NATIXIS

2007 REGISTRATION DOCUMENT

NATIXIS

Profile

Formed from the combination at the end of 2006 of the corporate and investment banking and services activities of Groupe **Banque Populaire** and Groupe **Caisse d'Epargne**, Natixis is a key player in the European banking industry. It has a diversified business portfolio with solid expertise, large customer bases and a strong international presence.

Natixis generated net banking income of €6 billion and net income (Group share) of €1.1 billion in 2007. It has approximately **24,000 employees** in some 60 countries.

Natixis' activities are organized into **five business divisions**:

- Corporate and Investment Banking;
- Asset Management;
- Private Equity and Private Banking;
- Services;
- Receivables Management.

Retail banking also makes a direct contribution to Natixis' performance via the Group's 20% interest [(1)] in the share capital of the Banque Populaire banks and the Caisse d'Epargne banks, as well as an indirect contribution through the sale of Natixis' products and services at the two networks' branches, which together make up around 25% of the French retail banking market.

Natixis has a **strong position** in all of its business divisions. As the banking partner of nearly all the largest companies in France, it also plays a very active role in serving financial institutions (banks, insurance companies, pension funds, etc.). It has gradually built up an ever-expanding international customer base.

Natixis is one of the top 15 asset management companies worldwide and is also world No. 3 in credit insurance with Coface. Its Services business is based on powerful and flexible industrial platforms. Natixis is also No. 1 in private equity in the French SMB market.

Natixis' development is underpinned by the **growth** of its various business lines and opportunities arising from the merging of entities offering a strong strategic fit in terms of both technical expertise and business assets. With its broad range of products and services – including structured finance, capital markets, asset management and financial services – the Group is able to meet the needs of its own corporate and institutional clients as well as the personal banking, small business and SMB customers of Groupe Banque Populaire and Groupe Caisse d'Epargne.

Thanks to its performance and solid financial structure, Natixis has benefited from a **high rating** from the three main credit rating agencies (AA/Aa2/AA-).

AMF

This document is an English-translation of the French document de référence filed with the Autorité des Marchés Financiers (AMF) on April 18, 2008, in compliance with article 212-13 of the AMF's standard regulations. Only the original French version can be used to support a financial transaction, provided it is accompanied by a note d'opération duly certified by the Autorité des Marchés Financiers. The document de référence was produced by the issuer, and the signatories to it are responsible for its contents.

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 this document de référence may be obtained free of charge from Natixis, Immeuble Arc de Seine
30 avenue Pierre Mendès France
75013 Paris.

(1) Natixis holds cooperative investment certificates (CCIs) representing 20% of the share capital of each of the Banque Populaire banks and each of the Caisse d'Epargne banks (with the exception of Caisse d'Epargne et de Prévoyance de Martinique and Caisse d'Epargne et de Prévoyance de Nouvelle Calédonie), enabling it to consolidate under the equity method 20% of the net income of the Banque Populaire banks and the Caisse d'Epargne banks.

CONTENTS

Messages

CHARLES MILHAUD,

CHAIRMAN OF THE SUPERVISORY BOARD OF NATIXIS

2007 was a troubled year for the banking industry. In an increasingly globalized world, the US subprime crisis was quick to affect all banks and lead to a widespread lack of confidence and highly unstable financial markets. The crisis left its mark on the whole of the industry, with some of the world's most powerful banks hitting serious difficulties that forced them into emergency recapitalizations.

Like other players in the industry, Natixis was not spared these effects. However, although the asset writedowns required at the end of the year reduced annual earnings, our economic fundamentals remain intact. Not only do the new conditions pose no threat to the business model envisaged jointly by Groupe Banque Populaire and Groupe Caisse d'Epargne when Natixis was created, but they will also ultimately highlight the powers of the new combine. The decision of our two major shareholders to take over the US credit enhancement business at the height of the turmoil, underscored their sense of responsibility and ability to act together in order to further the interests of Natixis and its shareholders. It also highlighted their desire to build a long-term relationship based on trust with the markets, in line with the objectives assigned to Natixis.

The situation in the banking industry is now extremely changeable. Numerous players are going to have to restructure their business portfolios and plenty of changes and regroupings are liable to ensue. Against this backdrop, those banks endowed with strong and distinctive know-how will have the upper hand. Natixis' powerful client base, recognized business-line expertise and solid capital structure, clearly give us an advantage in this respect.

PHILIPPE DUPONT,

EXECUTIVE CHAIRMAN

1
2
3
4
5
6
7
8

“Natixis has had to cope with some particularly tough conditions in its first year of existence. What conclusions can you draw from this first year?”

A: As you say, Natixis was only recently-created and 2007 was our first full year of business. The financial crisis which got underway in the summer worsened significantly in the fourth quarter. This pattern was clearly visible in Natixis’ accounts. Our first-half results were very good and ahead of objectives. However, the writedowns we were forced to make on certain asset portfolios at the end of the year meant that our full-year results were not satisfactory, even though Natixis was proportionately somewhat less affected than many of our rivals. Detailed analysis demonstrates some solid performances during the year, with most of our business lines making strong progress. The crisis had a very heavy impact, but the effects were concentrated on a very few segments of our Corporate and Investment Banking business. The Group’s overall behavior nevertheless confirmed our ability to resist a particularly violent shock and underscored the solidity of our chosen business model. Despite the prevailing environment, we managed to execute the bulk of the sizeable integration measures that were planned, and within schedule. The highly solid capital structure sought by our two main shareholders when Natixis was created is also enabling us to negotiate the current turbulence in good conditions. As a result, a distinction clearly needs to be made between an exceptional global financial situation and our underlying performances, which were both encouraging and in line with our expectations. When the time is right, it will also be necessary to examine the extent to which the new accounting standards (IFRS) have shaped external analysts’ views of the crisis. Although it is never advisable to distinguish between economic reality and its translation into accounting terms (or even to oppose the two concepts), scope exists to better evaluate the increased volatility that ensues from the practice of automatically marking-to-market the value of most financial assets in bank’s balance sheets.

“Is the financial crisis going to cause you to make any changes in Natixis’ strategy?”

A: At this stage, it is still too soon to determine the adjustments to be made to our strategy and, in any case, any changes in this area will need to be decided and validated by all our corporate governance bodies. The severity of the crisis is bound to entail strategic revisions for most players, if only to reflect the likely changes in the competitive and regulatory environment. Although we are liable to make some adjustments too, a number of the main components of our strategic project will remain intact. Natixis will continue to develop a highly comprehensive range of products and services for large corporations and institutions, spanning capital market, flow and collective asset management products, as well as structured financing, credit insurance and receivables management offerings. Likewise, retail banking will retain an important place within Natixis, not only in terms of our shares of earnings from the Caisses d’Epargne and Banques Populaires networks, but also via the products and services we supply from our industrial platforms to numerous other banks. We will also continue the organized and disciplined expansion of our business in Asia, so as to adjust our geographic balance towards fast-growing regions. Lastly, we will also maintain our extensive know-how in cutting-edge financial techniques. The combination of our highly solid capital structure and the ability of our two powerful shareholders to provide the stability needed to grow our business over time, leaves Natixis well-placed to execute a strategy geared to creating lasting value.

“How do you see prospects for 2008?”

A: The turbulence of the last few months is set to last for at least part of 2008. There will be no immediate return to the highly attractive conditions of 2005 and 2006, for example. Nonetheless, we are approaching the year with a mixture of confidence and prudence. Prudence, in the sense that it is still hard to evaluate the economic repercussions of the crisis and especially its possible consequences on medium-sized and large corporations. But confidence as well, given that Natixis has already amply demonstrated its adaptability and maneuverability in the first few months of the Group’s existence. Although further efforts are going to be needed, we are headed in the right direction and the strength of commitment of our 24,000 staff worldwide will continue to provide the main momentum for our success in 2008.

2007 Key figures

21,959 employees

FULL-TIME EQUIVALENT AT DECEMBER 31, 2007

Operations
in **68** countries

LONG-TERM RATINGS
as at end of February 2008

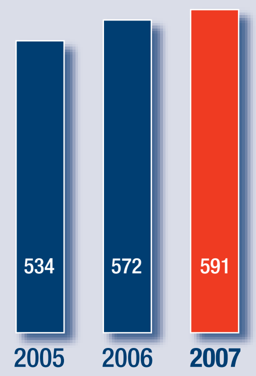
AA (negative)
Standard & Poor's

Aa2 (stable)
Moody's

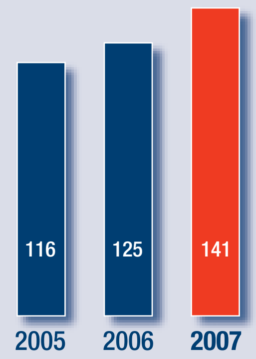
AA- (negative)
Fitch Ratings

1
2
3
4
5
6
7
8

ASSETS UNDER MANAGEMENT AT DECEMBER 31
(in € billions)



RISK-WEIGHTED ASSETS AT DECEMBER 31
(in € billions)



RESULTS

	2007	2006	2005
Net banking income	€7,263m *	€7,244m	€6,006m
Gross operating income	€902m **	€2,318m **	€1,921m
Net income, group share	€1,130m **	€2,136m **	€1,727m
ROE	7.1%	13.9%	12.0%

* *Before writedowns on subprimes and monolines.*

** *Excluding restructuring costs, costs related to the creation of Natixis and extraordinary items.*

BALANCE SHEET

	Dec. 31, 2007	Dec. 31, 2006	Dec. 31, 2005
Tier 1 capital *	€11.7bn	€11.2bn	€9.9bn
Capital adequacy ratio (ratio CAD)	10.3%	10.6%	11.5%
Tier one ratio *	8.3%	8.9%	8.5%
Total assets	€520.0bn	€458.6bn	€437.8bn

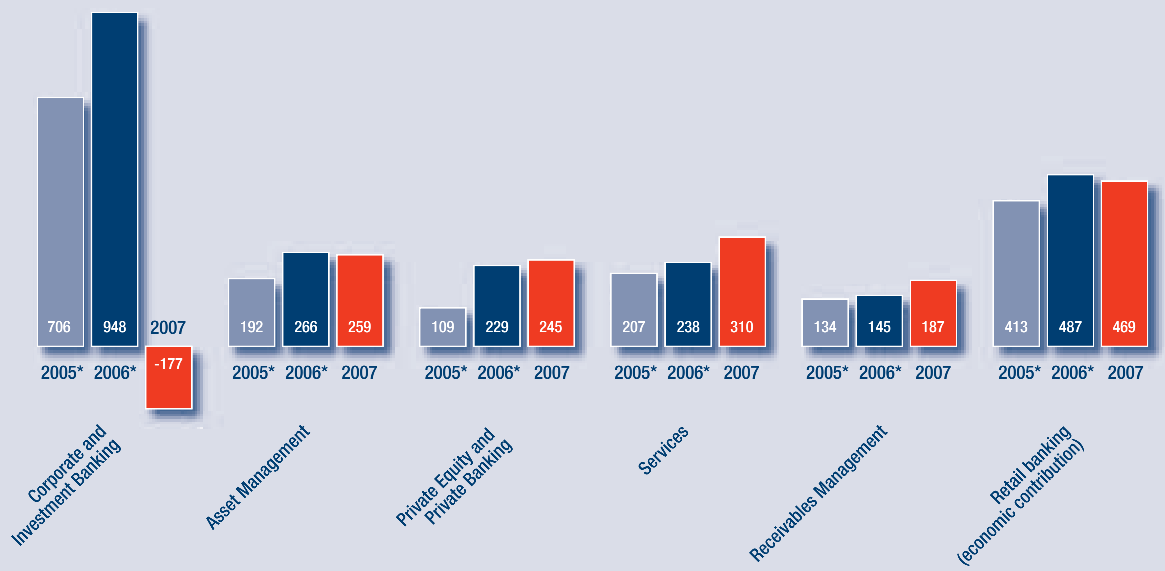
* *After anticipated 50% deduction of CCIs in accordance with CRD/Basel II rules.*

NET BANKING INCOME OF DIVISIONS

(in € millions)	2007	2006	2005
Corporate and Investment Banking	3,054 *	3,494	2,749
Asset Management	1,710	1,497	1,222
Private Equity and Private Banking	504	449	276
Services	1,299	1,151	1,045
Receivables Management	916	840	785

* *Before writedowns on subprimes and monolines.*

NET INCOME OF DIVISIONS
(in € millions)



* *Pro forma*

Simplified financial organization chart

(at December 31, 2007)

- **21 CAISSES D'EPARGNE**
  - 100% → Caisse Nationale des Caisses d'Epargne
  - 20% ← NATIXIS
- **20 BANQUES POPULAIRES**
  - 100% → Banque Fédérale des Banques Populaires
  - 20% ← NATIXIS
- Caisse Nationale des Caisses d'Epargne — 34.45% → NATIXIS
- Banque Fédérale des Banques Populaires — 34.45% → NATIXIS

NATIXIS

Corporate and Investment Banking
- 100% Natixis Securities — *Investment banking (Paris)*
- 100% Natixis Bleichroeder Inc. — *Investment banking (New York)*
- 100% Natixis Lease — *Lease financing*
- 99% Natixis Pramex International — *International development advisors*
- 100% Natixis Finance — *M&A advisors*
- 100% Nexgen — *Corporate solutions*
- 100% Natixis Commodity markets LTD — *Commodities trading*

Asset Management
- 88.66% Natixis Global Asset Management*
- 100% Natixis Global Associates — *Distribution*

Private Equity and Private Banking
- 100% Natixis Private Equity — *Private equity*
- 100% Compagnie 1818 — *Private banking*
- 100% Banque privée St Dominique — *Private banking*
- 96% Natixis Private Banking International — *Private banking*

Services
- 100% Natixis Assurances — *Insurance (life, personal risk & property)*
- 100% Gestitres — *Retail custody*
- 50% CACEIS — *Institutional custody*
- 100% Natixis Investor Servicing — *Securities services (custody, fund administration, issuer services)*
- 67% Natixis Financement — *Consumer finance*
- 100% Natixis Garanties — *Financial guarantees and surety*
- 100% Natixis Interépargne — *Employee benefits planning*
- 100% Natixis Paiements — *Electronic banking*
- 100% Natixis Intertitres — *Service vouchers*

Receivables Management
- 100% Coface
- 100% Natixis Factor — *Factoring*

** Holding company of the management firms: Natixis Asset Management; AEW Capital Partners et AEW Europe; Loomis, Sayles & Company; Harris Associates; Harris Alternatives; Reich and Tang Funds; Westpeak; Vaughan Nelson; Snyder; Caspian; CGM; Hansberger; Reich and Tang Capital Management; Gateway Investment Advisers; Alpha Simplex*

International network

Europe – Alicante – Barcelona – Berlin – Bielefeld – Biella – Birmingham – Bratislava – Breda – Brussels – Bucharest – Budapest – Cologne – Dublin – Düsseldorf – Eschborn – Feldkirchen – Frankfurt – Frederiksberg – Hamburg – Hanover – Istanbul – Karlsruhe – Kiev – La Coruna – Lausanne – Linz – Lisbon – Ljubljana – London – Louvain-la-Neuve – Luxembourg – Madrid – Mainz – Milan – Moscow – Munich – Nuremberg – Oslo – Paris – Porto – Prague – Riga – Rome – San-Sebastian – Saint-Petersbourg – Seville – Sofia – Stockholm – Stuttgart – Tallinn – Valencia – Warsaw – Vienna – VILNIUS – Watford – Windhof – Zagreb – Zürich – Asia-Africa-Asia-Pacific – Abidjan – Algiers – Almaty – Bamako – Bangalore – Bangkok – Béjaïa – Beijing – Beyrouth – Bnei-Brak – Casablanca – Canton – Cotonou – Dakar – Douala – Dubai – Hanoi – Hô Chi Minh-City – Hong Kong – Jakarta – Johannesburg – Kuala Lumpur – Labuan – Cairo – Lomé – Melbourne – Mumbai – New Delhi – Oran – Osaka – Ouagadougou – Rouiba – Sandton – Secunderabad – Séoul – Sétif – Shanghai – Sidi Bel Abbes – Singapore – Sydney – Taipei – Teheran – Tlemcen – Tokyo – Tunis – Americas – Atlanta – Baltimore – Bloomfield Hills – Bogota – Boston – Boulder – Buenos Aires – Burlington – Caracas – Chicago – Cincinnati – Detroit – East Windsor – Fairfield – Fort Lauderdale – Glendale – Greenwich – Guayaquil – Houston – Jersey City – Lima – Los Angeles – Mexico – Milwaukee – Monterrey – Montreal – New Haven – New York – Oakland – Panama – Pasadena – Quito – San Francisco – San José – Santiago – Sao Paolo – Toronto – Washington DC

1 NATIXIS AND ITS SHAREHOLDERS

The Natixis shares

STOCK MARKET PROFILE AS AT DECEMBER 31, 2007

Capital stock	€1,955,268,310.40
Number of shares	1,222,042,694
Market capitalization	€16 billion
Number of individual shareholders	1.5 million (April 2007)
Market	Eurolist Paris (compartment A), eligible for deferred settlement service
ISIN Code	FR0000120685
Reuters code	CNAT.PA
Bloomberg France code	KN
Stock market indices	SBF 80, SBF 120 and SBF 250 Included in the CAC Next 20 and Euronext 100 indices

OWNERSHIP STRUCTURE AS AT DECEMBER 31, 2007

	% capital	% voting rights
Banque Fédérale des Banques Populaires and subsidiaries	34.45%	34.66%
Caisse Nationale des Caisses d'Epargne et de Prévoyance	34.45%	34.66%
DZ BANK AG *	1.87%	1.88%
SAN PAOLO INTESA *	1.68%	1.68%
Other (free float)	27.55%	27.12%

* *Bearer shares*

SHARE PRICE PERFORMANCE

NATIXIS SHARES CLOSED ON DECEMBER 31, 2007 AT €13.14, UP 30% FROM END-2005.

2007 TRADING VOLUME

1st quarter	133,036,851
2nd quarter	144,413,945
3rd quarter	221,979,202
4th quarter	251,484,996

Key share data

	Natixis		Natexis Banques Populaires		
(in €)	2007	2006	2005	2004	2003
Earnings per share [a]	0.90	1.73	14.9	8.50	5.60
Book value per share [b]	13.90	14.3	113.2	91.1	86.5
Net dividend per share	0.45 [c]	0.86	5.0	3.3	2.5
Number of shares	1,222,042,694	1,219,864,330	48,995,480	48,255,962	48,045,139
Pay-out ratio	50%	50% [d]	40%	38.8%	45.5%
12-mo. high	23.19 [e]	23.77 [e]	140.80	109.60	92.05
12-mo. low	10.94 [e]	13.81 [e]	100.00	85.20	69.10

(a) Based on average number of shares outstanding during the year.
(b) Based on number of shares outstanding at end of year.
(c) Proposal to be submitted to shareholders at the May 22, 2008 Annual General Meeting.
(d) Calculated on the basis of pro forma net income.
(e) After 10-for-1 stock split.

Value created for shareholders

Natixis measures shareholder value created for an individual shareholder over a seven-year period, corresponding to a medium-to-long-term investment period.

CALCULATION ASSUMPTIONS

The following calculations are based on a gross dividend, adjusted for the 10-for-one stock split, including the avoir fiscal tax credit at the 50% rate and reinvested in Natixis shares.

Returns were calculated as at December 31, 2007.

INVESTMENT RETURNS

The table below shows the growth in value of an investment in one of Natixis' shares (Natexis Banques Populaires prior to November 17, 2006) acquired at the December 29, 2000 closing price of €9.44 (adjusted for the 10-for-1 stock split).

The dividend is assumed to be reinvested at the opening share price on the first trading day following payment.

Fiscal year	Gross dividend per share * *(in €)*	Payment date	Dividend reinvestment share price * (in €)	Fractional share acquired through reinvestment of gross dividend	Total shares after reinvestment of gross dividend
2000	0.38	05/06/2001	9.65	0.0389	1.039
2001	0.38	28/05/2002	9.05	0.0414	1.080
2002	0.23	26/05/2003	7.51	0.0300	1.110
2003	0.38	03/06/2004	8.82	0.0425	1.153
2004	0.33	25/05/2005	11.70	0.0282	1.181
2005	0.50	22/05/2006	17.00	0.0294	1.210
2006	0.86	30/05/2007	19.30	0.0446	1.255

* *Adjusted for the 10-for-1 stock split.*

Based on a share price of €13.14 on December 31, 2007, the initial investment had appreciated to 13.14 x 1.255 = €16.49 at that date, representing **average annual growth of 8.3%**.

Shareholder relations

ACTIONS CARRIED OUT IN 2007

In 2007, Natixis handled all relations **with private and institutional investors, financial analysts and rating agencies.**

It **prepared Natixis' 2006 annual report** and its updates, and ensured that they were filed with the AMF (Autorité des Marchés Financiers). Owing to the quality of the 2006 annual report, it was again one of the eight SBF 120 companies nominated for the annual report "Grand prix" awarded each year by the French financial publication *La Vie Financière*, in partnership with *Les Échos*.

The Group's results as at December 31, 2006, June 30, 2007 and September 30, 2007 were announced in **press releases and at meetings** with the financial press and financial analysts. Earnings announcements were also published in the press, in particular the financial and economic press, when the annual and interim results were announced. Furthermore, an electronic version of the earnings announcement was published online on the main market, economic, financial and trading sites, where visitors could link to the Natixis Web site and access both the presentation of financial results and press releases.

Year 2007 was the first complete financial year for Natixis and, having experienced a particularly eventful time, Natixis published a number of specific press releases, in particular about the legal and organizational integration of the incoming businesses, the major appointments made and the events with a special impact on Natixis' accounts.

All of the documents produced were published online on the company's new Web site, in French and, where appropriate, in English.

In addition to regular individual meetings with **institutional investors** in France and abroad, organized throughout 2007, special meetings with investors and sell-side analysts were held during the conferences organized by Morgan Stanley (March 29, 2007) and Merrill Lynch (October 3, 2007).

As regards **communication aimed at individual investors**, Natixis has gradually developed specific tools intended for this audience alone:

- a **"Shareholders' Newsletter" was instituted, complete with a specific graphic charter and focusing on topics of particular interest to individual shareholders (annual general meeting, dividend, toll-free hotline, etc.).** Three issues were published in 2007, in April, October and December. The April issue, the first time the Newsletter was published, was sent out to all identified shareholders. The following two issues were sent to members of the Shareholders' Club, with download available to all shareholders on Natixis' Web site;
- a **Shareholders' Club** was launched in April 2007 so that all shareholders so wishing could build a closer local relationship with Natixis. Open to all registered shareholders, as well as to those with at least 50 bearer shares. The Club has been a great success, in that over 18,000 people signed up;
- the "Individual Shareholders" section of Natixis' **Web site** has been revamped. It provides the public with press releases and highlights from Natixis' news. It has also been equipped with an Extranet for Club members only;
- Natixis' participation in the **Actionaria trade show** (held in Paris on November 16 and 17, 2007) stood out for the creation of a new stand, in line with its graphic charter. In total, the trade show – for which members of the Shareholders' Club could request free passes – brought in over three hundred contracts with existing or potential shareholders. It also availed the opportunity to build up Natixis' visibility amongst major listed companies on the Paris Stock Exchange. From the qualitative standpoint, the impact surveys conducted at the show by Opinionway showed that the visitors had a very positive opinion of Natixis through its stand and the welcome they received there;
- a **toll-free number open to shareholders (08 00 41 41 41) played a significant role in informing and guiding shareholders.** Open daily from 9 AM to 6 PM, it received an average of 70 calls per day during 2007. It served as a vehicle for certain operations, such as offering free passes to shareholders wishing to attend the Actionaria Trade Show;

- **the specially-created e-mail address (actionnaires@natixis.fr) received an average of 10 messages per day, processed live by the Shareholder Relations team in a spirit of customized contact and dialogue.**

Two general meetings were held in 2007. On May 24, 2007, over 1,500 shareholders attended the **Annual General Meeting** of Natexis Banques Populaires held at the Carrousel du Louvre. The company's performance was commented on and explained and Natixis' management responded to questions from the shareholders. The Combined General Meeting was broadcast live on the Internet. The meeting could also be viewed for one month thereafter on the Internet.

On December 20, 2007, a General Meeting of technical nature was held at Natixis' headquarters in Charenton. At the meeting, the absorption of Ixis CIB by Natixis was finalized.

CURRENT AND FORTHCOMING ACTIONS IN 2008

In 2008, the usual methods of communicating with individual shareholders will be boosted.
A number of Club activities are being set up: first of all, training sessions on the Stock Market will be held in partnership with the Ecole de la Bourse and with certain economists from Natixis. Moreover, Club members have been sent, since January 2008, a quarterly activity program that enables them to be a part of Natixis' sponsorship policy (entrance to cultural institutions partnering Natixis, discounted prices on certain services offered by the said cultural institutions). Lastly, a number of information sessions about Natixis will be held in the French regions, in order to foster direct dialogue between the shareholders and Natixis representatives.

Special editorial tools (shareholder memento, shareholders' guide), lastly, are gradually being deployed, in both paper and electronic format.

In 2008, a Shareholders' Consultative Committee is being put together.
Composed of twelve shareholders representing Natixis' individual shareholders, the Committee meets several times each year and makes suggestions about the range of communications tools that Natixis uses with its shareholders.

Shareholder relations

Tel.: +33 (0)1.58.19.26.34 or +33 (0)1.58.19.26.54

Fax: +33 (0)1.58.32.15.70

Website: www.natixis.com

e-mail: relinvest@natixis.fr

Individual shareholders

Toll-free number (in France): +33 (0)800.41.41.41

Website: www.natixis.com

e-mail: relinvest@natixis.fr

Securities department

Tel.: +33 (0)1.58.32.31.86 Fax: +33 (0)1.58.32.29.30

e-mail: emetteurs.charenton@natixis.fr

Registered shareholders

Website: www.emetline.com

e-mail: emetline@natixis.fr

2008 Financial Communications Calendar

March 6, 2008

2007 Results Press Release

May 15, 2008

Q1 2008 Results Press Release

May 22, 2008

Shareholders General Meeting

June 27, 2008

Dividend payment date

August 28, 2008

H1 2008 Results Press Release

November 13, 2008

Q3 2008 Results Press Release

Participating in the Annual General Meeting

The Notice of Meeting

The Notice of Meeting presents the agenda of the Meeting and the resolutions that will be put to vote. It is sent directly to holders of registered shares who purchased their shares at least one month before the Meeting date. Included with the Notice is a form to apply for an admittance card, for shareholders planning to attend the meeting in person, and a form of proxy and a postal voting form for shareholders who are unable to attend.

Holders of bearer shares are notified of the Meeting through notices published in the Bulletin des Annonces Légales Obligatoires (BALO – http://balo.journal-officiel.gouv.fr) and the financial press at least 35 days prior to the Meeting date, by calling the toll-free number reserved for shareholders (calls originating in France only) or by visiting the bank's web site. Copies of the Notice of Meeting and the voting forms can be obtained from the bank or broker that manages their share account.

Legal formalities to be carried out before the Meeting

Registered shares must be recorded in the holder's registered share account or administered registered share account at least three days prior to the Meeting date.

Holders of bearer shares must ask the bank or broker that manages their share account to send a certificate of attendance ("attestation de participation") to Natixis, which must be received at least three days prior to the Meeting date, in order to allow time for an admittance card to be sent to the shareholder.

Attending the Meeting in person

Shareholders will be required to present their admittance card at the door. If they do not receive this card in time, they can still take part in the vote by presenting an official identity document (together with the certificate of attendance provided by the bank or broker that manages their share account).

Postal and proxy voting

Shareholders who do not attend the Meeting in person can take part in the vote by:

- giving proxy to the Chairman of the Meeting, by returning the signed form of proxy. The Chairman then casts a "Yes" vote on all resolutions presented or approved by the Board of Directors and a "No" vote on all other resolutions;
- voting by post, by returning the signed postal voting form after checking the appropriate boxes so as to vote "Yes", "No" or "Abstain" on each resolution presented to shareholders;
- giving proxy to their spouse or another Natixis shareholder to vote on their behalf.

2 CORPORATE GOVERNANCE

1
2
3
4
5
6
7
8

Introduction

The corporate governance of Natixis, in its current form, is based on the decisions adopted by Natexis Banques Populaires' Annual General Meeting of November 17, 2006.

EXECUTIVE BOARD as at March 1, 2008

DUPONT Philippe	Executive Chairman	BEAUFRET Jean-Pascal	Board Member
FERRERO Dominique	Chief Executive Officer	MORIANI Jean-Marc	Board Member
LADAM François	Board Member		

SUPERVISORY BOARD as at March 1, 2008

MEMBERS

MILHAUD Charles	Chairman of the Supervisory Board of Natixis, Chairman of the Management Board of Caisse Nationale des Caisses d'Epargne et de Prévoyance
TOURRET Jean-Louis	Vice-Chairman of the Supervisory Board of Natixis, Chairman of Banque Populaire Provencale & Corse
COMOLET Bernard	Vice-Chairman of the Supervisory Board of Natixis, Chairman of the Executive Board of Caisse d'Epargne Île-de-France Paris and Île-de-France Ouest
Banque Fédérale des Banques Populaires	Represented by: QUEUILLE Philippe, Deputy Chief Executive Officer of Banque Fédérale des Banques Populaires
Caisse Nationale des Caisses d'Epargne	Represented by: MERINDOL Nicolas, Chief Executive Officer of Caisse Nationale des Caisses d'Epargne
BOLLORÉ Vincent	Chairman and Chief Executive Officer of Groupe Bolloré
CLOCHET Jean	Chairman of Banque Populaire des Alpes
CREQUIT Jean-Claude	Chairman of the Executive Board of Caisse d'Epargne Côte d'Azur
GENTILI Stève	Chairman of BRED Banque Populaire
HENRY Francis	Chairman of the Steering and Supervisory Board of Caisse d'Epargne de Champagne-Ardennes
JEANNIN Bernard	Chief Executive Officer of Banque Populaire Bourgogne Franche-Comté
de La PORTE du THEIL Yvan	Chief Executive Officer of Banque Populaire Val-de-France
METTLING Bruno	Deputy Chief Executive Officer of Banque Fédérale des Banques Populaires
NAOURI Jean-Charles	Chairman of Euris
PATAULT Didier	Chairman of the Executive Board of Caisse d'Epargne des Pays de la Loire
PROGLIO Henri	Chief Executive Officer of Veolia Environnement
SUEUR Philippe	Chairman of the Steering and Supervisory Board of Caisse d'Epargne Île-de-France Nord
ZOLADE Robert	Chairman of Elior

NON-VOTING DIRECTORS

BRIXNER Ulrich	Chairman of the Consultative Committee of DZ Bank AG
IOZZO Alfonso	Chairman of Cassa Depositi e Prestiti SpA

BOARD SECRETARY

BUREL Jean-René

Structure of the executive bodies

Since November 17, 2006, the bank has had an Executive Board and Supervisory Board, as set out in Articles L. 225-57 *et seq.* of the French Commercial Code.

A number of corporate governance rules relating to the composition and powers of the Supervisory Board and the Executive Board are determined by the provisions of the agreement * signed on November 17, 2006, which aims to guarantee equal representation of the two shareholders on the Supervisory Board.

Supervisory Board membership as at March 1, 2008

Name of person or company	First elected/ appointed	Term expires (AGM called to approve financial statements for fiscal year in question)	Main position held within the Company	Main position outside the Company
MILHAUD Charles	Board Meeting of 17.11.2006	2011	Chairman of Supervisory Board	Chairman of the Executive Board OF CAISSE NATIONALE DES CAISSES D'EPARGNE ET DE PREVOYANCE 50, avenue Pierre Mendès France 75201 PARIS CEDEX 13
TOURRET Jean-Louis	AGM of 17.11.2006	2011	Vice-Chairman of the Supervisory Board	Chairman of Banque POPULAIRE PROVENÇALE & CORSE 245, boulevard Michelet BP 25 13274 MARSEILLE CEDEX 09
COMOLET Bernard	AGM of 17.11.2006	2011	Vice-Chairman of the Supervisory Board	Chairman of the Executive BOARD OF CAISSES D'EPARGNE ÎLE-DE-FRANCE PARIS AND ÎLE-DE-FRANCE OUEST 19, rue du Louvre BP 94 75021 PARIS CEDEX 01
BANQUE FÉDÉRALE DES BANQUES POPULAIRES represented by Philippe QUEUILLE	AGM of 17.11.2006	2011	Member of the Supervisory Board	Deputy Chief Executive Officer of BANQUE FÉDÉRALE DES BANQUES POPULAIRES Le Ponant de Paris 5, rue Leblanc 75511 PARIS CEDEX 15

* *See Chapter VIII for a description of the main provisions in the Shareholders' Agreement.*

Name of person or company	First elected/ appointed	Term expires (AGM called to approve financial statements for fiscal year in question)	Main position held within the Company	Main position outside the Company
Caisse Nationale des Caisses d'Epargne ET DE PREVOYANCE represented by Nicolas MERINDOL	AGM of 17.11.2006	2011	Member of the Supervisory Board	Chief Executive Officer of Caisse NATIONALE DES CAISSES D'EPARGNE ET DE PREVOYANCE 50, avenue Pierre Mendès France 75201 PARIS CEDEX 13
BOLLORÉ Vincent	AGM of 17.11.2006	2011	Member of the Supervisory Board	Chief Executive Officer OF GROUPE BOLLORÉ Tour Bolloré 31-32, quai de Dion-Bouton 92800 Puteaux
CLOCHET Jean	Supervisory Board meeting of 30.05.2007	2011	Member of the Supervisory Board	Chairman of BANQUE POPULAIRE DES ALPES 2, avenue du Grésivaudan BP 43 – CORENC 38701 LA TRONCHE CEDEX
CREQUIT Jean-Claude	AGM of 17.11.2006	2011	Member of the Supervisory Board	Chairman of the Executive Board OF CAISSE D'EPARGNE COTE D'AZUR 455, promenade des Anglais BP 297 06205 Nice cedex 3
GENTILI Stève	AGM of 17.11.2006	2011	Member of the Supervisory Board	Chairman of BRED Banque POPULAIRE 18, quai de la RAPÉE 75012 PARIS
HENRY Francis	AGM of 17.11.2006	2011	Member of the Supervisory Board	Chairman of the Steering and Supervisory Board of Caisse d'Epargne Champagne-Ardenne 6, rue de la grosse-écritoire BP 2747 57062 REIMS
JEANNIN Bernard	Supervisory Board meeting of 30.05.2007	2011	Member of the Supervisory Board	Chief Executive Officer BANQUE POPULAIRE BOURGOGNE FRANCHE-COMTÉ 5 avenue de Bourgogne B.P. 63 21802 QUETIGNY CEDEX

de La PORTE du THEIL Yvan	AGM of 17.11.2006	2011	Member of the Supervisory Board	Chief Executive Officer OF BANQUE POPULAIRE VAL-DE-FRANCE 9, avenue Newton 78183 Saint-Quentin-en-Yvelines Cedex
METTLING Bruno	AGM of 17.11.2006	2011	Member of the Supervisory Board	Deputy Chief EXECUTIVE OFFICER OF BANQUE FÉDÉRALE DES BANQUES POPULAIRES Le Ponant de Paris 5, rue Leblanc 75511 Paris cedex 15
NAOURI Jean-Charles	AGM of 17.11.2006	2011	Member of the Supervisory Board	Chairman of Euris 83 rue du Faubourg-Saint-Honoré 75008 Paris
PATAULT Didier	AGM of 17.11.2006	2011	Member of the Supervisory Board	Chairman of the Executive Board of Caisse d'Epargne des Pays de la Loire 8, Rue de Bréa BP 835 44000 NANTES
PROGLIO Henri	AGM of 17.11.2006	2011	Member of the Supervisory Board	Chief Executive Officer of VEOLIA ENVIRONNEMENT 38, avenue Kléber 75016 Paris
SUEUR Philippe	AGM of 17.11.2006	2011	Member of the Supervisory Board	Chairman of the Steering and SUPERVISORY BOARD OF CAISSE D'EPARGNE d'Île-de-France Nord 57, RUE DU GÉNÉRAL-DE-GAULLE 95880 ENGHEIN-LES-BAINS
ZOLADE Robert	AGM of 17.11.2006	2011	Member of the Supervisory Board	Chairman of Elior, Elior GROUP 65, rue de Bercy 75589 Paris cedex 12
BRIXNER Ulrich	AGM of 17.11.2006	2011	Non-voting director	Chairman of the Consultative Committee OF DZ BANK AG AM PLATZ DER REPUBLIK D-60265 FRANKFURT-AM-MAIN
IOZZO Alfonso	AGM of 17.11.2006	2011	Non-voting director	Chairman of Cassa Depositi e PRESTITI SPA Piazza San Carlo 156 10121 Turin, Italy

Natixis' Supervisory Board was appointed for a period of six years by the Annual General Meeting of November 17, 2006. It is composed of eighteen members, in addition to two non-voting directors.

Members of the Supervisory Board (excluding non-voting directors) can be divided into three groups:

- Seven members from Groupe Banque Populaire;
- Seven members from Groupe Caisse d'Epargne.

  Groupe Banque Populaire and Groupe Caisse d'Epargne, each of which hold 34% of Natixis shares, have an equal number of seats on the Supervisory Board. This equal representation is in accordance with the agreement signed between Natixis' two shareholders.

  Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne are each members of the Board as majority shareholders and legal persons. The other 12 members from the two groups are all individuals and directors of Groupe Banque Populaire and Groupe Caisse d'Epargne.

- Four independent members are part of Natixis' Supervisory Board:

  Vincent Bolloré, Jean-Charles Naouri, Henri Proglio and Robert Zolade.

  Vincent Bolloré heads and oversees Groupe Bolloré, a leading player in several industrial activities and services and media sectors. Jean-Charles Naouri is Chairman of Euris, the holding company to one of France's largest retail groups. Henri Proglio is Chairman and Chief Executive Officer of Veolia Environnement. Robert Zolade is Chairman of the collective catering company, Groupe Elior.

  All four of these members satisfy the criteria for independent members as set out in the AFEP/MEDEF reports. Banking relationships between Natixis and the groups headed by these two individuals do not affect the impartiality of their judgment. However, it should be noted that Jean-Charles Naouri and Henri Proglio each serve as non-voting director on the Supervisory Board of Caisse Nationale des Caisses d'Epargne, one of Natixis' two shareholders

The two non-voting directors, Ulrich Brixner and Alfonso Iozzo, of German and Italian nationality respectively, are both directors or former directors of major banking groups and provide the Board with the insight of European partners.

Under the terms of the agreement between the two core shareholders, Chairmanship of the Supervisory Board shall be held alternately by a representative of one of the two shareholders for a period of six years. The first Vice-Chairman of the Supervisory Board shall be a representative of the shareholder not represented by the Chairman of the Supervisory Board, and the second Vice-Chairman shall be a representative of the other shareholder.

Within this context, since November 17, 2006, Chairmanship of the Supervisory Board has been held by Charles Milhaud, Chairman of the Executive Board of Caisse Nationale des Caisses d'Epargne. The two Vice-Chairmen are Jean-Louis Tourret (first Vice-Chairman) and Bernard Comolet (second Vice-Chairman) respectively.

During the course of 2007, two changes occurred in the Board's membership in late-May: two members from Groupe Banque Populaire, Claude Cordel and Jean-François Comas, having left their positions as Chairman and Chief Executive Officer of Banques Populaires Régionales due to the age limit, handed their resignation into the Board members. In their stead, a Chairman of a Banque Populaire Régionale, Jean Clochet, and a Chief Executive Officer of Banque Populaire régionale, Bernard Jeannin, were appointed. Both appointments were ratified at the Annual General Meeting held in December 2007.

In addition, Michel Goudard's departure for retirement, on December 31, 2007, led Banque Fédérale des Banques Populaires to appoint Philippe Queuille as standing representative on the Natixis Board.

Executive Board Membership

Name of person or company	Date first elected/appointed	Term expires	Main position within the Company	Main position outside the Company
DUPONT Philippe	Supervisory Board meeting of 17.11.2006	17.11.2012	Executive Chairman	Chairman and Chief Executive Officer of BFBP
FERRERO Dominique	Supervisory Board meeting of 17.11.2006	17.11.2012	Chief Executive Officer	
LADAM François	Supervisory Board meeting of 17.11.2006	17.11.2012	Member of the Executive Board	
BEAUFRET Jean-Pascal	Supervisory Board meeting of 14.02.2008	17.11.2012	Member of the Executive Board	
MORIANI Jean-Marc	Supervisory Board meeting of 14.02.2008	17.11.2012	Member of the Executive Board	

The Executive Board may be made up of two to seven members appointed for a period of six years by the Supervisory Board, in accordance with French law, article 9 of the bylaws and the shareholders' agreement, which states that members are chosen on the basis of their competence, irrespective of from which of the two groups they come.

Under the terms of the shareholders' agreement, the appointment or dismissal of any Board member requires the agreement of the two core shareholders and a double majority vote by members of the Supervisory Board present and represented and members representing each of the two shareholders.

The Supervisory Board meeting of November 17, 2006, appointed four Board members: Philippe Dupont, Dominique Ferrero, François Ladam and Anthony Orsatelli. Philippe Dupont (also Chairman and Chief Executive Officer of Banque Fédérale des Banques Populaires) was appointed Executive Chairman and Dominique Ferrero was appointed Chief Executive Officer.

The Supervisory Board meeting of February 14, 2008 formally made note of Anthony Orsatelli's resignation from his duties as member of the Executive Board and decided to appoint Jean-Marc Moriani to replace him. It was also decided that Jean-Pascal Beaufret would be appointed Member of the Executive Board, thereby temporarily bringing the number of members on the Executive Board to five, François Ladam having announced that he would leave on retirement effective May 31, 2008.

A brief curriculum vitae of each of these individuals, as well as their list of executive positions and directorships in 2007 is provided hereafter.

1
2
3
4
5
6
7
8

Summary of Positions and Directorships as at December 31, 2007

Vincent BOLLORÉ

Positions and directorships as at December 31, 2007	In the last five years
FRENCH COMPANIES	**FRENCH COMPANIES**
Member of the Supervisory Board of Natexis	**Director of Natexis Banques Populaires**
Chairman and Chief Executive Officer of Bolloré	Chairman of the Board of Directors of Bolloré Média
Chairman and Chief Executive Officer of Bolloré Participations	Chairman of the Board of Directors of Bolloré Investissement
Chairman of the Board of Directors of Havas	Director of Bolloré Investissement
Chairman of the Board of Directors of Havas Média France	Director of Bolloré Média
Chairman of the Board of Directors of Financière de l'Odet	Director of Compagnie de Bangor
Chairman of the Board of Directors of Direct 8 (ex-Bolloré Média)	Director of Tobaccor
Chairman of the Board of Directors of Direct Soir	Permanent representative of Compagnie du Cambodge, Member of the Supervisory Board of Société Financière HR
Chairman of the Board of Directors of Matin Plus (ex-Compagnie de Bangor)	Director of Generali France
Chairman of Bolloré Production	
Chief Executive Officer of Sofibol	
Chief Executive Officer of Omnium Bolloré	
Chief Executive Officer of Financière V	
Director of Batscap	
Director of Bolloré	
Director of Bolloré Participations	
Director of Compagnie des Glénans	
Director of Direct 8 (ex-Bolloré Média)	
Director of Direct Soir	

Vincent BOLLORÉ (continued)

Positions and directorships as at December 31, 2007	In the last five years
FRENCH COMPANIES	
Director of Financière Moncey	
Director of Financière de l'Odet	
Director of Financière V	
Director of Havas	
Director of Havas Média Finance	
Director of Matin Plus (ex-Compagnie de Bangor)	
Director of Omnium Bolloré	
Director of Sofibol	
Member of the Supervisory Board of Vallourec	
Permanent representative of Bolloré Participations, Director of Cie des Tramways de Rouen	
Permanent representative of Bolloré Participations, Director of Société Anonyme Forestière et Agricole (Safa)	
Permanent representative of Bolloré Participations, Director of Sté des Chemins de Fer et Tramways du Var et du Gard	
Permanent representative of Bolloré Participations, Director of Sté Industrielle et Financière de l'Artois	
Permanent representative of Bolloré Participations, Director of Société Bordelaise Africaine	
Permanent representative of Bolloré Participations, Director of IER	
Permanent representative of Bolloré Participations, Member of the Supervisory Board of Compagnie du Cambodge	
Permanent representative of Bolloré on the Board of F.F.L. Paris	
Permanent representative of Havas on the Board of Médiamétrie	

Vincent BOLLORÉ (continued)

Positions and directorships as at December 31, 2007	In the last five years
FOREIGN COMPANIES	**FOREIGN COMPANIES**
Chairman of Plantations des Terres Rouges	Chairman of Selective East Asiatic
Vice-Chairman of Société des Caoutchoucs de Grand Bereby (SOGB)	Director of Socfin Plantations Sendiriam Berhad (Malaisie)
Vice-Chairman of Bereby Finances	Permanent representative of Bolloré Participations, Director of SDV Côte d'Ivoire
Deputy Chairman of Nord Sumatra Investissements	Permanent representative of Bolloré Participations, Director of Immobilière de la Pépinière
Director of BB Groupe	Permanent representative of Bolloré, Director of Afrique Initiatives
Director of Centrages	
Director of Compagnie Internationale de Cultures	
Director of Financière Privée	
Director of Liberian Agricultural Company Lac	
Director of Mediobanca	
Director of Plantations Nord Sumatra Limited	
Director of Plantations des Terres Rouges	
Director of Red Land Roses	
Director of SDV Gabon	
Director of SDV Sénégal	
Director of Société Financière du Champ de Mars (ex-Socfin)	
Director of Socfinaf	
Director of Socfinal	
Director of Socfinasia	
Director of Socfinco	
Director of Socfindo	
Director of Socfininter	
Director of Société de Gestion pour le Caoutchouc et les Oléagineux (Sogescol)	
Deputy Director of Nord Sumatra Investissements	
Permanent representative of Bolloré Participations, Director of SDV Cameroun	
Permanent representative of Bolloré Participations, Director of SDV Congo	

Ulrich BRIXNER

Positions and directorships as at December 31, 2007	In the last five years
Non-voting Director on the Supervisory Board of Natixis	Chairman of the Executive Board of DZ Bank AG
Chairman of the Foundation of DZ Bank AG	Vice-Chairman of the Supervisory Board of Bausparkasse Schwäbisch Hall AG
Chairman of the Consultative Committee of DZ Bank AG	Chairman of the Board of Directors of DZ BANK Ireland plc.
Member of Board of Directors of Landwirtschaftliche Rentenbank	Vice-Chairman of the Supervisory Board of R+V Versicherung AG
Member of the Supervisory Board of Equens N.V. – Payment Services for Europe	Chairman of the Supervisory Board of VR-Immobilien AG
Chairman of the European Business School/Wiesbaden – Oestrich-Winkel Foundation	Member of Board of Directors of KfW Kreditanstalt für Wiederaufbau
	Chairman of CIBP
	Vice-Chairman of Board of Directors of Banco Cooperativo Espanol S.A
	Member of the Supervisory Board of Südzucker AG

Jean CLOCHET

Positions and directorships as at December 31, 2007	In the last five years
Member of the Supervisory Board of Natixis	**Director of Natexis Banques Populaires**
Chairman of the Board of Directors of Banque Populaire des Alpes	Director of Banque Privée Saint-Dominique
Chairman of the Board of Directors of Natixis Global Asset Management	Chairman of the Board of Directors of AAA-Actions-Agro-Alimentaire
Vice-Chairman of the Board of Directors of Natixis Asset Management	Chairman of Pays de Savoie Entreprendre
Director of Banque Fédérale des Banques Populaires	Deputy Vice-Chairman of the Board of Directors of Banque Populaire des Alpes
Director of Natixis Private Banking	Director of Savoie Entreprendre
Director and Chairman and Chief Executive Officer of Brasserie des Cimes	Director of Syndicat national des Sirops
Chairman of the Board of Directors of Routin America Inc.	
Director and Chief Executive Officer of Routin S.A.	
Director and Chief Executive Officer of Routin Nord Europe	
Manager of Montania	
Co-Manager of SCI (C3, Houille Blanche et Cimoise)	
Treasurer of Syndicat Rhône Alpes des Sirops et Liqueurs	

Bernard COMOLET

Positions and directorships as at December 31, 2007	In the last five years
Vice-Chairman of the Supervisory Board de Natixis	Member of the Supervisory Board of Ixis Corporate & Investment Bank
Chairman of the Executive Board of Caisse d'Epargne Île-de-France Paris	Permanent representative of Caisse d'Epargne et de Prévoyance Île-de-France Paris, Director of Saccef
Chairman of the Executive Board of Caisse d'Epargne Île-de-France Ouest	Permanent representative of Caisse d'Epargne et de Prévoyance Île-de-France Paris, Director of Eulia Caution
Vice-Chairman of the Supervisory Board of Caisse Nationale des Caisses d'Epargne	Permanent representative of Caisse d'Epargne et de Prévoyance Île-de-France Paris, Director of Socamab Assurances
Chairman of the Supervisory Board of Banque BCP SAS	Chairman and Chief Executive Officer of SICAV Ecureuil Dynamique +
Member of the Supervisory Board of BCP Luxembourg	Permanent representative of Caisse d'Epargne et de Prévoyance Île-de-France Paris, Director of Odacia
Permanent representative of la Caisse d'Epargne et de Prévoyance Île-de-France Paris, Director of Immobilière 3F	
Permanent representative of Caisse d'Epargne et de Prévoyance Île-de-France Paris, Member of the Supervisory Board of Efidis	
Non-voting director of CNP Assurances	

Jean-Claude CRÉQUIT

Positions and directorships as at December 31, 2007	In the last five years
Member of the Supervisory Board of Natixis	Chairman and Chief Executive Officer of Sodero
Chairman of the Executive Board of Caisse d'Epargne Côte d'Azur	Chairman of the Supervisory Board of Sodero Participations
Member of the Board of FNCE	Chairman of the Supervisory Board of Batiroc Pays de la Loire
Member of the Supervisory Board of la Banque Palatine	Chairman of the Board of Grand Ouest Gestion
Director of Siparex Associés	Chairman and Chief Executive Officer of Sicav Horizon
Director of GCE Capital	Director of Ecureuil Vie
Chairman of SAS Alliance Entreprendre	Director of Ecureuil Gestion
Chairman of Réunion des Associés de la SAS Alliance Entreprendre Développement	Director of SEM Nantes Gestion Equipements
	Director of SEMITAN
	Director of SA HLM Nantaise d'Habitation
	Member of the Supervisory Board of Pays de Loire Développement
	Member of the Supervisory Board of SOCFIM
	Director of Foncier Expertise
	Member of the Supervisory Board of Caisse Nationale des Caisses d'Epargne

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Philippe DUPONT

Positions and directorships as at December 31, 2007	In the last five years
Chairman of the Executive Board of Natixis	**Chairman of the Board of Directors of Natexis Banques Populaires**
Chairman and Chief Executive Officer of Banque Fédérale des Banques Populaires	Chairman of the Board of Directors of Natexis Assurances
	Chairman of the Supervisory Board of ABP – Assurances Banque Populaire
	Chairman of the Supervisory Board of Ixis Corporate & Investment Bank (Ixis CIB)

Dominique FERRERO

Positions and directorships as at December 31, 2007	In the last five years
Member of the Executive Board, Chief Executive Officer of Natixis	Chief Executive Officer of Crédit Agricole Indosuez
Director of VINCI	Chief Executive Officer and Member of the Executive Committee of Crédit Lyonnais
Permanent representative of Natixis on the Board of Directors de Natixis Global Asset Management	Chairman of the Executive Board of Ixis Corporate & Investment Bank (Ixis CIB)
	Member of the Supervisory Board of Atos, now Atos Origin

Stève GENTILI

Positions and directorships as at December 31, 2007	In the last five years
Member of the Supervisory Board of Natixis	**Director of Natexis Banques Populaires**
Chairman of the Board of Directors of bred Banque Populaire	Chairman of the Board of Directors of SPIG
Chairman of the Board of Directors of bred Gestion	Chairman of the Board of Directors of Deroche SA
Chairman of the Board of Directors of Natixis Pramex International	Chairman of the Supervisory Board of bpam
Chairman of Compagnie Financière de la BRED - Cofibred	Vice-Chairman of the Supervisory Board de la Banque Internationale de Commerce – bred
Vice-Chairman of Banque Fédérale des Banques Populaires	Director of BRED Gestion
Chairman of the Supervisory Board of Banque Internationale de Commerce – bred	Director of Compagnie Financière de la bred – Cofibred
Director of Bercy Gestion Finances +	Director of LFI
Director of bred Cofilease	Director of Pramex Italia S.R.L.
Director of Coface	Member of the Supervisory Board of Banque Internationale de Commerce – (BIC BRED)
Director of Natixis Algérie	Permanent representative of Bred Gestion on the Board of Directors of LFI 2
Director of Natixis Pramex International Milan	Permanent representative of Bred Gestion on the Board of Vialink
Director of Prepar IARD	Permanent representative of BRED Banque Populaire on the Board of Directors of Banque Internationale de Commerce - BRED
Director of Promepar Gestion	
Director of Banque Commerciale Internationale (BCI)	
Permanent representative of bred Banque Populaire, Director of BICEC – Banque Internationale pour le Commerce, l'Epargne et le Crédit	
Permanent representative of Cofibred on the Board of LFI	
Member of the Supervisory Board of LFI	

Michel GOUDARD

Positions and directorships as at December 31, 2007	In the last five years
Permanent representative of la Banque Fédérale des Banques Populaires, Member of the Supervisory Board of Natixis	**Non-voting Director of Natexis Banques Populaires**
Deputy Chief Executive Officer of Banque Fédérale des Banques Populaires	Vice-Chairman of the Supervisory Board of + X Altaïr
Representative of Banque Fédérale des Banques Populaires, Chairman of SAS Guidéo	Member of the Supervisory Board of Financière Natexis Banques Populaires
Representative of Banque Fédérale des Banques Populaires, Chairman of SAS BP Création	Member of the Supervisory Board of Natexis Capital
Director of Coface	Member of the Supervisory Board of SBE
Director of Natixis Altaïr	Representative of Banque Fédérale des Banques Populaires on the Supervisory Board of BPL – Banque pour les Paiements on Line
Director of Natixis Bleichroeder Inc. (New York)	Representative of Banque Fédérale des Banques Populaires on the Supervisory Board of LineBourse
Director of Natixis Private Equity	Representative of Banque Fédérale des Banques Populaires on the Supervisory Board of Novacrédit
Director of Natixis Securities	Chairman of Board of Directors of Informatique Banques Populaires
Director of Partecis	Censeur de ABP - Assurances Banque Populaire
Member of the Supervisory Board of M.A. Banque – Multi Acces Banque	Permanent representative of Banque Populaire Provençale et Corse, Director of Fructi-Actions Rendement
Representative of Banque Fédérale des Banques Populaires on the Board of Directors of Albiréo	Member of the Supervisory Board of Natexis Private Equity
Representative of Banque Fédérale des Banques Populaires on the Board of Directors of BICEC	Director of Natexis Bleichroeder S.A. (Paris)
Representative of Banque Fédérale des Banques Populaires on the Board of Directors of Informatique Banques Populaires	Director of Natexis Bleichroeder S.A.
Representative of la Banque Fédérale des Banques Populaires on the Board of Directors of Natixis Assurances	Representative of Banque Fédérale des Banques Populaires on the Supervisory Board de ABP - Assurances Banque Populaire
Non-voting Director of Europay France	Vice-Chairman of the Supervisory Board of SBE
Manager of Bankéo	
Member of Executive Committee of Confédération Internationale des Banques Populaires	
Chairman of Association des Banques Populaires pour la Création d'Entreprise	
Member of the Supervisory Board of Fonds de Garantie des Dépôts	
Chairman of the Supervisory Board of Banques Populaires Covered Bonds	

Francis HENRY

Positions and directorships as at December 31, 2007	In the last five years
Member of the Supervisory Board of Natixis	Member of the Board of Directors of Entenial
Chairman of the Steering and Supervisory Board of Caisse d'Epargne et de Prévoyance de Lorraine Champagne-Ardennes	
Chairman of the Board of Directors of Société locale d'épargne Marne Nord	
Director of la Fédération Nationale des Caisses d'Epargne	
Director of Crédit Foncier de France	

Alfonso IOZZO

Positions and directorships as at December 31, 2007	In the last five years
Non-voting Director on the Supervisory Board de Natixis	Member of the Supervisory Board of Intesa Sanpaolo S.p.A. (Turin)
Chairman of Cassa Depositi e Prestiti S.p.A. (Rome)	Deputy Director of Sanpaolo IMI S.p.A. (Turin)
	Member of the Board of Associazione Bancaria Italiana (Rome)
	Chairman of Sanpaolo Banco di Napoli S.p.A. (Naples)
	Chairman of Banca OPI S.p.A.
	Member of the Board of Directors of Fédération Bancaire de l'UE (Brussels)
	Member of the Board of Directors of Assicurazioni Internazionali di Previdenza S.p.A. (Turin)
	Member of the Board of Directors of Eurizon Financial Group S.p.A. (Turin)
	Member of the Supervisory Board of CDC Finance – CDC Ixis (Paris)

Bernard JEANNIN

Positions and directorships as at December 31, 2007	In the last five years
Member of the Supervisory Board of Natixis	Director of Natexis Banques Populaires
Chief Executive Officer of Banque Populaire Bourgogne Franche-Comté	Director of Natexis Assurances
Director of Banque Fédérale des Banques Populaires	Director of Natexis Lease
Director of IPMPE	Director of Natexis Paiements
Director of Natixis Assurances	Permanent representative of Banque Populaire du Quercy et de l'Agenais, Director of i-BP S.A.
Director of Natixis Lease	Director of Natexis Private Equity
Director of Natixis Paiements	Chairman of the Board of Directors of Sud-Est Croissance
Permanent representative of Banque Populaire Bourgogne Franche-Comté, Director of i-BP S.A.	Permanent representative of Banque Populaire Bourgogne Franche-Comté, Member of the Supervisory Board of la Banque pour les Paiements onLine
Member of the Board of Directors of Caisse Autonome de Retraite	Permanent representative of Banque Populaire Bourgogne Franche-Comté, Non-voting Director of ABP-Assurances Banque Populaire

M. François LADAM

Positions and directorships as at December 31, 2007	In the last five years
Member of the Executive Board of Natixis Permanent representative of Natixis, Director of Coface – Compagnie Française d'Assurance pour le Commerce Extérieur Permanent representative of Natixis, Director of Natixis Private Equity Permanent representative of Natixis Assurances, Member of the Supervisory Board of Assurances BP IARD Legal representative of Natixis, Manager of Natixis Arbitrage Permanent representative of Natixis, Director of Natixis Assurances Director of Natixis Interépargne Permanent representative of Natixis, Non-voting director of Banque Fédérale des Banques Populaires Vice-Chairman of the Supervisory Board de CACEIS Chairman of the Management Committee of Coface Holding SAS Member of the Supervisory Board of La Compagnie 1818 - Banquiers Privés Director of Ecrinvest 11 Director of Natixis Financement Director of Natixis Global Asset Management	**Chief Executive Officer of Natexis Banques Populaires** Chairman of the Supervisory Board of BPL - Banque pour les Paiements on Line Vice-Chairman of the Supervisory Board de Natexis Private Equity Permanent representative of Natexis Banques Populaires, Director of Natexis Arbitrage Permanent representative of Natexis Banques Populaires, Member of the Supervisory Board of + X Altaïr Permanent representative of Natexis Banques Populaires, Member of the Supervisory Board of ABP – Assurances Banque Populaire Permanent representative of Natexis Banques Populaires, Member of the Supervisory Board of Fructiger Permanent representative of Natexis Banques Populaires, Director of Natexis Altaïr Permanent representative of Natexis Banques Populaires, Director of Natexis Assurances Permanent representative of Natexis Banques Populaires, Director of Natexis Private Equity Legal representative of Natexis Banques Populaires, Manager of Natexis Arbitrage Permanent representative of Natixis, Director of Natixis Altaïr

Yvan DE LA PORTE DU THEIL

Positions and directorships as at December 31, 2007	In the last five years
Member of the Supervisory Board of Natixis Chief Executive Officer of Banque Populaire Val-de-France Chairman of the Supervisory Board of M. A. Banque – Multi Acces Banque Vice-Chairman of Banque Fédérale des Banques Populaires Director of Coface Director of Natixis Private Banking Permanent representative of Banque Populaire Val-de-France, Director of i-BP (Informatique Banques Populaires) Member of the Supervisory Board of Foncia Groupe **Other position held:** Member of Executive Committee of CIBP (Confédération Internationale des Banques Populaires)	**Director of Natexis Banques Populaires** Chairman of the Supervisory Board of SBE Chairman of the Supervisory Board of SBE Director of Natexis Assurances Director of Natexis Immo Placement Permanent representative of Banque Populaire Val-de-France, Director of la Banque Populaire Développement Permanent representative of Banque Populaire Val-de-France, Director of la BICEC (Banque Internationale du Cameroun pour l'Epargne et le Crédit) Permanent representative of Banque Populaire Val-de-France, Vice-Chairman of i-BP (Informatique Banques Populaires)

Nicolas MÉRINDOL

Positions and directorships as at December 31, 2007	In the last five years
Permanent representative of la Caisse Nationale des Caisses d'Epargne, Member of the Supervisory Board of Natixis Chief Executive Officer and Member of the Executive Board of CNCE Chairman of Board of Directors of Crédit Foncier de France Chairman of the Board of Directors of Natixis Asset Management Chairman of the Supervisory Board of Banque Palatine Chairman of the Supervisory Board of Compagnie 1818 – Banquiers Privés Chairman of the Supervisory Board of Ecureuil Gestion Chairman of the Supervisory Board of Ecureuil Gestion FCP Chairman of the Supervisory Board of CEMM Chairman of the Supervisory Board of GCE Capital Chairman of the Supervisory Board of FLCP Chairman of Natixis Consumer Finance Vice-Chairman of the Board of Directors of Natixis Global Asset Management Vice-Chairman of the Supervisory Board of Financière Océor Director of Sopassure Director of GCE Domaines Director of Nexity Director of Banca Carige Director of CNP Assurances Director of Coface Permanent representative of CNCE, Member of the Supervisory Board of GEMO-RSI Permanent representative of CNCE, Member of the Supervisory Board of Girce Stratégie Non-voting director of Yunus Movie Project Partners	Chairman of Board of Directors of A.C.E Permanent representative of CNCE, Member of the Management Board of Alliance Entreprendre Director of Banque de la Réunion Director of Banque des Antilles françaises Chairman of the Supervisory Board of Ecureuil Vie Vice-Chairman of the Supervisory Board of Issoria Vice-Chairman of the Supervisory Board of NAM Participations 2 Director of CDC Entreprises Capital Investissement (CECI) Vice-Chairman of the Supervisory Board of Crédit Foncier de France Member of the Supervisory Board and Limited partner of Ecufoncier Chairman of Ecureuil Crédit Member of the Supervisory Board of Efidis Director of Entenial Director of Erilia Director of Erixel Permanent representative of CNCE, Member of the Supervisory Board of Financière Océor Chairman of GCE Fidélisation Member of the Supervisory Board of GCE Immobilier Chairman of the Supervisory Board of GCE Newtec Chairman and Chief Executive Officer of Holgest Permanent Representative of Ecureuil Participations, Director of Holgest Chairman of Board of Directors of Ingepar Vice-Chairman of the Supervisory Board of NGAM Participations 1 Vice-Chairman of the Supervisory Board of Ixis Corporate & Investment Bank Member of the Supervisory Board of Ixis Investor Services Permanent representative of CNCE, Director of Natixis Financement (ex-CEFI) Permanent representative of CNCE, Member of the Supervisory Board of Sedi-RSI Chairman of the Supervisory Board of Société Lamy (ex-Gestrim) Director of Vigeo

Bruno METTLING

Positions and directorships as at December 31, 2007	In the last five years
Member of the Supervisory Board of Natixis Deputy Chief Executive Officer of Banque Fédérale des Banques Populaires Chairman of the Supervisory Board of Foncia Groupe Director of Natixis Private Banking Permanent representative of Banque Fédérale des Banques Populaires, Director of Ecrinvest 11 Permanent representative of Banque Fédérale des Banques Populaires, Director of Natixis Financement	Deputy Chief Executive Officer of Banque Fédérale des Banques Populaires Member of the Executive Board of Caisse Nationale des Caisses d'Epargne Chairman of the Board of Directors of BCI-Banque Commerciale Internationale

Charles MILHAUD

Positions and directorships as at December 31, 2007	In the last five years
Chairman of the Supervisory Board of Natixis Chairman of the Executive Board of Caisse Nationale des Caisses d'Epargne Chairman of Fondation des Caisses d'Epargne pour la Solidarité Chairman of Erixel Chairman of the Board of Directors of GCE Domaines Chairman of Board of Directors of Centre National d'Enseignement à Distance (CNED) Chairman of SAS and of the Board of Directors of GCE Maroc Chairman of the Supervisory Board of Financière Océor Vice-Chairman of the Board of Directors of Nexity Vice-Chairman of the Supervisory Board of Europacorp Vice-Chairman of Board of Directors of Crédit Immobilier et Hôtelier Vice-Chairman of the Board of Directors of Fransabank France Vice-Chairman of Groupement Européen des Caisses d'Epargne (GECE) Director of Banque des Mascareignes LTEE Director of CNP Assurances Director of Coface Director of Djouba Promotion Groupe Addoha Director of GCE Maroc Immobilier Director of SLE Préfecture Director of Massira Capital Management Director of Sodexho Alliance Director of Sopassure	Permanent representative of CNCE, Chairman of Oterom Holding Permanent representative of CNCE, Chairman of GCE Courtage (ex GCE Imédia 07) Permanent representative of CNCE, Chairman of GCE Paiements Chairman of the Supervisory Board of Crédit Foncier de France Vice-Chairman of the Supervisory Board of GCE Immobilier Permanent representative of CNCE, Director of Banque des Îles Saint-Pierre et Miquelon Member of the Supervisory Board of CDC Entreprises Chairman of the Supervisory Board of Ixis Corporate & Investment Bank Permanent representative of CNCE, Member of the Supervisory Board of Natixis Asset Management Member of the Supervisory Board of Natixis Global Asset Management Vice-Chairman of the Supervisory Board of CDC Finances - CDC Ixis Permanent representative of CNCE, Member of the Supervisory Board of Natixis Multimanager Chairman of Université Groupe Caisse d'Epargne Director of Université René Descartes (Paris V) Member of the Supervisory Board of Cetelem Director of Caisse de Dépôts et Développement Vice-Chairman of Compagnie financière Eulia Director of Ecureuil Participations

Charles MILHAUD (continued)

Positions and directorships as at December 31, 2007	In the last five years
Director of Veolia Eau – Compagnie Générale des Eaux	Permanent representative of CNCE, Director of Banque de la Réunion
Director of Groupement National de la Coopération (GNC)	Permanent representative of CNCE, Director of Banque de la Nouvelle-Calédonie
Member of Executive Committee of Fédération bancaire française	Permanent representative of CNCE, Director of Banque de Tahiti
Member of the Supervisory Board of IDF Télé	Member of the Supervisory Board of GCE Habitat
Permanent representative of CNCE, Chairman of GCE Participations	Chairman of the Supervisory Board of Issoria
Permanent representative of Erixel, Director of Erilia	Chairman of Executive Committee of Fédération bancaire française
Permanent representative of CNCE, Chairman of GCE ASAP	Permanent representative of GCE Immobilier, Member of the Supervisory Board of SOGIMA
Permanent representative of CNCE, Chairman of GCE AVI 007	
Permanent representative of CNCE, Chairman of GCE Eclair 07	
Permanent representative of CNCE, Chairman of GCE ESKA 007	
Permanent representative of CNCE, Chairman of GCE FX 007	
Permanent representative of CNCE, Chairman of GCE IDA 007	
Permanent representative of CNCE, Chairman of GCE KALI 007	
Permanent representative of CNCE, Chairman of GCE KOLA 007	
Permanent representative of CNCE, Chairman of GCE ODE 007	
Permanent representative of CNCE, Chairman of GCE ONA 007	
Permanent representative of CNCE, Chairman of GCE Participations, Manager of SNC Participations Ecureuil	
Permanent representative of CNCE, Chairman of GCE Promotion Méditerranée	
Permanent representative of CNCE, Chairman of GCE SNL 07	
Permanent representative of CNCE, Chairman of GCE SRD 007	
Permanent representative of CNCE, Chairman of GCE TEO 007	
Permanent representative of CNCE, Chairman of GCE TTU 07	
Permanent representative of CNCE, Chairman of GCE VTR 007	
Permanent representative of CNCE, Chairman of GCE ZOE 007	
Permanent representative of CNCE, Chairman of Malraux	
Permanent representative of CNCE, Chairman of CEPBL Communications	
Permanent representative of GCE SEM, Member of the Supervisory Board of SOGIMA	
Manager of CM Investissement	
Manager of SCI Cascades Paradis	
Manager of SCI Grand Horizon Paradis	
Treasurer of Fondation Belem	

Jean-Charles NAOURI

Positions and directorships as at December 31, 2007	In the last five years
Member of the Supervisory Board of Natixis	Chairman of the Board of Directors of Euris
Chairman and Chief Executive Officer of Casino, Guichard-Perrachon	Chairman of Groupe Euris
Chairman and Chief Executive Officer of Rallye	Non-voting director of Fimalac
Chairman of Euris (ex Groupe Euris)	Director of HSBC France
Chairman of the Board of Directors of Finatis	Member of the Supervisory Board of Laurus (now Super de Boer)
Director of Fimalac	Member of the Supervisory Board of Groupe Marc de Lacharrière
Member of the Supervisory Board of Companhia Brasileira de Distribuicao (CBD)	Non-voting director of Caisse Nationale des Caisses d’Epargne et de Prévoyance
Member of the Supervisory Board of Wilkes Participaçoes	Vice-Chairman of the Executive Board of Francarep (now Paris-Orléans)
Limited partner of Rothschild & Cie Banque	Member of the Supervisory Board of Casino, Guichard-Perrachon
Manager of SCI Penthièvre Seine	Director of Continuation Investments NV
Manager of SCI Penthièvre Neuilly	Director of Crédit Commercial de France (CCF)
Member of Consultative Committee of Banque de France	Manager-Associate of Rothschild & Cie Banque
Chairman of the association “Promotion des Talents”	
Vice-Chairman of Fondation Euris	
Honorary Chairman of the Institut d’Expertise et de Prospective de l’École Normale Supérieure	

Anthony ORSATELLI

Positions and directorships as at December 31, 2007	In the last five years
Member of the Executive Board of Natixis	Chairman of the Supervisory Board of CACEIS
Member of the Executive Board of Ixis Corporate & Investment Bank (Ixis CIB)	Chairman of the Executive Board of Ixis Corporate & Investment Bank (Ixis CIB)
Permanent representative of Natixis, Non-voting director on the Supervisory Board of Caisse Nationale des Caisses d’Epargne et de Prévoyance	Chairman of the Supervisory Board and Permanent representative of Caisse Nationale des Caisses d’Epargne on the Supervisory Board of CIFG Holding
Director of Natixis Global Asset Management (ex-Ixis Asset Management Group)	Chairman of the Supervisory Board and Permanent representative of Natixis on the Supervisory Board of CIFG Holding
Director of Natixis Global Asset Management Corporation (ex-Ixis Asset Management US Corporation)	Chairman of Nexgen Financial Holding Limited
Director of Natixis Private Equity	Chairman of Nexgen RE Limited
Director of Natixis Bleichroeder Inc.	Director of Natixis Bleichroeder SA
Member of the Supervisory Board of CACEIS	Chairman of Natixis North America (ex-Ixis North America)
Director of AEW Europe (ex-Ixis AEW Europe)	Chairman of Natixis Capital Markets (ex-Ixis Capital Markets North America)
Member of the Supervisory Board of Ecureuil Gestion	
Member of the Supervisory Board of Ecureuil	
Gestion FCP	

Anthony ORSATELLI (continued)

Positions and directorships as at December 31, 2007	In the last five years
Permanent representative of Natixis, Director of Natixis Securities (formerly-Ixis Securities) Chairman of CIFG Holding Ltd (formerly-CIFG Holding) Chairman of CIFG Guaranty LTD (formerly-CIFG Guaranty) Director of CIFG Assurance North America Inc. Director of CIFG Services Inc. Permanent representative of CIFG Guaranty, Member of the Supervisory Board of CIFG Europe Director of Lazard Ltd Director (representing the French government) of GIAT Industries	Chairman of Natixis Commercial Paper Corp. (formerly-Ixis Commercial Paper Corp.) Chairman of Natixis Financial Products Inc. (formerly-Ixis Financial Products Inc.) Chairman of Natixis Real Estate Capital Inc. (formerly-Ixis Real Estate Capital Inc.) Director of SanPaolo IMI S.p.A. Director of Natixis Securities North America Inc. (formerly-Ixis Securities North America Inc.) Chairman of Natixis Derivatives Inc. (formerly-Ixis Derivatives Inc.) Chairman of Natixis Funding Corp. (formely-Ixis Funding Corp.) Chairman of Natixis Municipal Products Inc. (formerly-Ixis Municipal Products Inc.) Chairman of the Supervisory Board of Natixis Asset Management (formerly-Ixis Asset Management) Chairman of the Supervisory Board of Natixis Global Asset Management (formerly-Ixis Asset Management Group) Chairman of the Supervisory Board of Natixis Global Asset Management Participations 1 (formerly-Ixis Asset Management Participations 1) Chairman of the Supervisory Board of Natixis Asset Management Participations 2 (formerly-Ixis Asset Management Participations 2) Director of Natixis Global Asset Management, LLC (formerly-Ixis Asset Management US LLC) Chairman of the Supervisory Board of Natixis Multimanager (formerly-Ixis Private Capital Management) Chairman of Board of Directors of Ixis SP S.A. Permanent representative of CIFG Holding, Member of the Supervisory Board of CIFG Guaranty Member of the Executive Board of Caisse Nationale des Caisses d'Epargne Director of Euroclear PCL Director of Euroclear SA/NV Chairman of the Supervisory Board of Ixis Investor Services

Didier PATAULT

Positions and directorships as at December 31, 2007	In the last five years
Member of the Supervisory Board of Natixis	Chairman of the Board of Directors of Association C.O.L.E.
Chairman of the Executive Board of Caisse d'Epargne et de Prévoyance des Pays de la Loire	Chairman of the Board of Directors of Association SAPAD
Chairman and Chief Executive Officer of SDR-Ouest Sodero	Chairman of the Board of Directors of Ecolocale
Chairman of the Board of Directors of Mancelle d'Habitation	Member of the Supervisory Board of Ixis Corporate & Investment Bank
Chairman of the Board of Directors of Samo	Member of the Supervisory Board of Ecureuil Vie
Chairman of the Board of Directors of Sodero Participations	
Chairman of the Supervisory Board of Batiroc Pays de la Loire	
Chairman of the Supervisory Board of Sodero Gestion	
Chief Executive Officer of Caisse d'Epargne et de Prévoyance de Bretagne	
Representative of Sodero Participations, Chairman of the Supervisory Board of Grand Ouest Gestion	
Director of Meilleurtaux	
Director of Oterom Holding	
Director of Université Caisses d'Epargne	
Member of the Supervisory Board of GCE Capital	
Representative of CEPDL, Member of the Supervisory Board of GIRCE Ingénierie	
Representative of CEPDL, Director of GIRCE Stratégie	
Representative of CEPDL, Director of Nantes Atlantique Place Financière	
Representative of CEPDL, Director of Pays de la Loire Développement	
Representative of CEPDL, Director of SEMITAN	
Representative of CEPDL, Member of the Supervisory Board of GCE Business Services	
Representative of CEPDL, Member of the Supervisory Board of GCE Technologies	

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Henri PROGLIO

Positions and directorships as at December 31, 2007	In the last five years
Member of the Supervisory Board of Natixis	Chairman of the Executive Board of Vivendi Environnement
Chairman & Chief Executive Officer of Veolia Environnement	Director of EDF International
Chairman of the Board of Directors of Veolia Propreté	Director of Vinci
Chairman of the Board of Directors of Veolia Transport	Member of the Supervisory Board of CEO
Chairman of the Board of Directors of Veolia Water	Member of the Supervisory Board of CFSP
Director of EDF	Director of Comgen Australia
Director of Casino, Guichard-Perrachon	Chairman and Chief Executive Officer of Connex
Director of Dalkia International	Director of Connex Asia Holdings (Singapore)
Director of Société des Eaux de Marseille	Director of Connex Leasing (United Kingdom)
Director of Sarp Industries	Director of Connex Transport AB (Sweden)
Director of CNP Assurances	Director of Connex Transport UK (United Kingdom)
Manager of Veolia Eau - Compagnie Générale des Eaux	Director of Coteba Management
Member of the Supervisory Board of Lagardère	Member of the Supervisory Board of Société des Eaux de Melun
Member of Supervisory Boards A and B of Dalkia (SAS)	Director of Esterra
Member and Chairman of the Supervisory Board of Dalkia France	Director of B 1998 SL et FCC (Spain)
Non-voting director on the Supervisory Board of Caisse Nationale des Caisses d'Epargne	Director of Grucycsa (Spain)
Director of Veolia ES Australia	Director of Montenay International Corp (USA)
Director of Veolia Transport Australasia	Chairman and Chief Executive Officer of Onyx
Director of Veolia Environmental Services	Director of Onyx UK Holdings (United Kingdom)
Director of Siram	Director of OWS (USA)
Director of Veolia Transport Northern Europe	Director of Safise
Director of Veolia Environmental Services North America Corp.	Director of Wasco (ex USFilter, USA)
	Director of Sarp
	Director of Thales
	Member of the Supervisory Board of Elior
	Member of the Supervisory Board of CNP Assurances
	Director of Veolia Environmental Services Asia

Philippe SUEUR

Positions and directorships as at December 31, 2007	In the last five years
Member of the Supervisory Board of Natixis	
Chairman of the Steering and Supervisory Board of Caisse d'Epargne Île-de-France Nord	
Chairman and Chief Executive Officer of Semavo	
Director of Sicav Association	
Director of Ecureuil Assurances IARD	

Jean-Louis TOURRET

Positions and directorships as at December 31, 2007	In the last five years
Vice-Chairman of the Supervisory Board de Natixis	**Director of Natexis Banques Populaires**
Chairman of the Board of Directors of Banque Populaire Provençale et Corse	Chairman of the Supervisory Board of InterEpargne
Chairman of the Board of Directors of Natixis Private Banking	Director of Banque Fédérale des Banques Populaires
Chairman & Chief Executive Officer of Proclair SAS	Chairman of the Supervisory Board of Natexis InterEpargne
Chairman & Chief Executive Officer of Tourret SAS	Chairman of the Supervisory Board of Natexis Epargne Entreprise
Vice-Chairman of the Board of Directors of la Banque Fédérale des Banques Populaires	Chairman of the Board of Directors of Natexis Epargne Entreprise
Director of Lafarge Ciments	Chairman of the Board of Directors of Natexis InterEpargne
Manager of Proclair Provence	Chairman of Sopres SAS
Manager of Proclair Rhône-Alpes	Chairman of the Board of Directors of Banque Privée Saint Dominique
Manager of Sopres	Manager of Tourret Electronique
	Manager of Tourret Entreprises

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Robert ZOLADE

Positions and directorships as at December 31, 2007	In the last five years
FRANCE	**FRANCE**
Member of the Supervisory Board of Natixis	**Director of Natexis Banques Populaires**
Chairman of Bagatelle Investissement et Management-BIM (SAS)	Director of Idia Participations (SA)
Legal Representative of Bercy Présidence, the company that is manager-partner of Holding Bercy Investissements-H.B.I. (SCA)	Chairman of HBI SAS
Legal Representative of H.B.I., the company that is Chairman of Bercy Participations (SAS)	Chairman and Director of Holding Bercy Management (SAS)
Legal Representative of Bercy Présidence, the company that is manager-partner of H.B.I. itself Chairman of Bercy Participations, manager and partner company of Elior (SCA)	Chairman of Servinvest 2
Chairman of Bercy Présidence (SAS)	Manager of Servinvest (SARL)
Manager of Bercy Patrimoine (SARL)	Director of Eliance Marseille Provence
Manager of M.B.O.B. (SCI)	Legal Representative of Eliance, manager-associate of Eliance Orly Ouest (SNC)
Manager of L.M.D.B. (SCI)	Legal Representative of Eliance, manager-associate of Eliance Aéroports (SNC)
Chairman and Director of Avenance (SAS)	Legal Representative of Holding Bercy Management, Chairman of Management Restauration Collective (SAS)
Chairman and Director of Eliance (SAS)	**INTERNATIONAL**
Legal Representative of Avenance SAS, the company that is Chairman of Bercy Services I (SAS)	Chairman and Director of Eliance Iberica (Spain)
Legal Representative of Avenance SAS, the company that is Chairman of Bercy Services V (SAS)	Chairman and Director of Grupo Osesa (Spain)
Legal Representative of Elior SCA, the company that is Chairman of Elior Gestion (SAS)	Chairman of Eurocater PLC (Great Britain)
Member of the Supervisory Board of Pragma Capital (SA)	Member of the Supervisory Board of Elior Nederland BV (Netherlands)
INTERNATIONAL	Director of Ristochef (SPA) Italy
Director of Elior UK Ltd	
Vice-Chairman and Director of Areas (SA)	
Director of Areas Iberico Americana	
Director and Chairman of Avenance UK	
Director of Serunion (SA)	

Summary of Curriculum Vitae of directors

Supervisory Board

Charles Milhaud, age 65, has been Chairman of the Executive Board of Caisse Nationale des Caisses d'Epargne since 1999. A science graduate, he has spent his whole career with Groupe Caisse d'Epargne. Milhaud is also Chairman of the Supervisory Board of Natixis and of Financière OCEOR, Chairman of the Caisses d'Epargne Foundation for Social Solidarity and, since September 1, 2006, Chairman of the French Banking Federation.

Nicolas Mérindol, age 46, Chief Executive Officer of Caisse Nationale des Caisses d'Epargne, held a series of management positions with a major French carmaker before joining Caisse des Dépôts et Consignations and then Groupe Caisse d'Epargne.

Philippe Queuille, age 51, Deputy Chief Executive Officer of Banque Fédérale des Banques Populaires, has also served as Chairman of the Board of Directors and Chief Executive Officer of Informatique Banques Populaires since 2000. He previously held a series of management positions at Groupe Banque Populaire.

Vincent Bolloré, age 56, manages and controls the Bolloré Group, which has over 30,000 employees and is a market leader in the manufacturing, transportation and logistics sectors, as well as energy distribution and media.

Bernard Comolet, age 61, is Chairman of the Executive Board of Caisse d'Epargne Île-de-France Paris and previously held various positions of responsibility within the banking sector.

Jean Clochet, age 62, Chairman of the Board of Directors of Banque Populaire des Alpes, is also Chairman and Chief Executive Officer of Routin SA, which produces and markets beverages from concentrate.

Bernard Jeannin, age 59, Chief Executive Officer of Banque Populaire Bourgogne Franche-Comté since 2002, has held a series of management positions within Groupe Banque Populaire.

Jean-Claude Crequit, age 55, is Chairman of the Executive Board of Caisse d'Epargne Côte d'Azur. Having previously worked in the public sector and the banking sector, he has held executive positions within Caisses d'Epargne since 1984.

Stève Gentili, age 58, Chairman of Bred Banque Populaire since 1998, was the manager of a leading food manufacturer until 2004. He is Chairman of the Group agency for cooperation and development (ABPCD) and of Natixis Pramex International.

Francis Henry, age 62, honorary solicitor, has been Chairman of the Steering and Supervisory Board of Caisse d'Epargne et de Prévoyance de Champagne-Ardennes since 1992.

Yvan de La Porte du Theil, age 59, Chief Executive Officer of Banque Populaire Val-de-France since 2002, has held a series of various executive positions within Groupe Banque Populaire.

Bruno Mettling, age 50, is Deputy Chief Executive Officer of Banque Fédérale des Banques Populaires. Having been an auditor with the French Treasury until 1995, he held a variety of positions of responsibility within ministerial cabinets before joining Groupe Caisse d'Epargne in 1999, where he was a member of the Executive Board, and then Groupe Banque Populaire in 2004.

Jean-Charles Naouri, age 59, is Chairman and Chief Executive Officer and founder of EURIS, the holding company of one of France's leading retail groups. He began his career as an auditor with the French Treasury before becoming chief of staff at the Ministry of Social Affairs and National Solidarity in 1982 and at the Ministry of the Economy in 1984. He was also manager-partner at Rothschild & Cie Banque from 1987 to 2005.

Didier Patault, age 47, Chairman of Caisse d'Epargne des Pays de Loire, held positions of responsibility at CDC Gestion until 1992 and then at Caisse d'Epargne des Pays du Hainaut and Caisse Nationale des Caisses d'Epargne.

Henri Proglio, age 59, held a variety of executive management positions at Générale des Eaux and then Vivendi, was Chairman and Chief Executive Officer of Veolia Environnement and has been Director and Member of the Supervisory Board of several major industrial and financial groups in France.

Philippe Sueur, age 62, is Chairman of the Steering and Supervisory Board of Caisse d'Epargne Île-de-France Nord. A professor of law, Mr Sueur also holds a number of elective positions in the Île-de-France region.

Jean-Louis Tourret, age 65, Chairman of Banque Populaire Provençale et Corse, is manager of a number of industrial companies in the electronic sector and services companies. He is a member of professional and employer organizations and a local elected representative in Marseilles.

Robert Zolade, age 68, is Chairman of contract catering group Elior, of which he is one of the two co-founders. He previously held various management positions within French hotel and catering companies.

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Ulrich Brixner, age 67, is of German nationality and has a doctorate in management. He has held various positions of responsibility at major German banks and was Chairman of the Board of DZ BANK AG from 2000 to 2006.

Alfonso Iozzo, age 65, is Chairman of Casa Depositi e Prestiti. He has held various positions of responsibility and subsequently executive management positions within the SanPaolo Group. He has been director of various European banks.

Executive Board

Philippe Dupont, age 57, has been Chairman and Chief Executive Officer of Banque Fédérale des Banques Populaires since 1999 and is Executive Chairman of Natixis. Holding a degree in Management and Economics, Mr Dupont was director of a commodities wholesaler for 12 years and then Chairman of the Board of Directors of BP ROP Banque Populaire. Mr Dupont is a member of the Executive Committee of the French Banking Federation.

Dominique Ferrero, age 61, studied at the Ecole Normale Supérieure and held a variety of positions of responsibility at the Banque Française du Commerce Extérieur (French Foreign Trade Bank), of which he became Chief Executive Officer in 1994. He was Chief Executive Officer of Natexis Banques Populaires and then of Crédit Lyonnais from November 1999, then Senior Adviser at Merrill Lynch from 2004.

François Ladam, age 61, an HEC graduate, has spent his entire career with Groupe Banque Populaire as Internal auditor and then Chief Executive Officer of two Banque Populaire regional banks. He was Chief Executive Officer of Natexis Banques Populaires from November 1, 2002.

Jean-Pascal Beaufret, age 57, an HEC and ENA graduate has held top responsibilities at the Ministry of Finance and Economy (Treasury department at the Internal revenue department) and, in the banking world and in industry, in particular at Alcatel-Lucent, where he has been Chief Financial Officer since 2002.

Jean-Marc Moriani, age 50, a graduate of Ecole Centrale de Paris and Université Paris I (Economics), has served most of his career at Groupe Crédit Lyonnais and, subsequently, Crédit Agricole, in France and in the United States. He became responsible for the Natixis' Finance and Investment Bank in August 2007 and continues to manage it today.

Role and rules of operation of the executive bodies

Role and powers of the Supervisory Board

In accordance with French law and the bylaws, the Supervisory Board exercises permanent control of the management of the company by the Executive Board.

At any time of the year, it carries out inspections and verifications it considers appropriate, and may receive from the Executive Board any documents it deems useful in fulfilling this responsibility.

At least once a quarter and in practice at each meeting, the Board presents a report summarizing the main actions or events in the company's management, including all quantitative and qualitative information required concerning the development of the company's business activities.

At the end of each financial year, in accordance with regulatory deadlines, the Executive Board presents to the Supervisory Board the annual financial statements, the consolidated financial statements and its report, for the purposes of inspection and verification. At the annual meeting, the Supervisory Board presents its observations on the Executive Board's report and the annual, company and consolidated financial statements.

Under no circumstances may this result in the completion of management actions carried out directly or indirectly by the Supervisory Board or its members.

The Supervisory Board appoints and may dismiss members of the Executive Board, the Executive Chairman and Chief Executive Officers in accordance with French law and Article 9 of the bylaws, as well as the conditions set out in the shareholders' agreement as described in paragraph 1.2.2.

The Supervisory Board decides on the draft resolution proposing to the general shareholders' meeting the designation of the statutory auditors, subject to the conditions required by law.

The Supervisory Board may decide to set up Committees to look at issues submitted to it for examination by the Board itself or its Chairman. It determines the composition and duties of these Committees, which are under its responsibility.

In addition to the prior authorizations required by applicable legal and regulatory provisions, it should be noted in particular that Natixis' bylaws and the shareholders' agreement require the prior authorization of the Supervisory Board for certain transactions:

- increases in share capital maintaining preferential subscription rights, immediate or in the future, including a premium of over €75 million, and an increase in Natixis' share capital, immediate or in the future, without preferential subscription rights;
- extension of Natixis' activities to include major business lines not exercised by Natixis;
- designation of members of the Supervisory Board and the Board of Directors, Executive Board and, if applicable, Chief Executive Officers and Deputy Chief Executive Officers of the main subsidiaries;
- any acquisition of a stake in another company or increases in equity investments, other investments, divestments (or the creation of a joint venture) by Natixis or one of its subsidiaries representing more than €150 million;
- any transfers, mergers or demergers in which Natixis or one of its main subsidiaries is involved;
- approval of the company's business plan as prepared by the Executive Board, comprising in particular target rates of return and the company's risk policy, as well as any material changes in the strategic plan;
- proposals to the general shareholders' meeting of any changes to the bylaws.

In order to add to statutory requirements, determine certain terms of its operation and set out the rights and duties of its members, the Supervisory Board has decided to adopt a set of Internal Rules.

These Internal Rules relate in particular to:

- **the definition of the criteria used to qualify members as 'independent':**

  An independent director is a director who has no relationship whatsoever with the company, its management or the group that may compromise it exercising free judgment or create a conflict of interest with management, the company or the group.

  Therefore, independent members of the Supervisory Board may not:

  - be an employee or corporate officer of the company or the group, an employee or director of a shareholder with control of the company alone or in concert, in accordance with Article L. 233-3 of the French Commercial Code, or a consolidated company, and has not served in such a capacity during the last five years,

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- be a corporate officer of a company in which the company directly or indirectly holds a directorship or in which an employee designated as such or a corporate officer of the company holds a directorship,
- be a major customer, supplier, corporate banker or investment banker of the company or the group, or for whom the company accounts for a significant proportion of its business,
- have a close family connection with a director of the company or the group, have been an auditor of the company or one of the group's companies in the last five years, have been a director of the company or one of the group's companies in the last five years, be a member of the company's Supervisory Board for more than 12 years, receive or have received additional material compensation from the company or the group other than directors' fees.

Members of the Supervisory Board representing significant direct or indirect shareholders in the company 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 member of the Supervisory Board represents a shareholder of the company holding more than 10% of share capital or voting rights directly or indirectly, the Board, on the basis of a report from the Compensation Committee, shall verify the member's independence, taking account of the composition of the company's share capital and the existence of any potential conflicts of interest.

Qualification as an independent member of the Supervisory Board is discussed by the Compensation Committee, which prepares a report on the subject;

- **The Ethics and Compliance Charter for Supervisory Board members:**

The internal rules state that each Board member shall devote due time and attention to fulfilling his or her duties and regularly attend meetings of the Board and Committee or Committees to which he or she belongs. Each Supervisory Board member shall ensure under all circumstances that he or she acts in the business interests of Natixis and endeavor to defend and promote Natixis' values.

Members of the Supervisory Board and Committees, as well as any person attending meetings of the Board and its Committees, must abide by a general confidentiality agreement concerning matters discussed at such meetings, as well as any information that is confidential or presented as such by the Chairman or Chairman of the Executive Board.

Each Supervisory Board member must declare any trading in the company's shares, in accordance with the provisions of Article L.621-18-2 of the French Monetary and Financial Code. Members shall also inform the company of the number of shares held as at December 31 of each year and during any financial transactions, in order to allow for this information to be passed on by the company.

The company may also ask each Board member to provide any information concerning in particular the trading of shares in listed companies required to satisfy its reporting commitments to any authorities, notably stock market authorities, both in France and abroad.

Supervisory Board members shall not carry out any transactions involving Natixis shares during the period commencing 45 days before the publication of the company's quarterly, interim or full-year results or before a general shareholders' meeting and ending two trading days after the date of the event concerned.

Supervisory Board members shall not act against the interests of Natixis or the companies it controls, in particular in the case of a proposed transaction in which a member of the Supervisory Board or a non-voting director has a direct or indirect interest.

- **Certain authorizations given by the Board to the Executive Board in the context of the Internal rules:**

To wit, the Supervisory Board has decided, in accordance with Article R. 225-54 of the Code of Commerce, that:

- disposals of buildings up to a value of €10 million per transaction,
- disposals of participating interests in any form of company or grouping, up to a value of €10 million per transaction,
- disposals of participating interests in any form of company or grouping created solely for the purpose of carrying out corporate or investment banking transactions, irrespective of the value,

may be decided by the Executive Board without prior authorization from the Supervisory Board.

In accordance with regulations, the Executive Board may decide to sub-delegate the power granted to it in application of this rule.

- **Evaluation of the Supervisory Board:**

At least once a year, one item on the agenda shall concern the evaluation of the operations of the Board, which is included in the company's annual report;

- **Finally, certain aspects concerning the functioning of the Board as set out in the Internal Rules:**

  In particular, the Internal Rules state that, apart from in the case of adopting decisions concerning the inspection and verification of the company and consolidated financial statements, members of the Supervisory Board participating in Board meetings via videoconferencing or any means of telecommunications transmitting at least the member's voice, the technical characteristics of which allow for continuous and simultaneous streaming of all debates, shall be deemed present for quorum purposes.

Role and powers of the Executive Board

The Executive Board carries out its functions under the control of the Supervisory Board.

It is vested with the broadest powers to act under any circumstances on behalf of the company, within the limit of the corporate purpose and subject to powers expressly attributed by law and the bylaws to shareholders' meetings and the Supervisory Board.

The Executive Board prepares and presents to the Supervisory Board reports, budgets and the company and consolidated financial statements, in accordance with the provisions required by law and the bylaws.

The Executive Board convenes all general shareholders' meetings, sets the agenda and executes decisions.

Vis-à-vis third parties, any actions concerning the company shall be carried out by the Executive Chairman or a Chief Executive Officer.

Specialist committees

In accordance with the agreement signed on November 17, 2006, the two shareholders are equally represented on the Risk Management Committee and the Compensation Committee, each of which comprises six members, including two independent members. The Risk Management Committee is jointly chaired by the Vice-Chairman of the Supervisory Board and an independent member. By special dispensation, the first joint chairmanship of the Risk Management Committee as of November 17, 2006, shall be shared by a member put forward by Caisse Nationale d'Epargne et de Prévoyance and an independent member. The Compensation Committee shall be chaired by an independent member.

The Audit Committee

In accordance with the above provisions, the Supervisory Board meeting on November 17, 2006, appointed the following directors to the Audit Committee: Nicolas Mérindol and Jean-Charles Naouri, as co-Chairmen; and Jean-Claude Créquit, Michel Goudard, Yves de La Porte du Theil and Robert Zolade, as Committee members.

Following the departure on retirement of Michel Goudard, on December 31, 2007, Bruno Mettling, Deputy Chief Executive Officer of Banque Fédérale des Banques Populaires, was appointed Member of the Audit Committee by the Supervisory Board, at its January 16, 2008 meeting.

Natixis' Audit Committee has the following responsibilities:

- it assists the Supervisory Board in its inspection and auditing of the financial statements and the Chairman's report on the company's business activities; within this framework, it monitors the quality of information provided to shareholders and, more generally, carries out the duties set out in CRBF rule n° 2001-01 of June 26, 2001, concerning the internal control of credit institutions and investment firms, amending CRBF rule n° 97-02 of February 21, 1997, as amended by rule n° 2004-02 of January 15, 2004;
- it examines the company and consolidated annual and interim financial statements, as well as the company's draft budgets at least one week before they are presented to the Supervisory Board, as well as company financial documents handed out on approval of the financial statements;
- it gives an opinion on the choice or renewal of the company's statutory auditors and examines the scope of their work, the results of their investigations 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, as well as the monitoring and control of risks; to this effect, it receives reports from the risk Committees of the company and its main subsidiaries, as well as reporting on risks, notably operational, market or counterparty risks, carried out under the diligence of the company's Executive Board;
- it gives an opinion on the appointment and dismissal of the head of Internal Audit;
- it monitors the implementation of actions based on the conclusions of assignments by the Internal Audit department and the Banking Commission; for this purpose, it may receive reports from the Internal Audit department and the Banking Commission concerning the company and its subsidiaries;
- it looks at the company's annual internal auditing schedule, including audits at subsidiaries, which should be presented to the Committee at least one week before approval;
- it gives an opinion on the report submitted to it each year concerning business relationships between the company or one of its subsidiaries and all or some of the entities making up Groupe Caisse d'Epargne or Groupe Banque Populaire.

The company's Executive Board provides the Risk Management Committee with any documents and information that may help it to carry out its duties, as necessary. The following list is not exhaustive:

- company 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;
- accounting policies and methods applied within the company;
- internal control policies and procedures;
- projected annual, company and consolidated results to end-June, end-September and end-December;
- consolidated budgets and the financial statements of the main subsidiaries, as well as any related documents provided to the supervisory Board or, if applicable, the risk management committee of the main subsidiaries.

The Audit Committee may submit to the Supervisory Board any proposals to carry out an audit, notably concerning the financial statements of the company and its subsidiaries.

The Audit Committee meets at least once a quarter.

Minutes of all Audit Committee meetings are produced, and later provided to members of the Risk Management Committee and other members of the company's Supervisory Board.

The Compensation Committee

In November 2006, the Supervisory Board appointed Vincent Bolloré, Chairman, and Bernard Comolet, Francis Henry, Bruno Mettling, Henri Proglio and Jean-Louis Tourret members of the Compensation Committee.

Due to Bruno Mettling's presence on the Audit Committee, Philippe Queuille, the new permanent representative of Banque Fédérale des Banques Populaires on the Supervisory Board, was appointed to replace him, Member of the Compensation Committee by the Supervisory Board on January 16, 2008.

The Compensation Committee prepares the Supervisory Board's decisions on the following subjects:

Terms of compensation

The Compensation Committee is responsible for making proposals to the Supervisory Board concerning:

- the level and terms of compensation paid to the Chairman of the Supervisory Board, including fringe benefits, pensions and personal risk insurance;
- the level and terms of compensation paid to members of the Executive Board, including fringe benefits, pensions and personal risk insurance, as well as stock options;
- rules for the allocation of directors' fees to members of the Supervisory Board and the total amount submitted to the decision of the company's general shareholders' meeting.

It examines and gives an opinion on insurance taken out by the company in relation to directors' responsibilities.

Selection procedures

- The Compensation Committee gives an opinion and, at the request of the Supervisory Board, makes proposals and recommendations to the Supervisory Board on the appointment of the Executive Chairman;
- it gives an opinion on the appointment of other Executive Board members proposed by the Chairman, as well as the Chief Executive Officers, Deputy Chief Executive Officers and members of the Executive Board or the Board of Directors of the company's main subsidiaries, in accordance with the principles set out in articles 3 and 6.1 of the company statutes.

The company's Executive Board provides the Compensation Committee with any documents that may help it to carry out its duties and provide additional information. At the request of the Supervisory Board, the Compensation Committee may also appoint external experts to carry out studies or analysis of compensation paid to executive directors of comparable companies in the banking sector.

Activities of the executive bodies

The Supervisory Board

During Year 2007, the Supervisory Board held seven meetings, with a participation rate of 85% of its members over the whole of the year.

All of the Executive Board members were present at all of the sessions, thus enabling the Board members to hear from them and address them all of the questions they deemed necessary.

Whenever necessary, the Chief Financial Officer or relevant Head of Division was also convened to provide details on the aspects broached during the session.

With regard to the internal operations of the executive bodies, the Board approved the terms of its bylaws in March 2007, as well as the bylaws of the Audit Committee.

In accordance with banking regulations, the Board became familiar with the reports drawn up on the enforcement conditions of internal controls and on risk measurement and monitoring. The Board was also provided with the Chairman's report on the conditions under which Board meetings are to be planned and organized.

Moreover, the Board heard the minutes of the Audit Committee's meetings.

As regards business monitoring, the Board was provided with the company's draft budget for financial year 2007, as well as the company and consolidated accounts approved by the Executive Board. It was informed of the draft resolutions to be submitted to the shareholders at the Annual General Meeting by the Executive Board.

In addition to the management reports delivered by the Executive Board, which presented broad business trends for the period elapsed between each Board meeting, the Board was also kept regularly informed of the measures taken to institute Natixis' structure, whether in the divisions at the parent company or in the subsidiaries.

As such, the Board was required, in particular, to give its opinion, prior to implementation and in accordance with the shareholders' agreements and bylaws, on a number of restructuring measures between subsidiaries:

- within the Asset Management division, with a series of share transfer transactions and mergers between eight companies;
- within the Services division, in particular in the field of consumer loans and the "securities" business, etc.;
- within the Corporate and Investment Banking business, with the merger-takeover of the main subsidiary, Ixis Corporate & Investment Bank; the merger agreement was approved by the Board on September 28, 2007 and was submitted to the shareholders at the Annual General Meeting convened on December 20, 2007.

The decision was ratified by the shareholders at the Annual General Meeting on December 20, 2007.

In accordance with the regulations in effect, the Board approved, prior to the signature, a number of regulated agreements, relative to:

- the signing of an agreement on invoicing between Natixis and its corporate bodies;
- the approval of the transfer of operations from the Tokyo branch of Ixis CIB to Natixis;
- Natixis' involvement, in various capacities, in a covered bond issue by Banques Populaires;
- the disposal of CIFG.

Naturally, the Board's work stood out this year for the special attention it paid, from the end of the First Half, and even more so throughout the Second Half, to analyzing the situation brought about by the international financial crisis.

In this regard, the Board regularly turned to the company's management and heard the observations of the Audit Committee on the topics of direct or indirect exposure to the risks brought about by the subprime loans, conduits and SPVs and, more generally speaking, the financial impact of the crisis for Natixis. In addition, within this setting, and in response to the requirements set out by the ratings agencies for institutions operating in credit enhancement, the Board was required to give its opinion, in December 2007, on the disposal of subsidiary CIFG.

The Executive Board

Over the course of Year 2007, the Executive Board convened weekly. Whenever the importance of the decisions to be made so required, the Executive Board's meetings were convened during non-customary times or during holidays. Lastly, the Executive Board approved, at four specifically-convened sessions to which it summoned the auditors' college, the company's annual accounts for September 2006, and half-year and quarterly accounts, as well as the Group's consolidated accounts. The approval of the budget for financial year 2007 also gave rise to a special meeting. In total, the Executive Board met fifty-three times during civil year 2007.

The Executive Board's meetings were chaired by its Chairman or, in his absence, by the Chief Executive Officer. The members of the Executive Board, without exception, attended all of the meetings. Representatives from the business lines or divisions were called in, as required, to deliver presentations on various development projects to the Executive Board. Likewise, the Executive Board asked the managers from the Support functions – Finance, Human Resources, Controls, etc. – to join in the Executive Board's debates on subjects relevant to their divisions.

Over the course of the sessions, the Executive Board regularly reviewed the company's business development and performance trends. It paid special attention to managing the financial crisis, which had become acute during the year. In this regard, it set out the guidelines that ultimately made it possible to rein in the effects of the subprime crisis and monitored their implementation. It worked to identify and limit Natixis exposures likely to become acute risks for Natixis. Lastly, the Executive Board, having initiated the process to find an industrial backer for CIFG, made the decision to transfer the entirety of its capital to Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne.

The Executive Board was informed of the conclusions presented to the steering Committees regarding the implementation of the Natixis project. Some of its members were part of the said bodies. The Executive Board approved the procedures for the operational alliances to be formed between Natixis entities, in particular in asset management, share intermediation, insurance and leasing. The Executive Board devoted special attention to the proposed merger, in which Natixis would take over Ixis CIB, carried out on December 20, 2007.

The Executive Board approved the new organization principles for certain divisions or business lines, first and foremost Corporate and Investment Banking, as well as the various functional divisions. It made sure that the monitoring and control tools necessary had been set up, enabling supervision for the Group as a whole.

The Executive Board moreover strived to coordinate relations between Natixis and its two main shareholders, through the governance bodies that had been planned upon Natixis' creation. It also worked to give concrete form to the operational agreements enabling the deployment of Natixis' offers across the networks of both Groupe Caisse d'Epargne and Groupe Banque Populaire.

In accordance with French law, the Executive Board approved the Group's annual, interim and quarterly accounts and convened the shareholders to General Meetings after having set the agenda. The Executive Board approved the principles and guidelines for Natixis' financial communication. Moreover, it issued a stock option subscription plan for certain employees of Natixis, Banque Populaire and Caisse d'Epargne. It also instituted a free share allocation plan aimed at all employees across all three groups.

Lastly, the Executive Board ensured that all of the control and regulation authorities were kept informed of the company's developments and results, the progress of proposed alliances and the implementation of both the Natixis project and management and risk control measures.

Activities of the specialist committees

The Audit Committee

Natixis' Audit Committee met nine times during Fiscal Year 2007. The participation rate was near 82% over the whole of the year.

The Committee heard from the Chief Executive Officer about current issues and specifically about the impact of the financial crisis. The Audit Committee had the benefit of Natixis Chief Financial Officer's participation at each meeting, as well as that of the Chief Risks Officer, the Inspection managers at Natixis and that of its central bodies, the Compliance managers and Internal Control.

On several occasions, in particular during discussions of current events in relation to the financial crisis at year-end, the Committee also heard Natixis' Chief Executive Officer.

The Committee drew up its bylaws, in order to submit them to the Supervisory Board for approval.

As regards account verification, the Audit Committee heard presentations from the Financial Department and the comments from the auditors upon the approval of the annual and interim accounts and, subsequently, from Third Quarter 2007, when the quarterly were approved.

In the field of control and compliance, the Committee heard a presentation of the report from the Banking Commission on risk monitoring and internal controls. It also received a presentation of the responsibilities and organization of Natixis' Compliance function, as well as the organization and scope of work assigned to the Bank's Inspectorate, with regular check-up points.

In light of ongoing events, the Committee's attention naturally focused, in the Second Half, on the potential risks arising for Natixis as a result of the subprime crisis in the United States.

During the special sessions dedicated to these topics alone, the committee heard a number of detailed accounts on the consequences of the crisis for Natixis, covering the main exposures and the items they were made of (subprimes, conduits, SPVs).

The Committee moreover paid special attention to analyzing developments in the credit enhancement market. As such, it reviewed the standing of subsidiary CIGF and the procedures for its recapitalization and disposal, in response to the requirements set out by the rating agencies. The Committee issued a very positive recommendation in favor of transferring Natixis' two parent companies at year-end.

Their vigilance did not flag in early 2008, for the Committee met five times, up to mid-February, in order to analyze, in detail, Natixis' exposure to the subprime and credit enhancement risks, as well as the consequences of the crisis on the Company's financial standing.

It also gave its opinion on the annual budget for 2008.

The Compensation Committee

The Compensation Committee met in January of 2008 to decide upon the variable pay to be allotted to the Company's leaders for Fiscal Year 2007, in light of the forecasted results for the fiscal year.

In accordance with the terms of the shareholder agreement, it also gave an opinion on the appointment of new members to the company's Executive Board as nominated by the Chairman, as well as their terms of compensation.

It shared its observations with the Supervisory Board, in charge of making the relevant decisions.

Policies and rules for determining compensation paid to members of the executive bodies

(Pursuant to Article L. 225-68 of the French Commercial Code as amended by the law of December 30, 2006).

Based on the opinion of the Compensation Committee, the Supervisory Boards made, on December 13, 2006 and February 14, 2008, the following decisions regarding director compensation:

Compensation paid to Members of the Supervisory Board

Compensation paid to the Chairman of the Supervisory Board

Compensation paid to the Chairman of the Supervisory Board has been set at €285,000 a year.

There is no variable compensation, no allocation of securities to the Chairman of the Supervisory Board and no additional payment of directors' fees to any members of the Supervisory Board.

Compensation paid to members of the Supervisory Board

The total compensation budget is €500,000 for a Board comprising 18 members and two non-voting directors and two Committees each of six members.

The amounts decided are in line with market rates.

- Supervisory Board members and non-voting directors:
  - fixed portion: €10,000 per year,
  - variable portion: €2,000 per meeting for up to five meetings.

Total: maximum of €20,000.

- Members of specialized Committees:
  - Audit Committee:
    Chairman: €12,500 for each joint Chairman
    Audit Committee members:
    - fixed portion: €5,000,
    - variable portion: €1,000 per meeting for up to five meetings;
  - Compensation Committee:
    Chairman: €10,000
    Compensation Committee members:
    - fixed portion: €3,000,
    - variable portion: €1,000 per meeting, for up to two meetings.

Committee chairmen do not receive a variable portion of compensation in accordance with the principle that no committee meetings shall be held in their absence.

Compensation paid to members of the Executive Board

The decisions made are based on three main principles:

- clarity, transparency and exemplarity;
- equality between Executive Board members (paying particular attention to ensuring that compensation is consistent with the rest of the market);
- new individual compensation levels in line with previous levels.

Bonus of the Executive Board members will combine a portion relating to Natixis' performance (80%) and a portion relating to individual performance (20%). The calculation basis combines one or two quantitative criteria based on operating income, with a target (projected income) and a maximum level (higher than expected income) corresponding to the maximum bonus.

Members receive both monetary compensation and compensation in the form of stock options.

Monetary compensation

Compensation paid to the Chairman of the Executive Board

The Executive Chairman's salary has been set at €350,000. In addition, the Chairman may receive a bonus representing 120% of this salary if performance targets are reached, up to a maximum of €630,000 if the company achieves 150% or more of its targets.

The Compensation Committee and the Supervisory Board ratified the Chairman of the Executive Board's decision to forsake the entirety of the variable compensation that could have been paid to him by Natixis for Year 2007.

Compensation paid to the Chief Executive Officer

The Chief Executive Officer's salary of €600,000 a year is 80% of the market median. In addition, the Chief Executive Officer may receive a bonus representing 120% of this salary if performance targets are reached, up to a maximum of €1,080,000 if the company achieves 150% or more of its targets.

The Compensation Committee and the Supervisory Board have set the Chief Executive Officer's variable compensation at €300,000 for Year 2007.

Compensation paid to other Executive Board members

Anthony Orsatelli

Salary of €450,000;

plus a bonus of 100% of salary if performance targets are reached, up to a maximum of €675,000 if the company achieves 150% or more of its targets.

The Compensation Committee and the Supervisory Board have set Anthony Orsatelli's variable compensation at €225 000 for Year 2007.

François Ladam

Salary of €450,000;

plus a bonus of 100% of salary if performance targets are reached, up to a maximum of €675,000 if the company achieves 150% or more of its targets.

The Compensation Committee and the Supervisory Board have set François Ladam's variable compensation at €225 000 for Year 2007.

Compensation paid to Executive Board members in the form of stock options

The Compensation committee's proposal, adopted by the Board, has given rise to the following:

- 190,000 options for the Chairman for service to Natixis and 70 000 options for service to Banque Fédérale des Banques Populaires;
- 190,000 options for the Chief Executive Officer;
- 125,000 options for each of the other Executive Board members.

Fringe benefits

Dominique Ferrero, Anthony Orsatelli and François Ladam each have company cars and housing benefits valued at €4,262 and €23,146 respectively, for year 2007. Anthony Orsatelli benefited from a company car valued at €5,882 for year 2007.

Philippe Dupont receives fringe benefits (primarily a company-owned apartment and a company car) valued at a total of €44,602, provided by Banque Fédérale des Banques Populaires.

Executive pension plans and severance payments

Retirement allowances

In relation to their previous duties at Natexis Banques Populaires, two members of Natixis' Executive Board, Philippe Dupont and François Ladam, belonged to the complementary group retirement plan applicable to all Chief Executive Officers of Groupe Banque Populaire.

A similar scheme is available to Dominique Ferrero and Anthony Orsatelli. In this regard, the total of all pension benefits payable to executives may not exceed 60% of the income they received in their last year of service, with the income figure capped at €335,000. This guarantee was scaled back to 50% for executive managers appointed after January 1, 2005.

This system was implemented before May 1, 2005, i.e. prior to the effective date of the July 26, 2005 law (No. 2005-842).

Severance payments

Should an executive be dismissed prior to the expiration of his term, except in the event of professional misconduct, the group will pay an indemnity equal to one year's compensation plus 1/12 of annual compensation for every year of service with the Natixis Group or one of the two shareholding groups. The amount of the indemnity is limited to a maximum of 42/12 of annual compensation.

When an executive takes retirement or early retirement, he receives a payment equal to 1/40 of annual compensation per year of service with the Natixis Group or one of the two shareholding groups, capped at 40/40 of that compensation.

Concerning deferred compensation commitments that could be granted to Jean-Pascal Beaufret and Jean-Marc Moriani, who were appointed to the Executive Board by the Supervisory Board of February 14, 2008, said commitments will be examined in 2008 by the Compensation Committee and approved by the Supervisory Board in compliance with regulations.

Information concerning these compensation elements will be included in the 2008 Registration Document.

Summary of compensation paid

COMPENSATION RECEIVED BY MEMBERS OF THE EXECUTIVE BODIES OF NATIXIS AND ITS SUBSIDIARIES FOR 2007

Name	Position held at Natixis	Natixis 2007 attendance fees	Compensation for Natixis specialized committee members	Attendance fees for Natixis subsidiaries	Compensation for Natixis subsidiaries	Fixed compensation paid to Natixis directors	Variable compensation paid to Natixis directors (2)	Fringe benefits	Total
Supervisory Board members									
Banque Fédérale des Banques Populaires	Member of SB	20,000		11,550					31,550
BOLLORE	Member of SB	18,000	10,000	0					28,000
BRIXNER	Non-voting director	20,000		0					20,000
Caisse Nationale des Caisses d'Epargne	Member of SB	20,000		21,500					41,500
CLOCHET	Member of SB	18,000		9,600					27,600
COMAS	Member of SB	16,000		4,500					20,500
COMOLET	Member of SB	20,000	3,000	0					23,000
CORDEL	Member of SB	16,000		13,050					29,050
CREQUIT	Member of SB	20,000	10,000	0					30,000
de LA PORTE du THEIL	Member of SB	20,000	10,000	10,800					40,800
GENTILI	Member of SB	20,000		10,700					30,700
GOUDARD	PR of BFBP		10,000	4,000					14,000
HENRY	Member of SB	20,000	3,000	0					23,000
IOZZO	Censeur	14,000		0					14,000
JEANNIN	Member of SB	18,000		10,800					28,800
MERINDOL	PR of CNCE		12,500	45,025					57,525
METTLING	Member of SB	20,000	3,000	3,600					26,600
MILHAUD	Chairman of SB	20,000		3,000		285,000			308,000
NAOURI	Member of SB	14,000	12,500	0					26,500
PATAULT	Member of SB	20,000		0					20,000
PROGLIO	Member of SB	20,000	3,000	0					23,000
SUEUR	Member of SB	20,000		0					20,000
TOURRET	Member of SB	20,000	3,000	6,300					29,300
ZOLADE	Member of SB	20,000	10,000	0					30,000
Sub-total		**414,000**	**90,000**	**154,425**		**285,000**			**943,425**
Executive Board members									
DUPONT	Executive Chairman				0	350,000	0	0	350,000
FERRERO (1)	Chief Executive Officer				0	600,000	300,000	4,262	904,262
LADAM	Executive Board member				0	450,000	225,000	23,146	698,146
ORSATELLI	Executive Board member				30,489	450,000	225,000	5,882	711,371
Sub-total					**30,489**	**1,850,000**	**750,000**	**33,290**	**2,663,779**
TOTAL									**3,607,204**

(1) Not included €500,000 paid in 2007 for financial year 2006.

(2) Paid in 2008 for 2007, following a Board decision in February 2008, upon proposal from the Compensation Committee, in light of estimated results for 2007.

COMPENSATION PAID TO MEMBERS OF EXECUTIVE BODIES AT NATIXIS OR NATIXIS HOLDING COMPANIES FOR 2007

Name	Position held at Natixis	Attendance fees paid by BFBP	Compensation paid to BFBP specialised committee members	Fixed individual compensation (work contract or dir. comp.) paid by BFBP	Variable individual compensation (work contract or dir. comp.) paid by BFBP	Fringe benefits	Total
Board members							
Banque Fédérale des Banques Populaires	Member of SB						0
BOLLORE	Member of SB	0	0				0
BRIXNER	Non-voting director	0	0				0
Caisse Nationale des Caisses d'Epargne	Member of SB						0
CLOCHET	Member of SB	9,936	2,500				12,436
COMAS	Member of SB	4,416	3,511				7,927
COMOLET	Member of SB	0	0				0
CORDEL	Member of SB	4,416	2,261				6,677
CREQUIT	Member of SB	0	0				0
de LA PORTE du THEIL	Member of SB	11,040	7,022				18,062
GENTILI	Member of SB	11,040	2,261				13,301
GOUDARD	PR of BFBP	0	0	290,000	130,000	46,815	466,815
HENRY	Member of SB	0	0				0
IOZZO	Non-voting director	0	0				0
JEANNIN	Member of SB	9,936	2,916				12,852
MERINDOL	PR of CNCE	0	0				0
METTLING	Member of SB	0	0	290,510	130,000	45,733	466,243
MILHAUD	Chairman of SB	0	0				0
NAOURI	Member of SB	0	0				0
PATAULT	Member of SB	0	0				0
PROGLIO	Member of SB	0	0				0
SUEUR	Member of SB	0	0				0
TOURRET	Member of SB	9,936	7,854				17,790
ZOLADE	Member of SB	0	0				0
Executive Board members							
DUPONT	Executive Board Chairman	11,040	0	245,000	110,000	44,602	410,642
FERRERO	Chief Executive Officer	0	0				0
LADAM	Executive Board member	0	0	0			0
ORSATELLI	Executive Board member	0	0				
TOTAL		71,760	28,325	825,510	370,000	137,150	1,432,745

COMPENSATION RECEIVED BY MEMBERS OF THE EXECUTIVE BODIES OF NATIXIS IN COMPANIES CONTROLLING NATIXIS, FOR YEAR 2007

Names	Position held at Natixis	Attendance fee paid by CNCE and its subsidiaries	Compensation paid to CNCE specialised committee members	Compensation paid members of CNCE subsidiaries other than Natixis	Special bonus	Fixed individual compensation (work contract of dir. comp.) paid by CNCE	Variable individual compensation (work contract or dir.comp.) paid by CNCE	Fringe benefits	Total
Board members									
Banque Fédérale des Banques Populaires	Member of SB								0
BOLLORE	Member of SB	0	0						0
BRIXNER	Non-voting director	0	0						0
Caisse Nationale des Caisses d'Epargne	Member of SB								0
CLOCHET	Member of SB	0	0						0
COMAS	Member of SB	0	0						0
COMOLET	Member of SB	48,320	0	35,000					83,320
CORDEL	Member of SB	0	0						0
CREQUIT	Member of SB	0	0						0
de LA PORTE du THEIL	Member of SB	0	0						0
GENTILI	Member of SB	0	0						0
GOUDARD	PR of BFBP	0	0						0
HENRY	Member of SB	0	0						0
IOZZO	Non-voting director	0	0						0
JEANNIN	Member of SB	0	0						0
MERINDOL	PR of CNCE	188,797		32,500	150,000	502,345	288,750	5,523	1,167,915
METTLING	Member of SB	0	0						0
MILHAUD	Chairman of SB	103,670	0	50,000	150,000	490,000	440,000	65,586	1,299,256
NAOURI	Member of SB	0	0						0
PATAULT	Member of SB	0	0						0
PROGLIO	Member of SB	0	0						0
SUEUR	Member of SB	0	0						0
TOURRET	Member of SB	0	0						0
ZOLADE	Member of SB	0	0						0
Executive Board members									
DUPONT	Executive Board Chairman	0							
FERRERO	Chief Executive Officer								
LADAM	Executive Board Member								
ORSATELLI	Executive Board Member								

Competence and integrity of members of the Supervisory Board

In accordance with regulations, a list of the functions exercised by the executive directors of Natexis can be found in this document. The brief summary of their curriculum vitae shows that they all have recognized business expertise, in particular through their positions as executives of banks or large industrial companies or as former bank executives.

In accordance with the enforcement rules of the EU directive 2003/71 (Article 14.1, paragraph 2), the bank reports that none of these Board members or members of Executive Management has been convicted of fraud over the past five years (minimum), has been subject to bankruptcy, liquidation or receivership over the past five years (minimum), has been officially incriminated or punished by corporate or regulatory authorities, has been enjoined from acting as a director or executive of an issuer or from managing or participating in the business of an issuer over the last five years (minimum).

Agreements between the bank and members of the Board and executive bodies

The bank also reports, in accordance with EU regulations, that there are no agreements between members of the Board, Senior Management or the Executive Board and the bank that could grant advantages to them at the termination of such an agreement and that might by their nature compromise their independence or interfere with their decisions.

However, Natixis and its subsidiaries have business relationships with its two shareholders or some of their subsidiaries.

Potential conflicts of interest

Natixis' Management and Supervisory Board members include employees of the two shareholder groups (Groupe Banque Populaire and Groupe Caisse d'Epargne). There are extensive commercial relationships between Natixis and these two shareholder groups. Although the Group does not consider this situation to constitute a conflict of interest, it cannot be ruled out that the interests of Natixis and of these shareholding groups may diverge at some point in the future.

Executive committee (March 2008)

Philippe Dupont

Executive Chairman

Dominique Ferrero

Chief Executive Officer

François Ladam

Member of the Executive Board

Jean-Pascal Beaufret

Member of the Executive Board

Jean-Marc Moriani

Member of the Executive Board

Participants in Executive Committee:

Pierre Jacob

Communication and Investor Relations

Aline Bec

Information Systems

François Casassa

Corporate Secretary and Human Resources

Jérôme Cazes

Receivables Management

Jean Duhau de Berenx

Private Equity and Private Banking

Bertrand Duval

Coverage/BFI

Jean-Yves Forel

Services

Nicolas Fourt

Markets/CIB

Christian Gissler

Risks

André-Jean Olivier

Finance

Ramine Rouhani

Debt and Financing/CIB

Pierre Servant

Asset Management

Auditors

The bank's financial statements are audited by three independent accounting firms. Their terms will expire with the Annual General Meeting called to approve the 2009 financial statements, as concerns Deloitte & Associés and Salustro Reydel.

Mazars et Guérard was appointed by the combined general of November 17, 2006, for a term of six years ending on the general meeting to approve the financial statements for 2012.

- Deloitte & Associés – 185, avenue Charles-de-Gaulle – 92524 Neuilly-sur-Seine Cedex.
- Salustro Reydel, member of KPMG International – 1, cours Valmy – 92923 Paris La Défense Cedex.
- Mazars et Guérard, Immeuble Exaltis – 61, rue Henri-Régnault – 92075 La Défense Cedex.

In return for their services, the **Auditors** were paid the following fees:

	Deloitte & Associés				KPMG				MAZARS			
(in € thousands)	Amount excl. VAT		%		Amount excl. VAT		%		Amount excl. VAT		%	
Audit	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Audit, certification, examination of individual and consolidated financial statements	3,914	3,759	61%	49%	2,737	2,655	65%	94%	2,270	601	99%	75%
Issuer	*916*	*1,073*	*14%*	*14%*	*789*	*1,059*	*19%*	*37%*	*295*	*80*	*13%*	*10%*
Fully and proportionally consolidated subsidiaries and branches (1)	*2,998*	*2,686*	*47%*	*35%*	*1,948*	*1,596*	*46%*	*56%*	*1,975*	*521*	*86%*	*65%*
Other services relating directly to auditor's duties	1,461	3,546	23%	46%	1,483	81	35%	3%	20	10	1%	1%
Issuer	*422*	*2,334*	*7%*	*30%*	*185*	*23*	*4%*	*1%*	*0*	*0*	*0%*	*0%*
Fully and proportionally consolidated subsidiaries and branches	*1 039*	*1 212*	*16%*	*16%*	*1,298*	*58*	*31%*	*2%*	*20*	*10*	*1%*	*1%*
Sub-total	**5,375**	**7,305**	**83%**	**94%**	**4,219**	**2,736**	**100%**	**97%**	**2,290**	**611**	**100%**	**76%**
Other services provided by networks to fully and proportionally consolidated subsidiaries												
Legal, tax and employee-related	367	105	6%	1%	0	69	0%	2%	8	4	0%	0%
Other	696	339	11%	4%	0	28	0%	1%	4	188	0%	23%
Sub-total	**1,063**	**444**	**17%**	**6%**	**0**	**97**	**0%**	**3%**	**12**	**192**	**0%**	**24%**
TOTAL	**6,438**	**7,749**	**100%**	**100%**	**4,220**	**2,833**	**100%**	**100%**	**2,301**	**803**	**100%**	**100%**

(1) *In 2006, fees paid to auditors and members of their networks were not accounted for in the proportionally consolidated subsidiaries as the amount was immaterial.*

(2) *Including mainly the review of the closing process at Ixis CIB.*

The **substitute auditors** are:

- BEAS, 7-9, Villa Houssay – 92200 Neuilly-sur-Seine;
- François Chevreux – 40, rue Guersant - 75017 Paris;
- Patrick de Cambourg, Immeuble Exaltis – 61, rue Henri-Régnault – 92075 La Défense Cedex.

3 ACTIVITIES

Corporate and Investment Banking

COMPREHENSIVE RANGE OF INNOVATIVE, BESPOKE SOLUTIONS

Natixis Corporate and Investment Bank (CIB) provides world-class solutions for corporations, institutional investors, insurers and banks. The array of products and services embraces loans, structured financing and capital market, flow and leasing products, together with securitization, advisory services, financial engineering and research.

CIB synergizes the expertise of all Natixis businesses to develop innovative, bespoke solutions. The global network of over 120 offices is leveraged to build close-knit relations geared to satisfying local clients' needs as closely as possible.

One of the highlights of 2007 was the legal merger of Natixis-Ixis CIB on December 31, 2007, following the physical re-grouping of most personnel during the first half of the year. By pooling their respective know-how, the newly-assembled teams generated higher-than-expected revenue synergies despite difficult financial market conditions.

December 2007 also saw Natixis announce a reorganization plan for CIB which involves structuring business on three major divisions (Coverage, Markets, Debt & Finance), two regional platforms (USA and Asia) and more highly-concentrated support functions *(see box)*.

