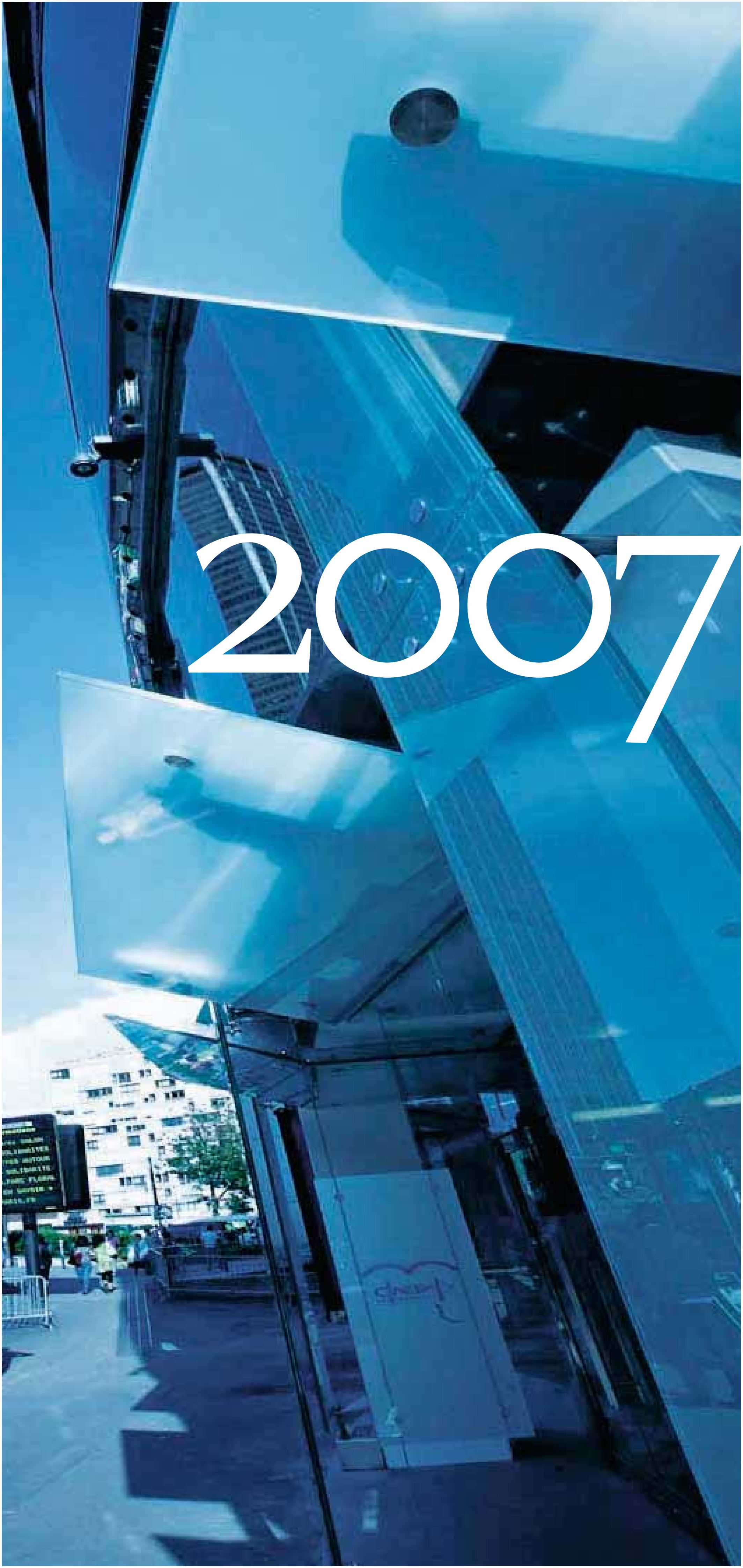

2007

— Annual Report and Sustainable Development Report

CNP ASSURANCES

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— CNP Assurances's core business is life insurance. As France's leading personal insurer, the Group designs, develops, distributes and manages savings, pension and personal risk products.
By insuring people throughout their lives, we practice the principles of sustainability day in, day out. At CNP Assurances, the policyholder is our no. 1 concern, and we constantly endeavour to improve our range of products with comprehensive, innovative personal protection solutions for professionals and the general public.

— In France, we meet the insurance needs of over 14 million people, with products that help them to protect their future. These products are distributed primarily through the networks of our two partners, La Banque Postale and the Savings Banks, together representing some 19,000 sales outlets, and also through our CNP Trésor insurance advisors. In group insurance, we have forged close ties with 250 financial institutions of all sizes, over 4,000 companies, more than 100 mutual insurers, 20,000 local authorities and numerous non-profit organizations. The extension through to 2015 of the shareholders' agreement and the distribution agreements with La Banque Postale and the Savings Banks has strengthened our business model.

— With over 10 million policyholders and 9,000 sales outlets outside France, our international presence is growing steadily as we extend our bancassurance model to our subsidiaries and joint ventures in Brazil, Italy, Portugal, Spain, Argentina and China. In 2007, over 14% of our premium income was generated outside France.

— The five-year business plan adopted at the beginning of 2008 sets ambitious revenue and earnings growth targets in France and in international markets, representing an exciting challenge for our 4,300 employees between now and 2012.

Message from Edmond Alphandéry /

— Chairman of the Board of Directors

— A strong performance in a challenging environment

In 2007, CNP Assurances delivered a strong set of results despite the less favourable economic and financial environment. Following the US subprime crisis, the banks became wary of lending to each other, triggering a liquidity crisis that spread in successive waves to the securitization market and the monoline insurers, ultimately affecting the entire financial sector. The crisis is still not over and global economic growth is under further threat from a possible recession in the United States, as well as from the inflationary pressures caused by rising oil and food prices.

— CNP Assurances, a very profitable company

In this unsettled environment, we have once again demonstrated our Group's ability to withstand a crisis, in the same way as when the dot-com bubble burst at the beginning of the decade. The quality of our management has enabled us to plot a steady course in today's turbulent financial markets, using our considerable stock of unrealised gains as a buffer against extreme market volatility. Admittedly, our share price had a bumpy ride in February, due to a combination of several factors. The price first came under pressure when the markets became aware of the slowdown in the French life insurance market and started factoring in the impact on our business. Then on 8 February, false rumours that we were about to announce massive impairment losses caused the price to drop sharply in a difficult market environment. Market confidence was quickly restored by our immediate denial of these rumours, supported by the confirmation that we

"The quality of our management has enabled us to plot a steady course in today's turbulent financial environment"

had no direct exposure to the subprime market and only a very small indirect exposure – representing €10 million out of a total asset portfolio of €220 billion – along with our reminder of the significant contribution of technical reserves to our profit. Despite these upsets, over the five years to the date of our 2007 results announcement our share price gained 103%, significantly outperforming the DJ Insurance and the CAC 40 which rose 67% and 74% respectively during the period.

— A more robust enterprise

After the previous year's renewal until December 2015 of the shareholders' agreement between Caisse des Dépôts, Sopassure and the French State, several developments in 2007 helped to make our Group even more robust.

The February acquisition of the remaining 49.9% of the capital of our strategic subsidiary Écureuil Vie, which has since been merged into CNP Assurances, was financed in equal parts by a subordinated debt issue and a rights issue. The transaction has had a very positive impact on our Group's results and helped to make our business model more transparent.

At the General Meeting held on 10 July, shareholders approved a change in the Group's corporate governance structure, replacing the Executive Board and Supervisory Board with a Board of Directors. The new Board decided to separate the positions of Chairman of the Board, held by me, and Chief Executive Officer, held by Gilles Benoist. This governance structure is better suited to a Group the size of CNP Assurances and will facilitate the implementation of our growth projects, as well as help to bring management closer to shareholders.

One of my first tasks as Chairman of the Board of Directors was to create a Strategy Committee on which all of our major shareholders are represented. This Committee, of which I am the Chairman, worked closely with the Executive Committee to draw up the 5-year business plan (2008-2012) unanimously approved by the Board. This plan represents a strong foundation for our Group's future growth.

— An ambitious business plan

The business plan sets ambitious targets to be achieved in an uncertain economic environment, including 50% growth in premium income, a near-doubling of net profit and a twofold increase in international revenues. Although the insurance industry has emerged relatively unscathed from the subprime crisis, it may be affected in the short-term by the current financial market volatility and competition from savings products offered by the banks. Over the long term, however, the outlook is good for personal insurers. The greying of the population is generating substantial needs in terms of pensions, long-term care and personal services, three areas where we are well equipped to lead the field.

The Board remains very confident about the outlook for future growth. Our Group has healthy fundamentals and our strong cash flow will allow us to finance our €2 billion five-year acquisitions strategy without resorting to a rights issue, through a reasonable increase in debt.

Interview with Gilles Benoist /

— Chief Executive Officer

— What were the highlights of 2007 for CNP Assurances?

The acquisition in France of 50% of Écureuil Vie, which we previously owned jointly with the Caisses d'Épargne Group, and in Spain of Skandia Vida, which has been renamed CNP Vida.

— The French insurance market contracted by nearly 3% last year. What were the reasons for this?

There were several reasons for the decline. First of all, as expected, the inflow of funds from PEL home savings accounts that was triggered by the late 2005 change in tax rules began to dry up.

At the same time, life insurers experienced stiff competition from easy access savings products during the second half, as banks sought to boost financing from this source to replace their securitization programmes in the wake of the subprime crisis.

It's important to bear in mind, however, that the French life insurance industry attracted over €53 billion in net new money last year, a performance that's been beaten only once, in 2006, while total technical reserves grew 8%.

— How did CNP Assurances perform in this environment?

In France, our overall performance was in line with the market, with premium income down 3%, while international revenue was up 10%. Average technical reserves, which contribute 80% of profit, increased by 9%.

"We expect to report a double-digit increase in recurring net profit in 2008."

— How were the Group's accounts affected by the crisis in the subprime and securitization markets?

As early as August of last year, we informed the markets that we had no direct subprime exposure and that our indirect exposure represented a mere €10 million.

We also provided a detailed breakdown of our asset-backed securities portfolio. Thanks to the high quality of this portfolio, we recorded impairment losses of just €47 million before tax, including €6 million recognised in equity and €41 million in profit. This was much less than the losses reported by other players.

— In 2008, the FFSA expects the French individual life insurance market to remain flat or even to contract, on the back of last year's 2.7% decline, with the same level of competition from other savings products. What is your view?

We agree with this forecast for 2008. Competition from easy access savings products and the negative effect of current stock market conditions on unit-linked sales will seriously dampen our business. While the new rules allowing early withdrawal of funds held in statutory profit sharing accounts may have a positive effect on the life insurance market, 2008 looks set to be a very average year in terms of premium income.

— How will CNP Assurances resist in this environment?

At the time of our 2007 results announcement, we highlighted the robustness of our business model. Technical reserves, which are the main drivers of earnings growth, are far less cyclical than premiums, while the commissions paid to the networks represent variable costs for our Group.

That's why, when we published our results, we said that barring any significant worsening of financial market conditions, we were looking forward to reporting double-digit growth in recurring profit this year.

— Has the unfavourable environment at the start of the year affected your performance in relation to the targets set in the 2008-2012 business plan published in January?

The business plan projections allow for very limited growth in France in the first year. At this stage, the plan's objectives remain realistic.

— Can you say a few words about CNP's international operations and their contribution to the business plan?

Our international operations already represent a valuable growth driver, accounting for 14% of revenues and an even bigger 24% of EBIT (including minority interests).

We're aiming to increase the revenue contribution of operations outside France to 30% over the next five years, by doubling the premium income generated by our existing subsidiaries and making further acquisitions in Europe and Latin America.

— A new governance structure

One of the keys to sustainable growth, corporate governance is a system of regulations and ethical rules designed to enhance management effectiveness and prevent the occurrence of business risks.
During 2007, CNP Assurances decided to change its corporate governance structure by replacing the Executive Board and Supervisory Board by a Board of Directors. This new structure promotes closer involvement on the part of corporate officers in the administration and control of the Company.

10 July

2007

The new management structure is approved by the Board of Directors

— Switch to a Board of Directors

At the General Meeting held on 10 July 2007, the shareholders approved the replacement of the Executive Board and Supervisory Board by a Board of Directors. At its first meeting, held immediately after the General Meeting, the Board decided to separate the positions of Chairman of the Board and Chief Executive Officer. Edmond Alphandéry, former Chairman of the Supervisory Board, was named Chairman of the Board of Directors, and Gilles Benoist, former President of the Executive Board who was elected to the Board of Directors at the General Meeting, was named Chief Executive Officer.

With the change of structure, the Company took steps to ensure that it continued to comply with the principles of good corporate governance, particularly as regards the independence of directors and membership of the Committees of the Board. A Strategy Committee was set up at the Board meeting on 10 July 2007, representing a third Committee of the Board alongside the Audit Committee and the Remunerations & Nominations Committee originally created by the Supervisory Board. The Chairman of the Strategy Committee does not represent any of the parties to the shareholders' agreement and, likewise, the other two Committees of the Board are chaired by independent directors.

The Board of Directors' organisation and procedures are governed by internal rules that are largely based on the former Supervisory Board's rules. Significant extracts from these rules are available for consultation on the Company's website. The members of the Committees of the Board are all members of the Board of Directors. The Chief Executive Officer and the other Executive Committee members (all former members of the Executive Board) do not sit on any of these Committees. The procedures and practices of each of the Committees were defined by the Board when the Committees were set up and have been incorporated into the internal rules.

Powers have been allocated between the Board of Directors and senior management in a manner that is best suited to the Group's business, its management and control processes and its ownership structure.

— Membership of the Board of Directors

Under the shareholders' agreement that was extended in early 2007 until 31 December 2015, Caisse des Dépôts et Consignations, the French State and Sopassure (the joint holding company set up to hold the interests of La Poste and Caisse Nationale des Caisses d'Épargne) gave a commitment to remain shareholders of CNP Assurances over the long term and to implement a common policy with regard to their shareholdings. The agreement defines a set of management principles and clear objectives relative to the business, partnerships and ownership structure. The addendum extending the life of the agreement until 2015 also provides for an increase in the number of Supervisory Board members to 18 and a re-allocation of seats on the Board, with six seats for Caisse des Dépôts, five for Sopassure and one for the French State. Employee shareholders are also represented, with one seat on the Board held by the Chairman of the Actions CNP corporate mutual fund.

At the time of the change in corporate governance structure, all the former Supervisory Board members became members of the Board of Directors (with Jacques Hornez becoming a non-voting member).

The directors' commitment to the Group's development is evidenced by their regular attendance at Board meetings. Although the free float represents just under a quarter of the share capital (at 10 July 2007), we have crafted an ambitious shareholder relations strategy, directed towards all shareholders and not just the parties to the shareholders' agreement. Institutional investors and our 142,000 private shareholders are given regular information through meetings, publications, a dedicated website section, the Shareholders' Club and site visits for institutional investors.

— Operational management of the Group

The Executive Committee, led by the Chief Executive Officer, is responsible for the operational management of the Group. The Committee implements the strategy decided by the Board of Directors, monitors the Group's results and financial ratios, and decides which action plans to carry out.

The Executive Committee is made up of the five former members of the Executive Board – Gilles Benoist, Chief Executive Officer, Antoine Lissowski, Finance Director, Gérard Ménéroud, Director – Partnerships & Business Development, Xavier Larnaudie-Eiffel, Director – International Operations, and Jean-Pierre Walbaum, Director – Management & Innovation.

Promoting employee share ownership

In line with our strategy to promote employee share ownership, employee rights issues were organised in 2000, 2002 and 2004, with employees of our international subsidiaries also being given the opportunity to take part in the 2004 issue. We also set up share grant plans in 2005 and 2007. Substantially all employees invest their discretionary and non-discretionary profit sharing bonuses in CNP Assurances shares through the employee share ownership plan.

As of 31 December 2007, nearly four out of five employees in France and two out of three employees outside France were shareholders of the Company, with an average investment of €20,000.

These figures demonstrate our employee's strong commitment to their Company, even though the high amount of issued capital compared with the number of employees means that their aggregate holdings amount to only a 0.6% stake.

— Board of Directors

Chairman
Edmond Alphandéry

Directors
Gilles Benoist
Caisse des Dépôts,
represented by
Augustin de Romanet (1)
Jérôme Gallot (1)
Pierre Hériaud (1)*
Dominique Marcel (1)
André Laurent Michelson (1)
Franck Silvent (1)
Sopassure,
represented by
Marc-André Feffer (2)
Jean-Paul Bailly (2)
Charles Milhaud (2)
Nicolas Mérindol (2)
Patrick Werner (2)
The French State,
represented by
Xavier Musca, (3)
Philippe Baumlin (4)
Antonio Borges
Alexandre Lamfalussy
Henri Proglio

Non-Voting Directors
Bernard Comolet
Jean-Louis de Mourgues
Jacques Hornez

Secretary of the Board and the Committees of the Boards
Hugues de Vauplane

Works Council Representatives
Daniel Canal
Valérie Lebel
Agnès Fraizy
Patrick Berthelot

(1) Representing Caisse des Dépôts.
(2) Representing Sopassure.
(3) Representing the French State.
(4) Representing employee-shareholders.
* Subject to ratification at the Annual General Meeting on 22 April 2008.

— Committees of the Board

Audit Committee
Alexandre Lamfalussy,
Chairman
Antonio Borges
Dominique Marcel
Nicolas Mérindol
Patrick Werner

Remunerations & Nominations Committee
Henry Proglio, Chairman
Edmond Alphandéry
Jean-Paul Bailly
Augustin de Romanet
Charles Milhaud

Strategy Committee
Edmond Alphandéry, Chairman
Dominique Marcel
Nicolas Mérindol
Marc-André Feffer
Henri Proglio
Augustin de Romanet

To find out more,
go to pages 35 and 37 and 71 to 73 of the Financial Report.

— Sustainable development: a long-term commitment

We practice sustainable development and corporate social responsibility day in, day out, through our corporate governance, our human resources policy and our commitment to protecting the environment. Sustainability also underpins our activities as both an insurer and an investor.

— A commitment embedded in the Group's corporate values

This commitment reflects our values and heritage, embodied in our preferred relationship with Caisse des Dépôts et Consignations and our long-standing ties with partners whose corporate mission is to serve the public interest. It also corresponds to the social value added by insurance companies by pooling risks and guaranteeing coverage of very long-term commitments.

In becoming one of the first French companies to pledge support for the UN Global Compact in 2003, we gave new impetus to our sustainable development and corporate social responsibility ("CSR") initiatives. Our commitment has been recognised by socially responsible investment ("SRI") analysts such as Vigéo, which ranks CNP Assurances among the leading European insurers based on SRI criteria.

— An approach led by employees

The sustainable development approach mobilises employees through a wide range of initiatives, based on an initial assessment of stakeholders' expectations.

The approach is led by the Sustainable Development department, which reports directly to the Chief Executive Officer. The status of sustainable development projects is reviewed regularly by the Executive Committee, based on reports prepared by five cross-functional work groups set up in 2005. Discussions with our major shareholders and partners, who share our commitment to sustainable development, have led to opportunities for further advances being identified.

Certain subsidiaries – particularly Caixa Seguros – also have well established sustainable development programmes. In 2007, CNP Seguros de Vida pledged support for the UN Global Compact. Corporate Social Responsibility Committees have been set up in Brazil and Italy and a growing number of experience-sharing opportunities are being created.

We take part in industry discussions on corporate social responsibility issues. A member of ORSE, a French CSR think-tank, and its Finance Club since 2006, and of the Sustainable Development Commission of the French Insurance Association (AFA), we are also supporting the initiatives developed by the "Finance Innovation" global competitiveness centre created by leading French companies.

— The Group's four priorities as a responsible insurer

As a personal insurance company, we have four priorities:

Combating financial exclusion

To participate in economic growth, each individual needs to have access to financial products.

Being able to obtain insurance to protect family members against the financial consequences of life's hazards, particularly the inability to repay bank loans due to circumstances beyond the borrower's control, has become a social necessity. With our partners, we help to combat social exclusion by offering affordable products for clients in all income brackets and covering the widest possible range of insurable risks.

Our immediate support for France's first micro-insurance policy for creators of new businesses and our pioneering role in lowering the barriers to loan insurance for individuals representing an aggravated risk are just two examples of our efforts in this area.

Offering policyholders the quality of management they expect

Life insurance policies are complex financial products governed by strict legal and tax rules. The insurer's commitment is for an average period of ten years, but many policies last for forty or even fifty years. Moreover, the insurer has a commitment towards not just one client but three: the policyholder (who may not be the insured), the insured and the beneficiary (who likewise may not be the insured).
Added to that, policies are "made-to-measure", with the insurer committing to comply with the insured's wishes. Lastly, except in the case of pension products and health insurance, insurance claims generally result from accidents of daily life and require sensitive handling.

For all of these reasons, service quality is of critical importance.

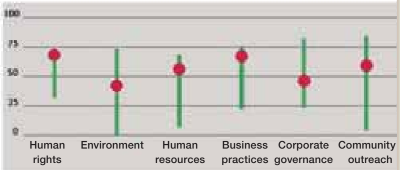
Rating

CNP Assurances – October 2006
Sector: Insurance
Companies in the peer group: 27

Environmental performance, corporate social responsibility and corporate governance

Criteria min -- / max ++	Ratings 10/2006
Human rights	+
Environment	=
Human resources	+
Business practices	+
Corporate governance	=
Community outreach	+

Performance relative to the peer group ● (min — max)



The **rating** reflects the company's performance relative to the peer group

++ The company's performance is among the best in its peer group
\+ The company's performance is good relative to the peer group
= The company's performance is average relative to the peer group
\- The company's performance is below average relative to the peer group
-- The company's performance is among the worst in its peer group

— SRI ratings

Our dedication to corporate social responsibility has been recognized by the SRI rating agencies. The Company features among the top six insurers rated by Vigeo Europe. It has been included in the Aspi Eurozone 120 index since 2005 and is also one of the companies in Italy's ECPI Ethical Index Europe.

vigeo
www.vigeo.com

CORPORATE SOCIAL RESPONSIBILITY RATINGS

Human rights: respect for fundamental human rights; freedom of association and recognition of the right to collective bargaining; elimination of forced and compulsory labour; abolition of child labour; elimination of discrimination.
Environment: protection of the environment in the manufacture, distribution, use and disposal of products.
Human resources: employee dialogue; working conditions; employee health and safety; job and skills management; compensation systems.
Business practices: customer relations; supplier-subcontractor relations; competitive practices; prevention of corruption.
Corporate governance: Board of Directors, audit and internal control, shareholder rights, management compensation.
Community outreach: impact on the local community; contribution to local economic and social development; community programmes.

— The CNP Group at the heart of economic development

Examples of stakeholders in France

As a financial intermediary, the personal insurer is at the centre of a cluster of stakeholders. Their diversity is emblematic of our significant contribution to the process of economic and social development.

Issuers of our financial assets
Over 500 bond issuers
More than 300 listed companies

Users of our property assets
2.7 million sq.m. of offices and residential units
49,000 hectares of woodland

Our suppliers
Equipment, paper, etc.
Consultants
Subcontractors (call centres, asset managers)

Civil society
Regulators and supervisors
Finance ministry AMF
Professional bodies:
Rating agencies, recipients of corporate philanthropy

CNP Assurances and its subsidiaries in France (CBP Prévoyance)
CNP Trésor network and wholly-owned subsidiaries Filassistance, Age d'Or CNP Caution, CNP Capéor

Our shareholders
CDC
La Banque Postale
Caisse d'Épargne
Institutional investors
142,000 private shareholders
2,000 employee shareholders

Our distribution partners
The 19,000 Post Offices and Savings Bank branches
250 lenders
100 mutual insurers
CGPI

Note: CNP Trésor team of insurance advisors

Our insureds, including
- 113 million individual life insurance policies
- 12 million loan insurance contracts
- 450,000 employees of 20,000 local authorities
- 700,000 employees of 4,000 companies
- 4 million customers of Filassistance

Our employees and social partners
Our 2,942 employees and our social partners

Examples of advances made in 2007

- Launch in France of CNP Développement Durable, an ethical and environmental fund of funds.
- One-fifth of employees' discretionary profit-sharing bonus tied to sustainable development indicators.
- Promotion of the micro-insurance offering for creators of new businesses, in partnership with the Entreprendre pour la Cité non-profit organization.
- Joint action by employees in France and Brazil in support of a Brazilian reforestation project.
- Launch of an innovative long-term care product in Spain.
- Unemployment cover offered at cost under loan insurance contracts sold by Crédit Agricole branches.

Social and environmental indicators: go to pages 123 to 129.

For additional information, go to pages 31 to 36 of the 2007 Financial Report.

In pursuing our business model, we have acquired unique expertise in combining industrial-scale processes with personalised responses.

We conduct regular surveys among policyholders and our partner networks' insurance advisors to measure the perceived quality of our services and possible opportunities for improvement.

Building a comprehensive ethical framework

Many of the Company's departments perform sensitive tasks. This is the case, in particular, for insurance-related activities such as advising prospective policyholders, processing confidential information related to beneficiary clauses, processing insureds' medical histories, handling funds and implementing anti-money laundering procedures.

Staff working in such areas as human resources, procurement and internal audit are also subject to ethical rules, and all employees are subject to the insider dealing rules applicable to listed companies.

A number of documents have been prepared to inform and remind employees of our ethical rules and commitments, such as the Employee Code of Conduct, the insurance professionals' code of ethics, Internal Audit and Procurement Service Charters and AMF guidelines.

Managing assets based on a long-term perspective

The characteristics of life insurance mean that the function of the insurer is the mirror image of the investor's function. The personal insurer records in its balance sheet the assets corresponding to its commitments to the insured.

Policyholders are given a capital guarantee corresponding to the cumulative amount of their premiums plus a capitalized annual yield, which is locked in via a ratchet mechanism. The insurer has a very long-term commitment, while the insured generally have the right to surrender their contracts at any time and expect a competitive rate of return in relation to market interest rates.

As a result, our financial management differs from that of an asset management company or a bank. It is also radically different from that of a pension fund, which enjoys strong visibility concerning its future payment obligations.

Our financial strategy is designed to guarantee that we fulfil our commitments to the insured and our shareholders, by:

- Investing in low-risk instruments and applying prudent financial management practices.
- Seeking sustained performance and optimizing annual yields.

Fulfilling our corporate social responsibility obligations also means exercising our rights and obligations vis a vis the companies of which we are shareholders, and the occupiers and management personnel of the properties held in our portfolios. We are also committed to acting in an advisory capacity by promoting SRI funds among our policyholders.

With €244.2 billion in assets under management at end-2007, our Group plays a major role in the European economy.

In pledging support for the UN Global Compact, we gave a commitment to aligning our operations and strategies with the following principles:

THE GLOBAL COMPACT
WE SUPPORT

Human rights

1. Businesses should support and respect the protection of internationally proclaimed human rights; and

2. Make sure that they are not complicit in human rights abuses.

Labour standards

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

4. The elimination of all forms of forced and compulsory labour;

5. The effective abolition of child labour; and

6. The elimination of discrimination in respect of employment and occupation.

Environment

7. Businesses should support a precautionary approach to environmental challenges;

8. Undertake initiatives to promote greater environmental responsibility; and

9. Encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

10. Business should work against all forms of corruption, including extortion and bribery.


24 m

Clients in many countries

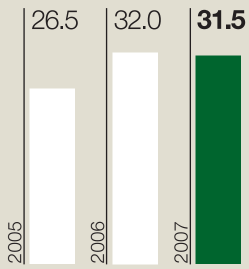
In a constantly changing economic, demographic and regulatory environment, we are forever innovating to meet as many emerging needs as possible and help to combat financial exclusion.
We have products tailored to everyone's needs, from the poorest members of society to the richest and from the very young to the very old. In all of our host countries, we design, develop, distribute and manage products covering the full range of personal insurance needs.

— 2007 key figures

14%

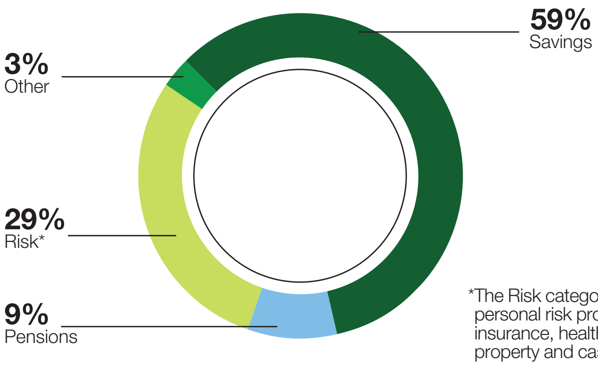
of premium income
generated in international markets

— Total premium income
In € billions



Premium income for 2007 amounted to €31,529.5 million, down 1.4% on a reported basis and 1.9% like-for-like (excluding CNP Vida in Spain, which has been consolidated from 5 April 2007).
In a year that saw the French personal insurance market decline after three years of double-digit growth, CNP Assurances's market share held firm. International premium income rose 10%.

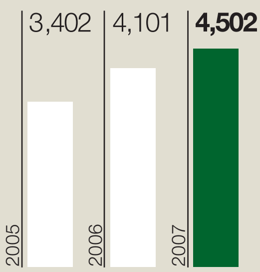
— EBIT
by business segment in 2007



*The Risk category includes personal risk products, loan insurance, health insurance and property and casualty insurance.

