions could also undermine its business development capacity.

Natixis is also exposed to the risk of an operational failure or interruption by one of its clearing agents, foreign exchange markets, clearing houses, custodians or other financial intermediaries or external service providers that it uses to execute or facilitate its securities transactions. As its interconnectivity with its customers grows, Natixis may also be increasingly exposed to the risk of operational failure of its customers' information systems. Natixis cannot guarantee that such breakdowns or interruptions in its systems or in those of other parties will not occur or, if they do occur, that they will be adequately resolved.

The processes for the management of information system security risks are described in greater detail in section [3.6.3.2].

Unforeseen events may cause an interruption of Natixis' operations and cause substantial losses as well as additional costs

Unforeseen events such as a severe natural disaster, pandemic, terrorist attacks or any other states of emergency could lead to an abrupt interruption of Natixis' operations and cause substantial losses insofar as they are not covered or are insufficiently covered by an insurance policy. These losses could relate to property, financial assets, market positions and key employees. Such unforeseen events may, additionally, disrupt Natixis' infrastructure, or that of third parties with which it conducts business, and could also lead to additional costs (such as relocation costs of employees affected) and increase Natixis' costs (in particular insurance premiums). Subsequent to such events, Natixis may be unable to insure certain risks, resulting in an increase in Natixis' overall risk.

DESCRIPTION

Operational risk is the risk of losses due to inadequate or failed internal processes, or due to external events, whether deliberate, accidental or natural occurrences. Internal procedures include, but are not limited to, Human Resources and information systems. External events include, but are not limited to, natural disasters, fraud or terrorist attacks. Furthermore, any interruptions or failures of Natixis or third party information systems may result in lost earnings and thus generate losses. Similarly, unforeseen events may cause an interruption in the continuity of Natixis' operations, thus generating material losses and additional costs.

Legal risk is also a component of operational risk.

The principal legal proceedings in progress involving Natixis and its subsidiaries are described in section [4.5].

The Insurance Department, which reports to the Legal Department in the Corporate Secretary's office, is tasked with analyzing insurable operational risks and taking out appropriate insurance coverage against them (see section [4.4] for further information). Insurance policies bought from leading insurers provides cover for potentially significant damages resulting from fraud, embezzlement and theft, operating losses or the implication of Natixis' civil liability or that of its subsidiaries or the employees for which it is responsible.

The procedures for monitoring and managing these risks are described in this very section.

TARGETS AND POLICIES

Natixis' operational risk framework is applied within all of its entities and includes the following elements:

Framework governance

Governance of the framework is the responsibility of Natixis' Operational Risk Committee. This Committee is charged with defining the operational risk policy, ensuring its application within Natixis' entities, reviewing serious operational risks, analyzing potential risks for the company and monitoring risk-reduction measures.

Operational Risk Department

The department's role is to maintain and actively improve the system that identifies, monitors, controls and reduces the level of operational risk within all of Natixis' entities. Its main tasks are defining methodologies, monitoring and reporting on operational risks, collecting and reporting incidents and building a risk culture within the company.

ORGANIZATION

The Operational Risk Department is divided into two control units, one covering risks specific to Natixis' business lines and activities, and the other dealing with the overall risks to which the company is exposed (loss of access to premises or information systems, or the availability of employees). The business line risk division is divided into:

- **The Corporate and Investment Banking business line:** covers capital market activities for CIB and workout portfolio management assetsn (GAPC), and financing for CIB activities;
- **The Investment Solutions business line:** covers Private banking activities, Natixis Assurances, Capital Investment as well as Natixis Global Asset Management;
- **The Specialized Financial Services business line:** covers subsidiaries Natixis Paiements, Natixis Interépargne, Natixis Intertitres, Cie Européenne de Garanties et Cautions, Natixis EuroTitres, Natixis Financement, Natixis Lease, Retail Services and Natixis Factor.

For the first two business lines, a matrix organization structured by business line and location (French and international) allows the entire company to be managed globally.

A single, overall information system has been deployed across all of the company's entities and hosts the all the components required to manage operational risk.

Within the business lines this system is complemented by a network of Operational Risk Officers responsible for reporting any incidents to the Operational Risk Department, and for providing operational risk data: indicators, progress on action plans, etc.

OPERATIONAL RISK SURVEILLANCE

Listing and analyzing incidents

Losses are listed from the very first euro and as they are incurred. A single definition of "serious incident" is used throughout the Company. All serious incidents are immediately declared. A departmental investigation is then conducted, and a report detailing the facts and recommended action plans is drawn up. The Operational Risk Committees decide on the necessary action plans.

Risk mapping

The Operational Risk Department maps the most critical risk situations in order to draw up preventative action plans to reduce exposure and prioritize these situations.

Mapping is based on the company's processes and is conducted in two phases: a qualitative phase for detecting and analyzing risks, and a quantitative phase for measuring these risks.

Risk reduction initiatives

In each of its operating entities, Natixis has implemented measures to monitor action plans to reduce its exposure to operational risks. These action plans are monitored by the business line and central Operational Risk Committees.

The control mechanism is consistent with the standard method, as defined by banking regulations, applied to all of Natixis' operational divisions.

EXPOSURE

Exposure to actual risks reflect Natixis' three business lines.

CIB (Corporate and Investment Banking) and GAPC	89%
Investment Solutions	6%
SFS (Specialized Financial Services)	4%
Other	1%

The majority of actual risks are in the Execution category and are due to processing errors inherent to all of Natixis' activities.

Execution, delivery and management of procedures	92%
External fraud	3%
Clients, products and commercial practices	3%
Business interruption and information system deficiencies	1%
Other	1%

4.2.5.6 Exposure to banking portfolio shares

DIVISIONAL BREAKDOWN OF EXPOSURE AT RISK ON THE EQUITY ASSET CLASS

	Equity Exposure at risk (% breakdown)	
Division	**December 2011**	**December 2010**
CIB (Corporate and Investment Banking)	2.2%	3%
Investment Solutions	11.2%	6%
Corporate Center	5.5%	5%
Financial Investments	7.5%	4%
SFS (Specialized Financial Services)	0.1%	1%
CCIs	73.5%	81%
GAPC	0.0%	0%
TOTAL	**100%**	**100%**

BREAKDOWN OF AMOUNTS BY EQUITY PORTFOLIO AND BY TYPE AND NATURE OF EXPOSURE

	Exposure at risk				
(in millions of euros) **Type and nature of exposure**	**Listed equities**	**Private Equity held in sufficiently diversified portfolios**	**Other equity exposure**	**Total as at 12.31.2011**	**Total as at 12.31.2010**
Equities	78	2,164	228	2,407	2,455
Mutual funds	234	0	9	242	303
Financial Investments	113	463	398	1,037	1,101
CCIs			10,201	10,201	10,339
TOTAL	**425**	**2,626**	**10,836**	**13,887**	**14,199**

RISK-WEIGHTED EXPOSURE FOR THE EQUITY ASSET CLASS

(in millions of euros)	Risk-weighted exposure			
Weighting	**IRB approach**	**Standard approach**	**12.31.2011**	**12.31.2010**
Private Equity	3,256	1,369	4,625	4,637
Other equity exposure	2,350	-	2,350	2,462
Listed equities	1,231	-	1,231	1,716
CCIs	37,742	-	37,742	38,254
TOTAL	**44,580**	**1,369**	**45,948**	**47,069**

UNREALIZED GAINS OR LOSSES AS AT DECEMBER 31, 2011

(in millions of euros) **Assets**	**Cost or historic value**	**Fair value or adjusted value or presumed cost**	**Net unrealized gain or loss**	**Gross unrealized gains**	**Gross unrealized losses**
Financial assets at fair value through profit and loss (other than trading)	4,310	4,189	(121)	-	(121)
Available-for-sale financial assets	1,675	1,752	76	82	(5)
TOTAL	**5,985**	**5,941**	**(45)**	**82**	**(126)**

TOTAL AMOUNT OF DIVESTMENT GAINS OR LOSSES FOR THE PERIOD UNDER REVIEW

(in millions of euros) **Assets**	**Total amount of divestment gains or losses**
Financial assets at fair value through profit and loss (other than trading)	478
Other assets	74
Available-for-sale financial assets	29
TOTAL	**581**

FRACTION OF AMOUNTS OF UNREALIZED GAINS OR LOSSES INCLUDED IN TIER 1 OR TIER 2 CAPITAL AS AT DECEMBER 31, 2011

(in millions of euros) **Assets**	**Fraction of amounts included in Tier 1 or Tier 2 capital**
Prudential restatement of unrealized gains or losses on available-for-sale equity instruments	(39)
Prudential restatement of unrealized gains or losses on available-for-sale equity instruments as a percentage of upper Tier 2 capital	20
TOTAL	**(19)**

4.3 Overall interest rate, liquidity and structural foreign exchange risks

(Data certified by the Statutory Auditors in accordance with IFRS 7)

4.3.1 GOVERNANCE

Natixis' structural balance sheet risks are managed and monitored under the authority of the Asset/Liability Management Committee **(ALM Committee)** chaired by the Chief Executive Officer, and comprised of the members of the Senior Management Committee (in charge of Finance and Risks, and Corporate & Investment Banking), the Head of Risk, the Head of Financial Management and BPCE's Head of Asset/Liability Management. The Committee meets every two months and is mainly responsible for:

- validating the main asset/liability management rules (including those governing internal liquidity pricing), agreements, indicators and limits (including liquidity budgets allocated to the business lines under budgetary procedure) used for monitoring, managing and supervising structural balance sheet risks, all within the standard ALM framework set up by BPCE;
- validating the overall refinancing policy;
- monitoring the main balance sheet aggregates and their developments;
- monitoring structural balance sheet risks and compliance with limits.

The ALM Committee's monitoring scope includes:

- the banking portfolios of Natixis S.A. and its credit subsidiaries for overall interest rate risk;
- Natixis' entire consolidation scope for liquidity risk (excluding insurance subsidiaries without intrinsic liquidity risks and which are specifically monitored);
- Natixis' entire consolidation scope for structural foreign exchange risk.

4.3.2 BALANCE SHEET RISK MANAGEMENT

4.3.2.1 Overall interest rate risk

DESCRIPTION

Natixis' overall interest rate risk is defined as the risk of losses on the banking portfolio stemming from mismatches between interest rates on assets and on liabilities.

As is the case for most Corporate and Investment banks, Natixis has very few assets and liabilities generating structural interest rate positions. Natixis' overall interest rate risk is essentially linear, exposed to the euro and US dollar, and concerns mismatching positions between contractual transactions. The most significant positions concern exposures to the short end of yield curves and are predominantly linked to the lag between IBOR reset dates. This therefore classes as a secondary risk at the bank level.

TARGETS AND POLICIES

It is not in Natixis' interest to hold long-term structural interest rate positions in its banking portfolio. With a few exceptions, fixed rate financial assets and liabilities are returned for BOR via rate swaps and are mainly held in the Treasury portfolios which are subject to ongoing monitoring of interest rate risk.

MONITORING SYSTEM

This risk is measured in terms of the sensitivity of portfolios' economic value by basis point on the yield curve and by currency. For the the largest portfolios it is controlled through limits approved and monitored by the Risk Department. As regards Treasury, in which most positions are concentrated, this mechanism is rounded out with daily VaR measurements governed by limits and stress tests.

The Risk Department calculates indicators and monitors limits daily for Treasury and monthly for credit subsidiaries.

Natixis' overall interest rate risk is minor in respect to the volumes of the positions managed, and does not warrant any special comments; the regulatory "shock" resulting from the application of Basel 2 standards (+200bp instantaneous variation in the yield curves) at December 31, 2011 would result in a change in the portfolio's absolute value of €35 million.

4.3.2.2 Liquidity risk

DESCRIPTION

Liquidity risk is the risk that Natixis will be unable to honor its commitments to its creditors due to the mismatching of maturities between assets and liabilities. This risk could arise, for example, in the event of massive withdrawals of customer deposits or a crisis of confidence or an overall market liquidity crisis. As a corporate and investment bank, this risk for Natixis results primarily from mismatched positions between transactions with contractual maturities, as Natixis does not have stable and permanent customer resources and partly funds itself on the markets *(see Chapter 5 "Financial data", section 5.1.5 Refinancing).*

TARGETS AND POLICIES

As a subsidiary of Groupe BPCE and present in CIB, asset management and specialized finance, Natixis' liquidity risk management policy is an integral part of the group's overall policy. It sets out to optimize Natixis' activities within a clear, shared and harmonized framework in terms of governance and ALM regulations and in line within the group's risk constraints. In particular, these constraints are part of the regulatory commitments made by the group when creating Natixis, which includes BPCE's obligation to guarantee the liquidity of its subsidiary.

Thus, the purpose of the overall liquidity risk management policy is to:

- guarantee that Natixis complies with its financing commitments while ensuring that its refinancing needs and mismatches traded are in line with the group's short- and medium-term refinancing capacities;
- optimize the cost of refinancing within the set risk constraints to help reach the profitability objectives set out in the New Deal plan;
- respect the internal limits set in close cooperation with BPCE and adapted to the group's ability to provide for Natixis' ultimate mismatching needs;
- comply with national and international regulations;
- contribute to the diversification of amounts raised by Groupe BPCE by geography, product and counterparty.

MONITORING SYSTEM

Liquidity risk is controlled, managed and monitored in the following manner:

- management of each business line's liquidity consumption: to manage balance sheet growth, liquidity budgets are allocated for each business line as part of the budgetary procedure and approved by the ALM Committee. Consumption is monitored weekly for CIB business lines and monthly for other business lines;
- supervision of short-term mismatching: this is measured on the basis of liquidity gaps. In order to manage estimated short-term liquidity requirements, this indicator is produced daily for a three-month horizon in intervals of one day, based on all the parent company's contractual transactions. It is governed according to two permanent limits (one on overnight market exposure and the other on the two-month static liquidity gap) approved by the ALM Committee and monitored daily;
- supervision of medium-term mismatching: this is measured on the basis of liquidity gaps and asset-liability hedging ratios. These ratios include minimum hedging ratios approved by the ALM Committee and monitored monthly for Treasury and quarterly for Natixis' entire scope of consolidation;
- simulations of liquidity stress scenarios: the purpose of these scenarios is to measure the group's ability to continue to respect its commitments and continue to operate in the event of a liquidity crisis. Natixis periodically simulates its contribution to the group's earnings based on different crisis scenarios (systemic, specific, combined etc.) and different levels of intensity (moderate, strong, extreme, etc.) over a three-month period.

4.3.2.3 Structural foreign exchange risk

DESCRIPTION

Structural foreign exchange risk is defined as the risk of transferable equity loss generated by an adverse fluctuation in exchange rates against the group currency used in the consolidated accounts due to mismatches between the currency of net investments refinanced by purchases of currency and the currency of equity.

Natixis' structural foreign exchange risk for the most part concerns structural positions in the US dollar due to the consolidation of foreign branches and subsidiaries funded in this currency.

TARGETS AND POLICIES

The overall structural foreign exchange risk management policy, set out by the ALM Committee, thus aims to:

- only purchase currency for strategic net investments with sustainable holding periods; net investments in non-strategic currencies are therefore refinanced by loans;
- maintain structural foreign exchange positions within the set limits in order to protect the Core Tier 1 ratio from exchange rate fluctuations due to weighted currency risks (in particular the US dollar).

MONITORING SYSTEM

The Core Tier 1 ratio's sensitivity to exchange rate fluctuations is regularly assessed by the ALM Committee. The Committee sets an acceptable variation range for this sensitivity and a monitoring report is presented during its meetings.

4.3.2.4 Operational foreign exchange risk

DESCRIPTION

Operational foreign exchange risk defines the risk of loss generated by an adverse fluctuation in exchange rates against the group currency due to mismatches between the currency of operational foreign exchange positions (due to products and costs in foreign currency) and the reporting currency.

Natixis' operational foreign exchange positions are, due to its activities, mainly denominated in US dollars; positions in other currencies are secondary.

TARGETS AND POLICIES

The overall operational foreign exchange risk management policy, set out by the ALM Committee, aims to limit as much as possible the volatility of IAS earnings to exchange rate fluctuations; residual operational foreign exchange positions are not intended to be held and are therefore subject to strict controls. The ALM Committee however did not wish to hedge future recurrent net earnings in foreign currencies; any fluctuations in the actual exchange value of net earnings in foreign currency compared to those calculated based on budgeted exchange rates are thus borne.

MONITORING SYSTEM

The monitoring system is based on the following principles:

- activities that are "authorized" to hold operational foreign exchange positions as part of their risk mandate are subject to a limit that is validated and monitored by the Risk Department; these activities mainly concern certain trading operations (including the foreign exchange desks);
- activities that are "not authorized" to hold foreign exchange positions are not authorized to manage them; residual positions calculated by the Accounting Department are systematically hedged.

4.4 Insurable risks

The Insurance Department, which reports to the Legal Department within the Corporate Secretary's office, is tasked with analyzing insurable operational risks and taking out appropriate insurance coverage (direct insurance and/or transfer).

- The main risks analyzed are:
  - internal or external fraud;
  - reduction in property values;
  - liability risk (civil operating and professional liability, as well as managers' and executive corporate officers' civil liability);
  - damage to operating assets (buildings and contents, IT hardware and data), as well as loss of banking business due to such damage.
- The "Overall Banking", "Company Civil Liability" (operational and professional) and "Management Civil Liability" insurance policies taken out by Natixis on behalf of the parent company and all its subsidiaries were renewed on July 1, 2010 and then extended until and including December 31, 2011.

  As such; Natixis and all its subsidiaries benefit from the following guarantees:
  - "combined" Overall Banking (values and fraud) and Company Civil Liability policies providing coverage of €100 million per claim and/or per period of insurance;
  - a "Civil Operating Liability" insurance policy providing coverage of €50 million per claim;
  - Civil Liability Insurance policies covering directors and corporate officers, and providing coverage of up to €100 million per claim and per period of insurance.

This coverage applies worldwide, except for professional civil liability, where the guarantee does not extend to permanent establishments in the United States (coverage for US operations is purchased locally by subsidiaries or branches).

- Coverage for the buildings housing Natixis' operations in France, their contents, IT risks and the resulting loss of banking business is provided by the "All Risks & Resulting Loss of Banking Business" group insurance policy taken out by BPCE S.A., which came into effect on January 1, 2011 (reconstruction and/or replacement cost, capped at €250 million per claim).
- Coverage for intangible computer damage (damage to data without physical damage to the hardware containing it) and resulting loss of banking business is provided by the "Intangible Computer Damage/Loss of Banking Business" group insurance policy taken out by BPCE S.A., which came into effect on January 1, 2011, for coverage of up to €65 million per claim and per year.

All the insurance policies mentioned above were taken out with reputable, creditworthy insurance companies.

All the insurance policies mentioned above are purchased with deductibles (accepted retention level) in accordance with Natixis' retention capacity.

Insurance premiums for all these policies cost a total of €11.7 million over the whole of 2011.

4.5 Legal risks

4.5.1 LEGAL AND REGULATORY ISSUES AND CONSTRAINTS

Natixis is subject to significant regulation in France and in several other countries around the world where it operates; regulatory actions and changes in these regulations could adversely affect Natixis' business and results

Several supervisory and regulatory regimes apply to Natixis in each of the countries where it conducts its business. In addition to reputational risk, failure to comply with these regulations could expose Natixis to significant intervention by regulatory authorities and to fines, public warnings by the authorities, suspensions of operations or, in extreme cases, withdrawal of Natixis' operating authority. The financial services industry has been under increased scrutiny from several regulatory authorities in recent years, as well as an increase in the penalties and fines imposed by these regulatory authorities, a trend that may be accelerated in the current financial context. Natixis' operations and its income may be affected by various measures and actions taken by French regulatory authorities, by the European Union, by foreign governments or international organizations. Such constraints could limit Natixis' ability to develop its businesses or to pursue certain operations. The nature and impact of these potential changes in regulatory policies and actions are unpredictable and Natixis has no way of controlling them.

Such changes could include, but are not limited to, the following:

- monetary, interest rate and other policies of central banks and regulatory authorities;
- general changes in government or regulatory policy liable to significantly influence investor decisions, in particular in markets where Natixis operates;
- general changes in regulatory requirements, notably prudential rules relating to the regulatory capital adequacy framework, such as the modifications being made to the regulations implementing Basel 3, Solvency 2 and Dodd-Franck Act requirements;
- changes in rules and procedures relating to internal controls;
- changes in the competitive environment and prices;
- changes in financial reporting rules;
- expropriation, nationalization, price controls, exchange controls, confiscation of assets and changes in legislation relating to foreign ownership rights; and
- any adverse change in the political, military or diplomatic environments creating social instability or an uncertain legal situation capable of affecting the demand for the products and services offered by Natixis.

Tax law and its application in France and in the countries where Natixis operates are likely to have a significant impact on Natixis' results

As a multinational banking group performing complex and large-scale cross-border transactions, Natixis is subject to tax legislation in a large number of countries throughout the world, and structures all of its operations in a way that optimizes the effective tax rates. Changes to tax legislation or its application by the competent authorities in these countries may have a significant impact on Natixis' results. Natixis implemented management processes to create value from the synergies and business capabilities of its different entities. Natixis also endeavors to structure the financial products sold to its customers by optimizing their taxation. The structures of Natixis' intra-group transactions and financial products sold by Natixis are based on Natixis' own interpretations of applicable tax laws and regulations, generally on the basis of opinions received from independent tax advisers and, on an ad hoc basis as and when necessary, on rulings or specific interpretations from the tax authorities. There can be no assurance that the tax authorities will not seek to challenge such interpretations in the future, in which case Natixis could be subject to tax adjustments.

Natixis' profitability and business outlook could be adversely affected by reputational and legal risk

Natixis' reputation is essential in attracting and retaining its customers. The use of inappropriate means to promote and market its products and services and the inadequate management of potential conflicts of interest, legal and regulatory requirements, compliance issues, money laundering laws, information security policies and sales and trading practices may damage Natixis' reputation. Its reputation could also be harmed by any inappropriate employee behavior, fraud or misappropriation of funds committed by participants in the financial sector to which

Natixis is exposed, any decrease, restatement or correction of its financial results and any legal or regulatory action that has a potentially unfavorable outcome. Any damage caused to Natixis' reputation could be accompanied by a loss of business likely to threaten its results and its financial position.

Inadequate management of these issues could also give rise to additional legal risk for Natixis and cause an increase in the number of legal proceedings and the amount of damages claimed against Natixis, or expose Natixis to sanctions from the regulatory authorities (for further details, please refer to the paragraph on "Legal and arbitration procedures" below).

4.5.2 LEGAL AND ARBITRATION PROCEDURES

Like many banking groups, Natixis and its consolidated subsidiaries are involved in litigation before courts and can be investigated by regulatory authorities.

The financial consequences, assessed at December 31, 2011, of those deemed likely to, or those that have in the recent past had a material impact on Natixis' financial situation and/or that of Natixis and its consolidated subsidiaries as a whole, their profitability or their business, have been included in Natixis' consolidated financial statements.

The most significant litigations are described below. Their inclusion in the list does not indicate that these litigations will necessarily have an impact on Natixis and/or its consolidated subsidiaries. The other litigations are deemed not liable to have a material impact on Natixis' financial situation or profitability and/or that of Natixis and its consolidated subsidiaries as a whole, or have not reached a stage where it can be determined whether they will have such an impact.

Jerry Jones et al vs. Harris Associates L.P.

In August 2004, three shareholders acting in the name of and on behalf of three investment funds (Oakmark Fund, Oakmark Equity and Income Fund and Oakmark Global Fund) filed a complaint against Harris Associates L.P., a wholly-owned subsidiary of Natixis Global Asset Management, before the United States District Court for the Northern District of Illinois. The plaintiffs alleged that Harris Associates L.P. billed services to these three funds at an excessively high rate in the light of applicable regulations. These proceedings are among numerous legal claims initiated in recent years against investment advisors. Harris Associates L.P. and the plaintiffs filed motions for summary judgment.

On February 27, 2007, the judge accepted all aspects of the Harris Associates L.P. motion and rejected the motion of the plaintiffs. On March 20, 2007 the plaintiffs appealed that decision. Both parties filed written arguments and appeared before the Court of Appeals on September 10, 2007.

On May 19, 2008, a panel of judges from the Court of Appeals for the Seventh Circuit issued a ruling upholding the ruling of the District Court in favor of Harris Associates L.P.

On June 2, 2008, the plaintiffs requested a rehearing of the appeal by the entire Court of Appeals. On August 8, 2008 the Court of Appeals denied the plaintiffs' request for a rehearing of their appeal.

On November 3, 2008, the plaintiffs sought relief from the United States Supreme Court, requesting that the denial of their appeal be overturned.

On March 9, 2009, the Supreme Court decided to hear the case. Hearings took place on November 2, 2009.

In a ruling handed down on March 30, 2010, the US Supreme Court dismissed the case before the Court of Appeals for the Seventh Circuit so that the Court could determine whether the decision of the District Court in favor of Harris Associates L.P. should be upheld or overturned.

Class action lawsuits in the United States relating to Municipal Guaranteed Investment Contract transactions

Since March 13, 2008, Natixis and Natixis Funding have been named among the defendants in multiple class-action lawsuits filed by and on behalf of certain state, county and municipal bond issuers in the US federal courts in New York, Washington D.C. and California. The plaintiffs allege that providers and brokers of municipal derivatives conspired to fix prices, rig bids and allocate customers between 1992 and the present time. The various plaintiffs have also named more than 30 other US and European banks and brokers as defendants. Some plaintiffs seek to certify a class of all state, local and municipal government entities, independent government agencies and private entities that purchased municipal derivatives from the defendants or through brokers from 1992 to the present, and to recover damages to the class that result from the alleged anticompetitive activities. Most of the federal cases have been regrouped before the United States District Court for the Southern District of New York under the caption "Municipal Derivatives Antitrust Litigation."

These damages claims arise out of investigations that were performed or are currently being performed by the US Internal Revenue Service ("IRS"), the Department of Justice ("DOJ") Anti-Trust division, the US Securities and Exchange Commission ("SEC") and state prosecutors.

The class actions in which Natixis Funding is cited as one of 13 providers and brokers of derivatives will go forward, as the requests to dismiss the plaintiffs were rejected on March 25, 2010.

The individual municipalities' cases against 40 defendants including Natixis Funding and Natixis will also go forward, as the requests for dismissing the plaintiffs' suits were rejected on April 26, 2010.

The allegations against Natixis are that Natixis was Natixis Funding's guarantor in derivatives transactions and that it was Natixis Funding's agent. The defendants have responded to the grievances filed by the plaintiffs. The parties have entered the discovery phase of litigation. The coming months are dedicated to requests concerning the communication of evidence and reviewing the documents requested by the plaintiffs. At the same time, the parties are preparing to take on the most important part of the litigation which is the attempt to certify the litigation as a class action suit by the plaintiffs. The plaintiffs are in the process of recruiting an expert economist and a statistician to analyze the data of all the transactions to prepare arguments against class action certification. During this time, the 26 state prosecutors and the DOJ are continuing their investigations.

Madoff fraud

At December 31, 2011, Madoff assets net of insurance were estimated at €380 million and were fully provisioned. The actual impact of this exposure will depend on the amount of assets deposited on behalf of Natixis that are recovered and on the outcome of any action the bank may take, including legal action. Natixis has therefore retained the services of law firms to assist it in the collections process. Furthermore, a disagreement has arisen on the application of the terms of Natixis' professional civil liability coverage in this matter.

Irving H. Picard, the court-appointed trustee for Bernard L. Madoff Investment Securities LLC (BMIS) filed a complaint with the United States Bankruptcy Court for the Southern District of New York against several banking institutions, including a $400 million complaint against Natixis. Natixis denies the allegations made and intends to take all steps to defend its position and protect its rights. The complaint is currently under examination by the Bankruptcy Court of the Southern District of New York.

Furthermore, the liquidators of Fairfield Sentry Limited and Fairfield Sigma Limited have initiated a large number of proceedings against investors having received payments from these funds for redemptions of shares (over 200 proceedings have been filed in New York). Certain Natixis entities have been named as defendants in some of these proceedings. Natixis deems these proceedings to be entirely unfounded and intends to vigorously defend its position.

CIC/Crédit Mutuel claim

On September 11, 2008, CIC and Crédit Mutuel filed an action against Lagardère and Natixis before the Commercial Court of Paris (Tribunal de Commerce de Paris), seeking the cancellation of contracts under which they had made forward purchases of EADS shares from Natixis involving the payment of roughly €28 million by Natixis to the plaintiffs, in exchange for the restitution by the plaintiffs of EADS shares to Natixis.

Basing their argument on a report by the French Financial Markets Authority (AMF - Autorité des Marchés Financiers), which has not been made public, the plaintiffs allege that Lagardère SCA failed to comply with market regulations when it issued bonds redeemable in EADS shares, subscribed by Natixis, in April 2006.

Natixis has not been accused of any wrongdoing in the CIC Group's complaint, whether with respect to the terms of the contracts or their performance. The legal arguments used by the Crédit Mutuel Group to challenge the validity of its purchases of EADS shares appear to be without merit.

In a ruling handed down on January 27, 2010, the Commercial Court of Paris refused to hear the suit filed by CIC and Crédit Mutuel, and ordered them to pay €120,000 to Natixis and €50,000 to Lagardère in accordance with Article 700 of the French Civil Proceedings Code (Code de procédure civile). The order of April 28, 2011 issued by the Paris Court of Appeals (Cour d'Appel de Paris) upheld the lower court's ruling, which dismissed the claim by the plaintiffs. An appeal for annulment has been filed by CIC and Crédit Mutuel.

Criminal complaint coordinated by ADAM

In March 2009, the Paris public prosecutor's office (Parquet de Paris) launched a preliminary investigation into a complaint filed by Natixis minority shareholders and coordinated by the Association to Defend Minority Shareholder Rights (Association de Défense des Actionnaires Minoritaires, ADAM). Because of the institution of civil action proceedings of plaintiffs, a judicial information was opened.

Anakena/Maximus claim

On November 13, 2009, Maximus Master Fund Limited and its portfolio manager, Anakena, filed a complaint against Natixis before the Commercial Court of Paris seeking the payment of €59.9 million in damages, and alleging that Natixis had abused its rights as the majority investor by asking the fund to redeem its investment in the middle of the financial crisis. In a ruling handed down on January 27, 2012, the Commercial Court of Paris dismissed all of the claims filed by Anakena and Maximus and ordered them to pay €10,000 to Natixis in accordance with Article 700 of the French Civil Proceedings Code. On February 13, 2012, Anakena and Maximus filed an appeal against the ruling issued on January 27, 2012.

Complaint filed by Natixis shareholders against BPCE, Natixis and Messrs Philippe Dupont and Charles Milhaud

On December 31, 2009, 735 Natixis shareholders filed a complaint with the Commercial Court of Paris against BPCE, Natixis and Messrs Philippe Dupont and Charles Milhaud, seeking payment of roughly €4 million, alleging the dissemination of misleading information and the breach of market rules. The claims filed by minority shareholders were dismissed in a ruling handed down on November 22, 2011.

Region of Tuscany

On December 21, 2010, the Natixis branch in Milan received an order for preventive sequestration (Decreto Di Sequestro Preventivo) in the amount of €2.2 million. The sequestration was requested preventively in the context of proceedings launched against Natixis and other banks by the Florence public prosecutor in regard to derivative transactions between these banks and the Region of Tuscany and which were considered by the prosecutor to have generated illicit profits.

On December 27, 2011, the Region of Tuscany informed Natixis that it is seeking the termination with retroactive effect of the swaps set in place by Natixis with the Region in 2002 as well as the novation of one of these swaps. For the time being, it is too early to assess the validity of the claims filed by the Region of Tuscany which have yet to be quantified.

Commune of Sanary-sur-Mer

On August 5, 2011, the Commune of Sanary-sur-Mer in France filed a complaint against Natixis and other defendants before the Administrative Tribunal of Toulon (Tribunal Administratif de Toulon) seeking the joint and several payment of €83 million particularly in light of the investment losses to be incurred by the Commune and the loss in future contributions to its budget following the abandonment of the planned construction of a local casino/hotel complex. Natixis intends to dispute the validity of the claims filed against it. Furthermore, given that, within the framework of this construction project, Natixis had already committed to issuing a bank guarantee of completion in the amount of €20 million, it intends to strictly limit any liability with regard to both this project and this amount; it being specified that, here again, Natixis believes the claim filed against its unfounded.

AMF investigations

On January 6, 2010, Natixis received a notification of grievances from the AMF Enforcement Committee regarding its failure to comply with procedures governing market surveys. On April 11, 2011, the Committee issued Natixis with a reprimand and financial sanction of €500,000. Natixis has appealed against this decision before the French Council of State (Conseil d'État).

In addition, following an investigation carried out between April 2010 and April 2011, a ruling by the AMF's Enforcement Committee on July 4, 2011 ordered a former subsidiary of Natixis to pay a financial sanction of €250,000. The Committee's grievances against the subsidiary are (a) the abusive use of information linked to an order pending execution during a facilitation transaction, (b) the failure in its duty by giving priority to its proper interest in the performance of the contentious transactions, and (c) its failure to report suspicious transactions to the AMF. The Enforcement Committee also believes the former subsidiary to have failed in its obligation to provide its compliance function with a sufficiently effective tool to allow it to detect any instances of market abuse. Natixis has not appealed against this ruling.

Natixis Asset Management (formerly CDC Gestion) – Profit sharing

On January 5, 2012, a complaint was filed against Natixis Asset Management before the Paris District Court (Tribunal de Grande Instance de Paris) by 187 former employees of CDC Gestion (current name Natixis Asset Management.) The purpose of the complaint is the legal recognition of their rights to the common law profit-sharing schemes from 1989 to 2001. The date for the hearings has not yet been set.

There are no other governmental, legal or arbitrational procedures likely to have a significant impact on Natixis' accounts.

4.5.3 SITUATION OF DEPENDENCY

Natixis is not dependent on any patent or license, or on any industrial, commercial or financial supply contract.

4.6 Insurance risks

Insurance risk is the risk to profits of any difference between expected and incurred claims. Depending on the insurance product in question, the risk varies according to macroeconomic changes, changes in customer behavior, changes in public healthcare policy, pandemics, accidents and natural disasters (such as earthquakes, industrial accidents or acts of terrorism or war). As mentioned previously, the credit insurance business is also subject to credit risk.

(These data form an integral part of the financial statements certified by the Statutory Auditors)

NATIXIS ASSURANCES

As Natixis Assurances predominantly sells savings products, the main risks resulting from insurance policies are of a financial nature:

Risk of no longer being able to meet the minimum contractual rate of return in the event of a decline in interest rates

To deal with this risk, ABP Vie has only sold policies without a minimum guaranteed rate in recent years: more than 90% of the policies have a 0% minimum guaranteed rate. The minimum guaranteed rate averages 0.2%.

Risk of policy redemptions in the event of an increase in interest rates

Natixis Assurances has identified the policyholders with a high risk of redemption, the differential criteria being age, tax seniority and amount of capital. For these policyholders, Natixis Assurances has hedged the risk of interest rate increases with Cap policies, and has limited the scope covered by such policies to approximately a quarter of its interest rate assets. It has also subscribed to variable-rate bonds with a minimum yield.

The liability adequacy test carried out in accordance with IFRS 4 showed that insurance liabilities evaluated under local standards, for the year ended December 31, 2011, were greater than the fair value of these liabilities, taking into account the redemption option incorporated in the policies.

Financial risk in the event of an increase in interest rates

The sensitivity of equity to variations in interest rates is mitigated by the classification of approximately €4.2 billion in interest-bearing securities in the category of held-to-maturity securities.

Concerning securities in other categories, the sensitivity analysis carried out at end-December 2011 showed that a 1-point increase in bond yields would have a negative impact of €29 million on equity (taking into account the variation attributable to policyholders and taxation), i.e. 2.9% of equity.

Market risk

Natixis Assurances is subject to variations in the value of its financial assets. Management of financial risks involves defining a strategic allocation taking into account liability commitments, regulatory constraints (particularly in terms of non-concentration) and commercial requirements. Thus, allocation ranges are defined for each type of asset.

According to the sensitivity analysis carried out at end-December 2011:

- a 10% drop in the stock market would have a negative impact of €11.4 million on equity (after taking into account the variation attributable to policyholders and taxation), i.e. 1.1% of equity;
- a 10% drop in the real estate market would have a negative impact of €4.1 million on equity (after taking into account the variation attributable to policyholders and taxation), i.e. 0.4% of equity;

Also, Natixis Assurances fully reinsures the guaranteed minimum payment on unit-linked policies.

Credit risk

The monitoring and management of counterparty risk is carried out in compliance with Natixis' standards and internal limits, as determined by the Credit Risk Committee, as well as the regulatory constraints imposed on insurance companies. Thus, 83% of the fixed-income portfolio is invested in securities rated higher than A-.

Provident insurance business

Mortality and morbidity risks are limited by the implementation of a pricing structure appropriate for the policyholders in question and guarantees that are insured, the use of experience tables and the upstream practice of medical history-based selection of new policyholders.

Natixis Assurances makes use of reinsurance to limit its exposure to the risk of dispersion of capital guaranteed upon death, personal accidents and loss of autonomy, as well as the frequency of claims for cessation of work, invalidity and loss of autonomy. A reinsurance treaty in the event of epidemics or pandemics has also been put in place in order to limit exposure to the increase in deaths that would ensue.

The annual reinsurance plan seeks to diversify reinsurers and to deal only with parties having a high-quality rating. No reinsurance treaty is entered into or renewed with parties that are non-investment grade (rating of BB+ to D-). In practice, the ratings of reinsurers with which Natixis Assurances does business range from A- to AAA (a small number of reinsurers may not be rated or may be rated lower, but their shareholders are deemed to be high-quality). The reinsurers that Natixis Assurances works with have a low issuer risk, and the risk of concentration in a given counterparty is limited since Natixis uses several reinsurers.

Concentration of risks

The nature of insured risks combined with reinsurance coverage does not create any particular exposure in terms of concentrated insurance risks.

COFACE

Through its activities, Coface is exposed to two main types of risk. The first is the technical risk constituted by the risk of losses on Coface's portfolio of insurance policies. The second is the financial risk related to the risk of loss arising from adverse changes in interest rates, exchange rates or the market value of securities or real estate investments. Coface has implemented tools designed to control these risks and to ensure they remain within conservative limits.

Technical risk

Credit risk concerns the risk of loss generated by the portfolio of insurance policies.

Traditionally, Coface distinguishes between frequency risk and event risk:

- frequency risk represents the risk of a sudden and significant increase in delinquency from a multitude of debtors. This risk is measured for each entity by monitoring the ratio of missed loan payments by business sector (domestic credit), by country (export credit), or by product line (deposit, single risks). Loss ratios for the different underwriting centers are also monitored at the consolidated Coface level. Missed payments are monitored weekly and analyzed monthly;
- event risk represents the risk of abnormally high losses recorded for the same debtor or group of debtors, or of an accumulation of losses for the same country.

In addition to monthly monitoring at the level of each underwriting center, Coface has implemented a system based on:

- the centralization of declarations of intent to file a claim exceeding a certain amount (currently €0.5 million for all Coface entities);
- the Large Exposures Committee, which sets the maximum outstanding risk accepted by Coface out of the 400 greatest risks for Coface (maximum loss in a stressed scenario of €15 million and severity greater than €35 million) and allocates ceilings for each emerging country;
- a system for rating major corporate and country risks;
- a scoring system for minor risks; and
- a system for the statistical assessment of "severities" (maximum losses that may be recorded in the event of claims) by debtor, group of debtors or emerging country.

Investment grade risks, measured by scores of 6 or higher on a scale of 0 to 10, account for 85% of insurance outstandings.

In addition, a systematic scoring policy has been implemented, and 98% of commitments are now covered.

All major risks are subject to centralized monitoring both for inventory and monthly flows.

The rate of acceptance of non-investment grade risks is monitored on a monthly basis.

Diversification of the credit risk portfolio

Coface maintains a diversified credit risk portfolio, in order to minimize the risk that a default by a debtor, a slowdown in a particular sector of activity or an adverse event in a given country might exert a disproportionate impact on its overall claims expense. Furthermore, the fact that the great majority of Coface's risks are short-term (94% of total outstandings) allows it to reduce the risk covered for a debtor or a group of debtors relatively quickly after recognizing a decrease in their solvency.

EXPOSURE TO DEBTOR RISK AT END-DECEMBER 2011

POLICIES SIGNED EXCLUDING TRANSACTIONS ON BEHALF OF THE STATE/ALL GUARANTEED PRODUCTS

Tranches - Total Buyer Outstandings	Outstandings (in millions of euros)	Number of limits	Number of buyers	outstanding
Refusals	0	672,815	486,835	**0.0%**
€1,000 – 10,000	4,188	571,354	536,087	**0.9%**
€11,000 – 20,000	6,846	510,250	406,418	**1.5%**
€21,000 – 30,000	4,899	295,902	183,638	**1.1%**
€31,000 – 40,000	3,734	205,000	101,323	**0.8%**
€41,000 – 50,000	5,636	202,725	117,626	**1.2%**
€51,000 – 60,000	3,256	133,778	57,086	**0.7%**
€61,000 – 70,000	2,797	110,874	41,985	**0.6%**
€71,000 – 80,000	3,645	109,462	47,893	**0.8%**
€81,000 – 90,000	2,077	75,339	24,084	**0.5%**
€91,000 – 100,000	5,778	112,116	58,614	**1.3%**
€101,000 – 150,000	12,805	315,425	102,211	**2.8%**
€151,000 – 200,000	11,163	217,622	62,847	**2.4%**
€201,000 – 300,000	17,519	296,433	70,510	**3.8%**
€301,000 – 400,000	14,320	204,876	40,920	**3.1%**
€401,000 – 500,000	12,004	151,018	26,555	**2.6%**
€501,000 – 800,000	27,917	302,055	44,003	**6.1%**
€801,000 - 1,500,000	41,746	347,229	38,415	**9.1%**
€1.5 million – 3 million	50,320	288,650	24,091	**11.0%**
€3 million – 5 million	37,903	153,929	9,907	**8.3%**
€5 million – 10 million	50,348	147,161	7,309	**11.0%**
€10 million – 50 million	89,551	151,281	4,780	**19.6%**
€50 million – 100 million	23,345	18,042	346	**5.1%**
€100 million – 200 million	14,399	9,484	109	**3.1%**
€200 million+	10,994	4,616	28	**2.4%**
TOTAL	**457,188**	**5,607,436**	**2,493,620**	**100.0%**

Second-level controls are set up to ensure that the group's credit risk standards are observed.

Financial Risk

Coface is exposed to financial risk related to variations in net investment income and risks related to different asset classes. For each category of assets, there are stress scenarios to simulate the sharpest drop in prices, with a confidence interval of 97.5%. Coface's policy is to strictly limit financial risk, as measured by the 3-month Value-at-Risk model, for all its financial investments (excluding technical stakes) to less than 3.3% of its net assets, i.e. €48.4 million at December 31, 2011. At this date, the VaR of Coface and its subsidiaries were within the authorized limits at €44.8 million.

Coface achieved its goal through rigorous management of:

- exchange rate risk: the vast majority of Coface's investment instruments are in euros. Currency risk on assets representing liabilities in euros whose underlying is denominated in other currencies is hedged to avoid holding open positions;
- counterparty risk: more than 92% of Coface's bonds and interest rate products at December 31, 2011 were rated A- (or equivalent) or better, according to at least one internationally-recognized rating agency;
- interest rate risk: this risk is limited, as the maximum authorized sensitivity for the bond asset class is deliberately capped at 4; [1]

(1) The sensitivity of a bond measures the bond's loss in value in the event of an interest rate hike. For example, bonds with a sensitivity of 4 will see a 4% reduction in their market value if interest rates increase by 1%.

- liquidity risk: a significant portion of Coface's held-for-sale securities are invested in the money market (41% at end 2011). The majority of Coface's other equities and Fixed Income products are listed on OECD markets. Consequently, Coface considers that its securities portfolio as sufficiently liquid to meet its commitments;
- sovereign debt exposure: Coface's financial investment portfolio is only very marginally invested in euro zone peripheral country sovereign debt. Coface's net exposure to sovereign bonds issued by Greece, Ireland, Portugal and Spain totaled only €11 million after a 70% of Greek sovereign debt impairment , i.e. 1% of its total bond portfolio.

Second-level controls on compliance with Coface's investment policy are also carried out.

CEGC

Compagnie Européenne de Garanties et Cautions is Natixis' guarantee and surety platform for multiple business lines. Its primary risks include underwriting risk, market risk, operational risk and reinsurer default risk.

Underwriting risk

Underwriting risk is the main risk incurred by CEGC. The volume of outstandings at risk amounted to €78,600 million at December 31, 2011 (up 21% compared to fiscal year 2010). Underwriting risk is essentially a type of counterparty risk, as the commitments given by CEGC to beneficiaries of guarantees give direct exposure to subscribers (policyholders).

For each of its activities, underwriting risk management is largely based on an analysis of the transactions under consideration (quality of counterparties, type and analysis of the project, funding or commitments and sureties collected) and on an individual and collective delegation system tailored to the specific risks of each market and the experience of the delegates. The delegation system covers specific market risks by level of risk, which reflects the probability of occurrence of a claim, and by level of commitment, which reflects the severity of the claim in the event of occurrence. The approval process governs CEGC's delegation system through the establishment of absolute limits on outstandings per business line (severity of the claim in the event of occurrence) and by counterparty rating (probability of occurrence).

The counterparty risk selection procedure is deployed according to the type of activities and guarantees issued.

Underwriting risk is monitored in two ways: at the consolidated level through the use of several statistical tools, scores and risk indicators, and individually (i.e. by counterparty) via special Committees such as the Underwriting Committee, Legal Disputes and Provisioning Committee, and Watchlist Committee.

Lastly, this system draws on updated procedures for surety and guarantee approval as well as underwriting risk monitoring (premiums, reserves, disaster) detailed by activity, market risk (equities, interest rates, defaults, real estate, etc.), default risk (reinsurers, debtors) and operational risk.

Market risk

CEGC holds an investment portfolio of €1,100 million on its balance sheet. Market risk arising from the investment portfolio is considered minor in comparison with underwriting risk. Underwriting activities are recorded off-balance sheet. CEGC does not have to address refinancing issues in depositing guarantee premiums upon commitment. There is no transformation risk either, as the investment portfolio is fully backed by equity and underwriting reserves.

The system for managing these risks is based on 1) a finance management charter which details the limits, rules and alerts applicable to the entire portfolio and by asset class and 2) special Committees (ALM Committee and Finance Management Committee) that oversee compliance with these rules, implement the asset allocation policy and review the returns on the transactions carried out.

Operational risk

CEGC's operational risk is limited via the risk management systems set forth in each business line's approval procedures.

CEGC uses a default mapping tool and database tailored to its activities and developed on the basis of business line processes. This database is the standard reference framework used to catalogue incidents and high-risk situations and to monitor corrective action plans, according to the methodology implemented by Natixis.

Reinsurance risk

CEGC covers its portfolio of commitments with a reinsurance program tailored to its activities. Through this program, the company is able not only to secure its underwriting income and solvency margin on the loan guarantee markets, but also to protect its equity in the event of high-severity claims on the corporate markets (property administrators and realtors, single-family home builders, developers, and regulated and contractual guarantees for companies).

Each year, CEGC's reinsurance coverage requirements are defined according to the development of its business.

Reinsurer default risk is governed by counterparty concentration and rating limits.

CEGC'S OUTSTANDINGS (IN MILLIONS OF EUROS)

CEGC's markets	December 2011	Change (December 2011 versus December 2010)
Retail	71,400	+22%
Single-family home builders	300	+17%
Property administrators - Realtors	2,600	+11%
Corporate entities	1,300	+9%
Real estate developers	1,000	+25%
Professionals	1,200	+26%
Social economy - Social housing	500	+23%
Run-off activities	300	(28)%
TOTAL	**78,600**	**+21%**

4.7 Sensitive exposures in accordance with the recommendations of the Financial Stability Forum

(These data form an integral part of the financial statements certified by the Statutory Auditors)

Natixis was exposed to the following risks at December 31, 2011.

EXPOSURE TO SUBPRIME ABS CDOS

Subprime ABS CDOs represented gross exposure of €1.266 billion as at December 31, 2011. €36 million in impairments were recognized (excluding the effect of the BPCE guarantee) in 2011, bringing total impairments to €889 million.

(in millions of euros)	Total exposure
Net exposure as at December 31, 2010 (after impairment)	625
Change in exposure (liquidation, redemption and currency effect)	(212)
Impairments over the year 2011	(36)
NET EXPOSURE AS AT DECEMBER 31, 2011 (AFTER IMPAIRMENT)	**377**

EXPOSURE TO MONOLINE INSURERS

	Data as at 12.31.2011			Data as at 12.31.2010		
(in millions of euros)	Notional amount	Pre-value adjustment exposure	Value adjustments	Notional amount	Pre-value adjustment exposure	Value adjustments
Protection for subprime CDOs	404	179	(140)	431	160	(137)
Protection for CLOs	4,609	168	(89)	5,346	213	(128)
Protection for RMBS	327	63	(27)	541	93	(42)
Protection for CMBS	464	10	(9)	717	24	(22)
Other risks	8,069	1,936	(1,309)	8,839	2,639	(1,757)
TOTAL	**13,873**	**2,356**	**(1,573)**	**15,874**	**3,129**	**(2,086)**

(in millions of euros)	12.31.2011	12.31.2010
Pre-value adjustment exposure	2,356	3,129
Value adjustments	(1,573)	(2,086)
RESIDUAL EXPOSURE	**783**	**1,043**
Discount %	67%	67%

Value adjustments fell by €513 million (excluding the effect of the BPCE guarantee) to €1.573 billion during 2011 from €2.086 billion at year-end 2010.

US RMBS PORTFOLIOS, INCLUDING SUBPRIME RMBS

Exposure in the financial statements at December 31, 2011 was as follows:

(in millions of euros) **US RMBS**	**Net exposure as at 12.31.2010**	**Change in value in 2011**	**Other changes**	**Net exposure as at 12.31.2011**
Trading book	11	(1)	(5)	5
Asset portfolio (fair value option)	0	0	0	0
Loans and receivables portfolio	1,245	(90)	(252)	903
Available-for-sale asset portfolio	0	0	0	0
Non-wrapped	**1,256**	**(91)**	**(257)**	**908**
Trading book	12	(1)	(1)	10
Loans and receivables portfolio	353	8	(116)	245
Wrapped	**365**	**7**	**(117)**	**255**
Trading book	8	0	(1)	5
Loans and receivables portfolio	2,025	0	(922)	1,103
US Agencies	**2,033**	**0**	**(924)**	**1,109**
TOTAL	**3,654**	**(84)**	**(1,298)**	**2,272**
% net exposure BPCE guarantee				35%

Breakdowns by rating and type of underlying for US RMBS were as follows at December 31, 2011.

Breakdown by rating	**% breakdown**
AAA	50%
AA	8%
A	2%
BBB	1%
BB	1%
B	3%
CCC	14%
CC	8%
C	8%
D	5%
NR	0%
TOTAL	**100%**

Breakdown by underlying	**% breakdown**
US Agencies	49%
Prime	11%
Alt-A	18%
Subprime	17%
Other	5%
TOTAL	**100%**

EUROPEAN RMBS

NET EXPOSURE TO UK RMBS

(in millions of euros) UK RMBS	Net exposure as at 12.31.2010	Change in value in 2011	Other changes	Net exposure as at 12.31.2011	AAA	AA	A	BBB	BB	B	CCC	CC
Trading book	88	22	(24)	86	-	-	20	8	-	-	-	58
Asset portfolio (fair value option)	0	0	0	0	-	-	-	-	-	-	-	-
Loans and receivables portfolio	313	15	(166)	162	19	102	41	-	-	-	-	-
Available-for-sale asset portfolio	117	(16)	(5)	96	-	1	20	23	40	6	5	1
TOTAL	**518**	**21**	**(195)**	**344**	**19**	**103**	**81**	**31**	**40**	**6**	**5**	**59**
% net exposure BPCE guarantee				83%								

NET EXPOSURE TO SPANISH RMBS

(in millions of euros) Spanish RMBS	Net exposure as at 12.31.2010	Change in value in 2011	Other changes	Net exposure as at 12.31.2011	AAA	AA	A	BBB	BB	B	CCC	CC
Trading book	59	(1)	(11)	47	4	30	9	-	4	-	-	-
Asset portfolio (fair value option)	0	0	0	0	-	-	-	-	-	-	-	-
Loans and receivables portfolio	468	0	(72)	396	221	122	16	-	36	1	-	-
Available-for-sale asset portfolio	11	(2)	0	10	3	-	2	2	1	1	1	-
TOTAL	**538**	**(3)**	**(83)**	**453**	**228**	**152**	**27**	**2**	**41**	**2**	**1**	**-**
% net exposure BPCE guarantee				99%								

CMBS

(in millions of euros) CMBS	Net exposure as at 12.31.2010	Change in value in 2011	Other changes	Net exposure as at 12.31.2011
Trading book	98	(22)	(56)	20
Asset portfolio (fair value option)	0	0	0	0
Loans and receivables portfolio	93	10	(53)	50
Available-for-sale asset portfolio	166	22	(108)	80
TOTAL	**357**	**10**	**(218)**	**149**
% net exposure BPCE guarantee				67%

Breakdown by rating	(% breakdown)
AAA	15%
AA	17%
A	19%
BBB	21%
BB	14%
B	8%
CCC	2%
CC	0%
C	4%
NR	0%
TOTAL	**100%**

Breakdown by country	(% breakdown)
United Kingdom	13%
USA	22%
Europe	65%
TOTAL	**100%**

5

Financial Data

5.1 Management Report for the year ended December 31, 2011

5.1.1 METHODOLOGY

The data included in the management report have been restated to take into account the following:

- the SFS division is pro forma of the changes in scope which took place in 2010 (consolidation of GCE Paiements at September 1, 2010) and at January 1, 2011 (consolidation of Océor Lease and Cicobail) through the incorporation of the annual financial statements of these three entities at January 1, 2010. A reconciliation with consolidated net income published at December 31, 2010 is provided in the notes;
- the consolidation as of April 1, 2011 of GCE Car Lease (the SFS division's leasing business) and Sélection-R (the Investment Solution division's private banking business) was not recognized pro-forma in respect of 2010 due to the insignificant nature of their contribution to the various aggregates. This was also the case for the disposal of the 33.2% stake in SLIB (a securities services business within the Specialized Financial Services division) to BNP Paribas at October 31, 2011 and the inclusion of six credit insurance companies in the COFACE scope of consolidation;
- the other conventions applied in determining the earnings generated by the entities making up the various business lines are as follows:
  - the business lines record the return on regulatory capital allocated to them,
  - the return on share capital of the entities comprising the divisions is eliminated,
  - the carrying cost of goodwill is borne entirely by the Corporate Center,
  - the divisions are invoiced for an amount representing the bulk of the Group's overheads; the uninvoiced portion accounts for less than 3% of the Group's total expenses.
- GAPC is presented as a business line in its own right. The valuation of the spread on own debt is recognized by the Corporate Center;
- the regulatory capital allocations required for the operation of Natixis' businesses amounted to 7% of average Basel 2 risk-weighted assets. Furthermore, equity allocations specifically to the insurance subsidiaries, which have their own capital requirements, were made;
- in accordance with the new approach authorized by the Regulator starting December 31, 2010, CCIs are no longer subject to a 50% deduction from Tier 1 capital and 50% deduction from Tier 2 capital; rather, they are reocognized as risk-weighted assets with a weighting of 370%;
- the result used to determinate Natixis' ROE is net income (group share), from which DSN interest expense is deducted, net of tax effects as recognized in equity. The equity used is average annual shareholders' equity (group share) under IFRS, after distribution of dividends, eliminating unrealized or deferred gains or losses recognized in equity and excluding DSN.

5.1.2 2011 KEY EVENTS

In 2011, Natixis' operating performance was in line with that of 2010 overall, despite a very severe deterioration in the economic and financial climate. The first half of 2011 confirmed the growth of "core businesses", in line with the ambitions defined in the August 2009 "New Deal" strategic plan. In the second half of 2011, Natixis operated in the midst of an unprecedented crisis for European banks, which had a particularly severe impact on its **CIB** and **Insurance** businesses and, to a lesser extent, its **Asset Management** business. Natixis adapted to the new business climate by reducing its liquidity needs by €13.7 billion year-on-year, mainly through the disposal of non-core assets and US dollar-denominated assets and by ramping up the refocusing of its CIB businesses. In 2011, net income (group share) stood at €1,562 million pro forma, down 10.5% compared to end-2010 (down 8.4% at constant exchange rates).

Based on the income generated in fiscal year 2011, the General Shareholders' Meeting scheduled for May 29, 2012 will propose a dividend payout of €0.10 per share, i.e. 24% of earnings available for distribution. Earnings available for distribution, consisting of net income (group share), less net interest on deeply subordinated notes, amounted to €1,301 million in 2011, down 4% compared to 2010.

In 2011, Natixis' **CIB** business took advantage of the restructuring that occurred in 2010, in particular the expansion of the debt platform activities and the strengthening of the cross-business Coverage Department, resulting in more efficient customer relationship management combining sector and geographic approaches.

In the Equities business, the Innovative Solution Platform team was created to boost the business's distribution capacity and to enhance its customer visibility.

On the Americas platform, CIB expanded its Fixed Income business by strengthening its teams (creating a Credit platform and boosting sales of derivatives and currency products) and deploying a customer-oriented structure.

Resources were pooled with the creation of the Global Structured Conduit & Solutions Department, comprising the bank's loan structuring expertise (Capital Markets – Debt & Financing JV).

Treasury activities was restructured by uniting the Natixis and BPCE teams within Natixis. This aim of this new structure is to lock in and optimize access to liquidity for the entire group and all its business lines.

Investment Solutions strengthened the synergies between its three business lines (Global Asset Management, Insurance and Private Banking) and the Groupe BPCE networks.

In 2011, the **Natixis Global Asset Management** (NGAM) distribution platform strengthened its multi-boutique approach in Europe and Asia:

- during the second quarter, NGAM completed the acquisition of a 60% stake in Darius Capital Partners, an alternative investment advisory firm for institutional investors, based in Paris;
- in late 2011, NGAM acquired a 25% stake in IDFC Asset Management Company. IDFC AMC is IDFC Mutual Fund's asset management company and the platform dedicated to individual and institutional investors of IDFC Group, an Indian financial services group. With this deal, NGAM increased its international presence in Asia.

In the United States, Natixis expanded and reinforced its position as a one-stop cash management solution provider for broker-dealers.

On March 31, 2011, **Banque Privée 1818** finalized the merger of Sélection-R, a subsidiary of Rothschild Group, with 1818 Partenaires, with the aim of creating a distribution platform for Independent Wealth Management Advisors (IWMAs). The resulting new entity, Sélection 1818, is 66%-owned by Banque Privée 1818 and 34%-owned by Rothschild et Cie.

Within the **Private Equity** for third parties business line, the merger with GCE Capital (a member of Groupe BPCE) was completed in 2011: the asset management companies Masseran Gestion and Alliance Entreprendre, as well as the company BDR Invest, were incorporated into the Private Equity scope of the Investment Solutions division, with an impact of €287 million on assets under management but having no direct impact on income (non-consolidated entities). Furthermore, as a result of the July 2011 capital increase carried out by BP Développement, a fully-consolidated entity, the share of ownership decreased from 43.01% to 37.82%.

The **Specialized Financial Services** business continued to grow with the integration of businesses acquired in 2010 and early 2011 from Groupe BPCE (GCE Paiements in the payments sector, and Cicobail, Oceor Lease and GCE Car Lease in the lease finance sector). The Specialized Financing product range (consumer finance and factoring) offered by the networks grew and the business completed its effort to merge the Group's Securities Clearing and Payments platforms.

Within **Financial Investments**, Coface was reorganized to gradually refocus on its core credit insurance and factoring businesses in Germany and Poland, activities that are now conducted by core COFACE. Non-strategic entities (service businesses) have been incorporated into non-core COFACE.

In the **Proprietary Private Equity** business, following the sale in 2010 of a portion of its operations to Axa Private Equity, divestiture continued in 2011 with the sale of Brazil-based businesses during the first half of 2011, the disposal of the LBO Europa fund in late September 2011 and the implementation of disposal agreements with Natixis' partners.

GAPC continued to implement its asset disposal policy with the aim of reducing the volatility of its results and to reduce its consumption of cash. Year-on-year, €4.9 billion in assets (including €3.4 billion in dollar-denominated assets) were sold. Excluding the impact of Basel 2.5 – CRD3 regulatory changes [1], risk-weighted assets including the BPCE guarantee was reduced by nearly €2 billion year-on-year, i.e. a decrease of 26%.

Efforts to create revenue synergies are progressing ahead of schedule under the New Deal Strategic Plan: the additional revenue generated by the BPCE networks reached €274 million for a linearized objective €197 million euros by late 2011 (cumulative target for late 2013: €395 million).

Lastly, from a financial standpoint, Natixis repurchased €800 million in deeply subordinated notes held by BPCE in March 2011. Outstanding hybrid Tier 1 issues totaled €4.3 billion at December 31, 2011.

(1) Basel 2.5 – CRD3 regulatory changes mainly had an impact on market risk, stress VaR and the review of the handling of securitization operations and resulted in an increase of €1.6 billion in GAPC risk-weighted assets at December 31, 2011.

5.1.3 CONSOLIDATED RESULTS

(in millions of euros)	2011	2010	Change 2011/2010 %	Change 2011/2010 %***
Net revenues*	**6,717**	**6,642**	**+1.1%**	**+2.5%**
o.w. businesses**	6,639	6,760	(1.8)%	(0.5)%
Expenses	(4,701)	(4,508)	+4.3%	+5.4%
Gross operating income*	**2,016**	**2,134**	**(5.5)%**	**(3.7)%**
Provision for credit losses	(335)	(318)	+5.3%	+5.3%
Operating income *	**1,681**	**1,816**	**(7.4)%**	**(5.3)%**
Associates	594	500	+18.9%	+18.9%
Gains or losses on other assets	9	(24)	n/m	n/m
Change in value of goodwill	(43)	0	n/m	n/m
Pre-tax profit*	**2,241**	**2,291**	**(2.2)%**	**(0.5)%**
Income tax	(562)	(302)	x 1.9	x 1.9
Minority interests	(39)	(36)	+7.0%	+7.0%
Recurring net income (group share)*	**1,640**	**1,953**	**(16.0)%**	**(14.2)%**
GAPC net income (loss)	(88)	(127)	(31.2)%	(31.2)%
Net income from discontinued operations	22	(9)	n/m	n/m
Net restructuring costs	(12)	(71)	(83.6)%	(83.6)%
Net income (group share)	**1,562**	**1,745**	**(10.5)%**	**(8.4)%**
*Cost/Income ratio**	*+70.0%*	*+67.9%*		
Equity (Average)	*17,556*	*16,096*		
ROE after tax	*+7.4%*	*+8.5%*		

* Excluding GAPC, discontinued operations and net restructuring costs.
** Core businesses and Financial Investments.
*** At constant exchange rates.

Analysis of changes in the main items in the consolidated income statement

Workout portfolio management (GAPC), net income from discontinued operations and net restructuring costs were transferred to Net income (group share). This presentation facilitates comparisons between reporting periods and makes it easier to interpret business performances.

NET REVENUES

Natixis' **net revenues** stood at €6,717 million at December 31, 2011, i.e. stable relative to December 31, 2010 (up 2.5% at constant exchange rates). This change includes the revaluation of its own senior debt [(1)] in the amount of €239 million.

Standing at €6,639 million, **net revenues of the businesses**[(2)] were stable year-on-year (at constant exchange rates) despite a sharply deteriorated market environment. Excluding the foreign exchange effect and restated for scope effects, net revenues were down 1.0%. In 2011, income contributed by the Investment Solutions and SFS divisions was up by more than 5% while that of CIB was down 8% at constant exchange rates. The synergies delivered exceeded the strategic plan both in terms of additional income via the Groupe BPCE networks and cost synergies.

Despite a particularly adverse market climate, Natixis continued to implement the New Deal strategic plan, with the reduction of risk-weighted assets and adjustment of its CIB business model (accelerated refocusing on clients). At December 31, 2011, **risk-weighted assets (RWA)** measured at the end of the period and after recognition of the impact of the BPCE guarantee stood at €145.6 billion compared to €147.9 billion at the end of 2010. Excluding the regulatory impact of Basel 2.5 - CRD3, RWA came out at €139.4 billion, down €8.5 billion compared to the end of 2010. This change was due primarily to optimization efforts led throughout 2011, a relative decline in business activity in a deteriorated economic climate and the impact of CIB and GAPC disposal plans.

OPERATING EXPENSES AND HEADCOUNT

At €4,701 million, **expenses** (excluding GAPC and restructuring costs) were up 5.4% compared with 2010 at constant exchange rates, i.e. an increase in line with the increase in headcount, concentrated for the most part in the Investment Solutions

(1) The impact on net revenues of the revaluation of Natixis own senior debt was +€239 million in 2011 compared to +€46 million in 2010.
(2) Core businesses and financial investments

division and the CIB businesses. Non-recurring items, mainly including prorata VAT adjustments (income in 2010 and expense in 2011), also accounted for this change.

Payroll charges were modestly up over the year in connection with the 3% increase in average headcount. Variable payroll charges were down 6% due to the sharp decrease in performance-based compensation and the relative stability of incentive bonuses and profit-sharing. Excluding the consolidation of Investment Solutions, SFS and Coface, headcount was up by 413 FTEs (full-time equivalent) year-on-year, i.e. +2% to 20,451 FTEs at end-2011.

Other operating expenses, excluding non-recurring items, were up 2% year-on-year.

Overall, **consolidated expenses**, including GAPC and restructuring costs, stood at €4,854 million, up 1.5% relative to 2010 (+1.8% at constant exchange rates).

GROSS OPERATING INCOME

Gross operating income amounted to €2,016 million in 2011, down 3.7% at constant exchange rates.

PRE-TAX PROFIT

The **provision for credit losses** was €335 million in 2011 (excluding the GAPC workout portfolio) and was relatively closed to the provision level for credit losses at end-2010, which came to €318 million, despite the write-down of Greek securities totaling €126 million, reflecting a 70% haircut on the nominal value of the exposures.

The share of income from associates, mainly comprising the consolidation of 20% of the earnings of shareholding networks via CCIs, was up 19% to €594 million due to the sharp rise in the contribution of the retail banking networks (+37% for Banques Populaires and +12% for Caisses d'Epargne).

Gains or losses on other assets stood at by €16 million in connection with the sale by NAITSS (a Natixis S.A. subsidiary in charge of the IT infrastructures) of the assets associated with the Natixis Antares data center to ALBIAN-IT (a subsidiary 97% owned by BPCE, 1% owned by Natixis S.A., 1% owned by IBP and 1% by GCE ITCE). This disposal was part of a plan to merge Groupe BPCE's IT infrastructures.

Change in value of goodwill reflected a loss of €43 million resulting from the write-down of the non-core COFACE CGU.

Pre-tax profit was €2,241 million in 2011 compared with €2,291 million in 2010.

RECURRING NET INCOME (GROUP SHARE)

The **tax** expense for the period totaled €562 million in 2011, having doubled within one year. The tax rate returned to normal in 2011, with an effective tax rate of 33% at end-2011, whereas in 2010 Natixis was able recognize a tax credit linked to previous losses.

After taking into account **minority interests** for a total of €39 million, **recurring net income (group share)** was €1,640 million.

NET INCOME (GROUP SHARE)

After recognizing post-tax restructuring costs, which were down significantly compared to 2010 (restructuring costs were recognized in the financial statements through the end of March 2011), and the net GAPC loss, down 31% to -€88 million, **net income (group share)** came out at €1,562 million in 2011.

Consolidated post-tax **ROE** was 7.4% in 2011 after recognizing a DSN interest expense booked to equity for a net total after tax of €261 million.

The Natixis **Core Tier 1 ratio** improved by 0.4% year-on-year, increasing from 7.9% to 8.3% at end-2011, driven by the decrease in RWA by €2.3 billion (optimization initiatives and business growth more than offsetting the impact of CRD3) and an increase in Core Tier 1 capital of €0.4 billion (impact on income of €0.9 billion offset in part by a negative change in OCI (other comprehensive income) of €0.7 billion, mainly in CCIs).

The **Tier 1 ratio** was virtually unchanged at 11.3% at end-2011; the decrease in RWA was offset by the effect on Tier 1 capital of the redemption of €800 million in hybrid securities in the first quarter of 2011.

5.1.4 ANALYSIS BY NATIXIS BUSINESS

5.1.4.1 Corporate and Investment Banking

(in millions of euros)	2011	2010	Change 2011/2010 %	Change 2011/2010 %*
Net revenues	**2,760**	**3,027**	**(8.8)%**	**(7.5)%**
Commercial Banking	*400*	*523*	*(23.5)%*	*(22.9)%*
Debt and Financing	*1,199*	*1,219*	*(1.6)%*	*+0.8%*
Capital Markets	*1,194*	*1,442*	*(17.2)%*	*(16.7)%*
CPM and Other	*(33)*	*(157)*	*(79.3)%*	*(79.3)%*
Expenses	(1,675)	(1,650)	+1.5%	+2.4%
Gross operating income	**1,085**	**1,377**	**(21.2)%**	**(19.5)%**
Provision for credit losses	(106)	(203)	(47.7)%	(47.7)%
Pre-tax profit	**979**	**1,175**	**(16.7)%**	**(14.5)%**
Cost/Income ratio	*+60.7%*	*+54.5%*		
Total capital	*4,799*	*6,015*		
ROE after tax	*+14.3%*	*+13.7%*		

* *At constant exchange rates.*

Corporate and Investment Banking's net revenues for 2011 stood at €2,760 million, down 8.8% compared with 2010 (down 7.5% at constant exchange rates). This unfavorable development was mostly concentrated in the second half of the year in connection with the European sovereign debt crisis and investors' wait-and-see attitude in the equity markets. In 2011's particularly adverse economic environment, **CIB** reduced its risk exposure by ramping up the implementation of its business adjustments under the New Deal Strategic Plan while optimizing its consumption of scarce resources, cash and capital. The impact of asset disposals carried out in the last quarter of 2011, i.e. €1.6 billion, was limited and accounted for -€22 million in net revenues.

In 2011, average trading VaR was limited to €9.8 million compared to €9 million in 2010 (excluding GAPC). At the end of the year, it stood at €10.1 million, compared with €5.8 million at the end of 2010. VaR was up year-on-year due to the increase in the volatility of market data in connection with the European sovereign debt crisis, despite reduced exposure.

At December 31, 2011, **risk-weighted assets (RWA)** measured at the end of the year stood at €71.8 billion versus €72.7 billion at the end of 2010. Excluding the Basel 2.5 - CRD3 regulatory impact, which came to €4.6 billion at the end of 2011, RWA were down 8% relative to 2010. This change was due to optimization efforts, a relative decline in business due to the adverse economic climate and the impact of the asset disposal program.

Revenues posted by **Commercial Banking** fell 23.5% year-on-year, as average outstanding loans were down 11%. This change was due to a drop in new production caused by the unfavorable economic environment and the rising cost of liquidity. Net margin rates on average outstandings declined by 23 bp year-on-year, with a sharper drop in France Corporate activities. Finally, at 17%, the drawdown rate on credit lines was again very low in 2011. In one of the biggest deals of the year, Natixis was the MLA/Bookrunner for a €2.5 billion debt refinancing operation for PPR and the MLA/Bookrunner for a €6 billion facility granted to France Télécom.

Debt and Financing posted stable revenues year-on-year (up 0.8% at constant exchange rates), chalking up real performance despite the dollar liquidity crisis and rising costs of liquidity, with 2010 standing out as a record year. An adverse foreign exchange effect of €29 million and higher refinancing costs had a negative impact on the net revenues of the Debt and Financing businesses in 2011. Net margin rates on average oustandings fell 14 bp year-on-year. Global Energy & Commodities, Aviation, Real Estate and Equity-Linked Finance drove performance in 2011; new production was up 9.5% relative to 2010 and totaled €13.8 billion. This business line stood out in sector rankings: Debt and Financing was No. 2 financial advisor in the EMEA area and No. 5 worldwide in project financing. Among the defining transactions of the year, Natixis, as MLA, bookrunner and underwriter, arranged €7.5 billion in financing for the acquisition of Parmalat by Lactalis. Natixis also supported the consortium led by Bouygues Bâtiment Ile-de-France as a financial advisor, arranger and hedging bank for the Balard Project to fund construction of the future French Ministry of Defense and the offices of the Joint Chiefs of Staff, representing an investment of more than €1 billion.

Revenues from **Capital Markets** activities declined by 17% versus 2010, due to the impacts of the challenging market environment in the second half of the year. However, sales revenues [1] for 2011 were up 4% compared to 2010, driven by the activities of the Debt and Foreign Exchange Platform. Sales generated by the Equities division were stable year-on-year, reflecting decreased investor interest in equity products.

Income generated by the **Fixed Income, Foreign Exchange, Credit, Commodities, Cash Management and Arbitrage** businesses was down 8% on 2010.

- **Debt Platform activities** improved compared to 2010, driven by the momentum in the primary bond market in the first half of the year. Although the market was under pressure in the second half of the year, Natixis maintained its position as world leader in covered bonds, with a No. 8 ranking in "All Bonds in Euros" (No. 9 in 2010). Loan syndication and loan trading activities were particularly dynamic, validating the balance sheet rotation strategy rolled out in 2010 in the CIB.

  Natixis was ranked No. 1 bookrunner on the euro-denominated covered bond market in terms of number of transactions and No. 2 in terms of volume (source: Dealogic and IFR/Thomson Reuters), and was voted the best bank in 2011 on the covered bond market (source: The Cover EuroWeek, Best Overall Bank for Covered Bonds - Covered Bond Awards 2011).
- The **Credit business** saw a decline in intermediation revenues due to the widening of credit spreads impacting secondary market activities, particularly in Corporate, Financial and Covered Bond underlying instruments.
- The sovereign debt crisis severely impacted the **Fixed Income business** (sovereign issues activities and diversified arbitrage) during the third quarter.
- The **Foreign Exchange and Emerging Markets** businesses performed despite the renewed volatility on the market, posting a solid year-on-year performance. In Foreign Exchange, sales income rose by 16%, driven by higher volumes, the increase in the number of underlying instruments traded and the roll-out of option trading capacities. In Emerging Markets, the development of cross-selling deals with the finance and commodities business pushed income higher.
- Despite the improvement in sales revenue, revenue from the **Commodities business** was impacted by the highly volatile context, thus generating lower trading revenues.

Net revenues contributed by the **Equities division** were down 27% year-on-year, posting a sharp decline in equity derivatives.

This decrease in net revenues was adjusted to 20% on account of exceptional revenues of €25 million earned in 2010 on derivatives.

Following brisk trading activity in the first half of the year, income from **equity derivatives** plunged in the second half of the year. Conversely, the **Equity Finance** business had a positive year thanks to higher volumes, notably in connection with the development of synergies within the teams. The **Brokerage France** business was unchanged compared to 2010 but continued to be impacted by low volumes on the primary and secondary markets. The activities of **Bleichroeder US** came to a near standstill in 2011, resulting in a substantial decline in revenues year-on-year.

In one of the largest transactions of the year, Lazard-Natixis advised Carrefour in its spin-off of Dia (first cross-border spin-off). Natixis was also coordinator, documentation agent, mandated arranger and bookrunner for a €1,050 million syndicated credit facility. Natixis was also mandated by Air France KLM for a groundbreaking convertible bond swap.

The **Corporate Solutions** business declined 32% relative to 2010. **Strategic Derivatives** revenue was hurt by the low number of new transactions in 2011.

Net revenues from **CPM and Other** activities varies significantly from one year to the next. In 2011, CPM continued to reduce the exposure of its hedging portfolio, resulting in decreased volatility in its results. Furthermore, as credit spreads widened, revenues were generated on hedging instruments for the Loans and Receivables portfolios.

In 2011, CIB's **expenses** amounted to €1,675 million, up 1.5% compared with 2010 (up 2.4% at constant exchange rates). Fixed payroll costs increased year-on-year due to the 4% rise in average headcount. Variable payroll expenses, measured pursuant to the CRD3 Regulatory Framework for market professionals, fell 24% year-on-year, matching the trend in revenues.

This led to a negative scissor effect on **gross operating income**, which came out at €1,085 million, down 21.2% year-on-year (down 19.5% at constant exchange rates). The cost/income ratio stood at 60.7% for 2011 despite a very adverse economic environment.

(1) Sales revenues are measured based on client contribution.

5.1.4.2 Investment Solutions

(in millions of euros)	2011	2010	Change 2011/2010 %	Change 2011/2010 %*
Net revenues	**1,884**	**1,789**	**+5.3%**	**+7.9%**
Asset Management	*1,436*	*1,413*	*+1.6%*	*+4.8%*
Insurance	*264*	*213*	*+24.1%*	*+24.1%*
Private Banking	*99*	*94*	*+5.7%*	*+5.7%*
Private Equity (NCI)	*85*	*70*	*+22.6%*	*+22.6%*
Expenses	(1,356)	(1,280)	+5.9%	+8.6%
Gross operating income	**529**	**509**	**+3.8%**	**+6.1%**
Asset Management	*345*	*359*	*(3.9)%*	*(0.8)%*
Insurance	*135*	*107*	*+26.3%*	*+26.3%*
Private Banking	*(9)*	*0*	*n/m*	*n/m*
Private Equity	*58*	*44*	*+33.1%*	*+33.1%*
Provision for credit losses	(100)	(26)	x 3.8	x 3.8
Pre-tax profit	**436**	**498**	**(12.5)%**	**(10.5)%**
Cost/Income ratio	*+72.0%*	*+71.5%*		
Total capital	*1,255*	*1,238*		
ROE after tax	*+22.7%*	*+30.9%*		

* *At constant exchange rates.*

Investment Solutions posted **revenues** that was up 5.3% year-on-year to €1,884 million (+7.9% at constant exchange rates).

Expenses were up 5.9% (+8.6% at constant exchange rates). Asset management expenses were higher due to the implementation of new projects. In the Insurance business, the go-live phase of major IT projects marked the beginning of their amortisation.

Gross operating income, up 3.8% (+6.1% at constant exchange rates), reaching €529 million.

Higher **provisions for credit losses** were largely due to the provision for losses on Greek securities held in the Insurance portfolios, amounting to €83 million, for a total write-down of 70% of the nominal value of these securities at December 31, 2011. **Investment Solutions'** pre-tax profit came out at €436 million compared to €498 million a year earlier.

The change in ROE after tax generated by **Investment Solutions** can be primarily attributed to the increase in the division's tax expense. Due to the impacts of the crisis, the Insurance business posted a tax loss in 2011, which was not recognized as a deferred tax asset for the business, but rather managed at the parent company level.

A ASSET MANAGEMENT

In Europe, the OSSIAM ETF EURO STOXX 50 EQUAL WEIGHT NR fund was voted "Most Innovative ETF of the Year" by Feri Eurorating and the magazine *Capital*, published in Germany.

Novethic awarded its Socially Responsible Investment label to five Natixis Asset Management funds. This label recognizes funds that systematically incorporate social, environmental and governance concerns into their management approach.

In the United States, the quality of the Natixis portfolio management teams was recognized with several awards in 2011, including the nomination of Bill Nygren of Harris Associates as "US Equities Manager of the Year" by Morningstar.

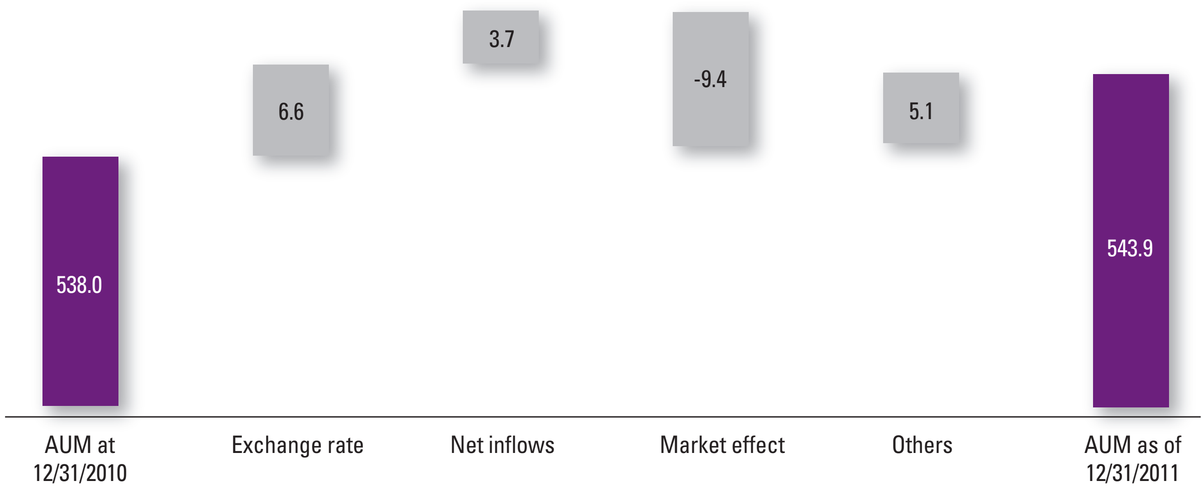
Oakmark International and Oakmark Global received the gold and bronze medals, respectively, at the "S&P Equity Research Mutual Fund Excellence Awards". This award is bestowed each year to mutual funds which consistently earn a 5-star rating.

Assets under Management at the end of December 2011 were stable at €544 billion, undermined by an adverse market effect in both Europe (-€4.4 billion) and in the United States (-€4.8 billion). AUM factors in the scope effects associated with the acquisition of a 25% stake in IDFC (+€3.7 billion) and Banque privée 1818 funds (+€1.4 billion).

Net inflows came in at €3.7 billion, with uneven trends depending on the region. In Europe, net outflows for the year totaled €9.5 billion. Europe saw heavy withdrawals from money market products until late September (the trend sharply reversed in the last quarter of 2011, with inflows of €2.9 billion), followed by withdrawals from insurance products in the last quarter of the year, which was partially offset by inflows at H_2O and AEW Europe. In North America, net inflows were positive at €13.3 billion for both the bond and equities platforms.

At 23.9 bp, the average rate of return on assets under management was up 1.1 points relative to 2010. This trend was attributable to the growing weight of US assets under management, which enjoy higher margins.

CHANGE IN ASSETS UNDER MANAGEMENT *(IN BILLIONS OF EUROS)*



In all regions, the **product mix** confirmed the predominance of insurance products at December 31, 2011 (28% of AUM compared to 29% in 2010) as well as bond products (27% of AUM, up 2 points in constant euros year-on-year). The share represented by equity products was down 1.3 percentage points to 15.3%, while money market products were stable at 12.5% of total AUM at the end of December (at constant exchange rates).

At €1,436 million year-on-year, **net revenues** generated by the Asset Management business rose 1.6% (+4.8% at constant exchange rates) versus 2010, driven by management and distribution fees related to the change in average AUM. The business's **GOI** was stable at constant exchange rates.