Rankings

Aviation Financing: No. 6 worldwide in terms of total amounts (source: *Airfinance Journal*)

Primary Bonds: No. 2 worldwide in the jumbo covered bond market (source: *IFR/Thomson Financial*)

Primary corporate bonds: No. 3 in France (source: *Dealogic/ Bondware*)

Trade Finance: No. 7 in the Africa-Middle East Area (source: *Dealogic/Trade Finance Magazine)*

CLO Arbitrage: No. 10 worldwide (source: *Asset-Backed Alert*)

Natixis Securities: No. 2 among French brokers (source: *Thomson Extel Focus France*

NBI BY BUSINESS LINE

(in € millions)	2006	2007	Change
Corporate and Institutional Relations	416	444	7%
International	171	198	16%
Structured and Commodities Finance	636	836	32%
Financing	**1,222**	**1,479**	**21%**
Capital Markets	1,299	1,185	-9%
Securitization and Principal Finance	536	-535	
Proprietary activity and other	437	-295	
Investments	**2,272**	**355**	**-84%**
TOTAL	**3,494**	**1,834**	**-48%**

A New Organization for 2008

Jean-Marc Moriani, Global Head of CIB, presented a draft reorganization plan at the end of December 2007. The proposed organization is more streamlined and simpler, and is better suited to Natixis' expansion plans. The main components are as follows:

- a **Coverage** division, which will take the lead on customer relations worldwide. It will also manage vanilla financing, flow products, leasing and M&A financing;
- a **Markets** division, which will be built around two core businesses, namely Equities and Commodities, and Fixed Income (trading and distribution) including treasury;
- a **Debt & Finance** division, which will house Structured Finance and Principal Finance & Securitization under the same roof, along with Proprietary Credit Activities. The decision to group together the origination and debt & credit product structuring teams will facilitate a more coordinated approach towards issuers/borrowers. By strengthening the links between structured finance and securitization, CIB will be able to offer clients a wider array of financing options, while also making better use of our balance sheet and improving ROE;
- **two regional platforms** in North America and Asia, which will have dedicated resources allowing them to grow in a more controlled manner and to work more closely with the various business lines, Coverage and support functions;
- CIB's goal over the next few years is to achieve manageable, controlled and profitable growth, thanks to appropriate investments in platforms, permanent risk oversight and reinforced management tools.

LOCAL RELATIONS WITH CLIENTS

Within the Corporate and Investment Bank, the Coverage division manages conventional financing activities (including leasing) and flow and cash management products. The division maintains close-knit relations with almost all major corporations and institutions and is well-entrenched in the medium-to-large French company segment.

Coverage also coordinates marketing and sales activity at client level across all business lines. The focus is on controlling risk and optimizing global profitability from client relationships over the long term. Coverage offers the full spectrum of Natixis services and businesses, including CIB, asset management, private equity and private banking, banking, financial & information services and receivables management.

The marketing and sales approach is organized around client types – Corporates and Investment Funds, Institutions and Public Sector – and is structured to include senior bankers, industry sector groups and regional departments, with priority assigned to local customer relations and sector expertise.

In the leasing area, Natixis Lease develops and provides a complete range of lease finance products for real estate and non-real estate investments in France, Spain and Italy. Natixis Lease lived up to its major-player status in 2007, by providing lease finance for sizeable real estate and non-real estate deals for large accounts. Activities were extended into the IT operational leasing segment via the creation of Lease Expansion and into PPP financing. In the energy field, Natixis Lease took steps to round out its core wind farm financing activities (over €100 million of production in 2007), by positioning in the promising photovoltaic investment market.

The cash management business is operating in increasingly competitive conditions, that are being exacerbated by the prospect of SEPA (the Single Euro Payments Area) and technological changes (Swiftnet, etc.). Natixis managed to maintain its position during the year (bid success rate of approximately 60%), underpinned by growing expertise in bank/company communication processes, together with efforts to develop new products and services (such as transaction security) and high-quality claims handling. ISO certification 9001 was renewed at the end of 2007 for flow management, documentary credits and issued guarantees, as well as for the cash management product and service design process.

HIGHLY INTERNATIONALIZED BUSINESSES

The International arm supports foreign corporate and institutional clients, and has direct responsibility for traditional finance, correspondent banking and international trade finance. International expansion strengthened the existing network and involved the creation of new offices in Panama, Dubai, Sydney and Sao Paolo.

The Global Trade Services (GTS) subsidiary offers a range of products to meet the financing and payment securitization needs generated by international contracts, particularly demand for "cross border" financing. GTS's international contracts are based on a variety of underlyings including raw materials, capital equipment and services, turnkey projects, and investments involving export credit agencies. The rapid growth in mandates obtained during the year reflected GTS's expansion both in France and in South Africa, Brazil, Russia, China, Vietnam, Turkey, Pakistan, and Algeria. In the international arena, new teams were set up in Panama, Beijing, Moscow and Algiers, and existing teams were strengthened in Milan, Frankfurt, Madrid, London, Sao Paolo and Singapore.

In the financial institutions segment, Natixis confirmed its positioning as bookrunner in syndicated credit operations, notably in India, Russia and Turkey. In Europe, Natixis bolstered relations with financial institutions, especially in Italy and London. The US business continued to expand on more structured transactions such as back-up liquidity lines, fronting and secured financing for private equity funds.

The specialist international business development unit, Natixis Pramex International (NPI), strengthened its reputation as an advisor for companies seeking to expand in international markets. Senior executives of client companies are provided with continuing support as they work on their most complicated projects, including the identification and acquisition of foreign companies. NPI assisted clients with a number of fine acquisitions in China, Brazil, the USA and Italy during 2007. NPI leverages its local-country knowledge to define strategy in conjunction with the client, before executing it in the field. The client is assisted at each phase of the project, from market research to the creation and management of local subsidiaries.

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STRUCTURED FINANCE: AN ESTABLISHED GLOBAL ARRANGER

Strong arranging position in numerous structured finance segments

- No. 4 MLA (Mandated Lead Arranger) in terms of number of syndicated loans in France and no. 12 in the EMEA zone (source: *Dealogic Loanware);*
- No. 4 bookrunner for LBO finance in France in value terms (source: *Dealogic Loanware);*
- No. 4 MLA in real-estate finance in Europe in value terms (source: *Dealogic Loanware);*
- No. 8 MLA in project finance in the EMEA zone and no. 14 worldwide (source: *PFI);*
- No. 6 aviation finance arranger worldwide (source: *Airfinance Journal – December 2007);*
- 17 Deals of the Year such as Duferco, Sterling Energy, (source: *Global Trade Review, Trade Finance, Trade & Forfeiting Review*) in commodities finance.

The growth achieved by Natixis' International business lines during the year was accompanied by an improvement in Natixis' transaction positioning, in line with objectives. The teams formed by the merger synergized their know-how to obtain mandates outside Europe.

Project Finance confirmed its major role in the infrastructure finance segment as both advisor and arranger. Recognition came in the form of a stream of industry awards including the *Middle East Airport Deal of the Year* for the financing of the Queen Alia Airport in Jordan (source: *PFI* and *Jane's Transport Finance*), and the *Euromoney Transport "Tunnel" Deal of the Year* for the Tyne Tunnel. In France, the business also received the award of best highway financing in Europe for the A65 deal (source: *Jane's Transport Finance*). In Spain, Project Finance confirmed its market position in the renewable energy sector via the Extresol 1, Forlosa and Andalucia deals.

In the **Acquisition and LBO Finance** segment, tighter access to liquidity in the second half of the year failed to prevent us strengthening our position as arranger in the domestic market, via the Phares B&B Village, Pasteur Cerba, Loxam, and Courtepaille deals. We also expanded internationally, especially in Asia (Myclin).

Raw Materials Finance recorded a steep increase in mandates in all segments (energy, metals and agricultural commodities) and continued to expand geographically in Latin America, Africa, Asia/Oceania and the United Arab Emirates. Sales & marketing efforts remained focused on major clients, junior producers of raw materials and specialized traders. We also confirmed our role as Mandated Lead Arranger, Bookrunner and Agent in major pre-financing type facilities, or to support consolidation in the metals and energy industries, e.g. Natixis led several export pre-financings on behalf of Ghana Cocobod and UC Rusal, acquisition financings for Mechel/ Yakutugol, base borrowings for Duferco SA and Cormin, and reserve finance-based lending on behalf of Sterling Energy.

Real Estate consolidated its pivotal market position both in terms of investments (through the Natixis Immo Development subsidiary) and financing. A total of 13 mandates were obtained for market transactions in Italy (Rinascente's refinancing) Germany (Alstria) and France (Altarea/Cogedim, Renault Technocentre).

The **Aviation Financing** specialist, Natixis Transport Finance, increased its scope of activity during the year, especially in Asia and Latin America. Highlights included fleet financings for Air China and Shanghai Airlines and the capture of *Air Finance Review's* "Aviation Financing of the Year" award for a deal tailored to the needs of the aircraft manufacturer Embraer.

The **Shipping** business also fared well during the year. By leveraging its international network and focusing on specific sectors, Shipping successfully arranged and syndicated 40 deals for companies working in the offshore segment (especially for Gulmar in Asia) and in transport (Shanghai Puyuan Co. Ltd – the first renminbi-denominated shipping finance deal arranged by a foreign bank – and Xylas in Greece).

These activities all benefited from Natixis' strong innovative skills and **Financial Engineering's** multi-disciplinary structuring capabilities. Financial Engineering also boosted business by financing the acquisition of minority stakes in large listed companies.

Syndicated Lending put up stiff resistance to the credit crunch and turned in a similar performance to the previous year, by garnering 148 MLA mandates in the EMEA zone, of which 49 were as bookrunner. These results testified to the benefits of its strategy of supporting other business lines, both in product and geographical development terms.

Finally, in the **Debt Solutions** area, Structuring and Solutions successfully created an innovative refinancing vehicle (Horizon PME) geared to responding to the long-term financing needs of the Banques Populaires' SMB clients.

A COMPREHENSIVE RANGE OF FIXED-INCOME AND FOREX PRODUCTS

Natixis holds a longstanding, pivotal position on **fixed-income and forex markets,** where we market an extensive array of products on major European, American and Asian currencies.

In 2007, we reinforced our positions on plain vanilla products, and further expanded our structured-product offering. Natixis ranks in the Top 10 players in interest-rate derivatives in Europe. Business held up well in very harsh market conditions in the second half of the year. The momentum came primarily from structured interest-rate products, followed by plain vanilla products, the primary market and forex products. We are also a major player on foreign exchange markets in Europe and Asia.

In the primary bond market, the Debt Capital Market team offers a single, global platform for originating debt products for sovereigns, agencies, supranationals, financial institutions, insurers and corporates. The team employs its specialist advisory skills to assist clients in debt financing, debt restructuring and acquisition financing solutions in all major regions of the world (USA, Canada, Europe and Asia). Natixis was involved in almost 300 primary bond mandates in 2007, taking the lead manager role in almost 80% of cases.

A new leader on euro-denominated bonds

Natixis was the leading bookrunner in public placements of French issues in terms of both issues and amounts in 2007 *(source Dealogic/Bondware)*. This performance significantly enhanced our penetration in Europe, especially in Spain, Italy, Greece, Germany, Northern Europe, the UK and Ireland.

The strength of our positioning reflects the confidence that Natixis commands with issuers in this business. Air Liquide, ASF, Auchan, Carrefour, Casino, Ciments Français, Géophysique (CGVs), Imerys, Schneider, Sodexo and Wendel all mandated the Bank to execute complex transactions.

In order to provide a comprehensive response to the needs of these clients, we are striving to diversify and to bolster origination capacity in the high-yield segment.

We are also honing our expertise with a view to meeting the special requirements of European insurers and financial institutions. During the year, more than 40 clients mandated Natixis to lead debt issues of all types, including senior, subordinated, hybrid and securitization issues. Natixis now ranks in the top 10 in Europe in this segment.

Bearing witness to the successful creation of Natixis, some of the market's most prestigious issuers – agencies and supranationals like CADES and the European Investment Bank – appointed Natixis to lead manage benchmark €3-5 billion deals during the year.

Expert in the covered bond market

Natixis rose to number two worldwide in the jumbo covered bond market (source: *IFR/Thomson Financial*) and lead-managed almost one in two deals in Europe. Management is currently anticipating forthcoming changes and opportunities by positioning on new markets like Finland, Canada, Italy and Portugal. Natixis can also offer strong deal-structuring expertise in the covered bond market, one notable example being the assistance provided to new entrants like the Banques Populaires Group in 2007.

Expansion outside Europe

Natixis is taking steps to strengthen global coverage, particularly by establishing origination teams in New York for US and Canadian clients, and in Hong Kong for Asian customers. These initiatives have already started to pay off, with the first American mandate already obtained from Royal Bank of Canada.

EQUITY BROKERAGE: AN EXCELLENT YEAR IN 2007

Equity brokerage operates through Natixis Securities (the result of the mid-year merger of Ixis Securities and Natixis Bleichroeder SA), New York-based Natixis Bleichroeder Inc. and a London office specializing in raw materials and energy. Despite high equity-market volatility in the second half, Natixis equity brokerage put in a good performance in 2007.

Natixis Securities' analysts command a strong reputation on the French market and are recognized for their coverage of major European corporations. The company moved up to third in the rankings of French brokers in December 2007, from second in 2006. During the year, it also ranked first for equity sales and trading & execution, and second for research in France where it covered more than 250 companies in 25 sectors of the economy. In 2007, Natixis Securities' French equity research teams were ranked in the top three in their sectors on 25 occasions, with 19 of these positions representing progress relative to 2006 (source: *Thomson Extel Focus France – December 2007*). Natixis Bleichroeder is also enhancing its reputation in three chosen specialties (energy, healthcare and media) and for technical analysis (over 140 companies covered). This progress was evident in the success of Natexis Bleichroeder's first conference, *Hidden Gems*, which featured 80 corporations, 200 institutional investors and 600 individual investor/company discussions. Two of its analysts were also ranked in the annual *Institutional Investor* poll in the United States.

GROWING PRIMARY EQUITY MARKET ORIGINATION CAPACITY

In the Equity Capital Markets field, Natixis offers personalized advisory services and high value-added products on primary equity markets. Origination capacity is augmented through the partnership with Lazard in France.

In 2007, Natixis and Lazard-Natixis doubled their combined share of the French market to 8.5% in terms of total amount, while ranking third for number of deals (compared to eighth in 2006) and fifth for volume (source: *Bloomberg – December 2007*). Natixis lead-managed plenty of large-scale deals, including a capital increase for *Veolia Environnement*, one of the five largest equity transactions in France in 2007.

Natixis also enhanced its bookrunning position in mid-size deals including IPOs for *Europa Corp, Vivalis, Homair Vacances, Eurogerm*, and a capital increase for *Züblin Immobilière*.

Natixis successfully placed a number of noteworthy deals in tough conditions during the year. These involved acting as global coordinator and sole bookrunner for Eurosic's capital increase, and handling Outremer Telecom's IPO.

In the USA, Natixis Bleichroeder strengthened and diversified its position in the corporate finance segment.

In the energy field, Natixis Bleichroeder continued its beneficial collaboration with Natixis Houston, thereby enhancing the Bank's global franchise in the energy industry. It participated in several major equity capital market deals that strengthened its position as an advisor to companies seeking to raise capital on the market. Natixis Bleichroder also broadened its expertise outside of the traditional energy exploration-production sector by participating in two operations involving alternative energy sources.

The New York-based firm also branched out into the healthcare industry and participated in three deals in 2007, including an initial public offering for Biodel. It also stands to benefit from a sizeable deal pipeline in 2008; two of these transactions were already executed during the first months of the year, in spite of deteriorating market conditions.

All in all, by harnessing the support of the Paris, New York and London teams, Natixis succeeded in expanding its international franchise in the raw materials and healthcare industries.

A MAJOR EUROPEAN PLAYER IN EQUITY DERIVATIVES

The equity derivatives business consolidated positions by leveraging its diverse portfolio and recognized risk management expertise during the year. It also developed options products combining hybrid underlyings, equity portfolio trading and equity finance components.

In addition, Natixis also operates in a broad range of arbitrage activities encompassing equities, indexes, convertible bonds, listed options and fixed-income securities.

Substantial investments were made to equip Natixis with the capacity to manage high-volume transaction flows in real time, both on plain vanilla and exotic products.

Further progress was also achieved in expanding Asian arbitrage and derivative business in Tokyo and Hong Kong.

The Group's equity lending/borrowing operations operating out of Paris, New York and Tokyo posted good results during the year.

Natixis launched a mainly London-based OTC commodity derivatives platform in 2007. This initiative means that we now handle a range of derivatives on an array of commodity underlyings. The commodity trading, broking and sales specialist, Natixis Commodity Markets (NCM), operates on both OTC derivatives (options, swaps) and organized markets (LME, Nymex, ICE, Comex, Liffe, Euronext, DGCX) and in certain "physical" markets.

PERSONALIZED ADVISORY SERVICES AND HIGH VALUE-ADDED PRODUCTS

Corporate Solutions offers a blend of speed and execution capacity. The approach in this segment involves undertaking an in-depth analysis of the client's corporate finance or risk management issues in order to deliver bespoke solutions for managing and optimizing clients' balance sheets and/or risks, all within the framework of restructuring, acquisition or co-investment projects. Corporate Solutions then executes these solutions.

Attractive market conditions helped business to grow strongly in 2007, both on traditional markets and products, and also:

- in geographic terms, in the equity transaction field (Middle East, Eastern Europe, India); and
- in product terms (participation in an auto insurance portfolio securitization, structuring of life reinsurance transactions, and carbon emission certificates).

As at year-end 2007, the 140-strong team operated across 12 countries and in the main financial centers on three continents.

Natixis Finance tapped into the buoyant M&A market by executing advisory mandates on behalf of some high-profile corporations. Advisory mandates were executed on behalf of: Entrepose Contracting for its acquisition of Amec Spie Capag (Amec Group plc) and its subsequent sale to Vinci; Soletanche Bachy for its sale to Vinci; CFF Recycling for its absorption by its subsidiary Penauille Polyservices and the subsequent creation of the Derichebourg Group; Thalès for its sale of Faceo to Apax Partners; the Dassault Group for its sale of the Nantes Football Club; Germany's Haniel Group for its sale of two French subsidiaries (CWS sold to Elis and Naef Terag sold to Alsico); Sofiproteol for its acquisition of a majority stake in Glon Group; lastly, the management of Ceva Santé Animale for its second LBO.

Natixis also provided sector-specific advisory services to corporate clients **in the infrastructure, utilities and real estate fields** during the year. The Bank advised Altaréa on its acquisition of Cogedim, acted as co-presenting bank on the Eurotunnel share swap, advised Casino on the sale of 255 mini-markets and supermarkets, and was also mandated by Eiffage to advise it on its bid defense.

TAILOR-MADE STRUCTURED PRODUCTS

Natixis is bolstering its presence on alternative fund structured products for international clients. In Europe, the business has been mostly directed toward restructuring deals. In Asia, we are consolidating our position on public offerings of hedge fund-index structures. We operates across the full spectrum of alternative investment management strategies.

Natixis Alternative Investments launched 15 new funds on the Sixtina platform and a fund of funds specialized in raw materials (Xanthos) during 2007.

The real estate investment specialist, Natixis Capital Partners, consolidated its front-ranking position in sale & leaseback deals in continental Europe during the year. It also started work on a new fund, Captiva 3, which will primarily operate in Italy and Germany.

2007 also witnessed the ramp-up of the Pentelia Fund, which is the first diversified fund focusing on life and other insurance risks.

STRUCTURED CREDIT AND SECURITIZATION

Natixis commands a strong reputation on the European and American securitization market, both on underlying instruments based on corporate receivables and on financial assets originating from the market or from financial institutions' balance sheets.

We specialize on high value-added structures and operate across the full spectrum of products including CMBS (Commercial Mortgage Backed Securities), CDO (Collateralized Debt Obligations), Synthetic CDOs, Correlation Products, ABCP (Asset Backed Commercial Paper) and RMBS (Residential Mortgage Backed Securities). In addition to an integrated origination, structuring, trading and marketing platform, we also offer warehousing capacity for clients seeking to divest exposure.

Performance in the US commercial real-estate financing business was affected by the deterioration of the credit markets during the second half of the year. Natixis nevertheless originated over 200 loans for real estate purchasing and recapitalization transactions in the USA. We also sold and securitized over $2.5 billion of commercial mortgage assets in six securitization deals totalling $18 billion.

Natixis still holds a leading position in the structuring and placement of American and European CDOs/CLOs based on a wide diversity of underlying assets. In spite of tough conditions, we structured and placed $7.5 billion in CLOs in 2007 and ranked among the world's top 10 bookrunners in this segment.

Our strong reputation for risk management and structuring helped us retain our foremost position in the structured product field during the year. Our structured funds business, which offers portfolio protection and leverage on established hedge funds and on funds of funds, grew at a modest pace in 2007. We also remained a major provider of synthetic products geared to stabilizing the value of US corporate pension funds, with an 8% share of the market.

In the local government finance field, Natixis was active across the full spectrum of debt products, including bonds, derivatives, structured financing solutions and portfolio protection contracts. These lines fared pretty well overall in 2007, even though some were hampered by tough market conditions.

We also increased our penetration of the European synthetic CDO market with a number of ambitious, large-scale deals.

Although the CDO business naturally suffered from the gradual drying-up of the markets during the second half of the year, Natixis remained active on products with less subprime correlation (CLOs of LBOs – the Vallauris range) and on higher value-added products.

The momentum in the financial asset securitization field continued in the first half of the year, whether for CMBS deals (Infinity 2007-1 Soprano May 07), European RMBS deals (over €4 billion worth of transactions in Italy and Spain with our priority targets, the regional banks) or insurance risk deals (where we retained our leadership following the July 2007 Sparc Europe deal for AXA).

We also securitized $2.9 billion of ABS, not including CDOs or mortgage loans.

Commercial loan securitizations for European corporate clients continued throughout the year. Despite the tough conditions, Natixis managed to refinance its conduits.

We also bolstered our presence on securitization derivatives, where we systematically act as swap counterparty on our CDO and securitization deals.

Research commands strategic priority status

Economic Research: recognized for analytical excellence

The Economic Research team headed by Partick Artus is recognized for its expertise and in-depth analyses. Coverage includes tracking the economic situation with economic and financial forecasts, analyzing interest rate, currency and equity markets, preparing country assessments and compiling investment strategies. Some 40 key countries are covered in total, including the main emerging countries.

Quantitative Research: at the heart of financial innovation

Quantitative Research is geared to developing and maintaining models for valuing and managing the risk associated with financial products like derivatives and complex structured deals. Quantitative Research acts as a vector for tailoring the product offering to client needs and is used by traders and structurers. The Natixis Foundation for Quantitative Research funds fellowships for doctoral theses and university-based research projects on subjects which directly impact the concerns of financial institutions. It assists in the Bank's technology watch activities and ensures that the latest financial engineering developments are incorporated into products.

Credit Research: in-depth sector expertise

The Credit Strategy and Analysis teams combine quantitative and fundamental approaches which result in complete and independent analyses of over 100 private euro-zone bond issuers. A range of publications offers clients the best opportunities available on the market at any given time.

Financial analysis

Natixis Securities' Equity Research team has built a strong reputation with institutional investors, through a combination of high value-added equity research and energetic marketing on 350 European stocks. The team of 65 analysts, which boasts average experience of close to 10 years, was ranked first in the October 2007 Starmine rankings for the quality of its forecasts and stock recommendations. Natixis Securities was also rated second for French equity research in the December 2007 Thomas Extel Focus France study.

Asset Management

Asset Management delivers global, personalized investment solutions in the form of funds, dedicated products and mandates on all asset classes (money market, bonds, equities, real estate, alternative and diversified). An original divisional architecture – based on a global distribution platform serviced by multi-specialist asset managers – ensures a high degree of competitiveness. Under the aegis of the Natixis Global Asset Management holding company, the division continued to expand during the year on all world markets and across the full spectrum of clients, be they institutions, large corporates, intermediaries or retail customers. 2007 also featured extensive efforts to merge and reorganize French asset management firms as part of the creation of Natixis.

Reflecting the effects of the financial crisis in the second half and of the weak dollar, total assets under management inched up to €591 billion at year-end 2007 versus €583 billion a year earlier. Net new money rose to more than €24 billion.

NATIXIS GLOBAL AM: A GLOBAL ASSET MANAGER

Natixis Global Asset Management is one of Natixis' most highly-internationalized entities and ranks among the top 15 asset managers worldwide [1]. It commands strong positions in Europe (mainly in France), and in the USA, and is expanding in the Asia-Pacific region.

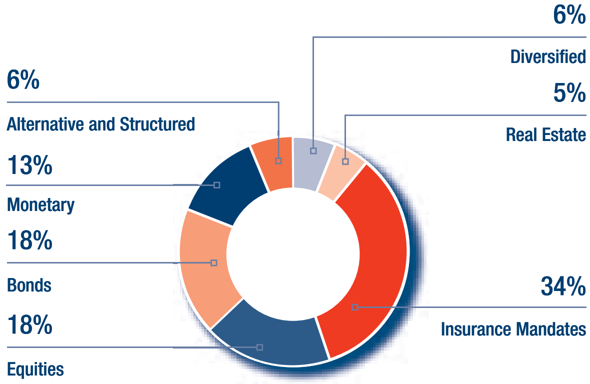
Asset Management's federal-type organization comprises the Natixis Global Asset Management holding company – which manages and ensures the consistency of overall asset management operations and also has responsibility for business development – the Natixis Global Associates worldwide distribution structure and some 20 specialized asset management firms primarily located in France, the USA and Asia. Headcount totals 2,800, with almost 1,700 staff based in the USA.

This organizational model, which covers all asset classes and management styles, is designed to leverage the specific expertise of each asset management firm to the full, while ensuring the benefits of a global distribution network. It adapts to all client types, i.e. institutional and corporate, insurers, banks, retail and private-banking clients.

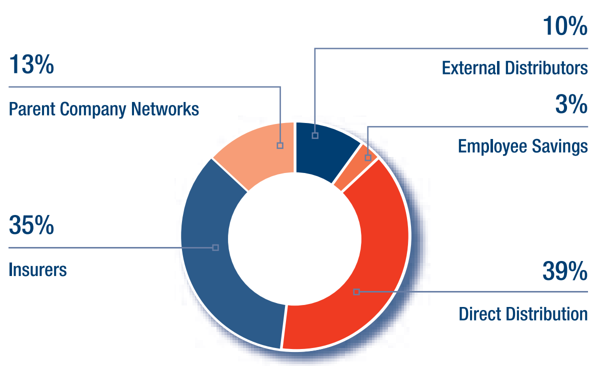
The organization model also responds to trends in the international asset management market and specifically to the growth of open architecture, (well established in the USA and taking root in Europe), the emergence of global distributors and growing demand for integrated and bespoke high value-added solutions (especially for institutions, retail distributors and private banking clients).

Following the strong asset intake in 2006, 2007 was a much more uneven year. After a very good first six months, the second half was disrupted by financial market volatility and the difficulties that emerged on dynamic money market products, especially in France. US business nevertheless remained buoyant throughout the year. Assets under management reached €591 billion, with Europe accounting for €392 billion, the USA €198 billion ($291 billion) and the Asia-Pacific region the remainder. Net banking income advanced 15% to €1.7 billion in 2007.

ASSETS UNDER MANAGEMENT BY ASSET CATEGORY



ASSETS UNDER MANAGEMENT BY DISTRIBUTION CHANNEL



(1) Source: The June 2007 Cerrulli rankings placed Natixis Asset Management 14th in terms of assets under management at end-2006.

NATIXIS GLOBAL ASSOCIATES: THE GLOBAL DISTRIBUTION PLATFORM

Natixis Global Associates is Natixis Asset Management's global distribution platform. It markets the entire range of products of all Natixis'asset management firms, tailoring them to the needs of each country and overlaying them with additional services. In the USA, Natixis Global Associates mainly targets distributors of retail savings products. Internationally, it services institutional clients via teams organized on a geographic basis.

The distribution network already serves clients in about 30 countries on all continents. The products marketed have expanded steadily and represented a total portfolio of €83 billion at the end of 2007. Natixis Global Associates' activities complement the direct distribution function exercised by the various asset management firms both to institutional clients in the USA and France, and to retail customers in France through the Caisses d'Epargne and Banques Populaires networks.

With Natixis Global Associates handling distribution, Natixis' asset management firms can concentrate even more on their core business of creating performance, while reaping the benefit of worldwide commercial firepower and shared support functions.

> "High value-added leverage for clients"

NATIXIS ASSET MANAGEMENT: A PIVOTAL PLAYER IN EUROPE

The European asset management business managed €392 billion of assets at the end of the 2007.

2007 featured the creation of Natixis Asset Management (Natixis AM) in France (€367 billion of assets under management). Natixis AM is the principal asset managing entity in Europe and was created from the merger of Ixis Asset Management and Natixis Asset Management. Natixis Multi-Manager (over €6 billion of assets under management), was also set up at the end of June, through the merger of Ixis Private Capital Management and Natixis Asset Square.

Natixis AM is one of the largest European asset managers and now delivers a wider range of high-performing management solutions to institutions, large corporates and retail customers of Groupe Banque Populaire and Groupe Caisse d'Epargne.

2007 also brought substantial change for Ecureuil Gestion, which distributes mutual funds and principal-protected funds through the Caisses d'Epargne network. Ecureuil Gestion's fund management function was transferred to Natixis Asset Management and a joint distribution entity serving the Banque Populaire and Caisse d'Epargne networks, Natixis Financial Savings, is due to be created in early 2008.

Asset Management's real estate segment was also reorganized, with NAMI (Natixis Asset Management Immobilier) becoming a subsidiary of AEW Europe, a real-estate asset manager with offices in 10 European countries, but concentrated in Paris and London. This combine manages more than €17 billion in real estate assets. Reorganization in this area was completed by Caisse des Dépôts – a long-time partner and top-level real estate investor – taking a 40% equity stake in AEW Europe.

The European asset managers now have access to a comprehensive offering spanning all traditional asset classes, i.e. money market, fixed income, equities and real estate, and high value-added specialties such as CDOs, SRI products (Socially Responsible Investments) and multi-management products.

This core expertise is underpinned by Global Associates' sales & marketing subsidiaries in the UK, Italy and Germany and in Dubai, where a subsidiary was opened in 2006 to boost Middle East sales, and by Global Associates'various European sales forces, which cover Austria, Scandinavia, Benelux, Portugal, Spain, Switzerland, etc.

> "Strong growth potential in Europe"

The main awards in 2007

Investir Magazine awarded its silver "laurel" to Natixis Asset Management in the fixed-income category for several funds managed on behalf of CNP, and a bronze "laurel" to the Natixis Emerging Europe Fund RC in the five-year fund category. In its annual G*rands prix de la Gestion d'actifs* event, the *Agefi* financial daily ranked the Ecureuil Harmony fund first in the Diversified Three-Year Euro category and the Natixis AMA RIM Equities fund second in the Asian Equities Excluding Japan category.

AEW Europe also won the Euro-property-IPD award for its management of the Fonciere Ecureuil fund in the Diversified category.

STRONG SALES IN THE USA AND EXPANSION IN ASIA-PACIFIC

Total assets under management at the dozen US subsidiaries reached $291 billion (€198 billion) at the end of 2007. Net new money jumped 34% to a record $32 billion, with 34% of the increase generated by Natixis Global Associates. This new money was heavily concentrated on Loomis Sayles and Harris Alternatives funds, although almost all asset management firms recorded growth.

The 17 US and Asian asset management firms covering a wide range of specialties continued to grow during the year, fuelled by a combination of new product launches, new client acquisitions and improved fund performance.

These firms distribute products to North American institutional clients directly. In the retail segment, they enjoy the support of Natixis Global Associates, which distributes products, provides advisory and structuring capabilities, and also offers related services that can be tailored according to differences in markets and distribution channels.

2007 witnessed the completion of the full acquisition of Hansberger Global Investments and the takeover of two small, highly specialized asset managers, namely the hedge-equity firm, Gateway Investment Advisers and the quantitative and alternative management specialist, Alpha Simplex.

Natixis Global Associates also assists American asset management firms in expanding sales of their products in the Asia-Pacific region and especially in Singapore, Japan and Australia (through an exclusive partnership signed with Apostle AM in 2007).

“ Record US intake ”

The main US awards in 2007

Financial Research Corporation ranked Natixis Global Associates first for fund growth between November 2006 and November 2007. Loomis Sayles fund managers, Dan Fuss and Kathleen Gaffney, were placed second in Morningstar’s Fixed Income Managers of the Year category. The *SmartMoney Fund Screen* singled out the CGM Focus Fund as Best Midcap Fund of the Year, while Ken Heebner was named Best Manager of the Year. *Kiplinger’s Personal Finance* also classed the Oakmark Select, Oakmark International, CGM Focus and Loomis Sayles Bond funds on its list of 25 best-performing investment funds in the USA.

US and Asian asset management firms at end-2007

- Loomis Sayles (€88.2 billion in AuM): wide range of equity funds (growth, core, value) and fixed income (high-yield core);
- Harris Associates (€44.6 billion): US and international value equity management;
- Reich & Tang Funds (€10.4 billion): money market;
- AEW Capital Management (€9.9 billion): real-estate asset management;
- Hansberger Global Investments (€8.5 billion): international equity management;
- Harris Alternatives (€8.9 billion): alternative multi-management;
- Vaughan Nelson (€5.6 billions): value equity and investment grade fixed-income management;
- Capital Growth Management (50%-owned, €7.2 billion): equity management;
- Natixis Caspian Capital Management (51%-owned, €3.9 billion): alternative management focused on US and emerging-market bond arbitrage;
- Reich & Tang Capital Management (€2.2 billion): small and mid-cap American equities, core and high-yield international bonds;
- Westpeak (€2.2 billion): index and quantitative management;
- Snyder (€1.7 billion): small and mid-cap American value equities;
- Absolute Asia Management (€1.2 billion): Asian (excluding Japan) and emerging-market equity management;
- Alpha Simplex (€0.4 billion): quantitative management.

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Private Equity and Private Banking

The Division comprises private equity and private banking activities.

Private equity is one of Natixis' historic business lines, having operated in this market for 20 years through subsidiary Natixis Private Equity (NPE). NPE is currently recognized as one of France's market leaders in private equity for SMBs, with a portfolio of over 600 investments and assets under management of €3.6 billion in 2007.

Private banking covers three activities: wealth management serving customers with savings of over €1 million, private asset management for customers with assets of €150,000 to €1 million, and fund management.

PRIVATE EQUITY

Natixis Private Equity

Natixis Private Equity is one of France's market leaders in private equity for SMBs and a key player in Europe with operations in Germany, Spain, Italy and Poland. It is also establishing a growing reputation in the high potential markets of China, South America and India. It operates in all areas of private equity – venture capital, expansion capital, buy-out/buy-in financing and funds of funds – with 18 teams, 180 private equity professionals and over 600 investments.

With over €3 billion dedicated to the growth of SMBs, NPE is the largest source of capital for companies valued at less than €500 million. It sponsors all of the funds it manages from the time they are set up and remains the prime subscriber thanks to the active support of Natixis.

A major component of NPE's business model is ensuring a lasting commitment to small businesses, entrepreneurs and investors, irrespective of how economic cycles or investment markets develop.

The presence of several major institutional investors in NPE's funds also helps to enhance visibility and its networks for the benefit of entrepreneurs both in France and abroad.

This original business model, targeting solely SMBs, gives NPE a competitive advantage and robust growth outlook.

Natixis Private Equity subsidiaries in France and worldwide

Expansion capital
EPF Partners
N.I Partners
Nempartners
Naxicap Partners
NPE Asia
Venture capital
Seventure
Ventech
Buy-in/buy-out financing
Initiative & Finance
Ixen
Finatem
Cape Natixis
Spef LBO
Providente
MCH Private Equity
Axxon Group
Krokus PE
Lauris Capital Partners
Funds of funds
Dalhia Partners

Natixis Private Equity offers international teams the opportunity to work with a key player in the private equity sector and benefit from its experience, its network, its methods and its financial support. Furthermore, in order to ensure the real sharing of experience and expertise between all of its teams in France and abroad, NPE has decided to focus on developing specific knowledge management and business development solutions for the sharing of expertise and opportunities.

PRIVATE BANKING

With €17 billion assets under management at end of 2007 and over 500 employees, Natixis' private banking business holds a position of choice both in France with Banque Privée Saint Dominique et La Compagnie 1818 – Banquiers Privés – and abroad with Natixis Private Banking International and its offices in Luxembourg, Switzerland and the United Kingdom. Dedicated to high net worth customers, this business relies on the know-how of top-level professionals and offers high value added solutions via different channels, such as direct customer relationship, banking networks and independent private banking advisors.

BANQUE PRIVÉE SAINT-DOMINIQUE

Banque Privée Saint-Dominique specializes in wealth management and focuses solely on high-net-worth individuals, business owners and company executives.

The experience of its managers ensures capable handling of personal investment issues, as well as in-depth analysis of each individual situation. With the support of its personal investment experts, it designs tailored solutions that take account of the personal and professional circumstances of each of its customers.

It has also acquired sound knowledge of issues relating to serving companies and their executives. In this area, it has developed expertise in financial engineering dedicated specifically to optimizing and financing private aspects of corporate finance transactions.

Banque Privée Saint-Dominique also offers a broad range of financial management services, through products managed by its own teams as well as structured products or selected investments from the top management firms in the various financial centers.

Finally, it is able to offer its customers a range of products and services in the areas of insurance, tax optimization and art.

COMPAGNIE 1818 – BANQUIERS PRIVÉS

Created in 2005, Compagnie 1818 – Banquiers Privés –, focuses exclusively on major private banking customers. It is made up of specialists in wealth management and top-level experts in legal and tax issues to devise tailor-made solutions covering areas such as financial management, structured products and dedicated funds. Modern and innovative, it has three main business lines:

- wealth management for its own customer base, with a broad and open offering so as to offer the best products and the best managers, including financing;
- private asset management to support subsidiaries of the Groupe Caisse d'Epargne (Caisse d'Epargne, Banque Palatine, Financière Océor, Crédit Foncier);
- asset management for independent financial advisors approved by Centre Français du Patrimoine.

NATIXIS PRIVATE BANKING INTERNATIONAL

Established in Luxembourg since 1989 and in the United Kingdom (London) and Switzerland (Geneva), Natixis Private Banking International offers services to an international clientele of high net worth individuals.

Through its financial and wealth engineering expertise, the Bank provides tailor-made solutions to various issues, such as business transfers, international donations and inheritances and the creation of innovative investment funds for private investors.

The Bank also provides for its clients private and corporate financing services (acquisition financing or liability guarantee).

Services

Natixis' Services division employs more than 4,500 staff and houses six commercially and technically interacting businesses.

Four of these businesses – Insurance, Sureties and Financial Guarantees, Consumer Finance and Employee Benefits Planning – focus on designing products that are marketed through distribution networks.

Two other businesses – Payments and Securities Services – round out the offering by providing payment and transaction processing services.

All these services are tailored to satisfy the needs of specific client types (i.e. retail, professional, corporate and institutional) and are based on two core principles. Systems and processing are industrialized and pooled so as to provide efficient and competitive solutions for the distribution networks. And, as a major player in France, Natixis also focuses on integrated and open systems that respond to the needs of the European market.

In the upcoming years, the division will strive to bolster its position within the Caisses d'Epargne and Banques Populaires networks, while also seeking to enlarge the customer base beyond the two Groups. Further efforts are being made to enhance operational efficiency.

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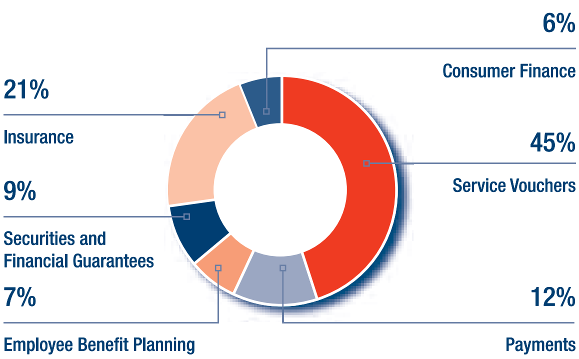
Rankings

- No. 1 employee savings manager in France;
- No. 1 in guarantee insurance in France;
- No. 10 in institutional custody services worldwide (via CACEIS);
- No. 2 in retail custody services in France;
- No. 3 electronic banking operator in France;
- No. 4 non-life bancassurer in France.

SERVICES NET BANKING INCOME BY BUSINESS



All Services division businesses made satisfactory progress in 2007.

INSURANCE: FINE 2006 RESULTS CONSOLIDATED IN 2007

Natixis' insurance offering covers all life and non-life segments, i.e. life insurance and provident risk insurance for personal customers, small businesses and corporate clients, and non-life insurance for personal customers and small businesses.

Excellent results in life insurance

In the life insurance segment, Natixis Assurances confirmed the excellent results achieved in 2006 with assets close to €31 billion. The dynamism of the distribution network and the commercial success of the new products and services launched in 2006 combined to increase gross intake to €4.5 billion.

Fructi-Pulse, the turnkey diversified life insurance policy continued to meet strong demand during the year. This innovative product offers automatic rebalancing of assets between the different asset classes in order to maintain a constant allocation between the General Fund and the equity part, according to the chosen investor profile.

Natixis Assurances extended this balanced-management mechanism to the whole of its life insurance range in 2007, via the introduction of the *BALANCEO* option.

BALANCEO enables policyholders to capitalize on financial market opportunities without concern for asset management issues and with complete peace of mind. The saver selects an investment profile according to the portion of savings he/she wishes to invest in equities. If financial markets rise, capital gains are redistributed between each instrument in compliance with the chosen formula. A portion of capital gains is therefore reinvested in the General Fund, in complete security. If markets fall, the automatic rebalancing mechanism triggers the purchase of equities lesser cost.

The line of products and services for private banking clients has developed considerably, particularly since Foncier Assurance joined Natixis Assurances at the end of June 2007. This 60%-owned subsidiary of Natixis Assurances (the balance is held by Crédit Foncier de France) is totally integrated with its parent company. Natixis Assurances' aim with this new subsidiary is to build a similar market share in the independent financial advisor and partnership channels to that held in the bancassurance segment, i.e. equivalent to €1 billion in revenues in 2011.

Steady growth in provident insurance

The provident insurance activity grew revenues by 19%. Natixis Assurances' dependency product, Autonomis, built an 11,500 policy portfolio in just over a year since it was launched.

The number of multi-risk non-work-related accident policies grew regularly to exceed 110,000 at year-end.

The provident insurance activity also benefited from the launch of the borrower-insurance offering in several Banques Populaires. These banks together account for about 40% of Groupe Banque Populaire's amortizable loan issuance.

Further growth in fire, accident and miscellaneous risks

2007 was a transitional year for fire, accident and miscellaneous risks insurance which continued to operate in highly competitive conditions, particularly at the pricing level. Gross issuance amounted to **150,000** policies and lifted **the number of policies in the portfolio to nearly 690,000.** Prices of automobile policies are to be reviewed in 2008 in order to make this product line more competitive.

CONSUMER FINANCE – TARGETING MAJOR-PLAYER STATUS IN FRANCE AND EUROPE

Natixis Financement is striving to extend and renew the revolving credit product line for the Caisses d'Epargne and Banques Populaires networks.

It also manages personal loans for the Caisses d'Epargne using "IZICEFi", a tool that increases opportunities to sell personal loans under optimal profitability conditions. This activity recorded sustained growth in 2007, with sums under management rising to €3.5 billion from €1.1 billion in 2006.

The Teoz revolving-credit card, which is distributed by the Caisses d'Epargne, recorded an increase of 3% compared to 2006: 198,000 new contracts were signed, bringing the total number of Teoz accounts to nearly 755,000. Outstanding credit grew 9% to reach €799 million.

A highlight of 2007 was the successful launch of the Créodis credit card, developed for the Banques Populaires. After being launched by three Banques Populaires as a pilot scheme in October, Créodis had garnered nearly 10,000 contracts representing more than €7 million of credit by year-end. This encouraging beginning provides an excellent platform to roll out Créodis on a general basis in 2008.

Sums managed or held by Natixis Financement (personal loans and revolving credit) grew strongly from €2 billion to €4.5 billion during the year.

Natixis Financement is seeking to achieve major-player status in the consumer finance business by supporting the expansion of the Caisse d'Epargne and Banque Populaire networks in France and abroad, and by developing a policy of external partnerships.

A LEADER IN SURETIES AND FINANCIAL GUARANTEES

Natixis Garanties' offering of guarantees is highly suited to needs in multiple business segments and is one of the most competitive in the marketplace.

A platform of expertise provides solutions to the financing needs of individuals, companies and local government.

Natixis Garanties is France's second-largest provider of guarantees for real-estate loans to individuals. It examined

124,000 cases and recorded a 10% increase in earned premiums in 2007.

In the real estate market, our completion guarantee for housebuilders (based on France's Law of 1990) provided coverage on more than 22,500 homes. We hold a 27% share of the market and rank as co-leader in this profession.

We are also the second-largest provider of professional guarantees for realtors and real estate administrators in France (nearly 4,000 guarantees supplied under the Hoguet Law).

Natixis Garanties commands a strong reputation for services provided to companies and professionals. This strength was underlined by overall satisfaction ratings of 8/10 earned in a survey of housebuilding clients and of 90% achieved in the Caisses d'Epargne network's *Baromètre Satisfaction Métier 2007* survey.

Natixis Garanties stands out for its innovative use of new technologies in a business sector that is highly attached to paper and where the signed document is authoritative. This innovative strategy involves electronic transmission of dossiers to banking partners, online agreement to surety bonds and entry of guarantee requests via internet.

"Zero paper, zero delay"

A variety of websites have been developed to capitalize on new technology-related opportunities:

www.saccef.fr was specially developed for banks and provides direct access to the follow-up of surety-bond requests from the branch network and the back office.

Automatic processing of electronically-transmitted dossiers is also used to enhance productivity and provide faster responses to real-estate loan requests from individual clients. In 2007, 60% of the production originating from the Caisses d'Epargne was processed electronically.

Likewise, self-employed clients like shopkeepers and trades people can obtain surety bonds in 7 minutes, without any need to send paper and for investment loans below €80,000.

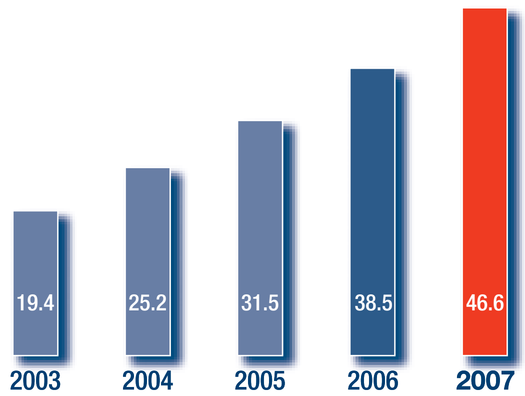
www.cautiondemarche.com allows companies to request surety-bonds in real-time, without paper formalities and thereby considerably lightens the administrative burden. Thanks to this policy, sureties for holdbacks, bids, advance-payment returns and other payment guarantees to subcontractors can be made available in less than 24 hours.

Our commitment to new technologies is also evident in our strategy for winning new business. The new site www.deveniragentimmobilier.fr provides a new way of communicating with future realtors and introducing them to the advantages of Natixis Garanties' expertise.

Natixis Garanties is seeking to enhance the performance of online tools and services in order to develop new solutions that exploit the variety of customer communication channels. These solutions should enable us to become a leading player in multi-business financial guarantees at the European level, and to balance flows of business between Groupe Caisse d'Epargne and Groupe Banque Populaire, and other partners.

TOTAL COMMITMENTS GIVEN

(in € billions)



A COMPLETE RANGE OF EMPLOYEE BENEFIT PRODUCTS

Employee Benefits Planning delivers a comprehensive range of products that assist companies and professionals in implementing their remuneration and employee benefit policies. The range embraces employee savings products (profit-sharing, employee savings plans, collective-retirement plans, shareholding plans, etc.), complementary, group retirement and provident-insurance products (article 83 and 39, retirement benefits, etc.) and special payment vouchers (restaurant vouchers, pre-financed employment vouchers, gift vouchers, etc.).

Natixis Interépargne has been a leading manager of employee savings accounts for several years and maintained its rate of growth in 2007. The number of client companies climbed by 15% to more than 35,000.

All in all, Natixis Interépargne managed 2.9 million employee accounts at year-end and held 27.5% of the market (source AFG on 30/06/2007).

Natixis Interépargne provides specific employee-savings products for professionals and small-to-medium-sized businesses that are distributed by the Banques Populaires and the Caisses d'Epargne (since October 2007 for the latter).

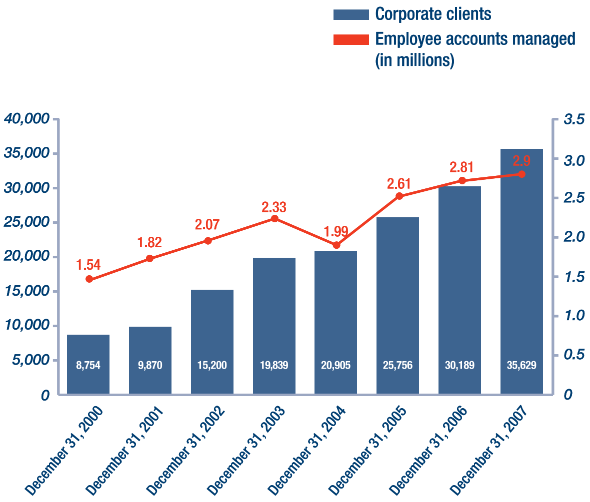
Natixis continued to rationalize the range of company-savings funds in order to improve productivity and enhance visibility for the offering. Natixis is also France's largest financial manager of company savings schemes, with €18.5 billion under management and nearly 20.4% of the market.

In the group life insurance segment, Natixis succeeded in developing business with large French companies during the year. The high point involved the signature of a retirement contract, with a company employing 150,000.

After the launches of pre-financed employment vouchers in 2005 and *CADO Chèque* gift vouchers in 2006, Natixis Intertitres further enhanced its range of complementary payment products in 2007, by creating two new special restaurant vouchers, the *Chèque de Table du Bénévole* and the *Chèque de Table du Volontaire*. These new vouchers are designed to encourage charity and voluntary work and allow non-profit making associations to offer their voluntary workers a simple means of paying for their meals during assignments.

The number of vouchers issued during the year – all types combined – increased by 8%.

INCREASE IN THE NUMBER OF EMPLOYEE SAVINGS ACCOUNTS (2000/2007)



PAYMENTS – LEVERAGING A POWERFUL PLATFORM

Payments designs, develops and manages the full spectrum of services needed to manage payment flows.

The range covers the exchange of all transactions in national and international bulk-processing systems, including transactions for large monetary amounts.

Natixis Paiements' role includes acting as technical operator for the Banque Populaire network. All in all, it handled 3.6 billion of transactions exchanged through the SIT remote interbank clearing system and large-amount transactions exchanged via the CRI interbank settlement center.

A highlight of 2008 will be the activation of the SEPA (Single Euro Payments Area) and the start-up of Sepa Credit Transfer (SCT) processing on January 28, 2008.

IT systems were also upgraded for the launch of Target 2 in France on February 18, 2008.

Natixis Paiements is the third-largest e-cash operator in France. It manages 5.9 million bank cards and processed 1.5 billion card transactions in 2007.

Natixis Paiements has teamed up with the Banques Populaires network in order to capitalize on growth in the market for cards for individuals. More specifically, the two partners are developing tools that will pave the way to the launch of numerous innovative products (pre-paid, affinity, multi-visual cards, etc.).

Partecis, a 50/50-owned joint venture with BNP Paribas, is developing and gradually delivering the first mutualized e-cash tools.

Natixis aims to consolidate its existing strength in France before eventually becoming a major European player in the payment processing and e-cash segments.

A KEY PLAYER IN SECURITIES SERVICES

Natixis is a key European player in the retail and institutional custody, fund administration and corporate trust fields.

In the retail custody area, Natixis ranks second in France (with about 25% of the market) and is the largest provider of outsourced retail custody services.

Natixis delivers its high value-added, comprehensive range of retail custody services to the Banques Populaires, the Caisses d'Epargne and other Natixis entities and subsidiaries. It also helps a prestigious client base of network banks, specialized banks with or without networks, and financial institutions, to expand their domestic and international business.

In less attractive conditions in 2007, the retail custody business recorded a slight reduction in the number of securities accounts managed to about 5.2 million. Sums under custody also dipped 1% to €377 billion.

Retail custody invested heavily in IT during the year in order to adapt platforms to new market and European reforms and regulations. In doing so, it successfully responded to changes in AMF regulations concerning the responsibilities of custodians, to the ESES migration (delivery regulations for the Euronext zone) and to the European Market in Financial Instruments Directive (MIF).

Natixis plans for 2008 to include reorganizing the retail custody business and working to build a future single platform. This vast project will turn Natixis into a frontline player in the retail custody business in three years time.

In the institutional custody field, Natixis primarily operates via CACEIS, the joint venture with Crédit Agricole S.A. (institutional custody activities carried out within Natixis and Natixis Investor Servicing are due to be transferred to CACEIS during 2008). Natixis offers a wide range of post-market financial services to asset managers, institutions and corporate clients in France and abroad:

- Depositary banking and account keeping/custody in France, Luxembourg, Germany and Ireland;
- Onshore and offshore fund management in Europe and North America;
- Corporate trust.

With €2,492 billion of assets under custody at year-end 2007, CACEIS and Natixis consolidated their position as one of the world's leading global custodians. Likewise, with nearly €1,100 billion of assets under administration, CACEIS and Natixis Investor Servicing rank first in the European fund administration segment.

2007 featured sustained activity levels, expansion of the range of services (a new comprehensive and flexible product line to support growth in private equity, a tool for calculating value-at-risk and conducting stress-tests for asset managers, etc.), and two significant acquisitions:

- CACEIS completed the purchase of HypoVereinsbank's institutional custody business and renamed it CACEIS Bank Deutschland in February 2008. This deal positioned CACEIS among the leading institutional custodians in Germany;
- The purchase of Olympia Capital by CACEIS Fastnet Alternative Administration provides CACEIS with a full range of high-performance services for alternative fund managers and widens CACEIS' potential client base to US asset managers.

SLIB consolidates its international strategy

Natixis' SLIB subsidiary produces software solutions for brokers, banks and global clearing members, and for managing market flows from trades on European markets (trading, post-trading and clearing, portfolio management and account keeping).

SLIB furthered its international strategy in 2007 by winning business with European firms in the clearing, settlement and risk-management areas.

Receivables Management

SYNERGISTIC KNOW-HOW

Receivables Management comprises the Coface Holding company, created in 2007 by combining Coface and Natixis Factor entities. The focus is on providing solutions that assist companies in managing, protecting and financing their customer receivables, via four constituent activities, namely business information, receivables management, credit insurance and factoring. In addition to these four activities, the division manages public export guarantees granted by the French state to Coface and Natixis, especially prospection insurance, credit insurance for exports financed for over two years, foreign exchange insurance, and overseas investment guarantees.

Receivable Management activities and positioning

The business information segment allows companies to assess the financial situation of their partners and their ability to honor their commitments (solvency information) and to identify commercial opportunities (marketing information). Credit insurance protects companies against the risk of non-payment of their customers' receivables. Receivables management helps companies recover monies due to them. Factoring allows companies to monetize their accounts receivable by transferring them to a third party, the factor, who takes responsibility for collection.

In France, products and services are distributed by the Coface and Natixis networks, by the banking networks belonging to Natixis'main shareholders – Banques Populaires and Caisses d'Epargne – and by specialist brokers. Abroad, the same channels are used along with local partners assembled within the Credit Alliance network. All in all, Coface Holding earned almost 60% of its consolidated revenue outside France in 2007. With offices in 64 countries at the end of 2007 (60 at the end of 2006), Coface Holding is gradually extending its four business lines internationally and already ranks as world leader in each segment in terms of geographic coverage.

Rankings

- No. 1 in France for receivables management
- No. 6 worldwide for factoring
- No. 3 worldwide for credit insurance
- No. 5 worldwide for receivables management
- No. 5 worldwide for business information

Source: Coface, based on ICISA (TRP), FCI (TRF).

A growing business

Revenues increased 7% in 2007

- €450bn of receivables insured
- €40bn of receivables financed

Business Information grew 16.2% during the year, thanks especially to the March 2007 acquisition of Kompass France and Belgium (and their subsidiaries). Activity was extended to four new countries in 2007, namely Switzerland, Serbia, Dubai, and Algeria.

Receivables Management hoisted total revenues by 21% relative to 2006. The business line also enjoyed rapid international expansion, as eight new countries – Serbia, Benin, Burkina-Faso, Cameroon, the Ivory Coast, Mali, Senegal and Togo – began offering this service to companies in 2007.

Credit Insurance (domestic and export) grew revenues by 3.9% compared to 2006, and two new countries, Romania and Morocco, are now ready to offer this service. Export credit insurance revenues increased 9.1% on the back of steady exports from Germany and Austria, a dynamic Asian market and healthy business in Italy. Domestic credit insurance revenues rose by a more modest 3.8%. Operating income was assisted by an excellent claims ratio of 49%, the same level as in 2006.

Factoring operates in France via Natixis Factor, which consolidated its position as France's third-largest factoring company during the year (source: ASF). Natixis Factor posted an 18.3% increase in factored receivables and fared particularly well in French overseas departments and territories (+33%) and in the export segment (+35%). Natixis Factor now manages three brands - Banque Populaire Factorem for Groupe Banque Populaire, GCE Solutions Clients for Groupe Caisses d'Epargne and Natixis Factor for the Natixis network and the brokers. Factoring also continued its rapid international expansion. Following an initial move into Germany in 2000 (where Coface Finanz is now market leader), the network was extended from 8 countries in 2006 to 16 at the end of 2007. Overall factoring revenues advanced 22.3%.

"Targeting world market leadership in receivables management by 2015"

Natixis has set ambitious long-term development goals for Receivables Management. The strategic plan launched in 2005 is geared to attaining world market leadership by 2015. Initial results at the end of 2007 were promising, whether in terms of growth in revenues and profitability, developing the four activities in each of the countries in which we operate or the investments made to build a global computerized infrastructure. In addition to targeting revenue and profit growth, the plan's aims for 2008-10 involve consolidating the Bank's leadership in France, strengthening undertakings to clients and optimizing human resources management.

Coface approved as credit rating agency

2007 saw Coface approved as an ECAI (External Credit Assessment Institution) by the French Banking Commission for its work as a rating agency in France, a decision that underlined the proven quality of Coface's @rating credit scoring service. This status guarantees the financial institutions that use @rating that 1/ ratings are objective (results are reliable and monitored), 2/ the rating process is independent (it is not subject to any political and/or economic pressure), 3/ credit scores are broadly accessible (the score is sold for a modest sum on internet by Coface Services), 4/ the rating methodology is both transparent and credible and 5/ appropriate human resources are employed to produce the rating.

Coface's worldwide @rating system is a unique insurable company rating system offering global coverage. It provides five ratings:

- an @rating credit opinion which indicates a suggested credit limit on 50 million companies around the world (1@ = €20,000, 2@ = €50,000, 3@ = €100,000, etc.);
- an @rating score is available for all French companies and measures the probability of bankruptcy within the year;
- an @rating country assessment on 154 regularly monitored countries;
- an @rating industry assessment which measures the average non-payment risk of companies in a given sector;
- a business environment rating – launched in January 2008 – reflects the quality of the overall business environment.

Development of EASY NUMBER, a unique identification number for all companies in the world

Coface teamed up in 2006 with Europe's largest provide of credit management services, Creditreform of Germany, in order to launch EASY NUMBER, a system for searching and identifying companies around the world. By assigning a unique and universal number to all companies, the two partners will create the first open system, with 50 million companies referenced starting as early as 2008. EASY NUMBER facilitates and secures company data management for multinationals.

Major contribution from retail banking

Natixis' activities include retail banking both directly through the 20% share of income from retail banking activities through CCI certificates held, and indirectly through activities – in particular for the Services division – made available to the Caisse d'Epargne and Banque Populaire banks and their customers.

Retail banking accounted for 36% of Natixis' net income in 2007 through CCIs.

GROUPE BANQUE POPULAIRE AND GROUPE CAISSE D'EPARGNE

Natixis benefits from its affiliation to two powerful mutual banking groups – Groupe Banque Populaire and Groupe Caisse d'Epargne – which give it access to a large retail banking customer base.

Natixis's two main shareholders – Groupe Banque Populaire and Groupe Caisse d'Epargne – are mutual banking organizations that occupy leading positions in the French banking sector.

As a mutual banking organization, each group includes:

- a retail banking network that includes a group of mutual banks (20 Banque Populaire banks and 21 Caisse d'Epargne banks at December 31, 2007) that are owned directly or indirectly by cooperative shareholders ("*sociétaires*") (each group has over 3 million cooperative shareholders), as well as by Natixis through CCIs, which represent 20% of their share capital [(2)];
- central body that coordinates and supervises the activities of its group (BFBP and CNCE), the capital of which is held by the retail banks;
- a number of entities that provide specialized products either directly or through the retail banking networks, such as mutual funds, consumer finance and mortgage lending and insurance products, as well as financial services for corporate and institutional customers, distributed either directly or through the retail banking networks; and
- a system of financial solidarity.

The Groupe Caisse d'Epargne also includes a body known as the Fédération Nationale des Caisses d'Epargne, which is an institution for coordination and concertation among the Caisses d'Epargne, as well as relations with cooperative shareholders.

THE RETAIL BANKING NETWORKS

The Banque Populaire and Caisse d'Epargne networks constitute a major growth driver for Natixis.

The strong strategic fit between the two networks represents a major advantage for Natixis, which – as holder of CCIs-benefits from the individual strengths of each network and – as a provider of products and services – their combined strength.

The two groups have a highly complementary customer base:

- in the personal customer market, with a very large customer base for the Caisse d'Epargne network and robust growth for the Banque Populaire network;
- small businesses, in which Groupe Banque Populaire is market No. 2;
- SMBs, in which Groupe Banque Populaire is the leading principal bank;
- public housing, in which Groupe Caisse d'Epargne is the leading bank and also No. 1 bank for real estate professionals.

This complementary positioning, coupled with the development of the two networks, provides natural growth drivers for Natixis in business lines such as employee benefits planning, lease financing and factoring.

In addition to the imagreement on Natixis of the development of the two networks via CCIs, Natixis' development also stems from existing strong ties with the two groups:

- industrial ties: Natixis provides services for the Banque Populaire and Caisse d'Epargne banks such as custody, electronic banking, payments processing and IT support;
- ties as supplier-distributor: Natixis supplies products and services targeted at all customers (personal customers, small businesses, corporate clients and institutional clients) of Groupe Banque Populaire and Groupe Caisse d'Epargne, which distribute these products;

(2) Except for Caisse d'Epargne de Martinique, which has not issued any CCIs.

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- commercial ties: the Banque Populaire and Caisse d'Epargne banks are also direct clients of Natixis and recognized as a customer segment in their own right.

The Banque Populaire network

As cooperative, regional banks of the people, the Banque Populaire banks play a key role in the Groupe Banque Populaire's regional footing. They are loyal to their original business and ensure a high standard of banking relations with customers on a day-to-day basis, playing an active role in the economic development of the region.

- 7.8 million customers including 6.5 million personal banking customers and 1.1 million small businesses and corporate clients.
- Outstanding loans of €122.7 billion (up 13%).
- Customer deposits of €100.4 billion (up 9%).
- Customer savings of €67.4 billion (up 4%), including €32.4 billion in life insurance (up 8%) and €31 billion in mutual funds.

Continuing extension of the distribution platform

The 20 Banque Populaire regional banks provide a local presence to customers and have strengthened their regional ties by opening new branches, bringing the total number of branches to 2,938.

This expansion of the branch network is coupled with development of the number of cash dispensers, which offer an ever wider range of functions.

The network's distribution capacity is also enhanced through remote banking channels.

Online banking has seen strong growth in the number of subscribers, as well as increasingly frequent use of the service.

Call centers at all of the Banque Populaire banks have also reported a sharp increase in both outgoing calls and e-mails handled.

In addition to ensuring the continuity of customer relations, remote banking improves the availability of customer advisors, enabling them to listen better to their customers. The number of advisors increases at the same rate as the expansion of the branch network.

Personal banking: strategy focusing on winning new customers

The personal banking market, with over 7,500 advisors, constitutes a major area of growth, as confirmed by steady increase in the number of personal banking customers and rising market share in both lending and savings activities.

In 2007, measures to win new customers were focused on three segments:

- young customers, with a broad range of products and services covering the different age groups;
- private banking customers, with the creation of a market dedicated to private banking and real estate operations. This market has a role in coordinating and stimulating the high potential for private banking in the Banques Populaires;
- civil servants, with whom the Group has close relations through CASDEN for employees of the French national education, research and culture systems, and ACEF to provide savings and lending products for civil servants.

The enlargement of the personal banking customer base has been accompanied by a review of the product offering, with new products such as the *Balancéo* life insurance policy, personal risk insurance with a long-term care insurance product and electronic banking with the launch of two new cards and the increase of the *e-carte bleue*.

This enhancement of the product range is not intended solely for new customers. It primarily addresses the needs of the Group's existing customers, ensuring the loyalty of whom is still a priority.

Winning new customers and extensive measures to ensure the loyalty of existing customers resulted in further growth in customer savings, outstanding loans and the number of products per customer which have reached 9 contracts per customer.

The Banque Populaire was awarded First prize for long-term client relations.

Small businesses and corporate clients: a solid foothold

Small businesses

Historically, the leading bank for self-employed craftsmen and shopkeepers, the Banque Populaire Group is also very active with the liberal professions, farmers and players in the creation/transfer of companies, with first-rate positions in all these different segments.

Its expertise stems from a local presence, with specialist advisors in each branch, including Crédit Maritime – market leader among professionals in the maritime industry – and Socama mutual guarantee companies.

The 30 Socama companies are made up of 800 entrepreneurs. This original structure allows the Group to meet its customers' needs, thanks to its excellent sector knowledge. It creates innovative products that enjoy a high level of success, such as investment loans or business buyout loans with no personal guarantee required or a limited personal guarantee for buyouts.

The Group's achievements in 2007 attest to its solid momentum in this sector, notably:

- confirmation of its No. 1 position in franchise finance. This area has long been a favored axis for growth;
- the launch of a special range of products for young people on apprenticeships;
- the signing of an agreement with the National order of physiotherapists;
- stepping up sales and marketing efforts targeting self-employed professionals.

Corporate clients

Groupe Banque Populaire has established itself as a key player in the corporate clients market. Its diverse expertise and the professionalism of its teams enable it to support its clients – whether small, medium-sized or large companies – in all stages of their development.

From its solid footing in the corporate client market, Groupe Banque Populaire offers a broad range of banking products and services in areas as diverse as payments processing, structured and specialist finance, employee benefits planning and international or financial management. In addition to this global approach to clients' needs, the Group offers a local presence, guaranteeing reactivity and understanding of companies' specific needs. It has a structure dedicated to this customer group, based on the Banque Populaire business banking branches and regional departments of Natixis. Specialists at its 160 business centers mobilize and organize the Group's various resources in order to offer tailor-made solutions to each client.

Thanks to the combined expertise of the Banque Populaire regional banks and Natixis, as well as the complementary know-how of Coface, the Group is able to provide support at each stage of a company's development, from starting up to expansion in France and abroad, IPOs and buyouts. With a 35% penetration rate and first principal bank for SMBs (Source: SOFRES – 2007), the Group has confirmed its leading position with companies.

It is also No. 1 in employee savings and has confirmed its position as the partner of choice for companies in the larger market of employee benefits planning.

The Caisses d'Epargne network

The Group is centered around the Caisse d'Epargne network, France's third-largest banking network with 4,352 branches, 7,165 ATMs and a full range of online banking services. Nearly one in two people in France are Caisse d'Epargne customers, over 3 million of whom are cooperative shareholders. The Caisse d'Epargne banks are committed to the idea of social progress that led to their creation and are open to everyone. They are continually working on innovations to make life easier for their customers and support them in their plans.

Several Caisses d'Epargne mergers have taken place or are in progress, to set up powerful regional banks. Their number has gone from 29 in 2006 to 21 at December 31, 2007. This figure should move to 17 during 2008.

Retail banking

Investments, insurance, provident insurance, wealth management, loans, real estate, payment methods: Caisse d'Epargne offers all of the services expected of a modern bank.

Personal banking

With 27 million customers, Caisse d'Epargne has the largest customer base in France.

In 2007, Caisse d'Epargne continued with a certain number of projects to optimize their network and their sales methods: branch opening and renovation, the *Fréquence Client* program intended to improve their marketing and sales methods, reference systems for reception and productivity, etc.

The various online banking channels have also been optimized. It has also continued with the roll-out of mobile banking services via wap, Imode and SMS. Caisse d'Epargne have joined the *Payez mobile* operation to test a new no-contact payment service via mobile telephones.

The historical business of Caisse d'Epargne, the collection of savings, has reached a very high level. After an exceptional year in 2006, 2007 was marked by a slowdown in life-insurance collection, which nevertheless reached a surplus of €4.6 billion. Caisse d'Epargne is also continuing to gain momentum in the private banking market, with the complementary areas of expertise of its specialist account managers and estate planning and investment management teams.

In 2007, interest-bearing current accounts continued to boost sales of service packages and win new customers. The *S'miles* customer loyalty program, launched in 2006, for which Caisse d'Epargne is the exclusive banking partner, had 3.2 million clients at the end of 2007. Caisse d'Epargne has confirmed its position as the leading issuer of *Visa* cards and as second-largest issuer for all card brands.

As a bank for young people, Caisse d'Epargne is continuing to develop innovative new products and services specifically designed for this customer group: *Livret A Kipouss*, the first pre-paid and rechargeable bank card for adolescents.

As the second-largest real-estate bank, the range of services offered by Caisses d'Epargne has been enhanced. Nearly a quarter of the overall production is now provided through key influencers. The year has been particularly active in consumer credit, both in the production of personal loans and in the number of Teoz revolving credit cards sold.

The property and casualty insurance business, developed by Ecureuil Assurances IARD, had a dynamic year 2007, marked by the successful deployment of complementary health insurance in the Caisses d'Epargne network.

The line of personal services, *Écureuil Sérénité Services*, developed with the national operator Séréna, was rolled out to all of the Caisses d'Epargne at the end of 2007. In parallel, in the area of pre-financed universal service-employment vouchers, the common structure with Accor has been operational since February 2007 and has issued €43 million in these vouchers on behalf of 1,500 companies.

Small businesses

Caisse d'Epargne is also a partner of choice for small retailers, craftsmen and self-employed professionals, both on a professional and a private basis. Interest-bearing current accounts and the launch of a new GPRS e-cash payment terminal have boosted the number of people holding bank accounts. A new line of employee save-as-you-earn schemes has been implemented with Natixis Interépargne.

Specialist bank for regional development

With its strong regional positioning, Caisse d'Epargne partners all organizations involved in regional economic and social development.

As a specialist bank for regional development, it offers local authorities, hospitals, social housing organizations, real estate professionals and local businesses a broad range of products and services to finance their projects, simplify their management and maximize their investments.

Corporate clients

Caisse d'Epargne supports regional companies from their founding to their transfer, with a complete range of financing and services, as well as solutions using its own capital from its regional and national investment funds. Caisse d'Epargne has used the know-how of Natixis, Natixis Factor and Natixis Interépargne to enlarge its range of products and services.

Local authorities and institutions

As a player to be reckoned with in the regional public sector, Caisse d'Epargne works with all local authorities and institutions, regardless of the size of projects and who is the contracting authority: municipalities, inter-municipality cooperation, départements, regions, public health institutions and semi-public companies.

In a context of sustained public investment, Caisse d'Epargne has maintained its positions. This development is supported by the successful synergy between the different companies of the Group (CNCE, Caisses d'Epargne, Crédit Foncier) and Natixis.

Caisse d'Epargne, supported by the various companies of the Caisse d'Epargne Group, has taken a leading position in the high-potential market for public/private partnerships.

They also make innovative services available to local authorities and institutions, such as the secure on-line payment service *ServicePublicPlus*, which allows users to pay on-line for municipal services. They also offer the pre-financed universal service-employment voucher in cooperation with Accor Services.

Public housing

As a historic partner of France's low-cost housing system, Caisse d'Epargne is the leading private bank in the sector, managing over one-third of cash assets and private debt of social housing enterprises (ESH) and the HLM agencies, whose construction programs are financed primarily by funds from Livret A passbook accounts.

The Caisses d'Epargne banks are also shareholders and directors of one ESH in three and are mandated in 40% of public housing authorities.

Social economy

Caisse d'Epargne is a leading partner of social economy and solidarity projects. More than one association in four are customers of the bank. Nearly 20% of the sector's bank financing is provided by Caisse d'Epargne, the No. 1 social economy lender.

Solutions are provided for all types of needs in the social economy, such as capital financing operations for mutual companies, creation or restructuring of social and health institutions, renovation of private teaching establishments, etc.

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4 RESOURCES

Human Resources

A FOUNDATION YEAR

2007 featured intense activity in the human resources field, particularly in terms of labor relations. The focus was on facilitating the operational and legal merger of numerous business lines within the Group and assisting employees in adapting to the ensuing changes. The work undertaken should help develop a real common culture overlaying the diverse origins of the Group's constituent companies.

TOWARDS A COMMON HUMAN RESOURCES PLATFORM

The first half of the year was largely devoted to presenting employee representative bodies with the proposed new organizations for entities due to be concerned by mergers of their activities and personnel. This information and consultation process mainly concerned the Asset Management and Corporate and Investment Banking businesses, and especially the creations of Natixis Asset Management and Natixis Securities and the end-2007 merger of Natixis SA and Ixis CIB.

In order to provide a legal framework to negotiations on subjects common to all Group companies, a negotiating body was also created for Natixis and its subsidiaries in January 2007. The creation of this body led to the conclusion of two essential agreements: the first was signed in March and covered the creation of a Group Committee, and the second was signed in May and concerned measures to assist with changes related to employment and mobility within the Group.

Without waiting for completion of the legal merger between Natixis SA and Ixis CIB on December 21, an Economic and Social Unit (ESU) was formed between the two Companies in June. The ESU paved the way for the creation and start-up of personnel representative bodies common to the two entities.

All in all, this initial work enabled the Group to anticipate and settle many human resources issues even before the mergers became effective.

During the final months of the year, negotiations were undertaken with personnel representative bodies in order to implement a unified collective status for personnel originating from Natixis SA and Ixis CIB (working time, hours, benefits, company savings scheme, etc.). And concomitantly, issues relating to union law, the management of senior employees and professional equality were also discussed at Group level. This work will be continued in 2008. Negotiations will be extended to include welfare coverage (provident insurance, health insurance and retirement), as well as the implementation of a group retirement savings scheme (PERCO).

A COMPETITIVE REMUNERATION POLICY

Natixis concluded its first annual salary negotiation with an agreement signed by almost all union organizations in July 2007. The agreement increased the lowest salaries within most of the Group's entities, and left scope for the subsidiaries to complement these measures through their own mandatory annual negotiations.

A profit-sharing agreement was signed for the 2007 financial year. The agreement applied to the Natixis SA-Ixis CIB Economic and Social Unit, as well as to 17 Group subsidiaries, and concerned more than 8,500 employees. Up to a threshold of €600 per person, profit sharing is allocated solely according to employee presence during the year. Beyond this amount, it is allocated according to salary.

Natixis' incentive plan agreement was amended for the 2007 and 2008 financial years. The amended agreement applied to the Natixis SA-Ixis CIB Economic and Social Unit, as well as to three subsidiaries and concerned more than 6,750 employees. 60% of the sum for distribution was allocated according to salary and 40% according to the beneficiary's period of presence during the financial year in question.

In order to provide a more comprehensive view of all benefits received by employees in 2006, a "Remuneration Document" was sent to nearly 6,900 employees of the parent company and its subsidiaries. The document enabled all recipients to make a better distinction between direct remuneration (salaries, allowances, bonuses, etc.), deferred remuneration (employee savings scheme) and indirect remuneration (pension contributions, social protection, meals/catering, etc.).

Additionally, efforts were made to strengthen the Human Resources teams responsible for remuneration, social benefits and salary policies. This initiative was aimed at ensuring fair and consistent employee remuneration, by establishing individual and overall remuneration policies in line with the external market.

TARGETED HIRES

The Natixis Group recruited 1,159 employees directly on permanent contract during the year. Two thirds of these new hires had four to five years of post-high school education. Hiring policy was tailored to the different requirements of each division or department. Thus, the Corporate and Investment Bank recruited heavily for its international operations, particularly in Asia, and also took on specialists in selected business segments. The Services division focused hiring on certain activities, especially consumer finance and insurance. The Asset Management division was keen to retain control of its recruitment policy during a period of mergers involving the various asset management business lines. Policy focused on analysts, middle-office staff, asset managers and risk managers. Receivables Management concentrated on attracting experienced employees in the finance and arbitrage segments, as well as new graduates for the business lines and for marketing and cross-company functions. Private Equity and Private Banking continued to expand by recruiting several high-level specialists. Lastly, as regards functional departments, Natixis strengthened its control functions in the areas of risks, audit and compliance, all with a view to dealing with the new issues and regulatory constraints arising from the creation of the new structure.

PRO-MOBILITY MEASURES

The organizational changes triggered by the creation of Natixis have made mobility a more important aspect of human resources management. In this context, the Group employment and mobility assistance agreement signed in May 2007 specified management's commitments in this area, as well as the measures and resources dedicated to guaranteeing the employment of all staff involved in merger operations. A jobs/training task force was created, with the purpose of assisting employees changing posts as a result of the merger. This involved providing follow-up until employees effectively assumed their new positions and ensuring their seamless integration into their new surroundings.

The *Bourse de l'emploi*, Natixis' first cross-company human-resources tool, which can be consulted by all employees via the "HR Contacts" intranet facility, was gradually extended to cover almost all subsidiaries. Job vacancies, which quadrupled during the year, were relayed via an internal network of video screens and by Human Resources' new informational bulletin, *Perspectives RH*.

In addition, Natixis' close relationships with the two shareholder groups have widened potential employment opportunities to Groupe Banque Populaire and Groupe Caisse d'Epargne. The Mobility Charter signed between Natixis and the two shareholder groups provides a flexible framework that ensures individual transfers are managed in a consistent manner according to common terms and principles of assistance. The new charter is due to come into force in January 2008 and allows employees to continue their careers in their new company while neutralizing some of the impacts of change. Job vacancies are posted online on the intranets of each of the three Groups.

As part of this pro-mobility approach, initiatives were also taken in the business lines, one example being the "MOVE" operation within the Receivables Management division *(see box)*.

Lastly, the international-mobility policy served to facilitate the Group's expansion outside of France in 2007.

TRAINING ADAPTED TO NEW REQUIREMENTS

In the training arena, 2007 featured efforts to strengthen links with the business lines, together with measures geared to delivering a high-quality service and the reinforcement of the partnership between human resources managers and line managers. In order to accompany changes within the Group, further measures were taken to organize human resources teams by division.

Based on solid existing infrastructure both at Natixis and at Ixis CIB, an offer of 350 training actions has been made available to employees online via the «HR Contacts» internet facility. It covers support for cross-company projects, the need to respond adequately to the expectations of business lines and takes into account individual requests.

As an illustration:

- the training offering was adapted to include business-line specific courses, such as the "hedge funds" or "market abuse" seminars;
- in the languages area, the range of existing courses was enhanced with self-teaching courses, group professional courses, specialized seminars and conferences, etc.;
- the management, communication and personal development programs were significantly overhauled and structured, particularly through the development of customized initiatives.

All in all in 2007, a total of 144,250 hours of training were provided to Natixis parent company employees, of which 23% was in the form of product and market training and 23% language training. Throughout France, 10,948 employees followed a training course, with the total amount of training dispensed amounting to 295,689 hours and 3.20% of the wage bill.

HUMAN RESOURCES ORGANIZATION

In order to better respond to the requirements of the new Group and provide Group employees with closer support, Human Resources consolidated its existing division based organization during the year. Human Resources is now organized on a highly-operational basis with a view to serving the needs of employees and line managers in each individual business line. This organization is underpinned by a Group Human Resources Department which defines corporate and human resources development policies, and oversees their implementation and coordination.

With a view to making Human Resources communication more consistent, a new warm and attractive visual identity was created for the Department. The new identity is gradually being rolled out to all the human resources media throughout the Group, e.g. information bulletins, brochures, induction packs, electronic distribution, web, etc. By allowing easy identification of the sender, the new visual identity helps improve Natixis' image as an employer.

The human resources intranet, which was opened in 2006, was extended to cover almost all of the Group's employees in 2007. By disseminating information regarding employment-related news, job vacancies and training, it contributes to the development of a common corporate culture, while leaving subsidiaries scope to promote their own identity.

A SYSTEM TO SUPPORT CHANGE

In order to assist personnel during the merger process, Human Resources implemented a flexible system designed to facilitate organizational changes. As part of this initiative, business lines and departments benefited from the services of specialist change management consultants. Human Resources arranged enhanced training initiatives in the area of change management for line managers and awareness-raising sessions for employees, all on an individual business-line basis.

In addition, five one-day forums were held to present the new business lines and organizational methods to more than 600 senior executives and to enable each one to better acquaint himself/herself with the new combine. Lastly, a two-day seminar involving 300 senior executives and the Executive Board discussed the strategic issues facing the Group. This approach will be continued in 2008.

INTERNAL COMMUNICATIONS REINFORCED

The communication mechanism instigated when Natixis was created was consolidated during the year. Throughout the year, "The Natixis Newsletter", was distributed electronically in both French and English, with a view to providing information on all events related to organizational changes, appointments and the signature of labor agreements. Access to the video newspaper, "Zoom sur", was improved by installing a large number of extra screens on various sites, particularly in the provinces. The weekly newsletter "Natixis Infos" newsletter, which is also distributed electronically in French and English, provided information concerning the whole of Natixis, while each business line distributes its own "Infos Métiers" letter. The magazine "Impulsion", now published every two months, is sent to employees in French or English. All these information resources are geared to uniting staff and strengthening their feeling of belonging to the Company. They can also all be consulted on "Intranatixis", an electronic page that opens as soon as the employee connects to one of the Bank's intranets, and which displays current information on the life of the Group.

MAJOR OBJECTIVES IN 2008

In order to support the different business lines in achieving the Group's objectives, Human Resources must respond to four major strategic challenges. The first involves furthering the Group's development by creating a common corporate culture, establishing standard remuneration policies, increasing mobility and managing talent. The second aims to strengthen performance by managing resources (both people and skills), assisting with reorganization and controlling salary costs. The third entails helping employees to adapt to changes in the size of the Group, particularly by supporting line managers confronted with new challenges related to, say, the size of teams or multiculturalism. The fourth and final strategic challenge involves facilitating internationalization by assisting business lines to grow in international markets and by reinforcing international mobility.

A number of key action areas were identified in 2007. These concern the need to manage remuneration policies, anticipate changes in jobs and skills, attract and retain talent, and provide support to managers. They should result in concrete measures from the second quarter of 2008.

Human Resources will also be working on other important subjects in 2008, again with a view to creating a common platform throughout the Group, while respecting the identities and specifics of particular business lines. Subjects include the management of seniors (who are now required by retirement legislation to work longer than their predecessors), professional equality, provident insurance and social protection.

Natixis headcount by activity

At December 31, 2007, in full-time equivalents

Corporate and Investment Banking	6,645
Asset Management	2,782
Private Equity and Private Banking	687
Services	4,589
Receivables Management	5,138
Functional departments and others	2,118 *
TOTAL	**21,959**

* *With functional departments outside France accounted for under operational divisions, only the Group consolidation is presented (i.e. without the France/International distinction and in line with the practice followed in the 2006 shelf-registration document).*

More than a third (35.1%) of employees work outside France

Assignments for young people in France and internationally

A total of 88 young graduates were able to acquire valuable and recognized international experience under the "international voluntary work in business" scheme (VIE) in 2007. These 18-24 month assignments gave them the opportunity to refine their knowledge of various areas of the Group's business, including structured or corporate financing, commodities financing, capital markets, and credit insurance. Natixis also continued its policy of developing direct relationships with students and young graduates by attending 17 school forums in 2007. More than 1,300 trainees were received in various Bank departments and subsidiaries for periods of between 6 months and one year. 283 students who chose the alternate school/work learning option received practical training within Natixis and its subsidiaries while also studying for qualifications entailing 2, 4 or 5 years of post-*baccalaureat* education. All in all, these various measures enabled nearly 1,700 young people to consolidate their training in a professional environment in 2007.

MOVE: enhancing professional mobility

The MOVE mobility-enhancement operation was launched within the Receivables Management division during the year. MOVE involves a collegiate approach to recruitment, according to which candidates for managerial-status positions are not only interviewed by managers of the recruiting department, but also by managers of those departments where they could subsequently move. This approach lays the groundwork for an internal transfer every three years during the first nine years of the applicant's career, as provided for in the employment contract. In another facet of MOVE, a job mart was created for employees expressing a wish to change jobs. This facility was initially available to young managers, before being extended to more senior executives. Job changes within the framework of MOVE are also accompanied by pay rises. Managers are heavily involved in this approach, which is geared to enabling staff to take a proactive approach to their own career mobility. MOVE's initial success in 2007 will see it renewed and extended to the main European entities in 2008.

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SAGA, the program for allocating free shares to employees

Natixis' Executive Board launched a program geared to allocating free shares to employees on November 12, 2007, just a few days before the first anniversary of Natixis' inception. This initiative represents an innovation in the French banking sector, bearing in mind that only a few large corporations having taken advantage of the laws of 2004 and 2006 giving them the right to assign free shares to their employees. All in all, 6.6 million shares representing 0.54% of Natixis' capital were allocated to the program, which applies equally to employees of the Banque Populaire, Caisse d'Epargne and Natixis Groups.

According to the terms of the allocation, the 110,000 beneficiaries will become shareholders at the end of two years providing they remain within one of the three Groups when the shares are delivered on November 12, 2009.

CHANGE IN NATIXIS HEADCOUNT *

	Dec. 31, 2006 **	Dec. 31, 2007	Change
Permanent and fixed-term contracts	21,000	21,959	+959
Corporate and Investment Banking	6,311	6,645	+334
Asset Management	2,663	2,782	+119
Private Equity and Private Banking	660	687	+27
Services	4,406	4,589	+183
Receivables Management	4,932	5,138	+206
Functional departments and others	2,028	2,118	+90

* *In full-time equivalents at period-end.*

** *Pro forma figures (change of consolidation scope).*

CONSOLIDATED CHARGE FOR PROFIT-SHARING AND INCENTIVE PLANS

(in € thousands)	2003	2004	2005	2006 *	2007 *
Profit sharing	11,194	15,622	18,791	37,153	31,691
Incentive plans	27,264	38,934	52,519	87,231	221,441

* *New scope of consolidation including all Groupe Caisse d'Epargne subsidiaries transferred to Natixis on November 17, 2006.*

EMPLOYER'S TOP-UP CONTRIBUTIONS TO THE COMPANY SAVINGS SCHEME

Natixis SA

(in € millions)	2003	2004	2005	2006	2007
	4.9	5.8	7.0	7.8	8.1

Other resources

SUMMARY SYSTEMS DEVELOPMENT PLAN (SDSS)

The end of 2005 saw Natexis Banques Populaires launch the summary system development plan (SDSS) with a view to overhauling summary reporting systems and more specifically with the aim of:

- improving the consistency of summary reports by making the accounting system the Bank's only source of reference data;
- complying with regulatory requirements;
- meeting the management needs of the Bank and the various businesses;
- developing the architecture blueprint and rationalizing the information system.

2007 was a decisive year for the SDSS

2007 saw completion of the work required to roll out the new Matisse tool for the Natixis parent company and four subsidiaries. Matisse represents a key part of the project to overhaul summary reporting systems, based on two components:

- Matisse GL, the Group's new general and analytical accounting tool;
- Matisse EPM, the reference input database for the Group's summary reporting systems.

Matisse was launched at the beginning of 2008, via a secure "twin-level" process that involved running it alongside the existing tool over the first quarter of 2008.

2007 also saw the new management control and steering tools (ARTEMIS), and the target product and structure repositories become the reference systems for Natixis.

Lastly, the SDSS roadmap was adapted in order to factor in the changes entailed by the creation of Natixis.

2008 to bring completion of the SDSS program

In 2008, we will execute the following steps:

- integrate the metropolitan Ixis parent company flows that cover the complete parent company accounting scope;
- enhance the database with the summary data required for Basle II, management control and risk reporting purposes, based on the Group's full consolidation scope;
- migrate key business line applications to this platform;

Completion of these steps will mean that all the application components required for producing quality summary accounting information (transversal repositories, general and analytical accounting tool, reference database with accounting-reconciled management data, input platform of business line information) will be in place by the end of 2008.

Natixis will then have a modern, scalable "summary reporting system" architecture that will guarantee the consistency of the various summary reports.

INFORMATION SYSTEM CONVERGENCE

The first information system convergence work carried out in 2006 focused on processing related to the regulatory obligations resulting from the creation of Natixis, the rollout of the new brand, and the creation of transitional infrastructure solutions to facilitate the merger operations.

In 2007, IT Systems' governance framework was validated, and the various business lines and subsidiaries defined their target applications. Efforts then focused on the gradual migration of activity towards these target applications

Information systems governance

An IS governance white paper published at the start of December specified that the Information Systems and Shared Services (SISP) function is responsible for coordinating and steering the IT branch as mandated by the Executive Management. More specifically, this involves:

- standardizing and monitoring decision-making bodies (CESI*) ;
- implementing a summary report covering spending, progress on key projects, tracking of IS synergies and restructuring costs, etc.;
- creating bodies to coordinate the IS branch and define common rules.

* CESI Natixis: *CESI Natixis is the highest-level IT governance body within the Natixis Group and is responsible for setting the outline of IT system strategies. On behalf of the Board, it selects projects previously identified within the CESI divisional governance body.*

CIB application migration and Ixis CIB/ Natixis merger

Application convergence work focused primarily on corporate and investment banking (CIB) business lines in 2007.

The front-office stocks of the various business lines (Fixed Income, Rates, Credit and ECDA Equity Derivatives, etc.) were migrated to the target platforms between May and October, followed by the corresponding accounting migration in November.

Since this stage, market risks have been calculated on the target Scenarisk tool for the entire merged scope.

The B2C regulatory risk calculation tool is also operational on the entire scope.

Interbank flows for CIB are processed by Natixis Paiements.

A specific project covered subjects linked to the legal merger between Ixis CIB and Natixis at December 31, 2007.

The accounting changeover for the last transactions (placements and investments) was carried out on January 2, 2008. The accounting applications were amended in order to make it possible to produce one single set of parent company financial statements.

Ixis's BIC was replaced with NATX and the Ixis CIB applications were adapted in order to display Natixis' legal statements (e-mail addresses, internet sites, publications, printouts, etc.). The HR applications (payroll, time management) were amended to incorporate staff from Ixis CIB.

Infrastructure and production

The implementation of the target network infrastructure, as well as the merger of the messaging system and a single workstation architecture for the entire parent company will be completed at the start of 2008.

Other businesses

Several transversal projects were undertaken to interconnect the main repositories for the merged entities, and more specifically the counterparty repositories.

In the Asset Management field, a unified accounting infocenter was rolled out as of July in order to provide a complete vision of the various activities. Inter-application connections were then built up, pending the mutualization of operational systems, which is scheduled for 2008.

In the Services area, the Securities IS convergence target has been defined. It is based on the DEFI application (on which redevelopment work will be completed in 2008) for the retail client segment, while the migration project is currently being prepared within Groupe Caisse d'Epargne.

In November, the GCE Factoring application was switched over to the Natixis Factorem information system.

5 SUSTAINABLE DEVELOPMENT

Sustainable development is an integral part of all Natixis businesses. Engaged with the national and international organizations that are involved in sustainable development, the bank is among the leaders in the financing of renewable energy and managing funds dedicated to the fight against global warming. It ranks first on the French market for socially responsible and supportive investment. Raising the awareness of our employees contributes to the adoption of actions leading to a reduction in the consumption of resources, the recycling of waste, the optimizing travel and establishing a responsible purchasing policy. Finally, by supporting projects that are outside the scope of its traditional business, Natixis opens itself up to civil society through its philanthropic cultural activities and its commitment to the fight against malaria.

A Proven Committment to Sustainable Development

INVOLVEMENT IN NATIONAL AND INTERNATIONAL BODIES

Following in the commitment shown by the Banques Populaires and Caisses d'Epargne groups, who have been signatories of the United Nations Global Compact since 2003, Natixis signed the Global Compact in its own right in July 2007. The sustainable development policies of the bank support the 10 principles of the Global Pact, in the areas of human rights, labor and environmental standards and the fight against corruption.

At the national level, Natixis is a member of the Observatory on Corporate Social Responsibility (ORSE) and the *IMS-Entreprendre pour la Cité*.

AN IMPROVED PERFORMANCE RECOGNIZED BY VIGEO

Natixis' social and environmental record was judged "positive" by Vigeo in its 2007 ratings, an improvement compared to previous evaluations, which is verification for Natixis that its actions have been relevant and effective.

It was in Human Resources that the bank obtained the best score. Vigeo especially appreciated the quality of labor relations and the management of human resources at the time Natixis was established. In terms of its behavior on the markets, the agency highlighted the work done by the Compliance Office in the fight against the laundering of capital and the performance of the Cash Management and Operations Office in terms of customer relations and service quality. An identical score was awarded on human rights.

Its record on the environment, although more limited, showed genuine improvement over the previous audit. This favorable change is linked to our having identified the issues and taken the environmental impact into account in our financing and investment work; this is due to an environmental appendix that we are currently using for project finance. Concerning the management of direct impacts on the environment (energy consumption, recycling waste, managing transportation), the measures that we set up were equally appreciated. However, in the future Natixis will have to provide detailed facts and figures and clearer reporting.

With this new rating, Natixis will remain in Vigeo's "ASPI Eurozone", which includes the 120 listed companies in the eurozone with the best social and environmental performances.

Natixis – October 2007

Sector: Banks

Companies in panel sector: 63

Environmental, social and governance performance of the Company

Domaines min --/max ++	Scores 10/2007	Ratings 10/2007
Human Rights	62	+
Environment	56	+
Human Resources	63	+
Business Behavior	62	+
Corporate Governance	42	=
Community Involvement	41	=

The **score** is the level of the Company's CSR engagement on a 0 to a 100 scale. It is based on an analysis of the Company's policies and their effectiveness. The **rating** is the positioning of the Company's performance compared to its sector.

++ the Company is ranked as a leading performer in its sector

\+ the Company is ranked as an active performer in its sector

= the Company is ranked as an average performer in its sector

\- the Company is ranked as a below average performer in its sector

-- the Company is ranked as a poor performer in its sector

Source: CSR Research – Vigeo's Rating

GRADUAL INCORPORATION INTO OUR CORE BUSINESS

In 2007, Natixis continued to take into account the needs and new opportunities connected to sustainable development, by using the principal lever of influence at a bank's disposal: investments and financing.

Taking the requirements and opportunities of the carbon market into account

Natixis actively monitors the emerging market of carbon (tradable emission permits, carbon credits, Kyoto projects, etc.). Since the Kyoto Protocol took effect in 2005, Natixis has been offering its clients an operational solution that lets them manage their carbon constraints or take advantage of opportunities associated with this new market:

The products developed in this area now allow Natixis to respond to the diverse needs of its clients:

- on the European market for CO_2 permits: spot or forward buying/selling of CO_2 permits; optional products which are being quickly developed can also be offered;
- on the credit markets for projects meeting the criteria of the Kyoto Protocol: loans for Kyoto projects in emerging countries are expanding and these assets are becoming more and more liquid. These credits can be bought/sold forward through Natixis.

The bank is also developing a range of structured products adapted to meet the specific requirements of investors interested by the carbon market.

Finally, since 2007, Natixis has been a partner in the "New Energy Strategies" Chair at the School of Mines in Paris, along with the following companies: EDF, KEOLIS, SAFRAN, SUEZ and TOTAL.

The plan to create a "New Energy Strategies" Chair resulted from the conviction that the energy stakes are going to lead companies, the economy and society to make deep changes. Among the measures often considered to be quick are, at the technical level, resorting to biomass, and on the economic level, broadening the quota markets to new sectors and project systems, both nationally and internationally. This is why the Chair will devote its research to two main lines: the future of biomass energy, and developing the tools of the carbon economy.

Strong growth in financing in the environmental and renewable energies industries

Natixis is proving its position as leader in financing renewable energy, whether it be through its leasing business, project finance or the management of specialized investment funds.

In 2007, Natixis Lease, mainly through its Energeco subsidiary, participated in the financing of 28 deals totaling €140 million (up 15.76% compared to 2006). From 2001 to today, Natixis Lease has financed a total of 100 wind farms producing 924.75 MW.

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As for the wind power produced in France which was estimated at approximately 2,500 MW at the end of 2007, Energeco had 587 MW installed (the remaining 327 MW is under construction) or 23% of the wind energy market.

Support for emerging new sources of renewable energies

In addition to financing the wind industry (21 farms), in 2007 Natixis Lease funded other types of renewable electricity production (hydraulic, biomass, photovoltaic and landfill biogas:

- €101.6 million in wind energy for 186.68 MW (21 farms);
- €18.4 million in hydraulic for 12.30 MW (3 plants);
- €10.7 million in biomass for 20 MW (1 plant);
- €7.6 million in solar photovoltaic for 1.40 MW (1 plant);
- €1.7 million in landfill biogas for 1.17 MW (1 plant).

Through its Project Finance Department, Natixis has greatly increased its financing of renewable energy with 17 financing operations during the 2007 fiscal year (compared to 14 in 2006). The projects – 13 in the wind industry and 4 in solar – are located in Europe and the United States. To this day, more than 46 projects for a total installed capacity of 6,200 MW were financed.

From the beginning, Natixis has arranged solar parks and has thus become the reference bank for thermo solar technology in Spain.

Natixis arranges the financing of two new thermo solar plants in Andalusia

Natixis acted as Mandated Lead Arranger, alongside Santander, Caja Madrid, Calyon and Société Générale, to arrange the financing of the Solnova 1 and 3 cylindro-parabolic thermo solar plants representing a cumulative capacity of 100 MW. These projects, with a senior debt of close to €520 million, will generate approximately 230 GWh of clean energy every year, which corresponds to the supply of some 52,000 homes. Both plants were developed by the Spanish group Abengoa from the region of Seville. They are part of the world's largest solar platform located in Sanlucar (300 MW) and should prevent 62,000 tons of CO_2 emissions per year.

Natixis Environment and Infrastructures, a Natixis subsidiary, is a management company approved by the AMF, specialized in project finance. It manages several investment funds in the environmental field (FIDEME, €46 million and European Carbon Fund, €143 million) and infrastructures (FIDEPPP, €200 million).

As FIDEME was fully invested, in 2007 Natixis Environment and Infrastructures formed EuroFideme2, a fund dedicated to financing renewable energy projects in Europe.

The European Carbon Fund (ECF), launched in 2005 with the support of major European financial institutions, contributes to the fight against global warming through the funding of projects leading to a reduction in the emissions of greenhouse gases (see box).

Overall, more than twenty deals corresponding to a reduction of 55 million tons of CO_2 were concluded by the ECF in Latin America, North Africa and Asia.

In the very dynamic environment of the European CO_2 market, and considering the growing interest among investors in sustainable development, in 2007 Natixis Environment and Infrastructures launched the European Kyoto Fund, in which Natixis invested €50 million.

Natixis Environnement et Infrastructures receives an award for "Carbon deal of the year"

Natixis Environnement et Infrastructures received the prize for "Carbon Deal of the Year" from the magazine "Environmental Finance" for two projects funded in China with the Chinese Mining Company known as Yangquan Coal Industry and carried out within the framework of the Kyoto Protocol development mechanism.

These projects will lead to a reduction of 17.8 million tons in greenhouse gas emissions from the coal mines being operated in Shanxi Province. The captured methane is used to produce electricity for the site and also for a nearby alumina plant. These investments also contribute to the miners' safety.

Taking environmental risks into account in financing and credit insurance

An environmental statement, systematically reported by the chargés d'affaires to the credit Committees, studies the environmental impact of funding projects, whatever the amount. This rating system leads to a careful examination of the level of impact of any given project (level A, B or C depending on the industry or country) the observance of regulations, the conclusions of the environmental report and the risks that the project will be opposed.

Additionally, since 2006 the most sensitive projects in terms of their environmental impact have been monitored by a group composed of different bank divisions (Project Finance, Commodities).

In terms of guarantees managed on behalf of the State, Coface has been doing environmental and social evaluations of credit insurance projects, which must comply with international standards. To provide access to this information to all parties involved, transparency procedures are available on the Coface internet site (www.coface.fr) with a list of potential projects before they are guaranteed (availability of impact study), and of projects of more than €10 million already guaranteed (with environmental advice).

Committed asset management

Natixis Asset Management has been a pioneer in the management of SRI (Socially Responsible Investment) [5] in the broad sense, with:

- in 1985, the launching of *North-South Development*. This social solidarity fund contributes mainly to the development of emerging countries and micro credit;
- in 1999, in partnership with Natixis Interépargne, establishment of the first employee savings fund managed using a sustainable development approach, *Fructi Capital Ethique*.

Natixis Asset Management was one of the first asset management companies to develop expertise in Solidarity and Socially Responsible Investment in France. Today this specialty is represented by 39 funds (open, dedicated and employee savings) covering all classes of assets (equities, bonds, money market, diversified) and managed using different approaches (SPI, thematic, ethical or solidarity-based funds).

Position of leader on the solidarity and SRI Markets

On December 31, 2007, Natixis Asset Management had total **outstandings in SRI and solidarity-based investment of €4.2 billion** [6], or more than **23% growth in one year.** The Company is now a recognized leader in these markets:

- **No. 1 in the management of SRI in France,** according to the quarterly ratings of Novethic [7] ;
- **No. 1 in solidarity-based management in France,** with 49.2% market share, according to the 2007 issue of *Baromètre des Finances Solidaires*, published by Finansol [8], *La Croix* and *Ipsos*.

Natixis Interépargne is also the leader in SRI employee savings, according to the 2007 yearly activity report of the *Comité Intersyndical de l'Epargne Salariale* (CIES) (Inter-Union Employee Savings Committee), covering all FCPE-approved products.

Finally, Natixis Interépargne and Natixis Asset Management are leaders on the French market in solidarity-based employee savings with a 58.6% share of the market.

2007: a year of growth in SRI

In 2007, there was a wealth of changes in terms of the resources dedicated to SRI or in the variety of products offered.

Considering SRI as a major aspect of its growth, Natixis Asset Management consolidated its resources in SRI research and established a new, Research division outside of Financing and Credit, composed of three complementary teams sharing common subjects around different dimensions of risk:

- **"Governance Research":** in addition to exercising its voting rights and grading listed companies, this team is looking at governance related to bonds;
- **"SRI Research":** this team assembles thematic expertise around issues of the environment and society with a constant concern for anticipating change that is in line with the Natixis Asset Management vision;
- **"Credit Analysis":** composed of experienced analysts, this activity brings its industrial sector expertise to bear and

(5) *Socially Responsible Investment (SRI): SRI brings together all the policies which integrate extra-financial criteria associated with sustainable development into placement decisions and portfolio management. Different approaches may be taken: sustainable development funds, ethical funds, solidarity-based funds.*

(6) *Source: Natixis Asset Management on December 31, 2007.*

(7) *Novethic: Center for Research and Expertise on SRI and Sustainable Development.*

(8) *Finansol: "Collectif de représentation du secteur des finances solidaires" (Group representing the solidarity-based financing sector).*

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supports SRI research, as well as governance research in evaluating legal and financial risks and reputation.

This Office of Extra-Financial and Credit Research works closely with managers who are specialized in SRI, within each management division (equities, bonds, money market, diversified).

In terms of our offerings, the RSI range of products includes two additional funds added since January 2007, both with a thematic approach to management:

- one, Natixis H_2O, is focused on the environment and improving the quality of life;
- the other, Fructifonds Valeurs Européennes, on the theme of corporate governance.

Since January 2007, this latter fund incorporates into its investment process a specific analysis of equities based on the criteria of corporate governance, and last December achieved an "A" rating from Novethic [(7)], like the 13 other Natixis AM funds evaluated positively by this reputable agency.

Strong and recognized expertise in the field of solidarity-based management

Among the leading funds of Natixis Asset Management, *Insertion Emplois, Insertion Emplois Equilibré, Nord-Sud Développement* and Solidarity-based FCPR dedicated to the management of Natixis FCPE are all recognized by Finansol [(8)], and have received its label of approval, notably for their rigorous investment procedures and the quality of their solidarity-based management. In addition, *Carrefour Equilibre Solidaire*, managed by Natixis Asset Management, was also the first employee savings fund approved by Finansol.

Natixis Asset Management is a leader in this market and contributes actively to the financing of solidarity-based projects through the investors that it represents.

For example, in 2007, 70 employment assistance structures were funded for a total amount of €2.8 million through the *Insertion Emplois* Fund and the *Insertion Emplois Equilibre* Fund, managed in partnership with the *Societé d'Investissement France Active*. 4,271 people, including 2,260 in difficulty, have found a job thanks to this funding.

The solidarity-based FCPR, dedicated to the management of employee savings, supports a variety of projects mainly benefiting solidarity housing, fair trade, micro credit or North-South co-development projects. Amounts outstanding grew from €7 million in December 2006 to more than 16 million at the end of 2007, or an increase of +130% in one year.

Partners in the Solidarity-Based savings Week in the Greater Paris Area

Natixis Asset Management and Natixis Interépargne participated for the second time in the Solidarity-Based Savings Week, organized by Finansol [(8)] in November 2007 in the greater Paris area. The goal of this event was to better acquaint the public with the advantages and mechanisms of solidarity-based savings, and to let them see concrete projects that are supported thanks to this type of investment: integration into the workplace and job creation, solidarity-based housing, renewable energy… At this event, Natixis Asset Management and Natixis Interépargne spoke actively and provided much information about this form of savings to their clients and their employees.

The fight against financial crime

Efforts continued to keep all of the various units of Natixis from being used for money laundering and the financing of terrorism, as well as to ensure that embargos are respected. Employees in the Financial Security Department of the Compliance Division work actively, both upstream (establishing standards, advising, training) and downstream (monitoring, validation) with the procedures in place.

These procedures include a monitoring system based essentially on knowing the client, detecting operations that are atypical or at first sight suspicious, and the obligation to notify the office of financial information of the country of residence and all other competent authorities of the suspicious activity. The procedure for anti-money laundering enforcement has been updated, taking into account the changes in regulations, and with instructions mandating the minimum required of all Natixis employees, both in France (parent company and subsidiaries) and abroad (subsidiaries and affiliates)

The transaction monitoring tool that helps to detect financial flows that are suspicious in terms of the anti-money laundering regulations was used many times in 2007 and this has led to its being extended to include the majority of operations. Deploying this tool to the French subsidiaries is currently being studied.

The payment filtering software designed to ensure that the freezing of assets of entities suspected of financing terrorism is observed and that embargoes are enforced has been extended to financial flows. The new subsidiaries of the Group have benefited from the implementation of the filtering tool from their client base.

(7) *Novethic: Center for Research and Expertise on SRI and Sustainable Development.*

(8) *Finansol: "Collectif de représentation du secteur des finances solidaires" (Group representing the solidarity-based financing sector).*

Finally, the work of training employees in the fight against money laundering continued: at the end of 2007, approximately 79% of personnel at the parent company and more than 60% of personnel at the subsidiaries (excluding COFACE) had benefited from this training.

CONTROLING DIRECT IMPACTS ON THE ENVIRONMENT

Given the scale of its facilities and its 24,000 employees, the operation of Natixis has a significant impact on its environment in terms of the consumption of resources, the management of its wastes or associated carbon emissions. Since 2004, an internal management policy on the environment has been established to control this impact.

In line with its membership in Ademe's "Planète Gagnante" club which aims to make the general public aware of the effects of greenhouse gases on climate change, Natixis has been involving its employees in this policy and encourages them, mainly through its "*gestes verts*" intranet site, to adopt key behaviours that lead to reduced energy, paper and fuel consumption, or optimizing the management of waste.

Managing resource consumption

The Logistics' Department plays a role in managing the bank's direct impact on the environment by establishing a voluntarist policy of controlling energy use in buildings. By resorting to modern and efficient operating systems, allocations of energy are established each year with the goal of reducing consumption; the central buildings are then monitored monthly. Since the creation of Natixis in November 2006, consumption has been monitored at all units of the new Group.

The gradual installation of shared, multi-function printers, set by default to duplex, ink saving mode, contributes to reducing paper and ink cartridge consumption.

Waste sorting becomes a generalized practice

Work done over the last several years to optimize waste management was continued in 2007 with the gradual generalization of selective sorting at the new company buildings. When the headquarters of the bank was changed and the merger with Ixis CIB took place, a specific operation to recover and recycle out-dated printed matter led to the recovery of eight tons of paper.

Collection points for used batteries have been installed in the largest buildings. The collected batteries are delivered to an outside service provider who is responsible for processing and recycling them. As a result, in 2007 more than 800kg of batteries were collected from the offices and employees of the bank.

Finally, after the Directive on Waste Electric and Electronic Equipment (WEEE) went into effect, Natixis considered setting up a subsidiary to process its computer and office automation material.

Natixis decided to hand over the management of its end-of life computer and office automation equipment and materials to the APR2 Company, which specializes in the handling of WEEE (see box).

The processing of used portable business telephones is handled by the *Ateliers du Bocage*, an association affiliated with the Emmaüs network. Equipment that is still functioning is put up for sale in Emmaüs shops or on line, while defective equipment is transferred to an affiliate for the appropriate processing.

Management of Electric and Electronic Waste: Responding to an Environmental and Social Goal

Natixis has chosen to entrust its WEEE to APR2, a company tasked with removing the computer and automated office equipment, processing the toxic elements and recycling those parts that can be recovered (plastics, metals) in accordance with regulations on protecting the environment. It provides a guarantee of confidentiality by destroying the hard disks that could contain sensitive information. As an appropriately equipped and organized company employing the disabled, it provides Natixis with the opportunity of contributing to their integration into society and fulfilling its obligation to employ handicapped workers.

This new channel for handling waste provides genuine guarantees with respect to traceability, as the waste is accompanied with a tracing slip and a statement of the material recovered is provided.

Launching a company travel plan

The carbon report produced by Natixis in 2006 showed that travel by its employees was creating a significant impact. The bank initiated a company travel plan CTP) to develop alternatives to using the individual automobile for home to work and inter-site travel

Similarly, the bank is participating in the ADEME led "*mobilité capitale*" network of companies introducing CTP projects to the Greater Paris Area.

Natixis has instituted this policy by establishing a number of measures to encourage the use of public transportation. For more than three years, the bank has been co-financing a public bus line which serves its sites in Charenton le Pont. In line with the move to our new sites in the 12th and 13th arrondissements, employees have been encouraged to use public transportation near the sites, and a shuttle system linking the different offices has been organized.

As for business travel, the bank's travel agency first offers travel by train rather than plane for all trips that take the same time (Marseille, Lille, Strasbourg, London, Amsterdam, Brussels). In support of this policy, the Purchasing Department has signed rail contracts which allow us to reduce air travel to certain destinations.

Furthermore, in the interest of using the new technologies to eliminate meetings requiring travel, Natixis is encouraging telephonic conferences, video-conferencing and web conferences and their use is growing significantly (video conferences: 856 reservations in 2007, 724 in 2006).

Energy consumption and CO_2 emissions associated with our fleet of automobiles are also being monitored: hybrid vehicles or other fuel efficient cars have been identified by the team in charge of the Natixis fleet and they are gradually replacing the older vehicles.

Finally, in November 2007 Natixis, with the support of ADEME, set up an intranet ride-share site. This site helps employees share their vehicle for travel from home to work or between offices, based on an integrated geographic system which links supply with demand.

Ride-Share: first report, 3 months after start-up

The site was launched on October 16, 2007. By the end of 2007, the results were:

- 880 registrations in the Paris Region;
- 156 announcements posted since the program began;
- 23 Natixis sites represented.

Strengthening a responsible purchasing policy

Continuing the policy instituted in 2005, the Natixis Purchasing Department has strengthened its efforts to incorporate sustainable development criteria into most of its bid invitations.

The policy has been strengthened since the publication of the Company's carbon report in 2006 which showed that most greenhouse gases resulted, in one way or another, from the purchase of products and the delivery of services.

Employees in the Purchasing Department have taken the sustainable development training course offered by the Company, and the program for registering and monitoring purchases was revised to allow follow-up on how sustainable development criteria are applied case by case.

The official eco-labels indicating the environmental characteristics of products (European Eco Label, NF environment standard) and the ISO 14001 certification or EMAS of production sites continue to be developed. The purchase of computer equipment, in addition to the criteria on energy consumption, now includes the RoHS Directive requirements that regulate the use of 6 dangerous substances in electric and electronic equipment and the WEEE rules on managing waste. A social responsibility clause has been included in consulting contracts and transporters are required to indicate the level of polluting gas produced by their vehicles. All these criteria allow the Natixis Purchasing Department to handle almost 60% of its purchases in an eco-responsible manner.

One of the major events of the year was the distribution of a responsible purchases reference table, which sets out the criteria required of suppliers for each category of product or service purchased. This reference table supplements other bank resources, in particular the Ethical Purchases Charter and the organization and rules on invitations to bid.

Concrete achievements

In 2007 Natixis renewed the choice of products and services having less of an environmental impact. In particular:

- paper made from recycled fibres or original fibres from sustainably managed forests; use of white paper containing 75g rather than 80g was introduced;
- recycled envelopes labelled NF Environment;
- remanufactured consumable goods for printers and fax machines;
- office supplies listed as "green products": The percentage of green products selected in this list reached 25% in 2007.

In terms of labor standards, Natixis incorporated non-discrimination criteria in contracts signed with temporary work agencies.

These criteria are subject to periodic monitoring to ensure compliance with any updates in the reference tables or regulatory changes, and are revised in collaboration with ADEME's department of "Eco-Design and Sustainable Development".

The gradual increase in the standards required of suppliers, in line with the changes in the official reference labels and changes in the supplier products are all part of the policy aimed at constant improvement and raising the awareness of our suppliers.

GROWTH THAT ENCOURAGES EQUAL OPPORTUNITY

The recent rating by Vigeo made specific mention of the work done by Natixis in 2007 in human resource management, facilitating the legal and operational alignment of the different business lines in the Group and supporting employees in the necessary adaptation to changes in the Company.

Managing diversity

A great deal of work was done in 2007 in the area of labor relations *(see Chapter on Human Resources)*, during which Natixis continued its corporate policy on managing diversity.

A Commission on Professional Equality was created at the corporate level during the month of July in the wake of an agreement between labor and management; the goal was to centralize information from the different Natixis companies so as to identify a common base in terms of professional equality.

In this regard, agreements have now been signed in certain subsidiaries, including Coface or Natixis Factor, in which commitments on recruiting, training, professional growth and compensation have been incorporated. In other structures, wage and salary policies have been adopted aimed at reducing professional inequalities between male and female employees.

As regards the position of women, their representation in management at parent company level is gradually changing (34.1% in 2004, 59.1% in 2005, 57.3% in 2006, 37.1% in 2007) and the percentage of promotions involving women should improve the situation (56.4% in 2004, 59.1% in 2005, 57.3% in 2006, 54.8% in 2007) [9]. Concerning the group nation-wide, the representation of women in management rose from 39.7% at December 31, 2006 to 40.5% at December 31, 2007, and the percentage of promotions grew from 56.7% at December 31, 2006 to 59.7% at December 31, 2007.

The management of seniors has been incorporated into this policy. Natixis carried out a study and labor and management began negotiations on the subject.

The situation of disabled workers in the corporation was confirmed as a specific issue of social responsibility. In 2007 Natixis established a policy of integrating handicapped workers, using a study carried out with the assistance of Agefiph which then led to the preparation of an action plan.

Mission Emploi Handicap, established in 2006 by the Natixis Department of Human Resources, set up handicap awareness sessions aimed at changing the way disabled persons are seen and integrating them into the Company with appropriate organization and policies. These sessions concerned first and foremost the staff at Human Resources, company doctors, nurses, social workers, as well as members of the CHSCT, *i.e.* some one hundred persons.

Similar initiatives were taken in the subsidiaries; studies were done in advance of establishing policies and taking action, notably with regard to training management on these issues.

Raising the awareness of Human Resources employees and managers will continue in 2008, the goal being to gradually extend these initiatives to all employees.

Additionally, the Group either established or consolidated relations with associations that facilitate relations between companies and disabled workers (*Hanploi, Tremplin, AFIJ, AFIDEO*), as well as with partner temporary worker companies with a view to inviting handicapped workers for courses or recruiting. At Coface, jobs are posted on Agefiph internet site, and Coface is recognized as an employer committed to diversity in the workplace in the Cadremploi site.

(9) Parent company data on 12/31/2007 including employees of Ixis CIB.

Collaboration with the adaptive sector has led to the signing of a contract with a company that employs the handicapped for processing end-of-life waste electrical and electronic equipment.

Employees involved in this initiative

Natixis has decided to associate its employees in the broadest possible way in our sustainable development policies. In addition to regular communication through our internal channels (newspaper, intranet) and adding more content to our "*gestes verts*" website, our employees have benefited from more specific awareness sessions. For example, a presentation on the bank's sustainable development policy is integrated into the first day's orientation for new employees, and a training module for "generalists" in sustainable development is included in the catalogue of courses offered to all employees. Finally, the Natixis sustainable development policy has been presented on several occasions during training meetings.

AN OPENING TO CIVIL SOCIETY

Patronage is a vehicle for the Company to open itself to civil society by supporting projects that are outside its traditional field of business. In a context of dialogue and exchange, it offers an opportunity for mutual enrichment, encouraging the Company to integrate into its social, cultural or natural environment.

With regard to the Natixis policy on sustainable development, the bank's sponsorship initiatives embody its values of solidarity with the most destitute members of society and the passing of knowledge on to future generations.

Committed to the fight against malaria

As part of its solidarity-based sponsorship, since 2005 the bank has been involved in the fight against malaria, as a contribution to the economic and social development of the countries affected. The fact is that solutions exist for fighting this forgotten disease which is responsible for more than two million deaths per year, mainly among pregnant women and young children.

Consequently, for three consecutive years Natixis has provided support, in the form of information for the general public, to the French-African Fight against Malaria Day organized by the NGO *Plan France*.

Additionally, the bank, assisted by its subsidiaries, funds awareness programs and the distribution of treated mosquito nets aimed at protecting populations affected in endemic areas. Projects undertaken since 2005 with the NGOs *Plan France* and *Les Enfants de L'Air* were continued in 2007 in Cameroon, Burkina Faso and Niger.

Natixis also increased its support for research by funding a project directed by Dr. Ménard at the Biological and Genetics Unit on Malaria at the Institut Pasteur; this project is aimed at better understanding the behavior of parasites responsible for malaria through the use of in- vitro imaging techniques.

Additionally, the bank supports an IRD research project in Benin on malaria in infants. Project RU 010 "Mother and Infant Health in a Tropical Environment" is working in the context of the high maternity level in Cotonou.

Finally, since 2007 Natixis has been a member of French Coalition against Malaria, a network led and coordinated by Friends of the Global Fund Europe, which is composed of approximately twenty organizations in the public and private sector and includes research groups, NGOs, corporations, international organizations and governmental bodies.

An original policy of cultural philanthropy

Under the name of *Patrimoines d'Hier, Trésors d'Avenir* (Yesterday's Heritage, Today's Treasures), Natixis has demonstrated over the past five years its strong and consistent commitment to developing, studying and passing on the hidden works of the national heritage.

In 2007, Natixis funded the State's purchase for the National Furniture Collection of the eight tapestries missing from *La Tenture d'Artémise*. This royal wall covering, a gift of Henry IV to Marie de Medici, originally included 15 tapestries woven with gold and silver thread, eight of which were sent to England in the middle of the 17th century. The principal piece in a unique exhibition of tapestries and furniture tracing the history of the manufacturing company from 1607 to the present day, *La Tenture d'Artémise* was shown in its entirety for the first time in 350 years when the *Galerie des Gobelins* was reopened to the public in May 2007.

Additionally, Natixis funded the project to digitize the Albatros Collection at the French Cinémathèque. This collection of 54 films dating to the inter-war period is of great interest from the perspective of film heritage and the history of the Cinémathèque. At the same time, Natixis supported the recovery of a unique collection of the first animated films (1892-1948) preserved at the National Centre of Cinematography by the French Film Archives. The public was able to discover these treasures during the retrospective entitled “From the Praxinoscope to Cellulo – A Half-Century of Animated Film in France” held in October 2007.

Finally, Natixis funded a program to restore the most prestigious recordings of the *Orchestre de Paris* and make them available free of charge on the Orchestra’s internet site. This patronage coincides with the 40th anniversary of the *Orchestre de Paris* and 180 years of existence for the *Société des Concerts du Conservatoire*.

1 2 3 4 5 6 7 8

SUSTAINABLE DEVELOPMENT: ACHIEVEMENTS AND OUTLOOK

	Significant Achievements 2005-2007	2008 Outlook
Increase financing and investments in favor of the environment	■ Trained commercial teams in the carbon market. ■ Developed expertise: negotiated quotas and carbon credits, managed funds dedicated to fight against global warming. ■ An environmental appendix for project finance. ■ Strong growth in financing renewable energy. ■ Partnership on "New Energy Strategies" university chair.	■ Continue to train teams. ■ Offer structured products on the carbon market. ■ Broaden the use of the environmental appendix. ■ Continue financing renewable energy and the fight against global warming through the financing of projects, the EKF or Euro-fideme 2.
Confirm position in socially-responsible investing and the solidarity-based economy	■ Launched two thematic SRI funds: Fructifonds Valeurs Européennes and Natixis H_2O. ■ Created the Extra-Financial and Credit Research Department. ■ Strong growth in solidarity based loans: First place on French SRI market and solidarity-based saving.	■ Sign the PRI (Principles for Responsible Investment). ■ Deploy the sustainable development policy to Natixis Asset Management. ■ Bring the extra-financial rating by Novethic of Natixis Asset Management SRI funds up to date.
Continue and develop work on fraud prevention	■ 79% of personnel at parent company and over 60% of personnel in subsidiaries (excepting Coface) trained in the fight against money laundering. ■ Deployment of the behavioral analysis program for the first batch of activities. ■ Strengthened "due diligence" concerning the"know your customer" principles. ■ Implemented filtering tool regarding obligations in fight against financing of terrorism and respecting embargos at all Natixis international entities.	■ Continue employee training in all entities of the new Group. ■ Adapt e-learning internet tools. ■ Extend the area covered by behavioural analysis program. ■ Put procedures in compliance with 3rd European Directive (anti-money laundering). ■ Continue implementing filtering tool as per obligations to combat financing of terrorism and respect of embargos at all Natixis international entities.
Limit direct impacts on the environment	■ Became member of Ademe's "Planète Gagnante" club. ■ Raised awareness of employees as to "gestes verts". ■ Completion of Carbon Report. ■ Developed selective waste sorting (paper, batteries, WEEE). ■ Initiated company travel plan (in particular ride sharing).	■ Increase employees' awareness of "gestes verts". ■ Optimize our environmental management system in the construction and operation of our buildings. ■ Set quantified goals for controlling consumption. ■ Consolidate company travel plan.

	Significant Achievements 2005-2007	2008 Outlook
Develop a responsible purchasing policy	■ Partnership with Ademe's department of Eco-design and sustainable consumption department. ■ Sustainable development criteria included in all bid invitations. ■ Discriminating environmental criteria included in the selection of suppliers and products.	■ Maintain level of sustainable development criteria in invitations to bid, gradually develop discriminating criteria. ■ Extend responsible purchasing policy to all Natixis players. ■ Question suppliers on carbon report of their company and/or products. ■ Begin discussion of sustainable development audit of service suppliers. ■ Include energy costs of purchased materials in comparisons of total costs. ■ Initiate study of category of services that can be delivered by protected sector.
Promote commitment to diversity in all stages of human resource management	■ New team dedicated to managing diversity, and particularly hiring people with disabilities. Formalize analysis and bank's policy on hiring disabled workers. ■ Awareness campaigns for human resources employees.	■ Raise awareness of managers on issues of diversity. ■ Take better account of diversity in hiring practices.
Contribute to the development of the poorest countries	■ Commitment to the battle against malaria (support for the anti-malaria day, project finance in affected countries, support for research carried out by the Institut Pasteur). ■ Awareness campaigns for employees (exhibition on malaria). ■ Skills patronage.	■ Continue support for the battle against malaria (raise public awareness, new projects, research). ■ Broaden the malaria debate to encompass water and sewerage issues. ■ Involve employees (skills patronage, project participation).
Make sustainable development a vector for education and improvement, involving all employees	■ Employees regularly informed through traditional communication channels. ■ Training dedicated to sustainable development. ■ Awareness sessions during orientation days. ■ Organization of conferences.	■ Create dedicated channels of communication. ■ Establish a network of contacts.
Develop social and environmental reporting	■ Scope of monitoring extended to entities comprising the new Natixis. ■ Integration of GRI 3 criteria.	■ Optimize reporting by entities comprising the new Natixis.

1
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3
4
5
6
7
8

NRE Appendices – Workforce Information

Indicators

The indicators used are those defined in the NRE Act of February 20, 2002. The equivalent indicators defined in the Global Reporting Initiative (GRI 3) guidelines are shown in brackets.

Scope

Quantitative information – except for workforce totals covering France and other countries – relate to Natixis parent company and its French subsidiaries.

In 2007, new entities were created, as a result of the pooling of activities and teams. The consolidated presentation of Natixis Parent Company and subsidiaries includes the changes made. Following the merger between Natixis SA and Ixis CIB, the Parent Company quantitative information includes Ixis CIB's information on a full-year basis.

Additional information is available in the 2007 workforce information report.

1
2
3
4
5
6
7
8

TOTAL NUMBER OF EMPLOYEES *(LA 1)*

The total number of employees was 21,959 full time equivalents (FTEs) at December 31, 2007.

More than one third of employees (35.1%) employees work outside France.

Employees (FTEs)	2003	2004	2005	2006	2007
Natixis	11,913	12,534	12,973	21,138	21,959

The number of employees by division are presented in the Human Resources chapter.

BREAKDOWN OF NUMBER OF EMPLOYEES IN FRANCE

(number of people)

Fixed-term/permanent	2005	2006	2007
Fixed-term contracts	188	377	340
Permanent contracts	9,921	13,691	14,012
TOTAL	**10,109**	**14,068**	**14,352**

Management/non-management	2005	2006	2007
Management	6,010	9,215	9,635
Non-management	4,099	4,853	4,717

Gender	2005	2006	2007
Men	4,885	6,921	7,049
Women	5,224	7,147	7,303

During 2007, 156 fixed-term contracts were converted to permanent contracts.

97.6% of employees have a permanent contract.

In France, men represent 49.1% of employees and women 50.9%.

The proportion of managers has been increasing regularly for many years. They represent 67.1% (65.5% in 2007) and close to 72% within the Parent Company *(see table below)*.

BREAKDOWN OF EMPLOYEES IN THE PARENT COMPANY

(number of people or percentage)

Fixed-term/permanent	2003	2004	2005	2006	2007
Fixed-term contracts	74	53	67	54	108
Permanent contracts	4,627	4,701	4,681	5,018	6,394
TOTAL	**4,701**	**4,754**	**4,748**	**5,072**	**6,502**

Management/non-management	2003	2004	2005	2006	2007
Management	53.5%	56.6%	60%	63.3%	71.8%
Non-management	46.5%	43.4%	40%	36.7%	28.2%

Gender	2003	2004	2005	2006	2007
Men	2,449	2,495	2,502	2,658	3,513
Women	2,252	2,259	2,246	2,414	2,989

Men represent 54% of parent company employees and women 46%.

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NEW HIRES

In France:

New Hires	2005	2006	2007
Total number of new hires	984	1,977	1,907
Permanent contracts	728	1,456	1,315
Fixed-term contracts	256	521	592
Proportion of managers	60%	65.1%	61.2%

The group has continued with its active hiring policy in 2007. The total number of new hires during the year in France was 1,907, including 1,315 permanent and 592 fixed-term contracts.

New hires in 2007 represented almost 13.3% of total employees in France.

Managers accounted for 61.2% (65.1% in 2006) and 69.9% (75.1% in 2006) of new permanent contracts.

The diversity of the group's business lines and its international activities are reflected by the diversity of new employees in terms of cultures and experience *(see section on "Targeted hires")*. Within the parent company, more than 40 nationalities are represented.

The number of new hires at the parent company has grown rapidly in the last five years. The figures below include employees hired from subsidiaries (130 in 2007). The number of hires of permanent contracts in 2007 nevertheless remains close to the 2006 number.

New Hires	2003	2004	2005	2006	2007
Permanent contracts	185	261	461	582	580
Fixed-term contracts	79	62	99	99	241
TOTAL	**264**	**323**	**560**	**681**	**821**

More than three quarters of new hires have four to five years of post-high school education and the proportion of managers hired in 2007 was 78.7%.