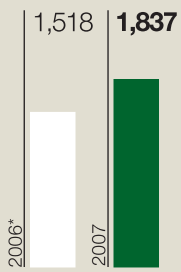
20%
like-for-like **EBIT growth** in 2007

— International premium income
In € millions



Operations outside France contributed €4,501.7 million to premium income for the year, representing a 9.8% increase over 2006 including like-for-like growth of 5.9%.
International operations accounted for over 14% of total premium income.
In Italy, CNP UniCredit Vita reported premium income up 1% to €2,918 million.
In Brazil, the Caixa Seguros subgroup ended the year with premium income of €1,145.6 million (BRL 3,046.8 million), an increase of 29.1% in euros and 24% in local currency compared with 2006.

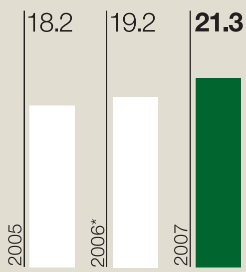
— EBIT
In € millions



EBIT for the year totalled €1,837 million, up 21% on a reported basis and 20% like-for-like. Growth was led by a nearly 9% increase in average technical reserves, accounting for over 80% of consolidated profit in 2007.
The international subsidiaries' contribution to EBIT rose 22% to €439 million, representing 24% of the total.

* Reported EBIT for 2006 totalled €1,594 million. In first-half 2007, the Group implemented measures to reduce earnings volatility. Adjusted for the effect of these measures, 2006 EBIT amounted to €1,518 million.

— Return on solvency capital
In %



Return on solvency capital corresponds to the ratio of EBIT to solvency capital.

— Solvency margin
The solvency capital requirement after dividends at 31 December 2007 was covered 2.39 times in total and 1.17 times before taking into account unrealised capital gains. There were no subordinated debt issues in 2007.

* Reported return on solvency capital stood at 20.2% based on EBIT before the effect of measures to reduce earnings volatility. Based on adjusted EBIT, return on solvency capital was 19.2%.

244.2

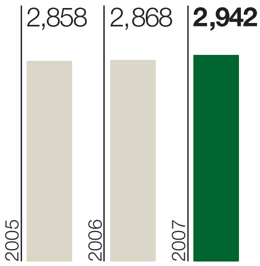
billion

Efficiently managed portfolios

Insurance and financial liabilities, corresponding to technical reserves, amounted to €244.2 billion at 31 December 2007. Our investment management processes ensure that we are able to fulfil our commitments to policyholders, while generating healthy yields for policyholders and shareholders alike. Our expertise and discipline in this area represent an effective bulwark against financial market fluctuations.

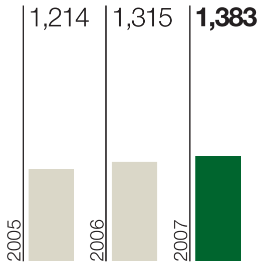
— Number of employees

France



In 2007, employee numbers continued to expand at a moderate pace in France, rising by 2.6%.

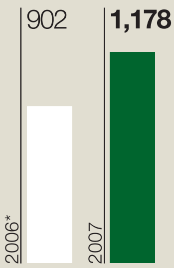
Foreign subsidiaries and branches: Brazil, Portugal, Italy, Spain, China and Argentina.



The increase in employee numbers outside France in 2007 was mainly attributable to the acquisition of CNP Vida, in Spain.

— Attributable recurring profit after capital gains

In € millions

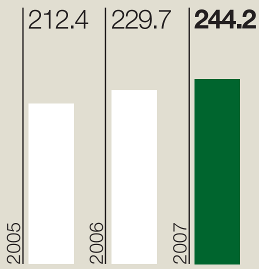


Attributable recurring profit after capital gains on equities and investment property totalled €1,178 million, representing an increase of 30.6%, including like-for-like growth of 18.7%. Attributable profit for the year came to €1,222 million, up 6.7%.

* Reported attributable recurring profit for 2006 totalled €948 million. In first-half 2007, the Group implemented measures to reduce earnings volatility. Adjusted for the effect of these measures, 2006 attributable recurring profit amounted to €831 million.

— Insurance and financial liabilities

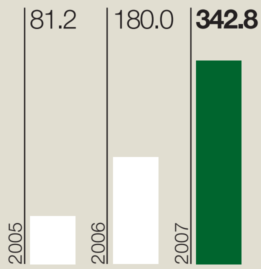
In € billions



At 31 December 2007, insurance and financial liabilities excluding the deferred participation reserve stood at €235.5 billion, an increase of 8.3% compared with year-end 2006. Average insurance and financial liabilities rose 9% over the year. The deferred participation reserve contracted to €8.7 billion at 31 December 2007 from €12.1 billion at the previous year-end, due mainly to the impact of rising interest rates. Insurance and financial liabilities including the deferred participation reserve came to €244.2 billion at 31 December 2007.

— Socially responsible investments

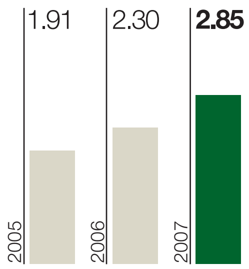
SRI portfolios (excluding employee savings plans),
In € millions



The weighting of SRI funds in the asset portfolio is continuing to rise, reaching €83.5 million at end-2007. In addition, unit-linked portfolios include €259.3 million worth of SRI funds.

— Dividends

In € per share

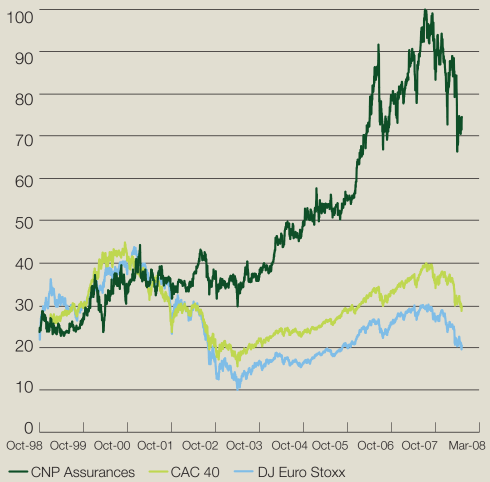


Recurring earnings per share came to €7.95. The dividend recommended to the Annual General Meeting on 22 April 2008 amounts to €2.85 per share, representing a 24% increase over the previous year.

— Share performance

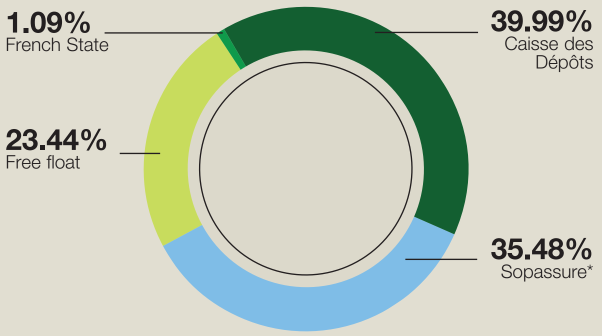
October 1998 to March 2008

In €, source: JCFQuant



— Ownership structure

At 31 December 2007



* Sopassure is a holding company owned by La Banque Postale (50.1%) and Groupe Caisses d'Épargne (49.9%).

The French State, Caisse des Dépôts, the French Post Office and Groupe Caisse d'Épargne – all signatories of the CNP Assurances shareholders' agreement – decided in May 2006 to extend the agreement until 31 December 2015. The decision was formalised by the 8 January 2007 signature of an addendum to the original agreement, which also authorises Caisse des Dépôts to increase its share of the Company's capital to 40%.

CNP Assurances on the stock market

Listing:
Euronext Paris
-
ISIN code
FR 0000 120 222
-
6 October 1998
IPO

IPO price*:
• **€23** institutional tranche
• **€22,4** retail tranche
At 31 December 2007
Price: €88.99
Market capitalisation:
€13bn

Total number of shares
at 31 December 2007:
148,537,823
-
Individual shareholders:
142,000

Indices
CAC Next 20
SBF 120
Euronext 100
DJ Euro Stoxx
Insurance
ASPI Eurozone 120
ECPI Ethical
Index Europe

In 2007
Average daily trading volume:
220,600 shares per day
Over two years (2006-2007)
Average daily trading volume: 197,720 shares per day

* Adjusted price, ex-January 2007 pre-emptive subscription right.


FINANCIAL NEWS
LSE faces hurdles becoming
NUMBERS
+230

A robust stock

CNP Assurances was floated on the Paris Bourse on 6 October 1998 at a price of €22.4, following the sale by the French State of the bulk of its interest in the Company. In the period from the IPO until the end of March 2008, the CNP Assurances share price was multiplied by more than three, while the CAC 40 gained 50% and the DJ Eurostoxx Insurance lost 15%.
The price has risen steadily since the IPO, in parallel with the Group's development. The dividend has more than quadrupled over the period.

— Embedded value up sharply

€77.8

European embedded value
(EEV) per share

— Embedded value reporting since 1999

CNP Assurances has reported its embedded value and the value of new business since 1999 in order to offer more transparent financial information to shareholders and partners. Embedded value corresponds to the consolidated present value of shareholders' interests generated by the insurance business at the measurement date. New business represents value created during the year through new contracts.

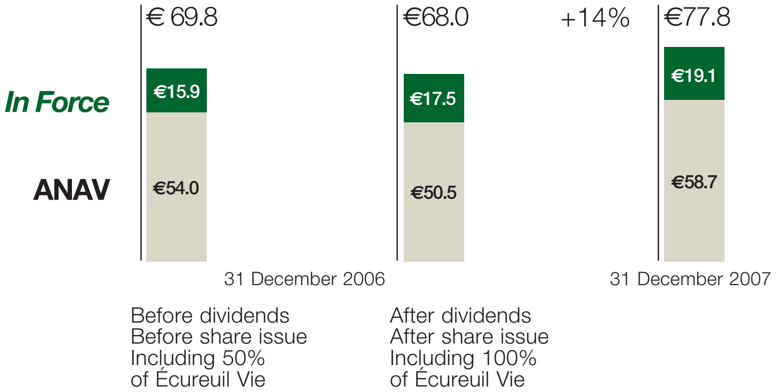
We also publish additional information, including the main assumptions used to calculate embedded value, as well as an analysis of sensitivity to changes in assumptions.

Since 31 December 2005, embedded value has been calculated in accordance with CFO Forum principles (European embedded value). The Group is currently participating in CFO Forum discussions concerning the creation of a new Market Consistent Embedded Value reporting standard, to be published in 2008.

European embedded value (EEV) is the sum of:

- Adjusted Net Asset Value (ANAV), corresponding to the value of assets attributable to shareholders after deducting intangible assets, subordinated debt and other items included in the value of in-force business.
- In-force business, corresponding to the discounted present value of future profits, calculated at a risk-free rate over the life of the contracts in the portfolio and assuming immediate distribution of after-tax profits to shareholders, less:
  – The time value of financial options, estimated based on the dynamic modelling of policyholder behaviour and the Company's financial policy, and
  – The cost of required capital and the cost of non-financial risks.

— Analysis of change in embedded value (EEV)



To find out more, go to pages 91 to 98 of the 2007 Financial Report.

— Change in European embedded value (EEV) in 2007

In € per share

EEV at December 2006 – Écureuil Vie at 50%*	**69.8**
Inclusion of Écureuil Vie at 100%**	0.4
One-year rollforward	7.1
Change in economic conditions	0.7
Contribution of operations	2.1
Other***	-2.3
EEV at 31 December 2007	**77.8**

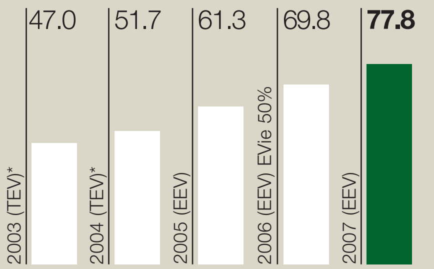
* Before dividend and share issue

** Before dividend and share issue, after initial adjustments

*** Share issue, dividends, non-operations-related movements, changes in exchange rates.

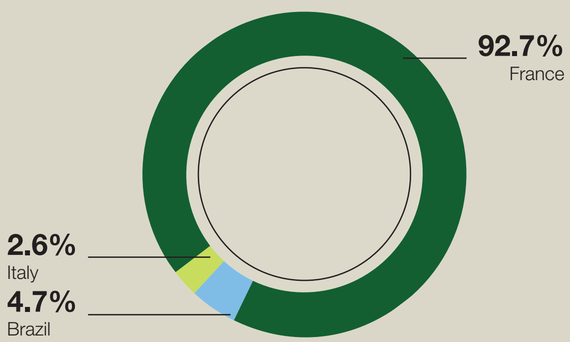
— Embedded value

In € per share, before dividends



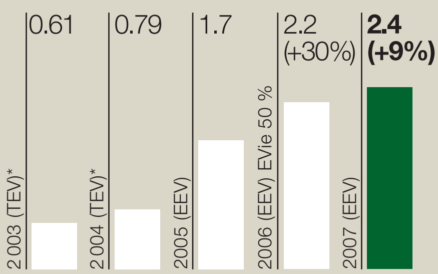
* TEV: Traditional Embedded Value

— European embedded value by country



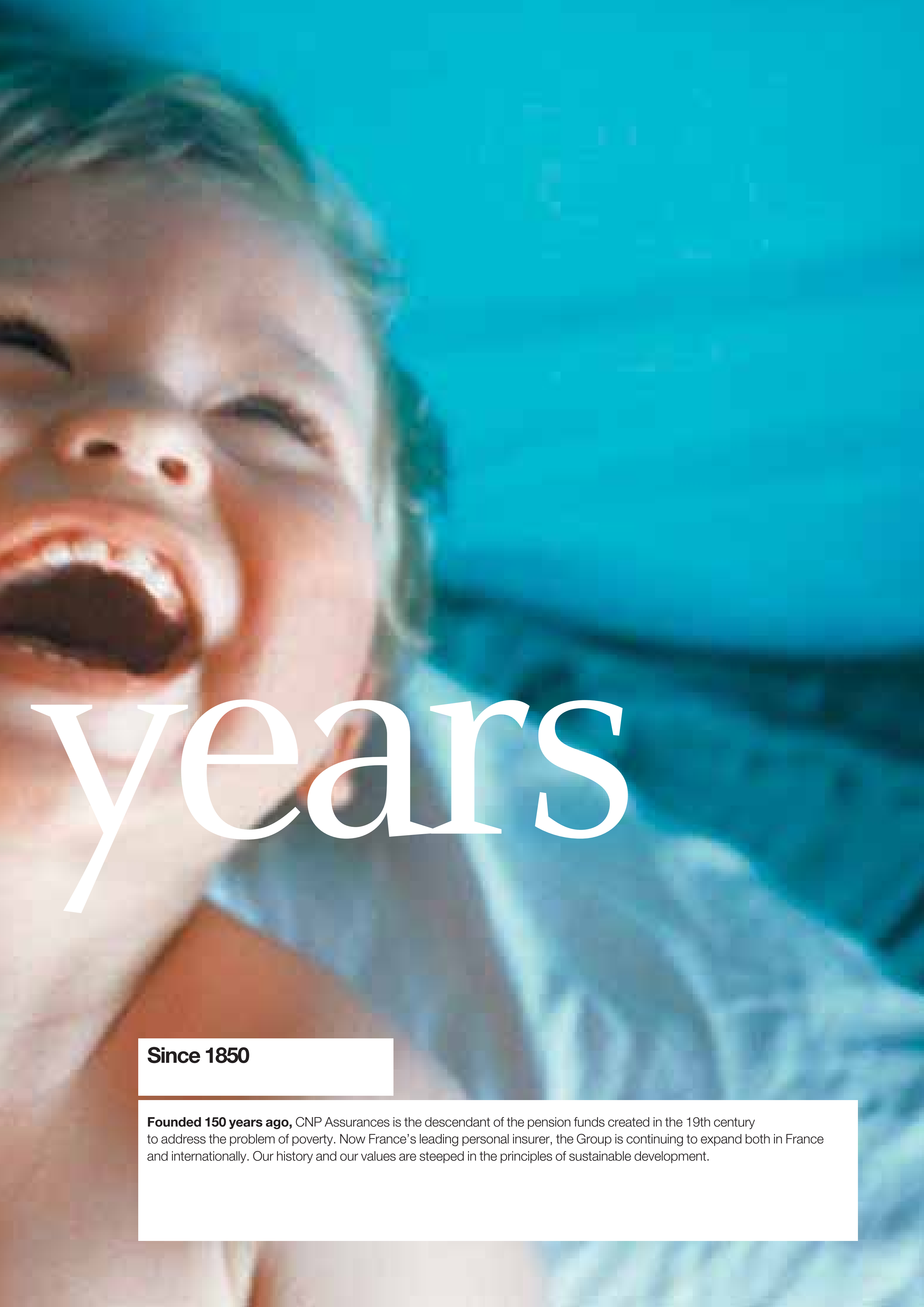
— Value of new business

In € per share



* TEV: Traditional Embedded Value


150



Since 1850

Founded 150 years ago, CNP Assurances is the descendant of the pension funds created in the 19th century to address the problem of poverty. Now France's leading personal insurer, the Group is continuing to expand both in France and internationally. Our history and our values are steeped in the principles of sustainable development.

— 150 years' experience

CNP Assurances develops and manages insurance products that meet the needs of more than 24 million people worldwide, including 14 million in France, who choose to protect themselves against the risks of everyday life.

1850

Creation of Caisse Nationale de Retraite pour la Vieillesse (CNRV), France's first pension fund, managed by Caisse des Dépôts.

— 1868

The State-sponsored accident insurance fund – Caisse Nationale d'Assurances en Cas d'Accident (CNAA) – and life insurance fund – Caisse Nationale d'Assurances en Cas de Décès (CNAD) – are created.

— 1959

The State-owned Caisse Nationale de Prévoyance (CNP) is created, to take over managing the three funds previously held by Caisse des Dépôts.

— 1960

The first individual insurance policies invested in mutual funds are launched. The policies are distributed by the French Post Office and the French Treasury.

— 1988

Life insurers Écureuil Vie, Préviposte and Investissement Trésor-Vie are created with Caisses d'Épargne, La Poste and the French Treasury, respectively.

— 1992

CNP becomes CNP Assurances, a company governed by the French Insurance Code with a two-tier management structure comprising an Executive Board and a Supervisory Board.

— 1995

Compañía de Seguros de Vida is created in Argentina as a wholly owned subsidiary.

— 1998

- 22.5% of the Company's capital is floated on the stock market.
- Assurposte, a health and personal risk insurance subsidiary owned jointly with La Poste, is set up.

— 1999

Global SA and Global Vida SA are acquired in Portugal.

— 2000

An agreement is signed with Dexia-Sofaxis to serve the local government market.

— 2001

- Caixa Seguros is acquired in Brazil.
- Filassistance International is created with Azur-GMF to develop local assistance services.

— 2002

- Several agreements are renewed with Crédit Immobilier de France, Cofidis and Covefi Bank.
- An agreement is signed with the Chinese Post Office to create a life insurance joint venture.

— 2003

A 10-year partnership agreement is signed with Mutualité Française.

— 2004

Effective 1 January, CNP takes over the management of contracts sold via the French Treasury.

— 2005

CNP Assurances acquires 57.5% of Italy's 11th largest insurer, Fineco Vita, which is renamed CNP Capitalia Vita in 2006.

— 2006

- The shareholder agreement is extended until 31 December 2015 (addendum signed on 8 February 2007).
- Distribution agreements with the French Post Office and Savings Banks networks are renewed until 31 December 2015.
- CNP Assurances is given an AA insurer financial strength rating by Standard & Poor's
- Partnership with Crédit Immobilier de France is renewed through to 1 January 2015.

— Significant events of 2007

— First-half

Share issue and signature of an addendum to the shareholders' agreement

On 8 January, CNP Assurances launched a share issue with pre-emptive subscription rights to finance part of the cost of acquiring 49.9% of Écureuil Vie. The issue, which was authorised at the Extraordinary General Meeting of 22 November 2006, was an outstanding success, with applications representing 1.85 times the number of shares offered. The gross issue proceeds amounted to €699.6 million. Caisse des Dépôts et Consignations and Sopassure both took up their share of the issue. The issue had the effect of increasing the number of outstanding shares to 148,537,823. Prior to the issue, on 8 January 2007, the main shareholders of CNP Assurances signed an addendum to their amended 1998 agreement, extending it until 31 December 2015.

Completion of the Écureuil Vie acquisition

On 20 February 2007, CNP Assurances completed the acquisition of Groupe Caisse d'Épargne's 49.9% stake in Écureuil Vie.

Completion of acquisition of 94% of Skandia Vida in Spain

As announced on 20 December 2006, and after obtaining regulatory approval in Spain, on 4 April CNP Assurances completed the acquisition of 94% of Spanish insurer Skandia Vida S.A. de Seguros y Reaseguros ("Skandia Vida") from Skandia Insurance Company Ltd, a subsidiary of Old Mutual plc, for €79.2 million. Skandia Vida has been renamed CNP Vida.

Annual General Meeting and Supervisory Board Meeting of 25 April 2007

After approving the financial statements, the appropriation of profit and the recommended dividend of €2.30 per share, shareholders re-elected seven Supervisory Board members whose terms expired at the Meeting and elected a new member nominated by Caisse des Dépôts et Consignations, as provided for in the addendum to the shareholders' agreement signed on 8 January 2007.

Immediately after the Annual General Meeting, the Supervisory Board renewed the appointments of Edmond Alphandéry as Chairman of the Supervisory Board and Jean-Paul Bailly, Chairman of La Poste, as Vice Chairman.

The Supervisory Board also re-appointed the existing Executive Board members, whose terms all expired at the General Meeting.

During the Annual General Meeting, Edmond Alphandéry, the Chairman of the Supervisory Board, announced that CNP Assurances's main shareholders planned to propose replacing the Company's two-tier corporate governance structure with a Board of Directors.

— Second half

Approval of the change of governance structure

At the Extraordinary General Meeting of 10 July, shareholders approved the change in the Group's governance system, replacing the Executive Board and Supervisory Board with a Board of Directors. The Board of Directors appointed Edmond Alphandéry as Chairman and Gilles Benoist as Chief Executive Officer.

Change in ownership structure

In accordance with the terms of the 8 January 2007 addendum to the shareholders' agreement allowing Caisse des Dépôts et Consignations (CDC) to increase its interest in CNP Assurances to 40%, on 10 July CDC purchased CNP shares on the market, raising its interest to 39.21%. Following this transaction, Sopassure (the holding company for the interests held by La Banque Postale and Groupe Caisses d'Épargne) held 35.48% of the capital and the French State held 1.09%.

On 8 November, the French securities regulator (AMF) announced that it had been notified of an increase in Caisse des Dépôts' interest in CNP Assurances. In line with the terms of the shareholders' agreement, Caisse des Dépôts now holds 39.99% of the Company's shares and voting rights.

General Meeting held on 18 December to approve the merger with Écureuil Vie

At the General Meeting held on 18 December, shareholders approved the merger of Écureuil Vie into CNP Assurances, in line with the decision of the Board of Directors on 11 September 2007. The merger was proposed in order to align application of CNP Assurances's business model by its two main partners in France, La Banque Postale and the Savings Banks.

It will also allow pooled financial management of portfolios, help to guarantee sustained performance and streamline certain processes.

CNP Assurances's AA rating affirmed by Standard & Poor's

In November, Standard & Poor's affirmed CNP Assurances's AA rating, with a stable outlook, after a due diligence review primarily covering the Company's financial strength and risk exposures. Standard & Poor's stated that the rating reflects the Company's strong competitive position, the quality of its assets, its robust asset-liability management practices, its solid shareholder base and the margin growth reported in 2006. The rating agency also stated that it did not expect CNP Assurances to be affected by the subprime crisis.

— Events since 1 January 2008

Board approval of the 2008-2012 Business Plan

On 15 January, the Board of Directors unanimously approved the 2008-2012 business plan, which sets ambitious growth targets for 2012:

- EBIT almost two times higher
- Doubling of the value of new business.

Framework agreed for the new partnership between CNP Assurances and UniCredit

In January, the Boards of Directors of CNP Assurances and UniCredit approved the terms of a Memorandum of Understanding concerning the adjustments to be made to the agreements regarding their joint subsidiary, CNP Capitalia Vita, which has since been renamed CNP UniCredit Vita. Under the new framework, CNP UniCredit Vita will maintain its overall sales potential in the UniCredit Group's new organizational structure.

— High level of new money, despite a modest decline in France; strong market growth in Brazil

In 2007, the French personal insurance market totalled €151.2 billion. This represented a decline of 2%, on the back of five straight years of growth, including three in double digits.
Our other European markets remained attractive, despite a certain loss of momentum. The Brazilian market grew strongly and the outlook for further growth is good.

€151.2bn

the French market
for personal insurance

— A turbulent economic and financial environment

The US economy grew by a healthy 2.2% in 2007 despite the subprime crisis, led by robust corporate capital spending, the country's trade surplus and interest rate cuts. This had a favourable knock-on effect on the euro zone economy, which expanded by 2.7%. French GDP rose 2% over the year. Interest rates continued to climb, led by short-term rates, resulting in a flattening of the yield curve.

The year saw further strong growth in disposable incomes in France, which rose 4.6% on the back of a 4.3% increase in 2006, led by the improvement in the job market and income tax reductions, while the savings rate climbed to 16.2% from 15.5% the previous year. The volume of new residential mortgages continued to expand, rising 5.3% to €7.9 billion; however, the growth rate was three times lower than in 2006. Growth in the consumer loan market also slowed, with outstanding loans up 4.6% versus 5.2% in 2006.

Rising short-term rates meant that easy access savings products remained very attractive in 2007, particularly during the second half. Growth in new money invested in these products was largely attributable to the raising of the investment ceilings on Livret A and LDD regulated savings accounts. However, the fastest growth was recorded for time deposits of two years or less, reflecting major promotional drives highlighting the very competitive rates of interest.

Life insurance nevertheless remained popular among French savers, with new money invested in these products still accounting for nearly two-thirds of private financial investment. Withdrawals from PEL home savings plans continued in 2007, but at a slower rate than in 2006. Lastly, the volatile financial markets – with the CAC 40 gaining just 1.3% over the year compared with 17.5% in 2006 – clearly had a negative impact on unit-linked sales from the summer onwards, despite the fact that share prices recovered in the second half.

— CNP Assurances 2007 market share in France

18.0%

Personal insurance revenues

18.6%

Savings and pensions revenues

17.7%

Savings and pensions net new money
(vs. 18.3% in 2006, like-for-like)

Source: CNP Assurances accounts and market estimate published by FFSA in February 2008.

— Savings and pensions market slightly down on 2006

The savings, pensions and whole life insurance segments together represented revenues of some €136.4 billion in 2007, down 2.7% compared with 2006.

The market continued to be shaped by the transfers from PEL home savings accounts that drove exceptional growth in 2006, but to a lesser extent. In 2006, the bancassurers recaptured 40% of the funds withdrawn from PEL accounts, boosting their insurance revenues by a massive €11 billion. In 2007, the additional insurance revenues declined to €6 billion, representing 30% of PEL withdrawals.

The situation varied according to the distribution method. While bancassurers saw their revenues decline by 7% over the year, due to lower transfers from PEL accounts, the traditional insurers reported 5.6% growth, lifting their market share by 2.9 points to 36.9% at end-2007 from 34% the previous year. The bancassurers nevertheless continued to dominate the market.

Sales of individual policies declined by 3.7%, while the group insurance segment grew 7.4%.

The unit-linked segment increased its share of the total life insurance market by 0.4 points, with new money declining (due to the turbulent financial markets) by just 1.3% to €34.2 billion. Non-unit-linked contracts accounted for nearly 75% of the market in 2007, generating €102.1 billion in new money (down 3.2%). These products' attraction lies in their steady return, which increased slightly last year.

With payouts up 9.8% to €82.7 billion, representing 60.7% of revenues, net new money came to €53.6 billion in 2007. At 17.3% below the previous year's record high, this was the second largest amount in the history of the life insurance industry.

The life insurance industry's mathematical reserves came to €1,125.5 billion at end-2007, an increase of 8.0% on the back of 11.0% growth in 2006. Linked liabilities rose by a strong 13.6% to an estimated €253.1 billion, representing 22.5% of total mathematical reserves.

— Impact of new tax rules

One of the key aims of France's "Tepa Act" adopted in 2007 was to boost economic growth primarily through a series of tax measures designed to stimulate demand. These measures, which are likely to have a favourable impact on the personal insurance market, include:

- Changes in inheritance and gift tax rules, with the abolition of inheritance tax for the surviving spouse or civil partner, and raising of the inheritance tax threshold to €150,000 for children and for the disabled whatever their relationship with the deceased. For brothers and sisters, the threshold is €15,000.

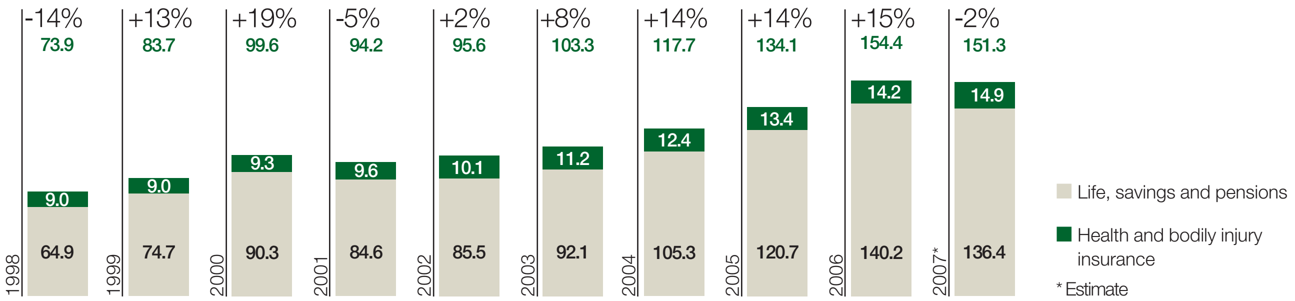
The new law also encourages gifts between family members. The effect of the new rules will be to make 95% of inheritances exempt, compared with 60% previously.