B INSURANCE

In 2011, the financial climate was less than buoyant for the Insurance division's Investment Solutions business (with clients shifting back to on-balance sheet savings and adopting a wait-and-see attitude due to uncertainty on the tax treatment of life insurance products, in particular). Against this backdrop, **revenues** from life insurance fell 19% year-on-year, with a pronounced decline in the second half of the year. Net inflows were positive at €583 million, despite the depressed market. Inflows from euro-denominated insurance policies dropped by 26% compared to 2010, which recorded exceptional inflows in Natixis Life guaranteed invesment contracts contracts, while inflows to unit-linked life insurance policies climbed 36%. This trend was due to the business strategy implemented by Natixis Insurance in 2011.

The personal protection insurance business remained on a good track, with revenues rising nearly 20% compared to 2010. ADE (payment protection insurance) was buoyed by dynamic mortgage distribution activity and by partnerships formed with Natixis' revolving credit business (the consumer finance arm of SFS). Individual personal protection insurance grew on the back of the expanded range offered by the Banque Populaires network.

At €264 million, the Insurance division's **net revenues** increased by 24.1% compared to 2010, driven by the Personal Protection Insurance activity (payment protection insurance revenues improved, as did the credit insurance claim rate) despite especially harsh market conditions.

C PRIVATE BANKING

In 2011, **net inflows** totaled €1,888 million, versus €1,076 million in 2010, i.e. an increase of 75.5%. Inflows in France were up 44.4% year-on-year, driven by direct customers and the Luxembourg setting-up. The consolidation scope was expanded through the consolidation of the Sélection R platform beginning on March 31, 2011.

Assets under management at year-end stood at €18.9 billion, up 23% year-on-year (+€3.5 billion), but were adversely impacted by a negative market effect in the second half of the year (AUM down 6%). Excluding scope effects (inclusion of Sélection R assets under management, i.e. €4.0 billion, and transfer of €0.8 billion in money market funds to Natixis Asset Management), AUM increased by 1.7% compared with end-December 2010.

Private Banking's **net revenues** gained 5.7% to €99 million in 2011 and were stable at a constant scope of consolidation.

D NATIXIS CAPITAL INVESTMENT (NCI)

Capital under management, including unrealized capital gains and fund commitments, totaled €2,905 million at December 31, 2011, up 29% on 2010. Third parties accounted for 69% of all capital under management (vs. 63% in 2010), confirming Natixis' gradual withdrawal from the funds and controlled financial investments. Funds of funds accounted for 48.4% of total capital under management, development capital 36.3% and venture capital 15.3%.

Net revenues for 2011 amounted to €85 million, up 22.6% on 2010, consisting primarily of unrealized capital gains on the portfolio, up relative to 2010, while capital gains were down due to fewer disposals.

5.1.4.3 Specialized Financial Services

(in millions of euros)	2011	2010	Change 2010/2011
Net revenues	1,129	1,074	+5.1%
Specialized Financing	***588***	***532***	***+10.5%***
Factoring	*131*	*119*	*+10.2%*
Financial Guarantees and Sureties	*98*	*96*	*+1.8%*
Leasing	*181*	*157*	*+15.1%*
Consumer Finance	*164*	*145*	*+12.7%*
Film Industry Financing	*14*	*14*	*(0.1)%*
Financial Services	***541***	***543***	***(0.2)%***
Employee Benefit Scheme	*109*	*101*	*+8.4%*
Payments	*291*	*284*	*+2.2%*
Securities Services	*142*	*158*	*(10.2)%*
Expenses	(791)	(784)	+0.8%
Gross operating income	**338**	**290**	**+16.7%**
Provision for credit losses	(60)	(49)	+22.4%
Pre-tax profit	**281**	**254**	**+10.6%**
Specialized Financing	***206***	***188***	***+9.4%***
Financial Services	***74***	***65***	***+14.1%***
Cost/Income ratio	*+70.0%*	*+73.0%*	
Total capital	*1,108*	*1,055*	
ROE after tax	*+16.9%*	*+15.1%*	

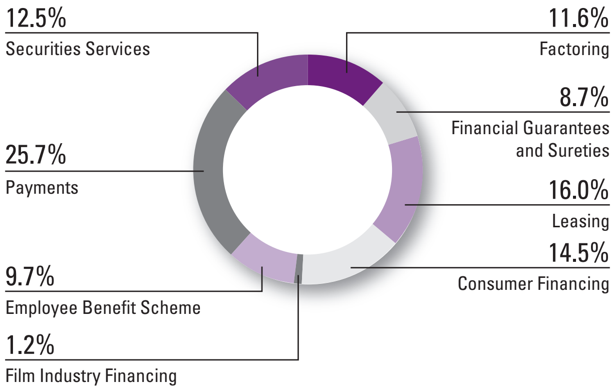
The implementation of the New Deal strategic plan in the SFS division continued in 2011, with:

- the strengthening of Natixis Lease's positioning as a leading player on the French leasing market through the acquisition of Cicobail, Océor Lease and GCE Car Lease in 2010 and early 2011;
- the development of the Specialized Financing product range available through the Groupe BPCE networks: deployment of consumer credit (personal loans) throughout the Banques Populaires network and factoring solutions for Caisses d'Epargne business clients;
- further development of Groupe BPCE's Single Paying Agent following the merger of GCE Paiements and Natixis Paiements in 2010;
- completion of the Caisses d'Epargne switchover to the unified Securities platform, with Natixis becoming the custodian for all clients of Groupe BPCE's two retail banking networks;
- the disposal of the 33.2% stake in SLIB (publisher of innovative software solutions for optimized transaction processing) to BNP Paribas, with Natixis maintaining a non-controlling interest of 33%.

Specialized Financial Services posted strong sales in 2011, drawing on the momentum achieved with the networks. **Consumer Finance** continued to expand its revolving credit products sold through Banques Populaires and Caisses d'Epargne (outstanding loans of €1.6 billion at end-2011, i.e. an increase of 11% over the previous year driven by the launch of the debit/credit card in 2010). Outstanding personal loans, mostly carried by the Caisses d'Epargne network, stood at €9.7 billion at end-2011, up 13% on December 2010. The **Factoring** business also posted strong growth: factoring revenues rose 17.7% year-on-year, driven by Natixis client development (up 43%) and banking network client development (up 10%). Finally, the **Leasing** business enjoyed strong sales driven by gains in Equipment Leasing (new production was up 18% year-on-year) linked with network synergies.

The performance of **Financial Services** was more uneven. Revenues from the **Employee Benefit Scheme** business improved on the back of business development through the networks and direct sales campaigns (the number of employee accounts under management exceeded three millions at end-2011, up 3% year-on-year). The service voucher business continued to grow: the Chèque de Table® market share was 12% and CESU market share 13.9%. The **Securities Services** business was sharply undermined by the deterioration in the financial environment, with the volume of transactions falling nearly 11% over the year. Assets under custody fell by 14% following the transfer of custodial activities from HSBC asset management companies to CACEIS Bank and due to outflows from money market UCITS across all customer segments.

BREAKDOWN OF 2011 SFS NET REVENUES BY BUSINESS



At €1,129 million, SFS revenues were up 5.1%. Growth was driven by Specialized Financing, which posted income growth of 10.5% in 2011, while Financial Services revenues were stable.

Gross operating income rose 16.7% to €338 million, benefiting from a positive scissor effect thanks to effective cost control.

5.1.4.4 Financial Investments

(in millions of euros)	2011	2010	Change
Net revenues	**865**	**869**	**(0.4)%**
Coface	*837*	*800*	*+4.7%*
• *Coface core*	*696*	*620*	*+12.2%*
• *Coface non-core*	*141*	*179*	*(21.4)%*
NPE	*(21)*	*23*	*n/m*
Natixis Algérie	*49*	*47*	*+5.3%*
Expenses	(761)	(748)	+1.8%
Gross operating income	**105**	**122**	**(14.1)%**
Provision for credit losses	(55)	(35)	+57.2%
Pre-tax profit	**49**	**72**	**(32.2)%**
Cost/Income ratio	*+87.9%*	*+86.0%*	

A COFACE

Six international credit insurance companies were added to the scope of consolidation at end-2011: these companies are located in Turkey, Romania, South Africa, Chile and Mexico. The overall impact on the 2011 financial statements was €22.9 million in net revenues and €20.8 million in payroll expenses for 277 FTEs (full-time equivalents). This consolidation was not stated pro forma in the 2010 financial statements.

Coface posted **turnover** of €1,714 million for fiscal year 2011, up 5.7% over 2010 (up 3.8% at constant exchange rates and scope of consolidation). Credit insurance revenues increased by 4.8% in 2011 (at constant consolidation scope and exchange rates), boosted by brisk sales despite the weak economic environment. Furthermore, the factoring business posted growth in revenues of 7.6% for the year (at constant consolidation scope and exchange rates), while the services business line (business information and receivables management) slid 5.9% (at constant consolidation scope and exchange rates) due to the gradual run-off of some of these activities.

Growth was strong in Northern Europe (up 7.8%), particularly in Germany, which is a growth driver in the factoring business. The Mediterranean & Africa platform, which includes Italy, Turkey and South Africa, grew 9.6% at constant exchange rates, driven by the credit insurance business. Finally, outside of Europe, 2011 business rebounded sharply, with strong growth in Asia (up 10.4% at constant exchange rates) and in the United States (up 9.7% at constant exchange rates).

Net revenues totaled €837 million in 2011, up 4.7% compared to end-2010, driven by the Coface's core activities (strategic scope), up 12.2%, whereas non-core activities fell by 21.4%. The loss fell year-on-year to 55.1% in 2011, versus 55.9% in 2010. Restated to take account of foreign exchange and scope effects, total net revenues were up 2.4%.

B NATIXIS PRIVATE EQUITY (NPE)

The scope of this business line was significantly reduced in 2010 due to two major operations: the October 2010 sale of Private Equity's proprietary operations in France to a fund advised by AXA Private Equity, and the transfer of third party operations to Investment Solutions. FY 2010 is presented pro-forma of this transfer.

The strategic refocusing of NPE's activities continued in 2011 with the sale of the Brazil-based businesses in the first half of the year, the sale of LBO Europa fund in late September 2011 and the disposal of the Holland Venture fund at end-2011 by sale to partners. **Natixis' share of assets under management** (or cash at risk) stood at €453 million at end-2011, down 14% relative to 2010.

Net revenues for 2011 amounted to -€21 million compared with a gain of €23 million in 2010. Year-on-year, capital gains on disposals steeply declined, with portfolio revaluations failing to offset the write-downs recorded on China and India, in particular.

5.1.4.5 GAPC

(in millions of euros)	2011	2010	Change 2010/2011
Net revenues	**42**	**(145)**	**n/m**
Expenses	(136)	(182)	(25.2)%
Gross operating income	**(94)**	**(327)**	**(71.4)%**
Provision for credit losses	(31)	146	n/m
Pre-tax profit	**(125)**	**(182)**	**(31.2)%**
RWA	*7,030*	*7,396*	*(5.0)%*
Total capital	*464*	*1,105*	

GAPC **pre-tax profit** was -€125 million at the end of the year, after recognition of a gain of €18 million in respect of the BPCE guarantee (-€182 million and -€247 million, respectively, in 2010).

A number of transactions were carried out over the course of the year with a view to scale down the portfolios and the related risks. **Risk-weighted assets** (RWA), after the guarantee, fell 26% year-on-year, excluding the regulatory impact of Basel 2.5 which totaled €1.6 billion after the guarantee.

Regarding credit assets, GAPC carried out a series of disposals and restructured its portfolios, in particular in the CLO and RMBS asset classes, which resulted in a €4.9 billion reduction in outstandings covered by the BPCE guarantee. GAPC also benefited from the positive impact of commutations with monoline issuers.

In respect of other portfolios, the business continued its run-off of equity derivatives, setting up hedges on complex interest rate derivatives and liquidating structured funds.

5.1.4.6 Corporate Center

(in millions of euros)	2011	2010	Change 2010/2011
Net revenues	**78**	**(118)**	**n/m**
Expenses	(119)	(46)	n/m
Gross operating income	**(41)**	**(165)**	**(75.1)%**
Provision for credit losses	(14)	(5)	n/m
Pre-tax profit	**58**	**(41)**	**n/m**

Corporate Center's **net revenues** stood at €78 million at December 31, 2011. This result includes a positive fair value adjustment on own senior debt measured at fair value for €239 million versus a gain of €46 million in 2010. This change was partially offset by the decline in income from issue replacement, taking account of the redemption of a portion of hybrid issues for which the interest expense was taken to equity, and represents a net tax expense of €261 million in 2011 versus €381 million in 2010.

Corporate Center **expenses** comprised expense which are not re-invoiced to the Natixis business lines. The 2011 improvement over 2010 was primarily attributable to non-recurring items recognized in 2010 (products associated with pro rate discounting of VAT and the renegotiation of Paris property leases) and to the introduction of the systemic risk banking taxes, which generated an expense of €23 million in 2011.

5.1.4.7 Retail banking contribution

(in millions of euros)	2011	2010	Change 2010/2011
Share of income	**497**	**441**	**+12.7%**
Accretion profit	88	71	+24.0%
Revaluation adjustments	(10)	(38)	(74.5)%
Equity method contribution	**576**	**474**	**+21.4%**
o/w Banques Populaires	*246*	*179*	*+37.4%*
o/w Caisses d'Epargne	*330*	*295*	*+11.8%*
Analytical restatement	(138)	(141)	(2.4)%
Contribution to Natixis' pre-tax profit	**438**	**333**	**+31.5%**
Tax	(29)	(18)	+63.4%
Contribution to Natixis' net income	**409**	**316**	**+29.8%**

The combined net income of the two networks was €2.5 billion at the end of December 2011, up 12.4% on 2010.

The equity method contribution totaled €576 million, up 21.4% relative to 2010. This change resulted from increased earnings by the networks and the positive trend in accretion profit (1) (higher CCI distribution) and revaluation differences (2).

BANQUES POPULAIRES

(in millions of euros)	2011	2010	Change 2010/2011
Net revenues	**6,358**	**6,203**	**+2.5%**
Expenses	(4,075)	(3,934)	+3.6%
Gross operating income	**2,282**	**2,269**	**+0.6%**
Provision for credit losses	(644)	(731)	(11.9)%
Pre-tax profit	**1,677**	**1,506**	**+11.4%**
Net income (group share)	**1,101**	**985**	**+11.8%**
Equity accounting of CCIs			
Share of income	**220**	**196**	**+12.5%**
Accretion profit	33	19	+73.7%
Revaluation adjustments	(7)	(36)	(79.3)%
Analytical restatement	(63)	(63)	(0.5)%
Contribution to Natixis' pre-tax profit	**183**	**116**	**+58.1%**
Tax	(5)	(1)	n/a
Contribution to Natixis' net income	**178**	**115**	**+55.2%**

- Banques Populaires posted a rise in net income at December 31, 2011, and confirmed its predominant position in financing the French economy. The network's customer base expanded, with the number of clients increasing by 1% (+63,000 customers, of which +43,200 are individual customers) from December 31, 2010 to December 31, 2011. The number of business customers grew by 1,100 since the start of the year (up 1.3%). The cooperative shareholder base grew modestly (up 1.8% year-on-year).
- Furthermore, to meet the challenges posed by Basel 3 and the resulting new liquidity requirements, the network is focused on shifting to on-balance sheet savings, which increased 10% from December 31, 2010 to December 31, 2011. Savings by

(1) Accretion profit is the difference between the remuneration collected by Natixis (via CCIs) and 20% of the total remuneration paid by the BPs or the CEs (ownership shares + CCIs). It embodies the fact that the distribution of remuneration does not reflect the distribution of capital rights.

(2) At the time of the initial consolidation of the CCIs by Natixis, unrealized capital gains made by the two networks on part of their portfolios were reported as equity, limiting the recognition of goodwill. The effective realization of these capital gains by the two networks in 2010 generated revenue recognized as Net Revenues that Natixis cannot recognize twice. This revenue was therefore deducted (after tax) from the equity method contribution line.

individual customers continued to grow via two main vehicles: term deposits (up 15.5%) and, reflecting the success of the network's strategy to win new customers, Livret A deposits (up 42.9%). Professional and business customers are increasingly interested in term deposits (up 21.8%) and demand deposits (up 11.1%).

- The shifting of funds from money market funds to savings accounts and term deposits resulted in a 7.2% reduction in fund AUM year-on-year. Despite an adverse economic climate, AUM in life insurance products was close to that reported last year (-0.7%).
- To illustrate employee's strong support of the program to attract new customers and provide them with long-term support, the network's outstanding loans rose by 5.9% from end-2010 to end-2011, boosted by property loans to individual customers (up 7.2%) and equipment loans to professional and business customers (up 5.8%).
- Despite a slight decline in the net interest margin (down 0.9%), **net revenues** climbed 2.5% relative to December 2010, reaching €6,358 million. At €2,374 million, fee income rose 2.2%, buoyed by growth in service fee income (+€31 million, i.e. +7.7%) and payment instruments (+€31 million, i.e. +9.6%).
- **Management fees** increased by 3.6%, while taxes, compounded by the reforms related to the systemic risk levy, were up 56% (+€53 million).
- Despite the developments in the economic environment, the provision for credit losses contracted by 12%.
- **Banques Populaires' net income** stood at €1,101 million at December 31, 2011, up 11.7% year-on-year.

CAISSES D'EPARGNE

(in millions of euros)	2011	2010	Change 2010/2011
Net revenues	**6,848**	**6,902**	**(0.8)%**
Expenses	(4,412)	(4,482)	(1.6)%
Gross operating income	**2,435**	**2,420**	**+0.6%**
Provision for credit losses	(381)	(334)	+14.1%
Pre-tax profit	**2,060**	**1,897**	**+8.6%**
Net income (group share)	**1,386**	**1,227**	**+13.0%**
Equity accounting of CCIs			
Share of income	**277**	**245**	**+13.0%**
Accretion profit	55	52	+5.8%
Revaluation adjustments	(2)	(2)	+0.0%
Analytical restatement	(75)	(78)	(3.9)%
Contribution to Natixis' pre-tax profit	**255**	**217**	**+17.4%**
Tax	(24)	(17)	+43.6%
Contribution to Natixis' net income	**231**	**201**	**+15.2%**

- Despite the sovereign debt crisis gripping the euro zone and the increasingly stringent oversight of the banking system (related to access to financing and regulatory requirements), the Caisse d'Epargne network continued to rally around its customer-centric strategy, actively committed to its role of financing the national and regional economies.
- The network's outstandnig loans grew by €16 billion year-on-year (up 10.3%): the increase in property loans (up 12.0%), driven by the individual customer market, combined with the increase in equipment loans (up 11.2%), largely due to increased demand from local authorities.
- Inflows continued to be shifted from money market funds to on-balance sheet savings: as a result, fund assets under management declined 18% compared to December 31, 2010. This AUM transfer, coupled with higher rates of return on regulated savings, boosted home savings by individual customers (up 3%), Livret A passbook savings account deposits across all markets (up 3%) as well as other network passbook savings accounts and loans. AUM invested in life insurance products grew 5% over the period.
- **Net revenues** stood at €6,848 million in 2011, dipping slightly by 0.8%. Adjusted for PEL/CEL effects, the decrease in the Livret A commission rate in 2011, and central dividends received in 2010, net revenues were up 3.8% year-on-year. The interest margin, pushed higher by the increase in volumes and benefiting from a positive rate effect on certificates of deposit and time deposits, posted an increase of 1.5% (adjusted for PEL/CEL effects) and central dividends paid in 2010.

- Fee income was virtually stable (at €3 billion, down 0.5%): the sharp increase in service fee income (up €160 million, i.e. +9.9%), as a result of the continuing policy of selling package offers to customers and due to loan fees and prepayment penalty fees, was offset by the continued impacts of the widespread availability of Livret A passbook savings accounts (drop in fees on centralized savings of €185 million).
- **Management expenses** edged down 1.6% relative to 2010 as the result of a strict cost control policy, thus improving the cost/income ratio by 0.5 percentage points for the period.
- The provision for credit losses increased 14% due to the persistently fragile economic environment.
- Aggregate **net income** for the **Caisse d'Epargne** network stood at €1,386 million in 2011, up 13% year-on-year.

5.1.4.8 Provision for credit losses

The **provision for credit losses** (excluding GAPC) was -€335 million at December 31, 2011, which included -€613 million in individual risks and +€278 million for portfolio-based provisions. At December 31, 2010, the provision for credit losses (excluding GAPC) totaled -€321 million.

OVERALL PROVISION FOR CREDIT LOSSES BY BUSINESS

(in millions of euros)	2011	2010*
Corporate and Investment Banking	(106)	(203)
Investment Solutions	(101)	(24)
Specialized Financial Services	(60)	(53)
Financial Investments	(56)	(35)
Others	(12)	(6)
OVERALL PROVISION FOR CREDIT LOSSES	**(335)**	**(321)**

* *Pro forma data.*

OVERALL PROVISION FOR CREDIT LOSSES: CIB BUSINESS BREAKDOWN

(in millions of euros)	2011	2010*
Commercial Banking	(8)	4
Debt and Financing	50	(161)
Capital Markets	(169)	(13)
Miscellaneous	21	(33)
OVERALL PROVISION FOR CREDIT LOSSES FOR THE CIB BUSINESS	**(106)**	**(203)**

* *Pro forma data.*

INDIVIDUAL PROVISION FOR CREDIT LOSSES BY BUSINESS

(in millions of euros)	2011	2010*
Corporate and Investment Banking	(382)	(240)
Investment Solutions	(101)	(24)
Specialized Financial Services	(52)	(53)
Financial Investments	(56)	(35)
Others	(22)	1
OVERALL PROVISION FOR CREDIT LOSSES	**(613)**	**(351)**

* *Pro forma data.*

INDIVIDUAL PROVISION FOR CREDIT LOSSES: CIB BUSINESS BREAKDOWN

(in millions of euros)	2011	2010*
Commercial Banking	(46)	(48)
Debt and Financing	(175)	(161)
Capital Markets	(167)	(11)
Miscellaneous	6	(20)
INDIVIDUAL PROVISION FOR CREDIT LOSSES FOR THE CIB BUSINESS	**(382)**	**(240)**

* *Pro forma data.*

INDIVIDUAL PROVISION FOR CREDIT LOSSES: BY GEOGRAPHIC AREA

(in millions of euros)	2011	2010*
Africa and the Middle East	(176)	(73)
Central and Latin America	(29)	(16)
North America	(27)	(26)
Asia-Pacific	(10)	(8)
Eastern Europe	(3)	(8)
Western Europe	(368)	(220)
OVERALL PROVISION FOR CREDIT LOSSES	**(613)**	**(351)**

* *Pro forma data.*

5.1.5 REFINANCING

Liquidity markets were particularly tense during 2011. Mounting national deficits throughout the euro zone affected banks' funding. Funding in USD from the United States was the worst hit, along with the long-term resource market.

Against this backdrop, the creation of the BPCE-Natixis treasury and central bank collateral management pool and the merger of the Treasury team in May 2011 improved the coordination and diversification of Groupe BPCE's refinancing. Collateral and securities' portfolio management was optimized via repo transactions and a centralized team.

Finally, the European Central Bank's practical and well-adapted solutions boosted market confidence at the end of year, notably with the organization of a VLTRO (Very Long Term Refinancing Operation).

SHORT-TERM REFINANCING

Soon after the publication of the Basel 3 liquidity framework (December 2010), 2011 began with numerous issues in the 1-year/18-month segment.

Investor interest in this type of operation helped extend the life of Natixis' short-term liabilities.

Early in the second quarter, Natixis, like all other French banks, was able to take advantage of pronounced interest in US money-market funds, which also extended their investment period.

This trend came to a sudden stop with the additional needs of the Greek government, the deterioration of the perception of euro-zone public finances, and the placement of three French banking groups on credit watch by Moody's in June 2011.

During summer 2011, S&P's downgrade of the United States' credit rating intensified the debate surrounding public debt in Europe and drastically reduced European banks' access to the dollar.

At the end of the second quarter, Natixis implemented an active management policy for its US dollar requirements via foreign exchange transactions.

The loss of US funding was offset by reinforced relations with business customers and a broadening of its geographic reach (Scandinavia, Persian Gulf, Asia).

Against this extremely difficult backdrop, the various measures announced by the European Central Bank during the final quarter gradually allowed banks to secure their long-term liquidity under better pricing conditions.

The success of the three-year monetary policy operation, implemented by the European Central Bank at the end of December 2011, forced investors to seek yielding investments and reignited interest in unsecured operations.

Natixis began 2012 ahead of target in its short-term refinancing program thanks to stronger synergies within the Group, active management of foreign currency positions and an increased commercial presence in certain geographic areas.

NATIXIS' SHORT-TERM DEBT ISSUANCE PROGRAM OUTSTANDINGS

(in millions of euros or euro equivalents)	Certificates of Deposit	Commercial Paper
Amount of program	45,000	23,593
Volumes as of 12.31.2010	24,463	3,491

MEDIUM AND LONG-TERM REFINANCING

Numerous senior unsecured government issues occurred during the first half of 2011. However, the bank credit market suddenly closed down in August 2011 due to the sharp deterioration in the public finances of several euro-zone countries.

In these difficult market conditions, Natixis managed to secure €14.9 billion for its medium- and long-term refinancing needs.

As the Group's only long-term issuer of vanilla public issues, BPCE provided Natixis with financing for a total euro-equivalent amount of 11 billion, €2.8 billion of which was via public issues (€2.7 billion at end-June).

Through its EMTN program, Natixis raised the equivalent of €2.4 billion, exclusively in a structured form.

On January 1, 2011, Natixis received €800 million under the French government's regulatory capital support program for French banks (SPPE), in the form of undated Deeply Subordinated Notes subscribed to by BPCE. In March, Natixis acquired the remaining securities issued under this program.

NATIXIS' MEDIUM- AND LONG-TERM DEBT ISSUANCE PROGRAM OUTSTANDINGS

(in millions of euros or euro equivalents)	EMTN	BMTN	USMTN	Bond issues
2011 issues	1,787	323	-	290
Volumes as of 12.31.2011	15,450	2,012	22	7,490

5.1.6 POST CLOSING EVENTS

Refer to Note 14, "Post Closing Events", in Chapter [5.2], Consolidated Financial Statements and Notes.

5.1.7 INFORMATION CONCERNING NATIXIS S.A.

5.1.7.1 Natixis S.A.'s parent company income statement

In 2011, net revenues increased €410 million, reaching +€2,987 million, due to:

- a €464 million decrease in the interest margin;
- a €59 million decrease in net fee and commission income;
- a €445 million increase in income from variable-income securities;
- a €55 million increase in income from trading book transactions;
- a €181 million increase in income from transactions on securities held for sale;
- a €251 million increase in other banking operating income and expenses.

Excluding the depreciation/amortization of assets, operating expenses increased by €99 million. When the depreciation/amortization of assets is added back in, the increase in operating expenses reaches €134 million.

Gross operating income stood at €863 million.

Provisions for credit losses reached €121 million for 2011, a €37 million increase year to year.

Gains or losses on fixed assets were positive at €60 million.

Net income was €873 million versus €285 million in 2010.

As of December 31, 2011, the balance sheet totaled €343,031 million, up from €331,134 million as of December 31, 2010.

5.1.7.2 Proposed allocation of earnings

Natixis' financial statements as of December 31, 2011 show net income of €873,436,574.80 and, taking into account retained earnings of €979,977.33, distributable profits of €874,416,552.13.

The third resolution that will be put before the General Shareholders' Meeting on May 29, 2012 proposes to:

- allocate €43,671,828.74 to the legal reserve;
- allocate a dividend of €308,234,588.80;
- allocate the remaining distributable profits to retained earnings, i.e. €522,510,134.59.

5.1.7.3 Payment terms

Pursuant to Article L.441-6-1 and D.441-4 of the French Commercial Code, the following table breaks down unpaid supplier invoices by due date:

UNPAID SUPPLIER INVOICES AS OF DECEMBER 31, 2010 AND DECEMBER 31, 2011

Due dates after December 31	Weighting as a % 12.31.2011	Weighting as a % 12.31.2010
Less than 2 months	80.7%	59.8%
Between 2 and 4 months	13.8%	15.7%
Between 4 and 6 months	3.5%	4.0%
Beyond 6 months	2.0%	20.5%
TOTAL	**100%**	**100%**

ANNEX TO 5.1.3 – CONSOLIDATED RESULTS

In the management presentation, the net income from the workout portfolio (GAPC), resulting from discontinued operations and net restructuring costs, was reported under the net income (group share). This made it easier to compare data from one fiscal year to the next. The following table sets out the reconciliation and consolidated net income.

1 - MANAGEMENT RESULTS RECLASSIFIED AS CONSOLIDATED RESULTS IN 2011

(in millions of euros)	2011 management	GAPC	Discontinued activities	Restructuring costs	2011 pro forma	2011 consolidated
Net revenues	**6,717**	**42**	**2**	**0**	**6,761**	**6,761**
Expenses	(4,701)	(136)	0	(16)	(4,854)	(4,854)
Gross operating income	**2,016**	**(94)**	**2**	**(16)**	**1,907**	**1,907**
Provision for credit losses	(335)	(31)	0	0	(366)	(366)
Operating income	**1,681**	**(125)**	**2**	**(16)**	**1,541**	**1,541**
Associates	594	0	0	0	594	594
Gains or losses on other assets	9	0	20	0	29	29
Change in value of goodwill	(43)	0	0	0	(43)	(43)
Pre-tax profit	**2,241**	**(125)**	**22**	**(16)**	**2,121**	**2,121**
Tax	(562)	38	0	5	(520)	(520)
Minority interests	(39)	0	0	0	(39)	(39)
Net income (group share), excl. discontinued operations and restructuring costs	**1,640**	**(88)**	**22**	**(12)**	**1,562**	**1,562**
GAPC net income (loss)	(88)				-	-
Net income from discontinued operations	22				-	-
Net restructuring costs	(12)				-	-
NET INCOME (GROUP SHARE)	**1,562**				**1,562**	**1,562**

2 - MANAGEMENT RESULTS RECLASSIFIED AS CONSOLIDATED RESULTS IN 2010

(in millions of euros)	2010 management	GAPC	Discontinued activities	Restructuring costs	2010 pro forma	Pro forma SFS	2010 consolidated
Net revenues	**6,642**	**(145)**	**0**	**0**	**6,496**	**(121)**	**6,375**
Expenses	(4,508)	(182)	0	(93)	(4,783)	106	(4,678)
Gross operating income	**2,134**	**(327)**	**0**	**(93)**	**1,713**	**(16)**	**1,697**
Provision for credit losses	(318)	146	0	0	(172)	(3)	(176)
Operating income	**1,816**	**(182)**	**0**	**(93)**	**1,541**	**(19)**	**1,521**
Associates	500	0	0	0	500		500
Gains or losses on other assets	(24)	0	(9)	(6)	(39)		(39)
Change in value of goodwill	0	0	0	0	0		0
Pre-tax profit	**2,291**	**(182)**	**(9)**	**(99)**	**2,001**	**(19)**	**1,981**
Tax	(302)	55	0	29	(219)	6	(213)
Minority interests	(36)	0	0	0	(36)		(36)
Net income (group share), excl. discontinued operations and restructuring costs	**1,953**	**(127)**	**(9)**	**(71)**	**1,745**	**(13)**	**1,732**
GAPC net income (loss)	(127)				-		-
Net income from discontinued operations	(9)				-		-
Net restructuring costs	(71)				-		-
NET INCOME (GROUP SHARE)	**1,745**				**1,745**		**1,732**

3 - REPORTED CONSOLIDATED NET INCOME RECLASSIFIED AS PRO FORMA CONSOLIDATION NET INCOME

(in millions of euros)	2010 Published	Leasing	Payments	CEGC	SFS impacts	Insurance	Corporate Center	Other impacts	2010 Pro forma
Net revenues	**6,374.8**	**38.6**	**79.6**	**(4.2)**	**114.0**	**(10.1)**	**17.5**	**7.4**	**6,496.2**
Expenses	(4,677.6)	(29.5)	(82.5)	0.0	(112.0)	0.0	6.2	6.2	(4,783.4)
Gross operating income	**1,697.2**	**9.1**	**(2.9)**	**(4.2)**	**2.0**	**(10.1)**	**23.7**	**13.6**	**1,712.9**
Provision for credit losses	(175.8)	3.5	0	0.0	3.5	0.0	0	0.0	(172.4)
Net operating income	**1,521.4**	**12.6**	**(2.9)**	**(4.2)**	**5.5**	**(10.1)**	**23.7**	**13.6**	**1,540.5**
Associates	499.7	0	0	0.0	0.0	0.0	0	0.0	499.7
Gains or losses on assets	(39.3)	0	0	0.0	0.0	0.0	0	0.0	(39.3)
Change in value of goodwill	(0.3)	0	0	0.0	0.0	0.0	0	0.0	(0.3)
Pre-tax profit	**1,981.4**	**12.6**	**(2.9)**	**(4.2)**	**5.5**	**(10.1)**	**23.7**	**13.6**	**2,000.5**
Income tax	(212.8)	(4.2)	0.9	1.5	(1.8)	0.0	(4.6)	(4.6)	(219.2)
NET INCOME	**1,768.6**	**8.4**	**(1.9)**	**(2.7)**	**3.7**	**(10.1)**	**19.1**	**9.0**	**1,781.3**
Minority interests	(36.3)	0	0	0.0	0.0	0.0	0	0.0	(36.3)
NET INCOME (GROUP SHARE)	**1,732.3**	**8.4**	**(1.9)**	**(2.7)**	**3.7**	**(10.1)**	**19.1**	**9.0**	**1,745.1**

5.2 Consolidated financial statements and notes

CONSOLIDATED BALANCE SHEET ASSETS

(in millions of euros)	Note	12.31.2011	12.31.2010
Cash and balances with central banks		5,567	12,167
Financial assets at fair value through profit and loss	*6.1*	245,625	161,208
Hedging derivatives	*6.2*	3,492	1,432
Available-for-sale financial assets	*6.3*	35,143	33,938
Loans and receivables to banks	*6.4*	48,643	68,063
o/w institutional operations			
Customer loans and receivables	*6.4*	111,820	128,049
o/w institutional operations		*549*	*645*
Revaluation adjustments on portfolios hedged against interest rate risk			
Held-to-maturity financial assets	*6.5*	4,037	5,032
Current tax assets		505	222
Deferred tax assets	*6.7*	3,217	3,361
Accruals and other assets	*6.8*	33,176	28,376
Non-current assets held for sale		202	43
Investments in associates	*7.8*	10,838	10,948
Investment property	*6.9*	1,163	1,016
Property, plant and equipment	*6.9*	718	705
Intangible assets	*6.9*	799	718
Goodwill	*6.11*	2,766	2,731
TOTAL ASSETS		**507,712**	**458,009**

CONSOLIDATED BALANCE SHEET – LIABILITIES AND SHAREHOLDERS' EQUITY

(in millions of euros)	Note	12.31.2011	12.31.2010
Due to central banks			488
Financial liabilities at fair value through profit and loss	*6.1*	232,184	158,856
Hedging derivatives	*6.2*	1,152	1,573
Due to banks	*6.12*	108,630	106,616
o/w institutional operations		*46*	*46*
Customer deposits	*6.12*	44,483	59,873
o/w institutional operations		*655*	*854*
Debt securities	*6.13*	25,879	38,219
Revaluation adjustments on portfolios hedged against interest rate risk		375	231
Current tax liabilities		292	371
Deferred tax liabilities	*6.7*	329	312
Accruals and other liabilities	*6.8*	24,803	21,515
o/w institutional operations		*1*	*3*
Liabilities associated with non-current assets held for sale		16	
Insurance companies' technical reserves	*6.14*	40,930	39,913
Provisions for impairment	*6.15*	1,271	1,229
Subordinated debt	*6.16 and 6.17*	6,178	7,447
Equity group share		20,668	20,931
- Share capital and reserves		*10,120*	*10,037*
- Consolidated reserves		*10,545*	*10,194*
- Gains and losses recorded directly in equity		*(1,558)*	*(1,033)*
- Net income/(loss)		*1,562*	*1,732*
Minority interests		520	436
TOTAL LIABILITIES		**507,712**	**458,009**

CONSOLIDATED INCOME STATEMENT

(in millions of euros)	Note	12.31.2011	12.31.2010
Interest and similar income	7.1	7,463	6,833
Interest and similar expenses	7.1	(4,648)	(3,769)
Fee and commission income	7.2	3,675	3,584
Fee and commission expenses	7.2	(1,583)	(1,441)
Net gains or losses on financial instruments at fair value through profit and loss	7.3	743	1,184
Net gains or losses on available-for-sale financial assets	7.4	233	(43)
Income from other activities	7.5	2,680	5,599
Expenses from other activities	7.5	(1,802)	(5,572)
Net revenues		**6,761**	**6,375**
General operating expenses	7.6	(4,620)	(4,452)
Depreciation, amortization and impairment of property, plant and equipment and intangible assets		(234)	(225)
Gross operating income		**1,907**	**1,697**
Provision for credit losses	7.7	(366)	(176)
Net operating income		**1,541**	**1,521**
Share in income from associates	7.8	594	500
Gains or losses on other assets	7.9	29	(39)
Change in value of goodwill		(43)	(0)
Income before tax		**2,121**	**1,981**
Income tax	7.10	(520)	(213)
Net income/(loss) from discontinued operations			
Net income/(loss) for the period		**1,601**	**1,769**
of which:			
• Attributable to equity holders of the parent		1,562	1,732
• Attributable to minority interests		39	36
Earnings/(loss) per share (in euros)			
Consolidated net income/(loss) – group share – per share, calculated on the basis of the average number of shares over the period excluding treasury shares	*5.24*	*0.43*	*0.47*
Diluted earnings/(loss) per share (in euros)			
Consolidated net income/(loss) – group share – per share, calculated on the basis of the average number of shares over the period excluding treasury shares and including shares that could be issued on the exercise of stock options and bonus shares	*5.24*	*0.43*	*0.46*

STATEMENT OF NET INCOME/(LOSS), GAINS AND LOSSES RECORDED DIRECTLY IN EQUITY

(in millions of euros)	Note	12.31.2011	12.31.2010
Translation adjustments	*8.1*	174	327
Revaluation of available-for-sale financial assets	*8.1*	(149)	94
Revaluation of hedging derivatives	*8.1*	22	146
Share of gains or losses from equity affiliates recorded directly in equity	*8.1*	(606)	35
Tax	*8.2*	32	(1)
Total gains and losses recorded directly in equity		**(526)**	**601**
Net income/(loss)		**1,601**	**1,769**
NET INCOME/(LOSS) AND GAINS AND LOSSES RECORDED DIRECTLY IN EQUITY		**1,075**	**2,370**
o/w group share		*1,037*	*2,331*
o/w minority interests share		*38*	*39*

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital and reserves				
(in millions of euros)	Capital	Reserves related to share capital [(a)]	Shareholder advances	Other equity instruments issued [(b)]	Elimination of treasury stock
Equity as of December 31, 2009 after appropriation of income	**4,653**	**5,382**	**500**	**6,221**	**(19)**
Shareholder advances			(500)		
Interest paid on shareholder advances					
Elimination of treasury shares					11
Equity component of share-based payment plans					
2009 dividend paid in 2010					
Total activity related to relations with shareholders	**0**	**0**	**(500)**	**0**	**11**
Issuance and redemptions of Deeply Subordinated Notes and preference shares				(1,582)	
Interest paid on Deeply Subordinated Notes and preference shares				(12)	
Change in gains and losses recorded directly in equity					
Income/(loss) as of December 31, 2010					
Impact of acquisitions and disposals [(c)]					
Other					
Equity as of December 31, 2010	**4,653**	**5,382**	**0**	**4,628**	**(8)**
Appropriation of 2010 income		(485)			
Equity as of December 31, 2010 after appropriation of income	**4,653**	**4,897**	**0**	**4,628**	**(8)**
Capital increase	279	289			
Shareholder advances					
Interest paid on shareholder advances					
Elimination of treasury shares					(5)
Equity component of share-based payment plans					
2010 dividend paid in 2011					
Total activity related to relations with shareholders	**279**	**289**	**0**	**0**	**(5)**
Issuance and redemptions of Deeply Subordinated Notes and preference shares				(829)	
Interest paid on Deeply Subordinated Notes and preference shares					
Change in gains and losses recorded directly in equity					
Income/(loss) as of December 31, 2011					
Impact of acquisitions and disposals [(c)]					
Other					
Equity as of December 31, 2011	**4,932**	**5,186**	**0**	**3,799**	**(13)**

(a) Issue premiums, legal reserve, contractual reserves, long-term capital gains reserve and other Natixis reserves.

(b) Other equity instruments issued: refers to the undated Deeply Subordinated Notes and preference shares that were reclassified as equity instruments.

(c) Additional goodwill related to buyback commitments granted to the minority shareholders of fully consolidated subsidiaries and buybacks of minority interests subsequent to the exclusive takeover are booked to equity.

Retained earnings	Gains/(losses) recorded directly in equity						
Retained earnings	Translation adjustments	Available-for-sale assets	Hedging derivatives	Net income (group share)	Equity group share	Equity attributable to minority interests	Total consolidated equity
5,813	**(269)**	**(863)**	**(500)**	**0**	**20,918**	**490**	**21,409**
					(500)		(500)
(22)					(22)		(22)
4					15		15
20					20		20
					0	(19)	(19)
2	**0**	**0**	**0**	**0**	**(488)**	**(19)**	**(506)**
(25)					(1,607)		(1,607)
(376)					(388)		(388)
	327	117	155		599	2	601
				1,732	1,732	36	1,769
(92)					(92)	(74)	(166)
254					254	0	255
5,576	**58**	**(746)**	**(345)**	**1,732**	**20,931**	**436**	**21,368**
2,217				(1,732)	0		
7,793	**58**	**(746)**	**(345)**	**0**	**20,931**	**436**	**21,368**
					568	53	621
					0		0
					0		0
(1)					(6)		(6)
16					16		16
(668)					(668)	(37)	(705)
(653)	**0**	**0**	**0**	**0**	**(90)**	**16**	**(74)**
(3)					(832)		(832)
(261)					(261)		(261)
	189	(714)	0		(525)	(1)	(527)
				1,562	1,562	39	1,601
(25)					(25)	30	5
(91)					(91)	0	(91)
6,761	**246**	**(1,460)**	**(345)**	**1,563**	**20,668**	**520**	**21,188**

NET CASH FLOW STATEMENT

The balance of cash and cash equivalents consists of the net balances on cash and amounts due from central banks, as well as on demand deposits with and loans from credit institutions.

Changes in cash generated by operating activities consist of cash flows generated by Group activities, with the exception of those relating to financial assets held to maturity and investment property.

Changes in cash related to investment operations result from cash flows related to acquisitions and disposals of investments in consolidated and non-consolidated affiliates, tangible and intangible fixed assets, and acquisitions and disposals of investment property, property provided under operating leases and financial assets held to maturity.

(in millions of euros)	12.31.2011	12.31.2010
Income/(loss) before tax	**2,121**	**1,981**
+/- Net charge to depreciation and amortization of property, plant and equipment and intangible assets	306	265
+/- Writedown of goodwill and other non-current assets	51	5
+/- Net charge to other provisions (including insurance companies' technical reserves)	1,696	3,397
+/- Share of income of equity affiliates	(594)	(500)
+/- Net loss/(gain) on investing operations	(519)	(400)
+/- Net loss/(gain) on financing operations	200	216
+/- Other activity	840	476
= Total non-cash items included in income/(loss) before tax and other adjustments	***1,980***	***3,459***
+/- Decrease/(increase) in interbank and money market items	29,846	8,163
+/- Decrease/(increase) in customer items	1,765	(125)
+/- Decrease/(increase) in financial assets or liabilities	(26,806)	(2,524)
+/- Decrease/(increase) in non-financial assets or liabilities	(2,359)	1,287
- Income taxes paid	(193)	(225)
= Net decrease/(increase) in operating assets and liabilities	***2,253***	***6,576***
Net cash provided/(used) by operating activities	**6,354**	**12,016**
+/- Decrease/(increase) in financial assets and investments in associates [(a)]	716	1,082
+/- Decrease/(increase) in investment property	(156)	(14)
+/- Decrease/(increase) in property, plant and equipment and intangible assets	(173)	(325)
Net cash provided/(used) by investing operations	**387**	**743**
+/- Cash received from/(paid to) shareholders	(137)	(19)
+/- Other cash provided/(used) by financing operations [(b)]	(2,726)	(3,520)
Net cash provided/(used) by financing operations	**(2,863)**	**(3,539)**
Cash flow of assets and liabilities held for sale	**4**	
Impact of exchange rate changes on cash and cash equivalents	**(43)**	**(24)**
Net increase/(decrease) in cash and cash equivalents	**3,839**	**9,196**
Net cash provided/(used) by operating operations	6,354	12,016
Net cash provided/(used) by investing operations	387	743
Net cash provided/(used) by financing operations	(2,863)	(3,539)
Cash flow of assets and liabilities held for sale	4	
Impact of exchange rate changes on cash and cash equivalents	(43)	(24)
Cash and cash equivalents at beginning of period	**6,140**	**(3,056)**
Cash and balances with central banks	11,679	3,308
Interbank balances	(5,539)	(6,364)
Cash and cash equivalents at end of period	**9,979**	**6,140**
Cash and balances with central banks	5,568	11,679
Interbank balances	4,410	(5,539)
CHANGE IN CASH AND CASH EQUIVALENTS	**3,839**	**9,196**

(a) Decrease/(increase) in financial assets and investments in associates, including in particular:
- *flows related to assets held to maturity (+€660 million),*
- *flows related to investments in consolidated affiliates (-€86 million, including the acquisition of 25% of Indian entity IDFC for -€44 million, 66% of Sélection R, a subsidiary of the Rothschild group which was renamed Sélection 1818, for -€17 million, 100% of GCE Car Lease for -€10 million and the payment of a price supplement related to the 2010 acquisition of Cicobail for -€12 million);*
- *flows related to affiliates accounted for by the equity method (+€75 million, including the increase in the subscriptions for BP and CEP corporate investment certificates for -€145 million and dividend payments received for +€221 million).*

(b) Flows from financing activities can be broken down as follows:
- *redemption of deeply subordinated notes for -€832 million,*
- *interest paid related to deeply subordinated notes for -€421 million,*
- *redemption and interest related to subordinated debts for -€1,474 million.*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 BASIS OF PRESENTATION

1.1 IFRS standards and IFRIC interpretations applied by the Group

As required by European regulation 1606/2002 of July 19, 2002, Natixis has prepared its consolidated financial statements for the year ended December 31, 2011, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union at that date [(1)]. These standards include IAS 1 to 41, IFRS 1 to 8 and the related IFRIC interpretations adopted by the European Union as at December 31, 2011.

Natixis' consolidated financial statements include a balance sheet, income statement, statement of net income/(loss) and gains and losses recorded directly in equity, statement of changes in shareholders' equity, cash flow statement and notes to the financial statements.

The financial statements presented for comparative purposes were published by Natixis in the 2010 registration document filed with the Autorité des Marchés Financiers (AMF – French Financial Markets Authority) on April 5, 2011.

In accordance with European regulation 809/2004 relating to information contained in prospectuses, the financial statements for the year ended December 31, 2009, that were published in the 2009 registration document filed with the AMF on April 30, 2010, are incorporated for reference into this registration document.

STANDARDS AND INTERPRETATIONS APPLICABLE SINCE JANUARY 1, 2011

The following standards, amendments and interpretations were applicable for the first time as of January 1, 2011:

- amendment to IFRS 1 ("Limited exemption from capital comparative IFRS 7 'Disclosures for first-time adopters'"), adopted by the European Commission on June 30, 2010, and subject to mandatory application for accounting periods beginning on or after July 1, 2010. This amendment exempts first-time adopters of IFRS from the obligation to make the additional disclosures stipulated by the amendments published in March 2009 enhancing financial instrument disclosures (amendments to IFRS 7 "Financial instruments: Disclosures"). This amendment has no impact on Natixis' financial statements;
- amendment to IAS 32 on the "Classification of rights issues", adopted by the European Commission on December 23, 2009, and subject to mandatory application for annual accounting periods beginning on or after February 1, 2010. This amendment modifies the accounting treatment of subscription rights issued in a currency other than the issuer's functional currency. When certain conditions are met, these rights will no longer be recorded as derivatives but as equity instruments. This amendment has no impact on Natixis' consolidated financial statements;
- IAS 24, as revised ("Related party disclosures"), adopted by the European Commission on July 19, 2010, and subject to mandatory application for annual accounting periods beginning on or after January 1, 2011. The changes implemented by the revised standard mainly include simplifications of the provisions concerning disclosures on entities related to government administrations and a clarification of the definition of a related party. This amendment has no impact on Natixis' consolidated financial statements;
- amendment to IFRIC 14 entitled "Prepayments of a minimum funding requirement", adopted by the European Commission on July 19, 2010. According to the changes made to IFRIC 14, when an employee savings scheme requires minimum contributions, such prepayments must be booked to assets, as do any other prepayments. This amendment is subject to mandatory application for accounting periods beginning on or after January 1, 2011. This amendment has no impact on Natixis' financial statements;
- the amendment entitled "Improvements to IFRSs", adopted by the European Commission on February 18, 2011. This amendment is part of the annual improvements project aimed at simplifying and clarifying International Financial Reporting Standards. The following standards and interpretations have been modified: IFRS 1 "First-time adoption of IFRS", IFRS 3 "Business combinations" (and the resulting amendments to IAS 32, IAS 39 and IFRS 7), IFRS 7 "Financial instruments: Disclosures", IAS 1 "Presentation of financial statements", IAS 34 "Interim financial reporting", IAS 21, 28 and 31 in accordance with the amendments to IAS 27 "Consolidated and separate financial statements" and IFRIC 13 "Customer loyalty programs". These amendments have no impact on Natixis' consolidated financial statements at December 31, 2011. However, the amendment to IFRS 7 affects the notes to Natixis' consolidated financial statements at December 31, 2011 because:
  - information on restructured loans is no longer provided,
  - information on the financial impact of guarantees received is now disclosed;
- IFRIC 19 ("Extinguishing Financial Liabilities with Equity Instruments"), adopted by the European Commission on July 23, 2010, and subject to mandatory application for annual accounting periods beginning on or after July 1, 2010. This interpretation clarifies the accounting treatment, on the debtor's books, of transactions carried out for the purpose of extinguishing financial liabilities with equity instruments. This interpretation had no impact on Natixis' consolidated financial statements at December 31, 2011.

(1) The complete body of standards adopted by the European Union may be consulted on the European Commission website at: http://ec.europa.eu/internal_market/accounting/ias/index_en.htm.

The amendment to IFRS 7 "Financial instruments: Disclosures" and IFRS 1 "First-time adoption of IFRS" on disclosures made on transfers of financial assets, adopted by the European Commission on November 22, 2011, and subject to application on a prospective basis for annual accounting periods beginning on or after July 1, 2011, was not adopted early for Natixis' 2011 consolidated financial statements. This amendment required qualitative and quantitative information on transferred assets that have not been fully derecognized, as well as on fully derecognized assets with which there is continued involvement, to be supplied in the notes to the financial statements. This amendment will have no impact on Natixis' consolidated financial statements, but may result in the disclosure of additional information.

The new standards on consolidation, IFRS 10 "Consolidated Financial Statements," IFRS 11 "Joint arrangements" and IFRS 12 "Disclosure of Interests in Other Entities" were published by the IASB in 2011, but not yet applicable as at January 1, 2011, and not yet adopted by the European Commission. They are currently being studied, though it is not possible to determine at this stage whether these standards will have an impact on Natixis' consolidated financial statements.

In addition, in drawing up the consolidated financial statements as at December 31, 2011, Natixis also took into account:

- with regard to the valuation of financial instruments, the recommendation published on October 15, 2008, by the AMF, the Conseil National de la Comptabilité (CNC – French National Accounting Board), the Commission Bancaire (French Banking Commission) and the Autorité de Contrôle des Assurances et des Mutuelles (ACAM – French insurance regulator), and the guide published by the IASB on October 31, 2008, entitled "Measuring and disclosing the fair value of financial instruments in markets that are no longer active".
- These two texts underline the importance of using judgment to determine fair value in illiquid markets. As a result of this recommendation, as at December 31, 2011, Natixis does not systematically apply models using observable data, as with previous texts, in view of the lack of market liquidity affecting some asset classes.
- with regard to financial reporting on risk exposure, the recommendations applicable in France resulting from the Financial Stability Forum (FSF). Details of risk exposure, presented in the format recommended by the Commission bancaire in its May 29, 2008, statement "Presentation note regarding the French application of the FSF's recommendations for financial transparency", have been incorporated in section 4.7 of the "Risk management" chapter of the registration document.

1.2 Presentation of the consolidated financial statements

The consolidated financial statements have been prepared in accordance with the assessment and presentation principles set out in Notes 2 and 5 below.

1.3 Year-end

The consolidated financial statements are based on the individual financial statements as at December 31, 2011, of the entities included in Natixis' scope of consolidation.

1.4 Notes to the consolidated financial statements

Unless otherwise indicated, the figures given in the notes are expressed in millions of euros.

NOTE 2 CONSOLIDATION METHODS AND PRINCIPLES

2.1 Scope of consolidation

Natixis' consolidated financial statements include the financial statements of Natixis S.A. and its main subsidiaries.

Only subsidiaries making a material contribution to the Group's financial statements are consolidated.

Materiality is determined based on specific thresholds for each of the Group's business lines and on a qualitative assessment of the relevance of each entity's contribution to the consolidated financial statements of Natixis.

The scope of consolidation includes all material entities over which Natixis exercises control or significant influence. Three relationships of control are identified under IFRS: exclusive control, joint control and significant influence. Determining the type of control that exists is based on an analysis of the economic and legal relations between the parent and its subsidiaries, as well as any voting rights held.

POTENTIAL VOTING RIGHTS:

In determining whether it exercises control or significant influence, Natixis considers all current voting rights and any potential voting rights to the extent that they are currently exercisable or convertible. Potential voting rights arise from stock options on ordinary shares or from the conversion of bonds into new ordinary shares. However, potential voting rights are not taken into account to calculate the percentage of ownership.

In accordance with IAS 27 (revised), potential voting rights resulting from a put option granted to minority interests are not taken into account in calculating the percentage of ownership and voting rights held, since they are not currently exercisable by Natixis.

If the put option granted to minority interests is associated with a currently exercisable call option held by Natixis, in principle the potential voting rights are included in the calculation of the percentage of ownership and voting rights held.

A review of potential voting rights held by Natixis had no impact on the entries into scope in 2011.

2.2 Consolidation methods

The consolidation methods applied by Natixis are described below:

FULL CONSOLIDATION

Companies controlled exclusively by Natixis are fully consolidated. Under IAS 27 (revised), control is presumed to exist when the parent has:

- ownership, directly or indirectly through subsidiaries, of more than half of the voting rights of an entity;
- power to govern the financial and operating policies of the entity under the by-laws or an agreement;
- power to appoint or remove the majority of the members of the Board of Directors or equivalent governing body;
- power to assemble the majority of voting rights at meetings of the Board of Directors or an equivalent governing body.

Minority interests are equity investments that do not afford control over the entity in question, within the meaning of IAS 27 (revised).

PROPORTIONAL CONSOLIDATION

Companies jointly controlled by Natixis are proportionally consolidated. Joint control is the contractually agreed sharing of control over an economic activity between a limited number of associates or shareholders, the implementation of the strategic financial and operating decisions relating to the activity thus requiring the unanimous consent of the parties sharing control.

IAS 31 also allows jointly controlled companies (joint ventures) to be accounted for using the equity method. Natixis has not elected to apply this option.

EQUITY METHOD

Companies over which Natixis exercises significant influence are accounted for using the equity method.

Significant influence is the power to participate in the financial and operating policy decisions of the corporate entity owned without having control over such policies. Significant influence is presumed to exist when the reporting entity directly or indirectly owns at least 20% of the voting rights.

Under IAS 28 and IAS 31, Private Equity investments do not have to be accounted for using the equity method or be proportionally consolidated if they are designated at inception as at fair value through profit and loss. Natixis has opted for the latter method, which it believes provides investors with more relevant information.

Ownership of the Banques Populaires and Caisses d'Epargne Cooperative Investment Certificates (CCIs), representing 20% of the share capital of each entity, gives Natixis significant influence over the Banques Populaires and Caisses d'Epargne banks. The financial statements of these entities are therefore accounted for using the equity method in Natixis' consolidated financial statements.

Since the Banques Populaires CCIs and the Caisses d'Epargne CCIs do not carry any voting rights, Natixis' significant influence over the issuers results from (i) de jure influence arising from its involvement in the operational and financial management of the Banques Populaires and Caisses d'Epargne networks, and (ii) de facto influence deriving from operational and technical cooperation by the Banques Populaires and Caisses d'Epargne banks with Natixis.

Natixis' significant de jure influence over the Banques Populaires and Caisses d'Epargne banks derives from the following rights conferred on Natixis by certain corporate documents relating to BPCE and by the memorandum of understanding relating to the CCIs issued by Banque Populaire and Caisse d'Epargne:

- participation in certain Committees of Groupe BPCE;
- right regarding certain decisions made within BPCE (Natixis' opinion must be sought and Natixis must be consulted in its capacity as a non-voting member; rights to a second deliberation regarding certain matters);
- right to receive information (information relating to the CCIs);
- delegation of powers concerning the risk management function (definition of risk standards and risk assessment methods).

Natixis and the Banques Populaires banks have also agreed to maintain any existing industry and commercial relationships for a minimum period of 10 years as from the 2006 subscription date for the Banques Populaires CCIs:

- provision of IT infrastructure;
- supply of industry services (custodial services, payment systems, operational management of foreign currency accounting);
- design and management of customer products on behalf of the Banques Populaires (asset management, insurance products, factoring, lease financing, financial engineering, expansion capital, employee benefits planning, international operations, credit insurance and business information).

Lastly, Natixis and the Caisses d'Epargne banks have agreed to maintain, for a minimum period of 10 years as from the date of the contributions, any industry and commercial relations existing in the following areas:

- custody;
- design and management of customer products (asset management, revolving credit facilities, guarantee insurance for borrowers, factoring and non-real estate lease financing, financial engineering and capital market products, local authority financing and debt management);
- securities and derivatives brokerage.

2.3 Institutional operations

NATIXIS

In accordance with Article 116 of the amended finance law for 1997 (no. 97-1239 of December 29, 2007), amended by Article 121 of the amended finance law for 2008 (no. 2008-1443 of December 30, 2008) and the agreement signed with the French State on September 21, 2011, Natixis manages certain public procedures on behalf of the French State, mainly consisting of loans and gifts to foreign States conferred in the framework of Public Development Aid and the stabilization of interest rates for export credit guaranteed by Coface. The related transactions, some of which may be guaranteed by the State, are recognized separately in the financial statements. The State and other related creditors have a specific right over the assets and liabilities allocated to these institutional operations. The bank's assets, liabilities and commitments relative to these operations are identified on a separate line of the balance sheet under each of the headings concerned with operations for which the management has been delegated to Natixis by the State.

COFACE

Revenues derived from the management of public procedures represent the fees paid by the French State. The methods and principles of this compensation are set in a financial agreement between the State and Coface. This agreement, signed on June 9, 2008, covers a four-year period (2007 to 2010) and was subject to an amendment, signed on October 8, 2009, covering the period from January 1, 2009, to December 31, 2010, and a new amendment extending the financial agreement was signed on December 9, 2011, for the 2011 period. A new financial agreement is currently under negotiation for 2012 and subsequent fiscal years.

€64 million was booked for 2011, versus €62 million in 2010.

Premiums paid by customers, claims covered and amounts recovered as a result of these guarantees are paid over to the State. Accordingly, they are not included in the Group's consolidated financial statements. Expenses relating to public procedures management are mainly incurred in delivering State guarantees, managing claims, and recovering debts covered by the guarantees.

2.4 Currency conversion of the statements of foreign subsidiaries and branches

Natixis' consolidated financial statements are prepared in euros.

The balance sheets of foreign subsidiaries and branches whose functional currency is not the euro are translated into euros at the closing exchange rate, except for share capital, reserves and capital allocations, which are translated at the historic exchange rate. The income statements of foreign subsidiaries and branches whose functional currency is not the euro are translated at the average exchange rate for the year. Any resulting translation gains or losses arising on both balance sheet and income statement items are recognized in equity under "Translation adjustments" for the portion attributable to the Group and "Minority interests" for the portion attributable to third parties.

Natixis elected to use the option available under IFRS 1 on first-time adoption, namely to transfer the cumulative balance of translation adjustments existing at January 1, 2004, to consolidated reserves. If a foreign entity is subsequently sold, the gain or loss on the disposal will include only those translation gains or losses arising after January 1, 2004.

2.5 Business combinations and goodwill

The following accounting treatment is applied to business combinations giving rise to control:

- IFRS 3, prior to revision, for business combinations having taken place before January 1, 2010, with the exception of those having taken place before January 1, 2004. On its first-time application of IFRS, Natixis elected to use the option available under IFRS 1 for first-time adopters, i.e., not to retrospectively restate business combinations carried out prior to January 1, 2004, in accordance with the provisions of IFRS 3;
- IFRS 3, as revised (IFRS 3R), for business combinations carried out after January 1, 2010. IFRS 3R may be applied prospectively to business combinations for which the purchase date was on or after the implementation date of IFRS 3R.

In accordance with IFRS 3 (pre- or post-revision), business combinations are recorded using the purchase method. Under the purchase method, the identifiable assets and liabilities of the acquired entity are measured at their fair value at the valuation date.

The method used to measure minority interests and goodwill varies depending on whether IFRS 3 or IFRS 3R is applied.

- Application of IFRS 3 to business combinations carried out before January 1, 2010:
  - minority interests are determined based on their share in the identifiable net assets of the acquired entity, measured at their fair value at the purchase date (partial goodwill method),
  - goodwill is the difference between the cost of the business combination and the share of the purchasing entity's interest in the net fair value of identifiable assets, liabilities and contingent liabilities.

- Application of IFRS 3R to business combinations carried out after January 1, 2010:
  - for each business combination, Natixis chose to determine minority interests:
    - either based on their share in the identifiable net assets of the acquired entity, measured at their fair value at the purchase date, and therefore without recognizing goodwill on the minority interests (partial goodwill method),
    - or based on their fair value at the purchase date, resulting in the recognition of goodwill, both for the group share and the minority interests (full goodwill method),
  - hence, goodwill is a residual item determined as the difference between (i) the sum of the purchase price, the fair value at the purchase date of the share of interest held in the acquired entity prior to the purchase date, and the amount of minority interests (determined using the partial or full goodwill method) and (ii) the net amount of the assets and liabilities assumed, measured at their fair value at the purchase date.

Positive goodwill is recorded on a separate line on the asset side of the balance sheet. It is allocated at the purchase date to one or more cash-generating units (CGUs) expected to benefit from the acquisition. It is tested for impairment at least once per year, and more often where there is objective evidence of impairment. The impairment test consists of comparing the carrying amount of the CGU or group of CGUs including goodwill with its recoverable amount.

Specific case of business combinations carried out under joint control

Combinations between entities or operations under joint control are understood to be combinations in which several operations are combined and all interested parties (entities or operations) are ultimately controlled by the same party or parties for a relatively long period preceding the combination. Such combinations do not fall within the scope of IFRS 3R.

Barring clarification of IFRS 3R on the accounting treatment of business combinations under joint control, Natixis applies a method based on historic carrying amount to such transactions. According to this method, the difference between the price paid and Natixis' share in the historic carrying amounts of the assets and liabilities of the acquired entity is recorded as a deduction from shareholders' equity. In effect, in using this method, any goodwill and valuation differences resulting from the application of the purchase method are deducted from shareholders' equity.

The carrying amounts used are those listed in the consolidated financial statements of the ultimate parent company at the date of completion of the transaction.

Combined entities considered to be under joint control include, in particular, two entities controlled by Natixis and those involving an entity controlled by Natixis and an entity controlled by BPCE.

PRINCIPLES ADOPTED FOR MEASURING CONTRIBUTIONS BY GROUPE CAISSE D'EPARGNE TO NATIXIS IN 2006:

The assets contributed by the CNCE to Natixis fall into two different categories:

- shares in the Corporate and Investment Banking and services subsidiaries;
- a portion of the Cooperative Investment Certificates (CCIs) conferring entitlement to the share capital of the Caisses d'Epargne banks.

The contribution values used for consolidation purposes in respect of both categories of assets are the carrying amounts of these assets in the CNCEs consolidated financial statements, restated in accordance with IFRS as adopted in the European Union.

PRINCIPLE ADOPTED FOR MEASURING OTHER TRANSACTIONS AFFECTING THE STRUCTURE OF THE GROUP THAT LED TO THE CREATION OF NATIXIS:

In accordance with IFRS 3, other transactions affecting the structure of the Group – contribution of the remaining Caisses d'Epargne CCIs, 1.23% of the share capital of IXIS CIB, and 4.63% of the share capital of IXIS AMG; subscription for the Banques Populaires CCIs, and acquisition of Novacrédit – have been accounted for by the purchase method for consolidation purposes.

GOODWILL ARISING IN CONNECTION WITH THE BUSINESS COMBINATION ON DECEMBER 31, 2006:

Goodwill on contributed entities

As the contributions were recognized at their net carrying amount under IFRS, no valuation adjustments have been recorded on the various assets and liabilities contributed. The difference between the acquisition cost and the Group's interest in the net assets of the contributed entities does not constitute goodwill within the meaning of IFRS 3, since the acquisition cost takes into account the real value of the shares, while the contributions were recognized at their net carrying amount. Each of the differences observed was recognized in "consolidated reserves".

An amount of €3,170 million was charged against the issue premium in this respect at December 31, 2006.

Goodwill on other transactions

The goodwill arising from business combinations amounted to €484 million, which breaks down as follows: €229 million on Ixis AMG, €21 million on IXIS CIB and €8 million on Novacrédit, plus the goodwill recorded in "Investments in associates" relating to the Caisses d'Epargne CCIs (€190 million) and the Banques Populaires CCIs (€36 million).

At December 31, 2007, goodwill arising on the CCIs had been definitively allocated to the following valuation adjustments:

- valuation adjustments on Banques Populaires land and buildings in the amount of €102 million (Banques Populaires CCIs);
- valuation adjustments on Caisses d'Epargne land and buildings in the amount of €47 million (Caisses d'Epargne CCIs).

These valuation adjustments were divided into a depreciable component and a non-depreciable component in proportion to the value of the land and buildings in question. The depreciable component is depreciated in line with the rules and residual useful life applicable to similar assets (15 years on average).

Since then, goodwill related to IXIS CIB has been totally written-down.

OTHER GOODWILL

In 2011, goodwill increased by €82 million, excluding translation losses of €36 million and write-down losses of €43 million.

The main changes are described below:

- Within Asset Management in the US, the acquisition of Double Rock's activities by Reich & Tang and Darius Capital Partners by NGAM generated reported goodwill of €3.6 million and €5.5 million, respectively, as at December 31, 2011. The remaining goodwill also increased, to €40.9 million, due to the acquisition of 25% of the Indian company IDFC. This company was accounted for using the equity method at December 31, 2011.
- In Private Banking, the acquisition of 66% of Sélection R, a subsidiary of the Rothschild group, by Banque Privée 1818 in the first quarter of 2011 led to goodwill of €37.6 million being reported.
- "Core" Coface: Goodwill of €1 million reported due to the acquisition of minority interests in Business Data Information from the exercise of a put, and a €2 million decrease in goodwill from TKB following a drop in additional prices.

COFACE REORGANIZATION

Coface transferred non-core entities of business lines it held to direct subsidiaries of Natixis S.A. This restructuring, which was within Group scope, has no impact on financial statements but has resulted in the creation of a new CGU comprising non-strategic activities with a reassignment of goodwill to two CGUs: "Core" Coface (strategic activities) and "non-core" Coface (non-strategic activities) depending on the entity for which goodwill was originally reported.

IMPAIRMENT TESTS

All items of goodwill are impairment tested based on the value in use of the cash-generating units (CGUs) to which they have been allocated, except for:

- the Coface non-core CGU, whose recoverable amount is capped at the net fair value of selling costs;
- the Private Equity CGU, which is assessed based on its RNAV, with all of the assets of entities making up this CGU being recognized at fair value.

Value in use is determined principally by discounting the expected future cash flows from the CGU on the basis of the five-year medium-term business plans drawn up by Natixis.

The following assumptions have been used:

- estimated future cash flows: forecast data drawn from Natixis' medium-term business plans, established in conjunction with the businesses;
- perpetual growth rate: 2.5%
- discount rate: use of a specific rate for each CGU: 9.8% for Investment Solutions, 11.0% for Specialized Financial Services, 10.0% for Coface and 10.9% for Corporate and Investment Banking.

As a result of these tests, the Coface "non-core" CGU wrote down goodwill of €43 million. The net amount of goodwill after writedown is €138 million.

Note that Natixis impaired goodwill allocated to the CIB business and the GAPC portfolio at the end of 2008, and the Private Equity goodwill at the end of 2009.

A 20-bp increase in the discount rate combined with a 50-bp drop in the perpetual growth rate would have an average impact of -5.4% on the value in use of CGUs (Investment Solutions, Specialized Financial Services, "core" Coface and Corporate and Investment Banking) and would not result in Natixis recording impairment for these CGUs.

Similarly, the sensitivity of future business-plan cash flows to variations in key assumptions does not significantly affect the recoverable amount of CGUs.

The main identified areas of sensitivity are:

- for Investment Solutions, changes in the equity market and short-term rates;
- for Specialized Financial Services, variations in the three-month Euribor rate and powerful contagion from the crisis to the real economy, like a repeat of a "2008-2009 crisis" scenario (drop in production and increase in the cost of risk);
- for "core" Coface, the loss ratio level.

2.6 Dilutive/accretive impact resulting from ownership of the CCIs issued by the Caisses d'Epargne and Banques Populaire

The dilutive/accretive impact derives from differences in the rights associated with ownership shares (entitlement to dividends) and CCIs (entitlement to dividends at least equal to dividends payable on ownership shares and entitlement to reserves made up of retained earnings).

The difference in dividend entitlements is recognized in the financial year in which it arises.

2.7 Treatment of put options granted to minority shareholders

The granting of put options to minority shareholders by Natixis has no impact on the determination of Natixis' controlling interest in the subsidiary in question as long as the option is not exercised, unless Natixis also holds an immediately exercisable call option.

The granting of put options to minority shareholders has no impact on Natixis' interest in the subsidiary in question unless the put option is associated with Natixis' holding a call option, and the call and put options give immediate entitlement to the economic benefits attached to the underlying shares.

The granting of put options to minority shareholders which do not transfer to Natixis the risks and benefits associated with the underlying shares prior to exercise, result in the recognition of a liability for the estimated present value of the option's exercise price. The corresponding receivable is booked to equity, deducted in part from minority interests in the amount of their carrying value, with the rest deducted from consolidated reserves (group share). Subsequent changes in the liability related to adjustments to the exercise price of the put option are recorded in consolidated reserves (group share).

Income generated from minority interests subject to put options are presented in "Net income for the period – portion attributable to minority interests" on the consolidated income statement.

2.8 Subsidiaries held for sale

The assets and liabilities of subsidiaries which Natixis intends to sell within a maximum period of 12 months, and for which it is actively seeking a buyer, are identified separately on two specific lines of the consolidated balance sheet as non-current assets and liabilities.

Natixis entered into an agreement to transfer its Natixis HO CHI MINH branch to BPCE. The transfer is, however, on hold pending approval from the Vietnamese regulatory authorities.

In accordance with IFRS 5 "Non-current assets held for sale and discontinued operations", Natixis continued to show Natixis HO CHI MINH as fully consolidated in the consolidated statements for the year ended December 31, 2011 and grouped Natixis HO CHI MINH's assets and liabilities in two separate places on the balance sheet: "Non-current Assets Held for Sale" and "Non-current Liabilities Held for Sale".

2.9 Standardization of individual data and treatment of intra-group transactions

Prior to consolidation, the individual financial statements of companies included in the scope of consolidation are restated if necessary to bring them into line with Natixis' accounting policies described below. Intra-group balances and gains and losses arising on intra-group transactions are eliminated.

2.10 Consolidation of insurance companies

The following rules are applied to consolidate the financial statements of insurance subsidiaries:

- income and expenses are classified by type in accordance with banking accounting principles and not as a function of expense;
- balance sheet items are included under the corresponding line items of the financial statements presented in the banking format.

Insurance company investments are classified in the balance sheet under the various categories of investments defined in IAS 39.

Policies managed by the insurance subsidiaries of the Coface, Compagnie Européenne de Garanties et Cautions (CEGC) and Natixis Assurance sub-groups meet the definitions of insurance policies and investment contracts with a discretionary participation feature set out in IFRS 4. Accordingly, they result in the recognition of technical reserves in liabilities. These reserves are measured in accordance with French GAAP pending publication of an IFRS standard dealing with technical liabilities of insurance companies.

Technical reserves for insurance policies meet the commitments of insurance companies with regard to policyholders and contract beneficiaries.

In accordance with IFRS 4, insurance technical reserves are calculated using methods stipulated by local regulations. A liability adequacy test is carried out in order to ensure that the insurance liabilities as presented in the consolidated financial statements are sufficient to cover future cash flows estimated at that date. The test is based on a stochastic or deterministic valuation model of discounted future cash flows.

Technical reserves for life-insurance policies are primarily composed of mathematical reserves corresponding to the surrender value of the contract.

Insurance offered primarily covers death, disability, work disability, dependency and financial loss. Related technical reserves (mathematical reserves and reserves for claims to be paid) are calculated using specialized tables (life, experience and BCAC tables).

Technical reserves for non-life insurance policies include reserves for unearned premium income and for claims to be paid (not discounted).

Reserves for unearned premium income are prorated separately for each insurance policy. They correspond to the portion of premium income remaining between the fiscal year-end and the premium due date.

Claims reserves include an estimate of claims reported but not settled at the reporting date. In addition to the amount of claims payable, a provision is set aside for unknown claims, calculated on a statistical basis by reference to the final amount of claims to be paid following settlement of risks and after any debt recovery measures.

Reserves also include economic hazards related to end-of-year premiums as well as a reserve for management fees.

In addition to this statistical estimation, specific reserves are recognized for major disasters based on the probability of default and of severity, estimated on a case-by-case basis.

Pursuant to paragraph 30 of IFRS 4, insurance policies and investment contracts with discretionary participation (life insurance) are measured using shadow accounting, which consists in recognizing the portion of unrealized gains or losses potentially attributable to policyholders as a deferred participation reserve. The deferred participation reserve thus reflects the potential entitlement of policyholders to unrealized gains for Financial investments or their portion of unrealized losses. Considering pay-out ratios observed in the past, concerns weighing on assumptions used to estimate net future cash flows from financial products and the rate of return to grant policyholders in a highly competitive economic environment, the deferred participation rate adopted on December 31, 2011, is 100.0% compared to 92.0% on December 31, 2010.

In the event of net unearned losses, a deferred participation asset is recognized up to the amount for which future deferred participation of policyholders is estimated to be highly probable.

Deferred participation assets and liabilities arise mainly on:

- the remeasurement of available-for-sale financial assets and financial assets at fair value through profit and loss;
- the remeasurement of real estate assets held to cover insurance policies;
- the restatement in the consolidated financial statements of the capital reserve and the liquidity risk reserve.

The change in the deferred participation asset and liability is recognized:

- in equity when it relates to changes in the value of assets classified as "available-for-sale";
- in income when it relates to changes in the value of assets "at fair value through profit and loss" or investment property held to cover insurance policies, as well as changes in provisions for prolonged declines in value in "Assets available-for-sale":

Against a backdrop of steeply falling markets, application of the shadow accounting mechanism resulted in the recognition of a deferred participation asset on December 31, 2011.

(in millions of euros)	2011	2010
Total net deferred participation asset	830	-
Total net deferred participation liability	-	105

Up to a third of the total change in deferred participation between 2010 and 2011 is due to a sharp drop in equity markets, while around two-thirds is due to the change in credit spreads observed on debt instruments.

In accordance with a recommendation from the Conseil National de la Comptabilité dated December 19, 2008, the amount of the deferred participation asset was recorded at its recoverable value (under "Accruals and other assets" in the consolidated balance sheet). For the most part, it has been noted for Assurances Banque Populaire Vie and the investment vehicles it holds, which carry most of the life insurance assets within the scope of Natixis Assurances. The recoverability test has been performed on this same scope.

Deferred participation may be recovered depending on the intention and ability of companies to steer future compensation of contracts according to resources. These are sensitive to:

- changes in the equity and bond markets;
- changes in net inflows, which result from the commercial appeal of policies and the propensity of policy holders to renew their contracts;
- available reserves and own resources within companies to hold assets for a period compatible with changes in liabilities and consistent with market cycles.

Prospective analysis of the deferred participation asset's recoverability was therefore carried out. It showed the ability and intention of companies to meet liquidity requirements over the remaining recoverability period without selling investments in unrealized losses. This process corresponds to a forward-looking view of future cash flows, built following regulatory and contractual conditions applied to contracts and with the help of economic scenarios based on historic probability.

In practice, a recoverability test was carried out by drawing on the calculation engine of the liability adequacy test. This test consists in performing the liability adequacy test with an inflow over four consecutive years. In order to have a truly forward-looking approach and promote implicit options, the fair value of contract liabilities is calculated stochastically as the average of cash flows in different financial scenarios. This calculation requires:

- the generation of several hundred financial scenarios (long-term rates, equity, etc.);
- asset-liability modeling that particularly depends on:
  - the behavior of policyholders: surrenders based on competitiveness of offered rates,
  - the behavior of the insurer: choice of asset allocation, policy on realization of capital gains, steering of reserves.

A sensitivity study has also been carried out to measure the impact of a 10% distortion in the law governing structural surrenders.

It resulted that the average of results produced by stochastic scenarios does not challenge the recoverability of the deferred participation asset. The net deferred participation amount recognized as assets on Natixis' balance sheet as at December 31, 2011, is €830 million.

NOTE 3 CONSOLIDATION SCOPE

3.1 Key events

MERGER OF NATIXIS' AND BPCE'S LEASING ACTIVITIES

On April 1, 2011, through its subsidiary Natixis Lease, Natixis acquired 100% of the share capital of GCE Car Lease from Caisse d'Epargne Midi-Pyrénées.

DEVELOPMENT OF PRIVATE BANKING

For the purposes of creating a distribution platform for Independent Wealth Management Advisors (IWMAs), in the first quarter of 2011 Banque Privée 1818 acquired 66% of Sélection R, a subsidiary of Rothschild group, renaming it Sélection 1818.

RESTRUCTURING OF COFACE DIVISION

As part of refocusing on its credit insurance business line, Coface entities located in Europe that were considered not strategic were sold to Natixis HCP, a structure that was newly consolidated during the third quarter of 2011 and wholly owned by Natixis S.A., while the entity located in the US was sold to Natixis Collection North America Holding LLC, which was created during the fourth quarter of 2011 and is also wholly owned by Natixis S.A.

3.2 Changes in the scope of consolidation since January 1, 2011

The main changes in scope since January 1, 2011 were as follows:

3.2.1 CORPORATE AND INVESTMENT BANKING & GAPC

Newly consolidated entities

- Creation of Natixis Japan Securities Co, Ltd and the transfer of part of the Natixis Tokyo branch's operations to this entity;
- Creation of Liberty Island Funding, an SPE and securitization vehicle implemented by the New York branch whose purpose is to diversify sources of financing;
- Consolidation of the Bleachers, an SPE, carried out during the fourth quarter of 2011, with Natixis now bearing most of the risks and advantages.

Deconsolidated entities

- The following entities, which had become non-material, were deconsolidated in 2011:
  - Natixis Commercial Paper Corp,
  - Ixis Strategic Investments Corp,
  - Ixis Hawaii Special Member LLC,
  - WTC Owner LLC;
- Liquidation of Natixis ABM Corp. and Natixis Capital Arranger Corp.

Internal restructuring

- Total transfer of Dupont Denant Contrepartie's assets and liabilities to Natixis S.A. on March 31, 2011;
- Total transfer of Natixis Finance's assets and liabilities to Natixis S.A. on September 30, 2011;
- Sale to Natixis North America LLC by Natixis S.A. of its American subsidiary Natixis Bleichroder, Inc., which was then merged with Natixis Securities Americas LLC.

3.2.2 INVESTMENT SOLUTIONS

Private Banking

Newly consolidated entities

- For the purposes of creating a distribution platform for Independent Wealth Management Advisors (IWMAs), Banque Privée 1818 acquired 66% of Sélection 1818, a subsidiary of Rothschild group. This acquisition generated goodwill of €37.6 million in accordance with the full goodwill method. Banque Privée 1818 also granted a put to Messine Participations (which holds 34% of Sélection 1818). The value of the put was measured in debt at €33.7 million as at December 31, 2011.

Changes in equity holdings

- For the purposes of the above-mentioned transaction, Sélection 1818 was acquired through the tendering of 1818 Partenaires' shares, resulting in a 34% dilution effect.

Internal restructuring

- Total transfer of 1818 Partenaires' assets and liabilities to Sélection 1818 on May 31, 2011;
- Total transfer of Natixis Private Banking's assets and liabilities to Sélection 1818 on September 30, 2011.

Deconsolidated entities

- Sale of Mantra Gestion to an entity outside the Group.

Asset Management

Newly consolidated entities

- Acquisition of a "Double Rock" branch by Reich & Tang Deposit, generating goodwill of €3.6 million;
- Acquisition of 60% of Darius Capital Partners, generating goodwill of €5.5 million based on the full goodwill method.

  In addition, NGAM agreed to a buyback commitment on the equity of Darius Capital Management's founders (who hold 40% of Darius), for which a put was measured in debt at €4.6 million;
- Acquisition of 25% of IDFC Asset Management Company Ltd. and IDFC AMC Trustee Company Ltd. and IDFC AMC Trustee Company Ltd (investment advisors), generating goodwill of €40.9 million determined according to the partial goodwill method. These entities were accounted for using the equity method;
- Creation of Kennedy Financement Luxembourg 2;
- Creation of Loomis Sayles Investments Ltd (UK);
- Creation of Natixis Global Asset Management Asia Pte.

Deconsolidated entities

- Deconsolidation of entities now under consolidation thresholds:
  - Aurora ASG Global Opportunities Fund,
  - ASG Laser Fund,
  - Loomis Sayles Global Opportunities Fund,
  - Loomis Sayles Multi-Asset Real Return Cayman Fund,
  - Loomis Sayles Multi-Asset Real Return Fund,
  - Absolute Asia Dynamic Equities Fund,
  - Gateway Hedged US Equities Fund,
  - Natixis Oakmark Global Fund,
  - Natixis Oakmark International Fund;
- Following their liquidation, the following entities were also deconsolidated:
  - Loomis Sayles Absolute Strategies Fund (US),
  - Loomis Sayles Absolute Strategies Fund (Lux),
  - Natixis Investment Services Japan Ltd,
  - AlphaSimplex Managed Futures Fund,
  - Hansberger Focused International Equity Fund.

Internal restructuring

- Following the sale of Axeltis S.A. securities to NGAM by Natixis Participation 1, Axeltis S.A. is now consolidated at the NGAM level;
- Total transfer of Natixis Epargne Financière Services' assets and liabilities to Natixis Asset Management.