The number of junior employees (under 26 years old) continues to grow accounting for 32.1% of new hires compared to 24.6% in 2005 and 26.6% in 2006. Young employees are often recruited after a long-term internship or international work experience with the bank.

No significant recruiting problems were encountered. In addition to the www.natixis.com web site, the bank regularly uses the major online employment sites to publish its job offers.

Inter-company mobility within the group totaled 293 in 2007 with more than 80% of managers.

Employees coming from Groupe Banque Populaire and Groupe Caisse d'Epargne or Natixis partnerships were 114 in 2007 (85% of managers).

DEPARTURES

Departures for all reasons and types of contracts, excluding inter-company mobility, totaled 1,653 in 2007.

The average resigning rate of permanent contracts was 4.7%.

There were 198 lay-offs in France in 2007, the same as in 2006, including 83 at the Parent Company. Most of them were for personal reasons.

Lay-offs	2005	2006	2007
Parent company	137	98	83
Subsidiaries	84	100	115
TOTAL	**221**	**198**	**198**

OVERTIME

Overtime in France decreased compared to 2006 and totaled 40,049 hours, representing 24.9 FTEs on an annual basis.

Overtime in the parent company totaled 17,812 hours, representing 11.1 FTEs.

	2005	2006	2007
Overtime – *in hours*			
Parent company	15,530	12,900	17,812
Subsidiaries	6,174	30,875	22,237
TOTAL	**21,704**	**43,775**	**40,049**
Overtime – *in ETP on an annual basis*			
Parent company	9.7	8.0	11.1
Subsidiaries	3.8	19.2	13.8
TOTAL FTES – PARENT COMPANY AND SUBSIDIARIES	**13.5**	**27.2**	**24.9**

The Law of August 21, 2007 for employment and purchasing power called “loi TEPA” allows employees who work overtime to benefit under certain conditions of a tax exemption and a reduction of employee contributions.

WORKERS EMPLOYED BY NON-GROUP COMPANIES *(LA 1)*

- Temporary employees: temporary employees represented 4% of total French employees at December 31, 2007, representing a monthly average of 567 FTEs.

In the parent company, the monthly average was 241 FTEs, representing 3.8% of average parent company number of employees at December 31, 2007.

Temporary employees	2005	2006	2007
France			
Average monthly number	278	467	567
(in % of total employees)	2.8%	3.3%	4.0%
Parent company			
Average monthly number	143	156	241
(in % of total employees)	3.0%	3.1%	3.8%

- Service providers: the average monthly number of FTEs in France was 2,568 (1,767 in 2006) at December 31, 2007. Service providers were used mainly in the area of information systems (project management), finance and accounting.
- Other: over one hundred civil servants seconded by the government work for the Group in France, mainly at Natixis parent company and AEW Europe.

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REDUNDANCY PLANS

As defined by French labor laws, not applicable to Natixis.

WORK SCHEDULING, WORKING TIME, ABSENTEEISM

Twelve collective bargaining agreements cover the various business lines exercised by Natixis and its subsidiaries in France. The banking and insurance agreements apply to three quarters of employees.

As a result, there are specific provisions depending on the sector, in particular with regard to working time.

In the parent company, the statutory workweek is 35 hours averaged over one year. The actual workweek is 38 hours and employees are therefore granted additional days off in lieu. Management-level employees who work on a number-of-days basis rather than an hourly basis work 209 days, including the additional work day stipulated under the June 30, 2004 act for the protection of elderly and disabled people *(loi sur la solidarité et l'autonomie des personnes âgées et handicapées).*

Employees have the option of working part-time on the basis of 50%, 60%, 70%, 80% or 90% of the full-time schedule. Similarly, management-level employees on a number-of-days basis may opt for part-time arrangements of 105, 126, 147, 167 or 188 days. At December 31, 2007, 680 people or 10.5% of total staff opted for these part-time arrangements.

9.3% of all French employees worked part time.

Part-time work	2005	2006	2007
France			
Number of employees	1,002	1,278	1,338
In % of employees	9.9%	9.1%	9.3%

In the parent company, an amendment to the work-time management plan *(compte épargne-temps)* was signed in 2006, allowing employees to save up all their extra days off plus six days of their paid leave in the year, while maintaining the option of being paid five days a year.

The days saved may be used to finance all or part of a future unpaid leave (maternity leave, leave to create or acquire a business, sabbatical leave, parental education leave, training leave, etc.) or to switch to part-time work, to use as end-of-career leave or to finance training at the employee's personal choice.

The new online leave and absence management tool available to employees and managers set up in 2006 has been extended to a number of subsidiaries in 2007. New features have been added for more fluid information. It concerns today more than 8,000 employees.

The rate of absenteeism in France is 5.1%, including 2.4% sick leave and 2.1% maternity leave. The percentages at the parent company are 5.3%, 2.6% and 2.0%, respectively.

COMPENSATION AND RAISES

The first wage settlement part of the compulsory annual labor negotiations was signed in July 2007. As a result, the more modest wages in most group entities were increased. In certain cases, these provisions were completed by the subsidiaries as part of their individual annual labor negotiations.

During the first quarter, Natixis launched a process to assess individual compensation and raises based on the employee's performance targets.

Average gross annual compensation for permanent employees on a full-time equivalent basis (fixed and variable components excluding profit-sharing, incentive plans and employer's matching contributions to the employee savings plan) was €69,016 for the Group in France.

Nearly 6,900 employees of the parent company and its subsidiaries received an individual corporate responsibility report, a document explaining to each employee what they have received in terms of fixed remuneration, statutory benefits, variable remuneration, save-as-you-earn schemes, as well as the benefits provided by the Company in terms of social protection (provident insurance, complementary health insurance, retirement benefits) and giving an overall report of other benefits (training, employee representative committee, family allowances, etc.).

In November, a scrip issue of 60 Natixis shares was made in an egalitarian manner and by name, to the employees of the Natixis Group and of the Banque Populaire and Caisse d'Epargne Groups, concerning a total of nearly 110,000 persons, with the shares being available after four years.

INCENTIVE AND PROFIT-SHARING PLANS

See chapter on Human Resources.

LABOR RELATIONS AND RESULTS OF COLLECTIVE AGREEMENTS

More than 990 meetings of the Central Employee-Representative Committee, the employee-representative Committees, personnel representatives, and health and safety Committees were held in 2007 and a total of 94 agreements or amendments to agreements were signed within the Group in France, bearing witness to intense activity in management/union dialogue.

Consultation and information processes have been undertaken since the end of 2006 in France within those entities which will merge. In particular, information and consultation procedures have been carried out concerning the merger between Natexis Asset Management and Ixis Asset Management to create Natixis Asset Management, the merger between Natexis Bleichroeder and Ixis Securities to create Natixis Securities, the merger between Natixis Factor and GCE Affacturage, and the merger between Natixis SA and Ixis CIB.

In this context, an agreement concerning the creation of a negotiating authority within Natixis and its subsidiaries was signed with all the social partners in December 2006. This negotiating authority was created to give a legal framework to negotiations on subjects common to the Group's companies.

Collective agreements were thus concluded within the perimeter, such as the Group employee agreement *(see chapter Human Resources – A competitive remuneration policy)* or the agreement concerning support during changes to employment and mobility within the Group. It specifies the commitments, the measures and resources to guarantee employment in the context of organizational changes related to the creation of Natixis. The implementation, by agreement, of a Group Committee allows the personnel representatives to be kept informed of the activity, the financial situation, changes to the employment situation and the economic prospects of the Group.

In the context of the merger between Natixis SA and Ixis CIB, and without waiting for the legal merger of the two companies on December 21, an Economic and Social Unit (ESU) was constituted in June between Natixis SA and Ixis CIB by agreement signed with all union organizations.

After this ESU was set up, elections were held and personnel-representative authorities common to the two companies were put in place in July.

New agreements on profit-sharing and incentive-plans were signed in June to harmonize these arrangements within the

Natixis SA-Ixis CIB ESU *(see chapter Human Resources – A competitive remuneration policy)* and negotiations concerning the harmonization of statuses were undertaken, covering working hours and working time, company bonuses, the Company savings plan, etc.

New internal regulations, including an appendix relating to Compliance, were presented to the unions, to come into force during the 1st quarter 2008. The charter on the use of IT, digital and technological resources, also appended to the internal Regulations, defines the rights and duties of employees concerning the IT resources made available to them by the employer.

Since the creation of Natixis, information has been provided to all of the Group's employees by a communication system based on different media: electronic letter, intranet and video screens.

During 2007, the new HR intranet, put on line at the end of 2006, has been gradually extended to all employees of the Group. It offers areas differentiated by entity, where all employees can read all the information on line, particularly the job offers in the Job Mart. The number of job offers has quadrupled within the year, and the Job Mart also carries offers available within the Banque Populaire and Caisse d'Epargne Groups.

A space on Natixis' intranet is open to each of the six union organizations to facilitate the broadcasting of their internal communications. Also, the intranet site belonging to the central employee-representative committee has been made available to all employees in the various entities. It can also be reached from outside the company.

HEALTH AND SAFETY *(LA 9)*

With the constitution of an Economic and Social Unit between Natixis SA and Ixis CIB, new personnel-representative authorities common to both entities have been chosen. Their terms of office run for two years. Representatives of four new Health Safety and Working Conditions Committees (HSWCC) were designated for Caen, Lyon, Reims, Paris and the Paris region. This committee is assisted by four intermediary Committees representing four groups of buildings.

A commission on "Professional behavior and the prevention of harassment and distress at work" was created. It centralizes information relating to situations involving distress at work coming from the unions' medical and social departments, and to list psycho-social and organizational risk factors. It must also try to find quick responses to situations presented and oversee the training of managers and employees on the subject. Any of the Group's employees may approach it. Recommendations have been made to the Management and an action plan will be put in place in 2008. Communication is planned to inform employees of the commission's role, its resources, and how ti refer to it. An intranet site dedicated to the HSWCC, managed by the HSWCC and paid for by the Management, will provide information on the system put in place.

The "Moving in" commission groups the Management, the social partners (two representatives per union, plus the secretary and the assistant secretary of the HSWCC), and the occupational health physicians. It is in charge of optimizing the conditions under which employees set up their new working environments as a result of team redeployments following the new organizations.

The health-support committee, created in 2006, studies risks at the human level and makes proposals to help Management in its decision-making. This committee groups representatives of the HSWCC and the human-resources, communications, logistics, and IT systems security departments of Natixis SA and its main subsidiaries, as well as the occupational health physicians.

The application of the decree dated November 15, 2006 concerning tobacco has led to a generalized prohibition on smoking in all Natixis buildings. As it is concerned with supporting employees as much as possible, Natixis' management, medical department and health-insurance company have implemented prevention measures and have contributed financially to measures designed to wean people off tobacco, relaying the measures taken by the Social Security, the objectives of which are to help people who want to stop smoking.

As is the practice every year, an influenza vaccination campaign in the workplace took place in the Fall.

Concerning employee health, the independent occupational medicine department regularly monitors employees in the Paris metropolitan area. Employees requiring special medical supervision will continue to be monitored on an annual basis.

A medical insurance adviser is available twice a week for employee consultations in the Paris metropolitan area.

TRAINING *(LA 10, LA 11)*

The time devoted to training – 281,000 hours of training in 2007 – indicates the importance Natixis and its subsidiaries place on developing the skills of their employees: 10,948 employees in France, including 7,506 managers and 3,442 technicians received training in 2007. The number of hours training rose by 5.1% compared to 2006.

In the parent company, 5,052 employees including 3,489 managers and 1,563 technicians received more than 144,000 hours of training.

In the parent company, as in many subsidiaries, the emphasis in 2007 was on the development of seminars for managers at different levels (senior management and middle management), with increased importance attached to inter-personal managerial skills.

Training in foreign languages, bearing in mind the internationalization of the Group's business-lines and establishments, represented a significant proportion of training hours, according to the entities. Professional training also represented a large part of the training effort, particularly concerning the commercial and marketing functions, focused on client relationships. Training on compliance and the fight against money-laundering continued for the benefit of all employees.

TRAINING FRANCE

	2006	2007
Number of hours	281,233	295,689
Number of employees	11,552	10,948
Breakdown of hours training by subject		
■ information systems	16.8%	16.5%
■ languages	22.2%	21.3%
■ business line skills	23.2%	27.1%
■ management, communication	16.4%	17.8%
■ recognized qualification programs	6.7%	5.4%
■ risk management and regulations	5.2%	2.8%
■ other	9.5%	9.1%

TRAINING PARENT COMPANY

	2006	2007
Number of hours	112,017	144,251
Number of employees	4,754	5,052
Breakdown of hours training by subject		
■ information systems	18.0%	17.2%
■ languages	19.8%	22.5%
■ business line skills	23.2%	27.1%
■ management, communication	17.8%	17.7%
■ recognized qualification programs	5.5%	4.0%
■ risk management and regulations	7.8%	2.8%
■ other	7.9%	8.7%

Training in 2007 represented 4.72% of the parent company's total payroll and 3.30% of the French payroll compared to a minimum legal requirement of 1.6%.

A catalog of available training is circulated to employees of Natixis and its subsidiaries each year. The catalog lists all categories of training: professional training (computers, languages, regulations, etc.), specific training paths (integration, business line cursus, managerial) and individual training actions. The 350 training actions can be consulted by all employees on the HR intranet.

DIVERSITY IN THE WORKPLACE *(LA 14)*

Equality status for men and women

- At December 31, 2007, women represented 50.9% of the total French workforce.

Proportion of women among new hires	2005	2006	2007
France	51.8%	50,8%	50,9%
Parent company	47.3%	47.6%	46.0%

- **Hires**: The number of women hired in France was 945, or 49.6% of new hires. The percentage at the parent company was 41.5%.

Proportion of women among new hires	2004	2005	2006	2007
France		48.7%	50.4%	49.6%
Parent company	41.0%	45.2%	50.4%	41.5%

- **Working time**: women accounted for 92.8% of part-time employees (91.5% in 2007).
- Proportion of women in **management level** positions:

Among all French employees, the proportion of women in management-level positions in France was 40.5% at December 31, 2007 (39.7% at December 31, 2006).

Proportion of women in management-level positions	2003	2004	2005	2006	2007
France				39.7%	40.5%
Parent company	33.7%	34.1%	34.9%	36.4%	37.1%

- Proportion of women among **promoted** employees:

Among all French employees, women received 59.7% of all promotions in 2007. This percentage is higher than the total proportion of women employees. At Parent Company, the percentage was 54.8%, also higher than the proportion of women employees.

Proportion of women among promoted employess	2003	2004	2005	2006	2007
France			59.-%	56,7%	59,7%
Parent company	52.2%	56.4%	59.1%	57.3%	54.8%

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■ **Individual pay raises** granted to women:

Among all French employees, 51.6% individual pay raises were granted to women. This percentage is higher than the total proportion of women employees.

Proportion of individual pay raises granted to women	2005	2006	2007
France	51.8%	50.7%	51.6%
Parent company	47.0%	45.9%	47.0%

■ **Training:**

Among all French employees, 51.8% women received training with 52.2% of training hours. Both percentages are higher than the total percentage of women employees.

Employees France	2006	2007
Number of women receiving training	48.9%	51.8%
Number of hours training received by women	48.9%	52.2%

At parent company, the training effort for women is significantly higher than their percentage among employees.

Parent compnay	2005	2006	2007
Number of women receiving training	48.8%	47.6%	49.0%
Number of hours training received by women	50.9%	50.0%	51.5%

Breakdown of employees by age bracket

The age pyramid of all permanent French employees was relatively well balanced. 34.6% of employees were under 36 years old and almost 1,100 employees, or 7.6% of the total were aged over 56 at end of 2007. Over the next few years, a significant proportion of employees are due to retire, which will reduce the average age and boost mobility.

	2006	2007
■ 35 and under	34.9%	34.6%
■ over 55	6.9%	7.6%
Average age	41	41

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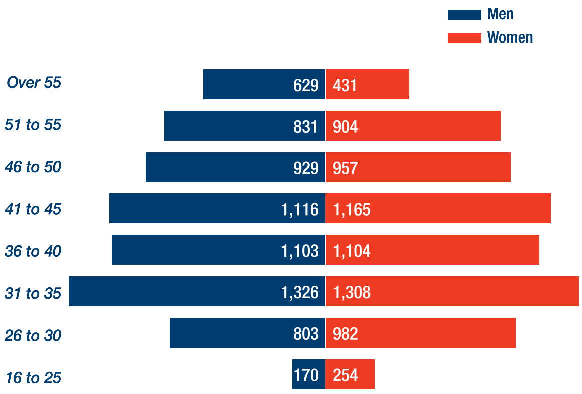
AGE PYRAMID FOR NATIXIS FRANCE

PERMANENT EMPLOYEES AT DECEMBER 31, 2007



EMPLOYMENT AND OPPORTUNITIES FOR DISABLED WORKERS

The bank and its subsidiaries in France had 136 handicapped persons among their employees on 31 December 2007.

The parent company has 57 handicapped workers, 28% have manager status and 42% of whom are women.

As it is concerned to manage diversity, the parent company in 2006 made one of its employees responsible for developing an action plan to encourage the employment of handicapped workers.

In 2007, the Disabled Employment Task force carried out awareness-raising actions aimed mainly at human-resources employees involved in HR management, training, and the integration of trainees and temporary staff; occupational health physicians, social workers and nursing staff were also associated with these actions, as were members of the HSWCC.

Specifically aimed at HR Managers, training sessions on the recruitment of disabled workers were organized. Similar initiatives were undertaken in the subsidiaries, particularly aimed at managers.

Awareness-raising days on disabled issues were included in the 2008 training plan, which is online on the HR intranet, thus making them available to all employees.

The parent company, and a certain number of subsidiaries, has developed a partnership with associations facilitating relationships with disabled workers. Concerning the use of temporary employment agencies, the quality of their departments dealing with "disabled" issues has been taken into account in the selection of suppliers, and framework agreements signed include a non-discrimination clause. Disabled temporary workers have been employed within the bank.

Also, in order to facilitate access to internal information for workers suffering from motor, visual or auditory disabilities, the overhaul of the human-resources intranet in 2006 was done in compliance with international rules on the accessibility of web tools.

The same concern was shown by the company in 2007 when its new Internet site was put on line. Accessible to disabled persons with the help of specific measures, the site has just received AccessiWeb certification at the Bronze level, thus making Natixis the first bank to obtain this certification.

EMPLOYEE WELFARE (*LA 3*)

The grant assigned by Natixis to finance social and cultural activities represents 1.3% of the wage bill. To this grant must be added the assignment of holiday vouchers to all personnel according to family income/family-size criteria, the amount of which represents 0.5% of the wage bill. The functioning resources for these social, personal and logistical activities are paid for directly by Natixis.

These measures allow the Central Employee Representative Committee and the institutional Committees to offer all employees a certain number of services of a social, cultural and sporting character.

Also, in order to facilitate personnel traveling from one site to another and the organization of meetings, a centralized and uniform payment system has been generally applied in the 9 company and inter-company restaurants in Paris region. This allows the Group's employees to use the various restaurants and to pay a single price for the same service. Natixis pays between 35% and 75% of the price of meals, according to the employees' remuneration.

The purpose of the employee mutual-aid club is to help employees confronted with non-work-related accidents or serious personal difficulties. The annual contributions paid voluntarily to this association are topped up by the company.

In 2007, many employees took part in the Telethon social-solidarity operation. The donations made on this occasion were topped up to double their amount by the Management.

Secondly, Natixis's health-insurance plan is managed by joint representation between the Management and representatives of members. One of the founding principles of this health-insurance plan is inter-generational solidarity between active and retired employees.

METHODS EMPLOYED BY THE COMPANY TO ACCOUNT FOR THE IMPACT OF ITS ACTIVITIES ON EMPLOYMENT AND REGIONAL DEVELOPMENT

Natixis supports regional development by financing the activities of its clients, with whom it constructs long-term partnership relationships (*cf.* "Natixis' Activities" section).

RELATIONSHIPS WITH EDUCATIONAL INSTITUTIONS AND ASSOCIATIONS THAT COMBAT SOCIAL EXCLUSION

Natixis maintains and develops relationships with certain higher education institutions, selected in accordance with the company's business lines (business and engineering schools, universities), strengthening partnership relationships, such as those maintained over the last two years with the Applied Mathematics department of the Paris Ecole Centrale, or by establishing new partnerships, such as the one recently concluded with the University of Dauphine's department providing the specialised postgraduate diploma in wealth management. In this capacity, 1,326 Schools trainees were received in 2007 in many fields of activity of the bank and its subsidiaries in France.

Eighty-eight "International voluntary work in business" assignments were also offered by the parent company and its subsidiaries, including Coface, Natixis Asset Management and Natixis Pramex International (particularly in North America and Asia). These assignments of 12 to 24 months allow recent graduates to obtain first experience abroad, on the way to subsequent employment either locally or in France.

The company has established privileged relationships with a certain number of Training and Apprenticeship Centres which have allowed employment of young people with 2 to 5 years of post-high school education, via professionalization contracts. In France, 301 young people were thus received for work-based learning.

In total, Natixis and its subsidiaries received 1,715 young people during the year, namely more than 12% of the average 2007 workforce.

Payment of the apprenticeship tax (parent company) 30% of which goes directly to the Training and Apprenticeship Centers, 22% to the National Fund and 48% to schools, universities and *Grandes Ecoles* allows relationships with partner organizations to be consolidated and it also finances educational and social projects to support young people with educational or social difficulties.

SUBCONTRACTING AND OBSERVANCE OF ILO FUNDAMENTAL CONVENTIONS

The company ensures that its sub-contractors observe the legal requirements regarding management of their personnel.

The Purchasing department includes conditions, such as respect of human rights and non-discrimination, in all bid invitations for service contracts.

The contracts contain a clause committing to compliance with the Universal Declaration on the Rights of Man and the United Nations Convention on the rights of the child, as well as the conventions of the International Labor Organization, of which France is a member, the themes of which are covered in the standard SA*8 000 (Social Accountability).

METHODS EMPLOYED BY FOREIGN SUBSIDIARIES TO ACCOUNT FOR THEIR ACTIVITIES ON REGIONAL DEVELOPMENT INHABITANTS

Natixis contributes to local development outside France through its international operations. Over 7,700 people work in offices, branches and subsidiaries abroad. Nearly all of them are hired locally. There are very few expatriates in the Group. Only 116 employees (French scope) work abroad on expatriate contracts.

NRE Appendices – Environmental Data

Performance indicators:

The indicators used are those defined in the NRE Act of February 20, 2002. The equivalent indicators defined in the Global Reporting Initiative (GRI 3) guidelines are shown in brackets.

Scope:

The scope was enlarged in 2007 compared to 2006 as a result of extended property, of optimized building occupancy and to take into account data from certain subsidiaries that were not accounted for last year.

Because both scopes are not comparable as such, all values are based on square meters GLA or on the number of workstations.

The 2007 scope comprises Natixis and subsidiaries in metropolitan France representing 430,000 sq.m. of space and 19,000 workstations.

The 2006 scope comprises the former Natexis Banques Populaires and its subsidiaries, including COFACE + Ixis AM and Ixis CIB in metropolitan France representing 350,000 sq. m. of space and 18,000 workstations.

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CONSUMPTION OF MATERIALS *(EN 1, EN 2)*

Consumption of materials mainly comprises paper consumption, which decreased in 2007 despite the growth in the number of employees and the Group's business activity. Based on the number of workstations, consumption decreased 31%.

Total paper consumption includes white paper, colored paper, security printing paper, envelopes, internal and external printed matter, etc.

	2006	2007
Total paper consumption *(tons)*	**1,150**	**971**
Proportion of eco-paper (recyclable envelopes with the "NF environnement" eco-label)	88 tons, i.e. 7.6%	150 tons, i.e. 15.4%
Consumption per workstation *(tons)*	**0.074**	**0.051**
Consumption per workstation *(reams)*	**29**	**20**

WATER CONSUMPTION *(EN 8)*

Water consumption totaled 142,172 cubic meters. There was a decrease of overall consumption and per workstation.

	2006	2007
Total consumption of drinking water *(cu. m.)*	**150,632**	**142,172**
Consumption per workstation *(cu. m.)*	**9.05**	**7.48**
Consumption per sq. m. GLA *(cu. m.)*	**0.42**	**0.33**

ENERGY CONSUMPTION *(EN 3, EN 4)*

Energy consumption (electricity, heating and cooling) totaled over 138,000 MWh. It increased overall due to the extended scope. It nevertheless decreased per workstation. Consumption of gas and heating remained low.

	2006	2007
Total energy consumption *(MWh)*	**131,237**	**138,636**
■ Electricity	101,028	109,633
■ Heating fluids	16,124	14,450
■ Cooling fluids	14,085	14,553
Greenhouse gas emissions (in tons of CO^2 *equivalent):*	13,381	14,135
Energy consumption per workstation *(MWh)*	**7.89**	**7.30**
Energy consumption per sq. m· GLA *(MWh)*	**0.37**	**0.32**
Total gas consumption *(cu. m.)*	**122,008**	**132,691**
Gas consumption per workstation *(cu. m.)*	**189**	**205.40**
Gas consumption per sq. m· GLA *(cu. m.)*	**8.2**	**8.92**
Total fuel consumption *(cu. m.)*	**144**	**94**
Fuel consumption per workstation *(cu. m.)*	**0.12**	**0.08**
Fuel consumption per sq. m· GLA *(cu. m.)*	**0.036**	**0.02**

MEASURES TAKEN TO IMPROVE ENERGY EFFICIENCY

The bank's energy and fluid consumption is managed by the Logistics department. Its policy is to minimize the direct environmental imagreements of the bank's operations, while maintaining high-quality working conditions for employees. In an effort to achieve this delicate balance, qualitative and quantitative consumption targets are set annually for each building.

The Logistics department has individual building representatives who interact directly with users. They are responsible, among other things, for optimizing energy consumption. They use centralized technical management tools to optimize user comfort while minimizing energy consumption. These tools automatically manage technical installations, taking account, for example, of outside temperature and the thermal properties of the building.

System performance is monitored and improved through regular comparison of actual consumption with budgeted energy requirements. Energy budgets are based on annual targets and take account of seasonal fluctuations observed for each building over several years.

The environmental quality of buildings is also taken into account right from the design stage. Natixis has initiated a building construction and operations improvement policy. The Antares project, Natixis' future Data Center, located in Val d'Europe in the Paris metropolitan area, is a perfect example of this policy. From the outset, financial, architectural and technical aspects were fully planned from a long-term perspective. Building materials and technical equipment were chosen not only on the basis of the initial investment cost, but through a comprehensive approach including future operating costs over the building's estimated useful life. This approach makes it possible to opt for modern, efficient solutions that integrate environmental requirements linked to new construction.

The Arc de Seine building in the 13th arrondissement in Paris, Natixis' head office since 2007, received the HQE (High Environmental Quality in French) label.

USE OF RENEWABLE ENERGY SOURCES *(EN 6)*

For the time being, Natixis does not use renewable energy sources.

GROUND USE, DISCHARGE OF ENVIRONMENTALLY HARMFUL SUBSTANCES INTO THE AIR, WATER AND GROUND, NOISE AND ODOR, WASTE *(EN 19 TO 23)*

Natixis attaches particular importance to the environmental quality of its buildings in order to limit the imagreement of its activities on the immediately surrounding areas.

The replacement of sensitive installations was completed as part of the measures to prevent the spread of the legionella bacteria into the air.

Emissions of ozone-depleting substances and other significant air emissions: NOx, SOx *(EN 19, EN 20)*

Not significant.

Water discharge *(EN 21)*

Natixis does not install air conditioning systems that discharge heated water so as to avoid polluting water discharge. Instead, glycolated water from heat exchangers is periodically emptied and recovered by specialized recycling companies. Used fluids from combustion engines (generators, vehicles, etc.) are also recovered and treated by specialized companies.

Total waste by type and disposal method *(EN 22)*

Since 2006, the bank has taken various measures to optimize waste management. Selective sorting of office waste was introduced with specific procedures for recycling paper and collecting and processing used batteries and ink cartridges.

Waste	Weight 2006	Weight 2007	Processing
Paper, envelopes and boxes	634 t	1,169 t	Natixis uses envelopes that are recyclable and have the “NF Environnement” eco-label
Cartridges	6,873	7,561	Collection, transportation and treatment by an approved external service provider in line with legislation
Batteries	129 kg	846 kg	Collection, transportation and treatment by an approved external service provider in line with legislation
Electrical and electronic waste	approx. 30 t	39.7 t (not including mobile phones)	As of the last quarter of 2007, Collection, transportation and treatment of by an approved EE waste external service provider in line with legislation

Significant spills *(EN 23)*

Not applicable.

Noise and odor

Not significant.

MEASURES TAKEN TO LIMIT DAMAGE TO THE ECO-SYSTEM, NATURAL HABITATS AND PROTECTED ANIMAL AND PLANT SPECIES

The bank's offices are mainly in towns and do not have a significant, direct imagreement on the natural environment. Nevertheless, preventive measures are taken to avoid any accidental water or air pollution. For example, sensitive installations are regularly maintained and premises containing potential pollutants are sealed.

ENVIRONMENTAL ASSESSMENT OR CERTIFICATION INITIATIVES

As a listed company, Natixis is regularly assessed and assigned "investor-solicited" ratings by extra-financial rating agencies. These agencies place a strong emphasis on the Company's environmental strategy.

MEASURES TAKEN, IF ANY, TO ENSURE THAT THE COMPANY'S ACTIVITIES COMPLY WITH ENVIRONMENTAL LEGISLATION AND REGULATION

Natixis observes all legal and regulatory environmental requirements. It has experts in buildings and buildings operation who are in close contact with the users and have full control over technical equipment. They are responsible for monitoring any changes or developments in regulatory standards. Moreover, technical installations and maintenance processes are subject to regular inspection by outside, specialized organizations.

ENVIRONMENTAL PROTECTION EXPENDITURES *(EN 30)*

In 2007, the Company spent €82,000 (excl. VAT) on environmental protection. In 2006, €936,000 (excl. VAT) covered the following areas: asbestos detection and removal, bacteriological testing, recovery and treatment of potentially polluting liquids, air conditioning replacement studies. As these procedures were implemented last year, environmental protection expenditures decreased in 2007.

AMOUNT OF PROVISIONS AND INSURANCE FOR ENVIRONMENTAL RISKS *(EN 30)*

None.

AMOUNT OF ENVIRONMENTAL FINES PAID DURING THE PERIOD FOLLOWING COURT RULINGS AND ACTION TAKEN TO REPAIR ENVIRONMENTAL DAMAGE *(EN 28)*

None.

INTERNAL DEPARTMENTS FOR ENVIRONMENTAL MANAGEMENT, TRAINING AND INFORMING EMPLOYEES, RESOURCES DEVOTED TO REDUCING ENVIRONMENTAL RISKS

For building works and buildings operation, environmental issues are centralized by a cross-functional unit reporting to the Logistics Department. It is responsible for tracking consumption, coordinating and harmonizing actions taken by the Logistics Department's operating units.

In 2005, the bank embarked on campaigns to inform and train employees about everyday behaviors that help minimize the Company's imagreement on the environment (Ademe partnership, "gestes verts" campaign). The carbon report completed in 2006 provided an opportunity to remind employees about the importance of global warning, raise awareness of the five key "green behaviors" that help reduce energy and paper consumption, and optimize waste management processes (see chapter on sustainable development).

Several information seminars on the Kyoto Protocol and the European market in emission quotas were organized for employees in corporate and investment banking to provide them with the expertise required to support clients in their efforts to reduce greenhouse gas emissions.

ARRANGEMENTS FOR DEALING WITH ACCIDENTAL POLLUTION HAVING REPERCUSSIONS BEYOND THE COMPANY'S OWN OPERATIONS

Given the bank's activities, emissions of polluting products are very rare.

Any "potentially polluting fluid" used in the bank's premises (glycolated water, hydrocarbons, etc.) is recovered and treated in line with current regulations.

INFORMATION ON THE TARGETS ASSIGNED TO FOREIGN SUBSIDIARIES WITH REGARD TO POINTS 1 TO 6 ABOVE

The targets concerning buildings operation and informing employees apply to all the bank's foreign subsidiaries.

6 FINANCIAL DATA

Risk factors

Natixis operates in an environment that presents inherent risks, some of which it cannot control. However, these are not the only risks to which Natixis is exposed. The risks set out below, as well as other risks that have not yet been identified or which are considered immaterial by Natixis, may have a material adverse impact on its operations, financial position and/or results.

RISKS RELATING TO NATIXIS' STRUCTURE

Natixis has two principal shareholders that have a significant degree of influence over certain corporate actions

Natixis' two principal shareholders are BFBP and CNCE, each of which owns approximately 34.4% Natixis' share capital. These two shareholders are therefore in a position to exert significant influence in the election of Natixis' directors and officers and other corporate actions that require shareholder approval. Pursuant to a shareholders' agreement signed between the two groups on November 17, 2006, BFBP and CNCE have also agreed to coordinate the voting of their shares with respect to certain actions, in particular with respect to the election of members of the Supervisory Board and of the Executive Board. Any coordinated action between BFBP and CNCE will further limit the ability of other shareholders to influence the corporate governance of Natixis.

The shareholders' agreement between BFBP and CNCE limits the flexibility of Natixis to raise equity capital or to use its shares for acquisitions, and could have significant anti-takeover effects

Pursuant to the shareholders' agreement, BFBP and CNCE have agreed to own an identical number of Natixis shares, and to maintain their percentage ownership at or above 34% of Natixis' total share capital until at least November 17, 2016. Accordingly, Natixis is limited in its ability to conduct equity issuances or use its shares for acquisitions, since this requires the approval of both BFBP and CNCE, as well as a mechanism to enable both parties to maintain their percentage shareholdings following the transaction. BFBP's and CNCE's ownership of a large percentage of Natixis' share capital and any coordination between them may also have the effect of delaying, deferring or preventing a change in Natixis' control, and may discourage bids for its shares more generally (see paragraph "*Factors that may have an impact in the event of a public offer*").

The risk management policies and procedures of Natixis are subject to the approval and control of BFBP and CNCE

BFBP and CNCE are both required to ensure the compliance of the entire Groupe Banque Populaire and Groupe Caisse d'Epargne, respectively, with applicable French banking regulations in areas such as capital adequacy and risk management. As a result, BFBP and CNCE have been granted significant approval rights over important aspects of the risk management policies of Natixis (which is part of both Groupe Banque Populaire and Groupe Caisse d'Epargne). In particular, BFBP and CNCE have the power to approve the appointment or removal of the director of internal audit of Natixis, as well as certain aspects of risk management such as the approval of credit limits and the classification of loans to customers that are common to Natixis and one or both of the two shareholder groups as doubtful loans. The interests of BFBP and CNCE (on behalf of their respective groups) with respect to risk management may be different from those of Natixis.

In the event of a disagreement between BFBP and CNCE, the business or operations of Natixis could be subject to significant disruptions

Under the shareholders' agreement signed on November 17, 2006, BFBP and CNCE have established a mechanism for the appointment of members of the Supervisory Board and of the Executive Board of Natixis, and have also agreed on the implementation of various corporate governance measures. In addition, the shareholders' agreement provides that certain decisions deemed essential such as the purchase or sale of an interest or the creation of a joint venture by Natixis or one of its subsidiaries in an amount exceeding €150 million require the approval of both BFBP and CNCE as well as the Supervisory Board of Natixis. In the event of a disagreement, the shareholders' agreement provides mechanisms for the resolution of the issue at the senior management level, but it does not contain a mechanism for definitively resolving the disagreement. In the event of deadlock, the Executive Board may be unable to obtain Supervisory Board or shareholder approval to proceed with planned actions. Natixis' business may therefore be subject to significant disruptions in the event that BFBP and CNCE are unable to resolve any differences concerning Natixis' development.

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, and it is not the central body of Groupe Banque Populaire or Groupe Caisse d'Epargne

Natixis owns a 20% equity interest in Banques Populaires and in Caisses d'Epargne, in the form of cooperative investment certificates issued by each entity. These cooperative investment certificates are non-voting securities, with different rights from those attached to cooperative shares in 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 does not have control over decisions that require the consent of the shareholders of Banques Populaires and Caisses d'Epargne. Moreover, Natixis is not the central body of Groupe Banque Populaire or of Groupe Caisse d'Epargne (the central bodies, BFBP and CNCE, respectively, have certain coordination and control powers under French banking laws and regulations). Natixis has a significant influence with respect to Banques Populaires and Caisses d'Epargne as a result of certain rights granted to it under agreements relating to the combination transactions (in particular, rights with respect to representation in or the right to be consulted on certain decisions of the governance bodies or Committees of BFBP and CNCE, audit and inspection rights and rights to receive information), but these rights do not include voting rights in shareholders' general meetings and are not equivalent to the powers of a central body. As a result, the ability of Natixis to guide the future development of the two groups in which it holds a substantial interest is limited.

Natixis cannot freely sell its 20% equity interests in Banques Populaires or Caisses d'Epargne, and in some circumstances could be required to sell those interests back to Banques Populaires or Caisses d'Epargne

Under the terms of the agreements relating to the combination transactions, Natixis is prohibited from selling all or part of its 20% equity interests in Banques Populaires or Caisses d'Epargne without the prior consent of the board of directors of Banque Populaire concerned or CNCE, respectively. While a bank whose board refuses to approve such a sale will be required to repurchase the relevant equity interests, the price will be based on the proportionate share of the net assets of the bank represented by the equity interests, taking into account the valuation method used to determine the initial price paid by Natixis for those interests, and thus may be different from the price that Natixis would have obtained from the proposed purchaser. In addition, the mere existence of the approval right might make it difficult for Natixis to sell its equity interests.

In addition, if the equal ownership of the shares of Natixis by BFBP and CNCE is not substantially maintained, or if BFBP and CNCE cease to control Natixis jointly, or if certain legislative changes or other circumstances occur, then Banques Populaires and Caisses d'Epargne will each have the right to repurchase the 20% equity interests from Natixis, at a price based on the proportionate share of the net assets of such bank represented by the equity interests, taking into account the valuation method used to determine the initial price paid by Natixis for those interests. The repurchase price may be different from the price that Natixis could have obtained through a sale to an unaffiliated third party. Moreover, following the repurchase Natixis will no longer have an economic interest in the results of the affected bank or banks, and its ability to sell products and services through the affected bank or banks could be impaired.

Natixis has important commercial relationships with entities in Groupe Banque Populaire and Groupe Caisse d'Epargne, which might have interests that are different than those of the shareholders of Natixis

Part of Natixis' strategy for long-term growth is to expand the products and services it provides through the retail banking networks of Groupe Banque Populaire and/or Groupe Caisse d'Epargne, in areas such as employee benefits planning, consumer finance and payment services. However, the customers of Groupe Banque Populaire and Groupe Caisse d'Epargne are faced with a range of savings, investment or other products from which to choose, including in some cases products and services of competitors that are offered by banks within each group. There can be no assurance that products or services provided by Natixis will be uniformly selected, or promoted, over the other services offered by the two banking networks. Although Groupe Banque Populaire and Groupe Caisse d'Epargne, as indirect owners of substantial interests in Natixis, have a significant financial interest to support Natixis' continued development, they may from time to time have interests that differ from those of Natixis.

The non-competition undertakings of BFBP and CNCE contain certain exceptions that could result in Natixis being in direct competition with the entities of one of the two groups

As part of the shareholders' agreement signed on November 17, 2006, Natixis' two principal shareholders, BFBP and CNCE, have generally agreed not to compete with the activities of Natixis in France or abroad. However, this agreement not to compete contains certain exceptions, in particular for activities conducted by either BFBP or CNCE and their subsidiaries at the time the agreement was signed, and that were not contributed to Natixis as part of the combination transactions. In particular, these exceptions include life and property insurance, areas in which the Caisses d'Epargne offer their customers products of CNCE affiliates that were not contributed to Natixis. As a result, Natixis may find itself competing directly or indirectly with the services provided by one or both of its principal shareholders.

RISKS RELATING TO NATIXIS' OPERATIONS AND THE BANKING SECTOR

Natixis is subject to several categories of risks inherent in banking activities

There are four main categories of risks inherent in Natixis' activities, which are summarized below and described in detail under "Risk Management" in the management report. The risk factors described below elaborate on or give specific examples of these different types of risks, and describe certain additional risks faced by Natixis.

- **Credit risk**. Credit risk is the risk of financial loss relating to the failure of a counterparty to honor its contractual obligations. The counterparty may be a bank, an industrial or commercial enterprise, a government and its various entities, an investment fund, or a natural person. Credit risk arises in lending activities and also in various other activities where Natixis is exposed to the risk of counterparty default, such as its trading, capital markets and settlement activities. Credit risk also arises in connection with the credit insurance and factoring businesses of Natixis, although the risk relates to the credit of the counterparty's customers, rather than the counterparty itself.
- **Market, liquidity and financing risk.** Market risk is the risk to earnings that arises primarily from adverse movements of market parameters. These parameters include, but are not limited to, foreign exchange rates, bond prices and interest rates, securities and commodities prices, derivatives prices and prices of all other assets such as real estate.

  Liquidity is also an important component of market risk. In instances of little or no liquidity, a market instrument or transferable asset may not be negotiable at its estimated value. A lack of liquidity can arise due to diminished access to capital markets, unforeseen cash or capital requirements or legal restrictions.

Market risk arises in trading portfolios and in non-trading portfolios. In non-trading portfolios, it encompasses:

- the risk associated with asset and liability management, which is the risk to earnings arising from asset and liability mismatches in the banking book or in the insurance business. This risk is driven primarily by interest rate risk;
- the risk associated with investment activities, which is directly connected to changes in the value of invested assets within securities portfolios;
- the risk associated with certain other activities, such as real estate, which is indirectly affected by changes in the value of negotiable assets held in the normal course of business.

- **Operational risk.** 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 processes include, but are not limited to, human resources and information systems. External events include floods, fires, earthquakes or terrorist attacks.
- **Insurance risk.** Insurance risk is the risk to earnings due to mismatches between expected and actual claims. Depending on the insurance product, this risk is influenced by macroeconomic changes, changes in customer behavior, changes in public health, pandemics, accidents and catastrophic events (such as earthquakes, industrial disasters, or acts of terrorism or war). As mentioned above, the credit insurance business is also subject to credit risk.

Adverse market or economic conditions may cause a decrease in net banking income or profitability

As a global financial services provider, Natixis' businesses are materially affected by conditions in the financial markets and economic conditions generally in France, in Europe and elsewhere around the world. Adverse changes in market or economic conditions could create a challenging operating environment for financial services companies. In particular, such adverse changes could result from increases in interest rates or commodities prices (including oil), adverse geopolitical events (such as natural disasters, acts of terrorism and military conflicts), or a deterioration in credit market conditions (as discussed below).

There are numerous examples of the specific risks that Natixis faces with respect to potential adverse future market or economic conditions. Financial markets in France, in Europe and elsewhere may decline or experience increased volatility, which could lead to a decline in capital markets transactions, cash inflows and commissions from asset management. Adverse economic conditions could reduce credit demand by corporate borrowers or increase the rate of defaults by borrowers. These developments would adversely affect Natixis' net banking income, and, if it were unable to reduce expenses commensurately, its profitability. Revenues and profitability could also be depressed by market losses in Natixis' securities portfolio or proprietary positions resulting from adverse market or economic developments.

Primary and secondary debt market conditions and deteriorating economic conditions could have a material adverse impact on Natixis' earnings and financial condition

The activities, earnings and financial condition of Natixis have been affected, and could in the future be affected (particularly in the short-term), by the significant and unprecedented disruptions currently being experienced in the primary and secondary debt markets, and by deteriorating overall economic conditions. The primary impacts of these conditions on Natixis are the following:

- Current conditions in the debt markets include reduced liquidity and increased credit risk premiums for certain market participants. These conditions, which increase the cost and reduce the availability of debt, may continue or worsen in the future. Natixis' cost of debt is also dependent on its maintaining high investment-grade credit ratings. Since Natixis is highly dependent on the availability of credit to finance its operations, disruptions in the debt markets or a reduction in its credit ratings, could have an adverse impact on its earnings and financial condition, particularly in the short term. In addition, Natixis depends on the international debt markets to maintain its capital ratios (through the issuance of subordinated debt and hybrid capital securities), and disruptions in these markets may render the issuance of these securities costly or, in an extreme case, might make it impossible to issue such securities on reasonable terms, thereby affecting the capital ratios of Natixis and its ability to expand its business.
- The secondary debt markets are also currently experiencing significant disruptions resulting from reduced investor demand for loans and debt-backed securities (known as CDOs) and increased investor yield requirements for those loans and securities. During 2007, higher interest rates, falling property prices and a significant increase in the number of subprime mortgages originated in 2005 and 2006 contributed to dramatic increases in mortgage delinquencies and defaults in the United States. These conditions have also affected other markets as financial institutions have sold other assets to meet liquidity requirements. These conditions have affected and may continue to affect the activities of Natixis in a number of ways, including reducing the availability of securitization markets to finance new loan production (including in lucrative areas such as structured

financing), reducing opportunities for the capital markets divisions of Natixis to earn commissions from structuring new securitization transactions, reducing performance-based fees in asset management businesses and essentially halting LBO market activity. The disruptions in the secondary debt market may also require Natixis to retain a larger portion of loans and CDOs than it would in other environments. While Natixis believes its capital and liquidity positions are currently adequate and it has sufficient capacity to hold additional loans and CDOs until investor demand improves and yield requirements moderate, its capacity to retain these assets is not unlimited.

- The reduction in the availability of credit has begun to impact the overall level of economic activity, particularly in the United States, an impact that could continue despite efforts by central banks and economic policy makers to implement measures designed to stimulate the economy. The economic outlook has had a significant negative effect on stock market index levels and, consequently, on the value of securities held by Natixis in its trading book, as well as the outlook for earning commissions from equity brokerage and capital markets activities and performance-related fees from asset management activities.

Natixis' only direct exposure to subprimes is its loans pending securitization portfolio, whose value amounts to €201 million as of December 31, 2007.

In 2007, due to indirect exposure to subprimes, Natixis recorded provisions of €949 million to cover losses in the value of RMBS and ABS CDOs held by it. The amount of write-downs due to U.S. monoline exposures amounted to €409 million in 2007.

There can be no assurance that the CDO provisions recorded by Natixis will be sufficient to cover the entire loss in value of assets held by Natixis, or that Natixis will not suffer additional losses in the future, particularly if market conditions remain disrupted or deteriorate.

In addition, Natixis recorded a loss of €369 million after tax in 2007 on the sale of its former subsidiary CIFG, a monoline credit enhancement provider, to BFBP and CNCE. See the Management Report for further details.

The net banking income of Caisses d'Epargne may be affected by changes to the rules governing the Livret A, a regulated savings account currently distributed by Caisses d'Epargne and La Banque Postale

The French government has announced its intention to modify the rules governing the Livret A, a form of regulated savings account offered to depositors by Caisses d'Epargne and La Banque Postale, which is owned by the French postal service. The announcement follows a May 2007 decision by the European Commission that ruled that the current system, which does not allow other banks to offer the Livret A to their depositors, may be inconsistent with European competition rules.

The Livret A was developed by the French State to help fund public housing. It offers depositors a fixed rate of interest that is tax-free. The distribution of the Livret A has been designated as a public interest function, for which Caisses d'Epargne are compensated through a mechanism equivalent to a distribution commission, set by the French State. In 2007, Groupe Caisse d'Epargne recorded €670 million in net banking income for its distribution of the Livret A.

While the terms of the modification have not yet been finalized, the French government has announced that the reform will involve allowing all licensed banks to distribute the Livret A, as well as a significant reduction in the commission rate, partially compensated by other changes that are designed to reduce the cost of the Livret A system. The French President has stated that the reform will be designed so as to ensure the economic equilibrium of the current distributors, although no assurance can be given that the new system will provide effective compensation to Groupe Caisse d'Epargne for any losses relating to the reform.

The French government has challenged the European Commission's decision before the European Court of Justice in Luxembourg. In addition, a group of French banks has challenged the distribution system before various French courts, seeking the ability to distribute the product. While these legal proceedings remain outstanding, it is possible that the reform of the distribution system will render them moot.

The reform of the distribution system could have an adverse effect on the net banking income of Caisses d'Epargne, which would in turn affect the share in the income of Caisses d'Epargne that Natixis records in respect of its 20% equity interest.

A substantial increase in new provisions or a shortfall in the level of previously recorded provisions could adversely affect Natixis' results of operations and financial condition

In connection with its lending activities, Natixis periodically establishes provisions for loan losses, which are recorded in its income statement under cost of risk. Natixis' overall level of provisions is based upon its assessment of prior loss experience, the volume and type of lending being conducted, industry standards, past due loans, economic conditions and other factors related to the recoverability of various loans. For further information on Natixis' provisioning policy and its treatment of doubtful loans, see "Risk Management". Although Natixis endeavors to establish an appropriate level of provisions, its lending businesses may have to increase their provisions for loan losses in the future as a result of increases in non-performing assets or for other reasons. Any significant increase in provisions for loan losses or a significant change in Natixis' estimate of the risk of loss inherent in its portfolio of non-impaired loans, as well as the occurrence of loan losses in excess of the provisions allocated with respect thereto, could have an adverse effect on Natixis' results of operations and financial condition.

Natixis' ability to attract and retain qualified employees is critical to the success of its business and failure to do so may materially affect its performance

Natixis' employees are its most important resource and, in many areas of the financial services industry, competition for qualified personnel is intense. Natixis' results depend on its ability to attract new employees and to retain and motivate its existing employees. Changes in the business environment may cause Natixis to move employees from one business to another or to reduce the number of employees in certain of its businesses; this may cause temporary disruptions as employees adapt to new roles and may reduce Natixis' ability to take advantage of improvements in the business environment. This may impact Natixis' ability to take advantage of business opportunities or potential efficiencies.

Future events may be different than those reflected in the management assumptions and estimates used in the preparation of Natixis' financial statements, which may cause unexpected losses in the future

Pursuant to IFRS rules and interpretations in effect as of the present date, Natixis is required to use certain estimates in preparing its financial statements, including accounting estimates to determine loan loss reserves, reserves related to future litigation, and the fair value of certain assets and liabilities, among other items. Should Natixis' determined values for such items prove substantially inaccurate, or if the methods by which such values were determined are revised in future IFRS rules or interpretations, Natixis may experience unexpected losses.

Natixis may incur significant losses on its trading and investment activities due to market fluctuations and volatility

As part of its trading and investment activities, Natixis maintains positions in the fixed income, currency, commodity and equity markets, as well as in unlisted securities, real estate and other asset classes. These positions could be adversely affected by volatility in financial and other markets, that is, the degree to which prices fluctuate over a particular period in a particular market, regardless of market levels. Volatility can also lead to losses relating to a broad range of other trading and hedging products Natixis uses, including swaps, futures, options and structured products.

To the extent that Natixis owns assets, or has net long positions, in any of those markets, a downturn in those markets could result in losses due to a decline in the value of its net long positions. Conversely, to the extent that Natixis has sold assets that it does not own, or has net short positions, in any of those markets, an upturn in those markets could expose it to losses as it attempts to cover its net short positions by acquiring assets in a rising market. Natixis may from time to time have a trading strategy of holding a long position in one asset and a short position in another, from which it expects to earn net revenues based on changes in the relative value of the two assets. If, however, the relative value of the two assets changes in a direction or manner that Natixis did not anticipate or against which it is not hedged, Natixis might realize a loss on those paired positions. Such losses, if significant, could adversely affect Natixis' results of operations and financial condition.

Natixis may generate lower revenues from brokerage and other commission and fee-based businesses during market downturns

Market downturns are likely to lead to a decline in the volume of transactions that Natixis executes for its customers and as a market maker, and, therefore, to a decline in its net banking income from these activities. In addition, because the fees that Natixis charges for managing its customers' portfolios are in many cases based on the value or performance of those portfolios, a market downturn that reduces the value of its customers' portfolios or increases the amount of withdrawals would reduce the revenues Natixis receives from its asset management and private banking businesses.

Even in the absence of a market downturn, below-market performance by Natixis' asset management business may result in a decline in assets under management (in particular as a result of withdrawals from mutual funds) and in the incentive and management fees Natixis receives.

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Protracted market declines can reduce liquidity in the markets, making it harder to sell assets and possibly leading to material losses

In some of Natixis' businesses, protracted market movements, particularly declines in asset prices, can reduce the level of activity in the market or reduce market liquidity. These developments can lead to material losses if Natixis cannot close out deteriorating positions in a timely way. This may especially be the case for assets Natixis holds for which there are not very liquid markets to begin with. Assets that are not traded on stock exchanges or other public trading markets, such as derivative products traded between banks, may have values that Natixis calculates using models other than publicly quoted prices. Monitoring the deterioration of the prices of such assets is difficult and could lead to losses that Natixis did not anticipate.

Significant interest rate changes could adversely affect Natixis' net banking income or profitability

The amount of net interest income earned by Natixis during any given period significantly affects its overall net banking income and profitability for that period. Interest rates are highly sensitive to many factors beyond Natixis' control. Changes in market interest rates could affect the interest rates charged on interest-earning assets differently than the interest rates paid on interest-bearing liabilities. Any adverse change in the yield curve could cause a decline in Natixis' net interest income from lending activities. In addition, increases in the interest rates at which short-term funding is available and maturity mismatches may adversely affect Natixis' profitability. Increasing or high interest rates and/or widening credit spreads, especially if such changes occur rapidly, may create a less favorable environment for certain of Natixis' businesses.

An interruption in or a breach of Natixis' information systems, or those of third parties, may result in lost business and other losses

As with most other banks, Natixis relies heavily on communications and information systems to conduct its business, as its activities require it to process a large number of increasingly complex transactions. Any failure or interruption or breach in security of these systems could result in failures or interruptions in customer relationship management, general ledger, deposit, trading and/or loan organization systems. If, for example, Natixis' information systems failed, even for a short period of time, it would be unable to serve some customers' needs in a timely manner and could thus lose their business. Likewise, a temporary shutdown of Natixis' information systems, despite back-up recovery systems and contingency plans, could result in considerable information retrieval and verification costs, and even a decline in its proprietary businesses if, for instance, such a shutdown occurs during the implementation of its hedging policies. The inability of Natixis' systems to accommodate an increasing volume of transactions could also constrain its ability to expand its businesses. Natixis also faces the risk of operational failure or termination of any of the clearing agents, exchanges, clearing houses or other financial intermediaries or outside vendors it uses to facilitate its securities transactions. As its interconnectivity with its customers grows, Natixis may also increasingly face the risk of operational failure with respect to its customers' systems. Natixis cannot provide assurances that such failures or interruptions in its systems or in those of such other parties will not occur or, if they do occur, that they will be adequately addressed.

Unforeseen events can interrupt Natixis' operations and cause substantial losses and additional costs

Unforeseen events like severe natural disasters, pandemics, terrorist attacks or other states of emergency can lead to an abrupt interruption of Natixis' operations and, to the extent not covered by insurance, can cause substantial losses. Such losses can relate to property, financial assets, trading positions and key employees. Such unforeseen events may additionally disrupt Natixis' infrastructure, or that of third parties with which it conducts business, and can also lead to additional costs (such as relocation costs of employees affected) and increase Natixis' costs (such as insurance premiums). Such events may also make insurance coverage for certain risks unavailable and thus increase Natixis' global risk.

Natixis may be vulnerable to political, macroeconomic and financial environments or circumstances specific to the countries where it does business

Natixis is subject to country risk, which is the risk that economic, financial, political or social conditions in a foreign country will affect its financial interests. Natixis does business throughout the world, including in developing regions of the world commonly known as emerging markets. In the past, many emerging market countries have experienced severe economic and financial disruptions, including devaluations of their currencies and capital and currency exchange controls, as well as low or negative economic growth. Natixis' businesses and revenues derived from operations and trading outside the European Union and the United States, although limited, are subject to risk of loss from various unfavorable political, economic and legal developments, including currency fluctuations, social instability, changes in governmental policies or policies of central banks, expropriation, nationalization, confiscation of assets and changes in legislation relating to local ownership.

Natixis is subject to extensive supervisory and regulatory regimes in France and in the many countries around the world in which it operates; regulatory actions and changes in these regulatory regimes could adversely affect Natixis' business and results

A variety of supervisory and regulatory regimes apply to Natixis in each of the jurisdictions in which it operates. Non-compliance could lead to significant intervention by regulatory authorities and fines, public reprimand, damage to reputation, enforced suspension of operations or, in extreme cases, withdrawal of authorization to operate. The financial services industry has experienced increased scrutiny from a variety of regulators in recent years, as well as an increase in the penalties and fines sought by regulatory authorities. Natixis' businesses and earnings can be affected by the policies and actions of various regulatory authorities of France, other European Union or foreign governments and international agencies. Such constraints could limit Natixis' ability to expand its business or to pursue certain activities. The nature and impact of future changes in such policies and regulatory action are unpredictable and are beyond Natixis' control. Such changes could include, but are not limited to, the following:

- the monetary, interest rate and other policies of central banks and regulatory authorities;
- general changes in government or regulatory policy that may significantly influence investor decisions in particular markets in which Natixis operates;
- general changes in regulatory requirements, for example, prudential rules relating to the capital adequacy framework, which are scheduled to change significantly in the near future;
- changes in rules and procedures relating to internal controls following the discovery at another French bank of significant trading losses from unauthorized transactions;
- changes in the competitive environment and pricing practices;
- changes in the financial reporting environment;
- expropriation, nationalization, price controls, exchange controls, confiscation of assets and changes in legislation relating to foreign ownership; 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 laws and their interpretation in France and in the countries in which Natixis does business may significantly affect Natixis' results

As a multinational banking group involved in complex and large-scale cross-border transactions, Natixis is subject to tax legislation in a number of countries. Natixis structures its business globally in order to optimize its effective tax rate. Modifications to the tax regime by the competent authorities in those countries may have a significant effect on the results of Natixis. Natixis manages its business so as to create value from the synergies and commercial capacities of its different entities. Natixis also endeavors to structure the financial products sold to its clients in a tax-efficient manner. The structures of Natixis' intragroup transactions and of the financial products sold by Natixis are based on Natixis' own interpretations of applicable tax laws and regulations, generally relying on opinions received from independent tax counsel, and, to the extent necessary, on rulings or specific guidance from competent tax authorities. There can be no assurance that the tax authorities will not seek to challenge such interpretations, in which case Natixis could become subject to tax claims.

A failure of or inadequacy in Natixis' risk management policies, procedures and methods may leave it exposed to unidentified or unanticipated risks, which could lead to material losses

Natixis' risk management techniques and strategies may not effectively limit its risk exposure in all economic market environments or against all types of risk, including risks that Natixis fails to identify or anticipate. Natixis' risk management techniques and strategies may also not effectively limit its risk exposure in all market patterns. These techniques and strategies may not be effective against certain risks, particularly those that Natixis has not previously identified or anticipated. Some of Natixis' qualitative tools and metrics for managing risk are based upon its use of observed historical market behavior. Natixis applies statistical and other tools to these observations to arrive at quantifications of its risk exposures. These tools and metrics may fail to predict future risk exposures. These risk exposures could, for example, arise from factors Natixis did not anticipate or correctly evaluate in its statistical models. This would limit Natixis' ability to manage its risks. Natixis' losses could therefore be significantly greater than the historical measures indicate. In addition, Natixis' quantified modeling does not take all risks into account. Natixis' qualitative approach to managing those risks could prove insufficient, exposing it to material 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. See "Risk Management" for a more detailed discussion of the policies, procedures and methods Natixis uses to identify, monitor and manage its risks.

Natixis' hedging strategies may not prevent losses

If any of the variety of instruments and strategies that Natixis uses to hedge its exposure to various types of risk in its businesses is not effective, Natixis may incur losses. Many of its strategies are based on historical trading patterns and correlations. For example, if Natixis holds a long position in an asset, it may hedge that position by taking a short position in an asset where the short position has historically moved in a direction that would offset a change in the value of the long position. However, Natixis may only be partially hedged, or these strategies may not be fully effective in mitigating Natixis' risk exposure in all market environments or against all types of risk in the future. Unexpected market developments may also affect Natixis' hedging strategies. In addition, the manner in which gains and losses resulting from certain ineffective hedges are recorded may result in additional volatility in Natixis' reported earnings.

Natixis may have difficulty in identifying, executing and integrating an external growth policy in its acquisitions or joint ventures

Even though external growth is not expected to constitute the major part of Natixis' strategy in the future, Natixis may nevertheless consider external growth opportunities from time to time. Even though Natixis expects to review the companies it will acquire or joint ventures into which it will enter, it is generally not feasible for these reviews to be comprehensive in all respects. As a result, Natixis may have to assume unanticipated liabilities, or an acquisition or joint venture may not perform as well as expected. In addition, it might have difficulty integrating any entity with which it combines its operations. Failure to complete announced business combinations or failure to integrate acquired businesses or joint ventures successfully into the businesses of Natixis could materially adversely affect Natixis' profitability. It could also lead to departures of key employees, or lead to increased costs and reduced profitability if Natixis felt compelled to offer them financial incentives to remain. 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 intended to be achieved by the joint venture.

Intense competition, both in Natixis' home market of France, where it has the largest single concentration of its businesses, as well as internationally, could adversely affect Natixis' net banking income and profitability

Competition is intense in all of Natixis' primary business areas in France and the other countries in which it conducts large portions of its business. Consolidation, both in the form of mergers and acquisitions and by way of 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 on the basis of a number of factors, including transaction execution, its products and services, innovation, reputation and price. If Natixis is unable to continue to respond to the competitive environment in France or in its other major markets with attractive product and service offerings that are profitable for Natixis, it may lose market share in important areas of its business or incur losses on some or all of its activities. In addition, downturns in the French economy could add to the competitive pressure, through, for example, increased price pressure and lower business volumes for Natixis and its competitors. In addition, new lower-cost competitors may enter the market, which may not be subject to the same capital or regulatory requirements or may have other inherent regulatory advantages and, therefore, may be able to offer their products and services on more favorable terms. Technological advances and the growth of e-commerce have made it possible for non-depository 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 entrants may exert downward price pressure on Natixis' products and services or may affect Natixis' market share.

Changes in exchange rates could significantly affect the Natixis' results

Natixis conducts a significant portion of its business overseas, in particular in the United States, and its net banking income and results of operations could be affected by exchange rate fluctuations. While Natixis incurs expenses in currencies other than the euro, the impact of these expenses only partially compensates for the impact of exchange rate fluctuations on net banking income. Natixis is particularly vulnerable to fluctuations in the exchange rate between the United States dollar and the euro, as a significant portion of its net banking income and results of operations is earned in the United States (approximately 25% of adjusted net banking income in 2005). In the context of its risk management policies Natixis enters into transactions to hedge its exposure to exchange rate risk. However, these transactions may not be fully effective to offset the effects of unfavorable exchange rates on Natixis' operating income.

Natixis' profitability and business prospects could be adversely affected by reputational and legal risk

Various issues may give rise to reputational risk and cause harm to Natixis and its business prospects. These issues include inappropriately dealing with potential conflicts of interest; legal and regulatory requirements; ethical issues; money laundering laws; information security policies and sales and trading practices. Failure to address these issues appropriately could also give rise to additional legal risk to Natixis, which could increase the number of litigation claims and the amount of damages asserted against Natixis, or subject Natixis to regulatory sanctions. (See "Legal Risks" in the management report.)

2007 Management report

ECONOMIC AND FINANCIAL ENVIRONMENT

2007 was marked by the US real estate crisis. The sector has seen its deepest and longest crisis since the early 1980s, with new residential housing starts tumbling by around 25% (after the 18% slide already recorded in 2006) and consumers' investment in housing falling by over 16%.

This real-estate downturn triggered the subprime crisis, although the real origins date back to shortly after the recession in 2001. Against a backdrop of aggressive rate cuts (down to 1%) by the US Federal Reserve and strong growth in real-estate prices (+13% a year on average over 2003-2005), financial institutions developed a range of mechanisms enabling the least solvent households to buy a home, with subprime loans. This trend was accentuated by the fact that the banks sold on these newly-acquired receivables to the markets, via securitization techniques.

The housing market downturn and rate increases by the US central bank led to a sharp rise in default rates on loans granted to the weakest borrowers (16.3% in Q3 2007 for subprime loans). The underlying instruments housing these assets then started to experience difficulties, particularly securitization products. A serious confidence crisis then emerged on the financial markets, as shown most clearly by the sharp rise in three-month interbank rates at the end of the year (nearly 100 bps higher than base rates).

The dollar's depreciation represents another consequence of the US real estate crisis. After losing 4.3% in 2006, the effective dollar exchange rate (as calculated by the Federal Reserve) dropped by a further 7.5% in 2007. In general, the dollar rose slightly against a very small number of emerging-market currencies, stabilized against currencies with dollar-pegged exchange rates (in the Middle East for instance) and depreciated against the vast majority of currencies worldwide (euro, Sterling, yen, yuan, etc.). The most symbolic case was the more-than 10% fall against the euro.

Furthermore, the US real estate crisis confirmed the "self-sustained" health of emerging countries, despite the slowdown experienced by the USA, their main trading partner. Like China (11.5% growth in 2007), most emerging economies (in South-East Asia, Eastern Europe and Latin America) continued to grow particularly fast. As such, world growth approached – and even topped – the 5% mark for the fourth year in a row, something not seen since the early 1970s.

With investors looking for "decorrelated" assets, this robust emerging-market growth propelled commodity prices to record levels. Not only did the CRB commodity index increase by 20% in 2007, oil prices also virtually doubled over the last 11 months of the year, with WTI even moving close to $100 per barrel. The main consequence of this commodity-price increase was the widespread pick-up in inflation at the end of the year, even in the eurozone, where the sharp rise in commodity prices pushed the consumer price index up to over 3% for the first time since 2001.

European growth also resisted well (over 2.5% for the second year in a row), notably thanks to the German economy. The German economy benefited from strong corporate and consumer spending, and more specifically from strong export growth (+9%), healthy capital investment (+8%) and falling unemployment (1.5 million reduction in the number of jobless in the space of two years) to achieve a satisfactory rate of growth of 2.7%, compared with 3.1% in 2006. Within this context, the ECB which hoped to reduce eurozone liquidity, nevertheless limited the increase of its refinancing rate to 4%, to take into account the unrest seen on the interbank markets and the prospect of a forthcoming economic slowdown.

France fared disappointingly compared to its European neighbors. Growth stood at 1.8%. Highly volatile consumer confidence prompted households to stabilize spending and significantly increase savings rates. Corporate investment rose, although much less so than in Germany.

CONSOLIDATED RESULTS

N.B.: *In light of the disposal of the financial guaranty subsidiary CIFG and in accordance with the principles set out in Sections 32 and 33 of IFRS 5, the financial guaranty activity is now presented on a specific line on the income statement (net income from discontinued operations), which includes all of CIFG's after-tax income. This presentation applies for both 2007 and 2006.*

Summary of consolidated results – Key figures

CONSOLIDATED INCOME STATEMENT AT DECEMBER 31, 2007

(in € millions)	2007	2006	Change 07/06
NBI before writedowns on subprimes and monolines	**7,263**	**7,244**	
Writedowns on subprimes and monolines	(1,220)		
Net banking income	**6,043**	**7,244**	**(17)%**
Operating expenses	(5,141)	(4,926)	+4%
Gross operating income	**902**	**2,318**	**(61)%**
Cost of risk	(244)	(50)	
(o.w. collective provisions on monolines)	*(138)*		
Share in net income of associates	672	679	(1)%
Underlying net income (Group share)	**1,130**	**2,136**	**(47)%**
Gain on restructuring (AM)	234		
Other income rue Saint-Dominique	232		
Net income from discontinued operations (CIFG)	(369)	22	
Net restructuring charges	(125)	(58)	
NET INCOME (GROUP SHARE)	**1,101**	**2,100**	**(48)%**

- Natixis' **net banking income amounted** to €6.043 billion in 2007, down 17% on December 31, 2006.

  The direct negative impact of the crisis represented €1.220 billion in net banking income for 2007 and can be broken down as follows:

  - €949 million in writedowns linked to direct and indirect subprime exposure;
  - €271 million in writedowns linked to exposure on monoline insurers.

  The impact of the crisis was limited to certain Corporate and Investment Banking segments, i.e. Principal Finance and Securitization, Proprietary Management and, to a much lesser extent, Capital Markets. In contrast, financing activities posted robust growth of 21% which included a 32% increase on structured financing.

  Natixis' **other business lines** enjoyed strong levels of business in 2007 and significantly improved financial performances:

  - Asset Management was spurred by strong growth by the US asset management companies and recorded close to €25 billion in net new money over the year. Net banking income climbed 21% at constant exchange rates, boosted by a high level of performance-related commissions on alternative and real estate funds;
  - 2007 was a very busy year for all Services activities and featured a 13% increase in net banking income, good organic growth on all business lines, and a strengthening of business relations with shareholder networks;
  - Receivables Management continued with its global development, thanks both to organic growth and acquisitions. Net banking income advanced 9%, driven by higher revenues from the various business lines and a still-low loss ratio;
  - Private Equity and Private Banking lifted net banking income 12% relative to an exceptionally good 2006 figure.

  Net banking income not derived from the business lines was negative to the tune of €220 million. This €33 million deterioration relative to 2006 was largely due to the higher cost of financing CCIs (cooperative investment certificates).

  The decline in the US dollar dented the accounts by a hefty €124 million in 2007. On the other hand, changes in the scope of consolidation had a positive impact on net banking income. On a constant exchange rate and structure basis, the decline in net banking income was limited to 15%.

- **Risk-weighted assets** amounted to €141.3 billion at December 31, 2007, up €16.2 billion or 13% relative to December 31, 2006.
- **Underlying operating expenses** (excluding restructuring costs) totalled €5.141 billion, with the rate of growth slowing substantially to 4%:

  - **Payroll** costs totalled €3.051 billion, virtually unchanged from 2006:

    - Fixed payroll costs (excluding performance-related pay, profit-sharing and incentive schemes) rose 9%. Headcount increased by 960 full-time equivalents (FTEs) (+4.5%) on a like-for-like basis, of which 708 at international level (+10%) and 251 in France (+2%). The majority of international recruitments were carried out by Corporate and Investment Banking (+351 FTEs), Asset Management (+81 FTEs) and Receivables Management (+208 FTEs).

- The cost of profit-sharing and incentive schemes was considerably lower than for 2006, in line with the change in earnings.
- On the whole, performance-related pay elements were stable relative to 2006, with an increase in the Asset Management business (reflecting higher gross operating income), offset by a reduction in the Corporate and Investment Banking division (reflecting lower earnings).

- Other operating expenses totalled €2.090 billion, up 12% or €216 million compared with 2006, notably due to the rise in rents (increase in leased office space), as well as to IT resources and the use of external staff.

- **Underlying gross operating income** totalled €902 million, down 61% on 2006.
- **The cost of risk** totalled €244 million, of which €55 million for individual risks and €190 million for collective provisions, with the latter including €138 million of provisions for exposure to monoline insurers.
- **Income from associates** dipped by 1% to €672 million in 2007.

  The Caisses Epargne and Banques Populaires networks contributed a combined €642 million to the "Income from associates" line in 2007, down 1% compared with 2006. Although the two networks recorded sustained and identical growth in their net earnings (+12%), two negative technical elements (drop in accretion gains and consolidation restatement on AFS capital gains) limited their contribution to Natixis' earnings over 2007.
- **Income before tax** was down 55% to €1.333 billion. The **tax charge** was a very low €91 million, reflecting the fact that the bulk of pre-tax earnings originated from low-taxed entities and profit sources.
- After deducting €112m of minority interests, **underlying net income (Group share)** came out 47% lower than the previous year at €1.130 billion. **ROE** was 7.1%, compared with 13.8% in 2006.
- **Income from non-operating items** was negative to the tune of €29 million in 2007. This figure included:
  - a €369 million net expense from discontinued activities, including the sale of CIFG;
  - €234 million of restructuring income (net of tax), including €178 million in capital gains linked to restructuring in the Asset Management division (which reduced the minority stake held by CNP Assurances) and €56 million linked to the sale of a 40% stake in AEW Europe to CDC;
  - €232 million in capital gains linked to the sale of the previous headquarters on Rue Saint-Dominique;
  - €125 million in restructuring costs, representing €180 million before tax, notably covering IT restructuring projects.

ANALYSIS OF BUSINESS LINES

Corporate and Investment Banking

(in € millions)	2007	Proforma 2006	Change amount	%
Notional equity (average)	6,988	6,273	+714	+11%
Net banking income before writedowns	**3,053.5**	**3,494.4**	**(440.9)**	**(13)%**
Writedowns on subrimes and monolines	(1,220.0)			
Net banking income	**1,833.5**	**3,494.4**	**(1,660,9)**	**(48)%**
Financing	1,478.8	1,222.4	+256,4	+21%
Investments	354.7	2,272.0	(1,917.3)	(84)%
Expenses	**(1,995.0)**	**(2,105.4)**	**+110.5**	**(5)%**
Gross operating income	**(161.4)**	**1,389.0**	**(1,550.4)**	**NS**
Cost of risk	(222.5)	(10.2)	(213.3)	
Income before tax	**(382.3)**	**1,387.3**	**(1,769.6)**	
Net income (Group share)	**(177.3)**	**947.5**	**(1,124.8)**	
ROE	NS	15.1%		
Cost/income ratio	NS	60%		

Aggregate net banking income for the Corporate and Investment Banking division totalled €1.833.5 billion for 2007, down 48% on 2006.

Financing business lines performed well, particularly structured financing which lifted net banking income 32% relative to 2006. Despite highly unattractive conditions, capital markets generated €1.185 billion in net banking income over 2007, down by a modest 9% compared with 2006.

However, securitization and proprietary management business lines were hard-hit by the credit crunch.

All in all, writedowns linked to direct and indirect subprime exposure came to €949 million in 2007, with a further €271 million of writedowns linked to monoline insurer exposure (excluding €138 million booked to cost of risk), raising the total to €1.220 billion. The crisis also had a €413 million indirect impact on net banking income (deterioration in credit spreads on proprietary portfolios, arbitrage losses linked to volatility, depreciation of LBO portfolios pending syndication, etc.), and led to a slump in securitization origination as from the summer.

Expenses totalled €1.995 billion for 2007, down 5% on 2006.

Payroll costs, which represented 55% of total expenses (€1.088 billion), fell 13% compared with 2006. This change was due to the reduction in performance-related pay and more specifically to the downturn in business during the year.

The number of full-time equivalent employees in the Corporate and Investment Banking division rose by 334 to 6,645 at year-end. The international workforce rose to 2,404 and accounted for the entire increase, while French staffing levels remained stable at 4,241 FTEs.

Corporate and Investment Banking recorded a **gross operating loss** of €161 million for 2007, including a €1.148 billion deficit in Q4 2007.

After factoring in €222.5 million in cost of risk and €192.1 million in tax income, **Corporate and Investment Banking** showed a net loss (group share) of €177.3 million, versus a €947.5 million profit in 2006.

After-tax profitability, measured in terms of the return on average normative allocated capital, was therefore negative in 2007. However, Financing business lines posted a 14% ROE versus one of 13% the previous year.

International business represented 52% of net banking income at end-December 2007, versus 49.8% at end-December 2006 and 48.5% at end-June 2007. The decrease in revenues in the American region (linked to the difficulties encountered with securitization and proprietary management activities in the US), was partly offset by good performances in Europe.

Net banking income and activity for each business

(in € millions)	Total end-December 2007	2006	Change
Net banking income	**1,833.5**	**3,494.4**	**(48)%**
Corporate and institutional relations	444.0	416.0	+7%
International	198.4	170.8	+16%
Structured finance	836.3	635.6	+32%
Capital markets	1,185.2	1,298.7	(9)%
Principal finance and securitization	(535.2)	536.2	ns
Equity, average equity, finance	(324.4)	432.4	ns
M & A and other	29.1	4.7	ns

2006 figures were restated during 2007 in order to reflect the new organization for the Corporate and Investment Banking division. These adjustments had no impact on the division's overall level of net banking income and are summarized in the following table:

(in € millions)	Reference 2006	Adjustments made in 2007	2006 pro forma
Net banking income	**3,494.5**	**0.0**	**3,494.5**
Corporate and institutional relations	416.0	-	416.0
International	170.8	-	170.8
Structured finance	631.2	4.5	635.7
Capital markets	1,388.8	(90.1)	1,298.7
Principal finance and securitization	553.2	(17.1)	536.2
Proprietary management, credit portfolio management, finance	334.7	97.7	432.4
M&A and other	(0.2)	4.9	4.7

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■ Corporate and Institutional Relations

In France, revenues from commercial banking with corporate and institutional clients rose 7% to €444 million. This progress was driven by a good performance in the corporate financing business line, which benefited from improved spreads on short-term stocks and on new loan issuance.

■ International

New medium- and long-term issuance expanded 13.5% during the year, fuelled by healthy international financing business.

The development of international operations continued in 2007, with branches opened in Dubai and Panama.

Net banking income from international financing and services rose 16% to €198.4 million. After restating for non-recurring items booked in 2006, revenues advanced 21%.

■ Structured Finance

Structured Finance fared well in 2007, despite the substantial impact from the credit crisis.

Net banking income rose by 32% to €836.3 million, despite €41 million of provisions on the syndication portfolio.

This growth was fuelled by good performances in all segments – Leverage Finance, Commodities, Real Estate, Project Finance, Financial Engineering, Aircraft and Shipping Finance – and, more generally, by growth in arranger positions.

- **Leverage Finance** activity levels turned down in June following the outbreak of the liquidity crisis in the USA and Europe. The business line nevertheless grew significantly over the full year, boosted by record LBO business in the first half, when transaction volume exceeded that for the whole of 2006. The economic climate opened up new opportunities to join club deals in Europe and the USA and to act as bookrunner for medium-scale transactions.

- **Commodities** also made progress, buoyed by transactions concerning Metals Producers and Energy Producers, and by rising commodity prices (crude oil, metals and agricultural commodities).
- **Commercial Real Estate** revenues rose significantly compared with 2006, despite a slight slowdown in new transaction execution, which itself reflected prudent origination in light of high market prices.
- The Project Finance market was only moderately affected by the liquidity and confidence problems during the year. The market stayed active throughout 2007 with the result that **Project Finance** revenues made progress from 2006. A total of 12 transactions were signed and booked, four of which involved Natixis acting as lead arranger. Dealogic ranked Natixis as the number 1 MLA in Europe (4th worldwide) for renewable energy project financing.
- **Financial Engineering** benefited from the upturn in interest rates at the start of the year and from sustained M&A activity, both by corporate customers and investment funds positioning themselves on listed targets. Business was brisk throughout the year and included high-visibility transactions, particularly in equity financing.
- Results from **Aviation Finance** were also up, with the industry remaining very buoyant despite margins narrowing for the best signatures.
- **Shipping** revenues also grew significantly. All assets, regardless of their date of commissioning, continued to increase in value compared to historical averages, buoyed by unremitting worldwide demand. Almost 60% of the business line's deal flow resulted in arranger mandates. The Offshore market grew as the team capitalized on the experience built up over the previous year and more. The offices in Greece, Hong Kong and Singapore generated regional deal flows, which led the Department to open new specialist desks in New York for the Americas and in Dubai for the Middle East and India.
- **Syndication** revenues expanded during the year. Despite the market downturn over the summer, which considerably tightened institutional liquidity and accentuated bank's refinancing constraints, Coverage France remained active in structuring small and medium-sized transactions and some acquisition financing. The Syndicated Loans team structured over 70 loans, of which 69 as Lead Arranger, in 2007 compared to 67 in 2006.

Capital Markets

Despite the difficult second half conditions and the disruption caused by Natixis' operational merger in 2007, Capital Markets' revenues amounted to €1.185 billion, only 9% lower than the 2006 figure. After a good first-half performance, the second half was adversely affected by the credit crisis, particularly in August, November and December. Excellent performances by Corporate Solutions and, to a lesser extent, by Equity Cash, failed to fully offset the downturn in other business lines.

Nonetheless, client business remained buoyant throughout the year and particularly during the second half.

- Fixed Income and Forex lost ground relative to 2006. Tough conditions triggered a particularly pronounced downturn in the second half.

  Despite sustained client business, particularly in the second half, **Fixed Income** retreated compared to 2006.

  Credit business suffered particularly badly after the summer due to the subprime crisis and fared negatively in the second half.

  The US crisis and subsequent tensions generated a strong aversion to all forms of bond credit (affecting both primary and secondary offerings) and a real liquidity crisis. The impact of cash costs and movements in the Eonia-Euribor curve also significantly impacted results. Financials and covered bonds were hardest hit, with a knock-on effect on short-term paper. Corporate issues returned to very broad spreads and thus widened the spread between securities and CDS, with the result that final clients positioned on these new issues and abandoned the secondary market.
- After a good first-half performance, **Equity Derivatives, Arbitrage and Commodities** were affected in the second half by losses on equity derivatives (high volatility in Asia during a period of investment in the region) and on arbitrage. There was also a slowdown in commodities business related to the need to rebuild Natixis Commodity Markets' teams.

  Overall revenues were down compared to 2006.
- Despite a significant slowdown in the last quarter – particularly in primary equity markets – strong performances in the first three quarters enabled the **Equity Cash** business line to report growth on 2006 figures.
- **Corporate Solutions** hoisted revenues 72% relative to 2006 and made the largest contribution of all Capital Markets segments in 2007. The momentum came mainly

from *Strategic Derivatives,* which accounted for 75% of Corporate Solutions' annual revenues.

- **Structured Assets** lost ground relative to 2006.

  CPPI products performed well with revenues growing over the year. However, revenues from other activities fell sharply in 2007, with the real estate aspect of the alternative investment segment reporting lower revenues (buy and lease-back business).

Securitization and Principal Finance

Principal Finance and Securitization reported negative net NBI of €535 million for 2007.

The overall direct negative impact of the crisis came to €864 million. There were three kinds of direct impact:

- The impact on direct subprime exposure amounted to €132 million for the whole of 2007. This related mainly to the **residential real estate** activity (loan portfolio awaiting securitization), where the "mark-to-market" evaluation system reducing the portfolio's net worth during the final quarter of 2007.
- The impact on indirect subprime exposure came to €548 million for 2007. The synthetic **CDO/CLO** activity (ABS CDO portfolios) also had indirect subprime exposure through its portfolios of structures collateralized with subprime loans. Residual exposure to ABS CDOs (subprime part) has now been greatly reduced.
- Exposure to monoline insurers also necessitated provisioning to reflect the impact of the crisis on the quality of these insurers' loans. This provisioning of designated risks (MBIA, Ambac, XL, Assured, etc.) partly concerned **synthetic CDO/CLO** business and partly **hybrid products**.

Principal Finance and Securitization NBI also suffered from harsh market conditions (wider credit spreads and high volatility) during 2007.

Proprietary Management and miscellaneous

NBI for **Proprietary Management and miscellaneous activities** was negative to the tune of €324.4 million for 2007.

- **Proprietary Management** was also hard-hit by the crisis.

  Losses relating to the subprime crisis amounted to €330 million for the whole of 2007. These were the result of writedowns on structures collateralized with subprime loans (RMBS) in the portfolios of US entities, and writedowns on ABS CDO transactions.

  At the same time, widening spreads plus the liquidity crisis hit all classes of spreadbook assets and generated additional losses in the second half.

- Despite tough market conditions and the increased refinancing costs that ensued, economic revenues from **cash** increased by 24% compared to 2006. Natixis encountered no major difficulties in raising the necessary funds during the liquidity crisis, particularly due to our diverse sources of refinancing – both geographically and in terms of investor type – and to extensions of refinancing periods.

Asset Management

Highlights of 2007

Reorganization

2007 witnessed substantial post-merger efforts to reorganize Asset Management activities across Europe:

- in the first half of the year, all of the former Natexis' assets (except for Axeltis) were transferred to the Ixis Asset Management Group holding company (now known as Natixis Global Asset Management). This diluted CNP Assurances' minority stake from 15.42% to 11.34%;
- the fourth quarter featured restructuring of the real-estate fund management business throughout Europe. The Natixis Asset Management Immobilier subsidiary was transferred to AEW Europe and the Caisse des Dépôts Group took a 40% stake in the new entity.

Lastly, extensive work was begun to standardize the brand across the entire Natixis Asset Management division. Ixis Asset Management Group became Natixis Global Asset Management, while the Ixis Advisors Group and Ixis Global Associates distribution structures were united under the Natixis Global Associates brand.

Effects of the financial crisis on assets exposed to credit risk

The Asset Management division only felt the impact of the financial crisis on European business. The Company acted as partial counterparty for €0.4bn of buybacks on dynamic cash mutual funds managed by Natixis Asset Management (NAM).

The overall impact on the Division's accounts for 2007 was €46 million before tax.

Further acquisitions

As part of its development strategy, Natixis Global Asset Management (NGAM) continued to acquire asset management companies in the USA, with deals including the purchases of Alpha Simplex and a 30% stake in Percipio Capital Management. In addition, following the acquisition of the remainder of Hansberger's capital in early 2007, Hansberger was fully consolidated instead of being treated as an equity associate as previously.

Elsewhere, NGAM acquired Gateway Investment Advisors in a deal effective from February 15, 2008, and is continuing to develop its partnership with China's Industrial Bank Corporation, in conjunction with the Corporate and Investment Banking division.

2007 operations review

Assets under management amounted to €590.5 billion at the end of 2007, up 1.2% on the year-earlier figure of €583.2 billion. This equated to a 7% like-for-like increase (exchange rates, consolidation methods and scope).

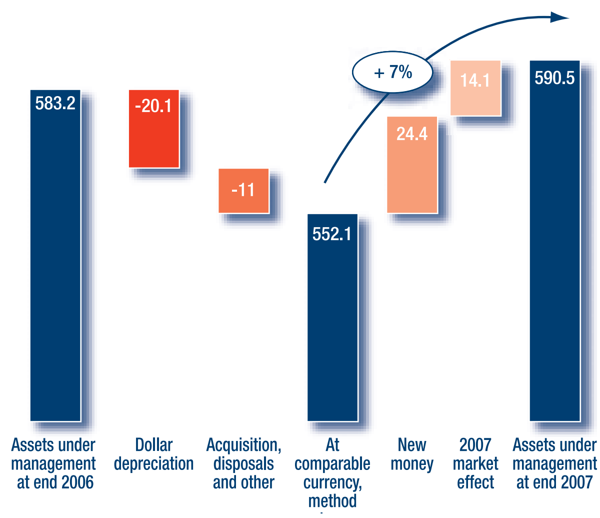
(in € billions)	United States	%	Europe	%	Asia	%	Total	%
Assets under management	197.8	5.4%	391.5	(0.6)%	1.2	(28)%	590.5	1.2%
Collection	21.7	19.6%	3.0	(74)%	(0.2)	ns	24.4	(18)%
Market effect	7.2	(54.1)%	6.4	(70)%	0.5	1.5	14.1	(62)%
Other	1.0	ns	(11.2)	ns	(0.6)	ns	(10.8)	ns

This increase in assets under management was broken down as follows:

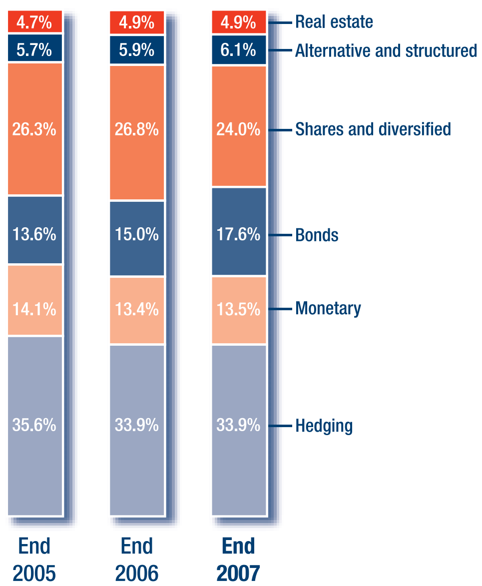
- **net new money of €24.4 billion**. New money at the end of June 2007 amounted to €30 billion, but the financial crisis slowed down business in Europe in the second half, whilst inflows remained robust in the US throughout the year;
- **an overall market effect** of **€14.1 billion** (compared to €37.4 billion in 2006);
- **various significant** adjustments were recorded for Europe during 2007. These adjustments had a negative effect of **€11 billion** and concerned the harmonization of portfolio accounting methods following the merger. These changes had no impact on the division's profits;
- the slide in the dollar over the year caused a negative **currency effect** of **€20.1 billion** on NGAM's assets under management.

PORTFOLIO GROWTH IN 2007

(in € billions)



PORTFOLIO BY ASSET TYPE



(in € millions)	2007	Proforma 2006	Change amount	Change %
Notional equity (average)	317	269	+48	+18%
Net banking income	**1,710.4**	**1,497.4**	**+213.0**	**+14%**
Expenses	**(1,283.1)**	**(1,111.7)**	**(171.4)**	**+15%**
Gross operating income	**427.3**	**385.8**	**+41.6**	**+11%**
Cost of risk	(2.9)	0.4	(3.3)	NS
Income before tax	**438.2**	**396.5**	**+41.8**	**+11%**
Net income (Group share)	**259.5**	**266.1**	**(6.6)**	**(2)%**
ROE	81.8%	98.8%		
Cost/income ratio	75%	74%		

- Despite the slide in the dollar, **net banking income rose by 14%** or by €213 million to reach €1.710 billion. At constant dollar rates, net banking income grew by 21%**.** This robust revenue growth stemmed from:
  - a **10% increase in the average portfolio** compared to 2006;
  - a **69% increase in performance-related commission.** 2007 featured excellent performances by US alternative investment funds and significant performance-related commission on real estate funds;
  - a **€46 million** negative impact arising from use of the balance sheet to address the financial crisis on the credit-related asset market;
  - a €103 million negative currency effect linked to the weaker dollar and which dented growth in NBI by almost 7 points.
- Asset Management's **operating expenses** rose 15% or €171 million to €1.283bn. This equated to a 22% increase on a constant exchange rate basis:
  - **payroll expenses** were the main culprit, and more specifically the sharp rise in variable remuneration arising from strong revenue growth;
  - **operating expenses** excluding payroll costs rose by only 4%.
- **Operating income advanced 11% to €427.3 million**. The cost/income ratio worked out to 75%. Excluding currency effects, gross operating income grew by 17% with average assets under management increasing by 13%, in spite of the financial crisis during the summer.
- **Income before tax** rose 11% or €41.8 million to reach €438.2 million. However, tax expense returned to a more normal level of €54.3 million in 2007, after it had been substantially reduced in 2006 by the reversal of a €25 million tax-risk provision in the US.
- All in all, **net income** from Asset Management amounted to €259.5 million, a 2% decrease on a reported basis, but a 5% increase on a **constant exchange-rate basis.**

Asset Management Europe

Assets under management amounted to €391.5 billion in Europe at year-end, virtually unchanged from the €393.9 billion a year earlier. Excluding measures to harmonize portfolio accounting methods, assets under management increased 2.4% or €9.4 billion. This increase comprised €3 billion of new money and a €6.4 billion market effect.

Asset Management North America

Year-end outstandings climbed **17.8**% or $44 billion to reach **$291 billion.**

Net new money amounted to $31.9 billion. This represented a **34%** increase on the 2006 figure, which was itself virtually double the 2005 level of $12.4 billion. $22.7 billion (71%) of this new money came from the Natixis Global Associates distribution platform and the rest from direct inflows from affiliates. Unlike Europe, new money remained robust in the USA throughout 2007.

The overall market effect amounted to $10.7 billion (compared to $20.6 billion in 2006).

Services

Services enjoyed a very busy 2007, which featured robust organic growth in all business lines, further investment in industrial platforms, the conclusion of partnership operations and significant acquisitions.

Although France's retail banking market slowed down somewhat in 2007, Services consolidated existing business relationships with the Banque Populaire and Caisse d'Epargne networks to develop synergies and maintain a good rate of growth.

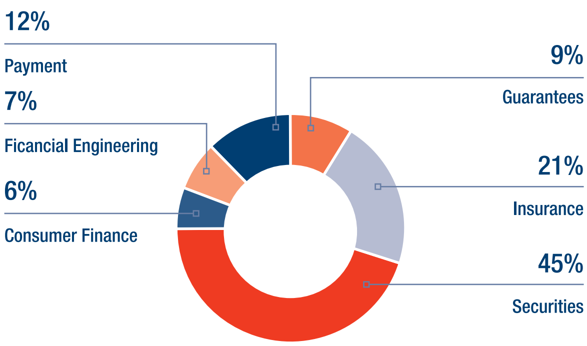
Services also undertook restructuring work needed to increase operational efficiency:

- a large part of the work required to transfer Natixis Services Financiers' securities services activities (custody, fund administration and corporate trust) to CACEIS was conducted in 2007. The transfer is on course for completion in the second half of 2008;
- the consumer finance business was restructured;
- further IT investments were made.

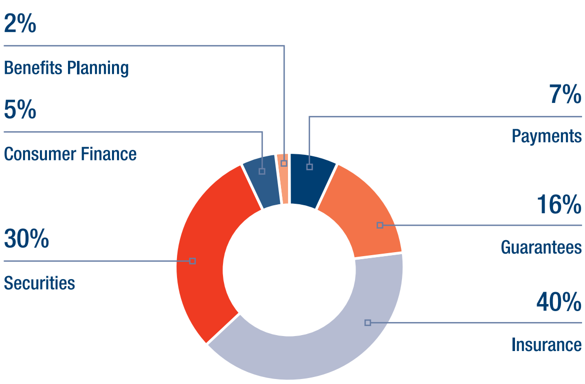
(in € millions)	2007	Proforma 2006	Change amount	Change %
Notional equity (average)	1,518	1,421	+97	+7%
Net banking income	**1,299.2**	**1,150.6**	**+148.6**	**+13%**
Expenses	**(819.5)**	**(767.6)**	**(51.8)**	**+7%**
Gross operating income	**479.7**	**383.0**	**+96.7**	**+25%**
Cost of risk	(12.4)	(12.5)	+0.1	(1)%
Income before tax	**471.4**	**377.7**	**+93.7**	**+25%**
Net income (Group share)	**310.1**	**238.2**	**+71.9**	**+30%**
ROE	20.4%	16.8%		
Cost/income ratio	63%	67%		

- Net banking income from Services advanced by 13% or €149 million to reach €1.299 billion. The main growth drivers were Securities Services (which benefited from revenue growth at CACEIS), Insurance (fuelled by life insurance) and Financial Guarantees and Sureties.
- **Operating expenses** rose 7% or €52 million to reach €820 million. The increase reflected greater headcount (+182 FTEs at year-end 2007, up 4% on 2006) and significant IT investments.
- **Gross operating income** consequently jumped 25% or €97 million to reach €480 million, while the cost-income ratio dropped by 4 points to 63%.

NBI BY BUSINESS LINE



GOI BY BUSINESS LINE



- **All in all,** Services lifted net income by 30% to €310 million.

Insurance

- Following an outstanding 2006, Natixis Assurances suffered from the slowdown in the insurance market in 2007. However, it still fared satisfactorily relative to the situation in the life insurance market.
- **Life insurance** revenues rose by 1% overall to almost €4.4 billion.

  This result was significantly better than the 7% decline incurred by the French bancassurers' group, almost all of whose members reported lower business.

  The overall portfolio rose 10% to almost €31 billion, spurred by growth in the group life insurance segment.
- **Provident insurance** revenues increased 19% to €204 million. The momentum came from further efforts to equip Banques Populaires customers with pure insurance and dependency insurance products, and to sell borrowers' life insurance through the Caisses d'Epargne and Banques Populaires networks.
- All in all, **net banking income** from Insurance advanced 13% or €33 million to €278 million during 2007.

Consumer Finance

Consumer Finance maintained strong business momentum during the year. This was evident on both the revolving credit and personal segments, thanks to sustained efforts by the Caisses d'Epargne and the launch of a new offering in the Banques Populaires network.

- Revolving credit recorded good overall growth. The main driver was the Caisse d'Epargne's TEOZ product, while the Banques Populaires' Creodis product was not launched until the final quarter of 2007.
- Personal loans continued to grow. Almost the entire Caisse d'Epargne network was able to use the Natixis Financement production chain, with the result that the number of loans approved more than doubled to 407,000 and year-end outstandings surged €2.4 billion to €3.5 billion during the year.

The combined effect of growth in these two activities lifted **net banking income** from Consumer Finance by 15% or €11 million to €83 million at year-end 2007.

Employee Benefits Planning

Employee benefits planning maintained solid business momentum. Further growth was achieved in the very small, small and medium-sized company segment via the regional Banques Populaires, while the offering was also successfully launched to the Caisses d'Epargne.

- Natixis Interépargne maintained its market leadership in **employee savings plans**, with the number of client companies rising by 15% to almost 35,000, and assets under management expanding by 10% or €1.7 billion to reach €18.5 billion.
- The **Service Vouchers business** continued to grow, with the number of vouchers issued and reimbursed increasing by 8% to €56 million and by 7% to €54 million, respectively. The childcare service voucher business also expanded, with some 430,000 vouchers issued during the year.

This combined growth in the employee savings portfolio and in the service vouchers business lifted net banking income by 8% or €6.4 million to €91 million during the year.

Payments

Payments posted unchanged net banking income of €162 million for 2007.

- The Electronic Banking business continued to expand, supported by the rise in the number of cards and clearing transactions.
- The Checks and Payment Systems business also grew slightly. This progress was due to the financial margin holding up extremely well in the final quarter, while business volume continued to trend down (stability in national cheque recovery and gradual use of the new STEP 2/TIPA international payments system led to a drop in turnover).

Guarantees and Sureties

2007 turnover (written premiums) amounted to €171 million, down 12% compared to the €194 million in 2006. The main culprit was the decline in written premiums from retail customers, following the price cuts introduced on July 1, 2006. However, robust business levels in 2007 limited the impact of this reform.

- Outstanding guaranteed credit amounted to €46.6 billion at the end of 2007, an increase of 21% compared to 2006. This included 22% growth on the personal banking market to €39.8 billion.
- **Net banking income** for the Guarantees and Sureties business amounted to €115.6 million, an increase of 37% or €31.5 million compared to the previous year. This strong growth was primarily fuelled by:
  - a 10% or €10.9 million increase in earned premiums. Thanks to the method of apportioning premiums over the

entire duration of policies, premiums earned from retail customers were only very partially affected by the decline in turnover;

- a drop in claims expenditure net of reinsurance, due to exceptional provisioning of €24.2 million in 2006.

Securities Services

Securities Services had €2,869 billion of assets under custody at year-end 2007 versus €2,405 billion a year earlier. Of the €464 billion (19%) increase during the year, €392 billion resulted from the acquisition of HVB's custody business by Caceis Bank Deutschland (CBD) at the end of 2007.

(in € billions)	Total Dec. 2006	Total Dec. 2007	Currency in € billions	Currency %
Assets retained	**2,405**	**2,869**	**464**	**19.3%**
Natixis Services Financiers	513	493	(21)	(4.0)%
Gestitres	105	105	0	0.1%
Caceis (fully-owned)	1,787	2,271	485	27.1%
Caceis France	*1,626*	*1,698*	*72*	*4.4%*
Caceis International	*160*	*574*	*413*	*258.0%*
Assets under administration	**1,000**	**1,095**	**95**	**9.5%**
Natixis Investor Services	140	151	11	7.5%
Caceis (fully-owned)	860	944	85	9.9%
Caceis France	*663*	*681*	*19*	*2.8%*
Caceis International	*197*	*263*	*66*	*33.7%*

Securities grew **net banking income** by 13% or €66.6 million to €569.9 million during the year. The main drivers were revenue growth at CACEIS (+€42 million) and in financial services (+€9 million).

Of the €42 million increase at CACEIS, €15.8 million came from a 7.8% rise in commissions and €25.2 million from a 49% advance in net interest income.

Private Equity and Private Banking

(in € billions)	2007	Proforma 2006	Change amount	Change %
Notional equity (average)	269	240	+30	+12%
Net banking income	**504.1**	**449.1**	**+55.1**	**+12%**
Expenses	**(167.3)**	**(147.1)**	**(20.2)**	**+14%**
Gross operating income	**336.9**	**302.0**	**+34.9**	**+12%**
Cost of risk	7.6	(6.6)	+14.2	
Income before tax	**344.2**	**296.6**	**+47.6**	**+16%**
Net income (Group share)	**245.5**	**229.0**	**+16.4**	**+7%**
ROE	91.1%	95.6%		
Cost/income ratio	33%	33%		

Private Equity and Private Banking posted net banking income of €504.1 million, a 12% increase on an already exceptional 2006 figure.

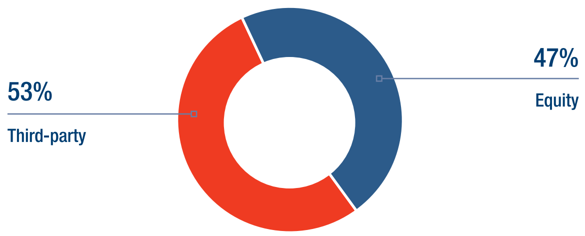
Operating expenses rose 14% or €20.3 million to reach €167.3 million.

Gross operating income progressed by 12% to €336.9 million, while the cost-income ratio worked out to 33%, unchanged from 2006.

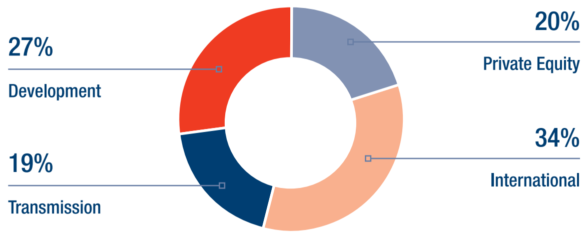
All in all, **net income** improved by 7% or €16.4 million to reach €245.5 million during the year.

Private Equity

ASSET UNDER MANAGEMENT IN 2007



ASSET MANAGED IN 2007



Managed capital, including funds raised but not yet invested and unrealized capital gains, amounted to €3.6 billion at the end of 2007, an increase of 14% or €0.5 billion relative to a year earlier. 47% of invested capital was proprietary capital.

Capital gains amounted to €186 million, versus €397 million in 2006. However, the stock of unrealized capital gains rose by €182.5 million, versus a €42 million decline in 2006.

Investments continued at a sustained rate and reached almost €615 million at year-end 2007 (versus €603 million in 2006), including €327 million of proprietary investment. Further funds were also raised.

Divestments amounted to €680 million, down 21% compared to the €856 million in 2006. This decline applied to both proprietary portfolios (€400 million), and third-party portfolios.

All in all, Private Equity posted net banking income of €378.4 million for 2007. This equated to a 7% or €24.2 million increase on the 2006 figure, which was boosted by exceptional revenue booked by Natixis Private Equity. Private Equity accounted for three-quarters of revenues for Private Equity and Private Banking (PEPB) as a whole.

Private Banking

Net banking income for private banking amounted to €125.7 million at the end of 2007, an increase of 33% or €30.8 million compared to 2006. Compagnie 1818 contributed more than half of this amount.

Compagnie 1818 had an excellent year in 2007 and lifted net banking income by 44% to €73.6 million. Assets under management benefited from healthy business levels and rose 11% to €1.1 billion.

Revenues at **Banque Privée Saint-Dominique** dipped 5% to €30.4 million. A new revenue source was developed in 2007, relating to capital transfers made by business proprietors following the disposal of their business.

Natixis Private Banking International enjoyed strong asset growth and hoisted net banking income by 33% or €6.3 million to €25.7 million.

Compagnie 1818 and Natixis Private Banking International (NBPI) in Luxembourg embarked on active collaboration during the year which enabled the Private Banking teams to provide custody services in Luxembourg, especially for American and European resident clients. Similar synergies already existed in Private Banking between Banque Privée Saint-Dominique (BPSD) and NPBI.

Assets under management amounted to €17.3 billion at the end of 2007, an increase of 11.6% or €1.8 billion.

Overall, Private Banking funds intake rocketed by 103% or €829 million to €1.64 billion in 2007. **Compagnie 1818** accounted for 69% or €1.13 billion of this intake (up 16% over the year), while **Banque Privée Saint-Dominique** posted a 106% increase to €115.6 million.

Receivables Management

(in € billions)	2007	Proforma 2006	Change amount	Change %
Notional equity (average)	1,065	958	+107	+11%
Net banking income	**915.8**	**839.7**	**+76.1**	**+9%**
Expenses	**(657.3)**	**(604.4)**	**(52.9)**	**+9%**
Gross operating income	**258.5**	**235.3**	**+23.2**	**+10%**
Loan/loss provision	(14.7)	(10.6)	(4.2)	+40%
Income before tax	**254.0**	**228.8**	**+25.3**	**+11%**
Net income (Group share)	**187.2**	**144.5**	**+42.7**	**+30%**
ROE	17.6%	15.1%		
Cost/income ratio	72%	72%		

Receivables Management was restructured in 2007. The two main operations involved GCE Affacturage's merger into Natixis Factor (which consolidated Natixis Factor's number 3 position in factoring in France), and the creation of Coface Holding, which now houses all the Receivables Management subsidiaries.

Coface continued to expand its international footprint through both organic and acquisition-led growth. The acquisition of Kompass France and Kompass Belgium in the first quarter strengthened its position on the company information market and accelerated the rollout of the company information offering worldwide.

The strategy of rolling out all business lines onto each international platform progressed via the extension of the factoring network in Europe (Denmark) and Asia (Hong Kong and Singapore), the opening of an office in Romania and the signing of a commercial cooperation agreement with the Hungarian export credit agency (credit insurance).

Despite an increasingly competitive climate for all business lines, turnover rose by 7%, boosted by fine showings by factoring and credit management services.

All in all, **net banking income** from Receivables Management rose 9% to €915.8 million. The momentum came from a still-healthy claims picture and good business levels, particularly in factoring. More than half of turnover (53%) came from credit insurance.

- **Credit insurance**

Net banking income from credit insurance amounted to €485 million, an increase of 10% on a constant exchange-rate and consolidation basis.

Turnover rose by 6.3% on a constant exchange rates and consolidation basis. Despite falling prices due to increased worldwide competition for credit insurance, revenues were spurred by good performances in export credit insurance, and, to a lesser extent, in sureties.

The loss ratio remained stable for the third year running at around 49%. Claim expenses increased in keeping with growth in earned premiums.

- **Factoring**

The volume of factored receivables rose by 31%, with growth abroad (+41%) outstripping that in France (+18%).

Net banking income from factoring increased 19.3% to €209.8 million.

- **Credit management services**

Net banking income for **Information** rose 7.9% to €127.2 million, boosted by the acquisitions of Kompass France and Kompass Belgium.

The **Receivables Management** business line posted a 27% increase in net banking income to €33.6 million, thanks to a strong showing in Germany and the full-year effects of the acquisition of Newton.

■ **Public procedure management**

Net banking income for business conducted on behalf of the French government grew 3.7% to €60.7 million in 2007.

All in all, operating expenses for Receivables Management as a whole amounted to €657.3 million in 2007, an increase of 8.8% compared to 2006. However, on a constant exchange-rate and consolidation basis, and excluding the effect of the VAT reimbursement in 2006, operating expenses grew by only 6.6%.

Gross operating income rose 10% or €23 million to €258.5 million.

Net income (Group share) climbed 30% to €42.7 million to total €187.2 million.

CIFG

Natixis previously provided credit enhancement services through its subsidiary CIFG, which covered North America and Europe via two operational entities in New York and Paris.

The economic and financial downturn, particularly in the credit markets, together with the uncertainties as to the future of the credit enhancement sector and the lack of a common dynamic with the rest of the Group's business, led Natixis to withdraw from this business line in the second half of 2007.

On December 20, 2007, the Natixis Supervisory Board approved the transfer of virtually all of CIFG's shares to Natixis' two core shareholders, Caisse Nationale des Caisses d'Epargne (CNCE) and Banque Fédérale des Banques Populaires (BFBP). The shares were split equally between the two shareholders and transferred for the token amount of US$2. The transfer was legally completed on January 31, 2008.

As a result of this transaction, the value of Natixis' stake in CIFG was reduced to nil in the consolidated accounts at December 31, 2007.

After acquiring the stake in CIFG, CNCE and BFBP increased CIFG's capital stock by $1.3 billion on December 20, 2007 (with each shareholder participating equally). This capital increase was designed to fulfill the requirements of rating agencies and to cover any final losses occurring in the reinsured portfolio.

Natixis' sole remaining commitment to its former subsidiary concerns $200 million of existing credit lines.

The operating loss for the financial year and the dilution profit resulting from the above transactions appear as an overall loss of €369 million booked under "discontinued operations".

Retail Banking

The Banques Populaires and Caisses d'Epargne networks contributed €642 million to the "Contribution from associates" line in 2007, down by 1% compared to the €651 million in 2006.

Although the Caisses d'Epargne and the Banques Populaires networks both grew net income by a healthy 12% in 2007, two negative technical factors (reduction in accretion profit and restatement for consolidation purposes of AFS portfolio capital gains) limited their contribution to Natixis' bottom line.

(in € millions)	2007	Pro forma 2006	Pro forma 2005	Change %	Change in € millions
Total combined income (100%)	**2,934**	**2,623**	**2,238**	**12%**	**311**
from Banques Populaires	*1,340*	*1,199*	*1,095*	*12%*	*140*
from Caisses d'Epargne	*1,595*	*1,423*	*1,144*	*12%*	*172*
Equity-method accounting at 20%	587	525	448	12%	62
Accretion profit	118.6	128	123	(7)%	(9)
Re-evaluation differences	(63.1)				
Contribution from associates	**642.3**	**651**	**571**	**(1)%**	**(9)**
from Banques Populaires	*287.6*	*293*	*269*	*(2)%*	*(6)*
from Caisses d'Epargne	*354.7*	*358*	*302*	*(1)%*	*(3)*
IS CCI	(73)	(72)	(70)	0%	0
Contribution net accounting income	**570**	**580**	**501**	**(2)%**	**(10)**
Notional ROE	**16.4%**	**19.1%**	**17.8%**		

Banques Populaires

(in € millions)	2007	Proforma 2006	Change amount	%
Notional equity (average)	7,244	6,276	+968	+15%
Net banking income	**5,839**	**5,578**	**+261**	**+5%**
Expenses	**(3,658)**	**(3,531)**	**(127)**	**+4%**
Gross operating income	**2,181**	**2,047**	**+134**	**+7%**
Cost of risk	(388)	(280.2)	(108)	+38%
Income before tax	**1,864**	**1,780**	**+85**	**+5%**
Net income (Group share)	**1,340**	**1,199**	**+140**	**+12%**
ROE	18.5%	19.1%		
Cost/income ratio	63%	63%		

The Banques Populaires network continued to expand in 2007 and opened 60 new branches. The loan book grew by 13% and savings by 6%.

Net banking income rose 5% to €5.839 billion. This increase included 4.3% growth in commission income. Excluding the effective of home-purchase savings products, net banking income rose by 3.7%.

Operating expenses progressed by 4% to €3.658 billion, with **the cost/income ratio** easing by 0.7 point to 62.6%.

Headcount inched up by 0.2%, while the number of branches grew 2.2% to 2,938.

Gross operating income rose 7% to €2.181 billion.

The cost of risk increased 38% or €108 million to reach €388 million.

Pre-tax income advanced by 5% or €85 million to €1.864 billion. This figure factors in €63 million of gains on fixed assets, including a €49 million capital gain on Crédit Coopératif BISE's former Polish subsidiary.

All in all, the Banques Populaires posted **net income of** €1.340 billion for 2007, an increase of 12% or €140 million on 2006.

Natixis' share of this profit totalled €268 million. There was also an additional accretion profit of €38.3 million, which was partly offset by €18.6 million of revaluation surpluses on AFS portfolios.

Overall, Natixis booked €287.6 million of income from the Banques Populaires network under the "Contribution from associates" line, a decrease of 2%.

Caisses d'Epargne

(in € millions)	2007	Proforma 2006	Change amount	%
Notional equity (average)	7,050	6,483	+567	+9%
Net banking income	**6,435**	**6,221**	**+214**	**+3%**
Expenses	**(4,309)**	**(4,180)**	**(129)**	**+3%**
Gross operating income	**2,126**	**2,041**	**+85**	**+4%**
Loan/loss provision	(118)	(142)	+24	(17)%
Income before tax	**2,005**	**1,912**	**+93**	**+5%**
Net income (Group share)	**1,595**	**1,423**	**+172**	**+12%**
ROE	22.6%	22.0%		
Cost/income ratio	67%	67%		

The Caisses d'Epargne maintained healthy activity levels throughout 2007. The loan book and the savings portfolio increased by 8% and 4%, respectively.

Net banking income rose 3.4% to €6.435 billion. Excluding home-purchase savings products, the increase was 1.9%.

Operating expenses progressed by 3% to €4.309 million. Headcount and the number of branches both inched up by 0.5% to reach 37,150 and 4,352, respectively.

Gross operating income expanded by 4.2% or €85 million to reach €2.126 billion.

All in all, the Caisses d'Epargne posted **net income** of €1.595 billion for 2007, an increase of 12% or €172 million relative to 2006. This rate of growth matched that of the Banques Populaires.

Natixis' share of this profit totalled €319 million. There was also an additional accretion profit of €80 million (up 10%), which was partly offset by €45 million of revaluation surpluses on AFS portfolios.

Overall, Natixis booked €354.7 million of income from the Caisses d'Epargne network under the "Contribution from associates" line, a decrease of 1%.

Cost of risk

The overall cost of risk amounted to €244 million, versus €50 million for 2006. This was broken down into €55 million for specific risks and €190 million for collective provisions.

The bulk of the increase in the cost of risk stemmed from Corporate and Investment Banking.

Collective provisions rose sharply during the year, mainly due to recognition of a general prudential provision designed to cover risks on transactions with monoline insurers, prompted by the ongoing financial crisis (€138 million impact).

CHANGES IN OVERALL COST OF RISK BY DIVISION

(in € millions)	2007 IFRS-EU	2006 IFRS-EU
Corporate and Investment Banking	(222)	(10)
Asset Management	(3)	0
Private Equity and Private Banking	8	(6)
Services	(13)	(12)
Receivables Management	(15)	(11)
Other	1	(11)
TOTAL COST OF RISK	**(244)**	**(50)**

DETAILS FOR CORPORATE AND INVESTMENT BANKING DIVISION

(in € millions)	2007 IFRS-US	2006 IFRS-US
Corporate and Institutional Relations	10	(31)
International	25	9
Raw Materials	(21)	(7)
Structured Financing	(22)	(4)
Markets	(214)	23
TOTAL	**(222)**	**(10)**

COST OF SPECIFIC RISKS BY DIVISION

(in € millions)	2007 IFRS-US	2006 IFRS-US
Corporate and Investment Banking	(31)	(20)
Asset Management	(3)	0
Private Equity and Private Banking	8	(7)
Services	(13)	(12)
Receivables Management	(15)	(10)
Other	(1)	(2)
INDIVIDUALIZED LOAN/LOSS PROVISION	**(55)**	**(51)**

DETAILS FOR CORPORATE AND INVESTMENT BANKING DIVISION

(in € millions)	2007 IFRS-US	2006 IFRS-US
Corporate and Institutional Relations	(18)	(23)
International	4	(9)
Raw Materials	3	5
Structured Financing	20	(14)
Markets	(40)	21
TOTAL	**(31)**	**(20)**

COST OF SPECIFIC RISKS BY REGION

(in € millions)	2007 IFRS-US	2006 IFRS-US
Africa and Middle East	(6)	1
Central and Latin America	(10)	3
North America	5	(2)
Asia and Oceania	7	(7)
Eastern Europe	3	16
Western Europe	(54)	(62)
TOTAL	**(55)**	**(51)**

RISK MANAGEMENT

The risk management information required by IFRS 7 forms an integral part of the accounts certified by the statutory auditors.

Natixis' general risk management system

Natixis' risk management system has been implemented in accordance with banking regulations and with Groupe Banque Populaire and Groupe Caisse d'Epargne's corporate governance principles. The system comes under the supervision of the Natixis Executive Board and is built around three tiers of coordinated control:

- internal control carried out by the operational or functional departments, under the supervision of their line management. Depending on the precise situation and activity, these so-called first-tier controls are conducted either by the line personnel themselves, or by an ad hoc control body such as a middle-office or accounting control body, or, where necessary, by both acting together;
- second-tier controls (as per article 6-a of regulation no. 97-02) are carried out by dedicated bodies which act independently from operational divisions;
- third-tier controls, also known as periodic controls, are carried out by Internal Audit.

The senior officer responsible for ensuring the consistency and effectiveness of permanent control (in accordance with article 7-1, sub-point 4 of amended CRBF regulation no. 97-02) is the Chief Executive Officer.

The Chairman of the Executive Board chairs the committee that coordinates controls and which brings together all those involved in permanent control, together with the head of IT Systems Security, the Chief Financial Officer and the Corporate Secretary.

As announced and in keeping with commitments made to the CECEI, Natixis undertook further efforts in 2007 geared to reinforcing the effectiveness and enhancing the transparency of the Group's control system.

The dossier submitted to the CECEI in September 2007 with a view to the merger with Ixis CIB served as a reminder of the guiding principles of the system:

- separation of risk and control functions within the Natixis Group, including:
  - distinction between front- and back-office functions,
  - the existence of first-tier controls at an operational level;
- distinction between periodic and permanent controls;
- control units within the Natixis Group organized on a worldwide basis so as to ensure the consistency of internal procedures;
- a specific role of central institution, assigned jointly to Groupe Caisse d'Epargne and Groupe Banque Populaire.

The decision was taken during the year to restructure the second-tier internal control system around two departments instead of three as previously. As a result, the Control department no longer exists as such, its functions and resources having been transferred to the Compliance, Risk and Internal Audit departments.

Following this reorganization, permanent control has been the responsibility of the Risk Management and Compliance departments since November 2007. Governance of the control system comes under the supervision of the Natixis Executive and Supervisory Boards, with the latter making use of the Audit Committee to carry out its duties.

The joint control system, which is aimed at ensuring Natixis' risks are consolidated and monitored on a consolidated basis by the central institutions, relies on the three permanent confederal Committees set up at the end of 2006:

- the Standards and Methods Committee, which is mainly responsible for issuing (or validating in the event of delegation), common standards concerning the general organization of risk management, risk assessment methods and risk reporting;
- the Risk Information Systems Committee, which handles project management issues concerning risk information systems shared by the two core shareholder groups and Natixis;
- the general Confederal Risk Committee which approves the overall risk limits proposed by Natixis, decides on commitments in excess of the unitary large risk limit assigned to Natixis and monitors Natixis' main risks.

Natixis' risk department

Since Natixis was created on November 17, 2006, the Risk department has been based on an organizational structure that unifies Natixis and the former Ixis Corporate & Investment Bank in terms of resources, methodologies and tools.

Natixis' Risk department is structured into six functions:

- three "operational" functions:
  - credit risk,
  - market risk,
  - operational risk;
- two cross-functional structures in charge of:
  - managing risk projects and implementing related tools,
  - providing a coherent and coordinated approach to work undertaken and supervising the decision-making process for new products and new business;

- a corporate secretary function in charge of managing human and budgetary resources and logistics for the entire risk system.

The Risk department draws up a risk policy in accordance with the policies of the two core shareholding groups and proposes it to the Executive Board for validation.

It also proposes principles and rules to the Executive Board concerning the following subjects:

- risk acceptance procedures;
- delegations;
- risk assessment;
- risk monitoring.

It plays a key role within a mechanism of Committees, the main components of which are as follows:

- a general committee – the Group Risk Committee – which sets out the main tenets of the Group's risk policy;
- the Natixis Group Credit Committee;
- the Market Risk Committee;
- the Operational Risk Committee;
- the New Products and New Activities Committees;
- the Limit Violation committee;
- the Counterparty Watch List Committee.

It also plays an active role in Group Provisions Committees and the ALM Committee, which is chaired and organized by the Financial department.

Lastly, it reports regularly on its work, analyses and findings to Natixis' executive and decision-making bodies and to Groupe Caisse d'Epargne and Groupe Banque Populaire.

Credit risk

Measuring and managing credit risk

Natixis' credit risk measurement and management system is based on:

- a standardized risk-taking process which is structured via a system of delegations and decision-making Committees;
- independent "contradictory" analyses undertaken by the Risk department and forming part of the credit application review prcess;
- ratings tools and methods which provide a standardized assessment of the quality of counterparty risks and enable the probability of default within one year to be assessed;
- information systems providing a general overview of outstandings and limits obtained using a single risk consolidation tool, based on a merged counterparty database.

Internal rating system

The internal rating system forms part of Natixis' counterparty risk management mechanism. The system is based on:

- a set of methodologies designed to allocate ratings in keeping with Natixis' risk profile and which is revised on a permanent basis;
- an information system for collecting, processing and analyzing relevant data;
- processes, procedures and controls that place internal ratings at the heart of the risk management mechanism, starting with transaction origination and continuing to ex-post analysis of defaulting counterparties;
- lastly, a project-mode approach, which involves working with the business lines in which the Risk department plays a decisive role.

All of this work is carried out in keeping and in liaison with Groupe Caisse d'Epargne and Groupe Banque Populaire, particularly as regards the targeted rating methodologies defined for each asset class and segment.

By virtue of this system, Natixis received permission from the French banking commission to use the IRB Foundation approach to calculate regulatory capital requirements for credit risk purposes from January 2008, for a defined perimeter of portfolios and entities.

Credit risk reduction techniques

Natixis uses credit risk reduction techniques such as set-off agreements, guarantees, collateral and credit default swaps.

The principles for identifying credit risk hedging instruments comply with the recommendations of the Basel Committee agreements. The decision on whether or not the risk-attenuating effects of a guarantee make it eligible to be taken into account for risk exposure calculations is determined by ad hoc procedures. Checkpoints are posted throughout the process and cover transaction approval, monitoring of credit risk exposure and calculation of the resulting capital requirements.

Collateral and set-off agreements therefore give rise to:

- an analysis at the time the credit application is approved or reviewed, in order to assess the suitability of the instrument or guarantee provided and the improvement in risk quality it confers;
- verification, processing and documentation work, based on the use of standard contracts or contracts validated by the Legal department;
- registration and monitoring procedures in administrative and risk management systems.

Likewise, guarantors are examined, rated and monitored in the same way as debtors.

Lastly, Natixis carries out credit default swaps and conducts synthetic securitization operations in order to reduce all or part of the credit risk exposure relating to certain assets, by transferring the risk to the market.

Credit assets covered by credit default swaps remain on Natixis' balance sheet but they carry the counterparty risk of credit default sellers (generally OECD banks). These transactions are subject to the same decision-making and monitoring procedures as those applying to all derivatives.

Natixis generally keeps part of the risk on junior tranches of portfolio transactions.

All risk reduction techniques are checked during preparatory work to calculate regulatory capital requirements.

Credit risk monitoring

Credit risk monitoring is based on the accountability of business lines and various control measures, with the whole mechanism overseen by a specialist team within the Risk department.

Day-to-day monitoring is carried out by the business lines and the middle-office for financings and by the Risk department for second-tier control.

With respect to limit violations, a Committee is held monthly to analyze the situation using indicators (number, business lines concerned, etc.), to examine significant violations and to monitor their settlement.

Cases presenting a serious level of risk are detected as they occur and reported immediately to the Risk department, the Special Affairs and Disputes department and to the business line concerned, in accordance with counterparty surveillance and alert procedures.

These cases may then be subject to special monitoring under the jurisdiction of the Special Affairs and Disputes department, the Risk department or the appropriate credit committee, depending on the level of exposure.

Sensitive cases are reviewed at least once a quarter and are presented to the Counterparty Watch List Committee, which meets once a quarter.

Sensitive, doubtful or disputed risks are monitored by the Special Affairs and Disputes department which intervenes in the management of difficult cases when needed and recovers debts in the event of legal proceedings.

Monitoring of doubtful and disputed cases and impairment mechanism

Specific impairments

Provisions Committees are organized once a quarter for each division. They examine all cases likely to give rise to provisions or to adjustments of existing provisions and decide on the level of provisioning necessary.

A Group Provisions Committee organized by the Financial department meets once a quarter. It is chaired by the Chief Executive Officer and involves the Risk department, the Special Affairs and Disputes department and the heads of the business lines concerned. The Committee bases its work on the examinations carried out by the Counterparty Watch List Committee, with the same case analysis materials being presented at the meeting.

Collective impairments

In addition to individual provisions, Natixis constitutes provisions for country risk and sector-based risk from three angles:

- ratings for exposures on private individuals and professionals;
- sector risk and geographical risk for other counterparties (corporates, sovereigns, etc.).

For the latter, objective impairment indicators are sought using analysis and close monitoring of business sectors and countries. An objective impairment indicator usually comprises a combination of microeconomic or macroeconomic indicators specific to the sector or country concerned. If necessary, an expert is called upon to fine-tune the result obtained.

Credit risk exposure

The table below shows the credit risk exposure for all the Natixis Group's financial assets. This exposure is determined without taking into account guarantees, collateral, credit default swaps, collateral on over-the-counter forward financial instruments, the effect of master set-off agreements and other forms of credit enhancement. It corresponds to the net accounting value of the financial assets recorded in the balance sheet, net of any impairment made (specific or collective).

GROSS CREDIT RISK EXPOSURE

(in € millions)	Performing exposures	Default exposures	Impairments	Net exposures 2007	Net exposures 2006
Financial assets at fair value by result *(excluding variable-rate securities)*	177,595			177,595	152,823
Hedging derivatives	670			670	621
Available-for-sale financial assets *(excluding variable-rate securities)*	29,232		(175)	29,057	25,857
Loans and receivables with financial institutions	112,428	37	(71)	112,394	114,879
Loans and receivables with customers	112,888	1,148	(1,531)	112,505	93,369
Held-to-maturity financial assets	6,501			6,501	7,037
Financing commitments given	56,142	9	(9)	56,142	56,578
Financial guarantee commitments given	103,715	25	(21)	103,719	155,178
TOTAL GROSS EXPOSURE	**599,171**	**1,219**	**(1,807)**	**598,583**	**606,342**

"Exposures" correspond to the definition of doubtful receivables in French standards.

COST OF RISK BY REGION IN 2007

(in € millions)	Individualized risks	Country risks	Sector-based risks	Total
France	(30)		(64)	(94)
Other Western European countries	(24)		(31)	(55)
Eastern Europe	3	(2)	(4)	(3)
North America	5		(110)	(105)
Central and Latin America	(10)	14	(4)	
Africa and Middle East	(6)	16	9	19
Asia and Oceania	7	(12)	(1)	(6)
GRAND TOTAL	**(55)**	**16**	**(205)**	**(244)**

RISKS AND PROVISIONS AT DECEMBER 31, 2007

Geographic regions *(in € millions)*	Individualized risks	Country portfolio risks	Sector-based portfolio risks	Total risks	Depreciation individualized risks	Country portfolio depreciation	Sector-based portfolio depreciation	Total depreciation
France	900	0	7,469	8,369	581	0	214	795
Other Western European countries	150	0	7,796	7,946	112	0	189	301
Eastern Europe	0	254	1,435	1,689	0	3	10	13
North America	23	0	3,110	3,133	16	0	265	281
Central and Latin America	61	797	1,117	1,975	33	33	9	75
Africa and Middle East	31	1,562	247	1,840	12	81	9	102
Asia and Oceania	20	517	372	909	6	20	9	35
RISKS AND HEDGING	**1,185**	**3,130**	**21,546**	**25,861**	**760**	**137**	**705**	**1,602**

Breakdown of loan portfolio

The tables below were drawn up based on regulatory gross exposure to "Large Risks" for the Natixis Group (not including insurance subsidiaries). This credit risk exposure is determined without taking into account non-recognized netting effects and impairments.

Four different breakdowns are presented, i.e. in terms of sector, geographic location, internal rating and Basel II portfolio.