- Deductibility of interest paid on a mortgage for the main home.
- Changes in wealth tax rules, including an increase in the allowance for the main home from 20% to 30%.
- Change in the "tax shield" capping direct taxes at 50% of income from 2008, compared with 60% previously.
- Exemption from personal income tax of overtime pay from 1 October 2007 and reduction in payroll taxes due by employees and employers on overtime pay.

According to BIPE, a French firm of economic analysts and consultants, these tax measures will cost an estimated € 12 billion, of which €7 billion could boost consumer spending and €5 billion could lead to higher savings. They will have a favourable impact on the life insurance market, which should benefit from around 60% of the effect on savings, leading to an estimated 2.1% growth in new money. However, this will be offset by the erosion of the competitive advantage represented by life insurance's exemption from inheritance tax, particularly at the level of the surviving spouse and, to a lesser extent, at that of the deceased's children. As a result, the final effect of these new tax measures on the life insurance market is expected to be very limited.

— Personal insurance market in France over ten years

In €bn, source: FFSA, February 2008



— Growth in the health and bodily injury market

The health and bodily injury insurance market expanded 4.5% in 2007 to €14.9 billion, the same rate of increase as in 2006.

Growth was led by the health insurance segment, which rose 7%, while the disability and long-term care segment was up by just 2%.

— A difficult economic revival in Italy

Italian GDP growth slowed in the first half of 2007, after attaining a better-than-expected 1.9% in 2006, due to a slackening of exports. As predicted, the economy rebounded in the third quarter, with sustained manufacturing activity and strong consumer spending driving up GDP by 0.4%. However, the effects of these economic growth drivers were partly offset by a gradual loss of momentum in the job market and the deteriorating international economic situation. As a result, Italian economic growth is likely to remain sluggish in 2008 and the recent increase in prices may continue. Nevertheless, the strong euro should help to contain inflationary pressures by reducing the cost of imports.

The challenge for the government is to convince public opinion of the need to continue – and even accelerate – efforts to reduce the deficit and public debt.

The Italian life insurance market performed well in the first part of 2007 but ended the year down 8% on 2006, after falling sharply in the fourth quarter. The agent networks continued to rapidly lose ground, experiencing an 11% decline in the fourth quarter compared with the same period of 2006, while sales by the bancassurers also fell 11% in the second half. The strong performance of the financial advisor segment, which rose 23%, failed to offset these declines.

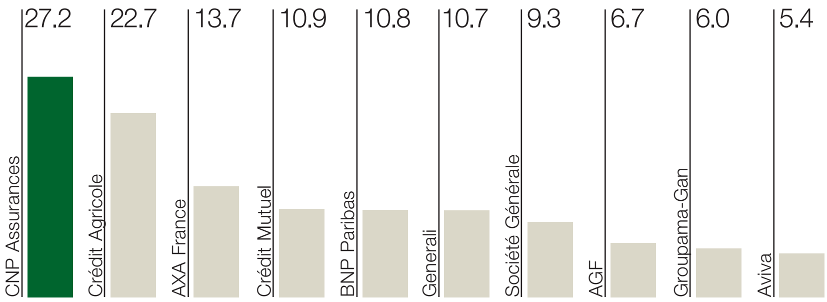
In a generally contracting market, certain segments performed better than others:

- → Unit-linked sales rose 22% to €16.6 billion. This segment is dominated by the bancassurers and financial advisors, with 67% and 29% of the market respectively.
- → The index-linked segment grew 3%.
- → Sales of traditional products fell by 32%, with all distribution channels being affected. The decline, which was mainly due to a 52% drop in corporate products, was the sole reason for the Italian life market's underperformance compared with 2006.
- → Lastly, the pensions market expanded 48% to €439 million.

Foreign insurers operating in Italy under EU freedom of services legislation continued to gain ground, with a combined market share of 18% at the end of 2007. Growth was led by foreign bancassurers, who accounted for 65% of the total. The same trend was observed in the financial advisors segment, with products under European passports representing 51% of their sales.

— CNP Assurances, France's leading personal insurer

Comparison of the ten leading personal insurers in France in 2006.



Premium income in €billions (direct business)
Source: FFSA – July 2007 (key figures)

— Portugal: another year of subdued economic growth

After performing well in the first half, the Portuguese economy experienced a slight loss of momentum in the third quarter that continued in the last three months, resulting in estimated GDP growth for the year of 1.8% compared with 2006. While this was Portugal's best performance since 2001, it was below the European average of 2.6%.

The Portuguese life insurance market expanded by 6.9% in 2007. The savings segment rose nearly 13%, led by a 26% increase in sales of non-unit-linked products, but the pensions segment contracted 12.6%. The non-life market was stable, although the auto insurance segment contracted 2.7% over the year, with the decline accelerating in the fourth quarter.

— Spain: slower growth in the second half

In the third quarter of 2007, the Spanish economy delivered its worst quarterly performance since 2004, growing by just 0.7%. As a result, annual GDP growth slipped below the 4% mark. While the average growth rate was one point above that of the country's partners in the euro zone, the third quarter slowdown in consumer spending and in the construction sector confirmed that the two main drivers of Spain's economic expansion in the last ten years were beginning to lose momentum. Consumer spending was seriously dampened by rising interest rates (with the base rate increasing by 200 bps between December 2005 and July 2007), which pushed up the cost of debt. Growth in the credit supply declined from 27.4% in the first quarter of 2006 to 17.6% in the third quarter of 2007.

The reduced consumer demand and the slowdown in the property sector are also likely to have an impact in 2008 and 2009, resulting in GDP growth falling short of its potential (estimated at 3%). Nevertheless, thanks to the healthy state of public finances, the Spanish government is in a position to restore momentum by introducing a raft of tax measures in favour of consumers and small businesses.

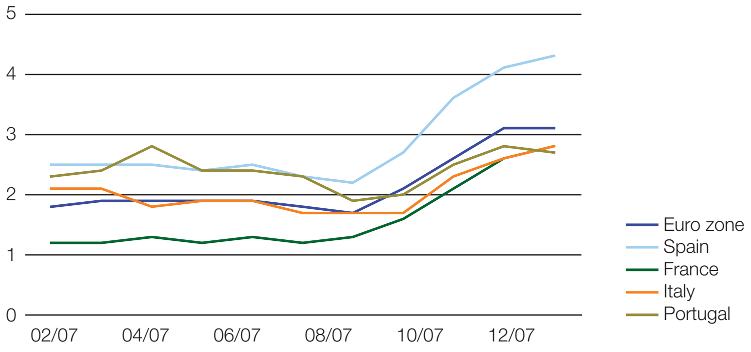
The Spanish life insurance market grew by 27.6% in the first quarter of 2007, but quickly slackened in the second quarter and ended the year up by less than 2%. The market is dominated by the bancassurers, who increased their share from 65% to 71% over the six years from 2001 to 2007.

— Brazil: a robust macro-economic performance

Brazil delivered a robust macro-economic performance in 2007, with an ongoing improvement in the country's fundamentals, inflation under control, better-than-forecast growth, a strong currency, $180 billion in currency reserves and a World Bank ranking among the top six global economies in terms of GDP at purchasing power parity. The country's dollar reserves enabled Brazil to emerge unscathed from the severe turbulence that shook the world markets in the summer, during the first phase of the subprime crisis, with the only negative development being the increase in government bond spreads to their end-2006 level.

Rising food prices at the end of the year pushed up inflation to 4.46%, but this remained below the upper limit of 4.5% set by the National Monetary Board. Forecasts for 2008 point to inflation at 4.3%, but a continuation of last year's upward trend in prices for non-marketable goods (electricity, buildings, etc.) and services could push the rate higher. In this slightly inflationary environment, there is no guarantee of further cuts in the Selic rate (which was reduced eighteen times in the period from September 2005 to September 2007 by a total of 825 bps to 11.25%), at least in the first half of the year.

— Inflation rate



Source: Eurostat

Based on preliminary figures, economic growth was higher than expected in 2007, at 5.5%. For the first time in ten years, domestic demand was the main growth driver, not exports, with a 7% increase led by sharply higher consumer spending and growing productive investment in recent quarters.

Despite the subprime crisis which sent shockwaves through the financial markets during the summer, the Brazilian stock market was very bullish in 2007 and the Ibovespa index gained 43% over the year, with an average daily trading volume of BRL 4.98 billion.

Spreads on Brazilian government debt started to widen in August and ended the year at 205 bps on the EMBI+, the same level as at the 2006 year-end. This compared to 146 bps before the crisis, at end-June, 25 points below the general EMBI+ spread, which brought Brazilian debt close to being rated investment grade. Mirroring the trend in the financial markets, the EMBI+ spread continued to climb at the beginning of 2008, reaching 248 bps on 17 January, and Brazil's investment grade rating is now expected in 2009.

After hovering between BRL 2.5 and BRL 3 against the euro since early 2005, the real gained 7.5% in 2007 to trade at BRL 2.62 at the end of the year. The currency also strengthened considerably against the dollar, gaining 20% in 2007 on the back of 9% in 2006 to end the year at BRL 1.78.

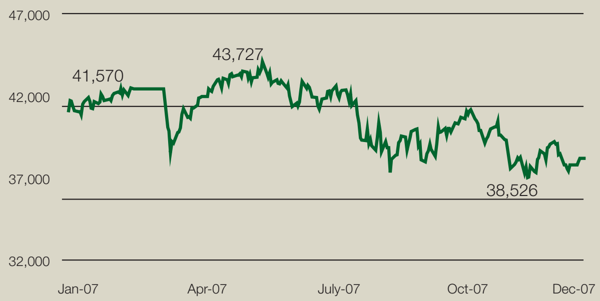
— A flourishing Brazilian market

The current improvement in macro-economic fundamentals, combined with an increasingly wealthy middle class and growing corporate and personal insurance needs matched by expanding underwriting capacity, helped to drive 15.2% growth in the Brazilian insurance market (excluding health insurance) in the first eleven months of the year. All market segments performed well, led by savings and loan insurance:

- The private pensions market (Previdência) expanded by a very strong 24%, reflecting the increased savings capacity of Brazilian households and the popularity of unit-linked products among clients of the banking networks, due to their tax benefits.
- The savings market (Capitalização) grew 10% in 2007 compared with 3% the previous year.
- The credit market surged by 26%, led by lower interest rates, fixed rate loan offers and economic growth. As part of the drive to revitalize the housing sector, the Brazilian government dedicated 21% of the total 2007-2010 Growth Acceleration Programme budget to this sector. This may lead to an increase in home loans from 2% of GDP today to 15% by 2010.

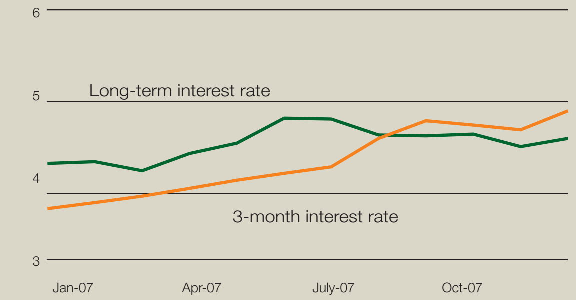
The Consorcios market expanded 18% in 2007. Consorcios contracts are not insurance products, but Caixa Seguros operates in this market by providing services in the area of property and automobile financing.

— Milan Stock Exchange MIB30 index in 2007



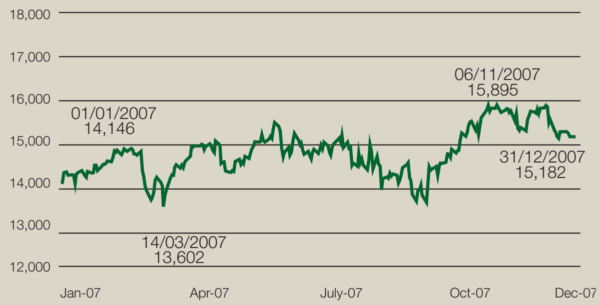
Source: Euro Investor

— Italian interest rates



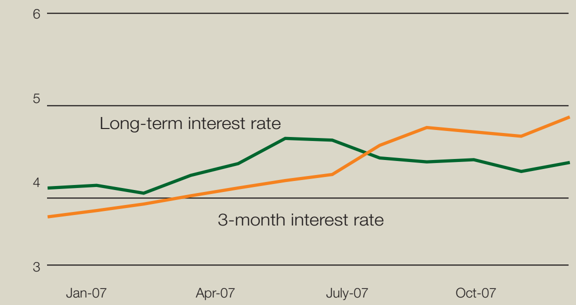
Source: Eurostat

— Madrid Stock Exchange IBEX index in 2007



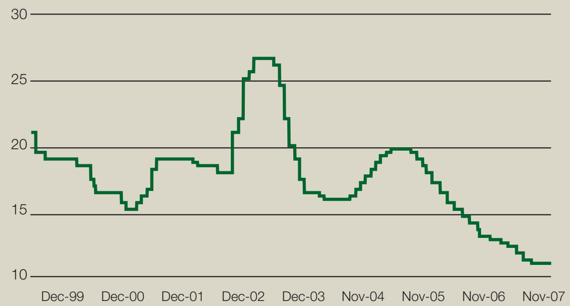
Source: Euro Investor

— Spanish interest rates



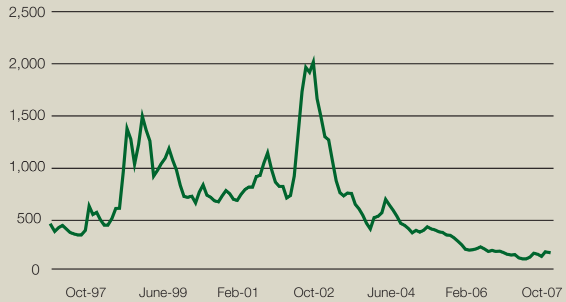
Source: Eurostat

— Brazilian Central Bank's base rate (Selic, in %)



Source: Brazilian Central Bank - www.bcb.gov.br

— Brazil's country risk spread (EMBI +)

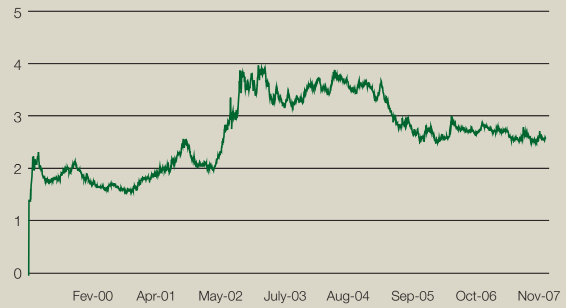


Source: Centro de Economia International (Mercon, Argentina) and JP Morgan

— Brazilian stock market index (Ibovespa)

Source: http://www.bovespa.com.br/principal.asp

— Daily change in the BRL/EUR exchange rate



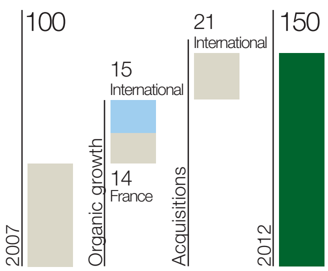
Source: AFG-ASFFI (Association française de la gestion financière - Association française des Sociétés et fonds français d'investissement)

— The 2008-2012 business plan

2007 was a landmark year in the Group's history, with the renewal of the shareholders' agreement and the change in corporate governance structure.
And the Group also met the targets set in the Horizon 2008 business plan, one year early. It was therefore appropriate to draw up a new business plan for the period to 2012.

— Increase revenues by 50% over five years

Premium income (base 100)



— A French market that should remain buoyant

Several structural factors should drive growth in the French life insurance market over the long term:

- The greying of the population and its implications in terms of financing pensions and healthcare costs, with the explosion in the number of over-80s (4.8 million in 2030 versus 2.7 million in 2005) expected to drive rapid growth in the long-term care and personal services market.
- The gradual shifting of the burden of financing pensions to the private sector, a trend that is likely to accelerate with the forthcoming pension reforms which represent a fantastic opportunity for the life insurance industry.

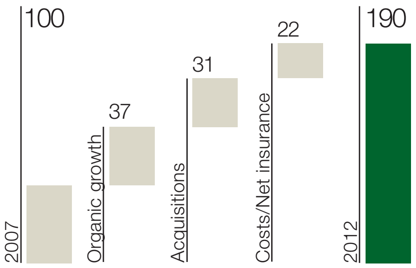
At the same time, however, certain economic factors such as an ongoing rise in interest rates, financial market volatility and the early-2009 lifting of restrictions on the distribution of Livret A passbook savings accounts may restraint market growth in the period to 2012.

This risk is reflected in the business plan, which is based on 1.5% market growth in 2008 – after last year's 2% decline – and 3.8% growth from 2009 onwards.

The industry's medium term profitability may be dampened by ongoing pressure on front-end loading rates, due to competition from online insurance brokers and an absence of market share gains for the bancassurers. In this environment, we will need to step up our investment in innovation in order to give insurance products a clearer competitive advantage over other short- and medium-term investment products, and to develop higher margin, pure insurance products covering the risks associated with longer life expectancy.

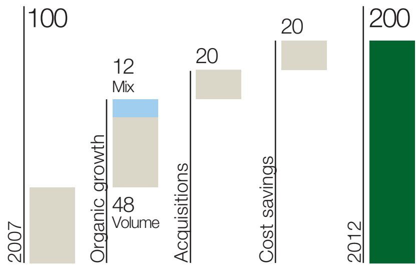
— Increase EBIT by 90% over five years

EBIT (base 100)



— Double the value of new business over five years

Growth in the value of new business (base 100)



— A favourable outlook for the global insurance industry

The global insurance industry is in a prosperous phase, with growth opportunities in new markets and the emergence of new players. Cross-border mergers and acquisitions are likely to continue, given the ample amounts of capital available and the drive for economies of scale, particularly in the areas of marketing, technology, information systems, administration and asset management. Emerging markets offer considerable development potential for the bancassurance sector, pointing to good opportunities to export the CNP business model. Closer to home, Southern and Eastern Europe still present opportunities for growth, with the possibility of earning above average margins.

— CNP Assurances's ambitions

In France's less favourable market, we have set ambitious business growth targets in line with the marketing objectives of our major distribution partners and with the backing of our shareholders:

- Preserve the Group's current share of the French personal insurance market, measured in terms of new money.
- Increase premium income by 50% and EBIT by 90%.
- Double the value of new business.

The plan is based on the CNP Assurances business model that has been tried and tested in France and internationally. Its goals are ambitious but realistic. We have already delivered this level of performance in the period 2001-2006, admittedly in more favourable conditions, but the Group is sufficiently robust to easily withstand the effects of an unfavourable environment, whether it results from an economic downturn or a major upset in the financial markets.

To meet the business plan targets, we aim to:

- Engineer a shift in the product mix towards higher margin products, by building unit-linked sales, developing an offer for affluent clients, and strengthening our position in the corporate market.
- Achieve strong organic growth in international markets, with the foreign subsidiaries outperforming dynamic local markets, which are expected to expand at the rate of 5% per year in Italy and 15% in Brazil.
- Double the amount invested in acquisitions outside France, with an accretive impact on earnings per share in each case. By the end of the projection period, international markets should account for one-third of total premium income. The priority growth areas will remain South America, Southern Europe and the Mediterranean rim.

We intend to fulfil these growth targets while maintaining operating margins and value creation at satisfactory levels. At the same time, we will step up our sustainable development strategy and improve our operational efficiency, in particular through the switch to electronic documents.

Global Compact initiative (see p.11)

An innovative enterprise

— CNP Assurances specialises in designing, developing, distributing and managing savings, pension and personal risk products based on a unique bancassurance business model deployed both in France and internationally. At CNP Assurances, the policyholder is our no.1 concern, and we constantly endeavour to improve our range of products with comprehensive, innovative personal protection solutions for professionals and the general public. Our efficient, leading edge management and information systems enable us to process vast quantities of data while delivering a personalised service to each and every policyholder.

— A consolidated business model

We have developed a unique personal insurance business model that has proved its effectiveness over 150 years devoted to designing, developing and managing individual and group insurance products. Internationally, we are deploying this time-tested bancassurance model through our subsidiaries.

84%

of premium income
from individual insurance business

— Individual insurance, our core business

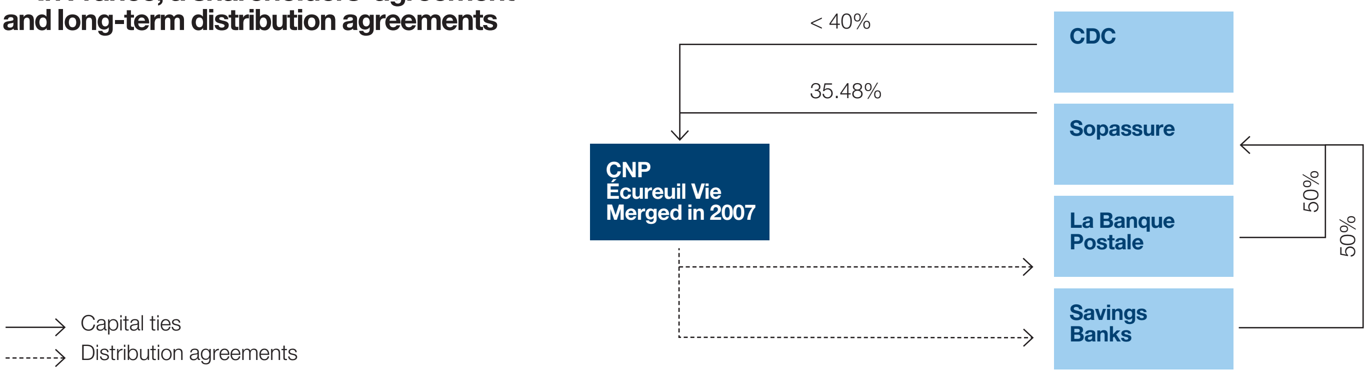
Based on market analyses and our strategic objectives, we develop insurance products that can be tailored to each individual customer. As a responsible insurer, we structure each of our ranges to meet the needs of clients in all income brackets, by setting minimum payments as low as possible. The product line-up is put together with the distribution networks, who incorporate it in their marketing policy. Product distribution is handled by the partner networks, in cooperation with our Group.

In France, products are distributed essentially through the roughly 19,000 outlets in the Banque Postale and Savings Banks networks and also by our 310-member CNP Trésor sales force, which has been managing relations with policyholders who purchased their policy via the French Treasury since the beginning of 2004. The CNP Trésor insurance advisors meet with clients in their own homes to offer them personalised advice and solutions in the areas of savings, pensions and personal risk insurance.

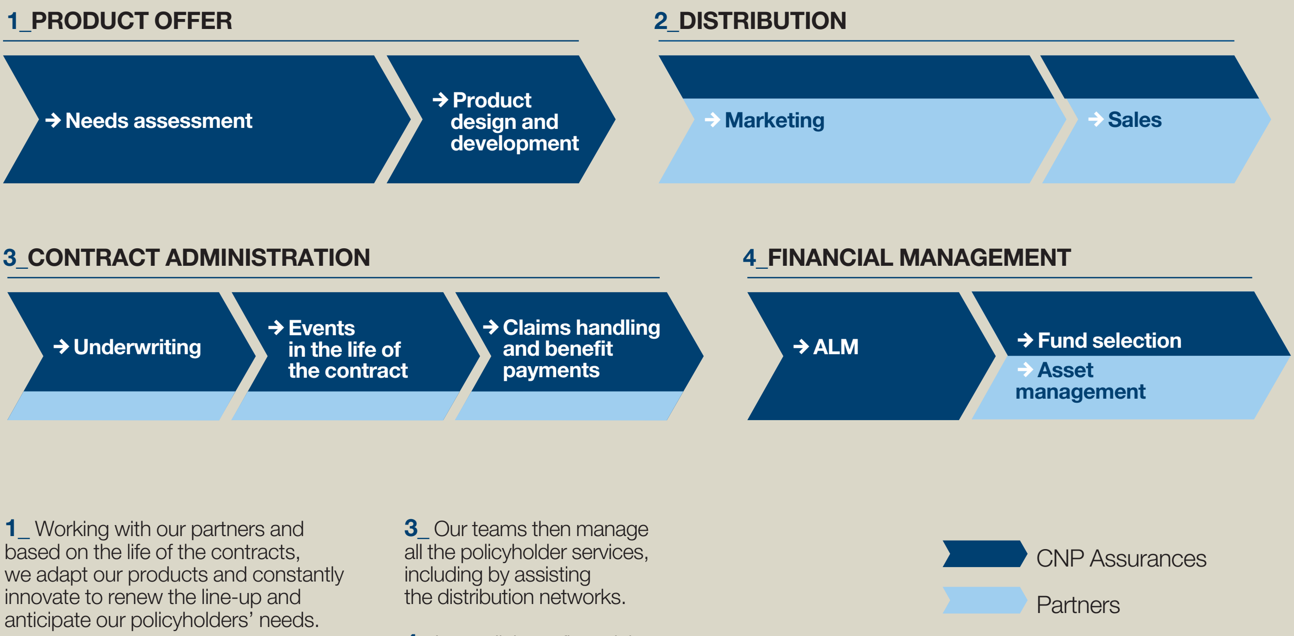
Outside France, Caixa Seguros's products are distributed by Caixa Económica Federal, Brazil's second largest banking network, while in Italy, a new framework has been established for the partnership with UniCredit following the latter's acquisition of Capitalia.

Substantially all administrative tasks related to each contract are handled by our own teams. The distributor transfers the file to us as soon as the contract is signed and we take care of all administrative events from then on, including premium payments, surrenders, updates to standing data and benefit payments. The administrative process is managed by teams that are in contact with both clients and the networks; they are supported by integrated information systems that combine mass processing capabilities with innovation. Disciplined asset/liability management (ALM) is central to our business approach,

— In France, a shareholders' agreement and long-term distribution agreements



The business model



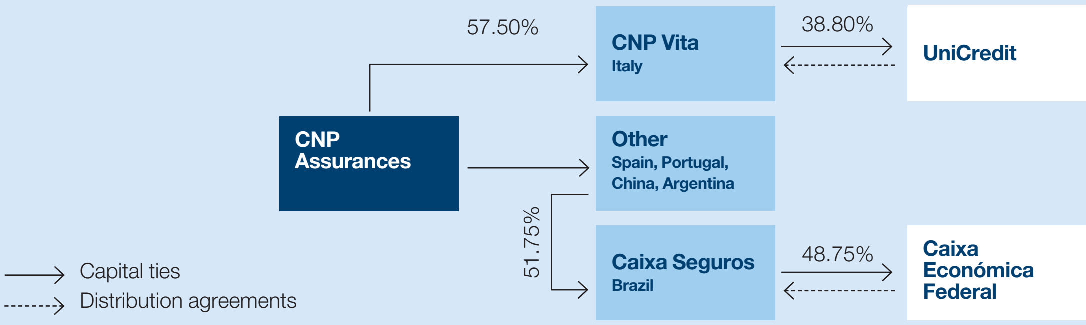
1_ Working with our partners and based on the life of the contracts, we adapt our products and constantly innovate to renew the line-up and anticipate our policyholders' needs.

2_ Distribution is handled primarily by our partners, who each have a network of sales outlets.

3_ Our teams then manage all the policyholder services, including by assisting the distribution networks.

4_ In parallel, our financial management processes deliver optimum yields to contain risks and ensure that we can fulfil our commitments to the insured.

— Successfully rolling out the business model to international markets



to ensure that we are able to fulfil our commitments to the insured whatever the economic environment, while also offering them attractive yields. As a responsible investor, we use modelling and simulation tools to support internal ALM processes.

— Shareholders and partners

Partners with a stake in CNP's performance – La Banque Postale (Post Office Bank) and Groupe Caisse d'Epargne (Savings Banks) – together hold 36% of our capital, while in Brazil and Italy, our two insurance subsidiaries are owned jointly with our local distribution partners. In France, our distribution agreements with La Banque Postale and Groupe Caisse d'Épargne have been extended until 2015. Outside France, the agreement with UniCredit in Italy, signed following the latter's acquisition of Capitalia, runs until 2012 and that with Caixa Económica Federal in Brazil until 2021.

— Long-standing experience in group insurance

This is our oldest business, after annuity contracts. Group insurance consists of selling a product to a company, a mutual insurer, a financial institution, a benefits institution, a local authority or a non-profit organization, which in turn sells contracts to individuals. We are responsible for the entire management chain, from product design to the administrative and financial management of the contracts, and we also distribute the products directly to major clients.

The classes of business covered by group contracts are personal risk (death/disability cover, health insurance, loan insurance and long-term care insurance) and pensions. In France, we are the leading writer of loan insurance, with 33% of the market. We are also a long-standing partner of France's mutual insurance sector, notably through our partnership with Fédération Nationale de la Mutualité Française, and a major player in the employee savings market through our Fongépar subsidiary.

Merger with Écureuil Vie

On 20 February 2007, we completed the acquisition of Groupe Caisse d'Épargne's 49.9% stake in Écureuil Vie. The acquisition consolidates our life insurance business model, by aligning its application by our two main partners in France, La Banque Postale and the Savings Banks.
The subsequent merger of Écureuil Vie into CNP Assurances has allowed us to centralize asset portfolio management, guarantee more sustained performance and simplify certain processes. Écureuil Vie's finance teams have been integrated into our Investment department, while a subsidiary owned jointly with Groupe Caisse d'Épargne and controlled by CNP Assurances provides marketing support to the Savings Banks.