Private Equity – Third party asset management

Changes in equity holdings

- Dilutive impact of 5% for BP Développement related to an unequally subscribed capital increase entailing a €3.4 million reduction in consolidated equity.

3.2.3 SPECIALIZED FINANCIAL SERVICES

Factoring

Deconsolidated entities

- Deconsolidation of Natixis Factor Portugal and Natixis Factor Italy, which had become non-material.

Securities

Deconsolidated entities

- Following the sale of 33% of SLIB shares by Natixis, SLIB became non-material and was deconsolidated. This disposal generated a capital gain of €2.5 million.

Leasing

Newly consolidated entities

- Acquisition of 100% of subsidiary GCE Car Lease by Natixis Lease on April 1, 2011, from Caisse d'Epargne Midi-Pyrénées. This acquisition generated goodwill of €8.2 million, deducted from equity;

Internal restructuring

- Total transfer of Fructibail Invest's assets and liabilities to Fructibail on December 31, 2011.

3.2.4 FINANCIAL INVESTMENTS

Coface Group

Newly consolidated entities

- Following the revision of the Coface division's materiality thresholds, the following entities were consolidated:
  - Coface Chile S.A., Coface Seguro De Crédito Mexico, Coface Romania CMS, Coface South Africa, Coface South Africa Services and Coface Sigorta Turkey.

Changes in equity holdings

- Acquisition of 20% of the minority interests in Business Data Information, generating goodwill of €1 million from the exercise of a put on minority interests. This goodwill was calculated according to the partial goodwill method.

Internal restructuring

- Merger of Coface Service SPA with Coface Assicurazioni.

Private Equity

Deconsolidated entities

- Deconsolidation of Mercosul following the disposal of its assets in Brazil;
- Deconsolidation of Natixis Inversiones, Finatem and FNS5, which had become non-material.

Internal restructuring

- Total transfer of Financière 5-7's assets and liabilities to Natixis Private Equity.

3.2.5 OTHER

Newly consolidated entities

- Consolidation of Natixis HCP (formerly Investima 72), wholly owned by Natixis S.A. following the acquisition of shares from Coface Finans A/S Danmark, Coface Services, Kompass International, Graydon, Coface Services Belgium, Coface Servicios Portugal and TKB;
- Creation of Coface Collection North America Holding LLC, wholly owned by Natixis following the acquisition of shares from Coface Collection North America.

Internal restructuring

- Total transfer of Natixis Participation 1's assets and liabilities to Natixis S.A. on September 30, 2011.

Deconsolidated entities

- Deconsolidation of Edval Investment Ltd and Worledge A Investments Ltd, which had become non-material.
- Liquidation of Natixis Preferred Capital LLC I.

3.2.6 RETAIL BANKING

Internal restructuring

- Creation of BP Aquitaine Centre Atlantique, resulting from the merger of BP Sud-Ouest and BP Centre Atlantique;
- Creation of Sociétariat BP Aquitaine Centre Atlantique, resulting from the merger of Sociétariat BP Sud Ouest and Sociétariat BP Centre Atlantique;
- Creation of SCM BP Aquitaine Centre Atlantique, resulting from the merger of SCM Bordeaux and SCM Centre Atlantique.

NOTE 4 SPECIAL PURPOSE ENTITIES

4.1 Consolidation of special purpose entities

The various legal entities specifically created to manage a transaction or group of similar transactions (special purpose entities – SPEs) and substantially controlled by Natixis, even where there is no equity relationship, are consolidated if they make a material contribution to the consolidated financial statements. The main criteria for assessing the existence of such control as defined by SIC 12 are as follows:

- **Activity**: the SPE's activities are substantially conducted on behalf of Natixis which, directly or indirectly, has created the SPE to meet its specific business needs.
- **Decision-making powers**: Natixis has decision-making and management powers enabling it to control or obtain control of the SPE or its assets, including certain decision-making powers arising after the formation of the SPE. Such decision-making powers may have been delegated by setting up an auto-pilot mechanism.
- **Advantages**: the right to obtain a majority of the benefits of the SPE's activities; the right to a majority of any economic benefits distributed in the form of future net cash flows, earnings, net assets or other economic benefits, or rights to the majority of residual interests.
- **Risks**: Natixis substantially retains the majority of the residual risks or risks inherent in ownership of the SPE or its assets in order to obtain benefits from its activities.

SIC 12 does not apply to SPEs designed to manage post-employment and long-term employee benefits, which are covered by IAS 19 ("Employee Benefits"). Accordingly, employee pension funds and mutual insurance companies are not consolidated.

4.2 Types of SPEs with which Natixis has dealings

In the course of its business, Natixis has dealings with many SPEs on whose behalf it acts as, depending on the situation: lender, investor, guarantor, manager, sponsor or arranger.

An analysis of the characteristics of these entities and of their potential for consolidation is presented below by business and major categories of entities:

4.2.1 SPEs INVOLVED IN ASSET MANAGEMENT BUSINESS LINES (MUTUAL FUNDS, CDOS, REAL ESTATE FUNDS)

Mutual funds

The analysis differs depending on whether Natixis is a guarantor of the fund:

1. Non-guaranteed mutual funds:

Acting as manager of the asset management company does not in itself transfer the majority of a fund's risks and benefits to the NGAM sub-group. In fact, the asset management company does not guarantee and is not exposed to risk in respect of the fund's assets, and any provision for profit-sharing with the asset management company only applies to a small part of the gains. NGAM's compensation as manager is marginal compared to the returns generated for investors.

SIC 12's "risks" and "benefits" criteria must therefore be assessed in terms of any interest of the asset management company or any other Natixis entity in the funds. As neither NGAM nor any other Natixis entity have a majority interest in the funds, Natixis neither retains a majority of the benefits nor incurs a majority of the risks associated with these non-guaranteed mutual funds. Accordingly, these mutual funds are not consolidated.

2. Guaranteed mutual funds:

Natixis guarantees the capital and/or performance of certain Mutual Funds. An analysis of the risks incurred by Natixis as a result of such guarantees shows that such risks are controlled, either via the management policies and control procedures applied, via the composition of the funds (money market assets), via rigorous monitoring of counterparty risk, or via systematic hedging of swaps in the market (when Natixis is the counterparty to the performance swap set up by the fund). Accordingly, these mutual funds are not consolidated.

CDO structures

The NGAM sub-group is involved in such funds as manager of the underlying portfolio for third-party investors. Its role is strictly defined by the portfolio management agreement, which never provides it with effective control of the structure. Neither NGAM nor any other Natixis entity holds a majority interest in these funds. Natixis thus does not retain a majority of the benefits or incur a majority of risks. Consequently, no such fund was consolidated as of December 31, 2011.

Real estate funds

Real estate funds are generally set up by NGAM, but it may only be manager of a portfolio of real estate assets under a portfolio management mandate entered into with a third party. Its role is strictly defined by the portfolio management agreement, which never provides it with effective control of the structure.

The management fees paid are not such as to allow it to benefit from the bulk of the returns generated. If provision has been made for an incentive fee, it generally takes the form of a liquidation bonus, the major portion of which accrues to the unit holders. The "majority of risks" and "majority of benefits" criteria are assessed on the basis of the Group's interest in such funds.

On this basis, only two real estate funds managed by the NGAM sub-group were consolidated as of December 31, 2011:

- the EPI SLP fund;
- the EPI SO SLP fund.

US funds managed by the NGAM Corp. sub-group

Several funds managed by the asset management companies in the NGAM Corp. sub-group are consolidated given the sub-group's majority interest in these funds. Funds in which it does not hold a majority interest are not consolidated, as none of the SIC 12 criteria is met.

The following US funds were consolidated with respect to this principle as at December 31, 2011:

- Dynamic Equity Fund – 40 Act Fund;
- Loomis Sayles Trust Company, LLC (the "LLC");
- Natixis Caspian Private Equity, LLC (NCPE);
- NPE Caspian IA, LP;
- NPE Caspian IB, LP;
- Westpeak ActiveBeta Equity Fund.

4.2.2 LIFE INSURANCE SPEs (NATIXIS ASSURANCES SUB-GROUP)

The interests of the Natixis Assurances sub-group in UCITS and SCIs are subscribed in the form of euro or unit-linked insurance policies:

- euro-denominated policies are policies under which the insured party receives a minimum guaranteed return plus the major share of the surpluses generated by the insurance company's main fund. Any shortfall between the fund's return and the minimum guaranteed return is borne by the insurer, which thus incurs the risks. The risks and benefits criteria are met for such funds if the insurer holds a majority interest.

  At December 31, 2011, the Natixis Assurances sub-group held a majority interest in five funds which are material to the consolidated financial statements and were thus consolidated in the Natixis consolidated financial statements:
  - ABP ACTIONS,
  - ABP Croissance Rendement,
  - ABP MIDCAP,
  - Fructifoncier;
- unit-linked policies are policies under which the insured party selects the funds in which the insurer invests on its behalf. The value of the insurer's interest in such funds in the form of unit-linked policies is reflected in the insurance policies, the remuneration of which is not guaranteed. The risks and benefits inherent to these investments are borne by the insured party. Such funds do not therefore require consolidation.

4.2.3 CREDIT INSURANCE SPEs (COFACE SUB-GROUP)

The Coface sub-group's credit enhancement operations consist of insuring receivables securitized by a third party for investors via an SPE for losses in excess of a predefined amount. In this type of structure, the Coface sub-group has no role whatsoever in determining the SPE's activity or in its operational management. The insurance premium received on the insurance policy is a small sum compared to all the benefits generated by the SPE, the bulk of which flow to the investors.

For risk analysis purposes, a distinction must be made between the policies taken out by the German subsidiary Coface Kredit and those taken out by Coface in France:

- under the German policies, the credit insurer is only liable for losses in excess of a deductible termed the Aggregate First Loss. This first loss contractually defines the amount of first losses that are not covered by the credit insurer. The coverage provided by Coface Kredit via these policies is similar to "Natural disaster" type coverage. An analysis of these structures shows that the amount of the first loss is systematically higher than the expected loss, namely the average losses expected over the year. Accordingly, the "majority of risks" criterion is deemed not to be satisfied. The SPEs involved in these structures are accordingly not consolidated;
- the French policies taken out by Coface rarely include non-covered "first losses". But the policies only cover a small portion of the receivables held by the SPE. Furthermore, the quality of portfolio risk covered by Coface, compared to that borne by the other stakeholders (other insurers, sponsors, sellers) is not such as to transfer the majority of the structure's risks to Coface. Such entities are accordingly not consolidated.

4.2.4 PRIVATE EQUITY SPEs

- As part of its Private Equity operations, Natixis makes equity investments in unlisted companies via venture capital vehicles (Fonds Communs de Placement à Risque – FCPRs – venture capital funds and SICARs – Sociétés d'Investissement à Capital Risque – venture capital companies) and limited partnerships. All SIC 12 criteria ("Activities", "Decision-making powers", "Majority of Benefits" and "Majority of Risks") are assessed on the basis of the level of Natixis' interest in each investment tranche, and on the basis of any guarantees provided to these entities.
- Based on these factors, three entities were consolidated as of December 31, 2011:
  - DAHLIA SICAR A,
  - NPE Caspian IA, LP (also held by NGAM),
  - NPE Caspian IB, LP (also held by NGAM);
- Natexis Investment Corp., a wholly-owned Natixis subsidiary, holds a series of interests in Private Equity funds. The vehicles are not consolidated given that they represent marginal interests (generally under 1%) in each fund and thus do not meet all the SIC 12 criteria (activities, decision-making powers, majority of benefits and majority of risks).

4.2.5 SPEs FOR CIB'S STRUCTURED FINANCING OPERATIONS (EXCLUDING FINANCIAL ENGINEERING)

In order to meet project financing requirements (for industrial or infrastructure projects), movable assets (involving air, sea or land transport), real estate, corporate acquisitions (LBO financing) or commodities, Natixis may be required to create SPEs structured around a specific financial transaction on behalf of a customer.

Such entities do not meet any of the SIC 12 consolidation criteria because:

- the SPEs activities are conducted first and foremost on behalf of the customer;
- Natixis is rarely a shareholder in such entities and when it is, it generally holds a minority interest. Auto-pilot mechanisms are generally in place and Natixis has not structured them for its benefit;
- Natixis merely acts as a lender to such structures; most credit facilities are syndicated and the risks are equitably shared between the lenders in proportion to the amounts they have lent.

The structures for which Natixis is the sole lender or the majority shareholder are limited in number and do not have a material impact on the Natixis consolidated financial statements.

Accordingly, none of these entities had been consolidated as of December 31, 2011.

4.2.6 SPEs USED FOR FINANCING OPERATIONS

- SPEs may be used to hold securities on behalf of a customer.

  Natixis does not hold a majority interest in these entities. Furthermore, the risks and benefits criteria are not met because the risk is either borne by the capital provider or by a third party which provides Natixis with a guarantee as to the value of the assets in the vehicle.
- SPEs may be used to transform a debt type instrument (on the asset side of their balance sheet) into a more equity type instrument (on the liability side of their balance sheet), through the issue of preference shares for example. Within the scope consolidated and controlled by Natixis, the following two material entities were consolidated as of December 31, 2011. These are:
  - Natexis Banque Populaire Preferred Capital 2;
  - Natexis Banque Populaire Preferred Capital 3.

4.2.7 OTHER REAL ESTATE FUNDS

- Natixis Immo Développement invests in real estate assets in partnership with other investors using two types of structures:
  - SEP-type structures. These entities are not consolidated inasmuch as each partner recognizes its share of the SEP's assets, liabilities and results,
  - other structures under which a separate legal entity (SCI, SAS, SNC, etc.) acquires the assets. Natixis Immo Développement does not have any interest in structures that could have a material impact on Natixis' consolidated financial statements. Accordingly, no such entity was consolidated as of December 31, 2011;
- Natixis controls a certain number of SPEs designed to own or lease real estate assets intended to be re-let or otherwise made available to other Group subsidiaries or third parties. Such SPEs are consolidated once Natixis has a majority interest in these vehicles and where they are material to the consolidated financial statements. Three SPEs meet these criteria and were thus consolidated as of December 31, 2011:
  - Natixis Immo Exploitation,
  - SCI Altaïr 1,
  - SCI Altaïr 2;
- The Natixis Lease sub-group owns a certain number of SPEs which own real estate assets. Three of them are under Natixis' control (interests in excess of 50%) and were material as at December 31, 2011. They were thus included in Natixis' scope of consolidation at that date:
  - SCI Valmy Coupole,
  - OPCI Natixis Lease Investissement,
  - SASU Immobilière Natixis Bail held by OPCI Natixis Lease Investissement;

- Natixis Garanties owns three SCIs that hold the business line's operating property. All three were included in Natixis' scope of consolidation as of December 31, 2011: They are:
  - SCI Champs-Élysées,
  - SCI La Boétie,
  - SCI SACCEF.

4.2.8 CIB'S SECURITIZATION ENTITIES (PARIS – NATIXIS CAPITAL MARKETS NEW YORK) WITHIN THE REMIT OF GAPC (WORKOUT PORTFOLIO MANAGEMENT)

Securitization conduits are generally constituted in the form of SPEs used to segregate assets or derivatives representative of credit risks.

The purpose of such SPEs is to diversify and tranche the underlying credit risks, with a view to their acquisition by investors seeking a certain level of remuneration based on the level of risk assumed.

The assets of these conduits, and the liabilities they issue, are rated by the rating agencies, which continually monitor the suitability between the level of risk associated with each tranche sold and the rating attributed.

Investors may wish to invest for relatively short periods, in which case the asset-backed commercial paper (ABCP) held by the conduits may be transformed into treasury notes issued with shorter maturities.

Natixis is mainly involved in structures employing securitization entities in its capacity as:

- structurer of securitization transactions;
- originator of securities or loans held as assets and pending securitization;
- credit risk intermediary between the market and the securitization entity.

Natixis is also the sponsor of two ABCP conduits: Magenta and Versailles.

Given the segregation of risk and their aim of spreading credit risk for investors other than Natixis, securitization conduits do not generally require consolidation under IFRS:

- the activities have been principally conducted on behalf of third party investors so as to provide them with access to diversified portfolios;
- a third party entity manages the assets to the extent required. Natixis has no decision-making or management powers within such entities;
- in comparison to third party investors, Natixis never derives the majority of the benefits;
- Natixis only holds the most senior shares in these structures and is thus not exposed to the majority of risks.

It should be noted that at December 31, 2011, one entity was implicitly de facto consolidated, with Natixis remaining the main investor and the risks associated with the underlying assets being factored in via the valuation of the Natixis interest classified under "Instruments at fair value through profit and loss – Trading" and in respect of which provisions have been fully funded.

NOTE 5 ACCOUNTING PRINCIPLES AND VALUATION METHODS

5.1 Financial assets and liabilities (excluding derivatives)

At initial recognition, financial assets and liabilities are measured at fair value, corresponding to their acquisition price at that date. Their subsequent accounting treatment depends on their balance sheet classification. In accordance with IAS 39, financial assets are classified in one of the four categories of financial assets set out below:

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

These are instruments held for trading purposes or designated at fair value through profit and loss on initial recognition in accordance with the fair value option amendment to IAS 39 (published by the IASB in June 2005 and adopted by the European Union on November 15, 2005).

Securities held for trading purposes are those acquired by Natixis principally to be sold in the near term and those forming part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking.

Securities valued under this option fall into one of the following three categories:

- hybrid instruments that contain one or more significant and separable embedded derivative features;

- instruments belonging to a group of financial assets valued and managed on a fair value basis;
- instruments that present an inconsistency in accounting treatment with a related financial liability.

As stated in Note 2, Natixis has elected to use the option provided by IAS 28 and IAS 31, i.e., not to account for interests held by Private Equity subsidiaries using the equity method nor proportionally consolidate them if they are designated as "Financial assets at fair value through profit and loss". In accordance with the fair value option amendment, Private Equity investments less than 20%-owned are also recognized as "Financial assets at fair value through profit and loss", since managing and measuring these investments at fair value is a well-established practice within Private Equity companies.

The fair value of these assets on initial recognition is determined based on the bid price. Fair value is reviewed at each subsequent reporting date. Any changes including accrued interest are recorded in "Net gains or losses on financial instruments at fair value through profit and loss" in the consolidated income statement.

HELD-TO-MATURITY FINANCIAL ASSETS

These are non-derivative financial assets with fixed or determinable payments and fixed maturities that Natixis has the clear intention and ability to hold through to maturity, other than those that are designated on initial recognition as at fair value through profit and loss (fair value option) or available-for-sale, and those that meet the definition of loans and receivables.

On initial recognition, available-for-sale financial assets are measured at fair value including transaction costs. After initial recognition, loans and receivables are measured at amortized cost using the effective interest rate method, and tested for impairment at each reporting date. Where necessary, an impairment charge is recorded in income under "Provision for credit losses". An impairment charge was recorded for Greek securities held in the portfolio using the methods described in Note 10.4.2.1. Transactions intended to hedge interest rate risk on these securities are not permitted under IFRS.

LOANS AND RECEIVABLES

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market, other than those designated as at fair value through profit and loss or available-for-sale. This excludes assets for which the holder cannot recover the majority of the initial investment other than because of a credit deterioration, which should be classified as available-for-sale. The vast majority of loans granted by the Group are classified in this category. Loans and receivables also include the fair value of the hedged component of assets classified in this category (fair value hedges).

On initial recognition, loans and receivables are measured at fair value (i.e., face value) plus transaction costs and less any discount and transaction revenues. In the case of loans, transaction costs include fees and any expenses directly attributable to setting up the loan.

After initial recognition, loans and receivables are measured at amortized cost using the effective interest rate method, and tested for impairment at each reporting date. Where necessary, an impairment charge is recorded in income under "Provision for credit losses".

When loans are granted at below-market interest rates, a discount corresponding to the difference between the face value of the loan and the sum of future cash flows discounted at the market interest rate is deducted from the face value of the loan. The market rate of interest is the rate applied by the vast majority of financial institutions at any given time for instruments and counterparties with similar characteristics.

Specific case concerning shares of syndicated loans held for sale

Loans outstanding with a theoretical syndication date expired as at December 31, 2011, were analyzed on a case-by-case basis in order to take into account the market discounts observed at the end of the reporting period. Changes in the discounts recognized for the period are shown in "Net gains or losses on available-for-sale financial assets" and are discussed in Note 7.4.

Specific case concerning assets reclassified as "Loans and receivables"

"Loans and receivables" also include non-derivative financial assets initially classified at fair value through profit and loss or available-for-sale, but subsequently reclassified as "Loans and receivables", under the conditions set out in the "Reclassification of financial assets" amendment to IAS 39 and IFRS 7 published on October 13, 2008. Assets reclassified in accordance with this amendment meet the definition of loans and receivables at the reclassification date, i.e., they are not quoted on an active market, or were no longer quoted on an active market at the reclassification date. Assets reclassified in accordance with this amendment cannot be held with the intention of being sold in the near term.

The instruments are reclassified based on their fair value at the reclassification date. The difference between this amount and the estimated cash flows the entity expects to recover at the reclassification date is recognized as net revenues over the instrument's expected maturity, based on the effective interest rate at that date. After reclassification, the assets are measured at amortized cost using the effective interest rate method and will be tested for impairment at each reporting date. Any resulting impairment losses will be recognized in income under "Provision for credit losses".

If the amount of the impairment loss decreases in a subsequent period and the decrease can be related objectively to an event occurring after the impairment was recognized, all or part of the previously recognized impairment loss may be reversed.

If estimates of future cash flows as of the reclassification date are revised upwards in subsequent reporting periods, the impact is accounted for as an adjustment to the effective interest rate at the date of the change in estimate.

The reserve to be recycled to the income statement in respect of instruments reclassified from "available-for-sale financial assets" to "loans and receivables" remains fixed at its level as of the reclassification date. The amounts in question are recycled to income using the effective interest rate method over the residual life of the assets, or immediately if the instrument has been impaired or sold since reclassification.

All of the required disclosures regarding reclassified financial assets are provided in Note 6.6.2.

AVAILABLE-FOR-SALE FINANCIAL ASSETS

Available-for-sale financial assets are non-derivative financial assets that are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit and loss. Assets in this category include Natixis' investments in non-consolidated companies. They are initially classified at fair value. Subsequently, and at each reporting date, the assets are remeasured to fair value based on the bid price for listed instruments.

The fair value of listed non-consolidated investments corresponds to their last listed price prior to the reporting date. The fair value of unlisted non-consolidated investments is obtained using the P/E (price/earnings ratio) or DCF (discounted cash flow) valuation methods or share in revalued equity.

Gains or losses arising from changes in the fair value (excluding income) of available-for-sale financial assets that are not hedged are recognized directly in equity under "unrealized capital gains or losses". Accrued or earned income is recognized in the income statement under "interest and similar income" using the effective interest rate method. Available-for-sale financial assets are tested for impairment at each reporting date. Where there is objective evidence that an asset is impaired and a decline in the fair value has already been recognized directly in equity, the cumulative impairment loss is removed from equity and taken to income under "Provision for credit losses" (fixed-income securities) or "Net revenues" (variable-income securities).

Determining whether there is objective evidence of impairment is based on a multi-criteria approach and independent expert opinions, particularly in the case of debt instruments. Evidence of impairment includes:

- for debt instruments: default on interest or principal payments, existence of mediation, warning or legal reorganization procedures; counterparty bankruptcy and any other indicator pointing to a material decline in the counterparty's financial position, such as losses on completion projected by discounted cash flow models or stress tests;
- for equity instruments (excluding investments in unlisted companies): indications suggesting that the entity is unlikely to recover all or part of its initial investment. Securities presenting an unrealized capital loss of over 30% on their face value, or presenting an unrealized capital loss for a period of more than six months, are systematically tested for impairment. The test involves a qualitative analysis considering a variety of factors such as share price performance over a given period or information relating to the issuer's financial position. Where necessary, an impairment loss is recognized based on the market price at the reporting date. Irrespective of this analysis, an impairment loss is systematically recognized when securities present an unrealized capital loss of over 50% at the reporting date, or an unrealized capital loss on their face value for a period of more than 24 months;
- for investments in unlisted, non-consolidated companies: unrealized capital losses of over 20% on their face value for a period of more than 18 months, or significant changes in the technological, market, economic or legal environment suggesting that the amount invested in the equity instrument may not be recoverable;
- for shares in venture capital funds (FCPRs), net asset value alone is not enough to determine whether there is any evidence that the initial investment might not be recovered. This is because net asset value during the investment phase is reduced by start-up costs (structuring and brokerage fees, etc.) Accordingly, for investments of this type which are not quoted on an active market, the following impairment principles apply:
  - no impairment is recognized if, at the reporting date, the position and results of the fund are in line with the business plan,
  - if this is not the case, the business plan must be revised in order to determine whether or not the securities should be impaired.

If the fair value of an available-for-sale financial asset increases during a subsequent period, and this increase can be objectively linked to an event occurring after the impairment loss was charged to income:

- reversals of impairment losses on equity instruments are recorded in equity rather than in the income statement,
- reversals of impairment losses on debt instruments are recorded in the amount of the previously recorded impairment loss.

In accordance with IFRIC 10, impairment losses recorded against equity instruments at interim reporting dates are frozen in income and cannot be reversed until the securities are sold.

5.2 Leases

TRANSACTIONS WHERE NATIXIS IS A LESSOR

Leases are classified as finance leases when substantially all of the risks and rewards incidental to ownership are transferred to the lessee. All other leases are classified as operating leases.

IAS 17, which sets forth the accounting treatment of leases, gives five examples of situations where substantially all of the risks and rewards incidental to ownership are transferred to the lessee:

- the lease transfers ownership of the asset to the lessee by the end of the lease term;
- the lessee has the option to purchase the asset at a price that is expected to be sufficiently below the fair value at the date the option becomes exercisable for it to be reasonably certain, at the inception of the lease, that the option will be exercised;
- the lease term is for the major part of the economic life of the asset;
- at the inception of the lease, the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset;
- the leased assets are of such a specialized nature that only the lessee can use them without major modifications.

IAS 17 also describes three indicators that individually or in combination could also lead to a lease being classified as a finance lease:

- if the lessee can cancel the lease, the lessor's losses associated with the cancellation are borne by the lessee;
- gains or losses from the change in the fair value of the residual value accrue to the lessee;
- the lessee has the ability to continue the lease at a rent that is substantially below the market rent.

On its transition to IFRS, Natixis analyzed the substance of its lease contracts in accordance with the provisions of IAS 17, which are more specific than French GAAP. This led to certain "finance leases" being reclassified as "operating leases".

At inception, assets held under a finance lease are recognized in the lessor's balance sheet and presented as a receivable at an amount equal to the net investment in the lease, corresponding to the present value of minimum lease payments due from the lessee discounted at the rate of return implicit in the lease, plus any non-guaranteed residual value accruing to the lessor.

Revenues under the finance lease are recognized as income at the interest rate implicit in the lease so as to produce a constant periodic rate of return on the lessor's net investment. The interest rate implicit in the lease is the discount rate that, at the inception of the lease, causes:

- the aggregate present value of the minimum lease payments receivable by the lessor and the non-guaranteed residual value, to be equal to the sum of:
- the fair value of the leased asset and (ii) any initial direct costs of the lessor, i.e., the costs incurred specifically by the lessor during the set-up of the leasing contract. These two items form the initial value of the asset.

IAS 17 requires that non-guaranteed residual value be reviewed on a regular basis. If there has been a reduction in the estimated non-guaranteed residual value, the income allocation over the lease term is revised (revised depreciation schedule) and any reduction in respect of amounts accrued is recognized immediately.

Finance income corresponding to interest is recognized in the income statement under "Interest and similar income".

Provisions for finance leases are determined using the same method as that described for loans and receivables.

Assets provided under operating leases are shown in the balance sheet under property, plant and equipment or intangible assets in the case of equipment leases, and investment property in the case of property leases. Lease income from operating leases is recognized in the income statement on a straight-line basis over the lease term, under "Income or expenses from other activities".

TRANSACTIONS WHERE NATIXIS IS A LESSEE

For consolidation purposes, property, plant and equipment used in the business and held under finance leases is restated and reported under "Property, plant and equipment" where material. At the inception of the lease term, leased property, plant and equipment is recognized at the lower of fair value and the present value of minimum lease payments, with a corresponding entry under debt on the liabilities side of the balance sheet.

Leased assets are depreciated in the same way as owned assets of the same nature.

5.3 Credit risk on assets classified as loans and receivables

ASSETS INDIVIDUALLY ASSESSED FOR IMPAIRMENT

At each reporting date, Natixis reviews assets classified as loans and receivables to determine whether there is any objective evidence of impairment arising from one or more events occurring after initial recognition and having an impact on estimated future cash flows. This corresponds to loans identified as doubtful or irrecoverable under French regulations (CRC regulation 2002-03).

When evidence of impairment exists, Natixis calculates the estimated recoverable amount discounted at the original effective interest rate, taking into account the impact of any available guarantees. Impairment is recognized as the difference between the net carrying amount of the loan and its estimated recoverable amount.

The impairment loss is recorded against the line on which the asset was initially shown for its net amount. Impairment charges and reversals are recorded in the income statement under "Provision for credit losses".

ASSETS COLLECTIVELY ASSESSED FOR IMPAIRMENT

Financial assets measured at amortized cost for which there is no objective evidence of impairment are included in a group of assets with similar risk characteristics. Where objective evidence of impairment is found to exist for a given group of assets, a collective impairment loss is recorded regardless of whether or not the risk has yet affected one or more individual loans.

Financial assets are grouped according to three characteristics: credit rating for loans to individual and small business customers, and industry risk and geographic risk for corporate, sovereign and other similar counterparties.

In the first risk group comprising individual and small business customers, pre-disputed loans are recognized as impaired.

For the other two risk classes (industry and geographic risk), objective evidence of impairment is based on in-depth analysis and monitoring of business sectors and countries. Such evidence typically arises from a combination of micro or macroeconomic factors specific to the industry or country concerned.

For industry risk, microeconomic criteria include indicators of financial solidity applied to a sample of companies representing each industry sector. Examples of criteria tracked by industry analysts are trends in sales volumes, the extent to which companies in the industry meet their growth targets, profit trends for companies in the industry, as well as available cash and gearing ratios. Examples of macroeconomic criteria include general market inputs such as the price of oil and the US$ and commodities costs.

For geographic risk, the analysis takes into account the sovereign rating, which itself includes a number of inputs such as the country's political situation, its ability to withstand extreme stress, economic fundamentals (e.g., GDP per capita, external debt), government efficiency, economic performance and economic outlook. In turn, each of these inputs is itself measured by one or more indicators. Analyses also draw on information published by major rating agencies for country and sovereign risk in order to establish the thresholds for assessing a given situation and the solidity of the country's banking system. Qualitative information from specialist independent agencies is also considered.

Loans on the watch list, for which a Basel 2 default has been identified, are written down collectively unless they are already subject to specific writedowns.

Where a group of financial assets is found to be impaired, the impairment loss is calculated based on the expected losses arising on each exposure within the Group, in accordance with the provisions of Basel 2.

Since risk measurement under the terms of Basel 2 is based on the probability of default within one year, the calculation of expected losses is adjusted to reflect the probability of default over the remaining term of the loans affected.

Where necessary, Natixis calls on the opinion of experts to adjust the results of this calculation to the Natixis group's actual risks.

The impairment loss is recorded against the line on which the asset was initially shown for its net amount. Impairment charges and reversals are recorded in the income statement under "Provision for credit losses".

5.4 Derivative financial instruments and hedge accounting

In line with IAS 39, derivative financial instruments are recognized at fair value on the balance sheet, regardless of whether they are held for trading or hedging purposes.

DERIVATIVE FINANCIAL INSTRUMENTS HELD FOR TRADING PURPOSES

Derivatives held for trading purposes are recorded in the balance sheet under "Financial assets at fair value through profit and loss" when their market value is positive, and under "Financial liabilities at fair value through profit and loss" when their market value is negative.

After initial recognition, changes in fair value are recorded in the income statement under "Net gains or losses on financial instruments at fair value through profit and loss". The interest accrued on such instruments is also included on this line.

Specific case of embedded derivatives:

An embedded derivative is a component of a host contract which causes some or all of the cash flows of that contract to change in response to changes in an underlying (interest rate, share price, exchange rate or other index).

When the hybrid instrument (host contract and derivative) is not measured at fair value through profit and loss, the embedded derivative is separated from the host contract if it meets the criteria for definition as a derivative and its economic characteristics and associated risks are not closely related to those of the host contract.

Derivatives separated from host contracts in this way are included in assets and liabilities at fair value through profit and loss.

DERIVATIVE FINANCIAL INSTRUMENTS USED FOR HEDGING PURPOSES

IAS 39 recognizes three hedging relationships eligible for hedge accounting: cash flow hedges, fair value hedges and hedges of a net investment in a foreign operation.

Derivatives may only be designated as hedges if they meet the criteria set out in IAS 39 at inception and throughout the term of the hedge. These criteria include formal documentation that the hedging relation between the derivatives and the hedged items is both prospectively and retrospectively effective. Hedging relationships are presumed to be effective when, retrospectively, changes in the value of the hedging instrument offset changes in the value of the hedged item in a range of 80%-125%.

Cash flow hedging

Cash flow hedging is used to hedge future cash flows from an existing or highly probable future transaction.

Hedging of variable-rate borrowings and issues

Natixis uses interest rate swaps borrowing at fixed rates to fix future costs of interbank borrowings and public/private issues.

Hedging of variable-rate loans

Natixis uses plain vanilla interest rate swaps lending at fixed rates to fix future variable-rate borrowing costs.

Overall hedging of interest rate risk

Cash flow hedges are mainly used by Natixis to hedge Natixis S.A.'s overall interest rate risk.

The documentation for these structural hedges is based on future variable cash management schedules for all variable-rate transactions.

Prospective hedge effectiveness tests involve establishing repricing schedules (by index and currency) for (i) cumulative variable-rate borrowings and fixed-rate borrower swaps by maturity bracket, and (ii) cumulative variable-rate loans and fixed-rate lender swaps, by maturity bracket.

Hedging is demonstrated if, for each maturity, the nominal amount of the items to be hedged is greater than the notional amount of the hedging derivatives.

Retrospective hedge effectiveness tests are used to verify whether or not the hedge was effective at different reporting dates. At each such date, changes in the fair value of hedging instruments (excluding accrued interest) are compared with changes in the fair value of the hypothetical derivative instruments hedged (synthetic instruments representative of hedged assets or liabilities and management intentions). To be effective, changes in the fair value of hedging instruments must offset changes in the fair value of hedged items in a range of 80%-125%. Outside these limits, the hedge would no longer qualify for hedge accounting under IFRS.

Accounting for cash flow hedges

The effective portion of the gain or loss on the hedge is recognized directly in equity, while the ineffective portion is taken to income at each reporting date under "Net gains or losses on financial instruments at fair value through profit and loss". No specific entries are made to hedged items (other than those that would be made if they were not hedged).

If a hedging relationship is discontinued, for example when hedge effectiveness is outside the 80%-125% range, the derivative must be reclassified in financial instruments at fair value through profit and loss, while the cumulative amount relating to the effective portion of the hedge that has been carried directly in equity under "Unrealized or deferred gains or losses" is recycled to income when the hedged item itself affects income.

Fair value hedging

Fair value hedging is intended to hedge the exposure to changes in fair value of a recognized asset or liability or an unrecognized firm commitment.

Overall hedging of interest rate risk

The subsidiary Natixis Financial Products LLC (formerly Natixis Capital Markets North America) documents overall hedging of its interest rate risk in accordance with fair value hedging rules. To account for these transactions, the subsidiary applies the carve-out provisions of IAS 39 as adopted by the European Union. The accounting treatment of derivative financial instruments designated for accounting purposes as structural fair value hedges is similar to that applied to fair value hedging derivatives. Changes in the fair value of portfolios of hedged instruments are reported on a specific line of the balance sheet ("Revaluation adjustments on portfolios hedged against interest rate risk"), with a corresponding entry in income.

Hedging of fixed-rate loans and borrowings

Natixis uses plain vanilla interest rate swaps lending at fixed rates to protect itself against the impact of unfavorable changes in interest rates on its fixed-rate borrowings and issues. Plain vanilla swaps borrowing at fixed rates are used to protect it from the impact of unfavorable changes in interest rates on its fixed-rate loans and securities.

Documentation of fair value hedges

The prospective hedge effectiveness test is used to ensure that the financial characteristics of the hedged item and hedging instrument are essentially the same: value date, maturity, notional amount, fixed rate and payment frequency.

Retrospective hedge effectiveness tests are used to verify whether or not the hedge was effective at different reporting dates.

At each such date, changes in the fair value of hedging instruments (excluding accrued interest) are compared with changes in the fair value of the hypothetical assets and liabilities hedged (synthetic instruments representative of hedged assets or liabilities). To be effective, changes in the fair value of hedging instruments must offset changes in the fair value of hedged items in a range of 80%-125%.

Outside these limits, the hedge no longer qualifies for hedge accounting under IFRS.

Accounting for fair value hedges

Gains or losses arising from changes in the fair value on the hedge are recognized as income for both the effective and ineffective portions symmetrically with changes in the fair value of the hedged items.

Accordingly, only the ineffective portion of the hedge affects income.

Changes in the fair value of hedging derivatives excluding accrued interest are recorded in income under "Net gains or losses on financial instruments at fair value through profit and loss". Accrued interest relating to these instruments is recorded under "Interest and similar income" or "Interest and similar expenses".

When a hedging relationship is discontinued, the hedging instrument is reclassified in financial instruments at fair value through profit and loss, while the unrealized gain or loss on the hedged item is fixed at its amount on the date the hedge is discontinued and taken to income through to maturity.

Hedging of a net investment in a foreign operation

Net investment hedges are used to hedge the exchange risk arising on net foreign currency investments (consolidated subsidiary or investment). They are accounted for in the same way as cash flow hedges. The effective portion of changes in the fair value of hedging instruments (monetary derivative or liability denominated in foreign currency) is recognized in equity, while the ineffective portion is recognized in income. Unrealized gains or losses recognized directly in equity are transferred to income when all or part of the net investment is sold.

Internal contracts

Many internal contracts involving derivatives used in hedge accounting exist between Natixis and its subsidiaries. To ensure that the transactions meet the hedge accounting criteria for consolidation purposes, Natixis regularly verifies that they have been correctly hedged on the market.

Credit derivatives

Credit derivatives used by Natixis are not considered as financial guarantees but as derivatives falling within the scope of IAS 39. They are classified as assets or liabilities at fair value through profit and loss.

5.5 Foreign currency transactions

Monetary assets and liabilities (mainly bonds and other fixed-income securities) denominated in foreign currencies are translated into euros at the spot rate prevailing at the reporting date. The resulting exchange gains and losses are recognized directly in income, or in equity for derivatives designated as cash flow hedges.

Non-monetary items denominated in foreign currencies and measured at fair value are translated at the exchange rate when fair value is estimated. Gains or losses on a non-monetary item (e.g., variable-income securities) denominated in foreign currency are recognized as income when the asset is classified as "Financial assets at fair value through profit and loss" and in equity when the asset is classified as "available-for-sale financial assets", unless the financial asset is designated as a hedged item in a fair value hedge, in which case foreign exchange gains and losses are recorded as income.

5.6 Fair value of financial instruments

GENERAL PRINCIPLES

The fair value of a financial asset or liability is the amount at which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction.

On initial recognition, fair value is the price paid or received. On subsequent reporting dates, fair value is estimated on the following basis:

- if the instrument is quoted on an active market, fair value is its quoted price. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis;
- if the market for a financial instrument is not active, fair value is established using various valuation techniques. Valuation techniques may refer to observable data from recent transactions, the fair value of similar instruments, discounted cash flow analysis and option pricing models, proprietary models in the case of complex products or non-observable data when no pricing or market data are available. The fair values obtained using these models may be adjusted, depending on the instruments concerned and the associated risks, to take account of factors such as the bid-ask spread and modeling risk.

The following criteria are used to determine whether or not a market is active:

- a significant drop in market activity;
- the length of historical data of prices observed in similar market transactions;
- scarcity of prices recovered by a service provider;
- disappearance of the primary market;
- sharp bid-ask price spread;
- steep price volatility over time or between different market participants.

FAIR VALUE HIERARCHY

For financial reporting purposes, IFRS 7 as amended requires fair value measurements applied to financial instruments recognized on the balance sheet to be allocated to one of three levels:

a) Level 1: instruments quoted on an active market

Level 1 comprises instruments whose fair value is determined based on directly usable prices quoted on active markets.

This mainly includes listed securities and derivatives traded on organized markets (futures, options, etc.) whose liquidity can be demonstrated, and shares of UCITS whose NAV is determined and reported on a daily basis.

b) Level 2: instruments measured based on recognized valuation models using observable inputs other than quoted prices

Level 2 comprises instruments not directly quoted on an active market, measured using a valuation technique incorporating parameters that are either directly observable (prices) or indirectly observable (price derivatives) through to maturity. This mainly includes:

Simple instruments

Most over-the-counter derivatives, swaps, forward rate agreements, caps, floors and plain vanilla options are traded in an active market. An active market is a liquid market in which trades occur regularly.

These instruments are valued using generally accepted models (discounted cash flow method, Black & Scholes model, interpolation techniques), and on the basis of directly observable inputs.

For these instruments, the extent to which models are used and the observability of inputs has been documented.

Instruments measured using level 2 inputs also include:

- securities not quoted on an active market whose fair value is determined based on observable market data. Example: use of market data published by listed peer companies or the earnings multiple method;
- listed securities with low liquidity whose fair value is determined by similar instruments listed on an active market, or identical or similar instruments listed on an inactive market but for which regular transactions have been observed;
- shares of UCITS whose NAV is not determined and published on a daily basis, but are subject to regular reporting or offer observable data from recent transactions;
- debt issues measured at fair value through profit and loss. The valuation of the "issuer credit risk" component is based on the discounted cash-flow method, using directly observable parameters (yield curve, revaluation spreads, etc.). For each issue, this valuation represents the product of its remaining notional amount and its sensitivity, taking into account the existence of calls, and based on the difference between the revaluation spread (based on BPCE's cash ask curve as at December 31, 2011, and Natixis' senior CDS curve as at December 31, 2010) and the average issue spread. Changes in the issuer spread are generally not material for issues with an initial maturity of less than one year.

Complex instruments

Certain hybrid and/or long-maturity financial instruments are measured using a recognized internal model on the basis of market inputs derived from observable data such as yield curves, implied volatility layers of options, market consensus data or active over-the-counter markets.

Inputs relating to all such instruments were demonstrated to be observable. From a methodology perspective, observability is based on four inseparable criteria:

- inputs are derived from external sources (a recognized contributor wherever possible);
- they are updated periodically;
- they are representative of recent transactions;
- their characteristics are identical to the characteristics of the transaction. If necessary, a proxy may be used, provided that the relevance of such an arrangement is demonstrated and documented.

The fair value of instruments obtained using valuation models is adjusted to take account of counterparty, modeling and input risks.

The margin generated when these instruments begin trading is immediately recognized in income.

c) Level 3: instruments measured using models that are not commonly used and/or that draw on non-observable inputs

Level 3 comprises instruments measured using unrecognized models and/or models based on non-observable market data, where they are liable to materially impact the valuation. This mainly includes:

- unlisted shares whose fair value could not be determined using observable inputs;
- instruments with a deferred one-day margin;
- shares of UCITS for which the fund has not published a recent NAV at the valuation date, or for which there is a lock-up period or any other constraint calling for a significant adjustment to available market prices (NAV, etc.) in respect of the low liquidity observed for such shares;

- instruments carried at fair value on the balance sheet and for which data are no longer available due to a freeze in trading in the wake of the financial crisis, which were not reclassified within "Loans and receivables" pursuant to the amendment to IAS 39 and IFRS 7 published on October 13, 2008 (see below). When there is a significant drop in trading in a given market, a valuation model is used based on the only available relevant data.

In accordance with the decree of February 20, 2007 on requirements resulting from the Third Pillar of Basel 2, a description of crisis simulations and ex-post controls (validation of the accuracy and consistency of internal models and modeling procedures) is provided for each model used in the "Risk Management" section of the registration document.

Under IAS 39, day-one profit should be recognized only if it is generated by a change in the factors that market participants would consider in setting a price, i.e. only if the model and parameters input into the valuation are observable.

If the selected valuation model is not recognized by current market practices, or if one of the inputs used is not observable, the trading profit on the trade date cannot be recognized immediately in the income statement, but is taken to income on a straight-line basis over the life of the transaction or until the date the inputs become observable. Any losses incurred at the trade date are immediately recognized in income.

At December 31, 2011, instruments on which the recognition of day-one profit/loss has been deferred included:

- structured products with multiple underlyings (equities/indexes);
- options on funds;
- hybrid interest rate and inflation-linked products;
- interest rate derivatives;
- securitization swaps;
- structured credit products (CDS, CDOs and FTDs);
- and carbon-based derivative instruments.

INSTRUMENTS AFFECTED BY THE FINANCIAL CRISIS

a) ABS CDOs with subprime exposure

In the absence of observable market data, directly-held ABS CDO portfolios with subprime exposure are measured using a valuation method which was refined in 2010. The adjustment to the valuation method was based on a discounted cash flow approach using Intex modeling.

Cumulative loss rate (subprime)	12.31.2010	12.31.2011
Vintages prior to 2005	6.4%	7.2%
2005 vintage	15.3%	17.1%
2006 vintage	27.9%	31.6%
2007 vintage	48.5%	56.2%

The following assumptions applied in previous years remained unchanged:

- the current rating of assets posted as collateral rated CCC+ or below is taken into account by applying a 97% discount to the underlyings. This discount was reduced to 70% for underlying assets initially rated AAA in standard securitization transactions (i.e., excluding Commercial Real Estate CDOs – CRE CDO, ABS CDO, ABS CDO Mezzanine, on which a 97% discount continues to be applied);
- non-subprime underlying assets held (excluding US RMBS) are valued using a discount matrix taking into account transaction types, ratings and vintages;
- valuation of RMBS and CLOs based on the model used for directly held RMBS and CLO positions.

In the case of structures in which Natixis holds the underlying assets, each underlying tranche is valued transparently, using the corresponding mark-to-model or mark-to-market techniques.

b) CDS contracted with credit enhancers (monoline insurers and CDPCs)

The valuation model used to measure write-downs on CDS contracted with monoline insurers consists in applying a standard rate of recovery of 10% for unrealized capital losses on the underlying assets concerned (rate justified by the low capitalization of monoline insurers given their risk exposures) and a probability of default calibrated to the credit risk associated with the credit enhancer.

The current method for determining provisions for contracts with CDPCs (Credit Derivatives Product Companies) was refined by applying a transparency-based approach to the underlying assets, based on an estimate of exposure at the time of default, with the PD and LGD based on the tranche's maturity. A stress factor of 1.2 was applied to the probabilities of default thus determined for the underlyings, based on a recovery rate of 27%. Counterparties are associated with a probability of default whenever the losses resulting from the calculation exceed the CDPC's net available assets.

In addition to these provisions, a general reserve also takes into account the volatility of the fair value of the contracts.

c) US RMBS portfolios, including subprime RMBS

The valuation model used to determine the fair value of non-agency US RMBS (with or without a subprime component) held by Natixis is based on final loss levels for each structure, estimated using a formula taking into account cumulative losses at maturity and defaults recognized. Unrealized losses are determined by projecting final losses based on estimated losses to date, as calculated by the "delinquency pipeline", the severity of loss given default and the losses already incurred based on assets and pool vintages.

d) European RMBS

These instruments are valued based on a calculation of their fair value using historical benchmark spreads contained in the Markit database. The benchmarks are defined by type of securitization, rating and country, and are associated with spread curves. These values are then adjusted by a coefficient designed to factor in liquidity risk.

e) Other instruments not exposed to US housing risk measured by Natixis using a valuation model

The section below describes the underlying principles used to value assets resulting from securitization transactions for which no market prices could be identified and which were therefore measured using valuation models:

US non-residential ABS CDOs:

A scoring model was used defining the level of risk associated with each structure based on a series of criteria.

Commercial Mortgage Backed Securities (CREs, CDOs and CMBS):

These instruments are valued using a credit stress approach based on a valuation model drawing on projected future cash flows and cumulative loss rates per structure. Cumulative loss rates per structure are established based on loss rates for the underlying loans, differentiated by vintage. Coupons per tranche are set as a group at 3% for AAA-rated CRE CDOs in relation to estimated interest flows, given the current ratings of the structures.

The model used for European CMBS was refined during the fiscal year. It is based on projected future cash flows and defaults on underlying loans for each structure, which are determined based on the individual characteristics for each loan and a correlation assumption applied to loans in the same pool.

Trust Preferred Securities (Trups) CDOs:

The valuation model applied in previous years, based on projected future cash flows according to default distribution scenarios, was refined over the 2011 fiscal year by adopting an approach drawing on collateral segmentation. Default distribution curves are determined based on the type of underlying loans. For banking receivables, a median time-to-default approach is used based on financial ratios. For other sectors, default rates are estimated considering the current ratings of assets.

CLOs:

The same model was applied as in previous years, based on detailed knowledge of the characteristics of transactions and an assessment of credit risk using several inputs, including a benchmark average cumulative default rate of 30%, a recovery rate of 65% for senior underlyings, and a correlation rate of 43.6%, replacing the default distribution parameter used in previous years.

INSTRUMENTS NOT CARRIED AT FAIR VALUE ON THE BALANCE SHEET

IFRS 7 requires disclosure in the notes to the financial statements of the fair value of all financial instruments carried at amortized cost, including loans. The valuation methods used to determine the fair value disclosed in the notes to the financial statements are described below.

a) Instruments reclassified as "Loans and receivables"

The fair value of instruments reclassified in accordance with the "Reclassification of financial assets" amendment to IAS 39 and IFRS 7 published on October 13, 2008, was calculated using the valuation models described below.

The valuation method for US RMBS including subprime RMBS, European RMBS, CMBS, and CLOs reclassified to "Loans and receivables" is the same as that used for identical instruments classified as "Instruments at fair value through profit and loss" and "available-for-sale assets".

b) Other instruments

Loans classified as "Loans and receivables" and amounts payable under finance leases

The majority of Natixis' loans are variable-rate loans, and their fair value is determined on the basis of discounted future cash flows. The discount rate applied for a given loan is the rate at which Natixis would grant a loan with similar characteristics to a similar counterparty at the reporting date. As these are primarily variable-rate loans, the contractual rate is adjusted according to the trend in market lending rates and in counterparty risk.

If there is a quoted price that meets the criteria of IAS 39, the quoted price is used.

The fair value of loans with an initial term of less than one year is considered to be their carrying amount.

Borrowings

The fair value of variable-rate borrowings and debt securities is considered to be their net carrying amount on the balance sheet. Fixed-rate borrowings and debt securities are discounted based on the fixed rates available on the market at the reporting date for a debt with a similar term to maturity. Where fluctuations in the issuer spread are not material, the valuation does not take this effect into account. This is generally the case for issues with an initial maturity of less than one year.

Investment property recognized at cost

The fair value of investment property (excluding investment property held by insurance companies) is determined by reference to the capitalization of rents, a method widely used by real estate professionals. The capitalization rate applied to the property depends on a number of factors such as location, the quality and type of building, use, type of ownership, quality of lessee and characteristics of the lease, the interest rate and competition in the real estate market.

5.7 Guarantee mechanism for GAPC assets

On November 12, 2009, an asset protection system was implemented for part of the GAPC portfolios by BPCE, with retroactive effect at July 1, 2009. With this guarantee mechanism, Natixis can free up a substantial portion of the capital allocated to segregated assets to guard against risks of losses on these portfolios subsequent to June 30, 2009. This protection system is structured around two mechanisms:

- a sub-participation with the characteristics of a financial guarantee, covering 85% of the face value of assets recognized in "loans and receivables" and "available-for-sale financial assets". Under this guarantee, Natixis is protected from the very first euro in default up to 85% of the default amount;
- two Total Return Swaps (TRS), one in euros and one in US$, transferring to BPCE 85% of unrealized and realized gains and losses on the portfolio of instruments at fair value through profit and loss (cash and derivatives) since July 1, 2009. TRS are derivatives and are therefore carried at fair value on the balance sheet, with a matching entry to income. At the same time, Natixis purchases an option from BPCE which, if exercised, allows it to recover the net gains on this portfolio after a ten-year period in return for the payment of a premium estimated at €367 million. The premium is also recognized at fair value.

The amount of the premium paid in 2009 by Natixis in return for the financial guarantee amounted to €1,183 million.

Since the unrealized capital losses or writedowns on the assets covered by the guarantee have already been recorded in income, the premium was not immediately taken to income or recognized on a straight-line basis.

Instead, the premium is initially recognized on the accruals line and taken to income over the same period, in the same amount and on the same line as:

- reversals of provisions for impairment (in Provision for credit losses);
- the deferred recognition of the discount (under net revenues) arising on October 1, 2008 on assets reclassified within "Loans and receivables" at that date pursuant to the amendment to IAS 39 and IFRS 7 published on October 13, 2008.

5.8 Property, plant and equipment, intangible assets (excluding goodwill) and investment property

MEASUREMENT ON INITIAL RECOGNITION

Investment property, shown separately from other property, plant and equipment on the balance sheet, consists of property held with the aim of generating rental income rather than for operating purposes.

On the first-time adoption of IFRS, property, plant and equipment and investment property were maintained at historical cost as permitted by the options available under IFRS 1, with the exception of property held by insurance companies which is carried at fair value through profit and loss.

Property, plant and equipment and investment property are recorded at their purchase price at the acquisition date, including directly attributable costs (transfer duties, fees, commissions and registration expenses) as well as borrowing costs when these meet the criteria for capitalization set out in IAS 23 "Borrowing Costs".

Computer software developed in-house is recognized under "intangible assets" at its direct cost of development, which includes the related hardware costs, service costs, payroll costs directly attributable to the production and preparation of the software for use, and borrowing costs when these meet the criteria for capitalization set out in IAS 23 "Borrowing Costs".

Expenses incurred during the development phase are capitalized if they meet the criteria for recognition as intangible assets set out in IAS 38: these include technical feasibility, the intention to complete the asset and use or sell it, the probability that the asset will generate future economic benefits, the availability of resources, and the ability to reliably measure the expenditure attributable during the asset's development. Costs incurred during the research phase are not capitalized but are recognized in expenses.

SUBSEQUENT MEASUREMENT

After initial recognition, assets are measured at cost less accumulated depreciation, amortization and impairment losses. Investment property held by insurance companies is measured at fair value through profit and loss in accordance with IAS 40 and IFRS 4.

Fair value is obtained using a multi-criteria approach based on the capitalization of rents at the market rate and a comparison with market transactions.

In accordance with Article R.332-210-1 of the French Insurance Code, a five-year appraisal is conducted by an independent expert approved by ACP. Between two appraisals, the market value of property is certified by experts on a half-yearly basis.

DEPRECIATION AND AMORTIZATION

As soon as they are in a condition to be used by Natixis in the manner in which they were intended, property, plant and equipment and intangible assets are depreciated or amortized over their estimated useful lives on a straight-line, declining or increasing balance basis, whichever best reflects the pattern in which the economic benefits are consumed. The residual value of the asset is deducted from its depreciable or amortizable amount when it can be measured reliably. Natixis does not believe it can reliably measure the residual value of items other than land and non-destructible buildings classified as historical monuments. They are therefore assigned a residual value of zero.

In line with IAS 16, a specific depreciation schedule is defined for each significant component of an item of property, plant and equipment which has a different useful life or is expected to consume future economic benefits differently from the item as a whole. For buildings used in the business and investment property, the following components and depreciation periods have been identified:

Component	Depreciation period
Land	NA
Non-destructible buildings classified as historical monuments	NA
Walls, roofs and waterproofing	20-40 years
Foundations and framework	30-60 years
External rendering	10-20 years
Equipment and installations	10-20 years
Internal fixtures and fittings	8-15 years

Other items of property, plant and equipment are depreciated over their estimated useful lives, generally five to ten years.

Purchased software is amortized on a straight-line basis over its estimated useful life, which in most cases is less than five years. Internally generated software is amortized over its estimated useful life, which cannot exceed fifteen years.

Other intangible assets primarily comprise:

- purchased goodwill with an indefinite useful life, which is not amortized but tested for impairment at least annually;
- components of the Coface portfolio, which are amortized over the term of the contracts (eight to ten years for France).

The charge to writedown or amortization is recognized in the consolidated income statement under the heading "Depreciation, amortization and impairment of property, plant and equipment and intangible assets".

WRITEDOWN LOSSES

Assets are tested for impairment whenever there is objective evidence that they may be impaired and at least annually in the case of intangible assets with an indefinite useful life. Natixis considers whether there is any evidence of impairment at each reporting date. When any such evidence exists, the recoverable amount of the individual asset is estimated wherever possible; otherwise the recoverable amount of the CGU to which the asset belongs. The recoverable amount is the higher of fair value less selling costs and value in use, which is the present value of future cash flows expected to be derived from continuing use of the asset or cash-generating unit. If the recoverable amount of the asset or CGU is lower than its carrying amount, an impairment loss is recognized in income under "Depreciation, amortization and impairment of property, plant and equipment and intangible assets".

Writedowns may be reversed if there has been a change in the conditions that initially resulted in the writedown (for example there is no longer any objective evidence of impairment).

GAINS OR LOSSES ON DISPOSALS

Gains or losses on disposals of assets used in the business are recognized in the income statement under "Gains or losses on other assets", while gains and losses on disposals of investment property are recorded within "Income from other activities" or "Expenses from other activities".

SCRAPPING OR DISCONTINUATION OF FIXED ASSETS UNDER CONSTRUCTION

The expense incurred from the scrapping of a fixed asset is booked to "Depreciation, amortization and impairment of property, plant and equipment and intangible assets" on the consolidated income statement.

The discontinuation of IT projects under development results in their derecognition. A corresponding expense is posted to "Gains or losses on property, plant and equipment and intangible assets" on the consolidated income statement.

5.9 Non-current assets held for sale and associated liabilities

Non-current assets that Natixis intends to sell within a period not exceeding twelve months and for which it is actively seeking a buyer are identified separately in the balance sheet under "non-current assets held for sale". Assets reclassified to this category are no longer depreciated or amortized as from the reclassification date. An impairment loss is recognized if their carrying amount is higher than their fair value less costs to sell. Associated liabilities are also identified on a separate line of the balance sheet.

If the disposal has not taken place within twelve months of classification in "Non-current assets held for sale", the asset ceases to be classified in this category, barring special circumstances independent of Natixis' control.

A discontinued operation is a clearly identifiable component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographic area of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Assets and liabilities relating to discontinued operations are accounted for in the balance sheet in the same way as groups of assets held for sale. Gains or losses from these operations are presented on a separate line of the income statement and include the post-tax gain or loss resulting from operations discontinued before disposal and from the sale or valuation of assets or disposal groups held for sale at fair value less costs to sell.

5.10 Financial liabilities at fair value through profit and loss

These include financial liabilities held for trading (including derivative financial instruments) and those designated as at fair value on initial recognition pursuant to the option available under IAS 39. The conditions for applying IAS 39 were described in the amendment to the standard published in June 2005.

Financial liabilities in this category are carried at fair value at the reporting date and shown in the balance sheet as "Financial liabilities at fair value through profit and loss". Changes in fair value (including the issuer spread) are recognized in the income statement under "Gains or losses on financial instruments at fair value through profit and loss".

5.11 Debt

Debt originated by Natixis that is not classified within financial liabilities at fair value through profit and loss is measured using the amortized cost method and recognized in the balance sheet under "Deposits from banks", "Customer deposits", "Debt securities in issue" or "Subordinated debt".

On initial recognition, debt securities are measured at their issue price including transaction costs. They are subsequently measured at amortized cost, with issue expenses recognized over the term of the instruments used.

5.12 Derecognition

In accordance with IAS 39, Natixis derecognizes all or part of a financial asset if the contractual rights to the cash flows from the financial asset expire. Natixis also derecognizes all or part of a financial asset if these contractual rights or substantially all of the risks and rewards of ownership are transferred.

If Natixis has neither transferred the contractual rights nor substantially retained all of the risks and rewards, Natixis then determines whether it has transferred control of the asset. If control is considered to have been relinquished, the financial asset is derecognized. If the Group retains control of the asset, it remains on the balance sheet to the extent of Natixis' "continuing involvement".

Continuing involvement is evidenced by the existence of contractual conditions such as:

- an option or obligation to repurchase the assets transferred;
- collection of financial compensation linked to the performance of the asset transferred.

A financial liability is derecognized when it is settled, canceled or expires.

REPURCHASE AGREEMENTS

a) Assignor

Securities sold are not derecognized. Natixis recognizes a liability representing the commitment to return funds received ("Securities sold under repurchase agreements").

b) Assignee

Securities bought are not recognized but a receivable due from the assignee is recorded representing the funds lent. The amount disbursed in respect of the asset is recognized under "Securities acquired under repurchase agreements".

At subsequent reporting dates, the securities continue to be valued by the assignor in accordance with the rules applicable to the category in which they were initially classified. In the assignee's accounts, the amount receivable from the assignor continues to be carried at amortized cost within "Loans and receivables".

SECURITIES LENDING

Securities lending/borrowing transactions do not involve the transfer of a financial asset within the meaning of IFRS. Consequently, these transactions do not lead to the derecognition of the securities loaned. Loaned securities are not identified under IFRS: the securities continue to be recorded in their original IFRS category and measured accordingly. Borrowed securities are not recognized by the borrower.

5.13 Offsetting financial assets and liabilities

In accordance with IAS 32, Natixis offsets financial assets and liabilities, and a net balance is presented on the balance sheet, on the twofold condition that it has the legally enforceable right to offset the recorded amounts, and the intention either to settle the net amount or to simultaneously realize the asset and settle the liability.

5.14 Provisions and contingent liabilities

A provision is a liability of uncertain timing or amount. A liability is a present obligation arising from past events, the settlement of which is expected to result in an outflow of resources embodying economic benefits that can be reliably measured.

The amount recognized as a provision should be the best estimate of the expenditure required to settle the present obligation at the reporting date. This amount is discounted when the effect of discounting is material. Provisions are reviewed at each reporting date and adjusted if necessary. Provisions recognized on the balance sheet, other than provisions to cover employee benefits, mainly concern provisions for restructuring and provisions for risks and litigation.

a) Provisions for restructuring

A provision for restructuring costs is recognized when the standard aforementioned criteria for recognizing provisions and the two following conditions are met:

- there is a detailed formal plan for the restructuring on the closing date, identifying at least:
  - the operations or part of the operations concerned,
  - the principal locations affected,
  - the location, function, and approximate number of employees who will be compensated upon termination of their services,
  - the expenditures that will be undertaken, and
  - the date the plan will be implemented;
- the Group has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features on the closing date to those affected by it.

Provisions for restructuring costs include only expenditure directly related to the restructuring.

b) Provisions for risks and litigation

A provision of €380 million was booked at December 31, 2011, in relation to the net Madoff assets.

A description of the main risks and litigation to which Natixis is exposed is given in section 4.5, "Legal Risks", in the Risk Management chapter.

No provisions were recognized in respect of future operating losses or major repairs, nor were any contingent assets or liabilities recorded.

Provisions booked on the liabilities side of Natixis' financial statements as at December 31, 2011, are discussed in Note 6.15.2 "Contingency reserves" and the allocations are specified in Note 7.6 "Provision for credit losses".

Changes in provisions are recognized in the income statement on the line items corresponding to the type of future expenditure.

5.15 Employee benefits

In accordance with IAS 19, employee benefits are classified in one of four categories:

- "Short-term benefits", including salaries, social security contributions, annual leave, employee profit-sharing, incentive plans, top-up contributions and variable compensation payable during the fiscal year in which they are attributed;
- **"Termination benefits"**, which should be recognized when the entity is demonstrably committed to terminating the employment of an employee before the normal retirement date, or providing termination benefits as a result of an offer made in order to encourage voluntary redundancy;
- **"Post-employment benefits"**, such as pensions, other supplementary retirement benefits applicable to the banking industry, end-of-career awards and other contractual benefits payable to retirees;
- **"Other long-term employee benefits"**, including long-service awards and deferred compensation payable in cash 12 months or more after the end of the fiscal year in which the services were rendered.

Short-term employee benefits are recognized as an expense in the period in which the employee provides the service in exchange for said benefits.

A provision is accrued for termination benefits when the employer is demonstrably committed to provide such benefits.

In accordance with the principles of recognition set out in IAS 19, Natixis has identified the following types of post-employment benefit:

- defined contribution plans, under which an entity has no obligation to pay a specified benefit amount;
- defined benefit plans, under which Natixis has a legal or constructive obligation to pay a specified benefit amount.

Contributions paid under defined contribution plans are expensed in the period in which the employee rendered the service in exchange for said contributions.

A provision is set aside for defined benefit plans based on an actuarial assessment of the benefit obligation using the projected unit credit method. This method draws on demographic and financial assumptions. The value of any plan assets is deducted from the obligation. This valuation is carried out on a regular basis by independent actuaries.

Actuarial assumptions are reviewed annually. Differences resulting from changes in actuarial assumptions and experience adjustments (impact of differences between actuarial assumptions and actual experience) give rise to actuarial gains and losses.

In accordance with the "corridor" method, Natixis does not recognize the portion of net cumulative actuarial gains and losses that is lower than the greater of (i) 10% of the present value of the defined benefit obligation and (ii) 10% of the fair value of any plan assets at the end of the previous reporting period. The portion of actuarial gains and losses outside the 10% "corridor" is therefore recognized over the average remaining working lives of the employees participating in the plan concerned.

In the event of changes to an existing plan or the implementation of a new plan, past service cost is recognized in income over the period until the benefits become vested.

The amount recognized as a provision on the liabilities side of the balance sheet represents the present value of the obligation under defined benefit plans.

- minus any past service cost not yet recognized in income;
- plus or minus any unrecognized actuarial gains or losses arising from:
  - experience adjustments linked to demographic variables,
  - changes in actuarial assumptions,
  - differences between the actual return and expected return on plan assets;
- minus the market value of plan assets.

The annual payroll costs recognized in respect of defined benefit plans consist of:

- rights vested by beneficiaries over the period;
- the interest cost reflecting the impact of unwinding the discount on the obligation;
- the expected return on plan assets;
- amortization of actuarial gains and losses and past service costs;
- the effects of plan curtailments and settlements.

Other long-term benefits are valued using the same actuarial method as that applied to post-employment benefits under defined benefit plans, except that actuarial gains and losses are not subject to the corridor method and past service costs are recognized directly as an expense. The estimated amount of the expense for cash-settled compensation, subject to presence conditions as part of loyalty and performance plans, is recognized over the vesting period.

5.16 Distinction between debt and equity

In accordance with IAS 32, issued financial instruments are classified as debt or equity depending on whether or not they incorporate a contractual obligation to deliver cash to the holder.

- Deeply Subordinated Notes and preference shares are classified in equity in light of the 2009 renegotiation of a clause making the payment of interest non-optional in the event of positive consolidated income and which has since become discretionary.

  The change over the fiscal year is presented in Note 6.16, "Changes in subordinated debt", and in Note 12, "Capital management";
- the share of third party investors in the net assets of dedicated mutual funds included in Natixis' consolidation scope comprises a financial liability recorded on the balance sheet under "Financial liabilities at fair value through profit and loss". The share of third party investors in the profits of the mutual funds is recorded in "Net gains or losses on financial instruments at fair value through profit and loss" in the consolidated income statement;
- the units held by third party investors in dated funds, which are fully consolidated by Natixis, entitling the unit-holders to the repayment of a share of the fund's net assets upon its liquidation, are classified in liabilities on the balance sheet under "Accruals and other liabilities". The share of third party investors in the fund's profits is recorded under "Interest and similar expenses" on the consolidated income statement.

5.17 French State support

Through its principal shareholder BPCE, Natixis indirectly benefits from financing made available under the financial sector bail-out plan approved by the European Commission in 2008. This plan has two key components:

- inter-bank medium-term loans guaranteed by the transfer of full ownership of receivables meeting certain eligibility criteria. The transfer of ownership enables the lenders to pledge the receivables with Société de Financement de l'Économie Française (SFEF) as security for any loans they receive from SFEF. The corresponding loans granted to Natixis by BPCE, itself eligible for SFEF financing, are shown in the consolidated balance sheet within "deposits from financial institutions".

  The receivables provided as security have been maintained in Natixis' consolidated balance sheet with their original classification, since the criteria for derecognition defined by IAS 39 are not met. They are included in the "loans and receivables" line item of the table entitled "Financial assets provided as security" presented in Note 6.6.3;
- undated Deeply Subordinated Notes. These issues mirror those subscribed by Groupe BPCE with Société de Prise de Participation de l'État. These instruments are recognized as equity instruments barring any contractual obligation to pay interest. They were fully repaid in the 2011 fiscal year.

Financing obtained indirectly from SFEF and the undated Deeply Subordinated Notes subscribed by SPPE are detailed in Note 6.17 "French State support".

5.18 Share-based payments

STOCK OPTION PLANS

Natixis grants stock options to some of its employees. The options are exercisable over a period of three years after a lock-up period of four years. No performance conditions apply. In accordance with the provisions of IFRS 2, the options attributed after November 7, 2002 and not yet vested at the reporting date are measured at their fair value at the date they were granted to the employees. This fair value is determined using the Black & Scholes valuation method and recognized in payroll costs over the vesting period, with a corresponding entry in equity. The expense is revised at each reporting date and adjusted whenever subsequent information regarding the number of beneficiaries alters the initial estimates of rights vested. The resulting adjustments affect the expense for the period and for subsequent periods.

Since 2002, Natixis has implemented five stock option programs. The vesting period for two of these programs had not yet ended as at December 31, 2011. The details of the programs are described in Note 11.2.4.

LOYALTY AND PERFORMANCE PLANS WITH SHARE-BASED PAYMENT

The variable compensation plan set up by Natixis in early 2010 for some of its employees complies with the professional standards issued by the Fédération Bancaire Française and the provisions of the decrees of November 3, 2009 and December 13, 2010, amending CRBF Regulation No. 97-02. The share-based plans established in this framework are paid out either in Natixis shares or cash indexed to the Natixis share.

Loyalty and performance plans settled in shares

Under IFRS 2 "Share-based payment", employee bonus share awards give rise to an expense representing the fair value of the goods or services received at the grant date. This payroll expense is recognized against equity. The fair value of the services received is calculated by reference to the fair value of the shares at the grant date, less the present value of dividends forfeited by employees during the vesting period, taking into account the presence conditions.

The expense is recognized on a straight-line basis over the vesting period. The expense is adjusted over the vesting period to reflect any losses of rights.

Cash-settled loyalty and performance plans indexed to the value of the Natixis share

The accounting treatment applicable to cash-settled share-based payments is governed by IFRS 2 "Share-based payment".

Under IFRS 2, the services acquired and the liability incurred are measured at fair value. Until the liability is settled, debt is remeasured at each reporting date and at the date of settlement, with any changes in fair value recognized in income for the period. The remeasurement of the liability at the reporting date takes into account any changes in the value of the underlying shares, as well as whether or not the presence conditions and performance criteria have been met.

Where the payment of compensation is subject to presence conditions, the corresponding expense is recorded over the vesting period on a straight-line basis as long as the settlement does not occur during the year of attribution, in which case the cost is immediately taken into account on the income statement.

The details of these plans and their quantified impacts over the period are provided in Note 11.2.2.

5.19 Treasury shares and treasury share derivatives

All treasury shares held by Natixis are deducted from equity regardless of the purpose for which they are acquired/held. Any gains or losses recognized in the parent company financial statements in respect of the sale, measurement or impairment of treasury shares held for trading or available-for-sale are eliminated in the consolidated financial statements through equity.

Treasury share derivatives are recognized differently depending on how they are unwound:

- as equity instruments, if they are unwound by trading a fixed number of treasury shares for a fixed amount of cash or another financial asset, and if this trade is the only possible unwinding method. In such case, the instruments are not subsequently revalued;
- as derivatives, if they are unwound via a net cash settlement or a net treasury shares settlement. In such case, the fair value changes in the instruments are recorded in the income statement.

A contract obligating Natixis to buy its own shares creates a liability in the amount of the discounted acquisition price, regardless of how the derivative is classified, with a corresponding entry in equity.

5.20 Fees and commissions received

The method of accounting for fees and commissions received depends on the end purpose of the services rendered and the method of accounting for the financial instruments to which the service relates.

Fees and commissions for one-off services, such as business provider fees, are recognized in income as soon as the service is provided.

Fees and commissions for ongoing services, such as guarantee fees or management fees, are deferred over the period during which the service is provided.

Fees and commissions that form an integral part of the effective yield of an instrument, such as commitment fees or loan set-up fees, are recognized as an adjustment to the effective interest rate over the estimated term of the loan. Accordingly, they are treated as interest income.

5.21 Income taxes

The tax expense for the year comprises:

- tax payable by French companies at the standard rate of 36.10%, and by foreign companies and branches at the local rate; The French rate of 36.10% includes the additional contribution of 5% stipulated in the amended finance law passed in December 2011, affecting the 2011 and 2012 fiscal years. In 2010, the applied tax rate was 34.43%;
- deferred taxes arising from temporary differences between the carrying amount of assets and liabilities and their tax basis, which are calculated using the balance sheet liability method.

Deferred tax assets and liabilities are calculated at the level of each tax entity in accordance with local tax rules and based on tax rates that have been enacted or substantively enacted at the date the temporary difference will reverse. Deferred taxes are not discounted.

Deferred tax assets and liabilities are offset at the level of each tax entity. The tax entity may either be a single entity or a group of entities that have elected for group tax relief.

Deferred tax assets are only recognized if the tax entity concerned is likely to generate sufficient taxable income in a fixed maximum period of 10 years against which temporary differences or tax loss carryforwards can be utilized.

All temporary differences have been recognized regardless of their recovery or payment date. The net deferred income tax balance is shown in the balance sheet under "Deferred tax assets".

The French Finance Act for 2010 replaced business tax with the "contribution économique territoriale". This tax includes the real property contribution, or "contribution foncière des entreprises" (CFE) and the value-added contribution, or "cotisation sur la valeur ajoutée des entreprises" (CVAE). The CFE is treated as a tax other than on income, and will be recognized under "Operating expenses" in the consolidated income statement. Natixis considers that the same treatment would be applied to the CVAE, since its calculation is not based on taxable income.

The French Finance Act for 2011 instigated an exceptional 10% tax on the capitalization reserve of insurance companies existing at January 1, 2010. This tax generated a tax expense of €18.3 million, recorded in the consolidated income statement at December 31, 2010.

Allocations to the capitalization reserve and reversals as from January 1, 2010 are no longer used to determine taxable income.

With the application of this exceptional tax and non-taxability of subsequent activity, there is no longer any justification for the deferred tax liability on restatements of the capitalization reserve for the previous fiscal years. The entire deferred tax liability of €62.6 million was therefore reversed to the consolidated income statement at December 31, 2010.

5.22 Financing and guarantee commitments

FINANCIAL GUARANTEES

Commitments extended

Financial guarantee commitments not classified as derivatives are contracts requiring the issuer to make specific payments to repay the business guaranteed for a loss that it has incurred owing to the failure of a debtor to make the contractual installments due. The exercise of these rights is subject to the occurrence of an uncertain future event.

In accordance with paragraph 43 of the amendment to IAS 39 and IFRS 4 (published by the IASB in August 2005 and adopted by the European Union), financial guarantees given are carried at their fair value plus any transaction costs directly attributable to the issuance of the guarantees. For independent agreements entered into at market rates, fair value at the inception of the agreement is equal in theory to the amount of premium(s) received. All financial guarantees issued within Natixis Group are entered into at market rates.

Subsequently, financial guarantees are stated at the higher of:

- the amount initially recognized upon inception less, where appropriate, the amount of amortization recorded in line with the principles outlined in IAS 18 "Revenue". This amortization represents the deferred recognition of the fees received over the period covered by the guarantee;
- the value determined under IAS 37 "Provisions, contingent liabilities and contingent assets", which is the amount that the entity would normally pay to settle the obligation or to transfer it to a third party.

All financial guarantees issued by insurance subsidiaries that also meet the definition of an insurance contract were accounted for in line with the requirements of IFRS 4 "Insurance contracts", as permitted by paragraph AG64 (a) of the amendment.

Specific case of guarantees issued to mutual funds

Natixis guarantees the capital and/or returns on shares in certain mutual funds. These guarantees are executed solely in the event that the net asset value of each of the shares in the fund at maturity is lower than the guaranteed net asset value. Under IAS 39, these guarantees represent derivative instruments.

However, given the predominant impact of operational risk on the fair value of the guarantee, guarantees granted to mutual funds are treated as financial guarantees.

Guarantee commitments received

There are no IFRS standards prescribing the accounting treatment of financial guarantees received. In the absence of specific guidance, the accounting treatment applied must be determined by analogy with the accounting treatment prescribed by other standards in similar situations. Accordingly, guarantees received meeting the definition of a financial guarantee for an issuer are accounted for in accordance with:

- IAS 39, for guarantees received in respect of financial instruments;
- IAS 37, for guarantees received in respect of liabilities falling within the scope of IAS 37.

The specific treatment applied to the guarantee granted to Natixis by BPCE on GAPC assets is disclosed in Note 5.7.

FINANCING COMMITMENTS

All financing commitments granted by Natixis give rise to loans granted at market rates at the grant date. The drawn-down portion of these commitments is classified in "Loans and receivables". These commitments represent contingent liabilities and are recorded in accordance with IAS 37. At inception, they are not recognized in the balance sheet. A provision is recognized in liabilities if the cost of the commitment exceeds the associated revenue.

5.23 Use of estimates in preparing the financial statements

In preparing its financial statements, Natixis is required to make certain estimates and assumptions based on available information that is likely to require expert judgment. These estimates and assumptions constitute sources of uncertainty which may affect the calculation of income and expenses in the income statement, the value of assets and liabilities in the balance sheet, and/or certain disclosures in the notes to the financial statements. The financial crisis has led to greater use of accounting estimates. As a result, future results of certain operations may differ significantly from the estimates used in the financial statements at December 31, 2011.

Accounting estimates which require assumptions to be made are mainly used to measure the items set out below:

FINANCIAL INSTRUMENTS RECORDED AT FAIR VALUE

The fair value of hybrid market instruments not traded on an active market is calculated using valuation techniques. Valuations produced using valuation models are adjusted, depending on the instruments concerned and the associated risks, to take account of the bid and offer price for the net position, modeling, counterparty and input risks. The fair values obtained from these methods may differ from the actual prices at which such transactions might be executed in the event of a sale on the market.

The valuation models used to price financial instruments for which liquidity has dried up as a result of the financial crisis are described in Note 5.6.

IMPAIRMENT OF LOANS AND RECEIVABLES

At the reporting date, Natixis assesses whether or not there is any objective evidence of impairment for loans and receivables, either on an individual basis or collectively by risk category. To identify evidence of impairment, Natixis analyzes trends in a number of objective criteria, but also relies on the judgment of its own expert teams. Similarly, Natixis may use its expert judgment to establish the likely timing of recoveries (where the aim is to calculate the amount of individual impairment losses), or to adjust the amount of expected losses under the Basel 2 framework, on which the amount of collective provision is based.

VALUATION OF UNLISTED EQUITY INSTRUMENTS CLASSIFIED AS "AVAILABLE-FOR-SALE FINANCIAL ASSETS"

Unlisted equity instruments classified as available-for-sale financial assets primarily consist of investments in non-consolidated companies. The fair value of investments in unlisted non-consolidated companies is obtained principally by using the P/E (price/earnings ratio) and DCF (discounted cash flow) valuation methods. Use of these methods requires certain choices and assumptions to be made in advance (in particular, projected expected future cash flows and discount rates).

VALUATION OF CASH-GENERATING UNITS (CGUS)

All goodwill is assigned to a CGU so that it may be tested for impairment. The tests conducted by Natixis consist in comparing the carrying amount of each CGU (including goodwill) with its recoverable amount. Value in use is calculated by discounting annual free cash flows to infinity (excluding the Private Equity CGU and "non-core" Coface which are stated at fair value). Use of the discounted cash flow method involves:

- estimating future cash flows. Natixis has based these estimates on forecasts included in its business units' medium-term plans spanning five years;
- projecting cash flows for the last year of the plan to infinity, at a rate reflecting the expected annual growth rate;
- discounting cash flows at a specific rate for each CGU.

FAIR VALUE OF LOANS AND RECEIVABLES RECOGNIZED AT AMORTIZED COST (EXCLUDING LOANS RECLASSIFIED UNDER THE AMENDMENT TO IAS 39 AND IFRS 7)

The fair value of loans not quoted on an active market is determined using the discounted cash flow method. The discount rate is based on an assessment of the rates used by the institution during the period for groups of loans with similar risk characteristics. Loans have been classified into groups with similar risk characteristics based on statistical research enabling factors having an impact on credit spreads to be identified. Natixis also relied on expert judgment to refine this segmentation.

EMPLOYEE BENEFITS

Natixis calls on independent actuaries to calculate its principal employee benefits. The discount rates, future salary increase rates and rates of return on plan assets used are based on observed market rates at the reporting date, for example the yield on French government bonds for discount rates. When applied to long-term benefit obligations, these rates introduce uncertainty into the valuations.

INSURANCE-RELATED LIABILITIES

Insurance technical reserves are calculated using estimates and assumptions that may lead to adjustments in amounts reported over the subsequent period:

- for personal risk insurance, claims reserves are calculated by modeling claims experience;
- for life insurance, technical reserves are computed based on economic and financial assumptions, mortality and morbidity tables, and behavioral statistics, for example concerning surrenders;
- for credit insurance, claims reserves include an estimate of claims reported but not settled at the reporting date. In addition to the amount of claims payable, a provision is set aside for unknown claims, calculated on a statistical basis by reference to the final amount of claims to be paid following settlement of risks and any debt recovery measures. Provisions for debt recovery procedures, representing estimates of expected recoveries, are calculated by applying a terminal recovery rate to all subscription periods not yet settled.

DEFERRED PARTICIPATION

The participation rate to be adopted for calculating deferred participation is determined by observing past pay-out ratios, but also by taking into account assumptions on projected net future cash flows from financial products and assumptions on expected return from contracts to be granted to policyholders. In highly fragile and competitive market conditions, the sources of concern weighing on these estimates are significant.

In the event of a deferred participation asset, a recoverability test is carried out to verify that liquidity requirements arising from an unfavorable economic environment does not force the sale of assets in unrealized losses. This recoverability test relies on projected future cash flows based on different economic assumptions about historical redemptions and inflows.

DEFERRED TAXES

As a precautionary measure, Natixis records a net deferred tax asset linked to its ability to generate taxable income over a given period (10 years maximum), while tax loss carry forwards are deductible with no time limitation in France and the UK or over very long periods (20 years in the US).

To this end, Natixis prepares tax business plans over rolling periods as from the last tax reporting period, and based on growth assumptions used in the medium-term plans for the business lines.

Adjustments for special tax schemes are also implemented.

OTHER PROVISIONS

Provisions recognized in the consolidated balance sheet, other than those relating to financial instruments, employee benefits and insurance contracts, mainly concern provisions for litigation, fines and tax risks.

A provision is raised when it is likely that an outflow of resources embodying economic benefits will be required to settle an obligation arising from a past event, and when the amount of the obligation can be reliably estimated. In order to calculate this amount, Management is required to assess the probability of the risk occurring. Future cash flows are discounted where the impact of discounting is material.