EXPOSURE BY ECONOMIC SECTOR

	Dec. 31, 2007	Dec. 31, 2006
Food	1.7%	1.5%
Construction	3.1%	3.1%
Consumer goods	0.9%	0.7%
Retailing	2.5%	2.7%
Energy	3.9%	3.5%
Finance and insurance	51.3%	48.7%
Holding companies and conglomerates	7.3%	9.2%
Tourism, hotels and leisure	0.8%	1.1%
Real estate	5.9%	5.3%
Media	2.1%	1.9%
Basic industries	2.9%	1.8%
Mechanical and electrical engineering	2.7%	3.1%
International trading, commodities	1.9%	1.3%
Pharmaceuticals, healthcare	1.3%	1.4%
Services	6.4%	5.7%
Technology	1.4%	1.5%
Utilities	0.9%	1.0%
Government	2.8%	6.0%
Other	0.2%	0.5%
TOTAL	**100.0%**	**100.0%**

The portfolio's high concentration on the banking and finance sector reflects the preponderance of CIB business lines. As for the rest of the portfolio, corporate loans are highly diversified.

	Dec. 31, 2007	Dec. 31, 2006
France	44.4%	49.8%
Other countries in the European Economic Area	30.6%	27.6%
Other countries in Europe	2.8%	2.4%
North America	14.2%	13.1%
Latin America	3.1%	2.1%
Africa/Middle East	1.9%	1.8%
Japan	0.2%	0.2%
Asia and Oceania	2.0%	2.5%
Not provided	0.8%	0.5%
TOTAL	**100.0%**	**100.0%**

The geographic breakdown shows that 92% of the portfolio is concentrated on Europe and North America, this percentage having remained relatively stable since 2006.

BREAKDOWN OF ASSETS UNDER MANAGEMENT BY INTERNAL RATING CATEGORY (EXCLUDING SECURITIZATION SEGMENT)

	Dec. 31, 2007	Dec. 31, 2006
Investment Grade	76.4%	79.4%
Non Investment Grade and Default	17.4%	14.1%
Not Rated	6.2%	6.5%
TOTAL	**100.0%**	**100.0%**

In spite of the tough conditions in the second half of 2007, the breakdown of investment-grade loans remained very satisfactory.

BREAKDOWN ON ASSETS UNDER MANAGEMENT BY INTERNAL GRADING (EXCLUDING SECURITIZATION SEGMENT)

	Dec. 31, 2007	Dec. 31, 2006
AAA	2.7%	3.0%
AA+	0.9%	1.4%
AA	7.4%	14.3%
AA-	13.7%	12.4%
A+	18.6%	16.5%
A	4.0%	5.4%
A-	5.8%	7.1%
BBB+	8.7%	7.0%
BBB	6.5%	5.6%
BBB-	8.1%	6.7%
Investment Grade	**76.4%**	**79.4%**
BB+	4.9%	4.7%
BB	3.8%	2.8%
BB-	4.1%	3.1%
B+	2.6%	1.9%
B	0.9%	0.7%
B-	0.1%	0.3%
CCC+	0.0%	0.0%
CCC	0.1%	0.1%
C	0.2%	0.1%
C-	0.3%	0.0%
Non-Investment Grade	**17.0%**	**13.7%**
Default	**0.4%**	**0.4%**
Not Rated	**6.2%**	**6.5%**
TOTAL	**100.0%**	**100.0%**

BREAKDOWN OF ASSETS UNDER MANAGEMENT BY BASEL II PORTFOLIO

	Dec. 31, 2007	Dec. 31, 2006
Businesses	51.0%	51.3%
Banks	33.8%	35.9%
Securitization	11.3%	8.1%
Sovereign	3.2%	4.3%
Retail	0.7%	0.4%
TOTAL	**100.0%**	**100.0%**

Market risks

Organization of market risk control

The Market Risk function independently defines the methodologies for measuring risk, examines limits and monitors all of the market risks within the scope of Natixis. The market risk control system is based on a delegated architecture, in which the Group Risk Committee has overall responsibility and the Market Risk Committee plays an essential role.

The Market Risk Committee's task is to define the Bank's market risk policy and ensure it is applied correctly. As the operational extension of the Executive Board, the Committee possesses all of the Board's decision-making powers required to carry out its purpose. It meets on a monthly basis and there is scope to hold exceptional meetings when required. It is chaired by a member of the Executive Board. The Committee Chairman has sole decision-making power, following an open debate between the parties involved. He/she may be represented by a third party in case of unavailability.

The Committee's market risk policy embraces the following elements:

- definition and review of VaR limits, operational limits and loss-alert limits. This process is carried out in light of budgetary information supplied by front-office managers;
- establishment of delegations for validation purposes;
- review of risk exposure, with a possible focus on a class of risk;
- review of any observed and/or unauthorized limit overruns and the rectifying actions either already taken or needing to be taken;
- ex-post review of delegated decisions;
- information on the validation of market risk and fair-value adjustment methodologies, and on model validation.

Concerning market models, Natixis' Risk department validates the models used within the Group and regularly ensures they are consistent with market developments and best practices.

The Market Risk function comprises two components, an operational unit and a transversal division.

The operational unit is in charge of day-to-day control of market risks and is split into five teams each of which controls risk for one of the main front-offices (Credit, Interest Rates and Interest Rate Derivatives, Equities and Equity Derivatives, Cash – Foreign Exchange – Structuring – Project Finance, and Commodities) plus a VaR production team.

These teams are responsible for monitoring activity and also represent the department in its relationships with each front office.

Each team carries out the following functions for their specific business line:

- analyzing and controlling market risks and producing the corresponding reports;
- regularly monitoring positions and their profit/loss;
- validating valuation models (pricers);
- defining provisioning and fair-value adjustment policies (for liquidity risk, risks related to non-hedgeable parameters, model risks, etc.).

They also prepare risk measurement methodologies that are appropriate for their respective business lines.

The transversal unit is in charge of all consolidated reports presented to management (Executive Board and front-office management) and for the implementation of standards and procedures common to all entities (subsidiaries and branches) and covering market risk, international coordination and technology watch.

The market risk situation and any changes in this area are presented weekly to the Chairman of the Executive Board and monthly to the Market Risk Committee.

Methodology for measuring market risk

Natixis controls its capital markets risk via a methodology for measuring the market risks incurred by the Group's various entities.

Different techniques are used to measure market risk:

1 – Synthetic measures of ***Value-at-Risk*** (or VaR) are used to identify the potential losses that each activity may engender, based on pre-determined confidence intervals (e.g. 99%) and assumptions as to the length of time positions are held (*e.g.* 1 day). These measures are compiled and monitored on a daily basis for all the Group's trading activities.

To this end, a model has been built based on a statistical analysis of the behavior of all the market parameters affecting the value of the portfolios over a period of 365 days. The Bank's ***Scénarisk*** software currently models more than 4,200 market risk factors.

Natixis uses a VaR calculated using simulation techniques based on a Monte Carlo-type method that takes into account the portfolio's non-linear characteristics with respect to the different factors of risk. These calculation methods are harmonized using a single calculation tool, Scénarisk, which was previously in place at Ixis Corporate & Investment Bank. In order to monitor compliance with VaR limits set by the regulator, Natixis' Risk Department produces the VaR for Natixis' consolidated scope, with the transactions that originated in the ex-Natexis Banques Populaires' systems having been progressively migrated to the target systems.

2 – Operational indicators are used to manage activity on an overall and/or by homogenous activity basis, by focusing on more directly observable criteria (for example: sensitivity to variations in the underlying instrument, sensitivity to variation in volatility or to correlation, diversification indicators). The limits corresponding to these qualitative and quantitative operational indicators thus complement the VaR and loss-alert limits. They are determined consistently with these last. All operational limits are subject to day-to-day monitoring by the Market Risk team.

All limit overruns (operational and loss-alert limits) are notified in line with procedure. Loss-alert overruns may lead to a management decision concerning the position in question (closure, hedging, maintaining, etc.).

The principal standard indicators used are:

- an indicator of sensitivity to a 1 bp variation in interest rates (overall and regional indicator, by currency and/or maturity),
- a trend-risk indicator,
- an exchange-rate risk indicator,
- an equity-market exposure indicator,
- an indicator of sensitivity to variations of +/-1% in implied volatility in equity, forex, interest-rate and inflation markets (these indicators are overall, by maturity and by strike),
- an indicator of variations in delta relative to variations in underlyings (equity, interest rate or forex),
- an indicator of sensitivity to variations in government bond/swap spreads,
- an indicator of sensitivity to variations in issuer spreads,
- an indicator of inter-currency spreads,
- an indicator of sensitivity to inflation (1bp variation),
- a measurement of discontinuity risk,
- indicators of sensitivity to variations in correlation,
- an indicator of sensitivity to recovery and to jump-to-default,
- monthly and annual loss-alert indicators.

3 – Stress tests are also employed to measure the losses potentially sustained by portfolios in extreme market circumstances. These circumstances are developed from market scenarios based on historical studies (economic scenarios) and from hypothetical, specific or adverse scenarios for each portfolio or on an overall basis.

Natixis' entire stress test mechanism was reviewed during the year. All stress tests are calculated in the Bank's VaR calculation tool, Scénarisk:

- adverse stress tests entail "stressing" the different market parameters showing significant sensitivity. The stresses are applied singly (or by consistent group of parameters) and give information on potential variations in P&L, activity by activity,
- historical stress tests involve reproducing groups of variations in market parameters observed during previous periods of crisis, over a short time horizon, in order to provide ex-post simulation of the orders of magnitude of variations in recorded P&L. Although these stress scenarios have no predictive power, they allow a judgment to be made of exposure to known scenarios. Seven historical stress scenarios were defined,
- theoretical stress scenarios, also called "overall stress" scenarios, consist of simulating variations in market parameters on all activities using plausible assumptions for the reaction of one market in relation to another, according to the nature of the initial shock. Four overall stress tests initially in place at Ixis Corporate & Investment Bank were extended to cover the whole of Natixis.

In an extension of the approach used to measure and manage market risk, Natixis has asked the French Banking Commission for approval to use the internal model validated for Ixis Corporate & Investment Bank over the equivalent perimeter within Natixis.

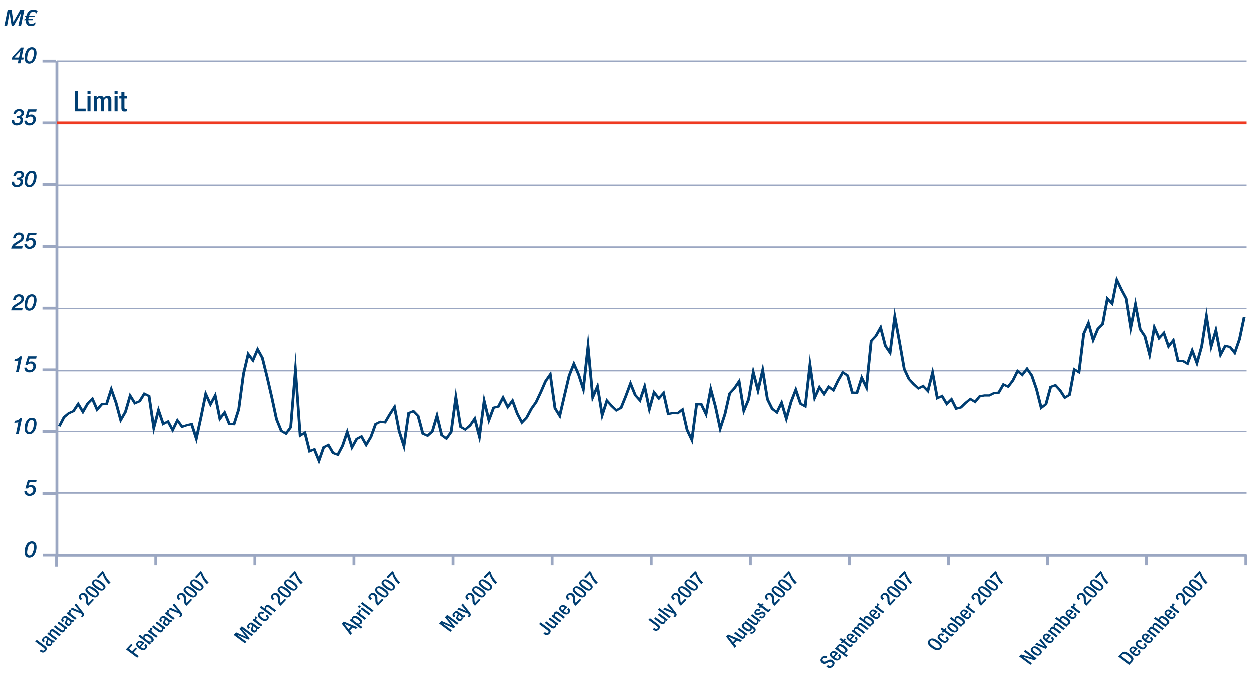
Quantitative data for measuring Natixis' market risk

Changes to VaR within Natixis

The level of 99% 1-day VaR for Natixis' trading portfolios (€19.3 million on December 31, 2007) stabilized on average at €14.9 million. The maximum observed level of €22.2 million was within the limit of €35 million granted to Natixis by the French Banking Commission.

Note that all transactions originating from the former Natexis Banques Populaires migrated to the target systems as from April 19, 2007, once the target systems had been connected to Ixis Corporate & Investment Bank's VaR calculation tool. This migration, combined with greater market volatility in the second half of 2007, contributed to the increase in the VaR figure between end-2006 and end-2007.

NATIXIS OVERALL VaR-NEGOCIATION PORTOFOLIO (1–DAY 99% VaR 99%)



VaR BY CLASS OF RISK

	Monte-Carlo Negotiation VaR 1 day 99%			
(in € millions)	Dec. 31, 2007 level	Dec. 29, 2006 level	Difference	Average since Apr. 19, 2007
Natixis				
Rate risk	10.1	7.5	2.6	7.2
Share risk	6.9	6.7	0.2	5.5
Specific share risk	3.0	3.2	(0.2)	3.0
Specific rate risk	10.2	5.8	4.4	9.6
Currency risk	2.1	0.7	1.4	1.5
Total from all risk classes	**32.3**	**23.9**	**8.4**	
Effects of offsetting	**(13.0)**	**(12.9)**	**(0.1)**	
Consolidated VaR	**19.3**	**11.0**	**8.3**	**14.9**

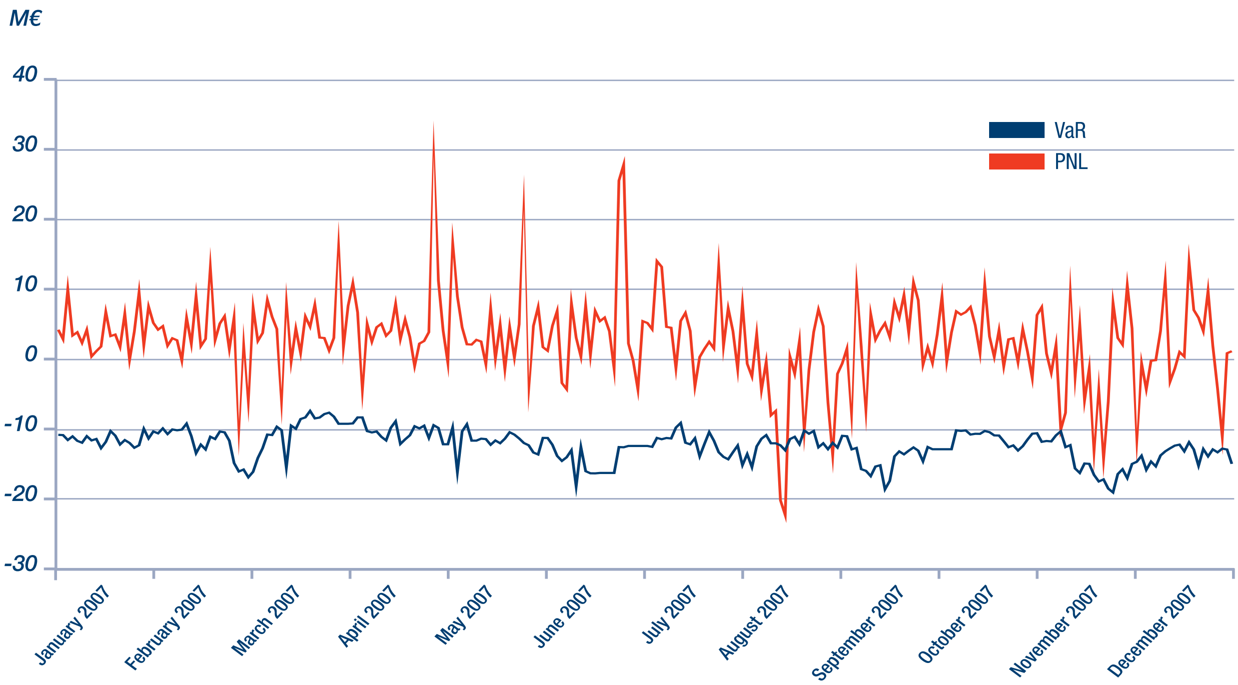
The breakdown of Monte Carlo VaR by risk factor is calculated by using the breakdown derived from parametric VaR.

VaR Backtesting

The reliability of the VaR indicator is measured regularly by comparing it with daily trading results in order to match the potential loss predicted by the VaR indicator with the profit or loss effectively realized.

The chart below shows the results of this exercise for 2007.

NATIXIS BACKTESTING (REGULATORY SCOPE)



Backtesting can be used to check that the number of times results variations exceed potential losses (represented by "current" VaR) remains inferior to the corresponding statistical limit (in this case, no more than 4 excursions beyond this limit are permitted for 250 data items).

Four exceptions occurred in August 2007.

The main stress tests executed on positions at December 31, 2007, furnished the following information as regards impacts on P&L:

- Stress Test 1: Slump in stock-market indices – assumption of a slump in stock market indices accompanied by a modest impact on interest rates:
  - impact: -€189 million;
- Stress Test 2: Increase in interest rates – assumption of a gradual rise in short-term rates and an abrupt rise in long-term rates with an increase in equity-market indices:
  - impact: -€504 million;
- Stress Test 3: Increase in spreads and decline in indices and interest rates – assumption of an increase in credit spreads with a modest impact on interest rates and stock-market indices:
  - impact: -€319 million;
- Stress Test 4: Increase in credit spreads – assumption of an increase in credit spreads:
  - impact: -€302 million.

Overall interest-rate, liquidity and structural exchange-rate risks

The Asset-Liability Management Committee (ALM Committee) defines the main approach toward structural balance sheet risks. It meets once a quarter, is chaired by the Chief Executive Officer and comprises members of the Corporate and Investment Bank, the Financial department and the Risk department. The Committee's remit is to:

- monitor changes in the balance sheet and in off-balance sheet items;
- define the rules for internal refinancing of activities;
- validate overall policy in the areas of refinancing, managing non-operational exchange-rate risk and reinvesting available shareholders' equity;
- approve the assumptions and conventions chosen for preparing indicators and stress scenarios;

- validate the overall limits applying to indicators of structural balance-sheet risk and procedures for managing liquidity crises.

The ALM Committee's scope of responsibility covers the banking portfolio for head office, branches and subsidiaries carrying significant structural risks for the balance sheet. In compliance with the tripartite convergence plan for monitoring structural balance-sheet risks taken in the context of the double affiliation mechanism, the supporting documentation and reports of each Committee meeting are sent to Natixis' central institutions to allow consolidated monitoring of Natixis's ALM risks at their level. During the target phase of this convergence plan, which will start at the end of 2008, Natixis' ALM system will be interfaced with those of the central institutions.

Overall interest-rate risk

Natixis' overall interest-rate risk is essentially linear and mainly results from mismatching positions concerning transactions with contractual maturities. Concerning the parent company perimeter, this mismatching is centralized via the use of internal supporting contracts within the Treasury Department, which is delegated responsibility for operational management by the ALM Committee. Other than monitoring the sensitivity of the economic value of portfolios by yield curve points and by currency, this management is bounded by 99% 1-day VaR limits validated by the ALM Committee and examined daily by the Risk Department. These limits are:

(in € millions)	Short Term Cash	Long Term Cash
Sum of 99% 1-day VaR limits (1)	3.30	4.20

(1) Sum of sub-limits on VaR by section, excluding diversification effect.

Because of the specifics of their activities, certain subsidiary credit institutions have had the management of their interest-rate risk delegated to their own ALM Committee or Treasury Committee.

The ALM Committee has validated sensitivity limits for the economic value of Natixis Lease and Natixis Factor's balance sheets of €8.00 million and €4.00 million, respectively, based on a shock of 100 basis points. For the other subsidiaries, which have more modest mismatching positions, the ALM Committee has not yet formally approved the limits set by the subsidiaries.

Liquidity risk

The overall refinancing requirements of Natixis, of its subsidiaries and of the Banques Populaires in the short, medium and long-term over a large number of currencies, are managed operationally by the Treasury department, which operates out of head office and the New York and Singapore branches. This centralization continuously optimizes the cost of liquidity to the benefit of the entire Group. It also facilitates an issuance policy based on the continuous search for maximum diversification in the placement of Natixis's debt, both in terms of instruments and geographical zone.

As a corporate and investment bank, Natixis's liquidity risk mainly results from mismatching positions concerning transactions with contractual maturities. Within the parent company perimeter, this mismatching is centralized by the Treasury function via the use of internal supporting contracts managed by the Treasury function. Because of their specific activity, certain subsidiaries are permitted to manage their own mismatching on a delegated basis via their own ALM Committee.

The liquidity-risk monitoring system is based on calculating static liquidity gaps and mismatching ratios (1) both over the Treasury perimeter, which concentrates the main share of Natixis' risk, and the consolidated perimeter. These indicators are produced periodically by the Financial department and examined during ALM Committee meetings.

The Treasury function's management of liquidity mismatching risk on its own banking portfolio is bounded by minimum mismatching ratios (2) validated by the ALM Committee. These minimum ratios, which were renewed in 2007, are:

Class of maturity	10 days	1 month	2 months	3 months	4 months	5 months
Minimum ratios	**85%**	**80%**	**75%**	**70%**	**65%**	**60%**
Class of maturity	6 months	7 months	8 months	9 months	10 months	11 months
Minimum ratios	**55%**	**55%**	**55%**	**55%**	**55%**	**55%**
Class of maturity	12 months	2 years	3 years	4 years	5 years	6 years
Minimum ratios	**55%**	**45%**	**35%**	**30%**	**25%**	**25%**
Class of maturity	7 years	8 years	9 years	10 years		
Minimum ratios	**20%**	**15%**	**10%**	**5%**		

(1) The mismatching ratios are defined for each class of maturity, such as the ratio of residual resources by residual uses.

(2) According to these limits, 25% of banking portfolio assets with residual maturity of five years or more must be refinanced by liabilities with more than five years remaining to maturity.

The ALM Committee has not formally approved limits on subsidiaries that have managerial autonomy for their liquidity mismatching. However, these subsidiaries must comply with their regulatory liquidity coefficients.

This system has been supplemented by liquidity stress tests carried out to test Natixis' ability to cope with a crisis situation. The general principle involves simulating a shock on the daily liquidity gap on a given time-horizon that depends on the type of stress (shock on assets, shock on liabilities related to a specific or systemic crisis). The next step is to identify the additional resources that can be used to obtain liquidity from the ECB (commercial paper or receivables not accepted for repurchasing agreements by the ECB after applying a haircut, etc.) and which thereby enable the Bank to cope with the shock in question before considering either suspending trading activities that consume short-term liquidity or, more generally, divesting assets.

These stress tests are also aggregated with those carried out by the central institutions for consolidation purposes at their level. A study is in progress concerning the definition of possible limits and the implementation of an emergency plan in collaboration with the central institutions as part of the liquidity guarantee that they have granted to Natixis.

Structural exchange-rate risk

This risk is essentially concentrated on the US dollar and includes:

- exchange-rate risks related to net investments abroad in currencies other than the euro;
- risks related to income and expenditure in currencies other than the euro.

Regarding the first category of risks, the ALM Committee has approved continued use of the practice of refinancing long-term assets via the purchase of foreign currency. The aim of this is to immunize the Bank's solvency ratio, bearing in mind that certain risk-weighted exposures are denominated in currencies other than the euro. This policy would be modified in the event that the sensitivity of the tier one ratio to variations in the euro/dollar exchange rate widened, in particular if an overly large portion of the Group's equity capital was denominated in dollars.

Concerning the second category of risks, the ALM Committee has formally instructed that a portion of budgeted gross operating income due to be earned in dollars is hedged by advance sales of the dollar aginst the euro, with the corresponding repurchases to be made as and when earnings are effectively formed in dollars. This hedging is geared to neutralizing an adverse variation in the average EUR/dollar rate over the year in relation to the average budgeted rate.

Operational risks

General description

Operational risk is defined as the risk of loss resulting from shortcomings or defaults attributable to internal procedures, persons and systems or to external events (fires, 100-year floods, fraud, etc.). It includes legal risk, but excludes strategic risk and reputation risk.

The system for measuring, controlling and managing operational risks is based on consistent rules, standards and methods and is therefore shared by all of Natixis' business lines.

The system is based on implementing sound operational risk management practices, namely:

- a charter prepared by the Operational Risk function approved by Natixis' Operational Risk Committee and validated by Natixis' Group Risks Committee, as well as by the central institutions;
- a strong operational risk culture within all business lines;
- effective internal reporting and the existence of an emergency plan and a business continuity plan.

Natixis' chosen approach

Before Natixis was created in November 2006, much work had already been done in the various constituent entities to implement a system for measuring, controlling and managing operational risk.

After Natixis was created, these various systems were harmonized and a mechanism complying with the standard method was put in place.

The next step for the Natixis Group is to become eligible for the Advanced Measurement Approach (AMA), the aim being to turn the existing system for measuring, controlling and managing operational risk into a real management tool.

Governance

In 2007, Operational Risk took steps to bring its organization into line with that announced to the CECEI (the French credit and investment instiutions regulator). Second-tier inspection personnel were attached to Natixis' Risk Department, either directly, or by a strong functional relationship of the hierarchical type.

At the end of 2007, Operational Risk was organized into five units each covering a particular business line or activity, i.e. marketing, financing, services, instruments and asset management. A sixth unit – Receivables Management – was created later. This mechanism ensures the whole of the group is covered by a matrix-type organization structured around the two themes of activity and location.

Managing operational risks

Natixis' operational risk management procedure comprises three main types of task:

- recording incidents:
  - OSIRISK is Natixis' target tool for measuring, controlling and managing operational risks. It is due to be rolled out to the entire Group during 2008 and will incorporate historical data. Incidents are recorded as they occur, from the first euro. Certain incidents that are considered serious, give rise to more exhaustive investigations;

- preparing risk maps:
  - this process is conducted "in parts" (i.e. for each business line). Once completed and validated, this map should facilitate monitoring of environment variables and the implementation of action plans throughout the whole of the Natixis Group;
- producing reports:
  - "operational" reports are produced at individual business-line level in order to facilitate decision-making by the business lines' operational risk Committees;
  - reports consolidated at Group level and geared to managing the Bank's transversal risks.

Measuring operational risks

Natixis currently calculates its regulatory capital requirements using the standard method.

As part of the switch to the AMA method, Natixis is developing an internal model based on a probabilistic approach which will ultimately enable it to calculate a distribution function for cumulative losses.

Managing market risks and hedging

Natixis uses two types of hedging for the overall management of interest-rate and liquidity risk with regard to the IFRS reference system.

Cash-Flow Hedging

Natixis uses cash-flow hedging mainly for the overall hedging of the parent company's interest-rate risk.

Hedging of loans and issues at variable rates

Natixis uses fixed-rate vanilla borrower swaps in order to fix future flows on variable-rate (interbank) loans and on private or public issues.

Hedging of variable-rate loans

Natixis uses fixed-rate vanilla swaps for ledning purposes in order to fix future flows on variable-rate loans (commercial loans, interbank loans, loans to subsidiaries and branches).

For cash-flow hedging, Natixis essentially uses derivatives for hedging variations in income or expenses related to variable-rate assets and liabilities.

Given the specifics of Natixis' balance sheet (absence of behavioural option, no need to include early redemptions because they give rise to financial compensation), this hedging is justified by the use of future variable-flow payment schedules as for all of our scheduled operations.

Predictive test

The predictive test involves constructing (by type of index and by currency):

- a payment schedule for cumulated sums of borrower cash at variable rates and borrower swaps at fixed rates, by maturity band;
- a payment schedule for cumulated sums of lender cash at variable rates and lender swaps at fixed rates, by maturity band.

This test can be used to check that the scope of derivatives is acceptable within a hedging relationship. Hedging is proven if the nominal amount of the hedged items is greater than the notional amount of the hedging derivatives, for each maturity band in the target payment schedule. If this is not the case, the derivative instruments cannot be justified in such a hedging relationship.

Retrospective test

The retrospective test checks the effectiveness or otherwise of the hedging in place on the various period-end dates.

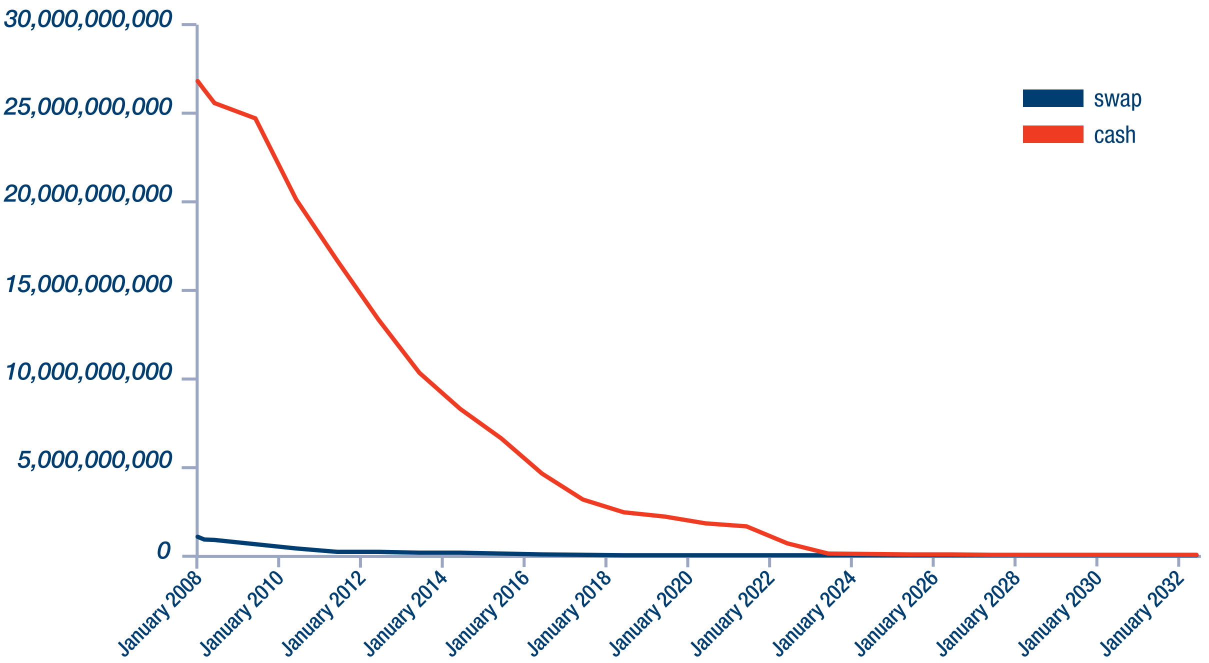
On each period-end date, the ex-coupon marked-to-market variations of hedging derivatives are compared with those of hypothetical derivative instruments (synthetic instruments representative of elements of assets/liabilities and of management intention). The relationship of their respective variations must be between 80% and 125%. Outside these boundaries, the hedging relationship would no longer be justifiable in the sense of IFRS accountancy standards.

Impact on shareholders' equity and consolidated profit/loss

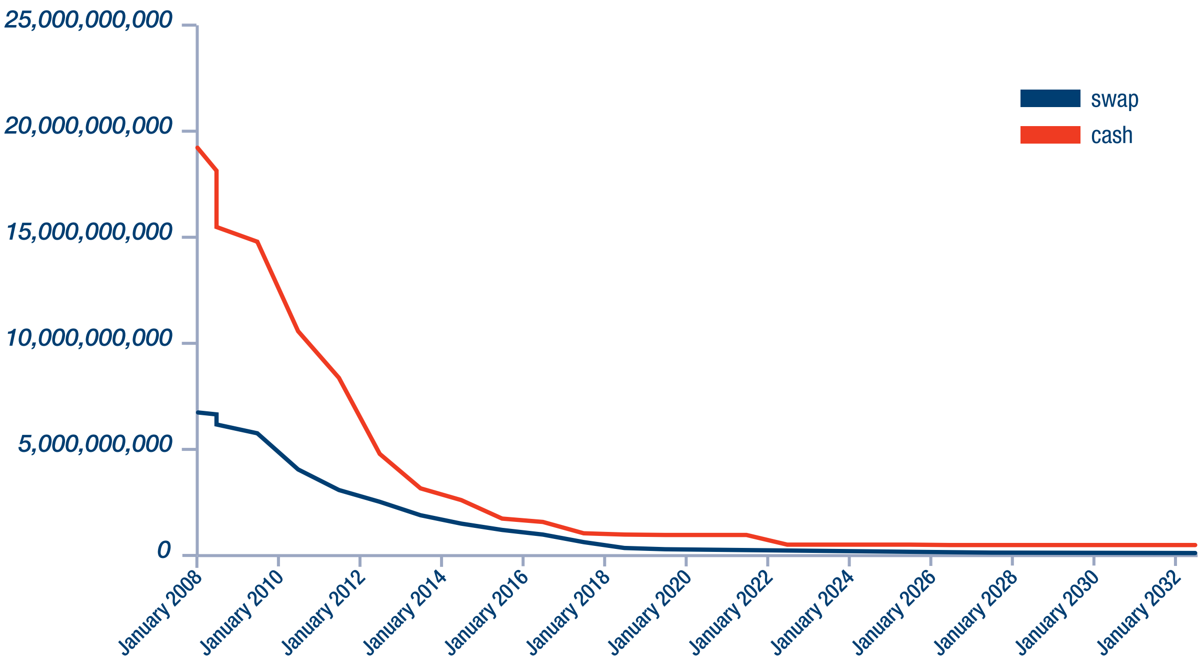
The marked-to-market variations of derivative instruments are booked to shareholders' equity and only the ineffective part of the hedge impacts the income statement on each period-end date.

■ Charts indicating the periods covered by justification of cash-flow hedging (all currencies converted to euros)

CASH-FLOW HEDGES FOR VARIABLE-RATE LOANS



CASH-FLOW HEDGES FOR VARIABLE-RATE BORROWINGS



Fair-Value Hedging

Hedging of loans and issues at fixed rates

Natixis uses fixed-rate vanilla loan swaps to protect against adverse interest-rate movements.

Hedging of loans and available-for-sale-securities

Natixis uses fixed-rate vanilla borrower swaps to protect itself against adverse interest-rate movements.

Predictive test

The predictive test checks that the financial characteristics of the hedged item and the hedging instrument are identical.

Retrospective test

The retrospective test checks the effectiveness or otherwise of the hedging in place on the various period-end dates.

On each period-end date, the ex-coupon marked-to-market variations of hedging derivatives are compared to those of the assets/liabilities revalued for the hedged risk. The relationship of their respective variations must be between 80% and 125%.

Outside these boundaries, the hedging relationship would no longer be justifiable in the sense of IFRS accountancy standards.

Impact on consolidated profit/loss

Marked-to-market variations for derivatives are booked to profit/loss (effective and ineffective part).

Symmetrically, variations in the fair value of hedged assets/liability risks are booked to profit/loss.

Insurable risks

The insurance delegation, attached to the Corporate Secretary's office, is charged with analyzing insurable operational risks and implementing the adequate insurance coverage (self insurance/transfer insurance).

The main risks analyzed concern internal and external fraud, reduction in the value of property, liability risk (the company's civil operating liability and professional liability, and also the civil liability of directors and corporate officers), damage to operational assets (buildings and contents, hardware and computerized data) as well as the loss of banking business following such damage.

The first half of 2007 was used to group together the main insurance policies, these having previously been purchased by individual companies prior to the formation of Natixis.

As part of this initiative, all of the former CNCE companies were integrated into Natixis' Overall Banking, Operational and Professional, and Managers' Civil Liability program on July 1, 2007.

A similar initiative is due to be taken in the non-life insurance area (insurance of operational buildings and their content, IT risks and consequent loss of banking business) on January 1, 2008. These risks were still insured separately on January 1, 2007 (coverage acquired for reconstruction and/or replacement value for the most part, with a ceiling of €175 million per claim fixed for the old Natexis Banque Populaires perimeter).

Since July 1, 2007 therefore, all of the Group's companies have enjoyed guarantees:

- from a "combined" Overall Banking (Securities & Fraud), operational & professional civil liability insurance program providing coverage of up to €125 million per claim and/or year of insurance;
- from a directors/corporate officers civil liability insurance program providng coverage of up to €100 million per claim and/or year of insurance.

The geographic scope of coverage is worldwide, except for professional civil liability, where the guarantee does not cover permanent establishments in the USA (this coverage is purchased locally by subsidiaries or branches).

All the policies mentioned above are purchased from insurers recognized by the market as solvent.

All the guarantees mentioned above are purchased with claims excesses (level of withholding accepted) appropriate to Natixis' capacities.

Premiums just for the coverage grouped together on July 1, 2007, were reduced from €7.7 million (cumulated) to €5.2 million for a full year.

Legal risks

Situation of dependency

Natixis has no dependency with regard to any patent or licence, or to any industrial, commercial or financial supply contract.

Legal and arbitration procedures

Harris Associates L.P. - Jerry Jones, et al.

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 100% 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 light of applicable regulations. These proceedings are among numerous legal claims initiated in recent years against investment advisors. Harris Associates and the plaintiffs have filed a motion for summary judgment.

On February 27, 2007, the judge accepted all aspects of the request of Harris Associates, L.P. and rejected that of the plaintiffs. The plaintiffs appealed against this decision on

March 20, 2007. Both parties filed written arguments and appeared before the Court of Appeal on September 10, 2007. A decision on the appeal has not yet been announced.

At present, no provisions have been set aside in relation to these proceedings.

There is no other current governmental, legal or arbitrational procedure liable to have a significant impact on Natixis' accounts.

Insurance risks

Natixis Assurances

As Natixis Assurances essentially markets savings products, the main risks resulting from insurance policies are of a financial nature:

The 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, life insurance unit, ABP Vie, has only marketed policies without guaranteed minimum rates of return for the last few years. 78% of policies have no guaranteed minimum rate and of those that have, the average guaranteed minimum rate is 0.83%.

Risk of policy surrenders in the event of an increase in interest rates

Natixis Assurances identified the segment of the insured population that presents a high risk of policy surrender, based on the key criteria of age, fiscal seniority and the amount of capital. As a result of this initiative, Natixis Assurances limited the perimeter covered by its Cap policies to about a quarter of its fixed-income assets. It also subscribed to variable-rate bonds with a minimum rate.

The liability adequacy test carried out in accordance with IFRS 4 showed that insurance liabilities evaluated under local standards were greater than the fair value of these liabilities after taking into account the surrender option incorporated into policies.

Financial risk in the event of an increase in interest rates

The sensitivity of net equity to variations in interest rates is lessened by the classification of about €7 billion of fixed-income securities in the held-to-maturity category.

Concerning securities in other categories, the sensitivity analysis carried out at end-2007 showed that a 1-point increase in bond rates has a -€31 million or 3.5% impact on net equity (after taking into account the variation attributable to policyholders and taxation).

Market risks

Natixis Assurances has to deal with variations in the value of its financial assets. The management of financial risks involves defining a strategic asset allocation that takes into account liability commitments, regulatory constraints (particularly in terms of non-concentration) and commercial requirements. This process entails setting allocation ranges for each type of asset.

The sensitivity analysis carried out at end-2007 showed that:

- a 10% decline in the stock market has a -€17 million or 0.4% impact on net equity (after taking into account the variation attributable to policyholders and taxation);
- a 10% decline in the real estate market has a -€3.6 million or 0.4% impact on net equity (after taking into account the variation attributable to policyholders and taxation).

Natixis Insurance also reinsures 100% of the minimum guaranteed return on unit-linked policies.

Credit risks

Counterparty risk is monitored and managed in compliance with standards and Natixis' internal limits, as determined by the Credit Risk Committee, as well as with the regulatory constraints imposed on insurance companies. As a result, 95% of the fixed-income portfolio is invested in securities with ratings exceeding A-.

Provident insurance business

Mortality and morbidity risks are limited by use of a pricing structure tailored to the population insured and the coverage provided, the use of experience tables and by the upstream practice of medical selection of new policyholders.

Natixis Assurances employs reinsurance to limit its exposure to capital dispersion risks related to payouts on death benefit policies, policies covering accidents of life and loss of autonomy, and to the frequency of claims for temporary cessation of work, invalidity and loss of autonomy. An epidemic/pandemic reinsurance treaty was also put in place in order to limit exposure to the increase in deaths that might result from such an event.

The annual reinsurance plan seeks to diversify reinsurers and to ensure Natixis only deals with parties having a high-quality rating. No reinsurance treaty is concluded or renewed with non-investment grade parties. In practice, the rating of the Group's reinsurers is between BBB and AA+.

Concentration of risks

The nature of insured risks combined with reinsurance coverage does not induce any particular exposure to concentration of insurance risks.

Coface

By virtue of 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 movements in interest rates, exchange rates or the market value of securities or real-estate investments. Coface has implemented sophisticated tools designed to control these risks rigorously and to ensure they remain within prudent limits.

Technical risk

The risk in this area concerns the risk of loss generated by the portfolio of insurance policies.

A distinction is traditionally made between frequency risk and peak risk:

- **frequency risk** represents the risk of a sudden and significant increase in missed payments from a multitude of debtors. This risk is measured for each entity by monitoring the loss ratio (ratio between claims and premiums) by business sector (domestic credit), by country (export credit), and by product line (sureties, single risks). The loss ratios for the various underwriting centers are also monitored at Group level, as are the amounts and monthly numbers concerning missed payments;
- **peak 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.

As well as monthly monitoring at individual underwriting-center level, a system exists at the Group level, based on the following components:

- centralized declarations of threatened losses liable to exceed a certain amount (currently €1 million for the two main underwriting centers - Coface SA and Coface Kredit – and €0.5 million for all the others). This involves the intervention of a specialist recovery subsidiary (RBI);
- the Large Risks Committee, which sets the maximum outstanding risk accepted by Coface on the Group's 400 largest risks (outstandings greater than €80 million and severity greater than €25 million) and allocates ceilings by emerging country;
- a corporate and country risk rating system;
- a statistical mechanism for evaluating "severities" (maximum losses that may be recorded in case of loss) by debtor, group of debtors or emerging country.

In the context of the financial crisis, vulnerable risks were listed on the basis of Coface ratings and proposals from underwriting centres for specific risks such as highly-leveraged buyouts. All significant risks rated 3, 2 and less (equivalent to BB- in Standard & Poors rating system) are subject to centralized monitoring both for inventory and monthly flows. For frequency risks, populations at risk will be identified via a scoring procedure while more restrictive quotation matrices are to be implemented.

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 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 RISK FOR DEBTORS ON DECEMBER 31, 2007 (EXCLUDING SURETIES)

Credit tranches *(in € thousands)*	Credit *(in € millions)*	Total number of limits *(in thousands)*	Total number of buyers	*In %*
Refusal	0	410,891	327,252	0.0%
1-10,000	3,629	506,289	479,740	1.0%
11-20,000	6,248	418,401	353,750	1.7%
21-30,000	4,092	220,131	149,704	1.1%
31-40,000	3,746	173,189	99,873	1.0%
41-50,000	5,450	166,533	110,207	1.5%
51-60,000	3,084	109,479	53,198	0.8%
61-70,000	3,214	96,971	46,760	0.9%
71-80,000	2,627	77,318	33,326	0.7%
81-90,000	2,025	60,364	22,820	0.6%
91-100,000	6,140	100,508	60,363	1.7%
101-150,000	12,379	258,492	96,132	3.4%
151-200,000	10,352	177,506	56,424	2.8%
201-300,000	16,495	241,415	64,684	4.5%
301-400,000	13,154	162,760	36,642	3.6%
401-500,000	11,143	122,141	24,002	3.1%
501-800,000	25,424	239,647	39,045	7.0%
801-1,500,000	37,145	269,308	33,206	10.2%
1,501,000 and over	197,588	566,788	37,029	54.3%
TOTAL	**363,937**	**4,378,131**	**2,124,157**	**100.0%**
Average per debtor	**€171,332**			

INTRODUCTION OF THE BASEL II REFORM (INTERNATIONAL CAPITAL ADEQUACY RATIO)

The new Basel II agreement published in June 2004 is structured around three pillars.

Pillar 1 revamps minimum regulatory capital requirements via the introduction of a prudential ratio that is geared to providing a more accurate reflection of banking risks (market risks, credit risks and operational risks) and their economic reality.

- The credit risk aspect has been completely overhauled, particularly via the introduction of credit risk evaluation methods based on internal ratings.
- One of Basel II's principal novelties is the inclusion of operational risk and its coverage in terms of regulatory capital.
- In terms of market risk, the existing mechanism has been rounded out in order to gauge the risk of default more effectively.

Pillar 2 obliges financial institutions to set up functions, tools and procedures for controlling and monitoring internal risks. It also strengthens prudential monitoring.

Finally, with a view to establishing market discipline, **Pillar 3** obliges financial institutions to make regular and transparent disclosures to the market regarding their risk policies, and especially as regards the level of risks and their coverage in terms of regulatory capital.

The Capital Requirements Directive (CRD), adopted in June 2006, transposes the new Basel agreement into European law. The French text of February 20, 2007, transposes the Directive into French law.

Implementation within Natixis

Following the creation of Natixis, the **Basel II project** was reorganized in order to better reflect the Group's new structure. Operational management is under the joint responsibility of the Risk and Finance departments and the project's progress is reviewed by executive management on a quarterly basis.

Work began in several areas in order to adapt Natixis' organizational structure and information system to the new prudential rules and to establish a long-term mechanism for implementing the new Basel rules operationally.

Efforts were made to raise the awareness of Natixis staff, via various training and communication initiatives.

Annual reviews are also undertaken by Internal Audit and Compliance in order to ensure continued compliance with minimum operational requirements.

- Concerning **operational risk**, the Risk department's Operational Risk function embarked on the creation of a transversal operational risk structure extending across the entire Bank. The new structure is charged with measuring operational risks and exercising permanent second-tier controls (mapping operational risks, evaluating risk situations in line with risk management mechanisms and investigating serious incidents). In parallel, the Risk department developed a tool for measuring, controlling and managing operational risks, which can be used in support of Natixis' operational risks methodology.

  This transversal operational risk structure is now active across most of the Bank. Business-line Operational Risk Committees meet at frequent intervals. A first version of the operational risk management tool, which allows incidents to be logged, is currently being rolled out.

  This approach will enable Natixis to apply the standard method for operational risks in 2008. The next stage for the Natixis Group is to become eligible to use advanced methods and thereby convert the mechanism for measuring, controlling and managing operational risks into a fully-fledged management tool.

- In terms of **credit risk**, the mechanism for calculating risk-weighted assets and regulatory capital requirements draws on the existing arrangements put in place by each of the former Natexis Banques Populaires entities and the former Ixis Corporate & Investment Bank.

  More specifically, this mechanism relies on:

  - a set of internal counterparty rating methodologies developed by Natixis. Rating engines enable all of the Bank's counterparties to be rated and a default probability to be associated with each rating;
  - an engine for calculating risk-weighted assets, regulatory capital requirements and losses anticipated across the entire scope of the Natixis Group. This engine calculates risk-weighted assets and regulatory capital requirements linked to credit risk on an industrial scale, using the Basel II methods selected for all asset categories and all Natixis Group entities;
  - a dedicated data warehouse set up for the requirements of Basel II, transversal reference systems applicable across the Bank, and reporting and consolidation tools.

  This mechanism was deployed in all entities eligible for Basel II.

  Natixis obtained authorization from the French Banking Commission in January 2008 to use the foundation internal-ratings based method to calculate regulatory capital requirements.

  Natixis plans to move over to the IRB Advanced method in 2008.

- For **market risk**, Natixis uses its VaR internal model to calculate regulatory capital requirements.
- As for internal capital, economic capital requirements were calculated in 2007 throughout the Natixis Group. Efforts are under way to refine the current system.

  The calculation process is managed by the Finance department and relies in particular on the Group's existing risk measurement tools.

  Economic capital requirements may be compared not only to regulatory capital requirements, but also to the equity capital that would be available to the Group to cover its funding needs in the event of a crisis (measured from an economic perspective, by analogy with the economic measurement of risks).

FINANCIAL STRUCTURE AND REGULATORY RATIOS

Analysis of the consolidated balance sheet

ASSETS

(in € billions)	Dec. 31, 2007	Dec. 31, 2006
Financial assets at fair value through profit and loss and hedging derivatives	198.1	177.5
Available-for-sale financial assets	34.8	31.1
Loans and receivables with financial institutions	45.4	32.7
Loans and receivables with customers	85.4	72.0
Securities held under resale agreements	100.5	103.9
Held-to-maturity financial assets	6.5	7.0
Accruals and other assets	49.3	34.4
TOTAL ASSETS	**520.0**	**458.6**

LIABILITIES

(in € billions)	Dec. 31, 2007	Dec. 31, 2006
Financial liabilities at fair value through profit and loss and hedging instruments	163.3	133.8
Debts and payables with financial institutions	77.7	76.4
Debts and payables with customers	32.0	30.2
Securities delivered under repurchase agreements	95.1	85.6
Debt securities	65.5	54.3
Other liabilities and provisions	24.2	20.2
Insurance companies' technical reserves	33.9	31.1
Subordinated debt	10.7	8.8
Shareholders' equity	17.6	18.2
TOTAL LIABILITIES	**520.0**	**458.6**

Total consolidated assets amounted to €520.0 billion at December 31, 2007, compared with €458.6 billion at December 31, 2006. This increase of €61.4 billion or 13.4% was primarily linked to growth in capital markets and financing business, which affected activities recognized at fair value on the balance sheet and customer loans.

Assets

Financial assets at fair value through profit and loss and hedging derivatives came to €198.1 billion compared with €177.5 billion at December 31, 2006. This €20.6 billion increase stemmed primarily from trading activities. Financial assets at fair value through profit and loss mainly comprised trading instruments (€168.6 billion) and instruments recognized under the fair value option (€28.9 billion).

Of the €34.8 billion of available-for-sale financial assets, approximately one half concerned life insurance investment portfolios (mainly in the form of fixed-income securities), and the banking investment portfolio.

The customer loan portfolio – including lease financing – amounted to €85.40 billion, an increase of €13.4 billion compared with December 31, 2006. This increase was fuelled by strong growth in financing business both in France and abroad in 2007.

Securities held under resale agreements totaled €100.5 billion at December 31, 2007, down by a modest €3.4 billion. These assets are primarily financed by securities delivered under repurchase agreements and recorded under liabilities.

Liabilities

Activities excluding securities delivered under repurchase agreements were mainly refinanced via an increase in liabilities at fair value through profit and loss (€28.5 billion) and by debt securities, which rose by €11.3 billion to €65.5 billion.

Shareholders' equity and regulatory ratios

Registered share capital

Registered share capital increased by 2,178,364 shares in 2007 following the exercise of stock options and subscriptions relating to existing employee stock-ownership plans. At December 31, 2007, registered share capital amounted to €1,955,268,310.40, divided into 1,222,042,694, shares each with a par value of €1.60.

Regulatory capital and capital adequacy ratio

At December 31, 2007, Natixis' consolidated regulatory capital amounted to €14.6 billion, compared with €13.2 billion at December 31, 2006, an increase of €1.4 billion.

Tier one capital amounted to €14.5 billion at December 31, 2007, compared with €13.1 billion at December 31, 2006, an increase of €1.4 billion.

The main items contributing to this tier one increase were Natixis' issuance of €0.750 billion of deeply-subordinated notes in October 2007 and a €0.7 billion reduction in the Tier 2 capital shortfall. This reduction stemmed from the launch of €1.8 billion of subordinated issues in 2007, which were partially offset by redemptions and a negative dollar effect on previous issues (€0.4 billion) and by a net increase in repurchases on the market aimed at ensuring issue liquidity (€0.2 billion). Earnings for 2007, after prudent estimation of the amount distributed, offset movements in other core capital items.

Risk-weighted assets totaled €141.3 billion at December 31, 2007, compared with €125.1 billion at December 31, 2006. This €16.2 billion increase was linked to growth in bank lending, while market risks remained stable.

As a result of these trends, the international capital adequacy ratio stood at 10.3%, and the tier one ratio at 10.3%. This was a slight decrease compared with December 31, 2006, but Natixis' capital structure was left intact, despite the growth in business.

After early application of Basel II/CRD rules, which provide for cooperative investment certificates to be deducted from core and supplementary regulatory capital in equal measures, the tier one ratio was 8.3% at December 31, 2007, compared with 8.9% at December 31, 2006.

Other regulatory ratios

The *liquidity ratio* is designed to ensure that liquid assets with a maturity of less than one month are equal to or exceed liabilities falling due within the same period.

The ratio of liquid assets to liabilities falling due within one month must therefore be higher than 100%. It stood at 194% at December 31, 2007.

Natixis complies with the prudential rules governing large exposures.

In line with banking regulations, no single exposure may exceed 25% of regulatory capital and the cumulative total of individual exposures in excess of 10% of regulatory capital may not exceed eight times regulatory capital.

REFINANCING

2007 marked the end of a period of attractive financing for banks. The US subprime crisis generated high levels of mistrust across the entire banking sector, and Natixis' refinancing costs rose from +0.20% to +0.40%, depending on the maturity.

Natixis nevertheless managed to complete its annual refinancing program, and was able to concentrate most of its issues on the senior debt category on very favorable terms during the first half.

Natixis again undertook senior issues on the British and domestic markets in 2007, with three-year issues of £350 million and €800 million, respectively.

In the subordinated debt market, a €500 million 10-year issue was followed by a €1 billion 10-year benchmark-type issue in June, and then a €750 million perpetual debt issue at the end of the year.

Finally, like all extendible note issuers, we were subjected to the exercise of the non-extension clause. As a result, the outstanding extendible notes are due to mature in September 2008.

As in previous years, most of our medium and long-term refinancing was covered by the private placement of a large number of EMTN issues.

One half of issuance was in the form of structured issues placed mainly in Asia. Apart from the period of tension and low demand in the summer, these private issues were placed in a balanced way across each quarter.

Following the Natixis/Ixis Corporate & Investment Bank merger in 2007, all issue programs for Natixis and its vehicles were reviewed and adapted to match the size of the new combine. The respective EMTN programs were thus merged into a single Natixis EMTN program with a ceiling of €45 billion.

The other specific programs designed to cover target clienteles were retained. The most active ones are the Natixis Structured Products program (EMTN – ceiling €10 billion) and Natixis Financial Products program (USMTN – ceiling $5 billion).

NATIXIS ISSUES (ALL CURRENCIES ROUNDED UP/DOWN IN € MILLIONS, OTHER THAN EXTENDIBLE NOTES IN $ MILLIONS)

	EMTN	BMTN	USMTN	Bond issues	Extendible notes
Issues	12,742	765	303	750	0
Outstanding at 12/31/2007	36,273	2,814	293	8,877	3,000
Outstanding at 12/31/2006	35,345*	2,613	308	11,021 *	3,000

** After reclassifying transactions executed in 2006 (€2.030 billion)*

Senior debt

(i) Senior debt issuance programs:

The EMTN programs of Natixis (formerly Natixis Banques Populaires) and of Ixis Corporate & Investment Bank contain a standard negative pledge. There are no financial or Natixis rating-related covenants in the EMTN terms and conditions.

There is a cross-default clause restricted to the issuer, the trigger threshold of which was increased from €30 to €50 million (in line with the EMTN program of Ixis Corporate & Investment Bank) when the Natixis EMTN program was last updated.

The terms and conditions governing securities issued under USCP programs (papers issued by NBP U.S. Finance Company LLC with a Natixis guarantee), certificates of deposit (issued by the Singapore office), the Natixis ECP program, the French commercial paper (TCN) program and the extendible notes program, do not contain any covenants.

(ii) Non-program senior debt issuance:

International bond issues in 2007 outside EMTN programs contained a negative pledge and a cross-default clause similar to that of the issuer in question.

Subordinated debt

(i) Redeemable **subordinated notes** do not contain any covenants.

(ii) Deeply-subordinated notes (issued on October 18, 2007 — $750 million — fixed-coupon, then variable-coupon) contain certain covenants, notably concerning:

- non-payment of interest at due date under certain circumstances;
- a reduction in the amount of accrued interest and the nominal amount of the issue in the case of certain events affecting the issuer's financial situation or certain ratios.

The subordination clause is presented below in the language used in the prospectus:

- Status of the Notes:

  The Notes are deeply subordinated notes issued pursuant to the provisions of Article L. 228-97 of the French Code de commerce, as amended in particular by law no. 2003-706 on financial security dated August 1, 2003.

  Accordingly, the principal and interest on the Notes (which constitute obligations) constitute direct, unconditional, unsecured, undated and deeply subordinated obligations of the Issuer and rank and will rank pari passu among themselves and with all other present and future Deeply Subordinated Obligations and Support Agreement Claims but shall be subordinated to the present and future prêts participatifs granted to the Issuer and present and future titres participatifs issued by the Issuer, Ordinarily Subordinated Obligations and Unsubordinated Obligations of the Issuer.

  In the event of liquidation, the Notes shall rank in priority to any payments to holders of any classes of share capital and of any other equity securities issued by the Issuer.

Finally, the issue prospectus provides an early redemption option as of October 18, 2017, and at each subsequent interest payment date.

IMPLEMENTATION OF THE LEGAL AND OPERATIONAL MERGERS

One of the Executive Board's priorities through 2007 was to implement the merger of Natixis' constituent entities.

The Group wished to complete virtually all of the legal and operational mergers by year-end, i.e. within a tight schedule, given the regulatory, legal, tax and operational constraints involved. This objective was met in full:

- the French asset management, equity brokerage, insurance and factoring businesses were merged at the end of the first half of 2007;
- corporate and investment banking activities and consumer finance activities were each merged in the second half of 2007.

1 2 3 4 5 6 7 8

Work also commenced on merging the lease-financing, custody and private banking businesses, and is scheduled for completion in 2008.

These operations are all purely internal Group operations and do have any impact on the legal scope of the Natixis Group.

Merger operations in the first half

Construction of the Asset Management division

Natixis' Asset Management division, which was created by merging entities derived from Ixis Asset Management Group and Natexis Asset Management, finalized the key principles of its new legal organization on June 29, 2007 in accordance with the planned schedule (note that these changes took effect retroactively for accounting and tax purposes on January 1, 2007).

The main purpose of these operations was to structure the division around Natixis Global Asset Management (NGAM), a holding company grouping together around 20 specialized asset management companies based mainly in France and the USA, and to create a global distribution platform, Natixis Global Associates. As part of this restructuring, CNP's minority stake in NGAM was diluted to 11.34%.

In France, the merger of Ixis Asset Management and Natexis Asset Management gave birth to Natixis Asset Management, the division's main asset management center in Europe. At the same time, Natexis Asset Square and Ixis Private Capital Management were grouped together within Natixis Multimanager, a multi-management specialist.

These mergers were accompanied by an in-depth operational reorganization process which involved redefining the product range, grouping staff together on the same geographical sites and improving operational support provided to the distributor network.

French equity brokerage entities now combined

The equity brokerage businesses were reorganized via the merger of Natexis Bleichroeder, Ixis Midcaps and Ixis Securities, with a view to creating a single business line and improving the operational effectiveness and legibility of these activities.

Natexis Bleichroeder SA and Ixis Midcaps transferred their activities to Ixis Securities, which took the new name Natixis Securities.

The legal merger became effective on June 29, 2007 and took effect retroactively for accounting and tax purposes on January 1, 2007. Natixis Securities, is now a wholly-owned subsidiary of Natixis.

Insurance activities pooled

Natixis combined all of the Group's insurance activities (apart from Coface and CIFG) into a single holding company, under the new name of Natixis Assurances.

On June 29, 2007, Natixis Assurances increased its capital stock to remunerate the transfer of 60% of Foncier Assurance, which had been owned by Natixis since its transfer by CNCE. Natixis Assurances also purchased the outstanding 13% of the capital of Natixis Life Luxembourg, previously owned by Natixis Private Banking Luxembourg.

Factoring entities merged

On June 29, 2007, Natixis Factor merged with GCE Affacturage, the former Banque Palatine subsidiary. The activities of GCE Affacturage were taken over and integrated into Natixis Factor.

Merger operations in the second half

Merger of Ixis Corporate & Investment Bank into Natixis

In addition to the legal, accounting and IT projects engendered by the merger, the work undertaken throughout most of 2007 resulted in a very large-scale organizational merger, implementation of which is now almost complete.

Following consultation with personnel representatives and authorization from the CECEI (France's financial institutions regulator), Ixis Corporate & Investment Bank's merger into Natixis was approved by the Extraordinary General Meeting of December 20, 2007. The merger was backdated to December 31, 2007 for legal purposes and to January 1, 2007 for accounting purposes.

The merger was the outcome of a process that involved all Natixis staff and particularly corporate and investment banking personnel. Projects not only concerned marketing, regulatory and accounting aspects, but also involved harmonizing risk monitoring and control procedures, and risk methodologies.

The merger generated a purely technical negative value adjustment for Natixis, which represented the difference between the posted acquisition value and the net book value of Ixis Corporate & Investment Bank. This adjustment was recognized as goodwill in the Natixis parent company accounts.

Creation of a "consumer finance" business line

During the second half of 2007, Natixis undertook a series of operations aimed at:

- grouping together the specialized financing companies originating from both groups (Novacrédit and Natixis Financement) into one holding company;
- grouping together the activities developed in partnership with Cetelem into a single structure called Natixis Financement;

- preserving Novacrédit for the short-term development of other consumer loans-related activities outside the partnership with Cetelem.

The construction of the "consumer loans" business line was completed during the year.

SUBSEQUENT EVENTS

- On January 8, 2008, Natixis published a press release, the terms of which were as follows:
  - HypoVereinsbank and CACEIS conclude transfer of securities and custodial services: As planned, CACEIS, the French bank specialised in asset servicing, took over the securities processing and custodial services of HypoVereinsbank (HVB) at the end of 2007. The transfer of the Financial Markets Service Bank Gmbh (FMSB), the HVB subsidiary, which had already been contractually agreed in July 2007, was officially concluded on December 28, 2007;
  - The name of the FMSB – which has hitherto carried out custody activities for HVB – will be changed to CACEIS Bank Deutschland GmbH as of February 1, 2008. A total of 550 employees will work out of its registered office in Munich and a second office in Hamburg.
- On February 14, 2008, Natixis published a press release, the terms of which were as follows:
  - changes to the Executive Board: Under the suggestion of Charles Milhaud, Chairman of Groupe Caisse d'Epargne and of Philippe Dupont, Executive Chairman of Groupe Banque Populaire, the Supervisory Board of Natixis has voted for the following changes to the Executive Board;
  - Jean-Pascal Beaufret is joining the Executive Board. He will supervise all functional departments (Finance, Risks, Human Resources, Organization, IT Systems, Communications, Internal Control, etc.) and the Asset Management business. Graduated from HEC and ENA, 57 years old, Jean-Pascal Beaufret has held several top positions within the Ministry of Finance, and in banking and industry, including that of Financial Director at Alcatel-Lucent since 2002;
  - Jean-Marc Moriani is also joining the Board, with immediate effect. He will remain head of Corporate & Investment Banking. A graduate of Ecole Centrale de Paris and Université Paris I (Economics), 50 years old, Jean-Marc Moriani spent most of his career at Crédit Lyonnais then Crédit Agricole in France and the United States, before joining Natixis in August 2007;
  - with the successful integration of Ixis CIB and Natixis, Anthony Orsatelli has decided to leave the Group to pursue other interests.

  Natixis' Executive Board now includes the following members:

  - Philippe Dupont, Executive Chairman;
  - Dominique Ferrero, Chief Executive Officer;
  - François Ladam;
  - Jean-Pascal Beaufret;
  - Jean-Marc Moriani.

  François Ladam, who successfully held the position of Chief Executive Officer of Natexis Banques Populaires and who has been very active in the creation and the launch of Natixis for more than a year has decided to retire and will leave the Executive Board at the end of May 2008. The responsibility of the businesses he currently supervises will be dispatched among the other members of the Board.

  Furthermore, Nicolas Fourt, who heads Capital Markets (part of the CIB business) and Ramine Rouhani, head of Debt & Finance (part of the CIB business), were appointed to Natixis' Executive Committee.

  Natixis' teams have successfully led the important integration and organization projects in 2007. This time is now over. With these latest changes in the executive management team, Natixis benefits from stable management, capable of bringing the company a few steps ahead and more suited to an increasingly demanding environment.
- In accordance with European regulation n°809/2004 implementing the Prospectus Directive, there have been no significant changes in Natixis' financial or commercial situation since the end of the last financial year for which audited financial statements were published.

INFORMATION ON THE PARENT COMPANY AND PROPOSED DISTRIBUTION OF NET INCOME

Information on the Natixis parent company

2007 featured the legal merger of Natixis and Ixis Corporate & Investment Bank, which took effect retroactively on January 1, 2007. The movements described below were established by comparing 2007 figures with 2006 proforma data.

Net banking income fell by 35% or €1.109 billion in 2007. This overall decrease resulted from a €1.496 billion or 76% fall in net interest income, a €44 million or 9% fall in net fee income and an increase of €431 million or 66% in income from variable-income securities.

Operating expenses rose by 4% compared with the 2006 proforma figure.

Gross operating income declined by 98% to €24 million. The cost-income ratio worked out to 98.8%.

The cost of risk climbed to €175 million from a 2006 proforma figure of €15 million.

Net gains and losses on fixed assets were negative to the tune of €453 million.

Net income was negative at €467 million, compared with a positive €1.300 billion on a proforma basis in 2006.

The balance sheet total amounted to €412.008 billion at December 31, 2007, versus €362.337 billion proforma at December 31, 2006.

Proposed distribution of parent company net income

Natixis parent company reported negative net income of €467,183,610.92 for the year ended December 31, 2007.

The third resolution to be put to the General Meeting of Shareholders on May 22, 2008 proposes to charge the €467,183,610.92 loss for the fiscal year as follows: €434,333.00 against retained earnings, €299,853,371.45 against the general banking reserve and €166,895,906.47 against the issue premium.

Shareholders will also be asked to approve the deduction of €549,919,212.30 from the issue premium, in order to permit the payment of a dividend of the same amount.

FACTORS THAT MAY HAVE AN IMPACT IN THE EVENT OF A PUBLIC OFFER

BFBP's and CNCE's joint control of Natixis and the terms of the shareholders' agreement between the two shareholders prevent any takeover of Natixis by means of a public offer.

BFBP and CNCE each own 34.45% of Natixis's share capital and 34.66% voting rights and exercise joint control of Natixis.

Pursuant to the shareholders' agreement of November 17, 2006, BFBP and CNCE have also made a commitment to maintain strictly equal stakes in Natixis's share capital for a stability period of 10 years, which may be extended for successive periods of five years, as well as to maintain the percentage held of Natixis' share capital at a minimum of 34% for this period. However, should a public offer for all of Natixis' shares be declared admissible by the Autorité des Marchés Financiers, Natixis' Supervisory Board, notwithstanding the existence of an agreement not to sell the shares, subject to the double majority of members present and represented and members representing each of the parties bound by the agreement, shall express an opinion on the recommendation to shareholders whether or not to tender their shares to their offer. If necessary, BFBP and CNCE may decide, on the recommendation of Natixis' Supervisory Board subject to the double majority rule described above, to amend the terms of the shareholders' agreement with a view to tendering all Natixis shares to the offer jointly.

At the end of the stability period, there shall be a reciprocal right of preemption between BFBP and CNCE for their respective interests in Natixis' share capital. This right of preemption is applicable even in the event of a public offer.

Finally, BFBP and CNCE have agreed, under the terms of the shareholders' agreement, to act in concert to exercise the voting rights held in Natixis in respect of certain decisions, in particular concerning the appointment of Supervisory Board and Executive Board members.

BFBP's and CNCE's joint control of Natixis, as well as the terms of the shareholders' agreement signed on November 17, 2006, prevent any takeover of Natixis by means of a public offer should BFBP and CNCE decide not to tender their shares to the offer jointly.

The takeover of Natixis by means of a public offer would result in the right to buy back cooperative investment certificates (CCIs) issued by the Banques Populaires and Caisses d'Epargne regional banks.

Under the terms of the protocol agreement between Natixis and Groupe Banque Populaire, if BFBP and CNCE cease to exercise joint control of Natixis, the Banque Populaire regional banks would be able to buy back the cooperative investment certificates held by Natixis representing 20% of their share capital.

Similarly, under the terms of the protocol agreement between Natixis and Groupe Caisse d'Epargne, if BFBP and CNCE cease to exercise joint control of Natixis, CNCE or the Caisses d'Epargne regional banks would be able to buy back the cooperative investment certificates held by Natixis representing 20% of their share capital.

If these cooperative investment certificates are bought back, Natixis would lose its equity interest in the Banques Populaires and Caisses d'Epargne networks and its share of income corresponding to these interests, which is consolidated under the equity method. The risk of a buyback of cooperative investment certificates in the event of a takeover of Natixis could therefore discourage an offer for the Natixis shares.

The Supervisory Board's comments on the Executive Board's management report and the 2007 financial statements

Ladies and Gentlemen,

The Board has regularly obtained information about the business and activities of the Company and the Group in accordance with legal and statutory requirements. As part of its supervisory role, it carried out the checks and controls it deemed necessary.

The Board has examined the 2007 financial statements presented to it by the Executive Board and examined its report on the activities of the Company and the Group over the year.

The Board has been informed of the findings of the Audit Committee, and of the reports concerning the conditions under which internal control is exercised and risk is measured and monitored.

The Supervisory Board has taken note of the parent company and consolidated financial statements as presented in this report.

The Board has also analyzed the information provided in the Executive Board's management report and has no particular comments to make regarding this information.

Subject to the terms of the resolutions submitted for your approval, you are asked to approve the parent company and consolidated financial statements for 2007, as well as the allocation of income for the year.

We would like to thank members of staff and the Executive Board for their work throughout the year.

We ask you to approve the 2007 financial statements, the proposed allocation of income and the various resolutions presented to you.

On behalf of the Supervisory Board,

Chairman,

Charles Milhaud

Recent events

Municipal guaranteed investment contracts class action lawsuits:

Since March 12, 2008, Natixis and Natixis Funding have been named among the defendants in three of four class action lawsuits filed in two different U.S. federal jurisdictions in New York and Washington, D.C. by and on behalf of certain state, county and municipal bond issuers in the U.S. The complaints allege a conspiracy to fix prices, rig bids and allocate customers between 1992 and 2006. The various plaintiffs have also named some 40-plus other U.S. and European banks and brokers as defendants. The plaintiffs are seeking to certify a large class of bond issuers that seek injunctive relief and damages. The claimed damages are based on the alleged difference between interest payments actually received under certain municipal guaranteed investment contracts ("Muni GICs") and the interest payment the bond issuers claim they would have been entitled to if not for the alleged antitrust misconduct. These class action lawsuits were brought under certain federal antitrust laws that allow for judgments awarding treble damages and attorneys fees under certain circumstances. One group of plaintiffs has petitioned the Joint Panel on Multidistrict Litigation to consolidate all of the related civil actions in Washington, D.C. As of the date of this Offering Memorandum, neither Natixis nor Natixis Funding has been formally served with complaints in any of the class action lawsuits. It is possible that, unknown to the Natixis entities, additional complaints have been filed but not served.

These private damages claims arise out of investigations that were performed or are currently being performed by the U.S. Internal Revenue Service ("IRS"), the Department of Justice ("DOJ") Anti-Trust Division and the Securities and Exchange Commission ("SEC"). Although the IRS investigation has been settled without admission of guilt or liability by Natixis Funding or Natixis, the DOJ investigations encompass a significant part of Natixis Funding's Muni GIC transactions since 1998. Additionally, the SEC is seeking to determine whether there has been any violation of disclosure obligations in this respect. Several other bank and underwriter defendants have received letters from the DOJ naming those entities as targets of the investigation. Target letters are not formal accusations but indicate that the DOJ has singled out the recipient to be of particular interest in the ongoing investigation. Although one employee of Natixis Funding received a target letter, neither Natixis nor Natixis Funding has received any such letter

On March 28, 2008 Natixis published the following release on its website:

"Switch to Basel II standards: Natixis strengthens its capital structure

Natixis' tier one ratio of 8.3% as at December 31, 2007 (under Basel I standards) makes it one of the best capitalized banks in the sector. This highly solid capital structure provides Natixis with a sound platform for funding its expansion.

With a view to continuing this expansion and responding to the new prudential rules now applicable under the Basel II framework, Natixis plans to undertake hybrid equity issues in the coming weeks.

In order to enable Natixis to benefit at this time from optimal market conditions in a highly volatile market environment, Natixis' two key shareholders – Caisse Nationale des Caisses d'Epargne (CNCE) and Banque Fédérale des Banques Populaires (BFBP) – have granted it an advance treatable as equity, in anticipation of the forthcoming issues.

This advance, which may amount to up to €1.5 billion in total and will be repaid as and when the planned issues take place, will be paid at par by CNCE and BFBP. It will enable Natixis to attain a tier one ratio of around 8.5% (under Basel II standards) as from the end of March 2008, in line with the objectives communicated to the market when Natixis was created."

Financial data

CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

CONSOLIDATED BALANCE SHEET – ASSETS

(in € millions)	Notes	Dec. 31, 2007	Dec. 31, 2006
Cash and balances with central banks and post offices		961	323
Financial assets at fair value through profit and loss	*8.1*	202,928	176,903
Hedging instruments	*8.2*	670	621
Financial assets available for sale	*8.3*	34,761	31,143
Loans and advances to banks	*8.4*	112,394	114,879
o/w institutional activities		*83*	*166*
Customer loans	*8.4*	112,505	93,369
o/w institutional activities		*354*	*400*
Revaluation differences on portfolios hedged against interest rate risk		0	0
Financial assets held to maturity	*8.5*	6,501	7,037
Current tax assets		538	262
Deferred tax assets	*8.7*	939	523
Accrued income, prepaid expenses and other assets	*8.8*	33,524	20,314
Non-current assets held for sale		0	0
Investments in associates		9,307	8,833
Investment properties	*8.9*	992	1,147
Property, plant & equipment	*8.9*	697	551
Intangible assets	*8.9*	446	295
Goodwill	*8.11*	2,844	2,433
TOTAL ASSETS		**520,005**	**458,633**

CONSOLIDATED BALANCE SHEET – LIABILITIES

(in € millions)	Notes	Dec. 31, 2007	Dec. 31, 2006
Due to central banks and post offices		1,406	658
Financial liabilities at fair value through profit and loss	*8.1*	165,030	133,392
Hedging instruments	*8.2*	1,672	431
Deposits from banks	*8.12*	138,234	141,914
o/w institutional activities		*155*	*239*
Customer deposits	*8.12*	61,701	49,690
o/w institutional activities		*605*	*523*
Debt securities in issue	*8.13*	65,530	54,253
Revaluation differences on portfolios hedged against interest rate risk		125	34
Current tax liabilities		630	373
Deferred tax liabilities	*8.7*	325	501
Deferred income and accrued charges and other liabilities	*8.8*	22,618	18,836
o/w institutional activities		*26*	*81*
Liabilities associated with non-current assets held for sale		0	0
Insurance companies' technical reserves	*8.14*	33,908	31,058
Provisions	*8.15*	520	479
Subordinated debt	*8.16*	10,678	8,770
Equity attributable to equity holders of the parent		16,885	17,477
- Share capital and reserves		*14,118*	*14,394*
- Retained earnings		*1,611*	*1,520*
- Unrealized or deferred gains or losses		*55*	*620*
- Net income		*1,101*	*943*
Minority interests		744	766
TOTAL LIABILITIES		**520,005**	**458,633**

CONSOLIDATED INCOME STATEMENT

(in € millions)	Notes	Dec. 31, 2007	Dec. 31, 2006
Interest and similar income	*9.1*	18,460	7,753
Interest and similar expenses	*9.1*	(17,291)	(6,638)
Fee and commission income	*9.2*	4,460	1,951
Fee and commission expense	*9.2*	(1,541)	(853)
Net gains or losses on financial instruments at fair value through profit and loss	*9.3*	1,148	865
Net gains or losses on financial assets available for sale	*9.4*	334	247
Income from other activities	*9.5*	6,620	6,012
Expenses from other activities	*9.5*	(6,148)	(5,099)
Net banking income		**6,043**	**4,238**
Operating expenses	*9.6*	(5,157)	(2,773)
Amortization, depreciation and impairment of property, plant and equipment and intangible assets		(164)	(97)
Gross operating income		**721**	**1,368**
Cost of risk	*9.7*	(244)	(74)
Net operating income		**477**	**1,294**
Share in income from associates	*9.8*	672	64
Gains or losses on other assets	*9.9*	538	11
Change in value of goodwill		(1)	(1)
Income before tax		**1,686**	**1,368**
Income tax	*9.10*	(97)	(369)
Net income after tax from discontinued operations or those in the process of disposal	*9.11*	(369)	0
Net income for the period		**1,221**	**999**
including:			
- Attributable to equity holders of the parent		1,101	943
- Attributable to minority interests		119	56
Earning per share		*0.90*	*1.65*
Consolidated net income - attributable to equity holders of the parent - per share, calculated on the basis of the average number of shares over the period excluding treasury shares			
Diluted earnings per share		*0.90*	*1.63*
Consolidated net income - attributable to equity holders of the parent - per share, calculated on the basis of the average number of shares over the period excluding treasury shares and including potential shares arising from the exercising of stock option			

CONSOLIDATED STATEMENT OF CHANGE IN SHAREHOLDERS' EQUITY (FROM JANUARY 1, 2006 TO DECEMBER 31, 2007)

	Share capital and reserves related		
(in € millions)	Share capital	Reserves related to share capital [1]	Elimination of shares held in treasury
Equity at December 31, 2005 before appropriation - IFRS 2005	**784**	**2,439**	**(166)**
Appropriation of 2005 income		125	
Equity at January 1, 2006 - EU IFRS	**784**	**2,564**	**(166)**
Capital increase	1,193	13,330	
Elimination of treasury shares	(25)	(289)	166
Equity component share-based payment plans			
2005 dividend paid in 2006			
Total movements related to relations with shareholders	**1,168**	**13,041**	**166**
Change in fair value of financial instruments through equity			
2006 net income - EU IFRS			
Impact of acquisitions and disposals		(3,170)	
Change in exchange differences			
Others			
Equity at December 31, 2006 before appropriation - EU IFRS	**1,952**	**12,435**	**0**
Impact of adopting EU IFRS standards			
Appropriation of 2006 income		37	
Equity at January 1, 2007 - EU IFRS	**1,952**	**12,472**	**0**
Capital increase	3	15	
Elimination of treasury shares [3]			(110)
Equity component share-based payment plans			
2006 dividend paid in 2007		(324)	
Total movements related to relations with shareholders	**3**	**(309)**	**(110)**
Change in fair value of financial instruments through equity [4]			
2007 net income - EU IFRS			
Impact of acquisitions and disposals			
Change in exchange differences			
Others			
Equity at January 31, 2007 - EU IFRS after appropriation	**1,955**	**12,163**	**(110)**

(1) Share premiums, statutory reserve, contractual reserves, long-term capital gains reserve and other reserves of Natixis SA.

(2) Includes the equity component of share-based payment plans.

(3) Treasury shares were eliminated through a reduction in share capital.

(4) Includes changes in fair value of derivative financial instruments designated as cash flow hedges.

Consolidated Reserves	Unrealized	Latent or deferred gains & losses (net of tax)					
Consolidated Reserves [2]	Related to exchange differences	Changes in fair value of financial instruments		Net income group share	Equity group share	Equity share of minority interests	Total consolidated equity
		Assets available for sale	Hedging instruments				
1,398	**58**	**209**	**(60)**	**695**	**5,357**	**312**	**5,669**
570				(695)	0		0
1,968	**58**	**209**	**(60)**	**0**	**5,357**	**312**	**5,669**
					14,523		14,523
167					19		19
5					5		5
(237)					(237)	(10)	(247)
(65)					**14,310**	**(10)**	**14,300**
		18	116		134	(5)	129
				943	943	55	998
(368)	11	357			(3,170)	416	(2,754)
	(97)				(97)	(2)	(99)
(8)		9	(1)		0		0
1,527	**(28)**	**593**	**55**	**943**	**17,477**	**766**	**18,243**
				0	0		0
906				(943)	0		0
2,433	**(28)**	**593**	**55**	**0**	**17,477**	**766**	**18,243**
					18		18
					(110)		(110)
9					9		9
(725)					(1,049)	(82)	(1,131)
(716)					**(1,132)**	**(82)**	**(1,214)**
		(364)	80		(284)	4	(280)
				1,101	1,101	119	1,220
					0	(34)	(34)
	(281)				(281)	(28)	(309)
4					4		4
1,721	**(309)**	**229**	**135**	**1,101**	**16,885**	**744**	**17,629**

NET CASH-FLOW STATEMENT

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Income before tax	**1,686**	**1,368**
+/- Net charge to depreciation and amortization of property, plant & equipment and intangible assets	164	97
+/- Impairment of goodwill and other non-current assets	189	(56)
+/- Net charge to other provisions (including technical reserves)	3,500	3,246
+/- Share of income of associates	(672)	(64)
+/- Net loss/(gain) on investing activities	(712)	(416)
+/- Net loss/(gain) on financing activities	115	0
+/- Other movements	5,279	552
= Total non-cash items included in income before tax and other adjustments	***7,863***	***3,359***
+/- Decrease/(increase) in interbank and money market items	2,063	6,954
+/- Decrease/(increase) in customer items	(8,444)	(12,472)
+/- Decrease/(increase) in other financial assets or liabilities	9,349	6,434
+/- Decrease/(increase) in non-financial assets or liabilities	(6,053)	(300)
- Income taxes paid	(621)	(363)
= Net decrease/(increase) in operating assets and liabilities	***(3,706)***	***252***
Total net cash provided/(used) by operating activities (A)	**5,843**	**4,978**
+/- Decrease/(increase) in financial assets and investments in associates	(6,471)	(18,799)
+/- Decrease/(increase) in investment property	108	(219)
+/- Decrease/(increase) in property, plant & equipment and intangible assets	(305)	(160)
Total net cash provided/(used) by investing activities (B)	**(6,668)**	**(19,178)**
+/- Cash received from/(paid to) shareholders	1,113	(220)
+/- Other cash provided/(used) by financing activities	10,960	(84)
Total net cash provided/(used) by financing activities (C)	9,847	**(305)**
Effect of exchange rate changes on cash and cash equivalents (D)	**(84)**	**(109)**
Net increase/(decrease) in cash & cash equivalents (A + B+ C + D)	**8,938**	**(14,618)**
Net cash provided/(used) by operating activities (A)	5,843	4,973
Net cash provided/(used) by investing activities (B)	(6,668)	(19,178)
Net cash provided/(used) by financing activities (C)	9,847	(305)
Effect of exchange rate changes on cash and cash equivalents (D)	(84)	(109)
Opening cash and cash equivalents	**(21,126)**	**(6,508)**
Cash, central banks, post offices (assets & liabilities)	(335)	(193)
Interbank balances	(20,791)	(6,315)
Closing cash and cash equivalents	**(12,188)**	**(21,126)**
Cash, central banks, post offices (assets & liabilities)	(445)	(335)
Interbank balances	(11,743)	(20,791)
CHANGE IN CASH AND CASH EQUIVALENTS	**8,938**	**(14,618)**

NOTES TO THE CONSOLIDATED STATEMENTS

Contents of notes

NOTE 1 SIGNIFICANT EVENTS OF THE YEAR

2007 was marked on the one hand by the continued process to integrate the various entities contributed on November 17, 2006 (*) within Natixis and on the other hand by the financial crisis resulting from the deterioration in the residential real estate sector in the US.

(*) For reference, the business combination carried out on November 17, 2006 with the Groupe Caisse d'Epargne involved the following legal operations:

- *the contribution by Caisse Nationale des Caisses d'Epargne (CNCE) of some of its subsidiaries and equity interests in the corporate and investment banking and services businesses, as well as part of the cooperative investment certificates (Caisse d'Epargne CCIs) issued since 2004 by each Caisse d'Epargne et de Prévoyance (with the exception of the Caisse de Martinique and Caisse de Nouvelle Calédonie), representing 20% of their capital;*
- *the contribution to Natexis Banques Populaires by SNC Champion, the vehicle formed by the Banque Fédérale des Banques Populaires (**BFBP**) and the Banques Populaires, of the remainder of the Caisses d'Epargne CCIs not contributed by CNCE and that SNC Champion had previously acquired from CNCE. CNCE and SNC Champion also contributed the share capital of Ixis Corporate and Investment Bank (**Ixis CIB**) and of Ixis Asset Management Group (**Ixis AMG**), previously acquired from San Paolo IMI (**SPIMI**).*

Consideration for these asset contributions was provided in the form of specially issued Natixis shares:

- *Natixis subscribed for 20% of each Banque Populaire bank's capital in the form of a reserved issue of cooperative certificates of investment (the "Banques Populaires CCIs") financed by debt;*
- *Natixis acquired 66% of the share capital of Novacrédit (consumer finance) held by the Banque Populaire banks.*

Upon completion of the transactions described above, CNCE and BFBP (through SNC Champion) placed some of the Natixis shares received in consideration for the aforementioned asset contributions on the market, leading to an increase in Natixis' free float, while strictly maintaining equality between the respective ownership interests held by BFBP (direct and indirect) and CNCE in the entity. At the balance sheet date of December 31, 2007, Natixis' free float represented 25.83% of the share capital, with the Groupe Banque Populaire and the Caisse d'Epargne Group each holding a 34.45% stake.

1.1 – Continued integration process for the various entities contributed on November 17, 2006

The main legal business combination operations carried out over 2007 were as follows:

Merger of the equity brokerage companies

Natixis' Corporate and Investment Banking division finalized the implementation of the organization for its equity brokerage activities with the merger of Natixis Bleichroeder, Ixis Midcaps and Ixis Securities. On a legal level, Natixis Bleichroeder SA and Ixis Midcaps have transferred their activities to Ixis Securities, which is now Natixis Securities.

Merger of the asset management companies

The business combination between the various entities from Ixis Asset Management and Natexis Asset Management has resulted in the reorganisation of the Asset Management division at Natixis. The Natixis Group's asset management activities have been consolidated within Ixis Asset Management Group, whose name was then changed to Natixis Global Asset Management. At the same time, Natexis Asset Square and Ixis Private Capital Management have been consolidated within Natixis Multimanager, the multi-management specialist.

Furthermore, at the end of the year, Natixis Global Asset Management sold to "Caisse des Dépôts" a 40% stake in Ixis AEW Europe, Europe's leading real estate asset management and investment consultancy, creating a genuine partnership between the two structures.

Merger of Ixis CIB with Natixis

The merger of Ixis CIB represents a major step for the Natixis Group. It aims to consolidate the main Corporate and Investment Banking business lines within the Natixis Group. It was approved at the extraordinary general meeting on December 20, 2007, and is effective from an accounting and tax perspective retroactively at January 1, 2007, and from a legal perspective at December 31, 2007. The consolidation of the workforce was carried out for the Corporate and Investment Banking division over 2007. A project to restructure Corporate and Investment Banking is accompanying the merger of Ixis CIB, with plans to group the following together around three main business divisions:

- the Coverage division, which will manage the key account client approach at global level;
- the Markets division, which will group together two areas of expertise: Equities and Commodities on the one hand, and Fixed Income (trading and distribution) on the other; it will also integrate Cash Management;
- the Debt and Financing division, which will group together the Structured Financing and Commodities activities with the Principal Finance business.

Furthermore, various restructuring operations have been carried out within the factoring business (merger of GCE Affacturage with Natixis Factorem) and the insurance business (contribution of Foncier Assurances securities to Natixis Assurances). The consumer credit sector has seen the creation of Natixis Consumer and Finance.

Reorganization of the Risk function

The new organization for the Risk function has been rolled out and is in line with the system for joint control with the two central bodies that Natixis is affiliated with.

Rationalization of real estate

Over the second half of the year, Natixis sold the offices on Rue Saint-Dominique in the 7th district of Paris, used as the headquarters up until December 31, 2007. Natixis' headquarters have been transferred to 30, avenue Pierre Mendès France in the 13th district as of January 1, 2008.

Legal business combination operations will continue over 2008, including the integration of the Natixis Altaïr subsidiary into Natixis SA in order to consolidate the Technology and Production structure under a unified "Technologies & Facilities Management" organisation. This new division will group the architecture, operations and support activities together for Natixis' information systems division.

1.2 – Financial crisis

The second half of 2007 was marked by the financial crisis triggered by the deterioration in the residential real estate sector in the US. In the first phase of the crisis, the market for assets backed with subprime American mortgages became illiquid, then in the second phase, the crisis spread, affecting liquidity on all debt securitisation-based products (including those for which the quality of underlyings has been maintained), as well as the deterioration on the interbank market.

All of the impacts of the crisis on Natixis' accounts at December 31, 2007 are presented in Note 6.

NOTE 2 BASIS OF PRESENTATION

2.1 – IFRS 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, 2007 using the International Financial Reporting Standards (IFRS), as adopted in the European Union and applicable on 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, 2007.

Natixis' consolidated financial statements include a balance sheet, income statement, statement of changes in equity, cash flow statement and notes to the financial statements.

The financial statements presented by way of comparison are those published by Natixis in the 2006 registration document filed with the French securities regulator (Autorité des Marchés Financiers, AMF) on April 17, 2007. In accordance with European regulation 809/2004 relative to the information contained in the prospectuses, the financial statements for the year ended December 31, 2005 and published in the 2005 reference document that was filed with the AMF on March 23, 2006 are incorporated by reference into this registration document.

The consolidated financial statements for the year ended December 31, 2006 were prepared in accordance with IFRS and their interpretations as adopted by the European Union and applicable on the same date.

All of the impacts of the first application of IFRS on shareholders equity, equity capital, the balance sheet and earnings, as well as the first application options retained under *IFRS 1 First Application*, were published in the 2005 reference document.

In light of the standards and amendments applicable for the first time at January 1, 2007, further information has been presented in the notes to the financial statements:

- **IFRS 7** "Financial instruments: disclosures" has replaced IAS 30 "Disclosures in the financial statements of banks and similar financial institutions" and the disclosures section of IAS 32 "Financial instruments: disclosure and presentation" as of January 1, 2007. This standard applies exclusively to the presentation aspects for financial instruments and will therefore not have any impact on Natixis' earnings or equity. It improves the financial communication on financial instruments used up until then. More specifically, the following notes have been introduced on the balance sheet:
  - Note 8.1.1.2 – Loans and advances at fair value and credit risk,
  - Note 8.1.1.3 – Conditions for classification of financial assets designated as at fair value,
  - Note 8.1.2.1 – Financial liabilities designated as at fair value and credit risk,
  - Note 8.1.2.2 – Conditions for classification of financial liabilities designated as at fair value,
  - Note 8.6.1 – Reverse repos,
  - Note 8.6.2 – Financial assets received as guarantees and that may be transferred or re-given as guarantees,
  - Note 8.6.3 – Financial assets transferred not derecognized,
  - Note 8.6.4 – Restructured financial assets,
  - Note 8.6.5 – Financial assets that are overdue and not depreciated,
  - Note 8.6.6 – Fair value of financial assets,
  - Note 8.8.2.2.1 – Restatement of day one P&L,
  - Note 8.10 – Assets obtained by taking possession of guarantees,
  - Note 8.17 – Fair value of financial liabilities,
  - Note 11 – Risk management.
- **the amendment to IAS 1** "Presentation of Financial Statements" adds further share capital-related disclosures, given in Note 12.

  The IFRIC interpretations applicable for the first time as at January 1, 2007 have not had any impact on Natixis' financial statements:
- Interpretation IFRIC 7 specifies the practical arrangements for restating financial statements in line with IAS 29 "Financial reporting in hyperinflationary economies" and applies to entities that identify for the first time the existence of hyperinflation in respect of an accounting period. The application of this interpretation has not had any material impact on the Group's consolidated financial statements;
- Interpretation IFRIC 8 covers transactions whose payment is based on company shares and on which it is not possible to expressly identify all or part of the goods or services received. If the company cannot determine the fair value of services in a reliable way, then it must determine the value in relation to the fair value of the equity capital instruments awarded in return. The application of IFRIC 8 for Natixis stock option plans has not had any significant impact on Natixis' financial statements;

(1) *The full standards adopted by the European Union are available on the internet site of the European Commission at: http://ec.europa.eu/internal_market/accounting/ias_fr.htm#adopted-commission.*

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- IFRIC 9 specifies that the embedded derivative must be valued at the inception of the contract, except where the terms of the contract undergo any substantial change. Natixis' practice is consistent with this interpretation, and the application of these standards has not had any impact on the Group's consolidated financial statements;
- Interpretation IFRIC 10 covers the write-back of value impairments recorded for an interim period concerning goodwill or shares classified as assets available for sale or recorded at cost. The application of this interpretation has not had any material impact on Natixis' consolidated financial statements.

  Natixis has not elected for early adoption of the following IFRIC interpretations and standards adopted by the European Union:
- IFRS 8 "Operating Segments", adopted by the European Commission on November 21, 2007, with compulsory application as of January 1, 2009. This standard replaces IAS 14 "Segment Reporting". It modifies the presentation of segment information, prioritising the managerial approach for defining segments. Excluding the various presentation aspects, this standard may have an impact on the depreciation of goodwill, which would be reallocated to new segments. However, this standard is not expected to have any material impact on the Natixis Group's consolidated financial statements for 2009;
- IFRIC 11 "Group and Treasury Share Transactions" covers two points for the application of IFRS 2, specifying the accounting treatment for transactions whose payment is based on shares:
  - For which the entity chooses or is required to buy its own treasury stock from independent third parties due to the fact that shares are awarded or paid for by the entity itself or by its shareholders,
  - Which concern several entities from a given group (parent company or other entity from the same group) in the individual or separate financial statements for each entity from a group that receives the services from beneficiaries for the plan.

The application of IFRIC 11 is not expected to have any material impact on Natixis' consolidated financial statements.

2.2 – Presentation of the consolidated financial statements

The consolidated financial statements have been prepared in accordance with the measurement and presentation principles presented in Notes 3, 6 and 7 hereafter.

Note 5 presents the contributions to the pro forma income statement for 2006, which include earnings posted by entities contributed since January 1, 2006.

2.3 – Year-end

The consolidated financial statements are based on the individual financial statements as at December 31, 2007 of the entities included in the Natixis Group's consolidation scope.

2.4 – Notes to the financial statements

The figures given in the notes are expressed in millions of euros (unless indicated otherwise).

NOTE 3 CONSOLIDATION METHODS AND PRINCIPLES

3.1 – Scope of consolidation

Natixis' consolidated financial statements include the separate financial statements of Natixis and its main subsidiaries.

Only subsidiaries making a material contribution to the Group's financial statements are consolidated.

The materiality of a subsidiary is not assessed with respect to numerical thresholds, but based on a qualitative appraisal of the relevance of its contribution to the consolidated financial statements.

The scope of consolidation includes all significant entities over which the consolidating entity exercises control or influences its management. Three types of control are identified under IFRS: companies that are exclusively controlled, companies that are jointly controlled and companies over which the entity exercises a significant influence. Analysis of the control of the consolidating entity is not restricted to identifying voting rights in subsidiaries, but includes economic and legal analysis of relations between the consolidating entity and its subsidiaries.

Potential voting rights

Under IFRSs, Natixis is required to consider the existence and effect of potential voting rights currently exercisable or convertible when assessing whether it exercises control or significant influence. Potential voting rights include, for example, stock options and debt instruments that are convertible into ordinary shares. However, potential voting rights are not taken into account for the purpose of calculating the percentage ownership.

A review of the potential voting rights held by Natixis has not had any impact on the basis for consolidation in 2007.

Special purpose entities

Special purpose entities (SPEs) created to manage a specific operation or group of similar operations are fully consolidated if they are controlled substantially by Natixis, even where there is no equity relationship. The main criteria for assessing the existence of control as defined by SIC 12 are as follows:

- **Activities**: the SPE's activities are substantially conducted on behalf of Natixis, which directly or indirectly created the SPE according to its specific business needs.
- **Decision-making**: Natixis has the decision-making powers to control or to obtain control of the SPE or its assets, including certain decision-making powers coming into existence after the formation of the SPE. Such decision-making powers may have been delegated by establishing an "autopilot" mechanism.
- **Benefits**: Natixis has rights to obtain a majority of the benefits of the SPE's activities distributed in the form of future net cash flows, earnings, net assets or other economic benefits, or rights to a majority of residual interests.
- **Risks**: Natixis substantially retains the majority of residual or ownership risks in order to obtain the economic benefits of the SPE's activities.

3.2 – Consolidation methods

The following consolidation methods are applied:

Full consolidation

Companies controlled by Natixis are fully consolidated. Under IAS 27, control is presumed to exist when the parent has:

- ownership, directly or indirectly through subsidiaries, of more than half of the voting power of an entity;
- power to govern the financial and operating oilicies of the entity under a statute or an agreement;
- power to appoint or dismiss the majority of the members of the board of directors, or an equivalent governing body;
- power to cast the majority of votes at meetings of the board of directors or an equivalent governing body.

For entities that are 40 to 50% owned, IAS 27 requires control to be demonstrated for these entites to be fully consolidated.

Under IAS 27, majority interests held by provate equity subsidiaries have not been consolidated as they do not meet materiality requirements.

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 shareholders or investors, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control.

IAS 31 also permits 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 consolidated using the equity method.

Significant influence is the power to participate in the financial and operating policy decisions of an economic activity but is not 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.

IAS 28 and 31 recognize the specific nature of the private equity business. Private equity instruments between 20% and 50% do not have to be accounted for using the equity method if they are designated at inception as at fair value through profit and loss. Natixis has opted for the latter method as it believes this provides investors with more relevant information.

As part of the formation of the new Natixis group, the subscription for the Banques Populaires CCIs and the contribution of the Caisses d'Epargne CCIs give Natixis significant influence over the Banque Populaire and Caisses d'Epargne banks. The financial statements of these entities are therefore accounted for under the equity method in Natixis' financial statements.

Since the Banques Populaires and Caisses d'Epargne CCIs do not carry any voting rights, Natixis' significant influence over the Banque Populaire banks is characterized by (i) legally enforceable influence resulting from Natixis' participation in the operational and financial management of the Banques Populaires and Caisses d'Epargne networks, and (ii) by *de facto* influence deriving from operational and technical cooperation by the Banque Populaire and Caisses d'Epargne with Natixis.

Natixis' legally enforceable significant influence over the Banques Populaire and Caisses d'Epargne banks derives notably from the following requirements of the preliminary agreements concerning Natixis' involvement in the operational and financial management of the Banques Populaire and Caisses d'Epargne networks:

- Natixis' representation on the Banques Populaires and Caisses d'Epargne board of directors (Banques Populaires: federal delegate, Caisses d'Epargne: non-voting director);
- Participation in the intra-group Committees of the Groupe Banque Populaire and Groupe Caisse d'Epargne;
- Natixis' right in connection with certain decisions made within BFBP and CNCE (Natixis' opinion to be sought and the group to be consulted in its capacity as a non-voting director, Natixis' right to a second deliberation of certain matters);
- Natixis' right to receive information (information related to the CCIs; federal delegate and non-voting director reporting);
- Natixis' right to audit the Banques Populaires and Caisses d'Epargne;

- Delegation of powers concerning the risk management function (definition of standards and risk assessment methods);
- Exchange of management personnel.

In addition, Natixis and the Banque Populaire banks have agreed to maintain the existing industrial and commercial relationships for at least ten years from the subscription date for the Banques Populaires CCIs:

- provision of IT infrastructure;
- supply of industrial services (custodial services, payment system, operational management of foreign currency accounting);
- design and management of customer products on behalf of the Banque Populaires banks (asset management, insurance products, factoring, leasing, financial engineering, expansion capital, employee benefits planning, international engineering, credit insurance and business information).

Lastly, Natixis and Caisses d'Epargne banks have also agreed to maintain their existing industrial and commercial relations presented below for at least 10 years from the date of the contributions:

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

3.3 – Institutional activities

For Natixis

In accordance with article 116 of the amended finance law for 2005 (2005-1720 of December 30, 2005) and the agreement signed with the French State on December 28, 2006, Natixis manages certain public procedures on behalf of the French State. These transactions are recognized separately in the financial statements, and some of them may be guaranteed by the State. The State and other related creditors have a specific right over the assets and liabilities allocated to these institutional activities. The bank's assets, liabilities and commitments relative to such institutional activities are identified on the balance sheet based on an abstract for each one of the sections concerned by the procedures whose management has been entrusted by these State to Natixis.

The amount of fees received and financing outstanding in connection with institutional activities is not material. Accordingly, the financing outstanding has not been restated at amortized cost. Activities other than financing, where Natixis acts as an intermediary on behalf of the State, have been accounted for using the previous treatment in the IFRS financial statements.

For Coface

As far as Coface is concerned, insurance operations managed on behalf of the State are not recognized in the financial statements. Only management fees received within this framework are recognized on the income statement under commission income. The agreement relating to the management of these operations is under negotiation with the State for 2007 to 2010. For the 2007 financial statements, an amount of commissions estimated on a conservative basis has therefore been recorded in the income statement.

3.4 – Foreign currency translation

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 rates, except for share capital, reserves and capital allocations, which are translated at historical rates. The income statements of foreign subsidiaries and branches whose functional currency is not the euro are translated at average rates for the year. Any resulting translation gains or losses, in terms of balance sheet and income statement items, are recognized directly in equity under "exchange gains or losses" for the portion attributable to the Group and "minority interests" for the portion attributable to third parties.

Natixis has elected to use the option available under IFRS 1 on first-time adoption to transfer all exchange gains and losses existing at January 1, 2004, to retained earnings. If a foreign entity is subsequently sold, the gain or loss on sale will include only those exchange gains or losses arising after January 1, 2004.

3.5 – Business combinations and goodwill

IFRS 3 on business combinations requires all identifiable assets, liabilities and contingent liabilities acquired to be measured at their fair value on the acquisition date. Adjustments may subsequently be made to these initial fair values for a period of twelve months from the acquisition date.

With the first application of IFRS, Natixis chose the option available under *IFRS 1 First Application* to not retrospectively restate business combinations carried out prior to January 1, 2004 in accordance with the provisions of IFRS 3 Business Combinations.

The excess of the cost of the business combination over the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities is recognized as goodwill, which is allocated on the acquisition date to one or more cash-generating units (CGUs) expected to benefit from the acquisition.

Goodwill is tested for impairment at least once a year and whenever there is objective evidence that the goodwill might be impaired. Impairment testing consists of comparing the carrying amount of the CGU or group of CGUs including goodwill with its recoverable value.

When the recoverable amount is lower than the carrying amount, an irreversible impairment loss is recognized on the consolidated income statement for the period and charged first against the goodwill allocated to the CGU or group of CGUs and then against other identifiable assets belonging to the CGU or group of CGUs.

Negative goodwill is recognized immediately in the income statement under "changes in value of goodwill".

Principles adopted for measuring contributions by Groupe Caisse d'Epargne to Natixis

The assets contributed by CNCE to Natixis fall into two categories of assets:

- shares in the corporate and investment banking and services subsidiaries;
- a portion of the cooperative certificates of investment (CCIs) conferring entitlement to Caisses d'Epargne share capital.

For these two categories of assets, the contribution values used for consolidation purposes are the carrying amounts of these assets in CNCE's consolidated financial statements, restated in accordance with IFRSs as adopted in the European Union.

While IFRS 3 recommends accounting for business combinations by applying the purchase method (i.e. at fair value), this does not cover the formation of joint ventures subject to joint control, since paragraph 3 of IFRS 3 states that: "This IFRS does not apply to a) business combinations in which separate entities or businesses are brought together to form a joint venture".

Furthermore, there are no other standards applicable to the type of transaction observed, given that neither the Groupe Banque Populaire nor the Groupe Caisse d'Epargne exercises majority control over Natixis' activities and there is a contractual agreement between these two groups that notably:

- sets out Natixis' corporate governance rules, by providing for equal representation of both groups on Natixis' governing bodies;
- structures Natixis' decision-making processes, thereby entailing the agreement of both groups on key decisions;
- defines the future relationships between both groups and Natixis;
- commits both parties to maintaining equivalent ownership interests in Natixis and providing funds in equal amounts to comply with the prudential rules.

Against this backdrop, the method that involves recognizing items at their carrying amount has two advantages:

- it maintains consistency in the basis of measurement used for the combined entity's assets, namely between the entities transferred by the Groupe Caisse d'Epargne and those operating in the same business line and part of the pre-existing Natixis group, and thus the accounting treatment is the same regardless of the origin of the relevant activities;
- it provides a fairer view of the economic substance of the transaction, which aims to allow each of the two founding groups to continue operating the pooled activities within the scope of the larger jointly controlled Natixis operation.

Basis of measurement adopted for other structural transactions as presented in Note 1

In accordance with IFRS 3, the other structural transactions presented in Note 1 – contributions of the remaining Caisses d'Epargne CCIs, 1.23% of Ixis CIB's share capital, 4.63% of Ixis AMG's share capital, subscription of the Banques Populaires CCIs and the acquisition of Novacrédit – have been accounted for under the purchase method for consolidation purposes.

Goodwill arising in connection with the business combination dated December 31, 2006

Goodwill on contributed entities

Since the assets contributed were recognized at their IFRS net carrying amount, no valuation differences have been recorded on the various assets and liabilities contributed. In addition, the difference between the acquisition cost and the Group's interest in the net assets of the entities contributed does not represent 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 were recognized in consolidated retained earnings.

Hence, an amount of €3,170 million was charged against the issue premium, as follows:

€1,862 million in respect of Ixis AMG, €833 million in respect of Ixis CIB, €150 million in respect of Natixis Garanties, €132 million in respect of CEFI, €111 million for the Caisses d'Epargne CCIs, €78 million for CACEIS, €45 million for La Cie 1818, €1 million for GCE Bail, €1 million for GCE Affacturage. Conversely; negative amounts of €39 million in respect of CIFG and €4 million in respect of Gestitres led to a corresponding increase in the issue premium.

Goodwill on other transactions

At December 31, 2006, the goodwill generated through the business combination operation represented €633 million, broken down as follows: €229 million on Ixis AMG, €21 million on Ixis CIB and €8 million on Novacrédit, in addition to the goodwill included under "investments in associates", representing €237 million for Caisses d'Epargne CCIs and €138 million for Banques Populaires CCIs.

On this date, the goodwill was on a provisional basis.

At December 31, 2007, the goodwill on the CCIs was definitively allocated to the following goodwill accounts:

- valuation goodwill on Banques Populaires land and buildings, representing €102 million for Banques Populaires CCIs;
- valuation goodwill on Caisses d'Epargne land and buildings, representing €47 million for Caisses d'Epargne CCIs.

The residual goodwill represents a total of €36 million for Banques Populaires CCIs and €190 million for Caisses d'Epargne CCIs.

Lastly, the other goodwill items recorded, in the absence of any significant valuation differences and whose distribution can be monitored in a reliable way, have been kept at their original amounts.

Other goodwill

In 2007, goodwill increased by a total amount of €546 million, excluding conversion gains and losses, with:

- €200 million in goodwill recorded on the Asset Management division, with €132 million generated on group restructuring operations, €25 million on the acquisition of a 5% stake in Ecureuil Gestion, €12 million on the acquisition of a 40.66% stake in Natixis Multimanager, €16 million for the 100% takeover of Alpha Simplex and €6 million on a further stake acquired in Hansberger;
- €298 million in goodwill from Caceis, resulting from the acquisition of the HypoVereinsBank security custody business for €180 million and the Olympia Group for €117 million;
- €41 million in goodwill from transactions for the Coface sub-group (acquisition of Kompass France and Kompass Belgium).

All the goodwill is tested for impairment based on the value in use of the cash-generating units (CGUs) to which it is allocated.

Value in use is determined principally [2] by discounting the expected future cash flows from the CGU on the basis of the medium-term business plans drawn by the Group for strategic planning purposes.

The following assumptions underpinning these forecasts were as follows:

- expected future cash flows: forecast data for 3 years taken from the Group's medium-term business plan [3];
- perpetual growth rate: 2%;
- discount rate: various rates ranging between 9.86% and 10.14%.

The discount rate applied is based on recent trading data. It represents the projected average rate of return on listed stocks in the sector concerned, based on their current share price, projected earnings for the coming years and an extrapolation of these rates on the basis of a constant perpetual growth rate. This is obtained by adding together the risk-free rate (10–year OAT), the risk premium and the historical sector beta, both of which are calculated using a representative sample of listed companies in the sector.

These tests did not give rise to the recognition of any impairment. Likewise, a 1% increase in the discount rates and a 1% reduction in the perpetual growth rate did not lead to the recognition of any impairment.

(2) For certain businesses (asset management, securities, payments), value in use is calculated through combined use of the DCF model and a peer comparison. For the private equity business, value in use is calculated on the basis of net assets.

(3) For life insurance, a 10-year forecasting horizon is used.

(in € millions)	Dec. 31, 2006	Increases (acquisitions)	Decreases (disposals)	Conversion differences	Dec. 31, 2007
Corporate and Investment Banking	70		(1)		69
Asset Management	1,483	201		(122)	1,562
Services	363	300			663
Guarantees	9	3			12
Receivables Management	460	41	(7)	(2)	492
Private Equity and Private Banking	27	1	(3)		25
Real estate companies not allocated to the CGUs	21				21
NET CARRYING AMOUNT	**2,433**	**546**	**(11)**	**(124)**	**2,844**

3.6 – Dilutive/accretive impact generated by ownership of the CCIs

The dilution/accretion effect derives from the differences in the rights between holders of ownership shares (entitlement to receive dividends) and holders of the CCIs (entitlement to receive dividends at least equal to that of ownership shares and entitlement to the retained earnings accumulated).

The difference in dividend entitlements is recognized in the financial year in which it arises.

3.7 – Non-current assets held for sale

The assets and liabilities of subsidiaries which Natixis intends to sell within a maximum period of twelve months and for which it has actively initiated efforts to find a buyer are identified separately in the balance sheets as non-current assets held for sale and liabilities associated with non-current assets held for sale.

Further to the capital increase subscribed for on December 20, 2007 by Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne, Natixis' stake in the CIFG sub-group was reduced to 0.47% at December 31, 2007. As a result, this sub-group was withdrawn from the scope of consolidation at that date and the securities still held were depreciated in full in light of the company's financial position. The line on the income statement for "income from discontinued operations or those in the process of disposal" reflects the income for this sub-group from January 1 to December 31, 2007, as well as the impacts of its sale.

The pro forma income statement at December 31, 2006 included under Note 5 therefore presents the income for the year recorded by the CIFG sub-group under income from discontinued operations.

3.8 – Standardization of individual data and elimination of intra-group transactions

Prior to consolidation, the individual financial statements of companies included in the scope of consolidation are restated to bring them into line with the group accounting policies described below. Intra-Group balances and gains and losses arising on intra-group transactions are eliminated.

3.9 – Consolidation of insurance companies

The following rules are applied for fully consolidated insurance companies:

- income and expenses are classified by nature in accordance with banking accounting principles and not by 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 financial asset defined in IAS 39.

Contracts managed by the insurance subsidiaries of Coface and Natixis Assurances sub-groups meet the definition of insurance contracts or investment contracts with a discretionary participation feature provided for in IFRS 4. Accordingly, they give rise to the recognition of an insurance liability measured in accordance with French GAAP, pending publication of an IFRS standard concerning technical liabilities of insurance companies.

Mathematical reserves for savings contracts correspond to the buyback value of the contracts.

Technical reserves for personal risk insurance contracts are calculated using mortality tables and statutory discount rates, as well as BCAC tables for incapacity and disability risks.

Loss reserves for personal risk insurance contracts correspond to the estimated cost of loss claims and are not discounted.

In accordance with IFRS 4, a liability adequacy test is carried out to check that the insurance liabilities as presented in the consolidated financial statements are sufficient to cover the future cash flows estimated as on this date. The test is based on a stochastic model valuation of discounted future cash flows.

Investment contracts with a discretionary participation feature (life insurance) give rise to the recognition of a deferred participation liability to offset the difference in value between assets and liabilities, in accordance with IFRS 4 (shadow accounting). The deferred participation liability is equal to the portion of gains or losses on investments due to policyholders in respect of their insurance contracts. The amount is calculated on the basis of the average rate of distribution to policyholders (average contractual distribution rate for each product weighted by the value of investments on the calculation date). The change in the deferred participation liability is recognized in equity in respect of changes in the value of assets classified as "available for sale" and in income for changes in the value of assets held at "fair value through profit and loss", as well as for changes in the fair value of investment property held to cover insurance contracts.

The equalization reserve recognized on credit insurance, non-life and personal protection is a technical reserve permitted under French GAAP to protect insurance companies against catastrophic risks. Under IFRS, this type of reserve does not represent a liability. Accordingly, the equalization reserve and the corresponding charges recorded in the individual financial statements drawn up under French GAAP have been eliminated from the IFRS consolidated financial statements. A fee on technical reserves due to business providers is recorded when provided for under the agreements applicable.

NOTE 4 SCOPE OF CONSOLIDATION

Changes in the scope of consolidation during 2007

The main changes to scope that occurred during 2007 were as follows:

4.1 – Natixis (excluding intermediate tiers)

Entries into scope and variations in percentage of interest

COFACE

- Entry of Kompass France, the business of which is financial information. The purchase of this entity by Coface Services generated goodwill of €32.9 million,
- Entry of Coface Belgium Services holding, which is in the business of commercial and capital-adequacy information. Having reached the consolidation thresholds, this entity's first consolidation generated goodwill of €4.7 million,
- Entry of Kompass Belgium, the business of which is financial information. Its entry into scope lead to goodwill of €2.7 million,
- Creation of Coface Factoring Spain, which is in the business of factoring,
- Acquisition of Cerved: this is in the financial-information business and is consolidated according to the equity method,
- Creation of the holding-companies Coface Holding Austria and Coface Holding SAS.

Direct subsidiaries

- Creation, in Luxembourg, of the companies Akhdar Investment Group, Garbo Invest and Gulf Capital Luxembourg: they are in the business of managing financial-restructuring operations,
- First consolidation of Opéra Sentier SAS, which is in the business of property development and renovation,
- Creation of Natixis Pramex International (Tunisia) and Natixis Pramex International Do Brazil (Brazil): they are in the business of promotion and international commerce operations.

Branches

- Creation of Kompass Luxembourg, a branch of Kompass Belgium, which is in the business of financial information,
- Creation of Kompass Spain, a branch of Kompass France, which is in the business of financial information,
- Creation of Coface Chile, a branch of Coface SA, which is in the business of insurance,
- Creation of Coface Romania Insurance, a branch of Coface Austria, which is in the business of insurance,
- Creation of Coface Czech Insurance, a branch of Coface Austria, which is in the business of insurance,
- Creation of Coface Slovakia Insurance, a branch of Coface Austria, which is in the business of insurance,
- Creation of Natixis Panama, a branch of Natixis, which is in the business of financing and investment,

- Creation of Natixis Dubai, a branch of Natixis, which is in the business of financing and investment.
- Variation in interest percentage:
  - Repurchase of 0.34% of the minority shareholdings in Natixis Factor leading to goodwill of €0.7 million,
  - Repurchase of 0.55% of minority shareholdings of Natixis Life in Natixis Private Banking.

Withdrawals from the scope of consolidation – deconsolidation operations

Following the contribution of the ex-CNCE entities, the size of the Natixis Group's consolidation perimeter very significantly changed from December 31, 2006:

- more than 600 entities;
- a total balance sheet nearing €460 billion;
- a pro forma net banking income exceeding €7,300 million; and
- a pro forma net profit of more than €2.2 billion.

Consequently, the thresholds set for keeping entities within the consolidation perimeter were revised upwards for 2007.

Thresholds accepted

The Natixis Group has defined reference thresholds by business-line:

Business-line / Division	Total balance sheet	Net Banking Income / Turnover	Net profit
■ Corporate and Investment Bank			
Markets and financing	> €250 million	> €15 million	> +/-€2 million
■ Other business lines			
CIFG Off division	> €40 million	> €8 million	> +/-€2 million
Private Equity and Private Banking Services	> €60 million	> €12 million	> +/-€2 million
Asset Management Client item	> €40 million	> €5 million	> +/-€2 million

Exceptions

Certain entities are consolidated even though they have not reached the above thresholds. These are:

- subsidiaries having an impact on the presentation of the financial statements: nominal partnerships or real-estate companies constituted under civil law having financial leasing contracts;
- subsidiaries with growth estimated over two years;
- holdings and branches;
- subsidiaries carrying prudential risks as defined by banking regulations.

Deconsolidated entities

About sixty entities were excluded from the Natixis Group's consolidation scope as they no longer reach the reference thresholds (including 43 subsidiaries at the Coface level).

These entities were deconsolidated with a retroactive effect on January 1, 2007.

Natixis SA Subsidiaries
ASM Alternatif Garanti 1
Bail Expansion
CO ASSUR
Colomb Magellan SCI
ECRINVEST 6 (ex. Immobilière Natexis)
Financière Cladel
IFCIC
Immobilière Natexis (ex Villcomm)
Investima 6
Natexis Services Ltd.
Natixis Private Equity International Management
Novacrédit
Paris Office Fund
SCI ABP IENA
SOCECA
Sopranes Services
SPEF LBO

Coface Subsidiaries
Axa Assurcrédit
Centre d'études financières
Cimco Systems Limited
Coface Bulgaria CMS
Coface Chile S.A. (Insurance)
Coface Croatia CMS
Coface Czech CMS
Coface Danmark Services
Coface Debt Purchase Limited
Coface Hungary CMS
Coface Poland CMS
Coface Romania CMS
Coface Service Pologne
Coface Service Suisse (formerly Cofacerating.ch)
Coface Services Brazil
Coface Services Colombia Ltda.
Coface Services Ecuador S.A.
Coface Services Peru S.A.
Coface Services Venezuela, C.A.
Coface Servicios Argentina S.A.
Coface Servicios Chile S.A.
Coface Servicios Costa Rica, S.A.
Coface Servicios Mexico, S.A. DE C.V.

Coface Servicios Panama, S.A.
Coface Slovakia CMS
Coface Slovenia CMS
Coface South Africa
Coface South Africa Services (formerly CUAL)
Credico Limited
Eios
Kompass Japan
Kompass Czech Republic a.s.
Kompass Israël
Kompass Poland
Kompass South East Asia Limited
Kompass Turkey
Kompass USA, Inc.
Librairie électronique
Or informatique
Orchid Telematics Limited
The Creditors Group Holdings Ltd
The Creditors Group Ltd
The Creditors Information Company Ltd

Other restructuring operations

Asset Management

- Natixis Asset Management (NAM) merged with Ixis Asset Management, which changed registered company name, becoming Natixis Global Asset Management.
- Natixis Asset Square (NAS) merged with IPCM, which changed registered company name, becoming Natixis Multimanager.
- The securities of Natixis Asset Management Immobilier (NAMI) were contributed to the sub-group NGAM.

Consumer Finance

- Entry of Natixis Consumer Finance, acquired on November 17, 2006, generating goodwill of €1.9 million.
- Partial contribution of the assets of Novacrédit to Natixis Financing.
- Creation of Ecrinvest 11 by Natixis following the contribution of securities of Natixis Financing and Novacrédit.

Others

- *Brokerage business*: partial contribution of the assets of Natexis Bleichroeder SA to Natixis Securities (formerly Ixis Securities), the rest of the business being merged with Ixis CIB.
- *Insurance business*: contribution of Foncier Assurances to Natixis Assurances by Natixis.
- *Factoring business*: merger of GCE Affacturage into Natixis Factor.
- *Coface*: merger of Coface Expert and Kompass Holding with Coface SA;
- *Others*: transfer of all of Segex's assets and liabilities to SAGP, and those of Natixis Investima and SAGP to Natixis.
- *Property business*: takeover of Compagnie Foncière Natixis by Spafica.
- *Financial leasing business*: takeover of Domimur by Fructibail.
- Merger of Natixis SA and Ixis Corporate & Investment Bank with retroactive effect on January 1, 2007.

4.2 – Natixis Global Asset Management tier

Entries into scope and variations in percentage of interest

Entries into scope

- Entry into scope of Percipio Capital Management LLC and Loomis Sayles Trust Company LLC;

- Acquisition of Alpha Simplex Group LLC leading to goodwill of €15.8 million.

Variations in interest percentage

- Earnings-per-share increase effect at the Ixis AM tier bringing the interest percentage from 84.58% to 88.66% and generating goodwill of €132.4 million.
- Increase in the percentage holding of Hansberger Group Inc from 21% to 88% accompanied by recognition of goodwill of €6.2 million.
- Increase in the percentage holding of Natixis Multimanager (ex-IPCM) leading to goodwill of €11.8 million.
- Divestiture of 40% of the voting rights of Ixis AEW Europe SA to the CDC.
- Repurchase of 5% of the minority holding of Ecureuil Gestion in CNCE, generating goodwill of €24.9 million.

Withdrawals from the scope of consolidation

- Deconsolidation of Ixis Asset Management Services Inc. and Westpeak Investment Advisors Australia Limited PTY following their liquidation.

4.3 – Tier former Ixis CIB – CIB Division

Entries into scope

- Creation of CASANLI, Luxembourg subsidiary common to Natixis Luxembourg Investissements and Crédit Agricole SA, each holding 50% of the capital. It will operate a direct business of financial investment in credit risks. It was founded in May 2007 and has been consolidated since the 3rd quarter 2007.
- Creation of seven “JP MORGAN” trusts.
- Creation of a business division in Malta. In December 2007, the CIB division created two subsidiaries located in Malta, whose business is structured financing: Natixis Malta Investments Ltd. (NMI) and Califano Investments Ltd. (CIL), 100% subsidiary of NMI, which will constitute the holding subsidiary for the various operational subsidiaries which will be created in Malta.
- Creation by Natixis Belgique Investissements (NBI) and EDF of a common subsidiary under Belgian law, EDF Investissement Groupe (EIG), which will directly carry out the business of financial investment. EIG is held respectively at 33% and 66% by NBI and EDF, and is consolidated by proportional consolidation by NBI.
- Creation of three ad hoc entities for the Real Estate Proprietary Program (REPP) business-line belonging to Natixis North America: Plaza Square Apartments Owners LLC, 11 West Division LLC and Plaza/Trinity LLC.

Withdrawals from the scope of consolidation

- *Municipal Tender Option Bonds (TOB) business*: deconsolidation of 28 SARATOGA trusts on January 1, 2007 following their liquidation during the 2006 financial year.
- *Others*: exit of Rose Mortgage Inc. (deconsolidated on January 1, 2007) and Master Financial Inc. (complete suspension of activity in the second half-year 2007).

Other restructuring operations

Natixis (ex-Ixis CIB) restructured its management division under a Luxembourg holding company, Natixis Alternative Investments International S.A, which retroactively entered scope on January 1, 2007.

4.4 – Compagnie 1818 Tier

Entries into scope and variations in percentage of interest

Entries into scope

- Entry into scope of a mutual fund management company, Mantra Gestion, on June 30, 2007. It is consolidated according to the equity method.

Variations in interest percentage

- Earnings-per-share increase effect concerning the Compagnie 1818 tier bringing the interest percentage from 73.40% to 74.15% and generating goodwill of €0.5 million.

Other restructuring operations

- On June 30, 2007, transfer of all assets and liabilities of the European Insurance Centre to the Centre Français du Patrimoine.

4.5 – CIFG Tier

Deconsolidation of the CIFG tier following the capital increase by €882.5 million underwritten by the Caisse Nationale des Caisses d’Epargne and the Banque Fédérale des Banques Populaires. The CIFG tier is in the process of divestiture.

4.6 – Natixis Garanties

Entry and variations in interest percentage

- Repurchase of minority interests in Socamab bringing the holding from 60% to 100% and generating goodwill of €3.4 million.
- Entry of GCEC Diversified Mutual Fund at end of December 2007, which is in the business of the management of insurance-investment mutual funds.

1 2 3 4 5 6 7 8

Other restructuring operations:

- Merger of CEGI Courtage with CEGI.

4.7. – CACEIS Tier

Entries into scope and variations in percentage of interest

- Repurchase of 23% of the minority interests of Caceis Fasnet France from Crédit Agricole Asset Management (CAAM) by Caceis SAS, thus bringing the holding from 35% to 47% and generating goodwill of €1 million.
- Acquisition of the Groupe Olympia Capital, which generated goodwill of €117.2 million
- Acquisition of CACEIS Bank Deutschland from "HypoVereinsBank" by CACEIS SAS generating goodwill of €180.2 million.

4.8. – CCI BP Tier

Entries into scope

- Creation of Bercy Patrimoine, NJR Invest, Bred Vanuatu, FCC Elide and Foncière du Vanuatu.
- First consolidation of Expande Invest, Société Immobilière Provençale et Corse, Socredo Banque Polynesienne and SMI.
- Acquisition of BCI Mer Rouge.

Other restructuring operations

- Merger of SGPC - Société de Gestion Provençale et Corse with the BP Provençale et Corse at the end of the second quarter 2007.
- Takeover of SOFINCIL by the Banque Monétaire et Financière.
- Merger of the Banque Populaire des Pyrénées Orientales de l'Aude et de l'Ariège with BP Occitane.
- Divestiture of Bise securities to ex-Group.
- Merger Effitel with Crédit Coopératif.
- Merger of SCI BPS with BP du Sud.
- Merger of SOCAMA Haute Savoie and SOCAMA Savoie to create SOCAMA des Alpes
- Merger of SOCAMI Haute Savoie and SOCAMI Savoisienne creating SOCAMI des Alpes.

4.9 – CCI CEP Tier

- Creation of the Caisse d'Epargne Rhône-Alpes from the merger of Caisse d'Epargne des Alpes and Caisse d'Epargne Rhône-Alpes Lyon in May 2007.
- Creation of the Caisse d'Epargne Aquitaine Poitou Charente from the merger of the Caisse d'Epargne Aquitaine Nord and the Caisse d'Epargne du Pays de l'Adour.
- Creation of the Caisse d'Epargne de Lorraine Champagne Ardenne from the merger of the Caisse d'Epargne Champagne Ardenne and the Caisse d'Epargne de Lorraine.
- Creation of the Caisse d'Epargne Loire Centre from the merger of the Caisse d'Epargne Centre Val de Loire and the Caisse d'Epargne du Val de Loire Orléanais.
- Creation of the Caisse d'Epargne Nord France Europe from the merger of the Caisse d'Epargne du Pas De Calais and the Caisse d'Epargne Des Pays de L'Hainaut.