— A broad product line-up responding to changing needs

In a constantly changing economic, demographic and regulatory environment, we work tirelessly to develop products that respond to emerging needs, offering affordable solutions for all of our clients. In all of our host countries, we design, develop, manage and – in some cases – distribute product line-ups spanning all segments of the personal insurance market.

No. 1

life insurer in France

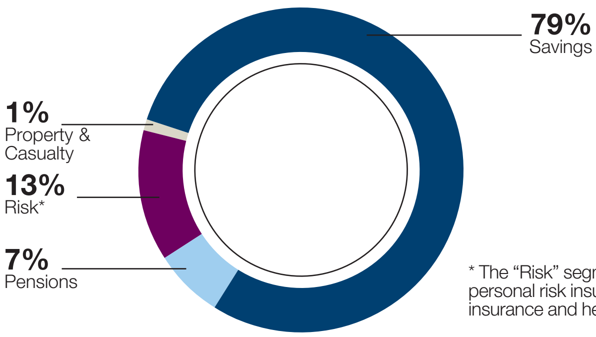
— Designing an innovative offer geared to clients' needs

We pay close attention to evolving lifestyles, in order to identify new needs as they arise. Our development teams are faced with wide ranging challenges, such as helping people to prepare for retirement or to retain a measure of independence in their sunset years, giving them access to new asset management styles aligned with their savings objectives, proposing solutions for people wanting to offer financial assistance to their children or grandchildren, offering socially responsible investment options, or expanding a distributor's line-up to include affordable personal risk or health insurance products. One or more concepts are developed, in some cases in a joint project with a partner. We then begin the product design phase, working with the distributor to determine the target client base and analysing these clients' needs. Each distribution partner's clients are different, for example in terms of their average age, their willingness to accept risks, their financial resources or their family structure. To take account of these differences, several versions of a given product – for example, long-term care insurance – are defined, geared to each target client base.

In designing the offer, we take into account the emergence of new risks. For example, while long-term care insurance has been available for many years, we have responded to the fact that people now live longer and increasingly fall victim to degenerative diseases by enhancing the cover offered under our policies. The objective is to anticipate benefit payments and to steadily raise the benefit as the insured's need for outside assistance increases. Building on our experience in this area, a long-term care offer was launched in Spain at the end of last year. Also reflecting emerging demand, the potentially tax-exempt gifting products now offered by all the distribution networks respond to the wishes of older generations to give a financial hand-up to the young.

As a personal insurer, climate change and new technological risks have no impact on our loss ratios. Drawing on our experience, we are monitoring these issues in order to assess their potential future impact and develop appropriate insurance cover if the need arises.

— CNP Assurances premium income
by business segment in 2007 (IFRS)



* The "Risk" segment comprises personal risk insurance, loan insurance and health insurance.

— Very competitively priced offerings

When pricing insurance products, it's important to accurately estimate the frequency and seriousness of the insured risks. Our expertise and the size of our insurance portfolio ensure that our premium rates are extremely competitive. As the leading writer of annuity contracts and loan insurance, we have a wealth of risk data, particularly for long-tail business. These data are summarised in certified loss tables that are regularly adjusted, providing a sound basis for pricing decisions.

Once the product has been developed, marketing trials are carried out with our distribution partners to ensure that the offer effectively addresses the identified need and is competitively priced, leveraging our expertise in risk pricing, insurance and consumer law, contract administration, claims and benefit management, and asset management. Marketing and communication tools are then developed for the partners who will distribute the products, and the offer's technical characteristics, internal and external management circuits, contractual documents, standard client letters and administrative processes are finalised.

— Products tailored to all budgets

We are committed to offering affordable products aligned with the profiles of our distribution partners' client bases. For example, savers on low incomes can still build up capital by investing in products with very low minimum premiums such as Ricochet, distributed by the Savings Banks, and Vivaccio, distributed by La Banque Postale. It takes just €30 to set up one of these policies and the premium can be as low as €30 per month. In group insurance, our Fongépar subsidiary has developed an employee savings product for very small, small and medium-sized businesses. With these products, employee voluntary contributions can be set at a multiple of €45 and a system of predetermined matching employer payments helps to optimise payroll and income tax benefits.

— Helping to combat financial exclusion

One example of our contribution to the fight against financial exclusion concerns micro-insurance for creators of new businesses. Alongside Caisse des Dépôts and La Banque Postale, we are among the leading sponsors and supporters of the Fondation Entrepreneurs de la Cité microinsurance initiative launched by the April Group, having contributed €1 million in non-repayable seed capital.

At the same time, we act as insurer, with La Mondiale, for the personal risk component of the product, which also includes health and professional liability cover. Personal risk cover is offered for less than €1 per day (€21.92 per month) through the networks of agencies created to help disadvantaged people to set up in business (ADIE, France Active, France Initiative and the Boutiques de Gestion network). After being successfully trialled in the Rhône-Alpes region, the product is now being distributed in the Nord, Pays de Loire, Languedoc-Roussillon and Île-de-France regions. CNP Assurances is leading the initiative in these latter two regions.

2007 also saw another innovation in favour of disadvantaged people, in the form of insurance cover for gas bills.

— Acclaimed savings products in France

The insurance-based savings products sold in France are endowment products that also include term life cover. They allow policyholders to build up capital, which is paid out when the policy matures, or upon their death if this occurs earlier. The contracts are sold by insurance companies and are governed by specific income tax and inheritance tax rules.


num

Cradle-to-grave insurance solutions

CNP Assurances is currently ranked no.1 in France in personal insurance, life insurance, endowment policies and loan insurance. This leadership has given us an excellent understanding of individual needs, allowing us to offer a comprehensive product line-up geared to all clients, whatever their income or age, both in France and internationally.

€25bn

in savings revenue

We help investors in our savings products to manage their risks. Non-unit-linked contracts include a capital guarantee and a ratchet mechanism that locks in the investment return earned in prior years. Unit-linked contracts offer a return that is directly linked to the performance of the financial markets, but only the number of units is guaranteed, not their value. It is therefore essential to help clients to adapt their contract's unit-linked weighting according to their appetite for risk. That's why contracts such as *Solésio* or *Vivaccio*, distributed by La Banque Postale, allow for different unit-linked weightings according to the intended savings period.

We also deploy strategies to reduce the risks associated with unit-linked contracts. These include systematically selecting the best funds available, with a range of different risk profiles. In addition, clients can reduce their exposure by specifying their investment period which may end, for example, when they reach retirement age. In this case, premiums paid and capital gains generated in the period leading up to their retirement are invested automatically in lower-risk vehicles. Lastly, we offer products guaranteeing to customers that if the financial markets collapse (the worst case scenario), they will at least recover the premiums paid, net of the loading and any partial surrenders. This guarantee applies to death benefit claims and claims resulting from the accidents of life or when the contract matures. The new product offered by La Banque Postale, Vivaccio, gives customers the option of reinvesting capital gains from their unit-linked funds in non-unit-linked funds or, alternatively, reinvesting the annual return on their non-unit-linked funds in unit-linked funds, while also benefiting from a guarantee that they will recover the premiums paid, net of the loading and any partial surrenders.

— Vivaccio, an ongoing success

Attesting to CNP Assurances's innovation capabilities, Vivaccio, which is marketed by La Banque Postale, is the first life insurance product to combine savings options, guaranteed benefits, personal services and specific personal risk cover. It offers:

- Five formulas designed to accompany savers through the different stages of their lives, with various unit-linked/non-unit-linked weightings.
- A single contract that evolves over time, allowing policyholders to switch formulas at different stages in their life in line with their changing needs, without incurring a tax penalty.
- A capital guarantee in the event of death or unforeseen events, ensuring that the savings accumulated under the contract will never be at risk.
- Two unique options that scored a market first: Transmicia, which pays a 20% higher death benefit, and Amplifia, which pays a higher annual yield.
- Two personal risk options designed to ensure that projects do not have to be abandoned in the event of death or permanent partial disability.
- Different levels of personal assistance services, depending on the selected formula.

Designed to accompany policyholders throughout their life, with the Vivaccio Initial and Vivaccio Essor formulas tailored to the needs and resources of young clients, an initial payment of as little as €30, and low-cost personal risk cover to ensure that personal projects do not have to be abandoned due to unforeseen events, Vivaccio is emblematic of our commitment to sustainability. And sustainability is also built into the distribution strategy. When a customer decides to purchase a *Vivaccio* contract, the forms are filled in directly on the insurance advisor's workstation at the Banque Postale branch, which means we avoid producing thousands of pages of paperwork.

Vivaccio has received a number of awards from the business and financial press, as well as from the insurance and marketing industries. Since the product's launch, some 700,000 contracts have been sold, representing technical reserves of around €6 billion.

A new potentially tax-exempt gifting product

With CNP Trésor Générations, CNP Trésor has taken up a position in the potentially tax-exempt gifting market. In France, wealth is concentrated in the hands of the older generations, while the longer life expectancy means that increasing numbers of families comprise three or more living generations. The aim of the new offer is to provide tax efficient solutions enabling parents and grandparents to pass on capital to their children or grandchildren during their lifetime, for example to help them set up home or start a business. *CNP Trésor Générations,* includes a form of trust enabling the parent or grandparent to retain control over how the funds are used until the child or grandchild reaches the age of 25.

— A multi-channel offer

As part of our drive to improve process efficiency and expand our individual insurance business, we have developed generic products that can be distributed through several partner networks, such as brokers, mutual insurers and non-profit organizations. These include both savings (Futur Plus) and personal risk products (long-term care and funeral insurance), which are central to our business strategy.

The multi-channel offer allows distributors to add innovative solutions to their own offerings and expand into new market segments. To support these offers, our regional sales and marketing teams work with the networks to develop appropriate marketing strategies and sales techniques for each client base.

Futur Plus is already being distributed by MIF, Santé Vie and S.A.A.M. (Verspieren Group), while M.M.C. is distributing funeral insurance.

— Savings contracts offered by international subsidiaries

In Italy, following the merger of Capitalia into UniCredit, our local subsidiary, CNP Capitalia Vita (now renamed CNP UniCredit Vita) launched a range of savings products that has been distributed by UniCredit's entire Italian banking network since January 2008. The line-up consists mainly of single or regular premium unit-linked contracts, with or without a capital guarantee, geared to the needs of UniCredit's various client segments.

In Spain, the Plan Individual de Ahorro Sistematico (PIAS) savings contract with an annuity option has been on sale since 1 January 2007. CNP Vida plans to win a share of the PIAS market by offering non-unit-linked and combined non-unit-linked/unit-linked versions. The company also intends to penetrate Spain's largely untapped high-end savings market, in response to calls from its traditional partners for contracts meeting the needs of their affluent clients.

In Portugal, Global Vida offers non-unit-linked products with a fixed or Euribor-indexed minimum yield. The end of 2007 saw the sale by the agent network of the first unit-linked savings products with a guaranteed yield in the Taxa Garantida range.

In Brazil, Caixa Seguros offers investment certificates with a lottery (random draw) feature, in line with local market practice. The certificates are sold through alternative channels, such as direct sales, automatic teller machines (ATMs) and the Internet. Regular premium products are also included in the line-up to support the drive to build client loyalty and increase technical reserves.

Promotional offers by the Savings Banks

The market environment led us to continue offering a discount for whole life cover included in savings products distributed by the Savings Banks. We also kept up the drive to encourage diversification of policyholders' investments into unit-linked funds launched in 2005. The 4.25% rate offered on Nuances 3D when more than 25% of the premium was invested in unit-linked funds (excluding guaranteed funds) was raised to 4.60% for premiums paid between 1 June and 31 July 2007 into a combined non-unit-linked/unit-linked contract such as Nuances 3D, Nuances Plus and Nuances Privilège. The diversification process is tailored to each policyholder's profile. The principles will be carried forward to 2008.

— Main savings products, in € millions

At 31 december 2007		Premium income	Technical reserves
Savings	La Banque Postale (GMO Poste Avenir, Ascendo, Vivaccio)	10,850.5	70,801.7
	Savings Banks (Nuances range, Initiatives range, Écureuil Projet)	9,110.3	68,175.3
	CNP Trésor (Trésor Épargne, Horizon performance)	622.6	5,988.4
	Portuguese products	28.0	238.7
	Brazilian products	29.4	559.3
	Italian products	2,795.4	13,168.1
	Spanish products	108.5	1,133.8

— €25 billion in Savings revenue

Consolidated savings revenue for 2007 amounted to €24,819 million, down 3.4% on a reported basis and 3.8% like-for-like compared with 2006. The decline was primarily attributable to lower transfers from PEL home savings accounts in France and competition from easy access savings products offered by banks.

Outside France, savings revenue is generated primarily by our CNP UniCredit Vita subsidiary in Italy, which reported €2,795 million in premium income from this business. The new Spanish subsidiary, CNP Vida, contributed €108.5 million. In Brazil, the savings business continued to expand faster than the market, rising 24.9% in local currency last year. Growth was driven by marketing initiatives linked to the 2007 Panamerican Games in Rio de Janeiro and a sharp rise in sales of regular premium products, which help to boost client loyalty.

— A comprehensive pensions line-up in France

As an expert in private and company pension plans, we offer long-term savings products that provide additional income in retirement on top of the pension paid under the government-sponsored pay-as-you-go scheme. For many years now, we have been offering individual annuity-based savings products taxed in the same way as life insurance. For the self-employed, we offer "Madelin Act" pension products, consisting of annuity products with tax-deductible premiums. We also market a full range of group pension products for companies, including compulsory and voluntary participation plans.

Following adoption of France's Pensions Reform Act of 21 August 2003 (known as the "Fillon Act"), we introduced a comprehensive pensions offering:

- The personal pensions range includes pension products taxed as life insurance, a full range of *Perps* comprising traditional combination unit-linked/non-unit-linked products and "Article L.441" points-based products.
- The group insurance range includes pension products qualifying for taxation under the new rules applicable to "Article 83" contracts, PEREs and PERCOs.

New savings offer launched in Italy in early 2008

The savings offer is designed to meet UniCredit clients' specific long-term needs, such as to purchase a home or to provide income in retirement.
Unismart is designed for clients who want to receive a guaranteed fixed sum when the policy matures, whatever the financial market conditions, while at the same time benefiting from growth in the stock market. This single premium product, with a minimum payment of €2,500, is offered at a promotional rate that is reset each year.
UniCredit's flagship product, accounting for 60% of revenues, is Unidiamond Plus New, a single premium, unit-linked product offering a selection of ten multimanager funds.The open product covers a variety of risk profiles and yield objectives.
Uniplan is a capital-builder product that leaves the client free to determine how much to invest and offers protection against unforeseen events in the form of unemployment, hospitalisation and temporary disability cover.
Lastly, Uniflex is designed for more affluent clients, with a minimum investment of €25,000.

We have many years' experience of managing specific pension plans, as insurer and manager of the Préfon scheme for civil servants and military personnel with reinsurance cover from France's leading insurance companies. *Préfon Retraite* is a voluntary supplementary pension scheme set up on 1 June 1967 on the initiative of the civil service trade unions. It is a money purchase scheme that pays an indexed pension to each member. The funds available for pensions in payment are topped up by a portion of contributions made by active civil servants.

The contract is also distributed by the French Post Office under the name Solésio Préfon. Association Préfon currently has some 273,000 active members and around 79,000 retired members receiving pension benefits. In 2007, premiums came to €460 million and technical reserves totalled around €6.9 billion.

In 2007, total pensions revenue remained stable at €2,155.5 million, reflecting declines of 10% in France and 8% in Italy and a 38% increase in Brazil.

Revenues from personal pension products launched in France since 2004 rose 21.6% over the year to €468.4 million, including €113.5 million from PERP contracts and €32.9 million from Solésio Préfon.

— The European subsidiaries' pensions offerings

In Italy, laws introduced in 2007 allow the TFR (Trattamento di Fine Rapporto) leaving bonuses to be paid into a pension fund or a PIP personal pension plan managed by an insurance company. CNP UniCredit Vita introduced its own PIP product with non-unit-linked and unit-linked options, but as of end-2007, the PIP market had failed to take off.

In Spain, the pensions business represented just under 3% of CNP Vida's premium income in 2007 and corresponded mainly to the *Sipen* immediate annuity product. In 2008, CNP Vida will launch a new annuity product allowing clients to qualify for the tax benefits offered by the pensions line-up and convert their savings into annuities.

In Portugal, Global Vida markets a full range of pension products that account for over 20% of its annual premium income. The related premiums are partly tax-deductible, depending on the policyholder's age.

— A comprehensive pensions line-up in Brazil

In Brazil, Caixa Vida e Previdência offers deferred annuity pension plans with flexible premium options and partial or full surrender options.

The PGBL and VGBL unit-linked pensions offerings have been upgraded to attract new clients, with:

- The launch of a very competitive new product for clients with the resources to pay high premiums.
- The introduction of a new unit-linked fund which can be up to 49% invested in equities, for clients looking for higher yields.

— Protecting policyholders and their families

Personal risk insurance – a category that also includes loan insurance and health insurance – offers protection against the risks of daily life over and above that provided by the welfare system. In Portugal and Brazil, we also offer property & casualty insurance.

— Main pension products, in € millions

At 31 December 2007			Premium income	Technical reserves
Pensions	La Banque Postale (Perp Poste, Solésio)		346.7	971.6
	Savings Banks (Garantie retraite Écureuil, Points retraite Écureuil, Perspective Écureuil, Perp Écureuil)	CAISSE D'EPARGNE	200.9	3,726.9
	La Banque Postale and CNP Trésor (Plein Temps, Assurimmo)		43.1	2,109.64
	Group pension products		332.8	3,342.1
	Article L.441.1 products (including Préfon Retraite) excluding Perp Post		497.0	9,402.0
	Brazilian products		641.7	2,122.0
	Italian products		31.9	207.5
Annuity products	Annuity products		38.1	1,378.7

Personal risk premiums for 2007 totalled €4,555.1 million, representing an increase of 9.6% over 2006. Individual and group health insurance policies cover healthcare costs not reimbursed by the social security system. Loan insurance protects both borrowers and lenders from the risk of default due to death, disability or unemployment. Lastly, various formulas are available covering the insured in the case of an accident, temporary or permanent disability, total and irreversible loss of autonomy and death. Benefits include compensation, daily allowances, a lump sum payment, annuities for school-age children, spousal annuities, reimbursements of funeral costs, etc.

— Nearly 5% increase in personal risk premiums

Personal risk premiums rose by nearly 5% in 2007 to €1,520.5 million, despite a slowdown at the end of the year. In France, a total of 1.97 million personal risk contracts were sold by the two main partner networks, up 22.3% over 2006. Personal risk sales by La Banque Postale – through La Banque Postale Prévoyance, the new name of Assurposte – represented €160 million, an increase of 58% compared with 2006, which offset a small decline in group personal risk premiums generated by the Companies and Local Authorities partnership centre.

In November 2007, a new long-term care product named Écureuil Assistance Vie went on sale at branches of the Loire Drôme Ardèche savings bank. The product will be rolled out to the rest of the Savings Banks network during 2008.

In Spain, CNP Vida teamed up with Caja de Canarias in December 2007 to launch a long-term care product, *Seguro de Dependencia,* that is designed to leverage the strong potential for growth in this market which doubled between 2003 and 2007. In the case of a loss of autonomy, Seguro de Dependencia pays a monthly benefit of up to €1,500. CNP Vida plans to launch the product in all of its partner networks.

In Portugal, Global Vida markets a range of term life insurance products with disability cover. A new offer with a simplified underwriting process, Global Vida Expresso, helped to significantly expand Global's client base during the year.

In Brazil, the personal risk business grew 24%. The product range offered in this buoyant market corresponds to individual and group term life insurance policies with disability cover. Building the personal risk business is a core focus of Caixa Seguros's growth strategy.

— Sustained growth in loan insurance

Loan insurance premiums rose by a strong 13.6% in 2007 to €2,399.8 million. In the fourth quarter alone, premiums were up 22.6%.

In France, the business expanded 9.3% over the year, led by the February launch of a loan insurance contract co-insured on a 50/50 basis with Natixis Assurances. Initially distributed by four Banques Populaires, four more have been added since 1 January 2008.

Premium income under the loan insurance partnership with Cofidis outside France rose 30% to €92.1 million, reflecting very strong growth in the fourth quarter.

The Italian and Spanish branches set up in 2005 contributed loan insurance premiums of €52.7 million, up 2.2%. CNP UniCredit Vita also offers a full range of loan insurance products in Italy, covering both home loans and consumer loans and comprising both life and non-life cover.

— Improved unemployment insurance offer

The partnership with Crédit Agricole has always focused on guaranteeing the satisfaction of Crédit Agricole clients. In 2007, this objective led to the launch of a zero-margin unemployment insurance offer, to encourage take-up of this useful form of cover without the cost being an obstacle. A new, more attractive offer was also introduced for clients of Crédit Immobilier de France, with a comprehensive overhaul of the standard contract

Loan insurance partnership with Cofidis

We are pursuing our international development by partnering Cofidis in at least one new country every year. After Portugal in 2002, Belgium, Spain and Italy in 2004, the Czech Republic in 2005 and Hungary in 2006, we started writing loan insurance for Cofidis customers in Romania and Slovakia in 2007. In all, premiums written under EU freedom of services legislation with Cofidis totalled €92.1 million last year. This partnership is an opportunity for us to acquire deep-rooted expertise in managing claims in international markets, which we can use as an argument to win over new partners.

and upgrades to the unemployment insurance offer to include coverage of the cost of assistance in finding a new job. Prior to these changes, only 10% of insureds chose to purchase unemployment cover.

— Increased property & casualty premiums

Our subsidiaries in Brazil and Portugal also write property & casualty insurance. In 2007, this business expanded 7.9% to €346.1 million, breaking down as €141.7 million in premiums written in Portugal and €204.5 million in Brazil.

The Brazilian automobile and homeowners' insurance offerings were revamped, enabling Caixa Seguros to achieve a strong market position. Since 2007, Caixa Seguros has insured the breach of contract (Quebra de Garantia) cover sold to clients of the Consórcio home loan and auto loan businesses. In Portugal, Global mainly writes automobile and workplace accident insurance, but is present in all segments of the non-life market.

— Extended loan insurance cover in Brazil

The loan insurance business in Brazil was boosted by the increase in lending by Caixa Económica Federal and development of the Consórcio business. As well as covering death and disability risks, Caixa Seguros's loan insurance products also include homeowners' insurance cover for the property financed by the loan.

— Consórcio, a unique Brazilian product

At the end of 2002, Caixa Seguros created a new business in order to partner Caixa Económica Federal (CEF) in launching Consórcio, a unique product allowing homebuyers to pool their savings and each borrow at below-market rates. Caixa Seguros handles the administrative aspect of the business and insures the loans. Five years after its launch, Caixa Consórcios ranks 2nd in the market, with a market share of 24.1%. Over this period, a total of 20,000 properties have been delivered, with deliveries running at an average rate of 40 properties per day in 2007.

The Brazilian pensions offer

There are different types of pension products in Brazil, which are subject to different tax rules.

Plano Gerador de Beneficios Livres (PGBL) products are unit-linked products with an asset loading. Premiums paid on these contracts give rise to a tax deferral in an amount not exceeding 12% of the individual's gross annual income. The accumulated capital and interest are subject to income tax, which is collected on either the annuities or the surrender value. Vida Gerador de Beneficios Livres (VGBL) products are identical to PGBL products from a technical standpoint, but do not qualify for any tax deferral. Instead, policyholders who are not subject to income tax or who want to save more than 12% of their annual income can claim full tax relief on the capital payout. Annuities are based on mortality assumptions applicable when the contract is signed. They are adjusted for inflation and include a share of the investment yield; however, policyholders do not have any automatic right to credited interest.

— Main personal risk products, in € millions

At 31 December 2007		Premium income
Personal risk	La Banque Postale (Aviposte/Resolys/Premunys/Seralys/Avisys/Ponctualys/Prévialys)	20.1
	Savings Banks (Urgence et famille)	24.2
	CNP Trésor (Trésor Prévoyance, Trésor Prévoyance garantie autonomie,Trésor Aléavie)	16.0
	Companies and Local Authorities – group policies	650.4
	Mutual insurers – group policies	463.8
	Brazilian products	169.1
	Italian products	7.1
Loan insurance	Banking networks – group policies	1,486.7
	Mutual insurers – group policies	219.5
	Brazilian products	100.3
	Italian products	84.3
Health insurance	La Banque Postale (Complétys Santé)	6.7
	Companies and Local Authorities – group policies	253.3
	Mutual insurers – group policies	32.8
	Portuguese products	2.5
Property & Casualty	Brazilian products	204.5
	Portuguese products	141.7

No. 1
in loan insurance
in France

— Insuring aggravated risks

In the area of loan insurance, CNP Assurances played a pioneering role in extending cover to individuals representing an aggravated risk. By systematically obtaining a doctor's report and taking into account new treatments, we achieved a threefold reduction in rejection rates between 2002 and 2006. Today, less than 0.25% of applications are rejected. In January 2007, France's Belorgey convention on aggravated risks was replaced by the new Aeras convention, which sets higher borrowing ceilings and age limits. The criteria that we applied with some of our partners were already above these limits before the new convention came into effect. The new system has been extended to include disability cover, subject to certain conditions, and includes a cap on premiums. The new aggravated risk clauses were gradually introduced in our policies in 2007. Working with our main clients, we have structured the underwriting process to ensure that insurance decisions are made within three weeks of receiving the complete application file. Lastly, our contractual documents have been updated, to inform policyholders of the insurer's obligation to explain the reasons for rejecting an insurance application, restricting coverage or charging a higher premium. We were among the first insurers to inform clients of the reasons for our decisions, a practice that we have been following for many years, and we have significantly increased our communications with clients on this subject.

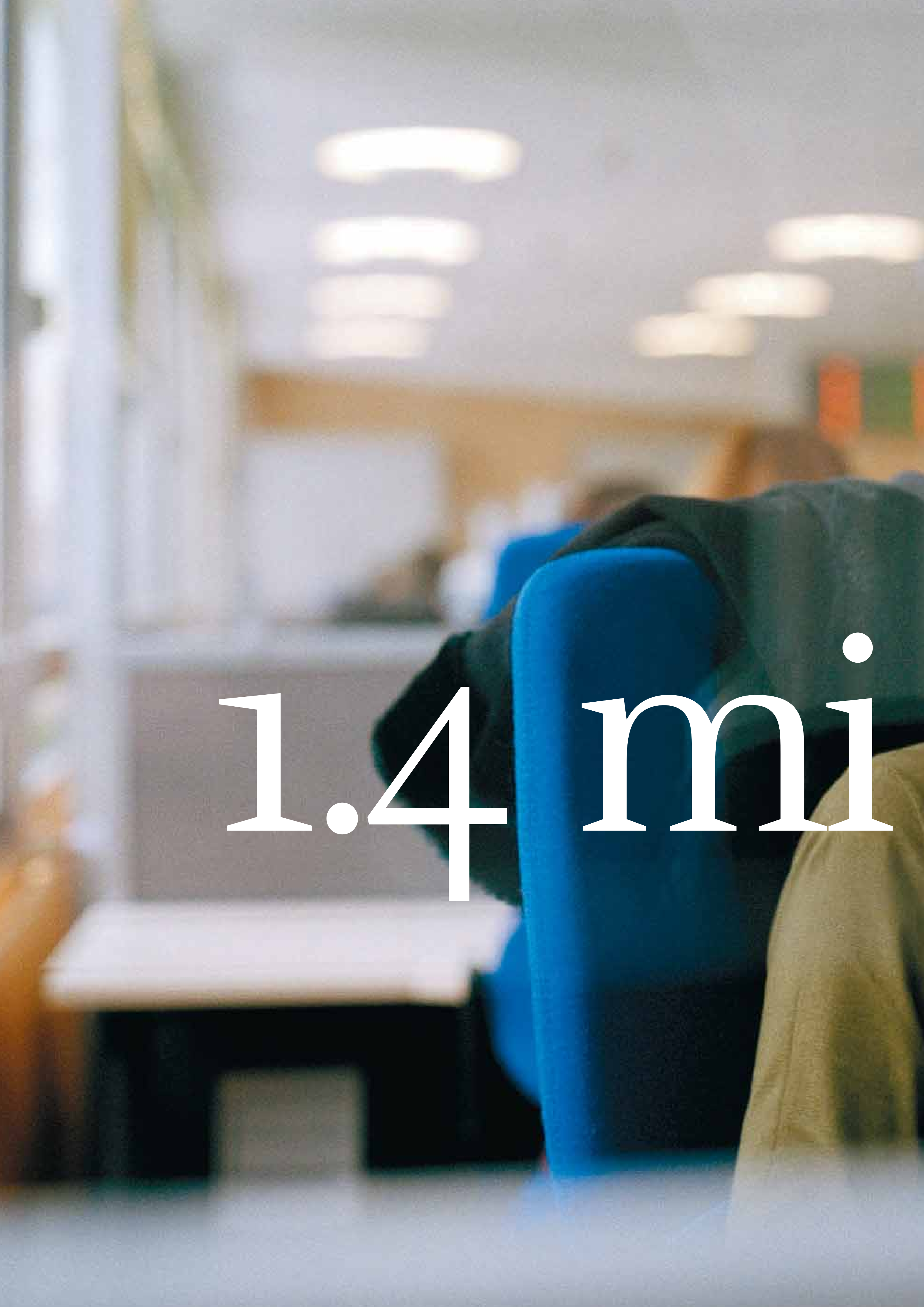
In 2007, health insurance premium income amounted to €288.7 million, an increase of 6.2% over the previous year.