5.24 Earnings/(loss) per share

Diluted earnings/(loss) per share corresponds to net income/(loss) for the period attributable to the Group, divided by the weighted average number of shares, adjusted for the maximum impact resulting from the conversion of dilutive instruments into ordinary shares. Stock options issued are taken into account in calculating diluted earnings/(loss) per share. The conversion of these instruments does not impact net income/(loss) used to calculate diluted earnings/(loss) per share.

	12.31.2011	12.31.2010
Earnings/(loss) per share		
Net earnings/(loss) attributable to the Group *(in millions of euros)*	1,562	1,732
Net income/(loss) attributable to shareholders *(in millions of euros)* [(a)]	1,301	1,352
Average number of ordinary shares issued and outstanding over the period	2,998,344,128	2,908,137,693
Average number of treasury shares issued and outstanding over the period	4,639,042	4,238,033
Average number of shares used to calculate earnings/(loss) per share	2,993,705,086	2,903,899,660
EARNINGS/(LOSS) PER SHARE *(IN EUROS)*	**0.43**	**0.47**
Diluted earnings/(loss) per share		
Net earnings/(loss) attributable to the Group *(in millions of euros)*	1,562	1,732
Net income/(loss) attributable to shareholders *(in millions of euros)* [(a)]	1,301	1,352
Average number of ordinary shares issued and outstanding over the period	2,998,344,128	2,908,137,693
Average number of treasury shares issued and outstanding over the period	4,639,042	4,238,033
Number of potential dilutive shares resulting from stock option plans and bonus share plans [(b)]	18,904,018	13,656,034
Average number of shares used to calculate diluted earnings/(loss) per share	3,012,609,104	2,917,555,694
DILUTED EARNINGS/(LOSS) PER SHARE *(IN EUROS)*	**0.43**	**0.46**

(a) The difference corresponds to the interest generated on Deeply Subordinated Notes and on preference shares, i.e. -€256 million after tax savings and interest on payments of issuance fees of -€5 million.

(b) This number of shares refers to the shares granted under the deferred share-based bonus plans (2009, 2010 and 2011 plans). In 2011, based on the average share price, the 2007 and 2008 stock option plans presented in Note 11.2.4 are not considered as potential dilutive shares.

NOTE 6 NOTES TO THE BALANCE SHEET

6.1 Financial assets and liabilities at fair value through profit and loss

These assets and liabilities are measured at fair value at the reporting date, with changes in value, including interest, recognized in income under "Net gains or losses on financial instruments at fair value through profit and loss".

6.1.1 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

At December 31, 2011, financial assets at fair value primarily comprised securities and derivative instruments.

(in millions of euros)	Note	12.31.2011	12.31.2010
Securities held for trading		**38,863**	**41,950**
Fixed-income securities		*28,859*	*28,000*
Variable-income securities [(a)]	6.1.1.1	*10,004*	*13,950*
Loans and receivables held for trading		**3,287**	**4,183**
Banks		2,616	3,126
Customers		672	1,058
Derivative instruments not eligible for hedge accounting	6.1.3	**122,049**	**87,706**
Securities designated at fair value through profit and loss	6.1.1.3	**81,008**	**26,185**
Securities		13,589	13,771
Fixed-income		*3,607*	*3,321*
Variable-income [(a)]	6.1.1.1	*9,981*	*10,450*
Reverse repos		67,419	12,414
Loans and receivables designated at fair value through profit and loss	6.1.1.2 and 6.1.1.3	**418**	**1,184**
Banks		38	8
Customers		380	1,175
TOTAL		**245,625**	**161,208**

(a) Including shares in mutual funds.

6.1.1.1 Variable-income securities at fair value through profit and loss

(in millions of euros)	12.31.2011		
	Valuation by quoted market price	Other valuation methods	Total
Securities held for trading	**8,521**	**1,483**	**10,004**
Securities designated at fair value through profit and loss	**6,776**	**3,205**	**9,981**
of which: Private Equity securities	*8*	*1,620*	*1,628*
TOTAL	**15,298**	**4,688**	**19,986**

6.1.1.2 Loans and receivables designated at fair value through profit and loss and credit risk

Exposure to credit risk represents a significant share of the fair value of loans and receivables designated at fair value through profit and loss shown on the balance sheet. Purchases of credit derivatives covering exposure to credit risk on loans and receivables are shown at their fair value as recognized on the balance sheet.

(in millions of euros)	Credit risk exposure		Related credit derivatives		Change in fair value of loans and receivables attributable to credit risk	
	12.31.2011	12.31.2010	12.31.2011	12.31.2010	Period	Aggregate
Loans and receivables due from banks	38	9				
Loans and receivables due from customers	380	1,175			48	(29)
TOTAL	**418**	**1,184**			**48**	**(29)**

At December 31, 2011, Natixis did not purchase protection to hedge against credit risk associated with loans and receivables classified as fair value instruments through profit and loss.

6.1.1.3 Conditions for classification of financial assets designated at fair value through profit and loss

Financial assets are designated at fair value through profit and loss when this choice provides more pertinent information or when these instruments incorporate one or more significant and separable embedded derivatives.

The use of the fair value option is considered to provide more pertinent information in two situations:

- where there is an accounting mismatch between economically linked assets and liabilities. This arises for example in the case of an asset and a hedging derivative when the criteria for hedge accounting are not met;
- where a portfolio of financial assets and liabilities is managed and recognized at fair value as part of a documented policy of asset and liability management.

(in millions of euros)	12.31.2011				12.31.2010			
	Carrying amount	Accounting mismatch	Managed on a fair value basis	Embedded derivatives	Carrying amount	Accounting mismatch	Managed on a fair value basis	Embedded derivatives
Loans and receivables due from banks	38	38			9	9		
Loans and receivables due from customers	380	28	314	38	1,175	400	775	
Fixed-income securities	3,607	1,205	133	2,270	3,321	1,176	762	1,383
Variable-income securities	9,981	7,622	2,360		10,450	8,196	2,255	
Other	67,419		67,419		12,414		12,414	
TOTAL	**81,426**	**8,893**	**70,225**	**2,307**	**27,369**	**9,781**	**16,206**	**1,383**

6.1.2 FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT AND LOSS

At December 31, 2011, financial liabilities at fair value through profit and loss primarily comprised derivatives not used as hedging instruments.

Securities classified as instruments held for trading essentially comprised short sales of financial assets.

(in millions of euros)	Note	12.31.2011	12.31.2010
Instruments held for trading		**150,667**	**113,810**
Securities		26,995	26,337
Derivative instruments not eligible for hedge accounting	6.1.3	122,271	85,953
Other payables		1,401	1,519
Instruments designated at fair value through profit and loss	6.1.2.1 and 6.1.2.2	**81,517**	**45,046**
Securities		17,170	36,494
Repurchased securities		63,512	7,671
Other payables		836	882
TOTAL		**232,184**	**158,856**

6.1.2.1 Financial liabilities designated at fair value through profit and loss and credit risk

The carrying amount of financial liabilities designated at fair value through profit and loss corresponds to their fair value shown on the balance sheet.

The amount contractually due on loans at maturity represents the principal amount outstanding at the reporting date, plus any accrued interest not yet due. The amount contractually due on securities represents their redemption value.

	12.31.2011			12.31.2010			Changes in the fair value of financial liabilities, designated at fair value through profit and loss, attributable to credit risk December 31, 2011	
(in millions of euros)	Carrying amount	Amount contractually due at maturity	Difference between carrying amount and amount contractually due at maturity	Carrying amount	Amount contractually due at maturity	Difference between carrying amount and amount contractually due at maturity	Period	Aggregate
Deposits from banks	773	755	17	779	770	9		
Customer deposits	44	48	(4)	80		80		
Debt securities [(a)]	17,084	17,700	(616)	36,408	36,953	(545)	(239)	(652)
Subordinated debt [(a)]	86	100	(14)	86	102	(16)	2	(22)
Other payables [(b)]	63,531	63,535	(4)	7,693	7,693			
TOTAL	**81,517**	**82,138**	**(621)**	**45,046**	**45,518**	**(472)**	**(237)**	**(674)**

(a) The fair value, determined using the method described in Note 5.6, recorded in respect of internal credit risk on Natixis issues totaled €674 million at December 31, 2011 versus €437 million at December 31, 2010 (see Note 7.3). Besides changes in the outstanding amount, this difference reflects changes in the spread since the close of the previous year's accounts.

(b) Other payables comprise a portfolio of structured pensions managed according to a dynamic approach.

6.1.2.2 Conditions for classification of financial liabilities designated at fair value through profit and loss

Financial liabilities are designated at fair value through profit and loss when this choice provides more pertinent information or when the instruments incorporate one or more significant and separable derivatives *(see Note 5.1)*.

The use of the fair value option is considered to provide more pertinent information in two situations:

- where there is an accounting mismatch between economically linked assets and liabilities. The fair value option is typically used when the criteria for hedge accounting are not met: in such cases, changes in the fair value of the hedged item automatically offset changes in the fair value of the hedging derivative;
- where a portfolio of financial assets and liabilities is managed and recognized at fair value as part of a documented policy of asset and liability management.

(in millions of euros)	12.31.2011 Carrying amount	12.31.2011 Accounting mismatch	12.31.2011 Managed on a fair value basis	12.31.2011 Embedded derivatives	12.31.2010 Carrying amount	12.31.2010 Accounting mismatch	12.31.2010 Managed on a fair value basis	12.31.2010 Embedded derivatives
Deposits from banks	772	772			779	779		
Customer deposits	44	44			80		80	
Debt securities	17,084	17,061	23		36,408	36,386	22	
Subordinated debt	86			86	86			86
Other payables	63,531		63,531		7,693		7,693	
TOTAL	**81,517**	**17,877**	**63,554**	**86**	**45,046**	**37,165**	**7,795**	**86**

6.1.3 DERIVATIVE INSTRUMENTS NOT ELIGIBLE FOR HEDGE ACCOUNTING

Derivative financial instruments not eligible for hedge accounting are classified as held for trading, irrespective of the period over which they are expected to be held.

(in millions of euros)	12.31.2011 Notional amount	12.31.2011 Assets	12.31.2011 Liabilities	12.31.2010 Notional amount	12.31.2010 Assets	12.31.2010 Liabilities
Forward transactions	**4,780,259**	**103,154**	**102,835**	**4,770,669**	**71,089**	**67,756**
Interest rate derivatives [(a)]	4,374,487	81,943	81,981	4,452,796	62,502	58,890
Currency derivatives	84,381	21,098	20,342	19,175	8,405	8,624
Equity derivatives	15,035	9	124	18,004		169
Other items	306,356	104	387	280,694	182	74
Options	**1,502,085**	**5,790**	**6,709**	**1,869,146**	**5,631**	**7,180**
Interest rate derivatives	1,190,217	683	1,526	1,199,812	310	1,705
Currency derivatives	156,109	588	1,283	179,882	712	1,403
Equity derivatives	33,164	3,768	3,726	102,823	3,713	3,733
Other items [(b)]	122,595	751	174	386,628	895	339
Credit derivatives	**425,985**	**13,105**	**12,726**	**755,238**	**10,986**	**11,017**
TOTAL	**6,708,329**	**122,049**	**122,271**	**7,395,053**	**87,706**	**85,953**

(a) Natixis has contracted Total Return Swaps (TRS) with BPCE. These instruments are used to hedge changes in the fair value of GAPC instruments carried at fair value through profit and loss since July 1, 2009 and are included on this line for an amount of €104 million in assets (versus €148 million at December 31, 2010) and €108 million in liabilities (versus €313 million at December 31, 2010).

(b) Natixis has contracted a call option with BPCE for the purpose of recovering, 10 years after its implementation, any net gains in fair value transferred to BPCE via TRS. The call option was recognized on this line in assets for €474 million (versus €507 million at December 31, 2010).

6.2 Hedging derivatives

Derivatives may only be designated as hedges if they meet the criteria set out in IAS 39 at inception and throughout the term of the hedge. These criteria include formal documentation that the hedging relation between the derivatives and the hedged items is both prospectively and retrospectively effective. Hedging relationships are presumed to be effective when, retrospectively, changes in the value of the hedging instrument offset changes in the value of the hedged item in a range of 80%-125%.

Cash flow hedging is mainly used by Natixis and the leasing business as a structural hedge against interest rate risk.

Fair value hedging is used to hedge changes in the fair value of fixed-income securities on an individual basis, and also as a structural hedge against the interest rate risk incurred by Natixis Financial Products LLC.

(in millions of euros)	12.31.2011 Notional amount	Assets	Liabilities	12.31.2010 Notional amount	Assets	Liabilities
Cash flow hedges						
Forward transactions	**11,948**	**76**	**252**	**6,668**	**130**	**224**
Interest rate derivatives	11,428	76	231	6,165	130	202
Currency derivatives	520		21	503		22
Equity derivatives						
Other items						
Options						
Interest rate derivatives						
Currency derivatives						
Equity derivatives						
Other items						
Fair value hedges						
Forward transactions	**389,745**	**3,416**	**899**	**363,543**	**1,302**	**1,342**
Interest rate derivatives	389,745	3,416	899	363,543	1,302	1,342
Currency derivatives						
Equity derivatives						
Other items						
Options						
Interest rate derivatives						
Currency derivatives						
Equity derivatives						
Other items						
Credit derivatives	**1,231**		**1**	**1,299**		**7**
Net investment in foreign currency hedges						
TOTAL	**402,924**	**3,492**	**1,152**	**371,510**	**1,432**	**1,573**

6.3 Available-for-sale financial assets

The table below shows available-for-sale financial assets by type of instrument (loans outstanding, fixed-income securities, variable-income securities). It discloses the gross value before impairment, the amount of impairment and the carrying amount net of impairment.

Available-for-sale financial assets are tested for impairment at the end of each reporting period (i.e. every quarter). When there is objective evidence of impairment and a reduction in fair value has previously been recognized in equity, the aggregate impairment loss is removed from equity and taken to income.

(in millions of euros)	12.31.2011	12.31.2010
Loans outstanding	**34**	**26**
• Loans and receivables	32	24
• Accrued interest	1	2
Securities	*36,906*	*35,245*
• Fixed Income [(a)]	29,587	27,140
• Variable-income [(b) (c)]	6,845	7,614
• Accrued interest	474	490
Total available-for-sale financial assets before impairment	**36,940**	**35,271**
Impairment of available-for-sale assets	*(1,797)*	*(1,332)*
• Fixed-income securities	(345)	(151)
• Variable-income securities	(1,452)	(1,182)
TOTAL	**35,143**	**33,938**

(a) Fixed-income securities presenting an unrealized capital loss at December 31, 2011 carry a gross unrealized capital loss of €346 million (excluding life-insurance securities given the deferred participation liability), including €111 million in securities presenting an unrealized capital loss for a period of less than six months.

(b) Including shares in mutual funds.

(c) Variable-income securities presenting an unrealized capital loss at December 31, 2011 carry a gross unrealized capital loss of €69 million (excluding insurance securities given the deferred participation liability), most in respect of unlisted securities, of which €41 million in securities presenting an unrealized capital loss for a period of less than six months.

6.4 Loans and receivables

6.4.1 LOANS AND RECEIVABLES DUE FROM BANKS

(in millions of euros)	Note	12.31.2011	12.31.2010
Loans outstanding		**48,877**	**68,321**
Performing loans	*6.4.1.1*	48,597	68,010
Non-performing loans		280	311
Provisions for impairment		**(234)**	**(258)**
NET TOTAL		**48,643**	**68,063**

The fair value of loans and receivables due from banks totaled €48,725 million at December 31, 2011, compared with €67,940 million at December 31, 2010.

6.4.1.1 Performing loans to banks

(in millions of euros)	12.31.2011	12.31.2010
Loans and receivables	30,488	16,541
Current accounts overdrawn	3,769	5,067
Unlisted fixed-income securities	1,376	1,453
Reverse repos	12,739	44,771
Accrued interest	225	178
TOTAL	**48,597**	**68,010**

6.4.2 CUSTOMER LOANS AND RECEIVABLES

(in millions of euros)	Note	12.31.2011	12.31.2010
Loans outstanding		**114,546**	**131,120**
Performing loans	*6.4.2.1*	109,373	125,738
Non-performing loans		5,173	5,381
Provisions for impairment		**(2,725)**	**(3,071)**
NET TOTAL		**111,820**	**128,049**

The fair value of loans and receivables due from customers totaled €112,169 million at December 31, 2011, compared with €128,175 million at December 31, 2010.

6.4.2.1 Performing loans to customers

(in millions of euros)	Note	12.31.2011	12.31.2010
Lease financing	*6.4.2.2*	10,607	10,217
Other loans and receivables	*6.4.2.3*	55,270	57,364
Current accounts overdrawn		5,339	7,677
Unlisted fixed-income securities		9,007	10,345
Reverse repos		22,031	33,103
Factoring		6,524	6,545
Other		22	28
Accrued interest		573	459
TOTAL		**109,373**	**125,738**

6.4.2.2 Customer lease financing

	12.31.2011			12.31.2010		
(in millions of euros)	Real estate	Non-real estate	TOTAL	Real estate	Non-real estate	TOTAL
Customer lease financing outstandings	**6,507**	**4,100**	**10,607**	**6,239**	**3,979**	**10,217**
Net non-performing outstandings	**74**	**98**	**172**	**86**	**62**	**148**
Non-performing outstandings	159	212	371	189	157	346
Provisions for impairment of non-performing outstandings	(85)	(114)	(199)	(103)	(95)	(198)
TOTAL	**6,581**	**4,198**	**10,779**	**6,325**	**4,040**	**10,365**

6.4.2.3 Other loans and receivables due from customers

(in millions of euros)	12.31.2011	12.31.2010
Commercial loans	489	385
Export credit	3,240	3,066
Cash and consumer credit	24,097	25,865
Equipment credit	4,692	4,903
Home loans	1,058	1,028
Other customer loans	21,694	22,116
TOTAL	**55,270**	**57,364**

6.5 Held-to-maturity financial assets

(in millions of euros)	12.31.2011	12.31.2010
Government securities		
Gross value	1,904	2,422
Provisions for impairment	(361)	
Net government securities	**1,543**	**2,422**
Bonds		
Gross value	2,507	2,611
Provisions for impairment	(12)	(1)
Net bonds	**2,495**	**2,610**
TOTAL	**4,037**	**5,032**

The fair value of held-to-maturity financial assets totaled €4,224 million at December 31, 2011, compared with €5,125 million at December 31, 2010.

6.6 Other information relating to financial assets

6.6.1 RECLASSIFICATION OF FINANCIAL ASSETS OVER THE PERIOD, PURSUANT TO THE AMENDMENT TO IAS 39 AND IFRS 7 PUBLISHED ON OCTOBER 13, 2008

No financial assets were reclassified in 2011 by Natixis pursuant to the IASB's "Reclassification of financial assets" amendment to IAS 39 and IFRS 7 published on October 13, 2008.

6.6.2 INFORMATION ON FINANCIAL INSTRUMENTS RECLASSIFIED AS AT OCTOBER 1, 2008

Pursuant to the options provided for by the IASB's amendment to IAS 39 and IFRS 7 published on October 13, 2008, Natixis reclassified the following items within "Loans and receivables" as at October 1, 2008:

- €8.8 billion relating to the fair value of assets previously classified as "Financial assets at fair value through profit and loss – Trading";
- €2.8 billion relating to the fair value of assets previously classified within "Available-for-sale financial assets".

The financial instruments reclassified in accordance with the October 13, 2008 amendment were measured using the valuation models described in Note 5.6. Changes in the fair value of reclassified assets that would have had an impact on income for 2011 if the October 1, 2008 reclassification had not taken place, are summarized in the table below.

(in millions of euros)	12.31.2011				
	Fair value at 12.31.2011	Carrying amount at 12.31.2011	Changes in fair value that would have been recognized in income in respect of assets previously classified as fair value through profit and loss	Impairment that would have been recognized in income in respect of assets previously classified as available-for-sale	Changes in fair value that would have been recognized in transferable equity in respect of assets previously classified as available-for-sale
Instruments reclassified within Loans and Receivables	4,484	4,743	(175)	44	(23)
TOTAL	**4,484**	**4,743**	**(175)**	**44**	**(23)**
Data as at 12.31.2010	**7,160**	**7,209**	**(144)**	**58**	**59**

6.6.3 FINANCIAL ASSETS PROVIDED AS SECURITY

The table below shows the carrying amount of:

- repurchased securities and other items provided as security for liabilities;
- receivables for which ownership has been transferred to BPCE or SFEF as security in connection with the financing indirectly received from SFEF through BPCE.
- financial instruments (securities and receivables) deposited with central banks and assignable as collateral to guarantee refinancing operations at any time

These instruments continue to be disclosed in the consolidated balance sheet in accordance with their original classification.

(in millions of euros)	12.31.2011	12.31.2010
Equity instruments	5,345	4,040
Debt instruments	85,873	59,798
Loans and receivables	15,300	22,410
Other	1	574
TOTAL	**106,519**	**86,822**

6.6.4 FINANCIAL ASSETS RECEIVED AS SECURITY AND ABLE TO BE SOLD OR REUSED AS SECURITY

This heading covers financial assets received as security under financial guarantee agreements with the right to reuse the assets in the absence of any default on the part of the owner of the guarantee. No material financial assets were received by Natixis as security under financial guarantee agreements.

These agreements are governed by order 2005-171 of February 2, 2005. They exclude any repurchase agreements.

6.6.5 FINANCIAL ASSETS TRANSFERRED BUT NOT DERECOGNIZED

Certain assets may be transferred without being fully or partly derecognized, on the grounds that they do not meet the criteria for derecognition set out in paragraphs 15 to 37 of IAS 39. Such transfers are generally performed as part of synthetic securitization transactions.

With the exception of repurchased securities described in Note 6.6.3, Natixis does not hold any assets for which the related cash flows have been transferred within the meaning of IAS 39 and that have not been fully or partially derecognized on the basis of Natixis continuing to control these assets or substantially all of the risks and rewards attached to these assets.

6.6.6 FINANCIAL ASSETS THAT ARE PAST DUE BUT NOT IMPAIRED

The table below provides, by type of financial instrument, a breakdown of the age of financial assets which were past due but not impaired at the reporting date. It does not take into account any portfolio impairment losses which may be assessed.

Past due assets are assets in arrears (i.e., missed principal or interest payments), but which have not yet been impaired.

For overdrafts, arrears are counted as of the date when the customer is notified; the amount shown represents the total overdraft.

"Technical" delinquencies, meaning those related to incidents occurring in the collection process and unrelated to the counterparty's financial situation, are not included.

The age of each amount in arrears is determined according to the age of the first missed payment on the balance in question. The breakdown for the period is prepared on the basis of the first missed payment.

Type of assets *(in millions of euros)*	Payment arrears at 12.31.2011				
	≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	> 1 year	Total
Loans and receivables due from banks			1		1
Loans and receivables due from customers	9			9	18
Other financial assets	1				1
TOTAL	**10**		**1**	**9**	**20**

Amounts less than 90 days past due represent 50% of the total.

Type of assets *(in millions of euros)*	Payment arrears at 12.31.2010				
	≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	> 1 year	Total
Loans and receivables due from banks					
Loans and receivables due from customers	17	1	1	10	29
Other financial assets					
TOTAL	**17**	**1**	**1**	**10**	**29**

Amounts less than 90 days past due represent 59% of the total.

6.6.7 FAIR VALUE OF FINANCIAL ASSETS CARRIED AT FAIR VALUE IN THE BALANCE SHEET

The table below presents the fair value of all financial assets, whether or not they are recognized at fair value in the balance sheet.

The fair value of financial assets carried at fair value on the balance sheet is broken down according to the hierarchy of inputs used to value the assets, as described in Note 5.6.

	At December 31, 2011				At December 31, 2010			
Assets *(in millions of euros)*	Carrying amount	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3
Financial assets held for trading	**164,200**	**26,056**	**129,629**	**8,515**	**133,839**	**26,014**	**96,618**	**11,207**
Securities held for trading	38,863	24,474	8,565	5,824	41,950	24,420	8,921	8,609
Derivative instruments not eligible for hedge accounting (positive fair value)	122,049	1,520	117,838	2,691	87,706	1,338	83,770	2,597
Other financial assets held for trading	3,287	61	3,226		4,183	257	3,927	
Financial assets designated at fair value through profit and loss	**81,426**	**9,884**	**70,275**	**1,267**	**27,369**	**10,263**	**15,775**	**1,331**
Securities designated at fair value through profit and loss	13,589	9,884	2,738	967	13,771	10,263	2,939	569
Other financial assets designated at fair value through profit and loss	67,837		67,537	300	13,598		12,836	762
Hedging derivatives (assets)	**3,492**		**3,492**		**1,432**		**1,432**	
Available-for-sale financial assets	**35,143**	**30,353**	**3,584**	**1,206**	**33,938**	**28,266**	**4,234**	**1,438**
Available-for-sale securities – Equity investments	1,545	166	537	842	1,610	219	455	936
Other available-for-sale securities	33,565	30,188	3,015	362	32,302	28,047	3,755	500
Other available-for-sale financial assets	34		32	2	26		24	2
TOTAL	**284,261**	**66,293**	**206,980**	**10,988**	**196,578**	**64,544**	**118,060**	**13,975**

6.6.7.1 Financial assets at fair value measured using level 3 of the fair value hierarchy

		Gains and losses recognized in the period		
		Income statement [a]		
(in millions of euros)	Opening balance 01.01.2011	On outstanding transactions at the reporting date	On transactions expired or redeemed at the reporting date	Gains and losses recognized directly in equity
Financial assets at fair value through profit and loss – Trading	**11,207**	**477**	**(17)**	
Securities held for trading	8,609	(72)	277	
Derivative instruments not eligible for hedge accounting (positive fair value)	2,597	548	(294)	
Other financial assets held for trading				
Financial assets designated at fair value through profit and loss	**1,331**	**(51)**	**47**	
Securities designated at fair value through profit and loss	569	(36)	5	
Other financial assets designated at fair value through profit and loss	762	(14)	42	
Hedging derivatives	**0**			
Available-for-sale financial assets	**1,438**	**6**	**16**	**56**
Available-for-sale securities – Equity investments	936	(14)	9	9
Other available-for-sale securities	500	20	7	47
Other available-for-sale financial assets	2			
TOTAL FINANCIAL ASSETS RECORDED AT FAIR VALUE	**13,975**	**432**	**46**	**56**

(a) The above amounts include the effect of changes in exchange rates, which had no impact on the income statement as these transactions were hedged.

(b) The reclassification of derivatives not eligible for hedge accounting outside level 3, amounting to €10 million, resulted from the transition of multi-underlying equity products with a residual maturity of less than 8 years to the observable inputs category.

Sensitivity analysis of the fair value of financial instruments measured according to level 3 – Assets and Liabilities

Sensitivity of the fair value of financial instruments measured using unobservable inputs was estimated at December 31, 2011. With the aid of probable assumptions, this sensitivity was used to estimate the impacts of market fluctuations in unstable economic environments. This estimate was performed using:

- a "standardized" [1] variation in unobservable inputs for interest rate and equity instruments. The resulting sensitivity was €2.6 million.
- a flat variation of:
  - +/-10% in the estimated loss rates on underlying assets to model the valuation of ABS CDO tranches;
  - or +/-1% for CLO underlyings;
  - or +/-10% for the LTV used to calculated the CMBS collateral loss rate;

i.e. a sensitivity impact representing a valuation increase of €52.3 million (reflecting an improvement in the above-mentioned inputs) or a valuation decrease of €56 million (reflecting a deterioration in said inputs) [2].

(1) i.e. the standard deviation of consensus prices used to measure the inputs (TOTEM, etc.).

(2) Impact determined before taking the BPCE guarantee into account.

Transactions carried out in the period		Reclassifications in the period					
Purchases/ Issues	Sales/ Redemptions	From level 3 [b]	To level 3	Other reclassifications	Changes in consolidation scope	Translation adjustments	Closing balance 12.31.2011
569	**(4,732)**	**(10)**		**938**		**84**	**8,515**
569	(4,408)			804		46	5,824
	(323)	(10)		134		38	2,690
666	**(568)**			**(148)**		**(10)**	**1,267**
655	(78)			(148)		(0)	967
11	(490)					(10)	300
12	**(258)**	**(13)**		**(11)**	**(36)**	**(3)**	**1,206**
11	(66)	(1)		12	(53)	(2)	842
	(192)	(12)		(23)	16	(1)	362
							2
1,247	**(5,558)**	**(22)**		**778**	**(36)**	**71**	**10,988**

6.7 Deferred tax assets and liabilities

(in millions of euros)	12.31.2011	12.31.2010
Main sources of deferred tax [(a)]		
Flow-through entities	(95)	(136)
Unrealized leasing reserves	(414)	(318)
Elimination of equalization reserve	(494)	(420)
Financial instruments at fair value through equity	620	344
Fair value of Private Equity business	(217)	(199)
Amortized cost of loans	9	16
Provisions for employee benefits	254	272
Other non-deducted provisions	1,808	2,016
Non-deducted accrued expenses (o/w deferred compensation)	49	50
Unrealized gains on mutual funds	15	10
CCI distribution	(221)	(192)
Tax losses carried forward	10,123	10,175
Basis for deduction – NY branch tax dispute	695	623
Internal credit risk on issues	(674)	(437)
Other temporary differences	(245)	(508)
TOTAL SOURCES OF DEFERRED TAX, GROSS	**11,213**	**11,296**
Unrecognized sources of deferred tax assets	(3,469)	(3,234)
TOTAL SOURCES OF DEFERRED TAX, NET	**7,744**	**8,062**
Total deferred tax recognized	**2,887**	**3,049**
- o/w deferred tax assets	*3,217*	*3,361*
- o/w deferred tax liabilities	*(329)*	*(312)*

(a) Positive amounts represent sources of deferred tax giving rise to deferred tax assets, while negative amounts represent sources giving rise to deferred tax liabilities.

6.8 Accrual accounts, other assets and liabilities

This heading corresponds to technical accounts, details of which are given below:

6.8.1 OTHER ASSETS AND LIABILITIES

ASSETS

(in millions of euros)	Note	12.31.2011	12.31.2010
Other assets	*6.8.1.1*	23,115	19,637
Accrual accounts (excluding insurance)	*6.8.2.1*	3,209	5,750
Insurance accrual accounts	*6.8.3.1*	6,852	2,989
TOTAL		**33,176**	**28,376**

LIABILITIES

(in millions of euros)	Note	12.31.2011	12.31.2010
Other liabilities	*6.8.1.2*	15,914	13,843
Accrual accounts (excluding insurance)	*6.8.2.2*	3,783	5,526
Insurance accrual accounts	*6.8.3.2*	5,106	2,146
TOTAL		**24,803**	**21,515**

6.8.1.1 Other assets

(in millions of euros)	12.31.2011	12.31.2010
Securities settlement accounts	350	707
Other items	404	1,225
Miscellaneous debtors	22,354	17,675
Accrued interest	7	30
TOTAL	**23,115**	**19,637**

6.8.1.2 Other liabilities

(in millions of euros)	12.31.2011	12.31.2010
Miscellaneous creditors	13,489	10,888
Securities settlement accounts	388	489
Other	2,037	2,466
TOTAL	**15,914**	**13,843**

6.8.2 ACCRUAL ACCOUNTS

6.8.2.1 Accrual accounts (excluding insurance) – Assets

(in millions of euros)	12.31.2011	12.31.2010
Collection accounts	6	
Adjustment accounts	175	12
Prepaid expenses	551	895
Accrued income	280	490
Deferred charges	1	1
Other accrual accounts	2,196	4,352
TOTAL	**3,209**	**5,750**

6.8.2.2 Accrual accounts (excluding insurance) – Liabilities

(in millions of euros)	Note	12.31.2011	12.31.2010
Collection accounts		28	40
Adjustment accounts		419	472
Prepaid income		305	303
Accrued charges		803	1,345
Day one P&L	*6.8.2.2.1*	50	65
Other		2,178	3,301
TOTAL		**3,783**	**5,526**

6.8.2.2.1 Restatement of day-one P&L

The table below shows the deferred day-one margin on instruments priced using valuation techniques drawing on non-observable inputs or market models not commonly used classified as level 3 in the fair value hierarchy, at the beginning and end of the period, along with changes during the period.

The instruments on which the day-one margin is deferred are described in Note 5.6.

(in millions of euros)	12.31.2011	12.31.2010
Deferred margin at the beginning of the period	65	133
Margin arising on new transactions	5	22
Margin recognized during the period	(14)	(90)
Other changes	(6)	
Deferred margin at the end of the period	50	65

6.8.3 INSURANCE ACCRUAL ACCOUNTS

6.8.3.1 Insurance accrual accounts – Assets

(in millions of euros)	12.31.2011	12.31.2010
Reinsurers' share of technical reserves	5,110	1,833
Insurance receivables	454	713
Reinsurance receivables	110	105
Accrued premium income	144	135
Deferred acquisition costs	193	171
Deferred participation – debit balances	841	32
TOTAL	**6,852**	**2,989**

6.8.3.2 Insurance accrual accounts – Liabilities

(in millions of euros)	12.31.2011	12.31.2010
Insurance liabilities	163	445
Reinsurance liabilities	219	193
Cash deposits received from reinsurers	4,721	1,505
Other payables	3	3
TOTAL	**5,106**	**2,146**

6.9 Property, plant and equipment, intangible assets, investment property

6.9.1 CHANGES IN PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS OVER THE PERIOD

	12.31.2011			12.31.2010		
(in millions of euros)	Gross value	Impairment and amortization	Net value	Gross value	Impairment and amortization	Net value
Property, plant and equipment	**1,630**	**(912)**	**718**	**1,497**	**(792)**	**705**
Land and buildings	535	(283)	252	652	(250)	402
Other	1,095	(629)	466	845	(542)	303
Intangible capital assets	**1,511**	**(712)**	**799**	**1,342**	**(625)**	**718**
Leasehold rights	60	(18)	42	64	(17)	48
Software	1,061	(594)	468	957	(522)	435
Other	389	(101)	288	321	(86)	235
TOTAL	**3,141**	**(1,624)**	**1,517**	**2,839**	**(1,417)**	**1,423**

(in millions of euros)	Gross value at 01.01.2011	Increase	Decrease	Change in consolidation scope and other items	Gross value at 12.31.2011
Property, plant and equipment	**1,497**	**227**	**(275)**	**181**	**1,630**
Land and buildings	652	10	(162)	35	535
Other	845	217	(113)	146	1,095
Intangible capital assets	**1,342**	**211**	**(26)**	**(16)**	**1,511**
Leasehold rights	64	1	(0)	(5)	60
Software	957	117	(21)	9	1,061
Other	321	93	(5)	(20)	389
TOTAL	**2,839**	**438**	**(301)**	**165**	**3,141**

6.9.2 INVESTMENT PROPERTY

	12.31.2011			12.31.2010		
(in millions of euros)	Gross value	Impairment and amortization	Net value	Gross value	Impairment and amortization	Net value
Investment property						
At fair value [(a)]	851		851	640		640
At historical cost	628	(317)	312	709	(333)	376
TOTAL	**1,479**	**(317)**	**1,163**	**1,349**	**(333)**	**1,016**

(a) Life-insurance company investments. Changes in fair value give rise to the symmetrical recognition of a deferred profit-sharing reserve, equal to 100% of the related base amount on average (see Note 2.10).

6.9.3 FAIR VALUE OF INVESTMENT PROPERTY

The fair value of investment property is obtained by discounting the rental yield of these assets at the market rate.

	12.31.2011		12.31.2010	
(in millions of euros)	Net value	Fair value	Net value	Fair value
Operating leases	291	560	358	575
Finance leases – ITNL	21	22	18	21
TOTAL	**312**	**582**	**376**	**596**

6.10 Assets obtained by taking possession of guarantees

In 2011, Natixis recognized no assets obtained by taking possession of guarantees (securities, buildings, etc.) or by leveraging other forms of credit enhancement (e.g. sureties). In 2010, assets obtained by taking possession of guarantees totaled €6 million.

6.11 Goodwill

(in millions of euros)	01.01.2011 Opening balance	12.31.2011 Acquisitions during the period	Disposals	Writedowns	Translation differences	Reclassification and other activity	Closing balance
Investment Solutions	**2,116**	**47**			**36**	**(1)**	**2,198**
Natixis Global Asset Management (NGAM)	1,984	9			36	(1)	2,028
Natixis Assurance	96						96
Private Banking	22	38					60
Private Equity – third party management	13						13
Specialized Financial Services	**61**		**(3)**				**58**
Natixis Interépargne	31						31
Guarantees and Sureties	12						12
Natixis Consumer Finance	10						10
Natixis Intertitres	6						6
Slib	3		(3)				(0)
Financial investments	**527**					**(178)**	**349**
Coface “Core”	527					(178)	349
Other	**27**			**(43)**		**177**	**161**
TOTAL	**2,731**	**47**	**(3)**	**(43)**	**36**	**(2)**	**2,766**

6.12 Due to banks and customer deposits

Amounts due to banks and customer deposits are presented by type of deposit (demand or time deposits). They are measured in accordance with IAS 39 within other financial liabilities using the amortized cost method.

6.12.1 DUE TO BANKS

(in millions of euros)	12.31.2011	12.31.2010
Current accounts overdrawn and accrued interest	**3,231**	**5,371**
Accounts and deposits	**90,528**	**60,835**
demand	*2,834*	*5,238*
time	*87,694*	*55,597*
Repurchased notes	**1,979**	**125**
demand	*4*	*5*
time	*1,975*	*120*
Repurchased securities	**12,397**	**40,037**
demand	*1,194*	*598*
time	*11,203*	*39,439*
Other liabilities	**81**	**21**
Accrued interest	**414**	**227**
TOTAL	**108,630**	**106,616**

The fair value of amounts due to banks totaled €109,289 million at December 31, 2011, compared with €106,684 million at December 31, 2010.

6.12.2 CUSTOMER DEPOSITS

(in millions of euros)	12.31.2011	12.31.2010
Current accounts overdrawn	**18,976**	**13,473**
demand	*12,196*	*7,774*
time	*6,780*	*5,699*
Accounts and deposits	**6,526**	**13,078**
demand	*3,154*	*8,723*
time	*3,372*	*4,355*
Repurchased securities	**16,025**	**30,797**
demand	*4,916*	*6,735*
time	*11,109*	*24,062*
Special savings accounts	**228**	**189**
Factoring accounts	**1,192**	**1,282**
Accrued interest	**67**	**86**
Other	**1,469**	**968**
TOTAL	**44,483**	**59,873**

The fair value of customer deposits amounted to €44,483 million at December 31, 2011, compared with €60,087 million at December 31, 2010.

6.13 Debt securities

Debt securities (interest-bearing notes, interbank market securities, etc.) are broken down by type of security, excluding subordinated securities which are included within "Subordinated debt".

These debt securities are initially recognized at fair value, which is the issue price less transaction costs, and subsequently stated at amortized cost using the effective interest rate method to defer issue costs over the life of the securities.

(in millions of euros)	12.31.2011	12.31.2010
Money market instruments	**24,087**	**33,237**
BMTN	19,540	2,900
CDN	4,547	30,337
Bonds	**1,296**	**4,841**
Other debt securities	**433**	**105**
Accrued interest	**62**	**37**
TOTAL	**25,879**	**38,219**

6.14 Insurance companies' technical reserves

In order to protect policyholders, insurance companies record under liabilities technical reserves determined on the basis of statistical calculations.

Provisions for unearned premium income reflect the portion (calculated on an accrual basis) of premiums issued during the financial year that relate to a period after the reporting date.

Life insurance reserves reflect the payments received, plus investment income paid out to policyholders and less exit benefits. These reserves are topped up by the management reserve, which is intended to cover future management costs on life insurance policies.

Life insurance loss reserves cover the capital payable upon the occurrence of a loss. In credit insurance, they include an estimate of the total cost of losses reported but not yet settled at the end of the reporting period. Accrued losses are topped up by a reserve for unknown losses calculated on a statistical basis.

The reserves for deferred profit-sharing represent the portion of investment income attributable to policyholders, but not yet paid out.

Other technical reserves include reserves for financial contingencies and for deferred acquisition costs.

(in millions of euros)	12.31.2011	12.31.2010
Mathematical reserves	**37,792**	**36,619**
Life insurance	31,853	30,688
Representing unit-linked contracts	5,939	5,931
Loss reserves	**1,670**	**1,473**
Profit-sharing reserves [(a)]	**338**	**831**
Other technical reserves	**1,131**	**990**
TOTAL	**40,931**	**39,913**

(a) At December 31, 2011, net deferred participation assets amounted to €830 million, compared with a deferred participation liability of €105 million at December 31, 2010 (see Notes 2.10 and 6.8.3.1).

6.15 Provisions and impairment

6.15.1 SUMMARY OF PROVISIONS

	01.01.2011	Increase	Reversal (utilized provisions)	Reversal (surplus provisions)	Translation adjustments	Change in consolidation scope	Other	12.31.2011
Provisions for impairment deducted from assets	**4,987**	**1,721**	**(492)**	**(764)**	**30**	**19**	**(4)**	**5,498**
Provisions for loans and receivables	3,313	616	(477)	(548)	24	0	(6)	2,921
Impairment losses taken on available-for-sale financial assets	1,332	512		(184)	2		134	1,797
Other impairment	342	592	(15)	(32)	4	19	(132)	779
Provisions recognized in liabilities	**1,444**	**276**	**(137)**	**(182)**	**21**	**0**	**12**	**1,431**
Contingency reserves	**1,229**	**222**	**(137)**	**(75)**	**22**	**2**	**11**	**1,271**
Provisions for counterparty risks	637	60		(23)	18		(13)	678
Provisions for impairment risks	35	8		(6)			(11)	25
Provisions for employee benefits	354	126	(99)	(5)	3		17	396
Provisions for operational risks	202	29	(38)	(41)	1	2	17	171
Provisions for current tax	**214**	**54**		**(107)**	**(0)**	**(1)**	**1**	**160**
TOTAL	**6,431**	**1,996**	**(630)**	**(947)**	**52**	**19**	**8**	**6,929**

Impact on the income statement *(in millions euros)*	Charge	Reversal	Net impact
Net revenues	**(531)**	**266**	**(265)**
General operating expenses	(144)	136	(9)
Impairment and amortization of property, plant and equipment and intangible assets	(2)	0	(2)
Gross operating income	**(678)**	**402**	**(276)**
Provision for credit losses	(1,265)	1,068	(196)
Gains or losses on other assets			
Pre-tax profit	**(1,942)**	**1,470**	**(472)**
Income tax	(54)	107	54
NET INCOME/(LOSS)	**(1,996)**	**1,577**	**(419)**

The amounts shown in the above tables include write-downs of assets held by the life insurance companies. They are shown without the impact of changes in insurance company technical reserves and do not include losses covered by provisions.

6.15.2 CONTINGENCY RESERVES

(in millions of euros)	Note	01.01.2011	Increase	Reversal (utilized provisions)	Reversal (surplus provisions)	Translation adjustments	Change in consolidation scope	Other	12.31.2011
Counterparty risk		**637**	**60**		**(23)**	**18**		**(13)**	**679**
Financing and guarantee commitments		57	11		(14)			2	57
Customer disputes		24	7		(4)			(3)	24
Other provisions [(a)]		556	42		(6)	18		(13)	598
Impairment risk		**34**	**8**		**(6)**			**(11)**	**25**
Long-term investments		13	6		(1)				17
Real estate developments		0	1						1
Other provisions		21	1		(4)			(11)	7
Employee benefits	*11*	**354**	**126**	**(99)**	**(5)**	**3**		**17**	**396**
Operational risks		**202**	**29**	**(38)**	**(41)**	**1**	**2**	**17**	**171**
Restructuring		12	5	(8)	(1)			(2)	5
Other provisions		190	24	(30)	(40)	1	2	20	164
TOTAL		**1,229**	**222**	**(137)**	**(75)**	**22**	**2**	**11**	**1,271**

(a) Of which €380 million in provisions at December 31, 2011 in respect of Madoff net outstandings.

6.16 Subordinated debt

Subordinated debt differs from advances and bonds issued in that it is repaid after all senior and unsecured creditors, but before the repayment of participating loans and securities and deeply subordinated securities. Subordinated debt is valued at amortized cost.

(in millions of euros)	12.31.2011	12.31.2010
Dated subordinated debt [(a)]	6,041	7,261
Undated subordinated debt	56	102
Accrued interest	81	83
TOTAL	**6,178**	**7,447**

(a) Subordinated debt issue agreements do not incorporate a clause providing for early redemption in the event that the covenants are not observed.

CHANGES IN SUBORDINATED DEBT OVER THE PERIOD

(in millions of euros)	12.31.2010	Issues [(a)]	Redemptions [(b)]	Translation adjustments	Other [(c)]	12.31.2011
Other dated subordinated debt	**7,261**		**(1,233)**	**7**	**5**	**6,041**
Subordinated notes	5,966		(1,200)	7	5	4,778
Subordinated loans	1,295		(33)			1,262
Other undated subordinated debt	**102**		**(44)**		**(2)**	**56**
Deeply Subordinated Notes						
Subordinated notes	75		(16)		(2)	57
Subordinated loans	28		(28)			
TOTAL	**7,363**		**(1,276)**	**7**	**3**	**6,097**

This table does not include:

- *preference shares,*
- *accrued interest.*

(a) No subordinated securities or loans were issued in 2011.

(b) Loan repayments and securities redemptions comprised: the early redemption of an October 2005 issue for €750 million (initial maturity: January 2016), the repayment of two 1998 subordinated loans for €19.1 million and €8.7 million, the redemption of 21,000 non-voting shares issued in 1985 for a total of €16 million, and the repayment of a November 2004 issue (initial maturity November 2016) for €450 million.

(c) Other changes mainly pertained to the revaluation of debts subject to hedging and variations in intra-group securities held by Natixis Funding for the purposes of market making with respect to Natixis' debt on the secondary market. This concerned the June 2003, November 2004, September/December 2006 and May/June 2007 issues of redeemable subordinated securities.

6.17 French State support

The financing that Natixis indirectly receives through its main shareholder BPCE under the financial sector bail-out plan approved by the European Commission is described in Note 5.17.

(in millions of euros)	12.31.2010	Issues	Redemptions	Conversion differences	12.31.2011
Due to banks – SFEF	**3,325**		**(1,163)**	**44**	**2,206**
SFEF issues in EUR	847		(151)		696
SFEF issues in USD	2,478		(1,012)	44	1,510
Undated subordinated debt – SPPE	**800**		**(800)**		
BPCE	800		(800)		
TOTAL	**4,125**		**(1,963)**	**44**	**2,206**

6.18 Fair value of financial liabilities carried at fair value in the balance sheet

The table below presents the fair value of all financial liabilities, whether or not they are recognized at fair value in the balance sheet.

The fair value of financial liabilities carried at fair value in the balance sheet is broken down according to the hierarchy of inputs used to value the assets, as described in Note 5.6.

	At December 31, 2011				At December 31, 2010			
Liabilities *(in millions of euros)*	Carrying amount	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3
Financial liabilities held for trading	**150,667**	**28,130**	**122,348**	**188**	**113,810**	**26,370**	**86,484**	**956**
Securities issued for trading purposes	26,995	26,025	969		26,337	24,952	833	552
Derivative instruments not eligible for hedge accounting (negative fair value)	122,271	2,098	119,985	188	85,953	1,411	84,139	404
Other financial liabilities issued for trading purposes	1,401	7	1,394		1,519	7	1,512	
Financial liabilities designated at fair value through profit and loss	**81,517**	**548**	**80,970**		**45,046**	**2**	**45,044**	
Securities designated at fair value through profit and loss	17,170	548	16,622		36,494		36,494	
Other financial liabilities designated at fair value through profit and loss	64,348		64,348		8,552	2	8,550	
Hedging derivatives (liabilities)	**1,152**		**1,152**		**1,573**		**1,573**	
TOTAL	**233,336**	**28,678**	**204,471**	**188**	**160,429**	**26,372**	**133,101**	**956**

6.18.1 FINANCIAL LIABILITIES AT FAIR VALUE MEASURED USING LEVEL 3 OF THE FAIR VALUE HIERARCHY

(in millions of euros)	Level 3 opening balance 01.01.2011	Gains and losses recognized in the period		
		Income statement		
		On outstanding transactions at the reporting date	On transactions expired or redeemed at the reporting date	Gains and losses recognized directly in equity
Financial liabilities at fair value through profit and loss – Trading	**956**	**79**		
Securities issued for trading purposes	552			
Derivative instruments not eligible for hedge accounting (negative fair value)	404	79		
Other financial liabilities issued for trading purposes				
Financial assets designated at fair value through profit and loss				
Securities designated at fair value through profit and loss				
Other financial liabilities designated at fair value through profit and loss				
Hedging derivatives				
TOTAL FINANCIAL LIABILITIES RECOGNIZED AT FAIR VALUE	**956**	**79**		

6.19 Breakdown of financial liabilities by contractual maturity

Liabilities *(in billions of euros)*	12.31.2011					
	Total on-balance sheet exposure	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	Over 5 years
Due to central banks						
Financial liabilities at fair value through profit and loss	110	77	15	10	9	2
Derivative instruments not eligible for hedge accounting	122	122				
Hedging derivatives	1	1				
Due to banks	109	31	17	29	31	4
Customer deposits	45	35	6	2	1	1
Debt securities	26	9	4	6	6	3
Insurance companies' technical reserves	41		1	4	11	33
Subordinated debt	6	1			7	1
Financing commitments given		23	4	17	24	5
Financial guarantees given		1	1	8	29	82
TOTAL	**460**	**301**	**47**	**76**	**118**	**131**

Transactions carried out in the period		Reclassifications in the period					
Purchases/ Issues	**Sales/ Redemptions**	**From level 3**	**To level 3**	**Other reclassifications**	**Change in consolidation scope**	**Translation adjustments**	**Level 3 closing balance 12.31.2011**
	(466)	**(8)**		**(372)**			**188**
	(141)			(411)			
	(325)	(8)		39			188
	(466)	**(8)**		**(372)**			**188**

12.31.2010					
Total on-balance sheet exposure	**Less than 1 month**	**1 to 3 months**	**3 months to 1 year**	**1 to 5 years**	**Over 5 years**
1	1				
73	38	12	12	6	10
86	86				
2	2				
107	48	19	13	25	3
60	42	6	5	5	2
38	13	12	7	5	2
40		1	4	10	30
7	1		1	5	2
	8	4	12	39	4
	1	1	11	17	84
413	**238**	**55**	**64**	**114**	**137**

NOTE 7 NOTES TO THE INCOME STATEMENT

7.1 Interest margin

"Interest and similar income" and "interest and similar expenses" comprise interest on fixed-income securities recognized as available-for-sale financial assets, and interest on loans and receivables to and from banks and customers.

These line items also include interest on held-to-maturity financial assets.

Financial assets and liabilities valued at amortized cost give rise to the recognition of interest calculated using the effective interest rate method.

	12.31.2011			12.31.2010		
(in millions of euros)	Income	Expenses	Net	Income	Expenses	Net
Central banks	**19**	**(2)**	**17**	**29**	**(1)**	**27**
Securities	**1,303**	**(340)**	**963**	**1,290**	**(332)**	**958**
Loans & receivables	**5,303**	**(2,883)**	**2,420**	**4,478**	**(2,025)**	**2,453**
Banks	1,371	(2,197)	(826)	1,294	(1,620)	(326)
Customers	3,478	(655)	2,823	2,825	(353)	2,471
Finance leases	454	(31)	423	359	(52)	307
Subordinated debts	**0**	**(200)**	**(200)**	**0**	**(216)**	**(216)**
Other	**1**	**(0)**	**1**	**1**	**(2)**	**(1)**
Hedging instruments	**826**	**(1,223)**	**(397)**	**1,016**	**(1,194)**	**(177)**
Due and accrued interest on derivatives	826	(1,223)	(397)	1,016	(1,194)	(177)
Interest accrued on impaired loans and receivables (including restructured items)	**10**	**0**	**10**	**20**	**0**	**20**
TOTAL	**7,463**	**(4,648)**	**2,814**	**6,833**	**(3,769)**	**3,064**

7.2 Net fee and commission income

The method of accounting for fees and commissions received in respect of services or financial instruments depends on the ultimate purpose of the services rendered and the method of accounting for the financial instruments to which the service relates. Fees and commissions for one-off services, such as business provider commissions, are recognized in income as soon as the service is provided. Fees and commissions for ongoing services such as guarantee commissions or management fees are recognized over the service period.

Fiduciary or similar fees and commissions are those that result in assets being held or invested on behalf of individual customers, pension schemes or other institutions. In particular, trust transactions cover asset management and custody activities performed on behalf of third parties.

Fees and commissions that form an integral part of the effective yield on an instrument, such as commitment fees or loan set-up fees, are recognized and amortized as an adjustment to the effective interest rate over the estimated term of the applicable loan. These fees and commissions are recognized as interest income rather than fee and commission income.

	12.31.2011			12.31.2010		
(in millions of euros)	Income	Expenses	Net	Income	Expenses	Net
Interbank transactions	4	(25)	(21)	2	(22)	(20)
Customer transactions	558	(10)	548	500	(3)	497
Securities transactions	100	(113)	(14)	129	(116)	13
Payment services	352	(73)	279	261	(75)	186
Financial Services	321	(490)	(169)	347	(484)	(137)
Fiduciary transactions	1,805		1,805	1,839		1,839
Financing, guarantee, securities, and derivative commitments [(a)]	184	(300)	(115)	225	(217)	8
Other	351	(572)	(221)	281	(524)	(243)
TOTAL	**3,675**	**(1,583)**	**2,092**	**3,584**	**(1,441)**	**2,143**

a) *The premium paid to BPCE in respect of the guarantee given against GAPC assets classified as "Loans and receivables" and "Available-for-sale financial assets" is recognized in expenses pro rata to the write-back of the provisions and the discounts recognized in respect of reclassifications during the period.*

At December 31, 2011, the expense recognized in respect of the premium totaled -€331 million (-€293 million in 2010), of which -€232 million was recognized in net revenues under guarantee commissions (-€159 million in 2010) and -€99 million in Provision for credit losses (-€134 million in 2010).

7.3 Gains and losses on financial instruments at fair value through profit and loss

This item includes gains and losses on financial assets and liabilities at fair value through profit and loss, and other financial assets measured at their amortized cost, whether held for trading or designated at fair value through profit and loss, including interest.

Hedging derivatives include changes in the fair value of derivatives classified as fair value hedges, excluding interest, plus the symmetrical revaluation of the items hedged. They also include the "ineffective" portion of cash flow hedges.

(in millions of euros)	12.31.2011	12.31.2010
Net gains/(losses) on financial assets and liabilities excluding hedging derivatives	**651**	**1,102**
Net gains/(losses) on financial assets and liabilities held for trading [(a)]	125	1,164
o/w derivatives not eligible for hedge accounting	*1,760*	*(1,776)*
Net gains/(losses) on other financial assets and liabilities designated at fair value through profit and loss [(b)]	415	(96)
Other	111	34
Hedging instruments and revaluation of hedged item	**92**	**82**
Ineffective portion of cash flow hedges (CFH)	14	(10)
Ineffective portion of fair value hedges (FVH)	78	92
Changes in fair value of fair value hedges	*146*	*16*
Changes in fair value of hedged item	*(68)*	*77*
TOTAL	**743**	**1,184**

(a) "Net gains/(losses) on financial assets and liabilities held for trading" include:

- *the valuation of unhedged ABS CDOs with subprime exposure (see Note 5.6), resulting in the recognition of an expense of €36 million in 2011 (excluding the impact of the BPCE guarantee), versus an expense of €19 million at December 31, 2010, for a net exposure of €377 million at December 31, 2011;*
- *impairments taken against the fair value of CDS entered into with monoline insurers (see Note 5.6), which led to a decrease of €529.5 million in cumulative impairments in 2011, versus an expense of €234 million in 2010 (excluding the impact of exchange rate fluctuations and the BPCE guarantee), bringing cumulative impairments to €1,573 million at December 31, 2011 versus €2,086 million at December 31, 2010;*
- *impairments taken against credit derivatives contracted with Credit Derivatives Product Companies (see Note 5.6), reversed in the amount of €0.5 million in 2011 to reach €15 million, versus a writeback of €145 million in 2010 (excluding the impact of the BPCE guarantee and exchange rate fluctuations), for an economic exposure of €101 million at December 31, 2011.*

  At the same time, allocation to the portfolio-based provision amounted to €0.3 million over the year, versus a reversal of €280 million in 2010 (excluding the impact of the BPCE guarantee and exchange rate fluctuations), bringing the cumulative balance to €155 million for an exposure of €746 million at December 31, 2011 versus €458 million at December 31, 2010.
- *At December 31, 2011, the discount against fund units recognized in 2009 based on the selling prices observed on the secondary market totaled €41 million versus €70 million at December 31, 2010, i.e. a decrease of €29 million year on year.*

(b) Net gains and losses include the valuation of the issuer spread on issues carried out by Natixis and designated at fair value through profit and loss with a positive €238 million impact on income for the period versus income of €21 million last year.

7.4 Net gains or losses on available-for-sale financial assets

Net gains or losses on available-for-sale financial assets principally comprise:

- gains or losses on sales of available-for-sale financial assets and financial assets recognized at their amortized cost;
- permanent losses in value and dividends payable on variable-income securities, charged to "Available-for-sale financial assets".

Impairment of fixed-income securities classified as available-for-sale is charged to "Provision for credit losses".

This line item also includes market discounts on syndicated loans. In fact, loans outstanding with a theoretical syndication date expired as at December 31, 2011 were analyzed on a case-by-case basis in order to take into account any market discounts observed at the end of the reporting period.

(in millions of euros)	12.31.2011	12.31.2010
Dividends	240	200
Gains or losses on sales	371	(103)
Impairment of variable-income securities	(391)	(164)
Discounts on syndicated loans [(a)]	13	25
TOTAL	**233**	**(43)**

(a) Syndicated loans: Loans with a theoretical syndication date expired as at December 31, 2011 amounted to €63 million. These loans were analyzed on a case-by-case basis to take into account the market discounts observed at the reporting date within income. Cumulative discounts amounted to €29 million at December 31, 2011, versus €44 million the previous year.

7.5 Other income and expenses

Income and expenses from other operations mainly comprise income and expenses relating to finance leases and investment property.

This item also includes income and expenses relating to insurance activities, in particular life insurance premium income, paid benefits and claims, and changes in insurance liabilities.

		12.31.2011			12.31.2010		
(in millions of euros)	Notes	Income	Expenses	Net	Income	Expenses	Net
Finance leases	*7.5.1*	192	(177)	16	151	(144)	7
Investment property		108	(53)	55	103	(44)	59
Sub-total Real Estate Activities		**300**	**(230)**	**70**	**254**	**(188)**	**66**
Net charge to/reversal of insurance company technical reserves		0	2,969	2,969	0	(1,622)	(1,622)
Other insurance income and expenses	*7.5.2*	1,676	(4,162)	(2,486)	4,520	(3,318)	1,202
Sub-total Insurance		**1,676**	**(1,193)**	**484**	**4,520**	**(4,940)**	**(420)**
Simple leases		84	(75)	8	36	(26)	10
Other related income and expenses	*7.5.3*	620	(304)	317	789	(418)	371
TOTAL		**2,680**	**(1,802)**	**879**	**5,599**	**(5,572)**	**27**

Insurance income includes changes recorded in income in respect of a €3.2 billion increase in reinsurers' share of technical reserves offset by -€3.2 billion charge in "Other insurance income and expenses".

7.5.1 FINANCE LEASES

	12.31.2011			12.31.2010		
(in millions of euros)	Income	Expenses		Income	Expenses	Net
Gains or losses on sales	4	(13)	(9)	5	(15)	(11)
Impairment	0	(2)	(2)	0	(21)	(21)
Other related income and expenses	188	(162)	27	146	(107)	39
TOTAL	**192**	**(177)**	**16**	**151**	**(144)**	**7**

7.5.2 OTHER INSURANCE INCOME AND EXPENSES

(in millions of euros)	12.31.2011	12.31.2010
Life insurance premium income [a]	289	3,176
Personal risk insurance premium income	189	239
Credit insurance premium income	958	929
Paid benefits and claims	(3,997)	(3,209)
Other income/(expenses)	76	67
TOTAL	**(2,486)**	**1,202**

(a) "Life insurance premium income" includes a -€3.2 billion charge resulting from the increase in the reinsurance share (see Note 7.5).

7.5.3 OTHER RELATED INCOME AND EXPENSES

In millions of euros	12.31.2011	12.31.2010
IT services	32	27
Credit management services [a]	176	190
Other operations	108	154
TOTAL	**317**	**371**

(a) These correspond to sales of credit information, marketing information and receivables collection services provided by Coface non-core subsidiaries.

7.6 General operating expenses

Operating expenses mainly comprise payroll costs, including wages and salaries net of rebilled expenses, social security expenses and employee benefits such as pensions (defined benefit plans), and expenses relating to share-based payment recognized in accordance with IFRS 2. The details of these expenses are provided in Note 11.

This item also includes all administrative expenses and external services.

(in millions of euros)	Notes	12.31.2011	12.31.2010
Payroll costs	*11.2*		
Wages and salaries		(1,865)	(1,843)
o/w share-based payments		*(37)*	*(27)*
Pensions and other employee benefits	*11.2.2 & 11.2.3*	(232)	(210)
Social security expenses		(457)	(449)
Incentive and profit-sharing plans		(87)	(92)
Payroll-based taxes		(105)	(76)
Other		3	24
Total payroll costs		**(2,743)**	**(2,646)**
Other operating expenses			
Taxes other than on income		(139)	(105)
External services		(1,655)	(1,611)
Other		(83)	(90)
Total other operating expenses		**(1,877)**	**(1,806)**
TOTAL		**(4,620)**	**(4,452)**

7.7 Provision for credit losses

This item mainly comprises the costs associated with the risk inherent to credit transactions: net charges to specific and collective provisions, loans and receivables written off during the period and recoveries on bad debts written off.

It also includes any impairments recorded in respect of proven default risks associated with counterparties of OTC instruments.

"Impairment of financial assets" includes impairment recognized against securities classified as "Loans and receivables" (including items reclassified following the October 13, 2008 amendment) and fixed-income securities classified within available-for-sale financial assets.

(in millions of euros)	12.31.2011 Charges	Net reversals	Write-offs not covered by provisions	Recoveries of bad debts written off	Net	12.31.2010 Charges	Net reversals	Write-offs not covered by provisions	Recoveries of bad debts written off	Net
Provisions for risks and other costs	**(60)**	**23**	**0**	**0**	**(37)**	**(27)**	**61**	**0**	**0**	**34**
Financing commitments	(11)	14			2	(16)	8	0	0	(8)
Other	(49)	10			(38)	(11)	53	0	0	42
Provisions for impairments of financial assets	**(862)**	**553**	**(35)**	**14**	**(329)**	**(687)**	**496**	**(36)**	**17**	**(210)**
Provision for credit losses	**(922)**	**576**	**(35)**	**14**	**(367)**	**(714)**	**557**	**(36)**	**17**	**(176)**
o/w:										
Reversals of surplus impairment provisions		*576*					*557*			
Reversals of utilized impairment provisions		*492*					*760*			
Sub-total reversals		***1,068***					***1,317***			
Write-offs covered by provisions		*(492)*					*(760)*			
Total net reversals		***576***					***557***			

The provision for permanent impairment recognized on Greek sovereign securities *(see Note 10.4.2.1)* is €105.2 million after applying the rules of profit sharing relating to the life insurance portfolios in question.

7.8 Share in income from associates

(in millions of euros)	12.31.2011 Share of net assets	Share of net income	12.31.2010 Share of net assets	Share of net income
Caisses d'Epargne	5,751	330	5,910	295
Banques Populaires	4,968	246	4,966	179
Other	119	18	72	26
TOTAL	**10,838**	**594**	**10,948**	**500**

7.9 Gains or losses on other assets

This item comprises capital gains and losses on the disposal of property, plant and equipment and intangible assets used in operations, as well as capital gains and losses on the disposal of investments in consolidated companies.

	12.31.2011			12.31.2010		
(in millions of euros)	Investments in consolidated companies	Property, plant and equipment and intangible assets	Total	Investments in consolidated companies	Property, plant and equipment and intangible assets	Total
Net capital gains/ (losses) on disposals	**31**	**(2)**	**29**	**(22)**	**(17)**	**(39)**
TOTAL	**31**	**(2)**	**29**	**(22)**	**(17)**	**(39)**

7.10 Reconciliation of the tax expense in the financial statements and the theoretical tax expense

(in millions of euros)	12.31.2011	12.31.2010
+ Net income/(loss) group share	1,562	1,732
+ Net income/(loss) attributable to minority interests	39	36
+ Income tax charge	520	213
+ Income from discontinued operations		
+ Impairment of goodwill	43	
- Share in income from associates	(594)	(500)
= Consolidated net income/(loss) before tax, goodwill, amortization and share in income from associates	**1,570**	**1,482**
+/- Permanent differences	(267)	(344)
= Consolidated taxable income/(loss)	**1,303**	**1,138**
x Theoretical tax rate	33.33%	33.33%
= Theoretical tax charge	**(434)**	**(379)**
+ Contributions and minimum annual tax charges	(12)	(4)
+ Income taxed at reduced rates	(4)	(2)
+ Losses for the period not recognized for deferred tax purposes	(189)	(161)
+ Impact of tax consolidation	75	43
+ Differences in foreign subsidiary tax rates	(10)	3
+ Tax reassessments	2	(19)
+ Tax credits	3	5
+ CCI distribution tax	(76)	(66)
+ Prior year tax	80	260
+ Other items	45	107
= Tax charge for the period	**(520)**	**(213)**
o/w: current tax	(177)	(212)
deferred tax	(343)	(1)

NOTE 8 STATEMENT OF NET INCOME/(LOSS), GAINS AND LOSSES RECORDED DIRECTLY IN EQUITY

8.1 Change in gains and losses recorded directly in equity

(in millions of euros)	Activity in 2011	Activity in 2010
Translation adjustments		
Reclassification to income	*3*	*(1)*
Other activity	*171*	*328*
	174	**327**
Revaluation of available-for-sale financial assets		
Reclassification to income	*133*	*101*
Other activity	*(281)*	*(8)*
	(149)	**94**
Revaluation of hedging derivatives		
Reclassification to income	*207*	*160*
Other activity	*(185)*	*(13)*
	22	**146**
Shares in unrealized or deferred gains/(losses) of associates		
Reclassification to income	*(10)*	*(1)*
Other activity	*(596)*	*36*
	(606)	**35**
Taxes	**32**	**(1)**
TOTAL	**(526)**	**601**

Gains and losses recorded directly in equity are recycled to income.

8.2 Breakdown of tax on gains and losses recognized in equity

	12.31.2011			12.31.2010		
(in millions of euros)	Gross	Taxes		Gross	Taxes	Net
Translation adjustments	174	0	174	327	0	327
Revaluation of available-for-sale financial assets	(149)	16	(133)	94	(7)	86
Revaluation of hedging derivatives	22	15	38	146	7	153
Shares in unrealized or deferred gains/(losses) of associates	(687)	81	(606)	40	(5)	35
TOTAL CHANGES IN UNREALIZED OR DEFERRED GAINS OR LOSSES	**(639)**	**112**	**(526)**	**607**	**(6)**	**601**

NOTE 9 SEGMENT REPORTING

In 2009, Natixis carried out an in-depth review of its business lines and developed the New Deal plan in response. After considering the growth potential of each business line and its strategic fit with Natixis' other operations and with BPCE, Executive Management identified three core businesses:

- **Corporate and Investment Banking**, representing banking services for large companies and BPCE institutional investors;
- **Investment Solutions**, which includes Asset Management, Life Insurance, Private Banking and, since Q3 2010, the Private Equity business resulting from the spin-off of Natixis Private Equity and slated to become a third party management activity;
- **Specialized Financial Services**, which includes Factoring, Lease Financing, Consumer Credit, Guarantees, Employee Benefits Planning, and Payment and Securities Services. These services are the key growth drivers for the retail banking business of the BPCE Group.

Coface, the Private Equity businesses (proprietary, sponsored funds and third party management slated for disposal) and **Natixis Algérie** are managed as financial holdings due to their lower synergies with Natixis' other businesses and with BPCE.

Coface reorganized its business in 2011, refocusing on **core** business lines (credit insurance and factoring in Germany and Poland), while the non-strategic, service activities of the **non-core unit** were put into run off.

This new-look organization is used by management to monitor divisional performance, draw up business plans and manage the business from an operational perspective. In accordance with IFRS 8 "Operating Segments", this is the segmentation used by Natixis to define its operating segments.

9.1 CIB

The Corporate and Investment Banking division offers its corporate, institutional investor, insurer and banking customers a broad spectrum of financing and capital market services leveraging all its expertise in advisory, origination, structuring and placement.

Building on the technical expertise of its teams, combined with its widely recognized, award-winning research capabilities, Natixis designs tailored solutions for its customers incorporating the most recent market developments.

- Corporate and Institutional Relations ensures that Natixis maintains close ties with its customers both in France and abroad, partnering with them over time and leveraging its robust knowledge of numerous business sectors to optimize risk management;
- **Debt and Financing** provides a dedicated platform offering financing solutions and advisory services boosted by additional expertise in specialized origination, structured finance and distribution;
- **Capital markets**: Natixis boasts leading expertise on interest rate, currency, commodity, credit and equity markets, which is used to develop its broad line-up of standard and bespoke products.

9.2 Specialized Financial Services

This business line groups together a number of service businesses primarily serving the Caisses d'Epargne and Banques Populaires networks, and other Natixis business lines:

- **Factoring**: this is France's fourth-leading factoring business, providing companies with invoicing management solutions such as financing, insurance, and collection. Natixis Factor uses the Banques Populaires and Caisses d'Epargne networks, which account for a significant portion of its business;
- **Sureties and Financial Guarantees**: this business line is operated by Natixis Garanties and notably includes: guarantees for mortgage loans granted to retail and business customers by the Caisses d'Epargne, and more recently the Banques Populaires networks, along with legal guarantees and bail bonds;
- **Consumer finance**: the third-leading player in consumer finance in France, this Natixis business line includes a broad range of activities throughout the value chain for revolving loans (marketing, origination, administrative management, out-of-court collection) and administrative management services for personal loans. These activities are operated by Natixis Financement, which manages revolving loans granted by the BPCE Group networks, and manages personal loans granted by the Caisses d'Epargne and more recently by the Banques Populaires;
- **Leasing**: this business line provides financing solutions for real estate and non real estate that is managed under finance leases or other long-term leasing arrangements;
- **Employee Savings Scheme**: (a comprehensive B2B employee benefits planning range of products), employee savings: administration of employee accounts, fund administration and accounting, collective life insurance, and special payment vouchers;
- **Securities Services**: custody (account administration, back office outsourcing, depositary control) and office services;

- **Payments**: provision of applications and infrastructures: electronic banking, issuance and collection of high-volume electronic transfers, check processing;
- **Film Industry Financing**: this business line is operated via Coficiné, a subsidiary specializing in structured loans for film and audiovisual activities in France and Europe.

9.3 Investment Solutions

- **Asset Management**: Asset management activities are grouped together within Natixis Global Asset Management. They cover all asset categories and are carried out mainly in the US and France. These activities are performed by autonomous entities (specialized management companies and specialized distribution units) coordinated by a holding company that ensures the organization's consistency by overseeing its strategic direction. These companies are thus able to focus on their core business of achieving high performance, while retaining the option of developing their own institutional clientele and drawing on the business line's other support functions, based on appropriate economic models. A number of them have forged a strong reputation, such as Loomis Sayles, Harris Associates, AEW and Natixis Asset Management.

  Together, these specialized management companies enable the Group to provide a full range of expertise meeting demand from all customer segments. Coverage of the various customer segments is optimized by the organization of distribution around the Global Associates platform and the business franchises developed over the long term by the asset management companies, mainly with various client groups. The management companies continue to handle distribution via the shareholder retail banking networks in France.
- **Insurance**: Natixis Assurances is a holding company for various operating insurance subsidiaries. It offers a comprehensive range of individual and collective life insurance, personal risk insurance and property and casualty insurance solutions. These diversified, customized solutions are designed for retail and small business customers, farmers, companies and associations.
- **Private Banking**: this business line encompasses wealth management activities in France and Luxembourg, financial planning solutions, and services for independent wealth management advisors (IWMAs). Banque Privée 1818, created from the merger between Banque Privée Saint Dominique (BPSD) and La Compagnie 1818, has taken its place as a major player on the French market. Its development continued in 2011 with the consolidation of Sélection-R, now Sélection 1818, in the interest of creating a platform for IWMAs, following its merger with 1818 Partenaires. Its clientele derives mainly from Caisses d'Epargne and Banques Populaires, and to a lesser extent from Natixis. Private Banking offers advisory services, financial planning and expertise, and fund management solutions.
- **Private Equity for third party clients**: The Private Equity business for third party clients is centered around a Natixis department that was set up in 2010: Natixis Capital Investissement (NCI). The teams have extensive expertise in equity financing for generally unlisted, small and medium-sized enterprises in France and Europe via sponsored equity holdings. NCI covers the Private Equity segments for third party investors, such as Private Equity deals (top-line funding for mature companies), venture capital (new, innovative companies) and funds of funds.

9.4 Private Equity

This business covers proprietary Private Equity transactions, some sponsored funds, and third party management of assets not held by Natixis. After the October 2010 sale to AXA Private Equity of the majority of the proprietary operations in France, the international segment remains, and is divided into several small teams of investors. The teams have extensive expertise in equity financing for generally unlisted, small and medium-sized enterprises outside France via equity holdings.

9.5 Coface

Its main activities are credit insurance, international factoring solutions, business information and ratings (credit and marketing), receivables management (from issuance through to collection), and management of public procedures on behalf of the French state. Most of Coface's revenue is derived from its international operations.

Coface reorganized its business in 2011, refocusing on core business lines (credit insurance and factoring in Germany and Poland), while the non-strategic, service activities of the **non-core unit** were put into run off.

9.6 Retail Banking

Natixis consolidates these operations via its 20% ownership of the Banques Populaires and Caisses d'Epargne retail banking networks and via the business lines distributed by the networks. Both shareholder groups' networks have distinct yet complementary market positions. The Caisses d'Epargne banks have a strong presence in the personal and small business customer segment, offering a full spectrum of products and services. They also boast robust local roots and are prime movers in regional development, offering local authorities, social housing organizations and businesses an extensive range of products and services. The Banques Populaires network focuses on professionals, SMEs and retail customers.

9.7 GAPC – Workout portfolio management

At the end of 2008, Natixis ring-fenced its most illiquid and/or high-risk financial markets exposures within GAPC (Gestion Active des Portefeuilles Cantonnées, or Workout Portfolio Management). Segregated assets include convertible arbitrage, complex equity and interest rate derivatives, trading correlation derivatives, structured fund-based derivatives, proprietary credit activities and residential ABS.

In a persistently uncertain market environment, Natixis set up a guarantee mechanism in the third quarter of 2009 with BPCE. This mechanism is designed to offer protection against future losses and earnings volatility resulting from GAPC portfolios. The mechanism took effect on July 1, 2009.

At December 31, 2011, the scope of activities covered by GAPC was as follows:

- GAPC 0 – Management;
- GAPC 1 – Structured Credit Euro;
- GAPC 2 – Structured Credit US;
- GAPC 3 – Vanilla credit;
- GAPC 4 – Correlation trading;
- GAPC 5 – Complex interest rate derivatives;
- GAPC 7 – Complex equity derivatives;
- GAPC 8 – Fund-based structured products (formerly Alternative Assets).

The GAPC 6 activity, Convertible arbitrage, was closed at the end of 2010.

9.8 Segment reporting

9.8.1 SEGMENT REPORTING IN THE INCOME STATEMENT

	12.31.2011 IFRS-EU								
(in millions of euros)	Corporate and Investment Banking	Investment Solutions	Specialized Financial Services	Coface	Private Equity	Retail Banking	GAPC	Other	Total
	[1]	[2]	[3]	[4]	[5]	[6]		[7]	
Net revenues	**2,760**	**1,885**	**1,131**	**696**	**(21)**		**42**	**268**	**6,761**
variation, 2011/2010,(a)	*(9)%*	*5%*	*5%*	*12%*	*(191)%*		*(129)%*	*148%*	*4%*
Operating expenses	(1,675)	(1,358)	(798)	(571)	(19)		(136)	(297)	(4,854)
variation, 2011/2010,(a)	*1%*	*5%*	*(3)%*	*6%*	*(49)%*		*(25)%*	*13%*	*1%*
Gross operating income	**1,085**	**527**	**333**	**125**	**(40)**	**0**	**(94)**	**(29)**	**1,907**
variation, 2011/2010,(a)	*(21)%*	*5%*	*31%*	*56%*	*186%*		*(71)%*	*(81)%*	*11%*
Income before taxes	**979**	**434**	**295**	**98**	**(53)**	**438**	**(125)**	**54**	**2,121**
variation, 2011/2010,(a)	*(16)%*	*(11)%*	*40%*	*63%*	*66%*	*32%*	*(31)%*	*(210)%*	*6%*
Net income (group share)	**686**	**250**	**197**	**62**	**(47)**	**409**	**(88)**	**93**	**1,562**
variation, 2011/2010 (a)	*(16)%*	*(37)%*	*47%*	*148%*	*15%*	*30%*	*(31)%*	*(59)%*	*(10)%*

(a) Variation between December 31, 2011 and December 31, 2010 (pro forma figures).

This information is determined based on the accounting principles applied in accordance with IFRS as adopted by the European Union at December 31, 2011.

	12.31.2010 - pro forma accounting for 2011 scope of consolidation changes IFRS-EU								
(in millions of euros)	Corporate and Investment Banking	Investment Solutions	Specialized Financial Services	Coface	Private Equity	Retail Banking	GAPC	Other	Total
	[1]	[2]	[3]	[4]	[5]	[6]		[7]	
Net revenues	**3,027**	**1,789**	**1,074**	**620**	**23**		**(145)**	**108**	**6,496**
Operating expenses	(1,655)	(1,288)	(819)	(540)	(37)		(182)	(262)	(4,783)
Gross operating income	**1,372**	**501**	**255**	**80**	**(14)**	**0**	**(327)**	**(154)**	**1,713**
Income before taxes	**1,170**	**490**	**210**	**60**	**(32)**	**333**	**(182)**	**(49)**	**2,000**
Net income (group share)	**816**	**396**	**134**	**25**	**(41)**	**315**	**(127)**	**228**	**1,745**

This information is determined based on the accounting principles applied in accordance with IFRS as adopted by the European Union at December 31, 2010. It is presented in accordance with the new business structure adopted by Natixis at December 31, 2011. It notably takes into account the inclusion of Coface's non-core activities in "Other". This information also takes account of the addition of the following entities in the SFS division: Cicobail, Océor Lease Réunion, Océor Lease Nouméa, Océor Lease Tahiti and GCE Paiements.

	12.31.2010 - brochure disclosures IFRS-EU								
(in millions of euros)	Corporate and Investment Banking	Investment Solutions	Specialized Financial Services	Coface	Private Equity	Retail Banking	GAPC	Other	Total
	[1]	[2]	[3]	[4]	[5]	[6]		[7]	
Net revenues	**3,027**	**1,799**	**960**	**800**	**23**		**(145)**	**(89)**	**6,375**
Operating expenses	(1,655)	(1,288)	(707)	(691)	(37)	0	(182)	(118)	(4,677)
Gross operating income	**1,372**	**512**	**254**	**109**	**(15)**		**(328)**	**(207)**	**1,697**
Income before taxes	**1,170**	**501**	**205**	**79**	**(32)**	**333**	**(182)**	**(92)**	**1,981**
Net income (group share)	**816**	**406**	**130**	**44**	**(41)**	**315**	**(127)**	**189**	**1,732**

This information is determined based on the accounting principles applied in accordance with IFRS as adopted by the European Union at December 31, 2010.

9.8.2 BALANCE SHEET SEGMENT ANALYSIS

(in millions of euros)	12.31.2011								
	Corporate and Investment Banking	Investment Solutions	Specialized Financial Services	Coface	Private Equity	Retail Banking	GAPC	Other	Total
	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	
Assets at fair value through profit and loss	166,912	9,997	2	285	509		67,879	42	245,625
Available-for-sale financial assets	2,077	26,580	1,451	1,311	116		479	3,129	35,143
Loans and receivables to financial institutions	42,084	1,251	629	200	20		3,000	1,459	48,643
Loans and receivables to customers	75,550	1,646	19,636	3,334	18		6,569	5,067	111,820
Held-to-maturity financial assets		4,021		17					4,037
Goodwill		2,198	58	349				161	2,766
Other assets	24,334	3,204	630	(260)	(292)	451	2,908	28,702	59,678
TOTAL ASSETS	**310,957**	**48,897**	**22,406**	**5,236**	**371**	**451**	**80,835**	**38,560**	**507,712**

(in millions of euros)	Corporate and Investment Banking	Investment Solutions	Specialized Financial Services	Coface	Private Equity	Retail Banking	GAPC	Other	Total
	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	
Financial liabilities at fair value through profit and loss	176,322	92					55,678	92	232,184
Deposits from financial institutions	65,239	2,103	14,285	2,301	86		21,628	2,988	108,630
Customer deposits	35,375	781	600	518			1,998	5,211	44,483
Debt securities	24,989	(4)	602				202	90	25,879
Insurance companies' technical reserves	171	38,367	882	1,511	,				40,930
Subordinated debt	1,549	725	303	133	18			3,451	6,178
Other liabilities	7,313	6,832	5,734	773	268	451	1,329	26,727	49,428
TOTAL LIABILITIES	**310,957**	**48,897**	**22,406**	**5,236**	**371**	**451**	**80,835**	**38,560**	**507,712**

	12.31.2010								
(in millions of euros)	Corporate and Investment Banking	Investment Solutions	Specialized Financial Services	Coface	Private Equity	Retail Banking	GAPC	Other	Total
	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	
Assets at fair value through profit and loss	93,990	9,029	1	235	592		57,228	133	161,208
Available-for-sale financial assets	2,577	25,943	1,356	1,205	8		1,045	1,805	33,938
Loans and receivables to financial institutions	59,653	377	1,873	256	9		3,398	2,497	68,063
Loans and receivables to customers	87,250	1,544	18,762	4,374	11		10,466	5,641	128,049
Held-to-maturity financial assets		5,006		26					5,032
Goodwill		2,116	61	527				27	2,731
Other assets	24,620	(606)	497	(47)	(263)	753	3,850	30,184	58,988
TOTAL ASSETS	**268,090**	**43,408**	**22,549**	**6,577**	**357**	**753**	**75,987**	**40,288**	**458,009**

(in millions of euros)	Corporate and Investment Banking	Investment Solutions	Specialized Financial Services	Coface:	Private Equity	Retail Banking	GAPC	Other	Total
	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	
Financial liabilities at fair value through profit and loss	116,779	123	5				41,767	183	158,856
Deposits from financial institutions	53,111	729	14,342	3,645			29,710	5,079	106,616
Customer deposits	50,559	562	601	779			1,975	5,396	59,873
Debt securities	37,511	(167)	588				208	79	38,219
Insurance companies' technical reserves	123	37,705	791	1,294					39,913
Subordinated debt	2,519	761	302	133	100		437	3,195	7,447
Other liabilities	7,487	3,695	5,920	727	257	753	1,891	26,356	47,085
TOTAL LIABILITIES	**268,090**	**43,408**	**22,549**	**6,577**	**357**	**753**	**75,987**	**40,288**	**458,009**

The 2010 segment balance sheet was not restated for the reclassification of Coface's «non-core» businesses owing to its non-material nature.