COMPANIES INCLUDED IN THE SCOPE OF CONSOLIDATION

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
Subsidiaries integrated							
Corporate and Investment Banking							
NATIXIS							
BEDFORD OLIVER FUNDING LLC	Other financial company	FI	100	100	100	100	United States
BLOOM ASSET HOLDINGS FUND PLC	Other financial company	FI	100	100	100	100	Ireland
CALIFANO INVESTMENTS LIMITED (1)	Structured financing	FI	100	100	0	0	Malta
CASANLI (2)	Investment company	PI	50	50	0	0	Luxembourg
CDC HOLDING TRUST	Financing on secondary market	FI	100	100	100	100	United States
CLEA2	Collateralised Security Entity	FI	100	100	100	100	France
DUPONT-DENANT CONTREPARTIE (15)	Investment company	FI	50	50	50	50	France
EDF INVESTISSEMENT GROUPE (3)	Investment company	PI	50	33	0	0	Belgium
FILI SA	Investment company	FI	100	100	100	100	Luxembourg
GUAVA CDO Ltd.	Other financial company	FI	100	100	100	100	Jersey
Ixis ALTERNATIVE HOLDING LIMITED	Holding	FI	100	100	100	100	Great Britain
Ixis CMNA (Australia) (No.2) LLC	Other financial company	FI	100	100	100	100	United States
Ixis CMNA (Australia) (No.2) SCA	Other financial company	FI	100	100	100	100	Luxembourg
Ixis CMNA (Australia) ACCEPTANCES (No.1) INC.	Other financial company	FI	100	100	100	100	United States
Ixis CMNA (Australia) ACCEPTANCES (No.2) INC.	Other financial company	FI	100	100	100	100	United States
Ixis CMNA (Australia) FUNDING (No.1) PTY LTD.	Other financial company	FI	100	100	100	100	Australia
Ixis CMNA (Australia) FUNDING (No.2) PTY LTD.	Other financial company	FI	100	100	100	100	Australia
Ixis CMNA (Australia) HOLDINGS (No.2) INC.	Other financial company	FI	100	100	100	100	United States
Ixis CMNA (Australia) HOLDINGS INC.	Other financial company	FI	100	100	100	100	United States
Ixis CMNA (Australia) PARTICIPATIONS (No.1) INC.	Other financial company	FI	100	100	100	100	United States
Ixis CMNA (Australia) PARTICIPATIONS (No.2) INC.	Other financial company	FI	100	100	100	100	United States

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
Ixis CMNA ACCEPTANCES LLC	Other financial company	FI	100	100	100	100	United States
Ixis CMNA INTERNATIONAL HOLDINGS INC.	Other financial company	FI	100	100	100	100	United States
Ixis CMNA INTERNATIONAL PARTICIPATIONS (No.1) LLC	Other financial company	FI	100	100	100	100	United States
Ixis CMNA IP ASSETS HOLDINGS (LUXEMBOURG) SCA	Other financial company	FI	100	100	100	100	Luxembourg
Ixis CORPORATE & INVESTMENT BANK (4)			0	0	100	100	France
Ixis HAWAI SPECIAL MEMBER LLC	Financing of commercial property	FI	100	100	100	100	United States
Ixis LOAN FUNDING I LLC	Financing on secondary market	FI	100	100	100	100	United States
Ixis MANZANO SPECIAL MEMBER LLC (24)	Property financing	FI	100	100	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2004-1 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2004-10 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2004-2 TRUST	Other financial company	FI	100	100	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2004-3 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2004-4 TRUST	Other financial company	FI	100	100	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2004-5 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2004-6 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2004-7 TRUST (9)	Other financial company		0	0	100	100	United States

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2004-8 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2004-9 TRUST	Other financial company	FI	100	100	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-1 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-10 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-11 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-12 TRUST	Other financial company	FI	100	100	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-13 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-14 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-15 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-16 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-17 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-18 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-19 TRUST	Other financial company	FI	100	100	100	100	United States

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-2 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-20 TRUST	Other financial company	FI	100	100	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-21 TRUST	Other financial company	FI	100	100	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-22 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-23 TRUST	Other financial company	FI	100	100	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-24 TRUST	Other financial company	FI	100	100	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-25 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-26 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-27 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-28 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-29 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-3 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-5 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-6 TRUST (9)	Other financial company		0	0	100	100	United States

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	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-7 TRUST	Other financial company	FI	100	100	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-8 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis MUNICIPAL PRODUCTS INC. SARATOGA SERIES 2005-9 TRUST (9)	Other financial company		0	0	100	100	United States
Ixis SP S.A. – Compartiment Prévie	Mutual fund	FI	100	100	100	100	Luxembourg
Ixis STRATEGIC INVESTMENTS CORP.	Other financial company	FI	100	100	100	100	United States
NATIXIS STRUCTURED PRODUCTS LTD (formerly Ixis Structured Products Ltd.) *	Financing on secondary market	FI	100	100	100	100	Jersey
JPMORGAN TRUST FLHSP (6)	Other financial company	FI	100	100	0	0	United States
JPMORGAN TRUST FLHSP1 (6)	Other financial company	FI	100	100	0	0	United States
JPMORGAN TRUST FLNJTPK (6)	Other financial company	FI	100	100	0	0	United States
JPMORGAN TRUST FLUNV (6)	Other financial company	FI	100	100	0	0	United States
JPMORGAN TRUST MASPL (6)	Other financial company	FI	100	100	0	0	United States
JPMORGAN TRUST PRHGH (6)	Other financial company	FI	100	100	0	0	United States
JPMORGAN TRUST TXUNV (6)	Other financial company	FI	100	100	0	0	United States
LIME CDO Ltd.	Other financial company	FI	100	100	100	100	Jersey
MANGO CDO Ltd.	Other financial company	FI	100	100	100	100	Jersey
MASTER FINANCIAL INC. (10)	Property financing		0	0	90	0	United States
NATIXIS ALTERNATIVE INVESTMENTS INTERNATIONAL S.A (5)	Holding	FI	100	100	0	0	Luxembourg
NATIXIS ALTERNATIVE INVESTMENTS LIMITED (formerly Ixis Alternative Investments Limited) *	Fund management	FI	100	100	100	100	Great Britain
NATIXIS ASIA LTD	Other financial company	FI	100	100	100	100	Hong Kong
NATIXIS ASSET FINANCE INC (formerly Ixis Asset Finance Inc). *	Other financial company	FI	100	100	100	100	United States

* *Former name.*

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
NATIXIS BELGIQUE INVESTISSEMENTS	Investment company	FI	100	100	100	100	Belgium
NATIXIS CAPITAL ARRANGER CORP (formerly Ixis Capital Arranger Corp). *	Intermediation services	FI	100	100	100	100	United States
NATIXIS CAPITAL MARKETS INC (formerly Ixis Capital Market North America) *	Other financial company	FI	100	100	100	100	United States
NATIXIS COMMERCIAL PAPER CORP(formerly Ixis Commercial Paper Corp) *	Other financial company	FI	100	100	100	100	United States
NATIXIS CORPORATE SOLUTIONS (ASIA) Pte Ltd. (formerly Nexgen Financial Solutions (Asia) Pte Ltd. *	Investment company	FI	100	100	100	100	Singapore
NATIXIS CORPORATE SOLUTIONS Ltd. (formerly Nexgen Financial Solutions Ltd.) *	Investment company	FI	100	100	100	100	Ireland
NATIXIS DERIVATIVES INC (formerly Ixis Derivatives Inc). *	Brokerage house	FI	100	100	100	100	United States
NATIXIS ENVIRONNEMENT & INFRASTRUCTURES' (formerly Ixis Environment & Infrastructures) *	Management of venture-capital mutual funds	FI	100	100	100	100	France
NATIXIS FINANCIAL PRODUCTS INC (formerly Ixis Financial Products Inc) *	Transactions on derivative contracts	FI	100	100	100	100	United States
NATIXIS FUNDING CORP (formerly Ixis Funding Corp). *	Other financial company	FI	100	100	100	100	United States
NATIXIS INNOV	Holding	FI	100	100	100	100	France
NATIXIS INVESTMENT MANAGEMENT CORP (formerly Ixis Investment Management Corp). *	Other financial company	FI	100	100	100	99	United States
NATIXIS LUXEMBOURG INVESTISSEMENTS' (formerly Ixis Luxembourg Investissements). *	Investment company	FI	100	100	100	100	Luxembourg
NATIXIS MALTA INVESTMENTS LIMITED (7)	Holding	FI	100	100	0	0	Malta
NATIXIS MARCO (8)	Investment company	FI	100	100	0	0	France
NATIXIS MUNICIPAL PRODUCTS INC (formerly Ixis Municipal Products Inc). *	Financing on secondary market	FI	100	100	100	100	United States
NATIXIS NORTH AMERICA INC.(Formerly Ixis North America Inc) *	Holding	FI	100	100	100	100	United States

* *Former name.*

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
NATIXIS PARTICIPATIONS HOLDING INC (formerly Ixis Participations Holding Inc). *	Other financial company	FI	100	100	100	100	United States
NATIXIS PARTICIPATIONS N°1 INC (formerly Ixis Participations n°1 Inc). *	Other financial company	FI	100	100	100	100	United States
NATIXIS REAL ESTATE CAPITAL INC (formerly Natixis Real Estate Capital Inc). *	Property financing	FI	100	100	100	100	United States
NATIXIS SECURITIES (formerly Ixis Securities) *	Brokerage house	FI	100	100	100	100	France
NATIXIS SECURITIES NORTH AMERICA INC (formerly Ixis Securities North America Inc) *	Brokerage house	FI	100	100	100	100	United States
NATIXIS SECURITIZATION CORP (formerly Ixis Securitization Corp). *	Other financial company	FI	100	100	100	100	United States
NEXGEN CAPITAL Ltd.	Investment company	FI	100	100	100	100	Ireland
NEXGEN FINANCIAL HOLDINGS Ltd.	Investment company	FI	100	100	100	100	Ireland
NEXGEN MAURITIUS Ltd.	Investment company	FI	100	100	100	100	Mauritius
NEXGEN REINSURANCE Ltd. (formerly NEXGEN RE Ltd.) *	Reinsurance	FI	100	100	100	100	Ireland
PAR FUND GP LLC	Other financial company	FI	100	100	100	100	United States
PARALLEL ABSOLUTE RETURN FUND LP	Other financial company	FI	93	93	94	94	United States
PARALLEL ABSOLUTE RETURN MASTER FUND LP	Other financial company	FI	73	73	75	75	Cayman Islands
PLAZA SQUARE APPARTMENTS OWNERS LLC (24) (11)	Property financing	FI	100	100	0	0	United States
PLAZA/ TRINITY LLC (24) (11)	Property financing	FI	100	100	0	0	United States
ROSE MORTGAGE INC. (14)			0	0	49	0	United States
SNC TOLBIAC FINANCE	Investment company	FI	100	100	100	100	France
UNIVERSE HOLDINGS Ltd.	Investment company	FI	100	100	100	100	Cayman Islands
11 WET DIVISION LLC (24) (11)	Property financing	FI	100	100	0	0	United States
Direct subsidiaries							
AKHDAR INVESTMENT GROUP (24) (12)	Financial institution / Fin. holding company	FI	100	100	0	0	Luxembourg

* *Former name.*

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
BAIL EXPANSION (25)	Financial leasing		0	0	100	100	France
DOMIMUR (13)	Rental of premises for professional use		0	0	100	100	France
ECRINVEST 6 (25)	Property investments		0	0	100	100	France
FINANCIERE CLADEL (25)	Stakeholdings		0	0	100	100	France
FRUCTIBAIL (13)	Financial leasing	FI	100	100	100	100	France
FRUCTIBAIL INVEST	Financial leasing	FI	100	100	100	100	France
FRUCTICOMI	Financial leasing	FI	100	100	100	100	France
GARBO INVEST (24) (12)	Investment company	FI	100	100	0	0	Luxembourg
GCE BAIL	Leasing	FI	100	100	100	100	France
GULF CAPITAL Luxembourg (24) (12)	Financial institution / Fin. holding company	FI	100	100	0	0	Luxembourg
INVESTIMA 6 (25)	Property holding company		0	0	100	100	France
NATIXIS ABM CORP LLC	Arbitrage of asset-backed securities	FI	100	100	100	100	United States
NATIXIS ABM CORP. (formerly ASSET BACKED MANAGEMENT CORPORATION) *	Arbitrage of asset-backed securities	FI	100	100	100	100	United States
NATIXIS BLEICHROEDER INC (formerly NATEXIS BLEICHROEDER INC) *	Investment company	FI	100	100	100	100	United States
NATEXIS BLEICHROEDER SA (15)	Investment company		0	0	100	100	France
NATEXIS BLEICHROEDER UK	Investment company		0	0	0	0	Great Britain
NATEXIS COMMODITY MARKETS Ltd. (formerly NATEXIS METALS) *	Brokerage of precious metals	FI	100	100	100	100	Great Britain
NATIXIS LEASE MADRID (formerly NATEXIS LEASE MADRID) *	Equipment and property leasing	FI	100	100	100	100	Spain
NATIXIS LEASE MILAN (formerly NATEXIS LEASE MILAN) *	Equipment and property leasing	FI	100	100	100	100	Italy
NATIXIS MOSCOW (formerly NATEXIS MOSCOW) *	Foreign banking	FI	100	100	100	100	Russia
NATEXIS SERVICES LTD (25)	Management of the resources of English companies		0	0	100	100	Great Britain
NATEXIS US FINANCE CORPORATION	Issue of negotiable debt securities	FI	100	100	100	100	United States

* *Former name.*

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	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
NATIXIS ALGERIE (formerly NATEXIS ALGERIE) *	Bank	FI	100	100	100	100	Algeria
NATIXIS ARBITRAGE (formerly NATEXIS ARBITRAGE) *	Arbitrage of shares and derivatives	FI	100	100	100	100	France
NATIXIS BAIL (formerly NATEXIS BAIL) *	Financial leasing	FI	100	100	100	100	France
NATIXIS COFICINE (formerly NATEXIS COFICINE) *	Financial company (audiovisual)	FI	94	94	94	94	France
NATIXIS ENERGECO (formerly ENERGECO) *	Equipment leasing	FI	100	100	100	100	France
NATIXIS FINANCE (formerly NATEXIS FINANCE) *	Advisory services for mergers and acquisitions	FI	100	100	100	100	France
NATIXIS FUNDING (formerly NATEXIS FUNDING) *	Provision of liquidity to the secondary debt market	FI	100	100	100	100	France
NATIXIS IMMO DEVELOPPEMENT (formerly NATEXIS IMMO DEVELOPPEMENT) *	Property development and renovation	FI	100	100	100	100	France
NATIXIS INVESTIMA (16)	Property damage insurance		0	0	100	100	France
NATIXIS LEASE (formerly NATEXIS LEASE) *	Equipment leasing	FI	100	100	100	100	France
NATIXIS LLD (formerly NATEXIS LLD) *	Extended period vehicle rental	FI	100	100	100	100	France
NATIXIS Luxembourg (formerly NATEXIS Luxembourg) *	Bank	FI	100	100	100	100	Luxembourg
NATIXIS PRAMEX INTERNATIONAL INC (formerly Natexis Pramex International Inc) *	International trade operations and promotion	FI	100	99	100	99	Canada
NATIXIS TRANSPORT FINANCE (formerly NATEXIS TRANSPORT FINANCE) *	Bank	FI	100	100	100	100	France
OPERA SENTIER SAS (17)	Property development and renovation	IP	50	50	0	0	France
PARIS OFFICE FUND (25)	Estate agent		0	0	50	50	France
S.A.G.P (16)	Stakeholdings		0	0	100	100	France
SAS VAL A	Investment portfolio holding	FI	100	100	100	100	France
NATIXIS PRAMEX INTERNATIONAL SARLAU (formerly Natexis Pramex Morocco) *	International trade operations and promotion	FI	100	99	100	99	Morocco

* *Former name.*

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
NATIXIS PRAMEX INTERNATIONAL - Madrid (formerly Natexis Pramex Iberica SA) *	International trade operations and promotion	FI	100	99	100	99	Spain
NATIXIS PRAMEX INTERNATIONAL - Milan (formerly Natexis Pramex Italia SRL) *	International trade operations and promotion	FI	100	95	100	95	Italy
NATIXIS PRAMEX DEUTSCHLAND GMBH (formerly Natexis Pramex Deutschland) *	International trade operations and promotion	FI	100	99	100	99	Germany
NATIXIS PRAMEX INTERNATIONAL (Tunisie)	International trade operations and promotion	FI	100	99	0	0	Tunisia
NATIXIS PRAMEX POLSKA SP 200 (formerly Natexis Pramex Polska) *	International trade operations and promotion	FI	100	99	100	99	Poland
NATIXIS PRAMEXRUS (formerly Natexis Pramex Rus Ltd.) *	International trade operations and promotion	FI	100	99	100	99	Russia
NATIXIS PRAMEX INTERNATIONAL	Holding	FI	99	99	99	99	France
NATIXIS PRAMEX INTERNATIONAL AP LTD (formerly Natexis Pramex Asia LTD) *	International trade operations and promotion	FI	100	99	100	99	Hong Kong
NATIXIS PRAMEX INTERNATIONAL DO BRASIL	International trade operations and promotion	FI	100	99	0	0	Brazil
NATIXIS PRAMEX INTERNATIONAL CORP (formerly Natexis Pramex North America Corp) *	International trade operations and promotion	FI	100	99	100	99	United States
NATIXIS PRAMEX INTERNATIONAL LTD (formerly Natexis Pramex UK Ltd.) *	International trade operations and promotion	FI	100	99	100	99	Great Britain
NATIXIS PRAMEX INTERNATIONAL Paris (formerly Natexis Pramex France) *	International trade operations and promotion	FI	100	98	100	98	France
Private Equity and Private Banking							
CIE 1818							
ANTEIS EPARGNE (18)	Insurance broking	FI	51	38	37	37	France
C&M FINANCE (18)	Mutual-fund management company	ME	20	15	15	15	France
CENTRE EUROPEEN D'ASSURANCE (19)	Life-insurance broking		0	0	73	73	France

* *Former name.*

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
CENTRE FRANCAIS DU PATRIMOINE (18)	Relationships with introducing brokers	FI	74	74	73	73	France
LA COMPAGNIE 1818 – BANQUIERS PRIVES (18)	Holding	FI	74	74	73	73	France
LA COMPAGNIE 1818 - GESTION (18)	Mutual-fund management company	FI	74	74	73	73	France
LA COMPAGNIE 1818 - IMMOBILIER (18)	Property operations	FI	74	74	73	73	France
MANTRA GESTION (20)	Mutual-fund management company	ME	34	25	0	0	France
Direct subsidiaries							
BANQUE PRIVEE ST DOMINIQUE	Private management	FI	100	100	100	100	France
BP DEVELOPPEMENT	Venture capital	FI	42	36	42	35	France
BPSD GESTION	Private management	FI	100	100	100	100	France
DHALIA A SICAR SCA (12)	Capital-investment	FI	100	100	0	0	Luxembourg
FINANCIERE NATEXIS SINGAPOUR	International investment fund	FI	100	75	100	86	Singapore
FINATEM	International investment fund	FI	100	76	100	86	Germany
FNS2	Capital-investment	FI	100	79	100	86	Singapore
FNS3	Capital-investment	FI	100	100	100	86	Singapore
FNS4	Capital-investment	FI	100	85	100	86	Singapore
INITIATIVE ET FINANCE INVESTISSEMENT	Capital transmission	FI	92	74	92	74	France
IXEN (formerly NATEXIS INDUSTRIE I) *	Capital transmission	FI	100	87	100	89	France
FCPR IXEN II (formerly NATEXIS INDUSTRIE II) *	Capital transmission	FI	100	75	100	100	France
MERCOSUL	International investment fund	FI	100	95	100	84	Great Britain
NATEXIS ACTIONS CAPITAL STRUCTURANT	Capital development	FI	64	64	63	63	France
NATEXIS CAPE	International investment fund	FI	98	88	98	84	Luxembourg
NATEXIS INDUSTRIE FCPR	Capital transmission	FI	89	80	90	83	France
NATEXIS INVERSIONES SL	International investment fund	FI	100	52	100	84	Spain
NATEXIS INVESTMENT CORP.	Portfolio management	FI	100	100	100	100	United States

* *Former name.*

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
NATEXIS PRIVATE EQUITY INTERNATIONAL MANAGEMENT (25)	Asset management company (Capital-investment)		0	0	100	100	France
NATEXIS PRIVATE EQUITY INTERNATIONAL SINGAPOUR	Capital-investment holding company	FI	100	100	100	100	Singapore
NATEXIS PRIVATE EQUITY OPPORTUNITIES	Capital-investment	FI	99	94	100	89	France
NATIXIS VENTURE SELECTION (ex -NATEXIS VENTURE SELECTION) *	Investment fund	FI	100	100	100	100	France
NATIXIS INVESTISSEMENT (formerly NATEXIS INVESTISSEMENT GLOBALE) *	Capital development	FI	100	90	100	100	France
NATIXIS PRIVATE BANKING (formerly NATEXIS PRIVATE BANKING) *	International wealth management	FI	100	100	100	100	France
NATIXIS PRIVATE BANKING INTERNATIONAL (formerly NATIXIS PRIVATE BANKING Luxembourg SA) *	International wealth management	FI	96	96	96	96	Luxembourg
NATIXIS PRIVATE EQUITY (formerly NATEXIS PRIVATE EQUITY) *	Capital-investment	FI	100	100	100	100	France
NATIXIS PRIVATE EQUITY INTERNATIONAL (formerly NATEXIS PRIVATE EQUITY INTERNATIONAL) *	Capital-investment	FI	100	21	100	100	France
NAXICAP PARTNERS (formerly SPEF DEVELOPPEMENT) *	Management of venture-capital mutual funds	FI	100	100	100	100	France
NEM 2	Asset management company (Capital-investment)	FI	100	100	100	100	France
PROVIDENTE SA	Stakeholdings	FI	100	100	100	100	France
SEVENTURE PARTNERS	Management of Innovation Mutual Fund	FI	100	100	100	100	France
SOPRANE SERVICES (25)	Private management		0	0	100	100	France
SPEF LBO (25)	Management of venture-capital mutual funds		0	0	100	100	France
Asset Management							
NATIXIS GLOBAL ASSET MANAGEMENT							
AEW ADVISORS, INC. (35)	Asset Management	FI	89	89	85	85	United States

* *Former name.*

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
AEW CAPITAL MANAGEMENT, INC. (35)	Asset Management	FI	89	89	85	85	United States
AEW CAPITAL MANAGEMENT, LP (35)	Asset Management	FI	89	89	85	85	United States
AEW GLOBAL ADVISORS (Asia) LTD (35)	Asset Management	FI	89	89	85	85	Singapore
AEW GLOBAL ADVISORS (EUROPE) LTD (35)	Asset Management	FI	89	89	85	85	Great Britain
AEW II CORPORATION (35)	Asset Management	FI	89	89	85	85	United States
AEW INVESTMENT GROUP, INC. (35)	Asset Management	FI	89	89	85	85	United States
AEW MANAGEMENT AND ADVISORS, LP (35)	Asset Management	FI	89	89	85	85	United States
AEW PARTNERS III, INC. (35)	Asset Management	FI	89	89	85	85	United States
AEW PARTNERS IV, INC. (35)	Asset Management	FI	89	89	85	85	United States
AEW PARTNERS V, INC. (35)	Asset Management	FI	89	89	85	85	United States
AEW REAL ESTATE ADVISORS, INC. (35)	Asset Management	FI	89	89	85	85	United States
AEW SECURITIES LIMITED PARTNERSHIP (35)	Distribution	FI	89	89	85	85	United States
AEW TSF, INC. (35)	Asset Management	FI	89	89	85	85	United States
AEW VIF INVESTORS, INC. (35)	Asset Management	FI	89	89	85	85	United States
AEW VIF II INVESTORS, INC. (35)	Asset Management	FI	89	89	85	85	United States
ALPHASIMPLEX GROUP LLC (20)	Asset Management	FI	89	89	0	0	United States
ASAHI NVEST INVESTMENT ADVISORY CO, LTD (35)	Distribution	EM	49	43	49	42	Japan
CAPITAL GROWTH MANAGEMENT, LP (35)	Asset Management	EM	50	44	50	42	United States
CASPIAN CAPITAL MANAGEMENT, LLC (35)	Asset Management	FI	51	45	51	43	United States
CGW GESTION D'ACTIFS (35) (36)	Asset Management	EM	33	18	33	28	France
COGIM (35) (36)	Asset Management	FI	89	53	85	85	France
CREA WESTERN INVESTORS I, INC. (35) (36)	Asset Management	FI	89	89	85	85	United States
CURZON GLOBAL ADVISORY LTD (35) (36)	Asset Management	FI	89	53	85	85	Great Britain
CURZON GLOBAL CC LTD (35) (36)	Asset Management	FI	89	53	85	85	Great Britain
CURZON GLOBAL LTD (35) (36)	Asset Management	FI	89	53	85	85	Great Britain

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
CURZON GLOBAL PARTNERS (35) (36)	Asset Management	FI	89	53	85	85	Great Britain
CURZON GLOBAL UK LTD (35) (36)	Asset Management	FI	89	53	85	85	Great Britain
ECUREUIL GESTION (35) (34)	Asset Management	FI	89	89	80	80	France
ECUREUIL GESTION FONDS COMMUN DE PLACEMENT (35) (34)	Asset Management	FI	89	89	80	80	France
FEDERAL STREET MANAGEMENT, INC. (35)	Asset Management	FI	89	89	85	85	United States
HANSBERGER GROUP, INC. (43)	Asset Management	FI	88	88	21	21	United States
HARRIS ALTERNATIVES HOLDING INC (5)	Holding	FI	89	89	85	85	United States
HARRIS ALTERNATIVES, LLC (35)	Asset Management	FI	89	89	85	85	United States
HARRIS ASSOCIATES INVESTMENT TRUST (35)	Asset Management	FI	89	89	85	85	United States
HARRIS ASSOCIATES LP (35)	Asset Management	FI	89	89	85	85	United States
HARRIS ASSOCIATES SECURITIES, LP (35)	Distribution	FI	89	89	85	85	United States
HARRIS ASSOCIATES, INC. (35)	Asset Management	FI	89	89	85	85	United States
Ixis AEW EUROPE SA (35) (37)	Asset Management	FI	60	53	85	85	France
Ixis AEW ITALIA (35) (36)	Asset Management	FI	89	53	85	85	Italy
Ixis AEW LUXEMBOURG (35) (36)	Asset Management	FI	89	53	85	85	Luxembourg
NATIXIS GLOBAL ASSOCIATES AUSTRALIA HOLDINGS, LLC (formerly Ixis ASSET MANAGEMENT (AUSTRALIA) HOLDINGS, LLC) * (35)	Holding	FI	89	89	85	85	Australia
NATIXIS ASSET MANAGEMENT ADVISERS, LP (formerly Ixis ASSET MANAGEMENT ADVISERS, LP) * (35)	Distribution	FI	89	89	85	85	United States
ABSOLUTE ASIA AM (formerly Ixis ASSET MANAGEMENT ASIA, LTD) (35) *	Asset Management	FI	89	89	85	85	Singapore
NATIXIS GLOBAL ASSOCIATES AUSTRALIA LIMITED (formerly Ixis ASSET MANAGEMENT AUSTRALIA LIMITED) (32) *	Distribution		0	0	85	85	Australia

** Former name.*

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
NATIXIS DISTRIBUTION CORPORATION (formerly Ixis ASSET MANAGEMENT DISTRIBUTION CORPORATION) * (35)	Distribution	FI	89	89	85	85	United States
NATIXIS DISTRIBUTORS, LP (formerly Ixis ASSET MANAGEMENT DISTRIBUTORS, LP) * (35)	Distribution	FI	89	89	85	85	United States
NATIXIS ASSET MANAGEMENT JAPAN CO., LTD (formerly Ixis ASSET MANAGEMENT JAPAN, LTD) (35) *	Asset Management	FI	89	89	85	85	Japan
Ixis ASSET MANAGEMENT SERVICES, INC. (38)	Services		0	0	85	85	United States
NATIXIS INVESTMENT SERVICES JAPAN, LTD (formerly Ixis INVESTMENT SERVICES JAPAN, INC.) * (35)	Distribution	FI	89	89	85	85	Japan
KOBRICK FUNDS, LLC (35)	Asset Management	FI	89	89	85	85	United States
LOOMIS SAYLES & COMPANY, INC. (35)	Asset Management	FI	89	89	85	85	United States
LOOMIS SAYLES & COMPANY, LP (35)	Asset Management	FI	89	89	85	85	United States
LOOMIS SAYLES CONSUMER DISCRETIONARY GP LLC (35)	Asset Management	FI	89	89	85	85	United States
LOOMIS SAYLES CONSUMER DISCRETIONARY LP (35)	Asset Management	FI	89	89	85	85	United States
LOOMIS SAYLES CONSUMER DISCRETIONARY, LLC (35)	Asset Management	FI	89	89	85	85	United States
LOOMIS SAYLES DISTRIBUTORS, INC. (35)	Distribution	FI	89	89	85	85	United States
LOOMIS SAYLES DISTRIBUTORS, LP (35)	Distribution	FI	89	89	85	85	United States
LOOMIS SAYLES ENERGY, LLC (35)	Asset Management	FI	89	89	85	85	United States
LOOMIS SAYLES ENERGY HEDGE FUND II, L.P. (24) (20)	Asset Management	FI	89	89	0	0	United States
LOOMIS SAYLES FUTURES, LLC (35)	Asset Management	FI	89	89	85	85	United States
LOOMIS SAYLES SOLUTIONS, INC (35)	Asset Management	FI	89	89	85	85	United States
LOOMIS SAYLES TRUST COMPANY,LLC (12)	Asset Management	FI	89	89	0	0	United States
MC MANAGEMENT, INC. (35)	Holding	FI	89	89	85	85	United States
MC MANAGEMENT, LP (35)	Holding	FI	89	89	85	85	United States

* *Former name.*

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
NATIXIS PROPERTY ASSET MANAGEMENT (formerly NATEXIS PROPERTY INVESTMENT) (27) (56) *	Property management (Real Estate Investment Trust)	FI	88	53	100	100	France
NATIXIS ASSET MANAGEMENT (formerly IAM) (27) (35) *	Asset Management	FI	89	89	85	85	France
NATIXIS ASSET MANAGEMENT PARTICIPATIONS 1 (formerly Ixis ASSET MANAGEMENT PARTICIPATIONS 5) (35) *	Holding	FI	89	89	85	85	France
NATIXIS ASSET MANAGEMENT PARTICIPATIONS 2 (formerly Ixis ASSET MANAGEMENT PARTICIPATIONS 2) (35) *	Holding	FI	89	89	85	85	France
NATIXIS GLOBAL ASSET MANAGEMENT (formerly- Ixis ASSET MANAGEMENT GROUP) (35) *	Holding	FI	89	89	85	85	France
NATIXIS GLOBAL ASSET MANAGEMENT CORPORATION (formerly Ixis ASSET MANAGEMENT US CORPORATION) (35) *	Holding	FI	89	89	85	85	United States
NATIXIS GLOBAL ASSET MANAGEMENT HOLDINGS, LLC (formerly Ixis ASSET MANAGEMENT HOLDINGS, LLC) (35) *	Holding	FI	89	89	85	85	United States
NATIXIS GLOBAL ASSET MANAGEMENT PARTICIPATIONS 1 (formerly ASSET MANAGEMENT PARTICIPATIONS 1) (35) *	Holding	FI	89	89	85	85	France
NATIXIS GLOBAL ASSET MANAGEMENT PARTICIPATIONS 2 (formerly Ixis ASSET MANAGEMENT PARTICIPATIONS 6) (35) *	Holding	FI	89	89	85	85	France
NATIXIS GLOBAL ASSET MANAGEMENT PARTICIPATIONS 3 (formerly Ixis ASSET MANAGEMENT PARTICIPATIONS 3) (35) *	Holding	FI	89	89	85	85	France
NATIXIS GLOBAL ASSET MANAGEMENT PARTICIPATIONS 4 (formerly Ixis ASSET MANAGEMENT PARTICIPATIONS 4) (35) *	Holding	FI	89	89	85	85	France
NATIXIS GLOBAL ASSET MANAGEMENT, LLC (formerly Ixis ASSET MANAGEMENT US, LLC) (35) *	Holding	FI	89	89	85	85	United States

** Former name.*

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
NATIXIS GLOBAL ASSET MANAGEMENT, LP (formerly CORPORATIONIXIS ASSET MANAGEMENT NORTH AMERICA, LP [35] *	Holding	FI	89	89	85	85	United States
NATIXIS GLOBAL ASSOCIATES GERMANY (formerly-Ixis FONDSSERVICES GMBH) [35] *	Distribution	FI	89	89	85	85	Germany
NATIXIS GLOBAL ASSOCIATES ITALY (formerly Ixis ASSET MANAGEMENT ITALY) [35] *	Asset Management	FI	89	89	85	85	Italy
NATIXIS GLOBAL ASSOCIATES LUXEMBOURG (formerly Ixis ASSET MANAGEMENT GLOBAL ASSOCIATES, S.A.) [35] *	Distribution	FI	89	89	85	85	Luxembourg
NATIXIS GLOBAL ASSOCIATES UK (formerly Ixis ASSET MANAGEMENT UK) [35] *	Distribution	FI	89	89	85	85	Great Britain
NATIXIS GLOBAL ASSOCIATES, INC (formerly Ixis ASSET MANAGEMENT ASSOCIATES, INC.) [35] *	Distribution	FI	89	89	85	85	United States
NATIXIS MULTIMANAGER (formerly IPCM) [27] [35] [57] *	Asset Management	FI	89	89	69	69	France
NATIXIS OAKMARK GLOBAL LARGE CAP [24]	Asset Management	FI	89	89	0	0	United States
PBW REAM [35] [36]	Asset Management	ME	50	26	42	42	The Netherlands
PERCIPIO CAPITAL MANAGEMENT, LLC [20]	Asset Management	ME	30	27	0	0	United States
REICH & TANG ASSET MANAGEMENT, LLC [35]	Asset Management	FI	89	89	85	85	United States
REICH & TANG DISTRIBUTORS, INC. [35]	Distribution	FI	89	89	85	85	United States
REICH & TANG SERVICES, INC. [35]	Asset Management	FI	89	89	85	85	United States
SEAPORT SENIOR HOUSING, LLC [35]	Asset Management	FI	89	89	85	85	United States
SNYDER CAPITAL MANAGEMENT, INC. [35]	Asset Management	FI	89	89	85	85	United States
SNYDER CAPITAL MANAGEMENT, LP [35]	Asset Management	FI	89	89	85	85	United States
VAUGHAN NELSON INVESTMENT MANAGEMENT, INC. [35]	Asset Management	FI	89	89	85	85	United States
VAUGHAN NELSON INVESTMENT MANAGEMENT, LP [35]	Asset Management	FI	89	89	85	85	United States

* *Former name.*

Activity		Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
VAUGHAN NELSON TRUST COMPANY [35]	Asset Management	FI	89	89	85	85	United States
WESTPEAK GLOBAL ADVISORS, LP [35]	Asset Management	FI	89	89	85	85	United States
WESTPEAK INVESTMENT ADVISORS AUSTRALIA, LIMITED PTY. [38]	Asset Management		0	0	85	85	Australia
WESTPEAK INVESTMENT ADVISORS, INC. [35]	Asset Management	FI	89	89	85	85	United States
Westpeak Small Cap Growth Fund [24]	Asset Management	FI	89	89	0	0	United States
NAM [27]	Asset Management		0	0	100	100	France
NATEXIS ASSET SQUARE [27]	Distribution of mutual funds		0	0	100	100	France
NATIXIS AXELTIS LTD (formerly AXELTIS LTD) [27] *	Distribution of mutual funds	FI	100	100	100	100	Great Britain
Receivables Management							
COFACE							
AKCO FUND	Insurance investment mutual fund	FI	100	100	100	100	Germany
AXA ASSURCREDIT (formerly Assurcredit) [25] *	Credit insurance and related services		0	0	40	40	France
BUSINESS DATA INFORMATION	Marketing and other services	FI	61	61	61	61	Israel
CENTRE D"ETUDES FINANCIERES (CEF) [25]	Commercial and capital-adequacy information		0	0	100	100	France
Cesar	Insurance	FI	100	100	100	100	Germany
CERVED [12]	Financial information	EM	15	15	0	0	Italy
CIA DE SEGUROS DE CREDITOS COFACE CHILE SA (formerly COFACE CHILI SA) [25] *	Information provision and management of receivables		0	0	84	84	Chile
CIMCO SYSTEMS LTD [25]	Information provision and management of receivables		0	0	100	100	Great Britain
COFACE	Credit insurance and related services	FI	100	100	100	100	France
COFACE ASSICURAZIONI SPA (formerly VISCONTEA COFACE) *	Credit insurance and related services	FI	100	100	100	100	Italy
COFACE AUSTRIA (formerly OSTERREICHISCHE KREDITVERSICHERUNGS COFACE (OKV COFACE)) *	Credit insurance and related services	FI	100	100	100	100	Austria

** Former name.*

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
COFACE BELGIUM SERVICES (N.V. COFACE EURO DB)	Commercial and capital-adequacy information	FI	100	100	100	100	Belgium
COFACE BELGIUM SERVICES HOLDING (formerly-RBB) (33) *	Commercial and capital-adequacy information	FI	100	100	0	0	Belgium
COFACE BULGARIA CMS (formerly COFACE INTERCREDIT BULGARIA) (25) *	Information provision and management of receivables		0	0	100	75	Bulgaria
COFACE COLLECTION NORTH AMERICA	Information provision and management of receivables	FI	100	100	100	100	United States
COFACE CREDIT MANAGEMENT NORTH AMERICA (formerly Coface Credit Management Services) *	Information provision and management of receivables	FI	100	100	100	100	United States
COFACE CROATIA CMS (formerly COFACE INTERCREDIT HRATSKA (CROATIA)) (25) *	Information provision and management of receivables		0	0	100	75	Croatia
COFACE CZECH CMS (formerly COFACE INTERCREDIT CZECHIA) (25) *	Information provision and management of receivables		0	0	100	75	Czech Republic
COFACE DENMARK SERVICES (25)	Credit insurance and related services		0	0	100	100	Denmark
COFACE DEBITOREN (formerly ADG COFACE ALLGEMEINE DEBITOREN GESELLSCHAFT) *	Information provision and management of receivables	FI	100	100	100	100	Germany
COFACE DEBT PURCHASE (25)	Information provision and management of receivables		0	0	100	100	Great Britain
COFACE DEUTSCHLAND (formerly AK COFACE HOLDING AG) *	Holding	FI	100	100	100	100	Germany
COFACE DO BRASIL SEGUROS DE CREDITO	Credit insurance and related services	FI	100	100	100	100	Brazil
COFACE EUROPE	Insurance investment mutual fund		0	0	0	0	France
COFACE EXPERT (31)	Training		0	0	100	100	France
COFACE FACTORING ESPANA (12)	Factoring	FI	100	100	0	0	Spain
COFACE FACTORING ITALIA SpA	Factoring	FI	100	100	100	100	Italy

* *Former name.*

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
COFACE FINANZ (formerly ALLGEMEINE KREDIT FINANZ SERVICE (AKFS)) *	Factoring	FI	100	100	100	100	Germany
COFACE HOLDING AMERICA LATINA	Financial information	FI	100	100	100	100	Mexico
COFACE HOLDING AUSTRIA (12)	Holding	FI	100	100	0	0	Austria
COFACE HOLDING ISRAEL	Holding	FI	100	100	100	100	Israel
COFACE HOLDING SAS (12)	Holding	FI	100	100	0	0	France
COFACE HUNGARY CMS (formerly COFACE INTERCREDIT HUNGARY) (25) *	Information provision and management of receivables		0	0	100	75	Hungary
COFACE ITALIA	Holding	FI	100	100	100	100	Italy
COFACE KREDIT (formerly ALLGEMEINE KREDIT COFACE (AKC)) *	Credit insurance and related services	FI	100	100	100	100	Germany
COFACE KREDIT INFORMATIONS (formerly ALLGEMEINE KREDIT COFACE INFORMATIONS GMBH (AKI)) *	Information provision and management of receivables		0	0	0	0	Germany
COFACE NEDERLAND SERVICES (formerly COFACE SERVICES NETHERLANDS) *	Information provision and management of receivables	FI	100	100	100	100	The Netherlands
COFACE NORTH AMERICA	Credit insurance and related services	FI	100	100	100	100	United States
COFACE NORTH AMERICA HOLDING COMPANY	Holding	FI	100	100	100	100	United States
COFACE NORTH AMERICA INSURANCE COMPANY	Credit insurance and related services	FI	100	100	100	100	United States
COFACE POLAND CMS (formerly COFACE INTERCREDIT POLAND) (25) *	Information provision and management of receivables		0	0	100	75	Poland
COFACE RECEIVABLE FINANCES (formerly LONDON BRIDGE FINANCE LTD) *	Factoring	FI	100	100	100	100	Great Britain
COFACE ROMANIA CMS (formerly COFACE INTERCREDIT ROMANIA) (25) *	Information provision and management of receivables		0	0	100	75	Romania
COFACE SERVICE	Information provision and management of receivables	FI	100	100	100	100	France
COFACE SERVICE POLOGNE (25)	Information provision and management of receivables		0	0	100	100	Poland

** Former name.*

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
COFACE SERVICE SPA	Information provision and management of receivables	FI	100	100	100	100	Italy
COFACE SERVICE SUISSE (formerly-Cofacerating.ch) (25) *	Holding		0	0	100	100	Switzerland
COFACE SERVICES AUSTRIA (formerly OKV KREDITINFORMATIONS GMBH (OKI) *	Information provision and management of receivables	FI	100	100	100	100	Austria
COFACE SERVICES COLOMBIA (formerly VERITAS COLOMBIA) (25) *	Information provision and management of receivables		0	0	100	100	Colombia
COFACE SERVICES ECUADOR (formerly VERITAS ANDINA) (25) *	Information provision and management of receivables		0	0	100	100	Ecuador
COFACE SERVICES NORTH AMERICA GROUP (formerly VERITAS GROUP) *	Holding	FI	100	100	100	100	United States
COFACE SERVICES PERU (formerly VERITAS PERU) (25) *	Information provision and management of receivables		0	0	100	100	Peru
COFACE SERVICES VENEZUELA (formerly VERITAS VENEZUELA) (25) *	Information provision and management of receivables		0	0	100	100	Venezuela
COFACE SERVICIOS ARGENTINA (formerly VERITAS ARGENTINA) (25) *	Information provision and management of receivables		0	0	100	100	Argentina
COFACE SERVICIOS CHILE (formerly VERITAS CHILE) (25) *	Information provision and management of receivables		0	0	100	100	Chile
COFACE SERVICIOS COSTA RICA (formerly VERITAS DE CENTRO AMERICA) (25) *	Information provision and management of receivables		0	0	100	100	Costa Rica
COFACE SERVICIOS DO BRAZIL (25)	Information provision and management of receivables		0	0	100	100	Brazil
COFACE SERVICIOS ESPANA S.L. (formerly COFACERATING.SP) *	Information provision and management of receivables	FI	100	100	100	100	Spain
COFACE SERVICIOS MEXICO SA DE CV (formerly Informes Veritas) (25) *	Information provision and management of receivables		0	0	100	100	Mexico

* *Former name.*

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
COFACE SERVICIOS PANAMA (25)	Information provision and management of receivables		0	0	100	100	Panama
COFACE SERVICIOS PORTUGAL (Ex COFACE MOPE) *	Information provision and management of receivables	FI	100	100	100	100	Portugal
COFACE SLOVAKIA CMS (formerly COFACE INTERCREDIT SLOVAKIA) (25) *	Information provision and management of receivables		0	0	100	75	Slovakia
COFACE SLOVENIA CMS (formerly COFACE INTERCREDIT SLOVENIA) (25) *	Information provision and management of receivables		0	0	100	75	Slovenia
COFACE SOUTH AFRICA SERVICES (formerly CUAL) (25) *	Services - Introducing brokers		0	0	100	100	South Africa
COFACE SOUTH AFRICAN INSURANCE COMPANY (25)	Credit insurance and related services		0	0	100	100	South Africa
COFACE UK HOLDINGS (formerly London Bridge Finance Group) *	Holding	FI	100	100	100	100	Great Britain
COFACE UK SERVICES LTD (formerly Cofacerating.UK) *	Information provision and management of receivables	FI	100	100	100	100	Great Britain
COFACERATING HOLDING	Information provision and management of receivables	FI	100	100	100	100	Germany
COFACERATING.DE	Information provision and management of receivables	FI	100	100	100	100	Germany
COFACREDIT	Credit insurance and related services	ME	36	36	36	36	France
COFACTION 2 (59)			0	0	100	100	France
PLACEMENTS COFACTIONS 2 (60)	Insurance investment mutual fund	FI	100	100	0	0	France
COFINPAR	Credit insurance and related services	FI	100	100	100	100	France
COFOBLIGATIONS (59)			0	0	100	100	France
COFOBLIG (58)	Insurance investment mutual fund	FI	100	100	0	0	France

* *Former name.*

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
COGERI	Information provision and management of receivables	FI	100	100	100	100	France
CREDICO LTD (ex Cimco Ltd.) (25)	Information provision and management of receivables		0	0	100	100	Great Britain
CREDITORS GROUP HOLDING LTD (25)	Information provision and management of receivables		0	0	100	100	Great Britain
EIOS (25)	Commercial and capital-adequacy information		0	0	30	30	France
FIMIPAR	Repurchase of receivables	FI	100	100	100	100	France
GRAYDON HOLDING	Information provision and management of receivables	EM	28	28	28	28	The Netherlands
GROUPE COFACE CENTRAL EUROPE HOLDING (formerly COFACE INTERCREDIT HOLDING AG) *	Holding	FI	75	75	75	75	Austria
KISSELBERG	Insurance	FI	100	100	100	100	Germany
KOMPASS Belgique (33)	Marketing and other services	FI	100	100	0	0	Belgium
KOMPASS CZECH REPUBLIC (25)	Marketing and other services		0	0	93	93	Czech Republic
KOMPASS France (33)	Holding	FI	100	100	0	0	France
KOMPASS Holding (Sub-Group) (31)	Holding		0	0	100	100	France
KOMPASS INTERNATIONAL NEUENSCHWANDER	Holding	FI	100	100	100	100	France
KOMPASS ISRAEL (25)	Information provision and management of receivables		0	0	75	46	Israel
KOMPASS JAPAN (25)	Marketing and other services		0	0	100	100	Japan
KOMPASS POLAND (25)	Marketing and other services		0	0	100	100	Poland
KOMPASS SOUTH EAST ASIA (25)	Marketing and other services		0	0	100	100	Singapore
KOMPASS TURKEY (KOMPASS BILGI) (25)	Information provision and management of receivables		0	0	70	70	Turkey
KOMPASS UNITED STATES (25)	Marketing and other services		0	0	100	100	United States

* *Former name.*

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
LA VISCONTEA IMMOBILIARE	Property company	FI	100	100	100	100	Italy
LIBRAIRIE ELECTRONIQUE (25)	Commercial and capital-adequacy information		0	0	100	100	France
MSL1 FUND	Insurance investment mutual fund	FI	100	100	100	100	Germany
OR INFORMATIQUE (25)	Commercial and capital-adequacy information		0	0	100	100	France
ORCHID TELEMATICS LIMITED	Commercial and capital-adequacy information		100	100	100	100	Great Britain
THE CREDITORS GROUP LTD (25)	Information provision and management of receivables		0	0	100	100	Great Britain
THE CREDITORS INFORMATION CO LTD (25)	Information provision and management of receivables		0	0	100	100	Great Britain
UNISTRAT COFACE	Insurance commission agent	FI	100	100	100	100	France
DIRECT SUBSIDIARIES							
GCE AFFACTURAGE (26)	Factoring		0	0	100	100	France
NATIXIS FACTOR (formerly NATEXIS FACTOREM) (52) *	Factoring	FI	100	100	100	100	France
VR FACTOREM GMBH	Factoring	IP	51	51	51	51	Germany
CACEIS							
BROOKE SECURITIES HOLDINGS INC (63)	Holding	PI	50	50	0	0	United States
BROOKE SECURITIES INC. (63)	Fund Management	PI	50	50	0	0	United States
CACEIS BANK	Institutional safekeeping - Trustee bank for mutual funds	PI	50	50	50	50	France
CACEIS BANK LUXEMBOURG	Institutional safekeeping - Trustee bank for mutual funds	PI	50	50	50	50	Luxembourg
CACEIS BANK DEUTSCHLAND (54)	Securities safekeeping	PI	50	50	0	0	Germany
CACEIS CORPORATE TRUST	Services to Issuers	PI	50	50	50	50	France
CACEIS FASTNET AMERICAN ADMINISTRATION (62)	Holding	PI	50	50	0	0	France

* *Former name.*

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	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
CACEIS FASTNET (61)	Fund Management	PI	47	47	35	35	France
CACEIS FASTNET SUISSE	Fund Management	PI	50	50	50	50	Switzerland
CACEIS SAS	Holding	PI	50	50	50	50	France
FASTNET Belgique	Fund Management	PI	26	26	26	26	Belgium
FASTNET IRLANDE	Fund Management	PI	50	50	50	50	Ireland
FASTNET LUXEMBOURG	Fund Management	PI	26	26	26	26	Luxembourg
FASTNET PAYS BAS	Fund Management	PI	26	26	26	26	The Netherlands
INVESTOR SERVICES HOUSE	Property operations	PI	50	50	50	50	Luxembourg
OLYMPIA CAPITAL INC (63)	Fund Management	PI	50	50	0	0	United States
OLYMPIA CAPITAL ASSOCIATES, LP (63)	Fund Management	PI	50	50	0	0	United States
OLYMPIA CAPITAL FINANCIAL SERVICES INC (63)	Fund Management	PI	50	50	0	0	Canada
OLYMPIA CAPITAL BERMUDA LTD (63)	Fund Management	PI	50	50	0	0	Bermuda
OLYMPIA CAPITAL CAYMAN LTD (63)	Fund Management	PI	50	50	0	0	Cayman Islands
OLYMPIA CAPITAL IRELAND LTD (63)	Fund Management	PI	50	50	0	0	Ireland
PARTINVEST	Property operations	PI	50	50	50	50	Luxembourg
THE FASTNET HOUSE	Property operations	PI	50	50	50	50	Luxembourg
WINCHESTER GLOBAL TRUST COMPANY LTD (63)	Fund Management	PI	50	50	0	0	Bermuda
WINCHESTER FIDUCIARY SERVICES LTD (63)	Fund Management	PI	50	50	0	0	Bermuda
NATIXIS GARANTIES							
CEGI	Insurance	FI	100	100	100	100	France
CEGI COURTAGE (46)	Insurance brokerage		0	0	100	100	France
GCEC Diversifié (39)	Insurance investment mutual fund	FI	100	100	0	0	France
NATIXIS GARANTIES (formerly GCE GARANTIE) *	Credit institution	FI	100	100	100	100	France
SACCEF	Insurance	FI	100	100	100	100	France
SCI CHAMPS-ELYSEES	Property Management	FI	100	100	100	100	France

* *Former name.*

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
SCI LA BOETIE	Property Management	FI	100	100	100	100	France
SCI SACCEF	Property Management	FI	100	100	100	100	France
SOCAMAB [45]	Insurance	FI	100	100	60	60	France
DIRECT SUBSIDIARIES							
ADIR	Property damage insurance	EM	34	34	34	34	Lebanon
ASM ALTERNATIF GARANTI 1 [25]	Insurance investment mutual fund		0	0	99	99	France
ASSURANCES BANQUE POPULAIRE ACTIONS	Insurance investment mutual fund	FI	99	99	99	99	France
ASSURANCES BANQUE POPULAIRE CROISSANCE RENDEMENT	Insurance investment mutual fund	FI	99	99	99	99	France
ASSURANCES BANQUE POPULAIRE IARD	Property damage insurance	EM	50	50	50	50	France
ASSURANCES BANQUE POPULAIRE MIDCAP	Insurance investment mutual fund	FI	100	100	100	100	France
ASSURANCES BANQUE POPULAIRE PREVOYANCE	Provident insurance	FI	100	100	100	100	France
ASSURANCES BANQUE POPULAIRE VIE	Life insurance	FI	100	100	100	100	France
ECRINVEST 11 [64]	Holding	FI	100	100	0	0	France
NATIXIS FINANCEMENT (formerly CEFI) *	Consumer credit	FI	67	67	67	67	France
NATIXIS CONSUMER FINANCE [65]	Consumer credit	FI	100	100	0	0	France
FONCIER ASSURANCES [53]	Insurance	FI	60	60	60	60	France
FRUCTIFONCIER	Insurance property-investment	FI	100	100	100	100	France
GESTITRES	Securities safekeeping	FI	100	100	100	100	France
NATIXIS ASSURANCES (formerly NATEXIS ASSURANCES) *	Holding company for insurance companies	FI	100	100	100	100	France
NATIXIS IMMO EXPLOITATION (formerly NATEXIS IMMO EXPLOITATION) *	Property operations	FI	100	100	100	100	France
NATIXIS INTEREPARGNE (formerly NATEXIS INTEREPARGNE) *	Management of employee savings accounts	FI	100	100	100	100	France
NATIXIS INTERTITRES (formerly NATEXIS INTERTITRES) *	Supply of services vouchers	FI	100	100	100	100	France

* *Former name.*

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	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
NATIXIS INTERTITRES (formerly NATEXIS INTERTITRES) *	Administrative management of mutual funds	FI	100	100	100	100	France
NATIXIS LIFE (formerly NATEXIS LIFE) * (52)	Life insurance	FI	100	100	100	99	Luxembourg
NATIXIS PAIEMENTS (formerly NATEXIS PAIEMENTS) *	Banking services	FI	100	100	100	100	France
NOVACREDIT (66)	Consumer credit		0	0	66	66	France
S.C.I. ABP IENA (25)	Insurance property-investment		0	0	100	100	France
S.C.I. ABP POMPE	Insurance property-investment	FI	100	100	100	100	France
SLIB	IT services	FI	100	100	100	100	France
SOCECA (25)	Insurance brokerage		0	0	25	25	France
VITALIA VIE	Life insurance	FI	100	100	100	100	France
Other activities							
CIFG							
CIFG EUROPE (49)	Insurance		0	0	100	100	France
CIFG GUARANTY (49)	Reinsurance company		0	0	100	100	France
CIFG GUARANTY ASSURANCES NORTH AMERICA (49)	Insurance		0	0	100	100	United States
CIFG HOLDING (49)	Holding		0	0	100	100	France
CIFG SERVICES INC (49)	Services		0	0	100	100	United States
MOGADOR LTD (24) (49)	Financial services		NA	NA	NA	NA	Jersey
NEW GENERATION FUNDING (24) (49)	Financial services		NA	NA	NA	NA	Jersey
DIRECT SUBSIDIARIES							
AUXILIAIRE ANTIN	Property operations		0	0	0	0	France
CO-ASSUR (25)	Insurance brokerage		0	0	100	100	France
COLLOMB MAGELLAN SCI (25)	Property investments		0	0	100	100	France
COMPAGNIE FONCIERE NATIXIS (formerly COMPAGNIE FONCIERE NATEXIS) (48) *	Property investments		0	0	100	100	France
EDVAL C INVESTMENTS Ltd.	Defeasance structure for country credit risk	FI	100	100	100	100	Great Britain
FONCIERE KUPKA	Property investments	FI	100	100	100	100	France

* *Former name.*

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
IFCIC [25]	Cinema and audiovisual sector guarantee		0	0	20	20	France
IMMOBILIERE NATEXIS [25]	Property investments		0	0	100	100	France
NATEXIS AMBS COMPANY LLC	Issue of preferential shares	FI	100	0	100	0	United States
NATEXIS BANQUES POPULAIRES INVEST	Mutual fund	FI	100	100	100	100	France
NATEXIS BANQUES POPULAIRES PREFERRED CAPITAL I LLC	Issue of preferential shares	FI	100	0	100	0	United States
NATEXIS BANQUES POPULAIRES PREFERRED CAPITAL II	Issue of preferential shares	FI	100	0	100	0	United States
NATEXIS BANQUES POPULAIRES PREFERRED CAPITAL III	Issue of preferential shares	FI	100	0	100	0	United States
NATEXIS FUNDING USA LLC	Refinancing business	FI	100	100	100	100	United States
NATINIUM FINANCIAL PRODUCTS	Securitisation vehicle	FI	100	100	100	100	France
NATIXIS	Holding	FI	100	100	100	100	France
NATIXIS ALTAIR (formerly NATEXIS ALTAIR) *	IT services	FI	100	100	100	100	France
NXBP1	Holding	FI	100	100	100	100	France
S.C.I. ALTAIR 1	Property operations	FI	100	100	100	100	France
S.C.I. ALTAIR 2	Property operations	FI	100	100	100	100	France
S.C.I. VALMY COUPOLE	Property operations	FI	100	100	100	100	France
SEGEX [30]	Stakeholdings		0	0	100	100	France
SEPIA	Portfolio Company		0	0	0	0	France
SPAFICA	Property investments	FI	100	100	100	100	France
WORLEDGE A INVESTMENTS Ltd.	"Sale option" structure for country credit risk	FI	100	100	100	100	Great Britain
BRANCHES							
COFACE SVERIGE (formerly AKC NORDEN) - SUCC (COFACE KREDIT)	Insurance	FI	100	100	100	100	Germany
COFACE IRELAND - SUCC (COFACE SA)	Insurance	FI	100	100	100	100	Ireland
COFACE UK - SUCC (COFACE SA)	Insurance	FI	100	100	100	100	Great Britain

* *Former name.*

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
COFACE BELGIUM - SUCC (COFACE SA)	Insurance	FI	100	100	100	100	Belgium
KOMPASS LUXEMBOURG - SUCC (KOMPASS BELGIUM) (12)	information and advertising	FI	100	100	0	0	Luxembourg
COFACE PORTUGAL - SUCC (COFACE SA)	Insurance	FI	100	100	100	100	Portugal
COFACE IBERICA -SUCC (COFACE SA)	Insurance	FI	100	100	100	100	Spain
KOMPASS ESPAGNE - SUCC (KOMPASS FRANCE)	information and advertising	FI	100	100	0	0	Spain
COFACE SWITZERLAND - SUCC (COFACE SA)	Insurance	FI	100	100	100	100	Switzerland
COFACE NEDERLAND - SUCC (COFACE KREDIT)	Insurance	FI	100	100	100	100	The Netherlands
COFACE FINANCES PAYS-BAS - SUCC COFACE FINANZ	Factoring	FI	100	100	100	100	The Netherlands
COFACE DANMARK-SUCC (COFACE KREDIT)	Insurance	FI	100	100	100	100	Denmark
COFACE ARGENTINA - SUCC (COFACE SA)	Insurance	FI	100	100	100	100	Argentina
COFACE CHILE -SUCC (COFACE SA) (12)	Insurance	FI	100	100	0	0	Chile
COFACE CANADA - SUCC (COFACE SA)	Insurance	FI	100	100	100	100	Canada
COFACE HUNGARY (formerly ÖKVC FIÓKTELEPE) - SUCC (COFACE AUSTRIA)	Insurance	FI	100	100	100	100	Hungary
COFACE POLAND (formerly ÖKVC POLAND) - SUCC (COFACE AUSTRIA)	Insurance	FI	100	100	100	100	Poland
LEID - SUCC (COFACE AUSTRIA)	Insurance	FI	100	100	100	100	Austria
COFACE ROMANIA INSURANCE -SUCC (COFACE AUSTRIA) (12)	Insurance	FI	100	100	0	0	Romania
COFACE CZECH INSURANCE -SUCC (COFACE AUSTRIA) (12)	Insurance	FI	100	100	0	0	Czech Republic
COFACE SLOVAKIA INSURANCE -SUCC (COFACE AUSTRIA) (12)	Insurance	FI	100	100	0	0	Slovakia
COFACE JAPAN - SUCC (COFACE SA)	Insurance	FI	100	100	100	100	Japan
COFACE SINGAPOR -SUCC (COFACE SA)	Insurance	FI	100	100	100	100	Singapore
COFACE HONG KONG -SUCC (COFACE SA)	Insurance	FI	100	100	100	100	Hong Kong

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
NATIXIS NEW YORK	Financial institution	FI	100	100	100	100	United States
NATIXIS LONDRES	Financial institution	FI	100	100	100	100	Great Britain
NATIXIS HONG KONG	Financial institution	FI	100	100	100	100	Hong Kong
NATEXIS SINGAPOUR	Financial institution	FI	100	100	100	100	Singapore
NATIXIS HO-CHI MINH	Financial institution	FI	100	100	100	100	Vietnam
NATIXIS FRANCFORT (formerly NATIXIS DÜSSELDORF) *	Financial institution	FI	100	100	100	100	Germany
NATIXIS LABUAN	Financial institution	FI	100	100	100	100	Malaysia
NATIXIS SHANGHAI	Financial institution	FI	100	100	100	100	China
NATIXIS MADRID	Financial institution	FI	100	100	100	100	Spain
NATIXIS MILAN	Financial institution	FI	100	100	100	100	Italy
NATIXIS PANAMA [12]	Financial institution	FI	100	100	0	0	Panama
NATIXIS DUBAI [12]	Financial institution	FI	100	100	0	0	Dubai
Retail Banking							
CCI BP							
ACEF OCCITANE	Credit institution / Surety company	EM	20	20	20	20	France
ACHATPRO	Non-financial / Services institution	EM	19	19	19	19	France
ATLANTIQUE PLUS	Financial institution / Fin. Holding company	EM	20	20	20	20	France
BANQUE CALEDONIENNE D'INVESTISSEMENT	Credit institution / Bank	EM	10	10	7	7	France
BANQUE MONÉTAIRE ET FINANCIÈRE	Credit institution / Bank	EM	20	20	20	20	France
BANQUE POPULAIRE ALSACE	Credit institution / Bank	EM	20	20	20	20	France
BANQUE POPULAIRE ATLANTIQUE	Credit institution / Bank	EM	20	20	20	20	France
BANQUE POPULAIRE BOURGOGNE FRANCHE-COMTE	Credit institution / Bank	EM	20	20	20	20	France
BANQUE POPULAIRE CENTRE ATLANTIQUE	Credit institution / Bank	EM	20	20	20	20	France
BANQUE POPULAIRE DE LA COTE D'AZUR	Credit institution / Bank	EM	20	20	20	20	France

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
BANQUE POPULAIRE DE LOIRE ET LYONNAIS	Credit institution / Bank	EM	20	20	20	20	France
BANQUE POPULAIRE DE L'OUEST	Credit institution / Bank	EM	20	20	20	20	France
BANQUE POPULAIRE DES ALPES	Credit institution / Bank	EM	20	20	20	20	France
BANQUE POPULAIRE DES PYRENEES ORIENTALES DE L'AUDE ET DE L'ARIEGE [55]	Credit institution / Bank		0	0	20	20	France
BANQUE POPULAIRE DU MASSIF CENTRAL	Credit institution / Bank	EM	20	20	20	20	France
BANQUE POPULAIRE DU NORD	Credit institution / Bank	EM	20	20	20	20	France
BANQUE POPULAIRE DU SUD	Credit institution / Bank	EM	20	20	20	20	France
BANQUE POPULAIRE DU SUD-OUEST	Credit institution / Bank	EM	20	20	20	20	France
BANQUE POPULAIRE LORRAINE CHAMPAGNE	Credit institution / Bank	EM	20	20	20	20	France
BANQUE POPULAIRE OCCITANE	Credit institution / Bank	EM	20	20	20	20	France
BANQUE POPULAIRE PROVENCALE ET CORSE	Credit institution / Bank	EM	20	20	20	20	France
BANQUE POPULAIRE RIVES DE PARIS	Credit institution / Bank	EM	20	20	20	20	France
BANQUE POPULAIRE VAL DE FRANCE	Credit institution / Bank	EM	20	20	20	20	France
BATINOREST	Credit institution / Bank	EM	19	19	19	19	France
BATINOREST-BAIL	Credit institution / Bank	EM	20	19	20	19	France
BCI MER ROUGE [20]	Credit institution / Bank	EM	10	10	0	0	France
BDG SCI	Non-financial / property institution	EM	20	20	20	20	France
BERCY GESTION FINANCE	Financial institution / Activity extension	EM	20	20	20	20	France
BERCY PATRIMOINE [12]	Credit institution / Bank	EM	20	20	0	0	France
BGF	Non-financial / Services institution	EM	20	20	20	20	France
BIC BRED	Credit institution / Bank	EM	20	20	20	20	France
BISE [51]	Credit institution / Bank		0	0	10	10	Poland

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
B-PROCESS	Non-financial / Services institution	EM	10	10	9	9	France
BRED - BANQUE POPULAIRE	Credit institution / Bank	EM	20	20	20	20	France
BRED COFILEASE (formerly NCM) *	Credit institution / Bank	EM	20	20	20	20	France
BRED GESTION	Credit institution / Other	EM	20	20	20	20	France
BRED HABITAT	Credit institution / Surety company	EM	20	20	20	20	France
BRED VANUATU (12)	Credit institution / Bank	EM	17	17	0	0	Vanuatu
BTP BANQUE	Credit institution / Bank	EM	20	20	20	20	France
BTP CAPITAL INVESTMENT	Non-financial / Venture capital institution	EM	16	16	16	16	France
CAISSE DE GARANTIE IMMOB DU BATIMENT	Non-financial / Insurance institution	EM	7	7	7	7	France
CAISSE REGIONALE DE MEDITERRANEE	Credit institution / Bank	EM	20	20	20	20	France
CAISSE REGIONALE DE VENDEE	Credit institution / Bank	EM	20	20	20	20	France
CAISSE REGIONALE DU FINISTERE	Credit institution / Bank	EM	20	20	20	20	France
CAISSE REGIONALE LITTORAL MANCHE	Credit institution / Bank	EM	20	20	20	20	France
CAISSE REGIONALE MORBIHAN / LOIRE ATLANTIQUE	Credit institution / Bank	EM	20	20	20	20	France
CAISSE REGIONALE REGION NORD	Credit institution / Bank	EM	20	20	20	20	France
CAISSE REGIONALE SUD OUEST	Credit institution / Bank	EM	20	20	20	20	France
CAISSE SOLIDAIRE	Credit institution / Bank	EM	20	12	20	4	France
CAPI COURT TERME N°1	Financial / Intermediation institution	EM	20	20	20	20	France
CASDEN - BANQUE POPULAIRE	Credit institution / Bank	EM	20	20	20	20	France
CLICK AND TRUST	Non-financial / Services institution	EM	20	20	20	20	France
CMGM	Credit institution / Bank	EM	20	1	20	1	France
COFEG	Financial institution / Activity extension	EM	20	20	20	20	France
COFIBRED	Financial institution / Fin. Holding company	EM	20	20	20	20	France

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
CREDIT COOPERATIF	Credit institution / Bank	EM	20	20	20	20	France
CREDIT MARITIME OUTRE MER	Credit institution / Bank	EM	20	20	20	20	France
CREPONORD	Non-financial / Property institution	EM	20	20	20	20	France
DE PORTZAMPARC	Financial institution / Other activities	EM	20	14	15	14	France
ECOFI INVESTISSEMENT	Financial institution / Management company	EM	20	20	20	20	France
EDEL	Credit institution / Bank	EM	20	7	20	7	France
EFITEL (44)	Non-financial / Services institution		0	0	20	20	France
ESFIN	Financial institution / Activity extension	EM	8	8	8	8	France
EXPANDE INVEST (33)	Non-financial / Services institution	EM	20	20	0	0	France
FCC AMAREN II	Credit institution / Other	EM	20	20	20	20	France
FCC CRISTALYS	Credit institution / Other	EM	20	20	20	20	France
FCC ELIDE (12)	Credit institution / Other	EM	20	20	0	0	France
FINANCIERE DE LA BP OCCITANE	Credit institution / Bank	EM	20	20	20	20	France
FINANCIERE PARTICIPATION BPS	Credit institution / Bank	EM	20	20	20	20	France
FONCIERE DU VANUATU (12)	Credit institution / Other	EM	20	20	0	0	Vanuatu
FONCIERE VICTOR HUGO	Financial institution / Activity extension	EM	20	20	20	20	France
FOREST MASSIF CENTRAL	Credit institution / Surety company	EM	20	20	20	20	France
FORESTIERS LORRAINE	Credit institution / Surety company	EM	20	20	20	20	France
GARIBALDI CAPITAL DEVELOPPEMENT	Non-financial / Others	EM	20	20	20	20	France
GEDEX DISTRIBUTION	Credit institution / Bank	EM	20	0	20	0	France
GIE USC	Non-financial / Others	EM	20	20	20	20	France
GROUPEMENT DE FAIT	Non-financial / Others	EM	20	20	20	20	France

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	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
HABITAT RIVES DE PARIS	Credit institution / Surety company	EM	20	20	20	20	France
INGENIERIE ET DEVELOPPEMENT	Credit institution / Bank	EM	20	20	20	20	France
INTERCOOP	Credit institution / Financial leasing of property	EM	20	20	20	20	France
LFI	Financial institution / Activity extension	EM	20	20	20	20	France
LFI4	Financial institution / Other activities	EM	20	20	20	20	France
LUDOVIC DE BESSE	Credit institution / Bank	EM	20	20	20	20	France
LUX EQUIP BAIL	Credit institution / Financial leasing of property	EM	18	18	18	18	Luxembourg
MONE+CC2	Financial / Intermediation institution	EM	20	20	20	20	France
MONINFO	Credit institution / Bank	EM	20	7	20	7	France
NJR INVEST (12)	Financial institution	EM	20	20	0	0	France
NORD FINANCEMENT	Credit institution / Bank	EM	20	0	20	0	France
PARNASSE FINANCES	Financial institution / Activity extension	EM	20	20	20	20	France
PARNASSIENNE DE CREDIT	Credit institution / Other	EM	18	18	18	18	France
PARTICIPATIONS BPSO	Credit institution / Bank	EM	20	20	20	20	France
PLUSEXPANSION	Credit institution / Bank	EM	20	20	20	20	France
PREPAR COURTAGE (formerly BERPA) *	Financial institution / Other activities	EM	20	20	20	20	France
PREPAR-IARD	Non-financial / Insurance institution	EM	20	20	20	20	France
PREPAR-VIE	Non-financial / Insurance institution	EM	20	20	20	20	France
PROMEPAR	Financial institution / Management company	ME	20	20	20	20	France
SAS PERSPECTIVES ET PARTICIPATIONS	Financial institution / Activity extension	EM	20	20	20	20	France

* *Former name.*

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
SAS SOCIETARIAT BP LORRAINE CHAMPAGNE	Credit institution / Bank	EM	20	20	20	20	France
SAVOISIENNE	Credit institution / Bank	EM	20	20	20	20	France
SBE (formerly SOGEFIP) *	Credit / Financing institution Spec.	EM	20	20	20	20	France
SCI BPS [42]	Non-financial / Property institution		0	0	20	20	France
SCI BPSO	Non-financial / Property institution	EM	20	20	20	20	France
SCI du CREDIT COOPERATIF	Non-financial / Property institution	EM	20	20	20	20	France
SCI FAIDHERBE	Non-financial / Property institution	EM	20	20	20	20	France
SCI SAINT-DENIS	Non-financial / Property institution	EM	20	20	20	20	France
SEGIMLOR	Non-financial / Others	EM	20	20	20	20	France
SGPC-STE DE GESTION PROVENCALE ET CORSE [47]	Credit institution / Bank				20	20	France
SGTI	Financial institution / Activity extension	EM	20	20	20	20	France
SICOMI COOP	Credit institution / Financial leasing of property	EM	14	14	14	14	France
SIMC	Credit institution / Bank	EM	20	20	20	20	France
SMI [33]	Industrial and commercial company	EM	20	20	0	0	France
SOCACEF BAS RHIN	Credit institution / Surety company	EM	20	20	20	20	France
SOCACEF MASSIF CENTRAL	Credit institution / Surety company	EM	20	20	20	20	France
SOCACEF NORD	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA ARIEGE	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA ATLANTIQUE	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA AUDE	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA BAS RHIN	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA BOUCHES DU RHONE	Credit institution / Surety company	EM	20	20	20	20	France

* *Former name.*

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
SOCAMA BOURGOGNE FRANCHE COMTE	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA BRED IDF	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA CENTRE ATLANTIQUE	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA CHAMPAGNE	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA CORSE	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA COTE D'AZUR	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA DES ALPES (41)	Credit institution / Surety company	EM	20	20	0	0	France
SOCAMA DU DAUPHINE DES ALPES DU SUD	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA DU MIDI	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA HAUT RHIN	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA HAUTE GARONNE	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA HAUTE SAVOIE (41)	Credit institution / Surety company		0	0	20	20	France
SOCAMA LOIRE ET LYONNAIS	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA LORRAINE	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA MASSIF CENTRAL	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA MIDI PYRENEES OUEST	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA NORD	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA NORMANDIE	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA OCCITANE	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA OUEST	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA RIVES DE PARIS	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA ROUSSILLON	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA SAVOIE (41)	Credit institution / Surety company		0	0	20	20	France
SOCAMA SUD OUEST	Credit institution / Surety company	EM	20	20	20	20	France

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
SOCAMA VAL DE FRANCE	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMA VAUCLUSE	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMI ALPES [40]	Credit institution / Surety company	EM	20	20	0	0	France
SOCAMI ALSACE	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMI ATLANTIQUE	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMI AUDE ARIEGE	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMI BOURGOGNE FRANCHE COMTE	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMI CENTRE ATLANTIQUE	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMI COTE D'AZUR	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMI DAUPHINE DES ALPES SU SUD	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMI DU MIDI	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMI DU SUD OUEST	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMI HAUTE GARONNE HABITAT	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMI HAUTE SAVOIE [40]	Credit institution / Surety company		0	0	20	20	France
SOCAMI LOIRE ET LYONNAIS	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMI LORRAINE CHAMPAGNE	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMI MASSIF CENTRAL	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMI NORD	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMI OCCITANE	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMI OUEST	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMI PROVENCE ET CORSE	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMI PYRENEES-ORIENTALES	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMI SAVOISIENNE [40]	Credit institution / Surety company		0	0	20	20	France
SOCAMI VAL DE FRANCE	Credit institution / Surety company	EM	20	20	20	20	France

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
SOCAMMES	Credit institution / Surety company	EM	20	20	20	20	France
SOCAMUPROLOR	Credit institution / Surety company	EM	20	20	20	20	France
SOCAUPROMI ALSACE	Credit institution / Surety company	EM	20	20	20	20	France
SOCIETARIAT BANQUE POPULAIRE D' ALSACE	Credit institution / Bank	EM	20	20	20	20	France
SOCIETARIAT BP BOURGOGNE FRANCHE-COMTE	Credit institution / Bank	EM	20	20	20	20	France
SOCIETARIAT BP CENTRE ATLANTIQUE	Credit institution / Bank	EM	20	20	20	20	France
SOCIETARIAT BP COTE D'AZUR	Credit institution / Bank	EM	20	20	20	20	France
SOCIETARIAT BP DE L'OUEST	Credit institution / Bank	EM	20	20	20	20	France
SOCIETARIAT BP DES ALPES	Credit institution / Bank	EM	20	20	20	20	France
SOCIETARIAT BP DU NORD	Credit institution / Bank	EM	20	20	20	20	France
SOCIETARIAT BP LOIRE ET LYONNAIS	Credit institution / Bank	EM	20	20	20	20	France
SOCIETARIAT BP MASSIF CENTRAL	Credit institution / Bank	EM	20	20	20	20	France
SOCIETARIAT BP OCCITANE	Credit institution / Bank	EM	20	20	20	20	France
SOCIETARIAT BP COTE D'AZUR	Credit institution / Bank	EM	20	20	20	20	France
SOCIETARIAT BP PROVENCALE ET CORSE	Credit institution / Bank	EM	20	20	20	20	France
SOCIETARIAT BP RIVES DE PARIS	Credit institution / Bank	EM	20	20	20	20	France
SOCIETARIAT BP SUD	Credit institution / Bank	EM	20	20	20	20	France
SOCIETARIAT BP SUD OUEST	Credit institution / Bank	EM	20	20	20	20	France
SOCIETARIAT BP VAL DE France	Credit institution / Bank	EM	20	20	20	20	France
SOCIETARIAT CREDIT COOPERATIF / BP	Credit institution / Bank	EM	20	20	20	20	France
SOCIETE D'EXPANSION BOURGOGNE FRANCHE COMTE	Non-financial / Others	EM	20	20	20	20	France
SOCIETE FINANCIERE DE LA NEF	Credit institution / Bank	EM	20	1	20	1	France
SOCIETE IMMOBILIERE PROVENCALE ET CORSE (33)	Credit institution / Bank	EM	20	20	0	0	France

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	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
SOCREDO BANQUE POLYNESIENNE (33)	Credit institution / Bank	EM	3	3	0	0	France
SOCOREC	Credit institution / Bank	EM	20	0	20	0	France
SOFIAG	Credit institution / Bank	EM	20	20	20	20	France
SOFIDER	Credit institution / Bank	EM	20	20	20	20	France
SOFIGARD	Credit institution / Bank	EM	20	0	20	0	France
SOFINCIL (50)	Credit / Financing institution Spec.		0	0	20	20	France
SOFINDI	Credit institution / Bank	EM	20	1	20	1	France
SOFIRIF	Credit institution / Bank	EM	20	4	20	1	France
SOFISCOP	Credit institution / Bank	EM	20	0	20	0	France
SOFISCOP SUD-EST	Credit institution / Bank	EM	20	1	20	1	France
SOFRONTA	Credit institution / Surety company	EM	20	20	20	20	France
SOMUDIMEC	Credit institution / Bank	EM	20	0	20	0	France
SOMUPACA	Credit institution / Bank	EM	20	0	20	0	France
SOPROLIB DES ALPES	Credit institution / Surety company	EM	20	20	20	20	France
SOPROLIB FRANCHE COMTE	Credit institution / Surety company	EM	20	20	20	20	France
SOPROLIB LORRAINE	Credit institution / Surety company	EM	20	20	20	20	France
SOPROLIB NORD	Credit institution / Surety company	EM	20	20	20	20	France
SOPROLIB SUD-OUEST	Credit institution / Surety company	EM	20	20	20	20	France
SPGRES	Credit institution / Bank	EM	20	20	20	20	France
SPIG	Financial institution / Activity extension	EM	20	20	20	20	France
SUD PARTICIPATION	Credit institution / Bank	EM	20	20	20	20	France
TRANSIMMO	Non-financial / Property institution	EM	20	20	20	20	France
TRUST AND PAY	Non-financial / Services institution	EM	9	13	9	13	France
VECTEUR	Non-financial / Venture capital institution	EM	20	20	20	20	France

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
VIALINK	Non-financial / Services institution	EM	20	20	20	20	France
CCI CEP							
CAISSE D'EPARGNE AQUITAINE-NORD (22)	Financial and credit institution		0	0	20	20	France
CAISSE D'EPARGNE AQUITAINE POITOU CHARENTE (22)	Financial and credit institution	EM	20	20	0	0	France
CAISSE D'EPARGNE CENTRE-VAL DE LOIRE (21)	Financial and credit institution		0	0	20	20	France
CAISSE D'EPARGNE CHAMPAGNE ARDENNE (29)	Financial and credit institution		0	0	20	20	France
CAISSE D'EPARGNE COTE D'AZUR	Financial and credit institution	EM	20	20	20	20	France
CAISSE D'EPARGNE D'ALSACE	Financial and credit institution	EM	20	20	20	20	France
CAISSE D'EPARGNE D'AUVERGNE ET DU LIMOUSIN	Financial and credit institution	EM	20	20	20	20	France
CAISSE D'EPARGNE DE BASSE-NORMANDIE	Financial and credit institution	EM	20	20	20	20	France
CAISSE D'EPARGNE DE BOURGOGNE FRANCHE-COMTE	Financial and credit institution	EM	20	20	20	20	France
CAISSE D'EPARGNE DE BRETAGNE	Financial and credit institution	EM	20	20	20	20	France
CAISSE D'EPARGNE DE FLANDRE (28)	Financial and credit institution	EM	0	0	20	20	France
CAISSE D'EPARGNE DE HAUTE NORMANDIE	Financial and credit institution	EM	20	20	20	20	France
CAISSE D'EPARGNE DE LORRAINE (29)	Financial and credit institution	EM	0	0	20	20	France
CAISSE D'EPARGNE DE LORRAINE CHAMPAGNE ARDENNE (29)	Financial and credit institution	EM	20	20	0	0	France
CAISSE D'EPARGNE DE MIDI-PYRENEES	Financial and credit institution	EM	20	20	20	20	France
CAISSE D'EPARGNE DE PICARDIE	Financial and credit institution	EM	20	20	20	20	France
CAISSE D'EPARGNE DES ALPES (23)	Financial and credit institution		0	0	20	20	France
CAISSE D'EPARGNE DES PAYS DE L' HAINAUT (28)	Financial and credit institution		0	0	20	20	France
CAISSE D'EPARGNE DES PAYS DE LA LOIRE	Financial and credit institution	EM	20	20	20	20	France
CAISSE D'EPARGNE DU PAS DE CALAIS (28)	Financial and credit institution		0	0	20	20	France
CAISSE D'EPARGNE DU PAYS DE L'ADOUR (22)	Financial and credit institution		0	0	20	20	France

	Activity	Method of consolidation on Dec. 31, 2007	Dec. 31, 2007 % of control	Dec. 31, 2007 % of interest	Dec. 31, 2006 % of control	Dec. 31, 2006 % of interest	Country
CAISSE D'EPARGNE DU VAL DE FRANCE-ORLEANAIS (21)	Financial and credit institution		0	0	20	20	France
CAISSE D'EPARGNE ILE DE FRANCE-NORD	Financial and credit institution	EM	20	20	20	20	France
CAISSE D'EPARGNE ILE DE FRANCE-OUEST	Financial and credit institution	EM	20	20	20	20	France
CAISSE D'EPARGNE ILE DE FRANCE-PARIS	Financial and credit institution	EM	20	20	20	20	France
CAISSE D'EPARGNE LANGUEDOC-ROUSSILLON	Financial and credit institution	EM	20	20	20	20	France
CAISSE D'EPARGNE LOIRE CENTRE (21)	Financial and credit institution	EM	20	20	0	0	France
CAISSE D'EPARGNE LOIRE DROME ARDECHE	Financial and credit institution	EM	20	20	20	20	France
CAISSE D'EPARGNE NORD FRANCE EUROPE (28)	Financial and credit institution	EM	20	20	0	0	France
CAISSE D'EPARGNE POITOU-CHARENTES	Financial and credit institution		0	0	20	20	France
CAISSE D'EPARGNE PROVENCE-ALPES-CORSE	Financial and credit institution	EM	20	20	20	20	France
CAISSE D'EPARGNE RHONE-ALPES (23)	Financial and credit institution	EM	20	20	0	0	France
CAISSE D'EPARGNE RHONE-ALPES LYON (23)	Financial and credit institution		0	0	20	20	France

FI = Full integration

PI = Proportional integration

EM = Equity method

(1) Created in 2007, 100% subsidiary of the holding company Natixis Malta Investments Limited.
(2) Creation of a common subsidiary by Natixis Luxembourg Investissements and Crédit Agricole SA each holding 50% of the capital.
(3) Creation of a common subsidiary by Natixis Belgium Investments and EDF respectively holding 33% and 66% of the voting rights.
(4) Merged with Natixis SA.
(5) First consolidation on January 1, 2007.
(6) Creation of 7 new "JP MORGAN" trusts during the 3rd quarter 2007.
(7) Created in 2007, holding company for operational subsidiaries created in Malta.
(8) First consolidation in 2007, 100% subsidiary of Natixis.
(9) Deconsolidation of MUNICIPAL Tender Option Bonds business on January 1, 2007 (28 SARATOGA TRUSTS).
(10) Cessation of operations.
(11) Created as part of Natixis North America's Real Estate Property Program.
(12) Created in 2007.
(13) Takeover of Domimur by Fructibail.
(14) Deconsolidation on 1st January 2007.
(15) Takeover by Natixis Securities (ex-Ixis Securities).
(16) Transfer of all assets and liabilities to Natixis – 2007.
(17) First consolidation of Opéra Sentier SAS acquired on June 24, 2005.
(18) Earnings-per-share increase effect concerning the CIE 1818 tier.
(19) Transfer of all assets and liabilities on June 30, 2007 to the Centre Français du Patrimoine.
(20) Acquisition in 2007.
(21) Resulting from the merger of Caisse d'Epargne de Centre-Val de Loire and Val de France Orléannais occurring in November 2007.
(22) Resulting from the merger of Caisses d'Epargne Aquitaine Nord, Poitou-Charentes and Pays de l'Adour that occurred in December 2007.
(23) Resulting from the merger of Caisse d'Epargne des Alpes and Caisse d'Epargne Rhône-Alpes that occurred in May 2007.
(24) Ad hoc companies.
(25) Deconsolidation under significance thresholds.
(26) Takeover of GCE FACTORING by NATIXIS FACTOR.
(27) Restructuring of NATIXIS' Asset Management Division.
(28) Resulting from the merger of Caisses d'Epargne de Flandre, of Pays du Hainault and of Pas-de-Calais occurring in October 2007.
(29) Resulting from the merger of Caisse d'Epargne de Lorraine and the Caisse d'Epargne Champagne-Ardenne occurring in November 2007.
(30) Transfer of all assets and liabilities to S.A.G.P – 2007.
(31) Takeover by COFACE SA.
(32) Divestiture outside group.
(33) First consolidation in 2007.
(34) Repurchase of 5% of minority holdings in Caisse d'Epargne.
(35) Earnings-per-share increase effect concerning the IAMG tier.
(36) Effect of sale of 40% of securities of Ixis AEW EUROPE SA to CDC.
(37) Transfer of 40% of capital to CDC.
(38) Liquidation in 2007.
(39) Creation in December 2006, first consolidation in 2007.
(40) Resulting from the merger of Socami Haute Savoie and Socami Savoisienne.
(41) Resulting from the merger between Socama Haute Savoie and Socama Savoie.
(42) Merged with BP du Sud.
(43) Acquisition of minority interests bringing the capital from 21% to 88%.
(44) Merged with Crédit Coopératif.
(45) Acquisition of 40% of the minority interests of SOCAMAB by NATIXIS GARANTIES – 2007.
(46) Takeover of CEGI COURTAGE by CEGI – 01/01/2007.
(47) Merger of SGPC - Société de Gestion Provençale et Corse with the BP Provençale et Corse at the end of the second quarter 2007.
(48) Takeover of Compagnie Foncière by Spafica.
(49) Deconsolidation of the CIFG tier following the capital increase underwritten by Banque Populaire and the Caisse d'Epargne.
(50) Takeover of SOFINCIL by the Banque Monétaire et Financière.
(51) Divestiture of Bise securities to ex-Group.
(52) Repurchase of a fraction of minority interests for holding at 100%.
(53) Contribution of Foncier Assurances securities by Natixis to Natixis Assurances.
(54) Acquisition of the safekeeping business from HypoVereinsbank by CACEIS SAS.
(55) Merger with BP Occitane.
(56) Contribution of NAMI securities by NGAM to AEW Europe SA.
(57) Acquisition of minority interests bringing the capital from 69% to 89% (including 4% earnings-per-share increase effect).
(58) Creation of Cofoblig to hold the investments managed by COFACE SA.
(59) Deconsolidation following the transfer of the management of investments to COFACE SA.
(60) Creation of Placements Cofaction 2 to hold the investments managed by COFACE SA.
(61) Repurchase of 23% of the minority interests of CACEIS FASNET France in CAAM by CACEIS SAS.
(62) Creation of CACEIS FASNET AMERICAN ADMINISTRATION following the acquisition of the Olympia Capital International Group.
(63) Purchase of the Olympia Capital International Group.
(64) Creation of the holding company Ecrinvest 11 following the contribution by Natixis of shareholding in Natixis Financement.
(65) First consolidation in 2007 of Natixis Consumer Finance acquired on November 17, 2006.
(66) Deconsolidation on January 1, 2007 following the partial contribution of the assets of its business to Natixis Financement.

NOTE 5 CONTRIBUTIONS AND PRO FORMA INCOME STATEMENT

Principles used to prepare the 2006 pro forma income statement

The 2006 pro forma income statement includes all the income and expenses in the 2006 financial year generated by the entities contributed or acquired as part of the business combination.

Please refer to Note 7 "Accounting policies and valuation methods" for a definition of the other principles used to prepare the financial statements.

In addition, the scope used to prepare the pro forma financial statements at December 31, 2006 is identical to that presented in paragraph 4.3 of this document filed with the financial market authorities on April 17, 2007 (p. 194 to 234).

Contributions to the 2006 pro forma income statement

(in € millions)	Dec. 31, 2006 Natexis Banques Populaires	Entities contributed	Contri-bution of CCI BP	Contri-bution of CCI CEP	Pro forma restate-ments & impacts on Natixis	Natixis pro forma	Dec. 31, 2007 Natixis audited
Interest and similar income	6,999	7,116			(96)	14,019	18,460
Interest and similar expenses	(5,729)	(6,980)			53	(12,656)	(17,291)
Fee and commission income	1,491	2,671				4,162	4,460
Fee and commission expenses	(750)	(766)				(1,516)	(1,541)
Net gains or losses on financial instruments at fair value through profit or loss	556	1,485			(104)	1,935	1,148
Net gains or losses on financial assets available for sale	217	105				322	334
Income from other activities	5,972	447				6,419	6,620
Expenses from other activities	(5,061)	(379)			(1)	(5,441)	(6,148)
Net banking income	**3,695**	**3,698**	**0**	**0**	**(148)**	**7,245**	**6,043**
Operating expenses	(2,278)	(2,444)			**(137)**	(4,859)	(5,157)
Amortization, depreciation and impairment of property, plant and equipment and intangible assets	(88)	(66)				(154)	(164)
Gross operating income	**1,329**	**1,188**	**0**	**0**	**(285)**	**2,232**	**721**
Cost of risk	(35)	25			(40)	(50)	(244)
Net operating income	**1,294**	**1,213**	**0**	**0**	**(325)**	**2,182**	**477**
Share of income of associates	11	15	295	358		679	672
Gains or losses on other assets	10	4				14	538
Changes in value of goodwill		(3)				(3)	(1)
Income before tax	**1,315**	**1,229**	**295**	**358**	**(325)**	**2,872**	**1,686**
Income tax	(379)	(354)			43	(690)	(97)
Net income from discontinued operations or those in the process of disposal		22			0	22	(369)
NET INCOME FOR THE PERIOD	**936**	**897**	**295**	**358**	**(282)**	**2,204**	**1,221**
Including:							
- Attributable to equity holders of the parent						*2,100*	*1,101*
- Attributable to minority interests						*104*	*119*

NOTE 6 IMPACT OF THE FINANCIAL CRISIS

6.1 – Exposure to "Subprime" risk on Natixis balance sheet as at December 31,2007

Natixis is directly and indirectly exposed to "subprime" risk:

Direct exposure

Natixis' only direct exposure to subprime lending is its portfolio of loans pending securitization. This portfolio is classified as belonging to the category of financial assets at fair value through profit or loss.

This portfolio's exposure as at December 31, 2007 is as follows:

(in € millions)	
Nominal value	284
Book value (fair value)	201
Fair value as % of nominal value	70%

Indirect exposure

Exposure consists of the following:

- RMBS and ABS CDO portfolios held by Natixis Capital Market North America, Natixis and Natixis' New York branch. Depending on the entity in question, these assets are classified as belonging to the category of either assets at fair value through profit or loss or assets available for sale:

	Exposure as at Dec. 31, 2007		
(in $ millions)	Nominal value	Subprime component	Gross impact on income as at Dec. 31, 2007
Portfolios held			
Assets at fair value through profit or loss	2,523	1,491	(625)
Financial assets available for sale	855	855	(217)
TOTAL	**3,378**	**2,346**	**(842)**
Equivalent *(in € millions)* (€1 = $1.472)	2,295	1,594	(588) *

* *For unrealized capital losses on the New York portfolio, the conversion rate used is the annual average rate of €1 = $1.371.*

For ABS CDOs, the nominal value is equal to the nominal value of CDO tranches containing subprime assets, and the subprime component is equal to the nominal value of the tranche weighted by the proportion of subprime assets in the CDO.

- exposure carried by securitization conduits:

	Exposure as at Dec. 31, 2007		
(in $ millions)	Nominal value	Subprime component	Gross impact on income as at Dec. 31, 2007
Exposure on securitization conduits and structuring			
Direct Funding Conduit	1,388	564	(201)
SPVs and other conduits	1,467	458	(136)
TOTAL	**2,855**	**1,022**	**(337)**
Equivalent *(in € millions)* (€1 = $1.472)	1,939	694	(229)

Faced with the worsening US real estate crisis, it was decided to include within this exposure all exposure relating to the "midprime" segment; the criterion for including assets in this category is the FICO credit score (FICO>660).

The valuation of assets represented by this exposure has been established as follows:

- using market prices at December 31, 2007 when available;
- otherwise, in the absence of any market reference data, using a valuation model. The valuation technique used is based on calculating an assumed rate of loss for each year in which loans were originated. The following assumed loss rates were used to measure this exposure:
  - 23% for loans originated in 2006 and 2007,
  - 9% for loans originated in 2005,
  - historical loss rates for loans originated in previous years.

In the case of securitization holdings excluding subprime exposure for which it has not been possible to identify a price, these have been valued using valuation models:

- correlation model (for CSOs);
- structural scoring model (for ABS CDOs and CLOs) defining the level of risk for each entity based on discriminating criteria calibrated using observable data at December 31, 2007.

6.2 – Exposure to credit enhancers

Transactions entered into with credit enhancers in the form of credit default swaps (CDSs) have been written down to take into account the impact of the crisis on the credit quality of these counterparties. A €271 million credit risk allowance has been applied to the valuation of these instruments. In addition, a collective depreciation charge of €175 million has been recorded.

6.3 – Revision of liquidity risk allowances applied to the valuation of certain portfolios

The large divergences between bid and offer prices observed on some markets as at December 31,2007 has been taken into account in calculating liquidity reserves applied to the valuation of certain portfolios valued at fair value through profit or loss, for a total amount of €55.1 million.

6.4 – Reanalysis of the consolidation of securitization SPEs to which financial support has been given

On occasions, the financial crisis has led Natixis to increase the level of its financial support to certain previously unconsolidated SPEs. Depending on the specific structure of each package, this support has taken various forms materializing in any of the following:

- acquisition of part of the assets held by the entity in question;
- subscription of securities issued by the ad hoc entity;
- granting of new or additional financing or liquidity lines;
- setting up a first demand guarantee

Of the funds managed by NGAM, only one fund required cash support. That is the ABS+ fund, which comprises mostly European ABSs. At December 31, 2007, NGAM's control over the ABS+ mutual fund was 37%.

Each time financial support has been increased in this way, the ad hoc entity's consolidation criteria have been systematically reviewed in light of SIC 12. None of the analyses carried out have led to any of the entities in question being re-consolidated.

6.5 – Collective provisions taking into account the deterioration of certain sectors directly affected by the financial crisis

As at December 31,2007, collective provisions had been raised to cover the following counterparty risks, whose effects are set out under "Cost of risk" in the income statement:

- **Residential real estate sector** in the US, Great Britain and Spain -€8 million;
- **Credit enhancement sector** -€175 million covering guarantees of which Natixis is a beneficiary through CDSs entered into with these entities.

6.6 – Individual writedowns of certain shares in SIVs

An SIV (Structured Investment Vehicle) is an organisation which makes highly leveraged investments in highly-rated medium or long term assets. To refinance themselves, SIVs issue commercial paper or medium or long-term notes. Since these issues are rated by rating agencies, SIVs must comply with liquidity ratios and are required to adhere to thresholds linked to the valuation of their portfolios. If these thresholds are reached or exceeded, they must proceed to liquidate their assets. As at December 31, 2007, taking into account the observed trend in net asset values of SIV shares held by Natixis, and the resulting risk of liquidation, a €17 million impairment charge was recorded against these shares in the category "Loans and advances".

6.7 – Recognition of depreciation on shares of syndicated loans intended for sale

The liquidity crisis has led to delays in syndication and difficulties in placing on the secondary market that share of syndicated loans initially subscribed with the intention of short-term resale. Syndicated property finance and LBO lending has been worst affected by this phenomenon.

Items of exposure for which the theoretical syndication date had expired as at December 31, 2007 have been individually analyzed in order to ensure that the results take into account any market discount observed at the balance sheet date. The resulting change in value has been allocated to "Gains and losses on assets available for sale".

6.8 – Writedowns

Share in the capital of IKB

Since 1993, Natixis has held a very small minority share in German bank IKB, amounting to 2.5% of its capital. The business relationship between the two companies is essentially focused on financing medium to large German companies. It does not concern, either directly or indirectly, IKB's financing and investment activities on the European and American property markets. The German bank's financial difficulties linked to the "subprime" crisis have led Natixis to record a €15.8 million impairment charge against the IKB securities it holds. These securities appear in the balance sheet within the category of financial assets available for sale, for a net amount of €13.6 million.

Share in the capital of CIFG

Financial support has been provided to CIFG, an American credit enhancement subsidiary, by the Caisse Nationale des Caisses d'Epargne and Banque Fédérale des Banques Populaires at the end of December 2007. This financial support translated into the subscription of a capital increase amounting to $1.3 billion. This means that, as at December 31, 2007, Natixis' holding in CIFG amounted to only 0.47%, fully covered by an impairment charge of €536 million. CIFG was therefore removed from the consolidation scope at that date. The transfer of CIFG securities to the Caisse Nationale des Caisses d'Epargne and Banque Fédérale des Banques Populaires took place at end of January 2008. Consequently, the 2006 pro forma accounts have been corrected to show CIFG under "Discontinued operations or those in process of disposal".

6.9 – Impact of valuation of issuer spread on Natixis' issues at fair value

Valuation of the issuer spread on Natixis' issues classified as instruments optionally valued at fair value through profit or loss had a €34 million positive impact on income as at December 31,2007. The following methodology has been applied to determine this valuation: income from the nominal value of issues has been discounted using the net margin representing, for each issue, the difference between the average contractual spread and the replacement spread for a Natixis issue with the same rating.

NOTE 7 SIGNIFICANT ACCOUNTING POLICIES

7.1 - Financial assets and liabilities

Upon their 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 the provisions of IAS 39, securities held and loans granted are classified in one of the following four categories of financial assets:

Financial assets at fair value through profit or loss

These are securities held for trading purposes or designated as at fair value through profit and loss upon their 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 for the purpose of selling them in the near term and those forming part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking.

Securities included in this category fall into one of the following three situations:

- hybrid instruments that contain one or more significant and separable embedded derivative features;

- instruments belonging to a group of financial assets valued and managed at fair value;
- instruments that present an inconsistency in accounting treatment with a related financial liability.

As stated in Note 3, Natixis has elected to use the option provided by IAS 28 not to account for private equity investments between 20% and 50%-owned using the equity method if they are designated as "Financial assets at fair value through profit or loss". In addition, in accordance with the fair value option amendment, private equity investments in which ownership stands below 20% are also recognized as "Financial assets at fair value through profit or loss", as management and measurement at fair value is a documented and well established practice at private equity companies.

The fair value of these assets upon their initial recognition is determined on the basis of the bid price. Fair value is reviewed at each subsequent reporting date, and any changes including accrued interest are recorded in the consolidated income statement under "Gains and losses on financial instruments at fair value through profit or loss".

Financial assets held to maturity

These are non-derivative financial assets with fixed or determinable payments and fixed maturity that Natixis has the positive intention and ability to hold through to maturity, other than those that are designated upon initial recognition as at fair value through profit and loss, those designated as available for sale and those that meet the definition of loans and advances.

Upon their initial recognition, financial assets held to maturity are measured at fair value including transaction costs. After initial recognition, they are measured at amortized cost using the effective interest rate method. They are tested for impairment at each reporting date and, where necessary, an impairment loss recognized in income under cost of risk. Transactions intended to hedge interest rate risk on these securities are not allowed under IFRS standards.

Loans and advances

Loans and advances are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those designated as at fair value through profit or loss or available for sale. This excludes assets for which the holder cannot recover the majority of his initial investment for reasons other than impairment of the loan; which should be classified as available for sale. The vast majority of loans granted by Natixis are classified in this category. Loans and advances also include the fair value of the hedged components of assets classified in this category (fair value hedges).

Upon their initial recognition, loans and advances are measured at fair value plus transaction costs and less any discount and transactions revenues. In the case of loans, transaction costs include fees and any internal and external expenses directly attributable to the granting of the loan.

After initial recognition, they are measured at amortized cost using the effective interest rate method and tested for impairment on each reporting date. Where necessary, an impairment charge is recorded in income under cost of risk.

When loans are granted at conditions that are less favorable than market conditions, 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 implemented by the vast majority of financial institutions at any given time for instruments and counterparties with similar characteristics. These discounts for Natixis are not material.

Financial assets available for sale

Available-for-sale financial assets are non-derivative financial assets that are not classified as loans and advances, held-to-maturity investments or financial assets at fair value through profit and loss. They notably include investments in non-consolidated companies. Upon their initial recognition, available-for-sale financial assets are measured at fair value inclusive of transaction costs. After initial recognition and at each reporting date, fair value is determined by reference to the bid price for quoted instruments.

The fair value of listed non-consolidated investments is determined to the last listed price prior to the balance sheet date. The fair value of unlisted non-consolidated investments is obtained using the P/E (price earnings ratio) and DCF (discounted cash flow) valuation methods.

A gain or loss arising from a change in the fair value of an available-for-sale financial asset that is not part of a hedging relationship is recognized directly in "unrealized or deferred gains or losses". Accrued or earned income is recognized directly in income using the effective interest method under "interest and similar income". Available-for-sale financial assets are tested for impairment at each balance sheet date. When there is objective evidence that the asset is impaired and a decline in the fair value of an available-for-sale financial asset has already been recognized directly in equity, the cumulative loss that had been recognized directly in equity is removed from equity and recognized in income under impairment charges and other credit provisions in the case of fixed-income instruments and by deduction from net banking income in the case of variable-income instruments.

The detection of an objective indication of impairment results from a multi-criteria analysis which includes, in the case of debt instruments in particular, the opinion of an expert assessor. The following constitute indications of impairment:

- for debt instruments: default on payment of interest or principal, conciliation, alert or judicial settlement proceedings, bankruptcy of the counterparty, and any other indicator suggesting a material deterioration in the counterparty's financial situation, such as for example termination losses revealed using a discounted recoverable cash flow projection model or stress tests;

- for equity instruments (excluding investments): securities which have accumulated unrealised capital losses for more than six months, or unrealised capital losses of more than 20% as at the balance sheet date, or other indications that the entity will not be able to recover all or part of its initial investment;
- for investments: unrealised capital losses of more than 20% over a period exceeding 18 months, or significant changes in the technological, market, economic or legal environment having an unfavourable effect on the issuer, which indicate that the amount of the investment in equity instruments cannot be recovered.

Where 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 income up to the amount of the previously recorded impairment loss.

In accordance with IFRIC 10, impairment losses recorded against equity instruments with quarterly reporting dates (IFRS account publication dates) are frozen in income and cannot be reversed until the securities are sold.

7.2 - Leases

Natixis is the lessor

Leases are classified as finance leases when substantially all the risks and rewards incidental to legal ownership are transferred by the lessor. Otherwise they are classified as operating leases.

IAS 17 gives five examples of situations that individually or in combination would normally lead to a lease being classified as a finance lease:

- 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 reasonable certain, at the inception of the lease, that the option will be exercised;
- the lease term covers the majority of the useful 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 fait value of the residual accrue to the lessee;
- the lessee has the ability to continue the lease at a rent that is substantially below the market rent.

Upon adoption of IFRSs, 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 of the lease, 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. Net investment in the lease is the present value discounted at the rate of return implicit in the lease of the minimum lease payments due from the lessee, plus any unguaranteed residual value accruing to lessor.

Finance income is recognized based on a pattern reflecting a constant period rate of return on the net investment in the finance lease, using the interest rate implicit in the lease. The rate of return implicit in the lease is the discount rate at which:

- the aggregate present value of minimum lease payments receivable by the lessor;
- plus the unguaranteed residual value, is equal to the initial value of the asset (i.e. fair value at the inception of the lease, plus any direct initial costs comprising expenses incurred specifically by the lessor to set up the lease).

IAS 17 requires unguaranteed residual values to be reviewed on a regular basis. If there has been a reduction in the estimated unguaranteed residual value, income allocation is revised over the lease term (new depreciation schedule prepared). Any reduction in respect of past periods is recognized immediately in income and any reduction in respect of future amounts is recognized by revising the interest rate implicit in the lease.

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 advances.

Assets subject to operating leases are presented in the balance sheet under property, plant & equipment or intangible assets in the case of equipment leases, and under 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 "other net banking income" or "expenses from other activities".

Where Natixis is the lessee

Property, plant & equipment used in the business under finance leases is restated for consolidation purposes as assets recorded under "Property, plant & equipment" where material. At the inception of the lease term, it is recognized at the lower of fair value and the aggregate present value of minimum lease payments, with a corresponding entry under debt on the liabilities side of the balance sheet.

The leased assets are depreciated in the same way as owned assets of the same nature.

7.3 - Credit risk on assets recorded as loans and advances

a) Assets individually assessed for impairment

At each balance sheet date, Natixis reviews assets classified as Loans and advances in order to assess whether there is any objective evidence of impairment arising from one or more events occurring after initial recognition of the asset and having an impact on estimated future cash flows. This applies particularly to loans identified under French regulations as doubtful or non-performing (CRC regulation 2002-03).

Where such evidence of impairment exists, Natixis calculates the estimated recoverable amount discounted at the original effective interest rate, taking into account the effect of any available guarantees. The difference between the net book value of the loan and the estimated recoverable amount is recorded in income as an impairment charge.

The impairment charge is recorded under balance sheet assets as a correction against the line where the impaired asset was originally shown, such that the asset is then shown at its net value. Impairment charges and releases are recorded in the income statement under impairment charges and other credit provisions.

b) Assets collectively assessed for impairment

Financial assets valued at amortized cost for which there exist no objective indicators of individual impairment are included in a group of assets with similar credit risk characteristics. Where objective evidence of collective impairment is found to exist within this group of similar assets, an impairment charge is immediately recorded, whether or not the risk has yet affected one or more individual loans.

Financial assets are grouped according to three key characteristics: credit rating for exposure to personal customers and small businesses, and industry and geographical risk for other counterparties such as corporate or sovereign borrowers.

Within the first risk group (personal customers and small businesses), loans in default under the terms of Basel II are recognised as impaired, in accordance with their pre-dispute status.

For the other two risk classes (industry and geographical risk), objective evidence of impairment is based on in-depth analysis and monitoring of business sectors and countries. Objective evidence of impairment usually consists of a combination of micro or macroeconomic indicators specific to each industry or country.

Where a group of financial assets is found to be impaired, the impairment loss is calculated on the basis of expected losses on exposure included in the group, in accordance with the provisions of Basel II.

Since risk measurement under the terms of Basel II is based on likelihood of default within one year, the calculation of expected losses is adjusted to take into account the likelihood of default over the full remaining term of the loans in question.

Where necessary, Natixis calls on the opinion of experts in order to adjust the results of this calculation to the Natixis group's real risks.

The impairment charge is recorded under balance sheet assets as a correction against the line where the impaired asset was originally shown, such that the asset is then shown at its net value. Impairment charges and releases are recorded in the income statement under impairment charges and other credit provisions.

7.4 - Derivative financial instruments and hedge accounting

Under IAS 39, derivative financial instruments are measured at their fair value, whether they are held for trading or hedging purposes.

Derivative financial instruments held for trading purposes

Derivative financial instruments held for trading purposes are recorded in the balance sheet under "Financial assets at fair value through profit or loss" where their market value is positive, and under "Financial liabilities at fair value through profit or loss" where their market value is negative.

After initial recognition, changes in fair value are recorded in the income statement under "Net gains and losses on financial instruments at fair value through profit or loss". Interest accrued on such instruments is also recorded in this line at the same time as changes in value.

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Embedded derivatives

An embedded derivative is a component which is part of a host contract and which modifies some or all of the cash flows of that contract by linking them to an interest rate, security price, exchange rate or other index.

Where the composite instrument (i.e. the host contract and the derivative taken together) is not valued at fair value through profit or loss, the embedded derivative is separated from its host contract if it meets the criteria for 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 or loss.

Derivative financial instruments held for hedging purposes

IAS 39 recognizes three types of hedge accounting relationship between derivatives and hedged items: cash flow hedges, fair value hedges and hedging of net investments denominated in foreign currency.

Derivative financial instruments designated as hedges are those which meet the conditions required by IAS 39 at inception and throughout the term of the hedging relationship, particularly with respect to documentation of an effective relationship between hedging instruments and the hedged item, both prospectively and retrospectively. Hedging relationships are presumed to be effective where the ratio between actual changes in the value of the hedging instrument and the hedged item is between 80% and 125%.

Cash flow hedges

Cash flow hedging is used to principally to hedge future cash flows from an existing or anticipated transaction.

Hedging of variable-rate borrowings and issues

Natixis uses plain vanilla interest rate swaps borrowing fixed rates to fix future variable-rateborrowing costs and private or public issues.

Hedging of variable-rate loans

Natixis uses plain vanilla interest rate swaps lending fixed rates to fix future variable-rate borrowing costs.

Structural hedging of interest rate risk

Cash flow hedges are mainly used by Natixis for structural hedging of Natixis' parent company's interest rate risk.

Documentation of structural hedging of Natixis' parent company's interest rate risk is based on the implementation of variable future cash flows covering all transactions staggered over time.

The prospective test entails the establishment (by index type and currency) of a schedule of cumulative variable-rate borrowings and fixed rate borrower swaps by maturity, and a schedule of cumulative variable-rate loans and fixed-rate lender swaps by maturity category.

Hedging is demonstrated if for each maturity category of the target repayment schedule, the nominal amount of items to be hedged is greater than the notional amount of hedging derivatives.

The retrospective test is used to verify after the event whether or not the hedging implemented at different reporting dates is effective. At each period-end, changes in the fair value excluding accrued interest of hedging instruments are compared with changes in the hypothetical derivative instruments (synthetic instruments representing assets and liabilities and management intentions). The ratio between these respective changes must be between 80% and 125%. Outside these limits, the hedging ratio would no longer be justified under IFRS accounting principles.

Accounting method

Changes in the fair value of derivative instruments are recorded in equity for the effective portion of hedge. Only the ineffective portion of hedges affects the income statement at the balance sheet date under "net gains or losses on financial instruments at fair value through profit and loss". Hedged items are not subject to any specific entries (other than those that would arise if they were not hedged).

If a hedging relationship is interrupted, particularly when the effectiveness ratio lies outside the 80% to 125% range, the requisite accounting treatment is to reclassify the derivative instrument under financial instruments at fair value through profit and loss and defer via the income statement the effectiveness amount, accumulated over previous hedging periods in reversible equity under "unrealized or deferred gains or losses".

Fair value hedges

Fair value hedges are intended to hedge the risk of fluctuations in the valuation of instruments on the balance sheet and firm commitments.

Natixis uses plain vanilla interest rate swaps lending fixed rates to protect itself against unfavorable changes in the interest rates on its fixed rate borrowings and issues. It uses plain vanilla interest rate swaps borrowing fixed rates to protect itself against unfavorable changes in the interest rates on its fixed rate loans and securities.

The Natixis Capital Markets North America subsidiary documents structural hedging of its interest rate risk using the fair value hedging method. In terms of the accounting treatment of these transactions, the entity applies the provisions set out in IAS 39 as adopted by the European Union (IAS 39 "carve-out"). The accounting treatment of derivative financial instruments designated for accounting purposes as structural fair value hedges is similar to that used for fair value hedging derivatives. Changes in the fair value of portfolios of hedged instruments are recorded in a specific line in the balance sheet entitled "Revaluation surplus – portfolios hedged using interest rate hedges", with a corresponding entry in the income statement.

Documentation of fair value hedges

The prospective test is used to check that the financial characteristics of the hedged item and the hedging instrument used are the same. The test consists of checking that the characteristics of hedging derivatives and hedged instruments are more or less identical (value date, maturity date, notional amount, fixed rate, payment frequency).

The retrospective test is used to verify after the event whether or not the hedging implemented at different reporting dates is effective.

At each balance sheet date, changes in the fair value excluding accrued interest of hedging instruments are compared with those of the hedged risk components for assets and liabilities (synthetic instruments representing assets and liabilities to be hedged at the risk-free rate). The ratio of their respective changes should be between 80% and 125%.

Outside these limits, the hedging ratio would no longer be justified under IFRS accounting principles.

Accounting method

Changes in the fair value of derivatives are recorded in the income statement (for both the effective and ineffective portion).

At the same time, changes in the fair value of hedged risk components are also recorded in the income statement.

The net impact on the income statement is therefore limited to the ineffective portion of the hedge.

Changes in the fair value excluding accrued interest of hedging derivatives are recorded in the income statement under "Gains and losses on financial instruments at fair value through profit or loss". Accrued interest relating to these instruments is recorded under "Interest and similar income" or "Interest and similar expenses".

If a hedging relationship is interrupted, the hedging instrument is reclassified under financial instruments at fair value through profit and loss and the unrealized gain on the hedged item at the date the hedging relationship ceases is fixed and amortized up to the maturity date of the item through the income statement.

■ Hedging of a net investment in foreign currencies

The hedging of a net investment in foreign currencies is used to hedge foreign currency risk linked to investments in dollars. This type of hedging follows the same accounting rules as those applicable to cash flow hedges. The effective portion of changes in fair value of derivative financial instruments classified for accounting purposes a hedge of net investment is recognized in equity, and the ineffective portion in income. Unrealized gains and losses recognized in equity are transferred to income when all or part of the net investment is sold.

Internal contracts

A number of internal contracts involving derivatives used in hedge accounting exist between Natixis and its subsidiaries. To qualify as a hedge at consolidated level, Natixis ensures from time to time that the relevant transactions are hedged correctly in the market.

Credit derivatives

The credit derivatives used by Natixis are not considered as financial guarantess but as derivative instruments, and therefore fall within the scope of IAS 39. They are classified as assets or liabilities at fair value through profit or loss.

7.5 - Foreign currency transactions

Monetary assets and liabilities (including bonds and other fixed income instruments) denominated in foreign currency are translated into euros at the spot rate prevailing on the reporting date. Exchange rate gains and losses are recognized in income, and directly in equity in the case of derivatives designated as cash flow hedges.

Non-monetary items denominated in foreign currencies and measured at fair value are translated at the exchange rates when fair value is estimated. When a gain or loss on a non-monetary item (e.g. available-for-sale financial assets) is recognized directly in equity, any foreign exchange component of that gain or loss is recognized directly in equity. Conversely, when a gain or loss on a non-monetary item (e.g. financial assets measured at fair value through profit or loss) is recognized in income, any foreign exchange component of that gain or loss is recognized in income.

7.6 - Fair value of financial instruments

The fair value of a financial asset or liability at fair value through profit and loss is the amount that can be obtained in an arm's length transaction between knowledgeable, willing parties.

Upon their 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, it is measured at 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 current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. Values may be adjusted, depending on the instrument concerned and the associated risks, notably to take account of factors such as the bid-ask spread and modeling risk in the case of hybrid instruments.

a) Instruments quoted on an active market

These are listed securities and derivatives on organized markets, such as futures and options, which are in liquidity zones that can be demonstrated as such (active market). All transactions in which Natixis is involved on listed markets are included in this category.

b) Over-the-counter instruments valued using recognized models and observable parameters

Standard instruments

The majority of over-the-counter derivatives, swaps, forward rate agreements, caps, floors and standard options are traded in an active market, i.e. a liquid market with regular trading.

Valuations are determined using generally accepted models (discounted future cash flows, Black and Scholes model, interpolation techniques) and on the basis of directly observable parameters.

For these instruments, the extent to which models are used and the observability of parameters have been documented.

Hybrid instruments

Certain hybrid and/or long-maturity financial instruments are valued using a recognized internal model and on the basis of market parameters derived from observable data such as yield curves, implied volatility layers of options and loss assumptions obtained from consensus data or from active over-the-counter markets.

For all of these instruments, the parameter has been demonstrated to be observable in nature. In terms of methodology, the observability of parameters is based on four key criteria:

- the parameter is derived from external sources (via a recognized contributor if possible);
- the parameter is updated periodically;
- the parameter is representative of recent transactions;
- the characteristics of the parameter are identical to those of the transaction. If necessary, a proxy may be used, subject to demonstration and documentation of its relevance.

The fair value of instruments obtained using valuation models is adjusted in order to take account of counterparty risks, model risks and parameter risks.

The margin generated on trading of these instruments is immediately recognized as income.

c) Over-the-counter instruments valued using unrecognized models or unobservable parameters

Under IAS 39, gains should be recognized after initial recognition only if they are generated by a change in a factor taken into account by market observers in price setting, i.e. only if the model and the parameters used to obtain the valuation are observable.

If the valuation model is not recognized or the parameters used are not observable, the trading profit on the day of trading cannot be recognized immediately in the income statement. It is recognized in income over the life of the transaction.

As at December 31, 2007, the scope of instruments for which the margin on the day of trading was deferred comprises essentially:

- multi-underlying structured equity and index products;
- options on funds;
- hybrid interest rate and inflation-linked products;
- fixed forward rate derivatives;
- securitization swaps;
- structured credit products (CDSs, CDOs and FTDs);
- Iiterest rate option products;
- Vanilla equity and index-based option products;
- Carbon-based derivative instruments.

The margin generated on the trading of these instruments is deferred and recognized in income over the duration of the transaction or until the date the parameter in default becomes observable.

For shares in securitization vehicles classified as assets valued at fair value for which no market price was available as at December 31, 2007, valuations have been determined using models with the characteristics set out in Note 6.

7.7 - Property, plant and equipment and intangible assets

Measurement upon initial recognition

Investment properties, which are shown on the balance sheet in a separate line from other property, plant and equipment, are properties which are held with the aim of generating rental income rather than for operating purposes.

Upon first-time adoption of IFRS principles, property, plant and equipment and investment properties were maintained at their historical cost as provided for in the options available under IFRS 1, with the exception of properties representing investments in insurance companies, which are valued at fair value through profit or loss.

Property, plant and equipment and investment properties are recorded at their acquisition date at their purchase price including directly attributable costs (transfer duties, fees, commissions and registration expenses). Natixis does not record its borrowing costs under balance sheet assets as allowed for by IAS 23.

Internally-generated computer software is measured at the total cost of development, including related hardware costs, service costs and personnel costs directly attributable to the production and preparation of the software. Expenses incurred during the development phase are only recognized as intangible assets if they meet the conditions required by IAS 38 in terms of technical feasibility, intention to complete the asset for internal use or sale, probability of future economic benefits, availability of resources and ability to measure the development expenditure reliably. Expenses incurred during the research phase are recognized as expenses when they are incurred.

Subsequent measurement

After recognition, assets are carried at cost less any 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 capitalization of rents at the market rate and a comparison with the trading market.

In accordance with Article R332-210-1 of the French Insurance Code, a five-yearly appraisal is conducted by an independent expert approved by the ACAM (*Autorité de Contrôle des Assurances et des Mutuelles*). Between two appraisals, the market value of assets is certified by experts on a half-yearly basis.

Amortization and depreciation

Assets are depreciated or amortized over their estimated useful lives either on a straight-line basis or on a diminishing balance basis where this better reflects the pattern of consumption of future economic benefits. The residual value of the asset is deducted from its depreciable or amortizable amount where it can be measured reliably. Natixis does not believe it can reliably measure the residual value of items other than land and indestructible elevations. They are therefore assigned a nil residual value.

In line with IAS 16, a specific deprecation schedule is drawn up for each significant component of an item of property, plant and equipment which has a different useful life or rate of consumption of future economic benefits than the item as a whole. For buildings used in the business and investment property, the following significant components and depreciation periods have been identified:

Part	Depreciation period
Land	N/A
Indestructible elevations classed as historical monuments	N/A
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, which range from 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 amortised over its estimated useful life, which may not 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;
- value in the Coface portfolio, which is amortized over the term of the contract (eight to ten years for France).

The charge to depreciation or amortization is recognized in the consolidated income statement under the heading “depreciation, amortization and provisions for impairment of property, plant and equipment and intangible assets”.

Impairment charges

Assets are tested for impairment whenever there is objective evidence that the asset may be impaired and at least once a year in the case of intangible assets with an indefinite useful life. Evidence of impairment is assessed on each reporting date. Impairment testing consists of estimating the recoverable amount of an asset, or if that is not possible, the cash-generating unit to which it belongs. Recoverable amount is the higher of fair value less costs to sell 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 an asset or CGU is lower than its carrying amount, an impairment loss is recognized in the income statement under the heading "depreciation, amortization and provisions for impairment of property, plant and equipment and intangible assets".

The impairment tests carried out at December 31, 2007 did not result in the recognition of any impairment of intangible assets.

Impairment losses are recognized in the income statement under "depreciation and amortization" and "provisions for impairment of property, plant & equipment or intangible risks". They may be reversed if conditions change (e.g. no more evidence of impairment).

Gains or losses on disposal

Gains or losses on the sale of assets used in the business are recognized in the income statement under the "gains or losses on other assets" heading. Gains or losses on the sale of investment property are recognized under the "other net banking income" or "expenses from other activities" headings.

7.8 - 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 an active plan to locate a buyer has been initiated are identified separately in the balance sheet. An impairment loss is recognized if the carrying amount falls below fair value less costs to sell. Associated liabilities are also identified separately in the balance sheet.

In the financial statements as at December 31, 2007, the CIFG sub-group is included in the income statement under "Discontinued operations or those in process of disposal" (cf. Note 3.7).

7.9 - Financial liabilities at fair value through profit or loss

These include financial liabilities held for trading (including derivative financial instruments) and those designated as at fair value upon their initial recognition in line with the option available under IAS 39 and described in more detail in the June 2005 amendment.

Financial liabilities at fair value through profit and loss are identified separately in the balance sheet and measured at fair value on the reporting date. Changes in fair value (including the issuer spread) are recognized in the income statement under the heading "gains or losses on financial instruments at fair value through profit and loss".

7.10 - Debt

Debt instruments issued by Natixis that are not classified as financial liabilities at fair value through profit and loss are measured using the amortized cost method and recognized in the balance sheet under the headings "deposits from banks", "customer deposits" or "debt securities in issue".

Debt securities in issue are broken down into interbank market instruments, money market instruments and bonds. They do not include subordinated debt, which is identified separately and dealt with below.

Upon their recognition, debt securities in issue are measured at their issue price including transaction costs. After recognition, they are measured at their amortized cost, which includes expenses deferred over the term of the instruments issued.

7.11 - Derecognition

IAS 39 requires the derecognition of all or part of a financial asset if the contractual rights to the cash flows from the financial asset expire or if the contractual rights to the cash flows from the financial asset and substantially all the risks and rewards of ownership are transferred.

If substantially all the risks and rewards of ownership of the financial asset are neither retained nor transferred, Natixis then determines whether it has retained control of the financial asset. If control is relinquished, the financial asset is derecognized. If control is retained, the financial asset continues to be recognized on the balance sheet to the extent of the group's continuing involvement. Continuing involvement is evidenced by the existence of contractual conditions such as:

- an option or obligation to repurchase the assets transferred;
- receipt of financial compensation linked to performance of the asset transferred.

A financial liability is derecognised when it is settled, discharged or cancelled or expires.

Repurchase agreements

Assignor

Securities sold are not derecognized. Natixis recognizes a liability representing the commitment to return funds received ("securities sold under repurchase agreements"). This financial liability is recorded at amortized cost, not at fair value.

Assignee

Securities bought are not recognized but a receivable on the assignee representing the funds provided is recognized. The amount disbursed in respect of the asset is recognized under "securities bought under repurchase agreements". This receivable is recorded under "loans and advances".

At subsequent year-end dates, securities are again valued by the assignor in accordance with the rules in their original category. For the assignee, the receivable is recorded at face value under loans and advances.

Securities lending

Securities lending/borrowing is not comparable to a transfer of financial assets in the IFRS sense of the term. Consequently, these transactions cannot give rise to derecognition of the securities loaned. Loaned securities are not identified under IFRSs. They are still recognized in their original IFRS category and valued accordingly. Borrowed securities are not recognized by the borrower.

7.12 - 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 balance sheet date. This amount is discounted where the effect is material. Provisions are reviewed at each balance sheet date and adjusted if necessary.

Provisions are not recognized for future operating losses or major repairs. No contingent assets or liabilities have been recognized.

Provision charges and reversals are recognized in the income statement on the line items corresponding to the nature of future expenditure.

7.13 - Provisions for employee benefits

The main provisions for employee benefits concern:

- supplementary banking pensions;
- end-of-career awards and allowances;
- early retirement benefits and supplementary pension benefits;
- "CATS" early retirement plan benefits;
- employer's contributions to private health insurance companies in respect of retirees and early retirees;
- long service awards.

Natixis uses independent actuaries to measure its main liabilities.

The provision recognized in the balance sheet is equal to:

- the amount of the actuarial liability in respect of post-retirement and similar benefits for employees and retirees;
- less the market value of plan assets;
- less or plus any actuarial gains or losses arising from:
  - experience adjustments in respect of demographic variables,
  - changes in actuarial assumptions such as the discount rate, employee turnover and future salary increases,
  - differences between the actual return and expected return on plan assets.

Actuarial gains and losses are recognized in income using the "corridor" method. Under this method, the portion that exceeds 10% of the greater of the group's obligation or the fair value of plan assets is deferred over the remaining average working lives of the employees participating in the plan.

Actuarial assumptions are reviewed annually.

For end-of-career allowances and long service awards, employee turnover is calculated by age bracket and grade based on a three-year average. The rate is 0% for employees over 55. Future salary increases are estimated by grade based on a constant population and a three-year average.

The change in liabilities recognized in income for the period therefore corresponds:

- incremental benefit entitlements (expenses);
- benefits paid out during the period;
- interest cost on the opening liability (expenses);
- expected return on plan assets;
- amortization of actuarial gains and losses outside the corridor.

The corridor method is not used for other long-term employee benefits such as long service awards.

Natixis has used the option available under IFRS 1 to recognize all as yet unrecognized actuarial gains or losses in equity on the transition date, i.e. in the opening balance sheet as at January 1, 2004.

7.14 - Distinction between debt and equity

In line with IAS 32, financial instruments issued are classified as debt or equity depending upon whether or not they incorporate a contractual obligation to deliver cash to the holder.

An analysis of the contractual agreements covering the subordinated notes, super-subordinated notes and the three preferred share issues led to their classification as debt, since one of the clauses in these agreements made payment of a coupon by Natixis obligatory.

In addition, the issuing vehicle is contemplating repaying the **initial preferred share issue** on June 30, 2008, the first date on which the call may be exercised, provided that it secures authorization from the French Banking Commission's Corporate Secretary. Natixis' Executive Board validated this decision.

In accordance with the provisions of IAS 32, this issue has thus been classified as a debt instrument.

7.15 - Share-based payments

Stock option plans

Natixis and certain consolidated entities have put in place for some of their employees compensation and benefit plans based on their own shares. Payments are made either by directly remitting shares or via cash settlement.

IFRS principles require these types of transaction to be recognized in income as payroll expenses:

- Natixis grants stock options to certain of its employees. The options are exercisable over a period of three years after a lock-up period of four years. As required by IFRS 2, stock options granted after November 7, 2002, which have not vested at the balance sheet date, are stated at their fair value on the grant date using the Black & Scholes model. The fair value is expensed in payroll costs on a straight-line basis over the vesting period with a corresponding entry in equity. Fair value is reviewed on each balance sheet date and adjusted if subsequent information indicates a change to the initial estimation of vested rights. The expense is then adjusted for the current and future years.

  Since 2002, Natixis has set up five stock option plans, the characteristics of which are set out in Note 13.4;

- Payments based on Natixis Global Asset Management shares relate to option plans settled in cash. Under IFRS2, options are stated at their fair value based on a binomial model incorporating the volatility-related imagreement of a sample of comparable companies. Their fair value is recognized as an expense under "wages and salaries" over the vesting period, with a corresponding reduction in liabilities on the balance sheet ("deferred income and accrued charges"). This liability is reassessed at each balance sheet date until the settlement date through the income statement.

A plan set up in 2004 relates to investment certificates issued by Natixis Asset Management S.A. and Natixis Global Asset Management participations1's preferred shares. The vesting period under these plans is three years for the US beneficiaries and four years for the European beneficiaries.

A plan was set up by Natixis Multimanager (formerly Ixis Private Capital Management) in 2004. The vesting period under this plan is four years.

Employee stock option plans

Natixis (parent company) and Coface have enabled their employees to participate in stock option plans at a discounted price. These transactions give rise to recognition of personnel costs and a corresponding entry in equity when the plan is set up. The cost of these plans is measured as the difference, on the purchase date, between the fair value of the shares purchased taking account of the lock-up period, and the price paid by employees. The total expense recognized on the plans set up in 2006 came to less than €100,000.

SAGA Bonus share allocation plans

On 12 November 2007, Natixis' Executive Board allocated 60 registered Natixis bonus shares to each employee in the Natixis, Banque Populaire and Caisse d'Epargne groups. Bonus share allocation plans are aimed at employees in France with at least three months' service as at the allocation date who hold an employment contract with one of the following:

- Natixis;
- Banque Fédérale des Banques Populaires;
- Caisse Nationale des Caisses d'Epargne;
- a credit institution affiliated to one or other of these central groupings;
- an entity in which 50% or more of the capital is directly or indirectly, exclusively or jointly held by Natixis, one of the above central groupings or an affiliated credit institution.

A total of 6,084,120 shares were allocated to 101,602 employees on November 12, 2007.