— Insurance and service packages

As well as financial benefits, we also offer a range of services with certain of our savings products (starting in 2003 with Solésio Vie distributed by La Banque Postale), death/disability and funeral insurance products. And services represent an essential component of our long-term care offerings. To deliver services when and where they are needed, we have set up three dedicated subsidiaries, Filassistance International, Âge d'Or Services and CNP Services à la Personne.

Filassistance International's call centre teams are available 24/7 to find solutions to the needs of the elderly and their carers. For people living alone, the company has developed Filassist Contact, a telephone assistance service based on a hands-free telephone and a panic button. By simply pressing the button, the wearer immediately triggers a call to the emergency services. Âge d'Or is a franchise network offering an array of local support services to help the elderly and disabled to enjoy a good quality of life and continue living in their own home for as long as possible. Senior Plus is a highly successful service organized in partnership with the SNCF that enables the elderly to travel in France.

Set up in 2006, CNP Services à la Personne proposes tailor-made support based on a detailed analysis of each individual's needs, putting members in contact with one of the over 10,000 accredited service providers spread throughout mainland France and the overseas departments.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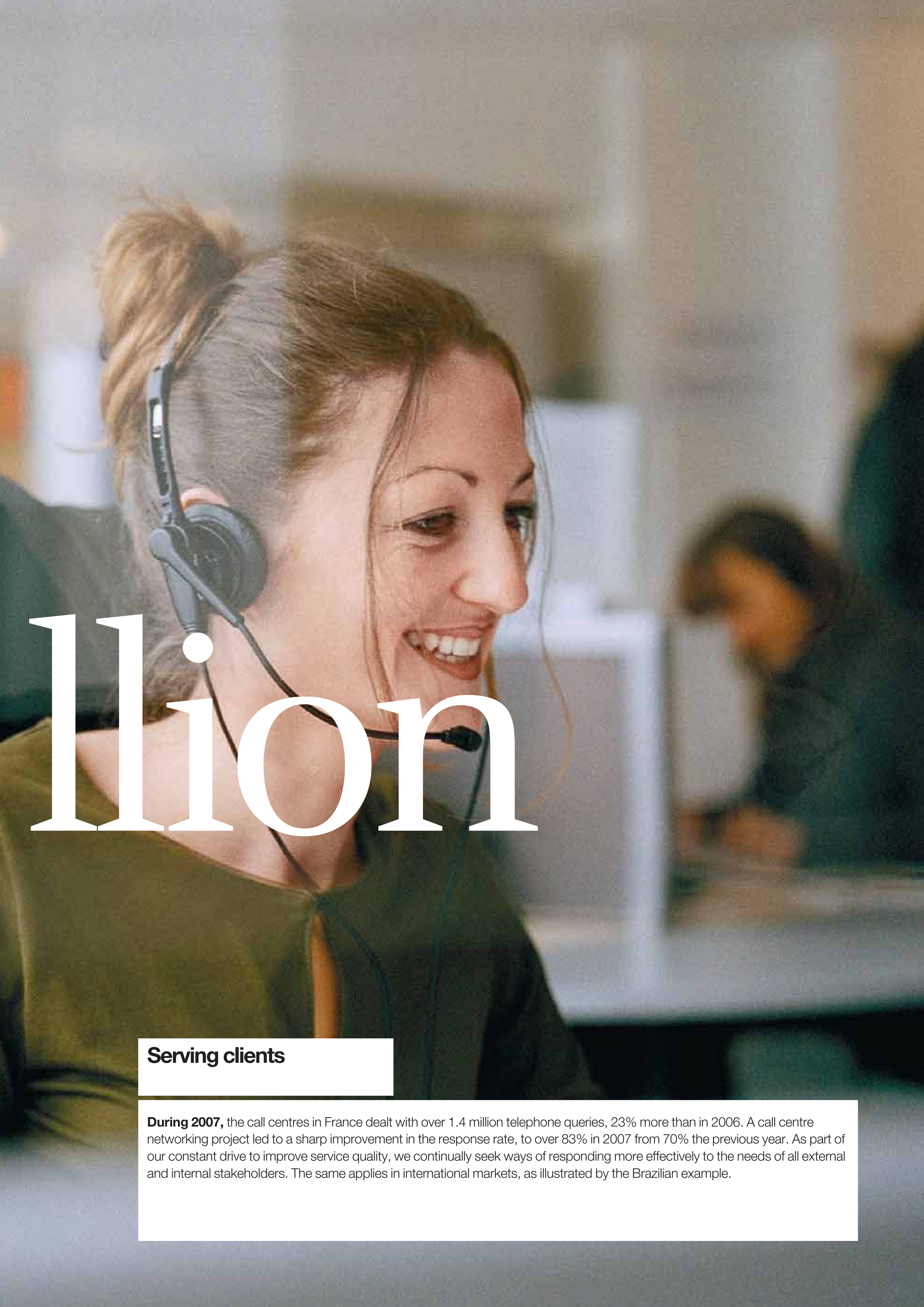


Serving clients

During 2007, the call centres in France dealt with over 1.4 million telephone queries, 23% more than in 2006. A call centre networking project led to a sharp improvement in the response rate, to over 83% in 2007 from 70% the previous year. As part of our constant drive to improve service quality, we continually seek ways of responding more effectively to the needs of all external and internal stakeholders. The same applies in international markets, as illustrated by the Brazilian example.

— Efficient, high quality administrative processes

CNP Assurances's administrative processes are regularly upgraded to meet the changing needs of all stakeholders. While being geared up to process large volumes of information and transactions every day, our efficient, modern management and information systems also allow us to continue offering personalised service to our policyholders. These developments are part of our ongoing drive to improve our service quality.

4.6%

increase in individual contracts
in the portfolio

— Constantly improving administrative processes

Policyholder services encompass the administration of contracts, policyholder and beneficiary services, distribution network assistance, and customer advice and communications, as well as the related engineering of these activities. The Angers and Arcueil client service centres, which are staffed by more than 600 permanent employees, are entirely dedicated to these administrative tasks for the individual insurance business, as well as to maintaining quality of service.

The volumes handled by these centres continued to grow in 2007, despite the dip in new business compared with the previous year's peak. With processing operations becoming increasingly complex, client relations were even more of a key issue. During the year, the drive to improve service quality and processing security and reliability was kept up.

In 2007, the client service centres seamlessly absorbed:

- A 4.6% increase in the number of active policies (to 13 million).
- 83,000 "Fourgous" transfers (from non-unit-linked to combined non-unit-linked/unit-linked contracts).
- A 10% rise in the number of letters sent to clients, due to the inclusion of products launched in 2006 – such as Vivaccio and Horizon Performance – and the development of high-end products requiring the issue of policy statements several times a year. In all, 13.1 million letters representing a total of 106 million pages were sent to clients in 2007.
- An increase in transactions carried out at the request of policyholders, including a 65% rise in the number of transfers between funds.
- An increase in client relationship management activities, in response to heightened consumer expectations.
- A 23% rise in the number of calls handled by the call centres, to over 1.4 million.

Publishing the financial statements more quickly

The Fast Close project launched during the year to enable us to publish our financial statements earlier, as required by the French securities regulator, involves reconsidering the entire accounts closing process. After successfully completing the first phase of the project, which concerned the production of the 2006 financial statements, during the year we kept up the process of improvement by mobilising all the teams concerned (portfolio managers, accounting and finance teams, actuaries, IT specialists) behind the drive to meet the even shorter publication deadlines applicable to the 2007 interim and annual accounts.

The requirement for service quality in a high volume environment is also a feature of the loan insurance business, in both the underwriting and claims handling areas. In 2007, over 395,000 new insureds were entered in the system and some 75,000 new claims files were opened.

— Towards electronic document management

In 2007, work continued to improve productivity and implement the necessary processes to achieve the highest service quality standards and the lowest cost base in the market.

Launched in 2006, the electronic document project aims not only to help protect the environment, but also to improve client service, in terms of both speed and quality, by giving managers online file access and contract traceability. This major project should enable us to eliminate all paper from administrative processes relating to individual insurance contracts. All documents will be immediately scanned and indexed on receipt, and electronic document management and workflow procedures will become the backbone of our processing system.

Two pilot projects were launched in early 2007. The CNP Trésor project concerns letters and forms generated by the CNP Trésor network, representing some 1 million incoming documents per year, outgoing letters, e-mails and faxes. By storing these documents in the EDM system, the project will enhance access to information by supporting seamless document retrieval and workflow distribution.

The second pilot project concerns the purchasing function and is focusing initially on setting up an electronic data interchange system for supplier invoices. At the same time, work has begun on setting up the necessary technical infrastructure to support electronic document management.

— Efficient workstations

New technologies are helping to drive a constant improvement in client service. Workstations have been upgraded to improve various functionalities, such as real-time acceptance of insurance applications, client relationship management and loan insurance claims handling.

Puma, the Savings Banks' new unified banking and insurance workstation, was deployed in 2007. The workstation allows insurance advisors to move seamlessly, via a single interface, from transaction input mode to sales mode, including the compulsory provision of impartial advice. This shared resource allows the majority of transactions to be carried out at the point of sale.

During the year, the Partages workstation used by La Banque Postale continued to be developed, to cover all administrative transactions and all products sold by the network and to include the latest regulatory changes.

The project to upgrade CNP Trésor's Majestic marketing information system, which is integrated in the CNP system, was completed in the space of one year. Rolled out to the entire network on 8 January 2007, it offers numerous client relationship management and monitoring functions needed by the 340 insurance advisors working in the field. All of the insurance advisors

Global Compact initiative (see p.11), principles 8 and 9

An international policy administration platform

Work has begun on developing the Portuguese version of the InVita system for the management of Global Seguros's combined non-unit-linked/unit-linked savings products. It is based on the version used by our Italian subsidiary, CNP UniCredit Vita, and will track any upgrades in the original, thereby leveraging our intra-Group synergies. At the same time, a single international version is being created for the three subsidiaries and the CNP Italia branch. Automatic generation of test cases is underway for the four versions, with automation of the initial administrative transactions. This work is being carried out using our new testing platform.

Using Internet technology to enhance client service in Brazil

The Caixa Seguros sub-group offers clients an innovative remote information service through its call centre, its website and the extranet used by the Caixa Económica Federal branches. Internet technology is also used to provide clients with product information and simulation tools, as well as to enable them to purchase savings and pension products online and obtain information about their policies. There were 4 million visitors to the site in 2007.

have been equipped with 3G cards, allowing them to connect up to the CNP information system and the Majestic application using their mobile phones.

In group insurance, the current loan insurance applications will be replaced by the Naveo platform, which is capable of absorbing the growth in volumes while also adding new claims handling and monitoring functionalities by integrating workflow and electronic document management systems. Configured as an extranet, Naveo is designed not only for in-house administrative teams, but also for external service providers, with access eventually extended to our partners' back-office teams. The first version, which went live in June 2007, covers the handling of temporary disability claims for La Banque Postale.

— Loan insurance: CNPNet

Developed under our CNPLab programme, CNPNet speeds up processing and decision-making for loan insurance applications for consumer loans and mortgages. Accessible online at the point-of-sale, CNPNet can be integrated in the bank's lending information system.

CNPNet partners the bank's sales force in preparing the insurance file to be submitted with the loan application. Thanks to an expert system, underwriting decisions are made in real time for more than 70% of applications. Compared to a paper-based system, CNPNet significantly reduces the time required to process insurance applications and facilitates the tracking process, while also reducing paper consumption. Communication between the client, the bank and the insurer is smoother, more secure and more transparent. What's more, it is now possible to closely track the outcome of an insurance application or claim. Since November 2007, all 4,471 branches of the 25 Savings Banks have access to the CNPNet portal and are using all the online loan insurance purchase and consultation functions offered by the application. CNPNet has also been rolled out to other banking and mutual insurance partners (MGEN, Crédit Agricole d'Île-de-France, Banque Fédérale Mutualiste, Mutualité Fonction Publique, etc.) and the process will continue in 2008 and 2009 (Casden, Crédit Agricole, La Banque Postale, Banque UCB, Crédit Immobilier de France, etc.).

— Guaranteed systems availability

With these new IT-based developments, keeping our information systems up and running has become business-critical. Two separate computer rooms house fully-redundant versions of our current systems (comprising computers, data storage media, networks, etc.), enabling processing to resume immediately in the event of a breakdown. In addition, in late December 2007, a reciprocal back-up contract was signed with Crédit Mutuel that will guarantee continuity of processing operations for both partners by allowing each one to transfer operations to the other's system in the event of a data centre disaster. This should significantly reduce the potential impact on each company's business.

Signature of the agreement marks the end of the first phase in the Resilience project, which included a year's worth of successful feasibility tests on several representative applications used by CNP Assurances and Crédit Mutuel. This vast testing programme confirmed that the solution worked, whatever the operating system and the applications' sensitivity, and allowed us to define the physical conditions and organizational procedures needed for its implementation.

— A recognized expert in individual insurance

To provide everyone with easy access to the individual insurance offer, CNP Assurances distributes through two partner networks – La Banque Postale and the Savings Banks – that have a deep presence throughout France, and also through its own CNP Trésor sales force. In 2006, the distribution agreements with the two partner networks were renewed until 2015.

19,000

sales outlets
in France

— Distribution agreements until end-2015

The distribution agreements with our two major partners in France – La Banque Postale for the Post Office network and Caisse Nationale des Caisses d'Épargne for the Savings Banks network – strengthen our respective roles as insurer and distributors, serving our policyholders. In individual insurance, unit-linked commission rates have been made significantly more attractive for the networks. In addition, a new clause has been added, giving each party (the insurer and the distributor) a share in improved margins on non-unit-linked business. The loan insurance agreements with the Savings Banks network have also been extended until 31 December 2015.

— Responsible marketing

Reflecting the respective legal responsibilities of the insurer and the distributor, we contribute to training our partners' sales forces by sharing our expertise and tailoring our input to each network's specific profile. For example, we worked with La Banque Postale's teams to make the entire marketing process legally watertight.

Training is also a key aspect of the support given to the CNP Trésor insurance advisors. Particular emphasis is placed on the obligation to provide impartial advice, as well as on ethical practices and the application of anti-money laundering procedures in connection with the sale of personal insurance products. The industry-defined ethical rules for the sale of insurance products are available on the intranet, while compliance with anti-money laundering rules is assured through specific training and a regularly updated database. The installation of a dedicated client relationship management application for CNP Trésor has helped to improve the sales team's knowledge of their clients, allowing them to offer solutions more closely geared to each client's needs. Lastly, the technical assistance given to the sales team by the wealth management unit contributes to optimizing the quality of advice given to prospective policyholders.

Our dedication to advising policyholders doesn't end when they sign the policy. Since 2006, we have been working with our distribution partners to monitor insurance portfolios, in order to analyse emerging risks and opportunities for policyholders based on financial market trends and the intended investment period.

— Extended partnership with the Savings Banks

The Savings Banks generated premium income of €10,200.1 million in 2007, compared with €10,741.3 million the previous year. The total included an estimated €200 million in transfers from PEL home savings accounts, down from €600 million in 2006. Excluding these transfers, the year-on-year decline was just 1%. Premium income also included €496.2 million worth of Fourgous transfers, of which 28.6% was classified as unit-linked.

The high-end *Nuances Plus* and *Nuances Privilège* products went from strength to strength, with premiums up 17% and 12% respectively.

In September 2007, Banco Commercial Portugues (BCP), a subsidiary of the Caisse d'Épargne Group, launched a new combined non-unit-linked/unit-linked contract BCP Patrimonio Crescente.

At €2,084.9 million, unit-linked sales accounted for 21.3% of total premium income generated by the network, up slightly from 2006.

Personal risk premiums rose 6%, led by the new Garantie Urgence formula, with 97,000 contracts sold during the year. A new long-term care product, *Écureuil Assistance Vie*, was distributed on a trial basis by branches of the Loire Drôme Ardèche savings bank, and will be gradually rolled out to the entire network.

Lastly, the loan insurance business grew by a strong 13% to €388 million, within close reach – a year early – of the €400 million target set for 2008. In 2005, CNP was selected to become the exclusive provider of loan insurance to the 28 Savings Banks, Banque Palatine, Compagnie 1818, the Océor network (as co-insurer with AGF) and, since 1 January 2007, to Banque BCP. CNPNet, our Internet-based loan insurance platform, has added a whole new level of reliability and security to the underwriting process, and significantly cut insurance acceptance times. With all Caisse d'Épargne subsidiaries using CNPNet since September 2007, the volume of paper forms was cut from 1.3 million in 2006 to 58,000 last year.

— A new long-term care contract

Écureuil Assistance Vie, designed primarily for clients aged 55 and over, is a comprehensive long-term care insurance product offering protection as soon as the first signs of a loss of autonomy appear, even if only temporary.

The contract may be purchased for oneself, or for a family member. Benefits are geared to the insured's level of dependence and include a lump sum and/or a monthly allowance combined with services and, where appropriate, the supply of equipment. In addition to financial benefits, Écureuil Assistance Vie offers telephone assistance from the day the contract is purchased.

Policyholders can choose between two formulas:

- Confort, covering partial or total loss of autonomy.
- Confort Plus, an innovative formula that covers all levels of need, from a simple fracture to limited and heavy dependence.

The contract provides for the payment of a lump sum within 72 hours in the case of a bone fracture and a high allowance in the case of partial and total limited dependence. This new product has been sold on a trial basis by the Loire Drôme Ardèche savings bank since 26 November 2007 and will be rolled out to the other savings banks in 2008. It has already been awarded the "label of excellence" by *Dossiers de l'Épargne* in both 2007 and 2008.

— Growth of La Banque Postale

With 1,100 employees, La Banque Postale has grown its business since its early-2006 launch by leveraging the resources of the Post Office network, which include 14,500 points of sale and 19,000 back-office managers. The network's

CNP Trésor image survey

A recent survey conducted among clients and insurance advisors provides a clear picture of CNP Trésor's image, positioning and strengths.
For clients, CNP Trésor represents:

- The peace of mind that comes from dealing with France's leading personal insurer that was the insurer behind the French Treasury in the past and enjoys the backing of Caisse des Dépôts.
- A serious and well-established brand that inspires confidence by offering a genuine local service, personalized advice and a warm human contact.

In short, CNP Trésor is viewed by the 256,000 clients spread between 360 portfolios as a professional, sustainable network that maintains warm and close relations with its clients.

28 million retail clients, including 11 million post office account holders, offer considerable scope for development. The launch of the new Vivaccio range was timed to coincide with the creation of La Banque Postale.

Premium income generated in 2007 was largely unchanged from 2006 at €12,015.4 million. The network outperformed the market as a whole thanks to premium income recognised in respect of Fourgous transfers, which rose to €1,837 million from €1,816 million in 2006. Unit-linked sales grew 3% to €1,613.8 million, lifting their contribution to the network's total savings and pensions new money to 13.7%.

All of the other segments expanded during the year, with pensions revenue rising more than 20% and sales of personal risk contracts (through La Banque Postale Prévoyance, which is 50%-owned by CNP Assurances) surging some 60% to around €160 million for CNP Assurances's share. Lastly, loan insurance premiums were 13% higher, at €68 million.

— Over 300 CNP Trésor insurance advisors

Since 1 January 2004, CNP Assurances has been managing relations with policyholders who purchased their CNP policy through the Trésor Public network. In 2007, the CNP Trésor network generated premium income of €862.8 million, down 12.2% on a reported basis, but up 1% excluding the effect of Fourgous transfers which dropped to €138.8 million from €265.3 million in 2006. Unit-linked sales amounted to €167.5 million for the year, representing 20.1% of total savings and pensions revenue generated by the network.

Development of La Banque Postale Prévoyance

Assurposte changed its name to La Banque Postale Prévoyance on 5 November 2007. The name change reflects the commitment of La Banque Postale and CNP Assurances to raising their joint subsidiary's profile in the market and affirming the business's importance for the two partners. Launched in September 2000, the company has a solid business base after enjoying particularly strong growth in the last three years. Premium income from individual and group personal risk business surged by 54% in 2007 to €320 million, on the back of 24% growth in 2006. With one of the broadest product line-ups in the market, La Banque Postale Prévoyance is ranked third in the individual personal risk segment of the bancassurance market, with over 1.5 million policies.


20,

Expertise in group insurance

In France, we maintain close relations with 20,000 local authorities and hospitals, 250 financial institutions, 4,000 companies, more than 100 mutual insurers and numerous non-profit organizations. As a long-standing major player in the highly competitive group insurance market, we generated €4.9 billion worth of premium income in this segment in 2007.

During the year, significant investments were made to optimize local client relations and respond to changes in their needs. In the first half, the network focused on deploying the new Majestic marketing information system.

At the same time, 54 new sales sectors were created and 47 insurance advisors were hired and integrated, to enhance the local service offered to clients. As of 31 December 2007, the 256,000 clients served by the network were spread among 360 portfolios managed by 310 insurance advisors with an average age of 45, of whom 56% were men and 44% were women.

Two new savings products were launched during the year. CNP Trésor Projets, introduced in early May, is a combined non-unit-linked/unit-linked contract that enables savers to build up capital for a project or to provide income for their retirement. CNP Trésor Générations, introduced in early June, is a potentially tax-exempt gifting product combining all the advantages of life insurance and gifts. The investment vehicles available with both contracts include a new SRI fund, CNP Développement Durable.

As of 31 December 2007, 3,200 CNP Trésor Projets contracts had been sold, representing new money of €33 million, of which 35% was invested in unit-linked funds, along with 730 CNP Trésor Générations contracts, representing new money of €7 million, of which 30% invested in unit-linked funds.

CNP Capeor announces its ambitions and spreads its net in France

A subsidiary of CNP Assurances since 2006, CNP Capeor operates in the personal asset management sector. Its ambition is to become a significant player in this market, by building a network of financial advisors spanning the whole of France. Partner financial advisors work out of companies that are legally and financially independent from CNP Capeor and are coordinated by regional representatives. Already present in Île-de-France, Aquitaine and Provence, Alpes, Côte d'Azur, CNP Capeor opened a further ten regional offices in 2007, covering Alsace, Bretagne, Pays-de-Loire Sud, Nord, Rhône-Alpes Sud and Normandie. The financial advisors conduct their activities under an exclusive partnership agreement that gives them access to all the services offered by CNP Capeor. These include support in setting up operations and obtaining the necessary licence, a broad selection of investment products offered by insurance companies and banks, practical and theoretical training, marketing procedures and tools, a dedicated supplier interface and – most valuable of all – support and leadership from CNP Capeor's regional representatives. The financial advisors offer their clients genuine expertise and a local service, guiding them in establishing an asset management strategy and giving them access to tailor-made solutions in strict compliance with the applicable regulations.

— Expertise in group insurance

Group insurance – one of CNP Assurances's oldest businesses – consists of selling to a company, a mutual insurer, a financial institution, an employee benefits institution, a local authority or a non-profit organization an insurance product designed for its employees or clients. In France, we maintain close relations with 250 financial institutions, more than 100 mutual insurers, 4,000 companies, 20,000 local authorities and numerous non-profit organizations.

€1.6bn

in premium income
in the companies and local authorities segment

— Companies, local authorities and hospitals: a competitive market

The French group insurance market remains highly competitive, in both the companies segment and the local authorities and hospitals segment.

In corporate pensions, significant non-recurring and recurring payments were made on the large accounts in the portfolio.

The portfolios of the large corporate clients were not exposed to any subprime risk. They were sent information about the financial management of their contract during the entire period of stock market turbulence in the second half.

We won several calls for bids to manage defined benefit pension plans effective from 1 January 2008.

Following a change in French law requiring companies that own a pension institution to transfer their commitments to an insurance company before 31 December 2008, the market looks set to be very active this year.

New money invested in Préfon stabilised in 2007.

In the death/disability segment, premium income generated by the Companies and Local Authorities & Hospitals partnership centre held firm, representing a good performance in a market that is once again attractive. We kept all of our large corporate clients.

In the long-term care segment, development of a packaged offer continued, designed in particular for employee benefits institutions. The new offer will combine insurance cover with the assistance services offered by our Filassistance and Âge d'Or subsidiaries.

In last year's highly competitive environment, the Companies and Local Authorities & Hospitals partnership centre generated premium income of €1,616 million, a decline of 5.7% compared with 2006 that was due to the slowdown in the personal risk and pensions market over the year. We won two calls for bids to set up pension plans (traditional plan and "Article 39") effective 1 January 2008.

— Fongépar, the employee savings plan specialist

Fongépar, which is 65%-owned by CNP Assurances and 35% by Caisse Nationale des Caisses d'Épargne, currently manages €2.4 billion in assets for 5,500 client companies, representing 300,000 individual employee accounts. In 2007, Fongépar took first place in *Mieux Vivre Votre Argent* magazine's ranking of the best employee savings plan managers based on the performance of their multi-employer funds over three years.

— Strengthened loan insurance partnerships

With more than a third of the French loan insurance market, we boast widely recognised expertise in this area that we make available to our partner banks and financial institutions, as well as to the clients of their home loan and consumer loan businesses.

In 2007, the Banks partnership centre generated premium income of €1,396.3 million, an increase of 9.2% over 2006, and we also continued to expand internationally, writing loan insurance for Cofidis in other European countries under the EU freedom of services directive.

In December, we signed an agreement with Crédit Agricole extending our loan insurance partnership until 1 January 2010.

In the autumn of 2006, a memorandum of understanding was signed with Natixis Assurances for the marketing of a joint loan insurance offer to the Banque Populaire Group. The new offer, which is co-insured by CNP Assurances and Natixis Assurances on a 50/50 basis, has been distributed by four Banques Populaires since 1 February 2007. A further four Banques Populaires began distributing the product from 1 January 2008.

Risk prevention initiatives

We contribute to financing risk prevention initiatives launched by our industry federation (FFSA), particularly the road safety initiatives led by the Assureurs Prévention Santé (APS) association. We also pursue policies to support local government employees covered by our group insurance contracts. For example, people returning to work after an accident are helped by measures to facilitate their transfer to a less physically demanding position, and psychological counselling is offered after a long absence on disability leave in conjunction with all the parties concerned.
In addition, we have complied with the obligation placed on health insurers to promote a responsible approach to healthcare, by introducing in all our policies two preventive measures selected from those available in the related regulations, tailored to the profile of our insureds. These consist of reimbursing the full cost of bone density tests for women over 50, representing the first step of any osteoporosis prevention plan, and paying the cost of dental plaque removal for all insureds once a year.

€2.4bn

Volume of assets managed by Fongépar,
the employee savings plan specialist

— A long-standing relationship with the mutual insurance sector

CNP Assurances is a long-standing partner of the mutual insurance sector, particularly Mutuelle Générale de l'Éducation Nationale (MGEN) under a personal risk insurance partnership that dates back over forty years, and Mutualité de la Fonction Public (MFP).

In 2007, alongside Mutuelle Familiale and Fédération de la Mutualité Parisienne, we won a call for bids to provide supplementary health insurance cover for the 9,000 employees of Aéroports de Paris (ADP) from 1 October 2007. During the year, a reinsurance treaty was signed with MFP covering the Mutuelle des Douanes (MDD) supplementary personal risk insurance plan, and a personal risk contract covering senior executives of the French Post Office was set up with MG (formerly MG-PTT), coming into effect on 1 July 2007. Lastly, we joined forces with Union Nationale de Prévoyance de la Mutualité Française (UNPMF) to develop a new long-term care offer, Indépendance Services, selling around 1,000 contracts in the first marketing campaign.

The Mutual Insurers partnership centre generated premium income of €855.1 million, down 11% compared with 2006 which represented a high basis of comparison due to the signature of two non-recurring contracts. Excluding non-recurring revenues, premium income was up 5%.

— A long-term care offer for the Asac and Fapes non-profit organizations

We teamed up with Asac (Association de Sécurité et d'Assistance Collective) and Fapes (Fédération des Associations de Prévoyance et d'Entraide Sociale) to offer Asac's members a new long-term care product, Dépendance Asac-Fapes.

Asac is France's oldest savings association, with managed assets of €2.3 billion. Fapes was founded by Asac in 1974 to federate the various savings associations and promote insurance solutions for the benefit of their 100,000 members. Fapes Diffusion was created in 1999 to distribute these products directly to members.

Dépendance Asac-Fapes was named one of the best long-term care products by *Mieux Vivre Votre Argent* magazine in 2006 and was awarded a Label of Excellence by *Dossiers de l'Épargne* in 2008.

Helping to recruit volunteer firefighters

As the insurer for the French firefighters' federation (FNSPF), we joined the Savings Banks in supporting the FNSPF's campaign to recruit volunteer firefighters launched in June 2007.
The aim of the campaign is to sign up 15,000 new firefighters over the next three years.

— An increasingly international business model

In a globalized economy, CNP Assurances has been expanding outside France over the last several years, leveraging its French business model whose effectiveness is recognised by investors. All our organic and external growth projects have as their watchwords value creation and performance enhancement. In 2007, we acquired a new subsidiary in Spain.

€4.5bn

in premium income generated in international markets

— A significant contribution to Group revenue and earnings

Already present in Brazil and Argentina, Italy and Portugal, our entry in the Spanish individual life insurance market in 2007 is in line with our international growth strategy focused primarily on Southern Europe, with Eastern Europe, the Mediterranean basin and South America representing other potential targets.