9.9 Other disclosures

(in millions of euros)	France	Other EU	North America	Other OECD	Other	Total
Net revenues	**3,858**	**1,113**	**1,442**	**75**	**274**	**6,761**
Net income for the period (group share)	839	227	409	8	80	1,562

(in millions of euros)	France	Other EU	North America	Other OECD	Other	Total
Assets at fair value through profit and loss	219,061	15,673	9,853	538	501	245,625
Available-for-sale financial assets	32,252	1,905	338	82	566	35,143
Loans and receivables	106,414	21,998	24,133	1,029	6,889	160,464
Fixed assets	1,275	109	92	6	35	1,517
Other assets	61,538	(878)	5,006	(101)	(602)	64,963
TOTAL ASSETS	**420,539**	**38,806**	**39,422**	**1,555**	**7,390**	**507,712**

NOTE 10 RISK MANAGEMENT

10.1 Capital adequacy

As a lending institution, Natixis is subject to banking regulations and to supervision by the ACP, the French Prudential Supervisory Authority. Supervision is on a consolidated and individual basis and is designed to set a number of rules guaranteeing the bank's capital adequacy, liquidity and financial equilibrium. The measures deployed to meet these objectives are chiefly quantitative (capital adequacy ratios, management of large exposures and liquidity risk). Qualitative measures are also used, based on internal control requirements.

REGULATORY CAPITAL AND CAPITAL ADEQUACY RATIO

The capital adequacy ratio encompasses credit risk, market risk, settlement risk and operational risk. This ratio measures the adequacy of regulatory capital in relation to risk. The numerator of the equation represents the Bank's consolidated regulatory capital, calculated in accordance with CRBF regulation 90-02. The denominator represents the entity's weighted credit, market, settlement and operational risks. Natixis complied with the 8% minimum capital adequacy ratio at December 31, 2011.

OTHER REGULATORY RATIOS

Liquidity ratio

The liquidity ratio is designed to ensure that liquid assets with maturities of less than one month are equal to or exceed liabilities falling due within the same period. It is defined as the ratio between cash/cash-equivalents and liabilities falling due in less than one month.

The minimum liquidity ratio under prudential rules is 100%. At December 31, 2011, Natixis' liquidity ratio was 122%.

Management of large exposures

Procedures for managing large exposures are designed to prevent excessive concentration of risks on a single beneficiary. The regulation is underpinned by an obligation to be respected at all times: all risks associated with a single counterparty cannot exceed 25% of the bank's capital. Natixis complied with this requirement during 2011.

10.2 Credit risk and counterparty risk

The information on risk management required under IFRS 7, with the exception of the disclosures given below, is presented in pillar III in section [4.2] of Chapter [4], "Risk Management".

10.2.1 GROSS EXPOSURE TO CREDIT RISK

The following table sets out the exposure of all the Natixis' financial assets to credit risk. This exposure does not take into account guarantees, sureties, credit-default swaps, collateral OTC financial instruments, the impact of netting agreements and other credit enhancements. It corresponds to the net value of the financial assets on the balance sheet, after taking all impairments into account (individually or collectively assessed).

(in millions of euros)	Performing loans	Non-performing loans	Impairments	Net outstandings at 12.31.2011	Net outstandings in 2010
Financial assets at fair value through profit and loss (excluding variable-income securities)	225,640	0	0	225,640	136,808
Hedging derivatives	3,492	0	0	3,492	1,432
Available-for-sale financial assets (excluding variable-income securities)	29,608	481	(345)	29,744	27,506
Loans and receivables due from EC	48,597	280	(234)*	48,643	68,063
Loans and receivables due from customers	109,374	5,173	(2,725)*	111,822	128,049
Held-to-maturity financial assets	4,411	0	(374)	4,037	5,031
Financing commitments given	73,244	90	(20)	73,314	68,017
Financial guarantee commitments given	120,418	199	(38)	120,579	114,354
TOTAL GROSS EXPOSURE	**614,784**	**6,223**	**(3,736)**	**617,271**	**549,262**

* *Including collective provisions.*

The reclassification of consolidated accounting volumes as gross exposure and exposure at default with respect to prudential credit risk (explained in the Chapter [4] "Risk Management" Section [4.2.5.3], «Credit Risk»), involves the following key operations:

- exclusion of equity-accounted insurance companies in the prudential scope;
- exclusion of exposure classified in the trading scope;
- inclusion of netting agreements on market transactions;
- restatement of factoring positions to take into account exposure to the risk of default and risk of dilution;
- application of a credit-equivalent conversion factor on financing and guarantee commitments.

10.2.2 IMPACT OF GUARANTEES

	at 12.31.2011					
(in millions of euros)	Performing loans	Non-performing loans	Impairments	Net outstandings	Guarantees on non-performing loans	Guarantees on performing loans
Loans and receivables due from banks	**34,841**	**275**	**(229)**	**34,887**	**2**	**376**
(excluding repurchase agreements)						
Loans and receivables due from customers	**87,071**	**5,163**	**(2,724)**	**89,510**	**2,084**	**32,312**
(excluding repurchase agreements)						
. Lease financing	10,770	371	(199)	10,942	85	5,366
. Factoring	6,524			6,524		
. Other loans and receivables	69,777	4,792	(2,525)	72,044	1,999	29,947
Financing commitments given	**73,244**	**90**	**(20)**	**73,314**	**34**	**7,515**
Financial guarantee commitments given	**43,412**	**199**	**(38)**	**43,573**	**61**	**1,453**
TOTAL EXPOSURE AND IMPACT OF GUARANTEES	**238,568**	**5,727**	**(3,011)**	**241,284**	**2,181**	**41,657**

The amounts of the guarantees shown are those used under Basel 2 prudential regulations to reduce capital requirements. Guarantees for insurance companies accounted for by the equity method in the prudential accounting scope are therefore excluded, as are exposures relative to these entities.

10.2.3 BREAKDOWN OF INDIVIDUAL AND COLLECTIVE IMPAIRMENTS BY GEOGRAPHIC AREA

(in millions of euros) Geographic area	12.31.2011 Individual risks	Collective risks	Total risks	Individual impairment losses	Collective impairment losses	Total impairments
France	1,775	10,340	12,114	880	178	1,059
Other Western European countries	2,463	8,375	10,838	808	148	956
Eastern Europe	137	1,116	1,253	27	13	41
North America	615	4,693	5,308	222	239	461
Central and Latin America	400	738	1,137	190	8	198
Africa and the Middle East	243	1,563	1,806	127	41	168
Asia-Pacific	110	3,624	3,734	54	42	96
TOTAL	**5,742**	**30,448**	**36,190**	**2,309**	**670**	**2,979**

(in millions of euros) Geographic area	12.31.2010 Individual risks	Collective risks	Total risks	Individual impairment losses	Collective impairment losses	Total impairments
France	2,118	9,756	11,874	918	234	1,152
Other Western European countries	2,029	11,077	13,106	740	293	1,033
Eastern Europe	47	887	934	22	11	33
North America	920	4,556	5,476	380	250	630
Central and Latin America	187	841	1,028	153	31	184
Africa and the Middle East	212	1,464	1,676	100	60	160
Asia-Pacific	180	3,758	3,938	60	60	120
TOTAL	**5,693**	**32,339**	**38,032**	**2,373**	**940**	**3,312**

10.2.4 BREAKDOWN OF COLLECTIVE PROVISIONS BY BUSINESS SECTOR

Business sector *(% breakdown)*	**12.31.2011**	**12.31.2010**
Finance	25.7%	18.2%
Transportation	18.6%	13.2%
Real estate	14.9%	24.7%
Media	4.2%	4.6%
Services	3.5%	2.2%
Administrations	3.4%	5.9%
Oil/gas	3.4%	5.0%
Holding companies and Conglomerates	3.4%	1.4%
Construction	2.7%	2.2%
Tourism/Hotels/Leisure	2.6%	4.4%
Consumer goods	2.4%	3.8%
Retail/trade	2.4%	2.0%
International trade, commodities	2.1%	1.6%
Base industries	1.8%	2.1%
Pharmaceuticals/healthcare	1.8%	2.1%
Telecommunications	1.4%	1.3%
Technology	1.1%	1.6%
Food	1.0%	0.6%
Electricity	0.9%	0.3%
Utilities	0.7%	0.8%
Automotive	0.6%	0.2%
Mechanical and electrical engineering	0.5%	0.7%
Aerospace/Defense	0.3%	0.5%
Other	0.6%	0.5%
TOTAL	**100.0%**	**100.0%**

At December 31, 2011: 90% of collective provisions on the Finance sector comprise provisions covering CDPCs (credit derivative product companies), compared with 87% at December 31, 2010.

10.2.5 CHANGE IN COLLECTIVE PROVISIONS

(in millions of euros)	**Provisions as at 12.31.2010**	**Additions (+) Reversals (-)**	**Conversion differences**	**Provisions as at 12.31.2011**
By sector	836	(231)	10	615
By region	104	(48)	(1)	55
TOTAL	**940**	**(279)**	**9**	**670**

The sector reversal includes a €0.3 million reversal in respect of CDPCs.

10.3 Market risk, overall interest rate risk, liquidity risk and structural foreign exchange risk

The disclosures on the management of market risk, overall interest rate risk, liquidity risk and structural foreign exchange risk required under IFRS 7 are presented in sections [4.2] and [4.3] of Chapter 4, «Risk Management».

10.4 Exposure to sovereign risk on euro zone countries

10.4.1 AMOUNT OF EXPOSURES

Data as at December 31, 2011

At December 31, 2011, exposure to sovereign risk presented according to the methodology applied for the stress tests conducted by the EBA (European Banking Authority), excluding insurance operations, was as follows:

	Banking book			Trading book			Residual maturity					
(in millions of euros)	o.w. other loans and receivables	o.w. available-for-sale assets	o.w. other financial assets designated at fair value through profit and loss	Direct net exposure [(b)]	Indirect net exposure [(a)]	Total exposure	1 year	2 years	3 years	5 years	10 years	>10 years
Spain	1		1	(67)	(8)	(71)	53	(13)	(105)	(48)	28	14
Greece		62	7	54	52	175	100	9	10	(7)	1	62
Ireland					15	15	15	2	22	(24)		
Italy	15		5	194	4	218	108	8	6	12	91	(7)
Portugal			40	(15)	17	42	82	6	(27)	(19)		
TOTAL	**16**	**62**	**53**	**166**	**80**	**379**	**358**	**12**	**(94)**	**(86)**	**120**	**69**

(a) Net positions on CDS including foreign exchange and interest rate transactions.
(b) Fair value of long positions net of short positions.

Data as at December 31, 2010

	Banking book			Trading book			Residual maturity					
(in millions of euros)	o.w. other loans and receivables	o.w. available-for-sale assets	o.w. other financial assets designated at fair value through profit and loss	Direct net exposure [(b)]	Indirect net exposure [(a)]	Total exposure	1 year	2 years	3 years	5 years	10 years	>10 years
Spain	1	1		(164)	33	(129)	13	(39)	70	(69)	(252)	148
Greece		5		39	98	142	2	140	10	(6)	(4)	
Ireland				(2)	27	25	(1)	14	19	(1)	(6)	
Italy	4	10		361		375	290	165	48	2	(135)	5
Portugal		3		(10)	24	17	83	3	31	(78)	17	(39)
TOTAL	**5**	**19**		**224**	**182**	**430**	**387**	**283**	**178**	**(152)**	**(380)**	**114**

(a) Net positions on CDS including foreign exchange and interest rate transactions.
(b) Fair value of long positions net of short positions.

The information shown above is presented according to EBA rules applicable at December 31, 2011. It takes into account the cancellation of the floor by range of maturity applied to short positions in the trading book.

Furthermore, at December 31, 2011, Natixis was also exposed to sovereign risk linked to these same countries, in respect of its insurance activities, for the following amounts:

(in millions of euros)	December 31, 2011 [(a) (b)]	Exposure at December 31, 2010 [(b)]
Spain	160	348
Greece	171	767
Ireland	103	108
Italy	503	1,178
Portugal	87	371
TOTAL	**1,024**	**2,772**

(a) Net carrying value after the provision for impairments.

(b) Without applying contractual rules governing shares of profits on life insurance activities.

The reductions in sovereign risk exposure are due to the disposal of assets classified as «Available-for-sale financial assets» carried out in the second half of 2011, with the exception of Greek debt, the change in which corresponds to the provision for impairment.

10.4.2 RISK ASSESSMENT

10.4.2.1 Greece

Valuation methods

Since the beginning of 2010, Greece has been struggling with economic hardships, difficulties in respecting its budget forecasts and a crisis of confidence over its debt. In May 2010, the euro zone governments and the IMF took on significant commitments to support Greece, with a €110 billion plan in exchange for the reduction of its budget deficit.

On July 21, 2011 Europe reaffirmed its support for Greece with a rescue package including a provision whereby private sector investors in Greek sovereign debt could exchange bonds maturing between mid-2011 and the end of 2020 for new securities to be issued by the Greek government with longer maturities of up to 30 years.

As the rescue plan of July 21 was not approved by all European countries, a new package was decided on at the European summit of October 26-27, requiring an additional effort from the private sector. This new plan, which was confirmed on February 21, 2012, provides for an additional haircut on the nominal value, with no distinction between securities maturing before or after 2020.

At December 31, 2011, in view of the above, Natixis revised the valuation of Greek sovereign debt as follows:

- "Available-for-sale financial assets" were valued using market prices at December 31, 2011. As this mark-to-market valuation gave rise to a discount of nearly 70% against the nominal portfolio value, the impairment recorded corresponded to a uniform discount of 70% asset by asset.
- For "Held-to-maturity financial assets", given the lack of visibility on the rescue plan referred to above, a uniform 70% haircut on the nominal value was recognized asset by asset.

Due to the difficult conditions described above, the fair value of these assets was recorded under level 2 in the special release on the fair value hierarchy (see Note 6.6.7).

The Greek securities held by Natixis, before impairment and excluding accrued interest, amounted to €293.3 million in the Available-for-sale assets category, of which €36.2 million belonging to life insurance portfolios, and €513.5 million in the Held-to-maturity financial assets category, of which €502.6 million belonging to life insurance portfolios.

Impairment losses of €105.2 million were therefore recorded under Cost of risk, after applying the rules governing the share of profits on the life insurance portfolios in question.

10.4.2.2 Other countries (Spain, Ireland, Italy and Portugal)

Four other European countries, Spain, Ireland, Italy and Portugal are facing a crisis of confidence regarding their debt. However these countries have committed to take measures to significantly reduce their deficits and have affirmed their intention to honour their commitments in full.

At the European summit of October 26, 2011, the euro zone heads of government confirmed that the private sector's contribution would be restricted to the exceptional situation in Greece. They also welcomed the progress made by Ireland and Portugal, which are currently benefiting from support packages.

In light of these elements, at December 31, 2011, Natixis considers that there was no significant risk of likely default by these countries.

No impairment was booked at December 31, 2011 in respect of sovereign debt securities issued by Spain, Ireland, Italy and Portugal. There was also no change in their accounting category.

The sovereign debt securities of these countries classified in the Available-for-sale assets or Financial assets at fair value through profit or loss categories were recorded in the year-end financial statements at their market price at December 31, 2011.

The fair value of these assets was recorded under level 1 in the special release on the fair value hierarchy *(see Note 6.6.7)*, with the exception of Portuguese sovereign securities, for which the fair value was recorded under level 2 given trends in market prices.

10.4.3 RECYCLABLE RESERVES ON AVAILABLE-FOR-SALE FINANCIAL ASSETS

(in millions of euros)	Amount of recyclable reserves at December 31, 2011 [(a)]	Amount of recyclable reserves at December 31, 2010 [(a)]
Spain	(14)	(25)
Greece		(40)
Ireland	(25)	(34)
Italy	(17)	1
Portugal	(93)	(83)
TOTAL	**(148)**	**(180)**

(a) Without applying contractual rules governing shares of profits on life insurance activities.

10.4.4 FAIR VALUE OF HELD-TO-MATURITY FINANCIAL ASSETS AT DECEMBER 31, 2011

(in millions of euros)	Net book value at December 31, 2011 [(a)]	Fair value at December 31, 2011	Net book value at December 31, 2010 [(a)]	Fair value at December 31, 2010
Spain	9	9	9	9
Greece	152	152	711	455
Ireland	-	-	-	-
Italy	391	304	395	357
Portugal	-	-	-	-
TOTAL	**551**	**465**	**1,115**	**820**

(a) Net carrying value, excluding accrued interest, after impairments and without applying the contractual rules governing the share of profits on life insurance portfolios.

NOTE 11 HEADCOUNT, PAYROLL COSTS, COMPENSATION AND EMPLOYEE BENEFITS

11.1 Number of employees

Number	12.31.2011	12.31.2010
Number of employees *	20,451	19,576

** Full-time equivalent current employees of Natixis at the reporting date.*

11.2 Compensation and employee benefits

Compensation and employee benefits include wages and salaries net of rebilled expenses paid within twelve months of the end of the reporting period in which the services were rendered, deferred cash-settled or equity-settled variable compensation, employee incentives and profit-sharing for the period, the cost of pensions and other employee benefit obligations such as long-service awards.

Payroll costs totaled €2,742 million at December 31, 2011.

11.2.1 SHORT-TERM EMPLOYEE BENEFITS

This item includes wages and salaries paid within twelve months of the end of the reporting period in which the related services were rendered, employee incentives and profit-sharing, meeting the definition of short-term benefits under IAS 19 "Employee Benefits". In accordance with this standard, short-term benefits are expensed in the period in which the employees render the services giving rise to such benefits.

11.2.2 DEFERRED COMPENSATION

2009 retention plan

On March 18, 2009, Natixis set up a retention plan for Corporate and Investment Banking employees, designed to foster loyalty among key employees and encourage them to continue contributing to CIB's activities. The rights to deferred compensation vest gradually over a period running from the grant date (March 18, 2009) to July 1, 2012. The amount settled in cash at each payment date depends on changes in performance-linked ratios relating to CIB and more generally Natixis, as well as the holding period.

This plan is considered to fall within the scope of IAS 19 and is accounted for as a longterm benefit. As the rights to such benefits vest over the period during which the related services are provided, the obligation representing the likely amount of benefits payable is recognized gradually over the vesting period. The calculation of the obligation takes into account actuarial assumptions regarding the likelihood that beneficiaries will meet the presence conditions and the performance and exercise criteria. These assumptions are revised on a regular basis. The Company does not apply the "corridor" method, and all actuarial gains and losses are therefore recognized immediately in income. At the reporting date, the obligation represents an actuarial assessment carried out in the same way as for obligations under defined-benefit plans. The total cost recognized in respect of the retention plan in Natixis' financial statements at December 31, 2011 amounted to €49.4 million.

Equity-based retention and performance plans

Each year since 2010, a payment plan based on equities has been awarded to certain categories of staff, in accordance with regulations. The accounting treatment of these plans is described in Note 5.18.

Regarding the plan approved by the Board of Directors on February 2, 2012, as these allocations had not yet formally been carried out at the reporting date, these expenses have been estimated using best available estimates of inputs at the reporting date. These inputs relate to the share value and dividend assumptions.

Long-term cash-settled payment plans indexed to the Natixis share

Year of plan	Grant date	Initial number of units granted*	Acquisition dates	Number of units acquired by beneficiaries	Fair value of the indexed cash unit at the valuation date *(in euros)*
			March 2011	4,663,475	-
			March 2012	-	1.92
2009 Plan	02.24.2010	13,990,425	March 2013	-	1.67
			September 2012		1.71
			September 2013		1.46
2010 Plan	02.22.2011	5,360,547	September 2014		1.21
			September 2013		1.46
			September 2014		1.22
2011 Plan	02.22.2012	5,827,818	October 2015		0.99

* *The expected number of units at the acquisition date is funded by equity swaps.*

Payments under these plans are subject to presence and performance criteria.

Short-term cash-settled payment plans indexed to the Natixis share

Grant date	Right acquisition dates	Valuation of the indexed cash unit (in euros)	Initial number of indexed cash units granted	Expected number of indexed cash units at the acquisition date	Fair value of the indexed cash unit at the valuation date *(in euros)*
02.22.2012	September 2012	1.94	11,574,785	11,231,033	1.89

The corresponding expense associated with the short-term plan, estimated based on the probability of the presence condition being met, is fully recognized in the 2011 financial statements in the amount of €28.1 million.

Payment plans settled in shares

Year of plan	Grant date	Initial number of shares granted	Acquisition dates	Number of units acquired by beneficiaries	Free share price at grant date *(in euros)*	Fair value of the free share at the valuation date *(in euros)*
			March 2011			3.31
			March 2012			3.17
2009 Plan	02.24.2010	6,858,237	March 2013	2,082,623	3.63	2.82
			February 2012			3.44
			February 2013			3.29
2010 Plan	02.22.2011	6,459,081	February 2014		4.13	2.89
			March 2013			1.68
			March 2014			1.43
2011 Plan	02.22.2012	7,633,647	March 2015		1.94	1.19

Payments under these plans are subject to presence and performance criteria.

Expense for the period for retention and performance plans, share-based payment

	Expense for 2011			
Expense *(in millions of euros)*	Plans settled in shares	Plans settled in cash indexed to the Natixis share:	Total	Expense for 2010 *(in millions of euros)*
Previous retention plans	11.9	1.1	13.1	36.7
Retention plans awarded in 2011	5.4	2.3	7.7	
TOTAL	**17.3**	**3.4**	**20.8**	**36.7**

Valuation inputs used to calculate the expense of these plans

Share price at December 31, 2011	€1.94
Risk-free interest rate	0.63%
Dividend payment rate	9.83%
Rights loss rate	4.40%

Retention and performance plans settled in cash

Deferred retention and performance bonuses paid in cash are awarded to some staff. These bonuses are subject to presence and performance criteria. In terms of accounting treatment, they are recorded under "Other long-term employee benefits". The estimated expense is based on an actuarial estimate of the probability of these conditions being met. The expense is recognized over the vesting period. The amount recognized in respect of fiscal year 2011 was:

Grant date	Acquisition dates	Expense for 2011 *(in millions of euros)*	Expense for 2010 *(in millions of euros)*
	March 2012		
	March 2013		
02.22.2011	March 2014	15.4	19.8
	March 2013		
	March 2014		
02.22.2012	March 2015	10.6	
TOTAL		**26.0**	**19.8**

11.2.3 PENSIONS AND OTHER LONG-TERM EMPLOYEE BENEFITS

Post-employment defined-contribution plans

Under defined-contribution plans, Natixis pays fixed contributions into a separate entity and has no obligation to pay further contributions.

The main defined-contribution plans available to Natixis employees are operated in France. They include the mandatory pension scheme and the national schemes AGIRC and ARRCO.

Pension plans for which employees can volunatarily opt are operated by certain Natixis entities and are also classified as defined-contribution plans.These entities have a single contribution obligation ("PERCO" contribution).

Contributions paid under defined-contribution plans are expensed for the period in which the services were provided.

(in millions of euros)	12.31.2011	12.31.2010
Contributions expensed under defined-contribution plans	116	125

Post-employment defined-benefit plans and other long-term employee benefits

Post-employment defined-benefit plans include all post-employment benefits for which Natixis has committed to pay a specified level of benefits. These plans include banking sector top-up pension plans, end-of-career awards, mutual health insurance funds and other contractual benefits accruing to retirees.

The amount of the provision for post-employment defined-benefit plans is calculated on an actuarial basis using a number of demographic and financial assumptions.

The annual defined-benefit plan expense comprises:

- additional entitlements vested by all employees;
- interest cost (impact of unwinding the discount);
- the expected return on plan assets;
- amortization of actuarial gains and losses (application of the "corridor" method) and past service costs;
- - the impact of any plan curtailments or settlements.

Other long-term employee benefits comprise benefits other than post-employment and termination benefits not wholly due within twelve months of the end of the period in which employees have provided the related services.

These notably include long-service awards and deferred compensation payable in cash twelve months or more after the end of the period.

Obligations in respect of long-term employee benefits are accounted for on the same actuarial basis as post-employment defined-benefit obligations, except that no "corridor" is applied to actuarial gains and losses and all past service costs are recognized immediately in income.

a) Impact of new laws and regulations

Social Security Financing Act for 2012

The Social Security Financing Act for 2012 raises the legal retirement age by between 1 and 4 months for beneficiaries born between 1952 and 1955. In practice, the retirement age of 62 will apply to beneficiaries born from 1955, instead of 1956 as stipulated in the reform of November 2010.

These measures had no material impact on the obligations in respect of post-employment defined-benefit schemes. The adjustment of retirement age assumptions used to determine the Company's commitments was recorded under actuarial gains or losses.

As Natixis has undertaken, in respect of the employment preservation (2009) and work adjustment (2008) plans, to carry the beneficiaries of these plans until the age of retirement on full benefits, this measure resulted in the recognition of an additional provision for plan restructuring in the amount of €0.7 million.

b) Impact of internal restructuring measures or other changes in the consolidation scope

On April 1, 2011, employees of Informatique CDC joined the Natixis S.A. scheme folllowing the dissolution of this entity (see Note 3). With effect from this date, the employees concerned are eligible for end-of-career awards, supplementary healthcare benefits and long-service awards offered to Natixis S.A. employees, while retaining their existing length of service advantages;

c) Impact of the employment preservation plan launched in 2009

As certain affected employees will not end their careers at Natixis, this measure will reduce the obligations in respect of end-of-career awards, supplementary healthcare benefits and long-service awards.

A provision is recognized to cover obligations for the benefits maintained for employees aged 55 and over.

d) Main actuarial assumptions at December 31, 2011

	12.31.2011			12.31.2010		
By geographic area	France	Europe (excluding France)	USA	France	Europe (excluding France)	USA
Discount rate	3.20%	5.06%	4.44%	3.14%	4.65%	5.48%
Expected return on plan assets	3.00%	5.20%	7.61%	3.01%	4.77%	6.25%
Expected increase in salaries (including inflation)	3.90%	3.21%	4.05%	3.58%	2.78%	4.02%
Rate of increase in healthcare costs	4.50%	4.30%	4.50%	4.10%	4.30%	5.00%
Remaining average working lives of employees (in years)	12	8	14	12	9	12

For Natixis, 82% of gross liabilities relating to these plans arise in France.

For end-of-career allowances and long-service awards, employee turnover is calculated by age bracket and grade based on a three-year average. A rate of 0% is used for employees aged 55 and over.

Future salary increases are estimated by grade based on a constant population and a three-year average.

	12.31.2011				12.31.2010			
	Post-employment defined-benefit plans		Other long-term employee benefits		Post-employment defined-benefit plans		Other long-term employee benefits	
By type of obligation	Supplementary pension benefits and other	End-of-career awards	Long-service awards	Other	Supplementary pension benefits and other	End-of-career awards	Long-service awards	Other
Discount rate	3.94%	3.45%	2.93%	1.66%	4.10%	3.61%	3.14%	0.80%
Expected return on plan assets	5.09%	3.73%			4.85%	3.83%		

e) Employee benefit obligations at December 31, 2011

(in millions of euros)	12.31.2011 Post-employment defined-benefit plans		Other long-term employee benefits		
	Supplementary pension benefits and other	End-of-career awards	Long-service awards	Other	Total
Benefit obligation at January 1					
Net obligations recognized	76	139	43	61	319
Unrecognized actuarial gains and losses	63	16			79
Unrecognized past service cost	11	27			38
Total obligation at January 1	**150**	**182**	**43**	**61**	**436**
Benefits paid over the period	(19)	(3)	(3)	(89)	(113)
Benefits vested over the period	3	10	4	85	102
Interest cost	16	6	2		24
Expected return on plan assets, gross	(18)	(1)			(19)
Change in management fees					
Payments to the fund during the period	(3)				(3)
Payment fees					
Plan amendments recognized over the period	2	4			6
Recognized actuarial gains and losses over the period	4	1	2		6
Other items	9	1	1		11
Change in obligation taken to income	**(7)**	**18**	**5**	**(3)**	**13**
Other items (change in consolidation scope, etc.)	9			16	24
Other changes recognized	**9**			**16**	**24**
Actuarial gains and losses on benefit obligations	44	14	2		59
Actuarial gains and losses/return on plan assets	8	1			9
Other actuarial gains and losses					
Change in actuarial gains and losses not recognized	**52**	**14**	**2**		**68**
Plan amendments over the period		1			1
Other items	(1)	3			2
Other changes not recognized	**(1)**	**4**			**3**
Benefit obligation At December 31					
Net recognized benefit obligations*	78	157	48	73	357
Unrecognized actuarial gains and losses	111	30			141
Unrecognized past service cost	8	27			36
TOTAL OBLIGATION AT DECEMBER 31	**198**	**214**	**48**	**73**	**533**

* *o.w. –€36 million relating to a funding surplus in 2011 compared with –€35 million in 2010.*

	12.31.2010				
	Post-employment defined-benefit plans		Other long-term employee benefits		
	Supplementary pension benefits and other	End-of-career awards	Long-service awards	Other	Total
	85	117	42	12	256
	69	24			93
	13	27			40
	167	**168**	**42**	**12**	**389**
	(13)	(3)	(3)		(19)
	6	13	3	49	71
	19	7	2		28
	(16)	(1)			(17)
	2	4	3		9
	4	1	(3)		2
	6				6
	8	**21**	**2**	**49**	**80**
	(17)	2	(2)	1	(16)
	(17)	**2**	**(2)**	**1**	**(16)**
	(4)	(7)	(3)		(14)
	(3)	(1)			(4)
	4				4
	(3)	**(8)**	**(3)**		**(14)**
	1	4	3		8
	(1)			1	
		4	**3**	**1**	**8**
	76	139	43	61	319
	63	16			79
	11	27			38
	150	**182**	**43**	**61**	**436**

f) Change in the fair value of assets held to fund post-employment benefits granted to employees

(in millions of euros)	12.31.2011 Post-employment defined-benefit plans: Supplementary pension benefits and other	12.31.2011 Post-employment defined-benefit plans: End-of-career awards	12.31.2011 Total	12.31.2010 Post-employment defined-benefit plans: Supplementary pension benefits and other	12.31.2010 Post-employment defined-benefit plans: End-of-career awards	12.31.2010 Total
Fair value at January 1	**330**	**48**	**378**	**296**	**43**	**339**
Expected return on plan assets	18	1	19	16	1	17
Expected return on separate assets						
Actuarial gains and losses over the year	9	(1)	8	4	1	5
Contributions paid	8		8	10		10
Benefits paid	(9)		(9)	(9)		(9)
Impact of changes in exchange rates	2		2	10		10
Impact of changes in consolidation scope						
Transfers, curtailments and other	(51)	(3)	(54)	3	3	6
Fair value at December 31	**307**	**45**	**352**	**330**	**48**	**378**

g) Breakdown of assets held to fund post-employment benefits granted to employees

(in millions of euros)	12.31.2011 Bonds	12.31.2011 Equities	12.31.2011 Money market assets	12.31.2011 Real estate assets	12.31.2011 Other	12.31.2011	12.31.2010 Bonds	12.31.2010 Equities	12.31.2010 Money market assets	12.31.2010 Real estate assets	12.31.2010 Other	12.31.2010 Total
Fair value of plan assets	236	66	11	8	31	352	185	124	30	3	36	378
Weighted % of plan assets	**67%**	**19%**	**3%**	**2%**	**9%**	**100%**	**49%**	**33%**	**8%**	**1%**	**10%**	**100%**

h) Experience adjustments relating to post-employment defined-benefit plans and other long-term employee benefits

(in millions of euros)	12.31.2011	12.31.2010
Gross benefit obligation	**885**	**815**
Fair value of plan assets	**352**	**378**
Net benefit obligation in the balance sheet	533	436
Experience adjustments regarding plan assets (negative: gain)	7.38%	0.45%
Experience adjustments regarding plan assets (negative: gain)	(0.71%)	(1.27%)

i) Analysis of sensitivity to assumptions applied to defined-benefit plans and other long-term employee benefits recognized at December 31, 2011

(as % of item)	12.31.2011				12.31.2010			
	Post-employment defined-benefit plans		Other long-term employee benefits		Post-employment defined-benefit plans		Other long-term employee benefits	
+1% sensitivity analysis	Supplementary pension benefits and other	End-of-career awards	Long-service awards	Other	Supplementary pension benefits and other	End-of-career awards	Long-service awards	Other
Discount rate								
Impact on present value of gross benefit obligations at December 31	(15.86)%	(8.96)%	(8.63)%	(3.53)%	(13.05)%	(5.69)%	(3.13)%	(0.73)%
Rate of increase in healthcare costs								
Impact on present value of gross benefit obligations at December 31	2.73%				0.90%			

(as % of item)	12.31.2011				12.31.2010			
	Post-employment defined-benefit plans		Other long-term employee benefits		Post-employment defined-benefit plans		Other long-term employee benefits	
-1% sensitivity analysis	Supplementary pension benefits and other	End-of-career awards	Long-service awards	Other	Supplementary pension benefits and other	End-of-career awards	Long-service awards	Other
Discount rate								
Impact on present value of gross benefit obligations at December 31	20.62%	10.68%	10.00%	4.12%	15.32%	10.43%	9.68%	0.59%
Rate of increase in healthcare costs								
Impact on present value of gross benefit obligations at December 31	(2.08)%				(0.65)%			

11.2.4 STOCK OPTION PLANS

Natixis stock option plans

Natixis grants stock options to some of its employees. The options are exercisable over a period of three years after a lock-up period of four years. In accordance with the provisions of IFRS 2, the options attributed after November 7, 2002 and not yet vested at the reporting date are measured at their fair value at the date they were granted to the employees. This fair value is determined using the Black & Scholes valuation method and recognized in payroll costs over the vesting period, with a corresponding entry in equity. The expense is revised at each reporting date and adjusted whenever subsequent information regarding the number of beneficiaries alters the initial estimates of rights vested. Any adjustment required also affects both current and subsequent accounting periods.

Year of plan	Grant date	Number of options granted	Number of options granted	Exercisable as at	End of exercise option	Exercise price	Options outstanding at Dec. 31, 2011	Fair value	Share price at grant date
2007 Plan	01.29.2007	15,398,922	7,695,996	01.29.2011	01.28.2014	14.38	12,352,340	5.03	21.97
2008 Plan	01.21.2008	7,576,800		01.21.2012	01.20.2015	8.27	4,236,501	1.69	10.63

	2007 Plan	2008 Plan
Number of options at Jan. 1, 2011	**13,219,206**	**4,389,474**
• Granted in 2011		
• Lost in 2011	(866,866)	(152,973)
• Expired in 2011		
• Exercised in 2011		
Number of options at Dec. 31, 2011	**12,352,340**	**4,236,501**

MAIN ASSUMPTIONS USED FOR VALUING NATIXIS STOCK OPTION PLANS

	2007 Plan	2008 Plan
Valuation method	Black & Scholes	Black & Scholes
Risk-free interest rate [(a)]	4%	4%
Dividend payment rate [(b)]	4.75% per year	4.23% per year
Rights loss rate	2%	2%

(a) Based on the Bank's standard yield curve for interbank swaps.
(b) Dividend payment rates generally correspond to the last dividend payment made and no estimated future increases are taken into account.

EXPENSE RECOGNIZED IN THE INCOME STATEMENT

(in thousands of euros)	12.31.2011	12.31.2010
Net expense relating to Natixis stock option plans	483	5,799

NOTE 12 CAPITAL MANAGEMENT

12.1 Share capital

FISCAL YEAR 2011

Ordinary shares	Number of shares	Par value	Capital (in euros)
At January 1	2,908,137,693	1.60	4,653,020,309
Capital increase	174,208,195	1.60	278,733,112
At December 31	3,082,345,888	1.60	4,931,753,421

The capital increase during the 2011 fiscal year corresponds to the payment of dividends in shares.

12.2 Capital management

Natixis' main capital management objectives are to ensure that the Group meets the capital requirements imposed by its external environment and maintains an adequate rating to support its activity and maximize shareholder value.

Natixis adapts the management of its capital structure in line with changes in economic conditions and in the risk profile of its operations. Its objectives, policies and procedures remained unchanged in 2011.

12.3 Equity instruments issued

12.3.1 UNDATED DEEPLY SUBORDINATED NOTES AND PREFERENCE SHARES

In accordance with IAS 32, issued financial instruments are classified as debt or equity depending on whether or not they incorporate a contractual obligation to deliver cash to the holder.

Since December 31, 2009, issues of undated deeply subordinated securities and preference shares have been recognized as equity instruments issued in accordance with a clause concerning dividend payments which has become discretionary, and have been booked to "Share capital and reserves" in the consolidated balance sheet.

Changes in these items over the period are presented below:

(in millions of euros)	01.01.2011	Issues	Redemptions	Translation adjustments	12.31.2011
Deeply Subordinated Notes	4,426		(800)		3,626
Prefered Shares	202		(29)		173
TOTAL	**4,628**		**(829)**		**3,799**

12.3.2 LIQUIDITY CONTRACT MANAGEMENT

Natixis entered a liquidity contract with an independent service provider, and in accordance with the Compliance Charter established with the French Financial Markets Association (Association des Marchés Financiers) on September 23, 2008, approved by the French Financial Markets Authority (Autorité des Marchés Financiers – AMF) on October 1, 2008.

Under this contract, this service provider is mandated to intervene in Natixis' treasury shares with a view of increasing transaction liquidity and the trading of Natixis shares so as to avoid price gaps unjustified by market trends.

This authorization is founded on the tenth resolution of the General Shareholders' Meeting of May 26, 2011, superseding the fifteenth resolution of the General Shareholders' Meeting of May 27, 2010, authorizing Natixis to acquire a maximum price of €10 per share, a number of shares not exceeding 10% of the shares making up the capital of Natixis.

Pursuant to this contract, Natixis holds 5,114,271 shares representing €9.9 million as at December 31, 2011.

NOTE 13 COMMITMENTS

13.1 Guarantee commitments

A financial guarantee is a contract that requires the issuer to compensate the holder of the contract for a loss that the holder incurs because a debtor fails to make payment when due. The exercise of these rights is subject to the occurrence of an uncertain future event.

The amounts shown represent the nominal value of the commitment undertaken:

(in millions of euros)	12.31.2011	12.31.2010
Guarantee commitments given		
To banks	**2,300**	**4,087**
• Confirmation of documentary credits	1,111	1,140
• Other guarantees	1,189	2,947
To customers	**118,316**	**110,440**
• Real estate guarantees	438	378
• Administrative and tax bonds	428	398
• Other bonds and endorsements given	105,909	98,518
• Other guarantees	11,541	11,146
TOTAL COMMITMENTS FOR GUARANTEES GIVEN	**120,616**	**114,527**
Guarantee commitments received from banks	**13,286**	**17,230**

On November 12, 2009, BPCE provided Natixis with a guarantee covering 85% of the nominal value of the debt portfolio carried by GAPC and classified in "Loans and receivables" and "Available-for-sale financial assets" as at July 1, 2009. Under the guarantee, an indemnity is due in the event of any default (on principal, interest, fees, costs and any other amount due in accordance with the contractual documentation for the asset in question) relating to one of the assets in the guaranteed portfolio. Natixis is covered as from the first euro in default and up to 85% of the default amount. This guarantee is shown on the line "Guarantee commitments received from banks" for 85% of the nominal amount of the assets guaranteed.

13.2 Financing commitments

In accordance with IAS 39 (§2), financing commitments outside the scope of IAS 39 are recognized in accordance with IAS 37, "Provisions, Contingent Liabilities and Contingent Assets".

The following financing commitments fall within the scope of IAS 39:

- commitments classified as financial liabilities at fair value through profit and loss. If an entity has a practice of reselling or securitizing loans immediately after they are issued, these loans are accounted for in accordance with IAS 39 as from the date the loan commitment is undertaken;
- those which are settled net (i.e. sold);
- commitments which result in a loan granted at lower-than-market interest rates.

Other financing commitments falling within the scope of IAS 37.

A financing commitment given is a contingent liability, defined by IAS 37 as:

- a potential obligation arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- a present obligation arising as a result of past events but not recognized because:
  - it is not likely that an outflow of economic benefits will be required to settle the obligation, or
  - the amount of the obligation cannot be measured with sufficient reliability.

(in millions of euros)	12.31.2011	12.31.2010
Financing commitments given		
To banks	**7,217**	**15,547**
To customers	**66,117**	**52,504**
• Documentary credits	3,432	2,893
• Other confirmed lines of credit	46,034	42,165
• Other commitments	16,651	7,447
TOTAL FINANCING COMMITMENTS GIVEN	**73,334**	**68,050**
Financing commitments received		
• from banks	20,927	33,302
• from customers	9,963	460
TOTAL FINANCING COMMITMENTS RECEIVED	**30,890**	**33,762**

13.3 Commitments on securitizations

Natixis sets up securitization transactions on behalf of its customers and investors using specific conduits. Natixis extends liquidity lines to two ABCP conduits (Versailles and Magenta). At December 31, 2011, these lined totaled €4.8 billion.

Natixis also extended liquidity lines to several funds arranged by third parties (Landale, Northwest, Cedulas) for a total of €632 million.

At December 31, 2011, none of these vehicles was consolidated as Natixis does not exercise control and is not exposed to the majority of the risks and rewards associated with the securitized assets.

NOTE 14 POST CLOSING EVENTS

P3CI issue

In January 2012, Natixis implemented a transaction with BPCE to optimize the Core Tier 1 ratio via a guarantee mechanism based on a prudential value equivalent to that used for the CCI issues by the Banque Populaire banks and the Caisses d'Epargne.

Called P3CI, for Natixis the mechanism of the transaction consists of issuing new bonds for an amount of €6.9 billion, entirely subscribed by BPCE.

Natixis simultaneously reimbursed BPCE with deeply subordinated notes for an amount of €2.3 billion.

For Natixis the result is the reduction of its risk-weighted assets by approximately €25.6 billion, i.e. 18% of its risk-weighted assets before P3CI.

Corporate and Investment Banking strategy adjustments

On January 13, 2012, Natixis presented the Central Works Council with the detail of the strategy adjustments and job cuts which will affect Corporate and Investment Banking in 2012, allowing Natixis to adapt to the new prudential liquidity requirements.

The planned adjustments concern a selective reduction of financing and market activities, and the development of specific businesses (Corporate Solutions, Alternative Assets, Equity Markets) and the adaptation of corresponding support functions.

The implementation of these adjustments is expected to reduce the worldwide staff headcount in the Corporate and Investment Bank by 277 jobs.

It was stated that this reduction would be managed without a labor agreement in France by drawing on the outcome of natural departures, maintaining the freeze on external recruitment and dynamic internal mobility management.

NOTE 15 OTHER DISCLOSURES

15.1 Finance and operating leases

15.1.1 LEASES AS LESSOR

Leases as lessor *(in millions of euros)*	12.31.2011 Residual maturity <1 year	1-5 years	>5 years	Total	12.31.2010 Residual maturity <1 year	1-5 years	>5 years	Total
Finance leases								
Gross investment	1,739	6,696	4,224	**12,659**	2,360	5,895	4,045	**12,300**
Present value of minimum lease payments receivable	1,524	5,973	3,440	**10,937**	2,130	5,091	3,275	**10,496**
Unearned finance income	215	723	783	**1,721**	230	804	770	**1,804**
Operating leases								
Minimum payments receivable under irrevocable leases	49	173	156	**378**	51	194	165	**410**

Leases as lessor *(in millions of euros)*	12.31.2011 Real estate assets	Non-real estate assets	Total	12.31.2010 Real estate assets	Non-real estate assets	Total
Finance leases						
Unsecured residual value accruing to lessor	600	17	**617**	646	109	**755**

15.1.2 LEASES AS LESSEE

Leases as lessee *(in millions of euros)*	12.31.2011 Real estate assets	Non-real estate assets	Total	12.31.2010 Real estate assets	Non-real estate assets	Total
Finance leases						
Net carrying amount	46		**46**	48		**48**

15.2 Related parties

RELATIONSHIPS AMONG THE GROUP'S CONSOLIDATED COMPANIES

The main transactions between Natixis and related parties (BPCE and subsidiaries, Groupe Banque Populaire including Banque Populaire banks and their subsidiaries, Groupe Caisse d'Epargne including Caisses d'Epargne banks and their subsidiaries, investments consolidated proportionally with respect to the portion not eliminated on consolidation and all affiliates consolidated by the equity method) are described below:

	12.31.2011			12.31.2010		
(in millions of euros)	BPCE	Banque Populaire (including BP CCIs)	Caisse d'Epargne (including CEP CCIs)	BPCE	Banque Populaire (including BP CCIs)	Caisse d'Epargne (including CEP CCIs)
Assets						
Assets at fair value through profit and loss	12,161	4,322	19,383	2,410	1,022	8,103
Available-for-sale financial assets	1,356	1,677		260	1,960	63
Loans and receivables to financial institutions	16,218	4,606	1,451	15,066	7,515	7,075
Customer loans and receivables	213	12		(17)	656	25
Held-to-maturity financial assets	9			17		
Liabilities						
Financial liabilities at fair value through profit and loss	6,079	913	3,891	3,405	356	2,595
Due to banks	66,454	2,128	1,942	38,829	2,428	2,256
Customer deposits	30			22		6
Debt securities	3	784			791	
Subordinated debt	1,278	2		1,338	2	
Equity (DSNs and shareholder advances)	2,843			3,634		
Income						
Interest and similar income	328	255	139	250	408	95
Interest and similar expenses	(1,048)	(63)	(112)	(706)	(72)	(78)
Net fee and commission income	(216)	(262)	70	(165)	(208)	40
Net gains or losses on financial instruments at fair value through profit and loss	(1,482)	455	2,635	(723)	222	1,579
Net gains or losses on available-for-sale financial assets	428					
Income and expenses from other activities	(67)	(20)	(40)	195	(16)	(40)
General operating expenses	(22)		(3)	(25)		(3)
Commitments						
Commitments extended	1,622	2,002	66,835	1,109	203	54,877
Commitments received	17,109	3,350	1,354	19,379	4,342	1,798

Relations with proportionally-consolidated entities and entities accounted for by the equity method are not material.

SUMMARY FINANCIAL INFORMATION FOR AFFILIATES

(in millions of euros) **Balance sheet - Assets**	12.31.2011	
	Banque Populaire CCIs	**Caisse d'Epargne CCIs**
Cash and balances with central banks	3,175	1,128
Financial assets at fair value through profit and loss	5,374	5,675
Hedging derivatives	514	798
Available-for-sale financial assets	26,927	33,685
Loans and receivables to financial institutions	35,173	120,676
Customer loans and receivables	155,968	171,153
Revaluation adjustments on portfolios hedged against interest rate risk	129	793
Held-to-maturity financial assets	1,591	2,794
Current tax assets, deferred tax assets	993	1,347
Accruals and other assets	4,195	4,451
Non-current assets held for sale		
Investments in associates	196	
Investment property	257	85
Property, plant and equipment	1,695	1,623
Intangible capital assets	82	127
Goodwill	684	
TOTAL ASSETS	**236,953**	**344,335**

(in millions of euros) **Balance sheet - Liabilities**	12.31.2011	
	Banque Populaire CCIs	**Caisse d'Epargne CCIs**
Due to central banks	2	
Financial liabilities at fair value through profit and loss	1,985	1,459
Hedging derivatives	1,255	4,399
Due to banks	48,767	92,113
Customer deposits	127,040	209,970
Debt securities	19,440	732
Revaluation adjustments on portfolios hedged against interest rate risk	49	248
Current tax liabilities, deferred tax liabilities	397	85
Accruals and other liabilities	5,372	5,575
Insurance companies' technical reserves	5,035	
Contingency reserves	1,234	1,216
Subordinated debt	2,030	1,196
Equity group share	24,152	27,342
• *Share capital and reserves*	*11,353*	*14,535*
• *Retained earnings*	*10,311*	*13,690*
• *Unrealized or deferred gains or losses*	*1,387*	*(2,269)*
• *Net income (loss)*	*1,101*	*1,386*
• *Minority interests*	*195*	
TOTAL LIABILITIES	**236,953**	**344,335**

(in millions of euros) **Income statement**	**12.31.2011** **Banque Populaire CCIs**	**Caisse d'Epargne CCIs**
Interest and similar income	8,149	11,929
Interest and similar expenses	(4,493)	(7,670)
Fee and commission income	2,900	2,898
Fee and commission expenses	(526)	(457)
Net gains or losses on financial instruments at fair value through profit and loss	120	19
Net gains or losses on available-for-sale financial assets	79	96
Income from other activities	1,478	193
Expenses from other activities	(1,349)	(160)
Net revenues (loss)	**6,358**	**6,848**
General operating expenses	(3,848)	(4,175)
Depreciation, amortization and impairment property, plant and equipment and intangible assets	(227)	(236)
Gross operating income	**2,283**	**2,437**
Provision for credit losses	(644)	(381)
Net operating income	**1,639**	**2,056**
Share in income from associates	14	
Gains or losses on other assets	26	5
Change in value of goodwill	(1)	
Income before tax	**1,678**	**2,061**
Income tax	(569)	(675)
Net income	**1,109**	**1,386**
Minority interests	(8)	
Net income (group share)	**1,101**	**1,386**
Net income (group share) for 20% shareholdings in CCIs	**220**	**277**
Restatements on consolidation:		
• Profit from the increase in the share in income	27	56
• Other restatements	(2)	(4)
Share in income in Natixis' financial statements	**246**	**330**

MANAGEMENT COMPENSATION

(in euros)	**12.31.2011**	**12.31.2010**
Natixis directors	391,000	452,500
Executive managers	9,078,837	10,509,857

In 2011 attendance fees paid to members of the Board of Directors included a fixed portion (€10,000 per year per person) and a variable portion (€2,000 per Board Meeting per person). The members of the Audit Committee and the Compensation Committee received a fixed payment (€5,000 and €3,000 respectively, €20,000 for the President of the Audit Committee and €10,000 for the Present of the Compensation Committee) and a variable payment of €1,000 per meeting per person. This compensation was paid in full at the end of the year.

The amounts shown represent the total amount of compensation (fixed, variable, benefits in kind, etc.) paid to the members of the Management Board in the 2011 financial year. The 2010 data has been restated so as to be presented on the same basis. Changes were made to the composition of the Management Board between 2010 and 2011 (departure of two members, addition of two members). Pro forma, the 2010 amount should have been €12 million. The overall compensation of the current members of the Management Board decreased by 24.5% between 2010 and 2011.

COMPENSATION OF EXECUTIVE CORPORATE OFFICERS

Compensation for corporate officers is granted as detailed in the standardized tables compliant with AMF recommendations in parts 3.4.2 of the registration document.

The table below shows the compensation paid in the financial year. The 2010 data has been restated so as to be presented on the same basis.

	2011 financial year	2010 financial year
Laurent Mignon, CEO		
Compensation in relation to the fiscal year	€1,477,906	€2,007,784
Value of options granted during the fiscal year	n/a	n/a
Value of performance shares granted during the fiscal year	n/a	n/a
TOTAL	**€1,477,906**	**€2,007,784**

RETIRING EXECUTIVE OFFICERS

1) Chief Executive Officer: current plan

Natixis' Chief Executive Officer currently enjoys the retirement benefits plan offered to upper management officers ("hors classification"):

- Social Security System (Tranche A)*;
- Mandatory ARRCO contributions in tranche A* (overall rate of 7.50%);
- Additional ARRCO contributions in tranches A* (6.563%) and B* (5.625%);
- AGIRC contributions in tranches B* (20.30%) and C* (20.30%).

No contributions are made above tranche C*.

2) Chief Executive Officer: future plan

Following changes in the law and new recommendations by AFEP-MEDEF, Groupe BPCE has also been obliged to close its retirement benefits plans (BP and CE) for executive officers.

A BPCE-Natixis working group is drawing up proposals for a new bylaw covering executive corporate officers' retirement and provident insurance plans.

This new bylaw is expected to apply to Natixis' Chief Executive Officer.

SEVERANCE PAYMENTS

With regard to calculation of severance payments for the duties of Chief Executive Officer, the Board of Directors, on the advice of the Compensation Committee, authorized during the meeting of February 22, 2011, the commitment establishing the terms and conditions for compensation due or liable to be due to Laurent Mignon in the event he no longer performs the duties of Chief Executive Officer. This commitment was also approved by the Combined General Shareholders' Meeting of May 26, 2011 *(see sixth resolution)*.

At the end of this commitment, it is expected that the Chief Executive Officer will not receive severance payments if he leaves the Company at his initiative to perform new duties or changes his position within Groupe BPCE. Furthermore, this payment will not be paid if the Company is experiencing serious economic difficulties. Furthermore, in accordance with the provisions of the AFEP-MEDEF Code of corporate governance, the right to compensation is subject to a certain number of criteria and performance conditions.

Furthermore, members of the Board of Directors do not benefit from severance payments in relation to their function with Natixis.

15.3 Insurance companies

15.3.1 INSURANCE COMPANY RESULTS

The insurance industry companies within Natixis' scope of consolidation are: Coface core (strategic activities) and its subsidiaries, Natixis Assurances and its subsidiaries (life insurance, personal risk insurance, property and casualty insurance) and CEGC (Compagnie Européenne de Garanties et de Cautions).

The following table shows a reconciliation between insurance companies' financial statements as presented and how they would translate into the banking format.

It also shows the consolidated contribution by insurance companies in the banking format.

The main reclassifications concern general operating expenses, which are reported by function in the insurance format and by type in the banking format.

As regards net revenues, in the interest of consistency, insurance income and expenses that are similar to banking income and expenses (principally interest and fees and commissions) are reclassified under the corresponding line items in the banking format. Technical reserves and claims expenses are charged to net banking income rather than recognized as provisions for credit losses.

Balance sheet reclassifications are immaterial. Most of the balance sheet line items specific to insurance companies are shown under "insurance company investments" on the asset side and under "insurance companies' technical reserves" on the liabilities side. Receivables and related payables, shown under accrued income, prepaid expenses and other assets or deferred income, accrued charges and other liabilities in the insurance format are reclassified in the same lines as the principal in the banking format.

* *Tranche A corresponds to the fraction of annual compensation between 0 and €36,372.*
Tranche B corresponds to the fraction of annual compensation between €36,372 and €145,488.
Tranche C corresponds to the fraction of annual compensation between €145,488 and €290,976.

(in millions of euros)	12.31.2011 Insurance format Total	12.31.2011 Banking Format Net revenues	General operating expenses	Gross operating income	Provision for credit losses	Taxes	Other items	Net income
Premiums written	*5,685*	*5,685*		*5,685*				*5,685*
Change in unearned premium income	*(135)*	*(135)*		*(135)*				*(135)*
Earned premiums	5,550	5,550		5,550				5,550
Banking operating income	99	99		99				99
Revenues and other operating income	179	179		179				179
Other operating income	*13*	13		13				13
Investment income	*1,525*	*1,525*		*1,525*				*1,525*
Investment expenses	*(231)*	*(216)*	*(9)*	*(225)*	*(6)*			*(231)*
Capital gains and losses on disposal of investments (net of reversals, writedowns and amortization)	*(22)*	*(24)*		*(24)*	*1*		*1*	*(22)*
Change in fair value of investments carried at fair value through profit and loss	*(348)*	*(348)*		*(348)*				*(348)*
Change in writedowns on investments	*(704)*	*(605)*		*(605)*	*(99)*			*(704)*
Investment income (net of expenses)	**220**	**332**	**(9)**	**323**	**(104)**		**1**	**220**
Policy benefit expenses	**(4,590)**	**(4,538)**	**(52)**	**(4,590)**				**(4,590)**
Reinsurance transfer income	*4,187*	*4,187*		*4,187*				*4,187*
Reinsurance transfer expenses	*(4,123)*	*(4,123)*		*(4,123)*				*(4,123)*
Income and expenses net of reinsurance transfers	**64**	**64**		**64**				**64**
Provision for credit losses	(8)				(8)			(8)
Banking operating expenses								
Policy acquisition costs	(519)	(376)	(143)	(519)				(519)
Amortization of portfolio values and related items								
Administrative costs	(462)	(197)	(265)	(462)				(462)
Other recurring operating income and expenses	(261)	(32)	(229)	(261)				(261)
Other operating income and expenses	(2)	(2)		(2)				(2)
OPERATING INCOME (LOSS)	**283**	**1,092**	**(698)**	**394**	**(112)**		**1**	**283**
Finance expense	(44)	(44)		(44)				(44)
Share in income of affiliates	7						7	7
Income taxes	(137)					(137)		(137)
After-tax income from discontinued activities								
Minority interests	(1)						(1)	(1)
CONSOLIDATED NET INCOME	**108**	**1,048**	**(698)**	**350**	**(112)**	**(137)**	**7**	**108**

15.3.2 INSURANCE COMPANY CONTRIBUTIONS TO THE CONSOLIDATED INCOME STATEMENT

(in millions of euros)	12.31.2011	12.31.2010 - pro forma	12.31.2010
Interest and similar income	1,215	1,166	1,139
Interest and similar expenses	(225)	(91)	(99)
Fee and commission income	382	309	386
Fee and commission expenses	(570)	(510)	(402)
Net gains or losses on financial instruments at fair value through profit and loss	(336)	382	386
Net gains or losses on available-for-sale financial assets	21	52	49
Income from other activities	1,740	4,571	4,537
Expenses from other activities	(1,179)	(4,937)	(4,961)
Net revenues	**1,048**	**942**	**1,035**
General operating expenses	(668)	(607)	(767)
Depreciation, amortization and impairment on property, plant and equipment and intangible assets	(30)	(28)	(14)
Gross operating income (loss)	**350**	**307**	**254**
Provision for credit losses	(112)	(22)	(28)
Net operating income (loss)	**238**	**285**	**226**
Share in income from associates	7	9	14
Gains or losses on other assets	1	3	(8)
Change in value of goodwill			
Income (loss) before tax	**246**	**297**	**232**
Income tax	(137)	(35)	(28)
Net income (loss)	**109**	**262**	**204**
Minority interests	(1)	(2)	(3)
NET INCOME - GROUP SHARE	**108**	**260**	**201**

The pro forma information presented does not include the contribution of the non-strategic activities of Coface, but does include CEGC's contribution in the 2010 results in "insurance" format, which was not the case for the information published at December 31, 2010.

15.4 Statutory Auditors' fees

The bank's financial statements are audited by three independent accounting firms.

Deloitte & Associés, KPMG Audit and Mazars are registred as Statutory Auditors with the "Compagnie Régionale des Commissaires aux Comptes of Versailles" and operate under the supervision of the "Haut Conseil du Commissariat aux Comptes".

Mazars was appointed by the shareholders at the Combined General Meeting of November 17, 2006, for a term of six years ending as of the General Shareholders' Meeting called to approve the 2012 financial statements.

The mandate of Deloitte & Associés was renewed by the shareholders at the General Meeting of May 2010, for a term of six years ending as of the General Shareholders' Meeting called to approve the 2016 financial statements. KPMG Audit was appointed in replacement of Salustro Reydel by the shareholders at the General Meeting of May 2010, for a term of six years ending as of the General Shareholders' Meeting called to approve the 2016 financial statements.

- Deloitte & Associés – 185, avenue Charles-de-Gaulle – 92524 Neuilly-sur-Seine cedex;
- KPMG Audit, Département de KPMG S.A. – 1 cours Valmy – 92923 Paris La Défense Cedex;
- Mazars – Immeuble Exaltis 61, rue Henri-Régnault – 92075 La Défense Cedex.

The Statutory Auditors were paid the following amounts in return for their work:

	Deloitte & Associés				KPMG				MAZARS			
	Amounts paid		%		Amounts paid		%		Amounts paid		%	
(in thousands of euros)	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Audit												
• Independent audit, certification & examination of the separate and consolidated accounts	7,730	8,334	72%	86%	4,629	4,281	85%	84%	3,416	3,359	94%	91%
Issuer	*1,557*	*1,453*	*14%*	*15%*	*1,540*	*1,441*	*28%*	*28%*	*1,597*	*1,699*	*44%*	*46%*
Fully consolidated subsidiaries	*6,173*	*6,881*	*57%*	*71%*	*3,089*	*2,840*	*57%*	*55%*	*1,819*	*1,660*	*50%*	*45%*
• Other procedures and services directly related to the Statutory Auditor's engagement	1,018	1,016	9%	10%	24	56	0%	1%	77	125	2%	3%
Issuer	*751*	*842*	*7%*	*9%*	*0*	*0*	*0%*	*0%*	*0*	*65*	*0%*	*2%*
Fully consolidated subsidiaries	*267*	*174*	*2%*	*2%*	*24*	*56*	*0%*	*1%*	*77*	*60*	*2%*	*2%*
Sub-total	8,748	9,350	81%	97%	4,653	4,337	85%	85%	3,493	3,484	96%	94%
Other services provided by the firms to fully consolidated subsidiaries												
Legal, tax and employee related	690	155	6%	2%	777	726	14%	14%	1	2	0%	0%
Others	1,311	183	12%	2%	32	56	1%	1%	150	225	4%	6%
Sub-total	**2,001**	**338**	**19%**	**3%**	**809**	**782**	**15%**	**15%**	**151**	**227**	**4%**	**6%**
TOTAL	**10,749**	**9,688**	**100%**	**100%**	**5,462**	**5,119**	**100%**	**100%**	**3,644**	**3,711**	**100%**	**100%**

The Deputy Auditors are:

- BEAS, 7-9 Villa Houssay – 92200 Neuilly-sur-Seine;
- Mr. Malcolm McLarty, 1 cours Valmy – 92923 Paris La Défense Cedex;
- Mr. Patrick de Cambourg, Immeuble Exaltis – 61, rue Henri-Régnault – 92075 La Défense Cedex.

NOTE 16 COMPARATIVE CONSOLIDATION SCOPE

Companies included in the scope of consolidation	Activity	Consolidation method at December 31, 2011	12.31.2011 % control	12.31.2011 % ownership	12.31.2010 % control	12.31.2010 % ownership	Country
CORPORATE AND INVESTMENT BANK							
NATIXIS S.A.	Holding	FC	100	100	100	100	France
DUPONT-DENANT CONTREPARTIE [(4)]	Investment company		0	0	100	100	France
NATIXIS REAL ESTATE FEEDER SARL	Investment company	FC	100	100	100	100	Luxembourg
SNC TOLBIAC FINANCE [(1)]	Investment company	FC	100	100	100	100	France
NATIXIS ASIA LTD	Other financial company	FC	100	100	100	100	Hong Kong
NATIXIS ENVIRONNEMENT & INFRASTRUCTURES	Management of venture capital mutual funds	FC	100	100	100	100	France
NATIXIS ENVIRONNEMENT & INFRASTRUCTURES Luxembourg	Management of venture capital mutual funds	FC	79	79	61	61	Luxembourg
NATIXIS STRUCTURED PRODUCTS LTD	Secondary markets finance	FC	100	100	100	100	Jersey
NATIXIS AUSTRALIA PTY Ltd	Financial institution	FC	100	100	100	100	Australia
NATIXIS JAPAN SECURITIES CO, Ltd [(11)]	Financial institution	FC	100	100	0	0	Japan
NATEXIS ABM CORP. LLC [(3)]	Trading in securitized instruments		0	0	100	100	United States
NATEXIS ABM CORP.	Trading in securitized instruments	FC	100	100	100	100	United States
NATIXIS BLEICHROEDER Inc. [(19)]	Investment company		0	0	100	100	United States
NATEXIS COMMODITY MARKETS Ltd	Precious metals brokerage	FC	100	100	100	100	United Kingdom
NATIXIS MOSCOW	Foreign banking	FC	100	100	100	100	Russia
NATEXIS US FINANCE CORPORATION	Issuance of debt securities	FC	100	100	100	100	United States
NATIXIS FINANCE [(17)]	Merger and acquisition advisory services		0	0	100	100	France
NATIXIS FUNDING [(1)]**	Market making on secondary debt market	FC	100	100	100	100	France
NATIXIS IMMO DEVELOPPEMENT	Real estate development and renovation	FC	100	100	100	100	France
NATIXIS TRUST (formerly Natixis Luxembourg)*	Bank	FC	100	100	100	100	Luxembourg
NATIXIS TRANSPORT FINANCE**	Bank	FC	100	100	100	100	France
NATIXIS MARCO	Investment company	FC	100	100	100	100	France

Companies included in the scope of consolidation	Activity	Consolidation method at December 31, 2011	12.31.2011 % control	12.31.2011 % ownership	12.31.2010 % control	12.31.2010 % ownership	Country
NATIXIS BELGIQUE INVESTISSEMENTS	Investment company	FC	100	100	100	100	Belgium
EDF INVESTISSEMENT GROUPE	Investment company	Prop	7	7	7	7	Belgium
NATIXIS MALTA INVESTMENTS LIMITED	Holding	FC	100	100	100	100	Malta
CALIFANO INVESTMENTS LIMITED	Structured finance	FC	100	100	100	100	Malta
BLOOM ASSET HOLDINGS FUND PLC [(1)]	Other financial company	FC	100	100	100	100	Ireland
NATIXIS INNOV	Holding	FC	100	100	100	100	France
NATIXIS BELGIQUE INVESTISSEMENTS	Investment company	FC	100	100	100	100	Luxembourg
FILI S.A.	Investment company	FC	100	100	100	100	Luxembourg
NATIXIS ALTERNATIVE ASSETS (formerly Natixis Alternative Investments International S.A.)*	Holding	FC	100	100	100	100	Luxembourg
NATINIUM FINANCIAL PRODUCTS [(1)]	Securitization vehicle	FC	100	100	100	100	Ireland
GAMMA [(1)]	Securitization vehicle	FC	100	100	100	100	France
SAHARA FINANCE EUR LTD [(1)]	Securitization vehicle	FC	100	100	100	100	Ireland
LIBERTY ISLAND FUNDING 2011-1 Ltd [(1)] [(23)]	Securitization vehicle	FC	100	100	0	0	Cayman Islands
BRANCHES							
NATIXIS NEW YORK	Financial institution	FC	100	100	100	100	United States
NATIXIS LONDON	Financial institution	FC	100	100	100	100	United Kingdom
NATIXIS HONG KONG	Financial institution	FC	100	100	100	100	Hong Kong
NATEXIS SINGAPORE	Financial institution	FC	100	100	100	100	Singapore
NATIXIS HO-CHI MINH	Financial institution	FC	100	100	100	100	Vietnam
NATIXIS FRANKFURT	Financial institution	FC	100	100	100	100	Germany
NATIXIS LABUAN	Financial institution	FC	100	100	100	100	Malaysia
NATIXIS SHANGHAI	Financial institution	FC	100	100	100	100	China
NATIXIS MADRID	Financial institution	FC	100	100	100	100	Spain
NATIXIS MILAN	Financial institution	FC	100	100	100	100	Italy
NATIXIS TOKYO	Financial institution	FC	100	100	100	100	Japan
NATIXIS DUBAI	Financial institution	FC	100	100	100	100	Dubai

Companies included in the scope of consolidation	Activity	Consolidation method at December 31, 2011	12.31.2011 % control	12.31.2011 % ownership	12.31.2010 % control	12.31.2010 % ownership	Country
NATIXIS CAPITAL MARKETS							
NATIXIS NORTH AMERICA LLC (formerly NATIXIS NORTH AMERICA INC)*	Holding	FC	100	100	100	100	United States
NATIXIS FUNDING CORP	Other financial company	FC	100	100	100	100	United States
NATIXIS COMMERCIAL PAPER CORP. (2)	Other financial company		0	0	100	100	United States
NATIXIS NORTH AMERICA LLC (formerly NATIXIS NORTH AMERICA INC)*	Brokerage	FC	100	100	100	100	United States
NATIXIS FINANCIAL PRODUCTS LLC (formerly Natixis Financial Products Inc.)*	Derivatives transactions	FC	100	100	100	100	United States
BLEACHERS FINANCE 1 Ltd (1) (28)	Securitization	FC	100	100	0	0	United States
NATIXIS DERIVATIVES INC	Brokerage	FC	100	100	100	100	United States
NATIXIS REAL ESTATE HOLDINGS LLC (formerly NATIXIS REAL ESTATE CAPITAL INC)*	Real estate finance	FC	100	100	100	100	United States
NATIXIS REAL ESTATE CAPITAL LLC	Real estate finance	FC	100	100	100	100	United States
NATIXIS CAPITAL ARRANGER CORP. (3)	Brokerage services		0	0	100	100	United States
CDC HOLDING TRUST	Secondary markets finance	FC	100	100	100	100	United States
IXIS STRATEGIC INVESTMENTS CORP. (2)	Other financial company		0	0	100	100	United States
IXIS HAWAI SPECIAL MEMBER LLC (1) (2)	Commercial real estate finance		0	0	100	100	United States
IXIS LT INVESTOR LLC (1)	Other financial company	FC	100	100	100	100	United States
PLAZA SQUARE APPARTMENTS OWNERS LLC (1)	Real estate finance	FC	100	100	100	100	United States
CANZAS SECURISATION LLC (1)	Real estate finance	FC	100	100	100	100	United States
LAVENDER TRUST (1)	Real estate finance	FC	100	100	100	100	United States
CM REO HOLDINGS TRUST (1)	Secondary markets finance	FC	100	100	100	100	United States
CM REO TRUST (1)	Secondary markets finance	FC	100	100	100	100	United States
NH PHILADELPHIA PROPERTY LP (1)	Real estate finance	FC	100	100	100	100	United States
SUMMER COMMONS LLC (1)	Real estate finance	FC	100	100	100	100	United States
MSR TRUST (1)	Real estate finance	FC	100	100	100	100	United States
WTC OWNER LLC (1) (2)	Real estate finance		0	0	100	100	United States
IXIS CMNA ACCEPTANCES LLC (1)	Other financial company	FC	100	100	100	100	United States
IXIS CMNA INTERNATIONAL HOLDINGS INC. (1)	Other financial company	FC	100	100	100	100	United States

Companies included in the scope of consolidation	Activity	Consolidation method at December 31, 2011	12.31.2011 % control	12.31.2011 % ownership	12.31.2010 % control	12.31.2010 % ownership	Country
IXIS CMNA IP ASSETS HOLDINGS (LUXEMBOURG) SCA [1]	Other financial company	FC	100	100	100	100	Luxembourg
IXIS CMNA (Australia) (No. 2) LLC [1]	Other financial company	FC	100	100	100	100	United States
IXIS CMNA (Australia) (No. 2) SCA [1]	Other financial company	FC	100	100	100	100	Luxembourg
IXIS CMNA (Australia) HOLDINGS (N°2) INC. [1]	Other financial company	FC	100	100	100	100	United States
IXIS CMNA (Australia) HOLDINGS INC. [1]	Other financial company	FC	100	100	100	100	United States
NATIXIS CORPORATE SOLUTIONS							
NEXGEN FINANCIAL HOLDINGS Ltd	Holding	FC	100	100	100	100	Ireland
NEXGEN REINSURANCE Ltd	Reinsurance	FC	100	100	100	100	Ireland
UNIVERSE HOLDINGS Ltd	Structured finance	FC	100	100	100	100	Cayman Islands
NEXGEN CAPITAL Ltd	Structured finance	FC	100	100	100	100	Ireland
NEXGEN MAURITIUS Ltd	Structured finance	FC	100	100	100	100	Mauritius
NATIXIS CORPORATE SOLUTIONS (ASIA) Pte Ltd	Structured finance	FC	100	100	100	100	Singapore
NATIXIS CORPORATE SOLUTIONS Ltd	Structured finance	FC	100	100	100	100	Ireland
ULTIMA TRADING & GLOBAL STRATEGIES Ltd [1]	Structured finance	FC	100	100	100	100	Cayman Islands
ULTIMA TRADING & GLOBAL STRATEGIES II Ltd [1]	Structured finance	FC	100	100	100	100	Cayman Islands
ULTIMA TRADING & GLOBAL STRATEGIES III Ltd [1]	Structured finance	FC	100	100	100	100	Cayman Islands
INVESTMENT SOLUTIONS							
Asset Management							
NATIXIS GLOBAL ASSET MANAGEMENT							
NATIXIS GLOBAL ASSET MANAGEMENT	Holding	FC	100	100	100	100	France
ABSOLUTE ASIA DYNAMIC EQUITIES FUND [1] [2]	Asset Management		0	0	100	100	United States
ABSOLUTE ASIA DYNAMIC EQUITIES FUND- 40 Act Fund [1]	Asset Management	FC	93	93	100	100	United States
AEW ADVISORS, INC.	Asset Management	FC	100	100	100	100	United States
AEW CAPITAL MANAGEMENT, INC.	Asset Management	FC	100	100	100	100	United States
AEW CAPITAL MANAGEMENT, LP	Asset Management	FC	100	100	100	100	United States
AEW CENTRAL EUROPE	Asset Management	FC	100	60	100	60	Poland
AEW EUROPE INVESTMENT LTD	Asset Management	FC	100	60	100	60	United Kingdom
AEW EUROPE LLP	Asset Management	FC	100	60	100	60	United Kingdom
AEW GLOBAL ADVISORS (Asia) Pte, LTD	Asset Management	FC	100	100	100	100	Singapore

Companies included in the scope of consolidation	Activity	Consolidation method at December 31, 2011	12.31.2011 % control	12.31.2011 % ownership	12.31.2010 % control	12.31.2010 % ownership	Country
AEW GLOBAL ADVISORS (EUROPE) LTD	Asset Management	FC	100	100	100	100	United Kingdom
AEW II CORPORATION	Asset Management	FC	100	100	100	100	United States
AEW PARTNERS III, INC.	Asset Management	FC	100	100	100	100	United States
AEW PARTNERS IV, INC.	Asset Management	FC	100	100	100	100	United States
AEW PARTNERS V, INC.	Asset Management	FC	100	100	100	100	United States
AEW PARTNERS VI, INC.	Asset Management	FC	100	100	100	100	United States
AEW REAL ESTATE ADVISORS, INC.	Asset Management	FC	100	100	100	100	United States
AEW SENIOR HOUSING INVESTORS INC	Asset Management	FC	100	100	100	100	United States
AEW VIF INVESTORS, INC.	Asset Management	FC	100	100	100	100	United States
AEW VIF II INVESTORS, INC.	Asset Management	FC	100	100	100	100	United States
AEW VIA INVESTORS, LTD	Asset Management	FC	100	100	100	100	United States
ALPHASIMPLEX GROUP LLC	Asset Management	FC	100	100	100	100	United States
ALPHASIMPLEX MANAGED FUTURES FUND (1) (3)	Asset Management		0	0	48	48	United States
ALTERNATIVE STRATEGIES GROUP LLC	Asset Management	FC	100	100	100	100	United States
ASAHI NVEST INVESTMENT ADVISORY CO, LTD	Retail	Equity	49	49	49	49	Japan
ASG LASER FUND (1) (2)	Asset Management		0	0	76	76	United States
CAPITAL GROWTH MANAGEMENT, LP	Asset Management	Equity	50	50	50	50	United States
CASPIAN CAPITAL MANAGEMENT, LLC	Asset Management	FC	51	51	51	51	United States
CGW GESTION D'ACTIFS	Asset Management	Equity	33	20	33	20	France
CREA WESTERN INVESTORS I, INC.	Asset Management	FC	100	100	100	100	United States
DARIUS CAPITAL PARTNERS SAS (26)	Investment advisory services	FC	60	60	0	0	France
DARIUS CAPITAL PARTNERS USA (26)	Investment advisory services	FC	60	60	0	0	United States
AEW EUROPE ADVISORY LTD	Asset Management	FC	100	60	100	60	United Kingdom
AEW EUROPE CC LTD	Asset Management	FC	100	60	100	60	United Kingdom
AEW EUROPE SGP	Asset Management	FC	100	60	100	60	France
AEW GLOBAL LTD	Asset Management	FC	100	60	100	60	United Kingdom
AEW EUROPE PARTNERSHIP	Asset Management	FC	100	60	100	60	United Kingdom
AEW EUROPE HOLDING Ltd	Asset Management	FC	100	60	100	60	United Kingdom
AEW GLOBAL UK LTD	Asset Management	FC	100	60	100	60	United Kingdom
AEW COINVEST	Asset Management	FC	60	60	60	60	France
NATIXIS EPARGNE FINANCIÈRE SERVICES (12)	Asset Management		0	0	100	100	France
EPI SLP LLC (1)	Asset Management	FC	100	60	100	60	United States
EPI SO SLP LLC (1)	Asset Management	FC	100	60	100	60	United States

Companies included in the scope of consolidation	Activity	Consolidation method at December 31, 2011	12.31.2011 % control	12.31.2011 % ownership	12.31.2010 % control	12.31.2010 % ownership	Country
FEDERAL STREET MANAGEMENT, INC.	Asset Management	FC	100	100	100	100	United States
GATEWAY INVESTMENT ADVISERS, LLC	Asset Management	FC	100	100	100	100	United States
GATEWAY HEDGE US EQUITIES FUND [1] [2]	Asset Management		0	0	53	53	United States
H_2O ASSET MANAGEMENT	Asset Management	FC	50	50	50	50	United Kingdom
HANSBERGER GROUP, INC.	Asset Management	FC	100	100	100	100	United States
HANSBERGER GLOBAL INVESTORS, INC	Asset Management	FC	100	100	100	100	United States
HANSBERGER GLOBAL (HK) Ltd	Asset Management	FC	100	100	100	100	United States
HANSBERGER INVESTMENT ADVISORS PRIVATE Ltd	Asset Management	FC	100	100	100	100	India
HARRIS ALTERNATIVES HOLDING INC	Holding	FC	100	100	100	100	United States
AURORA ASG GLOBAL OPPORTUNITIES FUND [1] [2]	Asset Management		0	0	100	100	United States
AURORA INVESTMENT MANAGEMENT LLC	Asset Management	FC	100	100	100	100	United States
HARRIS ASSOCIATES INVESTMENT TRUST	Asset Management	FC	100	100	100	100	United States
HARRIS ASSOCIATES LP	Asset Management	FC	100	100	100	100	United States
HARRIS ASSOCIATES SECURITIES, LP	Retail	FC	100	100	100	100	United States
HARRIS ASSOCIATES, INC.	Asset Management	FC	100	100	100	100	United States
HANSBERGER FOCUSED INTERNATIONAL EQUITY FUND (formerly HGI/VN Global Equities Fund) [1] [3]	Asset Management		0	0	100	100	United States
AEW EUROPE S.A.	Asset Management	FC	60	60	60	60	France
AEW ITALIA	Asset Management	FC	100	60	100	60	Italy
AEW LUXEMBOURG	Asset Management	FC	100	60	100	60	Luxembourg
IDFC ASSET MANAGEMENT COMPANY Ltd [27]	Investment advisory services	Equity	25	25	0	0	India
IDFC AMC TRUSTEE COMPANY Ltd [27]	Investment advisory services	Equity	25	25	0	0	India
NATIXIS GLOBAL ASSOCIATES AUSTRALIA HOLDINGS, LLC	Holding	FC	100	100	100	100	Australia
NATIXIS ASSET MANAGEMENT ADVISERS, LP	Retail	FC	100	100	100	100	United States
ABSOLUTE ASIA AM	Asset Management	FC	100	100	100	100	Singapore
NATIXIS DISTRIBUTION CORPORATION	Retail	FC	100	100	100	100	United States
NATIXIS DISTRIBUTORS, LP	Retail	FC	100	100	100	100	United States
NATIXIS ASSET MANAGEMENT JAPAN CO., LTD	Asset Management	FC	100	100	100	100	Japan
NATIXIS INVESTMENT SERVICES JAPAN, LTD [3]	Retail		0	0	100	100	Japan
KOBRICK FUNDS, LLC	Asset Management	FC	100	100	100	100	United States
KENNEDY FINANCEMENT Luxembourg	Asset Management	FC	100	100	100	100	Luxembourg
KENNEDY FINANCEMENT Luxembourg 2 [23]	Asset Management	FC	100	100	0	0	Luxembourg

Companies included in the scope of consolidation	Activity	Consolidation method at December 31, 2011	12.31.2011 % control	12.31.2011 % ownership	12.31.2010 % control	12.31.2010 % ownership	Country
LOOMIS SAYLES & COMPANY, INC.	Asset Management	FC	100	100	100	100	United States
LOOMIS SAYLES & COMPANY, LP	Asset Management	FC	100	100	100	100	United States
LOOMIS SAYLES DISTRIBUTORS, INC.	Retail	FC	100	100	100	100	United States
LOOMIS SAYLES DISTRIBUTORS, LP	Retail	FC	100	100	100	100	United States
LOOMIS SAYLES INVESTMENTS Ltd (UK) (23)	Asset Management	FC	100	100	0	0	United Kingdom
LOOMIS SAYLES MULTI-ASSET REAL RETURN CAYMAN FUND (1) (2)	Asset Management		0	0	100	100	United States
LOOMIS SAYLES MULTI-ASSET REAL RETURN FUND (1) (2)	Asset Management		0	0	89	89	United States
LOOMIS SAYLES ABSOLUTE STRATEGIES FUND (LUX) (1) (3)	Asset Management		0	0	100	100	United States
LOOMIS SAYLES ABSOLUTE STRATEGIES FUND (US) (1) (3)	Asset Management		0	0	84	84	United States
LOOMIS SAYLES SOLUTIONS, INC	Asset Management	FC	100	100	100	100	United States
LOOMIS SAYLES TRUST COMPANY, LLC (1)	Asset Management	FC	100	100	100	100	United States
MC MANAGEMENT, INC.	Holding	FC	100	100	100	100	United States
MC MANAGEMENT, LP	Holding	FC	100	100	100	100	United States
LOOMIS SAYLES GLOBAL EQUITIES OPPORTUNITIES FUND (1) (2)	Asset Management		0	0	100	100	United States
NAMI AEW EUROPE	Asset Management	FC	100	60	100	60	France
NATIXIS ASSET MANAGEMENT	Asset Management	FC	100	100	100	100	France
NATIXIS FORMATION EPARGNE FINANCIÈRE (formerly Natixis Asset Management Participations 1)*	Holding	FC	100	100	100	100	France
NATIXIS ASSET MANAGEMENT FINANCE (formerly Natixis Asset Management Participations 2)* **	Holding	FC	100	100	100	100	France
NATIXIS GLOBAL ASSET MANAGEMENT HOLDINGS, LLC	Holding	FC	100	100	100	100	United States
NATIXIS GLOBAL ASSET MANAGEMENT PARTICIPATIONS 1	Holding	FC	100	100	100	100	France
NATIXIS GLOBAL ASSET MANAGEMENT PARTICIPATIONS 2	Holding	FC	100	100	100	100	France
NATIXIS GLOBAL ASSET MANAGEMENT PARTICIPATIONS 3	Holding	FC	100	100	100	100	France
AXELTIS S.A.*** (16)	Holding	FC	100	100	0	0	France
NATIXIS GLOBAL ASSET MANAGEMENT ASIA Pte (23)	Asset Management	FC	100	100	0	0	Singapore
NATIXIS GLOBAL ASSET MANAGEMENT, LLC	Holding	FC	100	100	100	100	United States
NATIXIS GLOBAL ASSET MANAGEMENT, LP	Holding	FC	100	100	100	100	United States
NATIXIS GLOBAL ASSOCIATES GERMANY	Retail	FC	100	100	100	100	Germany
NATIXIS GLOBAL ASSOCIATES ITALIA	Asset Management	FC	100	100	100	100	Italy
NATIXIS GLOBAL ASSOCIATES LUXEMBOURG	Retail	FC	100	100	100	100	Luxembourg