The current bonus share allocation plan is governed by the French 2006 law on the financing of employee profit-sharing and share ownership. It was authorized at Natixis' Extraordinary General Meeting on May 24, 2007.

The plan consists of three stages spread over four years:

- November 12, 2007: allocation date and start of two-year vesting period.

  As at the allocation date, each eligible employee had the right to receive 60 shares within two years, subject to continued employment. The two year vesting period allowed for by law started on this date. Employees do not own the shares during this period. They have a non-transferable right to an allocation of shares until the end of the vesting period, but do not have any associated voting rights or dividend rights;
- November 12, 2009: shares are acquired subject to continued employment, and the two-year conservation period begins.

  At the start of this period, each eligible employee still in employment receives his or her shares, which are placed in a nominee account or investment fund for a further mandatory two-year conservation period. Employees therefore become the owners of their shares at the start of this period. They have the right to receive dividends but cannot sell their shares;
- November 14, 2011: shares become available.

  Shares become available with effect from this date. They may continue to be held under the same conditions, at no cost to the holder, or may be sold at any time.

  Shareholder groups will bear the cost of the portion of expenses incurred in setting up and running bonus share allocation plans that is attributable to them, in proportion to the number of shares allocated to their employees (this distribution method is used for most of the expenses passed on); this portion mainly represents the cost of acquiring the shares.

Consequently, only the value of benefits granted to group employees is recorded by Natixis as an expense in its income statement. In accordance with IFRS 2, this value is measured using the share price as at the allocation date less the discounted amount of dividends not received by employees during the vesting period. The value thus determined represents an employee expense which is recognized in income over the two year vesting period.

Amounts of payments in shares are detailed in Note 13.4.

7.16 - Treasury shares

All treasury shares held by Natixis are deducted from equity regardless of their purpose. Any gains or losses recognized in the individual financial statements in respect of the sale, valuation or impairment of treasury shares held as trading securities or available-for-sale securities are eliminated in the consolidated financial statements through equity.

7.17 - Minority interests in dedicated mutual funds

In accordance with IAS 32, minority interests in equity of dedicated mutual funds represent a financial liability recognized under “Financial liabilities at fair value through profit and loss”.

7.18 - Fees and commissions received

The method of accounting for fees and commissions received in respect of services or financial instruments 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 term of the loan. They are therefore treated as interest income.

7.19 - Income taxes

The tax charge for the year comprises:

- tax payable by the various French companies at the standard rate of 34.43% and by foreign companies and branches at the local rate;
- deferred taxes arising from timing differences between the book value and tax value of balance sheet assets and liabilities in individual company accounts, or from differences between accounting standards applicable to local accounts and the IFRS accounts, as well as specific consolidation restatements calculated using the liability method.

Deferred income tax assets and liabilities are set off 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. Natixis does not recognize net deferred tax assets unless it is reasonably certain that they will be used to offset a future tax charge. Accordingly, the effect of tax losses is not recognized if the tax entity has incurred losses in the previous two years, as it is presumed that the future tax benefit will not be recovered. On this basis, €209 million of deferred tax assets were not recognized at December 31, 2007.

The capitalization reserve recognized in the individual financial statements of insurance companies is intended to defer capital gains arising on the sale of certain bonds to offset subsequent capital losses. The portion presumed unlikely ever to be used is reclassified in equity. Under French GAAP, no deferred taxation is recognized. Under IAS 12, it is treated as a temporary difference that gives rise to a deferred tax liability.

All timing differences have been recognized, irrespective of the recovery or payment date.

The net deferred income tax balance is recognized in the balance sheet under "deferred income tax liabilities".

7.20 - Financing and guarantee commitments

Financial guarantees

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 actually suffered 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 theoretically equal to the amount of the premium(s) received. All the financial guarantees issued within the 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 "Revenues". This amortization represents the deferred recognition of the fees received over the over the period covered by the guarantee;
- and 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 the 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 in paragraph AG64(a) of the amendment.

Particular case of guarantees issued to mutual funds

Natixis guarantees the capital and/or returns of 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 date is higher than the guaranteed net asset value. According to the terms of IAS 39, these guarantees may be treated as derivative instruments.

However, given the preponderant impact of operational risk on the fair value of the guarantee, these guarantees issued to mutual funds are treated as financial guarantees.

Financing commitments

All financing commitments granted by Natixis give rise to the grant of loans at market rates which are classified as loans and advances. These commitments constitute contingent liabilities and are recorded in accordance with IAS 37. Upon their initial recognition, they are not recognized in the balance sheet. A provision for contingencies and losses, recorded under liabilities, is recognized after recognition if it becomes likely that the counterparty will default during the commitment period.

7.21 - Fair value in the notes to the financial statements

IAS 32 requires the notes to the financial statements to state the fair value of all financial instruments recognized at amortized cost, including loans. The following valuation methods are used to determine the fair value as presented in the notes to the financial statements:

Loans recognized as "Loans and advances" and finance lease outstandings

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 that Natixis would grant at the balance sheet date to a counterparty for a loan with similar characteristics. 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 correspond to their carrying amount.

Borrowings and savings

The fair value of borrowings and debt securities at variable rates is considered to correspond to their net carrying amount on the balance sheet.

Borrowings and debt securities at fixed rates are discounted on the basis of the value of market fixed rates at the balance sheet date for a debt with the same residual maturity. Where fluctuations in the issuer spread are not material, the valuation does not take this effect into account.

Investment property recognized at cost

The fair value of investment property (excluding investment property held by insurance companies) is determined on the basis of capitalization of rents, a method that is widely used by real estate professionals.

The capitalization rate applied to the property depends on a number of factors such as location, quality and type of building, use, ownership structure, quality of lessees and characteristics of leases, interest rates and competition in the real estate market.

7.22 - Earnings per share

Earnings per share

Diluted earnings per share correspond to net income for the period (attributable to equity holders of the parent), divided by the weighted average number of shares adjusted for the maximum imagreement of the conversion of dilutive instruments into ordinary shares. Stock options issued are taken into account in calculating diluted earnings per share. The conversion of these instruments does not imagreement net income used to calculate diluted earnings per share.

	Dec. 31, 2007	Dec. 31, 2006
Earnings per share		
Net income - Group share *(in € millions)*	1,101	943
Average number of ordinary shares in circulation over the period	1,220,693,389	584,970,228
Average number of treasury shares in circulation over the period	1,298,047	14,493,127
Average number of shares for calculating earnings per share	1,219,395,341	570,477,101
Earnings per share *(in €)*	**0.90**	**1.70**
Diluted earnings per share		
Net income - Group share *(in € millions)*	1,101	943
Average number of ordinary shares in circulation over the period	1,220,693,389	584,970,228
Average number of treasury shares in circulation over the period	1,298,047	14,493,127
Number of potential dilutive shares resulting from stock option plans	5,446,385	6,808,166
Average number of shares for diluted earnings per share calculation	1,224,841,727	577,285,267
Diluted earnings per share *(in €)*	**0.90**	**1.60**

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7.23 - Use of estimates in preparing the financial statements

In preparing its financial statements, Natixis is required to make assumptions and carry out estimates in certain areas based on available information that is likely to require expert judgment. These assumptions and estimates constitute sources of uncertainty which may affect the calculation of income and expenses in the income statement, the valuation of balance sheet assets and liabilities and/or certain items shown in the notes to the financial statements.

Accounting estimates which require assumptions to be made are mainly used to measure the items set out below.

Financial instruments recorded at fair value

Fair value of hybrid market instruments not traded on an active market is calculated using valuation techniques. Valuations produced in this way using valuation models are adjusted, depending on the instruments in question and the associated risks, to take account of the bid and offer price for the net position, risks inherent in the models, counterparty risk and parameter risk. Fair values thus recorded may differ from actual prices at which such transactions might be concluded in the event of a sale on the market.

Impairment of loans and advances

At the balance sheet date, Natixis assesses whether or not there is any objective evidence of impairment in Loans and advances, either on an individual basis or collectively by risk category. In order to detect any signs of impairment, Natixis analyses trends in a number of objective criteria, but also relies on the judgment of its own experts. Similarly, Natixis may use its expert judgment to establish the likely timing of future cash flow recoveries (where the aim is to calculate the amount of individual impairment losses) or to adjust the amount of expected losses under the McDonough framework, on which the amount of collective impairment losses is based.

Valuation of unlisted equity instruments classified as available-for-sale assets

Unlisted equity instruments classed as available-or-sale assets primarily consist of investments in non-consolidated companies. The fair value of unlisted non-consolidated investments 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 CGUs

All goodwill is assigned to a CGU so that it may be tested for impairment. The tests conducted by Natixis consist of comparing the book value of each CGU (including goodwill) with its value in use. Value in use is calculated by discounting annual free cash flows out to infinity. The use of this method involves the following:

- estimating future cash flows. Natixis has based these estimates on forecasts included in its business units' medium-term plans;
- projecting cash flows from year three out to infinity at a rate reflecting the expected annual growth rate;
- discounting cash flows at an expected annual rate of return to infinity from listed stocks in the relevant sector.

Fair value of loans and advances recorded at amortized cost

The fair value of unrated loans is determined using the discounted future cash flows technique. The discount rate is based on an assessment of 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 the level of credit spreads to be identified. Natixis has also made use of expert judgment to refine this segmentation.

Employee benefits

Natixis calls on independent actuaries to calculate its principal employee benefits. The discount rates, future salary growth rates and rates of return on plan assets used are based on observed market rates as at the balance sheet date (e.g. yields on French government bonds for discount rates). When applied to long-term liabilities, these rates introduce an uncertainty factor into valuations.

Other provisions for liabilities and charges

Provisions recorded in the consolidated balance sheet, other than those relating to financial instruments, employee benefits and insurance policies, primarily consist of provisions for litigation, fines, penalties and tax risks.

A provision is raised where it is likely that an outflow of resources embodying economic benefits will be required to settle an obligation arising from a past event, and where 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 so doing is material.

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NOTE 8 NOTES TO THE BALANCE SHEET

8.1 - Financial assets and liabilities at fair value through profit and loss

These assets and liabilities are measured at fair value at the balance sheet date, with changes in value, including interest, recognized in income under "gains or losses on financial instruments at fair value through profit and loss".

No impairment is recognized in these assets since counterparty risk is reflected in their market value.

8.1.1 Financial assets measured at fair value through profit and loss

At December 31, 2007, assets at fair value through profit and loss comprised primarily securities and derivative instruments.

(in € millions)	Notes	Dec. 31, 2007	Dec. 31, 2006
Securities held for trading		**93,822**	**100,599**
Securities		93,822	100,599
Fixed income		*73,083*	*80,299*
Variable income	*8.1.1.1*	*20,739*	*20,300*
Reverse repos			
Loans and advances related to dealing activities/positions		**7,964**	**2,011**
On credit institutions		4,862	2,011
On the clientele		3,102	
Derivative financial instruments held for trading	*8.1.3*	**72,205**	**53,773**
Securities designated as at fair value	*8.1.1.3*	**26,935**	**10,874**
Securities		21,498	10,854
Fixed income		*16,904*	*7,075*
Variable income	*8.1.1.1*	*4,594*	*3,780*
Reverse repos		5,437	20
Loans and advances as at fair value	*8.1.1.2 and 8.1.1.3*	**2,002**	**9,646**
On credit institutions		465	667
On the clientele		1,537	8,979
TOTAL		**202,928**	**176,903**

Variable income securities valued on a listed market (listed securities) or using another valuation method (unlisted securities valued on the basis of price-earnings ratio or discounted cash flows) break down as follows:

8.1.1.1 Variable-income securities at fair value through profit and loss

(in € millions)	Dec. 31, 2007 Evaluation by quoted market price	Other methods of evaluation	Total
Securities coming under dealing activities/positions	**1,238**	**19,501**	**20,739**
Securities desgnated as at fair value through profit and loss	**1,049**	**3,545**	**4,594**
including Capital Investment Securities	*39*	*1,438*	*1,477*
TOTAL	**2,287**	**23,046**	**25,333**

8.1.1.2 Loans and advances designated as at fair value and credit risk

Exposure to credit risk is represented by the fair value of Loans and advances designated at fair value through profit and loss shown on the balance sheet. Purchases of credit derivatives covering exposure to credit risk for Loans and advances are indicated for the amount of their fair value recognized on the balance sheet. Variations in fair value are calculated over the period and in aggregate from the date of first recognition of the advance or loan.

(in € millions)	Exposure to credit risk Dec. 31, 2007	Exposure to credit risk Dec. 31, 2006	Related credit derivatives Dec. 31, 2007	Related credit derivatives Dec. 31, 2006	Variation in fair value of loans or receivables Period	Variation in fair value of loans or receivables Aggregate	Variation in fair value of loans or receivables attributable to credit risk Period	Variation in fair value of loans or receivables attributable to credit risk Aggregate
Loans and advances with banks	465	667	0	0	250	250	0	0
Loans and advances with customers	1,537	8,979	0	0	2	2	0	0
TOTAL	**2,002**	**9,646**	**0**	**0**	**252**	**252**	**0**	**0**

Natixis does not cover, by protective purchases, the credit risk for loans and advances classified as instruments at fair value by results on option.

8.1.1.3 Conditions for classification of financial assets designated as at fair value

Financial assets are designated at fair value through profit and loss when this choice provides more pertinent information or when these instruments carry one or more significant and separable incorporated derivatives. The use of the "fair value" option is considered to provide more pertinent information in two situations:

- in the absence of accounting compatibility between economically-linked assets or liabilities. In particular, this is the case between an asset and a hedging derivative when hedge accounting conditions are not fulfilled;
- in the presence of a portfolio of financial assets and liabilities managed and evaluated at fair value as part of a documented policy of assets and liabilities management.

(in € millions)	Book value	Book value of instruments designated at fair value because of accounting imbalance with related instruments.	Book value of instruments designated at fair value by result and included in a portfolio of financial assets or liabilities managed and evaluated at fair value by result	Book value of hybrid instruments designated at fair value by result because of the presence of significant and separable incorporated derivatives
Loans and advances with banks	465	465	0	0
Loans and advances with customers	1,537	264	1,273	0
Fixed income securities	16,904	12,130	3,958	815
Variable income securities	4,594	1,220	2,658	716
Other assets	5,437		5,437	
TOTAL	**28,937**	**14,079**	**13,326**	**1,531**

The use of fair value on option to avoid accounting imbalance represents the majority of assets evaluated at fair value by result.

8.1.2 Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss comprised primarily derivatives not used as hedging instruments.

Securities classified as instruments coming under dealing activities/positions are essentially constituted of uncovered sales of financial assets.

(in € millions)	Notes	Dec. 31, 2007	Dec. 31, 2006
Instruments at fair value held for trading		**105,084**	**83,796**
Securities		33,406	28,165
Pledged securities		0	287
Derivative financial instruments held for trading	*8.1.3*	69,774	55,154
Other liabilities		1,904	190
Instruments designated as at fair value	*8.1.2.1 and 8.1.2.2*	**59,946**	**49,596**
Securities		52,335	49,231
Pledged securities		3,380	0
Other liabilities		4,231	365
TOTAL		**165,030**	**133,392**

8.1.2.1 Financial liabilities designated as at fair value and credit risk

The book value of financial liabilities designated at fair value through profit and loss corresponds to the fair value of these instruments recorded on the balance sheet. The amount contractually due upon maturity of loans represents the amount of capital remaining due on the date of closure, increased by accrued interest not yet due. For securities debts, it is the repayment value.

	Dec. 31, 2007			Dec. 31, 2006			Variation in the fair value of financial liabilities designated at fair value by result		Variation in the fair value of financial liabilities designated at fair value by result, attributable to credit risk	
	Book value	Amount contractually due on maturity	Difference between the book value and the amount contractually due on maturity	Book value	Amount contractually due on maturity	Difference between the book value and the amount contractually due on maturity	Period	Aggregate	Period	Aggregate
Deposits with banks	390	390	0	5	5	0	0	0	0	0
Deposits with customers	3,841	3,841	0	1	186	(185)	0	0	0	0
Deposits in the form of securities issued	52,238	52,292	(54)	49,590	48,554	1,036	(172)	742	34	34
Subordinated debt	97	97	0			0	0	0	0	0
Other liabilities	3,380	3,380	0			0	0	0	0	0
TOTAL	**59,946**	**60,000**	**(54)**	**49,596**	**48,745**	**851**	**(172)**	**742**	**34**	**34**

8.1.2.2 Conditions for classification of financial liabilities designated as at fair value

Financial liabilities are designated at fair value through profit and loss when this choice provides more pertinent information or when these instruments carry one or more significant and separable incorporated derivatives.

The use of the "fair value" option is considered to provide more pertinent information in two situations:

- in the absence of accounting compatibility between economically-linked assets or liabilities. The "fair value" option is used in particular when the conditions for hedge accounting are not fulfilled: a natural compensation thus operates between variations in fair value of the instrument hedged and those of the hedging derivative;
- in the presence of a portfolio of financial assets and liabilities managed and evaluated at fair value as part of a documented policy of assets and liabilities management.

(in € millions)	Book value	Book value of instruments designated at fair value because of accounting imbalance with related instruments	Book value of instruments designated at fair value by result and included in a portfolio of financial assets or liabilities managed and evaluated at fair value by result	Book value of hybrid instruments designated at fair value by result because of the presence of significant and separable incorporated derivatives
Deposits with banks	390	390		
Deposits with customers	3,841	3,841		
Debt in the form of securities issued	52,238	49,727	354	2,157
Subordinated debt	97			97
Other liabilities	3,380		3,380	
TOTAL	**59,946**	**53,958**	**3,734**	**2,254**

The use of fair value on option to avoid accounting imbalance represents almost all liabilities evaluated at fair value by result.

8.1.3 Derivatives held for trading

Derivative financial instruments not held for hedging purposes are held for trading, irrespective of the period for which they are held.

	Dec. 31, 2007			Dec. 31, 2006		
(in € millions)	Notional	Assets	Liabilities	Notional	Assets	Liabilities
Forward transactions	**4,884,250**	**51,426**	**53,842**	**4,984,682**	**40,450**	**42,961**
Interest-rate derivatives	4,668,531	41,794	41,713	4,648,830	37,262	38,361
Currency derivatives	25,333	36	31	223,168	290	351
Equity derivatives	0	0	0	0	0	0
Other	190,386	9,596	12,098	112,684	2,898	4,249
Options	**2,060,231**	**11,233**	**8,853**	**3,065,977**	**11,220**	**10,241**
Interest-rate derivatives	1,761,784	1,697	1,898	2,298,502	2,530	2,929
Currency derivatives	164,986	1,022	1,040	254,031	2,117	1,769
Equity derivatives	0	0	0	0	0	0
Other	133,461	8,514	5,915	513,444	6,573	5,543
Credit derivatives	**813,314**	**9,546**	**7,078**	**11,027**	**2,103**	**1,952**
TOTAL	**7,757,795**	**72,205**	**69,773**	**8,061,686**	**53,773**	**55,154**

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8.2 Hedging instruments

Derivative financial instruments designated as hedges are those that meet the conditions required by IAS 39 at inception and throughout the term of the hedging relationship, particularly with respect to documentation of an effective relationship between the hedging instrument and the hedged item, both prospectively and retrospectively. Hedging relationships are presumed to be effective when the ratio of actual changes in the value of the hedging instrument and the hedged item is between 80% and 125%.

Cash flow hedging is principally used by Natixis as a structural hedge of parent company Natixis' interest-rate risk. Fair value hedging is used to hedge changes in the fair value of fixed-income instruments individually and as a structural hedge of Ixis Capital Markets North America's interest rate risk.

	Dec. 31, 2007			Dec. 31, 2006		
(in € millions)	Liabilities	Notional	Assets	Liabilities	Notional	Assets
Cash flow hedges						
Forward transactions	**75,247**	**257**	**134**	**78,157**	**151**	**132**
Interest rate derivatives	71,945	257	134	77,772	151	132
Currency derivatives	3,302	0	0	385	0	0
Equity derivatives	0	0	0	0	0	0
Other	0	0	0	0	0	0
Options	**2**	**0**	**0**	**0**	**0**	**0**
Interest rate derivatives	2	0	0	0	0	0
Currency derivatives	0	0	0	0	0	0
Equity derivatives	0	0	0	0	0	0
Other	0	0	0	0	0	0
Fair value hedges						
Forward transactions	**276,717**	**408**	**1,537**	**9,771**	**403**	**295**
Interest rate derivatives	272,440	386	1,523	6,139	386	280
Currency derivatives	2,762	1	0	3,594	0	2
Equity derivatives	0	0	0	0	0	0
Other	1,515	21	14	38	17	13
Options	**1**	**5**	**0**	**162**	**46**	**0**
Interest rate derivatives	0	0	0	11	0	0
Currency derivatives	1	1	0	0	1	0
Equity derivatives	0	0	0	0	0	0
Other	0	4	0	151	45	0
Credit derivatives	**0**	**0**	**1**	**0**	**21**	**4**
Hedging of net investments in foreign currencies	***0***	***0***	***0***	***0***	***0***	***0***
TOTAL	**351,967**	**670**	**1,672**	**88,090**	**621**	**431**

8.3 - Financial assets available for sale

The table breaks down the item "financial assets available for sale" by type of instrument (loans outstanding, fixed-income securities, variable-income securities). It gives the gross value before depreciation, the depreciation, and the net value after depreciation. Assets available for sale are subject to a depreciation test on each publishable closure date (namely at a quarterly rhythm). When there is objective indication of depreciation and a reduction in fair value has previously been recognized in shareholder's equity, the aggregate loss is exited from shareholder's equity and recognized in profit/loss.

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Loans outstanding	***56***	***71***
Loans and advances	56	71
Accrued interest	0	0
Securities	***35,221***	***31,359***
Fixed income	29,015	25,629
Variable income	6,046	5,554
Accrued interest	160	176
Total assets available for sale before depreciation	**35,277**	**31,430**
Depreciation of assets available for sale	***(516)***	***(287)***
Loans and advances	0	0
Fixed income securities	(175)	(19)
Variable income securities	(341)	(268)
TOTAL	**34,761**	**31,143**

8.4 - Loans and advances

8.4.1 Loans and advances to banks

(in € millions)	Notes	Dec. 31, 2007	Dec. 31, 2006
Performing loans			
Performing loans	*8.4.1.1*	112,428	114,923
Collective provisions		(49)	(59)
Net		**112,379**	**114,864**
Non-performing loans			
Non-performing loans		37	41
Specific provisions		(22)	(27)
Net		**15**	**15**
NET TOTAL		**112,394**	**114,879**

At December 31, 2007, the fair value of loans and advances to banks, calculated in accordance with the methods set out in Note 7, amounted to €113,136 million compared to €114,906 million at December 31, 2006.

The hedging rate of non-performing loans to banks stood at 60% compared with 66% at December 31, 2006.

8.4.1.1 Performing loans to banks

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Lease financing		
Loans and advances	28,368	25,098
Current accounts in debit	12,268	6,817
Unlisted fixed-income securities	3,419	177
Reverse repos	67,046	82,013
Other	31	27
Accrued interest receivable	1,296	791
TOTAL PERFORMING LOANS	**112,428**	**114,923**

8.4.2 Loans and advances to customers

(in € millions)	Notes	Dec. 31, 2007	Dec. 31, 2006
Performing loans			
Performing loans	*8.4.2.1.*	112,888	93,532
Collective provisions		(793)	(608)
Impairment charges		(35)	(38)
Net		**112,060**	**92,886**
Non-performing loans			
Non-performing loans		1,148	1,206
Specific provisions		(703)	(723)
Net		**445**	**483**
NET TOTAL		**112,505**	**93,369**

At December 31, 2007, the fair value of loans and advances to customers, calculated in accordance with the methods set out in Note 7, amounted to €112,896 million compared with €91,772 million at December 31, 2006.

The hedging rate of non-performing loans to customers stood at 61% compared with 60% at December 31, 2006.

8.4.2.1 Performing loans to customers

(in € millions)	Notes	Dec. 31, 2007	Dec. 31, 2006
Lease financing	*8.4.2.2*	6,802	6,480
Other loans and advances	*8.4.2.3*	60,844	50,121
Current accounts in debit		7,734	6,852
Unlisted fixed-income securities		3,861	3,668
Reverse repos		27,035	21,333
Factoring		6,030	4,645
Others		41	26
Accrued interest receivable		541	407
TOTAL		**112,888**	**93,532**

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8.4.2.2 Lease financing

(in € millions)	Dec. 31, 2007			Dec. 31, 2006		
	Real estate	Equipment	Total	Real estate	Equipment	Total
Outstandings	**3,860**	**2,942**	**6,802**	**3,819**	**2,662**	**6,480**
Net non-performing loans	**52**	**33**	**85**	**63**	**36**	**99**
Non-performing loans	*76*	52	128	91	57	148
Provisions	(24)	(19)	(43)	(28)	(21)	(49)
TOTAL	**3,912**	**2,975**	**6,887**	**3,882**	**2,698**	**6,579**

At December 31, 2007, the hedging rate of non-performing loans stood at 34% compared with 33% at December 31, 2006.

8.4.2.3 Other loans and advances to customers

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Commercial loans	575	655
Export credits	1,916	1,720
Cash and consumer credit	30,914	25,182
Equipment loans	4,674	3,785
Home loans	689	408
Other	22,076	18,371
TOTAL	**60,844**	**50,121**

8.5 - Financial assets held to maturity

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Government securities		
Cost	0	0
Provisions	0	0
Accrued interest receivable	0	0
Net government securities	**0**	**0**
Bonds		
Cost	6,381	6,918
Provisions	0	0
Net bonds	**6,381**	**6,918**
Others		
Cost	120	119
Provisions	0	0
Others net	**120**	**119**
TOTAL	**6,501**	**7,037**

At December 31, 2007, the fair value of securities held tol maturity, calculated in accordance with the methods set out in Note 7, amounted to €6,682 million compared with €7,514 million at December 31, 2006.

8.6 - Other information relating to financial assets

8.6.1 Reverse repos

The following shows the book value of securities and government paper given as part of reverse repos. These instruments are shown on the consolidated balance sheet under the various accounting classifications that they came under at the time of their initial recognition.

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Shareholder's equity instruments	4,079	2,972
Debt securities	84,106	69,314
Loans and advances	2,605	890
TOTAL	**90,790**	**73,177**

8.6.2 Financial assets received as guarantees and that may be transferred or re-given as guarantees

Natixis has no significant amounts of financial assets received as guarantees under financial guarantee contracts having a right of reusability that is exercisable in the absence of default by the owner of the guarantee.

8.6.3 Financial assets transferred not derecognized

Transfers of assets without derecognition (total or partial) are transfers that do not meet the derecognition conditions set in paragraphs 15 to 37 of the IAS 39 standard. These transfers are essentially carried out as part of synthetic securitisation operations.

With the exception of assets given under repurchase agreements, which are the subject of a specific note (cf. Note 8.6.1), Natixis holds no assets for which the cash flows would have been transferred in the meaning of the IAS 39 standard and which would not have been wholly or partially derecognized because Natixis would keep control of these assets or almost all the benefits and risks attached to these assets.

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8.6.4 Restructured financial assets

These are debt instruments booked to the asset side of the balance sheet for which conditions (of rate or repayment) have been renegotiated following financial difficulties experienced by the counterpart.

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Loans and receivables with banks	28	31
Loans and receivables with customers	101	98
Financial assets available for sale (debt securities)	0	0
Financial assets held to maturity	0	0
TOTAL	**129**	**129**

The restructured assets are essentially under the Natixis parent company for an amount of €86 million in 2007 (€98 million in 2006), Natixis Financement for an amount of €29 million in 2007 (€22 million in 2006) and the leasing business for an amount of €14 million in 2007 (€7 million in 2006).

8.6.5 Financial assets that are overdue and not depreciated

This table, by category of financial instrument, gives an analysis of the age of financial assets which are overdue upon the date of closure but are not depreciated.

Overdue assets are those in payment arrears (meaning instalments of capital or interest not paid), but which have not yet been the subject of depreciation.

For overdrafts, the arrears is counted from the date when the client is notified and the amount to be indicated is the total overdraft.

What are known as "technical" delinquencies, meaning those related to incidents occurring in the collection circuit, and without any relationship to the counterparty's financial situation, are not included.

The age of the amount in arrears is determined according to the age of the first unpaid amount observed for the debt in question. Breakdown over the period is performed on the basis of the first amount in arrears.

	Payment arrears				
Type of assets	≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	> 1 year	Total
Loans and advances with banks	1	0	1	19	21
Loans and advances with customers	27	2	0	25	104
TOTAL	**78**	**2**	**1**	**44**	**125**

Amounts unpaid for less than 90 days represent 62% of the total.

8.6.6 Fair value of financial assets

The IAS 39 standard establishes a hierarchy in the means of determining fair value:

- the best representation of fair value is the price quoted on an active market. A market is considered as active if the prices are easily and regularly available from a stock market, a broker, a negotiator, a price-evaluation service or a regulatory agency and these prices represent real transactions regularly occurring in the market;
- failing this, their fair value must be determined using evaluation techniques. These techniques include the use of recent transactions, the reference to the fair value of a substantially identical instrument, the method of updating cash flows, share-valuation models and any evaluation technique commonly used by players in the market.

When an evaluation model is applied, it must make maximum use of data from the market. In the case of certain structured products, often prepared to order, the evaluation model is sometimes fed by parameters that are not observable in the market. For these instruments, profit or loss can only be established upon initial recognition. The margin shown upon initial booking must, in this situation, be deferred. This margin must be spread over the lifetime of the instrument.

The table below presents the fair value of all financial assets, whether they are booked to the balance sheet by fair value or not. This information is broken down according to the hierarchy given by the IAS 39 standard for determining the fair value of an instrument.

The instruments for which the fair value is determined according to an evaluation technique that is not supported by market data are those for which the initial margin has been deferred and those for which the initial margin has not been deferred only because of the absence of impact on valuation of the non-observable criterion.

					Fair value amount determined according to evaluation techniques not based on market data	
Assets	Fair value	Book value	Fair value determined from quotations	Fair value determined from a valuation technique	Fair value	Variation in fair value booked to profit/loss
Financial assets held for trading	173,991	173,991	84,157	89,834	646	112
Financial assets designated as at fair value	28,937	28,937	23,372	5,565	1	
Hedging instruments (assets)	670	670		670		
Financial assets available for sale	34,761	34,761	23,373	11,388	1,496	
Loans and advances with banks	*113,136*	*112,394*		*113,136*	*113,136*	
Loans and advances with customers	112,896	112,505		112,896	112,896	
Assets held to maturity	*6,682*	*6,501*	*6,571*	*111*		
Other						
TOTAL	**471,073**	**469,759**	**137,473**	**333,600**	**228,175**	**112**

8.7 - Deferred tax assets and liabilities

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Principal sources of deferred taxes [1]		
Flow-through entities	(185)	(180)
Leasing reserves	(35)	(300)
Elimination of equalization reserve	(421)	(342)
Financial instruments at fair value through equity (AFS+CFH)	(468)	(469)
Capitalization reserves of insurance companies	(84)	(71)
Fair value of private equity business	(386)	(197)
Amortized cost of loans	99	70
Provisions for employee benefits	263	253
Other non-deductible provisions [2]	2,087	839
Non-deductible accrued expenses (deferred compensation, etc.)	294	159
Unrealized gains on mutual funds	40	57
Intra-group dividends (retail bank CCs)	(211)	(116)
Ordinary and evergreen tax loss carryforwards	458	158
Other temporary differences	5	(5)
TOTAL SOURCES OF DEFERRED INCOME TAXES, GROSS	**1,456**	**(144)**
Unrecognized sources of deferred tax assets	(275)	(209)
TOTAL SOURCES OF DEFERRED INCOME TAXES, NET	**1,181**	**(354)**
Recognized deferred tax assets		
Deferred taxes at standard rate	598	28
Deferred tax liabilities	6	(7)
Deferred taxes at reduced rate	6	(6)
Total recognized deferred taxes	**610**	**15**
Including: deferred tax assets	*939*	*523*
deferred tax liabilities	*(325)*	*(501)*
deferred taxes of associates	*(4)*	*(7)*

(1) The sources of deferred taxes giving rise to deferred tax assets are given a positive sign, while those giving rise to tax liabilities are shown with a negative sign.

(2) Including collective provisions and provisions for impact of discounting specific provisions.

8.8 - Other assets and liabilities

Accrued income and prepaid expenses and deferred income and accrued charges correspond to technical accounts, details of which are given below.

Assets

(in € millions)	Notes	Dec. 31, 2007	Dec. 31, 2006
Other assets	*8.8.1.1*	16,265	12,906
Accrued income and prepaid expenses	*8.8.2.1*	15,777	6,213
insurance companies	*8.8.3.1*	1,482	1,194
TOTAL		**33,524**	**20,314**

Equity & liabilities

(in € millions)	Notes	Dec. 31, 2007	Dec. 31, 2006
Other liabilities	*8.8.1.2*	15,005	13,168
Deferred income and accrued charges	*8.8.2.2*	7,322	5,276
Deferred income and accrued charges insurance companies	*8.8.3.2*	291	392
TOTAL		**22,618**	**18,836**

8.8.1 Other miscellaneous assets and liabilities

8.8.1.1 Other assets

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Securities settlement accounts	21	0
Real estate development	0	1
Other assets	879	535
Other receivables	15,207	12,272
Accrued interest receivable	158	98
TOTAL	**16,265**	**12,906**

8.8.1.2 Other liabilities

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Amounts due on securities	10	1,786
Miscellaneous payables	14,893	11,212
Securities settlement accounts	0	10
Other	101	161
Accrued interest receivable	1	(1)
TOTAL	**15,005**	**13,168**

8.8.2 Accrued income and prepaid expenses and deferred income and accrued charges

8.8.2.1 Accrued income and prepaid expenses

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Collection accounts	330	439
Adjustment accounts	838	259
Prepaid expenses	121	195
Accrued income	715	2,192
Deferred charges	0	0
Other	13,773	3,128
TOTAL	**15,777**	**6,213**

8.8.2.2 Deferred income and accrued charges

(in € millions)	Note	Dec. 31, 2007	Dec. 31, 2006
Collection accounts		466	290
Adjustment account		580	304
Deferred income		314	264
Accrued charges		1,022	950
Day one P&L	*8.8.2.2.1*	204	251
Other		4,736	3,217
TOTAL		**7,322**	**5,276**

8.8.2.2.1 Restatement day one P&L

The table represents the deferred margin on the first day for instruments valued using evaluation techniques making use of non-observable parameters or models not recognized by the market: at the beginning of the period, at the end of the period, and variations during the period.

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Margin remaining to redeem at the beginning of the period	251	266
Margin for new operations	65	69
Instalments schedule for period (1)	(79)	(9)
Other variations (2)	(33)	(75)
Margin not redeemed at end of period (3)	204	251

(1) Instalment schedule for the financial year concerned -€7 million for transactions initiated during 2007 and -€72 million for transactions prior to 2007.

(2) The other variations concern the passage of two non-observable activities to "observable". The first is relative to products processed as part of currency exchange-rate arbitrage and the second concerns CO2 emission rights.

(3) The margin remaining to be redeemed is placed under the activities of the Natixis parent company.

8.8.3 Accrued income and prepaid expenses and deferred income and accrued charges – insurance companies

8.8.3.1 Accrued income and prepaid expenses – insurance companies

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Reinsurers' share of technical reserve	290	284
Insurance receivables	375	540
Reinsurance receivables	71	115
Accrued premium income	633	150
Deferred acquisition costs	113	105
Other	0	0
TOTAL	**1,482**	**1,194**

8.8.3.2 Deferred income and accrued charges – insurance companies

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Insurance liabilities	159	275
Reinsurance liabilities	115	97
Cash deposits received from reinsurers	13	15
Other liabilities	4	5
TOTAL	**291**	**392**

8.9 - Property, plant & equipment, intangible assets, investment property

8.9.1 Changes in non-current assets over the year

	Dec. 31, 2007			Dec. 31, 2006		
(in € millions)	Cost	Amortization and depreciation	Net	Cost	Amortization and depreciation	Net
Property, plant & equipment	**1,305**	**(608)**	**697**	**1,152**	**(601)**	**551**
Land and buildings	750	(327)	423	744	(393)	351
Other	555	(281)	274	408	(208)	200
Intangible assets	**865**	**(419)**	**446**	**678**	**(383)**	**295**
Leasehold rights	81	(36)	45	79	(33)	46
Software	514	(281)	233	386	(260)	126
Other	270	(102)	168	213	(90)	123
Non-current assets held for sale	**0**	**0**	**0**			**0**
TOTAL	**2,170**	**(1,027)**	**1,143**	**1,830**	**(984)**	**846**

(in € millions)	Cost Jan. 1, 2007	Purchases	Sales	Variations in scope and others	Cost Dec. 31, 2007
Property, plant & equipment	**1,152**	**187**	**(146)**	**112**	**1,305**
Land and buildings	744	77	(86)	15	750
Other	408	110	(60)	97	555
Intangible assets	**678**	**229**	**(47)**	**5**	**865**
Leasehold rights	79	7	(1)	(4)	81
Software	386	136	(38)	30	514
Other	*213*	86	(8)	(21)	270
Non-current assets held for sale					**0**
TOTAL	**1,830**	**416**	**(193)**	**117**	**2,170**

8.9.2 Investment property

	Dec. 31, 2007			Dec. 31, 2006		
(in € millions)	Cost	Amortization and depreciation	Net	Cost	Amortization and depreciation	Net
Investment property						
Fair value [1]	588		588	594		594
Cost	704	(300)	404	900	(347)	553
TOTAL	**1,292**	**(300)**	**992**	**1,494**	**(347)**	**1,147**

(1) Insurance company investments. Changes in fair value give rise to the symmetrical recognition of a deferred participation reserve equal, on average, to 92% of the base concerned.

The fair value of investment property is obtained by discounting the rental yield of these assets at the market rate.

8.9.3 Fair value of investment properties

	Dec. 31, 2007	
(in € millions)	Net value	Fair value
Operating leases	337	655
Finance leases – ITNL	6	5
Other	61	65
TOTAL	**404**	**725**

8.10 - Assets obtained by taking possession of guarantees

The table lists the assets obtained by taking possession of guarantees: the type and the book value of the assets (securities, buildings, etc.), obtained and booked following takeover of guarantees or by mobilising other forms of raising credit (for example, a contract of guarantee).

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Non-current assets held for sale	0	0
Property, plant & equipment	0	0
Investment property	9	0
Equity and debt instruments	2	2
Other	0	0
TOTAL	**11**	**2**

Ixis North America recovered property through mortgage loan guarantee foreclosure for an amount of 9 million euros during the 2007 financial year.

8.11 - Goodwill

(in € millions)	Jan. 1, 2007	Purchases	Divestiture/ Deconsolidation	Amortization	Conversion differences	Dec. 31, 2007
Net value per unit						
Groupe NGAM	1,478	200			(122)	1,556
Groupe Coface	457	41	(7)		(2)	489
Groupe CACEIS	218	297			1	516
Natexis Assurances	96					96
Groupe Ixis CIB	57		(1)			56
Natexis Interépargne	31					31
Natexis Private Equity and subsidiaries	22	1	(1)			22
Coficiné	10					10
Groupe Natixis Garanties	9	3				12
Ecrinvest 11	8					8
Natexis Intertitres	6					6
Natixis Consumer Finance		2				2
Cie 1818 Group	3		(2)			1
Groupe CIFG	1		(1)			0
Other	36	1				37
TOTAL	**2,433**	**545**	**(11)**	**0**	**(123)**	**2,844**

8.12 - Deposits from banks and customer deposits

Deposits from banks and customer deposits are presented by nature, taking into account twhether they are demand or time deposits. They are measured in accordance with IAS 39 as other financial liabilities under the amortized cost method.

8.12.1 Deposits from banks

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Current accounts in debit and accrued interest	**19,679**	**20,124**
Accounts and deposits	**56,136**	**55,178**
demand	*6,154*	*8,746*
time	*49,982*	*46,432*
Pledged securities	**2,930**	**1,125**
demand	*0*	*21*
time	*2,930*	*1,104*
Repurchase agreements	**58,198**	**64,469**
demand	*3,341*	*2,559*
time	*54,857*	*61,910*
Other liabilities	**82**	**54**
Accrued interest payable	**1,209**	**964**
TOTAL	**138,234**	**141,914**

At December 31, 2007, the fair value of deposits from banks was €138,333 million against €141,435 million at December 31, 2006.

8.12.2 Customer deposits

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Current accounts	**15,184**	**13,863**
demand	*11,332*	*7,901*
time	*3,852*	*5,962*
Accounts and deposits	**13,961**	**14,677**
demand	*4,658*	*1,952*
time	*9,303*	*12,725*
Pledged securities	**0**	**13**
demand	*0*	*13*
time	*0*	*0*
Repurchase agreements	**29,575**	**19,397**
demand	*6,221*	*7,431*
time	*23,354*	*11,966*
Special savings accounts	**100**	**76**
Factoring liabilities	**1,699**	**1,251**
Accrued interest payable	**232**	**130**
Others	**950**	**283**
TOTAL	**61,701**	**49,690**

At December 31, 2007, the fair value of customer deposits was €61,701 million against €50,244 million at December 31, 2006.

8.13 - Debt securities in issue

Debt securities in issue (interest-bearing notes, interbank market instruments, etc.), are broken down by nature, excluding subordinated debt which is recorded separately in a specific line item.

These debt securities are initially recognized at fair value, which is the issue price less transaction costs, and then stated at amortized cost, using the effective interest rate method to defer issuance costs over the lifetime of the securities.

Variable-rate securities have a fair value equal to their net carrying amount on the balance sheet.

Borrowings and debt securities at fixed rates are discounted on the basis of the value of market fixed rates at the balance sheet date for a debt with the same residual maturity.

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Interbank market instruments	**3**	**5**
Money market instruments	**50,014**	**45,018**
BMTN	3,450	11,346
CDN	46,654	33,672
Bonds	**11,378**	**1,906**
Other debt securities in issue	**3,488**	**6,832**
Accrued interest payable	**557**	**493**
TOTAL	**65,530**	**54,253**

At December 31, 2007, the fair value of debt securities in issu was €65,530 million compared to €54,215 million at December 31, 2006.

8.14 - Technical reserves for insurance companies

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 balance sheet date.

In sum, life insurance reserves reflect the payments received, plus investment income paid out to policyholders less exit benefits. These reserves are topped up by the management reserve, which is intended to cover future management costs on life insurance contracts.

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 close of period. Accrued losses are topped up by a reserve for unknown losses calculated statistically.

The reserve for deferred profit-sharing represents the portion of investment income attributable to policyholders, but not yet paid out. These reserves are due to be paid out within eight years.

Other technical reserves include reserves for financial contingencies and for deferred acquisition costs.

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Mathematical reserves	**31,425**	**28,452**
Life insurance	24,969	22,441
Non-life insurance	589	728
Unit-linked business	5,867	5,283
Loss reserves	**1,105**	**983**
Profit-sharing reserve	**1,160**	**1,385**
Other technical reserves	**218**	**238**
TOTAL	**33,908**	**31,058**

8.15 - Provisions and amortization

8.15.1 Summary of provisions

	Jan. 1, 2007	Increase	Utilization	Reversals not used	Exchange differences	Changes in scope of consolidation	Other	Dec. 31, 2007
Provisions deducted from assets	**1,797**	**847**	**(158)**	**(273)**	**(34)**	**(23)**	**8**	**2,165**
Provisions for performing loans	668	360		(170)	(16)			842
Provisions for non-performing loans	750	173	(78)	(103)	(6)	3	4	743
Amortization	124	23	(30)			(17)	(36)	64
Durable amortization of financial assets available for sale (1)	255	291	(50)		(12)	(9)	40	516
Provisions recognized as liabilities	**657**	**266**	**(102)**	**(53)**	**(7)**	**3**	**(2)**	**762**
Provisions	**479**	**154**	**(86)**	**(32)**	**(3)**	**1**	**7**	**520**
Provisions for counterparty risk	85	29	(1)	(25)			0	88
Provisions for depreciation risk	21	11	(1)	(7))			1	25
Provision for employee benefits	272	59	(52)		(1)	3	5	286
Provisions for operating risks	101	55	(32)		(2)	(2)	1	121
Provisions for regulated savings accounts								
Provisions for current income taxes	**178**	**112**	**(16)**	**(21)**	**(4)**	**2**	**(9)**	**242**
TOTAL	**2,454**	**1,113**	**(260)**	**(326)**	**(41)**	**(20)**	**6**	**2,927**

(1) In 2007, the amounts for durable amortization of financial assets available for sale are presented in the summary table of provisions.

Impact on the income statement	Charges	Reversals	Net impact
Net Banking Income	**(403)**	**139**	**(264)**
Operating expenses	(76)	64	(12)
Amortization, dpreciation and impairment on property, plant & equipment and intangible assets			
Gross operating income	**(479)**	**203**	**(276)**
Cost of risk	(521)	346	(175)
Gains or losses on other assets	(1)		(1)
Income before income taxes	**1,001**	**549**	**(452)**
Income taxes	(112)	37	(75)
NET INCOME	**(1,113)**	**586**	**(527)**

8.15.2 Provisions

(in € millions)	Notes	Jan. 1, 2007	Increase	Utilization	Reversals not used	Exchange differences	Changes in scope of consolidation	Other	Dec. 31, 2007
Counterparty risk		**85**	**29**	**(1)**	**(25)**	**0**	**0**	**0**	**88**
Financing and guarantee commitments		23	15	(1)	(13)			(1)	23
Customer disputes		51	3		(6)			1	49
Other provisions		11	11		(6)				16
Depreciation risks		**21**	**11**	**(1)**	**(7)**	**0**	**0**	**1**	**25**
Long-term investments		10	4		(6)			1	9
Real estate development		1		(1)	0				0
Other provisions		10	7		(1)				16
Employee benefits	*13.3*	**272**	**59**	**(52)**		**(1)**	**3**	**5**	**286**
Operating risks		**101**	**55**	**(32)**	**0**	**(2)**	**(2)**	**1**	**121**
Restructuring		16	2	(2)		(1)			15
Other provisions		84	53	(30)		(1)	(2)	2	106
Homebuyers' savings schemes		**0**							
Homebuyers' savings plan		0							
TOTAL		**479**	**154**	**(86)**	**(32)**	**(3)**	**1**	**7**	**520**

8.16 - Subordinated debt

Subordinated debt differs from advances and bonds issued in that it will be repaid only after all the senior and unsecured creditors, but before the repayment of participating loans and securities and super-subordinated notes. It is valued at amortized cost.

After analysis, preferred shares may be classified either as debt or equity. All the preferred shares issued by Natixis are classified under subordinated debt.

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Dated subordinated debt	**9,751**	**7,802**
Super-subordinated bonds	1,794	1,060
Other subordinated debt	7,957	6,742
Perpetual subordinated debt	**95**	**135**
Preferred shares	**626**	**678**
Mutual guarantee deposits	**0**	**0**
Accrued interest payable	**206**	**155**
TOTAL	**10,678**	**8,770**

At December 31, 2007, the fair value of subordinated debt was €10,678 million compared with €8,780 million at December 31, 2006.

CHANGES IN SUBORDINATED DEBT OVER THE PERIOD

(in € millions)	Jan. 1, 2007	Issue [1]	Redemption [2]	Exchange differences	Other	Dec. 31, 2007
Other dated subordinated debt	**6,742**	**1,622**	**(391)**	**(25)**	**9**	**7,957**
Subordinated bonds	5,228	1,582	(300)	(25)	(20)	6,466
Subordinated loans	1,514	40	(91)	0	28	1,492
Other perpetual subordinated debt	**135**	**0**	**0**	**(1)**	**(40)**	**95**
Subordinated bonds	82	0	0	(1)	3	84
Subordinated loans	54	0	0	0	(43)	11
TOTAL	**6,878**	**1,622**	**(391)**	**(26)**	**(31)**	**8,052**

This table does not include super-subordinated bonds, preferred shares, mutual guarantee deposits and accrued interest payable.

(1) issues of dated subordinated notes in 2007 comprised:

- *one tranche of €1,347 million (net of the intra-group share) issued by Natixis (RSCN May 2007: €500 million – maturity 14/05/2019, RSCN – June 2007: €1,000 million – maturity 06/07/2017);*
- *one tranche of €186 million (net of issue premium) issued by Natixis (RSCN September 2007: €200 million – maturity 15/12/2021);*
- *one tranche of €50 million (net of the intra-group share) issued by Caceis (RSCN December 2007: €100 million – maturity 26/12/2027).*

The issue of the redeemable subordinated loans concerned a tranche of €40 million issued by the Banque Fédérale des Banques Populaires (November 2007: €40 million – maturity 07/12/2017).

(2) repayments:

- *at maturity: the repayments redeemable subordinated loans concern the tranches for March 1995, October 1995, December 1995, December 1996 and March 1997 issued with the Banque Fédérale des Banques Populaires in French francs, that is, with an equivalent value of €91 million;*
- *in advance: the repayment of Subordinated Repayable Loans by Natixis concerns a tranche from June 2002 for €300 million.*

8.17 – Fair value of financial liabilities

The IAS 39 standard establishes a hierarchy in the means of determining fair value:

- the best representation of fair value is the price quoted on an active market; A market is considered as active if the prices are easily and regularly available from a stock market, a broker, a negotiator, a price-evaluation service or a regulatory agency and these prices represent real transactions regularly occurring in the market;
- failing this, their fair value must be determined using evaluation techniques. These techniques include the use of recent transactions, the reference to the fair value of a substantially identical instrument, the method of updating cash flows, share-valuation models and any evaluation technique commonly used by players in the market.

When an evaluation model is applied, it must make maximum use of data from the market. In the case of certain structured products, often prepared to order, the evaluation model is sometimes fed by parameters that are not observable in the market.

For these instruments, no profit or loss may be recognized at their initial booking. The margin shown upon initial booking must, in this situation, be deferred. It is spread over the lifetime of the instrument.

The table below presents the fair value of all financial liabilities, whether they are booked to the balance sheet by fair value or not. This information is broken down according to the hierarchy given by the IAS 39 standard for determining the fair value of an instrument.

The instruments for which the fair value is determined according to an evaluation technique that is not supported by market data are those for which the initial margin has been deferred and those for which the initial margin has not been deferred only because of the absence of impact on valuation of the non-observable criterion, as well as those for which the margin would have been deferred if these instruments had been evaluated on the balance sheet at their fair value.

					Fair value amount determined according to evaluation techniques not based on market data	
Liabilities	Fair value	Book value	Fair value determined from quotations	Fair value determined from a valuation technique	Fair value	Variation in fair value booked to profit/loss
Financial liabilities held for trading	105,084	105,084	33,840	71,244	1,355	
Financial liabilities designated at fair value through profit and loss	59,946	59,946	6,314	53,632		
Hedging instruments (liability)	1,672	1,672		1,672		
Financial liabilities at amortized cost – Due to banks	138,333	138,234		138,333	138,333	
Financial liabilities at amortized cost – Due to customers	61,701	61,701		61,701	61,701	
Debt in the form of securities issued	65,530	65,530	32,587	32,943	32,943	
Subordinated debt	10,678	10,678		10,678	10,678	
Other	125	125		125		
TOTAL	**443,069**	**442,970**	**72,741**	**370,328**	**245,010**	**-**

NOTE 9 NOTES TO THE INCOME STATEMENT

9.1 - Net interest income

"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 securities lending/borrowing transactions and on loans and advances to banks and loans and advances.

These 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 (EIR) method.

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(in € millions)	Dec. 31, 2007 Income	Dec. 31, 2007 Expense	Dec. 31, 2007 Net	Dec. 31, 2006 Income	Dec. 31, 2006 Expense	Dec. 31, 2006 Net
Central banks and post offices	**4**	**(33)**	**(29)**	**4**	**(39)**	**(34)**
Securities	**2,377**	**(3,923)**	**(1,547)**	**1,895**	**(2,233)**	**(338)**
Loans and advances	**14,894**	**(12,204)**	**2,691**	**5,022**	**(3,536)**	**1,486**
To banks	8,437	(9,682)	(1,245)	2,345	(2,776)	(431)
To customers	5,970	(2,490)	3,480	2,370	(729)	1,640
Lease financing	487	(32)	456	307	(31)	276
Subordinated debt	**0**	**(467)**	**(467)**	**0**	**(214)**	**(214)**
Other	**231**	**0**	**231**	**7**	**0**	**7**
Hedging instruments	**952**	**(664)**	**288**	**823**	**(616)**	**207**
Expiry of hedging relationship (CFH)	15	(15)	0	1	(1)	(0)
Accrued interest	937	(649)	288	823	(616)	207
Impaired loans, including restructured loans	**2**	**0**	**2**	**2**	**0**	**2**
TOTAL	**18,460**	**(17,291)**	**1,169**	**7,753**	**(6,638)**	**1,115**

9.2 - 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 commission, are recognized in income immediately when the service is provided. Fees and commissions for ongoing services such as guarantee commissions or management fees are spread over the period during which the service is provided.

Fiduciary or similar fees and commissions are those that result in assets being held or invested on behalf of personal 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 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. Under EU IFRS, these fees and commission are recognized as interest income rather than fees and commission.

(in € millions)	Dec. 31, 2007 Income	Dec. 31, 2007 Expense	Dec. 31, 2007 Net	Dec. 31, 2006 Income	Dec. 31, 2006 Expense	Dec. 31, 2006 Net
Interbank transactions	6	(24)	(17)	9	(22)	(14)
Customer transactions	643	(398)	244	419	(353)	65
Securities transactions	333	(104)	230	238	(40)	198
Payment services	217	(62)	155	202	(61)	141
Financial services	396	(280)	117	500	(243)	257
Fiduciary operations	2,679	(611)	2,068	477	(72)	405
Financing, guarantee, securities, derivatives commitments	146	(58)	89	87	(59)	28
Other	39	(4)	35	19	(2)	17
TOTAL	**4,460**	**(1,541)**	**2,919**	**1,951**	**(853)**	**1,098**

9.3 - Gains or losses on financial assets and liabilities 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, whether held for trading or designated as at fair value, including interest.

Hedging instruments include changes in the fair value of fair value hedges, including interest, plus the symmetrical revaluation of items hedged. It also includes the ineffective portion of cash flow hedges.

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Net gains on financial assets and liabilities excluding hedging instruments	**1,137**	**921**
Net gains on financial assets and liabilities held for trading	3,202	848
o/w non-hedging instruments	*176*	*181*
Net gains on other financial assets and liabilities designated as at fair value	(1,971)	325
Other	(94)	(252)
Hedging instruments and revaluation of hedged items	**11**	**(56)**
Inefficiency of the cash flow hedge (CFH)	6	(2)
Inefficiency of the fair value hedge (FVH)	5	(54)
Change in fair value hedge	127	(90)
Revaluation of the hedged items	(122)	36
TOTAL	**1,148**	**865**

9.4 - Gains and losses on available-for-sale financial assets

Net gains or losses on available-for-sale financial assets principally comprise gains or losses on sale and impairment losses on variable-income securities.

Variable-income securities classified as available-for-sale are tested for impairment and an impairment loss recognized if their carrying amount is lower than their recoverable amount.

Impairment in fixed income securities is recognized under impairment charges and other credit provisions.

This line item also includes dividends received from variable-income securities.

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Dividends	**241**	**140**
Gains or losses on sale	**421**	**135**
Impairment losses on variable income securities	**(285)**	**(28)**
Discounts on syndicated loans	**(43)**	**0**
TOTAL	**334**	**247**

9.5 - Other income and expenses

Income and expenses from other activities comprises mainly income and expenses relating to lease financing 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.

(in € millions)	Notes	Dec. 31, 2007 Income	Expense	Net	Dec. 31, 2006 Income	Expense	Net
Finance leases	*9.5.1*	156	(235)	(79)	137	(126)	11
Operating leases		51	(42)	9	47	(34)	12
Investment property		111	0	111	58	(6)	52
Other non-operating assets		1	(2)	(1)	4	(2)	1
Sub-total real estate activities		**319**	**(279)**	**40**	**246**	**(168**	**76**
Net charge to/reversal of insurance companies' technical reserves		0	(1,764)	(1,764)	0	(1,519)	(1,519)
Other insurance income and expense	*9.5.2*	5,590	(3,759)	1,831	5,267	(3,255)	2,012
Sub-total insurance		**5,590**	**(5,523)**	**67**	**5,267**	**(4,774)**	**493**
Other related income and expenses	*9.5.3*	711	(346)	365	500	(157)	343
TOTAL		**6,620**	**(6,148)**	**472**	**6,012**	**(5,099)**	**912**

9.5.1 Finance leases

(in € millions)	Dec. 31, 2007 Income	Expense	Net	Dec. 31, 2006 Income	Expense	Net
Gains or losses on sale	20	(131)	**(111)**	8	(15)	**(7)**
Impairment charges	6	(5)	**1**	5	(3)	**2**
Other related income and expenses	130	(99)	**31**	124	(108)	**16**
TOTAL	**156**	**(235)**	**(79)**	**137**	**(126)**	**11**

9.5.2 Other insurance income and expense

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Life insurance premium income	4,483	4,270
Personal risk insurance premium income	138	(73)
Credit insurance premium income	802	751
Paid benefits and claims	(3,708)	(3,028)
Other net income	116	92
TOTAL	**1,831**	**2,012**

9.5.3 Other related income and expenses

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Real-estate activities	20	15
IT development and other services	51	51
Credit management services [(1)]	162	144
Other activities	132	132
TOTAL	**365**	**343**

(1) These services correspond to sales of credit information services, marketing information services and receivables collection services provided by Coface subsidiaries.

9.6 - Operating expenses

Operating expenses comprise mainly payroll costs, including wages and salaries net of rebilled expenses (see 12.1), social security charges and employee benefits (see 12.3) such as pensions (defined benefit plans) and share-based payments (see 12.4), in accordance with IFRS 2.

This item also includes all administrative expenses and external services.

(in € millions)	Notes	Dec. 31, 2007	Dec. 31, 2006
Payroll costs			
Wages and salaries [(1)]	*13.1*	(2,147)	(1,060)
(1) of which share-based payments	*13.4*	*(9)*	*(5)*
Post-retirement and other benefits	*13.3*	(130)	(82)
Social security charges		(443)	(294)
Incentive and profit-sharing plans		(253)	(124)
Payroll-based taxes		(110)	(63)
Other		(5)	13
Total payroll costs		**(3,088)**	**(1,610)**
Other operating expenses			
Taxes other than on income		(147)	(87)
External services		(1,949)	(1,099)
Restructuring costs		0	0
Other		27	23
Total Other operating expenses		**(2,069)**	**(1,163)**
TOTAL		**(5,157)**	**(2,773)**

9.7 - Cost of risk

This item comprises mainly cost of risk relating to credit transactions: charges net of reversals of specific and collective provisions, receivables written off during the period and recoveries on bad debts written off.

"Write-offs of individual receivables" includes securities classified as "Loans and advances".

(in € millions)	Dec. 31, 2007 Charges	Net reversals	Write-offs not covered by provisions	Recoveries of bad debts written off	Net	Dec. 31, 2006 Charges	Net reversals	Write-offs not covered by provisions	Recoveries of bad debts written off	Net
Provisions	**(23)**	**24**			**1**	**(23)**	**8**			**(15)**
Financing commitments	(12)	13			**1**	(12)				**(12)**
Other	(11)	11			**0**	(11)	8			**(3)**
Financial assets at amortized cost					**0**					**0**
Loans and advances	**(482)**	**244**	**(7)**	**15**	**(230)**	**(303)**	**211**	**(13)**	**17**	**(88)**
Write-offs of individual receivables	*(122)*	*74*	*(7)*	*15*	***(40)***	*(100)*	*47*	*(13)*	*17*	***(49)***
Collective provisions for performing loans	*(360)*	*170*			***(190)***	*(203)*	*164*			***(39)***
Available-for-sale financial assets	**(1)**	**2**			**1**	**(2)**	**31**			**29**
Other	**(16)**	**0**			**(16)**	**(1)**	**1**			**0**
Cost of risk	**(522)**	**270**	**(7)**	**15**	**(244)**	**(329)**	**251**	**(13)**	**17**	**(74)**

including	
Reversals of surplus provisions	*270*
Reversals used	*78*
Sub-total reversals:	**348**
Write-offs covered by provisions	*(78)*
Total net reversals	**270**

9.8 - Share of income of associates

(in € millions)	Dec. 31, 2007 Share of net assets	Dec. 31, 2007 Share of net income	Dec. 31, 2006 Share of net assets	Dec. 31, 2006 Share of net income
Financial sector companies	9,265	663	8,789	55
Other companies	42	9	44	9
TOTAL	**9,307**	**672**	**8,833**	**64**

9.9 - Gains or losses on other assets

This item comprises capital gains and losses on the disposal of property, plant and equipment and intangible assets, as well as capital gains and losses on the disposal of investments in consolidated companies.

(in € millions)	Dec. 31, 2007 Investments in consolidated companies	Dec. 31, 2007 Property, plant & equipment and intangible assets	Dec. 31, 2007 Total	Dec. 31, 2006 Investments in consolidated companies	Dec. 31, 2006 Property, plant & equipment and intangible assets	Dec. 31, 2006 Total
Net capital gains on disposals	**244**	**294**	**538**	**2**	**9**	**11**
TOTAL	**244**	**294**	**538**	**2**	**9**	**11**

Capital gains on disposals of property, plant and equipment and intangible assets during 2007 include €292 million arising on the sale of offices in the rue Saint-Dominique.

Net capital gains on disposals of investments in consolidated companies during 2007 include €178 million arising from the capital gain on dilution of Natexis Asset Management into NGAM.

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9.10 - Reconciliation of the tax charge in the financial statements and the theoretical tax charge

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
+ Net income attributable to equity holders of the parent	1,101	943
+ Net income attributable to minority interests	119	56
+ Income tax charge	97	369
+ Income from discontinued activities	369	
+ Goodwill amortization	1	1
- Share of income of associates	(672)	(64)
= Consolidated net income before tax, goodwill amortization and share of income of associates	**1,015**	**1,306**
+/- Permanent timing differences (1)	(928)	(114)
= Consolidated taxable income	**87**	**1,192**
x Standard rate	33%	33%
= Theoretical tax charge	**(29)**	**(397)**
+ Contributions and minimum annual tax charges	(5)	(6)
+ Income taxed at reduced rates	(39)	(6)
+ Losses for the period, restated conservatively	(9)	(1)
+ Impact of group tax relief	(7)	4
+ Differences in foreign tax rates	47	21
+ Tax reassessments	(33)	(18)
+ Tax credits	21	25
+ CCI distribution tax	(73)	
+ Impact of annualizing the tax charge		
+ Other items (2)	30	10
= Tax charge for the period	**(97)**	**(369)**
including: current	*(484)*	*(385)*
deferred	*387*	*16*

(1) The main deductions in respect of permanent timing differences concern the tax-exempt net income of venture capital subsidiaries. Foreign deductions include fiscal amortization of goodwill and tax-exempt income from subsidiaries in Luxembourg and the United States.

(2) In 2007 other items include €52 million of extraordinary income in the USA, €17 million of income relative to writing off previous losses and €33 million of active deferred taxation, restated conservatively.

9.11 - Net income from discontinued operations or activities undergoing disposal

Income statement for discontinued operations *(in € millions)*	Dec. 31, 2007	Dec. 31, 2006
Net banking income	(1,346)	
Overheads	(42)	
Operating income	**(1,388)**	
Income taxes	5	
Income from operational activities	**(1,383)**	
Gains or losses on sale from discontinued operations	**1,014**	
NET INCOME	**(369)**	

NOTE 10 - SEGMENT REPORTING

Natixis' segment reporting is based on two levels of analysis:

- by business segment (primary segment reporting);
- by region (secondary segment reporting).

The organization and internal reporting structure within the Executive Board and Supervisory Board constitute the basis of identification of sectors.

Natixis has six business segments, representing the six business lines identified in Natixis' organization structure:

10.1 - Corporate and Investment Banking (CIB)

The CIB business line houses all the financing and capital markets activities focused on a clientele of large companies, banks and financial institutions, local authorities, and the retail banking networks of the two core shareholders. It has a highly integrated sales force responsible for marketing Natixis products and developing sales of all products to its customers, and particularly products provided by the business line, which include:

- financing products: working capital finance (overdrafts, spot credits, discounting, credit lines, guarantees and bail bonds, documentary credits), financing for equipment, assets acquisitions, projects and international trade;
- capital market products: fixed-income, equity, credit and currency derivatives, brokerage and arbitrage, commodities and securitization;
- cash management and payment services: payment systems, EDI, authorizations management, checks, transfers, cash management;
- advisory services: design and implementation of innovative financial solutions for corporate and institutional customers, M&A and corporate finance advisory capabilities.

10.2 - Private Equity and Private Banking

This business line encompasses:

- the private equity business, which provides expansion (corporate finance for mature companies), buy-in and buy-out (LBOs), venture capital (young and innovative companies) and international private equity for a clientele of small and medium-sized, mostly unlisted companies by leveraging its own sales force;
- wealth management activities in France and Luxembourg, developed from the clientele of Caisses d'Epargne and Banques Populaires, supplemented by Natixis clientele. They span advisory services, portfolio management and mutual fund investment management.

10.3 - Services

This business line groups together a number of service businesses dedicated primarily to the Caisses d'Epargne and Banques Populaires networks, and to the other Natixis business lines:

- securities – securities back-office services: custody (account administration, back-office outsourcing, depository control), fund administration and accounting, issuer services, order receipt and transmission, office services;
- payments – systems and infrastructure: electronic banking, issuance and collection of high-volume electronic transfers, check processing;
- insurance: life insurance, non-life insurance, personal risk insurance;
- employee benefits planning (a comprehensive offering to assist companies with their employee benefits planning), marketing and management of employee savings accounts, fund administration and accounting; collective life, service vouchers;
- consumer finance: the consumer finance business line encompasses within Natixis a wide variety of activities focused on the revolving credit value chain (marketing, grant, administration and non-litigious collection, etc.) and personal loan administration activities. These activities are carried out through Natixis Financement, which houses and manages the revolving credit outstandings of the Banques Populaires and the Caisses d'Epargne, and manages the Caisses d'Epargne's personal loans;
- guarantees and bail bonds: this business line is operated by Natixis Garanties. The main services it provides are: guarantees for mortage loans granted by the Caisses d'Epargne network to personal and small business customers, legal guarantees and financial bail bonds.

10.4 - Receivables Management

This business line was restructured in 2007. The first step taken was to merge GCE Affacturage with Natixis Factor, thus consolidating its position as the No. 3 factoring company in France. This was followed by the creation of Coface holding, which now houses all subsidiaries of the business line within a single legal entity. The business includes trade receivables management and offers customers tailored products to manage, protect and finance their receivables.

Over half of its revenue is derived from international markets, which continue to enjoy significant potential for development.

Its main activities are: credit insurance, business information and ratings (solvency and marketing), receivables management (from issuance through to collection), factoring, and management of public procedures on behalf of the French State.

Training in receivables management techniques is also an expanding business.

Receivables management has an extensive distribution network comprising:

- its own network inherited from Coface covering 64 countries, supported by the Credit Alliance network (91 countries);
- the Banques Populaires and Caisses d'Epargne retail banking networks, which are a major source of business for factoring activity in France and offer substantial development potential for the other activities of the business line.

10.5 - 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 United States and in 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 benefiting from the business line's other support functions, with appropriate economic models. A number of them have forged a strong reputation, such as Harris Associates, Loomis Sayles, AEW and Natixis Asset Management.

Together, these specialized management companies enable the Group to provide a full range of expertise meeting demand from all the various customer segments. Coverage of the various customer segments is optimized by the organization of distribution around the Advisors/Global Associates platform and the business franchises developed over the long term by the management companies, mainly with group clientele.

Nonetheless, the management companies continue to handle distribution among shareholder networks in France.

10.6 - Retail banking

Natixis integrates these business activities through its 20% ownership of the Banques Populaires' and the Caisses d'Epargne retail banking networks and from the business lines distributed by the networks. Both shareholder groups' networks hold 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 Banque Populaire network focuses on small businesses, SMBs and personal customers.

Other activities not covered by these six core businesses are grouped under "Other businesses", a category primarily comprising the functional departments (information systems, human resources, finance and internal audit).

Natixis has four geographical regions:

- France;
- other EU countries;
- north America (Canada, US);
- other OECD countries.

This analysis reflects the main regions in which it operates, of which France is the largest market.

Segment reporting is based on financial aggregates taken from the balance sheet and income statement and reconciled with the consolidated financial statements. Results for each segment comprise directly attributable operating income and expenses, including transactions with other segments of Natixis.

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NOTE 11 RISK MANAGEMENT

Information on risk management required under IFRS7 standard are presented in the management report, chapter IV sections 4.1 to 4.5 and 4.7 "Risk Management". They are an integral part of the audited financial statements.

NOTE 12 INFORMATION ON CAPITAL

12.1 - Share capital

	Financial year 2007		
Ordinary shares	Number of shares	Par value	Capital in euros
Opening value	1,219,864,330	1.60	1,951,782,928
Capital increase	2,178,364	1.60	3,485,382
Closing value	1,222,042,694	1.60	1,955,268,310

12.2 - Capital management

Natixis' main objectives in terms of capital management are to ensure that the group meets the capital requirements imposed by its external environment and maintains an adequate rating to sustain its activity and to maximize shareholder value.

Natixis adapts the management of its capital structure in line with the changes taking place in economic conditions and in the risk characteristics of its activities. There were no changes in terms of objectives, policies or processes during the course of 2007.

12.3 - Regulatory capital

As a lending institution, Natixis is subject to banking regulations and to supervision by the French Banking Commission. This control is exercised on the basis of consolidated accounts and its purpose is to set a number of rules guaranteeing the bank's capital adequacy, liquidity and financial equilibrium. The main means used to achieve these objectives are a quantitative mechanism consisting of ratios governing capital adequacy, control of large exposures and liquidity, accompanied by a qualitative mechanism based on internal-control requirements.

Regulatory capital and capital adequacy ratio

The capital adequacy ratio encompasses the credit risk and market risks. This ratio measures the adequacy of regulatory capital in relation to risks. The numerator represents the bank's consolidated regulatory capital, calculated in accordance with CRBF regulation No. 90-02. The denominator represents all of the bank's weighted credit risks and market risks. Natixis complied with the 8% minimum level at December 31, 2007.

Other regulatory ratios

Liquidity ratio

The liquidity ratio compares liquid assets with a maturity of less than one month with liabilities falling due within the same period. Natixis complied with the 100% requirement during financial year 2007.

Controlling large exposures

The purpose of controlling large exposures is to prevent an excessive concentration of risks on a single beneficiary. The requirement is based on an ongoing dual obligation: all of the risks carried on a single beneficiary must not exceed 25% of the bank's regulatory capital, and all of the risks carried on beneficiaries who individually exceed 10% of the bank's regulatory capital must not exceed 800% of its regulatory capital. Natixis complied with this requirement during financial year 2007.

NOTE 13 - PAYROLL COSTS, NUMBER OF EMPLOYEES, COMPENSATION AND EMPLOYEE BENEFITS

13.1 - Payroll costs

Payroll costs totalled €3,088 million at December 31, 2007.

Payroll costs not only include wages and salaries net of rebilled expenses but also employee benefits such as pensions (defined benefit plans) and share-based payments in accordance with IFRS 2.

The annual charge for defined benefit plans comprises:

- additional entitlements vested with all employees;
- interest costs (discount effect);
- the gross yield on plan assets;
- amortization of actuarial gains and losses (application of the so-called corridor approach) and past service costs.

13.2 - Number of employees

By number	Dec. 31, 2007 (1)	Dec. 31, 2006 (2)
Number of employees	21,959	21,138

(1) Full-time equivalents active within the Natixis group at December 31, 2007.

(2) Average number of full-time equivalents.

13.3 - Employee benefits

The main provisions for employee-related liabilities concern:

- CAR supplementary banking pension;
- supplementary banking pension for other Natixis Caisses;
- end-of-career awards and allowances;
- long service awards.

The Banque Populaire Group's CAR ("Caisse Autonome des Retraites") pension fund, for which Natixis employees from the former Caisse Centrale des Banques Populaires were also eligible, was closed on December 31, 1993, in accordance with the professional agreement of September 13, 1993, applicable to the Banque Populaire banks under the Group agreement of January 7, 1994.

Pension liabilities to active and retired employees comprise supplementary pensions specific to the Banque Populaire Group and a residual supplementary banking pension calculated on the basis of the difference between banking rights at December 31, 1993, and social security pensions.

As regards pension specific funds for Natixis, the former BFCE fund and the former Crédit National funds are at breakeven, with a slight deficit between reserves and discounted commitments.

For end-of-career allowances, consolidated entities cover all or part of their commitments through insurance policies with ABP Vie, the life insurance subsidiary of Natixis, which is fully consolidated.

Provisions are booked for all subsidiaries' commitments not covered by insurance policies.

The Social Security financing act for 2008 amends the conditions under which employees may be retired before the age of 65. The interim measures introduced by the Social Security financing act for 2007 are no longer applicable:

- as of October 11, 2007, all allowances paid by the employer when an employee is retired without consultation is subject to an employer's contribution. The employer's contribution on early retirement plans has been raised from 24.15% to 50%;
- as of January 1, 2010, the employer will no longer be able to retire an employee before the age of 65. Departures will therefore be on the employee's initiative and subject to social security contributions. Thanks to the collective agreement signed in 2005, retirements by the employer before the age of 65 will continue to be exempt from social security contributions through to December 31, 2009.

These new measures will contribute to an increase in the amount of commitments.

Analysed under IAS 19 as a change of system, the impact of this new law on the amount of commitments will be reflected in earnings and spread over the entitlement vesting period as of January 1, 2008, with the law enacted at the end of 2007.

The change of status for former-Ixis CIB employees will take place on January 1, 2008. As of this day, these employees will be covered by the end-of-career benefit system, the supplementary healthcare system and the long service award system for Natixis employees.

At December 31, 2007, this change does not have any impact on the calculation of commitments for Natixis, with the legal transfer for employees only taking place on January 1, 2008.

The main actuarial assumptions made as at December 31, 2007 are as follows:

	Supplementary pensions	End-of-career allowances	Long service awards
Discount rate	4.46%	4.32%	4.17%
Return on plan assets	6.1%	5.61%	

The drift rate for healthcare expenses is 4.5%, of which 2% relates to inflation and 2.5% the "generation" effect.

For end-of-career awards and long service awards, employee turnover is calculated by age bracket and grade based on a three-year average. The rate is 0% for employees over 55. Future salary increases are estimated by grade based on a constant population and a three-year average.

(in € millions)	Supplementary pensions	End-of-career allowances	Long-service awards	Other	Total
IAS liabilities at January 1, 2007					
Impairment	47	126	30	69	272
Items not recognized under IAS 19	26	28		6	60
Remaining changes in pension schemes		5		4	9
TOTAL LIABILITIES AT JANUARY 1, 2007	**73**	**160**	**30**	**78**	**340**
Benefits paid over the period	(5)	(8)	(2)	(1)	(15)
Benefits vested over the period		10	4	2	17
Interest charge	9	6	1	4	19
Expected gross return on plan assets	(8)	(2)			(10)
Change in management fees		0			0
Payment to fund	0	(2)	0	(1)	(3)
Charges on payments					
Change in scheme recognized over the period		0	0	0	1
Actuarial gains and losses	1	1	0	1	3
Other items	0	(2)	(1)	(2)	(5)
Change taken to income	**(2)**	**4**	**2**	**3**	**6**
Actuarial gain or loss on liabilities	(14)	(5)		(2)	(22)
Actuarial gain or loss on return on plan assets	0	0			0
Other actuarial gains or losses	(1)	(19)		14	(6)
Change in actuarial gains or losses not recognized	**(15)**	**(24)**		**12**	**(27)**
Change in scheme over the period	(1)	3		0	2
Other items		1			1
Other changes not recognized	**(1)**	**4**		**0**	**3**
Other items (1)	18	3	8	(22)	8
Other changes	**18**	**3**	**8**	**(22)**	**8**
Liabilities at December 31, 2007					
Impairment	64	132	40	50	286
Items not recognized under IAS 19	10	4		18	32
Remaining changes in pension schemes	(1)	10		4	12
TOTAL LIABILITIES AT DECEMBER 31, 2007	**73**	**146**	**40**	**71**	**330**

(1) Iincluding the breakdown by scheme for liabilities from entities contributed by the CNCE in 2006.

CHANGE IN THE FAIR VALUE OF ASSETS HELD TO COVER POST-EMPLOYMENT BENEFITS GRANTED TO STAFF

(in € millions)	Supplementary pensions	End-of-career allowances	Other	Total Dec. 31, 2007
Fair value at January 1	**182**	**37**		**219**
Expected return on plan assets	8	2	0	10
Expected return on separate assets				
Actuarial gains or losses over the year	3	0		2
Currency translation				
Contributions paid		3	1	3
Benefits paid				
Change to the basis for consolidation		0		0
Exchange differences	(3)			(3)
Transfers, reductions and other	5	(3)		3
Fair value at December 31	**194**	**39**	**1**	**234**

13.4 - Share-based payment plans

Natixis is concerned by the application of IFRS 2 for four plans on which the allocation date is after November 7, 2002 in accordance with the interim provisions of this standard and for which rights have not yet been vested at January 1, 2006.

Each plan is allocated for a four-year period.

Natixis stock warrant plans

Year	Allocation date	Number of options granted	Number of options granted – Natixis scope	Exercisable as of	Expiry date	Exercise price	Options in circulation at end 2007	Fair value	Share price on allocation date
2003	10/09/2003	4,068,900	2,408,900	10/09/2007	09/09/2010	8,325	3,110,117	2.23	8.58
2004	17/11/2004	4,277,500	2,543,000	17/11/2008	16/11/2011	8,910	4,143,000	1.33	9.54
2005	15/11/2005	4,970,000	2,970,000	15/11/2009	14/11/2012	11,924	4,920,500	2.46	13.00
2007	29/01/2007	9,999,300	4,999,300	29/01/2011	28/01/2014	22,150	9,948,900	5.03	21.97

	2003	2004	2005	2007
Number of options at January 1, 2007	3,928,600	4,190,000	4,962,000	
■ Awarded in 2007				9,999,300
■ Lost in 2007	17,000	37,000	27,500	50,400
■ Expired in 2007				
■ Exercised in 2007	801,483	10,000	14,000	
Number of options at December 31, 2007	3,110,117	4,143,000	4,920,500	9,948,900

Main assumptions used for valuing Natixis stock option plans

	2003	2004	2005	2007
Valuation method	Black & Scholes	Black & Scholes	Black & Scholes	Black & Scholes
Risk-free interest rate	4%	4%	3%	4%
Share's future volatility	22%	21%	20%	33%
Dividend payment rate	5.09% per year	5.28% per year	3.54% per year	4.75% per year
Rate for loss of entitlements	2%	2%	2%	2%

Amount of the expense booked against earnings

(in € thousands)	Dec. 31, 2007	Dec. 31, 2006
Net expense from Natixis stock option plans	8,679	4,641

Bonus share allocation scheme

On November 12, 2007, Natixis' Executive Board freely awarded 60 Natixis shares on a fair and registered basis to each member of staff with the Natixis, Banque Populaire and Caisse d'Epargne Groups. More specifically, this allocation concerns employees working in France and with at least three months seniority on the allocation date, covering the following entities:

- Natixis;
- Banque Fédérale des Banques Populaires;
- Caisse Nationale des Caisses d'Epargne;
- Credit institutions affiliated with one of the central bodies;
- entities whose capital is at least 50%-owned – directly or indirectly, exclusively or jointly – by Natixis, one of the central bodies or one of the affiliated credit institutions.

All combined, 101,602 employees were awarded a total of 6,084,120 shares on November 12, 2007.

This bonus share allocation scheme is governed by the French Law for financing profit-sharing and employee shareholding of 2006. It was authorised at Natixis' extraordinary general meeting on May 24, 2007.

The Plan is based on three stages spread over four years:

- November 12, 2007: allocation date and start of the two-year vesting period.

  On the allocation date, each beneficiary employee is entitled to receive 60 shares within two years subject to the presence conditions. The two-year vesting period required under French law runs as of this date. Over this period, employees do not own the shares. They have a non-transferable allocation right through to the end of the vesting period, but they do not have any voting rights or rights to dividends;
- November 12, 2009: acquisition of shares subject to the presence conditions, and start of the two-year holding period.

  At the start of this period, each beneficiary employee still present on this date will receive their shares and will allocate them to a registered account or mutual fund for a mandatory two-year holding period. In this way, employees own the shares at the start of this period. They are entitled to dividends, but are not allowed to sell their shares;
- November 14, 2011: availability of shares.

  As of this day, the shares will be available. They will be able to be held under the same conditions, at no cost for beneficiaries, or be sold at any time.

Bonus share allocation scheme (SAGA)

Allocation date	Total number of rights alloted	Number of rights awarded – Natixis scope	Vesting period	Share availability date	Share fair value on allocation date	Net expense for the year
12-nov-07	6,084,120	918,180	2 years	14-nov-11	11.39	626

NGAM stock option plans

Year	Allocation date	Number of options alloted	Vesting date	Availability date	Share value	Shares "outstanding" at Dec. 31, 2007	* Fair value of liability at Dec. 31, 2007 (€K)	* Change in fair value of liability over the year (€K)
2004	IAM	1,345,000	24/08/2004	24/08/2007 (1)	54.1	47,000	1,929.0	(273.0)
2004	Natixis Multimanager (Ex. IPCM)	57,298	15/03/2004	15/03/2008	32.4	30,683	682.0	207.0

(1) 24/08/2007 for US beneficiaries and 24/08/2008 for European beneficiaries

Various options have been exercised ahead of the theoretical date

CIFG stock option plans

Year	Allocation date	Number of options alloted	Vesting date	Availability date	Share value	Shares "outstanding" at Dec. 31, 2007	* Fair value of liability at Dec. 31, 2007 (€K)	* Change in fair value of liability over the year (€K)
2004	30/01/2004	3,107,286	17/11/2006	30/01/2014	0	2,976,786	0	5,301
2005	30/12/2005	401,980	30/12/2009	30/12/2015	0	343,558	0	139
2006	20/12/2006	59,462	20/12/2010	20/12/2016	0	64,523	0	7
2007	13/09/2007	230,049	13/09/2011	13/09/2017	0	230,050	0	

Bonus share allocation schemes – CIFG

Year	Allocation date	Number of options alloted	Vesting date	Availability date	Share value	Shares "outstanding" at Dec. 31, 2007	* Fair value of liability at Dec. 31, 2007 (€K)	* Change in fair value of liability over the year (€K)
2005	30/12/2005	212,725	30/12/2007	30/12/2009	10.27	147,668	0	1,025
2006	20/12/2006	184,445	20/12/2008	30/12/2010	10.49	179,555	0	
2007	13/09/2007	205,294	13/09/2009	13/09/2011	11.18	205,296	0	

Natixis Capital Markets North America stock option plans

Year	Allocation date	Number of options awarded	Vesting date	Availability date	Share value	Shares "outstanding" at Dec. 31, 2007	* Fair value of liability at Dec. 31, 2007 (€K)	*Change in fair value of liability over the year (€K)
2006	2006	69,490	1/3 of shares awarded each year	6 months after the vesting date	49.0	23,305	1,143	2,969

CACEIS stock option plans

Year	Allocation date	Number of options alloted	Vesting date	Availability date	Share value	Shares "outstanding" at Dec. 31, 2007	* Fair value of liability at Dec. 31, 2007 (€K)	* Change in fair value of liability over the year (€K)
2007	05/12/2007	349,408	05/12/2007	01/07/2012	22,010	349,408	175	175

Amount of the expense booked against earnings

(in € thousands)	Dec. 31, 2007	Dec. 31, 2006
Net expense/net income on stock option plans for other unlisted Group companies	(180)	926

NOTE 14 - SEGMENT AND GEOGRAPHICAL ANALYSIS

14.1 - Segment analysis

14.1.1 Income statement

(in € millions)	Dec. 31, 2007							
	Retail Banking	Corporate and Investment Banking	Asset Management	Private Equity and Private Banking	Services	Receivables Management	Other businesses	Total
	[1]	[2]	[3]	[4]	[5]	[6]	[7]	
Net banking income		**1,834**	**1,710**	**504**	**1,299**	**916**	**(220)**	**6,043**
2007/2006 change	*N/A*	*3%*	*308%*	*20%*	*89%*	*11%*	*(323)%*	*43%*
Operating expenses		**(2,043)**	**(1,294)**	**(167)**	**(838)**	**(657)**	**(322)**	**(5,321)**
2007/2006 change	*N/A*	*89%*	*386%*	*62%*	*93%*	*13%*	*(20)%*	*85%*
Gross operating income	**0**	**(210)**	**416**	**337**	**461**	**259**	**(542)**	**721**
2007/2006 change	*N/A*	*(130)%*	*172%*	*6%*	*82%*	*8%*	*79%*	*(47)%*
Income before tax	**488**	**(431)**	**490**	**344**	**453**	**254**	**88**	**1,686**
2007/2006 change	*857%*	*(154)%*	*221%*	*11%*	*76%*	*9%*	*(120)%*	*23%*

14.1.2 Balance sheet

(in € millions)	Retail Banking	Corporate and Investment Banking	Asset Management	Private Equity and Private Banking	Services	Receivables Management	Other businesses	Intragroup & interbank	Other amounts	Total
	[1]	[2]	[3]	[4]	[5]	[6]	[7]			
Assets at fair value through profit and loss		189,934	1,145	1,539	9,753	29	1,994	(1,467)		202,927
Financial assets available for sale		6,260	92	511	21,768	1,227	6,993	(2,090)		34,761
Due from banks		115,953	308	1,304	3,935	28	3,313	(12,447)		112,394
Customer loans		98,711	5	971	3,890	6,182	4,587	(1,841)		112,505
Financial assets held to maturity					6,834	112		(446)		6,500
Goodwill		71	1,562	25	680	495	11			2,844
Other assets	394	41,885	(639)	(256)	2,264	921	3,580	(75)		48,074
TOTAL ASSETS	**394**	**452,814**	**2,473**	**4,094**	**49,124**	**8,994**	**20,478**	**(18,366)**	**0**	**520,005**

(in € millions)	Retail Banking	Corporate and Investment Banking	Asset Manage-ment	Private Equity and Private Banking	Services	Recei-vables Manage-ment	Other businesses	Intragroup & inter-bank	Other amounts	Total
	[1]	[2]	[3]	[4]	[5]	[6]	[7]			
Financial liabilities at fair value through profit and loss		165,282		31	303		50	(637)		165,029
Due to banks		133,652	572	1,023	3,231	2,185	10,887	(13,316)		138,234
Customer deposits		47,364		1,012	6,408	1,792	5,499	(374)		61,701
Debt securities in issue		63,028		207		760	1,855	(320)		65,530
Technical reserves of insurance companies		8			32,884	1,016				33,908
Subordinated debt		10,186		10	722	25	676	(941)		10,678
Other liabilities	394	23,237	1,534	1,628	3,775	1,264	1,314	(2,778)	14,557	44,925
TOTAL LIABILITIES	**394**	**442,757**	**2,106**	**3,911**	**47,323**	**7,042**	**20,281**	**(18,366)**	**14,557**	**520,005**

The key income statement lines shown above are broken down into six business divisions, reflecting the six business lines identified in Natixis' organization structure.

- Retail banking [1] encompasses the Banque Populaire and Caisse d'Epargne activities, which are accounted for by Natixis through its 20% shareholding.
- Corporate and Investment Banking [2] houses the financing and capital markets activities serving large corporate customers. It brings together Ixis CIB's expertise in capital markets with Natixis' know-how in financing.
- Asset Management [3] holds the asset management activities performed by various subsidiaries, including NGAM.
- Private Equity and Private Banking [4] comprises private equity (Natixis Private Equity) and wealth management (Banque Privée Saint Dominique, Compagnie 1818-Banquiers Privés and Natexis Private Banking Luxembourg).
- Services business [5] houses the remaining activities: Securities back-office services (CACEIS and Gestitres strengthening Natixis' position), Payments, Insurance (Natixis Assurances), Employee benefits planning (Natixis Interépargne), Consumer finance (Natixis Financement), Financial guarantees and bonds (contributed in full by the Caisse d'Epargne Group through Natixis Garanties).
- Receivables Management [6] encompasses the credit insurance and credit management services provided by Coface plus the factoring businesses of Natixis Factor and VR Factorem.
- Other businesses [7] are a category housing Natixis activities that are not directly operational, notably its own holding company activities serving its direct subsidiaries. Net banking income derives from the management of its corporate treasury, real estate income and institutional activities performed on behalf of the French State. General operating expenses reflect overheads not allocated to the individual business lines. The Other businesses category also includes certain consolidation adjustments that cannot be assigned to business segments.

14.2 - Geographical analysis

14.2.1 Income statement

(in € millions)	France	Other EU	North America	Other OECD	Other countries	Intragroup & inter-regional	Total
Net banking income	3,595	1,250	1,003	60	193	(58)	6,043
Operating expenses	(3,231)	(801)	(1,050)	(52)	(81)	58	(5,157)
Amortization, depreciation and impairment	(115)	(19)	(24)	(1)	(5)	0	(164)
Gross operating income	249	430	(71)	7	106	0	721
Impairment charges and other credit provisions	(209)	(33)	(4)	(1)	3	0	(244)
Operating income	40	397	(76)	6	109	0	477
Share of income of associates	653	11	7	0	1	0	672
Gains or losses on other assets	489	11	37	1	0	0	538
Change in value of goodwill	(1)	0	0	0	0	0	(1)
Income before tax	1,182	419	(32)	7	110	0	1,686
Income taxes	(125)	(62)	103	(5)	(8)	0	(97)
Consolidated net income	915	358	(156)	2	102	0	1,221
Minority interests	(79)	(11)	(18)	(1)	(9)	0	(119)
NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	**836**	**346**	**(174)**	**1**	**92**	**0**	**1,101**

14.2.2 Balance sheet

(in € millions)	France	Other EU	North America	Other OECD	Other countries	Intragroup & inter-regional	Total
Assets at fair value through profit and loss	161,337	20,059	22,175	2	222	(867)	202,928
Financial assets available for sale	29,846	3,310	1,692	36	111	(234)	34,761
Due from banks	105,233	15,612	40,508	2	4,174	(53,134)	112,395
Customer loans	79,262	21,862	14,106	0	2,030	(4,756)	112,504
Financial assets held to maturity	6,418	82	0	0	0	0	6,500
Goodwill	2,326	534	720	2	2	(740)	2,844
Other assets	41,121	4,799	1,936	29	284	(96)	48,073
TOTAL ASSETS	**425,543**	**66,258**	**81,137**	**71**	**6,823**	**(59,827)**	**520,005**

(in € millions)	France	Other EU	North America	Other OECD	Other countries	Intragroup & inter-regional	Total
Financial liabilities at fair value through profit and loss	131,738	17,036	16,244	0	39	(27)	165,030
Due to banks	138,726	30,746	19,727	0	4,622	(55,587)	138,234
Customer deposits	37,859	11,216	14,484	0	495	(2,353)	61,701
Debt securities in issue	38,562	511	26,114	0	365	(22)	65,530
Technical reserves of insurance companies	32,356	1,826	53	16	61	(405)	33,907
Subordinated debt	9,683	411	1,061	0	0	(477)	10,678
Other liabilities	36,619	4,512	3,454	55	1,241	(956)	44,925
TOTAL LIABILITIES	**425,543**	**66,528**	**81,137**	**71**	**6,823**	**(59,827)**	**520,005**

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NOTE 15 - COMMITMENTS

15.1 - Guarantee commitments

A financial guarantee is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specific debtor fails to make payments when due. The exercise of these rights is subject to the occurrence of an uncertain future event.

IAS recognizes three types of financial guarantee:

- guarantees granted (received) upon the transfer of financial assets/liabilities;
- financial guarantees treated as derivative financial instruments; these are credit derivatives (see table on derivative financial instruments for details);
- financial guarantees meeting the definition of an insurance contract and covered by sufficient technical reserves.

Amounts shown represent the nominal value of the commitment given.

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Guarantees given		
To banks	*2,854*	*3,513*
Confirmed documentary credits	1,496	1,234
Other guarantees	1,358	2,279
To customers	*100,861*	*151,638*
o/w institutional activities	*0*	*0*
Real estate guarantees	1,597	651
Tax and other bonds	669	830
Other bonds and endorsements	72,111	124,580
Other guarantees	26,484	25,577
TOTAL GUARANTEES GIVEN	**103,715**	**155,151**
Guarantees received from banks	**39,066**	**15,567**

15.2 - 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 credits just after they are issued, these loans are subject to IAS 39 from the commitment phase;
- those which are subject to settlement (i.e. disposal);
- those which result in a loan below market conditions.

Other financing commitments are covered by IAS 37.

A financing commitment given is a contingent liability, defined by IAS 37 as:

- a possible 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 enterprise; or
- a present obligation arising from past events but which is not recognized because it is not probable that an outflow of economic benefits will be required to settle the obligation; or
- a reliable estimate of the amount of the obligation cannot be made.

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Financing commitments given		
To banks	*2,899*	*5,541*
To customers	*53,242*	*51,019*
Documentary credits	2,728	2,141
Other confirmed lines of credit	43,603	42,319
Other commitments	6,911	6,559
TOTAL FINANCING COMMITMENTS GIVEN	**56,142**	**56,559**
Financing commitments received		
financial institutions	2,927	15,830
customers	0	0
TOTAL FINANCING COMMITMENTS RECEIVED	**2,927**	**15,830**

15.3 - Commitments on securitizations

The Natixis Group structures securitization operations on behalf of its clients or investors, using specific conduits. The Group grants to two of these vehicles (Versailles and Elixir Funding) liquidity lines which amounted to 5.3 billion euros at December 31, 2007. The Group also grants liquidity lines to eight funds arranged by third parties (Landale, Ebbets, Fenway, LMA S.A., Thesee, Eureka, Regency, Victory Receivables BoA Chase). At December 31, 2007, none of these vehicles was consolidated as the group does not have control and because they are not exposed to most risks and advantages related to securitized assets.

NOTE 16 - OTHER INFORMATION

16.1 - Maturity of outstanding assets and liabilities

The following table presents assets and liabilities based on their remaining contractual maturity.

Assets and liabilities without a maturity date, such as receivables and related payables, ordinary accounts or immediately due receivables are shown in the column for "under one month".

Assets ((in € millions))	Under 1 month	1 to 3 months	3 months to 1 year	1 to 2 years	2 to 5 years	Over 5 years	Indefinite	Total
Cash due from banks	896	34	12	0	0	0	18	961
Financial assets at fair value through profit and loss	98,952	3,327	11,273	3,000	8,110	67,935	10,330	202,928
Hedging instruments	33	6	22	150	133	323	3	670
Financial assets available for sale	1,981	4,020	2,706	2,184	4,239	11,076	8,556	34,761
Due from banks (L&R)	42,098	29,780	19,179	2,922	2,808	15,443	163	112,394
Loans and advances to customers (L&R)	28,958	23,288	10,617	13,554	13,554	21,547	987	112,505
Assets held through to maturity	3	0	429	1,189	1,341	3,539	0	6,501
TOTAL ASSETS	**172,921**	**60,455**	**44,239**	**22,999**	**30,185**	**119,863**	**20,057**	**470,719**

Liabilities ((in € millions))	Under 1 month	1 to 3 months	3 months to 1 year	1 to 2 years	2 to 5 years	Over 5 years	Indefinite	Total
Due to central banks	747	584	75	0	0	0	0	1,406
Financial liabilities at fair value through profit and loss	106,891	3,445	7,041	4,215	15,856	27,560	22	165,030
Hedging instruments	1,487	53	38	6	21	67	0	1,672
Deposits from banks	51,689	46,723	32,721	1,336	1,390	4,302	72	138,234
Customer deposits	37,367	12,555	3,802	1,300	2,414	4,247	17	61,701
Debt securities in issue	8,151	33,753	11,548	5,965	2,320	3,792	0	65,530
Subordinated debt	182	0	27	331	1,616	8,426	95	10,678
TOTAL LIABILITIES	**206,514**	**97,114**	**55,252**	**13,152**	**23,617**	**48,394**	**206**	**444,250**

16.2 - Breakdown of assets and liabilities by currency

(in € millions)	Total	Euros	US dollars	Sterling	Yen	Swiss francs	Other
Total assets	520,005	364,418	115,497	14,187	3,502	813	21,588
Total liabilities	520,005	381,332	99,269	12,257	4,474	705	21,968

16.3 - Information about finance leases and operating leases

16.3.1 Leases as lessor

Leases as lessor *(in € millions)*	Residual duration: Less than 1 year	> or equal to 1 year and < 5 years	> 5 years	Unassignable	Total
Finance leases					
Gross investment	551	2,991	3,491	960	7,993
Present value of minimum lease payments	521	2,919	3,489		6,929
Unearned finance income				856	856
Contingent rents recognized				-	
Provisions for irrecoverability of minimum lease payments				(43)	(43)
Operating leases					
Minimum payments due under irrevocable contracts	46	88	97		231
Contingent rents recognized					

Leases as lessor *(in € millions)*	Property	Equipment	Intangible assets	Total
Finance leases				
Unguaranteed residual value accruing to lessor	79	129	-	208

16.3.2 Leases as lessee

Leases as lessee *(in € millions)*	Residual duration Less than 1 year	> or equal to 1 year and < 5 years	> 5 years	Unassignable	Total
Finance leases					
Minimum future lease payments	8	4	-	-	12
Aggregate present value of minimum lease payments			-	-	-
Contingent rents recognized as expenses for the period				-	
Minimum future sub-letting payments expected under sub-letting contracts				-	
Operating leases					
Minimum future lease payments	-	-	-	-	-
Minimum future sub-letting payments expected under sub-letting contracts				-	
Minimum lease payments recognized as expenses				-	
Contingent rents recognized as expenses				-	
Sub-letting revenues				-	

Leases as lessee *(in € millions)*	Property	Equipment	Total
Finance leases			
Net carrying amount	63		63

16. 4 - Affiliates

Relations between the group's consolidated companies

The principal transactions between Natixis and consolidated companies (the Banque Populaire Group including Banque Fédérale and its subsidiaries, Banques Populaires and their subsidiaries, the Caisse d'Epargne Group including CNCE and its subsidiaries and the Caisses d'Epargne banks and their subsidiaries, proportionally consolidated investments with respect to the portion not eliminated for consolidation purposes and all equity associates) are described hereinafter:

1
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(in € millions)	Dec. 31, 2007				Dec. 31, 2006			
	Banque Populaire Group (incl. BP CCIs)	Caisse d'Epargne Group (incl. CEP CCIs)	Proportionally consolidated companies	Associates (excl. BP and CEP CCIs)	Banque Populaire Group (incl. BP CCIs)	Caisse d'Epargne Group (incl. CEP CCIs)	Proportionally consolidated companies	Associates (excl. BP and CEP CCIs)
Assets								
Assets at fair value through profit and loss	3,877	2,407	42		2,135	1,874	10	
Financial assets available for sale	4,175	55			2,362	329		
Due from banks	16,960	10,087	2,337		11,031	6,761	236	
Customer loans	482	6			664	1		
Financial assets held to maturity	162				155	2		
Liabilities								
Financial liabilities at fair value through profit and loss	949	3,769	252		478	3,631	14	
Deposits from banks	7,230	9,546	491		5,674	16,064	490	
Customer deposits	47	1			772	5		
Debt securities in issue	2,060	3	571		855	5		
Subordinated debt	827	1,539			925	81		
Income								
Interest and similar income	925	397	22		494			
Interest and similar expenses	(412)	(397)	(12)		(123)			
Net fee and commission income	(242)	58	(11)		(227)			(1)
Net gains or losses on financial instruments at fair value through profit and loss	103	(957)	6		(64)			
Net gains/(losses) on financial assets available for sale	1				1			
Income and expenses from other activities	45	(31)			83			
Operating expenses	(13)	(32)	(5)		(16)			
Commitments								
Commitments given	394	38,723	80		4,768	33,304		
Commitments received	3,943	2,318	40		3,498	777		

Condensed financial information for affiliates

Balance sheet – Assets	Dec. 31, 2007	
(in € millions)	Banque Populaire CCI	Caisse d'Epargne CCI
Cash and balances with central banks and post offices	3,092	1,061
Financial assets at fair value through profit and loss	8,712	6,474
Hedging instruments	258	373
Financial assets available for sale	16,330	34,098
Due from banks	9,272	122,136
Customer loans	122,997	122,168
Revaluation differences on portfolios hedged against interest rate risk	1	46
Financial assets held to maturity		2,169
Current tax assets, deferred tax assets	655	899
Accrued income, prepaid expenses and other assets	7,375	4,433
Non-current assets held for sale	13	
Investments in associates	133	
Investment properties	196	108
Property, plant & equipment	1,315	1,500
Intangible assets	68	107
Goodwill	3	
TOTAL ASSETS	**170,420**	**295,572**

Balance sheet – Liabilities	Dec. 31, 2007	
(in € millions)	CCI Banque Populaire	CCI Caisse d'Epargne
Due to central banks and post offices	6	19
Financial liabilities at fair value through profit and loss	2,724	489
Hedging instruments	298	274
Deposits from banks	24,139	81,318
Customer deposits	93,381	183,049
Debt securities in issue	18,392	1,609
Revaluation differences on portfolios hedged against interest rate risk	1	39
Current tax liabilities, deferred tax liabilities	245	116
Deferred income and accrued charges and other liabilities	4,298	3,940
Insurance companies' technical reserves	3,973	
Provisions for contingencies and charges	1,210	1,523
Subordinated debt	248	1,036
Equity attributable to equity holders of the parent	21,379	22,160
Share capital and reserves	*12,804*	*9,046*
Retained earnings	*3,243*	*9,755*
Unrealized or deferred gains or losses	*3,992*	*1,764*
Net income	*1,340*	*1,595*
Minority interests	126	
TOTAL LIABILITIES	**170,420**	**295,572**

Income statement *(in € millions)*	Dec. 31, 2007 Banque Populaire CCI	Dec. 31, 2007 Caisse d'Epargne CCI
Interest and similar income	7,340	11,408
Interest and similar expenses	(4,304)	(8,513)
Fee and commission income	2,391	2,491
Fee and commission expense	(341)	(434)
Net gains or losses on financial instruments at fair value through profit and loss	192	177
Net gains or losses on financial assets available for sale	515	1,252
Income from other activities	999	185
Expenses from other activities	(953)	(131)
Net banking income	**5,839**	**6,435**
Operating expenses	(3,449)	(4,096)
Amortization, depreciation and impairment of property, plant and equipment and intangible assets	(209)	(213)
Gross operating income	**2,181**	**2,126**
Cost of risk	(388)	(118)
Net operating income	**1,793**	**2,008**
Share of income of associates	8	
Gains or losses on other assets	63	(3
Income before tax	**1,864**	**2,005**
Income tax	(515)	(410)
Net income	**1,349**	**1,595**
Minority interests	(9)	
Net income attributable to equity holders of the parent	**1,340**	**1,595**
Net income attributable to equity holders of the parent for the CCI at 20%	**268**	**319**
Consolidation restatements:		
Profit for the increase in the share in income	38	80
Other restatements	(18)	(44)
Share of income in Natixis' accounts	**288**	**355**

Management compensation

(in €)	Dec. 31, 2007	Dec. 31, 2006
Natixis directors (1)	504,000	583,385
Executive managers (2)	6,501,611	4,781,978

(1) In 2007, as in previous years, directors' fees paid to Board members and members of the Supervisory Board included a fixed portion (€10,000 per year and per person) and a variable portion (€2,000 per Board meeting and per person). The directors sitting on the account control committee, audit committee and compensation committee received a fixed payment of €3,000 or €5,000 depending on the committee and a variable payment of €1,000 per meeting and per person. This compensation is paid in full at the end of the years.

(2) Total gross compensation paid to members of Natixis' Executive Committee during their term of office during the period, including members of the Executive Board. Number of members of the Executive Board: 14 in 2007, 13 in 2006.

Executive officer compensation

Total gross compensation paid to executive officers was as follows:

(in €)	Dec. 31, 2007	Dec. 31, 2006
Philippe Dupont, Executive Chairman of Natixis	350,000	463,002
François Ladam, Member of Natixis' Executive Board	473,146	737,462
Dominique Ferrero, Chief Executive Officer and Member of Natixis' Executive Board (compensation from November 17, 2006)	1,104,262	120,048
Anthony Orsatelli, Member of Natixis' Executive Board	455,882	687,975

The number of stock options awarded in respect of offices held in the issuing company and associated undertakings was as follows:

Number of options awarded	Dec. 31, 2007	Dec. 31, 2006
Philippe Dupont, Executive Chairman of Natixis	260,000	none
François Ladam, Member of Natixis' Executive Board	125,000	none
Dominique Ferrero, Chief Executive Officer and Member of Natixis' Executive Board	190,000	none
Anthony Orsatelli, Member of Natixis' Executive Board	125,000	none

Number of options exercised	Dec. 31, 2007	Dec. 31, 2006
Philippe Dupont, Executive Chairman of Natixis	110,000	none
François Ladam, Member of Natixis' Executive Board	-	none
Dominique Ferrero, Chief Executive Officer and Member of Natixis' Executive Board	-	none
Anthony Orsatelli, Member of Natixis' Executive Board	-	none

Retirement allowances

Natixis' Executive Board Members belong to the supplementary group pension scheme open to all of the Banque Populaire Group's executive officers, in accordance with the provisions of the status associated with this category.

In this regard, the aggregate amount of pensions paid to directors may not exceed 60% of revenues for the period, up to a maximum of €370,000. For executive managers appointed after January 1, 2005, this has been lowered to 50%.

This scheme was set up before May 1, 2005, i.e. before law 2005-842 of July 26, 2005 came into force.

This scheme is open to the Chairman in respect of his functions at Banque Fédérale des Banques Populaires and at Natixis.

Early retirement allowances

In the event of the early retirement of a director (apart from in the case of gross misconduct), an allowance will be paid equal to one year's compensation, plus one-twelfth of annual compensation per year of service with the Natixis Group, or one of the two shareholder groups, and possibly one-twelfth of the same compensation per year as an executive officer. The maximum amount payable may not exceed 42/12ths of annual compensation.

On retirement or early retirement, a payment is made equal to one-fortieth of annual compensation per year of service with the Group, up to a maximum of 40/40ths of annual compensation.

16.5 - Elements from insurance companies

16.5.1 Results of insurance companies

The companies within Natixis' scope using the insurance format are: Coface and its subsidiaries (credit insurance, business information and debt management services), Natixis Assurances and its subsidiaries (life insurance, personal risk insurance, non-life insurance), Foncier Assurances (life insurance), Natixis Garanties (legal guarantees and bonds) and CIFG (financial guarantees).

The following table shows a reconciliation between the financial statements of insurance businesses and how these financial statements translate into the financial statements in the banking format.

It also shows the consolidated contribution made by insurance companies in the banking format.

The main reclassifications concern general operating expenses, which are analyzed by destination in the insurance format and by nature in the banking format.

At net banking income level, insurance income and expenses that are similar to banking income and expenses (principally interest and fees) are reclassified under related line items in the banking format, in the interests of consistency. Movements in technical reserves and loss expenses are deducted from net banking income and not recognized as impairment losses.

Reclassifications on the balance sheet were not very significant. Most of the balance sheet line items specific to insurance companies are shown under "insurance company investments" on the asset side and under "technical reserves of insurance companies" on the liabilities side. Accrued interest receivable and payable, which is shown under accrued income and prepaid expenses and/or deferred income and accrued charges in the insurance format, is reclassified on the same lines as the principal in the banking format.

	Dec. 31, 2007 Insurance format	Dec. 31, 2007 Banking format					
	Total	Net banking income	General operating expenses	Gross operating income	Tax	Other items	Net income
Premium income	*5,651*	*5,651*		*5,651*			*5,651*
Change in unearned premium income	*(19)*	*(19)*		*(19)*			*(19)*
Premium income	5,632	5,632		5,632			5,632
Banking operating income	72	72		72			72
Income or revenues from other activities	262	262		262			262
Other operating income	71	71		71			71
Investment income	1,235	1,242	(7)	1,235			1,235
Investment expenses	(103)	(83)	(20)	(103)			(103)
Capital gains and losses on sale of investments (net of reversals of amortization and depreciation)	323	323		323			323
Change in fair value of investments carried at fair value through profit and loss	189	191		191			191
Change in impairment on investments	(47)	(47)		(47)			(47)
Investment income (net of expenses)	**1,596**	**1,626**	**(27)**	**1,599**			**1,599**
Policy benefit expenses	**(6,108)**	**(6,042)**	**(66)**	**(6,108)**			**(6,108)**
Reinsurance transfer income	*250*	*250*		*250*			*250*
Reinsurance transfer expenses	*(312)*	*(312)*		*(312)*			*(312)*
Income or expenses net of reinsurance transfers	**(62)**	**(62)**		**(62)**			**(62)**
Banking operating expenses	(27)	(27)		(27)			(27)
Expenses on other activities	(169)	1	(169)	(169)			(169)
Policy acquisition costs	(354)	(231)	(123)	(354)			(354)
Amortisation of portfolio values and related							
Administration costs	(413)	(162)	(252)	(413)			(413)
Other current operating income and expenses	(87)	(59)	(17)	(75)		(12)	(87)
Other operating income and expenses	7	7		7			7
Operating income	**420**	**1,089**	**(654)**	**435**		**(13)**	**423**
Financing expense	(38)	(38)		(38)			(38)
Share in income of affiliates	18					18	18
Income tax	(111)				(111)		(111)
Income after tax on discontinued activities							
Minority interests	(2)					(4)	(4)
CONSOLIDATED NET INCOME	**287**	**1,052**	**(654)**	**397**	**(111)**	**1**	**287**

16.5.2 Insurance companies' contribution to the consolidated income statement

(in € millions)	Dec. 31, 2007	Dec. 31, 2006
Interest and similar income	1,029	964
Interest and similar expenses	(79)	(66)
Fee and commission income	188	130
Fee and commission expense	(369)	(320)
Net gains or losses on financial instruments at fair value through profit and loss	(313)	(627)
Net gains or losses on financial assets available for sale	345	189
Income from other activities	5,778	5,485
Expenses from other activities	(5,528)	(4,806)
Net banking income	**1,052**	**948**
Operating expenses	(637)	(582)
Amortization, depreciation and impairment of property, plant and equipment and intangible assets	(18)	(23)
Gross operating income	**397**	**344**
Cost of risk	(11)	(7)
Net operating income	**386**	**336**
Share in income of associates	17	11
Gains or losses on other assets	(2)	(1)
Change in value of goodwill	0	0
Income before tax	**401**	**346**
Income tax	(111)	(127)
Net income	**290**	**219**
Minority interests	(4)	(4)
NET INCOME (GROUP SHARE)	**287**	**215**

Statutory Auditors' report on the consolidated financial statements

Year ended December 31, 2006

Dear Shareholders,

In accordance with our appointment as Statutory Auditors at the annual general meeting, we have audited the accompanying consolidated financial statements of Natixis SA for the year ended December 31, 2006.

The consolidated financial statements have been approved by the Executive Board. Our responsibility is to express an opinion on these 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting methods used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the financial position and the assets and liabilities of the group and the results of its operations in accordance with IFRS as adopted by the European Union.

II. JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of Art. L. 823-9 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we draw your attention to the following matters:

Estimates made within the context of banking activities

As indicated in note 7.23, Natixis uses significant estimates within the context of its banking activities:

- the Group records provisions to cover the risks inherent in its business (notes 7.3 and 11 of the notes to the financial statements). We examined the control procedures applicable for monitoring credit risks, provisioning methodologies, assessing the risks of non-recovery and determining the related specific and collective provisions;
- the Group uses internal models and methodologies to measure financial instruments that are not traded on active markets, as well as to book certain provisions and assess the relevance of their designation as hedging instruments (in particular financial assets and liabilities at fair value through profit or loss, available-for-sale assets and financial instruments recognized at amortized cost, the fair value of which is presented in note 7.1 of the notes to the financial statements). We have examined the control procedures relating to the verification of the models and determination of the parameters used.

Furthermore, in the notes 1.2 and 6 to the financial statements, the Group reviewed the specific context of the crisis, its direct and indirect exposures and the system implemented to estimate them, and the changes made for the calculation of valuation and writedown of certain financial instruments. We examined the system implemented to assess these exposures and their valuation, and the appropriateness of the information contained in the above-mentioned note.

Other estimates

The Group records provisions to cover employee benefits (see note 7.13 of the notes to the financial statements). We examined the methodology used to value these commitments, as well as the assumptions and parameters used.

The Group reviewed its material intangible assets and goodwill recorded in the consolidated balance sheet (notes 7.7 and 3.5 of the notes to the financial statements). We obtained an understanding of its conclusions and verified that they had been taken into consideration in preparing the consolidated balance sheet.

We have assessed the reasonable nature of these estimates. The assessments were made in the context of our audit of the consolidated financial statements, taken as a whole, and therefore contributed to the formation of the unqualified opinion expressed in the first part of this report.

III. SPECIFIC VERIFICATION

We also verified the information provided in the management report, in accordance with professional standards applicable in France.

We have nothing to report regarding the fairness of this information and its consistency with the consolidated financial statements.

Paris-La Défense and Neuilly-sur-Seine, April 18, 2008

The Statutory Auditors

DELOITTE & ASSOCIÉS	SALUSTRO REYDEL	MAZARS & GUÉRARD
Damien Leurent	Member of KPMG International	Charles de Boisriou
	Michel Savioz	Michel Barbet-Massin

PARENT COMPANY FINANCIAL STATEMENTS AND NOTES

PARENT COMPANY BALANCE SHEETS

Notes	Year ended December 31	2007	2006	2005
	ASSETS			
3	Cash and balances with central banks and post offices	175	44	24
3	Government securities and equivalent	20,566	3,977	4,894
3	Loans and advances to banks	132,133	54,110	65,174
23	*of which institutional activities:*	*83*	*166*	*250*
4	Customer deposits	92,113	42,743	32,326
23	*of which institutional activities:*	*354*	*400*	*697*
5	Bonds and other fixed-income securities	58,917	15,586	13,934
5	Equities and other variable income securities	34,080	3,873	1,339
7	Investment in associates and other securities held for investment	9,385	8,996	162
7	Investments in subsidiaries	12,788	14,107	4,248
4	Finance leases			
4	Operating leases			
12	Property, plant & equipment	1,012	87	44
12	Intangible assets	188	90	80
	Share capital subscribed not paid in			
7	Treasury stock	108		230
13	Other assets	26,392	3,812	3,128
13	Accrued income and prepaid expenses	23,951	1,011	1,842
	TOTAL ASSETS	**412,008**	**148,435**	**127,425**

Notes	Off-balance sheet items – Commitments received	2007	2006	2005
38	**Financing commitments**	**3,696**	**14,368**	**3,814**
	Commitments received from financial institutions	3,658	14,243	3,795
	Commitments received from customers	38	125	19
38	**Guarantee commitments**	**6,323**	**13,338**	**6,442**
	Commitments received from financial institutions	3,109	10,555	3,564
	Commitments received from customers	3,214	2,783	2,878
23	*of which institutional activities:*	*103*	*183*	*263*
38	**Commitments on securities**	**161**	**195**	**120**
38	**Other commitments received**	**2,490**	**1,613**	**2,000**

Notes	Year ended December 31	2007	2006	2005
	Liabilities			
14	Due to central banks and post offices	1,405	613	412
14	Deposits from banks	137,318	50,267	54, 106
23	*of which institutional activities:*	*155*	*239*	*322*
15	Customer loans	48,153	13,039	19,826
23	*of which institutional activities:*	*605*	*523*	*727*
16	Debt securities in issue	109,519	48,484	34,463
17	Other liabilities	70,209	7,741	7,533
17	Deferred income and accrued charges	15,916	2,924	2,376
23	*of which institutional activities:*	*1*	*3*	*2*
18	Provisions for contingencies and charges	2,019	1,067	934
19	Subordinated debt	10,607	5,894	3,842
20	Fund for general banking risks			239
	Equity	16,862	18,407	3,694
21	Share capital	1,955	1,952	784
21	Share premium	14,912	14,897	1,856
21	Reserves	415	704	578
	Revaluation surplus			
20b	Regulated reserves & government grants	47	94	106
23	*of which institutional activities:*	*25*	*78*	*93*
21	Retained earnings		17	(89)
	Net income	(467)	744	459
	TOTAL LIABILITIES AND EQUITY	**412,008**	**148,435**	**127,425**

Notes	Off-balance sheet items – Commitments given	2007	2006	2005
38	**Financing commitments**	**35,578**	**37,807**	**30,141**
	Commitments given to financial institutions	2,143	8,797	3,165
	Commitments given to customers	33,435	29,010	26,976
38	**Guarantee commitments**	**21,237**	**20,385**	**19,900**
	Commitments given to financial institutions	3,543	3,016	2,839
	Commitments given to customers	17,694	17,369	17,061
23	*of which institutional activities:*			*1*
38	**Commitments on securities**	**138**	**183**	**103**
38	**Other commitments given**	**12**	**52**	**272**

PARENT COMPANY INCOME STATEMENTS

(in € millions) See Note	Year ended December 31	2007	2006	2005
24	**Interest and similar income**	**17,668**	**5,416**	**4,471**
	Interbank transactions	8,637	2,813	2,232
	Customer transactions	4,801	1,985	1,463
	Finance lease transactions	0	0	9
	Operating lease transactions	0	0	9
	Bonds and other fixed-income securities	3,093	448	443
	Other interest and similar income	1,137	170	315
25	**Interest and similar expenses**	**(18,689)**	**(5,318)**	**(3,979)**
	Interbank transactions	(9,520)	(2,663)	(2,072)
	Customer transactions	(3,356)	(655)	(539)
	Finance lease transactions	0	0	(7)
	Operating lease transactions	0	0	(8)
	Bonds and other fixed-income securities	(4,844)	(1,770)	(1,075)
	Other interest expense	(969)	(230)	(278)
26	**Income from variable income securities**	**1,078**	**433**	**294**
27	**Fee and commission income**	**798**	**719**	**638**
	Fee and commission expenses	**(347)**	**(216)**	**(241)**
28	**Net gains/(losses) on trading account securities**	**2,274**	**883**	**161**
	Net gains/(losses) on trading account securities	2,113	165	74
	Net foreign exchange gains/(losses)	396	584	269
	Net gains/(losses) on financial instruments	(235)	134	(182)
29	**Net gains/(losses) on securities held for sale**	**(789)**	**(5)**	**117**
30	**Other banking revenues**	**141**	**44**	**42**
	Other banking expenses	**(135)**	**(91)**	**(60)**
	Net banking income	**1,999**	**1,865**	**1,443**
31	**Operating expenses**	**(1,915)**	**(1,197)**	**(901)**
	Payroll costs	(984)	(654)	(544)
	Other administrative costs	(931)	(543)	(357)
	Depreciation, amortization and impairment of property, plant & equipment and intangible assets	**(60)**	**(30)**	**(21)**
	Gross operating income	**24**	**638**	**521**
32	**Cost of risk**	**(175)**	**(141)**	**(76)**
	Operating income	**(151)**	**497**	**445**
33	**Net gains/(losses) on disposals of non-current assets**	**(453)**	**73**	**32**
	Income before exceptional items and tax	**(604)**	**570**	**477**
34	**Exceptional items**	**0**	**0**	**82**
35	**Corporate income tax**	**142**	**(55)**	**(100)**
20	**Net (charge to)/reversal of fund for general banking risks and regulated provisions**	**(5)**	**231**	**0**
	NET INCOME (LOSS)	**(467)**	**744**	**459**

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

Highlights of the year

2007 witnessed further progress in the process of integrating the various entities transferred to Natixis on November 17, 2006 into the Group (*), together with the legal merger of Ixis CIB and Natixis on December 31, 2007. Note that for accounting and tax purposes, the merger was backdated to January 1, 2007.

- The Risk function's new organizational structure was rolled out and inserted into the joint control mechanism involving the two central institutions to which Natixis is affiliated.
- Measures to coordinate commercial strategy and the main operational activities have been effective since the end of 2006.
- Moves to group employees together at offices in Paris (near the Austerlitz and Lyon train stations and the Bercy complex) got underway and continued through 2007.

The financial impact of Ixis CIB's merger into Natixis resulted in the recognition of a negative technical value adjustment in the accounts of the Natixis S.A. parent company. This adjustment represented the difference between the value of Ixis CIB shares in Natixis' balance sheet and the net value of the assets transferred by Ixis CIB as at 31/12/2006 (the backdating date). All of the adjustment (€861 million) was booked against goodwill. It will be subjected to impairment tests.

At period-end on 31/12/2007, Natixis' free float, including shares owned by institutional investors and company-owned shares, amounted to 31% of the capital, with the remainder owned equally by BFBP and CNCE.

Lastly, Natixis signed an Affiliation Agreement with Banque Fédérale de Banques Populaires (BFBP) and Caisse Nationale des Caisses d'Epargne et de Prévoyance (CNCE) on April 2, 2007.

By virtue of this agreement and in their capacity as Natixis' central institutions, BFBP and CNCE are responsible for ensuring Natixis' smooth-functioning. They are required to take all measures needed to guarantee its liquidity and solvency, and to exercise technical, financial and administrative control over its organization and management.

In exchange for BFBP and CNCE exercising these responsibilities, Natixis is to make a fixed payment to the two central institutions in respect of the 2007 fiscal year. In subsequent years, this payment is to be indexed to changes in the consumption of regulatory capital.

The following points should be noted regarding the impact of the financial crisis:

- **Indirect subprime risk exposures carried on Natixis' balance sheet at 31/12/07:** These exposures were in the form of an ABS CDO portfolio essentially classified in the trading securities category for an overall nominal exposure of €1,519 billion (on- and off-balance sheet). The assets represented by these exposures were valued:
  - on the basis of market prices, when these were available,
  - or, in the event of a total lack of market benchmarks, via a valuation model. The valuation technique used relied on loss-rate assumptions that varied according to the year in which loans were generated. These loss-rate assumptions were as follows:
    - 23% for loans generated in 2006 and 2007,
    - 9% for loans generated in 2005,
    - historic loss-rates for loans generated prior to 2005.

  Shares in securitizations excluding subprime exposures for which no prices could be identified were valued using the following types of valuation models:
  - a correlation model (for CSOs),
  - a scoring model for structures (for ABS CDOs and CLOs), which involved defining the level of risk for each structure according to distinguishing criteria benchmarked against observable data.

(*) Note that the merger with Groupe Caisse d'Epargne on November 17, 2006, comprised the following legal transactions:

- *the transfer by Caisse Nationale des Caisses d'Epargne (CNCE) of some of its subsidiaries and equity interests in the corporate and investment banking and services fields, together with the transfer of some of the cooperative investment certificates (Caisse d'Epargne CCIs) issued since 2004 by each Caisse d'Epargne et de Prévoyance (except for the Caisses situated in Martinique and New Caledonia) and representing 20% of their capital;*
- *the contribution to Natexis Banques Populaires by SNC Champion, the vehicle formed by the Banque Fédérale des Banques Populaires (BFBP) and the Banques Populaires, of the remainder of the Caisses d'Epargne CCIs not contributed by CNCE and that SNC Champion had previously acquired from CNCE. CNCE and SNC Champion also contributed the share capital of Ixis Corporate & Investment Bank (Ixis CIB) and of Ixis Asset Management Group (Ixis AMG), previously acquired from SanPaolo IMI (SPIMI);*
- *these transfers were remunerated in the form of Natixis shares issued for this purpose;*
- *the subscription for 20% of the capital of each of the Banques Populaires, via a reserved rights issue of cooperative investment certificates (Banques Populaires CCIs) financed through debt; and*
- *the acquisition of a 66% equity interest in Novacrédit (consumer finance) from the Banques Populaires.*

Subsequent to the transactions described above, CNCE and BFBP (via SNC Champion) placed some of the Natixis shares received as remuneration for the above-mentioned asset transfers with the market. This transaction increased Natixis' free float in a manner that maintained strict parity between the percentage equity interests held in Natixis by BFBP (directly and indirectly) and CNCE, respectively.

- **Exposures on US monoline insurers:** Transactions concluded with credit enhancers in the form of credit default swaps (CDSs) were subject to writedowns to reflect the impact of the crisis on monoline insurers' credit quality. As a result, a €156 million negative fair-value adjustment was applied to the value of these instruments. A €138 million writedowns determined on a collective basis was also recorded.
- **Specific depreciation on certain shares in SIVs:** SIVs (structured investment vehicles) are highly-leveraged structures that invest in medium- or long-term assets with high ratings. SIVs refinance by issuing commercial paper or medium- or long-term notes. With these issues being rated by rating agencies, SIVs need to satisfy liquidity ratios and are obliged to respect thresholds linked to the value of their portfolios. If these thresholds are attained or exceeded, they must liquidate assets. In view of observed changes in the NAV of shares in SIVs owned by Natixis and of the ensuing liquidation risk, Natixis recognized a €17 million writedown on these shares (classified as held-to-maturity securities), on December 31, 2007.
- **Equity interest in IKB:** Natixis has held a very small minority interest in the German bank IKB since 1993 and which represents 2.5% of IKB's capital. Business relations between the two institutions are essentially focused on financing medium-sized and large German corporations. They do not concern – either directly or indirectly – IKB's financing and investing activities in European and US real estate markets. In response to the German bank's financial difficulties related to the subprime crisis, Natixis recognized a €15.8 million value impairment on its IKB shares.
- **Equity interest in CIFG:** Caisse Nationale des Caisses d'Epargne and Banque Fédérale des Banques Populaires provided financial support to Natixis' US credit enhancement subsidiary, CIFG. This financial support involved the two institutions subscribing for equal shares of a $1.3 billion capital increase at the end of December 2007. As a result of this capital increase, Natixis' residual equity interest in CIFG was only 0.47% at 31/12/07, the value of which had been fully written off. A €536 million writedown was recognized for this purpose at 31/12/07. The transfer of CIFG shares to Caisse Nationale des Caisses d'Epargne and Banque Fédérale des Banques Populaires took place on January 31, 2008.

NOTE 1 ACCOUNTING POLICIES AND VALUATION METHODS

The Natixis financial statements have been prepared in accordance with generally accepted accounting principles applicable to credit institutions, including standard CRC 2000-03 on financial statement presentation.

1.1 - Customer loans

Loans are carried at their face value. Undrawn amounts on loans already committed and agreed are included in off-balance sheet items under the heading "financing commitments given". Performing and non-performing loans are identified separately.

1.2 - Loan impairment

Since 2000, Natixis has provided for loan impairment at three levels:

1.2.1 Specific provisions

1.2.1.1 Loan principal

Where there is a risk of partial or total non-recovery of loans or non-compliance with loan terms or covenants, impairment charges or provisions are recognized in income under the heading "cost of risk". These impairment charges are determined on a case-by-case and country-by-country basis and adjusted at quarterly intervals, based on an analysis of the related risk and available collateral. With lease financing transactions, capital gains and losses on disposal and charges to and reversals of provisions (leased assets and temporarily unleased assets) are recognized in net banking income. Termination compensation is booked as interest and similar income. Only the principal amount of payments on non-performing leases is provided for under cost of risk.

The impairment charge is calculated as the difference between the carrying amount and the estimated recoverable amount discounted at the original effective interest rate.

Non-performing loans are identified and accounted for in accordance with standard CRC 2002-03 and the opinion issued by the CNC Urgent Issues Task Force on December 18, 2003, which set out the rules for classifying loans as non-performing and irrecoverable.

Irrecoverable loans include loans where an event of default has occurred, restructured loans where the borrower has once again defaulted and loans classified as non-performing for more than one year once a write-off has been envisaged.

1.2.1.2 Loan interest

In accordance with banking regulations:

- unpaid accrued interest on loans to borrowers subject to bankruptcy proceedings is deducted from the interest account in which it was initially recorded. If the interest is subsequently recovered, it is credited to income upon receipt through the same account;
- interest on non-performing loans three, or where applicable, six or nine months past due is also provided for in full by deduction from the interest account in which it was initially recorded;
- all other loans made to these customers are also classified as non-performing, even where the risk appraisal does not call for an impairment charge against the principal amount outstanding;
- the same rules apply to lease financing transactions, where a provision is taken for the amount outstanding when a lease payment or any incidental costs are more than three months (equipment) or six months (real estate) past due).