This strategy is being implemented through partnerships and acquisitions. Currently, our subsidiaries are located mainly in Southern Europe – in Portugal, Italy and Spain –, as well as in Latin America and China. We also have loan insurance branches in Spain (Madrid) and Italy (Milan), and write loan insurance in Portugal, Belgium, Spain, Italy, Hungary, Greece, Ireland, the Czech Republic and, since the beginning of 2007, Romania and Slovakia, under EU freedom of services legislation.

Our international operations increased their contribution to premium income by nearly 10%, to €4,501.7 million in 2007, representing over 14% of the consolidated total. Their contribution to EBIT rose 22% to €439 million, representing 24% of the total.

— Stable revenue in Italy in a contracting life insurance market

In 2007, CNP UniCredit Vita's premium income rose 1% to €2,919 million, of which 32% was generated by the Irish subsidiary under EU freedom of services legislation. By continuing to outperform its competitors in the bancassurance segment, which declined by 10% overall, the Italian subsidiary improved its market share by 0.7 points compared with 2006. Unit-linked sales accounted for 95% of total premium income.

The savings business contracted by a slight 1.6% to €2,795 million. Thirty new index-linked maturities were issued during the year for €2,275 million, including seven issued through the Irish subsidiary.

Development of the CNP Italia branch

CNP Italia's premium income declined 9.6% in 2007 to €45.8 million, an amount that does not include the €19.4 million of inward reinsurance business from CNP UniCredit Vita which was eliminated in consolidation. Including this business, the branch's premium income on a stand-alone basis came to €65.2 million, up 29% compared to 2006. The new consumer loan insurance contracts signed with CNP UniCredit Vita and Banco Popolare di Verona during 2007 had no impact on the branch's product mix which remained heavily weighted towards home loan insurance.

The pensions business was down 8% to €32 million, the change in the law allowing TFR leaving bonuses to be invested with an external manager such as a pension fund having failed to lead to significant transfers to PIP personal pension plans. Loan insurance, which is distributed by all the networks, represented premiums of €84.3 million versus €14 million in 2006, constituting an excellent performance.

Following the 2007 merger of UniCredit and Capitalia, UniCredit and CNP Assurances finalised the terms of an agreement concerning the operation of their partnership through their joint subsidiary CNP Capitalia Vita, now renamed CNP UniCredit Vita. The agreement enables CNP Assurances to maintain all the value creating potential of its operations in Italy, while allowing UniCredit to implement its rationalisation and development strategy.

CNP UniCredit Vita's information systems are being adapted this year to operate with the UniCredit system interfaces and the company's entire savings and loan insurance offering is being marketed under the new partnership. The internal control modelling and implementation process is also being pursued.

— In Portugal, combined non-unit-linked/ unit-linked products launched in 2008

Premium income generated by the Global Seguros subgroup totalled €174.6 million in 2007, down 5.8% compared with the previous year. Global Vida's premium income declined 24% to €30.4 million, with some €6 million trimmed from the top line by the shift in product mix towards unit-linked products (for which only the premium loading is recognised in revenue in accordance with IAS 39).

Global leveraged CNP Assurances's expertise to develop a combined non-unit-linked/unit-linked savings product managed using the Invita software already used in Italy and Spain. To support the launch, initiatives were undertaken to guide and train the Global agent network. The first product in the new Multi Global Invest range is due to go on sale in early 2008.

Non-life premium income dipped 0.8% to €144.2 million, a performance in line with our objectives. Growth in the main segments – auto insurance, up 0.3% and fire and other P&C, up 2% – only partly offset the 4.4% decline in workplace accident business, which was severely affected by Portugal's difficult economic conditions. During the year, we also partnered Global in deploying a new risk management application and training the application's users.

— A promising start in Spain

Our new Spanish subsidiary, CNP Vida, generated premium income of €159 million over the full year and €113 million over the nine months from its acquisition in early April. CNP Vida operates primarily in the unit-linked and non-unit-linked savings business, with unit-linked sales accounting for 96% of revenue, but it also sells pension and loan insurance products.

The company's aim is to create a solid basis for growth by developing an innovative product and service offer that can be leveraged to strengthen its existing partnerships, expand distribution of the product line-up and win additional market share.

The operations of the Spanish branch, CNP España, have been integrated into CNP Vida. The branch generated premium income of €6.9 million in 2007 versus €0.8 million the previous year.

A presence in Beijing

Sino French Life Insurance Company (SFLI) reported premium income of RMB 37.2 million (roughly €3.7 million) from the sale of 1,007 policies, representing a 5% share of the market served by the Beijing Post Office. SFLI is focusing its development efforts on the main post offices in the Beijing conglomeration.

24

International markets, a powerful growth driver

In recent years, CNP Assurances has been expanding internationally through its subsidiaries and branches. The contribution of our international subsidiaries to consolidated EBIT rose 22% in 2007 to €439 million, including minority interests, representing 24% of the total. Operations outside France accounted for over 14% of total premium income for the year, generating €4,501.7 million, an increase of nearly 10% over 2006.

Belgium - Spain - France - Greece - Hungary - Ireland - Italy - Portugal - Czech Republic - Slovakia

Brazil - Argentina

China (Beijing)

■ Subsidiaries and branches ■ Distribution agreements

— Another year of strong growth in Brazil

In Brazil, the Caixa Seguros subgroup ended the year with premium income of €1,145.6 million (BRL 3,046.8 million), an increase of 29.1% in euros and 24% in local currency compared with 2006. The positive currency effect was attributable to the real's average 4.1% gain against the euro.

Revenues were up across all business segments in local currency. The savings business (Caixa Capitalização) grew 24.9% under local GAAP (12.8% under IFRS), outperforming the 8% rise in the market. Growth was driven by marketing initiatives linked to the 2007 Panamerican Games in Rio de Janeiro and by the shift in product mix towards regular premium products observed since the beginning of 2006.

Pensions revenue rose 32.5%, while personal risk premiums climbed 19%, reflecting advances in all segments. Compulsory automobile accident liability insurance (DPVAT) business grew 22% to BRL 177 million, insurance cover sold with pension products rose 20% to BRL 37 million and sales of other personal risk products expanded 17% to BRL 239 million.

Loan insurance premiums were up 17.1%. The increase was attributable to strong growth in the volume of home loans extended by the Caixa Económica Federal network, which leveraged the fall in interest rates and the incentives for borrowers introduced in the Lula Plan to accelerate economic growth.

Property & casualty premiums were 10.5% higher, with growth led primarily by the 31% increase in homeowners' insurance premiums.

The company also manages the Consórcio pooled home-savings plans, through its subsidiary Caixa Consórcios.

— A year of growth in Argentina

Our Argentine subsidiary, CNP Seguros de Vida, reported premium income of ARS 22.4 million, an increase of 55.4% over 2006.

The individual personal risk business continued to expand rapidly, with premiums up 48.3%, led by sharply higher sales of Plan 20 and Plan 25 contracts.

In 2007, a new «consórcio» auto insurance business was launched.

A motivated Brazilian sales force and effective action plans

The excellent marketing results achieved by Caixa Seguros reflect the high level of motivation of Caixa Económica Federal's financial advisors and the effectiveness of the sales and marketing initiatives launched during the year, with:

- Ongoing growth in sales of certain savings products distributed through alternative channels such as ATM machines, Internet banking and text-message. All savings products are now available online.
- Personal risk products sold via alternative channels (telemarketing, lottery ticket sales booths and Internet banking).
- Development of partnerships for sales of insurance with other Caixa products, such as credit cards.
- Online access by the bank branches to real time information about clients' Capitalização savings accounts.

A responsible insurer

— CNP Assurances is committed to acting as a responsible corporate citizen through a variety of programmes and actions that combine cost-effectiveness, social responsibility and environmental stewardship. We consistently strive to invest responsibly, manage the CNP Assurances community attentively, efficiently meet client needs, promote initiatives to protect the environment and support community programs, while effectively managing risks and delivering transparent financial information to our shareholders.

— Managing assets as a responsible investor

An insurer's primary responsibility is to effectively match assets and liabilities. Our asset/liability management processes are designed to ensure that we can consistently fulfil our commitments, optimise policyholder yields and efficiently manage risks, regardless of stock market conditions or interest rate levels. Our ability to deliver superior performance in each of these three critical areas attests to the widely recognised expertise and disciplined approach of our teams.

€244.2

billion in insurance and financial liabilities at 31 December 2007 (excluding deferred participation)

— Asset management strategies that optimise risk-return profiles

For a life insurance company, whose liabilities far exceed its equity capital, any mismatch between assets and liabilities can pose a serious problem.

Asset/liability management processes are designed to ensure that the company can fulfil its commitments to policyholders, offer the best possible yields to policyholders and shareholders alike, and manage proprietary risks over the medium to long-term, whatever the conditions in the financial markets.

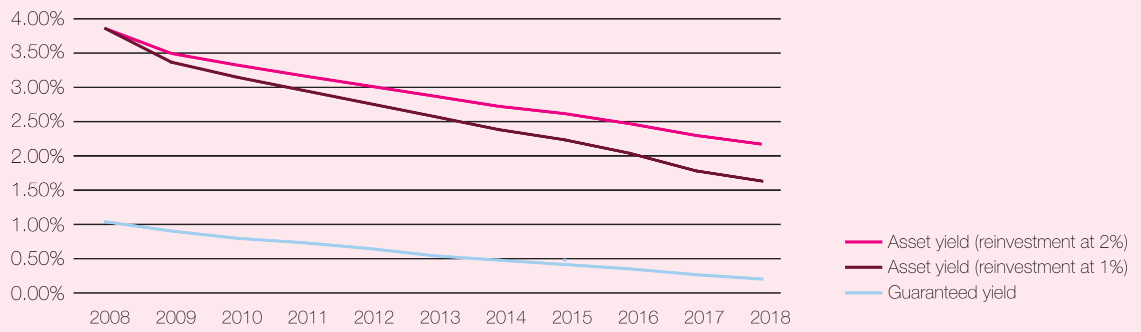
— Asset/liability simulations in each portfolio

Asset/liability simulations are regularly performed in each portfolio based on a variety of financial scenarios. The simulations use the exact characteristics of the liabilities and related assets, and various policyholder behaviour assumptions.

In the case of a steep fall in interest rates, the actual portfolio yield may be less than the one promised to policyholders with savings contracts. To limit this downside risk, since 1992 the guarantee given in response to policyholders' need for long-term financial visibility has been capped at 60% of the average government bond rate (TME) and is offered for a maximum of eight years, in line with France's insurance code. The balance sheet is regularly tested for resistance to a prolonged period of very low interest rates (1% to 2%) and relatively weak stock markets. The simulations show that even during these periods, when we would have to reinvest in very low yield bonds, we would still be easily able to honour our commitments to policyholders.

In the case of an abrupt surge in interest rates, yields on fixed rate bond portfolios may be out of step with the yields obtainable on the market, leading to an increase in surrender rates that could oblige the insurer to sell assets at a loss. Simulations are also performed to assess the impact of this type of scenario.

— Asset yield simulation over a long period of falling interest rates



The risk is managed on both sides of the balance sheet as follows:

- Liabilities: The limited duration and level of yield guarantees allow asset managers to reduce the weighting of long-dated bonds in the managed portfolios.
- Assets: A significant portion (around 15%) of the bond portfolio is invested in variable rate or index-linked bonds, while part of the fixed-rate portfolio is hedged by caps. The hedging programme was further extended in 2007 and currently represents a notional amount of roughly €30 billion.

In the case of a sharp rise in interest rates to above certain trigger points, these hedges would generate additional revenue and thereby improve the return on the hedged assets. The hedging programme is extended each year, to keep pace with growth in assets under management.

— Efficiently managing equity risk

Over the long term, stocks generally offer a higher total return on investment (dividends plus capital gains) than bonds. However, equities are also exposed to greater volatility. This could potentially impact the insurer's ability to fulfil its obligations, because with non-unit-linked products, policyholders have a capital guarantee and, in many cases, a yield guarantee, and they also have a surrender option. In addition, the insurer runs the risk of incurring losses on its proprietary portfolios. Several techniques are used to assess the level of risk on the equity portfolio:

- Under accounting rules, insurance regulations and now IFRS, insurers are required to book provisions for permanent impairment in value and liquidity risk reserves in the event of a sharp drop in stock prices.
- Policy terms (investment period, surrender option, guaranteed yield) are crafted to improve the insurer's visibility of future risk.

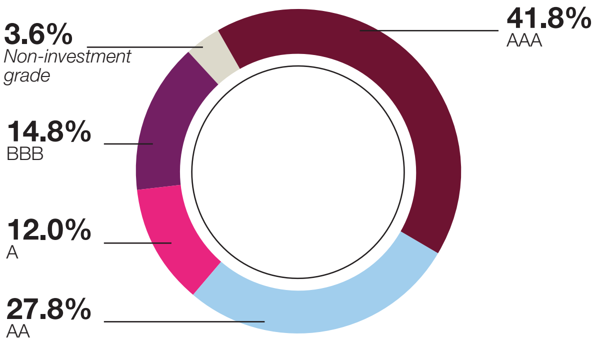
— Insurance and financial liabilities by type of contract, excluding the policyholders' surplus reserve

	31 December 2007 (in € millions)	Breakdown (in %)	31 December 1997 (in € millions)	Breakdown (in %)
Unit-linked contracts	41,506.3	17.6%	1,631.0	2.0%
Guaranteed yield contracts (< 60% of TME [1])	54,848.3	23.3%	27,516.3	33.3%
Contracts without a yield guarantee	98,789.4	41.9%	4,330.3	5.2%
Contracts with a higher variable yield	2,965.6	1.3%	3,475.8	4.2%
Contracts with a higher fixed yield	6,401.1	2.7%	28,355.5	34.3%
Guaranteed yield contracts, including reversionary bonus	0.0	0.0%	3,277.7	4.0%
Other [2]	31,007.7	13.2%	13,964.3	16.9%
Total	**235,518.4**	**100.0%**	**82,551.1**	**100.0%**

(1) TME: average government bond rate.
(2) Including personal risk, loan insurance and annuity contracts.

— CDO ratings

At 31 December 2007



84%

of CDOs rated BBB or non-investment grade include a capital guarantee rated A to AAA.

- Reserves and unrealised gains are accumulated to cover the effects of a fall in stock prices. The allocation of assets is determined by type of portfolio, based on their respective characteristics. In line with this policy, the equities weighting is higher in proprietary and pensions portfolios, and lower in portfolios backing savings contracts with a yield guarantee.

— Attentive asset management

Assets under management amounted to more than €262 billion at 31 December 2007. Each category of contracts is backed by asset portfolios that are managed according to a strategy closely tailored to the profile of the related liabilities. For each portfolio, an investment strategy is defined covering:

- Asset allocation;
- The choice of maturities and any hedging instruments;
- The exposure limit for each issuer;
- The profit-taking policy.

The strategy is communicated to the fund managers.

Most long-term assets are managed on our behalf by Natixis AM, in which we own an 11% stake. In 2007, a new portfolio management agreement was signed with La Banque Postale Asset Management, for around €3 billion in assets. Most equity portfolios are managed directly by Natixis AM, with the remainder corresponding to mutual funds managed by several different fund managers. In line with our commitment to selectively diversifying the asset manager base, we regularly call for bids to set up mutual funds dedicated to specific asset classes, such as corporate bonds, hedge funds and European equities.

— Investing in equities

Disciplined management of equity risk with long investment horizons ensured that we successfully weathered the 2002-2003 bear market, and reaped the benefits of the subsequent upturn. The equity portfolios comprise:

- Units in highly diversified funds invested in European and international equities.
- Direct investments in euro zone equities. Portfolio performance is tracked on a monthly basis. The aggregate exposure of each Group company to equity risk is monitored in particular by calculating the trigger point that would lead to recording a liquidity risk reserve.

— A high quality bond portfolio

Our credit risk management strategy consists of holding investment grade securities and diversifying bond portfolios to avoid concentrations of credit risks by issuer or geographic area. Most of the portfolio is invested in fixed-rate bonds, enabling us to smooth yields and deliver on rate guarantees. Maturities are managed in line with our asset/liability matching strategy. However, new investments are optimised based on market conditions. For example, the very low interest rate environment in 2005 and part of 2006 led us to favour short maturities of five or six years, while the higher rates prevailing in 2007 enabled us to earn attractive yields by investing in maturities of nine or ten years. As of 31 December 2007, the consolidated bond portfolio (excluding Caixa Seguros) was 97% invested in bonds rated A to AAA by the leading rating agencies, including 54% rated AAA. Less than 0.1% of the portfolio was rated below investment grade. Government (G7, EU) bonds and equivalents accounted for around 43% of the portfolio, and corporate bonds – issued mainly by financial institutions – represented 31%.

— Breakdown of asset-backed securities by category at 31 December 2007

CDOs/CLOs	€2.62 bn
of which investment-grade CDOs/CLOs	(€2.00 bn)
RMBSs	€1.34 bn
Credit card ABSs	€1.11 bn
Other ABSs	€0.53 bn
Total ABSs	**€5.60 bn**

— Consequences of the summer 2007 financial crisis

Since July 2007, the financial markets have been suffering from the effects of the subprime mortgage crisis in the United States, which is having major consequences for the credit and asset-backed securities markets, including the market for collateralised debt obligations (CDOs). Updated data at 31 December 2007 showed that we did not have any direct subprime exposure at that date and that our indirect exposure was roughly €10 million. Our total exposure to asset-backed securities at 31 December 2007 was €5.6 billion, representing less than 3% of assets, compared with €5.65 billion at 31 October and €5.8 billion at 30 June. The total includes €2.61 billion in CDOs/CLOs, representing less than 2% of assets. Seventy percent of these assets are held in portfolios corresponding to participating contracts.

— ABS portfolios reviewed in detail

Asset-backed securities portfolios were reviewed in detail along with our other portfolios as part of the financial statement preparation process and were valued using the appropriate methods.

— Limited impairment losses reflecting high portfolio quality

Impairment losses on ABS portfolios were limited to €320.5 million before policyholder participation and tax, attesting to the high quality of the portfolios, with no defaults in 2007. Under IFRS, fair value adjustments to assets held in policyholder portfolios are accounted for in the deferred participation reserve. This accounting treatment cushions the impact of financial market fluctuations. After deferred participation, impairment losses on the ABS portfolio represented just €47 million before tax, of which €41 million was recognised in the income statement and €6 million in equity.

— A modest impact on the financial statements

Taking all CNP Assurances assets (€262 billion) into consideration, the increase in interest rates and other changes in market conditions had a very limited impact on the income statement, with net impairment losses trimming €67 million from profit. This was more than offset by realised capital gains on equities and investment property of €125 million. The net impact was therefore a €58 million increase in attributable recurring profit, as shown in the table below. In addition, fair value adjustments to trading securities had a €44 million net positive impact on reported profit attributable to equity holders of the parent.

— A responsible investor in each asset class

Strategic asset allocations and holding periods are determined in line with our objectives of protecting invested capital and generating steady returns on proprietary and policyholder portfolios. Non-financial objectives are also taken into account. The asset allocation generally remains very stable, although tactical adjustments may be made from time to time based on financial market conditions. Over the last ten years, equities have represented around 12% of the total, based on book values.


A

Recognised financial strength

In November 2007, Standard & Poor's affirmed CNP Assurances's AA insurer financial strength rating, with a stable outlook, following a review that mainly covered the Group's solvency margin, risk management practices and the quality of its assets. The agency stated that it did not expect CNP Assurances to be significantly affected by the subprime crisis.

— Limited impact of the financial crisis on the financial statements

Attributable recurring profit before capital gains	€1,120 m
Realised gains on equities and investment property, net of impairment losses	€58 m
Attributable recurring profit after capital gains	€1,178 m
Fair value adjustments to trading securities	€44 m
Profit attributable to equity holders of the parent	**€1,222 m**

Each asset is selected with the objective of being held over the long term. Equities are held for eight years on average and bonds are generally held to maturity. The investment strategy for equities is based on an analysis of the stocks' appreciation potential over the long term, while bond investment strategies focus primarily on issuer quality and long-term strength, and investments in asset-backed securities are based on a detailed analysis of the underlyings. Non-financial criteria are also taken into consideration for the corporate portfolio, to further secure the portfolio's long-term performance.

— A socially responsible approach to managing different asset classes

Since 2006, virtually the entire equity portfolio has been screened on a quarterly basis with the main asset manager, Natixis, a recognized SRI expert. Natixis has signed the French Asset Management Association's (AFG's) Transparency Guidelines and is a member of the Carbon Disclosure Project. The screening process enhances our investment strategy without affecting our ability to meet financial performance objectives aligned with policyholders' interests, and is consistent with the MSCI industry benchmarking process. All aspects of social responsibility are tracked, with higher weightings assigned to governance, social, human resources and environmental criteria.

Each investment is assessed by combining the issuer's Vigeo rating with the evaluation made by the asset manager's SRI team. Representatives from the Investment and Sustainable Development departments and the asset manager meet once a quarter to conduct a detailed review of stock held in companies that appear not to meet our SRI criteria. Depending on the results of the review, we may ask the company concerned for more information, decide not to increase our investment or – if necessary – sell the investment. As regards the bond portfolio, our commitment to social responsibility guides our choice of counterparties. The portfolio of government bonds and equivalents is invested primarily in paper issued by the main OECD countries. We do not invest in any non-democratic countries or countries presenting a corruption risk. Starting in 2008, industrial corporate bonds will be integrated into the SRI process and issuers in the financial sector will be individually monitored. The weighting of SRI investments in our asset portfolios is continuing to rise faster than for the market as a whole. In 2006 and 2007, the growth rate topped 50%, nearly 20 points more than the average increase in the SRI market (source: Novethic Amadéis, January 2008). They nevertheless remain marginal, however, both at the level of our Group and at that of the market as a whole, strengthening our resolve to keep up our SRI screening of the entire equity portfolio. We are also supporting the development of small and medium-sized companies in France, investing €25 million in private equity funds through the "France Investissement" programme launched in 2007 with the government's support.

Global Compact initiative (p.11) principles 1, 2, 8, 9 and 10

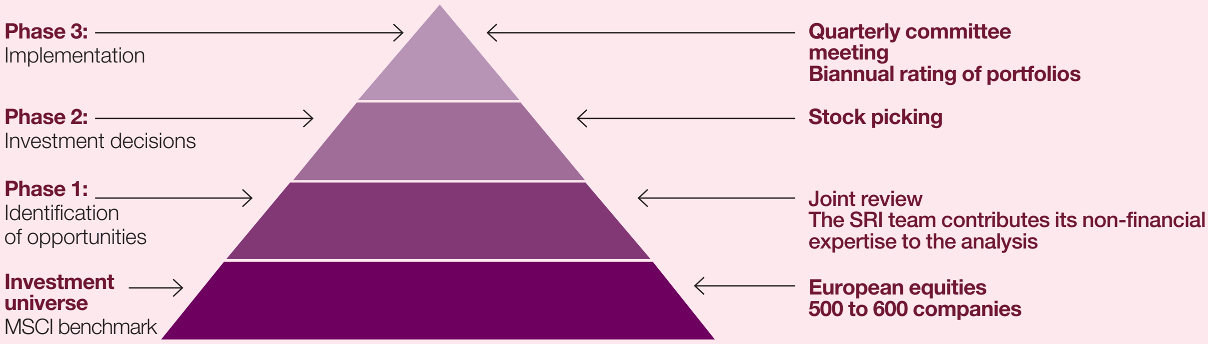
— A policy of shareholder activism

We have developed a policy of responsible shareholder activism in line with our position as a long-term minority shareholder. Since 2004, we have participated in the General Meetings of all the French companies held in our portfolio and we are gradually extending this practice to other European companies. Voting principles have been defined by senior management.

— Socially responsible funds offered with unit-linked contracts

Our flagship contracts all include one or more SRI funds. Investments in these funds are increasing rapidly. In 2007, SRI assets under management more than doubled after increasing 2.5-fold in 2006, far outpacing the market average in both years.

— Incorporating SRI screening in the investment process



— Sharp increase in investment in SRI funds

SRI funds in the CNP portfolio (in €)		SRI assets in € millions 31 December 2005	31 December 2006	31 December 2007
Natixis ISR Actions, CDC Euro 21, Nord Sud Développement, Insertion Emploi, LBPAM DD, Écureuil 123 Futur		33.0	41.1	39.8
Avenir Partage	Fund supporting applied medical research	1.1	1.3	1.3
CNP Développement durable	Fund of funds comprised mainly of equities, o/w 80% best-in-class and 20% environmental	-	-	24.3
European Carbon Fund and Planet Fund		-	10.0	14.9
International Micro Credit, France Active, etc.		0.4	1.8	3.2
Total		**34.5**	**54.2**	**83.5**


259:3

A five-fold increase in SRI assets in two years

CNP Assurances strongly supports SRI funds. SRI funds offered with savings products provide assurance to individual policyholders and group insurance clients that their investments will help to finance companies that demonstrate a commitment to sustainable development through environmental stewardship, ambitious social policies and initiatives to prevent social exclusion.

— The same trend in favour of SRI funds among individual policyholders and participants in employee savings plans

Investment in SRI funds through combined unit-linked/non-unit-linked contracts		Managed SRI assets in € millions 31 Dec. 2005	31 Dec. 2006	31 Dec. 2007
La Banque Postale (GMO, ASCENDO)				
LBPAM Développement durable	Sicav fund invested in the main euro zone large caps, selected in each sector using SRI screens	19.1	82.9	**194.8**
Savings Banks (Nuances and Perp ranges)				
Écureuil 123 Futur	Sicav fund, 60% French stocks and 40% other euro zone stocks, selected using SRI screens	16.1	33.9	**52.2**
Insertion Emploi*				**4.7**
CNP Trésor (Plurival and Trésor Épargne)				
Nord Sud Développement	Sicav fund invested primarily in bonds issued by international development financing institutions. 5% of assets invested in microfinance institutions.	11.5	9.0	**7.5**
Natixis ISR Actions	FCP fund combining financial performance with environmental criteria			
CNP Développement durable	Fund of funds created end-2007, invested mainly in equities, o/w 80% best-in-class and 20% environmentally responsible			
Vega				
Insertion Emploi and others such as Plurial Ethique	Multicompany solidarity fund created as a vehicle for investment in employee savings plans	0.1	0.1	**0.1**
Total		**46.7**	**125.8**	**259.3**

SRI funds available through employee savings plans for CNP employees and group insurance customers managed by Fongépar		Managed SRI assets in € millions 31 Dec . 2005	31 Dec. 2006	31 Dec. 2007
Insertion Emploi* (Accredited by Finansol)	Solidarity fund Invested in stocks selected based on “human resources and prevention of social exclusion” criteria. 10% of assets invested in community interest companies	22.5	36.0	50.4
SRI range (accredited by the CIES – Comité Intersyndical de l’Épargne Salariale)	Diversified range of money market funds, bond funds and funds of funds	-	6.0	16.9
Total		**22.5**	**42.0**	**67.3**

— Putting the client first

With over 13 million individual contracts and 12 million people covered by loan insurance, we have to combine industrial efficiency with personalised service. The solution lies in an organization geared to ensuring high levels of client satisfaction and optimized use of new technologies at each stage in the life of the contract, to promote a strong service ethic among all of our employees.

13 million

personalised documents
sent out each year

— A quality-driven approach

In individual insurance, a quality, compliance and partner relations unit ensures that policyholder services are aligned with the quality standards negotiated with the networks and our risk management programmes. This approach applies to the entire life of the contract, from the initial sale to management of claims or benefits. The same client-centric approach is adopted for group insurance; where contacts with individual policyholders are the responsibility of our distribution partners. Contract administration processes are organized so as to optimise quality of service. These processes are handled directly by CNP Assurances, indirectly by a distribution partner – especially in the mutual insurance sector – or by an outside service provider under a contract providing for clear quality commitments. In the latter case, CNP Assurances lends its expertise in a middle office capacity, particularly in the areas of insurance risk and information systems.

— Service agreements

Service agreements signed last year with La Banque Postale, in April, and Centre National des Caisses d'Épargne, in November, allocate tasks and responsibilities and define client service quality commitments for the major processes involved in contract set-up, top-up premiums and total and partial surrenders. Meetings are held regularly at the regional level with French Post Office representatives to improve process efficiency and resolve problems encountered by front-line staff.

— Quality certification

Certification attests to process quality and also acts as an incentive for further improvement. The first quality certificate was obtained in 1999, for the Crédit Agricole loan insurance processes. Since then, the certification scope has been extended and adapted to changes in standards so that the bulk of administrative processes are now certified.

Crisis management system

Client service is never more important than in times of crisis and the crisis management unit set up immediately following the explosion at the AZF chemicals plant in Toulouse in 2001 can be re-assembled at any time. The unit's dedicated team is available to help victims' relatives in obtaining contract reimbursements or settlement of guaranteed capital, as well as in dealing with administrative formalities. The unit also undertakes procedures to notify beneficiaries of the existence of contracts, based on the list of victims issued by the public authorities.