Companies included in the scope of consolidation	Activity	Consolidation method at December 31, 2011	12.31.2011 % control	12.31.2011 % ownership	12.31.2010 % control	12.31.2010 % ownership	Country
NATIXIS GLOBAL ASSOCIATES UK	Retail	FC	100	100	100	100	United Kingdom
NATIXIS ASG HOLDINGS, INC	Retail	FC	100	100	100	100	United States
NATIXIS GLOBAL ASSOCIATES, LLC	Retail	FC	100	100	100	100	United States
NATIXIS GLOBAL ASSOCIATES SWITZERLAND	Asset Management	FC	100	100	100	100	Switzerland
NATIXIS MULTIMANAGER	Asset Management	FC	100	100	100	100	France
NATIXIS CASPIAN PRIVATE EQUITY LLC (1)	Asset Management	Equity	40	40	40	40	United States
NATIXIS OAKMARK GLOBAL FUND (1) (2)	Asset Management		0	0	93	93	United States
NATIXIS OAKMARK INTERNATIONAL FUND (1) (2)	Asset Management		0	0	82	82	United States
NATIXIS SECURITIES INVESTMENT CONSULTING Co. LTD	Asset Management	FC	100	100	100	100	Taiwan
OSSIAM	Asset Management	FC	51	51	51	51	France
PBW REAM	Asset Management	FC	100	60	100	60	Netherlands
REICH & TANG ASSET MANAGEMENT, LLC	Asset Management	FC	100	100	100	100	United States
REICH & TANG DEPOSIT SOLUTIONS	Asset Management	FC	100	100	100	100	United States
REICH & TANG DISTRIBUTORS, INC.	Retail	FC	100	100	100	100	United States
REICH & TANG SERVICES, INC.	Asset Management	FC	100	100	100	100	United States
REICH & TANG STABLE CUSTODY GROUP LLC.	Asset Management	FC	100	100	0	0	United States
REICH & TANG STABLE CUSTODY GROUP II LLC.	Asset Management	FC	100	100	0	0	United States
SNYDER CAPITAL MANAGEMENT, INC.	Asset Management	FC	100	100	100	100	United States
SNYDER CAPITAL MANAGEMENT, LP	Asset Management	FC	100	100	100	100	United States
VAUGHAN NELSON INVESTMENT MANAGEMENT, INC.	Asset Management	FC	100	100	100	100	United States
VAUGHAN NELSON INVESTMENT MANAGEMENT, LP	Asset Management	FC	100	100	100	100	United States
VAUGHAN NELSON TRUST COMPANY	Asset Management	FC	100	100	100	100	United States
WESTPEAK ACTIVE BETA FUND (1)	Asset Management	FC	100	100	100	100	United States
OTHER ENTITIES							
NATIXIS US HOLDINGS Inc. (formerly Natixis Global Asset Management Corporation)*	Holding	FC	100	100	100	100	France
AXELTIS S.A.*** (16)	Holding		0	0	100	100	France
Private Equity – Third party asset management							
BP DEVELOPPEMENT (25)	Venture capital	FC	37	37	42	42	France
DHALIA A SICAR SCA (1)	Private Equity	FC	100	100	100	100	Luxembourg
NATEXIS PRIVATE EQUITY OPPORTUNITIES	Private Equity	FC	94	94	93	93	France
NAXICAP PARTNERS	Management of venture capital mutual funds	FC	100	100	100	100	France
NATIXIS PRIVATE EQUITY CASPIAN IA, LP (1)	Private Equity	FC	94	94	97	97	United States

Companies included in the scope of consolidation	Activity	Consolidation method at December 31, 2011	12.31.2011 % control	12.31.2011 % ownership	12.31.2010 % control	12.31.2010 % ownership	Country
NATIXIS PRIVATE EQUITY CASPIAN IB, LP [1] [14]	Private Equity	FC	49	49	73	73	United States
Private Banking							
NATIXIS PRIVATE BANKING [1] [17]	International wealth management		0	0	100	100	France
NATIXIX BANK (formerly NATIXIS PRIVATE BANKING INTERNATIONAL)*	International wealth management	FC	100	100	100	100	Luxembourg
GROUPE COMPAGNIE 1818							
1818 PARTENAIRES [7] [9]	Investment product distribution		0	0	100	100	France
BANQUE PRIVÉE 1818* (formerly LA COMPAGNIE 1818 - BANQUIERS PRIVÉS)**	Holding	FC	100	100	100	100	France
1818 - GESTION (formerly LA COMPAGNIE 1818 - GESTION)*	Mutual fund holding company	FC	100	100	100	100	France
1818 IMMOBILIER (formerly LA COMPAGNIE 1818 IMMOBILIER)*	Real estate operations	FC	100	100	100	100	France
MANTRA GESTION [22]	Mutual fund holding company		0	0	34	34	France
SELECTION 1818 [8]	Investment product distribution to CGPIs	FC	66	66	0	0	France
Insurance							
ADIR	Property damage insurance	EM	34	34	34	34	Lebanon
ASSURANCES BANQUE POPULAIRE ACTIONS [1]	Insurance investment mutual fund	FC	99	99	99	99	France
ASSURANCES BANQUE POPULAIRE CROISSANCE RENDEMENT [1]	Insurance investment mutual fund	FC	97	97	97	97	France
ASSURANCES BANQUE POPULAIRE IARD	Property damage insurance	EM	50	50	50	50	France
ASSURANCES BANQUE POPULAIRE MIDCAP [1]	Insurance investment mutual fund	FC	100	100	100	100	France
ASSURANCES BANQUE POPULAIRE PREVOYANCE	Personal protection insurance	FC	100	100	100	100	France
ASSURANCES BANQUE POPULAIRE VIE	Life insurance	FC	100	100	100	100	France
NATIXIS ASSURANCES PARTENAIRES (formerly Assurance)*	Insurance	FC	100	100	100	100	France
FRUCTIFONCIER [1]	Insurance real estate investments	FC	100	100	100	100	France
NAMI INVESTMENT [1]	Insurance real estate investments	FC	100	100	100	100	France
NATIXIS ASSURANCES	Insurance company holding company	FC	100	100	100	100	France

Companies included in the scope of consolidation	Activity	Consolidation method at December 31, 2011	12.31.2011 % control	12.31.2011 % ownership	12.31.2010 % control	12.31.2010 % ownership	Country
VITALIA VIE	Life insurance	FC	100	100	100	100	France
NATIXIS LIFE	Life insurance	FC	100	100	100	100	Luxembourg
SPECIALIZED FINANCIAL SERVICES							
Consumer finance							
NATIXIS CONSUMER FINANCE* (formerly Ecrinvest 11)	Holding	FC	100	100	100	100	France
NATIXIS FINANCEMENT**	Consumer finance	FC	67	67	67	67	France
NATIXIS CONSUMER FINANCE IT (formerly Natixis Consumer Finance)	Consumer finance	FC	100	100	100	100	France
Film Industry financing							
NATIXIS COFICINÉ**	Finance company (audiovisual)	FC	100	100	100	100	France
Factoring							
NATIXIS FACTOR**	Factoring	FC	100	100	100	100	France
NATIXIS FACTOR Portugal [2]	Factoring		0	0	100	100	Portugal
NATIXIS FACTOR ITALIE -SUCC (NATIXIS FACTOR) [2]	Factoring		0	0	100	100	Italy
Employee Benefits Scheme							
NATIXIS INTERÉPARGNE**	Payroll savings account	FC	100	100	100	100	France
NATIXIS INTERTITRES	Service vouchers offer	FC	100	100	100	100	France
Guarantees and Sureties							
NATIXIS GUARANTEES							
COMPAGNIE EUROPÉENNE DE GARANTIES ET CAUTIONS	Insurance	FC	100	100	100	100	France
SCI CHAMPS-ELYSÉES [1]	Real estate management	FC	100	100	100	100	France
SCI LA BOÉTIE [1]	Real estate management	FC	100	100	100	100	France
SCI SACCEF [1]	Real estate management	FC	100	100	100	100	France
Payments							
NATIXIS PAIEMENTS**	Banking services	FC	100	100	100	100	France
Securities							
SLIB [20]	Data services		0	0	67	67	France
Leasing							
CICOBAIL**	Real estate leasing	FC	100	100	100	100	France
GCE BAIL**	Leasing	FC	100	100	100	100	France
FRUCTIBAIL**	Real estate leasing	FC	100	100	100	100	France
FRUCTIBAIL INVEST [1] [21]	Real estate leasing		0	0	100	100	France
FRUCTICOMI**	Real estate leasing	FC	100	100	100	100	France
NATIXIS BAIL**	Real estate leasing	FC	100	100	100	100	France
NATIXIS ENERGECO**	Equipment lease financing	FC	100	100	100	100	France

Companies included in the scope of consolidation	Activity	Consolidation method at December 31, 2011	12.31.2011 % control	12.31.2011 % ownership	12.31.2010 % control	12.31.2010 % ownership	Country
NATIXIS LEASE**	Equipment lease financing	FC	100	100	100	100	France
NATIXIS LEASE MADRID	Equipment and real estate leasing	FC	100	100	100	100	Spain
NATIXIS LEASE MILAN	Equipment and real estate leasing	FC	100	100	100	100	Italy
NATIXIS LLD	Extended period vehicle rental	FC	100	100	100	100	France
S.C.I. VALMY COUPOLE [1]	Real estate operations	FC	100	100	100	100	France
OPCI NATIXIS LEASE INVESTMENT [1]	Real estate funds	FC	100	100	100	100	France
OCEOR LEASE TAHITI**	Equipment lease financing	FC	100	100	100	100	Tahiti
OCEOR LEASE TAHITI**	Equipment lease financing	FC	99	99	99	99	New Caledonia
OCEOR LEASE REUNION**	Equipment lease financing	FC	100	100	100	100	Reunion
GCE CAR LEASE [10]	Equipment lease financing	FC	100	100	0	0	France
SAS IMMOBILIERE NATIXIS BAIL [1]	Real estate leasing	FC	100	100	100	100	France
FINANCIAL INVESTMENTS							
COFACE GROUP							
COFACE HOLDING SAS	Holding	FC	100	100	100	100	France
COFACE S.A.	Credit insurance and related services	FC	100	100	100	100	France
AKCO FUND	Insurance investment mutual fund	FC	100	100	100	100	Germany
BUSINESS DATA INFORMATION [13]	Marketing and other services	FC	100	100	80	80	Israel
COFACE ASSICURAZIONI SPA	Credit insurance and related services	FC	100	100	100	100	Italy
COFACE AUSTRIA	Credit insurance and related services	FC	100	100	100	100	Austria
COFACE AUSTRIA BANK	Factoring	FC	100	100	100	100	Austria
COFACE BELGIUM SERVICES HOLDING	Business and solvency data	FC	100	100	100	100	Belgium
COFACE CHILE S.A (28)	Insurance	FC	100	100	0	0	Chile
COFACE CREDIT MANAGEMENT NORTH AMERICA	Receivables management and data	FC	100	100	100	100	United States
COFACE DEBITOREN	Receivables management and data	FC	100	100	100	100	Germany
COFACE DEUTSCHLAND	Holding	FC	100	100	100	100	Germany
COFACE DO BRASIL SEGUROS DE CREDITO	Credit insurance and related services	FC	100	100	100	100	Brazil
COFACE FACTORING ESPANA	Factoring	FC	100	100	100	100	Spain
COFACE FACTORING ITALIA SPA	Factoring	FC	100	100	100	100	Italy
COFACE FINANZ	Factoring	FC	100	100	100	100	Germany
COFACE HOLDING AMERICA LATINA	Financial data	FC	100	100	100	100	Mexico
COFACE HOLDING AUSTRIA	Holding	FC	100	100	100	100	Austria

Companies included in the scope of consolidation	Activity	Consolidation method at December 31, 2011	12.31.2011 % control	12.31.2011 % ownership	12.31.2010 % control	12.31.2010 % ownership	Country
COFACE HOLDING ISRAEL	Holding	FC	100	100	100	100	Israel
COFACE ITALIA	Holding	FC	100	100	100	100	Italy
COFACE KREDIT	Credit insurance and related services	FC	100	100	100	100	Germany
COFACE NEDERLAND SERVICES	Receivables management and data	FC	100	100	100	100	Netherlands
COFACE NORTH AMERICA	Credit insurance and related services	FC	100	100	100	100	United States
COFACE NORTH AMERICA HOLDING COMPANY	Holding	FC	100	100	100	100	United States
COFACE NORTH AMERICA INSURANCE COMPANY	Credit insurance and related services	FC	100	100	100	100	United States
COFACE POLAND CMS	Financial data	FC	100	75	100	75	Poland
COFACE POLAND FACTORING	Factoring	FC	100	100	100	100	Poland
COFACE RECEIVABLE FINANCES	Factoring	FC	100	100	100	100	United Kingdom
COFACE SERVICE SPA (5)	Receivables management and data		0	0	100	100	Italy
COFACE SERVICES AUSTRIA	Receivables management and data	FC	100	100	100	100	Austria
COFACE SERVICES NORTH AMERICA GROUP	Holding	FC	100	100	100	100	United States
COFACE SERVICIOS ESPANA S.L.	Receivables management and data	FC	100	100	100	100	Spain
COFACE UK HOLDINGS	Holding	FC	100	100	100	100	United Kingdom
COFACE ROMANIA CMS (28)	Insurance	FC	100	100	0	0	Romania
COFACE SEGURO DE CREDITO MEXICO (28)	Insurance	FC	100	100	0	0	Mexico
COFACE SIGORTA TURQUIE (28)	Insurance	FC	100	100	0	0	Turkey
COFACE SOUTH AFRICA (28)	Insurance	FC	100	100	0	0	South Africa
COFACE SOUTH AFRICA SERVICES (28)	Insurance	FC	100	100	0	0	South Africa
COFACE UK SERVICES LTD	Receivables management and data	FC	100	100	100	100	United Kingdom
COFACERATING HOLDING	Receivables management and data	FC	100	100	100	100	Germany
COFACERATING.DE	Receivables management and data	FC	100	100	100	100	Germany
COFACREDIT	Credit insurance and related services	EM	36	36	36	36	France
COFINPAR	Credit insurance and related services	FC	100	100	100	100	France
COGERI	Receivables management and data	FC	100	100	100	100	France
FIMIPAR**	Buyback of receivables	FC	100	100	100	100	France
COFACE CENTRAL EUROPE HOLDING	Holding	FC	75	75	75	75	Austria
KISSELBERG	Insurance	FC	100	100	100	100	Germany

Companies included in the scope of consolidation	Activity	Consolidation method at December 31, 2011	12.31.2011 % control	12.31.2011 % ownership	12.31.2010 % control	12.31.2010 % ownership	Country
KOMPASS Belgique	Marketing and other services	FC	100	100	100	100	Belgium
MSL1 FUND	Insurance investment mutual fund	FC	100	100	100	100	Germany
UNISTRAT COFACE	Insurance brokerage	FC	100	100	100	100	France
SEGURO BRASILEIRA C.E	Credit insurance and related services	FC	76	76	76	76	Brazil
BRANCHES							
COFACE SVERIGE (EX-AKC NORDEN) - SUCC (COFACE KREDIT)	Insurance	FC	100	100	100	100	Germany
COFACE IRELAND - SUCC (COFACE S.A.)	Insurance	FC	100	100	100	100	Ireland
COFACE UK - SUCC (COFACE S.A.)	Insurance	FC	100	100	100	100	United Kingdom
COFACE BELGIUM - SUCC (COFACE S.A.)	Insurance	FC	100	100	100	100	Belgium
KOMPASS LUXEMBOURG - SUCC (KOMPASS BELGIQUE)	Data and advertising	FC	100	100	100	100	Luxembourg
COFACE LUXEMBOURG (SUCC-Coface S.A.)	Insurance	FC	100	100	100	100	Luxembourg
COFACE PORTUGAL - SUCC (COFACE S.A.)	Insurance	FC	100	100	100	100	Portugal
COFACE IBERICA -SUCC (COFACE S.A.)	Insurance	FC	100	100	100	100	Spain
COFACE SWITZERLAND - SUCC (COFACE S.A.)	Insurance	FC	100	100	100	100	Switzerland
COFACE NEDERLAND - SUCC (COFACE KREDIT)	Insurance	FC	100	100	100	100	Netherlands
COFACE FACTORING PORTUGAL - SUCC (COFACE AUSTRIA BANK)	Factoring	FC	100	100	100	100	Portugal
COFACE FINANCES PAYS-BAS - SUCC COFACE FINANZ	Factoring	FC	100	100	100	100	Netherlands
COFACE DANMARK-SUCC (COFACE KREDIT)	Insurance	FC	100	100	100	100	Denmark
COFACE ARGENTINA -SUCC (COFACE S.A.)	Insurance	FC	100	100	100	100	Argentina
COFACE CHILE -SUCC (COFACE S.A.)	Insurance	FC	100	100	100	100	Chile
COFACE CANADA - SUCC (COFACE S.A.)	Insurance	FC	100	100	100	100	Canada
COFACE HUNGARY (formerly ÖKVC FIÓKTELEPE) - SUCC (COFACE AUSTRIA)	Insurance	FC	100	100	100	100	Hungary
COFACE POLAND (formerly ÖKVC POLAND) - SUCC (COFACE AUSTRIA)	Insurance	FC	100	100	100	100	Poland
LEID - SUCC (COFACE AUSTRIA)	Insurance	FC	100	100	100	100	Austria
COFACE ROMANIA INSURANCE -SUCC (COFACE AUSTRIA)	Insurance	FC	100	100	100	100	Romania
COFACE CZECH INSURANCE -SUCC (COFACE AUSTRIA)	Insurance	FC	100	100	100	100	Czech Republic
COFACE SLOVAKIA INSURANCE -SUCC (COFACE AUSTRIA)	Insurance	FC	100	100	100	100	Slovakia

Companies included in the scope of consolidation	Activity	Consolidation method at December 31, 2011	12.31.2011 % control	12.31.2011 % ownership	12.31.2010 % control	12.31.2010 % ownership	Country
COFACE LATVIA INSURANCE -SUCC (COFACE AUSTRIA)	Insurance	FC	100	100	100	100	Latvia
COFACE JAPAN - SUCC (COFACE S.A.)	Insurance	FC	100	100	100	100	Japan
COFACE SINGAPORE -SUCC (COFACE S.A.)	Insurance	FC	100	100	100	100	Singapore
COFACE HONG KONG -SUCC (COFACE S.A.)	Insurance	FC	100	100	100	100	Hong Kong
COFACE ECUADOR (SUCC-COFACE S.A.)	Insurance	FC	100	100	100	100	Ecuador
COFACE AUSTRALIE (SUCC-COFACE S.A.)	Insurance	FC	100	100	100	100	Australia
COFACE TAIWAN (SUCC-COFACE S.A.)	Insurance	FC	100	100	100	100	Taiwan
COFACE BULGARIA (Branch)	Insurance	FC	100	100	100	100	Bulgaria
Private Equity							
FINATEM [(2)]	International investment fund		0	0	100	100	Germany
FNS4	Private Equity	FC	100	100	94	94	Singapore
FNS5 [(2)]	Private Equity		0	0	100	100	Singapore
FINANCIÈRE 5-7 [(24)]	Private Equity holding		0	0	100	100	France
MERCOSUL [(6)]	International investment fund		0	0	88	88	United Kingdom
NATEXIS INVERSIONES SL [(2)]	International investment fund		0	0	100	100	Spain
NATEXIS INVESTMENT CORP.	Portfolio management	FC	100	100	100	100	United States
NATIXIS PRIVATE EQUITY INTERNATIONAL Luxembourg	Private Equity holding	FC	100	100	100	100	Luxembourg
NATEXIS PRIVATE EQUITY INTERNATIONAL SINGAPOUR	Private Equity holding	FC	100	100	100	100	Singapore
NATIXIS VENTURE SELECTION	International investment fund	FC	100	100	100	100	France
NATIXIS PRIVATE EQUITY	Private Equity	FC	100	100	100	100	France
NATIXIS PRIVATE EQUITY INTERNATIONAL	Private Equity	FC	100	100	100	100	France
NEM INVEST SAS	Private Equity	FC	100	100	100	100	France
PROVIDENTE S.A.	Stakeholdings	FC	100	100	100	100	France
OTHER ACTIVITIES							
NATIXIS ALGÉRIE	Bank	FC	100	100	100	100	Algeria
NATIXIS HCP (formerly INVESTIMA 72 - SAS) [(18)]	Holding	FC	100	100	0	0	France

Companies included in the scope of consolidation	Activity	Consolidation method at December 31, 2011	12.31.2011 % control	12.31.2011 % ownership	12.31.2010 % control	12.31.2010 % ownership	Country
COFACE BELGIUM SERVICES	Business and solvency data	FC	100	100	100	100	Belgium
COFACE FINANS A/S DANMARK (formerly MIDTFACTORING)	Factoring	FC	100	100	100	100	Denmark
COFACE SERVICE	Receivables management and data	FC	100	100	100	100	France
COFACE SERVICIOS PORTUGAL	Receivables management and data	FC	100	100	100	100	Portugal
GRAYDON HOLDING	Receivables management and data	EM	28	28	28	28	Netherlands
KOMPASS INTERNATIONAL NEUENSCHWANDER	Holding	FC	100	100	100	100	France
TKB	Receivables management and data	FC	100	100	100	100	Netherlands
COFACE COLLECTION NORTH AMERICA HOLDING LLC [23]	Receivables management and data	FC	100	100	0	0	United States
COFACE COLLECTION NORTH AMERICA	Receivables management and data	FC	100	100	100	100	United States
EDVAL C INVESTMENTS Ltd [2]	Loan country risk defeasance vehicle		0	0	100	100	United Kingdom
NATEXIS BANQUES POPULAIRES PREFERRED CAPITAL I LLC [1] [3]	Issuance of preferred shares		0	0	100	0	United States
NATEXIS BANQUES POPULAIRES PREFERRED CAPITAL II [1]	Issuance of preferred shares	FC	100	0	100	0	United States
NATEXIS BANQUES POPULAIRES PREFERRED CAPITAL III [1]	Issuance of preferred shares	FC	100	0	100	0	United States
NATEXIS FUNDING USA LLC	Refinancing activity	FC	100	100	100	100	United States
NATIXIS ALTAÏR IT SHARED SERVICES	Data services	FC	100	100	100	100	France
NATIXIS PARTICIPATIONS 1 [15]	Holding		0	0	100	100	France
SAS VAL A [1]	Investment portfolio holding	FC	100	100	100	100	France
S.C.I. ALTAÏR 1 [1]	Real estate operations	FC	100	100	100	100	France
S.C.I. ALTAÏR 2 [1]	Real estate operations	FC	100	100	100	100	France
NATIXIS IMMO EXPLOITATION [1]	Real estate operations	FC	100	100	100	100	France
NATIXIS FONCIÈRE S.A. (formerly SPAFICA) [1]	Real estate investments	FC	100	100	100	100	France
WORLEDGE A INVESTMENTS Ltd [2]	Loan country risk sale option vehicle		0	0	100	100	United Kingdom
RETAIL BANKING							
CCI BP							
Banques Populaires							
BANQUE POPULAIRE ALSACE	Lending institution/ Bank	EM	20	20	20	20	France

Companies included in the scope of consolidation	Activity	Consolidation method at December 31, 2011	12.31.2011 % control	12.31.2011 % ownership	12.31.2010 % control	12.31.2010 % ownership	Country
BANQUE POPULAIRE ATLANTIQUE	Lending institution/ Bank	EM	20	20	20	20	France
BANQUE POPULAIRE BOURGOGNE FRANCHE-COMTÉ	Lending institution/ Bank	EM	20	20	20	20	France
BANQUE POPULAIRE AQUITAINE CENTRE ATLANTIQUE (29)	Lending institution/ Bank	EM	20	20	0	0	France
BANQUE POPULAIRE CENTRE ATLANTIQUE (29)	Lending institution/ Bank		0	0	20	20	France
BANQUE POPULAIRE DU SUD-OUEST (29)	Lending institution/ Bank		0	0	20	20	France
BANQUE POPULAIRE DE LA CÔTE D'AZUR	Lending institution/ Bank	EM	20	20	20	20	France
BANQUE POPULAIRE DE LOIRE ET LYONNAIS	Lending institution/ Bank	EM	20	20	20	20	France
BANQUE POPULAIRE DE L'OUEST	Lending institution/ Bank	EM	20	20	20	20	France
BANQUE POPULAIRE DES ALPES	Lending institution/ Bank	EM	20	20	20	20	France
BANQUE POPULAIRE DU MASSIF CENTRAL	Lending institution/ Bank	EM	20	20	20	20	France
BANQUE POPULAIRE DU NORD	Lending institution/ Bank	EM	20	20	20	20	France
BANQUE POPULAIRE DU SUD	Lending institution/ Bank	EM	20	20	20	20	France
BANQUE POPULAIRE LORRAINE CHAMPAGNE	Lending institution/ Bank	EM	20	20	20	20	France
BANQUE POPULAIRE OCCITANE	Lending institution/ Bank	EM	20	20	20	20	France
BANQUE POPULAIRE PROVENÇALE ET CORSE	Lending institution/ Bank	EM	20	20	20	20	France
BANQUE POPULAIRE RIVES DE PARIS	Lending institution/ Bank	EM	20	20	20	20	France
BANQUE POPULAIRE VAL DE FRANCE	Lending institution/ Bank	EM	20	20	20	20	France
BRED - BANQUE POPULAIRE	Lending institution/ Bank	EM	20	20	20	20	France
CASDEN - BANQUE POPULAIRE	Lending institution/ Bank	EM	20	20	20	20	France
CRÉDIT COOPÉRATIF	Lending institution/ Bank	EM	20	20	20	20	France
Banques Populaires umbrella companies							
SOCIÉTARIAT BP ATLANTIQUE (Ludovic De Besse)	Other financial institution	EM	20	20	20	20	France
SOCIÉTARIAT BP LORRAINE CHAMPAGNE	Other financial institution	EM	20	20	20	20	France
SOCIÉTARIAT BANQUE POPULAIRE D'ALSACE	Other financial institution	EM	20	20	20	20	France
SOCIÉTARIAT BP BOURGOGNE FRANCHE-COMTÉ	Other financial institution	EM	20	20	20	20	France
SOCIÉTARIAT BP AQUITAINE CENTRE ATLANTIQUE (29)	Other financial institution	EM	20	20	0	0	France

Companies included in the scope of consolidation	Activity	Consolidation method at December 31, 2011	12.31.2011 % control	12.31.2011 % ownership	12.31.2010 % control	12.31.2010 % ownership	Country
SOCIÉTARIAT BP CENTRE ATLANTIQUE (29)	Other financial institution		0	0	20	20	France
SOCIÉTARIAT BP SUD-OUEST (29)	Other financial institution		0	0	20	20	France
SOCIÉTARIAT BP DE L'OUEST	Other financial institution	EM	20	20	20	20	France
SOCIÉTARIAT BP DES ALPES	Other financial institution	EM	20	20	20	20	France
SOCIÉTARIAT BP DU NORD	Other financial institution	EM	20	20	20	20	France
SOCIÉTARIAT BP LOIRE ET LYONNAIS	Other financial institution	EM	20	20	20	20	France
SOCIÉTARIAT BP MASSIF CENTRAL	Other financial institution	EM	20	20	20	20	France
SOCIÉTARIAT BP OCCITANE	Other financial institution	EM	20	20	20	20	France
SOCIÉTARIAT BP CÔTE D'AZUR	Other financial institution	EM	20	20	20	20	France
SOCIÉTARIAT BP PROVENCALE ET CORSE	Other financial institution	EM	20	20	20	20	France
SOCIÉTARIAT BP RIVES DE PARIS	Other financial institution	EM	20	20	20	20	France
SOCIÉTARIAT BP SUD	Other financial institution	EM	20	20	20	20	France
SOCIÉTARIAT BP VAL DE FRANCE	Other financial institution	EM	20	20	20	20	France
SOCIÉTARIAT CRÉDIT COOPÉRATIF/BP	Other financial institution	EM	20	20	20	20	France
Mutual guarantee companies							
SCM BOURGOGNE FRANCHE-COMTÉ	Lending institution/ guarantee company	EM	20	20	20	20	France
SCM CLERMONT-FERRAND	Lending institution/ guarantee company	EM	20	20	20	20	France
SCM LILLE	Lending institution/ guarantee company	EM	20	20	20	20	France
SCM AQUITAINE CENTRE ATLANTIQUE (29)	Lending institution/ guarantee company	EM	20	20	0	0	France
SCM CENTRE ATLANTIQUE (29)	Lending institution/ guarantee company		0	0	20	20	France
SCM BORDEAUX (29)	Lending institution/ guarantee company		0	0	20	20	France
SCM MARSEILLE	Lending institution/ guarantee company	EM	20	20	20	20	France
SCM LORRAINE CHAMPAGNE	Lending institution/ guarantee company	EM	20	20	20	20	France

Companies included in the scope of consolidation	Activity	Consolidation method at December 31, 2011	12.31.2011 % control	12.31.2011 % ownership	12.31.2010 % control	12.31.2010 % ownership	Country
SCM ATLANTIQUE	Lending institution/ guarantee company	EM	20	20	20	20	France
SCM NICE	Lending institution/ guarantee company	EM	20	20	20	20	France
SCM OCCITANE	Lending institution/ guarantee company	EM	20	20	20	20	France
SCM SUD	Lending institution/ guarantee company	EM	20	20	20	20	France
SCM RENNES	Lending institution/ guarantee company	EM	20	20	20	20	France
SCM RIVES DE PARIS	Lending institution/ guarantee company	EM	20	20	20	20	France
SCM ALSACE	Lending institution/ guarantee company	EM	20	20	20	20	France
SCM ALPES	Lending institution/ guarantee company	EM	20	20	20	20	France
SCM LOIRE ET LYONNAIS	Lending institution/ guarantee company	EM	20	20	20	20	France
SCM ST QUENTIN EN Y.	Lending institution/ guarantee company	EM	20	20	20	20	France
SCM BRED	Lending institution/ guarantee company	EM	20	20	20	20	France
Regional banks							
CAISSE RÉGIONALE BRETAGNE NORMANDIE	Lending institution/ Bank	EM	20	20	20	20	France
CAISSE RÉGIONALE DE MÉDITERRANÉE	Lending institution/ Bank	EM	20	20	20	20	France
CAISSE RÉGIONALE RÉGION NORD	Lending institution/ Bank	EM	20	20	20	20	France
CAISSE RÉGIONALE SUD-OUEST	Lending institution/ Bank	EM	20	20	20	20	France
CAISSE RÉGIONALE CRÉDIT MARITIME ATLANTIQUE	Lending institution/ Bank	EM	20	20	20	20	France
CCI CEP							
Caisses d'Epargnes							
CAISSE D'EPARGNE AQUITAINE POITOU-CHARENTES	Lending and financial institution	EM	20	20	20	20	France
CAISSE D'EPARGNE CÔTE D'AZUR	Lending and financial institution	EM	20	20	20	20	France
CAISSE D'EPARGNE D'ALSACE	Lending and financial institution	EM	20	20	20	20	France

Companies included in the scope of consolidation	Activity	Consolidation method at December 31, 2011	12.31.2011 % control	12.31.2011 % ownership	12.31.2010 % control	12.31.2010 % ownership	Country
CAISSE D'EPARGNE D'AUVERGNE ET DU LIMOUSIN	Lending and financial institution	EM	20	20	20	20	France
CAISSE D'EPARGNE NORMANDIE	Lending and financial institution	EM	20	20	20	20	France
CAISSE D'EPARGNE DE BOURGOGNE FRANCHE-COMTÉ	Lending and financial institution	EM	20	20	20	20	France
CAISSE D'EPARGNE LORRAINE CHAMPAGNE-ARDENNE	Lending and financial institution	EM	20	20	20	20	France
CAISSE D'EPARGNE DE MIDI-PYRÉNÉES	Lending and financial institution	EM	20	20	20	20	France
CAISSE D'EPARGNE DE PICARDIE	Lending and financial institution	EM	20	20	20	20	France
CAISSE D'EPARGNE BRETAGNE- PAYS DE LOIRE	Lending and financial institution	EM	20	20	20	20	France
CAISSE D'EPARGNE ILE-DE-FRANCE	Lending and financial institution	EM	20	20	20	20	France
CAISSE D'EPARGNE LANGUEDOC-ROUSSILLON	Lending and financial institution	EM	20	20	20	20	France
CAISSE D'EPARGNE LOIRE-CENTRE	Lending and financial institution	EM	20	20	20	20	France
CAISSE D'EPARGNE LOIRE DRÔME ARDÈCHE	Lending and financial institution	EM	20	20	20	20	France
CAISSE D'EPARGNE NORD FRANCE EUROPE	Lending and financial institution	EM	20	20	20	20	France
CAISSE D'EPARGNE PROVENCE-ALPES-CORSE	Lending and financial institution	EM	20	20	20	20	France
CAISSE D'EPARGNE RHÔNE-ALPES	Lending and financial institution	EM	20	20	20	20	France
Local investment companies							
SOCIÉTÉS LOCALES D'EPARGNE RHÔNE-ALPES	Other financial institution	EM	20	20	20	20	France
SOCIÉTÉS LOCALES D'EPARGNE ALSACE	Other financial institution	EM	20	20	20	20	France
SOCIÉTÉS LOCALES D'EPARGNE AQUITAINE POITOU-CHARENTE	Other financial institution	EM	20	20	20	20	France
SOCIÉTÉS LOCALES D'EPARGNE D'AUVERGNE ET DU LIMOUSIN	Other financial institution	EM	20	20	20	20	France
SOCIÉTÉS LOCALES D'EPARGNE NORMANDIE	Other financial institution	EM	20	20	20	20	France
SOCIÉTÉS LOCALES D'EPARGNE BOURGOGNE FRANCHE-COMTÉ	Other financial institution	EM	20	20	20	20	France
SOCIÉTÉS LOCALES D'EPARGNE CÔTE D'AZUR	Other financial institution	EM	20	20	20	20	France
SOCIÉTÉS LOCALES D'EPARGNE ILE-DE-FRANCE	Other financial institution	EM	20	20	20	20	France
SOCIÉTÉS LOCALES D'EPARGNE LANGUEDOC-ROUSSILLON	Other financial institution	EM	20	20	20	20	France
SOCIÉTÉS LOCALES D'EPARGNE LOIRE DROME ARDÈCHE	Other financial institution	EM	20	20	20	20	France
SOCIÉTÉS LOCALES D'EPARGNE LORRAINE CHAMPAGNE-ARDENNE	Other financial institution	EM	20	20	20	20	France

Companies included in the scope of consolidation	Activity	Consolidation method at December 31, 2011	12.31.2011 % control	12.31.2011 % ownership	12.31.2010 % control	12.31.2010 % ownership	Country
SOCIÉTÉS LOCALES D'EPARGNE DE MIDI-PYRÉNÉES	Other financial institution	EM	20	20	20	20	France
SOCIÉTÉS LOCALES D'EPARGNE NORD FRANCE EUROPE	Other financial institution	EM	20	20	20	20	France
SOCIÉTÉS LOCALES D'EPARGNE BRETAGNE- PAYS DE LOIRE	Other financial institution	EM	20	20	20	20	France
SOCIÉTÉS LOCALES D'EPARGNE DE PICARDIE	Other financial institution	EM	20	20	20	20	France
SOCIÉTÉS LOCALES D'EPARGNE PROVENCE-ALPES-CORSE	Other financial institution	EM	20	20	20	20	France
SOCIÉTÉS LOCALES D'EPARGNE LOIRE-CENTRE	Other financial institution	EM	20	20	20	20	France

** Change in registered company name.*

*** French subsidiaries whose individual prudential oversight is performed based on Group consolidated ratios in accordance with the provisions of Article 4.1 of CRC Rule 2000.03.*

(1) Special purpose company.
(2) Removed from the consolidation scope as holding fell below the materiality threshold.
(3) Liquidation.
(4) Total asset transfer in Natixis as at March 31, 2011.
(5) Take-over merger in Coface Assicurazioni.
(6) Deconsolidation following asset disposal in Brazil.
(7) Dilution of 34% following the contribution of its shares to Sélection 1818 in the first quarter of 2011.
(8) Acquisition of 66% of shares by Banque Privée 1818.
(9) Total transfer of Partnenaires' assets to Sélection 1818 on May 31, 2011.
(10) Acquisition of GCE Car Lease by Natixis Lease on April 1, 2011.
(11) Creation on June 1, 2011 following the transfer of the Tokyo branch activity.
(12) Total transfer of assets to Natixis Asset Management.
(13) Acquisition of 20% of minority shareholders.
(14) Dilution effect of 24% of Natixis Private Equity Caspian IB.
(15) Transfer of Natixis Participations 1's asset to Natixis on September 30, 2011.
(16) Sale of Axeltis S.A. shares by NP 1 to NGAM on August 4, 2011.
(17) Total transfer of assets to Natixis on September 30, 2011.
(18) Incorporation of Natixis HCP following the acquisition of Coface Finans A/S Danmark to Coface Deutschland.
(19) Merged with Natixis Securities Americas LLC on October 1, 2011.
(20) Following the sale of 33.33% of shares, the company was deconsolidated, the consolidation thresholds having become non-material.
(21) Total transfer of assets to Fructibail on December 31, 2011.
(22) Sold to non-group entity on October 30, 2011.
(23) Creation in the fourth quarter of 2011.
(24) Total transfer of Financière 5-7's assets to Natixis Private Equity on December 30, 2011.
(25) Dilution of 5% following a capital increase.
(26) Acquisition in the third quarter of 2011.
(27) Acquisition in the fourth quarter of 2011.
(28) Newly consolidated entity in the fourth quarter of 2011.
(29) Created from the merger between BP Centre Atlantique and BP Sud-Ouest.

5.3 Statutory auditors' report on the consolidated financial statements

Year ended December 31st, 2011

To the Shareholders,

In compliance with the assignment entrusted to us by your General meeting, we hereby report to you, for the year ended 31 December 2011, on:

- the audit of the accompanying consolidated financial statements of Natixis;
- the justification of our assessments;
- the specific verifications required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I - OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 Decemeber 2011 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II - JUSTIFICATION OF OUR ASSESSMENTS

The accounting estimates used in the preparation of the consolidated financial statements as at December 31, 2011 were made in a context of uncertainty, related to the public finances crises of some of the Eurozone countries and, Greece in particular, which was accompanied by an economic and liquidity crisis and a lack of visibility concerning economic prospects. Such is the context in which we made our own assessments that we bring to your attention in accordance with the requirements of article L.823-9 of the French Commercial Code ("*Code de commerce*").

Guarantee mechanism for GAPC assets

As described in Note 5.7 to the consolidated financial statements, a guarantee mechanism with by BPCE has been in place since July 1, 2009 covering certain assets ring-fenced in the Workout Portfolio Management structure (GAPC). We reviewed the monitoring of this mechanism and the corresponding accounting treatment.

Valuation of financial instruments

The Group uses internal models and methodologies to measure financial instruments that are not traded on an active market, as well as to book certain impairment losses (Notes 5.6, 6.6.7 and 6.18 to the consolidated financial statements). We examined the control procedures relating to the assessment of whether a given market was inactive, to the validation of models and to the definition of the parameters used.

Impairment and provisions for credit and counterparty risks

The Group recognizes impairment losses and provisions to cover the credit and counterparty risks inherent to its activities (Notes 5.1, 5.2, 5.3, 6.4, 6.15.1 and 7.7 to the consolidated financial statements). We reviewed the control procedures relating to credit and counterparty risk monitoring, the assessment of risks of non-recoverability, and the calculation of the corresponding individual and collective impairment and provisions.

Impairment of available for-sale financial assets

The Group recognizes impairment losses against available-forsale fi nancial assets when there is objective evidence that such assets have suffered a decline in value (Notes 5.1, 6.3, 7.4 and 7.7 to the consolidated financial statements). We examined the control procedures relating to the identification of evidence of impairment and measurement of the largest impairment losses, as well as the estimates made in recognizing impairment losses to cover the decline in value of these assets where applicable.

Liabilities related to the insurance contracts

The Group recognized technical provisions in respect of risks related to insurance contracts (Notes 6.8.3, 6.14 and 7.5 to the consolidated financial statements). We examined the methodology used to measure these insurance contracts, as well as the main assumptions and parameters used.

Evaluation of intangible assets

The Group revises its measurement of intangible assets and goodwill carried in its consolidated balance sheet (Notes 2.5, 5.8 and 6.11 to the consolidated financial statements). We examined how this work was carried out, as well as the main assumptions and parameters used.

Recognition of deferred taxes

The Group recognized deferred tax assets in respect of tax loss carryforwards (Notes 5.21 and 6.7 to the consolidated financial statements). We examined the main estimates and assumptions on which the recognition of deferred tax assets was based.

Employee benefits

The Group records provisions to cover employee benefits (Notes 5.14, 5.15 and 11 to the consolidated financial statements). We examined the methodology used to measure these benefit obligations, as well as the main assumptions and parameters applied.

Other provisions

The Group recognizes provisions to cover risks and litigations related to its activity (Notes 5.14, 6.15.2, 7.6 and 7.7 to the consolidated financial statements). We examined the methodology used to measure these provisions, as well as the main assumptions applied.

These assessments were made as part of our audit of the financial statements, taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III - SPECIFIC VERIFICATION

As required by law, we have also verified in accordance with professional standards applicable in France the information presented in the Group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

The statutory auditors

French original signed by

Neuilly-sur-Seine and Paris-La-Défense, March 23rd, 2012

DELOITTE & ASSOCIES	KPMG Audit	MAZARS
José-Luis Garcia	*Department of KPMG S.A.*	Charles de Boisriou
	Fabrice Odent	Emmanuel Dooseman

This is a free translation into English of the statutory auditors' report on the consolidated financial statements issued in French and it is provided solely for the convenience of English speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions, or disclosures. This report also includes information relating to the specific verification of information given in the Group's management report. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

5.4 Parent company financial statements and notes

NATIXIS COMPARATIVE SEPARATE BALANCE SHEETS

(in millions of euros)

See note no.	**Year ended December 31**	**2011**	**2010**	**2009**
	ASSETS			
3	Cash and balances with central banks	5,499	12,136	3,497
3	Government securities and equivalent	22,091	18,393	30,329
3	Advances to banks	115,757	96,321	97,911
23	*o/w institutional operations:*			
4	Customer transactions	95,974	92,561	73,281
23	*o/w institutional operations:*	*549*	*645*	*512*
5	Bonds and other fixed-income securities	30,135	28,618	31,974
5	Shares and other variable-income securities	9,246	16,090	14,196
7	Investments and other long-term securities	10,802	10,710	10,258
7	Investments in related subsidiaries and affiliates	15,849	15,402	15,279
4	Leasing			
4	Operating leases			
12	Intangible capital assets	373	392	392
12	Property, plant and equipment	178	159	182
	Capital subscribed not paid			
7	Treasury shares	11	17	19
13	Other assets	23,412	20,629	19,857
13	Accrual accounts	13,704	19,706	22,704
	TOTAL ASSETS	**343,031**	**331,134**	**319,879**

See note no.	**Off-balance sheet items – Commitments received**	**2011**	**2010**	**2009**
37	**Financing commitments**	**31,095**	**33,433**	**15,002**
	Commitments received from banks	20,698	32,962	13,622
	Commitments received from customers	10,397	471	1,380
37	**Guarantee commitments**	**6,785**	**11,049**	**12,880**
	Commitments received from banks	6,785	11,049	12,880
23	*o/w institutional operations:*			*8*
37	**Commitments on securities**	**8,082**	**7,174**	**3,944**
37	**Other commitments received**	**9,082**	**8,312**	**8,178**

(in millions of euros)

See note no.	**Year ended December 31**	**2011**	**2010**	**2009**
	LIABILITIES			
14	Due to central banks		488	208
14	Due to banks	140,790	107,499	100,574
23	*o/w institutional operations:*	*46*	*46*	*55*
15	Customer transactions	64,866	61,130	46,371
23	*o/w institutional operations:*	*655*	*854*	*743*
16	Debt securities	41,268	64,939	71,810
17	Other liabilities	56,697	51,264	53,591
17	Accrual accounts	11,295	15,823	15,343
23	*o/w institutional operations:*			
18	Provisions for risks and other expenses	3,049	3,596	3,208
19	Subordinated debt	10,876	12,986	15,550
	Fund for general banking risks			
	Equity excluding fund for general banking risks	14,190	13,409	13,224
21	Subscribed capital	4,932	4,653	4,653
21	Issue premium	8,239	8,433	10,477
21	Reserves	124	115	115
	Revaluation adjustments			
20	Regulated provisions and investment subsidies	21	24	25
23	*o/w institutional operations:*	*1*	*3*	*3*
21	Retained earnings	1	(101)	
	Net income (loss)	873	285	(2,046)
	TOTAL LIABILITIES	**343,031**	**331,134**	**319,879**

See note no.	**Off-balance sheet items – Commitments given**	**2011**	**2010**	**2009**
37	**Financing commitments**	**62,035**	**58,294**	**56,797**
	Commitments given to banks	7,758	16,171	18,218
	Commitments given to customers	54,277	42,123	38,579
37	**Guarantee commitments**	**23,915**	**25,935**	**26,231**
	Commitments given to banks	5,165	7,528	6,613
	Commitments given to customers	18,750	18,407	19,618
23	*o/w institutional operations:*			
37	**Commitments on securities**	**8,013**	**4,016**	**3,860**
37	**Other commitments given**	**19,959**	**23,631**	**31,208**

NATIXIS COMPARATIVE SEPARATE INCOME STATEMENTS

(in millions of euros)

See note nos.	Year ended December 31	2011	2010	2009
	Interest and similar income	**8,525**	**7,210**	**21,363**
	Interbank transactions	2,646	2,665	14,301
	Customer transactions	2,319	1,965	2,349
	Leasing transactions	0	0	0
	Operating lease transactions	0	0	0
	Bonds and other fixed-income securities	385	415	1,266
24	Other interest and similar income	3,175	2,165	3,447
	Interest and similar expenses	**(8,988)**	**(7,209)**	**(24,598)**
	Interbank transactions	(3,091)	(2,485)	(19,800)
	Customer transactions	(669)	(764)	(659)
	Leasing transactions	0	0	0
	Operating lease transactions	0	0	0
	Bonds and other fixed-income securities	(1,178)	(1,098)	(1,415)
25	Other interest and similar expenses	(4,050)	(2,862)	(2,724)
26	**Income from variable-income securities**	**1,259**	**813**	**1,015**
	Fee and commission income	**674**	**765**	**2,126**
27	**Fee and commission expenses**	**(425)**	**(458)**	**(1,539)**
	Net gains/(losses) on trading portfolio transactions	**1,347**	**1,293**	**3,582**
	Balance of transactions on securities held for trading	(1,324)	3,429	1,891
	Foreign exchange transactions balance	(87)	193	713
28	Balance of transactions on financial instruments	2,758	(2,329)	978
29	**Net gains/(losses) on transactions on securities held for sale**	**253**	**72**	**(6)**
	Other banking operating income	**527**	**315**	**102**
30	**Other banking operating expenses**	**(185)**	**(224)**	**(162)**
	NET REVENUES	**2,987**	**2,577**	**1,883**
	General operating expenses	**(2,011)**	**(1,913)**	**(1,943)**
	Payroll costs	(1,097)	(1,037)	(1,013)
	Other administrative expenses	(914)	(876)	(930)
31	**Write-down, amortization and impairment of property, plant and equipment and intangible assets**	**(114)**	**(78)**	**(199)**
	GROSS OPERATING INCOME (LOSS)	**862**	**586**	**(259)**
32	**Provision for credit losses**	**(121)**	**(84)**	**(1,556)**
	OPERATING INCOME	**741**	**502**	**(1,815)**
33	**Net gains/(losses) on fixed assets**	**60**	**(322)**	**(373)**
	INCOME BEFORE TAX	**801**	**180**	**(2,188)**
	Non-recurring income	0	0	0
34	**Income taxes**	**71**	**103**	**141**
20	**Funding/reversal of funding for general banking risks and regulated provisions**	**1**	**2**	**1**
	NET INCOME (LOSS)	**873**	**285**	**(2,046)**

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

NOTE 1 ACCOUNTING PRINCIPLES AND VALUATION METHODS

Natixis' separate financial statements have been prepared and presented in accordance with the standards laid out by France's Comité de la réglementation comptable (CRC) and Comité de la réglementation bancaire et financière (CRBF).

The financial statements are presented in accordance with CRC Rule No. 2000-03 as amended for the individual summary financial statements of companies coming under CRBF regulation.

The financial statements of foreign subsidiaries, prepared in accordance with local rules, are restated for the purposes of the separate financial statements in accordance with generally accepted accounting principles in France.

The financial statements for the fiscal year are presented in identical format to those for the previous fiscal year. Generally accepted accounting principles have been applied in compliance with the principle of prudence based on the following principles:

- going concern;
- consistency of accounting methods;
- principle of periodicity.

1.1 Loans to customers and banks

Loans are carried on the balance sheet at their nominal value.

Accrued interest is credited to the corresponding receivables item on the income statement.

Fees earned on the granting or acquisition of loans, as well as marginal transaction costs, are recognized using the effective interest rate actuarial method over the effective life of the loan. Recognition is shown as net interest income in Net revenues. Fees and transaction costs to be recognized are included in the relevant loan book.

Unpaid amounts of loans already committed are included in off-balance sheet items under "Financing commitments given".

Performing and non-performing loans are identified separately.

Non-performing loans are identified and recognized in accordance with CRC Regulation 2002-03 as amended. This regulation and the notice issued by the CNC Urgent Issues Task Force on December 18, 2003 set out the regulations for classifying non-performing loans and reclassifying them as irrecoverable loans.

Loans declared in default, restructured loans on which the borrower has once again defaulted and loans classified as non-performing for more than one year for which a write-off is planned are deemed to be irrecoverable.

The reversal of the effect of discounting on impairments of non-performing loans associated with the passage of time is recognized under "Interest and similar expenses" on the income statement.

SPECIFIC WRITEDOWNS

Where there is a risk of partial or total non-recovery of loans or of borrowers breaching their covenants, impairment charges or provisions are recognized on the income statement under "Provision for credit losses". Impairment is assessed quarterly on a case-by-case basis taking into account an analysis of the risk and available collateral.

Impairment losses are calculated as the difference between the net carrying amount of the loan and the amounts thought to be recoverable, discounted at the original effective interest rate for fixed-rate loans or at the last effective interest rate determined according to the contractual terms for variable-rate loans.

In accordance with banking regulations:

- accrued interest due on loans to borrowers subject to legal proceedings is deducted from the interest account in which it was initially recorded. If the interest is subsequently recovered, it is credited to this line upon collection;
- interest on non-performing loans three or, where applicable, six or nine months overdue is also written down in full by deduction from the interest account in which it was initially recorded;
- all other loans made to these customers are automatically also classified as non-performing, even when the risk appraisal does not require an impairment charge against the outstanding principal.

Probable losses stemming from off-balance sheet commitments are recognized as provisions on the liability side of the balance sheet.

WRITEDOWNS FOR NON-SPECIFIC CREDIT RISK

Financial assets that do not have individually-allocated credit risk are included in groups of assets with similar risk characteristics. The composition of these portfolios of similar assets is based on two criteria: geographic risk and sector risk.

Portfolios are reviewed quarterly and, where appropriate, loans in sectors or countries where economic circumstances suggest problems may arise are included in the base for performing loans provisions.

Each group of assets is assessed for objective evidence of impairment based on observable data indicating a likely decrease in the estimated recoverable cash flows for that group of assets. A collective write-down in the balance sheet liabilities is taken against any group of assets showing objective evidence of impairment. Assets belonging to that group, which are subsequently specifically identified as impaired (specific risk), are removed from the collective write-down calculation base.

Provisions for **geographic risk** are primarily based on each country's internal rating, incorporating different parameters and indicators (political situation, performance of the economy and economic outlook, banking system situation, etc.). Calculation of the impairment loss is based on an internal rating/provisioning rate correlation table.

Provisions for **sector risk** are based on combinations of indexes specific to each sector (sector growth, cash held by businesses in the sector, cost of commodities, etc.). The method for calculating the impairment loss is the "expected loss" method calculated at maturity.

Loans on the watch list, for which a Basel 2 default has been identified, are written down collectively unless they are already subject to specific write-downs.

1.2 Securities portfolio

In accordance with Comité de la réglementation bancaire Regulation No. 90-01 on recognizing securities transactions, as amended, the following rules are applied regardless of the legal form of the security concerned (shares, bonds and notes, treasury bills, certificates of deposit, negotiable instruments, promissory notes, etc.). The buying and selling of securities are recorded in the balance sheet at the settlement-delivery date.

Instruments are assigned to one of the following categories based on type and the purpose for which they are held: securities held for trading, securities held for sale, securities held for investment, other long-term investments, investments in associates and investments in related companies.

- **Securities held for trading**: securities bought or sold from the start with the intention of reselling or repurchasing them in the short term, securities held as part of a market making operation, and securities bought or sold for the purposes of the specialized management of a trading portfolio. When initially recognized, these securities must be traded on an active market with easily obtainable prices representing actual and regularly occurring market transactions on an arm's length basis. On acquisition, securities held for trading are recognized at the price paid including any accrued interest. Transaction costs are recognized in expenses. At each balance sheet date, they are measured at market value and the grand total of any valuation differences is recognized on the income statement under the heading, "Balance of transactions on securities held for trading";
- **Securities held for sale**: securities that are not classified as held for trading, held for investment, other long-term investments, investments in associates or investments in related companies. They are reported on the balance sheet at their purchase price, excluding acquisition costs. Any difference between the purchase price (excluding accrued interest) and the redemption price is recognized in income over the remaining life of the securities. They are valued at year end at the lower of their carrying amount or market value. Unrealized losses give rise to the recognition of an impairment loss, whose calculation factors in gains from any hedging transactions conducted. Unrealized gains are not recognized;
- **Securities held for investment: fixed-income dated securities acquired with the stated intention of holding them to maturity**. These securities are recognized at their purchase price, excluding acquisition costs. Any difference between the purchase price and the redemption price is recorded in income over the remaining life of the securities.

  In line with regulatory requirements, unrealized losses are not subject to impairment unless there is a strong likelihood that the instruments will be sold before maturity due to unforeseen circumstances and without prejudice to impairments included in provisions for credit losses pursuant to CRC Regulation 2002-03 as amended, if there is a risk of default by the issuer of these instruments. Unrealized gains are not recognized;
- **Investment securities**: investments made on a regular basis with the sole aim of generating a capital gain in the medium-term, without any intention to invest sustainably in the issuing company or to actively participate in its operational management. This business is operated within a separate, specialized and structured department of Natixis;

  Investment securities are recognized at their acquisition date at the purchase price excluding acquisition costs. They are included in the balance sheet at the lower of their historical cost or value in use, which is determined based on the issuer's general development outlook and the projected holding period. In particular, for the determination of this value, Natixis refers to the International Private Equity and Venture Capital Valuation Guidelines published in September 2009 by the Association Française des Investisseurs en Capital (AFIC - French Private Equity Investors Association), the British Venture Capital Association (BVCA) and the European Private Equity and Venture Capital Association (EVCA). Unrealized loss is subject to a provision for impairment;
- **Other long-term securities**: investments made by Natixis in the form of securities, with the intention of forging lasting professional relationships and creating a special professional relationship with the issuing company, but without any influence over the management of the corporate entities in which investments were made due to the low percentage of voting rights held. They are recognized at their acquisition date at the purchase price excluding acquisition costs. They are included in the balance sheet at the lower of historical cost or value in use. Unrealized loss is subject to a provision for impairment;
- **Investments in associates**: investments that give Natixis significant influence over the corporate bodies of the issuing companies and strategic stakes for the development of Natixis' operations. They are recognized at their acquisition date at the purchase price, excluding acquisition costs.

These securities are valued individually at the lower of their value in use at the reporting date or their acquisition cost. Unrealized loss is subject to a provision for impairment;

- **Investments in related companies**: shares and other securities in related corporate entities over which Natixis exercises exclusive control, i.e. corporate entities likely to be fully consolidated in Natixis group. They are recognized at their acquisition date at the purchase price, excluding acquisition costs. These securities are valued individually at the lower of their value in use at the reporting date or their acquisition cost. Unrealized loss is subject to an allowance for impairment.

  The measurement approaches used are the following, as the case may be:

  - the net asset value method,
  - the peer comparison method,
  - the discounted future cash flows (DCF) method.

  The DCF method for measuring future cash flows is based on the establishment of business plans prepared by the Management of the subsidiaries in question and approved by Natixis Senior Management. The discount rate on future cash flows is the result of:

  - an average rate of return on an investment deemed to be risk-free,
  - an average credit spread on the market in which the subsidiary is listed,
  - an average beta as reflected in a sample of equivalent companies;
- **Treasury shares**: Natixis holds treasury shares to regulate the share price under a liquidity agreement. These shares are recognized as securities held for trading and follow the same rules as other securities in this category.

Also, treasury shares held for distribution to employees are classified as held for sale and follow the corresponding rules.

Income, value adjustments and proceeds on disposal of securities portfolios are recognized as follows:

- Income from variable-income securities is recognized as and when received;
- Income from Fixed Income securities is recognized based on the accrual method;
- Value adjustments and proceeds from the disposal of securities are recognized under different headings depending on which portfolio they belong to:
  - under "Net revenues" for securities held for trading and securities held for investment,
  - as a provision for credit losses on fixed-rate securities in the portfolio of securities held for sale or for investment when adjustments in value relate to risk exposure to a counterparty,
  - under net gains/(losses) on fixed assets:
    - for adjustments in the value of securities held for investment (excluding impairment for risk exposure to a counterparty) when there is a high probability of disposal of such securities held for investment due to unforeseen circumstances,
    - and for all proceeds from the disposal of securities held for investment;
  - under "Gains/(losses) on disposals of fixed assets" for investments in associates and related companies and other long-term securities.

In accordance with CRC Regulation No. 2008-17, reclassifications from the "held for trading" to the "held for sale" and "held for investment" categories and from "held for sale" to "held for investment" are permitted in exceptional market circumstances requiring a change in strategy or when the securities in question have ceased to be tradable on an active market since their acquisition.

The regulation allows banks to sell all or part of the securities reclassified as "held for investment" if the two following conditions are met:

- the transfer was motivated by exceptional circumstances;
- the market for these securities has become active again.

Natixis has carried out no such transfers in its individual financial statements.

1.3 Property, plant and equipment and intangible assets

Fixed assets are recognized at acquisition cost plus directly attributable transaction costs and plus accrued borrowing costs during any phase of construction or installation before they come into service.

Internally generated software is carried on the asset side of the balance sheet at its direct development cost, including outsourcing expenses and personnel costs directly attributable to its production and preparation where they meet the criteria for capitalization.

After acquisition, fixed assets are carried at cost less any cumulative write-down, amortization and impairment losses.

As soon as they are in a condition to be used by Natixis in the manner in which they are intended, fixed assets are depreciated or amortized over their estimated useful lives on a straight-line or declining balance basis when this better reflects the economic amortization. The residual value of the asset is deducted from its depreciable or amortizable amount when it can be measured reliably.

In line with applicable accounting principles, a specific amortization schedule is defined for each significant component of an item of property, plant and equipment which has a different useful life or is expected to consume future economic benefits differently from the item as a whole. For buildings comprising business and investment property, the following components and depreciation periods are applied:

- land: non-depreciable;
- non-destructible building (of historical importance): non-depreciable;
- walls, roofs and waterproofing: 20-40 years;
- foundations and framework: 30-60 years;
- external rendering: 10-20 years;
- equipment and installations: 10-20 years;
- internal fixtures and fittings: 8-15 years.

Other items of property, plant and equipment are depreciated over their estimated useful lives, generally 5 to 10 years.

Purchased software is amortized on a straight-line basis over its estimated useful life, which in most cases is less than 5 years. Internally generated software is amortized over its estimated useful life, which cannot exceed 15 years.

1.4 Debt securities

This line item comprises debt attributable to securities held for sale issued by Natixis in France or in foreign countries, with the exception of subordinated instruments recognized as subordinated debt. This line item notably includes medium-term notes, interbank market instruments, negotiable debt securities and bonds and other fixed-income securities.

Accrued interest payable relating to these issues is disclosed separately as a related payable, with an offsetting entry in the income statement.

Original issue premiums or redemptions of bond issues are amortized over the life of the issues in question and the related expense is recognized under the heading "Interest and similar expenses" on the income statement.

1.5 Subordinated debt

This item covers perpetual and dated subordinated notes, for which the redemption in the event of liquidation ranks behind all other creditors. Accrued interest is credited to the corresponding receivables item on the income statement.

Where perpetual subordinated notes are treated as equivalent to amortizing securities, each periodic payment is broken down into the repayment of principal, which is deducted from the nominal amount, and interest, which is charged to the income statement under "Interest and similar expenses".

1.6 Forward financial instruments (futures and options)

The notional amount of these instruments is recorded off-balance sheet for internal monitoring and regulatory purposes, but they are not included in the published statement of off-balance sheet items. Details for these instruments are provided in the notes.

The accounting principles applied depend on the instrument involved and the purpose of the transaction (hedging or trading).

INTEREST RATE AND CURRENCY TRADING

These transactions are carried out for four purposes:

- micro-hedging (hedging of specific transactions or positions);
- macro-hedging (overall balance sheet management);
- speculative position-taking;
- specialized management of a trading portfolio.

Gains or losses on specific hedges are recognized in income on a symmetrical basis with the income and expenses of the position or transaction being hedged.

Expenses and income arising from forward financial instruments used to hedge and manage Natixis' overall interest rate risk are recognized over the period of the position. Unrealized gains and losses are not recognized.

The accounting treatment of speculative positions is identical for interest flows. Contracts are marked to market value at each reporting date and any unrealized losses are taken to the income statement as provisions.

Each instrument in the final category is marked to market on an individual basis. Changes in value during the period are recognized immediately on the income statement. Valuations are adjusted for counterparty risk and the discounted present value of future contractual management costs.

FOREIGN CURRENCY FUTURES

"Outright" foreign currency futures or transactions hedging other foreign currency futures are measured based on the forward foreign exchange rate remaining to run on the currency in question. Differences in interest rate or contango/backwardation associated with hedged foreign currency futures are recognized in stages as interest expense or income over the effective term of the transaction.

OPTIONS (INTEREST RATE, CURRENCY AND EQUITY) AND FUTURES

The notional amount of the underlying instrument of each option or futures contract is recognized with a distinction being made between hedging and trading contracts.

For hedging transactions, income and expenses are recognized in income on a symmetrical basis with the income and expenses of the hedged items.

For non-hedging activities, positions in a class of option or forward contract are marked to market at the reporting dates. Changes in market value are recognized directly on the income statement. However, for instruments traded on over-the-counter markets, gains or losses are recognized on the income statement only upon settlement of these transactions, without effect on the potential setting aside of provisions for the net risk incurred over the life of the instrument.

INSTITUTIONAL OPERATIONS

Commitments likely to be given within this framework to banks that extend export credits denominated in foreign currencies, with the aim of guaranteeing the exchange rate of their foreign currency borrowings, are not included in published off-balance sheet commitments. Income and expenses from institutional operations (exchange rate swaps and guarantees) are charged or paid to the French Treasury in accordance with the agreed-upon terms and conditions.

1.7 Employee benefits

Employee benefits fall into four categories:

- "**short-term benefits**", including salaries, social security contributions, annual leave, employee profit-sharing, incentive plans, top-up contributions and bonuses payable in the twelve months following year-end;
- "**termination benefits**", which should be recognized when the entity is demonstrably committed to terminating the employment of an employee before the normal retirement date, or to providing termination benefits as a result of an offer made in order to encourage voluntary redundancy;
- "**post-employment benefits**", such as pensions, other supplementary retirement benefits applicable to the banking industry, end-of-career awards and other contractual benefits payable to retirees;
- "**other long-term employee benefits**", including long service awards and deferred compensation payable in cash under Employee Retention and Performance Recognition Plans.

Short-term employee benefits are recognized as an expense in the period in which the employee provides the service in exchange for those benefits.

A provision is accrued for termination benefits when the employer is demonstrably committed to provide such benefits.

Natixis distinguishes between two types of post-employment benefits:

- defined contribution plans, under which an entity has no obligation to pay a specified benefit amount;
- defined benefit plans, under which Natixis has a legal or constructive obligation to pay a specified benefit amount.

Contributions paid under defined contribution plans are expensed in the period in which the employee rendered the service in exchange for said contributions.

A provision is set aside for defined benefit plans based on an actuarial assessment of the benefit obligation using the projected unit credit method. This method draws on demographic and financial assumptions. The value of any plan assets is deducted from the obligation to determine the provision to be recognized on the balance sheet. This valuation is carried out on a regular basis by independent actuaries.

Actuarial assumptions are reviewed annually. Differences resulting from changes in actuarial assumptions and experience adjustments (impact of differences between actuarial assumptions and actual experience) give rise to actuarial gains and losses.

In accordance with the "corridor" method, Natixis does not recognize the portion of net cumulative actuarial gains and losses that is lower than the greater of (i) 10% of the present value of the defined benefit obligation and (ii) 10% of the fair value of any plan assets at the end of the previous reporting period. The portion of actuarial gains and losses outside the 10% "corridor" is therefore recognized over the average remaining working lives of the employees participating in the relevant plan.

In the event of changes to an existing plan or the implementation of a new plan, past service cost is recognized in income over the period until the benefits become vested.

The amount recognized as a provision in the balance sheet represents the present value of the obligation under defined benefit plans:

- minus any past service cost not yet recognized in income;
- plus or minus any unrecognized actuarial gains or losses arising from:
  - experience adjustments linked to demographic variables,
  - changes in actuarial assumptions,
  - differences between the actual return and expected return on plan assets;
- minus the market value of plan assets.

The annual payroll costs recognized in respect of defined benefits plans consist of:

- rights vested by beneficiaries over the period;
- the interest cost reflecting the impact of unwinding the discount on the obligation;
- the expected return on plan assets;
- amortization of actuarial gains and losses and past service costs;
- the effects of plan curtailments and settlements.

Other long-term benefits are valued using the same actuarial method as that applied to post-employment benefits under defined benefit plans, except that actuarial gains and losses are not subject to the corridor method and past service costs are recognized directly as an expense.

The estimated amount of the expense related to cash-settled variable compensation, subject to the employee's continued service in accordance with the Employee Retention and Performance Recognition Plans, is recognized over the vesting period.

1.8 Share-based Employee Retention and Performance Recognition Plans

Every year since 2010, a share-based payment plan has been granted to specific categories of personnel in accordance with regulations. Some plans are settled in Natixis shares, while others are settled in cash indexed to the Natixis share price. Each plan is a three-year plan, with one-third of the plan settled each year, with the exception of "short-term" plans settled in cash indexed to the Natixis share price, which are settled in the year of granting.

All of these plans are contingent on satisfying service and performance requirements.

Cash-settled plans indexed to the share price give rise to the recognition of a payroll expense that is measured taking account of the share price on the balance sheet date and the likelihood of satisfying performance/and or service requirements. Where a service requirement exists, the calculated expense is recognized on a straight-line basis over the vesting period, unless the payment takes place in the year of granting, in which cash the expense is recognized immediately on the income statement.

Plans settled in shares are recognized in accordance with CRC Rule No. 2008-15, which provides for the recognition of a liability where there is the likelihood or the certainty that the obligation to grant shares generates an outflow in settlement without an offsetting provision:

- if the granting is made by means of the issue of new shares, and outflow in settlement is not deemed to be likely and, as a result, no expense is recognized;
- if the granting is made by redemption of shares or the granting of existing shares, the possibility of an outflow in settlement is deemed likely and without an offsetting provision. A provision is then set aside taking account of the entry cost of the shares or the share price on the balance sheet date if the shares have not yet been purchased and the probable number of shares granted to employees. The expense is recognized in stages over the vesting period.

There was no provision set aside for expenses related to share-based payment plans at December 31, 2011, as these plans will be settled through the issue of new shares.

1.9 Transactions denominated in foreign currencies

Off-balance sheet receivables, debts and commitments denominated in foreign currencies are converted to euros at the going exchange rate at the balance sheet date through the revaluation of foreign exchange positions. The difference between amounts resulting from the valuation of euro-denominated foreign exchange positions and amounts reported in equivalent euro-denominated foreign exchange positions is reported on the income statement.

However, exchange differences arising on the translation of loans whose exchange rates are guaranteed by the State or related to institutional operations are recognized under accrual accounts.

1.10 Guarantee mechanism for GAPC assets

On November 12, 2009, an arrangement was introduced by BPCE to protect assets of a portion of the GAPC portfolios with retroactive effect at July 1, 2009. With this guarantee mechanism, Natixis was able to free up a significant portion of its equity allocated to ring-fenced assets and to protect itself against the risk of loss from these portfolios subsequent to June 30, 2009. This protective arrangement is based on two mechanisms:

- a sub-participation in terms of risk which acts as a financial guarantee on 85% of the nominal value of assets recognized as "securities held for investment", "securities held for trading", "securities held for sale" and "receivables". Under this guarantee, Natixis is protected from the very first euro in default up to 85% of the default amount;
- two total return swaps (TRS), one in euros and another in dollars, which transfer to BPCE 85% of the profit or loss recognized as from July 1, 2009. The instruments hedged by these TRS are mostly represented by "securities held for trading" and to a lesser extent by "securities held for sale". At the same time, Natixis has bought an option from BPCE which, if exercised, will allow it to recover in 10 years' time any net positive performance by the portfolio in exchange for payment of a premium.

1.11 Non-recurring income

Non-recurring income and expense items are determined based on their amount, their unusual nature with respect to current operations, and the likelihood of the events in question repeating.

1.12 Corporate income tax

Due to the 5% increase in the corporate income tax, the tax expense recognized in respect of fiscal year 2011 comprises taxes payable in France at the rate of 36.10%, and at the local corporate tax rate applicable to foreign branches.

NOTE 2 CHANGES IN ACCOUNTING METHODS AND COMPARABILITY OF FINANCIAL STATEMENTS

No change in accounting method had any impact on the financial statements for the 2011 fiscal year.

NOTE 3 INTERBANK AND SIMILAR TRANSACTIONS

(in millions of euros)	2011	2010	2009
Cash, balances with central banks	**5,499**	**12,136**	**3,497**
Government securities and equivalent	**22,091**	**18,393**	**30,329**
Securities held for trading	20,430	15,231	26,929
Securities held for sale	1,560	2,991	3,144
o/w accrued interest	*18*	*5*	*11*
o/w non-performing	*75*	*0*	*0*
o/w write-downs	*(14)*	*0*	*0*
Securities held for investment	101	171	256
o/w accrued interest	*0*	*1*	*2*
o/w non-performing	*0*	*0*	*64*
Advances to banks	**115,757**	**96,321**	**97,911**
Demand	9,447	3,696	7,288
o/w accrued interest	*1*	*1*	*1*
o/w non-performing	*1*	*1*	*2*
o/w write-downs of non-performing	*(1)*	*(1)*	*(2)*
Time*	106,310	92,625	90,623
o/w accrued interest	*250*	*204*	*263*
o/w non-performing	*208*	*209*	*263*
o/w write-downs of non-performing	*(161)*	*(157)*	*(194)*
INTERBANK AND SIMILAR TRANSACTIONS	**143,347**	**126,850**	**131,737**
* *o/w subordinated loans*			
performing	*156*	*147*	*160*
non-performing	*0*	*0*	*0*
accrued interest	*0*	*0*	*0*
o/w reverse repurchased securities:	*61,932*	*52,604*	*41,854*
o/w accrued interest	*87*	*57*	*48*

NOTE 4 TRANSACTIONS WITH CUSTOMERS, LEASING OPERATIONS AND SIMILAR

(in millions of euros)	2011	2010	2009
Current accounts overdrawn	**3,223**	**4,042**	**3,963**
o/w accrued interest	*8*	*7*	*6*
o/w non-performing	*212*	*302*	*457*
o/w write-downs of non-performing	*(85)*	*(86)*	*(147)*
Commercial loans	**436**	**338**	**319**
o/w accrued interest	*3*		
o/w non-performing	*4*	*7*	*78*
o/w write-downs of non-performing			
Other customer loans	**92,315**	**88,181**	**68,999**
Cash and consumer credit	24,886	25,575	25,079
o/w accrued interest	*182*	*62*	*61*
Equipment loans	2,253	2,275	2,525
o/w accrued interest	*5*	*4*	*8*
Export credit	2,460	2,315	1,760
o/w accrued interest	*13*	*10*	*15*
Home loans	757	735	607
o/w accrued interest	*1*	*1*	
Reverse repurchased securities	28,083	21,123	10,319
o/w accrued interest	*10*	*16*	*5*
Subordinated loans	995	811	783
o/w accrued interest	8	4	3
o/w non-performing			
o/w write-downs of non-performing			
Other loans	32,881	35,347	27,926
o/w accrued interest	70	92	102
o/w non-performing	2,769	2,875	3,152
o/w write-downs of non-performing	(1,068)	(1,184)	(1,085)
CUSTOMER TRANSACTIONS	**95,974**	**92,561**	**73,281**
Non-real estate leasing	**0**	**0**	**0**
Outstanding	0	0	0
Temporarily unleased assets and non-performing loans			
Accrued interest			
Write-downs			
Write-downs of non-performing			
Operating leases	**0**	**0**	**0**
Outstanding	0	0	0
Temporarily unleased assets and non-performing loans			
Accrued interest			
Write-downs			
Write-downs of non-performing			
LEASING AND SIMILAR TRANSACTIONS	**0**	**0**	**0**

NOTE 5 BONDS, SHARES AND OTHER FIXED- AND VARIABLE-INCOME SECURITIES

	2011				2010				2009			
(in millions of euros)	Securities held for trading	Securities held for sale	Securities held for investment	Total	Securities held for trading	Securities held for sale	Securities held for investment	Total	Securities held for trading	Securities held for sale	Securities held for investment	Total
Bonds and other fixed-income securities												
Gross value [(a)]	15,078	13,620	1,922	30,620	12,325	14,759	2,119	29,203	13,675	16,021	3,047	32,743
Premiums/ discounts		(23)	(10)	(33)		(5)		(5)		(5)		(5)
Accrued interest	1	49	31	81	2	50	34	86	6	65	43	114
Write-downs		(469)	(64)	(533)		(653)	(13)	(666)		(863)	(15)	(878)
Net carrying amount	**15,079**	**13,177**	**1,879**	**30,135**	**12,327**	**14,151**	**2,140**	**28,618**	**13,681**	**15,218**	**3,075**	**31,974**
Shares and other variable-income securities												
Gross value	8,197	1,242		9,439	14,695	1,550		16,245	12,806	1,485		14,291
Accrued interest				0				0				0
Write-downs		(193)		(193)		(155)		(155)		(95)		(95)
Net carrying amount	**8,197**	**1,049**		**9,246**	**14,695**	**1,395**		**16,090**	**12,806**	**1,390**		**14,196**

(a) For these categories of securities, the gross values shown in the "Securities held for sale" and "Securities held for investment" columns are redemption value.

Transfers of securities between categories:

There were no transfers of securities between categories in 2009, 2010 or 2011.