1.2.1.3 Restatement of former BFCE sovereign risk

In 1991 and 1992, a defeasance transaction was carried out and a put option was purchased on BFCE sovereign risks. The defeasance structure, Edval Investment Ltd, and the vehicle set up to hold the put option, Worledge Investment Ltd, were consolidated for the first time at December 31, 2002. In accordance with paragraph 10052 of standard CRC 99-07, consolidation of these two entities led to an adjustment of provisions covering at-risk loans covered by the put option.

On the assets side of the balance sheet, the net outstanding balance of the loans concerned by the put option is covered by zero-coupon bonds held by the two entities. The results of the two entities consist solely of annual accruals to recognize the value appreciation of the zero-coupon bonds up to their redemption value in 2014, when the bonds mature and the defeasance structure will be wound up. Over this period, the value appreciation exactly matches the provisions required to write down the full amount of the loans covered by the put option. Consequently, the operation has no imagreement on the income statement and the cash required to refinance the transactions is offset by a cash inflow.

1.2.2 Industry and country risk provisions

These provisions cover certain businesses of Natixis that carry potential future risks. These businesses are reviewed quarterly and where necessary included in the basis of provisioning for sound exposure in countries or industries likely to experience difficulties. During these quarterly reviews, the country and industry provisioning rates are adjusted according to Natixis' perception of how the businesses will evolve, either negatively or positively.

Assets that are not specifically identified as impaired are divided into groups of assets with similar credit risk characteristics on an industry by industry basis. Each group of assets is assessed for objective evidence of impairment based on observable data indicating a probable decrease in the estimated recoverable cash flows for that group of assets. Collective provisions are taken to cover any estimated losses. Assets that are subsequently specifically identified as impaired are no longer included in the groups of assets assessed collectively.

The impairment provision is based on the expected loss at maturity.

1.3 - Securitization transactions

Securitizations are transactions that transfer credit risk without disposing of the underlying portfolios. They consist of synthetic securitizations based on credit derivatives carried out jointly with third party banks and special purpose vehicles. In substance, the credit derivatives are equivalent to credit insurance protecting Natixis against the risk of borrower default or debt rescheduling.

1.4 - Conversion of assets and liabilities in foreign currencies

Assets, liabilities and off-balance sheet commitments denominated in foreign currencies are converted into euros at the year-end exchange rates. Realized and unrealized exchange gains and losses are taken to the income statement.

Exchange differences arising on conversion of borrowings for which the currency risk is guaranteed by the State or which relate to institutional activities are recorded in an accruals account.

1.5 - Securities portfolio

1.5.1 Securities transactions (trading account securities, securities held for sale, debt securities held for investment)

Securities are classified according to the purpose of the transaction regardless of their legal form (equities, bonds and notes, treasury bills, certificates of deposit, negotiable instruments, money market securities, etc.), based on the following rules, in compliance with CRC 2005-1:

- **trading account securities** are securities traded on liquid markets, which are bought or sold with the intention of reselling or repurchasing them within a short period. They are carried in the balance sheet at cost, including transaction expenses and accrued interest. At the period-end, they are marked to market and the resulting unrealized gain or loss is recognized in income;

- **securities held for sale** are securities not registered as trading account securities nor debt securities held for investment. They are valued individually at the year-end at the lower of cost or estimated fair value. An impairment charge is taken for unrealized losses but unrealized gains are not recognized. Premiums and discounts, corresponding to the difference between the cost of fixed-income securities (excluding accrued interest) and their redemption price, are taken to income over the remaining life of the securities;
- **debt securities held for investment** are fixed-income securities acquired with the intention of being held in principle to maturity. They are either match-funded or hedged against interest rate risk. They are recorded at cost (excluding accrued interest), and any premium or discount between cost and redemption price is deferred and taken to income over the remaining life of the securities;

  In accordance with French banking regulations, unrealized losses on these securities do not give rise to impairments, unless there is a high probability of divesting them before they mature, as a result of new circumstances and without prejudicing any impairments to be recognized in application of CRC 2002-03 in the event there is a risk of the issuer of the securities defaulting (cost of risk). Unrealized gains are not recognized;
- **treasury shares** are purchased for different purposes primarily to regulate the market price under a liquidity agreement. To this end, a total of 1,295,360 shares were held in the treasury stock portfolio at December 31, 2007, of which shares to the value of €17 million were classified as trading account securities.

  Elsewhere, a free share allocation scheme (SAGA) was set up in November 2007 for the benefit of employees of Natixis and companies linked to it either directly or indirectly, in line with the terms of Article L. 225-197-2 of the French Commercial Code. The number of treasury shares held for this purpose amounted to 5,760,208 at December 31, 2007, of which shares to the value of €89 million were classified as held-for-sale securities. The cost of acquiring these shares will be recognized in the form of a provision for risks and charges spread over the rights-acquisition period (two years on a time-apportioned basis).

1.5.2 Investments in associates and equity securities held for investment

- **Consolidated investments:** Natixis valued its investments in consolidated subsidiaries at December 31, 2007.

  Consolidated investments were valued at their net present value using the discounted cash flow method based on business plans drawn up by management of the main subsidiaries and validated by Natixis Executive Management.

  The discount rate used for each subsidiary was based on the following:
  - the average 10-year OAT (French government bond) yield,
  - the risk premium in the subsidiary's market,
  - a beta value based on a sample of comparable companies.

  The results of this method were corroborated using other methods such as standard market comparisons and restated net asset value.
- **Non-consolidated investments** are valued individually at the lower of cost and value in use at the year end. Value in use is determined on the basis of criteria such as restated net asset value and profitability.
- **Equity securities held for investment** are securities acquired with the intention of being held in the medium to long-term in order to sell them at a profit. They are booked at cost and an impairment charge taken if their net book value is higher than their estimated value (based on recent transaction values, profitability, market price for listed securities or other valuation methods used at the time of acquisition).

1.6 - Income, value adjustments and gains or losses on securities

- Income from variable-income securities is recorded on a cash basis.
- Income from fixed-income securities is recorded on an accruals basis.
- Value adjustments and gains or losses on disposal of securities appear under different headings depending on the nature of the transaction:
  - trading account securities, securities held for sale and equity securities held for investment: value adjustments and gains or losses are recorded in net banking income,
  - debt securities held for investment: value adjustments and gains or losses are recorded under "impairment charges and other credit provisions" where they reflect counterparty risk, and "net gains/(losses) on disposals of non-current assets" where they reflect market risk or the result of disposal,
  - investments in associates and other long-term equity investments: value adjustments and gains or losses are recorded under "net gains/(losses) on disposals of non-current assets.

1.7 - Property, plant & equipment and intangible assets

1.7.1 Measurement on initial recognition

Fixed assets of the former Crédit National purchased prior to December 31, 1976 are stated at fair value as determined at the time of the 1976 legal revaluation. Assets purchased since 1976 are stated at cost. Fixed assets of the former BFCE are carried in the balance sheet at their fair value as determined at the time of BFCE's acquisition by Crédit National. Fixed assets of the former Caisse Centrale des Banques Populaires were transferred at their net book value following the partial asset contribution.

New acquisitions are recognized at cost plus directly attributable transaction costs (transfer duties, fees, commissions and registration expenses). Borrowing costs are not capitalized.

Internally-generated computer software is measured at the total cost of development, including related hardware costs, service costs and personnel costs directly attributable to the production and preparation of the software. Expenses incurred during the development phase are only recognized as intangible assets if they meet conditions of technical feasibility, intention to complete the asset for internal use or sale, probability of future economic benefits, availability of resources and ability to measure the development expenditure reliably. Expenses incurred during the research phase are recognized in income when they are incurred.

1.7.2 Subsequent measurement

After recognition, assets are carried at cost less any accumulated depreciation, amortization and impairment losses.

1.7.3 Amortization and depreciation

Assets are depreciated or amortized over their estimated useful lives either on a straight-line basis or on a diminishing balance basis where this better reflects the pattern of consumption of future economic benefits. The residual value of the asset is deducted from its depreciable or amortizable amount where it can be measured reliably. Natixis does not believe it can reliably measure the residual value of items other than land and indestructible elevations. They are therefore assigned a nil residual value.

In line with the new standards, a specific deprecation schedule is drawn up for each significant component of an item of property, plant and equipment, which has a different useful life or rate of consumption of future economic benefits than the items as a whole. For buildings used in the business and investment property, the following significant components and depreciation periods have been identified:

- land: n/a;
- indestructible elevations: n/a;
- walls, roof, waterproofing: 20 to 40 years;
- foundations, framework: 30 to 60 years;
- external rendering: 10 to 20 years;
- equipment and installations: 10 to 20 years;
- internal fixtures and fittings: 8 to 15 years.

Other items of property, plant and equipment are depreciated over their estimated useful lives, which range from five to ten years.

Purchased software is amortized over its estimated useful life, which in most cases is less than five years. Internally-generated software is amortized over a period which may not 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.

1.8 - Perpetual and dated subordinated loans

Natixis has issued perpetual and dated subordinated notes, which in the event of the issuer's liquidation, rank behind all other creditors.

Where perpetual subordinated loan notes are treated as equivalent to debt repayable in installments, each periodic payment is broken down between the repayment of principal, which is deducted from the outstanding debt, and interest, which is recognized in income as interest and similar expenses

1.9 - Participating notes

Remuneration paid in respect of participating notes is treated as interest payable and recognized in income on an accruals basis.

1.10 - Interest, premiums, fees and commissions

Interest, together with premiums, fees and commissions treated as interest income, is recognized in income on an accruals basis. Other fees and commissions are accounted for on a cash basis.

1.11 - Interest rate revision charges and prepayment penalties

Interest rate revision charges and prepayment penalties are treated as deferred interest income and recognized in income over the life of the loan in proportion to the interest income lost in each year based on the original loan repayment schedule.

1.12 - Debt and share issuance costs

With effect from January 1, 1994, Natixis elected to defer all debt issuance expenses over the life of the debt, as permitted by tax legislation (law of August 8, 1994) and in line with trends in the nature of such expenses, which are in substance an additional financing cost.

The cost of share issuance by Natixis is offset, net of tax, against the issue premium.

1.13 - Financial futures and options held for own account

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. Further details are provided in the notes to the financial statements.

The accounting treatment depends on the instrument involved and the purpose of the transaction (hedging or trading).

1.13.1 Interest rate instruments

These instruments are classified according to the purpose for which they are acquired:

- micro-hedging (hedging of specific transactions or positions);
- macro-hedging (structural balance sheet management);
- speculative position-taking;
- specialized management of a trading portfolio.
  - The first two categories are treated for income statement purposes as equivalent to lending/borrowing transactions and the amounts received or paid are recognized in income on an accruals basis.
  - The accounting treatment of speculative positions is identical with respect to interest flows. Positions are marked to market at the period end and a provision taken against any unrealized losses.
  - In the case of specialized management of a trading portfolio, each instrument is marked to market on an individual basis. Changes in value during the period are recognized immediately in income. Valuations are adjusted for counterparty risk and the discounted present value of future contractual management costs.

1.13.2 Currency instruments:

- Spot currency transactions outstanding at the year end are valued at the year-end rate.
- Forward currency hedging transactions are recognized in income on an accruals basis, either as premiums or discounts where they are intended to hedge commercial transactions, or as accrued interest where they are intended to hedge long-term assets and liabilities denominated in foreign currencies.

1.13.3 Interest rate, currency and equity options and forward contracts:

The notional value of the instrument underlying the option or forward contract is recorded off-balance sheet, with hedging and trading transactions identified separately.

Income and expenses on hedging transactions are recognized in income on a symmetrical basis with the income and expenses on the hedged items.

In the case of non-hedging activities, positions in a class of option or forward contract are marked to market at the period end. Changes in value during the period are recognized immediately in income. For over-the-counter instruments, a discount may be taken against the market value in respect of modeling risks or uncertainty over parameters, via a charge to provisions for financial instruments.

1.13.4 Institutional activities:

Commitments given to banks that grant export credits financed in foreign currencies in order to fix the exchange rate of their foreign currency borrowings are not included in published off-balance sheet commitments. Income and expenses arising on institutional activities (swaps and exchange rate guarantees) are charged to or paid to the French Treasury in accordance with agreed terms and conditions.

1.14 - Exceptional items

Exceptional income and expenses are items of income and expense that are unusual in terms of their nature, amount or frequency.

1.15 Corporate income tax

The tax charge for the year comprises current taxes payable in France at the rate of 34.43%, and at the local corporate tax rate for foreign branches.

1.16 Employee-related liabilities and post-retirement benefits

The main provisions for employee-related liabilities concern:

- end-of-career awards and allowances;
- supplementary banking pension;
- early-retirement and supplementary pension benefits;
- CATS" early retirement plan benefits;
- employer's contributions to private health insurance companies for retirees and early retirees;
- long service awards.

Natixis uses independent actuaries to measure its main liabilities, as well as the supplementary banking pension.

The provision recognized in the balance sheet is equal to:

- the amount of the actuarial liability in respect of post-retirement and similar benefits for employees and retirees;
- less the market value of plan assets;
- less or plus any actuarial losses or gains arising from:
  - experience adjustments in respect of demographic variables,
  - changes in actuarial assumptions such as the discount rate, employee turnover and future salary increases,
  - differences between the actual return and expected return on plan assets.

Actuarial gains and losses are recognized in income using the "corridor" method. Under this method, the portion that exceeds 10% of the greater of the group's obligation or the fair value of plan assets is deferred over the remaining working lives of the employees participating in the plan.

In accordance with CNC recommendation R. 2003-01, Natixis provides for the entire amount of employee benefit obligations.

The French Pensions Act of August 21, 2003 reformed the terms and conditions of retirement applicable to employees. In accordance with opinion 2004-A issued by the CNC Urgent Issues Task Force, this reform was treated as a change of applicable regime and its effect deferred over the employees' remaining working lives.

1.17 - Changes in accounting method

There were no changes to accounting method during the year.

NOTE 2 PRO FORMA ACCOUNTS

2.1 - Principles applied to prepare the 2006 pro forma income statement and balance sheet

The 2006 pro forma income statement and balance sheet were prepared in order to enable comparisons to be made regarding earnings formation and the asset position, as if the merger had taken place on January 1, 2006.

The pro forma accounts were prepared by adding together the respective contributions of Natixis and Ixis CIB, i.e. their individual 2006 accounts as reported and restated for intra-group transactions between the two companies.

Other principles applied in the preparation of these pro forma accounts are described in the note titled "Accounting policies and valuation methods".

2.2 - 2006 pro forma income statement

(in € millions)	December 31, 2007	December 31, 2006		
	Natixis contribution	Natixis contribution	Ixis CIB contribution	Natixis pro forma
Interest and similar income	17,668	5,308	7,438	12,746
Interest and similar expenses	(18,689)	(5,261)	(7,161)	(12,422)
Income from variable income securities	1,078	433	214	647
Fee and commission income	798	708	104	812
Fee and commission expenses	(347)	(216)	(101)	(317)
Net gains/(losses) on trading account securities	2,274	804	1,177	1,981
Net gains/(losses) on securities held for sale	(789)	(5)	(293)	(298)
Other net banking revenues and expenses	6	(47)	6	(41)
Net banking income	**1,999**	**1,724**	**1,384**	**3,108**
Operating expenses	(1,915)	(1,197)	(657)	(1,854)
Depreciation, amortization and impairment of property, plant & equipment and intangible assets	(60)	(30)	(19)	(49)
Gross operating income	**24**	**497**	**708**	**1,205**
Cost of risk	(175)	(141)	126	(15)
Operating income	**(151)**	**356**	**834**	**1,190**
Net gains/(losses) on disposals of non-current assets	(453)	73	(4)	69
Income before exceptional items and tax	**(604)**	**429**	**830**	**1,259**
Exceptional items	0	0	0	0
Corporate income tax	142	(55)	(133)	(188)
Net (charge to)/reversal of fund for general banking risks	(5)	231	0	231
NET INCOME (LOSS)	**(467)**	**603**	**697**	**1,300**

2.3 - 2006 pro forma balance sheet

(in € millions)	December 31, 2007 Natixis contribution	December 31, 2006 Natixis contribution	Ixis CIB contribution	Natixis pro forma
Cash and balances with central banks and post offices	175	44	1	45
Government securities and equivalent	20,566	3,977	23,106	27,083
Loans and advances to banks	132,333	*51,929*	*68,705*	*120,634*
of which institutional activities:	*83*	*166*	*0*	166
Customer deposits	92,113	42,743	34,683	77,426
of which institutional activities:	*354*	*400*	*0*	400
Bonds and other fixed-income securities	58,917	15,586	41,782	57,368
Equities and other variable income securities	34,080	3,873	20,938	24,811
Investment in associates and other securities held for investment	9,385	8,996	1,663	10,659
Investments in subsidiaries	12,788	9,700	216	9,916
Finance leases	0	0	0	0
Operating leases	0	0	0	0
Property, plant & equipment	1,012	948	18	966
Intangible assets	188	90	47	137
Share capital subscribed not paid in	0	0	0	0
Treasury stock	108	0	0	0
Other assets	26,392	3,779	17,834	21,613
Accrued income and prepaid expenses	23,951	970	10,710	11,680
TOTAL ASSETS	**412,008**	**142,634**	**219,703**	**362,337**

(in € millions) Off-balance sheet items – Commitments received	December 31, 2007 Natixis contribution	December 31, 2006 Natixis contribution	Ixis CIB contribution	Natixis pro forma
Financing commitments	**3,696**	**14,368**	**1,290**	**15,658**
Commitments received from financial institutions	3,658	14,243	1,194	15,437
Commitments received from customers	38	125	96	221
Guarantee commitments	**6,323**	**13,338**	**2,806**	**16,144**
Commitments received from financial institutions	3,109	10,555	2,433	12,988
Commitments received from customers	3,214	2,783	373	3,156
of which institutional activities:	*103*	*183*	*0*	*183*
Commitments on securities	**161**	**195**	**2,003**	**2,198**
Other commitments given	**2,490**	**1,613**	**6,784**	**8,397**

(in € millions)	December 31, 2007 Natixis contribution	December 31, 2006 Natixis contribution	Ixis CIB contribution	Natixis pro forma
Due to central banks and post offices	1,405	613	0	613
Deposits from banks	137,318	47,489	85,968	133,457
of which institutional activities:	*155*	*239*	*0*	*239*
Customer loans	48,153	13,039	16,777	29,816
of which institutional activities:	*605*	*523*	*0*	*523*
Debt securities in issue	109,519	48,484	44,753	93,237
Other liabilities	70,209	7,701	55,360	63,061
Deferred income and accrued charges	15,916	2,901	11,149	14,050
of which institutional activities:	*1*	*3*	*-*	*3*
Provisions for contingencies and charges	2,019	1,067	171	1,238
Subordinated debt	10,607	5,894	2,564	8,458
Fund for general banking risks	0	0	0	0
Equity	16,862	18,266	141	18,407
Share capital	1,955	1,952	0	1,952
Share premium	14,912	14,897	(556)	14,341
Reserves	415	704	0	704
Revaluation surplus	0	0	0	0
Regulated reserves & government grants	47	94	0	94
of which institutional activities:	*25*	*78*	*0*	*78*
Retained earnings	0	17	0	17
Net income	(467)	603	697	1,300
TOTAL LIABILITIES AND EQUITY	**412,008**	**145,453**	**216,884**	**362,337**

(in € millions) Off-balance sheet items – Commitments given	December 31, 2007 Natixis contribution	December 31, 2006 Natixis contribution	Ixis CIB contribution	Natixis pro forma
Financing commitments	**35,578**	**37,807**	**12,406**	**50,213**
Commitments given to financial institutions	2,143	8,797	709	9,506
Commitments given to customers	33,435	29,010	11,697	40,707
Guarantee commitments	**21,237**	**20,385**	**14,722**	**35,107**
Commitments given to financial institutions	3,543	3,016	1,111	4,127
Commitments given to customers	17,694	17,369	13,611	30,980
of which institutional activities:	*0*	*0*	*0*	*0*
Commitments on securities	**138**	**183**	**1,463**	**1,646**
Other commitments given	**12**	**52**	**8,798**	**8,850**

NOTE 3 INTERBANK AND MONEY MARKET ASSETS

(in € millions)	2007	2006	2005
Cash and balances with central banks and post offices	**175**	**44**	**24**
Government securities and equivalent	**20,566**	**3,977**	**4,894**
Trading account securities	19,740	3,117	3,451
Securities held for sale	430	516	1,060
accrued interest receivable	*11*	*20*	*30*
impairment charges	*(1)*	*(1)*	*(5)*
Debt securities held for investment	396	344	383
accrued interest receivable	*6*	*9*	*10*
Loans and advances to banks	**132,333**	**54,110**	**65,174**
Demand	12,948	7,158	3,956
accrued interest receivable	*4*	*2*	*11*
non-performing loans	*1*	*1*	*1*
impairment charges	*(1)*	*0*	*0*
Time (*)	119,385	46,952	61,218
accrued interest receivable	*1,575*	*532*	*484*
non-performing loans	*36*	*40*	*81*
impairment charges	*(21)*	*(26)*	*(51)*
INTERBANK AND MONEY MARKET ASSETS	**153,074**	**58,131**	**70,092**
(*) *subordinated loans:*	*214*	*120*	*121*
performing	*565*	*114*	*118*
non-performing	*0*	*1*	*1*
accrued interest receivable	*5*	*5*	*2*
securities received under repurchase agreements:	*76,696*	*19,186*	*36,582*
accrued interest receivable	*1,032*	*329*	*332*

NOTE 4 CUSTOMER LOANS AND LEASE FINANCING

(in € millions)	2007	2006	2005
Current accounts in debit	**4,688**	**5,315**	**4,347**
accrued interest receivable	*23*	*18*	*13*
non-performing loans	*169*	*81*	*200*
impairment charges	*0*	*(40)*	*(79)*
Commercial loans	**553**	**646**	**751**
accrued interest receivable	*5*	*0*	*11*
non-performing loans	*8*	*27*	*20*
impairment charges	*0*	*(4)*	*(2)*
Other loans to customers	**86,872**	**36,782**	**27,228**
Short-term loans and consumer loans	32,008	18,159	15,949
accrued interest receivable	*83*	*81*	*47*
Equipment loans	3,095	2,182	2,166
accrued interest receivable	*11*	*10*	*8*
Export loans	1,111	942	660
accrued interest receivable	*7*	*12*	*5*
Home loans	462	240	122
accrued interest receivable	*0*	*0*	*0*
Securities purchased under resale agreement	18,527	2,158	544
accrued interest receivable	*5*	*10*	*5*
Subordinated loans	579	754	571
accrued interest receivable	*6*	*4*	*4*
non-performing loans	*0*	*0*	*0*
impairment charges	*0*	*0*	*0*
Other loans	31,090	12,347	7,216
accrued interest receivable	*396*	*88*	*41*
non-performing loans	*432*	*592*	*561*
impairment charges	*(431)*	*(438)*	*(424)*
Customer loans	**92,113**	**42,743**	**32,326**
Equipment finance leases	**0**	**0**	**0**
Outstandings	0	0	0
Temporarily unleased assets and non-performing loans			
Accrued interest receivable			
Asset impairment			
Loan impairment			
Operating leases	**0**	**0**	**0**
Outstandings	0	0	0
Temporarily unleased assets and non-performing loans			
Accrued interest receivable			
Asset impairment			
Loan impairment			
Lease financing	**0**	**0**	**0**

NOTE 5 BONDS, EQUITIES AND OTHER FIXED AND VARIABLE INCOME SECURITIES

	2007				2006				2005
(in € millions)	Trading account securities	Securities held for sale	Debt securities held for invest-ment	Total	Trading account securities	Securities held for sale	Debt securities held for invest-ment	Total	Total
BONDS AND OTHER FIXED-INCOME SECURITIES									
Gross value [(1)]	31,346	21,943	5,574	58,863	8,598	3,585	3,383	15,566	13,894
Premiums/discounts		(23)	(8)	(31)		1	(4)	(3)	24
Accrued interest receivable	0	190	94	284	0	26	42	68	91
Impairment charges		(155)	(44)	(199)		(18)	(28)	(46)	(75)
Net book value	**31,346**	**21,955**	**5,616**	**58,917**	**8,598**	**3,594**	**3,393**	**15,586**	**13,934**
EQUITIES AND OTHER VARIABLE INCOME SECURITIES									
Gross value	32,228	2,544		34,772	3,220	702		3,922	1,386
Accrued interest receivable	0	(121)		(121)	0	0		0	0
Impairment charges	0	(571)		(571)	0	(49)		(49)	(48)
Net book value	**32,228**	**1,852**		**34,080**	**3,220**	**653**		**3,873**	**1,339**

(1) The gross values shown in the “Securities held for sale” and “Debt securities held for investment” columns represent their redemption value.

Additional ilnformation on securities:

		Amounts transferred during the fiscal year		
Original portfolio	Destination portfolio	2007	2006	2005
Trading account securities	Securities held for sale	0	47	1,473

NOTE 6 NON-PERFORMING AND IRRECOVERABLE ASSETS AND IMPAIRMENT CHARGES

	2007		2006		2005	
(in € millions)	Non-performing	Irrecove-rable	Non-performing	Irrecove-rable	Non-performing	Irrecove-rable
Financial institutions	**15**	**0**	**6**	**8**	**32**	**1**
Assets	18	18	14	26	57	27
Impairment charges	(3)	(18)	(8)	(18)	(25)	(26)
Customers	**189**	**15**	**217**	**1**	**232**	**37**
Assets	311	324	360	336	388	386
Impairment charges	(122)	(309)	(143)	(335)	(156)	(349)
TOTAL	**204**	**15**	**223**	**9**	**264**	**38**

NOTE 7 INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES, OTHER SECURITIES HELD FOR INVESTMENT AND TREASURY STOCK

(in € millions)	2007	2006	2005
Investments in associates	**9,236**	**8,915**	**108**
Carrying value	9,241	8,924	117
Shareholders' advances	25	0	0
Translation differences	2	1	1
Impairment charges	(32)	(10)	(10)
Securities loaned	0	0	0
Other securities held for investment	**149**	**81**	**54**
Carrying value	171	115	91
Shareholders' advances	0	0	0
Translation differences	0	0	0
Impairment charges	(22)	(34)	(37)
Securities loaned	0	0	0
Accrued interest receivable	**0**	**0**	**0**
Investments in associates and other securities held for investment	**9,385**	**8,996**	**162**
Investments in subsidiaries	**12,788**	**14,107**	**4,248**
Carrying value	12,696	14,187	4,370
Shareholders' advances	6	6	6
Translation differences	187	39	25
Impairment charges	(101)	(125)	(153)
Securities loaned	0	0	0
Accrued interest receivable	**0**	**0**	**0**
Investments in subsidiaries	**12,788**	**14,107**	**4,248**
Treasury stock	**108**	**0**	**230**
Trading account securities	17	0	226
Placement *	91	0	0
Securities loaned	0	0	0
Long-term investments *	0	0	4
TREASURY STOCK	**108**	**0**	**230**
* *Impairment charges*	*0*	*0*	*0*

NOTE 8 INVESTMENT PORTFOLIO AS AT DECEMBER 31, 2007

(in €)	Number of shares	Book value
I - INVESTMENTS IN SUBSIDIARIES		
A) Banking and credit institutions		
CACEIS	5,074,546	645,500,000.00
CFDI	30,000	4,572,555.82
Compagnie 1818	370,600	75,201,035.26
GCE Bail	3,419,834	38,999,897.38
IFCIC – INSTITUT FINANCEMENT CINEMA ET IND.CULT	28,473	434,068.08
Ixis CMNA (Australia) Holdings Inc. – Saint George	103	71,645,826.01
Ixis CMNA (Australia) Holding (No. 2) Inc. (Macquarie)	25	133,717,546.16
NATEXIS LEASE MADRID	32,134	514,000.00
NATIXIS ALGÉRIE	3,198,517	56,677,945.24
NATIXIS ARBITRAGE	4,019,846	44,010,992.32
NATIXIS AUSTRALIA PTY LTD	24,999,999	13,822,555.22
NATIXIS ASIA LIMITED	400,000,000	39,585,925.66
NATIXIS BLEICHROEDER – formerly Arnhold Bleichroeder Inc.	100	181,172,220.70
NATIXIS BRASIL S.A.	87,999,999	34,278,265.07
NATIXIS COFICINÉ	111,311	29,000,060.15
NATIXIS FUNDING	1,503,627	11,101,728.05
NATIXIS GARANTIES formerly GCE GARANTIES	221,010	474,976,359.72
NATIXIS INTERÉPARGNE	555,655	57,053,104.13
NATIXIS LEASE	16,670,494	399,595,042.46
NATIXIS LUXEMBOURG S.A.	3,335,032	400,684,933.11
NATIXIS MOSCOW – formerly ZAO	111,618	36,743,030.55
NATIXIS NORTH AMERICA Inc.	24,858	412,726,650.68
NATIXIS PAIEMENTS	6,682,333	37,983,985.90
NATIXIS SECURITIES	14,184	48,173,909.59
NATIXIS TRANSPORT FINANCE	1,244,314	177,127,048.32
B) Financial institutions		
AIVELYS ASSET MANAGEMENT formerly Ecrinvest 10	99,994	999,940.00
FINANCIERE CLADEL	607,896	10,099,354.39
Gestitres	322,771	32,351,838.46
ICMNA International Holding	90,372	260,919,012.65
INVEST KAPPA ex Linebourse Invest Kappa	576,133	7,611,712.84
INVESTIMA 6 SAS	690,922	6,562,719.00
NATEXIS ABM CORP	100	10,028,858.60
NATEXIS AMBS (New York)	287,051	194,993,576.35
NATEXIS INVESTMENT CORP.	3,217	2,552,930.38
NATIXIS Innov	15,006,000	150,060,000.00
NATEXIS SERVICOS E INFORMATICOES LTDA	600,000	1,802,345.88
NATIXIS COMMODITY MARKETS LTD	20,000,000	24,037,340.85
NATIXIS CONSUMER FINANCE formerly GCEFS	32,237,000	17,500,000.00

(in €)	Number of shares	Book value
Natixis Corporate Solutions	100,000,000	213,032,623.96
NATIXIS FINANCE	164,993	2,557,939.82
NATIXIS PRIVATE EQUITY	19,063,292	512,991,451.13
NBP Preferred Capital 2 (New York)	10,000	6,793,438.80
NBP Preferred Capital 3 (New York)	11,500	7,811,969.30
SAS VAL A	1,672,000	282,160,453.47
SLIB – SERVICES LOGICIELS D'INTÉGRATION BOURSIÈRE	748,694	12,696,634.42
SNC TOLBIAC FINANCE	32,812,499	32,812,499.00
SPAFICA	42,823	63,472,920.48
C) Other		
CO-ASSUR	2,494	282,570.47
COFACE	6,439	753,174.19
COFACE HOLDING formerly SDGP 41	114,626,067	1,082,084,526.82
ECRINVEST 11	19,989,652	199,896,520.00
GARBO-INVEST – formerly Investima 20	105,000	100,781,131.81
INVEST ALPHA	14,994	228,582.06
INVEST DELTA	14,994	1,228,582.06
INVESTIMA 14	52,000	463,533.00
INVESTIMA 16	52,000	466,608.00
INVESTIMA 17	230,000	2,093,137.00
INVESTIMA 18	226,000	2,071,830.00
INVESTIMA 19	220,000	2,028,454.00
INVESTIMA 25	182,132	1,821,320.00
INVESTIMA 26	182,100	1,821,000.00
INVESTIMA 27	167,200	1,672,000.00
INVESTIMA 28	166,450	1,664,500.00
INVESTIMA 29	171,950	1,719,500.00
INVESTIMA 32	353,600	3,532,587.00
INVESTIMA 34	247,500	2,429,274.00
INVESTIMA 35	253,700	2,502,403.00
LUGDUNUM GESTION	7,995	289,653.21
NATIXIS ALTAïR – formerly +X Altaïr	6,274,989	14,445,387.10
Natixis Alternative Investments Luxembourg	58,768	58,904,304.92
NATIXIS ASSURANCES	10,537,209	798,540,481.91
NATIXIS IMMO DÉVELOPPEMENT	92,674	6,775,636.78
NATIXIS IMMO EXPLOITATION	7,674,462	124,002,112.22
NATIXIS INVESTOR SERVICING	110,896	5,324,166.67
NATIXIS Marco	100,017,000	1,000,170,000.00
NATIXIS PARTICIPATIONS formerly SD CONSEIL	2,494	190,137.57
NATIXIS PRIVATE BANKING	4,496,384	53,970,574.71
NXBP 1	148,628	3,715,669,222.74
PARTECIS	1,250	1,250,000.00
REACOMEX	5,000	9,652,489.97

(in €)	Number of shares	Book value
SAMIC	250	1,804,187.29
SCI ANTIN HAUSSMANN	20	304,898.05
SCI HAUSSMANN 90	1,809	2,757,802.72
TITRES-CADEAUX formerly ISSY SF2 2	27,000	260,894.87
D) Investments with a book value of less than or equal to €150,000		**2,179,496.81**
E) Shareholders' advances		
SCI ALTAÏR 1		6,274,967.28
SPAFIC – SHAREHOLDERS' ADVANCE	-	1,705,142.06
F) Securities loaned		**37,436.69**
G) Accrued interest receivable		
II - INVESTMENTS IN ASSOCIATES AND OTHER SECURITIES HELD FOR INVESTMENT		
A) Banking and credit institutions		
BANCA POPOLARE ITALIANA – formerly BP DI VERONA E NOVARA	14,400	231,696.78
BANCO FINANTIA	12,765,844	24,311,111.14
BP ATLANTIQUE – NANTES	3,270,611	195,023,205.08
BP BOURGOGNE FRANCHE-COMTÉ – DIJON	2,796,731	263,348,991.45
BP CENTRE ATLANTIQUE – NIORT	11,021,750	107,012,854.48
BP COTE D'AZUR – NICE	1,375,001	97,118,327.74
BP D'ALSACE – STRASBOURG	3,087,500	139,589,621.74
BP DE L'OUEST – RENNES	1,925,521	183,981,107.85
BP DES ALPES – GRENOBLE	3,300,000	186,097,656.50
BP DU MASSIF CENTRAL – CLERMONT-FERRAND	1,100,000	98,674,122.62
BP DU NORD – LILLE	3,378,126	101,609,028.87
BP DU SUD – PERPIGNAN	20,420,135	220,129,055.30
BP DU SUD-OUEST – BORDEAUX	2,735,294	109,386,437.44
BP LOIRE ET LYONNAIS – LYON	2,382,353	136,667,399.22
BP LORRAINE CHAMPAGNE – METZ	4,468,750	248,558,343.75
BP OCCITANE – TOULOUSE	8,970,240	324,985,368.80
BP PROVENCALE ET CORSE – MARSEILLE	1,017,188	84,056,618.60
BP RIVES de PARIS	4,975,000	333,341,458.05
BP VAL DE FRANCE – ST QUENTIN EN YVELINES	1,175,000	332,739,909.76
BRED-BANQUE POPULAIRE	7,562,500	545,710,000.00
CASDEN-BANQUE POPULAIRE	6,875,000	291,583,046.48
CEP ALSACE	1,000,230	114,913,815.00
CEP AQUITAINE POITOU CHARENTES formerly AQUITAINE NORD	2,732,819	317,344,561.00
CEP AUVERGNE LIMOUSIN	1,214,229	181,454,738.00
CEP BASSE NORMANDIE	719,145	86,338,252.00
CEP BOURGOGNE FRANCHE COMTÉ	2,253,842	251,257,282.00
CEP BRETAGNE	33,215	141,538,402.00
CEP COTE D'AZUR	1,262,919	180,599,058.00
CEP HAUTE NORMANDIE	1,211,860	168,546,584.00
CEP ILE DE FRANCE NORD	660,028	95,951,543.00

(in €)	Number of shares	Book value
CEP ILE DE FRANCE OUEST	810,543	129,372,717.00
CEP ILE DE FRANCE PARIS	4,483,114	441,661,799.00
CEP LANGUEDOC ROUSSILLON	1,532,768	179,029,041.00
CEP LOIRE CENTRE – formerly VAL DE FRANCE ORLÉANAIS	1,675,293	238,467,971.00
CEP LOIRE DROME ARDÈCHE	1,438,769	116,534,779.00
CEP LORRAINE CHAMPAGNE ARDENNE – formerly Lorraine	2,370,047	290,034,525.00
CEP MIDI PYRÉNÉES	2,385,621	237,026,188.00
CEP NORD FRANCE EUROPE – formerly PAS DE CALAIS	3,304,598	392,170,378.00
CEP PAYS DE LA LOIRE	2,030,000	190,250,554.00
CEP PICARDIE	1,249,554	198,555,644.00
CEP PROVENCE ALPES CORSE	3,880,917	407,873,965.00
CEP RHONE ALPES – formerly CEP ALPES	3,398,568	339,821,358.00
CREDIT COOPÉRATIF	6,475,001	175,602,027.12
IKB DEUTSCHE INDUSTRIEBANK	2,200,000	13,618,000.00
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		
BIAT	272,000	3,046,869.66
CUBE INFRACTURE FUND (Sicav)	3,627,215	3,657,184.50
IMMOBILIÈRE PRIVÉE- France PIERRE formerly Imm Privée 2	8,040	1,479,367.24
LAZARD (actions ordinaires)	2,000,000	33,999,728.00
LAZARD (ESU)	6,000,000	101,999,184.00
MEDIAFINANCE	255,000	4,047,120.84
NATEXIS BANQUES POPULAIRES IMAGES 3	7,385	4,812,413.70
NATIXIS Middle East Limited	250,000	169,998.64
Natixis Real Estate Feeder SARL	7,120,000	7,120,000.00
Natexis Securities Inc.	100	1,936,498,45
MTS S.p.A Italie	9,511	3,062,542.00
Pentelia Limited	6,853,532	46,603,644.77
PROPARCO	267,300	4,017,739.19
SOFIPROTEOL	41,313	711,448.01
VILC – VIETNAM INTERNATIONAL LEASING	1,000,000	793,563.57
C) Other		
3RD CINVEN FD 1 LTD	0	8,103,643.56
ADVENT CAYMAN GPE IV	0	2,430,149.31
BAIN CAPITAL ASIA	0	152,842.88
BOULEVARD PÉRIPHÉRIQUE NORD DE LYON – LIQUIDATI	151,760	416,252.30
CARLYLE EUROPE PARTNERS II LP	11,374,487	11,374,487.00
CME	1	200,598.40
COLYZEO 2	6,524,958.00	6,524,958.00
DMC	662,100	801,141.00
EMBRAER	273,120	10,492,370.08

(in €)	Number of shares	Book value
EURAZEO CO-INVESTMENT PARTNERS	500	25,000,000.00
EUROTITRISATION	1,273	226,321.70
FIDEME	1,584	6,035,040.00
FIDEPPP	15,479	12,153,475.99
FONCIÈRE INEA	26,900	999,873.00
FOURTH CINVEN FUND	0	3,885,163.97
GIE LES JEUNES BOIS	503,080	507,215.47
GIE SPRING RAIN	17,599,140	1,351,071.60
GIE STAR TROIS	149,902,078	326,269.96
GIE VULCAIN ENERGIE	91,672	1,374,539.30
GOLD TOE INVESTMENT CORP	156,433	154,583.30
HINES PAN EUROPEAN CORE FUND	8,860,030	8,960,030.34
INDUSTRI KAPITAL 2004 GP LP	6,066,143	6,066,144.97
INDUSTRI KAPITAL 2007	650,000	650,000.00
LCH CLEARNET GROUP	362,903	462,860.11
LUCIA	93,000	1,982,843.51
M5 (AKA)	2,044,800	4,089,600.00
MR SCA SICAR	42,406	426,240.00
NATIXIS CIB 1	130,400	13,040,000.00
NATIXIS PRAMEX INTERNATIONAL	33,985	600,697.70
PAI EUROPE IV-C FCPR	2,500,000	15,147,750.00
PAI EUROPE IV-C FCPR UK GENERAL	1	5,076,750.00
PAI EUROPE V FCPR	274,750	25,000,000.00
PORCHER INDUSTRIES	506	427,830.10
RREEF	10,838,561	10,838,561.20
SICOVAM HOLDING – formerly Soparsico	3,694	30,417,099.22
SMTPC	93,497	236,680.74
SOFRANTEM	15,002	388,822.74
SYSTRA	7,300	1,977,973.37
SWAPSWIRE	257,887	332,926.00
TERRA FIRMA CAP.PART III	0	5,032,873.80
D) Investments with a book value of less than or equal to €150,000		**1,619,007.81**
E) Shareholders' advances		
Informatique CDC		25,311,941.51
SAS SFPMEI		710.00
F) Securities loaned		**33,294.50**
G) Accrued interest receivable		**829.63**
III – TREASURY STOCK		
NATIXIS	7,226,571	107,898,378.62
TOTAL INVESTMENTS AS AT DECEMBER 31, 2007		**22,281,158,510.25**

NOTE 9 DISCLOSURES OF SIGNIFICANT SHAREHOLDINGS IN FRENCH COMPANIES DURING THE YEAR

The information is provided pursuant to the provisions of Article L. 247-1 of the French Commercial Code:

	% at December 31, 2007	Number of shares at December 31, 2007
Additions		
BP D'ALSACE – STRASBOURG	21.92%	3,087,500
CACEIS	50.00%	5,074,546
CEP AQUITAINE POITOU CHARENTES formerly AQUITAINE NORD	20.00%	2,732,819
CEP BASSE NORMANDIE	20.00%	719,145
CEP BOURGOGNE FRANCHE COMTÉ	20.00%	2,253,842
CEP BRETAGNE	20.00%	33,215
CEP ÎLE DE FRANCE PARIS	20.00%	4,483,114
CEP LOIRE CENTRE – ex VAL DE FRANCE ORLÉANAIS	20.00%	1,675,293
CEP LOIRE DROME ARDÈCHE	20.00%	1,438,769
CEP LORRAINE CHAMPAGNE ARDENNE – formerly Lorraine	20.00%	2,370,047
CEP MIDI PYRÉNÉES	20.00%	2,385,621
CEP NORD FRANCE EUROPE – formerly PAS DE CALAIS	20.00%	3,304,598
CEP PAYS DE LA LOIRE	20.00%	2,030,000
CEP PICARDIE	20.00%	1,249,554
CEP PROVENCE ALPES CORSE	20.00%	3,880,917
CEP RHONE ALPES – formerly CEP ALPES	20.00%	3,398,568
COFACE HOLDING formerly SDGP 41	100.00%	114,626,067
ECRINVEST 11	100.00%	19,989,652
ECRINVEST 12	99.84%	3,694
ECRINVEST 13	99.84%	3,694
ECRINVEST 14	99.84%	3,694
ECRINVEST 15	99.84%	3,694
ECRINVEST 16	99.84%	3,694
ECRINVEST 17	99.84%	3,694
ECRINVEST 18	99.84%	3,694
ECRINVEST 19	99.84%	3,694
ECRINVEST 20	99.84%	3,694
GARBO-INVEST – formerly Investima 20	100.00%	105,000
INVESTIMA 25	100.00%	182,132
INVESTIMA 26	100.00%	182,100
INVESTIMA 27	100.00%	167,200
INVESTIMA 28	100.00%	166,450
INVESTIMA 29	100.00%	171,950
INVESTIMA 32	100.00%	353,600
INVESTIMA 34	100.00%	247,500

	% at December 31, 2007	Number of shares at December 31, 2007
INVESTIMA 35	100.00%	253,700
INVESTIMA 53 – SAS	100.00%	3,700
INVESTIMA 54 – SAS	100.00%	3,700
INVESTIMA 55 – SAS	100.00%	3,700
INVESTIMA 56 – SAS	100.00%	3,700
INVESTIMA 57 – SAS	100.00%	3,700
INVESTIMA 58 – SAS	100.00%	3,700
INVESTIMA 59 – SAS	100.00%	3,700
INVESTIMA 60 – SAS	100.00%	3,700
INVESTIMA 61 – SAS	100.00%	3,700
INVESTIMA 62 – SAS	100.00%	3,700
INVESTIMA 63- SAS	100.00%	3,700
INVESTIMA 64 – SAS	100.00%	3,700
INVESTIMA 65 – SAS	100.00%	3,700
INVESTIMA 66 – SAS	100.00%	3,700
INVESTIMA 67 – SAS	100.00%	3,700
INVESTIMA 68 – SAS	100.00%	3,700
INVESTIMA 69 – SAS	100.00%	3,700
INVESTIMA 70 – SAS	100.00%	3,700
INVESTIMA 71 – SAS	100.00%	3,700
INVESTIMA 72 – SAS	100.00%	3,700
INVESTIMA 73 – SAS	100.00%	3,700
MB2 – SOCIETE CONCESSION METRO/BUS/AGGLO BORDEAUX	15.64%	391
NATEXIS BANQUES POPULAIRES IMAGES 3	82.04%	7,385
NATIXIS FUNDING	100.00%	1,503,627
NATIXIS PAIEMENTS	100.00%	6,682,333
NATIXIS PARTICIPATIONS formerly SD CONSEIL	99.76%	2,494
NXBP 1 – formerly Natexis Gestion	100.00%	148,628
SCI ANTIN HAUSSMANN	100.00%	20
SOFIPROTEOL	9.82%	41,313
Removals		
ALIS		
CEP CENTRE-VAL DE LOIRE (absorbed by CEP LOIRE CENTRE)		
CEP CHAMPAGNE ARDENNE (absorbed by CEP LORRAINE CHAMPAGNE ARDENNE)		
CEP FLANDRE (absorbed by CEP NORD France EUROPE)		
CEP PAYS DE L'ADOUR (absorbed by CEP AQUITAINE POITOU CHARENTE)		
CEP PAYS DU HAINAUT (absorbed by CEP NORD France EUROPE)		
CEP POITOU CHARENTES (absorbed by CEP AQUITAINE POITOU CHARENTE)		
CEP RHÔNE ALPES LYON (absorbed by CEP RHÔNE ALPES)		
CEPAR		

	% at December 31, 2007	Number of shares at December 31, 2007
CIFG Holding (reclassified under “Securities held for sale”)		
COFACE (transfer to COFACE HOLDING)		
ECRINVEST 8 – formerly Nam Gérance (striked off)		
Foncier Assurance (transfer to Natixis Assurances)		
GCE Affacturage (absorbed by par Natixis Factor)		
GIE OMNIUM NATEXIS (liquidation)		
Ixis CIB (merger)		
NAMI – NATIXIS ASSET MANAGEMENT IMMOBILIER (transfer to NXBP 1)		
NATEXIS ASSET MANAGEMENT- NAM (transfer to NXBP 1)		
NATEXIS BANQUES POPULAIRES IMAGES 2 (liquidation)		
NATEXIS BANQUES POPULAIRES IMAGES 3 (liquidation)		
NATEXIS SECURITIES (absorbed by Ixis CIB)		
NATIXIS ALTAÏR IT SHARED SERVICES ex VAL E (sale)		
NATIXIS FINANCEMENT formerly CEFI (transfer to ECRINVEST 11)		
NATIXIS INVESTIMA – formerly SDGP 43 (transfer of all assets to holding company)		
Novacrédit (transfer to ECRINVEST 11)		
OGIF (Omnium gestion immobilière de l’ IdF)		
PATRIMOINE EUROPE (liquidation)		
SAGP (transfer of all assets to holding company)		
SAS VALMY LIBERTE CONSEIL (liquidation)		
SCI Guyancourt		
SCESCL		
SEMADE (liquidation)		
TURBO S.A. (sale)		

NOTE 10 INFORMATION CONCERNING SUBSIDIARIES AND ASSOCIATIES

Pursuant to Article L. 233-15 of the French Commercial Code (Thousands of units)

Company or group of companies	Share capital (thousands of units)	Reserves (thousands of units)	Percentage interest at Dec. 31, 2007
A - Investments with a carrying value in excess of 1% of the share capital of the reporting company			
- Investments in subsidiaries and associates (holdings in excess of 10 %)			
CACEIS 1 PLACE VALHUBERT 75013 PARIS	1,112,406 EUR	2,951 EUR	50.00%
COFACE HOLDING 30 RUE PIERRE MENDÈS-FRANCE 75013 PARIS	573,130 EUR	469,006 EUR	100.00%
COMPAGNIE 1818 08 RUE DU PROFESSEUR LAVIGNOLLE 33049 BORDEAUX CEDEX	118,918 EUR	(49,263) EUR	58.00%
ECRINVEST 11-30 AV PIERRE MENDÈS FRANCE 75013 PARIS	199,897 EUR	0 EUR	100.00%
GARBO-INVEST 30 AV PIERRE MENDÈS FRANCE 75013 PARIS	105,000 EUR	(2) EUR	100.00%
GCE BAIL 32 RUE BEAUJON 75008 PARIS	49,959 EUR	(12,053) EUR	100.00%
GESTITRES 24 VLA BAUDRAN 94742 ARCUEIL	28,504 EUR	4,782 EUR	100.00%
ICMNA INTERNATIONAL HOLDING 1209 ORANGE STREET – WILMINGTON NEW CASTLE COUNTY – DELAWARE ÉTATS-UNIS D'AMÉRIQUE	2,077,760 USD	1,959 USD	21.00%
INVEST KAPPA 45 RUE SAINT DOMINIQUE 75007 PARIS	5,761 EUR	1,851 EUR	100.00%
NATEXIS AMBS (NEW YORK) 645 FIFTH AVENUE NY 10022 – NEW YORK	562,050 USD	2,242 USD	100.00%
NATIXIS ALGÉRIE 62, CHEMIN DRARENI MOHAMED HYDRA ALGER	3,483,193 DZD	2,026,532 DZD	100.00%
NATIXIS ALTERNATIVE INVESTMENTS LUXEMBOURG LUXEMBOURG S.A. 25 RUE GOETHE L-1637 LUXEMBOURG	58,769 EUR	508 EUR	99.00%
NATIXIS ARBITRAGE 115 RUE MONTMARTRE 75002 PARIS	60,298 EUR	(16,287) EUR	100.00%
NATIXIS ASIA LIMITED SUITES 1911-1922 – 19 F TWO 88 QUEENSWAY PACIFIC PLACE HONG KONG HONG KONG	400,000 HKD	(162,125) HKD	100.00%
NATIXIS ASSURANCES 68 76 QUAI DE LA RAPÉE 75012 PARIS	80,399 EUR	499,164 EUR	100.00%

Book value of investments		Outstanding loans and advances (thousands of euros)	Guarantees given (thousands of euros)	Total revenues in previous year (thousands of units)	Net income or loss in previous year (thousands of units)	Dividends received in 2007 (thousands of euros)	Comments
Cost (thousands of euros)	Net (thousands of euros)						
645,500	645,500		80,018	591,955 EUR	118,023 EUR	16,500	
1,082,085	1,082,085			0 EUR	39,938 EUR	39,935	
75,201	75,201			73,640 EUR	10,813 EUR	-	
199,897	199,897			20 EUR	(27) EUR	-	
105,000	100,781			(20,114) EUR	(20,121) EUR	-	
39,000	39,000			10,251 EUR	1,225 EUR	-	
32,352	32,352			104,734 EUR	15,555 EUR	3,915	
260,919	260,919			104,047 USD	67,631 USD	10,016	
20,195	7,612			294 EUR	303 EUR	-	
194,994	194,994	-	-	31,352 USD	31,332 USD	-	
56,678	56,678			1,814,510 DZD	337,513 DZD	-	
58,904	58,904			689 EUR	373 EUR		
60,615	44,011			11,339 EUR	5,767 EUR	-	
39,586	39,586	7,869		94,426 HKD	(59,930) HKD		
798,540	798,540	60,000		87,943 EUR	84,979 EUR	91,936	

Company or group of companies	Share capital (thousands of units)	Reserves (thousands of units)	Percentage interest at Dec. 31, 2007
NATIXIS BLEICHROEDER 1345 AV. OF THE AMERICAS NEW YORK, NY 10105-4300	151,503 USD	(14,954) USD	100.00%
NATIXIS BRASIL S.A. AVENIDA PAULISTA N287 EDIFICIO SANTA CATARINA,12 ANDAR SAO PAULO	88,015 BRL	0 BRL	100.00%
NATIXIS COFICINÉ 6 RUE DE L AMIRAL HAMELIN 75116 PARIS	5,897 EUR	8,915 EUR	94.00%
NATIXIS COMMODITY MARKETS LTD-85 KING WILLIAM STREET EC4N 7BL LONDON	35,788 USD	17,493 USD	100.00%
NATIXIS CONSUMER FINANCE 5 RUE MASSERAN 75007 PARIS	32,237 EUR	(45,559) EUR	100.00%
NATIXIS CORPORATE SOLUTIONS ORMONDE HOUSE 12 LOWER LEESON STREET DUBLIN IRLANDE	100,000 EUR	165,184 EUR	100.00%
NATIXIS FUNDING 115 RUE MONTMARTRE 75002 PARIS	22,555 EUR	2,182 EUR	100.00%
NATIXIS GARANTIES 128 RUE LA BOÉTIE 75008 PARIS	269,194 EUR	36,033 EUR	100.00%
NATIXIS IMMO EXPLOITATION 30 RUE PIERRE MENDÈS-FRANCE 75013 PARIS	117,036 EUR	439 EUR	100.00%
NATIXIS INNOV 47 QUAI D'AUSTERLITZ 75648 PARIS CEDEX 13	150,060 EUR	(16,532) EUR	100.00%
NATIXIS INTERÉPARGNE 68 QUAI DE LA RAPÉE 75012 PARIS	8,891 EUR	18,585 EUR	100.00%
NATIXIS LEASE 115 RUE MONTMARTRE 75002 PARIS	267,242 EUR	137,497 EUR	100.00%
NATIXIS LUXEMBOURG S.A. 51 AVENUE J.F. KENNEDY L-1855 LUXEMBOURG	333,503 EUR	92,172 EUR	100.00%
NATIXIS MARCO 47 QUAI D'AUSTERLITZ 75013 PARIS	1,000,170 EUR	469 EUR	100.00%
NATIXIS MOSCOW 1 TVERSKAYA YAMSKAYA 23 RU 125047 MOSCOW	1,153,089 RUR	269,894 RUR	100.00%
NATIXIS NORTH AMERICA INC 36TH FLOOR 9W 57TH STREET NEW YORK NY 10019	25 USD	253,377 USD	100.00%
NATIXIS PAIEMENTS 30 RUE PIERRE MENDÈS-FRANCE 75013 PARIS	36,753 EUR	4,033 EUR	100.00%
NATIXIS PRIVATE BANKING 51 AVENUE JF KENNEDY L-1855 LUXEMBOURG	33,340 EUR	5,303 EUR	100.00%

	Book value of investments		Outstanding loans and advances (thousands of euros)	Guarantees given (thousands of euros)	Total revenues in previous year (thousands of units)	Net income or loss in previous year (thousands of units)	Dividends received in 2007 (thousands of euros)	Comments
	Cost (thousands of euros)	Net (thousands of euros)						
	172,942	181,172			121,836 USD	10,343 USD	-	(1)
	33,957	34,278			(481) BRL	(1,153) BRL	-	(1)
	31,500	29,000			10,750 EUR	3,487 EUR	3,006	
	19,940	24,037			56,379 USD	4,943 USD	-	(1)
	29,000	17,500			351 EUR	(18,876) EUR	-	
	213,033	213,033	3,115,371		213,251 EUR	102,414 EUR	25,500	
	23,883	11,102			(13,398) EUR	(13,635) EUR	553	
	474,976	474,976			115,986 EUR	54,078 EUR	12,941	
	124,002	124,002			88,594 EUR	175,695 EUR	-	
	150,060	150,060	2,347,856		(24,625) EUR	(3,675) EUR		
	57,053	57,053			77,147 EUR	8,224 EUR	6,835	
	399,595	399,595	162,424		305,546 EUR	193,954 EUR	29,173	
	400,685	400,685		295,538	20,676 EUR	12,996 EUR	-	
	1,000,170	1,000,170			747 EUR	475 EUR		
	2,7606	36,7430			371,080 RUR	144,743 RUR	-	(1)
	412,7270	412,7270	5,085,231		(136,512) USD	(258,562) USD	87,746	(2)
	37,9840	37,9840			127,299 EUR	18,548 EUR	15,897	
	53,9710	53,9710			19,547 EUR	3,470 EUR	-	

Company or group of companies	Share capital (thousands of units)	Reserves (thousands of units)	Percentage interest at Dec. 31, 2007
NATIXIS PRIVATE EQUITY			
5-7 RUE DE MONTTESSUY 75007 PARIS	438,456 EUR	149,533 EUR	100.00%
NATIXIS SECURITIES			
47 QUAI D'AUSTERLITZ 75013 PARIS	4,014 EUR	61,573 EUR	100.00%
NATIXIS TRANSPORT FINANCE			
30 RUE PIERRE MENDÈS-FRANCE 75013 PARIS	95,626 EUR	80,685 EUR	100.00%
NXBP 1			
30 RUE PIERRE MENDÈS-FRANCE 75013 PARIS	2,378 EUR	3,519,828 EUR	100.00%
PENTELIA LIMITED			
PO BOX 309GT UGLAND HOUSE SOUTH CHURCH STREET GEORGE TOWN ILES CAIMAN	370 USD	nc USD	100.00%
SAS VAL A			
115 RUE MONTMARTRE 75002 PARIS	167,200 EUR	119,905 EUR	100.00%
SNC TOLBIAC FINANCE			
47 QUAI D'AUSTERLITZ 75013 PARIS	328,125 EUR	22,570 EUR	100.00%
SPAFICA			
115 RUE MONTMARTRE 75002 PARIS	685 EUR	62,858 EUR	100.00%
BANQUES POPULAIRES REGIONALES (SOMME)	4,489,954 EUR	8,400,274 EUR	20.00%
CAISSE D'ÉPARGNE ET DE PREVOYANCE (SOMME)	4,127,564 EUR	11,744,698 EUR	20.00%
B - other interests			
Other interests not included under A			
21 - France (aggregate)			
22 - Other (aggregate)			

* *Figures extracted from accounting documents at 31/12/2007*

(1) *The net value of these lines of securities is higher than their gross value, due to a positive translation differential.*

(2) *Figures for the Natixis NA sub-group.*

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Book value of investments Cost (thousands of euros)	Net (thousands of euros)	Outstanding loans and advances (thousands of euros)	Guarantees given (thousands of euros)	Total revenues in previous year (thousands of units)	Net income or loss in previous year (thousands of units)	Dividends received in 2007 (thousands of euros)	Comments
512,9910	512,9910	260,000		180,691 EUR	161,032 EUR	40,986	
48,1740	48,1740	12,958		139,314 EUR	10,408 EUR	1,438	
177,1270	177,1270	229,775		25,995 EUR	15,504 EUR	12,133	
3,715,669	3,715,669			196,655 EUR	196,518 EUR	203,900	
46,6040	46,6040			nc USD	nc USD		
282,160	282,160			12,578 EUR	12,297 EUR	67,500	
328,125	328,125			22,658 EUR	22,570 EUR	22,570	
63,473	63,473	31,267		11,403 EUR	17,043 EUR	11,646	
4,175,213	4,175,213	3,389,667	343,906	5,267,729 EUR	961,613 EUR	-	
4,698,745	4,698,745			1,672,091 EUR	1,672,091 EUR	117,552	
494,743	433,400	4,209,884	531,749			492,023	
397,380	397,360	4,375,947				2,362,369	

NOTE 11 TREASURY STOCK – ASSETS

(in € millions)	Quantity purchased	Purchase price	Average purchase price	Quantity sold or cancelled	Selling price	Average selling price	Closing stock	% of share capital
At January 1, 2007	**-**	**-**		**-**	**-**		**-**	
Share price regulation	13,299,459	221,501,458	16.65	12,004,099	204,122,124	17.00	1,295,360	
Allocated to employees	171,003	2,469,261	14.44				171,003	
Share allocation plan (SAGA)	5,760,208	88,813,771	15.42				5,760,208	
At December 31, 2007	**19,230,670**	**312,784,490**	**16.26**	**12,004,099**	**204,122,124**	**17.00**	**7,226,571**	**0.59%**

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NOTE 12 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

	2007			2006			2005		
(in € millions)	Cost	Deprecia-tion, amor-tization & impairment	Net	Cost	Deprecia-tion, amor-tization & impairment	Net	Cost	Deprecia-tion, amor-tization & impairment	Net
Property, plant & equipment and intangible assets used in the business	**1,480**	**(281)**	**1,199**	**347**	**(172)**	**175**	**286**	**(165)**	**121**
Intangible assets	1,113	(101)	1,012	134	(47)	87	87	(43)	
Property, plant & equipment	367	(180)	187	213	(125)	88	199	(122)	77
Non-operating assets	**5**	**(4)**	**1**	**8**	**(6)**	**2**	**9**	**(6)**	**3**
Intangible assets	0	0	0	0	0	0	0	0	0
Property, plant & equipment	5	(4)	1	8	(6)	2	9	(6)	3
INTANGIBLE ASSETS	**1,113**	**(101)**	**1,012**	**134**	**(47)**	**87**	**87**	**(43)**	**44**
PROPERTY, PLANT & EQUIPMENT	**372**	**(184)**	**188**	**221**	**(131)**	**90**	**208**	**(128)**	**80**

	Year-end 2006	Integration of Ixis CIB	Acquisitions	Disposals	Other	Year-end 2007
Cost						
Intangible assets used in the business	**134**	**73**	**937**	**(30)**	**(1)**	**1,113**
purchased goodwill	21	1	862	(1)	(1)	882
software	52	23	28	(25)	12	90
other	61	49	47	(4)	(12)	141
Property, plant & equipment used in the business	**213**	**111**	**85**	**(50)**	**8**	**367**
land and buildings	106	0	26	(8)	0	124
other	107	111	59	(42)	8	243
Non-operating property, plant & equipment	**8**	**0**	**0**	**(3)**	**0**	**5**
land and buildings	6	0	0	(3)	0	3
other	2	0	0	0	0	2
TOTAL	**355**	**184**	**1,022**	**(83)**	**7**	**1,485**

	Year-end 2006	Integration of Ixis CIB	Charges and reversals	Disposals	Other	Year-end 2007
Amortization, depreciation and impairment						
Intangible assets used in the business	**47**	**55**	**24**	**(24)**	**0**	**101**
purchased goodwill	1	0	0	(1)	0	0
software	36	9	18	(23)	0	40
other	10	45	6	0	0	61
Property, plant & equipment used in the business	**125**	**64**	**35**	**(43)**	**(1)**	**180**
land and buildings	52	0	6	(8)	0	50
other	73	64	29	(35)	(1)	130
Non-operating property, plant & equipment	**6**	**0**	**0**	**(2)**	**0**	**4**
land and buildings	5	0	0	(2)	0	3
other	1	0	0	0	0	1
TOTAL	**178**	**119**	**59**	**(69)**	**(1)**	**285**

NOTE 13 ACCRUED INCOME, PREPAID EXPENSES AND OTHER ASSETS

(in € millions)	2007	2006	2005
Purchased options	14,137	2,504	2,075
Settlement accounts	703	184	193
Other receivables	11,551	1,121	859
Inventory accounts	1	3	1
OTHER ASSETS	**26,392**	**3,812**	**3,128**
Collection accounts	0	9	3
Adjustment accounts	4,680	75	505
Gains on financial instruments	4,707	0	0
Deferred charges or prepayments	240	107	80
Accrued income	1,073	346	594
Other	13,251	474	660
PREPAYMENTS AND ACCRUED INCOME	**23,951**	**1,011**	**1,842**

NOTE 14 INTERBANK AND MONEY MARKET LIABILITIES

(in € millions)	2007	2006	2005
Due to central banks and post offices	1,405	613	412
Deposits from banks	137,318	50,267	54,106
Demand deposits	24,281	14,648	10,987
accrued interest payable	*4*	*5*	*2*
other amounts due	*6*	*1*	*25*
Time deposits (*)	113,037	35,619	43,119
acrrued interest payable	*1,328*	*344*	*426*
INTERBANK AND MONEY MARKET LIABILITIES	**138,723**	**50,880**	**54,518**
(*) *including securities delivered under repurchase agreements:*	*56,042*	*21,577*	*31,474*
accrued interest payable	*878*	*239*	*346*

NOTE 15 CUSTOMER DEPOSITS

(in € millions)	2007	2006	2005
Special savings accounts	87	60	63
Other liabilities	48,066	12,979	19,763
Demand deposits	10,969	5,967	6,065
accrued interest payable	*7*	*6*	*4*
other amounts due	*5*	*3*	*66*
Time deposits (*)	37,097	7,012	13,698
accrued interest payable	*77*	*24*	*111*
guarantee deposits	*683*	*145*	*112*
CUSTOMER DEPOSITS	**48,153**	**13,039**	**19,826**
(*) including securities delivered under repurchase agreements:	*19,316*	*1,108*	*7,324*
accrued interest payable	*91*	*6*	*80*

NOTE 16 DEBT SECURITIES IN ISSUE

(in € millions)	2007	2006	2005
Interbank market instruments and money market instruments	**91,256**	**46,396**	**30,238**
accrued interest payable	*974*	*437*	*184*
Bonds	**18,262**	**2,087**	**4,224**
accrued interest payable	*216*	*26*	*41*
Retail certificates of deposit and savings bonds	**1**	**1**	**1**
accrued interest payable	*0*	*0*	*0*
DEBT SECURITIES IN ISSUE	**109,519**	**48,484**	**34,463**

NOTE 17 DEFERRED INCOME, ACCRUED CHARGES AND OTHER LIABILITIES

(in € millions)	2007	2006	2005
Sundry payables	10,103	1,940	1,763
Securities transactions	46,647	3,745	4,122
trading account securities	*0*	*0*	*0*
liabilities on trading account securities	*46,665*	*3,735*	*4,101*
accrued interest payable	*(18)*	*0*	*0*
Sold options	13,369	1,936	1,451
Securities settlement accounts	90	120	197
OTHER LIABILITIES	**70,209**	**7,741**	**7,533**
Unavailable accounts	207	45	70
Adjustment and suspense accounts	6,743	468	514
Losses on financial instruments	1,659	0	0
Deferred income	136	52	43
Accrued charges	1,826	724	630
Other	5,345	1,635	1,118
ACCRUED CHARGES AND DEFERRED INCOME	**15,916**	**2,924**	**2,375**

NOTE 18 PROVISIONS FOR CONTINGENCIES AND CHARGES

(in € millions)	Employee benefits	Off-balance sheet commitments	Country risks	Specific credit risk	Provisions for litigation	Industry risk	Tax-driven provisions	Financial instrument risks	Sundry risks	Total
At January 1, 2005	**66**	**9**	**235**	**32**	**15**	**190**	**224**	**16**	**9**	**796**
Charges	14	22	17	14	7	53	45	16	2	190
Reversals	(12)	(20)	(17)	(5)	(12)	(14)	(36)	(14)	(6)	(136)
Translation differences			16	0	1	4	1	0	0	22
Other charges	77	2	0	0	(5)	(13)	2	0	(1)	62
Movements in 2005	**79**	**4**	**16**	**9**	**(9)**	**30**	**12**	**2**	**(5)**	**138**
Balance at December 31, 2005	**145**	**13**	**251**	**41**	**6**	**220**	**236**	**18**	**4**	**934**
At January 1, 2006	**145**	**13**	**251**	**41**	**6**	**220**	**236**	**18**	**4**	**934**
Charges	7	20	89	10	1	188	71	45	0	431
Reversals	(14)	(18)	(77)	(7)	(2)	(91)	(68)	(4)	(2)	(283)
Translation differences	0	0	(13)	0	0	(2)	(1)	0	0	(16)
Other charges	2	0	0	0	0	5	(6)	0	0	1
Movements in 2006	**(5)**	**2**	**(1)**	**3**	**(1)**	**100**	**(4)**	**41**	**(2)**	**133**
Balance at December 31, 2006	**140**	**15**	**250**	**44**	**5**	**320**	**232**	**59**	**2**	**1,067**
At January 1, 2007	**140**	**15**	**250**	**44**	**5**	**320**	**232**	**59**	**2**	**1,067**
Integration of Ixis CIB	6	105	9	0	14	0	35	2	1	172
Charges	11	26	33	21	7	217	131	546	20	1,012
Reversals	(9)	(19)	(15)	(8)	(7)	(28)	(72)	(60)	(1)	(219)
Translation differences	0	0	(7)	0	0	(7)	(3)	0	0	(17)
Other charges	2	(104)	0	0	4	102	0	0	0	4
Movements in 2007	**10**	**8**	**20**	**13**	**18**	**284**	**91**	**488**	**20**	**952**
Balance at December 31, 2007	**150**	**23**	**270**	**57**	**23**	**604**	**323**	**547**	**22**	**2,019**

NOTE 19 SUBORDINATED DEBT

(in € millions)	2007	2006	2005
Dated subordinated debt	**8,378**	**5,217**	**3,182**
Subordinated notes	6,927	4,699	2,514
Subordinated loans	1,451	518	668
Perpetual subordinated debt	**2,058**	**614**	**615**
Participating loans	0	0	0
Subordinated notes	2,058	586	587
Subordinated loans	0	28	28
Accrued interest payable	**171**	**63**	**45**
SUBORDINATED DEBT	**10,607**	**5,894**	**3,842**

NOTE 20 FUND FOR GENERAL BANKING RISKS

(in € millions)	Euro FGBR	Foreign currency FGBR	Foreign currency provision	Total
At January 1, 2005	**190**	**23**	**20**	**233**
Charges				0
Reversals				0
Translation differences		6		6
Other charges				0
Movements in 2005	**0**	**6**	**0**	**6**
Balance at December 31, 2005	**190**	**29**	**20**	**239**
At January 1, 2006	**190**	**29**	**20**	**239**
Charges				0
Reversals	(190)	(23)	(21)	(234)
Translation differences		(6)	1	(5)
Other charges				0
Movements in 2006	**(190)**	**(29)**	**(20)**	**(239)**
Balance at December 31, 2006	**0**	**0**	**0**	**0**
At January 1, 2007	**0**	**0**	**0**	**0**
Integration of Ixis CIB	0	0	0	0
Charges	0	0	0	0
Reversals	0	0	0	0
Translation differences	0	0	0	0
Other charges	0	0	0	0
Movements in 2007	**0**	**0**	**0**	**0**
Balance at December 31, 2007	**0**	**0**	**0**	**0**

NOTE 20B REGULATED PROVISIONS

(in € millions)	Revaluation reserve for depreciable assets	Provisions for investment	Accelerated depreciation	Total
At January 1, 2005	**0**	**11**	**0**	**11**
Charges			1	1
Reversals				0
Translation differences				0
Other charges				0
Movements in 2005	**0**	**0**	**1**	**1**
Balance at December 31, 2005	**0**	**11**	**1**	**12**
At January 1, 2006	**0**	**11**	**1**	**12**
Charges		6		6
Reversals		(2)		(2)
Translation differences				0
Other charges				0
Movements in 2006	**0**	**4**	**0**	**4**
Balance at December 31, 2006	**0**	**15**	**1**	**16**
At January 1, 2007	**0**	**15**	**1**	**16**
Integration of Ixis CIB	0	0	0	0
Charges	0	7	0	7
Reversals	0	(2)	0	(2)
Translation differences	0	0	0	0
Other charges	0	0	0	0
Movements in 2007	**0**	**5**	**0**	**5**
Balance at December 31, 2007	**0**	**20**	**1**	**21**

NOTE 21 SHARE CAPITAL, SHARE PREMIUM, RESERVES AND RETAINED EARNINGS

(in € millions)	Share capital	Share premium	Legal reserve	General reserve	Long-term capital gains reserve	Other reserves	Retained earnings	Total
At January 1, 2005	**772**	**1,796**	**64**	**275**	**192**	**11**	**(13)**	**3,097**
Appropriation of 2004 income			10	31			173	214
Dividends paid in 2005							(154)	(154)
Capital increase	4	26						30
Exercise of stock options	8	34						42
Changes in accounting methods							(100)	(100)
Transfer of long-term capital gains reserve					(192)	187	5	0
Movements in 2005	**12**	**60**	**10**	**31**	**(192)**	**187**	**(76)**	**32**
Balance at December 31, 2005	**784**	**1,856**	**74**	**306**	**0**	**198**	**(89)**	**3,129**
At January 1, 2006	**784**	**1,856**	**74**	**306**	**0**	**198**	**(89)**	**3,129**
Appropriation of 2005 income			5	121			342	468
Dividends paid in 2006							(245)	(245)
Capital increase	1,188	13,313						14,501
Reduction in share capital	(25)	(289)						(314)
Set-off of expenses		(4)						(4)
Exercise of stock options	5	21						26
Changes in accounting methods							9	9
Movements in 2006	**1,168**	**13,041**	**5**	**121**	**0**	**0**	**106**	**14,441**
Balance at December 31, 2006	**1,952**	**14,897**	**79**	**427**	**0**	**198**	**17**	**17,570**
At January 1, 2007	**1,952**	**14,897**	**79**	**427**	**0**	**198**	**17**	**17,570**
Appropriation of 2006 income	0	0	36	(325)	0	0	1,032	743
Dividends paid in 2007	0	0	0	0	0	0	(1,049)	(1,049)
Capital increase	0	0	0	0	0	0	0	0
Reduction in share capital	0	0	0	0	0	0	0	0
Set-off of expenses	0	0	0	0	0	0	0	0
Exercise of stock options	3	15	0	0	0	0	0	18
Changes in accounting methods	0	0	0	0	0	0	0	0
Movements in 2007	**3**	**15**	**36**	**(325)**	**0**	**0**	**(17)**	**(288)**
Balance at December 31, 2007	**1,955**	**14,912**	**115**	**102**	**0**	**198**	**0**	**17,282**

NOTE 22 INTERGROUP TRANSACTIONS

(in € millions)	2007	2006	2005
Assets			
Loans and advances to banks	15,629	25,520	15,940
Customer loans	7,865	4,281	2,718
Bonds and other fixed-income securities	3,296	34	390
Equities and other variable income securities	4,367	2,325	648
Liabilities			
Deposits from banks	5,595	27,141	13,817
Customer deposits	11,756	1,798	1,459
Debt securities in issue	6,326	176	245
Subordinated debt	790	349	350
Off-balance sheet			
Financing commitments given to			
credit institutions	256	3,250	2,023
customer	517	8	
Guarantees given on behalf of			
credit institutions	886	1,063	702
customers	852	522	690

NOTE 23 STATEMENT OF ASSETS, LIABILITIES AND COMMITMENTS RELATED TO MANAGEMENT OF PUBLIC PROCEDURES

(in € millions)	2007	2006	2005
Interbank and money market assets	83	166	250
Customer loans	354	400	697
Other assets	0	0	0
TOTAL ASSETS	**437**	**566**	**947**
Interbank and money market liabilities	155	239	322
Customer deposits	605	523	727
Debt securities in issue	0	0	0
Other liabilities	26	81	95
TOTAL LIABILITIES	**786**	**843**	**1,144**
Commitments given			
Financing commitments given	0	0	0
Guarantees given	0	0	1
TOTAL COMMITMENTS GIVEN	**0**	**0**	**1**
Commitments received			
Financing commitments received	0	0	0
Guarantees received	103	183	263
TOTAL COMMITMENTS RECEIVED	**103**	**183**	**263**

NOTE 24 INTEREST INCOME

(in € millions)	2007	2006	2005
Interbank transactions	8,637	2,813	2,232
Customer transactions	4,801	1,985	1,463
Finance lease transactions	0	0	9
Operating lease transactions	0	0	9
Bonds and other fixed-income securities	3,093	448	443
Other interest and similar income	1,137	170	315
TOTAL	**17,668**	**5,416**	**4,471**

NOTE 25 INTEREST EXPENSE

(in € millions)	2007	2006	2005
Interbank transactions	(9,520)	(2,663)	(2,072)
Customer transactions	(3,356)	(655)	(539)
Finance lease transactions	0	0	(7)
Operating lease transactions	0	0	(8)
Bonds and other fixed-income securities	(4,844)	(1,770)	(1,075)
Other interest and similar expense	(969)	(230)	(278)
TOTAL	**(18,689)**	**(5,318)**	**(3,979)**

NOTE 26 INCOME FROM VARIABLE INCOME SECURITIES

(in € millions)	2007	2006	2005
Investments in subsidiaries	1,063	429	292
Securities held for sale	15	4	2
TOTAL	**1,078**	**433**	**294**

NOTE 27 NET FEE AND COMMISSION INCOME

(in € millions)	2007	2006	2005
Fee and commission income			
Customer transactions	174	142	103
Securities transactions	73	3	2
Off-balance sheet items:			
Financial instruments	22	15	11
Financing commitments	31	26	20
Guarantee commitments	33	36	38
Other commitments given	1	9	3
Other			
Foreign exchange transactions	1	1	
Other financial services	110	156	229
Payment services	66	71	45
Ancillary income	215	211	145
Other	72	49	42
TOTAL	**798**	**719**	**638**
Fee and commission expense			
Customer transactions	(2)	(5)	(6)
Securities transactions	(98)	(3)	(3)
Off-balance sheet items:			
Financial instruments	(67)	(29)	(21)
Guarantee commitments	(19)	(16)	(19)
Other	(5)	(4)	(1)
Foreign exchange transactions	(4)	(1)	(1)
Other financial services	(51)	(94)	(164)
Payment services	(52)	(60)	(24)
Other	(49)	(4)	(2)
TOTAL	**(347)**	**(216)**	**(241)**

NOTE 28 NET GAINS/(LOSSES) ON TRADING ACCOUNT SECURITIES

(in € millions)	2007	2006	2005
Net gains/(losses) on trading account securities	2,113	165	74
Net gains/(losses) on foreign exchange transactions	396	584	269
Net gains/(losses) on financial instruments	(235)	134	(182)
TOTAL	**2,274**	**883**	**161**

NOTE 29 NET GAINS/(LOSSES) ON SECURITIES HELD FOR SALE

(in € millions)	2007	2006	2005
Gains on disposal	339	37	104
Losses on disposal	(364)	(39)	(13)
Impairment charges	(769)	(60)	(58)
Reversals of impairment charges	5	57	84
TOTAL	**(789)**	**(5)**	**117**

NOTE 30 OTHER BANKING REVENUE AND EXPENSE

(in € millions)	2007	2006	2005
Expenses on commitments	(3)	(17)	(32)
Expenses on income sharing agreements	(80)	(22)	(10)
Ancillary income	7	3	2
Share of income in banking joint ventures	2	2	0
Transfers of banking expenses	72	0	34
Other	8	(13)	(12)
TOTAL	**6**	**(47)**	**(18)**

NOTE 31 GENERAL OPERATING EXPENSES

(in € millions)	2007	2006	2005
Payroll costs			
Wages and salaries	(669)	(415)	(331)
Social security contributions [(1)]	(240)	(188)	(158)
Incentive and profit-sharing plans	(29)	(46)	(36)
Payroll taxes	(71)	(40)	(33)
Expenses rebilled	26	29	18
Charges to provisions for contingencies and charges (pension commitments)	(1)	6	(4)
	(984)	(654)	(544)
Other administrative costs			
Finance leases	(9)	(9)	(11)
Taxes other than on income	(47)	(22)	(11)
External services	(966)	(565)	(361)
Expenses rebilled	91	53	26
	(931)	(543)	(357)
Depreciation, amortization and impairment of property, plant & equipment and intangible assets			
Impairment charges	(60)	(30)	(21)
TOTAL	**(1,975)**	**(1,227)**	**(922)**
(1) Including pension costs	*(72)*	*(51)*	*(47)*

NOTE 32 COST OF RISK

(in € millions)	2007	2006	2005
Deducted from assets			
Non-performing loans:	***28***	***(39)***	***(37)***
Impairment charges	(48)	(60)	(87)
Reversals of impairment charges	129	98	152
Losses covered by impairment charges	(62)	(82)	(110)
Losses not covered by impairment charges	(4)	(11)	(5)
Recovery of bad debts written off	13	16	13
Securities:	***(14)***	***27***	***4***
Impairment charges	(20)	(5)	(17)
Reversals of impairment charges	6	32	52
Losses covered by impairment charges	0	0	(31)
Losses not covered by impairment charges	0	0	0
Recovery of bad debts written off	0	0	0
Net charge deducted from assets	**14**	**(12)**	**(33)**
Recognized as liabilities			
Country risks:	***(20)***	***(28)***	***(7)***
Charges to provisions	(34)	(89)	(17)
Reversals from provisions	15	77	17
Losses covered by impairment charges	(1)	(16)	(8)
Losses not covered by impairment charges	0	0	0
Recovery of bad debts written off	0	0	1
Contingences and charges	***(169)***	***(101)***	***(36)***
Charges to provisions	(220)	(198)	(50)
Reversals from provisions	51	97	14
Losses covered by impairment charges	0	0	0
Losses not covered by impairment charges	0	0	0
Recovery of bad debts written off	0	0	0
Net provision charge recognized as liabilities	**(189)**	**(129)**	**(43)**
TOTAL	**(175)**	**(141)**	**(76)**

NOTE 33 NET GAINS/(LOSSES) ON DISPOSALS OF NON-CURRENT ASSETS

(in € millions)	2007	2006	2005
Long-term investments			
Gains			
Investments in associates and other securities held for investment	98	85	13
Debt securities held for investment	1	4	2
Losses			
Investments in associates and other securities held for investment	(41)	(3)	(18)
Debt securities held for investment	(17)	(21)	(1)
Impairment charges			
Investments in associates and other securities held for investment (1)	(606)	(5)	(5)
Debt securities held for investment	0	0	0
Reversal of impairment charges			
Investments in associates and other securities held for investment	95	9	38
Debt securities held for investment	0	0	0
Charges to provisions for contingencies and charges			
Investments in associates and other securities held for investment	0	2	3
TOTAL	**(470)**	**71**	**32**
Property, plant & equipment and intangible assets	**17**	**2**	**0**
TOTAL	**(453)**	**73**	**32**

(1) 2007: including €536.5 million for CIFG Holding

NOTE 34 EXCEPTIONAL ITEMS

(in € millions)	2007	2006	2005
Payroll costs			
Reversal from provision for departures under the	0	1	2
employee assistance program	0	(1)	(2)
Other exceptional items			
Other exceptional charges	0	0	0
VAT reassessment	0	0	0
Other exceptional income (1)	0	0	82
TOTAL	**0**	**0**	**82**

(1) Year 2005: compensation on termination of lease contract over the Liberté 2 building.

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NOTE 35 CORPORATE INCOME TAX

(in € millions)	2007	2006	2005
Tax at standard rate	(72)	(66)	(52)
Surtax and annual fixed tax charge			(2)
Tax at reduced rates	(3)		
Tax reassessments	(24)	(19)	(31)
Tax credits	14	11	8
Impact of group tax relief	148	23	(24)
Other	50	(4)	1
Carry Back	29		
TOTAL	**142**	**(55)**	**(100)**

NOTE 36 CHANGE IN NUMBER OF EMPLOYEES

	2007	2006	2005
Technicians	1,848	1,863	1,897
Managers	5,800	3,209	2,851
TOTAL EMPLOYEES	**7,648**	**5,072**	**4,748**

NOTE 37 OFF-BALANCE SHEET FINANCIAL INSTRUMENTS

(in € millions)	2007	2006	2005
Organized markets	**637,712**	**65,653**	**61,010**
Swaps			
Forward transactions	*268,169*	*0*	*0*
Options	*0*	*0*	*0*
Other			
Forward transactions	*11,836*	*65,579*	*57,915*
Options	*357,707*	*74*	*3,095*
Over-the-counter	**5,212,560**	**892,190**	**620,183**
Swaps			
Forward transactions	*3,967,331*	*663,547*	*478,625*
Options	*503,247*	*0*	*0*
Hors swaps			
Forward transactions	*0*	*77,991*	*60,795*
Options	*741,982*	*150,652*	*80,763*
INTEREST RATE INSTRUMENTS	**5,850,272**	**957,843**	**681,193**
Organized markets	**0**	**13**	**29**
Swaps			
Forward transactions	*0*	*0*	*0*
Options	*0*	*0*	*0*
Other			
Forward transactions	*0*	*13*	*0*
Options	*0*	*0*	*29*
Over-the-counter	**167,384**	**239,584**	**192,836**
Swaps			
Forward transactions	*455*	*1,963*	*236*
Options	*0*	*0*	*0*
Other			
Forward transactions	*0*	*0*	*0*
Options	*166,929*	*237,621*	*192,600*
CURRENCY INSTRUMENTS	**167,384**	**239,597**	**192,865**
Organized markets	**802,754**	**8,017**	**5,727**
Swaps			
Forward transactions	*6,394*	*0*	*0*
Options	*0*	*0*	*0*
Other			
Forward transactions	*1,096*	*899*	*325*
Options	*795,264*	*7,118*	*5,402*
Over-the-counter	**83,599**	**19,583**	**14,959**
Swaps			
Forward transactions	*6,865*	*129*	*21*
Options	*0*	*0*	*0*
Other			
Forward transactions	*122*	*29*	*25*
Options	*76,612*	*19,425*	*14,913*
OTHER INSTRUMENTS	**886,353**	**27,600**	**20,686**

NOTE 38 OFF-BALANCE SHEET COMMITMENTS AND FOREIGN CURRENCY TRANSACTIONS

COMMITMENTS

(in € millions)	2007	2006	2005
Financing commitments given to	**45,433**	**37,807**	**30,141**
Financial institutions	3,002	8,797	3,165
Customers	42,431	29,010	26,976
Guarantees given on behalf of	**31,556**	**20,385**	**19,900**
Financial institutions	3,638	3,016	2,839
Customers	27,918	17,369	17,061
Commitments on securities	**2,816**	**183**	**103**
Other commitments	**15,226**	**52**	**272**
TOTAL COMMITMENTS GIVEN	**95,031**	**58,427**	**50,416**
Financing commitments received from	**3,957**	**14,368**	**3,814**
Financial institutions	3,892	14,243	3,795
Customers	65	125	19
Guarantees received from	**38,680**	**13,338**	**6,442**
Financial institutions	34,066	10,555	3,564
Customers	4,614	2,783	2,878
Commitments on securities	**3,360**	**195**	**120**
Other commitments	**11,161**	**1,613**	**2,000**
TOTAL COMMITMENTS RECEIVED	**57,158**	**29,514**	**12,376**

FOREIGN CURRENCY TRANSACTIONS

(in € millions)	2007	2006	2005
Spot transactions			
Foreign currencies purchased not received	21,320	5,827	6,759
Foreign currencies sold not delivered	20,674	5,836	6,673
Foreign currency lending/borrowing			
Foreign currencies loaned not delivered	479	0	0
Foreign currencies borrowed not received	1,881	0	0
Forward currency			
Euros receivable/currencies deliverable	147,091	63,974	59,864
Currencies receivable/euros deliverable	158,470	98,101	71,600
Currencies receivable/currencies deliverable	160,855	31,491	22,383
Currencies deliverable/currencies receivable	160,064	31,288	22,483
Premium/discount receivable	3,335	0	277
Premium/discount payable	3,194	0	260

Five year summary of financial data

Pursuant to Articles 133, 135 and 148 of the Commercial Companies Decree

Category	2003	2004	2005	2006	2007
Financial position at year end					
Share capital *(in euros)*	768,722,224.00	772,095,392.00	783,927,680.00	1,951,782,928.00	1,955,268,310.40
Number of shares issued	48,045,139	48,255,962	48,995,480	1,219,864,330	1,222,042,694
Number of bonds redeemable in shares	0	0	0	0	0
Number of convertible bonds	0	0	0	0	0
Results of operations *(in euros)*					
Operating revenue net of tax	10,423,289,253.40	11,705,235,507.71	12,725,811,668.81	24,125,749,761.01	163,773,430,167.71
Income before tax, depreciation and provisions	213,068,968.00	280,959,662.75	457,665,461.91	677,795,500.73	852,134,041.69
Corporate income tax	29,916,523.44	(28,338,400.20)	(99,996,625.13)	(55,322,327.37)	141,132,997.05
Income after tax, depreciation, amortization and provisions	200,728,250.83	213,582,296.25	459,177,494.14	744,399,468.97	(467,183,610.92)
Dividends paid	120,112,847.50	159,244,674.60	244,977,400.00	1,049,083,323.8	549,919,212.3
Per share data *(in euros)*					
Income after tax, but before depreciation, amortization and provisions	5.06	5.24	7.3	0.51	0.81
Income after tax, depreciation, amortization and provisions	4.18	4.43	9.37	0.61	(0,38)
Dividend	2.5	3.3	5.00	0.86	0.45
Workforce information					
Number of employees	4,701	4,754	4,748	5,072	6,820
Total payroll costs *(in euros)*	273,353,038.75	295,556,511.38	331,173,385.69	415,344,933.38	668,942,830.46
Social security, pension costs and other employee benefits *(in euros)*	144,067,570.23	166,610,951.72	193,645,949.43	233,880,070.04	269,404,568.47

Auditors' report on the parent company financial statements

Year ended December 31, 2007

Dear Shareholders,

In accordance with our appointment as Statutory Auditors at the annual general meeting, we hereby present our report for the year ended December 31, 2007 on:

- our audit of the accompanying financial statements of Natixis;
- justification of our assessments;
- the specific verifications and disclosures required by law.

These financial statements have been approved by the Executive Board. Our responsibility is to express an opinion on these financial statements based on our audit.

1. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. It also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements give a true and fair view of the financial position and the assets and liabilities of the company and the results of its operations, in accordance with accounting principles generally accepted in France.

2. JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of Art. L. 823-9 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we draw your attention to the following matters:

- Estimates made within the context of banking activities

  Natixis uses significant estimates within the context of its banking activities:

  - the company records provisions to cover the credit risks inherent in its business (paragraph 2 of the section on accounting policies and valuation methods). We examined the control procedures applicable for monitoring credit risks, provisioning methodologies, assessing the risks of non-recovery and determining the related specific and collective provisions;
  - the company uses internal models and methodologies to measure financial instruments that are not traded on active markets, as well as to book certain provisions (paragraph 13 of the section on accounting policies and valuation methods). We have examined the control procedures relating to the verification of the models and determination of the parameters used.

  Furthermore, in the note to the financial statements "Significant events of the year", the company reviewed the specific context of the crisis, its direct and indirect exposures and the system implemented to estimate them, and the changes made for the calculation of valuation and writedown of certain financial instruments. We examined the system implemented to assess these exposures and their valuation, and the appropriateness of the information contained in the above-mentioned note.

■ Other estimates

Natixis records provisions to cover employee benefits (paragraph 16 of the section on accounting policies and valuation methods). We examined the methodology used to value these commitments, as well as the assumptions and parameters used. We have assessed the reasonable nature of these estimates.

The company reviews the value of its investments in subsidiaries (paragraph 5.2 of the section on accounting policies and valuation methods). We verified that the forecast data used was consistent with the medium-term plans drawn up by the Group.

We have assessed the reasonable nature of these estimates.

The assessments were made in the context of our audit of the financial statements, taken as a whole, and therefore contributed to the formation of the unqualified opinion expressed in the first part of this report.

3. SPECIFIC VERIFICATIONS AND DISCLOSURES

We also conducted the specific verifications required by law, in accordance with professional standards applicable in France.

We have no comments to make on:

- the fairness and consistency with the annual financial statements of the information provided in the management report and in the documents addressed to the shareholders with respect to the company's financial position and statements;
- the fairness of information provided in the management report concerning compensation and employee benefits paid to executive officers concerned, as well as benefits granted on taking up, cessation or change of functions or subsequent to such events.

As required by law, we verified that the management report contains the appropriate disclosures concerning the acquisition of participating and controlling interests and the identity of the company's shareholders.

Paris-La Défense and Neuilly-sur-Seine, April 18, 2008

DELOITTE & ASSOCIÉS	SALUSTRO REYDEL	MAZARS & GUÉRARD
Damien Leurent	Member of KPMG International	Charles de Boisriou
	Michel Savioz	Michel Barbet-Massin

Auditors' report on related party agreements

Year ended December 31, 2007

Dear Shareholders,

In our capacity as Statutory Auditors, we hereby present our report on related-party agreements.

As a result of the merger at the end of 2007 between Natixis and Ixis Corporate & Investment Bank ("Ixis CIB"), this report presents the commitments authorized by Natixis and those authorized by Ixis CIB and taken on by Natixis.

1. AGREEMENTS AND COMMITMENTS APPROVED DURING THE YEAR

As required by article L. 225-88 of the French Commercial Code, we have been advised of those agreements which were subject to prior authorization by the Supervisory Board.

It is not our responsibility to ascertain the existence of such agreements, nor to comment on their relevance or substance. We are simply required to report to shareholders, based on the information provided, on the basic terms and conditions of agreements that have been disclosed to us. Under the provisions of article R. 225-58 of the French Commercial Code, it is the shareholders' responsibility to determine whether the agreements are appropriate and should be approved.

We conducted our investigations in accordance with the professional standards applied in France. Those standards require that we verify the consistency of the information given to us with the contents of the source documents.

1.1 Agreements approved by the Supervisory Board of Natixis

1.1.1 Invoicing agreement relative to the affiliation of Natixis with Banque Fédérale des Banques Populaires ("BFBP") and the Caisse Nationale des Caisses d'Epargne et de Prévovance ("CNCE")

Corporate officers concerned: Charles Milhaud, Nicolas Mérindol, Bruno Mettling, Jean-François Comas, Claude Cordel, Jean-Louis Tourret, Stève Gentili, and Yvan de La Porte du Theil.

On May 30, 2007, the Supervisory Board approved the provisions for an invoicing agreement relative to the affiliation of Natixis with BFBP and CNCE, setting the contribution paid by Natixis at €10,000,000 net of tax, representing €5,000,000 per central body, with an annual indexing based on objective criteria.

1.1.2 Natixis' participation as arranger in the €25,000,000,000 secured bond issue programme by BFBP

Corporate officers concerned: Philippe Dupont, Jean-Louis Tourret, Jean Clochet, Stève Gentili, Bernard Jeannin and Yvan de la Porte du Theil.

To make it possible for Natixis to act as the arranger for the €25,000,000,000 secured bond issue program by BFBP, the Supervisory Board approved the following on November 23, 2007:

- the conclusion of a financial guarantee and credit master agreement between Banques Populaires Covered Bonds, BFBP, Natixis and, initially, seven Banques Populaires;
- the signature of a coverage contract letter entered into between Banques Populaires Covered Bonds, BFBP and Natixis.

The income recorded relative to these two agreements represented €100,000 net of tax for the year ended December 31, 2007.

1.1.3 Sale of CIFG Holding shares held by Natixis to BFBP and CNCE

Corporate officers concerned: Charles Milhaud, Jean-Louis Tourret, Bernard Comolet, Michel Goudard, Stève Gentili, Yvan de la Porte du Theil, Nicolas Mérindol, Jean-Claude Créquit, Francis Henry, Bruno Mettling, Didier Patault, Jean Clochet, Bernard Jeannin and Philippe Sueur.

On December 19, 2007, the Supervisory Board approved the signature of an agreement to sell CIFG Holding shares held by Natixis to BFBP and CNCE, with the following main characteristics:

- sale price of US $2;
- if BFBP and CNCE were to sell over 34% of the capital of CIFG Holding to a third party before December 31, 2009, Natixis would receive a price supplement;
- Natixis' entitlement to a price supplement would be applied for up to US $800,000,000 in gross capital gains (before factoring in capital gains tax) generated by BFBP and CNCE. Above this amount, Natixis would not be entitled to any supplement on the portion of the capital gain exceeding US $800,000,000.

1.1.4 Mandate for risk control and assistance for control and the supervision of the CIFG Group in the interests of BFBP and CNCE

Corporate officers concerned: Charles Milhaud, Jean-Louis Tourret, Bernard Comolet, Michel Goudard, Stève Gentili, Yvan de la Porte du Theil, Nicolas Mérindol, Jean-Claude Créquit, Francis Henry, Bruno Mettling Didier Patault, Jean Clochet, Bernard Jeannin and Philippe Sueur.

On December 19,007, the Supervisory Board authorized the signature of a risk control and assistance mandate with BFBP and CNCE, under which Natixis will be responsible, up until December 31, 2009 (subject to renewal) or until CIFG Holding is sold to a third party, for the control and supervision of the CIFG Group (risk policy, portfolio supervision, new file acceptance procedure, IT systems, models, etc.) in the interests of BFBP and CNCE (the "Mandate").

Under the Mandate, Natixis will be entitled to compensation equal to the costs incurred by Natixis plus 10%.

1.2 Agreements approved by the Supervisory Board of Ixis CIB before the merger within Natixis

1.2.1 "Clic'n Trade" partnership and service agreement between Ixis CIB, CNCE and Banque Palatine

Corporate officers concerned: Nicolas Mérindol and Guy Cotret.

On June 6, 2007, the Supervisory Board authorised the conclusion of a service agreement between Ixis CIB, CNCE and Banque Palatine relative to CNCE's transfer of the operational and technical management of the "Clic'n Trade" site to Banque Palatine, with CNCE remaining the owner of the site and the counterparty for forward and cash exchange transactions in relation to Ixis CIB.

This agreement did not have any financial impact in 2007.

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2. AGREEMENTS APPROVED IN PRIOR YEARS AND STILL IN EFFECT DURING THE YEAR

Furthermore, in accordance with the French commercial code, we have been informed of the following agreements that were approved during previous years and continued to apply over the last financial year.

2.1 Agreements approved by the Board of Directors of Natexis Banques Populaires (now Natixis)

2.1.1 Collateralized Loan Obligation, to which Natixis, Natixis Asset Management and Vallauris CLO plc are party

Natixis received €3,417,688.39 in fees from Vallauris CLO plc, of which €252,645.40 was passed on to Natexis Asset Management.

2.2 Agreements approved by the Supervisory Board of Ixis CIB

2.2.1 Letters of joint and several guarantee and commitment terminated or ended

To date, the following letters of joint and several guarantee and commitment have been terminated or have ended:

a) between Caisse des Dépôts (CDC) and Ixis CIB (previously CDC Ixis Capital Markets), which came into force on July 12, 1996 and was terminated by CDC effective June 30, 2001 (midnight);

b) between CNCE (acquiring rights in CDC Finance — CDC Ixis ("CDC Ixis") further to the merger dated December 31, 2004) and Ixis CIB (previously CDC Ixis Capital Markets), which entered into force on July 1, 2001 and was terminated by CDC Ixis effective November 1, 2003;

c) between CNCE (acquiring rights in CDC Ixis) and Ixis CIB (previously CDC Ixis Capital Markets), joint and several guarantee "1", which entered into force on November 1, 2003 and ended on January 23, 2004 (inclusive);

d) between CNCE (acquiring rights in CDC Ixis) and Ixis CIB (previously CDC Ixis Capital Markets), joint and several guarantee "2", which entered into force on January 24, 2004 and ended on January 23, 2007 (inclusive);

e) between CNCE and Ixis CIB (previously CDC Ixis Capital Markets), which entered into force on January 24, 2004 and was terminated by CNCE effective December 31, 2007 (midnight);

f) between Ixis CIB (previously CDC Ixis Capital Markets) and Natixis Municipal Products Inc. (previously CDC Municipal Products Inc.); Natixis Derivatives Inc. (previously CDC Derivatives Inc.); Natixis Financial Products Inc. (previously CDC Financial Products Inc.); Natixis Funding Corp. (previously CDC Ixis Funding Corp.); and Natixis Commercial Paper Corp. (previously CDC Ixis Commercial Paper Corp.), which were terminated effective December 19, 2007 (midnight), have continued to apply respectively for all guaranteed transactions entered into before the termination or end date for the joint and several guarantees that they depend on, through to their completion.

For joint and several guarantees b), c) and d), the creditors of Ixis CIB relative to operations guaranteed under such guarantees, entered into before their respective end dates, may, in accordance with the letter from the Chief Executive Officer of CDC dated October 12, 2004, exercise their rights directly against CDC through to the end dates for the transactions covered, as if this commitment had been taken out directly by CDC for the creditors of Ixis CIB.

2.2.2 Letters of joint and several guarantee and commitment in force

On June 15, 2006, the Supervisory Board authorized the conclusion of letters of joint and several guarantee and commitment between Ixis CIB, and:

a) Natixis Financial Products Inc. (previously Ixis Financial Products Inc.) for the USMTN issue program. The guarantee given by Ixis CIB in connection with this agreement can be invoiced at 0.02%;

b) Natixis Financial Products Inc. (previously Ixis Financial Products Inc.) for the warrant program. The guarantee given by Ixis CIB in connection with this contract can be invoiced at 0.02%;

c) Natixis Securities North America Inc. (previously Ixis Securities NA) for loan transactions. The guarantee given by Ixis CIB in connection with this contract can be invoiced at 0.02% per year, applicable to the global exposure with average risk over the period.

These agreements did not have any financial impact in 2007.

2.2.3 Agreement entered into between CDC, CNCE (acquiring rights in CDC Ixis) and Ixis CIB (previously CDC Ixis Capital Markets) relative to guarantee commissions

On February 5, 2001, the Supervisory Board authorized the conclusion of an agreement between CDC, CNCE (acquiring rights in CDC Ixis) and Ixis CIB (previously CDC Ixis Capital Markets), specifying the conditions for the payment and calculation of the guarantee commission due by Ixis CIB relative to the joint surety agreement terminated by CDC effective June 30, 2001.

This agreement did not have any financial impact in 2007.

2.2.4 De facto association agreement between CDC, CNCE (acquiring rights in CDC Ixis) and Ixis CIB (previously CDC Ixis Capital Markets)

On December 19, 2001, the Supervisory Board authorized the conclusion of a de facto association agreement between CDC, CNCE (acquiring rights in CDC Ixis) and Ixis CIB (previously CDC Ixis Capital Markets).

This agreement, tacitly renewable every three years, replaces the agreement entered into on August 30, 1996 between CDC and CDC Ixis Capital Markets (previously CDC Marchés).

The total cost for Ixis CIB relative to this agreement represented €3,124,704 for the year ended December 31, 2007.

The income recorded by Ixis CIB relative to this agreement totalled €1,083,202 for the year ended December 31, 2007.

2.2.5 Agreement entered into between Ixis CIB (previously CDC Ixis Capital Markets) and Natixis Securities (previously CDC Ixis Securities) relative to research office services

On December 19, 2001, the Supervisory Board authorized the conclusion of an agreement between Ixis CIB (previously CDC Ixis Capital Markets) and Natixis Securities (previously CDC Ixis Securities), setting the conditions for Natixis Securities to transfer-cost Ixis CIB for a percentage of the cost of its research office, set at 25%.

On November 17, 2005, the Supervisory Board authorized the conclusion of an addendum to this agreement relative to a reduction in the transfer-costing percentage for services provided, down from 25% to 18.75%.

The cost incurred by Ixis CIB under this agreement represented €3,600,000 for the year ended December 31, 2007.

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2.2.6 Service and partnership agreement between Ixis CIB and CNCE

On November 17, 2005, the Supervisory Board authorized the conclusion of a service and partnership agreement between Ixis CIB and CNCE relative to the development and hosting of an Internet site for CNCE by Ixis CIB for placing orders on forward and cash exchange transactions.

This agreement did not have any financial impact in 2007.

2.2.7 Guarantee agreement between Ixis CIB and Ixis Investor Services ("Ixis IS", now CACEIS Bank)

On January 10, 2005, the Supervisory Board authorized the conclusion of three guarantee agreements relative to collateral security deposits with Euroclear, Clearstream Banking and Skandinaviska Enskida Banken (SEB), notably for the customer activities of Ixis IS.

This agreement did not have any financial impact in 2007.

2.2.8 Agreements to transfer rights to use software and services between Ixis CIB and Crédit Foncier de France

On June 15, 2006, the Supervisory Board authorized the conclusion of agreements to transfer rights to use software and services between Ixis CIB and Crédit Foncier de France ("CFF").

Under these agreements, Ixis CIB granted CFF the non-transferable, non-exclusive and personal right to use the AMeRisC software. In addition, on a daily basis, Ixis CIB provided the market and econometric data available to it for running the AMcRisC software. Lastly, in connection with the implementation of the software, Ixis CIB provided a consulting service at cost price for its implementation within CFF.

The income recorded by Ixis CIB under this service agreement (annual charge per platform based on use of the software) represented €209,300 for the year ended December 31, 2007.

Paris-La Défense and Neuilly-sur-Seine, April 18, 2008

The Statutory Auditors

DELOITTE & ASSOCIÉS	SALUSTRO REYDEL	MAZARS & GUÉRARD
Damien Leurent	Member of KPMG International	Charles de Boisriou
	Michel Savioz	Michel Barbet-Massin

7

CHAIRMAN'S REPORT
ON CORPORATE GOVERNANCE AND INTERNAL CONTROL (ARTICLE L. 225-68 OF THE FRENCH COMMERCIAL CODE)

This report was prepared and signed by Charles Milhaud, Chairman of Natixis' Supervisory Board as at December 31, 2007.

Preparation and Organization of Tasks undertaken by the Supervisory Board

The information regarding the preparation and organization of the Board's work is provided in the section on corporate governance.

Internal control procedures

INTRODUCTION

Natixis was formed from the merger of the corporate and investment banking and services arms of Groupe Banque Populaire and Groupe Caisse d'Epargne. This merger took place on November 17, 2006 after authorization was obtained from the CECEI on October 11, 2006. The process continued with Ixis CIB's merger into Natixis in 2007. The transaction – which came into effect on December 31, 2007 – was approved by the CECEI on November 15, 2007. Natixis' shareholders and central institutions are Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne.

In 2007, the internal control system was revamped in order to rationalize structures and enhance efficiency, in accordance with principles described in the report dated September 17, 2007 and approved by the CECEI on November 15, 2007. Natixis' internal control system complies with the legal and regulatory requirements arising in particular from amended CRBF rule n° 97-02, under which applicable companies must implement a consolidated internal control system that is able to ensure:

- permanent checks of compliance, security and validation of transactions, as well as other forms of diligence relating to the monitoring of all types of risk resulting from transactions;
- periodic checks in the form of enquiries and audits of the compliance of transactions, conformity with procedures and the effectiveness of permanent control systems.

In reference to its regulatory requirements and commitments made to the CECEI, Natixis structured its internal control system around a periodic control body that undertakes audits, together with units in charge of exercising permanent control over compliance and transaction security, and verifying the effectiveness of the Bank's risk control and monitoring procedures.

Natixis is also subject to the joint controls of its two shareholders and central institutions, Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne. These institutions are responsible for ensuring that their respective groups respect risk monitoring requirements on a consolidated basis. As a result, structures and systems for coordinating permanent and periodic controls and thereby geared to ensuring overall consistency were set up when Natixis was created. Similarly, the Risk, Compliance and Audit departments are integrated into the corresponding business units of each of the two shareholder groups.

INTERNAL CONTROL MEASURES

Natixis' internal control mechanism complies with both external and internal regulations and standards.

External standards

Many external standards apply, due to the variety of businesses in which Natixis operates, and the main ones are as follows:

- as a lending establishment, Natixis is governed by the provisions of the French Monetary and Financial Code (which essentially encompasses the provisions of the French Banking Act of January 24, 1984 and the French Financial Activity Modernization Act of July 2, 1996); more specifically as regards internal controls, it is subject to the specific banking guidelines resulting from CRBF rule 97-02 and its additional clauses;
- as a provider of investment services, Natixis is subject to the provisions set out by the French financial market regulator (AMF), and especially the rules of good conduct concerning market participation and customer relations;
- Natixis complies with the terms of the codes of good conduct published by professional associations, whenever the regulator recommends or enforces their application (for example, the Code of Professional Ethics for Financial Analysts, made mandatory by the AMF);
- Natixis applies anti-money laundering and terrorist financing regulations, under the control of the French Banking Commission;
- regarding its foreign branches and subsidiaries, Natixis not only applies the Group's organization standards, but also the regulations defined by the regulators with jurisdiction in the markets in which Natixis possesses offices (in particular, the Financial Services Authority in the United Kingdom, BAFIN in Germany, *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 Financial Supervisory Commission in Hong Kong, the *Conseil de Surveillance du Secteur Financier* in Luxembourg, the Irish Financial Services Regulatory Authority in Ireland), where the activities exercised locally are subject to the said rules;
- in the field of periodic control, Natixis enforces the IFACI/Institute of Internal Auditors standards.

Internal standards

Natixis' internal control system is organized around several sets of rules:

- a set of charters and procedures which standardizes and regulates the Group's risk processes (procedure governing Natixis' lending decision process, market risk charter, charter for measuring, controlling and managing operational risk, charter for managing compliance risk, etc.);
- Natixis Group's audit charter;
- the general IT security policy which establishes governance rules relating to IT systems security and continuity and specifies the security principles needing to be implemented;
- the charter which formally sets out the jurisdiction of the country managers in Natixis' foreign offices and which organizes relations with the heads of the business lines represented locally;
- the "compliance manual" which defines all of the rules of good conduct applicable to Natixis staff (especially concerning conflicts of interest, money laundering, professional ethics and protecting confidential information, etc.).

GENERAL ORGANIZATION

Natixis' permanent and periodic controls are organized as operational or functional first-tier controls, up to the highest level:

- Natixis separates its risk-taking and control functions, and different levels of control levels. This separation results in:
  - a distinction between front- and back-office functions,
  - the existence of first-tier controls at the operational level,
  - a distinction between periodic and permanent controls.

Although responsibility for first-tier controls falls to the heads of operational or functional departments, second-tier permanent controls and periodic controls are carried out by independent central functional departments, the heads of which, within the meaning of articles 7 and 11 of CRBF rule n° 97-02, report directly to Natixis' executive body within the meaning of article 4 of the same rule;

- Natixis organizes its internal control functions into global units in order to ensure consistency throughout the Group. The internal control system therefore covers all risks and extends to all business lines and subsidiaries of the Natixis Group. Local permanent and periodic control functions within the Group's 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 "inspection/audit" units constitute separate business units;
- Natixis' control system is organized in accordance with the principles set out by Groupe Caisse d'Epargne and Groupe Banque Populaire. This organization is geared to ensuring a consolidated approach to risk within the framework of the joint control exercised by the two shareholder groups (and central institutions), and the regulatory requirements to monitor risk on a consolidated basis as specified in amended CRBF rule n° 97-02.

INTERNAL INVOLVEMENT IN CONTROL

First-tier control

First-tier 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 in particular for:

- verifying the compliance of transaction processing procedures;
- justifying the accounting balances of account movements relating to the transactions they carry out.

Depending on the situation and activities, these first-tier controls are carried out by the operating units themselves or by *ad-hoc* control units, such as middle office or accounting control units.

First-tier controls are documented in formal written procedures.

Second-tier control

Reminder of previous structure

Until late-October 2007, Natixis' second-tier permanent controls concerned three main departments, i.e. Risk, Compliance and Controls.

The Controls department was created on October 1, 2003, with a remit to cover all business lines and support functions at the former Natexis Banques Populaires (NBP). It reported to Natixis' Risk and Controls Department from November 17, 2006 (prior to that, to the Corporate Secretary) and was thus totally independent from the operational lines.

The Controls department's responsibilities regarding permanent second-tier control could be summarized as follows:

- ensure that procedures existed and were effectively applied (via document inspection);
- assist in controlling operational risk (including compliance risk), especially that generated by credit and capital market activities;
- perform second-tier accounting audits;
- steer and coordinate internal control action in the subsidiaries and branches.

The Controls Department also had other control responsibilities, such as monitoring implementation of recommendations from the relevant regulators or from internal and external auditors.

Changes in the Controls department

The changes to Natixis' internal control system were geared to two objectives:

- maximizing synergies between the various control entities within Natixis;
- improving the clarity of the internal control system in the eyes of the various businesses lines.

The concrete implications of these changes involved:

- reorganizing the tasks assigned to Controls: the Department was eliminated as such and its teams redeployed between the Risk, Compliance and Internal Audit Departments;
- extending Compliance's remit to include ensuring procedures are effectively applied.

In order to optimize the organization of permanent second-tier controls and clarify the border between these and periodic controls, it was decided to reorganize Controls' teams and tasks by:

a) refocusing on permanent control work concerning the application of procedures, by discharging internal controllers from periodic-control type tasks;

b) transferring the personnel in charge of recurring second-tier accounting controls to the Financial Department;

c) strengthening the Risk Department by transferring personnel to work in the operational risk area and, following completion of the three stages listed above;

d) by repositioning procedures-application control tasks and teams within the Compliance Department. This transfer led to the development of a common permanent control methodology (compliance and procedures application), improved visibility on permanent controls for operational businesses and enhanced efficacy.

Compliance

General organization

The Compliance Department promotes the development of best practices in preventing and managing compliance risk at Natixis, thereby helping to prevent financial loss and the related image risk. Compliance operates in line with the two shareholder Groups' recommendations and covers all of the Natixis Group, including subsidiaries and branches.

Compliance's main responsibilities involve:

- conducting legal and regulatory watch in the compliance area, in conjunction with the legal function;
- defining the standards and methods for assessing compliance, control and reporting risks. These standards were devised in order to ensure market integrity and the primacy of customer interest, as well as to prevent conflicts of interest (including independence in third-party account management), and uphold know-your-client principles;
- conducting permanent second-tier controls (regarding compliance standards and application of procedures);
- establishing a compliance risk map;
- implementing links with the Risk Department geared to recognizing operational defects liable to generate compliance risk and establishing the necessary rectifying action;
- issuing a written opinion concerning all new activities, structures, processes, products and transactions, and significant changes to existing products. This opinion is accompanied by the right of blockage or appeal, within the framework of New Product Committees set up within Natixis' business lines or set up centrally for products common to many business lines;
- advisory business lines in order to secure activities and ensure compliance with standards;
- contributing to employee training in conjunction with Human Resources;
- acting as client for IT systems projects geared to monitoring and managing compliance risk at the consolidated Group level, in conjunction with subsidiarized business lines where necessary;

- ensuring centralized recording of dysfunctions that entail compliance risk at subsidiary or business-line level, with a view to their consolidation at Group level;
- centralizing any dysfunctions in the sense of article 11-2 of amended rule 97-02, at subsidiary or business-line level, with a view to consolidating them at Group level and reporting them to the two shareholder Groups; defining the conditions for exercising the alert facility provided for in above article, in keeping with confidentiality requirements regarding information providers;
- preparing regular summary reports especially for use by Natixis' Executive Board and central institutions;
- ensuring that permanent compliance risk controls are consistent and effective.

The Compliance Department reports to the Chairman of the Executive Board, and is independent of operational departments. The Head of Compliance is responsible for permanent compliance risk controls, as defined in article 11 of regulation 97-02.

Natixis' Compliance Department operates on a business line basis, guiding and prompting action by Compliance managers in the subsidiaries or in the non-subsidiarized business lines, through a strong functional hierarchical link within the subsidiaries, or at the level of Natixis itself.

As a result, Compliance managers in the subsidiaries report to the executive body or, exceptionally if the size of the entity warrants it, to a permanent controls manager who, in turn, reports to the executive body and through a strong hierarchical link to the Natixis compliance manager. This link means that:

- Natixis' Head of Compliance is required to issue prior approval to the attachment, appointment or withdrawal of the subsidiary's Compliance manager;
- Natixis' Head of Compliance participates in annual performance reviews and career advancement decisions;
- the subsidiary Compliance manager must fulfill mandatory reporting requirements vis à vis Natixis' Head of Compliance.

In the non-subsidiarized businesses, Compliance managers report directly and hierarchically to Natixi's Head of Compliance.

There are three main components to Natixis' Compliance mechanism:

Professional ethics

The professional ethics function is in charge of ensuring that all regulations applicable to providers of investment services governing Natixis, its subsidiaries and all of its employees, are appropriately publicized and enforced.

The main challenges of 2007 entailed the rollout within the relevant business lines of the European Markets in Financial Instruments Directive (MiFID) which came into effect on November 1, 2007, together with the overhaul of compliance standards as part of the Natixis/Ixis Corporate & Investment Bank merger.

Along with the Legal and Organization Departments, Compliance played a pivotal role in the considerable work carried out to implement the MiFID Directive. All of the Group's clients were classified either as professionals, eligible counterparties or non-professionals and were sent notice of this categorization, along with information on the new regulations. The tests used to assess the professional competence of each client were revised and standardized. The policy for managing conflicts of interest was formalized. Potential conflicts of interests were mapped and a large-scale IT project initiated in order to ensure systematic notification of transactions deemed sensitive in terms of confidentiality to the Compliance Department and the detection of proven conflicts of interest.

As part of the merger between Natixis and Ixis Corporate & Investment Bank, compliance standards were overhauled. The Natixis S.A. parent company drafted new internal regulations and a Compliance Manual that are due to come into effect in 2008. Rules of good conduct rules were expanded and detailed to the business lines, in particular those related to financing.

Training initiatives continued during the year. A "Market Abuse" module was designed for corporate and investment banking front offices and "face-to-face" training was conducted by the business line compliance officers on the operational consequences of the MiFID Directive.

Lastly, the Compliance Department continued to participate in the new product creation process by taking part in many ad hoc Committees.

Financial security

The Financial Security function reports to the Compliance Department and is in charge of measures to counter money laundering and terrorist financing within Natixis. During 2007, Financial Security continued efforts to reinforce the mechanism in place within the Parent Company and subsidiaries.

As a result of these efforts, nearly 80% of parent company employees and over 60% of subsidiary employees (excluding Coface) had received anti-money laundering training by end-December 2007. In addition, a focus on this issue was inserted into broader compliance training programs, in order to remind employees of the due diligence required in this area. These initiatives resulted in a substantial rise in the number of affidavits and atypical transactions submitted to the department for analysis.

The anti-money laundering procedure was totally overhauled during the year. The new version, which is now available on the Natixis intranet, is due to be updated shortly when the 3rd European Directive is incorporated into French law. The changes will entail the incorporation of the risk-based approach and the reinforcement of the entry-into-business-relations mechanism, via systematic validation of clients after image risk has been identified and analyzed.

Efforts to update client files in accordance with regulatory requirements continued during the year. Any new business relationship automatically triggers requests for and analysis of ID, as well as measures to assess the honorability of the client and the effective beneficiaries. Files of former clients also continued to be updated.

Additional action was carried out in 2007 to extend the scope of controls on atypical transactions using behavioral analysis software. As a result, a broad range of parent company activities were covered by the system at the end of the year.

In addition, use of Fircosoft software to filter fund flows suspected of being connected with terrorism or violating international embargoes was extended in May 2007. In addition to covering all issued and received Swift messages, the software now consolidates payments into a single file. The number of "false alerts" related to embargoes issued by the European Union and/or OFAC on new countries, was reduced, thanks to a significant improvement in settings and to the software upgrade. Likewise, the centralization of almost all alert processing activities within a single unit improved both responsiveness and productivity. As regards requirements to identify order originators, measures were taken to ensure payments issued by Natixis were compliant with these requirements and steps were also taken to ensure payments received from other establishments were also compliant.

■ Controls

Following the aforementioned transfer of resources from the Controls Department, the Compliance Department's permanent second-tier control responsibilities were extended to include controls geared to ensuring the application of procedures.

Under the new organization, Compliance's permanent second-tier controls focus on:

- transaction compliance: this involves checking that both transactions and transaction execution processes comply with applicable banking and financial rules, market rules, AMF reporting rules and rules concerning reporting to other financial market firms;
- organizational compliance;
- the quality of data transmitted to Compliance (via automated tools and various reports);
- the application of procedures. This involves ensuring that procedures exist and are effectively applied (in accordance with article 40 of rule 97-02), and that these procedures comply with the rules applicable to the various types of risk.

The Compliance Department's controls may take three forms:

- controls based on the reporting documents arising from first-tier controls;
- controls based on alerts arising from automated control tools, especially related to anti-money laundering efforts;
- controls based on document checks and, if appropriate, on-site checks, so as to ensure that automated controls are relevant. These controls also ensure adherence to more qualitative rules (knowledge of and classification of the client, applying Chinese Walls, managing conflicts of interest, etc.).

The risk-mapping approach continued in 2007, via the controls executed by Compliance Department controllers. This approach takes into account the areas of risk highlighted by the operational risk function and which might have an impact in the field of compliance.

IT systems security

The IT Systems Security (ITSS) Department guarantees the security and continuity of the IT systems used within Natixis and its subsidiaries. It is responsible to the Executive Board for establishing, implementing, controlling and maintaining IT security policy.

The Head of ITSS works for Natixis and its subsidiaries, and with service providers, suppliers and clients. Responsibilities include:

- ensuring that policy is always appropriate to the risks involved;
- promoting policy and ensuring adherence to it at all levels;
- providing any necessary security services;
- verifying and monitoring adherence to policy and reporting globally across the whole of the Natixis Group.

The Head of ITSS for Natixis and subsidiaries reports directly to the Head of IT Systems and Shared Services, and works in close cooperation with the Compliance, Internal Audit and Risk Departments. He/she also takes part in the main Management Committees in charge of the Bank's controls and operational risks, and especially in:

- the Internal Functions Coordinating Committee;

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- the Committee on Operational Risks and Security in Information Systems;
- the Natixis Operational Risks Committee.

IT Systems Security was handled by a 60-strong team at end-2007. The team participates fully in the Bank's internal controls system. Its activities are fully in keeping with the recommendations contained in the French Banking Commission's White Papers and rule 97-02 and, more generally, in the Basel Committee's guidelines.

The Head of ITSS for Natixis and subsidiaries oversees the IT security mechanism and the various parties engaged in managing, implementing and controlling IT systems security policy. These parties include:

- Heads of ITSS within the subsidiaries who are in charge of applying security policy in light of the subsidiary's environment (10 persons at end-2007);
- local correspondents within the business lines, who are in charge of conveying security policy locally and providing advice and assistance within their area of responsibility;
- correspondents within IT project management teams who are in charge of setting up and maintaining security mechanisms.

The ITSS functions as a whole is steered by:

- an ITSS Strategic Committee, which acts as the decision-making body in the field of IT security for Natixis and its subsidiaries. The Committee is chaired by a member of the Executive Board and meets twice yearly. It is responsible for the highest-level validation of the annual security plan prepared for Natixis and its subsidiaries;
- an ITSS Coordination Committee which meets regularly and comprises the various parties involved in security, and especially the Heads of ITSS within the subsidiaries. It is responsible for drafting and monitoring the annual security plan, coordinating and steering all ITSS actions and pooling security projects;
- Security Committees within subsidiaries or business lines. These Committees are chaired by the Head of ITSS within the subsidiary or within Natixis and oversee ITSS initiatives at the local level.

ITSS activities in 2007 focused both on recurring measures and projects geared to reinforcing IT security.

Ongoing responsibilities include:

- undertaking permanent controls dealing with technical vulnerabilities and security equipment;
- helping business lines effectively integrate security issues throughout project life spans and developing control tools;
- administering logical security and coordinating a network of logical security correspondents;
- leading major IT security projects;
- overseeing crisis management and informational intelligence;
- managing business continuity mechanisms and ensuring they remain in operating condition.

In 2007, Natixis conducted:

- 38 user fallback tests in the shared internal back-up site, 12 of which were for Natixis Altaïr;
- 12 user fallback tests in the external back-up site;
- 6 "Flows and Exchange Systems" users tests.

All of these tests incorporated transmission of real orders by the various operators:

- 12 technical emergency tests at the Central Systems back-up site (SUNGARD);
- 4 real-life tests (2 week-ends, one partial production week and one total production week), again at the Central Systems site;
- business IT tests, back-up telephone tests and check processing channel tests in Nanterre.

Project-type activities involved:

- instituting governance for the ITSS function and defining security objectives. ITSS governance was adapted to factor in the changes entailed by the formation of the new Group, notably by defining the roles and missions of local ITSS managers in relation to their counterparts within Natixis and the subsidiaries. The resulting policy, which was prepared by Heads of ITSS within the subsidiaries and validated by the Executive Board, sets out the responsibilities of all participants in the system, as well as security objectives and procedures for reporting to the Heads of ITSS within Natixis and the subsidiaries;
- assessing Natixis' degree of compliance with established security policy and preparing the ITSS action plan for 2008;
- implementing a Group-wide performance chart for the Business Continuity Plan and developing an IT Systems Continuity Plan;
- continuing to review authorization profiles for banking applications (introduction of business line profiles) and rolling out centralized authorizations databases;
- working on the "chain of confidence" program, designed to implement the security modules needed for paper-free customer relations;
- conducting more technical projects for upgrading and maintaining security equipment.

Based on the assessment of Natixis' level of compliance with the security policy drawn up in late-2007, ITSS's main objectives for 2008 are to:

- coordinate and control all of the ITSS function within Natixis in order to standardize the level of security and institute Group indicators that offer the required visibility;
- standardize the Group's operational security policies and introduce various standardized operational security performance charts;
- oversee the business continuity plan across the whole of the Group and ensure correct execution of the IT systems continuity plans;
- continue deploying all ITSS projects by adapting their content and organization to the Group's new structure;
- develop permanent control of IT systems security with a project concerning operations, and archiving traces and proof;
- continue preventative action by introducing an awareness program for ITSS managers and staff;
- apply a systematic security policy for IT projects throughout the Group.

Third-tier control

Third-tier or periodic control is the responsibility of the Internal Audit Department.

Internal Audit reports directly to the Chairman of Natixis' Executive Board. It has strong functional ties, of a hierarchical nature, with the internal audit departments of Natixis' shareholders and central institutions – Banque Fédérale des Banques Populaires (BFBP) and Caisse Nationale des Caisses d'Epargne (CNCE) – in accordance with the principles approved by the CECEI on November 15, 2006. Also in accordance with these principles, Internal Audit heads up a global audit function.

Internal Audit is responsible for verifying the bank's controls and is one of the bodies responsible for the correct functioning of the internal control system within the meaning of CRBF rule n° 97-02. In this respect, it is independent from all business lines and support functions. It has no operational role and can therefore never be in the position of both judge and interested party.

Internal Audit conducts audit assignments through the entire Natixis group (parent company, subsidiaries and branches), covering all classes of risk involved in the Bank's various business activities. It has full and unrestricted access to all information, confidential or otherwise. Its field of investigation encompasses all of Natixis' operational activities, as well as its functional departments – including in particular entities in charge of permanent controls – and outsourced activities. In each business line, its job consists of in-depth analysis of the "front-to-back" processes through which activities are carried out. Using a risk-based approach, this analysis involves assessing the existing points of control in audited processes and, if necessary, formulating recommendations designed to make these points of control more comprehensive or more robust. These recommendations are set out by order of priority.

Internal audit reports are sent to the audited units and to the Chairman of Natixis' Executive Board and its members. BFBP and CNCE's internal audit departments also receive a copy of all internal audit reports issued by Natixis, in accordance with the provisions of the file approved by the CECEI on November 15, 2007.

Internal Audit is responsible for following up progress in implementing its recommendations. It conducts follow-up audits, making use of recurrent work carried out by permanent control teams when this is required.

Internal Audit's assignments are set out in a yearly audit plan, which itself forms part of a four-year plan setting out the frequency of audits and assigning resources according to the nature of the risks to be verified.

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 in the course of the year that were not initially included in the audit plan.

Natixis' yearly and multi-year audit plans are approved by the Chairman of the Executive Board and the internal audit departments of the Bank's shareholders and central institutions. The yearly audit plan is examined by Natixis' Audit Committee.

In 2007, the Internal Audit Department conducted assignments on all of the risk classes arising from Natixis' operations. It also dedicated a substantial portion of its resources to regulatory surveys, as part of the Bank's Basel II certification processes.

These undertakings were carried out in active coordination with BFBP and CNCE's Internal Audit Departments. To this end, nine internal audit coordination committee meetings were carried out during the year.

In addition, as part of measures to reorganize the internal control system, special efforts were made with a view to consolidating Natixis' audit function in three main directions:

- agreements regarding the organization of periodic controls were proposed to Natixis' main subsidiaries in France. They are subject to the approval of the executive bodies of the relevant companies and of Natixis during 2008;
- the auditors located in Natixis' main French and foreign subsidiaries and branches – which previously reported to the former Internal Controls Department – were integrated into the audit function run by the Internal Audit Department. A new position, with responsibility for coordinating the international audit network, was consequently created and filled;
- the work begun in 2006 to rationalize and standardize Internal Audit's methodologies and tools was continued in 2007.

Lastly, in keeping with commitments made to the CECEI, Internal Audit continued to reinforce headcount in line with the plan launched when Natixis was formed in 2006.

Coordinating control

The Control Functions Coordination Committee, which already existed within the former Natexis, saw its remit renewed within the new Group in 2007.