Loan insurance certification covers the entire process, from medical acceptance to claims management. An ISO 9001:2000 certification audit was carried out on the loan insurance business from 15 to 17 October 2007, with very positive results. The auditor, AFAQ AFNOR, highlighted the quality and vitality of the management system, also commenting on the strong involvement of all employees in the ongoing improvement process. The certification committee renewed the business's ISO 9001:2000 certification on 7 November 2007 and extended its scope of application. As of November of last year, all loan insurance processes with partner banks and financial institutions were certified, including in international markets under EU freedom of services legislation. Our ongoing commitment to quality is also demonstrated by the extension of the certification programme in the individual insurance business. Last year saw the certification of online client relationships (Rialto call centre, La Banque Postale and CNP Trésor) and of the pilot beneficiary services process with La Banque Postale in Meurthe-et-Moselle. Exceeding our legal obligation, we have pledged to pay death benefits to beneficiaries within 30 days of receiving the complete claim file. Quality standards have been upheld in annual tax information processing, thereby ensuring renewed certification of the system in May 2007. A project to overhaul the system has been launched to obtain certification of management data by the audit modules and to industrialise the process. It covers all products processed by the management systems. In 2007, 1.3 million policy statements were produced by the newly-configured system, using the individual insurance data-warehouse architecture.

— High quality services and communications

Exceeding our obligation to communicate savings contract information to policyholders on an annual basis, for several years now we have issued half-yearly and in some cases quarterly policy statements in response to growing sales of combined unit-linked/non-unit-linked products. In all, 13.1 million policy statements and 106 million pages of information were sent out under the quarterly communication process in 2007.

— Providing more information to policyholders

France's "DDAC" Act, which incorporates various provisions of EU insurance legislation into French law as part of a European alignment programme, was introduced with the aim of protecting savers by increasing controls over financial intermediaries and ensuring that policyholders are better informed before committing to purchase a policy. Another objective was to limit the number of unclaimed life insurance settlements, by introducing procedures covering the search for beneficiaries. General policy terms and conditions and insurance certificates, which specify surrender values and the cooling off period, have been reformulated in line with the new policyholder information requirements. In compliance with the requirements of the DDAC Act concerning the information to be given to policyholders prior to the sale, the wording of general policy terms and conditions, insurance certificates and policyholder letters was revised, and a procedure was introduced for recording the date when the documents are sent, corresponding to the beginning of the cooling off period. Additional information is also gradually being provided to policyholders with older contracts and a structure has been set up to answer policyholder questions.

— Making the process simpler for potential beneficiaries

The government has introduced several measures in recent years to avoid life insurance settlements remaining unclaimed. The Act of 15 December 2005 authorises individuals in possession of a death certificate to write to insurance industry representative bodies to inquire whether they are named as beneficiaries of a life insurance policy that may have been taken out by the deceased. To facilitate the exercise of this right, the insurance industry has set up an association – named Agira – to centralise all such enquiries and avoid potential beneficiaries having to contact each insurance company separately. CNP Assurances is a member of Agira and our distribution networks' deep roots in local communities help to improve our access to information that will enable us to find beneficiaries. We intend to act as soon as possible on legislation introduced in December 2007 to "enable beneficiaries to make enquiries concerning unclaimed life insurance settlements and guarantee policyholder rights", which finally gives insurers the means to determine whether policyholders are alive or deceased by consulting a national identity database. In 2007, we paid €4.8 million in settlements to 203 beneficiaries who were previously unknown to the Company. These beneficiaries represented less than 4% of Agira enquiries, much less than the proportion they represented in the related technical reserves.

— Group insurance: improving services and communications

In recent years, many services related to the administrative management of group policies have been developed to optimise the quality of administration processes and communications. For example, specific websites have been created for companies and their employees, providing information about group pension plans. For employee pension savings plans, a dedicated website facilitates secure exchanges of data between the company concerned and CNP Assurances, while a site for employees allows them to check the balance on their individual pension account and make changes on line. The site also includes a simulator enabling them to determine the capital they will have built up by the time they retire and their future pension, based on financial assumptions and assumptions concerning their future career development. Our unique CNPNet Internet portal speeds up processing and decision-making for loan insurance applications for consumer loans and mortgages. Accessible online at the point-of-sale, CNPNet can be integrated in the bank's lending system. CNPNet partners the bank's sales force in preparing the insurance file to be submitted with the loan application. CNPNet significantly reduces processing time, with underwriting decisions made in real time for more than 70% of insurance applications. The portal facilitates claims management and helps to reduce paper consumption. Communication between the client, the bank and the insurer is smoother and more transparent. What's more, it is now possible to closely track the outcome of an insurance application or claim. Requests to extend the service attest to its utility.

— Measuring satisfaction

In individual insurance, we have widely deployed a programme pilot-tested in 2004 to assess the perceived quality of policyholder services among clients and the networks. To improve the information obtained from satisfaction surveys, analyses by business process and a rating system for identified weaknesses have been introduced, allowing us to prioritize corrective action more effectively. For example, progress plans have been developed with our partners concerning client contacts following the mailing of policy statements. In 2007, clients who expressed dissatisfaction were surveyed via telephone. In addition, policyholders who sent in written complaints processed by the client relations team were surveyed to assess the overall quality of the complaints processing system. In 2007, creating networked call centres helped to significantly improve the response rate, particularly during peak periods, by allowing calls to be picked up by the first available operator on any platform. The call centres answer questions on insurance product

95%

of calls receive
an immediate response

regulations and all other contract details, fielding calls from the distribution networks as well as from policyholders. During the year, they dealt with more than 1.4 million calls, representing a 23% increase over 2006. The response rate, which measures the number of incoming calls that are picked up, rose to 83% in 2007 from 70% in 2006. What's more, 95% of queries were dealt with immediately, with just 5% requiring additional time. For the first time in 2007, two telephone-based satisfaction surveys were conducted on call centre service by a specialised outside agency. The surveys confirmed that policyholders appreciate the service, which was previously evaluated in 2005. An action plan was launched to further improve the survey result.

— Relatively few complaints, each an opportunity for improvement

Despite our efforts to effectively meet policyholder needs, some complaints were received; however, these concerned just 0.1% of loan insurance contracts and 0.04% of individual insurance contracts. The complaints resolution process is used as an opportunity to improve service quality. Wherever possible, the policyholders concerned are contacted by phone to ensure that their complaint is effectively addressed and a committee meets regularly to resolve areas of dissatisfaction.

— Growing use of mediation

The number of complaints submitted to the mediation service rose 11% to 928 in 2007, reflecting the growing popularity of this method of dispute resolution. Mediation is a cost-effective alternative to legal action and, regardless of the independent mediator's decision, does not preclude recourse to the courts. Each complaint is initially examined by a dedicated team that is independent from the policy administrators who made the contested decision. Although the legal basis for the decision is generally not open to being challenged, mediation allows cases to be re-examined to take personal and fairness issues into account. This is the unique advantage of the mediation process. In 2007, 50% of mediation decisions leaned in favour of policyholders and a further 13% led to compromises and conciliation agreements. The mediation team also plays a valuable role in explaining policy terms and conditions, the reasons for decisions and their consequences, using simple language and clear examples, a service that is greatly appreciated by policyholders. At the same time, litigation against CNP Assurances has been steadily decreasing in the past 10 years. In 2007, the number of new lawsuits fell by 3% and the number of outstanding suits dropped 8% to 1,764, representing a tiny proportion of the individual and group insurance contracts managed by CNP. The courts find in favour of the Group in the majority of cases, with the proportion of successful outcomes remaining fairly stable over time. The percentage of lawsuits won by CNP Assurances (or abandoned by the plaintiff) increases on appeal, with 65% won or abandoned in the first instance, 72% on appeal before the district court of appeal and 84% in Supreme Court of Appeal (*Cour de Cassation*) hearings.

CNP Seguros de Vida, building relationships based on trust with partners and clients

In Argentina, CNP Seguros de Vida has set up a call centre for its partner Credicoop, covering insurance and the Consorcio automobile business. The centre's operators sell personal risk policies and deal with policy administration issues. An extranet was developed in 2007 to establish a smoother interface between CNP Seguros de Vida back-office teams and the bank and broker networks. The quality performance of these projects was a contributing factor in the renewal of the ISO 9001 certification initially obtained in 2004.

— An exemplary call centre in Brazil

In 2007, the Caixa Seguros call centre in Brazil answered 2 million client calls and was named Best Call Centre in the finance sector by *Consumidor Moderno* consumer magazine. In addition to having direct contact with clients, the centre fields questions from the network regarding the underwriting process and claim reporting, helping to improve process efficiency and speed and raise compliance levels.

— Customer care at the heart of the CNP UniCredit Vita business model

Quality of service to policyholders and distributors has been a core component of the CNP UniCredit Vita strategy since the company was acquired in 2005. Once levels of service were brought into alignment with the rest of the Group, the company worked to improve client relations by organizing more efficient telephone services and setting up systems allowing contract data to be accessed in real time. In line with the UniCredit group's marketing strategy, CNP UniCredit Vita is strengthening feedback tools such as satisfaction surveys and complaint analyses. It is also developing a sales follow-up strategy, promoting certain products to existing clients based on changes in financial market conditions and policyholder needs.

— CNP Vida, a client-responsive company

CNP Vida also makes client satisfaction a priority, as evidenced by last November's renewal of the quality certification of all of its operations by AENOR. The certification, covering both the quality of new products and the quality of service provided to policyholders, attests to CNP Vida's consistent responsiveness to clients, who can submit questions to the company via a call centre or a dedicated email system. CNP Vida has a policy of replying to customers within 48 hours, a commitment it is able to keep 99.63% of the time. The company's constant attentiveness to the needs of Spanish consumers is also illustrated by the recent launch of a long-term care product that was developed after a survey conducted in the fourth quarter of 2007 at local savings banks, which have long been CNP Vida's partners, revealed that the banks were very interested in launching this type of offer.

— Global Seguros partners its agents and monitors client satisfaction

In Portugal, Global Seguros distributes its products through a network of more than 3,000 non-exclusive agents, maintaining a strong relationship with this network, which serves as the intermediary between the company and its policyholders. Training these agents, upgrading their professional skills and ensuring their satisfaction are central to the company's strategy. Global Seguros is present across the entire country through 40 branches. Each branch is in charge of agent relations and routine policy-related transactions. At headquarters, the Organization and Quality department receives information from the different branches and deals with policyholder complaints. Global Seguros's speed in settling simple claims, particularly auto claims which are settled within three days on average, reflects the quality of service that sets it apart from the competition. Global Seguros agents can contact the company through an extranet portal, a valuable medium for exchanging information on products and regulations. The portal features several simulation and pricing tools, some of which are also accessible via the Internet. In 2008, Global Vida will set up a client relationship management system expressly designed to improve the quality of inspector/agent relationship monitoring.

— Identifying risks to manage them more effectively

CNP Assurances is committed to clearly identifying risks in order to manage them more effectively, as part of a long-term vision supported by recent changes in the regulatory environment and by investor expectations. Our risk management strategy is built around a variety of complementary methodologies, designed to give us the most reliable and complete information possible.

51

major processes

— A stronger internal control system

Internal control is intended to provide reasonable assurance that the Group's objectives are met in terms of protection of assets, the effectiveness and efficiency of operations, and compliance with applicable laws and regulations as well as with internal rules and procedures. We have adopted the internationally recognised internal control framework proposed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In addition, the internal control process has been strengthened in response to the new measures introduced in France's *Loi de Sécurité Financière* concerning statutory controls and the transparency of financial information. Now underway for more than four years, the *Loi de Sécurité Financière*-Internal Control project has been validated by the continuous emergence of new internal control regulations, which are having a particularly strong impact on the insurance industry.

A risk management system based on identifying and evaluating risks and controls has been defined with the purpose of assessing the effectiveness of the internal control system and setting priorities for action. The internal control system is supervised at Group senior management level.

— Using models to evaluate risks

The first step to clearly identifying and assessing risks is to model our business processes, in order to describe them according to standard rules, identify and assess the associated risks and determine our residual exposure after taking into account the effects of existing controls and systems. Our business model has been built around 51 major processes, all of which have been modelled. Modelling has provided a detailed analysis of each risk, which is very useful for operations staff. A similar process is now underway in our largest subsidiaries.

Actively strengthening risk management

Controls that are assessed as being insufficiently effective are classified in three categories according to their critical importance. The classification methodology is modelled on the Sarbanes-Oxley Act system, whereby controls are evaluated based on COSO framework objectives and the degree of risk involved. Formal monitoring and reporting procedures set up across the management chain take into account these different levels of risk, thereby focusing resources on our priorities.

— Assessing internal control

Evaluating residual risks entails assessing the internal controls set up to reduce these risks. As part of the process modelling exercise, internal controls were evaluated based on self-assessments submitted by the line managers responsible for the controls. In order to improve the reliability of the internal control system, and make the most realistic assessment possible of the residual risks concerning the 11 most critical processes, we chose to perform ongoing evaluations of all the controls deployed in these processes.

— An assessment system with two complementary tiers

- The first tier consists of the internal control self-assessment procedure carried out by the line managers responsible for the controls, who are asked to submit a written opinion on whether the controls are adequately documented and systematically implemented and whether any errors or omissions detected by the controls are adequately resolved. These self-assessments were first deployed in 2006, in several phases, and by November 2007, 90% of the controls concerned had been assessed.
- The second tier corresponds to tests performed by a dedicated department that is independent from line management. The department's role is to improve the reliability of the self-assessment process by verifying the existence, execution and effectiveness of around 10% of internal controls. Preparations began in 2007 to roll out the system to our foreign subsidiaries. No further major changes to the system are expected in the near future.

— Taking action against money laundering

The system to combat attempts to launder the proceeds of crime and finance terrorist organizations is led by a dedicated corporate team, supported by a network of anti-money laundering officers in all of the units exposed to this risk. Everyone in the organization is expected to exercise constant vigilance. First-tier controls follow documented procedures revised in early 2008, with specific warning indicators designed to detect any suspect transactions. Second-tier ex-post controls are also performed to identify any suspect transactions that may have slipped through the net during first-tier controls. All staff are given up-to-date information on the system and applicable procedures, and employees at the front line in the fight against money laundering receive specific training. Vigilance extends to all of our companies, particularly foreign subsidiaries, through a coordination process and risk reporting system. Compliance reports are regularly submitted to the Chief Executive Officer and the Executive Committee, which take particular care in verifying that the entire system is reviewed and improved on an ongoing basis.

— A new Ethics & Compliance department

Since the Risk Control department was set up in 1999, our organization has been regularly upgraded, not only to comply with regulatory requirements but, more importantly, to continuously improve our ability to manage and control risks. In this way, we have been able to anticipate the inevitable regulatory changes that are a key factor in our long-term sustainability. In 2002, for example, the Risk Control department was given additional resources to help lead the fight against money laundering and fraud. In 2004, when the Executive Board decided to implement an internal control assessment process, it assigned responsibility for the process to what then became the Risks and Internal Control department. At the end of 2006, the Executive Board introduced a plan to strengthen

THE GLOBAL COMPACT WE SUPPORT

Global Compact initiative (p.11), principle 10

To find out more, go to pages 20 to 29
of the Financial Report.

risk management, particularly for product compliance risk, which is becoming increasingly prevalent. Responsibility for implementing the plan was assigned to the same team, renamed the Risks and Compliance department. As was the case during the previous changes, the new responsibility led to the creation of a dedicated unit, Ethics & Compliance, which was set up in 2007.

— Adapting to tougher regulations

When it was introduced in 2003, Pillar III of France's Loi de Sécurité Financière (LSF) represented a major milestone in internal control legislation by requiring the Chairmen of the Supervisory Boards or Boards of Directors of listed companies to produce a report on internal control. A French decree dated 13 March 2006 established a new rule for all insurance companies (including mutuals), requiring the Supervisory Board or Board of Directors to approve a much more detailed version of the internal control report than that required by the LSF Act, to be filed with the French insurance supervisor, *Autorité de Contrôle des Assurances et des Mutuelles* (ACAM). Lastly, under the future European Solvency II directive, the effectiveness of internal control will be taken into account by national insurance supervisors in determining each insurance company's required capital.

— Preparing for contingencies

A contingency plan has been prepared to ensure that immediate action is taken in crisis situations so that business resumes as quickly as possible. The plan is updated quarterly and the entire system is reviewed each year by management. Its practicality and effectiveness are tested several times a year, through emergency drills conducted at our various facilities. In 2007, seven drills were carried out at our main facilities, located in Paris, Arcueil and Angers. In 2006, a three-phase initiative was undertaken to help foreign subsidiaries assess and improve their local contingency plans by performing an effectiveness review, proposing action plans and providing assistance with implementation. This initiative was successfully implemented for our Portuguese subsidiary and is currently underway for the other subsidiaries.

The role of internal audit

Internal audit plays a major role within the organization by providing objective assurance concerning the quality of risk management, control and corporate governance processes. Their responsibility to regularly assess the internal control system requires that the internal auditors uphold the values of objectivity and integrity that are considered essential to their profession and serve to guarantee their disciplined, impartial approach to audits performed at the request of senior management. All of the internal auditors have signed an addendum to their employment contract confirming their adherence to the ethical principles upheld by the auditing profession through a Code of Ethics drawn up by the Institute of Internal Auditors (IIA) and adopted by the French Institute of Audit and Internal Control (IFACI). They have also individually pledged to carry out their responsibilities in line with a culture of ethics based on integrity, objectivity, confidentiality and competence, in accordance with the standards of the profession. The CNP Assurances Internal Audit Charter, which has been validated by the Board of Directors and communicated to all departments, explicitly refers to the Code of Ethics described in the contract addendum.

— Managed, supportive human resources development

CNP Assurances is widely recognized as a responsible employer. It has an unfailing commitment to respecting human rights and international labour laws, and makes social dialogue a priority. The Chief Executive Officer directly oversees human resources management policy and chairs Works Council meetings.

+ 2.6%

increase in employees
in France in 2007

WE SUPPORT

Global Compact initiative (p.11), principles 1, 2, 3, 4, 5 and 6

It has always been our human resources policy to partner all our employees throughout their careers. In recent years, we have reaffirmed our determination to promote equal opportunity, a central theme of this policy, by signing the Diversity Charter at the end of 2006 and by stepping up our efforts to provide work-study programmes for young people, create employment opportunities for the disabled and introduce specific measures to help older employees to stay in work longer.

— Employee numbers growing at the same rate as the business

In 2007, we pursued our policy of moderate growth in the workforce in France, increasing employee numbers by 2.6%. The workforce is dominated by women and management-grade staff, even more so than in the insurance industry as a whole. Women represent 62% of the workforce and managers 51%, percentages that are increasing at the rate of around one-point per year. The proportion of women managers is also greater, with 49% at CNP versus the industry average of 42%. Sales and marketing staff represent nearly 12% of the total workforce. The turnover rate has been relatively low in the past three years at around 4%. Nevertheless, our dynamic growth, and particularly the creation of the CNP Trésor network, have led to major changes in the corporate community, with a quarter of current employees having served for less than five years.

— A flexible hiring policy

Aligned with changes in the insurance industry and shaped by the challenges specific to our Company, our hiring policy is based on preserving a balanced age pyramid and a diverse corporate community, comprising civil servants seconded from Caisse des Dépôts (whose numbers have been declining steadily over the last 10 years to represent 11% of the workforce in 2007), former French Treasury employees taken on when the CNP Trésor network was created, and employees hired directly by CNP. Hiring policies are designed to actively encourage


4,

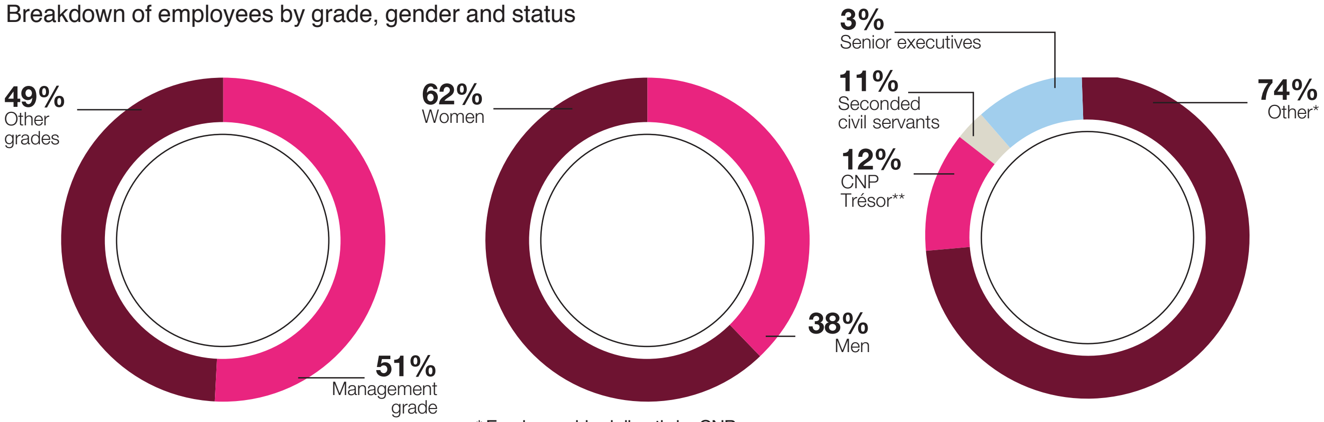
300

A balanced age pyramid of responsible employees

A snapshot of our workforce speaks volumes about our hiring policy. Responsive to changes in the insurance industry, we are also determined to be in sync with changes in society. Our human resources management process is based on listening to employees and engaging them in dialogue, while promoting respect, diversity and professional fulfilment.

— A stable workforce

Breakdown of employees by grade, gender and status



* Employees hired directly by CNP.
** Former French Treasury employees who transferred to CNP when CNP Trésor was set up.

internal mobility, while bringing in new skills – for example in sales and marketing – or advanced technical capabilities, particularly in finance, accounting, actuarial analyses, management and international business. Most positions require highly qualified candidates, with the result that the proportion of new hires at management grades is nearly double the industry average. Of the 473 people hired in 2007, around 80% were given permanent contracts (75% in 2006), more than 60% took up management grade positions (65% in 2006) and nearly 61% were women. In our traditional skills areas, 176 new positions were filled by external candidates hired under permanent contracts. A further 225 people were taken on under fixed-term contracts, which are generally limited to periods of three to six months and mostly concern jobs in policy administration.

— Socially responsible compensation policies

Remuneration policies are designed to encourage loyalty and reward commitment. Salaries were increased by 1% across-the-board in 2007, and 55% of employees also received individual pay rises. All employees receive a statutory profit-sharing bonus and a discretionary profit-sharing bonus. In 2007, these bonuses represented on average the equivalent of 1.8 month's gross salary. In recent years, senior executives have also received a variable bonus reflecting their performance in meeting Group objectives. Taking into account the needs expressed by our employees, we signed an addendum to the ARTT working hours agreement with the majority of France's trade unions, allowing employees to monetize their "time savings account", corresponding to the days' leave accruing to them under the 35-hour week legislation. This option was taken up by 297 employees for a total of 6,815 paid days. In addition, the Board launched the Company's second share grant plan in two years, for all employees except senior executives. At the end of 2007, all employees received an employee savings brochure, as required by law, presenting an overview of the various savings options available.

— CNP Assurances skill sets

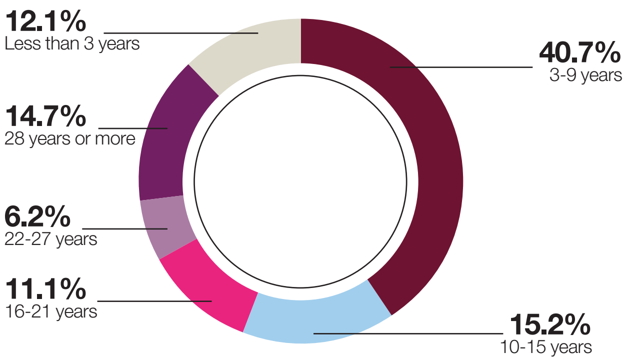
The CNP Assurances business model calls for a variety of different skill sets. The product offer is designed and distributed by the "actuaries/statisticians" and "sales/marketing" skills families. The "finance" family is responsible for financial management, while individual and group policies are managed by more than 1,000 "policy administration" employees. Information systems are maintained and developed by our "information systems" skills family. Lastly, operations support is provided by the staff working in "corporate functions", which include general services, legal affairs, human resources and communications.

— Several years of active internal mobility management

Our commitment to filling vacant positions primarily from within reflects a wider human resources strategy designed to ensure that all employees enjoy the best career development opportunities while boosting skill sets Group-wide. In 2007, more than 51.5% of vacant positions were filled by internal candidates – corresponding to 194 employees who were able to move up the career ladder – and reflecting the assertive training and skills development policies implemented in recent years. The Human Resources department actively encourages employees with a viable mobility project, particularly during annual performance reviews with their supervisors. In the last two years, more than a quarter of the workforce enriched their careers by transferring to new positions. A total of 676 employees benefited from career support services to smooth a job transition, facilitate a change in career path or review their progress to date. Adapted to individual circumstances, the wide variety of support services includes job mobility advice, competency reviews, trial-period mentoring and one-on-one coaching. Supervisors actively participate in these initiatives and receive regular training to support them in managing their team. In 2007, management training accounted for 8% of the total training effort.

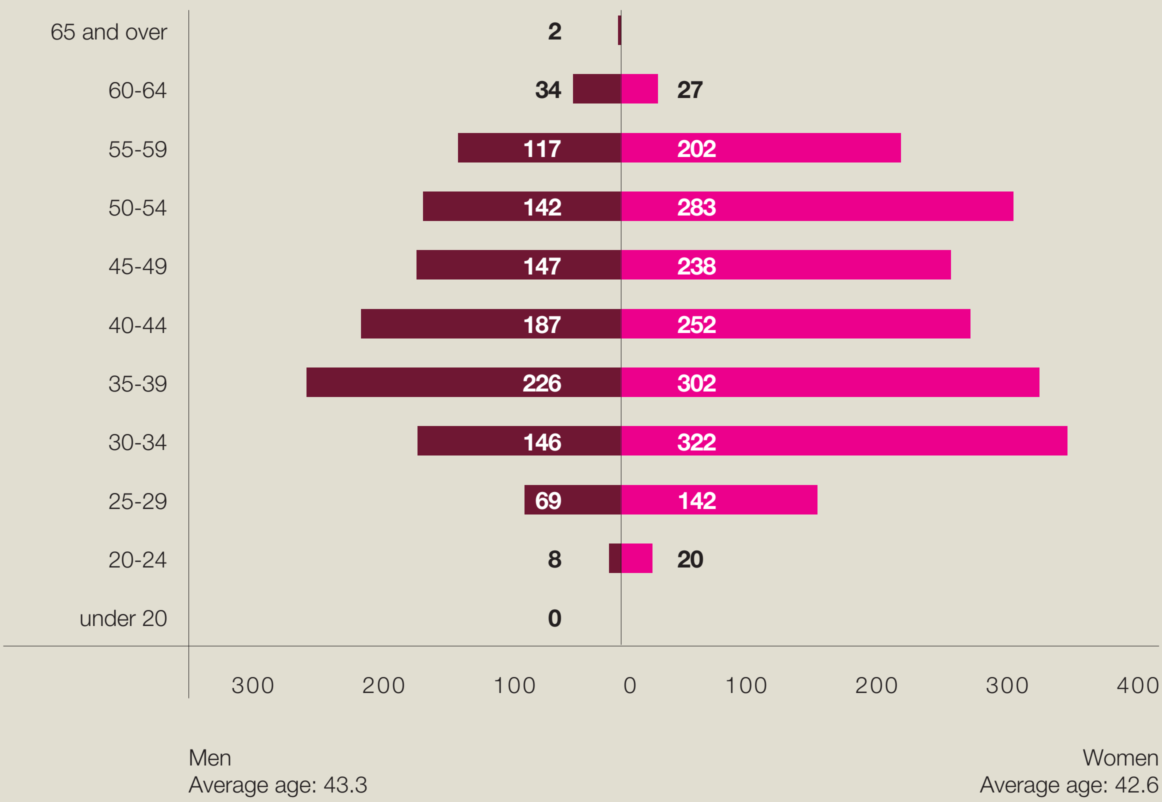
— Breakdown of employees by years of service

At 31 December 2007

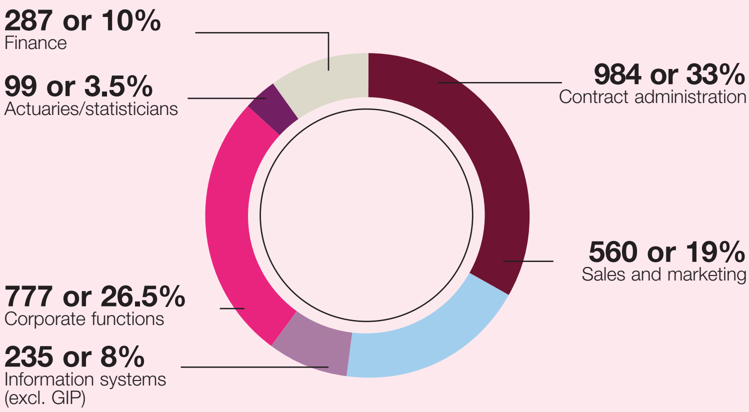


— A balanced age pyramid

As our staff ages, we renew the workforce with new hires. The average employee age is 42.9 years, up 0.3 years compared to 2006 (permanent employees only).



— Employees by skill set in France, 2007



2,942
employees in France

— Sustained employee career progress

In 2007, 236 employees (9% of the permanent workforce) moved up a grade, while in the past three years, roughly 100 employees have become managers. A special initiative concerning category 2 employees (around 50 people) was undertaken during the year, which helped to improve our understanding of the requisite skill-sets and led to positions being regraded or to coaching, training or career development plans being set up for the employees concerned.