Unrealized capital gains and losses:

(in millions of euros)	2011				2010				2009			
	Securities held for trading	Securities held for sale	Securities held for investment	Total	Securities held for trading	Securities held for sale	Securities held for investment	Total	Securities held for trading	Securities held for sale	Securities held for investment	Total
Bonds and other fixed-income securities												
Unrealized capital gains	1,376	826	7	2,209	3,421	2,370	1	5,792	2,837	295	16	3,148
Unrealized capital losses	(489)	(669)	(93)	(1,251)	(512)	(796)	(120)	(1,428)	(9)	(863)	(275)	(1,147)
Shares and other variable-income securities												
Unrealized capital gains	60	1		61	205	1	0	206	5	1	0	6
Unrealized capital losses	(602)	(187)		(789)	(407)	(89)	0	(496)	(9)	(158)	0	(167)

Breakdown of listed and unlisted securities:

(in millions of euros)	2011	2010
Bonds and other fixed-income securities		
Listed securities	29,769	12,751
Unlisted securities	366	15,867
	30,135	**28,618**
Shares and other variable-income securities		
Listed securities	9,244	8,846
Unlisted securities	2	7,244
	9,246	**16,090**

NOTE 6 NON-PERFORMING AND IRRECOVERABLE LOANS AND IMPAIRMENT

(in millions of euros)	2011		2010		2009	
	Non-performing	Irrecoverable	Non-performing	Irrecoverable	Non-performing	Irrecoverable
Banks	**24**	**23**	**23**	**29**	**52**	**17**
Loans	105	104	108	102	176	89
Write-downs	(81)	(81)	(85)	(73)	(124)	(72)
Customers	**1,770**	**62**	**1,829**	**86**	**2,387**	**67**
Loans	2,576	409	2,765	420	3,310	376
Write-downs	(806)	(347)	(936)	(334)	(923)	(309)
NET NON-PERFORMING AND IRRECOVERABLE LOANS	**1,794**	**85**	**1,852**	**115**	**2,439**	**84**

NOTE 7 INVESTMENTS IN SUBSIDIARIES AND AFFILIATES, OTHER LONG-TERM SECURITIES AND TREASURY SHARES

(in millions of euros)	2011	2010	2009
Investments	**10,660**	**10,560**	**10,140**
Outstanding	10,740	10,584	10,157
Current account advances	0	22	26
Translation differences	0	0	0
Write-downs	(80)	(47)	(43)
Securities loaned	0	0	0
Other long-term securities	**142**	**150**	**118**
Outstanding	248	262	202
Current account advances	0	0	0
Translation adjustments	0	0	0
Write-downs	(106)	(112)	(84)
Securities loaned	0	0	0
Accrued interest	**0**	**0**	**0**
EQUITY INTERESTES AND OTHER LONG-TERM INVESTMENTS	**10,802**	**10,710**	**10,258**
Investments in related corporate entities	**15,849**	**15,402**	**15,279**
Outstanding	15,926	15,558	15,202
Current account advances	6	10	9
Translation adjustments	34	85	188
Write-downs	(117)	(252)	(120)
Securities loaned	0	0	0
Accrued interest	**0**	**0**	**0**
INVESTMENTS IN RELATED CORPORATE ENTITIES	**15,849**	**15,402**	**15,279**
Treasury shares	**11**	**17**	**19**
Securities held for trading	9	16	17
Securities held for investment*	2	1	2
Securities loaned	0	0	0
Long-term investments	0	0	0
TREASURY SHARES	**11**	**17**	**19**
* *o/w write-downs*	*(1)*	*0*	*0*

NOTE 8 INVENTORY – INVESTMENT PORTFOLIO AT DECEMBER 31, 2011

(amounts in euros)	Number of shares	Book value
I - INVESTMENTS IN SUBSIDIARIES AND AFFILIATES		**15,849,171,627.12**
A) Banks and other credit institutions		**10,008,570,889.65**
Banque Privée 1818	1,171,505	194,300,015.70
CACEIS	2,259,094	281,568,049.74
CFDI	29,994	4,572,555.82
ICMNA International Holding	99,037	323,935,709.69
IFCIC - INSTITUT FINANCEMENT CINÉMA ET IND.CULT	28,473	434,068.08
NATIXIS ALGERIE	9,182,731	94,311,996.39
NATIXIS AUSTRALIA PTY LTD	63,000,000	42,158,024.18
NATIXIS BRASIL S.A.	87,999,999	34,278,265.07
NATIXIS COFICINÉ	117,948	35,945,753.31
Natixis Corporate Solutions	100,000,000	154,130,497.39
NATIXIS FACTOR (formerly Factorem)	2,489,423	247,500,121.22
NATIXIS FUNDING	4,503,631	68,883,523.34
Natixis Global Asset Management (threshold)	156,344,050	5,764,199,075.94
Natixis Innov	15,006,000	150,060,000.00
NATIXIS INTERÉPARGNE	555,657	57,053,141.80
Natixis Japan Securities Co., Ltd.	200,000	100,105,566.87
NATIXIS LEASE	16,702,628	400,109,110.24
NATIXIS Marco	100,017,000	1,000,170,000.00
NATIXIS MOSCOU	111,618	36,743,030.55
NATIXIS PAIEMENTS	9,738,033	64,172,199.39
NATIXIS TRANSPORT FINANCE	1,244,314	177,126,884.27
NATIXIS TRUST (formerly Natixis Luxembourg S.A.)	6,098,654	776,813,300.66
B) Financial institutions		**2,133,462,721.29**
DAHLIA PARTNERS	100,000	1,058,130.00
ICMNA Australia Holding Inc - St Georges	119	85,535,715.09
ICMNA Australia Holding Inc-Macquarie	42	159,641,220.26
Natixis Asia Limited	632,395,000	57,252,143.15
NATIXIS COMMODITY MARKETS LTD	20,000,000	24,037,340.85
NATIXIS Foncière (formerly SPAFICA)	42,824	63,472,905.24
NATIXIS PRIVATE EQUITY	25,462,288	714,296,567.98
Natixis Structured Products Ltd	12,100	1,210,000.00
NAXICAP PARTNERS (formerly Spef Devlpmt)	94,376	10,491,210.00
NBP PREFERRED II	10,000,000	7,703,566.75
NBP PREFERRED III	11,500	8,859,101.77
NUSHI	1,840,970	715,159,710.73
SAS VAL A	1,672,000	282,160,453.47
SEVENTURE PARTNERS	17,225	2,584,656.00
C) Other		**3,699,301,118.13**
Alliance Entreprendre	25,444	993,065.75
ANTIN HAUSSMANN SCI	20	304,898.05

(amounts in euros)	Number of shares	Book value
Coface Holding	156,841,307	1,512,920,162.72
COFACE S.A.	84,316	12,013,381.14
Compagnie européenne de garanties et cautions	8,944,222	190,819,068.03
CONTANGO TRADING (formerly Ecrinvest 2)	1,109,993	11,223,392.99
Cube Infrastructure Fund (Sicav)	148,613,712	153,377,499.93
European Kyoto Fund	33,750	1,981,741.00
HAUSSMANN 90 SCI	1,809	2,757,802.72
INVEST ALPHA	14,994	228,582.06
INVEST DELTA	30,994	175,909.53
INVEST GAMMA	2,494	219,807.64
INVEST KAPPA (formerly Linebourse Invest Kappa)	576,134	7,204,129.39
INVESTIMA 14	52,000	334,439.00
INVESTIMA 16	52,000	333,153.00
INVESTIMA 17	230,000	1,457,269.00
INVESTIMA 18	226,000	1,446,380.00
INVESTIMA 19	220,000	1,418,931.00
INVESTIMA 25	182,132	393,864.00
INVESTIMA 26	182,100	393,965.00
INVESTIMA 27	167,200	364,937.00
INVESTIMA 28	166,450	363,064.00
INVESTIMA 29	171,950	373,983.00
INVESTIMA 30	162,700	355,477.00
INVESTIMA 31	186,200	403,036.00
INVESTIMA 32	713,600	6,118,196.00
INVESTIMA 34	247,500	1,988,248.00
INVESTIMA 35	253,700	2,053,489.00
INVESTIMA 53 - SAS	181,700	571,908.00
INVESTIMA 54 - SAS	190,950	786,090.00
INVESTIMA 55 - SAS	131,000	1,111,092.00
INVESTIMA 56 - SAS	132,700	1,134,000.00
INVESTIMA 57 - SAS	130,500	1,119,849.00
INVESTIMA 58 - SAS	145,200	1,253,426.00
INVESTIMA 59 - SAS	154,700	1,341,274.00
INVESTIMA 6 - SAS	690,922	6,562,719.00
INVESTIMA 60 - SAS	150,700	1,296,585.00
INVESTIMA 61 - SAS	166,700	1,442,551.00
INVESTIMA 62 - SAS	171,700	1,486,600.00
INVESTIMA 63 - SAS	164,400	1,432,208.00
LUGDUNUM GESTION	7,995	289,653.21
Masseran Gestion	65,000	680,934.25
NATEXIS SECURITIES	100	252,437.72
NATEXIS SERVICOS E INFORMATICOES LTDA	600,000	1,394,811.03
NATIXIS Alternative Assets (NAA)	58,770	37,677,000.00
NATIXIS ARBITRAGE	4,019,847	11,371,156.00
NATIXIS ASSURANCES	14,505,455	1,021,911,351.44
NATIXIS CONSUMER FINANCE (formerly ECRINVEST 11)	21,739,652	217,396,420.00
NATIXIS IMMO DÉVELOPPEMENT	92,674	6,775,636.78

(amounts in euros)	Number of shares	Book value
NATIXIS IMMO EXPLOITATION	7,674,462	124,002,112.22
NATIXIS PARTICIPATIONS (formerly SD CONSEIL)	74,994	1,640,137.57
Natixis Real Estate Feeder SARL	7,120,000	2,738,000.00
PARTECIS	1,250	1,250,000.00
REACOMEX	5,000	9,652,489.97
SCI ALTAÏR 1	200	2,407,813.99
SNC Tolbiac Finance	32,812,499	328,124,990.00
TITRES-CADEAUX (formerly ISSY SF2 2)	247,000	180,000.00
D) Investments with a book value less than or equal to €150,000		**1,763,362.15**
E) Current account advances		**6,059,413.52**
F) Securities loaned		**14,122.38**
G) Accrued interest		**0.00**
II - INVESTMENTS AND OTHER LONG-TERM SECURITIES		**10,801,969,888.03**
A) Banks and other credit institutions		**10,502,878,807.29**
BANCO FINANTIA	12,765,844	12,362,630.14
BANQUE POPULAIRE ALSACE	4,995,000	168,202,121.74
BANQUE POPULAIRE ATLANTIQUE	4,741,198	220,023,184.08
BANQUE POPULAIRE BOURGOGNE FRANCHE-COMTÉ	5,171,731	309,661,491.45
BANQUE POPULAIRE CENTRE ATLANTIQUE	5,693,733	267,899,263.92
BANQUE POPULAIRE CÔTE D’AZUR	2,110,294	109,618,308.74
BANQUE POPULAIRE DES ALPES	5,156,250	215,797,656.50
BANQUE POPULAIRE LOIRE ET LYONNAIS	3,632,354	157,917,416.22
BANQUE POPULAIRE LORRAINE CHAMPAGNE	11,031,250	301,058,343.75
BANQUE POPULAIRE MASSIF CENTRAL	1,630,435	110,874,127.62
BANQUE POPULAIRE NORD	6,250,000	124,584,020.87
BANQUE POPULAIRE OCCITANE	15,400,000	351,990,360.80
BANQUE POPULAIRE OUEST	3,036,631	208,981,082.85
BANQUE POPULAIRE PROVENCALE ET CORSE	2,798,438	112,556,618.60
BANQUE POPULAIRE RIVES DE PARIS	8,031,250	382,241,458.05
BANQUE POPULAIRE SUD	40,920,135	250,879,055.30
BANQUE POPULAIRE VAL DE FRANCE	1,750,000	361,489,909.76
BRED - BANQUE POPULAIRE	9,105,000	561,408,750.00
CAISSE D’EPARGNE ALSACE	2,350,000	141,909,215.00
CAISSE D’EPARGNE AQUITAINE POITOU-CHARENTES	5,932,819	381,344,561.00
CAISSE D’EPARGNE AUVERGNE LIMOUSIN	2,839,229	213,954,738.00
CAISSE D’EPARGNE BOURGOGNE FRANCHE-COMTÉ	4,566,342	297,507,282.00
CAISSE D’EPARGNE CÔTE D’AZUR	3,937,919	234,099,058.00
CAISSE D’EPARGNE DE BRETAGNE - PAYS DE LA LOIRE	9,640,000	450,773,956.00
CAISSE D’EPARGNE ILE-DE-FRANCE	11,578,685	779,486,059.00
CAISSE D’EPARGNE LANGUEDOC ROUSSILLON	2,820,000	204,773,681.00
CAISSE D’EPARGNE LOIRE CENTRE	3,822,199	281,406,091.00
CAISSE D’EPARGNE LOIRE DRÔME ARDÈCHE	2,588,769	139,534,779.00
CAISSE D’EPARGNE LORRAINE CHAMPAGNE ARDENNE	4,357,078	329,775,145.00
CAISSE D’EPARGNE MIDI-PYRÉNÉES	3,759,818	264,510,128.00
CAISSE D’EPARGNE NORD FRANCE EUROPE	6,220,793	450,494,278.00
CAISSE D’EPARGNE NORMANDIE	4,875,000	313,764,736.00
CAISSE D’EPARGNE PICARDIE	2,690,037	227,365,304.00

(amounts in euros)	Number of shares	Book value
CAISSE D'EPARGNE PROVENCE ALPES CORSE	7,618,160	482,618,825.00
CAISSE D'EPARGNE RHÔNE-ALPES	6,323,568	398,321,358.00
CASDEN - BANQUE POPULAIRE	9,228,000	311,583,546.48
CRÉDIT COOPÉRATIF - Banque Populaire	9,753,689	225,602,019.12
Eurotitrisation	1,273	226,321.70
IKB DEUTSCHE INDUSTRIEBANK	2,200,000	946,000.00
LAZARD Ltd	6,999,800	140,794,066.72
OSEO garantie	133,372	3,242,831.92
UNIGRAINS	6,825	207,681.09
WGZ BANK	8,700	1,091,345.87
B) Financial institutions		**23,816,848.78**
BANQUE POPULAIRE IMAGES 7	3,645	2,561,016.84
LCH Clearnet Group	362,903	462,860.11
MTS France	9,511	3,062,542.00
PROPARCO	787,590	13,017,784.19
SLIB	250,064	4,001,197.63
SOFIPROTEOL	41,313	711,448.01
C) Other		**274,079,171.01**
Advent	1	781,451.48
Aedes SPA	37,955,307	2,315,273.73
AGRO INVEST SAS	19,062	1,416,700.00
Albiant IT	50,000	500,000.00
Bridgepoint	4,245,801	5,342,999.46
Castle Bidco (formerly Crest Nicholson)	567,966	14,267,311.43
Chicago Mercantile Exchange Holdings Inc	1	227,255.22
COLYZEO 2	20,575,206	11,905,000.00
EMBRAER	273,120	1,328,004.90
Emery Bay North LLC	1	9,049,031.91
EURAZEO CO-INVESTMENT PARTNERS	24,716	17,071,999.66
EUROFIDEME	5,000	23,393,375.00
FIDEME	360	1,371,600.00
FIDEPPP	33,870	33,870,600.00
FONCIÈRE INEA	26,900	999,873.00
FONDATIONS CAPITAL I SCA (formerly MR SCA SICAR)	1,266,694	5,400,000.00
Fourth Cinven Fund Ltd	1	9,134,755.09
HINES PAN EUROPEAN CORE FUND	10,000,000	4,933,171.00
ICM DIV ALPHA SERIES OLYMPIA IXIS PRECISION	122	1,387,123.88
INDUSTRI KAPITAL 2004 GP LP	4,332,554	1,322,837.22
INDUSTRI KAPITAL 2007	2,631,031	4,479,162.61
NATEXIS INVESTMENT CORP.	3,217	2,552,930.38
Natixis Altaïr ITShared Services	2,449,915	22,832,936.26
NYBEQ LLC	1	18,507,819.12
PAI EUROPE IV-C FCPR UK GENERAL	1	4,910,000.00
PAI EUROPE V FCPR	274,750	10,808,400.00
Pentelia Limited	4,561,545	14,460,178.65
PORCHER INDUSTRIES	506	570,830.10
Private Equity Investment	1	972,999.00

(amounts in euros)	Number of shares	Book value
RREEF	19,807,760	8,429,421.78
SICOVAM HOLDING (formerly Soparsico)	3,694	30,417,099.22
SOFRANTEM	15,002	388,822.74
SWIFT s.c.r.l.	359	180,902.84
SYSTRA	7,300	1,977,973.37
Terra Firma Capital Partners III LP	1	2,060,825.55
Third Cinven Fund	1	4,510,506.41
D) Investments with a book value less than or equal to €150,000		**1,170,023.67**
E) Current account advances		**0.00**
F) Securities loaned		**25,037.28**
G) Accrued interest		**0.00**
III - TREASURY SHARES		
NATIXIS	5,449,206	10,528,476.77
TOTAL INVESTMENT PORTFOLIO AT DECEMBER 31, 2011		**26,661,669,991.92**

NOTE 9 DISCLOSURES REGARDING SHAREHOLDINGS EXCEEDING THE INVESTMENT THRESHOLD IN FRENCH COMPANIES DURING THE YEAR

The table below was drawn up in accordance with the provisions of Article L.247-1 of the French Commercial Code:

	% at 12.31.2011	Number of shares at 12.31.2011
Additions		
ALBIAN IT	1.00%	50,000
ALLIANCE ENTREPRENDRE	100.00%	25,444
DAHLIA GESTION	51.00%	153
DAHLIA PARTNERS	100.00%	100,000
EAGLE ASIA MANAGEMENT	40.00%	20,000
ECRINVEST 100	100.00%	3,700
BANQUE PRIVÉE 1818	100.00%	1,171,505
MASSERAN GESTION	100.00%	65,000
NATIXIS JAPAN SECURITIES CO. Ltd	100.00%	200,000
NATIXIS GLOBAL ASSET MANAGEMENT	100.00%	156,344,050
NATIXIS CASPIAN PRIVATE EQUITY	40.00%	400,000,000
NAXICAP PARTNERS	100.00%	94,376
SEVENTURE PARTNERS	76.00%	17,225
Exits		

	% at 12.31.2011	Number of shares at 12.31.2011
BANQUE POPULAIRE SUD OUEST		
CAP - GROUPE VEV		
CO-ASSUR		
CRENINVEST 7		
DUPONT DENANT CONTREPARTIE		
ECRINVEST 14		
ECRINVEST 15		
ECRINVEST 16		
ECRINVEST 17		
ECRINVEST 18		
INFORMATIQUE CDC		
NATIXIS BLEICHRODER LLC		
NATEXIS ABM CORP		
NATIXIS FINANCE		
NATIXIS PARTICIPATIONS 1		
NATIXIS PRIVATE BANKING		
NEWLINGS		
PAI EUROPE IV-C FCPR		
SEMAF		
VILC - VIETNAM INTERNATIONAL LEASING		
Significant change		
NATIXIS FACTOR (Change in ownership of 100.00%)	100.00%	2,489,419

NOTE 10 DISCLOSURES CONCERNING SUBSIDIARIES AND INVESTMENTS

Article L.233-15 of the French Commercial Code (in thousands of units)

Companies or groups	Share capital *(thousands of units)*	Shareholders' equity other than capital *(thousands of units)*	Share of capital at 12.31.2011
A - BREAKDOWN OF INVESTMENTS WITH A GROSS VALUE OF OVER 1% OF THE REPORTING COMPANY'S CAPITAL			
Subsidiaries and investments (holdings in excess of 10%)			
COFACE HOLDING 30, rue Pierre Mendès-France 75013 Paris	€784,207	€712,274	100.00%
CIE EUR GARANTIE CAUTION 128, rue de la Boétie 75008 Paris	€160,996	€168,626	100.00%
ICMNA International Holding Suite 770 919 N Market St DE-19801 Wilmington	US$2,277,147	US$(44,053)	19.00%
BANQUE PRIVÉE 1818 50, avenue Montaigne 78008 Paris	€88,402	€98,757	100.00%
NATIXIS ALGÉRIE 62, chemin Drareni Mohamed Hydra Algiers	DZD10,000,002	DZD2,251,511	100.00%
NATIXIS ALTERNATIVE ASSETS (NNA) 41, avenue de la Liberté L-1931 Luxembourg	€58,769	€(34,262)	100.00%
NATIXIS ASIA LIMITED Suite 1911-1922-19 FTWO 88 Queensway Pacific Place	HKD632,395	HKD3,144	100.00%
NATIXIS ASSURANCES 30, av. Pierre Mendès-France 75013 Paris	€110,677	€697,327	100.00%
NATIXIS AUSTRALIA PTY Aurora Place Level 3088 Philip Street 2000 Sydney	AUD63,000	AUD (17,116)	100.00%
NATIXIS CONSUMER FINANCE 30, av. Pierre Mendès-France 75013 Paris	€21,740	€196,037	100.00%
NATIXIS FACTOR 30, av. Pierre Mendès-France 75013 Paris	€19,916	€183,527	100.00%
NATIXIS FONCIERE 30, av. Pierre Mendès-France 75013 Paris	€685	€62,867	100.00%
NATIXIS FUNDING 30, av. Pierre Mendès-France 75013 Paris	€67,555	€(938)	100.00%
NATIXIS IMMO EXPLOITATION 30, rue Pierre Mendès-France 75013 Paris	€117,036	€16,778	100.00%

Book value of investments							
Gross *(thousands of euros)*	**Net** *(thousands of euros)*	**Loans and receivables extended but not yet repaid** *(thousands of euros)*	**Guarantees and endorsements given** *(thousands of euros)*	**Prior year revenues** *(thousands of units)*	**Prior year income or loss** *(thousands of units)*	**Dividends received in 2011** *(thousands of euros)*	**Remarks**
1,512,920	1,512,920	16,028		€10,907	€4,403	26,000	
190,819	190,819			€103,506	€35,863	35,509	
323,936	323,936			US$81,779	US$44,603	6,300	
225,510	194,300	365,737	50,115	€60,620	€(10,906)		
94,312	94,312			DZD5,219,534	DZD1,196,559		
58,905	37,677	3,607	3,900	€(926)	€(1,955)		
62,726	57,252			HKD205,919	HKD (68,390)		
1,021,911	1,021,911	172,215		€31,516	€23,887	145,055	
49,755	42,158		8	AUD20,701	AUD14,609		
217,396	217,396			€11,467	€11,241	8,696	
247,500	247,500	1,629,223	115	€129,435	€27,891		
63,473	63,473			€2,338	€2,107	11,970	
68,884	68,884	266,416		€(2,796)	€(2,379)		
124,002	124,002			€114,669	€195	6,063	

Companies or groups	Share capital *(thousands of units)*	Shareholders' equity other than capital *(thousands of units)*	Share of capital at 12.31.2011
NATIXIS INNOV 47, quai d'Austerlitz 75013 Paris	€150,060	€(3,526)	100.00%
NATIXIS INTERÉPARGNE 30, av. Pierre Mendès-France 75013 Paris	€8,891	€16,836	100.00%
NATIXIS JAPAN SECURITIES CO., Ltd. 1-11-1, Marunouchi, Chiyoda-Ku Tokyo 100-6226	€100,157	€(3)	100.00%
NATIXIS LEASE 30, av. Pierre Mendès France 75013 Paris	€267,242	€306,466	100.00%
NATIXIS TRUST 51, avenue John F. Kennedy L-1855 Luxembourg	€609,865	€219,652	100.00%
NATIXIS Marco 47, quai d'Austerlitz 75013 Paris	€1,000,170	€3,269	100.00%
NATIXIS PAIEMENTS 30 Av Pierre Mendes France 75013 Paris	€53,559	€51,479	100.00%
NATIXIS PRIVATE EQUITY 5-7, rue de Monttessuy 75007 Paris	€585,633	€223,890	100.00%
NATIXIS TRANSPORT FINANCE 30, rue Pierre Mendès-France 75013 Paris	€95,626	€87,957	100.00%
NATIXIS CORPORATE SOLUTIONS 12 Lower Leeson Street Dublin 2 Dublin	€100,000	€1,028	100.00%
NATIXIS GLOBAL ASSET MANAGEMENT 30, rue Pierre Mendès-France 75013 Paris	€156,344	€2,990,599	100.00%
NUSHI 399 BOYLSTON ST 13TH FLOOR MA 02116 Boston USA	US$1,227,285	US$3,090,886	100.00%
SAS VAL A 115, rue Montmartre 75002 Paris	€167,200	€121,016	100.00%
SNC TOLBIAC FINANCE 47, quai d'Austerlitz 75013 Paris	€328,125	€(24,633)	100.00%
BANQUES POPULAIRES RÉGIONALES (sum)	€7,371,010	€10,182,246	20.00%
CAISSE D'EPARGNE ET DE PRÉVOYANCE (sum)	€8,592,041	€14,893,631	20.00%
B - TOTAL DISCLOSURES ON OTHER SUBSIDIARIES AND INVESTMENTS			
Subsidiaries and investments not covered under A			
21 - French companies (aggregate)			
22 - Foreign companies (aggregate)			

(a) The net value of these lines is higher than their gross value due to a positive translation adjustments.

Book value of investments: Gross (thousands of euros)	Book value of investments: Net (thousands of euros)	Loans and receivables extended but not yet repaid (thousands of euros)	Guarantees and endorsements given (thousands of euros)	Prior year revenues (thousands of units)	Prior year income or loss (thousands of units)	Dividends received in 2011 (thousands of euros)	Remarks
150,060	150,060	1,932,945		€20,227	€20,152		
57,053	57,053	17,112	77	€86,691	€10,820	10,780	
100,156	100,106	249,495		€4,350	€(1,884)		
399,595	399,595	2,286,235	129,422	€53,153	€(39,670)		
776,813	776,813			€(75)	€668	24,160	
1,000,170	1,000,170			€7,836	€7,273	15,003	
64,172	64,172	261,956		€259,255	€34,405	29,214	
714,297	714,297	102,449	175,000	€36,238	€36,681	122,983	
177,127	177,127	3,230,215		€52,615	€26,698	10,515	
154,130	154,130	4,880,025	137,432	€67,892	€16,147		
5,764,199	5,764,199	555,208		€1,763,540	€593,444		
686,153	715,160			US$507,202	US$507,202	53,729	(a)
282,160	282,160			€2,552	€1,688	787	
328,125	328,125			€785	€706		
4,752,369	4,752,369	6,602,057	244,602	€5,436,921	€830,180	71,971	
5,591,639	5,591,639	123,942	263	€6,524,282	€676,405	133,548	
671,910	609,545	9,205,799	616,489			490,554	
987,846	817,840	9,804,560	289,736			30,017	

NOTE 11 TREASURY SHARES - ASSETS

(in euros)	Number purchased	Purchase price	Average purchase price	Amount sold or cancelled	Selling price	Average selling price	Closing number of shares	% of capital held
At January 1, 2011	**104,789,408**	**611,310,498**	**5.83**	**100,177,811**	**489,202,951**	**4.88**	**4,611,597**	**0.16%**
Price stability	22,563,739	71,626,980	3.17	21,725,200	76,058,206	3.50		
Allocated to employees				930	3,934	4.23		
At December 31, 2011	**127,353,147**	**682,937,478**	**5.36**	**121,903,941**	**565,265,091**	**4.64**	**5,449,206**	**0.18%**

NOTE 12 FIXED ASSETS

(in millions of euros)	2011			2010			2009		
	Gross	Depreciation and amortization	Net	Gross	Depreciation and amortization	Net	Gross	Depreciation and amortization	Net
Operating fixed assets	**2,039**	**(1,489)**	**550**	**1,952**	**(1,402)**	**550**	**1,921**	**(1,349)**	**572**
Intangible assets	1,568	(1,195)	373	1,529	(1,137)	392	1,493	(1,101)	392
Property, plant and equipment	471	(294)	177	423	(265)	158	428	(248)	180
Non-operating fixed assets	**3**	**(2)**	**1**	**3**	**(2)**	**1**	**3**	**(1)**	**2**
Intangible assets			0			0			0
Property, plant and equipment	3	(2)	1	3	(2)	1	3	(1)	2
INTANGIBLE ASSETS	**1,568**	**(1,195)**	**373**	**1,529**	**(1,137)**	**392**	**1,493**	**(1,101)**	**392**
PROPERTY, PLANT AND EQUIPMENT	**474**	**(296)**	**178**	**426**	**(267)**	**159**	**431**	**(249)**	**182**

(in millions of euros)	End 2010	Acquisitions	Disposals	Others	End 2011
Gross value					
Operating intangible assets	**1,529**	**48**	**(4)**	**(5)**	**1,568**
Goodwill	1,191				1,191
Software	294	23	(4)	7	320
Other intangible assets	44	25		(12)	57
Operating property, plant and equipment	**423**	**70**	**(17)**	**(5)**	**471**
Land and buildings	200	8	(1)	(4)	203
Other property, plant and equipment	223	62	(16)	(1)	268
Non-operating property, plant and equipment	**3**	**0**	**0**	**0**	**3**
Land and buildings	2	0	0	0	2
Other property, plant and equipment	1	0	0	0	1
TOTAL	**1,955**	**118**	**(21)**	**(10)**	**2,042**

(in millions of euros)	End 2010	Charges	Reversal	Others	End 2011
Depreciation and amortization					
Operating intangible assets	**(1,137)**	**(64)**	**3**	**3**	**(1,195)**
Goodwill	(951)	(15)			(966)
Software	(183)	(49)	3	3	(226)
Other intangible assets	(3)				(3)
Operating property, plant and equipment	**(265)**	**(49)**	**15**	**5**	**(294)**
Land and buildings	(97)	(14)		4	(107)
Other property, plant and equipment	(168)	(35)	15	1	(187)
Non-operating property, plant and equipment	**(2)**	**0**	**0**	**0**	**(2)**
Land and buildings	(2)	0	0	0	(2)
Other property, plant and equipment	0	0	0	0	0
TOTAL	**(1,404)**	**(113)**	**18**	**8**	**(1,491)**

NOTE 13 ACCRUAL ACCOUNTS AND OTHER - ASSETS

(in millions of euros)	2011	2010	2009
Options	3,604	4,585	3,627
Settlement accounts	265	559	234
Miscellaneous debtors	19,511	15,485	15,996
Inventory accounts and similar	32	0	0
OTHER	**23,412**	**20,629**	**19,857**
Collection accounts		0	0
Adjustment accounts	7,403	9,102	8,527
Gains on financial instruments	736	4,517	4,729
Deferred charges and prepayments	1,013	1,128	1,289
Accrued income	1,192	678	690
Other accrual accounts	3,360	4,281	7,469
ACCRUAL ACCOUNTS	**13,704**	**19,706**	**22,704**

NOTE 14 INTERBANK AND SIMILAR TRANSACTIONS

(in millions of euros)	2011	2010	2009
Due to central banks		**488**	**208**
Due to banks	**140,790**	**107,499**	**100,574**
Demand	5,924	10,882	15,538
o/w accrued interest		*1*	*3*
o/w other amounts due	*19*	*0*	*86*
Time*	134,866	96,647	85,036
o/w accrued interest	*546*	*406*	*663*
INTERBANK AND SIMILAR TRANSACTIONS	**140,790**	**107,987**	**100,782**
* *o/w repurchased securities:*	*47,493*	*39,551*	*22,198*
o/w accrued interest	*40*	*32*	*31*

NOTE 15 CUSTOMER TRANSACTIONS

(in millions of euros)	2011	2010	2009
Special savings accounts	**160**	**140**	**115**
Other payables	**64,706**	**60,990**	**46,256**
Demand	14,963	15,357	8,290
o/w accrued interest	*8*	*1*	*5*
o/w other amounts due	*1*	*13*	*5*
Time*	49,743	45,633	37,966
o/w accrued interest	*65*	*84*	*47*
o/w security deposits	*1,250*	*699*	*804*
CUSTOMER TRANSACTIONS	**64,866**	**61,130**	**46,371**
* *o/w repurchased securities:*	*31,549*	*23,519*	*20,030*
o/w accrued interest	*20*	*11*	*5*

NOTE 16 DEBT SECURITIES

(in millions of euros)	2011	2010	2009
Interbank and money market instruments	**29,489**	**47,357**	**46,354**
o/w accrued interest	*68*	*48*	*33*
Bonds	**11,779**	**17,581**	**25,456**
o/w accrued interest	*127*	*213*	*157*
Certificates of deposit and savings bonds	**0**	**0**	**0**
o/w accrued interest	*0*	*0*	*0*
Other payables		**1**	**0**
DEBT SECURITIES	**41,268**	**64,939**	**71,810**

NOTE 17 ACCRUAL ACCOUNTS AND OTHER - LIABILITIES

(in millions of euros)	2011	2010	2009
Miscellaneous creditors	11,752	10,201	10,117
Securities transactions	40,747	35,831	40,102
o/w securities held for trading	*0*	*0*	*0*
o/w liabilities on securities held for trading	*40,735*	*35,827*	*40,087*
o/w accrued interest	*12*	*4*	*15*
Sold options	3,983	4,949	3,223
Securities transactions settlement accounts	215	283	149
OTHER LIABILITIES	**56,697**	**51,264**	**53,591**
Unavailable accounts	19	31	27
Adjustment and suspense accounts	4,263	6,748	6,557
Losses on financial instruments	848	3,180	3,328
Deferred income and prepayments	742	780	753
Accrued charges	1,427	1,318	1,228
Other accrual accounts	3,996	3,766	3,450
ACCRUAL ACCOUNTS	**11,295**	**15,823**	**15,343**

NOTE 18 PROVISIONS FOR RISKS AND OTHER COSTS

(in millions of euros)	Employee benefits	Off-balance sheet commitments	Country risk	Specific credit risk	Provisions for litigation	Sector risk	Tax provisions	Risks on financial instruments	Other risks	Total
At January 1, 2009	**273**	**125**	**254**	**71**	**245**	**516**	**357**	**1,392**	**194**	**3,427**
Charges	103	5	11	33	1	212	153	487	405	1,410
Reversals	(181)	(152)	(79)	(8)		(660)	(30)	(467)	(63)	(1,640)
Merger flows/partial contributions of assets	2							8	(10)	0
Translation adjustments		7	(1)	(6)		(1)		6	2	7
Other changes	(3)	49		223	(225)	622	4	(332)	(334)	4
Activity in 2009	**(79)**	**(91)**	**(69)**	**242**	**(224)**	**173**	**127**	**(298)**	**0**	**(219)**
BALANCE AT DECEMBER 31, 2009	**194**	**34**	**185**	**313**	**21**	**689**	**484**	**1,094**	**194**	**3,208**
At January 1, 2010	194	34	185	313	21	689	484	1,094	194	3,208
Charges	81	26	23	41		73	132	862	97	1,335
Reversals	(60)	(33)	(45)	(173)	(2)	(116)	(128)	(309)	(57)	(923)
Merger flows/partial contributions of assets	3									3
Translation adjustments		1	9	18		5		(53)	1	(19)
Other changes		11		(1)		1	(8)	(52)	41	(8)
Activity in 2010	**24**	**5**	**(13)**	**(115)**	**(2)**	**(37)**	**(4)**	**448**	**82**	**388**
BALANCE AT DECEMBER 31, 2010	**218**	**39**	**172**	**198**	**19**	**652**	**480**	**1,542**	**276**	**3,596**
At January 1, 2011	**218**	**39**	**172**	**198**	**19**	**652**	**480**	**1,542**	**276**	**3,596**
Charges	88	8	45	32	2	9	157	215	7	563
Reversals	(99)	(26)	(61)	(26)	(3)	(245)	(119)	(542)	(54)	(1,175)
Merger flows/partial contributions of assets										0
Translation adjustments			(1)	8		5		42	1	55
Other changes	7					(1)		52	(48)	10
Activity in 2011	**(4)**	**(18)**	**(17)**	**14**	**(1)**	**(232)**	**38**	**(233)**	**(94)**	**(547)**
BALANCE AT DECEMBER 31, 2011	**214**	**21**	**155**	**212**	**18**	**420**	**518**	**1,309**	**182**	**3,049**

NOTE 19 SUBORDINATED DEBT

(in millions of euros)	2011	2010	2009
Dated subordinated debt	**6,449**	**7,668**	**8,185**
Subordinated notes	5,207	6,393	6,910
Subordinated loans	1,242	1,275	1,275
Undated subordinated debt	**4,166**	**5,018**	**7,086**
Participating loans		0	0
Subordinated securities	4,166	4,990	6,541
Subordinated loans		28	545
Accrued interest	**261**	**300**	**279**
SUBORDINATED DEBT	**10,876**	**12,986**	**15,550**

BREAKDOWN BY MATURITY (IN EUROS)

Maturity	2011	2010
2011		32,600,000
2012	152,686,711	149,109,621
2013	550,000,000	550,000,000
2014	41,000,000	41,000,000
2015	102,000,000	102,000,000
2016	956,000,000	2,156,000,000
2017	2,540,000,000	2,540,000,000
2018	510,000,000	510,000,000
2019	731,107,003	724,357,776
2021	500,000,000	500,000,000
2022	120,000,000	120,000,000
2023	21,500,000	21,500,000
2027	46,000,000	46,000,000
2033	178,677,151	175,214,236
Undated	4,165,853,139	5,018,308,057
Accrued interest	260,612,947	299,515,660
	10,875,436,951	**12,985,605,350**

NOTE 20 REGULATED PROVISIONS

(in millions of euros)	Revaluation reserve for depreciable fixed assets	Provisions for investment	Accelerated depreciation	Total
At January 1, 2009	**0**	**21**	**1**	**22**
Charges	0	2	0	2
Reversals	0	(2)	0	(2)
Activity in 2009	**0**	**0**	**0**	**0**
BALANCE AT DECEMBER 31, 2009	**0**	**21**	**1**	**22**
At January 1, 2010	**0**	**21**	**1**	**22**
Charges	0	3	0	3
Reversals	0	(4)	0	(4)
Activity in 2010	**0**	**(1)**	**0**	**(1)**
BALANCE AT DECEMBER 31, 2010	**0**	**20**	**1**	**21**
At January 1, 2011	**0**	**20**	**1**	**21**
Charges	0	5	0	5
Reversals	0	(6)	0	(6)
Activity in 2011	**0**	**(1)**	**0**	**(1)**
BALANCE AT DECEMBER 31, 2011	**0**	**19**	**1**	**20**

NOTE 21 CAPITAL, ISSUE PREMIUMS, RESERVES AND RETAINED EARNINGS

(in millions of euros)	Capital	Issue premium	Legal reserve	General reserve	Long-term capital gains regulated reserve	Other reserves	Retained earnings	Total
At January 1, 2009	**4,653**	**15,531**	**115**	**0**	**0**	**0**	**0**	**20,299**
Appropriation of 2008 earnings		(5,054)						(5,054)
Activity in 2009	**0**	**(5,054)**	**0**	**0**	**0**	**0**	**0**	**(5,054)**
BALANCE AT DECEMBER 31, 2009	**4,653**	**10,477**	**115**	**0**	**0**	**0**	**0**	**15,245**
At January 1, 2010	**4,653**	**10,477**	**115**	**0**	**0**	**0**	**0**	**15,245**
Appropriation of 2009 earnings		(2,046)						(2,046)
Change in amortized cost method							(101)	(101)
Total transfer of assets and liabilities - Garbo Invest		2						2
Activity in 2010	**0**	**(2,044)**	**0**	**0**	**0**	**0**	**(101)**	**(2,145)**
BALANCE AT DECEMBER 31, 2010	**4,653**	**8,433**	**115**	**0**	**0**	**0**	**(101)**	**13,100**
At January 1, 2011	**4,653**	**8,433**	**115**	**0**	**0**	**0**	**(101)**	**13,100**
Appropriation of 2010 earnings	0	(494)	9		0	0	101	(384)
Dividends paid in 2011	279	289					1	569
Total transfer of assets and liabilities - EXDDC		4						4
Total transfer of assets and liabilities - Natixis Participations 1		4						4
Total transfer of assets and liabilities - Natixis Private Banking		3						3
Activity in 2011	**279**	**(194)**	**9**	**0**	**0**	**0**	**102**	**196**
BALANCE AT DECEMBER 31, 2011	**4,932**	**8,239**	**124**	**0**	**0**	**0**	**1**	**13,296**

The share capital is composed of 3,082,345,888 shares, each with a par value of €1.60. All shares confer the same rights on their holders, except for treasury shares, which have no voting rights.

NOTE 22 TRANSACTIONS WITH SUBSIDIARIES AND AFFILIATES

(in millions of euros)	2011	2010	2009
ASSETS			
Advances to banks	94,618	74,182	67,275
Customer loans	15,173	15,428	10,279
Bonds and other fixed-income securities	3,372	3,792	3,436
Shares and other variable-income securities	0	0	0
LIABILITIES			
Due to banks	80,812	72,438	62,943
Customer payables	6,535	3,723	3,629
Debt securities	2,890	2,541	3,073
Subordinated debt	1,683	1,734	1,804
OFF-BALANCE SHEET			
Financing commitments given to:			
- banks	4,806	4,012	3,645
- customers	105	117	58
Guarantees provided on behalf of:			
- banks	3,569	6,389	1,537
- customers	1,556	543	607

Under Regulation No. 2010-04 on transactions between related parties, Natixis has no additional information to disclose, since these transactions are either excluded from the reporting scope (wholly-owned subsidiaries), or entered into under normal market conditions.

NOTE 23 STATEMENT OF ASSETS, LIABILITIES AND COMMITMENTS RELATED TO MANAGEMENT OF PUBLIC PROCEDURES

(in millions of euros)	2011	2010	2009
Interbank and similar transactions	0	0	0
Customer transactions	549	645	512
Other assets	0	0	0
TOTAL ASSETS	**549**	**645**	**512**
Interbank and similar transactions	46	46	55
Customer transactions	655	854	743
Debt securities	0	0	0
Other liabilities	1	3	3
TOTAL LIABILITIES	**702**	**903**	**801**
Commitments given			
Financing commitments given	0	0	0
Guarantees given	0	0	0
TOTAL COMMITMENTS GIVEN	**0**	**0**	**0**
Commitments received			
Financing commitments received	0	0	0
Guarantee commitments received	0	0	8
TOTAL COMMITMENTS RECEIVED	**0**	**0**	**8**

NOTE 24 INTEREST AND SIMILAR INCOME

(in millions of euros)	2011	2010	2009
Interbank transactions	2,646	2,665	14,301
Customer transactions	2,319	1,965	2,349
Leasing transactions	0	0	0
Operating lease transactions	0	0	0
Bonds and other fixed-income securities	385	415	1,266
Other interest and similar income	3,175	2,165	3,447
TOTAL	**8,525**	**7,210**	**21,363**

NOTE 25 INTEREST AND SIMILAR EXPENSES

(in millions of euros)	2011	2010	2009
Interbank transactions	(3,091)	(2,485)	(19,800)
Customer transactions	(669)	(764)	(659)
Leasing transactions	0	0	0
Operating lease transactions	0	0	0
Bonds and other fixed-income securities	(1,178)	(1,098)	(1,415)
Other interest and similar expenses	(4,050)	(2,862)	(2,724)
TOTAL	**(8,988)**	**(7,209)**	**(24,598)**

NOTE 26 INCOME FROM VARIABLE-INCOME SECURITIES

(in millions of euros)	2011	2010	2009
Investments in affiliates	1,233	788	992
Securities held for sale	26	25	23
TOTAL	**1,259**	**813**	**1,015**

NOTE 27 FEES AND COMMISSIONS

(in millions of euros)	2011	2010	2009
Fee and commission income			
Customer transactions	191	219	202
Securities transactions	38	44	7
Off-balance sheet items:			
Forward financial instruments	15	13	7
Financing commitments	45	54	40
Guarantee commitments	75	60	1,228
Other commitments given	72	72	99
Foreign exchange transactions			
Other Financial Services	11	34	118
Payment services	64	62	62
Ancillary income	17	19	119
Others	146	188	244
TOTAL	**674**	**765**	**2,126**
Fee and commission expense			
Customer transactions	(6)	(9)	(8)
Securities transactions	(98)	(102)	(80)
Off-balance sheet items:			
Forward financial instruments	(27)	(31)	(28)
Guarantee commitments	(203)	(221)	(1,312)
Others	(9)	(6)	(24)
Foreign exchange transactions	(10)	(7)	(5)
Other Financial Services	(9)	(11)	(10)
Payment services	(63)	(71)	(72)
Others			
TOTAL	**(425)**	**(458)**	**(1,539)**

NOTE 28 NET GAINS (LOSSES) ON TRADING PORTFOLIO TRANSACTIONS

(in millions of euros)	2011	2010	2009
Net gains (losses) on securities held for trading	(1,324)	3,429	1,891
Net gains (losses) on foreign exchange transactions	(87)	193	713
Net gains (losses) on forward financial instruments	2,758	(2,329)	978
TOTAL	**1,347**	**1,293**	**3,582**

NOTE 29 GAINS (LOSSES) ON SECURITIES HELD FOR SALE AND SIMILAR

(in millions of euros)	2011	2010	2009
Gains on disposal	794	1,571	932
Losses on disposal	(697)	(1,034)	(748)
Net impairment (Charge)/Reversal	156	(465)	(190)
TOTAL	**253**	**72**	**(6)**

NOTE 30 NET INCOME FROM OTHER OPERATIONS

(in millions of euros)	2011	2010	2009
Expenses incurred on commitments	0	0	0
Expenses from income sharing agreements	(50)	(84)	(117)
Ancillary income	169	121	20
Share of income from joint banking ventures	5	6	0
Transfers of operating banking expenses	13	12	96
Others	205	36	(59)
TOTAL	**342**	**91**	**(60)**

NOTE 31 GENERAL OPERATING EXPENSES

(in millions of euros)	2011	2010	2009
Payroll costs			
Wages and salaries	(728)	(692)	(771)
Social security charges [a]	(297)	(276)	(259)
Incentive and profit-sharing plans	(38)	(46)	(5)
Taxes on income	(68)	(43)	(94)
Rebilled expenses	23	40	38
Provisions for risks and charges (pension liabilities)	11	(20)	78
	(1,097)	**(1,037)**	**(1,013)**
Other administrative expenses			
Leasing	0	0	0
Taxes other than on income	(57)	(23)	(48)
External services	(983)	(984)	(972)
Rebilled expenses	126	131	90
	(914)	**(876)**	**(930)**
Depreciation, amortization and impairment of property, plant and equipment and intangible assets			
Charges	**(114)**	**(78)**	**(199)**
TOTAL	**(2,125)**	**(1,991)**	**(2,142)**
(a) o/w pension costs	*(76)*	*(66)*	*(65)*

NOTE 32 PROVISION FOR CREDIT LOSSES

(in millions of euros)	2011	2010	2009
Provision for credit losses on asset items			
Non-performing loans:	**(205)**	**(275)**	**(979)**
Impairment charges	(328)	(326)	(987)
Reversals of impairment charges	432	328	343
Losses covered	(301)	(226)	(311)
Losses not covered	(15)	(95)	(34)
Recoveries of bad debts written off	7	44	10
Securities:	**(21)**	**(18)**	**2**
Impairment charges	(48)	(129)	(1)
Reversals of impairment charges	32	127	3
Losses covered	(6)	(31)	0
Losses not covered	0	0	0
Recoveries of bad debts written off	1	15	0
Net income from assets	**(226)**	**(293)**	**(977)**
Provision for credit losses on liability items			
Country risk:	**15**	**21**	**68**
Charges to provisions	(45)	(24)	(11)
Reversals of provisions	60	45	79
Losses covered	0	0	0
Losses not covered	0	0	0
Recoveries of bad debts written off	0	0	0
Risks and charges:	**90**	**188**	**(647)**
Charges to provisions	(210)	(224)	(526)
Reversals of provisions	300	412	310
Losses covered	0	0	(431)
Losses not covered	0	0	0
Recoveries of bad debts written off	0	0	0
Net income from liabilities	**105**	**209**	**(579)**
TOTAL	**(121)**	**(84)**	**(1,556)**

NOTE 33 NET GAINS/(LOSSES) ON FIXED ASSETS

(in millions of euros)	2011	2010	2009
Long-term investments			
Gains			
Investments and other long-term securities	71	2	6
Securities held for investment	6	37	11
Losses			
Investments and other long-term securities	(119)	(198)	(101)
Securities held for investment	(5)	(4)	(162)
Impairment charges			
Investments and other long-term securities	(90)	(201)	(100)
Securities held for investment		0	0
Reversals of impairment charges			
Investments and other long-term securities	179	53	39
Securities held for investment		0	0
Provisions for risks and charges			
Investments and other long-term securities	20	(9)	(70)
Reversals of provisions for risks and charges			
Investments and other long-term securities		0	1
Total	**62**	**(320)**	**(376)**
Property, plant and equipment and intangible assets	**(2)**	**(2)**	**3**
TOTAL	**60**	**(322)**	**(373)**

NOTE 34 INCOME TAXES

(in millions of euros)	2011	2010	2009
Tax at standard rate	(50)	(59)	(45)
Tax at reduced rate			
Tax reassessments	(8)	(14)	(4)
Tax credits	8	2	
Impact of tax consolidation	120	169	10
Other items	(2)	1	(8)
Carry Back	3	4	188
TOTAL	**71**	**103**	**141**

Tax calculation

The tax consolidation agreement at Natixis group is based onthe principle of neutrality, whereby each subsidiary determines its tax and contributes to the group tax as if it were not consolidated. On an exceptional basis, Natixis performed tax reallocations in order to eliminate the impacts of the Fillon Act on certain subsidiaries, thus limiting the deduction of tax loss carryforwards to 60% of taxable profit.

Any tax savings or expense generated by consolidation is recognized by Natixis as parent company.

Any losses transferred to the parent company give rise to a provision for restitution of corporate tax, deemed to offset the additional group tax incurred if subsidiaries return to profit, and their tax contribution is decreased by the amount of prior year losses.

NOTE 35 CHANGE IN HEADCOUNT

	2011	2010	2009
Technical staff	2,473	2,608	2,632
Managers	5,477	4,929	4,534
NUMBER OF EMPLOYEES	**7,950**	**7,537**	**7,166**

NOTE 36 OFF-BALANCE SHEET ITEMS - FORWARD FINANCIAL INSTRUMENTS

(in millions of euros)	Notional 2011	Notional 2010	Notional 2009
On organized markets	**872,544**	**800,195**	**165,784**
Swaps			
Forward transactions		0	0
Options		0	0
Other than swaps			
Forward transactions	819,669	769,459	164,584
Options	52,875	30,736	1,200
Over the counter	**5,079,221**	**5,209,344**	**4,487,234**
Swaps			
Forward transactions	2,753,289	2,511,706	1,979,001
Options		0	0
Other than swaps			
Forward transactions	1,189,015	1,526,450	1,259,167
Options	1,136,917	1,171,188	1,249,066
INTEREST RATE INSTRUMENTS	**5,951,765**	**6,009,539**	**4,653,018**
On organized markets	**150**	**131**	**344**
Swaps			
Forward transactions	0	0	0
Options	0	0	0
Other than swaps			
Forward transactions	137	131	344
Options	13	0	0
Over the counter	**241,539**	**198,853**	**154,101**
Swaps			
Forward transactions	0	0	0
Options	0	0	0
Other than swaps			
Forward transactions	85,267	18,796	7,078
Options	156,272	180,057	147,023
EXCHANGE RATE INSTRUMENTS	**241,689**	**198,984**	**154,445**
On organized markets	**67,085**	**645,233**	**1,075,676**
Swaps			
Forward transactions	0	0	0
Options	0	0	0
Other than swaps			
Forward transactions	15,282	15,612	31,624
Options	51,803	629,621	1,044,052
Over the counter	**452,863**	**495,316**	**855,173**
Swaps			
Forward transactions	7,945	25,830	39,025
Options		0	0
Other than swaps			
Forward transactions	15,585	12,556	2,992
Options	429,333	456,930	813,156
OTHER INSTRUMENTS	**519,948**	**1,140,549**	**1,930,849**
o/w hedges			
• *of interest rate instruments*	*408,893*	*371,906*	*43,496*
• *of exchange rate instruments*	*0*	*0*	*22*
• *of other instruments*	*13,091*	*19,193*	*25,096*

Fair value of forward financial instruments (international branches excluded from scope)

(in millions of euros)	2011	2010	2009
INTEREST RATE INSTRUMENTS			
Positive fair value	84,626	64,016	58,701
Negative fair value	83,284	61,530	59,156
EXCHANGE RATE INSTRUMENTS			
Positive fair value	21,721	9,082	7,910
Negative fair value	21,524	9,909	7,055
OTHER INSTRUMENTS			
Positive fair value	10,372	7,390	11,981
Negative fair value	10,033	6,358	10,484

NOTE 37 OFF-BALANCE SHEET - FOREIGN CURRENCY COMMITMENTS AND TRANSACTIONS

Commitments

(in millions of euros)	2011	2010	2009
Financing commitments	**62,035**	**58,294**	**56,797**
Banks	7,758	16,171	18,218
Customers	54,277	42,123	38,579
Guarantees	**23,915**	**25,935**	**26,231**
Banks	5,165	7,528	6,613
Customers	18,750	18,407	19,618
Commitments on securities	**8,013**	**4,016**	**3,860**
Other commitments	**19,959**	**23,631**	**31,208**
TOTAL COMMITMENTS GIVEN	**113,922**	**111,876**	**118,096**
Financing commitments	**31,095**	**33,433**	**15,002**
Banks	20,698	32,962	13,622
Customers	10,397	471	1,380
Guarantees	**6,785**	**11,049**	**12,880**
Banks	6,785	11,049	12,880
Commitments on securities	**8,082**	**7,174**	**3,944**
Other commitments	**9,082**	**8,312**	**8,178**
TOTAL COMMITMENTS RECEIVED	**55,044**	**59,968**	**40,004**

CURRENCY TRADING

(in millions of euros)	2011	2010	2009
Spot transactions			
Currencies purchased and not received	15,568	17,985	22,034
Currencies sold and not delivered	15,641	17,563	24,531
Foreign currency lending/borrowing			
Currencies loaned and not delivered	21	1,054	752
Currencies borrowed and not received	1,148	748	4,641
Currency futures and options			
Euros receivable/currencies deliverable	409,187	311,600	285,353
Currencies receivable/euros deliverable	382,075	317,001	285,591
Currencies receivable/currencies deliverable	167,332	156,180	168,140
Currencies deliverable/currencies receivable	167,304	156,488	168,108
Premium/discount receivable	56	3	3
Premium/discount payable	56	3	0

NOTE 38 ASSETS, LIABILITIES AND FINANCIAL INSTRUMENTS BY MATURITY

(in millions of euros)	<= 1 month	1-3 months	3-6 months	from 6 months to 1 year	1-5 years	> 5 years	perpetual	Total
Cash and balances with central banks	5,499							5,499
Government securities and equivalent	1,866	3,534	336	1,643	6,601	8,111		22,091
Advances to banks	55,710	18,644	5,755	6,769	13,449	15,383	47	115,757
Customer transactions	41,320	7,731	5,226	4,130	23,905	13,308	354	95,974
Bonds and other fixed-income securities	2,007	2,981	1,589	2,252	6,298	15,008		30,135
Shares and other variable-income securities	5,553	383	10	1,372	819	1,109		9,246
ASSETS (USES OF FUNDS)	**111,955**	**33,273**	**12,916**	**16,166**	**51,072**	**52,919**	**401**	**278,702**
Due to central banks								0
Due to banks	51,190	24,384	5,467	25,979	30,784	2,986		140,790
Customer transactions	41,567	16,252	2,791	2,759	1,213	284		64,866
Debt securities	11,656	6,912	3,340	7,909	5,227	6,224		41,268
LIABILITIES (SOURCES OF FUNDS)	**104,413**	**47,548**	**11,598**	**36,647**	**37,224**	**9,494**		**246,924**

(in millions of euros)	< 1 year	1-5 years	> 5 years
On organized markets	**552,344**	**279,466**	**40,734**
Swaps			
Forward transactions	0	0	0
Options	0	0	0
Other than swaps			
Forward transactions	510,886	268,050	40,734
Options	41,458	11,416	
Over the counter	**1,881,726**	**1,760,770**	**1,436,725**
Swaps			
Forward transactions	784,586	1,055,645	913,058
Options	0	0	0
Other than swaps			
Forward transactions	908,608	219,366	61,041
Options	188,532	485,759	462,626
INTEREST RATE INSTRUMENTS	**2,434,070**	**2,040,236**	**1,477,459**
On organized markets	**129**	**0**	**20**
Swaps			
Forward transactions			
Options			
Other than swaps			
Forward transactions	129	0	7
Options			13
Over the counter	**189,759**	**49,319**	**2,462**
Swaps			
Forward transactions			
Options			
Other than swaps			
Forward transactions	78,783	4,083	2,401
Options	110,976	45,236	61
EXCHANGE RATE INSTRUMENTS	**189,888**	**49,319**	**2,482**
On organized markets	**24,005**	**3,013**	**40,067**
Swaps			
Forward transactions			
Options			
Other than swaps			
Forward transactions	5,461	47	9,775
Options	18,544	2,966	30,292
Over the counter	**94,895**	**211,226**	**146,742**
Swaps			
Forward transactions	1,088	4,165	2,691
Options			
Other than swaps			
Forward transactions	380	167	15,039
Options	93,427	206,894	129,012
OTHER INSTRUMENTS	**118,900**	**214,239**	**186,809**

NOTE 39 STATUTORY AUDITORS' FEES

(in millions of euros)	2011	2010	2009
Audit			
Independent audit, certification and examination of the separate and consolidated accounts	5.5	5.0	5.7
Other procedures and services directly related to the Statutory Auditor's assignment	1.8	1.0	0.4
TOTAL	**7.3**	**6.0**	**6.1**

NOTE 40 ESTABLISHMENTS AND OPERATIONS IN NON-COOPERATIVES STATES OR TERRITORIES WITHIN THE MEANING OF ARTICLE 238-0A OF THE FRENCH GENERAL TAX CODE

Article L.511-45 of the French Monetary and Financial Code and the Ministerial order of October 6, 2009, require banks to disclose in a note to their financial statements their establishments and operations in States and territories that do not have an administrative assistance agreement with France aimed at countering fraud and tax evasion, which provides access to banking information.

These obligations form part of the global struggle against territories that are non-cooperative on tax matters based on the work of various OECD working groups and summits, and is also part of the fight against money laundering and the financing of terrorism.

Monitoring of Natixis' subsidiaries and branches in non-cooperative countries forms an integral part of Natixis' risk monitoring process overseen by the Risk function. This process involves:

- local Risks officers/functions that have a functional link to the central Risk Control Department;
- specific reporting procedures that respect local constraints but also comply with overall risk requirements.

Natixis hereby reports, in accordance with the above-mentioned article, that at December 31, 2011, its subsidiary Coface owned 100% of "Coface Servicios Costa Rica S.A.", a services company in Costa Rica with 2011 revenues of €79,000.

Company financial performance over the last five years (Art. 133, 135 and 148 of the Commercial Companies Decree) *(in euros)*

CATEGORY	2007	2008	2009	2010	2011
Financial position at year-end					
Share capital	1,955,268,310.40	4,653,020,308.80	4,653,020,308.80	4,653,020,308.80	4,931,753,420.80
Number of shares issued	1,222,042,694	2,908,137,693	2,908,137,693	2,908,137,693	3,082,345,888
Number of bonds redeemable in shares	0	0	0	0	0
Number of bonds convertible into shares	0	0	0	0	0
Overall results of effective operations					
Revenues net of tax	36,243,060,348.21	50,787,613,550.53	23,966,064,000.89	19,391,654,325.41	17,977,198,639.42
Income before tax, depreciation, amortization and provisions	852,134,041.69	(2,548,305,710.82)	(1,664,174,176.79)	644,584,484.60	(72,975,180.54)
Income taxes	141,132,997.05	175,491,065.29	141,058,269.33	103,399,790.98	71,022,418.41
Income after tax, depreciation, amortization and provisions	(467,183,610.92)	(5,053,779,558.57)	(2,046,308,381.66)	284,641,699.57	873,436,574.80
Dividends paid	549,919,212.30	0.00	0.00	668,871,669.39	308,234,588.80
Operational result per share					
Income after tax, but before depreciation, amortization and provisions	0.81	(0.82)	(0.52)	0.26	0.00
Income after tax, depreciation, amortization and provisions	(0.38)	(1.74)	(0.70)	0.10	0.28
Dividend per share	0.45	0.00	0.00	0.23	0.10
Employees					
Number of employees	7,648	7,798	7,166	7,537	7,950
Total payroll costs	668,942,830.46	644,059,193.67	770,842,886.68	691,856,116.30	727,947,525.85
Social security and other employee benefits	269,404,568.47	273,921,026.89	264,166,185.19	322,453,719.64	334,569,060.30

5.5 Statutory auditors' report on the company financial statements

Year ended December 31st, 2011

To the Shareholders,

In compliance with the assignment entrusted to us by your General meeting, we hereby report to you, for the year ended 31 December 2011, on:

- the audit of the accompanying financial statements of Natixis S.A.;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

OPINION ON THE FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 31 December 2011 and of the results of its operations for the year then ended in accordance with French accounting principles.

JUSTIFICATION OF OUR ASSESSMENTS

The accounting estimates used in the preparation of the financial statements as at December 31, 2011 were made in a context of uncertainty, related to the public finances crises of some of the Eurozone countries and, Greece in particular, which was accompanied by an economic and liquidity crisis and a lack of visibility concerning economic prospects. Such is the context in which we made our own assessments that we bring to your attention in accordance with the requirements of article L.823-9 of the French Commercial Code ("*Code de commerce*").

Guarantee mechanism for GAPC assets

As described in Note 1.10 to the company financial statements, a guarantee mechanism with by BPCE has been in place since July 1, 2009 covering certain assets ring-fenced in the Workout Portfolio Management structure (GAPC). We reviewed the monitoring of this mechanism and the corresponding accounting treatment.

Valuation of financial instruments

The Company uses internal models and methodologies to measure financial instruments that are not traded on an active market, as well as to book certain impairment losses (Notes 1.6, 18, 28 and 36 to the company financial statements). We examined the control procedures relating to the assessment of whether a given market was inactive, to the validation of models and to the definition of the parameters used.

Impairment and provisions for credit and counterparty risks

The Company recognizes impairment losses and provisions to cover the credit and counterparty risks inherent to its activities (Notes 1.1, 3, 4, 6, 18, and 32 to the company financial statements). We reviewed the control procedures relating to credit and counterparty risk monitoring, the assessment of risks of non-recoverability, and the calculation of the corresponding individual and collective impairment and provisions.

Investment securities, shares in affiliates and other long-term securities

Natixis revises the valuation of investments in subsidiaries (Notes 1.2, 7 and 33 to the company financial statements). We reviewed the methodology used to perform this work as well as the main assumptions and parameters.

Employee benefits

The Company recognizes provisions to cover employee benefits (Notes 1.7, 18 and 31 to the company financial statements). We examined the methodology used to measure these benefit obligations, as well as the main assumptions and parameters applied.

Other provisions

The Company recognizes provisions to cover risks and litigations related to its activity (Notes 1.1, 1.2, 1.6 and 6 to the company financial statements). We examined the methodology used to measure these provisions, as well as the main assumptions applied.

These assessments were made as part of our audit of the financial statements, taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

SPECIFIC VERIFICATIONS AND INFORMATION

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors, and in the documents addressed to shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of article L.225-102-1 of the French Commercial Code ("*Code de commerce*") relating to remunerations and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlling your Company or controlled by it. Based on this work, we attest the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

The statutory auditors

French original signed by

Neuilly-sur-Seine and Paris-La-Défense, March 23rd, 2012

DELOITTE & ASSOCIES	KPMG Audit Departement of KPMG S.A.	MAZARS
José-Luis Garcia	Fabrice Odent	Charles de Boisriou Emmanuel Dooseman

This is a free translation into English of the statutory auditor's report on the financial statements issued in French and it is provided solely for the convenience of English-speaking users. The statutory auditor's report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the financial statements and includes an explanatory paragraph discussing the auditor's assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions, or disclosures. This report also includes information relating to the specific verification of information given in the management report and in the documents addressed to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

5.6 Statutory auditors' special report on related party agreements and commitments

Annual General Meeting to approve the financial statements for the year ended 31 December 2011

To the Shareholders,

In our capacity as the Company's statutory auditors, we hereby submit our report on regulated agreements and commitments.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of the contractual agreements or commitments indicated to us or that we may have identified in the performance of our engagement. It is not our role to comment as to whether they are beneficial or to ascertain the existence of any such agreements and commitments. It is your responsibility, in accordance with Article R.225-31 of the French Commercial Code, to assess the benefits resulting from these agreements and commitments prior to their approval.

In addition, we are required to inform you in accordance with Article R.225-31 of the Code de commerce concerning the execution during the year of the agreements and commitments already approved by the Annual General Meeting.

We performed the procedures we considered necessary to comply with professional code of the Compagnie Nationale des Commissaires aux Comptes (France's national association of statutory auditors) relating to this assignment. Our work consisted of verifying that the information provided to us is consistent with the underlying documents from which it was extracted.

I - AGREEMENTS AND COMMITMENTS SUBMITTED FOR APPROVAL BY THE ANNUAL GENERAL MEETING

1.1 Agreements and commitments authorised during the past financial year

In accordance with article L.225-40 of the French Commercial Code, we have been informed of the agreements and commitments previously approved by your Board of Directors.

1.1.1 AUTHORIZATION OF A RELATED PARTY AGREEMENT BETWEEN NATIXIS AND BPCE ON THE CHAPEL DEAL.

Corporate officers concerned:

- Mr. Pérol, Chairman of the BPCE Executive Board, Chairman of the Natixis Board of Directors;
- Mr. Gentili, Member of the BPCE Supervisory Board, Natixis Director;
- Mr. Patault, Member of the BPCE Supervisory Board, Natixis Director;
- Mr. Jeannin, Member of the BPCE Supervisory Board, Natixis Director;
- Mr. Klein, Member of BPCE Executive Board, Natixis Director;
- Mr. Criton, Member of the BPCE Supervisory Board, Natixis Director;
- Mr. Queuille, Member of BPCE Executive Board, Natixis Director;
- Mr. Sueur, Vice-Chairman of the Steering and Supervisory Committee of Caisse d'Epargne Ile-de-France, Natixis Director;
- Mr. Mateu, Chairman of the Executive Board of Caisse d'Epargne Rhône Alpes, Natixis Director;
- BPCE, represented by Mr. Duhamel, Chief Financial Officer and Member of the BPCE Executive Board, BPCE's permanent representative on the Natixis Board of Directors.

On May 11, 2011, the Board of Directors approved an agreement between Natixis and BPCE on the Chapel deal. The Chapel deal is part of GAPC (workout portfolio management), within a structured product called Sahara that better reflects the rating of high-quality assets held by GAPC. These securities are covered by the "Neptune" guarantee entered into with BPCE in 2009. Simultaneously with Natixis' buyback of Chapel assets previously housed in Sahara, a guarantee covering Chapel was set up between BPCE and Natixis in the form of a total return swap (TRS), in order to re-establish the equivalent of the Neptune guarantee.

This agreement was reached on May 11, 2011.

Income recognized by Natixis in respect of this agreement totaled €40,090,976.55 for the fiscal year ended December 31, 2011.

1.1.2 AUTHORIZATION OF AGREEMENTS FOR NATIXIS TO ACQUIRE ALL OF NATIXIS PRIVATE EQUITY'S SHARES IN SIX ASSET MANAGEMENT COMPANIES

Corporate officer concerned:

- Mr. Criton, Natixis Director, Natixis Private Equity Director.

On August 4, 2011, the Board of Directors approved an agreement to sell Natixis Private Equity's stakes in the asset management companies Seventure Partners, Naxicap Partners, Dahlia Partners, Dahlia Gestion, Caspian Private Equity and Eagle Asia Management for a total of €14,302,466.

This agreement was reached on September 23, 2011.

1.1.3 AUTHORIZATION OF AN AGREEMENT BETWEEN NATIXIS AND BPCE PERTAINING TO THE "COCCINELLE" PROJECT

Corporate officers concerned:

- Mr. Pérol, Chairman of the BPCE Executive Board, Chairman of the Natixis Board of Directors;
- Mr. Gentili, Member of the BPCE Supervisory Board, Natixis Director;
- Mr. Patault, Member of the BPCE Supervisory Board, Natixis Director;
- Mr. Jeannin, Member of the BPCE Supervisory Board, Natixis Director;
- Mr. Klein, Member of BPCE Executive Board, Natixis Director;
- Mr. Criton, Member of the BPCE Supervisory Board, Natixis Director;
- Mr. Queuille, Member of BPCE Executive Board, Natixis Director;
- Mr. Sueur, Vice-Chairman of the Steering and Supervisory Committee of Caisse d'Epargne Ile-de-France, Natixis Director;
- Mr. Mateu, Chairman of the Executive Board of Caisse d'Epargne Rhône Alpes, Natixis Director;
- BPCE, represented by Mr. Duhamel, Chief Financial Officer and Member of the BPCE Executive Board, BPCE's permanent representative on the Natixis Board of Directors.

On November 9, 2011, the Board of Directors approved the signing of a preliminary agreement between BPCE and Natixis. This preliminary agreement describes the main terms and conditions and the tentative timetable for the "Coccinelle" project to set up a mechanism protecting Natixis against some of the risks linked to Natixis' stake in the Banques Populaires and Caisses d'Epargne.

This mechanism is based on Natixis' issuance of a structured product (in the form of a debt security issue) subscribed for by BPCE and covering some of the prudential value of the equity-method recognition of the cooperative investment certificates issued by the Caisses d'Epargne and Banques Populaires, namely the P3CIs. With a nominal value of €6,930,000,000, the P3CIs were fully subscribed for by BPCE.

Simultaneously, plans for the buyback or early redemption by Natixis of six lines of deeply subordinated notes held by BPCE at their nominal value, i.e., $577,250,000 and €1,926,806,000, plus interest accrued at the date of said buyback or redemption.

On December 15, 2011, the Board of Directors approved the signing of a P3CI subscription agreement, which will take effect no later than March 30, 2012.

This agreement had no financial impact in 2011.

1.2 Agreements and commitments since the financial year-end

We have been informed of the following agreements and commitments authorised since the year end, which were subject to the prior approval of your Board of Directors.

1.2.1 AMENDMENT TO THE INVOICING AGREEMENT BETWEEN NATIXIS AND BPCE PERTAINING TO AFFILIATION OF NATIXIS' AFFILIATION WITH BPCE

Corporate officers concerned:

- Mr. Pérol, Chairman of the BPCE Executive Board, Chairman of the Natixis Board of Directors;
- Mr. Gentili, Member of the BPCE Supervisory Board, Natixis Director;
- Mr. Patault, Member of the BPCE Supervisory Board, Natixis Director;
- Mr. Jeannin, Member of the BPCE Supervisory Board, Natixis Director;
- Mr. Klein, Member of BPCE Executive Board, Natixis Director;
- Mr. Criton, Member of the BPCE Supervisory Board, Natixis Director;
- Mr. Queuille, Member of BPCE Executive Board, Natixis Director;
- Mr. Sueur, Vice-Chairman of the Steering and Supervisory Committee of Caisse d'Epargne Ile-de-France, Natixis Director;
- BPCE, represented by Mr. Nicolas Duhamel, Chief Financial Officer and Member of the BPCE Executive Board, BPCE's permanent representative on the Natixis Board of Directors.

On February 22, 2012, the Board of Directors approved a new invoicing agreement pertaining to Natixis' affiliation with BPCE, replacing the current affiliation agreement (which was presented in the agreements already approved by the General Meeting in section 2.1.1). As the central institution, BPCE receives compensation for the duties completed for Natixis, including:

- taking any necessary measures to guarantee its liquidity and capital adequacy;
- exercising administrative, technical and financial control of its structure and management;
- and ensuring compliance with the legal and regulatory provisions in force, and in particular CRBF Regulation 97.02.

Total costs relating and chargeable to Natixis are billed annually at the actual cost of the duties completed by BPCE for Natixis.

II - AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE ANNUAL GENERAL MEETING

2.1 Agreements and commitments approved in prior years and continued during the year

In accordance with Article R.225-30 of the French Commercial Code, we were informed that the execution of the following agreements and commitments, already approved by the Annual General Meeting in prior years, was pursued in 2011.

2.1.1 INVOICING AGREEMENT BETWEEN NATIXIS AND BPCE PERTAINING TO NATIXIS' AFFILIATION WITH BPCE

On December 16, 2010, the Board of Directors approved the invoicing agreement between Natixis and BPCE pertaining to Natixis' affiliation with BPCE.

Expenses recognized by Natixis in respect of this agreement totaled €18,423,231.68 for the fiscal year ended December 31, 2011.

2.1.2 AGREEMENT BETWEEN NATIXIS AND BPCE REGARDING THE PURCHASE OF SECURITIES AS WELL AS THE ISSUANCE AND SUBSCRIPTION OF UNDATED DEEPLY SUBORDINATED NOTES

On August 25, 2009, the Board of Directors approved an agreement between Natixis and BPCE regarding the purchase of securities as well as the issuance and subscription of undated deeply subordinated notes.

Expenses recognized by Natixis in respect of this agreement amounted to €111,825,885.76 for the fiscal year ended December 31, 2011.

2.1.3 PRELIMINARY AGREEMENT BETWEEN NATIXIS AND BPCE REGARDING THE GUARANTEE MECHANISM COVERING CERTAIN GAPC ASSETS AND THE AGREEMENTS PERTAINING TO THE GUARANTEE

On August 25, 2011, the Board of Directors approved a preliminary agreement between Natixis and BPCE for the purpose of protecting Natixis against future losses and earnings volatility caused by assets ring-fenced in its Workout Portfolio Management structure (GAPC).

This preliminary agreement resulted in the signing of several agreements between Natixis and BPCE related to the guarantee of certain GAPC assets.

On November 12, 2009, the Board of Directors approved a number of agreements regarding the guarantee covering certain GAPC assets:

- the Financial Guarantee agreement, under which BPCE agrees to grant Natixis a financial guarantee;
- the ISDA Master Agreement and appendix, between BPCE and Natixis;
- total return swap agreements between Natixis and BPCE, one of which relates to euro-denominated assets and the other to US dollar-denominated assets;
- the call option granted by BPCE to Natixis;
- the "Miroir NLI" Financial Guarantee between Natixis and Natixis Luxembourg Investissements;
- the "Miroir NFP" Financial Guarantee between Natixis and Natixis Financial Products Inc.;
- the "Miroir NFUSA" Financial Guarantee between Natixis and Natixis Funding USA, LLC;
- the "Miroir Ixis CMNA Australia" Financial Guarantee between Natixis and Ixis CMNA Australia No2 SCA;
- the "Miroir NFP" Total Return Swap agreement between Natixis and Natixis Financial Products Inc.;
- the "Miroir NREC" Total Return Swap agreement between Natixis and Natixis Real Estate Capital Inc.;
- governance arrangements set up in respect of the GAPC guarantee (notably including draft operating charters for the Guarantee Supervision Committee and Workout Portfolio Management Committee).

On August 5, 2010, the Board of Directors approved amendment No. 1 to the financial guarantee of November 12, 2009 (sub-participation in risk) between Natixis and BPCE.

The purpose of this amendment was to clarify the application of certain provisions of the Guarantee to covered assets subject to a write-down.

The premium pertaining to Natixis was spread out and reported on the income statement in the amount of €149,450,763.80 for the fiscal year ended December 31, 2011. The spreading out of the premium pertaining to the "Miroirs" guarantees with the subsidiaries had a neutral impact on Natixis' income statement.

The change in fair value of the total return swaps led to an expense of €47,225,505.78 for the fiscal year ended December 31, 2011 in respect of Natixis' activities and income of $18,367,007 in respect of the subsidiaries' activities. The latter expense was neutralized in Natixis' accounts by recognizing an offsetting expense vis-à-vis the subsidiaries.

As the premium was recognized immediately in the balance sheet, its revaluation led to the recording of a €33,812,984.35 expense for the 2011 fiscal year.

Income recognized by Natixis in respect of cancellation payments came to €231,214,196.09 for the 2011 fiscal year.

Income recognized for the activation of guarantees came to €29,558,076.60 for the 2011 fiscal year.

2.1.4 CREDIT AND FINANCIAL GUARANTEE MASTER AGREEMENTS BETWEEN NATIXIS AND NATIXIS LEASE

On December 17, 2009, the Board of Directors approved the credit and financial guarantee master agreements between Natixis and Natixis Lease, designed to provide access to SFEF financing against the posting of collateral.

Income recognized by Natixis in respect of these agreements came to €15,820,891.47 for the fiscal year ended December 31, 2011.

2.1.5 CREDIT AND FINANCIAL GUARANTEE MASTER AGREEMENTS BETWEEN (I) NATIXIS AND BFBP AND (II) NATIXIS AND CNCE

Natixis' Annual General Meeting of April 30, 2009 expressly approved and ratified the credit and financial guarantee master agreements set up in December 2008 between (i) Natixis and BFBP, and (ii) Natixis and CNCE, within the scope of agreements signed by BFBP and CNCE with SFEF.

The purpose of these agreements was to allow Natixis to borrow from its two central institutions in return for posting collateral. The amounts lent represent credit facilities granted under the terms of the agreements between the central institutions and SFEF. The terms therefore reflect the agreement entered into between the central institutions (and all other banks in the marketplace) and SFEF.

Under the agreements, Natixis can indirectly benefit from the facilities granted by SFEF, according to the following principles:

- each central body borrows from SFEF against a pledge of collateral;
- all or part of the income arising on this arrangement is used to grant Natixis a loan, in return for a guarantee in the form of collateral, which will be pledged by the central body to SFEF to secure the loan.

The purpose of credit master agreements is to define the terms and conditions for intra-group loans. The purpose of financial guarantee master agreements is to organize Natixis' collateral arrangements.

The expense recognized by Natixis in respect of these agreements came to €61,032,650.78 for the fiscal year ended December 31, 2011.

2.1.6 AGREEMENT PROVIDING FOR THE DISTRIBUTION OF NATIXIS PRODUCTS AND SERVICES TO THE REGIONAL BANKS ACQUIRED BY GROUPE BANQUE POPULAIRE FROM HSBC

On December 18, 2008, the Supervisory Board approved an agreement providing for the distribution of Natixis products and services to the regional banks acquired by Groupe Banque Populaire from HSBC, pursuant to which Natixis is to be the exclusive supplier of the regional banks in the businesses concerned by the agreement as from 2009. The agreement also stipulates that the terms and conditions governing dealings between Natixis and Groupe Banque Populaire shall apply to the former HSBC banks.

Income recognized by Natixis in respect of this agreement came to €1,406,182.82 for the fiscal year ended December 31, 2011.

2.1.7 LETTERS OF JOINT AND SEVERAL GUARANTEES AND COMMITMENTS CANCELLED OR COMPLETED

From 1996 to 2004, IXIS CIB (previously called CDC Marchés, then CDC IXIS Capital Markets) entered into a number of letters of joint and several guarantees and commitments with its various successive shareholders, including Caisse des Dépôts (CDC), CDC Finance - CDC IXIS (CNCE acquired the latter's rights following the merger-absorption of December 31, 2004) and CNCE.

Similarly, IXIS CIB entered into a number of letters of joint and several guarantees and commitments with its US subsidiaries, e.g. Natixis Municipal Products Inc. (formerly CDC Municipal Products Inc.), Natixis Derivatives Inc. (formerly CDC Derivatives Inc.), Natixis Financial Products Inc. (formerly CDC Financial Products Inc.), Natixis Funding Corp. (formerly CDC IXIS Funding Corp.) and Natixis Commercial Paper Corp. (formerly CDC IXIS Commercial Paper Corp.).

All of these letters of joint and several guarantees and commitments had terminated or expired at the date of this report, but continue to retrospectively apply to all guaranteed transactions entered into prior to the date on which the underlying joint and several guarantees terminated or expired, until these transactions have been fully unwound.

For joint and several guarantees entered into with CDC Finance – CDC Ixis, the creditors of Ixis CIB for transactions secured under these guarantees that were entered into before the expiry of the respective guarantees may, in accordance with the letter from the Chief Executive Officer of CDC dated October 12, 2004, enforce their rights directly against CDC through to the maturity of the transactions guaranteed, as if this commitment had been taken out directly by CDC on behalf of Ixis CIB's creditors.

The conditions governing the payment and calculation of the fees payable by Ixis CIB in respect of the guarantees were defined in an agreement with CDC Finance – CDC Ixis and CNCE.

The expense recognized by Natixis in respect of these agreements totaled €4,848,246 for the fiscal year ended December 31, 2010.

2.1.8 TRIPARTITE AGREEMENTS BETWEEN NATIXIS, SOCIÉTÉ DE FINANCEMENT DE L'ECONOMIE FRANÇAISE (SFEF) AND, RESPECTIVELY, BFBP AND CNCE

On July 10, 2009, the Board of Directors approved the tripartite agreements between Natixis, SFEF and each of the central institutions (BFBP and CNCE), designed to set up trust accounts (*comptes d'affectation spéciaux* (*CAS*)) to allow Natixis collateral to be pledged directly to SFEF. The agreements also established SFEF's direct right of recourse against Natixis. The agreements cover:

- "*délégation imparfaite*" agreements (agreements in which the original debtor remains liable as well as the person instructed to pay on its behalf), establishing SFEF's right of recourse against Natixis, between (i) Natixis, BFBP and SFEF, and (ii) Natixis, CNCE and SFEF;
- subsidiary financial guarantee master agreements, allowing Natixis collateral to be pledged directly to SFEF, between (i) Natixis, BFBP and SFEF, and (ii) Natixis, CNCE and SFEF;
- trust agreements, setting up trust accounts (*comptes d'affectation spéciaux* (*CAS*)) between (i) Natixis, BFBP and SFEF, and (ii) Natixis, CNCE and SFEF;
- representation agreements, allowing Natixis' central institutions to represent it in its dealings with SFEF, between (i) Natixis and BFBP, and (ii) Natixis and CNCE;
- side agreements aimed at limiting the credit risk incurred by Natixis in respect of its central institutions by allowing early repayments to be made at Natixis' initiative, between (i) Natixis and CNCE, and (ii) Natixis and BFBP;
- amendments to the revised intra-group financial guarantee master agreements signed in 2008 with BFBP and CNCE (see section 2.2.1 herein), between (i) Natixis and CNCE, and (ii) Natixis and BFBP.

These agreements had no financial impact on the 2011 income statement.

2.1.9 AGREEMENTS BETWEEN NATIXIS, NATIXIS TRANSPORT FINANCE (NTF), SFEF AND BPCE

On August 25, 2009, the Board of Directors approved a number of agreements between Natixis, NTF, SFEF and BPCE, extending the scope of SFEF receivables that may be used to Natixis Transport Finance. This makes use of a similar legal provision to the one approved by the Board of Directors in section 2.1.2 above. The agreements cover:

- the trust agreement between NTF, Natixis, BPCE and SFEF setting up a trust account (*comptes d'affectation spéciaux* (*CAS*)) in the name of NTF, with Natixis acting as account administrator;
- the representation agreement between Natixis and BPCE allowing BPCE to represent Natixis in its capacity as account administrator in its dealings with SFEF;
- the intra-group credit master agreements between Natixis and NTF setting up the loans that can be granted by Natixis to NTF.

These agreements had no financial impact on the 2011 income statement.

2.1.10 NATIXIS' ROLE AS ARRANGER IN THE €25,000,000,000 SECURED BOND ISSUE PROGRAM LAUNCHED BY BANQUES POPULAIRES COVERED BONDS (BPCB)

To enable Natixis to act as the arranger for the €25 billion issue launched by BFBP, on November 23, 2007 the Supervisory Board approved:

- credit and financial guarantee master agreements between BPCB, BFBP, Natixis, and initially, seven Banques Populaires banks;
- a letter setting out hedging agreements between BPCB, BFBP and Natixis.

On February 25, 2009, the Supervisory Board approved revisions to this program.

On May 13, 2009, the Board of Directors approved an amendment to the credit and financial guarantee master agreement with BFBP, Banques Populaires Covered Bonds (BPCB), Natixis and all Banques Populaires banks. The amendment was designed to incorporate Banque Monétaire and Financière and Compagnie Européenne de Garanties and Cautions as providers of loan collateral subsequently pledged by certain Banques Populaires banks participating in the BPCB program.

This agreement had no financial impact on the 2011 income statement.

2.1.11 NATIXIS' ROLE AS ARRANGER OF AN ISSUE OF €25,000,000,000 IN GCE COVERED BONDS

To enable Natixis to act as the arranger for the €25 billion issue of GCE Covered Bonds, the Supervisory Board on March 5, 2008, approved the following agreements: the Receivables Pledge Agreement, the Issuer Accounts Pledge Agreement, the Asset Monitor Agreement, and the Master Definitions and Constructions Agreement.

These agreements had no financial impact on the 2011 income statement.

2.1.12 "CLICK'N TRADE" SERVICE AGREEMENT AND PARTNERSHIP BETWEEN IXIS CIB, CNCE AND BANQUE PALATINE

On June 6, 2007, the Supervisory Board approved a service agreement between IXIS CIB, CNCE and Banque Palatine pertaining to CNCE's transfer to Banque Palatine of the operating and technical management of the "Click'n Trade" website, with CNCE continuing to own the website and remaining the counterparty in forward and cash currency transactions vis-à-vis IXIS CIB.

This agreement had no financial impact on the 2011 income statement.

2.2 Agreements and commitments approved in prior years which were not performed during the year

We were also informed that following agreements and commitments, already approved by the Annual General Meeting during previous fiscal years and that continued into the past year, were not executed during the past year.

2.2.1 RECIPROCAL FINANCIAL GUARANTEE PERTAINING TO THE "NEPTUNE" DEAL BETWEEN NATIXIS S.A. AND NATIXIS REAL ESTATE CAPITAL INC.

On February 24, 2010, the Board of Directors approved a financial guarantee agreement between Natixis and Natixis Real Estate Capital Inc., mirroring the Neptune guarantee and covering all GAPC assets held by Natixis Real Estate Capital Inc.

This financial guarantee took the legal form of a sub-participation in risk, in order to cover Natixis Real Estate Capital Inc., in proportion with a share of a portfolio of assets held by Natixis Real Estate Capital Inc. at June 30, 2009, following the clear failure to pay sums due in relation to the assets upon the contractually agreed payment date.

This agreement had no financial impact on the 2011 income statement.

2.2.2 AGREEMENT REGARDING MIFID BETWEEN NATIXIS, BPCE AND CRÉDIT FONCIER DE FRANCE (CFF)

On November 12, 2009, the Board of Directors approved a post-MiFID update to the agreement between Natixis (formerly Ixis CIB), BPCE (formerly CNCE) and CFF concerning the transfer and organization of regional public sector operations.

This agreement had no financial impact on the 2011 income statement.

2.2.3 ADOPTION OF REGULATIONS FOR THE CLOSED COLLECTIVE PENSION SCHEME

On December 18, 2008, the Supervisory Board:

- adopted regulations for the closed collective pension scheme insofar as those regulations define the potential rights of Members of the Executive Board eligible to benefit from the scheme, provided that the Members were appointed to the Board between November 27, 2006 and December 15, 2008. It also closed the scheme to any new Members of the Executive Board (the regulations exclude any compensation resulting from the termination of professional relations with Members of the Executive Board);
- regarding the collective scheme, agreed to continue offering in 2009 the provident insurance scheme available to the Chief Executive Officers of the Banques Populaires banks to Members of Natixis' Executive Board, as there is conclusive evidence that the scheme adapts the guarantees applicable to all former Natixis Banques Populaires personnel to the specific situation of each Member;
- regarding severance pay and retirement compensation, approved the decision not to apply the provisions regarding early termination or retirement compensation arrangements for the Chief Executive Officers of the Banques Populaires banks to Natixis' corporate officers appointed after May 1, 2005.

These agreements had no financial impact on the 2011 income statement.

2.2.4 LETTERS OF JOINT AND SEVERAL GUARANTEES AND COMMITMENTS BETWEEN IXIS AND ITS SUBSIDIARIES IN FORCE

On June 15, 2011, the Supervisory Board approved letters of joint and several guarantees and commitments between IXIS CIB and:

- Natixis Financial Products Inc. (formerly IXIS Financial Products Inc.) for the USMTN issue. The guarantee given by Ixis CIB in connection with this agreement can be invoiced at 0.02%;
- Natixis Financial Products Inc. (formerly IXIS Financial Products Inc.) for the issue of warrants. The guarantee given by Ixis CIB in connection with this agreement can be invoiced at 0.02%;
- Natixis Securities North America Inc. (formerly IXIS Securities NA) for securities lending transactions. The guarantee given by Ixis CIB in connection with this agreement can be invoiced at 0.02% per year, applicable to the overall exposure with average risk over the period.

These agreements had no financial impact on the 2011 income statement.

2.2.5 DE FACTO ASSOCIATION AGREEMENT BETWEEN CDC, CNCE (REPLACING CDC IXIS IN ITS RIGHTS AND OBLIGATIONS) AND IXIS CIB (FORMERLY CDC IXIS CAPITAL MARKETS)

On December 19, 2001, the Supervisory Board approved a de facto association agreement between CDC, CNCE (acquired by CDC IXIS) and IXIS CIB (formerly CDC IXIS Capital Markets). This agreement, automatically renewed every three years, replaced the agreement entered into on August 30, 1996 between CDC and CDC Ixis Capital Markets (formerly CDC Marchés).

This agreement had no financial impact on the 2011 income statement.

2.2.6 SERVICE AND PARTNERSHIP AGREEMENT BETWEEN IXIS CIB AND CNCE

On November 17, 2005, the Supervisory Board approved a service and partnership agreement between IXIS CIB and CNCE pertaining to the development and hosting of a website for spot and forward currency orders by IXIS CIB for CNCE.

This agreement had no financial impact on the 2011 income statement.

2.2.7 AGREEMENTS TO TRANSFER SOFTWARE USER RIGHTS AND SERVICES BETWEEN IXIS CIB AND CFF

On June 15, 2006, the Supervisory Board approved agreements to transfer software user rights and services between IXIS CIB and CFF.

Through these agreements, IXIS CIB granted CFF the right of non-transferable, non-exclusive, and personal use of the AMeRisC software. Furthermore, IXIS CIB provides on a daily basis the market and econometric data that it holds, for the purpose of running the AMeRisC software. In connection with the deployment of the software within CFF, Ixis CIB also provides consulting services at cost price.

These agreements had no financial impact on the 2011 income statement.

2.3 Agreements and commitments approved in the prior year

We have been informed that the performance of the following agreements and commitments, already approved by the Annual General Meeting of May 6, 2011, as it was provided in the statutory auditors' special report of April 4, 2011.