The Committee is chaired by the Chairman of the Executive Board or the Chief Executive Officer, and comprises the Secretary General, the Chief Financial Officer, the Heads of Risk, Compliance, Internal Audit and IT Systems Security and the Special Advisor to the Chairman of the Executive Board.

The Committee handles all issues relating to the organization and planning of control services, highlights areas of emerging or recurring risk and reports any significant dysfunctions observed to 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 lines.

It may also hear from operational managers when necessary. The Control Functions Coordination Committee held three meetings in 2007.

Role of the executive bodies

See Chapter II for developments relating to the functioning of the executive bodies.

RISK MONITORING AND CONTROL

The Risk Department contributes to the secure development of the Natixis Group by ensuring that the risk control system is both effective and exhaustive. Its scope of action extends to the following risks:

- credit risks;
- market risks;
- interest-rate, currency and liquidity risks;
- operational risks;

and to all entities falling within Natixis' consolidation scope.

The Risk Department plays a key role in the Bank's internal control system by identifying, measuring and controlling risk. It makes proposals to the Executive Board and keeps it informed about Natixis' commitments and their development. It also reports to the Supervisory Board and Audit Committee by providing them, in particular, with performance charts and one-off analyses.

Natixis' highest risk governance authority is the Group Risk Committee, which defines the key elements of risk policy, analyzes the main risks and validates the principal risk standards and methodologies.

Natixis' risk management mechanism is coordinated and consistent with those of the Groupe Banque Populaire and the Groupe Caisse d'Epargne, in line with the convergence plan concluded between the three groups. The three governing Committees (the Joint Risk Committee, the Joint Standards and Methods Committee and the Joint Information Systems Risk Committee) met on a regular basis during 2007.

Credit risk

Identifying and analyzing credit risk

The Risk Department is responsible for analyzing counterparty credit risk using a formalized credit dossier for each counterparty and beneficiary group. This dossier includes all information relevant and useful for forming an opinion, such as:

- internal information about the client and its business activities, *e.g.* financial data, internal ratings, identification and analysis of the client in accordance with methods validated by the Group Compliance Department for entries into business relations, internal country risk and sovereign risk ratings, etc.;

- external data, *e.g.* external credit agency ratings, sector analyses, etc.;
- information regarding commitments; *e.g.* the credit file summarizes all credit risks incurred by the Bank, including those on capital market transactions;
- information concerning the counterparty's profitability.

Each credit dossier submitted for a decision must including a ratings proposal and a recommended limit.

Credit decisions are made either via delegations or authorizations accorded to business lines and certain members of the Risk Department or by the relevant credit committee, following a contradictory analytical process

These authorizations are set out formally and granted personally (without the faculty of subdelegation), by the Chief Executive Officer or any person with the appropriate authority. They are granted according to the counterparty's category and internal credit rating, and to the type and duration of the commitment. The delegation system was revised when Natixis was created in order to implement a single procedure to cover the corporate and investment banking activities of both the former Natexis Banques Populaires and Ixis CIB. Consequently, no review was carried out during the merger between the two entities.

In addition to this decision-making system on an individual basis, the Group's Risk Committee approves the main risk-taking procedures and sets overall limits relating, for example, to country risk.

Client credit ratings

Natixis bases its credit management decisions on an individualized internal rating system (decision-making, surveillance, etc.).

In coordination with the central institutions, Natixis chose the target rating methodologies applicable to the asset classes held jointly by the three groups.

In another initiative, a shared tripartite organization for assigning roles and monitoring in the ratings area was also developed in collaboration with Groupe Banque Populaire and Groupe Caisse d'Epargne. The objective was to re-rate the stock of counterparties using target models and ensure the uniformity and consistency of the methodologies used and ratings attributed.

Tracking credit risk

The Bank's commitments are measured and monitored on a daily basis using consolidation tools.

An IT system is used to consolidate limits and credit exposures on a global basis across the whole of Natixis and its subsidiaries. Counterparty groups were set up and incorporated into the counterparty database. These groups are maintained on an individual basis: unique identification numbers are allocated to each counterparty and the regulatory group to which it belongs, while another indicator specifies the counterparty's rating within its group.

The Risk Department provides the Executive Board and the business line managers with fundamental analyses and reports on the Group's business. The state of and movements in Natixis' commitments are presented according to various risk indicators such as:

- the category, internal rating, business sector or client location;
- the type of commitment;
- the Basel II segmentation.

Internal management criteria (business lines, desk, etc.) are also taken into account.

Monitoring credit risk

Each business line is accountable for monitoring its own credit risk, while a dedicated team within the Risk Department carries out different control actions.

Day-to-day monitoring is performed by the business lines and the Middle Office for financing, while the Risk Department performs all second-tier controls.

Regarding excesses, an excess committee meets monthly in order to analyze movements in excesses based on various indicators (number, business lines affected, etc.), and to examine significant excesses and monitor their regularization.

Cases entailing deteriorations in risk are detected as they emerge and immediately reported to the Risk Department, the Special Affairs and Litigation Department, and to the business line involved, in accordance with watch list and alert procedures.

Their entry onto watch list is then examined and, if applicable, officialized by the Special Affairs and Litigation Department, the Risk Department or the relevant Credit Committee, depending on the level of exposure.

Sensitive cases are reviewed at least quarterly and are presented to the quarterly Watch List Committee.

Sensitive, doubtful or disputed risks are monitored by the Special Affairs and Litigation Department, which intervenes in the management of difficult cases when necessary. It also handles the recovery of receivables in the event of legal proceedings.

Tracking doubtful and disputed cases

Specific provisions

Each core business has a provisioning committee that meets quarterly. Provisioning Committees examine cases liable to require provisions and adjust levels of existing provisions where necessary.

A Group Provisioning Committee is organized by the Financial Department every quarter. It is chaired by the Chief Executive Officer and comprises the Risk and Special Affairs and Disputes Departments and the managers of the relevant business lines.

The Group Provisioning Committee makes use of the examinations carried out by the Counterparty Watch List Committee, with the documentation and reports being presented in the session.

Collective provisions

Natixis also sets aside provisions for country and sector risk. Since the transition to IFRS, these provisions have been categorized as collective provisions and established for similar types of assets according to the following criteria:

- credit rating for loans to individuals and small businesses;
- sector risk and geographic risk for other counterparties (corporates, sovereigns, etc.).

Sectors of activity and countries are analyzed and monitored in detail in order to identify objective indices of value impairment. These indices usually comprise a combination of micro- or macro-economic indicators specific to the sector or the country. Where necessary, an expert opinion is sought in order to confirm the result obtained.

Risk diversification

Risk diversification represents a fundamental risk management rule.

The rules for diversifying risk form part of the tripartite agreement between Natixis, Groupe Banque Populaire and Groupe Caisse d'Epargne. Natixis reports its "major risks" to its central institutions, which then jointly validate the credit cases and ratings assigned to the counterparties concerned at least once yearly.

Market risk

Natixis' main market risks relate to the Markets and Debts & Financings business line within Natixis CIB (parent company and specialist subsidiaries).

The market risk management and control system is primarily the responsibility of the front office, which manages and monitors the limits allocated to them on a daily basis.

Market risk control is handled by the Market Risk function within the Risk Department. Market Risks has full independence to define risk measurement principles and develop the necessary tools.

The market risk management mechanism is based on a validated risk measurement methodology, the allocation of limits in accordance with this methodology and ex-post checks to ensure these limits are respected.

Natixis has selected the *Scénarisk* model developed internally by Ixis CIB and validated by the French Banking Commission. This VaR measurement tool was initially used throughout Ixis CIB and has gradually been rolled out to all of Natixis' positions with the aim of facilitating a consolidated VaR calculation.

The new front-office management systems were selected and gave rise to a unified and standardized application architecture within the Group.

The migration of former Natexis Banques Populaires transactions to the new systems involved the application throughout Natixis of a 1-day parametric VaR with a 99% confidence interval and monthly and annual loss alerts. The entire mechanism was reviewed, business line by business line.

The continued work throughout the year to standardize and uniformize risk indicators led to the introduction of a number of overall limits per activity, based on operational indicators.

Further work was carried out on stress tests in 2008, especially concerning the definition of historic stress.

Organization of market risk management

The functions and organization of Market Risk Control at Natixis are described in Natixis' Market Risk Regulation Charter, which was approved by the Group Risk Committee in March 2007. The charter defines:

- the principles and system governing Natixis' market risk system;

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- the conditions under which market risk limits are examined, allocated and monitored;
- the respective roles of the Front Office, the Risk Department and Natixis' Group Market Risk Committee.

The Charter applies to all Natixis Group entities whose activity entails market risks.

Natixis' Risk Department plays a key role in the market risk management mechanism:

- it provides an independent (i.e. non-business line) view during the market risk decision process;
- it defines risk measurement and fair-value adjustment methods and submits them to the Market Risk Committee for approval;
- it proposes or examines limits, whether they are requested by the business lines or on its own initiative under the aegis of the Market Risk Committee;
- it is responsible for the day-to-day analysis and measurement of risks, using a process designed to ensure that all risks to which Natixis has significant exposure are duly taken into account and, secondly, the reliability and uniformity of the calculations made within the Group;
- it is responsible for defining, implementing and operating the market risk measurement tools that enable risk to be aggregated on a consolidated basis at Natixis. The decisions in this area are validated on principle by the Market Risk Committee.

As regards limit allocations, Natixis created a Market Risk Committee at the time of its inception. The Committee is chaired by the Chief Executive Officer or his delegate.

In addition to the Committee, a system of delegations was set up in order to enable decisions to be taken between scheduled Committee meetings.

The system is based on business-line delegations and determining factors such as:

- VaR amounts;
- quantitative and qualitative operational limits;
- percentage increase in the event of a request for an increase to an existing limit;
- transaction type.

All limit requests must be examined beforehand by the Risk Department.

The Market Risk Department checks daily that limits are respected. Any excesses are reported to the front office and management as specified in the procedure for notifying excesses.

Global risk reporting is sent to members of the Executive Board and front office business- line managers on a daily basis, and, if requested, to the Supervisory Board. The Risk Department submits overall limits and the main standards and procedures for validation to Natixis' Risk Committee, which is the highest authority in this area.

It reports regularly to the Group's central institutions, especially within the framework of the Joint Standards and Methods Committee (as regards tripartite methodological aspects) and the Joint Risk Committee (as regards risk monitoring).

Structural balance sheet interest rate, liquidity and currency risks

The Asset & Liability Committee (ALM Committee), which is chaired by the Chief Executive Officer and includes representatives of the Corporate and Investment Bank, the Financial Department and the Risk Department, is responsible for monitoring Natixis' structural balance sheet risks. It meets once a quarter and concentrates on the following duties:

- monitoring on- and off-balance sheet movements;
- defining internal refinancing rules for the business lines;
- validating overall policy on refinancing, non-operational currency risk management and reinvestment of available equity;
- approving assumptions and rules used to devise indicators and stress scenarios;
- validating the overall limits applying to structural balance-sheet risk indicators and liquidity crisis management procedures.

The ALM Committee's remit covers the banking portfolios of the head office, and of those branches and subsidiaries presenting significant structural balance-sheet risks. In line with the tripartite convergence plan for monitoring structural balance sheet risks taken through Natixis' double affiliation with its two core shareholder groups, the supporting documents and minutes of all committee meetings are addressed to the central institutions in order for them to monitor Natixis' risk on a consolidated basis. During the target phase of the convergence plan, which will come into effect at the end of 2008, Natixis' ALM system will be interfaced with those of the central institutions.

The Corporate and Investment Bank's Treasury function is organized around the head office and the New York and Singapore branches and handles refinancing for all of Natixis' businesses as well as Groupe Banque Populaire's market resource requirements. By centralizing overall short-, medium- and long-term refinancing requirements on a large number of currencies, the Treasury function constantly optimizes liquidity costs for the benefit of the Group as a whole. It also facilitates an issuing policy that seeks maximum diversification of Natixis' debt, whether in terms of instrument or geographic area.

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As a corporate and investment bank, the bulk of Natixis' overall liquidity and interest-rate risks stem from the mismatching of transactions with contractual maturities. As a result, the impact of ALM agreements on the risk monitoring and measuring mechanism is negligible.

Within the parent company perimeter, this mismatching is centralized by the Treasury via the use of internal supporting contracts which it manages via delegation by the ALM Committee. Because of their specific activity, certain subsidiaries are permitted to manage their own mismatching on a delegated basis via their own ALM Committee or Treasury Committee.

Overall interest-rate risk on the Treasury Department's portfolio is measured and tracked daily by the Risk Department, in keeping with established directional limits and one-day VaR of 99%.

As regards the Natixis Lease and Natixis Factor subsidiaries, the ALM Committee approved a formal limit for the sensitivity of the economic value of portfolios to a 100-bp variation in interest rates.

The exposure of Natixis' banking portfolio to overall interest-rate risk in 2007 does not call for any major comments; the application of the Basel Committee's standard shock (+200-bp shock on the yield curve) at end-2007, suggested a decrease of around €100 million in the portfolio's economic value.

Liquidity mismatching risk on Natixis' banking portfolio is measured on the basis of mismatching ratios defined for each class of maturity, e.g. the ratio of assets remaining due to liabilities remaining due. Minimum ratios validated by the ALM Committee were applied across the Treasury function.

The liquidity risk monitoring mechanism was rounded out with stress scenarios during the year. The four scenarios involve applying asset shocks (drawings on confirmed credit lines, for instance) or liability shocks (specific crisis on Natixis' signature, systemic crisis, etc.) in order to measure Natixis' ability to cover its commitments through recourse to additional refinancing (repos, tripartite repos, etc). This analysis is performed both at the Natixis level and the tripartite level, by consolidating sources of stress within the framework of the liquidity guarantee granted by the central institutions. It forms part of the implementation of a formal emergency plan.

The summer 2007 crisis generated refinancing pressures and a surge in liquidity costs that forced central banks to intervene. Against this backdrop, Natixis capitalized on the combination of the former Ixis CIB and Natixis signatures and the diversification of its liabilities sources. In addition, the Treasury function systematically presented securities accepted by the European Central Bank to successfully participate in one-week/three-month auctions by using the Banque de France and the Bundesbank via Frankfurt. The new submissions, in USD, to the European Central Bank and the US Federal Reserve were also successfully used. The emphasis was on renewing maturities, reducing the liquidity gap, extending maturity on interbank loans and repos in order to obtain a neutral or long liquidity position at the yearly cut-off point.

Natixis' structural currency risk, which is primarily in USD for Natixis, consists of risk from net investments abroad refinanced by purchase of currency and so-called non-operational currency risk resulting from revenue and expenses recorded in currencies other than the euro.

With regard to the first component, the ALM committee approved continued refinancing of long-term investments (acquisitions of shareholdings, capital allowances, etc.) via purchases of foreign currencies, in order to immunize the Bank's capital adequacy ratio. This reflected the fact that some of the weighted risks were denominated in currencies other than the euro. The ALM Committee set exposure limits both in terms of the sensitivity of the capital adequacy ratio to adverse stress on the EUR/USD exchange rate and in terms of the portion of equity denominated in USD.

Concerning the second category of risks, a portion of gross operating income budgeted to be earned in dollars is hedged by advance sales of the dollar against the euro, with the corresponding repurchases to be made as and when earnings are effective formed in dollars. This hedging is geared to neutralizing an adverse variation in the average EUR/USD rate over the year in relation to the average budgeted rate.

Operational risks

The Operational Risk function is in charge of monitoring and controlling risks arising from the inappropriateness or failure of procedures, staff and internal systems or from outside events.

More specifically, the Operational Risk function is responsible for:

- monitoring the various elements of the operational risk system: mapping, proven incidents, risk factors and action plans set up to reduce risks;
- summary reporting on the progress of action plans instituted to reduce the most significant risks, as well as the most sensitive risk factors (key risk indicators);
- training employees and promoting an operational risk culture within the Bank.

In 2007, Operational Risk took steps to bring its organization into line with that announced to the CECEI (the French credit and investment institutions regulator).

Second-tier inspection personnel were attached to Natixis' Risk Department, either directly, or by a strong functional relationship of the hierarchical type. With regard to operational risks, this meant putting the function in sole charge of recording and investigating all incidents, producing reporting documents for the Executive Board, business lines, central institutions and regulators, monitoring operational risk action plans, producing maps of potential risk situations and, ultimately, performing risk valuation.

At the end of 2007, the Operational Risk function was organized into five units each covering a particular business line or activity, i.e. marketing, financing, services, instruments and asset management. The first four units were directly integrated into the Operational Risk Management function, while asset management is functionally attached to it. A sixth unit – Receivables Management – was created later. This mechanism ensures the whole of the group is covered by a matrix-type organization structured around the two themes of activity and location.

The Operational Risk function relies on a network of correspondents within the business lines. The correspondents are responsible for reporting to the Operational Risk function any incidents that might entail operational risk and gathering appropriate data (incidents, environment variables, progress on action plans, etc.).

Within each business line, the Operational Risk officer from the Risk Department organizes and runs the business line Operational Risk Committee. The Committee is chaired by the Head of the Business Line and is the sole operational risk management body for the business line.

The Group's Operational Risk System is placed under the supervision of Natixis' Operational Risk Committee. The Committee is chaired by a member of the Executive Board and comprises managers or representatives of each business line, support services and controls departments. The Head of Operational Risk serves as the Committee's secretary. He/she is responsible for reviewing progress in implementing the system and with ongoing projects (implementation of tools, risk quantification methodologies, setting and monitoring of indicators, etc.). The Committee examines Group reporting (especially the most serious incidents during the period in question) and monitors the action plans instituted to avoid any new occurrence of incidents.

Lastly, as regards the risks affecting the Bank as a whole, Natixis' Operational Risk Committee initiates and checks progress on company-wide action plans. In 2007, the Committee launched two working groups, namely "Seine flooding" and "Securing employee entry/departure procedures".

The Committee met on a quarterly basis in 2007, in line with the Charter for Measuring, Controlling and Managing Operational Risks.

INTERNAL CONTROL OVER FINANCIAL REPORTING

Preparation of the consolidated financial statements

The Finance department is responsible for preparing Natixis' consolidated financial statements using the consolidation system and manual developed and administered by Banque Fédérale des Banques Populaires. As a listed company, Natixis is required to prepare its own consolidated financial statements, although it is also the main part of a subset that now includes the two consolidation entities formed by Groupe Banque Populaire and Groupe Caisse d'Epargne.

As things stand, the consolidation process is operationally autonomous, but remains fully enmeshed in that of the two central institutions.

The reliability of the process is based on the following core principles:

- definition and communication of accounting principles applicable to Group companies, including new texts issued during the period, in terms of both French accounting standards and IFRS;
- use of the direct consolidation method (now being rolled out throughout the Group), in order to permit the consolidation packages from each consolidated company to be examined via a formal review process;
- preparation of consolidated financial statements on a quarterly basis. This allows for a better level of control of half-yearly and annual financial statements, on the basis of projected transactions for the year and increased reconciliation of intra-group operations;
- an automated control procedure for individual information provided by the consolidated entities. This process uses consolidation packages including checks for accuracy and consistency, which must be passed for the data to be transmitted;
- item-by-item analysis of all entries that impact consolidated shareholders' equity and production of a tax proof for each consolidated entity. This procedure provides full evidence of consolidated shareholders' equity and individual justification of recognized deferred taxes;

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- an audit trail system to trace the accounting data published in the financial statements and their notes, based on the accounts of each consolidated entity and consolidation entries;
- archiving and security procedures including the twice-daily back-up of the unified consolidation database and regular data recovery testing;
- regular support and training of accounting teams at the consolidated entities, promoting the use of best practices throughout the Group.

In 2007, Natixis continued work to decentralize its consolidation tool within the London, Ho Chi Minh City, Dubai and Panama branches (the latter two newly created).

In addition, the implementation of regular formalized monitoring of period-ends also reduced the time taken to prepare financial statements. This was done by gradually factoring in new regulatory requirements (Transparency Directory) and moving to quarterly published of accounts (as from September 2007).

In order to facilitate production of the consolidated accounts within these tighter timescales, the overall process was revised by:

- redefining the consolidation criteria so as to better reflect the increased size of the new Group;
- adjusting work organization and the overall schedule.

Natixis' creation nevertheless further increased the complexity of the process. This was reflected in a significant increase in the number of entities consolidated and the need to use two differently-configured consolidation tools and thus develop bridges between the two (transcoding tools).

As this situation did not prove totally adequate from the operational standpoint, Natixis agreed with the central institutions to start work on a project geared to developing its own dedicated consolidation base that will communicate with the central institutions' corresponding bases. The project will be jointly managed with the central institutions and has entered the detailed design phase.

Internal control processes for consolidated entities

As part of the regulatory process implemented by the French Banking Commission (CRBF rule n° 97-02) for the prudential monitoring of credit institutions, Natixis' Internal Audit department uses the results of periodic audits to assess internal control procedures. There is a particular focus on the 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. Procedures are tailored to the organization of each of the consolidated entities. In all cases, the process includes several layers of controls:

- basic permanent and local controls are included in processing programs at operational level and formalized in clearly defined working programs;
- second-tier independent checks of processing operations performed by each entity's financial and accounting departments and which are geared to ensuring accounting data is both accurate and complete;
- third-tier controls conducted by the Internal Audit department.

These permanent and periodic controls encompass reviews of account justification work undertaken by the various departments, clearance of suspense items, accounting-management reconciliation (for both balance sheet and income statement), rules for allocating income and expenses, rectification of errors identified through these controls and the corresponding documentation.

These controls are conducted using the diverse accounting information systems throughout the Group.

For all systems, Natixis and its subsidiaries continued efforts to upgrade accounting and financial control procedures and develop audit trail tools.

At the Natixis parent company level, work continued during 2007 on the projects geared to developing an overall systems blueprint and adapting the accounting control mechanism to new account tools.

Natixis completed work in a number of areas that provided it with:

- a single general and analytical accounting tool (Matisse) incorporating both the traditional functional capabilities of an accounting ERP tool (accounting codes, foreign currency accounting, schedule management, audit data trail, etc.), and specific management control processing (capital invoicing, overhead allocation);
- an inventory database including all of the data needed for data aggregation systems and regulatory declarations;
- an inventory and accounting reconciliation engine integrated into the tool, including two possible levels of reconciliation

(inventory and transactions) and adaptable to different accounting code parameters;

- dedicated data warehouses enabling the configuration of standardized reporting available to the Bank as a whole.

As part of this project, all the databases corresponding to the different accounting code parameters were overhauled. These databases – Counterparties, Products, Activities, Applications and Structure – used by the ERP system, will make it possible to manage data shared by management applications and summary systems, thereby ensuring that all information is in standardized form and facilitating searches along the audit trail.

The business lines have been involved since the study phases of the project and played a key part in various deliveries and especially in the "Collective reception" and "Parallel Run" phases since October 2007.

These essential phases not only served to prepare for the implementation of the new accounting tool and the phase-out of the current tool, but also provided the opportunity to assist the business lines in gradually gaining proficiency in the accounting processes specific to the new tool.

A large-scale training project, incorporating all of the themes in the new ERP, was undertaken in order to guarantee the efficiency of the reception and and parallel-run phases, and to enable users to become familiar with the new tool.

Natixis' accounting control system is based on the following core principles:

- strict separation of recording and accounting control functions;
- dimensions tailored to objectives;
- work schedule balanced with roll-out of accounting controls;
- management and monitoring conducted by the Finance department.

The gradual implementation process has equipped the system with two applications solutions:

- the first is used for recovering, reporting and managing controls. It also provides access to a database of accounting control procedures and documentation;
- the second industrializes reconciliation and suspense monitoring processes. In addition to the standard reconciliation and comparison functions, the tool includes a suspense control module that:
  - freezes suspense items at period-end date and tracks them until they are cleared,
  - characterizes Natixis' risks according to their age and measures their coverage rate.

Efforts in 2007 focused on:

- simplifying the organization of the accounting control system:

  Efforts geared to improving the fluidity of the general control process and helping to shorten the period-end reporting process were completed in 2007.

  The mechanism now only comprises two tiers:

  - a first tier of detailed controls, decentralized in the business lines,
  - a second tier of management and general controls, centralized at the Finance Department.

  This adjustment involved transferring revision activities from the former Internal Control Department to the Finance Department, which was strengthened for that purpose.

  Thematic assignments were nevertheless left under the responsibility of the Compliance Department;
- adapting control tools to the new ERP tool.

  The changes primarily involved incorporating:

  - dual input to the tools from General Accounting and Customer Accounting;
  - changes resulting from the adoption of the new accounting code and new databases;
  - the transfer of certain functions previously handled in the accounting tool.

Accounting and financial control procedures for activities emanating from the former Ixis CIB are organized in a similar manner, based on two levels:

- tier-one controls decentralized at back office level, for producing inventories justifying the ledger and a results unit for analysis relating to results.

  These two units, which periodically report to the central accounts department, continued to enhance account reliability during the year, by improving applications and reconciliation processes;
- a centralized second-tier with operational and analytical responsibility for data justification and product information, and which also executes additional controls;
- control processes were formalized and rolled out to a number of Group entities during the year (especially the Luxembourg group of entities).

2007 year-end reporting was affected by the merger in the following ways:

- the existence of two distinct accounting channels, which made it impossible to prepare individual accounts directly;
- the transfer of certain former-Natixis activities to former-Ixis channels, which made it hard to match certain transactions and compare the two fiscal years, thereby necessitating a series of accounting migrations;

- the juxtaposition of two control systems with distinct operating rules.

As a result, the ERP tool needs to be applied across the whole of the Parent Company's CIB operations.

Within the Natixis Finance Department, additional human resources were brought in temporarily in order to undertake additional consistency checks and analyses on the batches sent in, and to monitor the second-tier controls carried out by the Finance or Accounting Departments of each entity. This involved systematizing the analytical review process initiated in June 2007 across the entire scope of consolidation.

External control

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 the Internal Audit departments of Natixis' central institutions (CNCE, BFBP) and of Natixis itself;
- audits carried out by the French Banking Commission in its role as banking regulator. In this respect, the conclusions and recommendations arising from the Commission's audit of Groupe Banque Populaire's IFRS restatements are subject to regular follow-up;
- audits carried out by the external auditors, who work in collegiate fashion consistently throughout all Group entities. The conclusions from these audits notably take into account Natixis' compliance with its standards and the effectiveness of local internal control procedures.

CONCLUSION

2007 was Natixis' first full year of existence after its creation in 2006.

Like many other financial institutions, Natixis had to cope with the difficulties arising from the international financial crisis. The Supervisory Board and the Audit Committee – which met nine times during the year – paid particular attention to this subject during the year.

In addition, Natixis also had to respond to the challenges created by the merger process initiated in late-2006, and to develop strategies aimed primarily at consolidating governance systems, and integrating and rationalizing internal control systems.

In line with these objectives, Natixis undertook sizeable efforts to converge accounting and reporting systems during the course of 2007. These efforts are set to continue in 2008.

Natixis also reorganized its internal control systems during the year. The periodic and permanent control entities were clearly demarcated in line with banking regulations, and set up as separate functions operating across all of Natixis. They were also integrated into the control functions of Natixis' two central institutions, Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne.

These projects were geared to harmonizing Natixis' internal control systems and applying them across the whole of the new Group. The projects had made good progress by the end of 2007 and one of Natixis' priorities is to complete work in this area in 2008.

Lastly, early-2008 witnessed a major incident affecting one of the largest banks in the Paris market.

As soon as news of the incident emerged and the contributing factors were identified, Natixis drew up an action plan comprising a number of immediate measures. The focus is on detecting possible similar areas of risk within Natixis' own processes, executing recurring action designed to protect the Bank from such risk on a lasting basis and undertaking a more general examination of the issue of fraud and how to prevent it. Work in this area is being coordinated by a specially-created team comprising representatives of the periodic and permanent control teams. The team furnishes Natixis' executive bodies with regular updates regarding this action plan, in line with the utmost vigilance called for by the executive bodies in this area.

CHARLES MILHAUD

CHAIRMAN OF THE SUPERVISORY BOARD

Auditors' report on Chairman's report

STATUTORY AUDITORS' REPORT PREPARED IN ACCORDANCE WITH ARTICLE L. 225-235 OF THE FRENCH COMMERCIAL CODE ON THE CHAIRMAN'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Year ended December 31, 2006

Dear Shareholders,

As statutory auditors to Natixis, and in accordance with Article L. 225-235 of the French Commercial Code, we hereby present our report on the Chairman's report for the year ended December 31, 2007, drawn up in accordance with the provisions of Article L. 225-68 of the French Commercial Code.

The Chairman is required to report on the company's corporate governance system and its internal control procedures. It is our responsibility to report to you on the information and statements contained in the Chairman's report with respect to internal control over the financial reporting process.

We conducted our investigations in accordance with the professional standards applied in France. Those standards require that we perform our procedures to assess the fairness of the information contained in the Chairman's report with respect to internal control procedures over the financial reporting process. These procedures principally consisted of:

- familiarizing ourselves with the internal control procedures over the financial reporting process, as presented in the Chairman's report;
- familiarizing ourselves with the procedures underlying the information presented in the report;
- determining if major internal control deficiencies over the financial process that we would have noticed were presented in the Chairman's report.

On the basis of our investigations, we have no particular comment to make on the information and statements with respect to internal control over the financial reporting process contained in the Chairman's report, prepared in accordance with Article L. 225-68 of the French Commercial Code.

Paris-La Défense and Neuilly-sur-Seine, April 18, 2008

The Statutory Auditors

DELOITTE & ASSOCIÉS	SALUSTRO REYDEL	MAZARS & GUÉRARD
Damien Leurent	Member of KPMG International	Charles de Boisriou
	Michel Savioz	Michel Barbet-Massin

8 ADDITIONAL INFORMATION

Legal information

GENERAL MEETINGS

Notice of meeting

Shareholders' meetings are called by the Executive Board, or, failing that, under the conditions provided by Article 225-103 of the French Commercial Code. Notices of meetings are issued in accordance with current regulations. Meetings take place either at the company's head office or at any other place specified in the notice of meeting.

Admission to meetings

Shareholders' meetings include all shareholders whose shares are fully paid-up in respect of payments due.

The right to take part in general shareholders' meetings is subject to shares being registered in the name of the shareholder at midnight on the third business day prior to the meeting, either in registered share accounts held by the company or in bearer share accounts held by the appropriate intermediary.

Shareholders may always be represented at shareholders by a properly authorized proxy. Such proxies are not entitled to be replaced by another person.

In accordance with the applicable legal and regulatory provisions, shareholders may send in their proxy forms and postal voting forms either in paper form, or, upon a decision of the Executive Board published in the notice of meeting, by electronic means. The Executive Board may also decide that shareholders may take part in and vote at any shareholders by videoconferencing or electronic means under the conditions provided by the regulations.

Exercise of voting rights

Pursuant to Article 26 of the bylaws, shareholders are entitled to one vote for each share that they own or represent.

Identification of shareholders

Pursuant to Article 5 of the bylaws and in accordance with the applicable legal and regulatory provisions, the Company may request any authorized body or intermediary to provide any information about the holders of securities conferring immediate or future voting rights at shareholders' meetings, and in particular as to their identity, nationality and address, the number of securities that they hold and any restrictions attached thereto.

Any natural or legal person that, directly or indirectly, and whether alone or in concert with other natural or legal persons, comes to hold or transfer 1%, or any multiple of that percentage, of the voting rights, must notify the Company of the number of voting rights held or transferred, by registered letter with proof of receipt requested, within a period of fifteen days of their acquisition or transfer.

In the event of failure to comply with the obligation to supply information set out in the foregoing paragraph, and on the application of a shareholder representing at least 1% of the voting rights, duly recorded in the minutes of the meeting, any shares in excess of the threshold, which ought to have been declared, shall be stripped of their voting rights until the expiry of a period of two years commencing on the date on which the notification is properly given.

COMBINED MEETING OF SHAREHOLDERS DATED MAY 22, 2008

Agenda

- Ordinary business
  - Report of the Executive Board on the company's operations during the financial year ended December 31, 2007.
  - Reports of the Acting Auditors.
  - Approval of parent company financial statements, assignment of result, setting of dividend.
  - Option for the payment of a share dividend.
  - Approval of consolidated financial statements.
  - Company intervention on the market for the shares: delegation of authority to the Executive Board.
- Extraordinary business
  - Authorization for the assignment of options for share subscription.
  - Renew the authority to the Executive Board granted for 26 months in accordance with the law by the meeting dated November 17, 2006, and expiring before the next annual shareholders:
    - to increase capital via the issue of capital securities, with preferential subscription rights,

- to increase capital via the issue of capital securities, without preferential subscription rights,
- the right to increase issue in the event of surplus demand,
- the possibility of shares issued without preferential subscription rights to be used as remuneration for shares tendered in the event of a share swap offer or an asset transfer,
- to increase capital via the incorporation of premiums, reserves and earnings,
- to undertake a capital increase reserved for employees,
- in order to reduce the capital by cancellation of shares held by the company.

- Powers to carry out formalities.

REPORT OF THE EXECUTIVE BOARD ON THE RESOLUTIONS TO BE PUT TO THE VOTE AT THE ANNUAL SHAREHOLDERS' MEETING

Ordinary business

In the **first resolution**, the Executive Board seeks approval of Natixis' parent company financial statements for 2007 and particularly the movements occurring concerning retained earnings since December 31, 2006.

The **second resolution** seeks approval of the related party agreements described in the Acting Auditors' special report.

In the **third resolution**, shareholders are asked to approve the proposed appropriation of earnings and the payment of a dividend. The Executive Board is proposing to pay a dividend of €0.45 per share for each of the 1,222,042,694 shares comprising the capital stock. The dividend will be payable on June 27, 2007.

The **fourth resolution** is to provide an option of a share dividend.

The **fifth resolution** seeks approval of the consolidated financial statements presented to the meeting, in accordance with the provisions of the French Commercial Code.covers the approval of the consolidated accounts, which were presented to the meeting in accordance with the clauses of the Commercial Code.

In the **sixth resolution**, the Executive Board is seeking renewal of the authority granted by the Shareholders on May 24, 2007 to trade in the Company's own shares under the conditions set out in European Directive 2003/6/EC of January 28, 2003 and in European regulation 2273/2003 of December 22, 2003.

Extraordinary business

The purpose of the **seventh** resolution is to renew the authority granted to the Executive Board to grant stock options to employees or company officers of the Company or of companies associated with the Company within the meaning of Article L. 225-180 of the French Commercial Code, the authorization granted on November 17, 2006, having been used in full. The subscription price shall be set in accordance with applicable legal requirements pursuant to Article R. 225-144 of the French Commercial Code.

The decisions corresponding to the renewal of authorities granted to the Executive Board for a period of 26 months, to carry out capital increases with maintenance or removal of the preferential subscription right, and to allow capital increases as part of certain special operations (payment of securities contributions, incorporation of bonuses, reserves, increase in capital reserved for employees, etc.) are submitted to shareholders' votes in the **eighth to the thirteenth resolutions.**

The purpose of the **fourteenth resolution** is to authorize the reduction in capital as part of the share buyback program, within the limit of 5% of the capital.

RESOLUTIONS TO BE PUT TO THE VOTE AT THE ANNUAL SHAREHOLDERS' MEETING OF MAY 22, 2008

Ordinary business

First resolution: approval of parent company financial statements

Having received and considered:

- the management report on the operations of Natixis for the year ended December 31, 2007;
- the financial statements for the year;
- the observations of the Supervisory Board on the report of the Executive Board and on the financial statements for the year ended December 31, 2007; and
- the reports of the Acting Auditors;

the shareholders hereby approve the financial statements as presented, including the following transfers to and from the retained earnings since December 31, 2006:

- Retained earnings at December 31, 2006
€16,584,314.50;

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- 2006 dividend in respect of treasury shares €433,846.78;
- Appropriation of the 2006 earnings -€16,584,314.50;
- Balance of 2006 appropriation of earnings €486.22;

- Retained earnings at December 31, 2007 €434,333.00.

Second resolution: Acting Auditors' report

The shareholders hereby approve the special report of the Acting Auditors on related party agreements governed by Article L. 225-86 of the French Commercial Code.

Third resolution: appropriation of earnings – dividends

Having considered the appropriation of earnings proposed by the Executive Board, the shareholders hereby approve their proposal and resolve as follows:

- first:
  - to allocate the year's loss of: €467,183,610.92

    to:
    - retained earnings up to: €434,333.00,
    - the general reserve up to: €101,687,301.10,
    - the other reserves up to: €198,166,070.35,
    - the issue premium up to: €166,895,906.47,

    the allocated sum equal to the loss: €467,183,610.92;
- second:
  - to deduct, from the issue premium, the sum of €549,919,212.30,
  - to pay a total dividend of €549,919,212.30.

The dividend for the year ended December 31, 2007 is therefore **€0.45** per share for each of the 1,222,042,694 shares comprising the capital stock.

The dividend will be payable as of June 27, 2008.

For information, as required by law, dividends paid in the previous three years were as follows:

	2006	2005 *	2004 *
Dividend per €16 par value share	€0.86	€5	€3.30
Number of shares remunerated *	1,219,864,330	48,995,480	48,255,962

(*) Before division of the nominal value by 10.

Fourth resolution: option for the payment of dividend in shares

In application to the dividend for the 2007 financial year of the clauses of Articles L. 232-18 and under the Commercial Code and Article 34 paragraph 3 of the company statutes, the shareholders decide to grant the possibility of opting for payment in shares of the entire dividend relating to the shares that they own.

The issue price of the new shares, dated January 1, 2008, is set at 90% of the average of the first quoted prices during the twenty stock market sessions prior to the day of the present assembly, reduced by the net amount of the dividend.

If the amount of dividends due to a shareholder does not correspond to an integral number of shares, the shareholder may receive:

- the number of shares immediately below, supplemented by a cash adjustment;
- or the number of shares immediately above, in consideration of an additional cash payment.

The option for the payment of the dividend in shares will be open on May 30, 2008, namely two days after the date of coupon detachment. Shareholders must make their requests to the establishment holding their share accounts. The option will be closed on June 18, 2008 inclusive. If the option has not been exercised by this deadline, shareholders will receive the dividends due to them in cash on June 27, 2008.

The shareholders give full power to the Executive Board to account for the number of shares issued and the resulting increase in capital and consequentially modify the text of Article 3 of the statutes.

Fifth resolution: approval of the consolidated financial statements

Having received and considered:

- the management report on the operations of Natixis and its consolidated subsidiaries for the year ended December 31, 2007;

- the consolidated financial statements for that year; and
- the report of the Acting Auditors on the consolidated financial statements;

the shareholders hereby approve the consolidated financial statements as presented.

Sixth resolution: authority to trade in the company's own shares

In accordance:

- with the provisions of Articles L. 225-209 *et seq.* of the French Commercial Code;
- with the provisions of European Directive 2003/6 and of European regulation 2273/2003 of December 22, 2003;
- with Articles 631-1 *et seq.*, and Articles 241-1 *et seq.*, of the general regulations of the Autorité des Marchés Financiers;
- with market practices as accepted by the Autorité des Marchés Financiers in two decisions of March 22, 2005;

and having regard to the description of the program published in the manner provided by the Autorité des Marchés Financiers, the shareholders, having received and considered the report of the Executive Board, hereby grant it the authority to purchase shares in the company.

This authority, which is granted for a period of eighteen months with effect from the date of this shareholders, is intended to enable the company:

- to ensure liquidity or make a market in the shares through an independent investment service provider acting independently under the terms of a liquidity agreement complying with the Code of Ethics of the AFEI;
- to allot shares to employees under the conditions permitted by the regulations, and particularly in the context of a profit-sharing arrangement, stock option plan, company or group savings plan or free allocation of shares;
- to offer the shares in payment or exchange, particularly with respect to acquisitions;
- to use the shares to cover obligations relating to debt securities giving access to the capital;
- to cancel the shares by way of a reduction in the capital.

The shares may be bought, sold, exchanged or transferred by any means, on the stock market or over-the-counter, including by means of block trading, public tender offers, the use of derivative financial instruments or warrants or negotiable securities conferring a right to shares of the Company, or by the use of options-based strategies, under the conditions provided by market authorities and in accordance with the regulations. The entire authority may be used to purchase or sell the shares by means of block trading.

Trading may take place at any time within the limits authorized by the regulations in force, including in periods of public tender offers or public exchange offers initiated by the Company or in relation to the Company's shares.

The shareholders resolve that the number of shares that may be purchased pursuant to this resolution may not exceed 5% of the Company's capital stock, namely a total of 61,102,134 shares on the date of this meeting, and that the total investment cost may not exceed €1,833 million.

The shareholders resolve that the purchase price may not exceed €30 per share, on the understanding that in the event of subsequent capital transactions, particularly involving the incorporation of reserves, the free allocation of shares, or a share split or consolidation, the price indicated above will be adjusted accordingly.

For the purpose of implementing this authority, the shareholders confer all necessary powers on the Executive Board, including the power to subdelegate as defined in Article L. 225-209 paragraph 2 of the French Commercial Code, to decide to implement this authority and to determine the manner in which this will take place, particularly in order to adjust the aforementioned purchase price in the event of transactions altering the Company's equity capital or capital stock or the nominal value of its shares; to place any stock market orders and enter into any agreements; to make any declarations and complete any formalities; and, more generally, to do whatever may be necessary.

With effect from the date of this meeting, this authority cancels and replaces any similar authority previously granted.

Extraordinary business

Seventh resolution: authority to grant stock options

Having received and considered the report of the Executive Board and the special report of the Acting Auditors, acting under the conditions as to quorum and majority required for extraordinary shareholders and pursuant to the provisions of Articles L. 225-177 *et seq.* of the French Commercial Code, the shareholders hereby:

1. Resolve to authorize the Executive Board, on one or more occasions, to grant options valid for a period of seven (7) years conferring a right to subscribe for new, or to purchase existing, shares of the Company made available as a result of buybacks carried out under the conditions provided by the bylaws and by law, to employees or company officers of the Company or of companies associated with the Company within the meaning of Article L. 225-180 of the French Commercial Code, or some of them;

2. Resolve that the total number of stock options granted pursuant to this authority may not confer a right to subscribe for more than 10,000,000 shares;

3. Resolve that the options to subscribe for and/or purchase shares must be granted before the expiry of a period of 38 months from the date of this general meeting;

4. Formally acknowledge and, if necessary, resolve, that this authority shall automatically involve a waiver by the shareholders of any preferential subscription rights in respect of the shares to be issued following the exercise of the options, in favor of the beneficiaries of the stock options;

5. Confer all necessary powers on the Executive Board to implement this authority under the conditions provided by law and by the bylaws, particularly in order:

   - to determine the conditions under which the options will be granted and to draw up a list or the categories of beneficiaries of the options,
   - to determine the price of subscription of the shares (in the case of options to subscribe for shares) and the purchase price of the shares (in the case of options to purchase shares) and the date on which the options will be granted (on the understanding that this price may not be lower than the value arrived at by the application of the current regulations,
   - to adjust the subscription and purchase price of the shares to take account of any financial transactions that may take place before the options are exercised,
   - to determine the period or periods of exercise of the options thus granted,
   - to make provision for temporary suspension of the exercise of options for a maximum period of three months in the event of financial transactions involving the exercise of a right attached to the shares,
   - if necessary, to record the number and the amount of shares issued during the financial year as a result of the exercise of options, at its first meeting following the end of each financial year,
   - in its sole discretion and if it sees fit, to charge the expenses of increases in the capital stock to the amount of premiums referable to those increases, and to deduct from that amount the sums necessary to bring the legal reserve back up to one tenth of the new capital stock after each increase,
   - to complete or arrange for the completion of any acts and formalities necessary to make definitive any capital increases that may be carried out pursuant to the authority granted by this resolution, to make the consequential amendments to the bylaws, and generally, to do whatever may be necessary;

6. Formally notes that this authority cancels any previous authority granted for the same purpose.

Eighth resolution: renew the authority to increase capital via the issue of ordinary shares or any capital securities, with preferential subscription rights for existing shareholders

The shareholders, giving the ruling on the quorum and majority conditions for special shareholders' meetings, after having been made aware of the Executive Board' report and the special report from the Acting Auditors, and in accordance with the clauses of Articles L. 225-129-2, L. 228-92 and L. 228-93 of the Commercial Code:

1. Delegate to the Executive Board, subject to the prior authorization of the Supervisory Board in the cases provided for in the statutes, the authority to decide on one or more capital increases through the issue, in France or abroad, in euros, of ordinary shares of the company or any capital securities giving access by any means, immediately and/or in future, to ordinary shares of the company or a company for which it directly or indirectly owns more than half of the capital, these securities also being able to be denominated in foreign currencies or in any monetary unit established by reference to several currencies.

   Such authority is valid for a period of twenty-six months from the present meeting;

2. Decide that the total amount of increases in equity capital which may be thus carried out immediately and/or in future, may not be greater than €150 million (one hundred and fifty million euros) in nominal value, to the amount of which will be added, where appropriate, the additional amount of shares to be issued to preserve, in accordance with the law, the rights of the bearers of securities giving the right to shares;

3. Decide that the maximum nominal amount for the issue of securities representing debt or giving access to capital that may be carried out under the present authority may not exceed a nominal amount of €1,500 million or the exchange value of this amount in case of issue in another currency;

4. In case of the use by the Executive Board of the present authority:

   - decide that the issue or issues will be reserved by preference under the conditions provided for by the law for shareholders who may subscribe by way of right,
   - give the Executive Board the right to grant shareholders the right to subscribe, subject to allocation, to a number of shares greater than those which to which they may subscribe by way of right, in proportion to the subscription rights that they have and in any case, within the limit of their request,

- decide that, if the subscriptions by way of right, and where appropriate, subject to allocation have not absorbed all of the issue, the Executive Board may use, under the conditions provided for by the law and in the order which it will determine, one and/or the other of the options provided for by Article L. 225-134 of the Commercial Code, namely:
  - limit the capital increase to the amount of subscriptions on condition that this reaches at least three-quarters of the amount of the initially-decided issue,
  - freely distribute all or part of the issued and non-subscribed securities between the persons of its choice,
  - offer to the public, on the French or international market, all or part of the issued and non-subscribed securities,
- decide that any issue of stock purchase warrants for the Company's shares may be the subject either of a subscription offer under the conditions provided for above or a free assignment to the owners of old shares,
- formally record and decide that the present authority signifies, as of right, for the benefit of the holders of the issued securities, express renunciation by shareholders of their preferential subscription rights to securities to which the issued securities will give right;

5. Decide that the Executive Board will have the necessary powers, with the right to sub-delegate to its president or to one of its members under the conditions set by the law and the statutes to implement the present authorization and particularly to:

- determine the conditions for the capital increase (or increases) and/or the issue (or issues),
- determine the number of shares and/or securities to issue, their issue price and the amount of the premium, the payment of which, where appropriate, may be requested at the time of the issue,
- determine the date and terms of the issue and the type and form of securities to be created, which may in particular take the form of subordinated or unsubordinated securities and with determined or indeterminate periods,
- determine the mode of payment of the issued shares and/or securities,
- set, if there is cause, the terms for exercising the rights attached to the securities issued or to be issued and, in particular, determine the dated date of the new shares, which may be retroactive, as well as all the other conditions and terms for carrying out the issue(s),
- set the terms under which the Company will, where appropriate, have the right to buy or exchange in the market, at any time or during determined periods, the securities issued or to be issued;
- provide for the right to suspend, possibly, the exercise of the rights for the securities during a maximum period of three months,
- set the terms under which, where appropriate, the rights of the holders of securities that give future rights to the Company's shares will be preserved, in accordance with legal and regulatory measures,
- at its sole initiative, set off the fees from the increase (or increases) of capital against the amount of the premiums which relate to it and deduct from this amount the sums necessary to bring the legal reserve to one tenth of the new capital after each increase,
- determine the terms under which the Company will have the right to purchase stock warrants in the market, at any time or during determined periods, in order to cancel them, in case of the issue of securities giving the right to the assignment of capital securities on presentation of a warrant,
- generally, conclude any agreements, particularly to ensure the success of the envisaged operation(s), take any measures and carry out any formalities in relation to the financial servicing of the issued securities, in accordance with the present authority and the exercise of the rights which are attached to it, account for the completion of each capital increase, carry out correlative modifications to the statutes and generally do what is necessary.

Ninth resolution: renew the authority to increase capital via the issue of ordinary shares or any capital securities, without preferential subscription rights for shareholders

The shareholders, giving the ruling on the quorum and majority conditions for special shareholders' meetings, after having been made aware of the Executive Board' report and the special report from the Acting Auditors, and in accordance with the clauses of Articles L. 225-129-2, L. 225-135, L. 228-92 and L. 228-93 of the Commercial Code:

1. Delegate to the Executive Board, subject to the prior authorization of the Supervisory Board in the cases provided for in the statutes, the authority to decide on one or more capital increases through the issue, in France or abroad, in euros, of ordinary shares of the company or any securities giving access by any means, immediately and/or in future, to ordinary shares of the company or a company for which it directly or indirectly owns more than half of the capital, these securities also being able to be denominated in foreign currencies or in any monetary unit established by reference to several currencies.

Such authority is valid for a period of twenty-six months from the present meeting;

2. Decide that the total amount of increases in equity capital which may be thus carried out immediately and/or in future, may not be greater than €150 million (one hundred and fifty million euros) in nominal value, this amount coming under the ceiling fixed in the preceding resolution, to the amount of which will be added, where appropriate, the additional amount of shares to be issued to preserve, in accordance with the law, the rights of the bearers of securities giving the right to shares;
3. Decide that the maximum nominal amount for the issue of securities representing debt or giving access to capital that may be carried out under the present authority may not exceed a nominal amount of €1,500 million, or the exchange value of this amount in case of issue in another currency, this amount coming under the ceiling fixed in the preceding resolution;
4. Decide to abolish the preferential subscription right of shareholders to these securities, which will be issued in accordance with the legislation, and to confer on the Executive Board the power to institute, for the benefit of shareholders, a right of priority to subscribe to them in application of the clauses of Article L. 225-135 of the Commercial Code;
5. Decide that the issue price of the shares will be at least equal to the weighted average of the first prices quoted during the three last market sessions (on the Paris market) preceding its setting, possibly reduced by a discount within the limit provided for by the legislation and regulations in force;
6. Formally record and decide that the present authority signifies, as of right, for the benefit of the holders of the issued securities, express renunciation by shareholders of their preferential subscription rights to securities to which the issued securities will give right;
7. Decide that the balance of the issue which may not have been subscribed will be divided at the behest of the Executive Board, totally or partially, or that the amount of the issue will be limited to the amount of subscriptions received, it being specified that the Executive Board may use, in the order that it considers correct, the options above, or only one of them;
8. Decide that the Executive Board will have the necessary powers, with the legal right to sub-delegate to its president or to one of its members under the conditions set by the law and the statutes to implement the present authorization and particularly to:
   - determine the conditions for the capital increase (or increases) and/or the issue (or issues),
   - determine the number of shares and/or securities to issue, their issue price and the amount of the premium, the payment of which, where appropriate, may be requested at the time of the issue,
   - determine the date and terms of the issue and the type and form of securities to be created, which may in particular take the form of subordinated or unsubordinated securities and with determined or indeterminate periods,
   - determine the mode of payment of the issued ordinary shares and/or securities,
   - set, if there is cause, the terms for exercising the rights attached to the securities issued or to be issued and, in particular, determine the dated date of the new shares, which may be retroactive, as well as all the other conditions and terms for carrying out the issue(s),
   - set the terms under which the Company will, where appropriate, have the right to buy or exchange in the market, at any time or during determined periods, the securities issued or to be issued,
   - provide for the right to suspend, possibly, the exercise of the rights for the securities during a maximum period of three months,
   - at its sole initiative, set off the fees from the increases in equity capital against the amount of the premiums which relate to it and deduct from this amount the sums necessary to bring the legal reserve to one tenth of the new capital after each increase,
   - generally, conclude any agreements, particularly to ensure the success of the envisaged operation(s), take any measures and carry out any formalities in relation to the financial servicing of the issued securities, in accordance with the present authority and the exercise of the rights which are attached to it, account for the completion of each capital increase, carry out correlative modifications to the statutes and generally do what is necessary;
9. Formally record that the present authorization cancels any previous authorization having the same purpose.

Tenth resolution: increase issued amount in case of surplus demand

For each one of the issues decided in application of the eighth and ninth resolutions, the number of securities to be issued may be increased under the conditions set by Article L. 225-135-1 of the Commercial Code and by the decree dated February 10, 2005, when the Executive Board observe excess demand, in the thirty days following closure of the subscription, within the limit of 15% of the initial issue and at the same price as that chosen for the initial issue, and without exceeding the limit on the overall ceiling provided for by the fifteenth resolution.

Eleventh resolution: to allow for the possibility of shares issued without preferential subscription rights for existing shareholders to be used as remuneration for shares tendered in the event of a share swap offer or an asset transfer

The shareholders, giving the ruling on the quorum and majority conditions for special shareholders' meetings, after having been made aware of the Executive Board' report and the special report from the Acting Auditors, and in accordance with the clauses of Articles L. 225-147 paragraph 5 and L. 225-148 of the Commercial Code:

1. Delegate to the Executive Board, subject to the prior authorization of the Supervisory Board in the cases provided for in the statutes, during a period of twenty-six months from the present meeting, the necessary authority to proceed with the issue of shares and securities giving access, immediately and/or in future, to the Company's capital, in order to remunerate securities that may be contributed to the Company as part of a public offer including a securities-exchange component meeting the conditions set by Article L. 225-148 of the Commercial Code;
2. Delegate to the Executive Board, subject to prior authorization from the Supervisory Board in the cases provided for in the statutes, during a period of twenty-six months from the date of the present meeting, the authority necessary to issue shares and securities giving access, immediately and/or in future, to the Company's capital, within the limit of 10% of the equity capital at the time of the issue, in order to remunerate contributions in kind granted to the Company and made up of capital securities or securities giving access to capital, when the clauses of Article L. 225-148 of the Commercial Code are not applicable;
3. Formally record that the present authority signifies, as of right, renunciation by shareholders of their preferential right of subscription to shares of the Company to which securities issued under the present authorization may give right, to the benefit of the holders of securities giving access to capital issued in accordance with the present resolution;
4. Decide that the Executive Board will have the necessary powers for these purposes, and particularly:
   - in case of issues based on Article L. 225-147 paragraph 5, to approve the evaluation of contributions, to set the number of new shares issued in payment for contributions and the conditions of their issue, to determine, where appropriate, the amount of the cash adjustment to pay, and to account for the completion of contributions,
   - in the case where securities are issued to pay for securities contributed as part of a public offer containing an exchange component initiated by the Company, determine the list of securities contributed to the exchange, set the issue conditions, the parity of exchange and, where appropriate, the amount of the cash adjustment to pay, determine the terms of the issue either as part of a public exchange offer or a tender offer or a primary exchange, matching a public exchange offer or an individual tender offer,
   - at its sole initiative, set off the fees from the increases in equity capital against the amount of the premiums which relate to it and deduct from this amount the sums necessary to bring the legal reserve to one tenth of the new capital after each increase,
   - generally, conclude any agreements, particularly to ensure the success of the envisaged operation(s), take any measures and carry out any formalities in relation to the financial servicing of the issued securities, in accordance with the present authority and the exercise of the rights which are attached to it, account for the completion of each capital increase, carry out correlative modifications to the statutes and generally do what is necessary.

   In all cases, the amount of capital increases carried out in accordance with the present resolution comes under the overall ceiling provided for by the fifteenth resolution;
5. Formally records that the present authorization cancels any previous authorization having the same purpose.

Twelfth resolution: renew the authority to increase capital via the incorporation of premiums, reserves, earnings or other items

The shareholders, being aware of the Executive Board' report and in accordance with the clauses of Articles 225-129-2, L. 228-92 of the Commercial Code:

1. Delegate to the Executive Board, subject to the prior authorization of the Supervisory Board in the cases provided for in the statutes, for the same period of twenty-six months, the authority to decide to make one or more capital increases by incorporation into the capital of premiums, reserves, earnings or other items, the capitalization of which will be legally and statutorily possible, in the form of the assignment of free shares, increasing the nominal value of existing shares or a combination of these two methods;
2. Decide that the total amount of increases in equity capital that may thus be realized, increased by the amount necessary to maintain, in accordance with the law, the rights of the holders of securities giving the right to shares, may not be greater than €150 million (one hundred and fifty million euros), or, in any case, to the amount of the reserves, premiums or profits mentioned above which exist when the capital is increased;

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3. Decide that the Executive Board will have the necessary powers, with the legal right to sub-delegate to its president or to one of its members under the conditions set by the law and the statutes to implement the present authorization and particularly to:

   - fix the amount and type of the sums to incorporate in the capital,
   - set the number of shares to be issued or the amount by which the nominal value of shares making up the equity capital will be increased,
   - determine the dated date, which may be retroactive, for the new shares or the date on which the raised nominal value takes effect,
   - decide, in accordance with the clauses of Article L. 225-130 of the Commercial Code that the rights relating to fractional amounts will not be negotiable or transferable and that the corresponding shares will be sold and the amounts from the sale will be allocated to the holders of rights no later than thirty days after the date when the whole number of their shares is registered to their account,
   - deduct, from one or more available reserve items, the amounts necessary to bring the legal reserve to one tenth of the equity capital after each capital increase,
   - take all necessary precautions to ensure the correct completion of the capital increase,
   - account for the completion of the capital increase, proceed with correlative modifications of the statutes and carry out all proceedings and formalities relating to it, and generally do what is necessary;

4. Formally record that the present authorization cancels any previous authorization having the same purpose.

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Thirteenth resolution: renew the authority to undertake a capital increase reserved for employees in accordance with Article L. 225-129-6 of France's Commercial Code

The shareholders, giving the ruling on the quorum and majority conditions required for special shareholders' meetings, after having been made aware of the Executive Board' report and the special report from the Acting Auditors, and in accordance with the clauses of Articles L. 225-129 and following and L. 225-138-1 of the Commercial Code, and Articles L. 443-1 and following of the Employment Code,

1. Delegate to the Executive Board the authority to decide on increasing the Company's equity capital for an overall maximum nominal amount of €16 million in one or several stages, by issuing new shares for cash that are reserved for employees of the Company or the companies which are associated with it in the sense of Article L. 444-3 paragraph 2 of the Employment Code, from when these employees join a company savings plan;

2. Authorize the Executive Board, during these capital increases, to freely assign these shares, within the limits provided for by Article L. 443-5 paragraph 4 of the Employment Code;

3. Decides to abolish, for the benefit of these employees, the preferential right of shareholders to subscribe to the new shares concerned and to give up all rights to the shares that may be freely assigned based on the present resolution;

4. Decide that the subscription price of the shares issued in application of the present authorization will be set by the Executive Board in accordance with the clauses of Article L. 443-5 of the Employment Code;

5. Confer the necessary powers on the Executive Board, with the right to sub-delegate under the conditions provided for by the law, to set the terms and conditions for implementation of the capital increase (or increases) decided in accordance with the present resolution, particularly to:

   - determine the companies whose employees may benefit from the subscription offer,
   - fix the number of new shares to be issued and their dated date,
   - set, within the legal limits, the conditions for the issue of the new shares and the periods granted to employees for exercising their rights,
   - set the periods and terms for payment for the new shares, it being specified that this period may not exceed three years,
   - charge the fees for the capital increase(s) to the amount of the premiums relating to it,
   - account for the completion of the capital increase(s) up to the amount of shares subscribed and proceed with correlative modifications of the statutes,
   - carry out all operations and formalities made necessary by the completion of the capital increase(s).

The present authorization is granted for a period of twenty-six months from today.

Fourteenth resolution: authority to reduce the equity capital by canceling purchased shares in application of a share-buyback program

The shareholders, being aware of the Executive Board' report and the report of the Acting Auditors, and giving a ruling on the conditions for a quorum and the majority that are required for special shareholders' meetings:

1. Give the Executive Board authorization to cancel, on its sole decision, in one or more stages, up to a limit of 61,102,134 shares, namely 5% of the capital, shares that the company holds or may hold following repurchases carried out in the context of Article L. 225-209 of the Commercial Code in application of the fiftieth resolution and to consequentially reduce the equity capital by the same amount in accordance with the legal and regulatory measures in force. The maximum authorized reduction of capital is €97,763,414.40 in nominal value;
2. Set the period of validity of the present authorization to eighteen months from the present meeting;
3. Decide that any excess of the purchase price of the shares over their nominal value will be set off against the item for issue premiums, mergers or contributions or against any available reserve item, including against the legal reserve, within the limit of 10% of the capital reduction carried out;
4. Give the necessary powers to the Executive Board, with the right of sub-delegation to its President, to carry out of this (or these) capital reduction(s), and particularly to settle the outcome of any objections, to account for the capital reduction(s), to make the necessary modifications to the statutes in case of use of the present authorization and to proceed with the provision of all information, publication and formalities related to it.

Fifteenth resolution: powers to carry out formalities

All necessary powers are conferred on the holder of a copy or extract of the minutes of this meeting to carry out any filing and publication formalities provided by law.

Additional information

GENERAL INFORMATION ABOUT NATIXIS

Name

Natixis

Head office

30, avenue Pierre-Mendès-France, 75013 Paris

Legal form

Natixis is a French public limited corporation *(société anonyme)* with an Executive Board and a Supervisory Board. It is governed by French company law, the provisions of the French Monetary and Financial Code *(Code monétaire et financier)* and its bylaws.

Date of incorporation and term

The Company was incorporated on November 20, 1919 under the name Crédit National. Its term was increased to 99 years on November 9, 1994, save for extension of this term or early dissolution of the Company. The name "Natixis" was adopted by the shareholders at their meeting on November 17, 2006.

Corporate purpose

Pursuant to Article 2 of the bylaws, the Company's corporate purpose in France and abroad is:

- the conduct of all and any banking business and related businesses within the meaning of the French Banking Act;
- the provision of all and any investment services as defined in the French Monetary and Financial Code;
- the performance of specific assignments on behalf of the French State in economic and financial areas under the provisions of special agreements;
- the conduct of all and any brokerage business;
- the acquisition of interests in companies, groups or associations with a direct or indirect connection with the activities referred to above;
- the completion of all and any private and commercial transactions.

Incorporation particulars

Paris Trade and Companies Register registration number: B 542 044 524 APE Code: 00818

Access to legal documents

All documents concerning the Company, including its bylaws, financial statements and reports presented to general meetings of shareholders by the Executive Board or the Statutory Auditors are available at the Company's head office.

Financial year

The Company's financial year runs from January 1 to December 31.

Appropriation of earnings *(Title V, Article 34 of the bylaws)*

After deduction of any prior year losses, a minimum of 5% of each year's earnings shall be transferred to the legal reserve as required by law. This provision shall no longer apply once the legal reserve has reached one tenth of the value of the company's capital stock, but shall be reinstated if for any reason the legal reserve falls back below this minimum requirement.

The balance, plus any retained earnings, comprises the sum available for distribution, which may by resolution of the shareholders at the annual general meeting be used as they deem appropriate within the limits permitted by law, either by way of transfer to retained earnings or other reserves, or on the recommendation of the Executive Board, distributed in full or in part as a dividend.

The shareholders may also resolve to distribute sums from retained earnings or reserves to which they are entitled. In this case, their resolution must expressly indicate which reserve accounts are to be used.

The shareholders' resolution may offer the option of receiving all or part of the dividend in either cash or shares. In the latter case, payment will be made by means of allotting shares in the company in accordance with any applicable legal and regulatory provisions.

As permitted by law, the Executive Board may decide to pay an interim dividend either in cash or in shares.

Annual dividends shall be paid on the date or dates set by the Executive Board but no later than nine months after the year end.

Provisions of the bylaws concerning the administration and control of the Company *(Title III, Articles 9 to 20 of the bylaws)*

Executive Board

Article 9 – Composition of the Executive Board

The Company shall be managed by an Executive Board comprising between two and seven members appointed by the Supervisory Board. It shall carry out its functions under the supervision of the Supervisory Board, in accordance with the law and with these bylaws.

The members of the Executive Board need not be shareholders of the Company, but must be physical persons. They may be re-elected. Members of the Supervisory Board may not also be members of the Executive Board.

The age limit for holding office as a member of the Executive Board shall be 70 years. Any member of the Executive Board who attains that age shall automatically be deemed to have resigned.

The Executive Board shall be appointed for a term of six (6) years. In the event of a vacancy for a member of the Executive Board, the Supervisory Board shall appoint a replacement for the remainder of the term of office of his or her predecessor, as provided by law.

Any member of the Executive Board may be dismissed, either by the Supervisory Board or by the general meeting of shareholders. If the dismissal takes place without just cause, it may give rise to the payment of damages. The dismissal of a member of the Executive Board shall not result in the termination of his or her employment contract.

Article 10 – Chairmanship of the Executive Board – Chief Executive Officer

The Supervisory Board shall appoint one of the members of the Executive Board as Chairman. The Chairman shall exercise his or her functions throughout his or her term of office as a member of the Executive Board. He or she shall represent the Company in its relations with third parties.

The Supervisory Board may confer the same representative power on one or two members of the Executive Board, in which case they shall have the title of Chief Executive Officer.

The functions of the Chairman, and, if applicable, of the Chief Executive Officer allocated to members of the Executive Board, may be withdrawn at any time by the Supervisory Board.

The Executive Chairman or a Chief Executive Officer may take any action validly binding the Company as regards third parties.

Article 11 – Deliberations of the Executive Board

The Executive Board shall meet as often as the interests of the Company require, upon a notice of meeting being issued by its Chairman or by at least half its members. It shall meet at the head office or in any other place indicated in the notice of meeting. Additions may be made to the agenda when the meeting takes place. Notices of meetings may be issued by any means including by word of mouth.

Meetings shall be chaired by the Executive Chairman or, in his or her absence, by the Chief Executive Officer appointed by the Chairman. The Executive Board may only validly deliberate if at least half its members are present. Decisions shall be taken by a majority of the votes of members present or represented. In the event of a tied vote, the Chairman of the meeting shall have a casting vote.

The proceedings of the Executive Board shall be recorded in minutes contained in a special minute book and signed by the members of the Executive Board that attended the meeting.

The Executive Board shall draw up its own regulations governing its manner of functioning, and shall provide a copy of them to the Supervisory Board for information.

Article 12 – Powers and obligations of the Executive Board

The Executive Board shall be invested with the broadest powers to act in all circumstances on behalf of the Company, subject to the limitations of the corporate purpose and those powers expressly attributed by law and by these bylaws to general meetings of shareholders and the Supervisory Board.

No restriction on the Executive Board's powers shall be enforceable against third parties, which may commence legal action against the Company to enforce obligations entered into on its behalf by the Executive Chairman or by a Chief Executive Officer, on condition that their appointments were properly published.

The Executive Board may appoint one or more of its members or any non-member of the Executive Board to carry out such special permanent or temporary missions as it shall determine, and may delegate to them the powers it considers necessary for one or more particular purposes, with or without the power to subdelegate.

The Executive Board shall prepare and present reports, budgets and quarterly, half-yearly and annual financial statements to the Supervisory Board under the conditions provided by law and by the bylaws. The Executive Board shall convene all general meetings of shareholders, decide their agenda and execute their decisions.

Article 13 – Compensation of the members of the Executive Board

The Supervisory Board shall fix the manner and amount of the compensation of each of the members of the Executive Board.

Supervisory Board

Article 14 – Composition of the Supervisory Board

The Supervisory Board shall comprise no less than three (3) and no more than eighteen (18) members, subject to the derogation provided by law in the event of a merger.

The members of the Supervisory Board shall be appointed by the ordinary general meeting of shareholders, save that in the event of one or more positions becoming vacant, the Board may co-opt replacements for the remainder of the term of office of their predecessors, subject to ratification by the next general meeting.

When it has been determined in accordance with current regulations that the percentage of the capital stock owned by employee shareholders is in excess of the threshold provided by law, a member of the Supervisory Board shall be appointed by the general meeting from among candidates put forward by the Supervisory Board of the Employee Share Ownership Plan or Plans. The member of the Supervisory Board appointed in this way shall not be taken into account in the calculation of the maximum number of members provided for by the first subparagraph of this article.

The member of the Supervisory Board appointed in this way shall be entitled to vote on the Supervisory Board and shall be subject to the same rights and obligations as the other members thereof.

No more than one third of the members of the Supervisory Board in office may be more than 70 years of age. When this proportion is exceeded, the oldest of the members of the Supervisory Board, except for the Chairman, shall cease to hold office at the end of the next ordinary general meeting of shareholders.

Throughout his or her term of office, each member of the Supervisory Board must be the owner of at least one thousand (1,000) shares.

The members of the Supervisory Board shall be appointed for a term of six (6) years. They may be re-elected. The functions of a member of the Supervisory Board shall come to an end at the end of the ordinary general meeting of shareholders called to approve the financial statements for the financial year ended, which is held in the year in which his or her term of office expires.

Article 15 – Chairmanship of the Supervisory Board

The Supervisory Board shall elect a Chairman and two Vice-Chairmen from among its members, for the duration of their term of office. They must be physical persons.

The Supervisory Board shall determine their compensation, whether fixed or variable.

The Chairman shall be responsible for convening meetings of the Supervisory Board at least four times a year, and for directing its proceedings.

Article 16 – Meetings of the Supervisory Board

16.1 The Supervisory Board shall meet as often as is required by the interests of the Company and legal and regulatory provisions, and at least once a quarter in order to examine the written quarterly report of the Executive Board. Meetings shall be called by the Chairman of the Supervisory Board or by a third of its members, either at the head office or in any other place indicated in the notice of meeting.

Subject to Urgent Business as defined below, the Board of Directors must be given reasonable prior notice of the date of its meetings. Notices of meetings shall include the detailed agenda for the meeting.

Meetings of the Supervisory Board shall be chaired by its Chairman or by one of its Vice-Chairmen.

The Supervisory Board may appoint a secretary from among its members or elsewhere.

Meetings shall be conducted and shall make decisions according to the conditions as to quorum and majority provided by law.

The Supervisory Board shall draw up internal regulations which may provide that, save for the adoption of decisions relating to the verification and control of the parent company and consolidated financial statements, members of the Supervisory Board taking part in meetings by means of videoconferencing or telecommunication shall be deemed to be present for the purposes of calculating the quorum and majority, under the conditions permitted or prescribed by current laws and regulations.

Minutes of meetings of the Supervisory Board shall be prepared, and copies or extracts thereof shall be issued and certified in accordance with the law.

16.2 In the event of urgent business as defined below ("Urgent Business"), the accelerated procedure set out below may be applied.

Urgent Business is defined as an exceptional situation (i) characterized by the existence of a short period of time, which is imposed by a third party on pain of foreclosure and where failure to comply would be likely to cause loss to the Company or to one of its Principal Subsidiaries (the term Principal Subsidiary referring to Natixis Global Asset Management, Coface or any other company controlled directly or indirectly by the Company within the meaning of Article L. 233-3 of the French Commercial Code (x) which is substituted for them (in whole or in part) by reason of a merger, asset transfer or other transfer of its assets or (y) which has control thereof within the meaning of Article L. 233-3 I and II of the French Commercial Code, or (ii) requiring a rapid response from the Company which is incompatible with the application of the usual time limits for the convening of meetings of the Supervisory Board.

In the event of Urgent Business, the time limits for convening and conducting meetings of the Supervisory Board shall not be subject to Article 16 above, on condition that the Chairman of the Supervisory Board of the Company has:

- first sent a notice to the members of the Supervisory Board justifying the existence of the Urgent Business within the meaning of the definition set out above; and
- provided all the members of the Supervisory Board with all the information necessary for them to analyze the situation, together with the notice of meeting.

Article 17 – Powers of the Supervisory Board

17.1 The Supervisory Board shall exercise permanent control over the management of the Company by the Executive Board.

At any time of the year, it shall carry out such verifications and inspections as it shall consider appropriate, and it may obtain from the Executive Board any documents that it considers necessary for it to carry out its task.

The Executive Board shall present it with a report at least once a quarter, summarizing the main acts or other matters in connection with the management of the Company, and including all the information necessary for the Supervisory Board to be informed of developments in the Company's business, together with the quarterly and half-yearly financial statements.

After the closing of each financial year and within the time limits provided by the regulations, the Executive Board shall present the Supervisory Board with the annual and consolidated financial statements and with its report to the general meeting, for verification and inspection. The Supervisory Board shall present the annual general meeting with its observations on the report of the Executive Board and on the annual, parent company and consolidated, financial statements.

This supervision shall not in any circumstances result in the Supervisory Board or its members carrying out acts of management, whether directly or indirectly.

The Supervisory Board shall appoint and may dismiss the members of the Executive Board, the Executive Chairman and the Chief Executive Officers, under the conditions provided by law and by Article 9 of these bylaws.

The Supervisory Board shall settle the draft resolution proposing the appointment of statutory auditors by the general meeting of shareholders, under the conditions provided by law.

The Supervisory Board may decide to set up Committees responsible for considering matters referred by the Supervisory Board or its Chairman for examination and for an opinion. It shall determine the composition and powers of such Committees, and shall be responsible for the conduct of their business.

17.2 The following operations shall be subject to the prior authorization of the Supervisory Board:

- **a)** pursuant to current legal and regulatory provisions:
  - the sale of land and other immovable assets,
  - the total or partial sale of shareholdings,
  - any agreement subject to Article L. 225-86 of the French Commercial Code;
- **b)** pursuant to these bylaws:
  - any increase of the capital stock, immediate or future, while maintaining preferential subscription rights, with a value including premium in excess of €75 million,
  - any extension of the activities of Natixis to significant businesses not carried on by Natixis,
  - any appointment of members of the Supervisory Boards, Boards of Directors or Executive Boards, and, if applicable, of Chief Executive Officers and Deputy Chief Executive Officers of the Principal Subsidiaries (as defined in Article 16.2),
  - any acquisition or increase of a shareholding, and any investments or disinvestments (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 subsidiaries, in an amount in excess of €150 million,
  - any asset transfer, merger or spin-off transaction to which Natixis or any of the Principal Subsidiaries (as defined in Article 16.2) or Dedicated Subsidiaries (the term Dedicated Subsidiaries referring to Compagnie 1818–Banquiers Privés, Banque Privée Saint Dominique, Natixis Assurances, Natixis Garantie, Ecureuil Gestion and Foncier Assurance, or any company that might be substituted for them) may be party,
  - any increase of the capital stock of Natixis, immediate or future, while cancelling preferential subscription rights,
  - approval of the Company's business plan prepared by the Executive Board including, in particular, profitability targets and risk policy (the "Strategic Plan") together with any significant amendment of the Strategic Plan,
  - any proposal to the general meeting of shareholders of an amendment to the bylaws.

Article 18 – Compensation of members of the Supervisory Board

The general meeting of shareholders may allocate directors' fees to the Supervisory Board. The Supervisory Board shall distribute them among its members as it sees fit.

The Supervisory Board may also award exceptional compensation to its members in the cases and subject to the conditions provided by law.

Control

Article 19 – Non-voting directors

The ordinary general meeting of shareholders can appoint one or more non-voting directors, whose term of office shall be six (6) years. They may be re-elected, and may be dismissed by the general meeting of shareholders.

Non-voting directors shall receive the same information as the members of the Supervisory Board and shall be called to all meetings of the Supervisory Board. They shall sit on the Supervisory Board in a consultative capacity.

They may be appointed temporarily by the Supervisory Board subject to ratification by the next general meeting of shareholders.

They may receive compensation, the amount of which shall be determined by the Supervisory Board.

Article 20 – Auditors

Acting and substitute auditors shall be appointed by the ordinary general meeting of shareholders under the conditions provided by law. Their duties and powers shall be as provided by current legislation.

GENERAL INFORMATION ABOUT THE CAPITAL STOCK

Form and transfer of shares *(Title II, Article 4 of the bylaws)*

Shares in the Company may either be registered shares or identifiable bearer shares, at the option of the holder. They shall be registered in an account and transferred in the manner provided by applicable laws and regulations.

Capital stock

The capital stock was €1,955,268,310.40 at December 31, 2007, divided into 1,222,042,694 shares with a nominal value of €1.60 each, fully paid-up.

Capital stock authorized but not yet issued

At their general meeting on November 17, 2006, the shareholders conferred authorities on the Executive Board in accordance with Article L. 225-129-2, L. 228-92 and L. 228-93 of the French Commercial Code, and for a period of 26 months with effect from the date of the meeting, to increase the capital on one or more occasions, with or without preferential subscription rights, in a maximum nominal amount of €150 million, by the issuance of shares or any marketable securities conferring rights in the capital stock.

This general meeting of shareholders also decided, in accordance with the regulations:

- that in the event of excess demand, the issuances of shares decided on could be increased by a maximum of 15% of the initial issuance;
- that the Executive Board could make issuances of up to 10% of the capital stock in the form of equity capital or marketable securities conferring rights in the capital stock, in order to pay for contributions in kind to the company.

Date of meeting	Resolution	Authority	Amount authorized	Date used	Amount used
Nov. 17, 2006	15	For the purpose of increasing capital via the issue of ordinary shares or of any capital securities, with preferential subscription rights accorded to existing shareholders	€150M nominal	-	-
Nov. 17, 2006	16	For the purpose of increasing capital via the issue of ordinary shares or any capital securities, without preferential subscription rights accorded to shareholders	€150M nominal	-	-
Nov. 17, 2006	17	In order to provide scope to increase the amount of the issues in the event of surplus demand	15% of initial issue	-	-
Nov. 17, 2006	18	In order to allow for the possibility of shares issued without preferential subscription rights for existing shareholders, to be used as remuneration for shares tendered in the event of a share swap offer or an asset transfer	10% of capital	-	-
Nov. 17, 2006	19	For the purpose of increasing capital via the incorporation of premiums, reserves, earnings or other items	€150M nominal	-	-
Nov. 17, 2006	20	For the purpose of allocating options to subscribe for or to purchase shares	10,000,000 options	Jan. 29, 2007	9,999,300 options
Nov. 17, 2006	21	For the purpose of allocating free shares	6,000,000 shares	- Replaced May 24, 2007	-
Nov. 17, 2006	22	For the purpose of undertaking a capital increase reserved for employees in accordance with Article L. 225-129-6 of France's Commercial Code	€16M	-	-
May 24, 2007	6	For the purpose of allocating options to subscribe for or to purchase shares	10,000,000 options	Jan. 21, 2008	9,875,000 options
May 24, 2007	7	For the purpose of allocating free shares	6,600,000 shares	Nov. 12, 2007	6,084,120 shares

Securities not conferring rights in the capital stock

On November 25, 1985, Banque Française du Commerce Extérieur issued 140,000 redeemable shares with a face value of FFR 5,000. Dividends are paid on November 25 of each year. Redemptions are made on the initiative of the borrower. At December 31, 2006, there were 113,000 redeemable shares outstanding.

Other securities conferring rights in the capital stock

As indicated in the table below, 23,531,457 exercisable or yet to be exercised options to subscribe for new or purchase existing shares were in existence at December 31, 2007.

These options were granted until 2005:

- to employees and executive directors of Natexis Banques Populaires and other companies in which Natexis Banques Populaires directly or indirectly held the majority of the capital stock;
- to employees and executive directors of Banque Fédérale des Banques Populaires, the Banque Populaire banks and entities that are more than 50%-owned either directly or indirectly, exclusively or jointly, by Banque Fédérale des Banques Populaires or affiliated institutions.

The exercise price is equal to the average price quoted in the 20 trading sessions preceding the date on which the Executive Board fixed the terms and conditions of the annual options plan.

No option to subscribe for new shares was granted in the financial year 2006.

On 24 May 2007, the mixed annual/extraordinary general meeting of shareholders authorized the Executive Board to grant, on one or more occasions, options to subscribe for or to purchase shares, to the company's employees or corporate officers or to certain of them, or to companies affiliated to it in the sense defined by Article L. 225-180 of the French Commercial Code. This authorization is valid up to a maximum amount of €10,000,000.

SUMMARY OF OPTIONS PLANS AT DECEMBER 31, 2007

Date of the plan	Date of the general meeting	Options exercisable with effect from	Options exercisable until	Exercise price of one option in euros	Number of beneficiaries remaining	Number of options authorized by the Board	Number of options granted	Number of options exercised	Number of options exercisable	Number of options yet to be exercised	Number of options cancelled
19/09/2001	31/05/2001	19/09/2005	18/09/2008	9.430	94	5,000,000	4,970,500	4,230,800	559,100	0	180,600
10/09/2002	31/05/2001	10/09/2006	09/09/2009	7.247	189	3,750,000	3,311,100	2,381,760	849,840	0	79,500
10/09/2003	31/05/2001	10/09/2007	09/09/2010	8.325	544	4,300,000	4,068,900	890,583	3,110,117		68,200
17/11/2004	27/05/2004	17/11/2008	16/11/2011	8.910	566	4,500,000	4,277,500	84,500	0	4,143,000	50,000
15/11/2005	19/05/2005	15/11/2009	14/11/2012	11.924	657	5,000,000	4,970,000	14,000	0	4,920,500	35,000
29/01/2007	17/11/2006	29/01/2011	28/01/2014	22.150	1,253	10,000,000	9,999,300	0	0	9,948,900	50,400
TOTALS					**3,303**	**32,550,000**	**31,597,300**	**7,601,643**	**4,519,057**	**19,012,400**	**464,200**

SUMMARY OF OPTIONS PLANS GRANTED TO DIRECTORS AT DECEMBER 31, 2007

Date of the plan	Date of the general meeting	Options exercisable with effect from	Options exercisable until	Exercise price of one option in euros	Number of beneficiary directors	Number of options granted to directors	Number of options exercised	Number of options exercisable	Number of options yet to be exercised	Number of options cancelled
19/09/2001	31/05/2001	19/09/2005	18/09/2008	9.430	2	245,000	245,000	0	0	0
10/09/2002	31/05/2001	10/09/2006	09/09/2009	7.247	2	165,000	110,000	55,000	0	0
10/09/2003	31/05/2001	10/09/2007	09/09/2010	8.325	2	240,000	0	240,000	240,000	0
17/11/2004	27/05/2004	17/11/2008	16/11/2011	8.910	2	255,000	0	0	255,000	0
15/11/2005	19/05/2005	15/11/2009	14/11/2012	11.924	2	280,000	0	0	280,000	0
29/01/2007	17/11/2006	29/01/2011	28/01/2014	22.150	4	700,000	0	0	700,000	0
TOTALS						**1,185,000**	**355,000**	**295,000**	**1,475,000**	**0**

Observations:

The figures have been updated to take account of the division of the nominal value by 10 on November 17, 2006.

Certain derogations allow options to be exercised early (financial operations by a third party in relation to the capital of Natixis, and the negotiated retirement or death of the beneficiary).

From 2001 to 2005, the beneficiary directors were the Executive Chairman and Chief Executive officer of Natexis Banques Populaires.

In 2007, the beneficiary directors were the four members of the Executive Board.

Options to subscribe for shares granted to the top 10 employees other than company officers	Total number of options granted	Exercise price *(in euros)*	Expiry	Plan number
Financial year 2007	450,000	22.150	28/01/2014	No 14 – Executive Board meeting of 29/01/2007

Options exercised by the 10 employees other than company officers that exercised the largest number of options	Total number of shares subscribed	Weighted average price *(in euros)*
Financial year 2007	410,000	8.328
Details per Plan	**Number of shares subscribed**	**Unit price**
Plan 2000	80,000	8.314
Plan 2001	45,000	9.430
Plan 2002	107,000	7.247
Plan 2003	178,000	8.325

Changes in the capital during the last five financial years

	Number of shares at the start of the financial year	Number of shares created during the financial year	Number of shares at the end of the financial year	Authorized share capital *(in euros)*
2002	44,314,352	3,128,485	47,442,837	759,085,392
2003	47,442,837	602,302	48,045,139	768,722,224
2004	48,045,139	210,823	48,255,962	772,095,392
2005	48,255,962	739,518	48,995,480	783,927,680
2006	48,995,480	1,214,964,750 [(a)]	1,219,864,330	1,951,782,928
2007	1,219,864,330	2,178,364	1,222,042,694	1,955,268,310.40

(a) Including 1,109,911,689 shares in respect of the division of the nominal value on November 17, 2006.

The following table shows the amount of the issue premiums for each of the operations relating to the capital.

Year	Description	Number of shares	Capital stock *(in euros)*	Issue premiums on increases in the capital *(in euros)*
2002	**Number of shares at the start of the financial year**	**44,314,352**	**709,029,632**	
	shares in respect of ESOPs	5,355	85,680	286,620.37
	shares arising from the conversion of TSDIC	1,717,431	27,478,896	86,413,090.39
	shares in respect of the exercise of subscription options	4,400	70,400	108,393.66
	shares attributable to the transfer of Arnhold & S. Bleichroeder securities	1,401,082	22,417,312	83,448,443.92
	shares resulting from the merger with the property company ABC	217	3,472	3,943.16
	At December 31	**47,442,837**	**759,085,392**	
2003	**At January 1**	**47,442,837**	**759,085,392**	
	shares in respect of ESOPs	3,756	60,096	161,981.00
	shares in respect of the exercise of subscription options	43,340	693,440	1,733,850.39
	shares attributable to the transfer of Banque du Dôme-Crédifrance Factor securities	218,559	3,496,944	14,643,375.64
	shares attributable to the transfer of Sopromec Participations securities	336,647	5,386,352	25,248,563.45
	At December 31	**48,045,139**	**768,722,224**	
2004	**At January 1**	**48,045,139**	**768,722,224**	
	shares in respect of ESOPs	3,086	49,376	175,126.36
	shares in respect of the exercise of subscription options	207,737	3,323,792	10,204,917.64
	At December 31	**48,255,962**	**772,095,392**	
2005	**At January 1**	**48,255,962**	**772,095,392**	
	shares in respect of FCPE	3,043	48,688	225,259.18
	shares in respect of the exercise of subscription options	480,436	7,686,976	33,653,461.26
	shares in respect of the increase in capital reserved for Banque Fédérale des Banques Populaires	256,039	4,096,624	25,903,465.63
	At December 31	**48,995,480**	**783,927,680**	
2006	**At January 1**	**48,995,480**	**783,927,680**	
	payment of the dividend in shares	1,103,281	17,652,496	185,075,387.75
	shares in respect of ESOPs	10,010	160,160	1,529,227.70
	shares in respect of the exercise of subscription options	83,274	1,332,384	5,773,940.85
	shares in respect of asset transfers from CNCE and SNC CHAMPION	73,131,476	1,170,103,616	13,128,041,797.00
NATEXIS BANQUES POPULAIRES BECOMES Natixis – DIVISION OF THE NOMINAL VALUE BY 10				
	new situation	*1,233,235,210*	*1,973,176,336*	
	allocation of 2006 expenses to the transfer premium			(3,879,879.00)
	reduction of capital by the cancellation of treasury stock	(15,552,460)	(24,883,936)	(288,910,332.20)
	shares in respect of the exercise of subscription options	2,181,580	3,490,528	13,635,082.21
	At December 31	**1,219,864,330**	**1,951,782,928**	
2007	**At January 1**	**1,219,864,330**	**1,951,782,928**	
	shares in respect of the exercise of subscription 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**	**1,955,268,310.40**	

Other information about the capital

Natixis has not pledged any of its shares.

DISTRIBUTION OF THE CAPITAL AND VOTING RIGHTS

Distribution of the capital at December 31, 2007

At December 31 2007, the principal shareholders of Natixis were as follows:

	% of the capital	% of the voting rights
Banque Fédérale des Banques Populaires	34.45%	34.66%
Caisse Nationale des Caisses d'Epargne	34.45%	34.66%
DZ BANK AG	1.87%	1.88%
INTESA SANPAOLO HOLDING INTERNATIONAL	1.67%	1.68%
NEW EAGLE HOLDINGS LLC	0.43%	0.43%
Employee shareholders	0.70%	0.70%
Treasury shares	0.59%	0.00%
Public	25.83%	25.99%

As far as Natixis is aware, there are no shareholders that own more than 5% of the capital or voting rights other than those listed in the above table.

On January 26, 2007, Banque Fédérale des Banques Populaires declared a breach of capital threshold.

This breach resulted from the dissolution without liquidation of SNC Champion, controlled by Banque Fédérale des Banques Populaires and which held 2,872,280 Natixis shares.

Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne have entered into a shareholders' agreement pursuant to which they act in concert, the principal provisions of which are described in "Major Contracts" hereinafter.

Ownership of shares by members of management and supervisory bodies

The members of the Supervisory Board, whether physical or legal persons, owned 68.90% of the capital of Natixis (almost all of this amount being owned by BFBP and CNCE), at December 31, 2007.

The ownership of shares by company officers is not significant. Page 414 contains details of Company stock options granted to certain employees and company officers.

As a result of the changes in Natixis quotation in August 2007, and in compliance with the shareholders' agreement, Banque Fédérale des Banques Populaires et Caisse Nationale des Caisses d'Epargne both increased their stake In Natixis' capital at par.

With this operation, the stake of the two reference shareholders which amounted to 840,278,640 shares in January 2007, increased to 842,072,854 shares in November 2007.

Treasury stock

In the context of the share buyback program authorized by the general meeting of shareholders on May 24, 2007, Natixis owned 7,226,571 treasury stock at December 31, 2007.

The table below shows the number percentage of shares owned as treasury stock at January 1, 2008 and March 31, 2008.

	Quantity purchased	Purchase price *(in euros)*	Average price *(in euros)*	Quantity sold	Exit price *(in euros)*	Average exit price *(in euros)*	Final stock	% of the capital owned
At January 1, 2008	**19,230,670**	**312,784,490**	**16.26**	**12,004,099**	**204,122,124**	**17.00**	**7,226,571**	**0.59%**
Price regulation	1,237,798	14,713,370	11.89	989,197	13,366,179	13.51		
Allocated to employees	93,900	1,157,208	12.32					
Bonus share allocation scheme	-	-	0.00					
At January 31, 2008	**20,562,368**	**328,655,068**	**15.98**	**12,993,296**	**217,488,303**	**16.74**	**7,569,072**	**0.62%**

Employee shareholders

The proportion of the capital of Natixis owned by the employees of Groupe Banque Populaire reached 0.70%.

The general meeting of shareholders on May 24, 2007 granted the Executive Board authority, for a period of 38 months with effect from the date of the meeting, to allocate free shares on one or more occasions to employees of Natixis and of companies directly or indirectly associated with Natixis within the meaning of Article L. 225-197-2 of the French Commercial Code.

This authority covered a maximum of 6,600,000 shares and was exercised by the Executive Board on November 12, 2007.

Changes in the distribution of the capital during the last three years

At December 31 *(in %)*	Natexis Banques Populaires 2007	2006	Natixis 2005
Groupe Banque Populaire and its subsidiaries	34.45%	34.44	75.99%
Groupe Caisse d'Epargne	34.45%	34.44	-
DZ BANK AG	1.87%	1.87	1.85%
INTESA SANPAOLO HOLDING INTERNATIONAL	1.68%	1.68	-
NEW EAGLE HOLDING LLC	0.43%	0.43	1.57%
Employee shareholders	0.70%	0.60	3.43%
Company-owned shares	0.59%	-	3.37%
Public	25.83%	26.54%	13.79%

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Physical or legal persons exercising or capable of exercising control over Natixis

The Banque Populaire and Groupe Caisse d'Epargnes exercise the responsibilities provided by the banking regulations, by reason of their position as the principal shareholders of Natixis.

The application of the corporate governance rules and the rules imposed on the members of the Board enable the risk of the abusive exercise of management control to be prevented.

Shareholders' agreement

On November 17, 2006, a shareholders' agreement was entered into between BFBP and CNCE, the principal provisions of which are described below:

Stability of the respective investments

Inalienability and upper limits

BFBP and CNCE undertake to maintain strict parity of investment in the capital of Natixis for a period of 10 years, which could be extended for successive periods of five years.

Consequently, any acquisition or sale of Natixis shares is prohibited during this period, with the exception:

- of sales of shares carried out in the context of the market operation that took place at the end of 2006;
- of joint sales by each of the shareholders of an identical number of Natixis shares, on condition that upon completion of the sale, each shareholder retains a strictly identical investment in terms of number of shares, and which is greater than or equal to 34% of the capital of Natixis on a fully-diluted basis;
- of sales of shares to a physical person appointed as a member of the Supervisory Board, up to the number of shares required by the bylaws;
- of acquisitions of shares carried out in the event of "dilutive" circumstances after which the investment of each shareholder would be less than 34% of the capital on a fully-diluted basis, subject to a limit of investment of 34% of the capital on a fully-diluted basis, on the understanding that such acquisitions of shares shall be carried out on behalf of the two shareholders by a jointly-appointed investment services provider;
- of the subscription on an irreducible basis of increases in the capital of Natixis while maintaining preferential subscription rights, and of subscriptions of increases in the capital necessary to maintain the prudential equity capital of Natixis.

The shareholders shall meet every two years with effect from the date of signature of the agreement in order to re-examine the best way to ensure the durability and stability of their agreement and the stability of their investments in the capital of Natixis, whether by the creation of a joint holding company to which they would transfer their respective investments in the capital of Natixis, or by the extension of the 10-year stability period.

Right of pre-emption in the event of non-renewal of the stability period

In the event that either of the shareholders gives notice of its decision not to renew the stability period (inalienability and upper limits) for a further period of five years at the end of the initial period of 10 years (or of a tacit extension of that initial term), any transfer of securities that the said shareholder planned to carry out will be subject to a right of pre-emption of the other shareholder.

In order to guarantee compliance with this stability obligation, Natixis shares owned by each of the shareholders have been registered in pure registered accounts on the books of the Company and a custody agreement has been entered into with a financial institution, under the terms of which the Company can only transfer those shares upon the instructions of the said financial institution given under the conditions provided by its agreement.

Ownership by the parties of a strictly identical number of Natixis shares

In the event that either of the shareholders owns a number of shares in excess of the number of shares owned by the other shareholder, that shareholder shall waive its voting rights in respect of the excess shares, and undertakes to sell them at the latest on the fifth trading day following the date of their acquisition. In default, that shareholder:

- shall be solely responsible for the costs and obligations resulting there from pursuant to the applicable stock exchange regulations, particularly as regards the compulsory filing of a takeover bid for Natixis;
- undertakes (by way of a sale undertaking) to sell half of the excess shares thus owned to the other shareholder, at a price equal to their nominal value.

Prohibition on the conclusion of new agreements constituting a concert party

In addition, the shareholders undertake throughout the stability period of 10 years (as potentially extended) not to enter into any agreement relating to Natixis and constituting a concert party with a third party.

Governance of Natixis

Composition of company bodies

The shareholders' agreement is intended to guarantee the principle of parity of representation of the two shareholders on the Supervisory Board of Natixis.

The Supervisory Board of Natixis is composed of 18 members of whom 7 are appointed on a proposal from BFBP and 7 are appointed on a proposal from CNCE, 4 independent members being appointed on a joint proposal from BFBP and CNCE. The Supervisory Board is chaired alternately by a representative of one of the two shareholders for a period of six financial years. The first Chairman of the Supervisory Board is Mr. Charles Milhaud. The Vice-Chairman of the Supervisory Board is a representative of the shareholder whose representative is not the Chairman of the Supervisory Board. The two shareholders are represented equally on the Audit Committee and on the Compensation committee, each of which has six members of whom two are appointed on a proposal from CNCE and two on a proposal from BFBP, two independent members being appointed jointly by CNCE and BFBP.

The Executive Board is composed of between 2 and 7 members appointed for a term of six years by the Supervisory Board (on a proposal from the Executive Chairman in the case of the other members). They are chosen according to competence criteria without distinction according to the group to which they belong.

The Executive Chairman is appointed by the Supervisory Board for a term of six years. The first Chairman of the Executive Board is Mr. Philippe Dupont. The dismissal of all or any of the members of the Executive Board by the general meeting of shareholders requires the prior agreement of the two shareholders.

Operations requiring the prior approval of the Supervisory Board

Certain major decisions are subject to the prior authorization of the Supervisory Board, which makes its decisions by a simple majority of the members present and represented, or in the case of certain operations classified as "essential decisions", by a dual majority (i) of the members presents and represented and (ii) of the members representing each of the two shareholders.

Essential decisions are:

- the appointment and dismissal of the Executive Chairman;
- the dismissal and, on a proposal from the Executive Chairman, the appointment of the other members of the Executive Board;
- the decision to appoint one (or two) member(s) of the Executive Board as Chief Executive Officer;
- the withdrawal of the position of Chairman or Chief Executive Officer from a member of the Executive Board;
- any acquisition or increase of a shareholding, or any investment or disinvestment (including the transfer of the CCI issued by Caisses d'Epargne or Banques Populaires) or the constitution of a joint venture by Natixis or any of its subsidiaries, for an amount in excess of €150 million;
- any asset transfer, merger or spin-off transaction to which Natixis or any of its subsidiaries is a party;
- any increase in the capital stock of Natixis, immediate or future, while cancelling preferential subscription rights, including the allocation of options to subscribe for shares or of free new shares;
- the proposal of any amendment of the bylaws to the general meeting of shareholders.

In the event of disagreement relating to an essential decision, the matter will be referred to the Chairmen and, if applicable, the Supervisory Boards and Boards of Directors (as the case may be) of each of the shareholders in order for them to consult and arrive at a joint position. If the disagreement persists at the time of a second meeting of the Supervisory Board of Natixis, the essential decision concerned will not be implemented, without either of the two shareholders having the benefit of an exit right.

Consultation

BFBP and CNCE shall consult before each general meeting of shareholders of Natixis in order, as far as possible, to arrive at a joint position on the resolutions submitted to the vote of the shareholders.

Governance of the principal subsidiaries

The shareholders' agreement entered into on November 17, 2006 provides for the appointment of the directors (Executive Board, Executive Management) of the principal subsidiaries of Natixis to be subject to the prior approval of the Supervisory Board.

Furthermore, the Supervisory Board (or Board of Directors) of the principal subsidiaries of Natixis shall be composed, in addition to the members representing the Executive Board of Natixis, of an equal number of members appointed on a proposal from BFBP and members appointed on a proposal from CNCE.

Distribution of dividends

Subject to the existence of distributable profits and reserves and the applicable prudential rules, and save in exceptional circumstances, BFBP and CNCE are committed (i) to proposing to every general meeting of shareholders convened for the purpose of approving the financial statements of Natixis a distribution of dividends in an amount at least equal to 50% of the net consolidated profit in respect of each financial year (50% of the net pro forma profit for the financial year 2006) and (ii) to voting in favor of such a distribution at general meetings of Natixis shareholders.

Maintenance of prudential equity capital

The agreement contains a commitment on the part of BFBP and CNCE, for as long as they remain shareholders of Natixis, and including in the event of disagreement between them, to contribute any funds that may be necessary for Natixis to comply with the provisions of banking legislation and regulations as regards prudential equity capital.

Entry into force, term

The agreement entered into force on November 17, 2006 for a term of 15 years. Each of the two shareholders may, however, terminate the stability period (inalienability and upper limits) after a period of 10 years, subject to giving prior notice of 6 months.

At the end of the period of 15 years, the agreement will automatically be renewed for successive periods of five years (including the stability period if one of the two shareholders has not terminated it in accordance with the terms and conditions mentioned above), unless notice to terminate is given by either of the two shareholders at least 6 months before its expiry.

THE MARKET IN NATIXIS SHARES

Market listings

Natixis shares are traded on the Eurolist by Euronext Paris (compartment A) and are eligible for deferred settlement (Isin code: FR0000120685).

Natixis shares form part of the SBF 120, SBF 250 indices, and, since March 1, 2007, of the CAC Next20 index.

Market in the shares

TRENDS IN AVERAGE MONTHLY PRICES AND TRADING VOLUMES SINCE SEPTEMBER 2005

Year	Month	Average price (in €)	High (in €)	Low (in €)	Number of shares traded	Capital traded (in € thousands)
2005	September	120.60	126.50	112.60	540,474	65,946
	October	124.81	127.00	121.80	441,410	55,267
	November	129.87	139.60	125.00	448,349	58,915
	December	138.60	140.80	137.00	342,008	47,611
2006	January	142.96	159.00	138.10	421,537	61,011
	February	158.37	180.00	141.20	455,114	74,193
	March	201.30	229.50	172.90	1,357,748	281,360
	April	215.25	225.80	207.00	691,857	150,441
	May	198.07	216.70	170.00	1,279,042	249,568
	June	183.89	205.60	173.00	972,295	179,330
	July	185.06	192.80	175.00	878,730	163,134
	August	197.12	205.00	190.50	444,817	87,668
	September	206.10	225.00	194.50	670,959	139,127
	October	223.07	237.70	213.00	1,120,629	250,741
	Division of the nominal value by 10 on November 17, 2006					
	November	21.42	22.78	20.25	5,987,035	308,719
	December	21.20	21.92	19.55	189,516,752	3,802,902
2007	January	22.17	23.19	21.25	40,437,887	901,243
	February	21.58	22.24	19.75	29,638,961	637,964
	March	19.14	20.39	17.43	62,960,003	1,184,441
	April	19.41	20.48	18.21	46,364,075	900,487
	May	20.09	20.91	18.93	48,548,536	972,115
	June	18.61	19.60	17.71	49,501,334	920,641
	July	17.80	18.97	15.30	53,631,995	931,766
	August	15.35	16.81	13.46	117,243,699	1,778,222
	September	15.06	16.24	14.16	51,103,508	775,307
	October	16.05	18.12	15.04	83,567,594	1,373,293
	November	13.14	15.36	10.94	122,841,850	1,609,391
	December	13.86	15.29	12.88	45,075,552	635,660
2008	January	12.09	13.54	10.25	70,905,657	839,617

DIVIDENDS

Dividends not claimed within the legal limitation period of five years become the property of the State.

Dividends distributed in respect of the last five financial years:

Financial year ending	Dec. 31, 2007	Dec. 31, 2006	Dec. 31, 2005	Dec. 31, 2004	Dec. 31, 2003
Number of shares comprising the capital stock	1,222,042,694	1,219,864,330	48,995,480	48,255,962	48,045,139
Net dividend per share	€0.45 **	€0.86 *	€5.00	€3.30	€2.50

* *After the division of the nominal value of the shares by 10.*

** *This proposal will be submitted to the general meeting of shareholders on May 22, 2008.*

Natexis Banques Populaires had offered its shareholders the option receiving their dividend in the form of shares in the case of dividends paid in 2006 in respect of the financial year 2005.

Dividends to be paid by Natixis in 2008 in respect of the financial year 2007 could be paid in the form of a share dividend.

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MAJOR CONTRACTS

A - Description of the principal provisions of the Banques Populaires CCI Agreement

The principal provisions of the Banques Populaires CCI (cooperative certificates of investment) Agreement signed on September 26, 2006 by Natexis Banques Populaires, BFBP and all the Banques Populaires, are as follows:

1. Restrictions on the free transferability of the Banques Populaires CCIS

The Banques Populaires CCI are freely negotiable. However, the sale of Banques Populaires CCI must be approved in advance by the Board of Directors of the Banque Populaire concerned, under the conditions provided below.

In order to obtain approval, the vendor must notify the Banque Populaire concerned of its request for approval, indicating the identity of the purchaser, the number of Banques Populaires CCI of which the sale is envisaged and, if applicable, the price offered and the terms of payment of the price.

Approval of the sale of the Banques Populaires CCI will be given either in the form of a notice to the vendor of the decision of the Board of Directors of the Banque Populaire concerned, or will be deemed to have been given in the absence of a reply within a period of one month with effect from the date of receipt of notice of the proposed sale.

In the event that approval is refused, and in default of abandonment by the vendor of its proposed sale, the Banque Populaire whose CCI are the subject of the proposed sale must repurchase the said Banques Populaires CCI (with the consent of the vendor) or must arrange for them to be purchased by a third party, at a sale price that takes account of the proportion of the net assets to which the Banques Populaires CCI confer a right, and which complies with the valuation methods used to value the Banques Populaires CCI at the time of their issue. In the absence of agreement between the vendor and the Banque Populaire concerned, the purchase price of the Banques Populaires CCI will be determined by an expert.

2. Consolidation of the investment of Natixis in Banques Populaires

Natixis, which will have considerable influence over the Banques Populaires in terms of compliance with the rules of governance and internal organization within the Groupe Banque Populaire, compliance with contractual commitments previously entered into within the Groupe Banque Populaire and compliance with the principles determined therein, will arrange the consolidation of the accounts of the Banques Populaires CCI by the equity method.

Since the Banques Populaires CCI do not carry voting rights, the particular influence of Natixis over the Banques Populaires will be characterized **(i)** by its legal influence arising from Natixis having the means to assess and make known its assessment of the consequences for Natixis of operational and financial management decisions made by the Banques Populaires, and **(ii)** by its “de facto” influence arising from the industrial and technical cooperation between the Banques Populaires and Natixis.

The particular legal influence of Natixis over the Banques Populaires will arise particularly from the following provisions of the Banques Populaires CCI Agreement:

(i) the extension of the mission of the federal representative representing BFBP on the Boards of Directors of the Banques Populaires to take into account the interests of Natixis in terms of the consistency of the development of each Banque Populaire with the objectives of Natixis;

(ii) the representation of Natixis on the Audit and Group Risks Committee of BFBP (whose mission will be extended to examine the operational and financial relationships existing between Natixis and the Banques Populaires, having regard to the investment of Natixis in the capital of the Banques Populaires), and on the Group Technology Committee, the Group Development Committee and the Strategic Committee acting under the authority of the Board of Directors of BFBP;

(iii) the prior consultation of Natixis in its capacity as a non-voting director as of right on the Board of Directors of BFBP, for all decisions of the Board of Directors which relate to its mission as the central body of the Banques Populaires network of BFBP (in particular, definition of the policy and strategic direction of the Banques Populaires network, the negotiation and conclusion of national and international agreements on behalf of the Banques Populaires network, the approval of the directors of the Banques Populaires, the approval of increases in the capital, of bond issues and of acquisitions and sales of investments, and the centralization of cash flow surpluses of the Banques Populaires and their refinancing);

(iv) the right of Natixis to request a second resolution in the event that the Board of Directors of BFBP decides not to follow the advice given by Natixis on a decision likely to cause harm to its fundamental interests;

(v) the right of Natixis to full and complete information regarding the operational and financial management of the Banques Populaires;

(vi) the rights of Natixis in respect of the audit of the Banques Populaires, and particularly the association of Natixis, in its capacity as a non-voting director, with the decisions taken by the Board of Directors of BFBP relating to administrative, technical and financial control of the organization of the management of the Banques Populaires;

(vii) the delegation of powers by BFBP to Natixis as regards the definition of standards and methods of assessment of risks common to BFBP, CNCE and Natixis.

3. The right to repurchase the Banques Populaires CCIS

The Banques Populaires CCI may be repurchased from Natixis on the initiative of each Banque Populaire, without the prior authorization of the special general meeting of CCI holders and with the prior authorization of the Board of Directors of BFBP, in the following circumstances:

- any substantial alteration in the balance of the respective shareholdings of BFBP and CNCE in Natixis and/or an end to the joint control exercised by CNCE and BFBP over Natixis;
- any reform of 1947 Law involving a substantial alteration of the rights of CCI holders.

In addition, in the event that legislative or regulatory changes or changes in the assessment of the regulators concerned or of the statutory auditors of Natixis should make it necessary to increase the influence of Natixis or to alter it significantly in order to enable the consolidation of the Banques Populaires CCI by Natixis to be maintained, Natixis must submit the precise terms of the changes made necessary to the Banques Populaires in order for them to be able to determine whether they should integrate the new aspects of influence in their arrangements or whether they should decide, on receiving prior authorization from the Board of Directors of BFBP, to exercise their right to buy back the CCI that they have issued.

The buyback value of the Banques Populaires CCIS will be calculated using the method of valuation used when they were issued, particularly as regards the calculation of revalued net assets, and must take account of the profitability of the Banques Populaires and of the proportion of the net assets to which the CCI confer a right. In the absence of agreement between Natixis and the Banque Populaire concerned, this buyback value will be determined by an expert.

4. Technical and industrial cooperation between Natixis and the Banques Populaires

Natixis and the Banques Populaires have agreed to maintain existing industrial and commercial relations for a period of at least 10 years with effect from the date of subscription of the Banques Populaires CCI.

In particular, the provision of the following services currently provided by Natexis Banques Populaires to the Banques Populaires will be maintained:

- the provision of computer infrastructures;
- the provision of industrial services (custody services, payment systems, operational management of currency accounting);
- the design and management of customer products on behalf of the Banques Populaires [asset management, the whole range of insurance (life, provident, fire, accident and other risks), factoring and lease financing, financial planning, development capital, employee benefits planning (and particularly employee savings), international planning, credit insurance and commercial information (Coface)].

During this period, Natixis has undertaken to provide its services at the market price and on market conditions. If the Banques Populaires consider that the products and/or services provided by Natixis are not competitive, the matter will be referred to BFBP 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 period of 10 years provided above, either of the parties may terminate, in whole or in part, the existing commercial and industrial relations and any other relations which might have been added in the meantime, in accordance with the special contractual provisions governing those relations and subject to giving one year's prior notice.

B - Description of the main provisions of the Caisses d'Epargne CCI Agreement

An agreement relating to the CCI issued by the Caisses d'Epargne and transferred to Natexis Banques Populaires will be entered into by each Caisse d'Epargne et de Prévoyance and by CNCE, SNC Champion and Natexis Banques Populaires, before the end of October 2006 (hereinafter the "Caisses d'Epargne CCI Agreement"), after approval by the Steering and Supervisory Board of each of the Caisses d'Epargne.

The principal provisions of the Caisses d'Epargne CCI Agreement are as follows:

1. Restriction on the free transferability of the Caisses d'Epargne CCIS

The Caisses d'Epargne CCI Agreement provides that the transfer of all or part of the Caisses d'Epargne CCI by Natixis shall be subject to the prior agreement of CNCE.

In the event that CNCE agrees to the transfer of the Caisses d'Epargne CCI, their transfer will be subject to a first-ranking right of pre-emption held by CNCE and then by the issuing Caisses d'Epargne (subject to the authorization of the banking authorities) with an option to substitute a third party approved by CNCE.

2. Consolidation of the investment of Natixis in Caisses d'Epargne

Natixis, which exercises considerable influence over the Caisses d'Epargne in terms of compliance with the rules of governance and internal organization within the Groupe Caisse d'Epargne, compliance with contractual commitments previously entered into within the Groupe Caisse d'Epargne and compliance with the principles determined therein, will arrange the consolidation of the accounts of the Caisses d'Epargne CCI by the equity method.

Since the Caisses d'Epargne CCI do not carry voting rights, the particular influence of Natixis over the Caisses d'Epargne will be characterized **(i)** by its legal influence arising from Natixis having the means to assess and make known its assessment of the consequences for Natixis of operational and financial management decisions made by the Caisses d'Epargne provided for in the Caisses d'Epargne CCI Agreement, and **(ii)** by its "de facto" influence arising from the industrial and technical cooperation between the Caisses d'Epargne and Natixis, organized by the Caisses d'Epargne CCI Agreement.

The particular legal influence of Natixis over the Caisses d'Epargne will arise notably from the following provisions of the Caisses d'Epargne CCI Agreement:

(i) the extension of the mission of the non-voting director representing CNCE on the Steering and Supervisory Boards of the Caisses d'Epargne to take into account the interests of Natixis in terms of the consistency of the development of each Caisse d'Epargne with the objectives of Natixis;

(ii) the representation of Natixis on the Group Risks Committee (and its sub-Committees), on the Group ALM Committee and on CNCE Committees for the approval of new customer and financial products acting under the authority of CNCE's Executive Board;

(iii) the prior consultation of Natixis in its capacity as a non-voting director as of right on the Supervisory Board of CNCE, for all decisions of the Supervisory Board which relate to its mission as the central body of CNCE's Caisses d'Epargne network (in particular, definition of the policy and strategic direction of the Caisses d'Epargne network, the negotiation and conclusion of national and international agreements on behalf of the Caisses d'Epargne network, the approval of the directors of the Caisses d'Epargne, the approval of increases in the capital, of bond issues and of acquisitions and sales of investments, and the centralization of cash flow surpluses of the Caisses d'Epargne and their refinancing);

(iv) the right of Natixis to request a second resolution in the event that the Supervisory Board of CNCE decides not to follow the advice given by Natixis on a decision likely to cause harm to its fundamental interests;

(v) the right of Natixis to full and complete information regarding the operational and financial management of the Caisses d'Epargne;

(vi) the rights of Natixis in respect of the audit of the Caisses d'Epargne, and particularly the association of Natixis, in its capacity as a non-voting director, with the decisions taken by the Board of Directors of CNCE relating to administrative, technical and financial control of the organization of the management of the Caisses d'Epargne;

(vii) the delegation of powers by CNCE to Natixis as regards the definition of standards and methods of assessment of risks common to BFBP, CNCE and Natixis.

3. Technical and industrial cooperation between Natixis and the Caisses d'Epargne

There are numerous economic ties between the subsidiaries transferred by CNCE and the Caisses d'Epargne and these are likely to continue and to develop with the creation of Natixis.

In particular, the transferred subsidiaries provide the Caisses d'Epargne with the following services:

- custody services;
- the design and management of customer products (asset management, revolving credit, guarantee insurance for borrowers, factoring and equipment leasing, financial planning and market products, local government financing, debt management); and
- securities and derivatives brokerage.

Natixis and the Caisses d'Epargne will maintain and develop their close cooperation in industrial and commercial areas.

In the context of the development of this industrial and commercial cooperation, Natixis and the Caisses d'Epargne have agreed to maintain the existing industrial and commercial relations described above for a period of at least 10 years with effect from the Date of Completion.

Upon the expiry of this period, either of the parties may terminate, in whole or in part, the commercial and industrial relations described above and any other relations which might have been added in the meantime, in accordance with the special contractual provisions governing those relations and subject to giving one year's prior notice.

4. The right to repurchase the Caisses d'Epargne CCIS

Under the terms of the Caisses d'Epargne CCI Agreement, Natixis undertakes to sell the Caisses d'Epargne CCI to CNCE or to the Caisse d'Epargne concerned, in accordance with the terms and conditions defined below, without the prior authorization of the special general meeting of the holders of Caisses d'Epargne CCI, in the following circumstances:

- **(i)** any substantial alteration in the balance of the respective shareholdings of BFBP and CNCE in Natixis and/or an end to the joint control exercised by CNCE and BFBP over Natixis after the completion of the Operation;
- **(ii)** any sale and/or transfer of the Caisses d'Epargne CCI for any reason whatever, including in the event of a merger or spin-off of Natixis;
- **(iii)** any reform of France's law of 1947 involving a substantial alteration of the rights of CCI holders;
- **(iv)** any legislative or regulatory changes or changes in the assessment of the regulators concerned or of the statutory auditors of Natixis that makes it necessary to increase the influence of Natixis or to alter it significantly in order to enable the consolidation of the Caisses d'Epargne CCI by Natixis to be maintained, on the understanding that, in this event, Natixis must submit the precise terms of the changes made necessary to CNCE and the Caisse d'Epargne concerned in order for them to be able to determine whether they should integrate the new aspects of influence in their arrangements or whether they should decide to exercise their right to repurchase the Caisses d'Epargne CCI.

In addition, without prejudice to the benefit of paragraph **(iii)**, in the event of a legislative amendment conferring a voting right on the holders of CCI, Natixis undertakes to act in concert with CNCE and the Caisses d'Epargne and with their agreement, to make the necessary adaptations while either maintaining the rights and characteristics of the securities issued, or replacing the Caisses d'Epargne CCI with securities having the same characteristics, and particularly without voting rights and with Natixis having the ability to consolidate the profit of the Caisses d'Epargne by the equity method in proportion to its investment in the capital.

In the event that CNCE and the Caisse d'Epargne concerned exercise their right to repurchase the Caisses d'Epargne CCI in cases **(i)**, **(ii)** and **(iv)**, CNCE's right will have priority over that of the Caisse d'Epargne concerned.

In the event that CNCE and the Caisse d'Epargne concerned exercise their right to repurchase the Caisses d'Epargne CCI in case **(iii)**, the Caisse d'Epargne's right will have priority over that of CNCE.

The repurchase value of the Caisses d'Epargne CCIS will be calculated using the method of valuation used when they were issued, and must take account of the proportion of the net assets to which the CCI confer a right. In the absence of agreement between Natixis and CNCE or the Caisse d'Epargne concerned, this repurchase value will be determined by an expert.

C - Summary of the cross-undertakings of purchase and sale relating to the shares of Compagnie 1818 – Banquiers Privés entered into between Natixis on the one hand, and Foncier Participations, Crédit Foncier de France and Banque Palatine, on the other

On November 17, 2006, Natixis entered into purchase and sale undertakings with Banque Palatine, Foncier Participations and Crédit Foncier de France relating to the investments held by Banque Palatine, Foncier Participations and Crédit Foncier de France in the capital of Compagnie 1818 – Banquiers Privés.

Under the terms of these undertakings, Natixis undertook to purchase 238,480 shares representing 37.22% of the capital stock and voting rights of Compagnie 1818 – Banquiers Privés from Banque Palatine, Foncier Participations and Crédit Foncier de France. Banque Palatine, Foncier Participations and Crédit Foncier de France reciprocally undertook to sell their investment in Compagnie 1818 – Banquiers Privés to Natixis.

The total exercise price of the undertakings is €34,448,822 subject to certain adjustments in the event of a cash transfer, dividend distribution or reduction of the capital of Compagnie 1818 – Banquiers Privés.

The purchase undertakings will be exercisable between July 1 and August 31, 2008. The sale undertakings will be exercisable between September 1, 2008 and November 30, 2008.

HISTORICAL INFORMATION CONCERNING NATIXIS

Natixis was created following the transfer of the assets of CNCE (Caisse Nationale des Caisses d'Epargne et de Prévoyance) and SNC Champion (a wholly-owned subsidiary of Banque Fédérale des Banques Populaires) to Natexis Banques Populaires, which was approved by the shareholders of Natexis Banques Populaires on November 17, 2006.

Natexis Banques Populaires itself was created following the transfer of the operating activities of Caisse Centrale des Banques Populaires (CCBP) to Natexis S.A, which was approved by the shareholders of both entities in extraordinary general meetings held on July 27, 1999.

History of CCBP

CCBP was founded in 1921 to support the expansion of the Banque Populaire regional banks, and to conduct both institutional activities on behalf of the Banque Populaire regional banks (managing and monitoring their cash surpluses, special assignments on behalf of the Chambre Syndicale des Banques Populaires, bond and similar issuance) and banking activities in the competitive market sector.

In October 1997, CCBP acquired a 23.35% holding in Natexis S.A. This was followed by a friendly takeover bid as a result of which the Groupe Banque Populaire held 71.4% of Natexis S.A. on June 2, 1998. This percentage was raised to 74.36% at the end of 1998.

Following the transfer of its operating activities to Natexis S.A. in July 1999, CCBP became the Banque Fédérale des Banques Populaires (BFBP).

At the end of 1999, the Groupe Banque Populaire held 88.06% of the newly-formed Natexis Banques Populaires. At the end of 2000, its holding was reduced to 79.23% following a new share issue placed primarily with retail investors.

Under the law of May 15, 2001, BFBP replaced CCBP as the central body of the Groupe Banque Populaire.

History of the entities comprising Natexis S.A.

Founded in 1919, Crédit National initially focused on developing its business as a medium and long-term lender before branching out into related activities in order to offer its corporate clients broader and more comprehensive solutions to their needs.

During 1996, Crédit National increased its stake in Banque Française du Commerce Extérieur (BFCE) from 10.06% to 88% and then 100%. BFCE, which was founded in 1947, had focused on developing its commercial banking activities while gradually scaling back its export support activities on behalf of the French state.

In June 1997, Crédit National, now renamed Natexis S.A., transferred its entire commercial banking arm to BFCE, which was renamed Natexis Banque. Natexis S.A. became a holding company and was responsible for the consistency and strategic management of all Natexis Group activities.

Simplification and unification of legal structures

Natexis Banques Populaires was created in July 1999 following the transfer of CCBP's operating activities to Natexis S.A.

At their extraordinary general meeting on June 28, 2000, the shareholders of Natexis Banques Populaires approved the merger of Natexis Banque into Natexis Banques Populaires, with effect from June 30, 2000. As the transaction involved a wholly-owned subsidiary, it took place under the simplified merger regime and no new shares were issued.

Arrival of new shareholders in Natexis Banques Populaires in 2002

In May 2002, the German bank DZ Bank AG acquired shares in Natexis Banques Populaires as part of its partnership with the Groupe Banque Populaire.

In July 2002, pursuant to an agreement with Arnhold & S. Bleichroeder Holdings Inc. ("ASB"), Natexis Banques Populaires agreed to acquire the entire capital stock of Arnhold & S. Bleichroeder Inc. ("ASB"), a company incorporated under the laws of New York State, for the sum of USD105 million, payable in Natexis Banques Populaires shares.

At an extraordinary general meeting held on December 6, 2002, the shareholders of Natexis Banques Populaires approved all the provisions of this agreement, as well as the transfer value of the shares transferred by ASB. The shareholders also approved a capital increase of €22,417,312 to pay for the acquisition, through the issuance of 1,401,082 fully paid-up shares with a nominal value of €16 each.

The creation of Natixis

H1 2006: Exclusive negotiations between Groupe Banque Populaire and Groupe Caisse d'Epargne

March 12, 2006: Groupe Banque Populaire and Groupe Caisse d'Epargne enter into exclusive negotiations concerning the creation of Natixis.

June 6, 2006: Following the exclusivity period announced on March 12, 2006, Philippe Dupont, Chairman of the Groupe Banque Populaire, and Charles Milhaud, Chairman of the Executive Board of Caisse Nationale des Caisses d'Epargne, signed the agreement that sets out the terms and conditions of the creation of their new joint subsidiary, Natixis.

The Boards of directors of Banque Fédérale des Banques Populaires and Natexis Banques Populaires and the supervisory Board of Caisse Nationale des Caisses d'Epargne approved the agreement at their meetings held on June 2 and 6 respectively.

H2 2006: Creation of Natixis and market transaction

November 17, 2006: Combined general meeting of Natexis Banques Populaires shareholders approving the contributions giving rise to the creation of Natixis.

The combination transactions include:

- the contribution by Caisse Nationale des Caisses d'Epargne (hereinafter referred to as **"CNCE"**) to Natexis Banques Populaires of interests in certain subsidiaries and affiliates with activities in corporate and investment banking and financial services, as well as cooperative certificates of investment ("CCIs"), issued since 2004 by each of Caisse d'Epargne et de Prévoyance banks[1] (hereinafter referred to as "**Caisses d'Epargne**") and representing 20% of their share capital (the "**Caisses d'Epargne CCIs**"), currently wholly owned by CNCE;
- the contribution by SNC Champion (a special-purpose company formed by the Banque Fédérale des Banques Populaires (hereinafter referred to as "BFBP") and the Banque Populaire banks to Natexis Banques Populaires of the remaining Caisses d'Epargne CCIs not transferred by CNCE and purchased previously by SNC Champion from CNCE. In addition, CNCE and SNC Champion transferred their interests in Ixis Corporate & Investment Bank (hereinafter referred to as "**Ixis CIB**") and Ixis Asset Management Group (hereinafter referred to as "**Ixis AMG**") purchased from SanPaolo IMI (hereinafter referred to as "**SPIMI**").

As a result, CNCE and BFBP (directly and through SNC Champion) each held an equal stake of 45.52% (44.86% on a fully diluted basis) in Natexis Banques Populaires, now Natixis.

Concomitantly with these contributions, each of the Banque Populaire banks issued CCIs for Natexis Banques Populaires representing 20% of its share capital (together referred to as the "Banque Populaire CCIs").

November 18, 2006 – December 5, 2006: Placement of Natixis shares in the form of an open price offer ("Offre à Prix Ouvert") in France for private investors and a global placement ("Placement Global") for institutional investors in France and abroad, with:

- on December 6: Definitive price of the open price offer and global placement is set;
- on December 7: Listing of the shares under the name Natixis;
- and on December 11: Settlement/delivery of the shares.

At the end of this market transaction, CNCE and BFBP each owned 34.44% of Natixis. Since then, their respective share was increased to 34.45%.

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(1) *Except for Caisse d'Epargne et de Prévoyance de Martinique and Caisse d'Epargne et de Prévoyance de Nouvelle Calédonie.*

PERSONS RESPONSIBLE FOR THE SHELF-REGISTRATION DOCUMENT AND INFORMATION

Person responsible for the shelf-registration document

Philippe Dupont

Executive Chairman of Natixis

Statement by the person responsible for the shelf-registration document

"To the best of my knowledge, the information contained in this shelf-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 the information on the balance sheet, the financial situation and the income of the company and the companies entering in the scope of consolidation is true and accurate. The management accurately reflects the business, the income and the financial situation of the company and all the companies included in the consolidation scope and provides a description of potential risks and uncertainties.

I have obtained a letter from the statutory auditors certifying the completion of their work, in which they indicate that they have verified the information relating to the financial situation and the accounts given in this report and have read the whole of the report."

Philippe Dupont

DOCUMENTS AVAILABLE TO THE PUBLIC

Documents relating to Natixis (deeds of incorporation, bylaws, reports, letters and other documents, historical parent company and consolidated financial information for each of the financial years preceding the publication of this document) are partially included in this document and may be consulted at the Company's head office, preferably by appointment.

This shelf-registration document is available on the website of the Autorité of the Marches Financiers *(www.amf-france.org)* and under the heading "Shareholders and investors" on the company's institutional website at *www.natixis.com*.

Any person wishing to obtain additional information about Natixis can request documents free of charge and without obligation:

- by letter, from:

Natixis

Global Communications Direction

Investor Relations Department
Immeuble Arc-de-Seine
30, avenue Pierre Mendès-France
75013 Paris

- by telephone, from:

(33) 1 58 19 26 34 or (33) 1 58 32 06 94

- by e-mail:

relinvest@natixis.fr

1
2
3
4
5
6
7
8

Cross-reference table

Heading	Registration document page number
1. Persons responsible	**428**
2. Statutory auditors	**60**
3. Selected financial information	
3.1. Selected historical financial information regarding the issuer for each financial year	6 - 7
3.2. Selected historical financial information for interim periods	N.A.
4. Risk factors	**126 - 135**
5. Information about the issuer	
5.1 History and development of the issuer	426 - 427
5.2 Investments	62 - 70 ; 74 - 75
6. Business overview	
6.1. Principal activities	60 - 86
6.2. Principal markets	301 - 304
6.3. Exceptional factors	N.A.
6.4. Extent to which the issuer is dependent on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes	168 - 169
6.5. The basis for any statements made by the issuer regarding its competitive position	60 - 86
7. Organizational structure	
7.1. Brief description of the Group	1
7.2. List of significant subsidiaries	8
8. Property, plant and equipment	
8.1. Existing or planned material tangible fixed assets	255 - 256
8.2. Environmental issues that may affect the issuer's utilization of the tangible fixed assets	120 - 124
9. Operating and financial review	
9.1. Financial condition	173 - 174
9.2. Operating results	137 - 138
10. Capital resources	
10.1. Information concerning the issuer's capital resources	174 ; 184 - 185
10.2. Sources and amounts of the issuer's cash flows	186
10.3. Information on the issuer's borrowing requirements and funding structure	174 - 175
10.4. Information regarding any restrictions on the use of capital resources that have materially affected, or could materially affect, the issuer's operations	N.A.
10.5. Information regarding the anticipated sources of funds needed to fulfill commitments referred to in items 5.2. and 8.1	173 - 174
11. Research and development, patents and licenses	**N.A.**
12. Trend information	**180**
13. Profit forecasts or estimates	**5**

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, 2006, presented on Pages 191 to 321, the statutory auditors' report thereon, Pages 322 to 323, and the Group management report, on Pages 136 to 188 of the registration document filed with the AMF on April 17, 2007 under number D.07-0337,
- the consolidated financial statements for the year ended December 31, 2005, presented on Pages 102 to 205, the statutory auditors' report thereon, Pages 206 to 207, and the Group management report, on Pages 69 to 95 of the registration document filed with the AMF on March 23, 2006 under number D.06-0152

All other chapters of reference documents D.07-0337 and D.06-0152 and are either of no material interest to investors or covered elsewhere in this registration document.

NOTES

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A joint subsidiary
of Banque Populaire and Caisse d'Epargne groups

GROUPE CAISSE D'EPARGNE