2.3.1 AGREEMENT ON A SEVERANCE PAYMENT IN THE EVENT OF THE EARLY TERMINATION OF THE CHIEF EXECUTIVE OFFICER

On February 22, 2011, the Board of Directors approved an agreement in the event of the performance-related early termination of the Chief Executive Officer, in favor of Mr. Laurent Mignon, capping it at one year of maximum potential compensation (fixed and variable).

No severance payment shall be given to the Chief Executive Officer if he leaves on his own initiative to serve in a new position or if he changes positions within the BPCE group.

This agreement had no financial impact on the 2011 income statement.

The statutory auditors

French original signed by

Neuilly-sur-Seine and Paris-La-Défense, March 23rd, 2012

DELOITTE & ASSOCIES	KPMG Audit *Department of KPMG S.A.*	MAZARS
José-Luis Garcia	Fabrice Odent	Charles de Boisriou Emmanuel Dooseman

This is a free translation into English of the statutory auditors' report on the on Related Party Agreements and Commitments issued in French and it is provided solely for the convenience of English speaking users.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

6

Legal information

6.1 Natixis Bylaws

NATIXIS

A joint stock company (société anonyme) with a Board of Directors with share capital of €4,931,753,420.80

Registered office: 30, avenue Pierre-Mendès-France – 75013 PARIS

542 044 524 RCS PARIS

BYLAWS

Chapter I: Form Of The Company – Name – Registered Office – Duration – Corporate Purpose

Article 1 – Legal form – Name – Registered office and duration

The Company is a joint stock company (société anonyme) with a Board of Directors. It is governed by the regulations governing commercial companies, by the provisions of the French Monetary and Financial Code (Code monétaire et financier) and by these bylaws.

The name of the Company is "Natixis". The Company's registered office is in Paris (13th), at 30, avenue Pierre-Mendès-France.

The duration of the Company, created on November 20, 1919, was raised to 99 years beginning on November 9, 1994 unless it is extended or dissolved early.

Article 2 – Corporate Purpose

The corporate purpose, in France and elsewhere comprises:

- the conduct of all banking business and related businesses as per the banking law;
- the provision of all investment services as defined in the French Monetary and Financial Code;
- the performance of the specific assignments entrusted by the French State in the economic and financial area, in the framework of special agreements;
- the performance of all brokerage business;
- the acquisition of interests in companies, groups or associations with a direct or indirect connection with the activities referred to above;
- as well as the completion of all private and commercial transactions.

Chapter II: Share capital – shares – payments

Article 3 – Share capital

The share capital has been set at €4,931,753,420.80, divided into 3,082,345,888 fully paid-up shares of €1.60 each.

Article 4 – Form and transfer of shares

Shares in the Company may either be registered shares or identifiable bearer shares, at the shareholder's discretion.

They are registered in share accounts and are transferred under the terms provided for by law and regulations.

Article 5 – Identification of the shareholders

The Company may, under the conditions stipulated by the laws and regulations in force, request of any organization or authorized intermediary communication of all information regarding the holders of securities conferring immediately or in the future voting rights in its shareholders' meetings, in particular their identity, nationality, address, the number of securities they own and the restrictions that these securities may be subject to.

Any individual or legal entity owning directly or indirectly, alone or jointly, a fraction of 1.0% of the voting rights (on the basis of all the voting rights attached to the shares, including those deprived of voting rights), or any multiple of this percentage, shall notify the Company by registered letter with acknowledgment of receipt of the number of votes they own. This notice must be made within a period of 15 days following each acquisition or sale of this fraction.

In the event of non-compliance with the notification requirement provided for in the previous paragraph and upon request, recorded in the minutes of the meeting from a shareholder representing at least 1.0% of the voting rights, the shares exceeding the fraction which should have been declared will lose their voting rights for a period of 2 years following the notification compliance date.

Article 6 – Indivisibility of shares

The shares are indivisible from the Company's perspective.

Joint owners are required to be represented to the Company by a single person chosen among them or by a sole proxy.

Article 7 – Rights and obligations attached to the shares

Except for the rights which may be granted to preferred shares, if any were created, each share entitles its owner to a share in the ownership of the Company's assets which is proportional to the number of shares issued.

Shareholders shall be liable for losses only to the extent of their contributions to the Company's share capital.

The rights and obligations attached to a share follow it. Ownership of a share implies, by the operation of law, acceptance of the Company's bylaws and of the resolutions voted by the General Shareholders' Meeting.

Article 8 – Modification of the capital

The share capital may be increased, amortized or reduced by all procedures and according to all means authorized by law and regulations.

The new shares subscribed will be paid-up according to the decisions voted by the General Shareholders' Meeting or the Board of Directors. Failure to pay-up the shares is sanctioned under the conditions stipulated by the regulations in force.

Chapter III: Administration and control of the company

SECTION I: BOARD OF DIRECTORS

Article 9 – Structure of the Board of Directors

The Company is managed by a Board of Directors, composed of at least three (3) directors and no more than eighteen (18) directors subject to the departures stipulated by law in the event of a merger.

The directors are appointed by the Ordinary General Shareholders' Meeting; however, the Board has the right, in the event of the vacancy of one or more seats, due to death or resignation, to appoint replacements by co-opting, each for the period remaining in his predecessor's term, subject to ratification by the next General Shareholders' Meeting.

When it has been established, in accordance with the regulations in force, that the percentage of the capital owned by employee shareholders exceeds the threshold established by law, a director is appointed by the Ordinary General Shareholders' Meeting from among the candidates designated for this purpose by the Supervisory Board of the employee mutual fund(s). The director appointed in this capacity is not taken into account in calculating the maximum number of directors referred to in the first paragraph of this Article.

The director appointed in this capacity sits on the Board of Directors and is entitled to vote. He is subject to the same rights and obligations as the Company's other directors.

The number of directors who are over the age of 70 shall not exceed one-third of the number of directors in office. When this percentage is exceeded, the oldest of the directors leaves office at the end of the next Ordinary General Shareholders' Meeting.

Throughout his term, each director shall own at least one hundred and forty (140) Company shares.

Directors are appointed for a term of six (6) years. They may be re-elected. A director's duties end at the end of the Ordinary General Shareholders' Meeting convened to approve the financial statements of the past fiscal year, held the year during which his term expires.

Article 10 – Chairman of the Board of Directors

The Board of Directors elects a Chairman who must be an individual, selected from among its members. The Chairman is elected for the duration of his term as director and may be re-elected.

It determines the Chairman's compensation.

The Board of Directors may, on the proposal of the Chairman, elect one or more Vice-Chairman (Vice-Chairmen) from among its members.

The Chairman's duties end at the latest at the end of the Ordinary General Shareholders' Meeting convened to approve the financial statements of the past fiscal year during which the Chairman reached the age of sixty-five.

The Chairman is responsible for convening the Board of Directors.

He organizes and conducts its work, on which he reports to the General Shareholders' Meeting.

He sees to the smooth operation of the Company's bodies and makes sure in particular that the directors are able to perform their duties.

Article 11 – Meetings of the Board of Directors

11.1 The Board of Directors convenes as often as the Company's interests and legal and regulatory provisions so require, upon notice from its Chairman, either at the registered office or at any other location indicated in the notice.

The Board may also be convened by the Chairman at the request of at least one-third of the directors, or at the request of the Chief Executive Officer, on the basis of a specific agenda. The Chairman is bound by the requests made in this manner.

Subject to an emergency such as defined below and the case referred to in Article 14 below, the Board of Directors must be convened with reasonable notice prior to the scheduled date of the meeting. Notices of meetings shall include the detailed agenda for the meeting.

Prior to the meeting, and with sufficient notice, the directors must be given the information enabling them to make an enlightened decision.

Meetings of the Board of Directors are chaired by the Chairman of the Board of Directors or, in his absence, by the oldest director or by one of the Vice-Chairmen, as the case may be.

The Board of Directors may appoint a Secretary, who may or may not be selected from among its members.

Decisions are made at a majority of the votes of the members present or represented. In the event of a tie, the vote of the Chairman of the meeting is the casting vote, except for the appointment of the Chairman of the Board of Directors.

The Board takes valid decisions only if at least one-half of its members are present or deemed present.

The Board of Directors establishes Internal Rules which may stipulate that, except for adopting decisions concerning the preparation of the annual financial statements and the management report as well as for preparing the consolidated financial statements and the Group's management report, the directors who participate in the Board Meeting by videoconference or by using telecommunication means, under the conditions permitted or required by law and the regulations in force, are deemed present for calculating the quorum and the majority.

Minutes of meetings of the Board of Directors shall be prepared, and copies or extracts thereof shall be issued and certified in accordance with the law.

11.2 In the event of an emergency as defined below ("Emergency"), the following accelerated procedure may be applied.

An emergency is defined as an exceptional situation (i) subject to short notice, imposed by a third party on pain of foreclosure, where non-compliance might incur damages for the Company or one of its main subsidiaries, or (ii) requiring a rapid response from the Company which is incompatible with the application of the usual notice periods for the Board of Directors.

In the event of an Emergency, the notice and convening periods of the Board of Directors are not subject to Article 11.1 above, provided that the Chairman of the Company's Board of Directors has:

- given prior notice to the directors providing the reason for the Emergency as per the foregoing definition; and
- provided all directors, along with the notice of said meeting, with all the necessary information for their analysis.

Article 12 – Powers of the Board of Directors

12.1 The Board of Directors defines the guidelines for the Company's activities and oversees their implementation. Within the limits of the corporate purpose and the powers expressly granted by law or these bylaws to General Shareholders' Meetings, the Board concerns itself with any matter relating to good business practice and governs the business of the Company through its deliberations. The Board of Directors performs the controls and checks it deems appropriate.

The Chairman or the Chief Executive Officer is required to provide each director with all the documents and information necessary for the performance of his duties.

On the proposal of its Chairman, the Board of Directors may decide to create Committees within the Board responsible for reviewing issues which the Board itself or its Chairman submits to them for their examination and opinion. It determines the structure and powers of these Committees, which conduct their activities under its responsibility.

12.2 In addition to the operations referred to by law and regulations in force, the Internal Rules of the Board of Directors will determine the decisions which will be subject to the prior approval of the Board of Directors.

Article 13 – Compensation of the members of the Board of Directors

Directors' fees may be allocated to the Board of Directors by the General Shareholders' Meeting. The Board distributes them freely among its members.

The Board may also allocate exceptional compensation to the directors in the cases and subject to the conditions provided by law.

SECTION II: EXECUTIVE MANAGEMENT

Article 14 – Executive Management procedures

The Company's Executive Management is the responsibility of either the Chairman of the Board of Directors, or that of another individual appointed by the Board of Directors bearing the title of Chief Executive Officer.

The choice between these two Executive Management procedures is made by the Board of Directors which may take valid decisions only if:

- the agenda containing this item has been sent out at least 15 days in advance of the Board Meeting;
- at least two-thirds of the directors are present or represented at the meeting.

By way of exception, the first Board Meeting will be held immediately after the Combined General Shareholders' Meeting of April 30, 2009, and the choice of the Executive Management procedure will be made with an ordinary quorum (at least one-half of the directors present or represented).

The shareholders and third parties are informed of this choice under the conditions defined by the legal and regulatory provisions in force.

When the Company's Executive Management is handled by the Chairman of the Board of Directors, the following provisions concerning the Chief Executive Officer will apply to the Chairman of the Board of Directors who will assume the title of Chairman and Chief Executive Officer.

Article 15 – Chief Executive Officer

The Chief Executive Officer is vested with the broadest powers to act in all circumstances on the Company's behalf. He exercises those powers within the limits of the corporate purpose and subject to the powers expressly reserved for shareholders' meetings and the Board of Directors by law and to the provisions and restrictions stipulated by the Internal Rules. He represents the Company in its relations with third parties.

The Board of Directors may appoint a Chief Executive Officer from among the directors or outside their ranks.

The Board of Directors determines the compensation and term in office of the Chief Executive Officer, which shall not exceed that of his term as director when he is a Board member.

The Chief Executive Officer may be dismissed by the Board of Directors at any time.

The Board of Directors may limit the powers of the Chief Executive Officer. However, the limitation of these powers is not enforceable against third parties.

The Chief Executive Officer may delegate a portion of his powers to any corporate officer of his choosing, with or without the option of substituting one for another.

Article 16 – Deputy Chief Executive Officers

On the proposal of the Chief Executive Officer, the Board of Directors may appoint one to five individuals selected from among the directors or outside their ranks, in charge of assisting the Chief Executive Officer, with the title of Deputy Chief Executive Officer.

In conjunction with the Chief Executive Officer, the Board of Directors determines the scope and duration of the powers conferred upon the Deputy Chief Executive Officers. They have the same powers with respect to third parties as the Chief Executive Officer.

When a Deputy Chief Executive Officer is a director, his term in office shall not exceed his term on the Board.

Deputy Chief Executive Officers may be dismissed at any time by the Board of Directors on the proposal of the Chief Executive Officer.

The compensation of the Deputy Chief Executive Officer(s) is determined by the Board of Directors.

Article 17 – Liability of the corporate officers

Corporate officers are liable vis-à-vis the Company or third parties, either for breaches of the legal or regulatory provisions governing joint stock companies, or for breaches of these bylaws, or for misconduct in their management, under the conditions and subject to the penalities stipulated by the laws in force.

SECTION III: CONTROL

Article 18 – Non-voting members

The Ordinary General Shareholders' Meeting may appoint one or more non-voting members.

They remain in office for six (6) years. A non-voting member's duties end at the end of the Ordinary General Shareholders' Meeting convened to approve the financial statements of the past fiscal year, held in the year during which his term expires. Non-voting members may be re-elected and may be dismissed by the General Shareholders' Meeting.

The non-voting members receive the same information as the directors, and are convened to all meetings of the Board of Directors. They sit on the Board of Directors in an advisory capacity.

They may be appointed temporarily by the Board of Directors subject to the ratification by the next General Shareholders' Meeting.

They may receive a compensation, the amount of which is determined by the Board of Directors.

Article 19 – Statutory Auditors

The primary and substitute Statutory Auditors are appointed by the Ordinary General Shareholders' Meeting under the conditions stipulated by law. They are vested with the duties and powers conferred upon them by the laws in force.

Chapter IV: General Shareholders' Meetings

COMMON PROVISIONS

Article 20 – General Shareholders' Meetings

The shareholders' decisions are made in General Shareholders' Meetings, which are qualified as ordinary or extraordinary.

Article 21 – Notices

General Shareholders' Meetings are convened by the Board of Directors or, failing this, under the conditions of Article L.225-103 of the French Commercial Code. Notices are made under the conditions determined by the regulations in force.

Article 22 – Admission to General Shareholders' Meetings – Powers

Shareholders' meetings include all the shareholders whose securities have no outstanding payments due.

In accordance with Article R.225-85 of the French Commercial Code, the right to take part in the General Shareholders' Meeting is subject to the registration of the shares in the accounts in the name of the shareholder or broker registered on his behalf on the 3rd business day preceding the General Shareholders' Meeting at twelve midnight, Paris time, or in the accounts of registered shares kept by the Company, or in the accounts of bearer shares kept by the authorized brokers.

For holders of registered shares, such entry in the register by D-3 is sufficient to enable them to attend the meeting.

With respect to holders of bearer shares, it is their authorized intermediaries which hold accounts of bearer shares which prove their clients' status as a shareholder directly to the centralizing body of the meeting. They do so by producing a certificate that they attach to the voting form or admission card request in the name of the shareholder or the name of the registered intermediary acting on behalf of the shareholder. A certificate is also delivered to shareholders who wish to attend the meeting in person and who have not received an admission card by the 3rd business day preceding the General Shareholders' Meeting at twelve midnight Paris time.

A shareholder may always be represented at General Shareholders' Meetings by a duly authorized proxy. This proxy may not represent another person.

Shareholders may vote by post form or by proxy in accordance with the legal and regulatory provisions in force. In accordance with the decision of the Board of Directors, shareholders may participate in General Meetings by means of video-conferencing and may vote using all means of telecommunications and remote transmission, including the Internet, in accordance with the applicable regulations at the time of their use. This decision is disclosed in the notice of meeting published in the BALO (Bulletin des Annonces Légales [Bulletin of Mandatory Legal Notices]). Those shareholders who use the electronic voting form offered on the website created by the meeting organizer, by the required deadline, are considered present or represented shareholders. The electronic form can be filled out and signed directly on that site by any process provided for by the Board of Directors that meets the conditions defined in the first sentence of the second paragraph of Article 1316-4 of the French Civil Code [i.e. the use of a reliable identification procedure guaranteeing that the signature is linked to the form], which may consist of a user name and password.

The proxy or vote cast before the meeting by this electronic method, as well as the receipt that is issued for it, will be considered irrevocable written documents that are enforceable in all cases, it being clearly stated that in the event of the disposal of shares before the third business day preceding the meeting at zero hour, Paris time, the Company will, as a result, invalidate or change, depending on the case, the proxy or vote cast before that date and time.

Article 23 – Agenda

The agenda is drafted by the author of the notice.

One or more shareholders, representing at least the required portion of the share capital and acting on the conditions and within the deadlines determined by law, are entitled to request, by registered mail with acknowledgment of receipt, or by e-mail, the entry of draft resolutions onto the meeting's agenda.

Article 24 – Conduct of General Shareholders' Meetings

Shareholders' meetings are chaired by the Chairman of the Board of Directors, or in the event of his absence, by one of the Deputy Chief Executive Officers, or by a director appointed by the General Shareholders' Meeting.

Scrutineers' duties are performed by the two attending shareholders holding the highest number of shares who accept this position.

A register of attendance is kept in accordance with the regulations in force. General Shareholders' Meetings vote on the quorum and majority conditions stipulated by law.

The Board of Directors may, at the time of the notice, decide to publicly broadcast the entire meeting by videoconference or telecommunication means. This decision is transmitted, as the case may be, in the announcements and notices of the meetings.

Article 25 – Voting rights

Each member of the General Shareholders' Meeting is entitled to as many votes as the number of shares he owns or represents.

Article 26 – Minutes

Decisions of the General Shareholders' Meeting are recorded in minutes entered into a special register and signed by the officers of the meeting.

Minutes are drafted and copies or extracts of proceedings are issued and certified in accordance with the regulations in force.

Following the Company's dissolution and during its liquidation, these copies or extracts are certified by one or more of the liquidators.

Article 27 – Right of discovery

All shareholders are entitled to receive, on the conditions and on the dates stipulated by law, the documents necessary to enable them to make an informed decision on the Company's management and control.

The nature of the documents and the terms and conditions for their dispatch or availability are determined by law and regulations.

ORDINARY GENERAL SHAREHOLDERS' MEETINGS

Article 28 – Date of the meeting

Shareholders are convened annually to an Ordinary General Shareholders' Meeting by the Board of Directors, prior to the end of the fifth month following the close of the fiscal year, on the date, at the time and at the location stated in the notice of the meeting.

Article 29 – Prerogatives

The Ordinary General Shareholders' Meeting, which must be held annually, hears the report on the Company's business drafted by the Board of Directors and presented by its Chairman, as well as the report by the Statutory Auditors and any other report stipulated in the regulations.

It discusses, approves, rejects or adjusts the financial statements and determines the profit to be distributed.

It appoints the directors, the non-voting members and the Statutory Auditors.

It determines the amount of the attendance fees to be allocated to the Board of Directors.

It votes on all proposals entered onto the agenda.

EXTRAORDINARY GENERAL SHAREHOLDERS' MEETINGS

Article 30 – Prerogatives

The Extraordinary General Shareholders' Meeting may be convened at any time either by the Board of Directors or pursuant to any legal provision. It may amend any of the provisions of these bylaws, in particular it can increase or reduce the share capital, extend the Company's duration or decide its early dissolution, however it cannot change the Company's nationality or increase the shareholders' commitments.

Chapter V: Fiscal year – Parent company financial statements – Appropriation of earnings

Article 31 – Fiscal Year

The Company's fiscal year begins on January 1 and ends on December 31.

Article 32 – Inventory – Annual Financial Statements

Each quarter, a brief statement of the Company's assets and liabilities is prepared. This statement is at the disposal of the Statutory Auditors and is published according to the laws in force.

Furthermore, at the end of each fiscal year, an inventory is drafted of the Company's various assets and liabilities and accounting documents imposed by both the laws governing companies and by banking regulations.

All these documents are placed at the disposal of the Statutory Auditors according to legal and regulatory provisions.

Article 33 – Earnings for the fiscal year – Dividends

From the earnings of each fiscal year, minus any losses carried forward as the case may be, at least 5% is levied to create the legal reserve. This levy ceases to be mandatory when said reserve reaches a sum equal to one-tenth of the share capital. It must be resumed when this reserve falls below this tenth.

The balance of the earnings constitutes, along with any retained earnings, the distributable profit of which the Ordinary General Shareholders' Meeting disposes freely in the framework of the laws in force, and which it can carry forward, or place on reserve, or distribute partially or entirely, on the proposal of the Board of Directors.

The Ordinary General Shareholders' Meeting may also decide to distribute sums levied from retained earnings or from the reserves at its disposal; in such case, the decision expressly references the reserve items from which the levies are made.

The Ordinary General Shareholders' Meeting may offer an option to the shareholders, for all or a part of the dividend distributed, between payment of the dividend in cash or in shares. In this second option, payment will take through the allocation of Company shares in accordance with the applicable legal and regulatory provisions.

Under the legal conditions in force, the Board of Directors may decide to pay interim dividends in cash or in shares.

The annual dividends are paid at the dates established by the Board of Directors within a period of 9 months following the close of the fiscal year.

Chapter VI: Dissolution – Liquidation

Article 34 – Equity capital below one-half of the share capital

If, due to losses recognized in the accounting documents, the Company's equity falls below one-half of the share capital, the Board of Directors is required, within 4 months following the approval of the financial statements having revealed these losses, to convene the Extraordinary General Shareholders' Meeting in order to decide whether it is fitting to dissolve the Company early.

Should the Board of Directors fail to convene the Extraordinary General Shareholders' Meeting, the Statutory Auditors may do so.

Article 35 – Dissolution – Liquidation

At the Company's expiry, or in the event of early dissolution, the General Shareholders' Meeting determines the liquidation method, on the proposal of the Board of Directors and subject to the legal requirements in force, and appoints one or more liquidators whose powers it determines.

Chapter VII: Disputes

Article 36 – Disputes

Any dispute arising among the shareholders concerning the performance of these bylaws shall be submitted to the courts having jurisdiction where the Company has its registered office.

6.2 General information on Natixis' capital

6.2.1 FORM AND TRANSFER OF SHARES (CHAPTER II, ARTICLE 4 OF THE BYLAWS)

Shares in the Company may either be registered shares or identifiable bearer shares, at the shareholder's discretion.

They are registered in share accounts and are transferred according to the terms provided for by law and regulations.

6.2.2 SHARE CAPITAL

The share capital amounted to €4,931,753,420.80 at December 31, 2011, divided into 3,082,345,888 fully paid-up shares of €1.60 each.

6.2.3 AUTHORIZED BUT UNISSUED CAPITAL – CAPITAL INCREASE AUTHORIZATIONS

The Combined General Shareholders' Meeting of May 26, 2011 granted the Board of Directors financial authorization for a 26-month period to carry out capital increases with retention or cancellation of preferential subscription rights.

The Combined General Shareholders' Meeting resolved that these capital increases, which may not exceed an overall par value ceiling of three (3) billion euros, could be carried out either through issuing shares or through issuing securities that give access to share capital, particularly in the form of financial instruments representing debt securities.

This same meeting resolved in particular that under certain circumstances, the Board of Directors may:

- determine the issue price of the shares, within the limit of 10% of the share capital per year, as part of a capital increase with waiving of preferential subscription rights;
- decide to increase capital with waiving of preferential subscription rights through an offer as set out in Article L.411-2(II) of the French Monetary and Financial Code (private placement);
- decide to increase capital with waiving of preferential subscription rights with a view to remunerating contributions in kind granted to the Company, within the limit of 10% of the share capital at the time of the issue;
- decide to increase capital via the incorporation of premiums, reserves, retained earnings or other items;
- decide to increase the number of securities to be issued, within the legal limits, in the event of capital increases with or without preferential subscription rights;
- decide to increase the share capital reserved for members of an employee savings plan, up to the par value limit of forty-eight (48) million euros.

These capital increases will be applied against the amount of the overall ceiling described above.

In addition, the Combined General Shareholders' Meeting of May 27, 2010 authorized the Board of Directors to allocate free new shares to employees and corporate officers of Natixis and related companies, for a period of 38 months and on one or more occasions, for a total nominal amount of €233 million, to be deducted from the overall €3 billion ceiling mentioned above.

Report of the Board of Directors on the use of capital increase authorizations in 2011

None of the capital increase authorizations granted to the Board of Directors by the Combined General Shareholders' Meeting of May 26, 2011 had been used as of December 31, 2011.

In its session on February 22, 2011, the Board of Directors used the authorization that was granted to it by the Combined General Shareholders' Meeting on May 27, 2010 pertaining to the allocation of free shares for financial market professionals, having their tax residence in France, as well as certain employees falling within the scope of the deferred compensation mechanism implemented by Natixis.

In all in 2011, Natixis allocated 6,893,424 shares that will automatically increase the capital by a maximum amount of €11,029,478 (number of shares multiplied by nominal value of shares) at the end of the vesting period for the issue of allocated shares.

SUMMARY TABLE OF AUTHORIZATIONS GRANTED TO THE BOARD OF DIRECTORS BY THE GENERAL SHAREHOLDERS' MEETING

Date of meeting	Resolution No.	Purpose of authorization	Amount authorized	Duration	Date used	Amount used
05.27.2010	18	In order to allocate free shares	€233m [a]	38 months	08.05.2010 02.22.2011	€10,552,493 €11,029,478
05.27.2010	20	In order to set the issue price in the event of an issue with cancellation of shareholders' preferential subscription rights, subject to a limit of 10% of the capital	10% of the share capital [a]	26 months as of 04.30.2009	none	none
05.27.2010	21	In order to carry out, in accordance with Article L.225-136 of the French Commercial Code, one or more issues of shares without preferential subscription rights by means of an offering, by private placement, referred to in Article L.411-2 (II) of the French Monetary and Financial Code	20% of the share capital [a]	26 months as of 04.30.2009	none	none
05.26.2011	11	In order to carry out a reduction in the share capital by cancelling treasury shares	10% of the shares making up the capital of the Company	26 months	none	none
05.26.2011	13	In order to carry out a capital increase, through the issue – with preferential subscription rights maintained – of shares and/or securities providing access to the capital of the Company and/or the issue of securities entitling holders to the allotment of debt securities	€3bn	26 months	none	none
05.26.2011	14	In order to carry out a capital increase through the issue- without preferential subscription rights maintained – of shares and/or securities giving access to the capital of the Company and/or the issue of securities entitling holders to the allotment of debt securities	€3bn [b]	26 months	none	none
05.26.2011	15	In order to determine the issue price of new shares in the event of a capital increase without preferential subscription rights maintained	10% of the share capital [b]	26 months	none	none
05.26.2011	16	In order to carry out a capital increase through the issue - without preferential subscription rights maintained of shares and/or securities giving access to the capital of the Company through an offer as set out in Article L.411-2 (II) of the French Monetary and Financial Code	€3bn [b]	26 months	none	none
05.26.2011	17	In order to increase the share capital by issuing shares or securities giving access to capital in the Company as remuneration for contributions in kind involving securities of unlisted companies	10% of the share capital [b]	26 months	none	none

Date of meeting	Resolution No.	Purpose of authorization	Amount authorized	Duration	Date used	Amount used
05.26.2011	18	In order to increase the share capital via the incorporation of premiums, reserves, retained earnings or other items	€3bn (b)	26 months	none	none
05.26.2011	19	In order to increase the number of securities to be issued in the event of capital increases with or without preferential subscription rights	15% of initial issue (b)	26 months	none	none
05.26.2011	20	In order to increase the share capital by issuing shares or securities giving access to the Company's capital, reserved for members of employee savings plans with waiving of preferential subscription rights in favour of said members pursuant to Article L.225-129-6 of the French Commercial Code	€48m (b)	26 months	none	none

(a) Amount deducted from the ceiling decided in resolution no. 13 of the General Shareholders' Meeting of April 30, 2009.
(b) Amount deducted from the ceiling decided in resolution no. 13 of the General Shareholders' Meeting of May 26, 2011.

6.2.4 SECURITIES NOT CONFERRING RIGHTS OVER THE SHARE CAPITAL

On November 25, 1985, Banque Française du Commerce Extérieur issued 140,000 non-voting shares with a par value of FRF5,000 (€762.25). The coupon is payable annually on November 25. Redemptions are on the initiative of the borrower. At December 31, 2011, 64,000 non-voting shares were outstanding.

6.2.5 OTHER SECURITIES GIVING ACCESS TO CAPITAL

At December 31, 2011, 23,022,037 stock options were exercisable or yet to be exercised.

These options were granted up to 2005:

- to employees and corporate officers of Natexis Banques Populaires and other companies in which Natexis Banques Populaires directly or indirectly held majority interests;
- to employees and corporate officers of Banque Fédérale des Banques Populaires, Banques Populaires and entities that were more than 50%-owned either directly or indirectly, exclusively or jointly, by Banque Fédérale des Banques Populaires or affiliated institutions.

No stock options were granted in respect of fiscal year 2006.

On November 17, 2006, the Combined General Shareholders' Meeting authorized the Natixis Executive Board to grant, on one or more occasions, stock options to some, or all, employees or corporate officers of the Company or of related companies, within the meaning of Article L.225-180 of the French Commercial Code. This authorization involved a maximum of 10,000,000 shares (i.e. 15,400,000 shares following the adjustment resulting from the September 2008 capital increase).

In 2007, the Natixis Executive Board resolved to grant stock options to certain employees and corporate officers of Natixis, Groupe Banque Populaire and Groupe Caisse d'Epargne.

On May 24, 2007, the Combined General Shareholders' Meeting once again authorized the Natixis Executive Board to grant stock options to some, or all, employees or corporate officers of the Company or of related companies, within the meaning of Article L.225-180 of the French Commercial Code. This authorization also involved a maximum of 10,000,000 shares (i.e. 15,400,000 shares following the adjustment resulting from the September 2008 capital increase).

In 2008, the Natixis Executive Board approved a plan to grant stock options to certain employees and corporate officers of Groupe Banque Populaire and Groupe Caisse d'Epargne. The corporate officers of these two groups waived their right to their options.

No stock options were granted in fiscal years 2009, 2010 or 2011.

The unexercised options from the November 17, 2004 plan expired on November 16, 2011.

SUMMARY OF STOCK OPTION PLANS AT DECEMBER 31, 2011

Plan date	Date of General Shareholders' Meeting	Option exercise start date	Option expiry date	Option exercise price *(in euros)*	Number of remaining beneficiaries	Number of options authorized	Number of options granted	Number of options exercised	Number of options exercisable	Number of options yet to be exercised	Number of options canceled
11.15.2005	05.19.2005	11.15.2009	11.14.2012	7.74	554	7,700,000	7,653,800	21,560	6,433,196	0	1,198,844
01.29.2007	11.17.2006	01.29.2011	01.28.2014	14.38	1,036	15,400,000	15,398,922	0	12,352,340		3,046,582
01.21.2008	05.24.2007	01.21.2012	01.20.2015	8.27	470	15,400,000	7,576,800	0	0	4,236,501	3,340,299
TOTALS					**1,210**	**38,500,000**	**30,629,522**	**21,560**	**18,785,536**	**4,236,501**	**7,585,725**

SUMMARY OF STOCK OPTION PLANS GRANTED TO NATIXIS CORPORATE OFFICERS AT DECEMBER 31, 2011

Plan date	Date of General Shareholders' Meeting	Option exercise start date	Option expiry date	Option exercise price *(in euros)*	Number of beneficiary officers	Number of options awarded to officers	Number of options exercised	Number of options exercisable	Number of options yet to be exercised	Number of options canceled
11.15.2005	05.19.2005	11.15.2009	11.14.2012	7.74	2	431,200	0	431,200	0	0
01.29.2007	11.17.2006	01.29.2011	01.28.2014	14.38	4	1,078,000	0	1,078,000	0	0
01.21.2008	05.24.2007	01.21.2012	01.20.2015	8.27	0	0	0	0	0	0
TOTALS					**4**	**1,509,200**	**0**	**1,509,200**	**0**	**0**

Observations:

The figures factor in the adjustment to the option exercise price and the number of options following the cash capital increase of September 2008.

Certain exemptions allow options to be exercised early (third party financial transactions impacting Natixis' capital, and the death or negotiated retirement of the beneficiary).

From 2001 to 2005, the beneficiary officers were the Chairman and Chief Executive Officer of Natexis Banques Populaires.

In 2007, the corporate officers were the members of the Natixis Executive Board.

In 2008, no Natixis corporate officer received stock options in respect of his corporate office within Natixis.

No Natixis stock options were granted in 2009, 2010 or 2011.

Natixis scope of consolidation	Total number of options granted/shares subscribed for	Weighted average price	Plan
Options ***awarded*** by the issuer during the year to the 10 salaried employees of the issuer and of all the companies within its scope who were awarded the most options	0	n/a	n/a
Options ***held*** in respect of the issuer and the companies referred to above, exercised during the period, by the 10 salaried employees of the issuer and of these companies who hold the most options thereby awarded	0	n/a	n/a
	0	n/a	n/a

6.2.6 CHANGES IN THE CAPITAL OVER THE LAST FIVE FISCAL YEARS

	Number of shares at the start of the fiscal year	Number of shares created during the fiscal year	Number of shares at the end of the fiscal year	Share capital *(in euros)*
2007	1,219,864,330	2,178,364	1,222,042,694	1,955,268,310
2008	1,222,042,694	1,686,094,999	2,908,137,693	4,653,020,308.80
2009	2,908,137,693	0	2,908,137,693	4,653,020,308.80
2010	2,908,137,693	0	2,908,137,693	4,653,020,308.80
2011	2,908,137,693	174,208,195 [(a)]	3,082,345,888	4,931,753,420.80

(a) Capital increase further to the payment of the dividend in shares.

The table below gives details of the amount of issue premiums for each of the transactions impacting the capital.

Fiscal year	Heading	Number of shares	Share capital *(in euros)*	Issue premiums on capital increases *(in euros)*
2007	**At January 1**	**1,219,864,330**	**1,951,782,928**	
	Shares in respect of the exercise of stock options	2,153,693	3,445,908	14,166,927.51
	Shares in respect of ESOPs	24,671	39,473	352,203.20
	At December 31	**1,222,042,694**	**1,955,268,310**	
2008	**At January 1**	**1,222,042,694**	**1,955,268,310.40**	
	Appropriation of 2007 earnings and deduction for payment of dividend			(716,815,118.77)
	Shares in respect of the exercise of stock options	22,500	36,000	142,688.50
	Payment of the dividend in shares	42,342,502	67,748,003.20	329,424,665.56
	Subscription	1,643,729,997	2, 629,967,995.20	1,068,424,498.05
	2008 expenses offset against additional paid-in capital			(66,113,652.29)
	At December 31	**2,908,137,693**	**4,653,020,308.80**	
2009	**At January 1**	**2,908,137,693**	**4,653,020,308.80**	
	At December 31	**2,908,137,693**	**4,653,020,308.80**	
2010	**At January 1**	**2,908,137,693**	**4,653,020,308.80**	
	At December 31	**2,908,137,693**	**4,653,020,308.80**	
2011	**At January 1**	**2,908,137,693**	**4,653,020,308.80**	
	Payment of the dividend in shares	174,208,195	278,733,112	289,185,603.70
	At December 31	**3,082,345,888**	**4,931,753,420.80**	

6.2.7 OTHER INFORMATION ON THE CAPITAL

Natixis has not pledged any of its shares.

6.3 Distribution of share capital and voting rights

6.3.1 DISTRIBUTION OF SHARE CAPITAL AT DECEMBER 31, 2011

At December 31, 2011, Natixis' main shareholders were as follows:

	% capital	% voting rights
BPCE	72.26%	72.38%
Employee shareholding (ESOPs and Bonus share grant plan)	1.00%	1.01%
Treasury shares	0.18%	0.00%
Free float	26.56%	26.61%

As far as Natixis is aware, there are no shareholders, other than those listed in the above table, who own more than 5% of the capital or voting rights.

6.3.2 OWNERSHIP OF SHARES BY MEMBERS OF MANAGEMENT AND SUPERVISORY BODIES

Board members, including natural and legal persons, owned 72.26% of Natixis' capital at December 31, 2011 (almost all of this being owned by BPCE).

The ownership of shares by corporate officers is not material. Please see the preceding pages for details of stock options granted by the Company to certain employees and corporate officers.

6.3.3 TREASURY SHARES

Under the share buyback program authorized by the General Shareholders' Meeting of May 26, 2011, Natixis owned 5,449,206 treasury shares at December 31, 2011.

The table below shows the number and percentage of shares held as treasury shares at December 31, 2010 and December 31, 2011.

	Number purchased	Purchase price *(in euros)*	Average purchase price *(in euros)*	Amount sold or cancelled	Sale price *(in euros)*	Average sale price *(in euros)*	Final shares	% of capital held
At December 31, 2010	**104,789,408**	**611,310,498.69**	**5.83**	**100,177,811**	**489,202,950.59**	**4.88**	**4,611,597**	**0.16%**
Price stability	22,563,739	71,627,140.47	3.17	21,725,200	70,015,026.05	3.22	838,539	
Allocated to employees				930	3,933.90	4.23	(930)	
Bonus share grant plan (SAGA)								
Bonus share grant plan (employee grants)								
At December 31, 2011	**127,353,147**	**682,937,639.16**	**5.36**	**121,903,941**	**559,221,910.54**	**4.59**	**5,449,206**	**0.18%**

6.3.4 EMPLOYEE SHAREHOLDING

The portion of Natixis' capital held by Groupe BPCE employees (ESOPs and Bonus share grant plan) stood at 1.0% at December 31, 2011.

By the resolution of November 12, 2007 and on the basis of the authorization of the Combined General Shareholders' Meeting of May 24, 2007, the Executive Board had granted a maximum of 6,600,000 bonus shares, split equally between employees of Natixis and of companies that are directly or indirectly related to it as per Article L.225-197-1 and following of the French Commercial Code.

These bonus shares were vested to beneficiaries on November 12, 2009, subject to satisfaction of certain conditions, notably presence conditions.

They are locked-up until November 14, 2011 and became freely transferable at that date.

Furthermore, in accordance with Articles L.225-197-1 and following of the French Commercial Code and resolution 18 adopted by the shareholders during the General Meeting of May 27, 2010:

- the Natixis Board of Directors, at its meeting on August 5, 2010, decided to grant 6,595,308 free shares to certain employees of Natixis and its subsidiaries by virtue of their employment contracts;
- the Natixis Board of Directors, at its meeting on February 22, 2011, decided to grant 6,893,424 free shares to certain employees of Natixis and its subsidiaries by virtue of their employment contracts.

6.3.5 CHANGES IN THE SHAREHOLDER BASE OVER THE PAST THREE YEARS

	Natixis		
At December 31 *(as a percentage)*	**2011**	**2010**	**2009**
BPCE	72.26%	71.54%	71.54%
Employee shareholding (ESOPs and Bonus share grant plan)	1.00%	0.96%	0.55%
Treasury shares	0.18%	0.16%	0.48%
Free float	26.56%	27.34%	27.73%

6.3.6 NATURAL OR LEGAL PERSONS EXERCISING OR POTENTIALLY EXERCISING CONTROL OVER NATIXIS

BPCE assumes the responsibilities provided for by banking regulations as principal shareholder of Natixis.

The application of corporate governance rules and the rules set out for Board Members prevent the risk of abusive exercise of control.

6.4 Information from Article L.225-100-3 of the French Commercial Code

Article L.225-100-3 requires companies whose securities are admitted for trading on a regulated market to make available and explain certain information, where said information may have an impact in the event of a public offer.

Natixis' main shareholder, BPCE, held 72.26% of the capital and 72.38% of the voting rights of Natixis at December 31, 2011. In light of this capital structure, Natixis considers that a hostile public offer would be unlikely to succeed.

Nevertheless, in the event that BPCE should no longer control Natixis following a public offer, Banques Populaires, Caisses d'Epargne or BPCE, depending on the case, would have the right to buy back Natixis' 20% stake in Banques Populaires and Caisses d'Epargne (*for further information on these buyback rights, see section [1.4.5] "Major contracts"*). If these buyback rights were to be implemented, Natixis would no longer have an economic interest in the results of the Banques Populaires or Caisses d'Epargne concerned and its ability to sell products or services via the Banques Populaires or Caisses d'Epargne concerned could also be affected.

6.5 Purpose and draft resolutions submitted to the General Shareholders' Meeting of May 29, 2012

6.5.1 REPORT OF THE BOARD OF DIRECTORS ON THE RESOLUTIONS SUBMITTED TO THE GENERAL SHAREHOLDERS' MEETING

The purpose of this report is to present the draft resolutions submitted by your Board of Directors to your General Shareholders' Meeting.

You may refer to this registration document for the statement on the financial condition, activity and results of the Company and its group during the past fiscal year and the various disclosures required by the legal and regulatory provisions in effect.

Eleven resolutions will be submitted to the shareholders at the Ordinary General Shareholders' Meeting to be held at 3 p.m. on May 29, 2012 at the Carrousel du Louvre – 99, rue de Rivoli 75001 Paris.

The resolutions concern fiscal year 2011 (approval of the financial statements and related party agreements), the appointment of directors, the reappointment of Statutory Auditors and trading by the Company in its own shares.

APPROVAL OF THE FINANCIAL STATEMENTS FOR FISCAL YEAR 2011 (RESOLUTIONS ONE AND TWO)

In resolutions One and Two, the General Shareholders' Meeting is asked to approve the Natixis 2011 parent company and consolidated financial statements, respectively.

Detailed comments on the parent company and consolidated financial statements are provided in this registration document.

APPROPRIATION OF 2011 EARNINGS (RESOLUTION THREE)

Resolution Three covers the appropriation of the corporate earnings of Natixis.

Natixis' financial statements as of December 31, 2011 show net income of €873,436,574.80 and, taking into account retained earnings of €979,977.33, distributable profits of €874,416,552.13.

The third resolution proposes to:

- allocate €43,671,828.74 to the legal reserve ;
- allocate a dividend of €308,234,588.80 ;
- allocate the remaining distributable profits to retained earnings, i.e. €522,510,134.59.

Accordingly, the dividend per share is set at €0.10.

The dividend will be detached from the share on June 1, 2012 and paid starting on June 6, 2012.

For the purposes of calculating income tax, the dividend is eligible for the 40% allowance and the fixed deduction applicable to individuals residing in France.

RELATED PARTY AGREEMENTS (RESOLUTION FOUR)

Resolution Four concerns the approval of related party agreements, pursuant to Articles L.225-38 and following of the French Commercial Code, authorized by the Board of Directors during fiscal year 2011. These commitments and agreements are presented in the Statutory Auditors' special report along with those entered into prior to fiscal year 2011 and still effective, which do not require new approval by the shareholders.

APPOINTMENT OF DIRECTORS (RESOLUTIONS FIVE THROUGH SEVEN)

Resolutions Five through Seven ask the General Shareholders' Meeting to appoint three new Natixis directors to replace Messieurs Mateu, Criton and Jeannin, who resigned. The persons in question are:

- Stéphanie Paix, aged 47, Chairman of the Management Board of the Caisse d'Epargne Rhône Alpes;
- Catherine Halberstadt, aged 53, Chief Executive Officer of Banque Populaire Massif Central;
- Alain Condaminas, aged 54, Chief Executive Officer of Banque Populaire Occitane.

The new directors will be appointed for a term of six (6) years, i.e. until the end of the Ordinary General Shareholders' Meeting called in 2018 to approve the financial statements for the fiscal year ending December 31, 2017.

REAPPOINTMENT OF STATUTORY AUDITORS (RESOLUTIONS EIGHT AND NINE)

Since the term of office of the permanent Statutory Auditors is due to expire at the close of this meeting, resolution Eight proposes that the firm Mazars S.A., represented by Michel Barbet-Massin and Emmanuel Dooseman, be reappointed as permanent Statutory Auditors for a term of six (6) years, expiring at the end of the Shareholders' Meeting called to approve, in 2018, the financial statements for the fiscal year ending December 31, 2017.

Since the term of office of the substitute Statutory Auditors is due to expire at the close of this meeting, resolution Nine proposes that Mr. Franck Boyer be appointed as substitute Statutory Auditors for a term of six years expiring at the end of the Shareholders' Meeting called to approve, in 2018, the financial statements for the fiscal year ending December 31, 2017.

These proposals of reappointment follow the recommendations of the Audit Committee of February 17, 2012, presented in Board of Directors on February 22nd, 2012.

TRADING BY THE COMPANY IN ITS OWN SHARES (RESOLUTION TEN)

Resolution Ten asks the General Shareholders' Meeting to renew for a period of 18 months the authorization to buy back shares granted to the Board of Directors at the last General Shareholders' Meeting on May 26, 2011.

The Board of Directors would thus be authorized to set up a treasury share buyback program until, up to the limit of 1.0% of share capital, as per the law, 10% of the capital is owned. The objectives of these share purchases would be:

- to implement a liquidity contract;
- to award or transfer shares to the employees in respect of their share of the Company profits, employee savings plans or share buyback programs and to award free shares or any other form of share allocation to members of the staff;
- payment or exchange in connection with merger and acquisition transactions.

These shares may be bought, sold or transferred at any time (except in the event of a public offer of the Company's shares) by any means (including block trades or the use of derivatives) in accordance with the regulations in effect (see the table below summarizing the financial resolutions presented to the shareholders).

POWERS TO COMPLETE FORMALITIES (RESOLUTION ELEVEN)

Finally, resolution Eleven relates to the granting of the powers required to complete the legal formalities and publications relating to ordinary business.

The Board of Directors has recommended voting in favor of adopting all of the resolutions submitted to this Ordinary General Shareholders' Meeting.

REPORT OF THE BOARD OF DIRECTORS ON THE RESOLUTIONS SUBMITTED TO THE GENERAL SHAREHOLDERS' MEETING: SUMMARY TABLE ON THE FINANCIAL RESOLUTIONS SUBMITTED TO THE GENERAL SHAREHOLDERS' MEETING BY THE BOARD OF DIRECTORS:

No.	Subject	Duration	Reasons for possible uses of the delegated power
10	Authorization to trade in shares of the Company	18 months	**Possible objectives for share buybacks by your Company:** • Implementing option plans to buy shares of the Company or similar plans • Awarding or transferring shares to employees • Awarding free shares to employees or corporate officers • Generally, honoring obligations related to stock option programs or other share allocations to employees or corporate officers of the issuer or a related company • Tendering shares upon exercising rights attached to securities giving access to the capital • Canceling all or a portion of the securities bought back • Tendering shares in connection with acquisitions, mergers, spin-offs or asset transfers • Promoting the share in the secondary market or the liquidity of the Company's share through an investment services provider in connection with a liquidity contract that meets the terms of the compliance charter recognized by the AMF • Any other goal authorized or that may be authorized by law or regulations in effect.

Special ceiling	Price or procedures for determining the price	Other information and comments
• Your Company may at no time hold a number of shares representing more than 10% of its share capital adjusted by transactions affecting it subsequent to this Shareholders' Meeting • The number of shares acquired with a view to holding them or subsequently tendering them in connection with a merger, spin-off or contribution may not exceed 1% of the share capital • For liquidity contracts, the 1% ceiling is calculated net of the number of shares resold during the authorization period • Overall amount allocated to the buyback program:€154,117,294	Maximum purchase price of €5 per share (adjustable particularly in the case of a reverse split)	Delegated power cannot be used during a public offer

6.5.2 AGENDA AND DRAFT RESOLUTIONS OF THE ORDINARY GENERAL SHAREHOLDERS' MEETING OF MAY 29, 2012

Agenda

ORDINARY BUSINESS

- Report of the Board of Directors and of the Statutory Auditors on the Company's activities during the year ended December 31, 2011;
- Report of the Chairman of the Board of Directors;
- Approval of the 2011 parent company financial statements;
- Approval of the 2011 consolidated financial statements;
- Appropriation of earnings;
- Statutory Auditors' special report and approval of the agreements and commitments covered by Articles L.225-38 and following of the French Commercial Code;
- Appointment of directors;
- Reappointment/appointment of permanent and substitute Statutory Auditors;
- Trading by the Company in its own shares: powers delegated to the Board of Directors;
- Powers to complete formalities.

Draft resolutions

RESOLUTION ONE *(APPROVAL OF THE 2011 PARENT COMPANY FINANCIAL STATEMENTS)*

The General Shareholders' Meeting, deliberating in accordance with the quorum and majority requirements for ordinary business, having reviewed the report of the Chairman of the Board of Directors on the structure of the Board, preparation and organization of the Board's work and the internal control and risk-management procedures established by the Company, the report of the Board of Directors on the parent company financial statements and the management report relating thereto, and the reports of the Statutory Auditors on the parent company financial statements for fiscal year 2011, hereby approves the 2011 parent company financial statements as presented, including the balance sheet, income statement and notes to the financial statements, as well as the transactions reflected in these financial statements or summarized in these reports.

RESOLUTION TWO *(APPROVAL OF THE 2011 CONSOLIDATED FINANCIAL STATEMENTS)*

The General Shareholders' Meeting, deliberating in accordance with the quorum and majority requirements for ordinary business, having reviewed the report of the Chairman of the Board of Directors on the structure of the Board, preparation and organization of the Board's work and the internal control and risk-management procedures established by the Company, the report of the Board of Directors on the consolidated financial statements and the management report relating thereto, and the reports of the Statutory Auditors on the consolidated financial statements for fiscal year 2011, hereby approves the 2011 consolidated financial statements as presented, including the balance sheet, income statement and notes to the financial statements, as well as the transactions reflected in these financial statements or summarized in these reports.

RESOLUTION THREE *(APPROPRIATION OF EARNINGS)*

The General Shareholders' Meeting, deliberating in accordance with the quorum and majority requirements for ordinary business, hereby notes that the financial statements finalized as of December 31, 2011 and approved by the shareholders at this meeting show earnings for the fiscal year of €873,436,574.80, and that, taking into account the retained earnings of €979,977.33, distributable earnings amount to €874,416,552.13, the appropriation of which is submitted for the approval of the shareholders at today's meeting.

The shareholders hereby resolve to appropriate the distributable earnings as follows:

To the legal reserve (5% of the earnings for the fiscal year)	€43,671,828.74
To dividends [(a)]	€308,234,588.80
To retained earnings	€522,510,134.59

(a) The total distribution amount mentioned in the table above is calculated on the basis of the number of shares comprising the capital as of December 31, 2011 and may vary depending on changes in the number of treasury shares held and options exercised from January 1, 2012 to the date the dividend is detached.

The shareholders hereby resolve to distribute an aggregate dividend of €308,234,588.80 by appropriating from distributable earnings.

The dividend is set at €0.10 per share for each of the 3,082,345,888 shares entitling holders to dividends. For individual beneficiaries who are residents for tax purposes in France, this dividend will be taken into account automatically by law to determine total gross income subject to the progressive income tax scale, and will be eligible for an allowance of 40% of the gross amount received (Article 158-3-2 of the French General Tax Code). However, this dividend may be subject, at the beneficiary's discretion, to an optional deduction at a flat rate of 19% (Article 117 quater of the French General Tax Code). All of the Company's shares are eligible for this tax treatment.

In accordance with legal provisions, the shareholders hereby note that for the three fiscal years prior to fiscal year 2011, the following dividends were distributed:

Fiscal year	Number of shares remunerated	Dividend per share *(in euros)*	Total *(in euros)*
2008	0	€0	€0
2009	0	€0	€0
2010	2,908,137,693	€0.23	€668,871,669.39

All the amounts mentioned in the table above in the "dividend per share" column are eligible for the 40% allowance or, if chosen, the aforementioned optional flat-rate deduction.

The dividend will be detached from the share on June 1, 2012 and paid starting on June 6, 2012. In the event the Company should hold some of its own shares upon payment of these dividends, the amounts corresponding to the unpaid dividends for these shares will be appropriated to retained earnings.

RESOLUTION FOUR *(APPROVAL OF THE AGREEMENTS AND COMMITMENTS COVERED BY ARTICLES L.225-38 AND FOLLOWING OF THE FRENCH COMMERCIAL CODE)*

The General Shareholders' Meeting, deliberating in accordance with the quorum and majority requirements for ordinary business, having reviewed the special report of the Statutory Auditors on the agreements and commitments subject to the provisions of Articles L.225-38 and L.225-40 to L.225-42 of the French Commercial Code, hereby approves all provisions of this report and the new agreements mentioned therein, previously authorized by the Board of Directors during the fiscal year ended December 31, 2011.

RESOLUTION FIVE *(APPOINTMENT OF STEPHANIE PAIX AS DIRECTOR)*

The General Shareholders' Meeting, deliberating in accordance with the quorum and majority for ordinary business, hereby appoints Stéphanie Paix as director, replacing Jean-Bernard Mateu, who resigned, with effect from the end of this General Shareholders' Meeting, for a term of six (6) years ending at the close of the General Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2017.

Stéphanie Paix has already indicated that she accepts this appointment and that she does not hold any office, and is not subject to any measure likely to prevent her from performing this role.

RESOLUTION SIX *(APPOINTMENT OF CATHERINE HALBERSTADT AS DIRECTOR)*

The General Shareholders' Meeting, deliberating in accordance with the quorum and majority requirements for ordinary business, hereby appoints Catherine Halberstadt as director, replacing Jean Criton, who resigned, with effect from the end of this General Shareholders' Meeting, for a term of six (6) years ending at the close of the General Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2017.

Catherine Halberstadt has already indicated that she accepts this appointment and that she does not hold any office, and is not subject to any measure likely to prevent him from performing this role.

RESOLUTION SEVEN *(APPOINTMENT OF ALAIN CONDAMINAS AS DIRECTOR)*

The General Shareholders' Meeting, deliberating in accordance with the quorum and majority requirements for ordinary business, appoints Alain Condaminas as director, replacing Bernard Jeannin, who resigned, with effect from the end of this General Shareholders' Meeting, for a term of six (6) years ending at the close of the General Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2017.

Alain Condaminas has already indicated that he accepts this appointment and that he does not hold any office, and is not subject to any measure likely to prevent him from performing this role.

RESOLUTION EIGHT *(REAPPOINTMENT OF A PERMANENT STATUTORY AUDITOR)*

The General Shareholders' Meeting, deliberating in accordance with the quorum and majority requirements for ordinary business, having reviewed the report of the Board of Directors noting the expiry of the term of office as permanent Statutory Auditor of the firm Mazars S.A. at the end of this meeting, resolves to reappoint, as permanent Statutory Auditor, the firm Mazars S.A.

(Tour Exaltis, 61 Rue Henri Régnault - 92400 Courbevoie, France), to be represented by Michel Barbet-Massin and Emmanuel Dooseman, for a term of six years, expiring at the end of the General Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2017.

RESOLUTION NINE *(REAPPOINTMENT OF A SUBSTITUTE STATUTORY AUDITOR)*

The General Shareholders' Meeting, deliberating in accordance with the quorum and majority requirements for ordinary business, having reviewed the report of the Board of Directors noting the expiry of the term of office as substitute Statutory Auditor of Patrick de Cambourg at the end of this meeting resolves to appoint Mr. Franck Boyer, Tour Exaltis, 61 rue Henri Regnault 92400 Courbevoie, as substitute Statutory Auditor, for a term of six years, expiring at the end of the General Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2017.

RESOLUTION TEN *(TRADING BY THE COMPANY IN ITS OWN SHARES)*

The General Shareholders' Meeting, deliberating in accordance with the quorum and majority requirements for ordinary business, having reviewed the report of the Board of Directors and in accordance with the provisions of Articles L.225-209 and following of the French Commercial Code, hereby authorizes the Board of Directors, with the right to sub-delegate said powers under the conditions established by law, to buy back the Company's shares or to arrange for them to be bought back and:

1) resolves that these shares may be purchased so as to:

- implement any Company stock option plan in accordance with the provisions of Articles L.225-177 and following of the French Commercial Code or any similar plan;
- award or transfer shares to employees in connection with their share of Company profits or implement any Company or group employee savings plan (or similar plan) under the conditions provided for by law, in particular Articles L.3332-1 and following of the French Labor Code;
- allocate free shares in accordance with the provisions of Articles L.225-197-1 and following of the French Commercial Code;
- generally, honor obligations related to stock option programs or other share allocations to employees or corporate officers of the issuer or a related company;
- tender shares upon exercise of rights attached to securities giving access to capital;
- cancel all or a portion of the shares bought back accordingly;
- tender shares (for exchange, payment or other reason) in connection with acquisitions, mergers, spin-offs or contributions;
- promote Natixis shares in the secondary market or the liquidity of the Natixis share through an investment services provider in connection with a liquidity contract that meets the terms of the compliance charter recognized by the French Financial Markets Authority (*Autorité des Marchés Financiers* – AMF).

This program is also intended to enable the Company to implement any market practices that might be permitted by the AMF and, more generally, to conduct any other transaction that complies with the regulations in effect. In such a scenario, the Company will notify its shareholders by means of a press release;

2) resolves that Company share purchases may relate to a number of shares such that:

- the number of shares that the Company buys during the buyback program may not, at any time, exceed 1% of the shares comprising the Company's share capital, this percentage being applied to a capital amount adjusted in accordance with transactions impacting it subsequent to this General Shareholders' Meeting. It is specified that (i) the number of shares acquired with a view to being held and subsequently tendered in connection with a merger, spin-off or asset transfer may not exceed 1% of its share capital; and (ii) when the shares are bought back to promote liquidity under the conditions set out by the General Regulations of the AMF, the number of shares taken into account to calculate the 1% limit provided for by the first paragraph corresponds to the number of shares purchased, net of the number of shares resold during the authorization period;
- the number of shares that the Company holds at any time whatsoever does not exceed 10% of the shares comprising the Company's share capital on the date in question, pursuant to Article L. 225-210 of the French Commercial Code;

3) resolves that the acquisition, sale or transfer of the shares may take place at any time, except in public offer periods, within the limits authorized by current legal and regulatory provisions, by any means, on regulated markets, multilateral trading platforms, with systematic internalizers or over the counter, including by means of the acquisition or sale of blocks of shares (without limiting the portion of the buyback program that may be realized by this means), by a tender or exchange offer, by using options or other forward financial instruments traded on regulated markets, multilateral trading platforms, with systematic internalizers or over the counter, or by the tendering of shares subsequent to the issue of securities giving access to the Company's capital by means of conversion, exchange or redemption, by exercising a warrant or by any other means, either directly or indirectly via an investment services provider.

The maximum purchase price under this resolution will be five (5) euros per share (or the equivalent value of this amount on the same date in any other currency). This maximum price applies only to purchases decided from the date of this meeting and not to forward transactions entered into by virtue of an authorization given at a previous General Shareholders' Meeting and providing for purchases of shares subsequent to the date of this meeting. The shareholders delegate to the Board of Directors, in the event of a change in the par value of the share, capital increases by capitalization of reserves, free share allocations, splitting or reverse-splitting of shares, distribution of reserves or of any other assets, redemption of capital, or any other transaction affecting the share capital, the power to adjust the maximum purchase price indicated above so as to take into account the impact of these transactions on the share value;

4) resolves that the aggregate amount allocated to the share buyback program authorized above may not exceed €154,117,294;

5) fully empowers the Board of Directors, with the right to sub-delegate said power under the conditions established by law, to decide upon and implement this authorization, to specify its terms and conditions if necessary and to determine its procedures, in order to carry out the buyback program and, in particular, to place any stock market order, enter into any agreement, allocate or reallocate the shares acquired to the objectives sought under the applicable legal and regulatory provisions, establish the terms and conditions according to which the rights of holders of securities or options will be protected, if appropriate, in accordance with legal, regulatory or contractual provisions, make any filings with the AMF and any other competent authority, and complete all other formalities and, in general, do whatever is necessary.

The Board of Directors will ensure that these buybacks are executed in accordance with prudential requirements, such as those established by regulation and by the French Prudential Supervisory Authority.

This authorization is granted for a period of eighteen (18) months from this meeting. It voids, from this day, as applicable, any unused part of any prior delegated power given to the Board of Directors for the purpose of trading in the Company's shares, particularly that given by the shareholders in the Combined General Shareholders' Meeting of May 26, 2011 in resolution Ten.

RESOLUTION ELEVEN
(POWERS TO COMPLETE FORMALITIES)

The General Shareholders' Meeting, deliberating in accordance with the quorum and majority requirements for ordinary business, hereby confers all powers to the bearer of an original, a copy, or an extract of the minutes of its deliberations to carry out any and all filings and formalities required by law.

7

Additional information

7.1 Statement by the Person responsible for the registration document

I hereby declare that, to the best of my knowledge, after having taken all reasonable measures to this end, the information contained in this registration document is true and accurate, and contains no omissions liable to impair its significance.

To the best of my knowledge, the financial statements were prepared in accordance with applicable accounting standards and provide a true image of the assets, the financial position and the income of the Company, and all businesses entering in the scope of consolidation, and the management report presents a true picture of changes in the business, of the income and of the financial position of the Company and all the businesses included in the scope of consolidation as well as a description of all the main risks and uncertainties with which they are confronted.

I have obtained a letter from the Statutory Auditors certifying the completion of their work, in which they indicate that they have examined the information relating to the financial position and the financial statements given in this document and have read the entire document.

Paris, France, March 23, 2012

Laurent MIGNON

Chief Executive Officer

7.2 Documents available to the public

Documents concerning Natixis (Articles of Association, bylaws, reports, mail and other documents, historical parent company and consolidated financial information, for each of the two fiscal years prior to the publication of this document) are partly included in this document and may be consulted at the Company's head office, preferably on appointment.

This registration document is available in the "Shareholders and investors" section of the Company's institutional website, www. natixis.com.

Any person wishing to obtain additional information about Natixis can request documents free of charge and without obligation:

- by mail:
Natixis
Direction financière
Département Relations investisseurs
Immeuble Arc-de-Seine
30, avenue Pierre Mendès France
75013 Paris
- by telephone:
+33 (0)1 58 19 26 34 or +33 (0)1 58 32 06 94
- by e-mail:
natixis.ir@natixis.com

7.3 Annual information report

The annual information report below lists information that Natixis has published or disclosed over the past 12 months to fulfil legal or regulatory disclosure obligations applying to financial instruments, issuers of financial instruments and financial instrument markets as required by Article L. 451-1-1 of the Code monétaire et financier and Article 222-7 of the Autorité des Marchés Financiers (AMF - French Financial Markets Authority) General Regulation.

7.3.1 INFORMATION PUBLISHED WITH THE AMF

Available on the Natixis website www.natixis.com under Investor Relations / Regulated Information in France and on the Autorité des Marchés Financiers website www.amf-france.org:

Date of publication	Document description
04/21/2011	Description of the program of share buyback subjected to the approval of the AGM (combined annual and extraordinary general meeting) of May 26, 2011
05/09/2011	May 26, 2011 General Shareholders' Meeting: Preparatory documents
05/11/2011	Number of shares and voting rights in April 30, 2011
05/12/2011	Press releases: First quarter 2011 results
06/17/2011	Number of shares and voting rights in May 31, 2011
06/29/2011	Press releases: Natixis bought back "Titres participatifs"
07/04/2011	Press releases: The 2010 dividend paid 85% in new shares
07/06/2011	Situation of liquidity contract at June 30, 2011
07/07/2011	Number of shares and voting rights in June 30, 2011
07/15/2011	Exposure to European sovereign risk
08/04/2011	Press releases: Second quarter 2011 results
08/10/2011	Number of shares and voting rights in July 31, 2011
08/29/2011	First update of the 2010 registration document and Half-Year Financial Reports
09/16/2011	Number of shares and voting rights in August 31, 2011
10/07/2011	Number of shares and voting rights in September 30, 2011
11/09/2011	Press releases: Third quarter 2011 results
11/16/2011	Number of shares and voting rights in October 31, 2011
12/07/2011	Number of shares and voting rights in November 30, 2011
01/09/2012	Number of shares and voting rights in December 31, 2011
01/09/2012	Situation of liquidity contract at December 31, 2011
02/09/2012	Number of shares and voting rights in January 31, 2012
02/23/2012	Press releases: Fourth quarter and full-year 2011 results

Caceis Corporate Trust did not publish documents for Natixis.

7.3.2 ISSUES AND PROSPECTUSES

Published on the Autorité des Marchés Financiers website www.amf-france.org and mentioned by the Autorité des Marchés Financiers

No published document.

7.3.3 INFORMATION PUBLISHED IN THE "BALO"

Published on the BALO website www.journal-officiel.gouv.fr/balo

Date of publication	Document description	BALO No.
4/18/2011	Notice of the General Shareholders' Meeting of May 26, 2011	1101378
4/22/2011	Notification to holders of titres participatifs	1101469
4/27/2011	Parent company financial statements at December 31, 2010	1101365
4/27/2011	Consolidated financial statements at December 31, 2010	1101372
5/09/2011	Notification to attend the General Shareholders' Meeting of May 26, 2011	1102047
5/30/2011	Quarterly financial results at March 31, 2011	1102979
6/03/2011	Approval of the annual financial statements by the General Shareholders' Meeting of May 26, 2011	1103213
8/10/2011	Quarterly financial results at June 30, 2011	1105199

7.3.4 FILINGS WITH THE CLERK OF THE PARIS TRIBUNAL DE COMMERCE

Available from the Clerk of the Paris Tribunal de Commerce de Paris, listed on the website www.infogreffe.com.

Date	Document description	Registration No.
1/18/2011	Excerpt from the Minutes of the Board of Directors' meeting of December 12, 2010: Resignation of a director	4735
3/08/2011	Excerpt from the Minutes of the Board of Directors' meeting of February, 2011: Co-opting of a director	22455
6/06/2011	Excerpt from the Minutes of the Combined Shareholders' Meeting of May 26, 2011: Amendment of the by-laws Updated by-laws at May 26, 2011	54186
6/23/2011	Filling of the annual statements	38352
6/23/2011	Filling of the annual statements (consolidated)	38354
8/26/2011	Excerpt from the Minutes of the Combined Shareholders' Meeting of May 26, 2011: Decision to carry out a capital increase – Delegation of powers Excerpt from the Minutes of the Board of Directors' meeting of August 4, 2011: Capital increase – Amendments to the by-laws Updated by-laws at August 4, 2011	81642

7.3.5 INFORMATION PUBLISHED IN THE FRENCH OFFICIAL LEGAL ANNOUNCEMENT PUBLICATION

Documents published in the legal announcement publication "Les Petites Affiches" and "le Journal Spécial des Sociétés"

Date	Document description	Registration No.
1/07/2011	Resignation of a director	JSS100287
3/01/2011	Co-opting of a director	JSS102785
5/09/2011	Notice of the General Shareholders' Meeting of May 26, 2011	PETITES AFFICHES 017403
8/22/2011	Capital increase	PETITES AFFICHES 034000

7.3.6 INVESTORS PRESENTATIONS

Prepared for conferences, investors days or corporate events, available on the Natixis website www.natixis.com/under Investor Relations/Specific Presentation

Dates	Presentations
06/10/2011	Goldman Sachs Conference
06/14/2011	BPCE Debt Investor Day
06/28/2011	Affiliation of Natixis to BPCE and guaranty and solidarity system within Groupe BPCE
09/21/2011	KBW Conference
10/04/2011	BoA Merrill Lynch Conference

7.3.7 INFORMATION PUBLISHED IN THE FRENCH OFFICIAL LEGAL ANNOUNCEMENT PUBLICATION

1) The monthly statements concerning the total number of shares and voting rights are published on the Natixis website www.natixis.com under Investor Relations / Regulated Information in France / Statements on Share Capital and Voting Rights.

2) The weekly disclosures of the trading in the Company's own shares are published on the Natixis website www.natixis.com under Investor Relations / Regulated Information in France / Share buyback weekly statements.

3) The description of the program of share buyback subjected to the approval of the AGM (combined annual and extraordinary general meeting) of May 26, 2012 are published on the Natixis website www.natixis.com under Investor Relations / Regulated Information in France / Share Buyback Programs.

7.4 Cross-reference table of registration document

In order to make this document easier to read, the following cross-reference table outlines the main headings required by Annex 1 of EC regulation No. 809/2004 of April 29, 2004, implementing the so-called "Prospectus" directive.

	Heading	Registration document page number
1.	**Persons responsible**	420
2.	**Statutory Auditors**	312 to 313
3.	**Selected financial information**	
3.1.	Selected historical financial information regarding the issuer for each fiscal year	8 to 9
3.2.	Selected historical financial information for interim periods	n/a
4.	**Risk factors**	129 to 134
5.	**Information about the issuer**	
5.1.	History and development of the Company	4 to 7
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Pursuant to Article 28 of Commission regulation No. (EC) 809/2004 of April 29, 2004, the following information is incorporated by reference in this registration document:

- the consolidated financial statements for the year ended December 31, 2009, presented on pages 186 to 327, the Statutory Auditors' report thereon, pages 328 to 329, and the Group management report, on pages 168 to 185 of the registration document filed with the AMF on April 5, 2011 under number D.11-0236;
- the consolidated financial statements for the year ended December 31, 2009, presented on pages 206 to 352, the Statutory Auditors' report thereon, pages 353 to 354, and the Group management report, on pages 143 to 205 of the registration document filed with the AMF on April 30, 2010 under number D.10-0375.

All other chapters of reference documents filed under numbers D.11-0236 and D.10-0375 that are not mentioned above are either of no material interest to investors or covered elsewhere in this registration document.

7.6 Cross-reference table of Social and Environmental information

Grenelle 2 Law Reference (proposed decree)	Designation	Corresponding NRE [1] article (Decree No. 67-236)	Corresponding GRI 3.1 indicators	Registration document page number
Art. R. 225-105	The report of the Board of Directors or the Executive Board presents, (...), the way in which the company takes into account the social and environmental consequences of its activity, as well as its social commitments in terms of sustainable development		1.2	40
Art. R. 225-105-1 – I 1 a)	**Labor information** Employment • Total workforce and employee distribution by gender and geographic region • New hires and layoffs • Compensation	Art. 148–2 1 a) Art. 148–2 1 b) Art. 148–2 3	EC1, EC3, EC5, LA1, LA2	52 52 53
Art. R. 225-105-1 – I 1 b)	Work management • Scheduling of work hours	Art. 148–2 1 a) Art. 148-2 2		54
Art. R. 225-105-1 – I 1 c)	Labor relations • The organization of employer-employee communication - including regulation and procedures regarding information, consultation and negotiation with personnel • Collective bargaining agreements	Art. 148–2 4	LA4	54
Art. R. 225-105-1 – I 1 d)	Health and safety • Health and safety standards • If applicable, agreements signed with unions or employee representatives in terms of health and safety at work	Art. 148–2 5	LA6, LA8, LA9	56
Art. R. 225-105-1 – I 1 e)	Training • The total number of training hours	Art. 148–2 6	LA10	56
Art. R. 225-105-1 – I 1 f)	Diversity and equal opportunity Policy implemented and measures taken to promote it • Gender equality • Employment and integration of disabled employees • The fight against discrimination and the promotion of cultural diversity	Art. 148–2 3 Art. 148–2 7	LA13, LA14, LA 15, HR4	57
Art. R. 225-105-1 – I 2 a)	**Environmental information** General environmental policy • Company organization to consider environmental issues and, if applicable, evaluation or certification procedures for environmental concerns. • Training and information for employees regarding the protection of the environment • Resources allocated to the prevention of environmental risks and pollution	Art. 148–3 3 Art. 148–3 4 Art. 148-3 5 Art. 148–3 6	EN26	41 45 48 59 59

(1) New economic regulations (article 116 amending article 225–102-1).

Grenelle 2 Law Reference (proposed decree)	Designation	Corresponding NRE [1] article (Decree No. 67-236)	Corresponding GRI 3.1 indicators	Registration document page number
Art. R. 225-105-1 – I 2 b)	Pollution and waste management • The prevention, reduction or compensation of air, water and land emissions that seriously damage the environment • The prevention of waste production, recycling and disposal • Taking into account noise pollution and, where relevant, all types of pollution specific to a particular activity	Art. 148–3 1	EN2, EN21, EN22, EN23, EN25	42 59
Art. R. 225-105-1 – I 2 c)	Sustainable resource use • The use and supply of water in line with local constraints • The use of raw materials and, where relevant, measures taken to make more efficient use of them • Energy consumption and, where relevant, measures taken to improve energy efficiency and the use of renewable energy sources	Art. 148–3 1	EN1, EN2, EN3, EN4, EN5, EN6, EN7, EN8,	60 45 40 42
Art. R. 225-105-1 – I 2 d)	Contribution to adapting to and fighting climate change • Greenhouse gas emissions		EN16, EN17, EN18, EN19, EN20	61
Art. R. 225-105-1 – I 2 e)	Biodiversity protection • Measures taken to preserve biodiversity, particularly through limiting damage to biological balances, natural environments, protected animal and vegetative species and, if applicable, their development	Art. 148–3 2	EN11, EN12, EN13, EN14, EN15	61
Art. R. 225-105-1 – I 3 a)	**Corporate social information** Territorial impact The way society considers • The impact of its operations on employment and regional development in France • The impact of its operations on the local population	Art. 148–2	EC7, EC8, SO1	62
Art. R. 225-105-1 – I 3 b)	Relationships with stakeholders • Conditions of dialogue with interested parties • Acts of support, partnership or sponsorship	Art. 148–2	4.14, 4.15, 4.16, 4.17	62
Art. R. 225-105-1 – I 3 c)	Subcontractors and suppliers • Purchasing policies that take into account social and environmental issues		EC6, HR1, HR2, HR3	48
Art. R. 225-105-1 – II 1 b)	**For companies whose stock is eligible for trading in a regulated market (stock market)** **Labor information** Work management • Absenteeism		LA7	54
Art. R. 225-105-1 – II 1 c)	Labor relations • Social and cultural activities	Art. 148–2 8	EC1	55
Art. R. 225-105-1 – II 1 d)	Health and safety • The frequency and severity of work-related accidents and the recording of occupational diseases • Compliance with ILO fundamental conventions	Art. 148–2	LA7, HR5, HR6, HR7	55

(1) New economic regulations (article 116 amending article 225–102-1).

Grenelle 2 Law Reference (proposed decree)	Designation	Corresponding NRE [1] article (Decree No. 67-236)	Corresponding GRI 3.1 indicators	Registration document page number
Art. R. 225-105-1 – II 1 e)	Training • Where relevant, specific professional training programs for employees	Art. 148–2 6	LA11, LA12	56
	Environmental information			
Art. R. 225-105-1 – II 2 a)	General environmental policy • The amount of environmental risk guarantees and provisions, except if this information could be seriously damaging to the company in the event of litigation	Art. 148–3 7		-
Art. R. 225-105-1 – II 2 c)	Sustainable resource use • The use of land	Art. 148–3 1	EN11	61
Art. R. 225-105-1 – II 2 d)	Contribution to adapting to and fighting climate change • The consideration of the impact of climate change			61
Art. R. 225-105-1 – II 3 c)	Subcontractors and suppliers • The importance of sub-contracting and the social and environmental responsibilities in relation to service providers and sub-contractors	Art. 148–2 9	HR1, HR2	48
Art. R. 225-105-1 – II 3 d)	Fair practices • Measures taken to avoid all forms of corruption • Measures taken to safeguard the health and safety of consumers • Measures taken to safeguard human rights		SO1, SO2, SO4, PR1, PR2, HR, HR3, HR5, HR6, HR7, HR8, HR9	44
Art. R. 225-105-2	The independent third-party organization called to give its opinion (...) on social and environmental information that appears or should appear on the report is designated by the Chief Executive Officer or Chair of the managing Board for a period that may not exceed six fiscal years		3.13	63

(1) New economic regulations (article 116 amending article 225–102-1).

7.7 Glossary

Acronyms & Abbreviations

ADAM	Association de défense des actionnaires minoritaires/Association for the defense of minority shareholders
ADEME	Agence de l'environnement et de la maîtrise de l'énergie/Agency for the environment and control of energy consumption
ADIE	Association pour le droit à l'initiative économique/Association for the right to economic initiative
AFEP-MEDEF	Association française des entreprises privées - Mouvement des entreprises de France/French business association
AFIC	Association française des investisseurs en capital/French association of venture capitalists
AFIJ	Association pour faciliter l'insertion professionnelle des jeunes diplômés/Association for the professional integration of recent graduates
AFS	Available-for-sale
AGIRC	Association générale des institutions de retraite des cadres/General association for managers' pension institutions
ALM	Asset and Liability Management
AM	Asset Management
AMF	Autorité des Marchés Financiers/French Financial Markets Authority
ARRCO	Association pour le régime de retraite complémentaire des salariés/Association for the employee complementary pension scheme
BAFIN	Bundesanstalt für Finanzdienstleistungsaufsicht/German Federal Financial Supervisory Authority
BALO	Bulletin des Annonces Légales Obligatoires/French Bulletin for Mandatory Legal Announcements
BDR	Banque de développement régional/Regional Development Bank
BEI	Banque européenne d'investissement/European Investment Bank
BFBP	Banque Fédérale des Banques Populaires
BtoB	Business to Business (B2B)
CAPEB	Confédération de l'artisanat et des petites entreprises du bâtiment/Confederation of artisans and small companies in the building sector
CCAN	Comité consultatif des Actionnaires de Natixis/Natixis Shareholders' Consultative Committee
CCF	Facteur de conversion de crédit /Credit Conversion Factor
CCFC	Control Fonctions Coordinating Committee
CCI	Certificat coopératif d'investissement/Cooperative investment certificate
CDD	Contrat à durée déterminée/Fixed-term employment contract
CDI	Contrat à durée indéterminée/Unlimited-term employment contract
CDO	Collateralized Debt Obligations
CDPC	Credit Derivatives Products Companies
CDS	Credit Default Swap
CECEI	Comité des établissements de crédit et des entreprises d'investissement, which became Autorité de Contrôle Prudentiel/French Credit Institutions and Investment Firms Committee, which has become the Regulatory Control Body
CESU	Chèque emploi service universel/Universal service employment voucher
CGAC	Comité de gestion des actifs cantonnés/Segregated Assets Management Committee
CGPI	Conseiller en Gestion de Patrimoine Indépendant/Independent Financial Advisor or Wealth advisor
CHSCT	Comité d'hygiène, de sécurité et des conditions de travail/Health, Safety, and Working Conditions Committee
CIB	Corporate & Investment Banking
CMBS	Commercial Mortgage-Backed Securities
CNCE	Caisse Nationale des Caisses d'Epargne

Acronyms & Abbreviations

CNIL	Commission nationale de l'informatique et des libertés/an independent administrative authority protecting privacy and personal data
COMEX	Executive Committee
CPM	Credit Portfolio Management
CRBF	Comité de la Réglementation Bancaire et Financière/Banking and Financial Regulation Committee
CRD	Capital Requirements Directive (Directive européenne sur les fonds propres réglementaires)
CRM	Market Risk Committee
CRPC	Comité des risques du portefeuille cantonné/Segregated Portfolio Risk Committee
CSG	Comité de suivi de la garantie/Guarantee Monitoring Committee
DGME	Direction générale de la modernisation de l'État/French State Reform Modernization Bureau
DOJ	Department of Justice
DRH	Human Resources Department
DSP	European Directive on payment services
EBICS	Electronic Banking Internet Communication Standard
ECA	Export Credit Agencies
ECF	European Carbon Fund
ERP	Enterprise Resource Planning
ESAT	Établissement et service d'aide par le travail/Establishments where handicapped persons can work in special conditions
ETF	Exchange Traded Funds
ETP	Full-time equivalent (FTE)
EVPA	European Venture Philanthropy Association
EKF	European Kyoto Fund
FCPI	Fonds commun de placement dans l'innovation/Innovation investment fund
FCPR	Fonds commun de placement à risque/Venture capital investment fund
FIDEPPP	Fonds d'Investissement et de Développement des Partenariats Public-Privé/Fund for investment and development of public-private partnerships
FIP	Fonds d'investissement de proximité/Proximity investment fund
GAPC	Gestion active des portefeuilles cantonnés/Workout portfolio management
GEC	Global Energy & Commodities
GRI	Global Reporting Initiative
HQE	Haute Qualité Environnementale/(Certificate of) High Environmental Quality
IARD	Incendie, Accidents et Risques Divers/Property and casualty insurance
IBOR	Interbank Offered Rate
IDFC	Infrastructure Development Finance Company
IFACI	Institut français de l'audit et du contrôle internes/French Institute of Internal Auditing and Control
IFRS	International Financial Reporting Standards
IIA	Institute of Internal Auditors
ISF	Impôt sur la fortune/Wealth tax
ISR	SRI - Socially Responsible Investment
LBO	Leveraged Buyout
LCB-FT	Lutte contre le blanchiment de capitaux et le financement du terrorisme/Prevention of money laundering and terrorism financing
LGD	Loss Given Default (Basel 2 credit risk indicator corresponding to loss in the event of default)
L&R	Loans and Receivables
MLA	Mandated lead arranger
MIF	European Directive on Markets in Financial Instruments (MiFID)
NBI	Natixis Bleichroeder Inc. or Net Banking Income
NAC	Network Access Control

Acronyms & Abbreviations

NGAM	Natixis Global Asset Management
NPE	Natixis Private Equity
NRE	Loi sur les Nouvelles Réglementations Économiques/Law on new economic regulations
NTF	Natixis Transport Finance
OFAC	Office of Foreign Assets Control (US financial assets control bureau)
P3CI	Prêt couvrant les Certificats Coopératifs d'Investissements/Loan covering the Cooperative investment certificates
PACEC	Plan d'adaptation au contexte économique et concurrentiel/Plan for adaptation to the competitive and economic context
PCA	BCP or Business Continuity Plan
PERP	Plan d'Epargne retraite populaire/Retirement savings plan
P&L	Profit & Loss
PLI	Prêt locatif intermédiaire/Loan for investment in property to be rented at prices above "social" housing prices but below market prices for 6 (or 12) years
PLS	Prêt locatif social/Loan for the acquisition of property destined for low-income rental
PME	SME (small- and medium-sized enterprise)
PMI	SMI (small- and medium-sized industry)
PMT	Plan moyen terme/medium-term plan
PSE	Plan de sauvegarde de l'emploi/Employment preservation plan
PSLA	Prêt social location accession/Loan for low-income property rent+buy schemes
PTZ	Prêt à taux zéro/Interest-free loans
RMBS	Residential Mortgage-Backed Security
ROE	Return On Equity
RSSI	ISSM or Information system security manager
RTT	Réduction du temps de travail/Reduction of working time (see French law on 35 hours a week)
RWA	Risk Weighted Assets
SEF	Structured Export Finance
SEPA	Single Euro Payment Area
SFEF	Société de financement de l'économie française/SPV set up by the French State to refinance French banks during the financial crisis
SGAR	Supervision et gestion active des risques/Supervision and active management of risks
SI	IS or IT System
SOCAMA	Sociétés de cautionnement mutuel artisanales/Mutual insurance companies for artisans
SVT	Spécialiste en valeurs du Trésor/Government bond primary dealer
TPE	VSB (very small business)
TRS	Total Return Swap
TUP	Transmission universelle de patrimoine/total transfer of assets and liabilities
VaR	Value at Risk

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