— Revamping the coaching policy

At CNP Assurances, coaching is designed to develop a person's or a team's potential. It is a means of effecting change by finding solutions to improve performance, autonomy and/or skills. In 2007, we decided to reposition our coaching policy with the aim of:

- Leveraging a method previously associated exclusively with resolving problems.
- Promoting a performance development tool for senior and middle managers by systematically providing coaching to all newly promoted managers and other employees acting in a supervisory role.
- Retaining good coaches in a market where quality standards are uneven, by pre-selecting and indexing their services through the Purchasing department. This procedure has led to approximately 20 professionals being accredited.

— A framework for the skills management process

In the last three years, a skills management process deployed across all our locations in France has helped us to keep pace with the changing needs of our business, identify each employee's critical skills, increase opportunities to transfer to new positions, and make career paths easier to track. The process benefits both managers and employees, as managers find it easier to identify and develop their team members' capabilities, and employees have a much clearer idea not only of the skills required in their current position but also of the possible positions farther up the career ladder. The use of a skills database organized by function has not only helped to enhance internal mobility management, it has provided a clearer snapshot of our key skill sets and where they are located in the organization. Individualized skill assessments are conducted every two years.

The first assessment exercise, conducted in 2006, led us to enhance the existing training offer with the addition of courses on negotiating techniques and project management. It also inspired us to develop new training programmes on process improvement, knowledge of the technical, legal and financial environment and other subjects. In 2007, we went further by developing a senior management skills database. In addition, a web form entitled "Your Other Readily Mobilised Skills" has been created, where employees can enter information on any skills they have that go beyond the requirements of their current position. Lastly, a web portal dedicated to the human resources team helps them identify employees with the necessary skills to fill an open position and enhances their ability to pro-actively offer jobs to employees, while helping managers discern the skill strengths and weakness of their teams.

7,780
training days
in 2007

— Skills development

Our training commitment was further strengthened in 2007, with a budget equivalent to 5% of payroll and 7,780 days of training delivered to 2,060 employees, or 3.8 days of training per employee per year. More than a quarter of the courses were led by in-house trainers who took time off from their regular positions to share their experience. Most of the courses in the training plan cover insurance techniques (24%), sales and marketing (13%) or computer and office systems skills (12%). In 2007, 146 employees used their right to individual training (DIF) and two employees took individual training leave (CIF).

One of our challenges is to incorporate training into the ordinary rhythms of the workplace. In 2007, we reviewed all our training processes in order to:

- Improve consistency with other HR processes (such as the annual performance review).
- Heighten responsiveness through needs analysis and solution building.
- Optimize the time invested by the managers and employees concerned.

The skills management process has enabled us to assess the acquired skills levels of both individuals and teams, and to prioritize their future development needs. It has also encouraged the development of personalized training plans, supported by e-learning systems.

— Personalized training thanks to e-learning

In recent years, our traditional training processes have been upgraded with the introduction of self-training programmes and personalized training plans. In 2006, we acquired an e-learning platform that, in addition to managing course content and posting it online, allows new content to be created and edited. In 2007, training for employees working in loan insurance and policyholder services and also for new hires was restructured using e-learning tools. The online platform incorporates three major training practices:

- Initial assessment: in preparation for training, all future trainees undergo an assessment to identify their weaknesses, develop a personalised training programme to address those weaknesses and motivate the trainee to improve. For example, the results of the assessment are used by our training experts to propose individual programmes to the members of CNP Trésor network's mobile sales force, while at headquarters, policy administrators inform the doctors responsible for reviewing policyholders' medical files of their level of medical knowledge so that optimized training plans can be developed. In English-language training, an assessment is undertaken each year to evaluate the employee's level.
- Evaluation: When a training programme is completed, each employee's newly acquired skills and the training process itself are validated. The evaluation stage is particularly important for training programmes relating to certification processes such as AERAS.

- Knowledge transfer: Specific training modules on everything from office systems and insurance techniques to English have been developed internally or acquired and incorporated into the platform, either to enhance the Company's internal management school or strengthen ties between CNP Assurances and its foreign subsidiaries.

— Supporting international expansion

Each subsidiary leads its own human resources strategy shaped by national legislation and local challenges, but always in compliance with our fundamental value of dialogue. Corporate Human Resources works with the International department to accentuate the international nature of our workforce, helping to prepare acquisitions (in Spain, for example) and adding an international page to the employee newsletter. In 2007, we continued to pursue initiatives addressing executive remuneration and benefits to enhance implementation of consistent practices across the Group. In addition, discussions continued with employee representatives from the various subsidiaries to form the special negotiating team responsible for setting up a European Works Council or an information and consultation procedure. As of 31 December 2007, 16 employees were working on expatriate assignments.

— An assertive approach to promoting diversity and fighting discrimination

In pledging our support for the Global Compact, we made a commitment to respecting fundamental human rights and international labour standards, as well as to working against corruption. By signing the Diversity Charter on 6 December 2006, we solemnly reaffirmed our long-standing determination to resist all forms of discrimination in every aspect of our business. Our firm position on this issue is motivated by a concern for upholding ethical standards and an awareness of the innovative potential of a more diverse corporate community. For several years now, we have actively promoted the hiring of the disabled, gender equality in the workplace, work-study programmes for young people, jobs for the over-50s and the prevention of workplace distress. Following an audit commissioned from IMS-Entreprendre pour la Cité in 2006, we implemented several action plans to reinforce our commitment in this area. Initiatives included organizing a training programme for HR experts to:

- Develop their awareness of their practices so as to make them more accountable and more active in promoting diversity among managers
- Ensure that all HR processes strictly uphold our commitment to diversity.

— Facilitating job-entry for the disabled

For more than 10 years, we have deployed a variety of programmes to support the hiring of the handicapped, signing four successive agreements with employee representatives. Building on efforts to raise awareness among managers and staff, these agreements focus on hiring and integrating disabled workers and adapting the workplace to meet their needs, for example

62 years

Average
retirement age

by building more ergonomic workstations. Since the first three-year hiring agreement was signed, the percentage of disabled employees has doubled. Currently, 43 disabled employees are employed under permanent contracts. Particular attention is paid to managing their salary increases, transfers, promotions and other career development issues. We also make sure that they have access to training. Several partnerships have been set up, in particular with specialised employment agencies, a fast-growing sector. We have also partnered Hanploi-CED, a non-profit organization that assists companies in hiring the disabled. Lastly, CNP Assurances financially supports sheltered workshops and uses them for onsite assignments as a way of encouraging diversity. In 2007, the sheltered workshop programme supported 43 full-time equivalent employees. This support, which is shared by several large companies, provides the technical and human resources necessary to enable a diverse body of people to work together in a variety of different ways. A new four-year agreement signed in early 2007 reaffirms and consolidates these principles.

— Gender equality in the workplace

In late 2005, a new agreement on gender equality was signed with employee representatives, calling for equal treatment in hiring, career development, remuneration, promotions and access to professional training. Performance indicators defined for each of these issues show that there is hardly any difference in the way men and women are treated at CNP Assurances, even though a number of areas for improvement have been identified. Each year, we are careful to analyse salary increases for any gender difference through a specific Executive Committee review.

— Assisting older employees

Since 2004, we have endeavoured to address the issue of longer working lives and its impact on employees and the skills base. A survey of employees in the 45-and-over age group to better understand their view of this new challenge showed that:

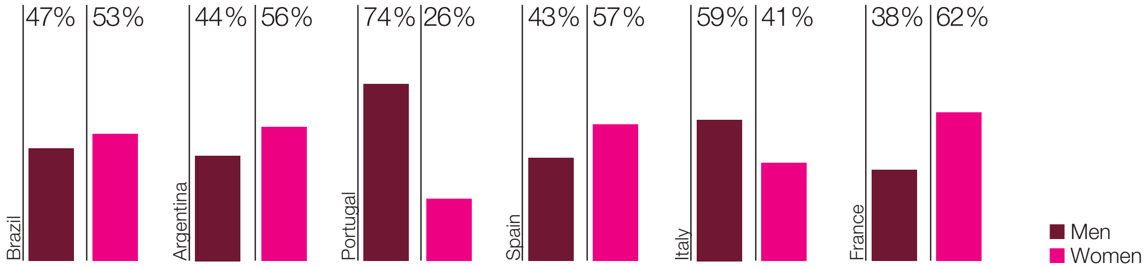
- Employees in this age group need to be better informed of the new conditions shaping their access to retirement.
- Most of them want their careers to progress normally – with continued job mobility and training – and are unenthusiastic about the prospect of specific measures.
- They are united by the desire to share their expertise and knowledge with newer hires and thereby facilitate their integration.

At 31 December 2007, 27% of employees were 50 or older. The number of expected retirees between 2008 and 2009 is estimated at around 40 people, representing 1.5% of the workforce. The average retirement age is 62. To prepare for the wave of retirements, starting in 2004 we offered all employees over 45 the possibility of reviewing their retirement benefit entitlements through a specialised organization. This possibility has been offered every year since. In 2007, two agreements were signed with employee representatives concerning:

- The development of a system for transferring key knowledge held by employees retiring over the next three years.
- The possibility for employees to participate in the PERCO voluntary pension plan and receive a matching contribution from the Company.

Lastly, in 2007 we hired three people under fixed-term “senior” (CDD Senior) contracts designed to help people over 57 to find work after a long period of unemployment.

— Breakdown of employees by gender and by country, 2007



— High quality social dialogue

CNP Assurances is committed to promoting constructive social dialogue with employees. In the benchmarking data published regularly by specialised consultants, we consistently rank among the top ten companies for conditions of employment. The corpus of agreements in force covers all fundamental employee-related issues. In addition, a large number of agreements are negotiated and signed with employee representatives each year, including – in 2007 – agreements on statutory and discretionary profit-sharing, an addendum to the "35-hour week" agreement and the compulsory annual negotiations. The latter agreement led to the creation of two internal teams of "temporary" workers to support the Angers and Arcueil administrative teams. Tasked with standing in for absent staff members, these instantly operational teams reduce the disruption and additional workload caused by absences. At the same time, we strive to keep employees, and especially managers, regularly informed, in a commitment to clear, understandable and friendly communication. In addition to traditional print media and the intranet, the Executive Committee meets two or three times a year with our 500 managers to discuss the Company's results and strategic projects.

— Promoting a healthy work-life balance

At CNP Assurances, we encourage our employees to adopt a healthy work-life balance, whether they choose to enjoy flexible working hours or take advantage of our employee services. Since the new working hours agreement came into effect in 2001, 69% of staff have chosen to take advantage of the flexible work options, while the other 31% work an agreed number of days per year. Part-time employees represented nearly 17% of the workforce in 2007, with managers accounting for nearly a third of them. In 2007, we gave employees the option of using CESU service vouchers partly financed by the Company to pay for personal services. Within a year of their introduction, 486 employees, of whom 74% are managers, have chosen to use them. The Company's average voucher contribution per employee was €235 in 2007.

Human resources professionals tackling the heart of our challenges

1 – Anti-discrimination training

Over 30 human resources experts and managers participated in a 2 1/2-day seminar with the guidance of a consultant to: – Reflect on the meaning and scope of discrimination – Learn what is prescribed by law – Thoroughly analyse their practices – Pledge to improve key HR processes to become the strongest link in the progress chain.

2 – Fast Close project

In light of the deadlines set by senior management for closing the accounts, the Human Resources department has overhauled its pay procedures to report payroll data much earlier.

Job opportunities for young people

Providing job opportunities for young people is another of our major human resources commitments. For more than a decade, we have been taking on more than fifty young people a year under work-study schemes while they prepare for their baccalauréat or a 2-year college diploma. They are assigned a specially trained mentor to help them make the most of their work experience. Along with learning a skill, they find out to how to get the right information, gain insight into the Company's complexity and procedures, and become more at ease in a corporate setting.

— Rules of good conduct applicable to all

In the area of personal insurance, the main challenges are to stamp out money laundering and fraud and to comply with the obligation to give impartial advice to prospective policyholders. A Code of Conduct established in 1994 defines the rules of ethical behaviour that apply to everyone in the Company. Furthermore, each business line is held to its own specific legal obligations. The Finance team, for example, is required to observe AMF standards. The CNP Trésor network meanwhile applies the industry federation's (FFSA) professional guidelines. Lastly, codes of ethics have been drawn up for the internal auditors and purchasing teams.

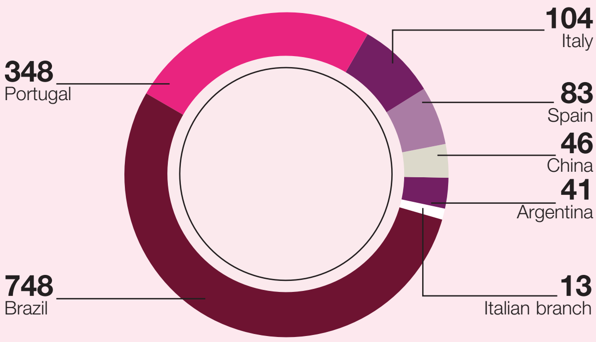
The forthcoming issue of a manual containing all these rules will represent an opportunity to raise their profile

— Workplace incident prevention and employee safety

We look out for our employees' health and strive to ensure that our operations do not negatively affect their welfare. We pay special attention to preventing interpersonal conflicts and workplace distress. Since 2005, a process has been in place to detect suspected bullying, sexual harassment or interpersonal dysfunctions – such as a hostile working environment, lack of respect, or poor management of employee-supervisor relations – and to deal with the source of the problem immediately.

Such cases are to be reported directly to the Human Resources department, which then conducts an investigation and arranges for mediation to address the reported problems. We also communicate regularly on the importance of defending our shared values. Safe driving classes are provided to travelling insurance advisors as an essential preventive measure. Fighting stress is another key part of our workplace incident prevention strategy. In a generally less stressful environment than that of comparable companies, the audit performed in 2005 identified two areas in need of improvement: the CNP Trésor network and Company management. Priority was given to the CNP Trésor team, which joined the Group bringing with it a different cultural and technical background. Between September 2006 and the end of 2007, we promoted and organized the implementation of new sales force management practices across the network. At the same time, a technical and sales skills development plan was drawn up and implemented in the form of individualised training sessions. On the management side, we deployed a new executive performance review process emphasising the importance of effective team management and development. The entire management training programme, for both experienced and novice managers, is in the process of being revamped. At the same time, in the fourth quarter of 2007 we launched a massage programme at the Paris site on a trial basis to enhance our employees' well-being.

— Employees outside France in 2007



1,383
employees outside France

— Involving employees in sustainable development and communications

Our employees are involved in implementing the sustainable development and communication policies established by management. Discretionary profit-sharing bonuses are based in part on employees' knowledge of sustainable development principles and practices and on annual reductions in paper consumption. In 2007, the sustainable development intranet site was visited 21,430 times, representing nearly 10 visits per employee over the year. In addition, corporate sponsorship initiatives have been deployed internally in recent years, either through projects proposed by employees or through their voluntary participation in events such as France's annual cystic fibrosis telethon.

— Sharing core values with international subsidiaries

Both in France and abroad, we combine a proud heritage of social dialogue and a shared commitment to the core values of attentiveness, respect for others and professional development. At our international subsidiaries, all employees benefit from collective bargaining agreements. All the subsidiaries demonstrate a commitment to equal opportunity. Women usually represent a majority of their workforce. In Portugal, more than 16% of senior managers are women. Significant funds are dedicated to training. Furthermore, the Brazilian subsidiary provides internships to roughly 100 people.

— Giving priority to people when managing assets and purchases

We make sure that people are a priority, whether we are managing our real estate and woodland assets or setting standards for our suppliers. Concerning our property assets, we are particularly attentive to user and maintenance staff safety and environmental concerns. In 2003, we launched a programme of five-yearly safety diagnostic reviews of all our office and residential properties. All the recommended improvements are made without delay. We were not responsible for any accidents in 2007 or in prior years. Our woodland assets were also audited and a programme was launched to improve signage and forest cabin security among other safety features. By the end of 2007, a third of the work had already been completed. We are also committed to making responsible demands of our suppliers. Through Icade, we strive to stamp out undeclared labour and evaluate supplier practices. This policy echoes our approach to purchasing. We require our suppliers to adhere to French and international human rights and labour regulations. To ensure compliance, we prohibit our suppliers from using subcontractors without our knowledge.

Refer to the employee indicators on pages 123 to 125.

— A good corporate citizen

As a personal insurer, CNP Assurances has always focused on serving the needs of individuals. That's why since 1988, we have deployed significant, sustained community outreach and support programmes, which help to demonstrate our social responsibility while expressing life-affirming values as part of a long-term commitment.

123

projects supported by the CNP Foundation

— A major role as initiator and facilitator

As a vector of the Company's identity and values, corporate sponsorship mainly focuses on:

- Improving pain management
- Preventing obesity and improving obesity treatment
- Enhancing the quality of life and autonomy of the elderly.

Through corporate sponsorship, CNP Assurances takes on a major role as an initiator and facilitator, launching programmes in areas that don't attract much media coverage and are under-researched, with the aim of making a sustained commitment that will benefit the underprivileged and serve the public interest over the long term.

— A unique, ongoing commitment

We support carefully identified programmes through the CNP Foundation and the Gériapa association. The CNP Assurances Foundation, created in 1993 under the aegis of Fondation de France, provides funding for programmes to alleviate pain and to improve pain management among patients of all ages, whether in hospitals, doctor's surgeries or at home. The Foundation has backed 123 projects since the pain management programme was launched, representing total funding of more than €5.5 million. The purpose of these projects was to improve quality of care, training and information for health professionals, raise general public awareness and teach prevention.

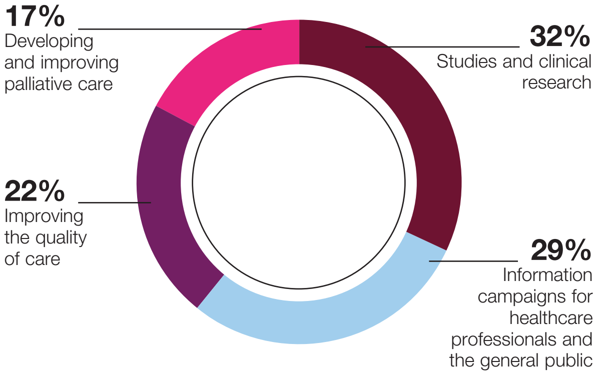
In 2007, the Foundation diversified its actions by launching a childhood obesity programme (Ensemble, Prévenons l'Obésité Des Enfants – EPODE) and inviting project submissions on the topic of obesity prevention and treatment. It supports EPODE by funding training for project managers, nutritionists, school doctors and nurses, teachers and other front-line professionals who are responsible for setting up the programme in participating municipalities. By leveraging validated systems and offering training programmes adapted to the needs of the professionals concerned, the municipalities can confidently communicate a consistent message to members of the community in line with


5·5 m

A unique, ongoing commitment

Since 1993, the CNP Assurances Foundation has sponsored programmes in the field of healthcare. It has mainly focused on improving pain management for people of all ages and, more recently, has extended its efforts to obesity prevention. The Foundation has supported 123 projects with more than €5.5 million in funding. These projects mobilise our employees in France and abroad, particularly to support underprivileged people and an environmental project in Brazil.

— Allocation of the Foundation's budget in 2007



France's Nutrition and Health Programme (PNNS) recommendations and deliver high quality, local solutions.

Created in 1988, Gériapa is an association funded and led by CNP Assurances. Its members include more than 80% of France's home-care and retirement facility professionals, who share a core commitment to respecting the dependent person's identity, integrity and dignity. A pioneer in assessing the quality of care services for the elderly, Gériapa took the initiative once again in 2007 by launching the Gerontology Awards. These awards recognize and financially support projects that help to maintain and improve the autonomy of elderly people, mainly by enabling them to preserve their chosen way of life. Each of the ten Gerontology Award winners in 2007 received €7,000 in financial support in recognition of the exemplary achievements of their motivated, committed and skilful teams serving the elderly in their homes, retirement communities and hospitals.

— More targeted social programmes

As part of our corporate sponsorship strategy, we have also been working in tandem with Fondation de la Deuxième Chance for more than three years to give a second chance to people whose career and life paths have been seriously disrupted, who find themselves in a precarious financial situation and who demonstrate genuine determination to jumpstart their careers. Sharing many of the same values as Fondation de la Deuxième Chance, we decided to offer financial support for realistic and sustainable career projects proposed by individuals who want to pursue professions that directly contribute to progress in the Foundation's targeted sponsorship areas. Our funding of these health and social training projects has given motivated men and women a second chance to become a qualified nurse, patient care assistant, home help, speech therapist, or art therapist. In addition, we have worked alongside Établissement Français du Sang (EFS) since 2003 to promote blood donations, build public awareness and mobilise voluntary blood donors to meet national needs, organizing three blood drives each year in partnership with EFS in front of our Place Raoul-Dautry headquarters in Paris. Twelve blood drives were also held in tents during the year, attracting more than 8,000 donors. In late 2006, the partnership was renewed for another three years.

Combating child pain and chronic pain

To mark the Global Day Against Pain on 12 October 2007, 200 hospital units caring for seriously or terminally ill children, pain treatment centres and palliative care professionals were provided with an instructional kit to help them to manage child pain more effectively. The kit comprises training films for professionals, interviews with parents and documentation for families on pain, hospitalisation, serious illnesses, grieving, daunting procedures such as lumbar punctures and MRIs, anaesthesia techniques and pain management. The CNP Assurances Foundation also financed the production of a training and informational DVD to brief health professionals on topics related to chronic pain management. The DVD presents a series of real life clinical cases in which a patient experiencing pain consults a medical practitioner in a pain management centre. This is the first time that all the main therapeutic approaches to chronic pain have been presented in a single resource.

Our corporate sponsorship budget

The CNP Foundation's budget was €534 thousand in 2007, roughly in line with previous years. An additional €100 thousand was made available to support Gériapa initiatives and €60 thousand was given to support a variety of social programmes, such as Fondation de la Deuxième Chance, ALMA France and EFS.

As part of our commitment to corporate sponsorship, we support projects led by ALMA France, a non-profit organization that works to prevent mistreatment of the elderly. We also regularly contribute directly to exceptional causes, providing €1 million in seed capital for Entreprendre pour la Cité's micro-insurance project, and in application of the French Act dated 4 January 2002 concerning French museums and a second Act dated 1 August 2003 relative to corporate sponsorship, acquiring a Middle Ages masterpiece for the Cluny Museum in Paris. In addition, we donated €100,000 to various campaigns including France's stock market and financial sector telethon and a microcredit project in Vietnam.

— Encouraging employees to become more involved

To encourage employees to actively embrace our sponsorship commitment, a sponsorship bureau has been set up to provide information and support. Employees may contact the bureau for documentation or to present a personal project or participate in an existing programme. Thanks to the bureau, employees participated for the fourth time in runs, walks, bike races and golf tournaments organized to support cystic fibrosis research, with participation rates at record highs in some cases. This regular, extensive involvement was recognized when CNP Assurances won first prize out of the 60 participating companies. We actively encourage employee involvement by sponsoring every participant and by matching all the donations collected by employees during France's annual cystic fibrosis telethon. In addition to participating in programmes and events, employees who are personally involved in supporting medical causes can submit project proposals to the CNP Foundation. One employee organized a health training and disease prevention project to improve the welfare of a village population in Senegal, while another undertook to support the Interlock – Enfance et Partage project to produce short documentaries on dolphins for children treated at the Toulouse university hospital as part of the Forget the Pain hospital programme. Employees at our international subsidiaries have demonstrated the same level of involvement in programmes to help people in need. In Spain, a programme has been developed to support children in cooperation with the Adia en Acción NGO. In Brazil, Caixa Seguros has for several years pursued both cultural and social initiatives, organizing a film festival outside the regular cinema circuit, launching a study of the causes of violence among young people and a female literacy programme and financing the construction of an orphanage. Employees participate in programmes within disadvantaged neighbourhoods, especially around Christmas time. Last but not least, in 2005 Caixa Seguros launched a pioneering initiative by promising to donate to charity part of the premium received on one of its insurance products. The total budget allocated to these actions was BRL 1.2 million (€476 thousand) in 2007. In Argentina, we continued to support a programme to improve quality of life for underprivileged children living in the suburbs of Buenos Aires. In Portugal, nearly €63 thousand were dedicated to supporting cultural projects and Santa Casa Misericordia Hospital.

A bracelet for a tree

The Sustainable Development department led this campaign with Caixa Seguros in Brazil in partnership with Brazilian NGO The Green Initiative, enabling all employees to participate in a reforestation programme in Brazil. Employee contributions, doubled by our matching contributions, funded the planting of 1,215 trees. Donors can monitor the growth of the plantation via a dedicated website.

— Respecting the environment

For a personal insurer, respecting the environment involves not only striving to reduce pollutant emissions, but also responsibly managing assets and promoting investment in SRI funds among policyholders.

€25m

initial investment
in the CNP Développement Durable fund

Global Compact initiative (p.11), principles 7, 8 and 9

— CNP Développement Durable, an innovative SRI fund

Since October 2007, we have been marketing the CNP Développement Durable fund of funds, which comprises funds invested in companies selected for their commitment to sustainable development and innovative environmental solutions in such areas as renewable energy, water management and wood energy. To optimize its launch, we made an initial pump-priming investment of nearly €25 million. A campaign will be launched in the spring of 2008 to inform CNP Trésor customers about the product. Caixa Seguros has gone even further by encouraging policyholders to participate in Amazon reforestation projects since 2007.

— Asset management with an eye to protecting the environment

Environmental criteria are a key focus of our SRI monitoring of the equity portfolio. We contributed €10 million to the launch of the European Carbon Fund, a gesture representing 7% of the total. Investments in this fund have led to a reduction in greenhouse gas emissions corresponding to 26 million tonnes of CO_2 equivalent (Mteq CO_2), representing 1% of total emissions reductions required worldwide under the Kyoto Protocol and equivalent to the Paris area's annual emissions.

— A similar approach to real estate assets

Our environmental commitment applies to our entire €3.9 billion direct real estate portfolio, in cooperation with the managers working on our behalf – Icade for buildings and Société Forestière for woodlands – and we plan to gradually extend the policy to the €2.1 billion Écureuil Vie portfolio starting in

— Direct emissions in tonnes of CO_2 equivalent

5,425 tonnes
in 2007

423 tonnes
from properties in the portfolio

1,885 tonnes
from paper

3,117 tonnes
from transport

See environmental indicators on pages 126 to 129.

2008. Our main initiatives are shaped by the composition of our property portfolio, which includes a large number of buildings that are roughly ten years old and require regular maintenance rather than heavy renovation. Since 2003, we have conducted regular satisfaction surveys among the users of our residential and office properties. The results of these surveys indicate that satisfaction levels have been steadily increasing. A new survey is planned for 2008.

— Measuring and reducing consumption

To optimize power and water consumption, we exceeded regulatory requirements by launching energy audits at all residential properties in our portfolio, which comprises 3,897 buildings in the Paris region and 3,025 in the rest of France. By the end of 2007, 76% of the buildings in the Paris region and 47% in the rest of France had been audited. All the results will soon be available, and the regulatory compliance monitoring system will soon be in place.

We take every available opportunity to optimize consumption. For example, since 2006, when major equipment is in need of replacement, we ask the property manager to include a sustainable development option among the different investment options. This has been our policy since 2006.

Starting in 2008, a water and power consumption monitoring system will be installed in each residential building, to serve as a basis for extending the programme. A sustainable management charter will be drafted with Icade in 2008 to define our strategic direction in this area for the entire portfolio and capitalize on the experience acquired to date.

As France's largest owner of woodland, in the past several years we have prepared management plans in cooperation with Société Forestière for each tract of land, setting biodiversity preservation as an objective. All the wood produced in the forests carries the PEFC environmental certification label. Société Forestière is a particularly innovative organization that lends its climate change expertise to our reforestation projects.

— A limited environmental footprint

Despite our relatively low level of direct CO2 emissions, which is attributable to our business model, we constantly strive to minimise our environmental footprint. As regards our internal operations, the main challenges are to reduce paper consumption, limit the environmental impact of business travel and, to a lesser extent, introduce more energy-efficient building management systems.

Our sustained efforts in the latter area over the years have led to a reduction in all pollutant emissions in France and also inspired us to reuse old LED tubes to build the sign on a building along the Paris ring road.

To encourage employees to use paper as sparingly as possible, since 2007 part of their discretionary profit-sharing bonus is based on targets for the reduction of paper consumption. Despite an increase in business, the number of sheets of paper used fell by 3% last year. Double-sided printing is increasingly used, and recycling bins are now available at all of our facilities. The programme for the introduction of electronic policyholder documents, which is currently being launched, will lead to further advances in this area.

Despite a threefold increase in videoconferencing, business growth has inevitably led to an increase in business travel. Trips are made by train whenever possible, but kilometres travelled by plane have nevertheless tripled due to our Group's international expansion. Our commercial vehicles respect the recommended emission ratios. A bicycle parking lot has been set up in Paris to encourage this form of transport.


49,

Sustainably managing woodland assets

CNP Assurances is the largest private owner of woodland in France, with 189 forests covering 49,000 hectares. Guided by its values, the Company's goal is to preserve this unique heritage through a sustainable management policy defined in agreement with the manager, Société Forestière, a joint subsidiary held with Caisse des Dépôts. Discussions on new approaches to woodland management focus in particular on anticipating the effects of climate change. The current policy complies with our Sustainable Management Charter, which requires all wood to be certified by the Programme for the Endorsement of Forest Certification (PEFC).

Caixa Seguros goes carbon free in 2007
The CNP Assurances carbon sink

Caixa Seguros entirely offset the greenhouse gas emissions (328 tonnes) generated by head office operations as well as by its automobile fleet and the cars of employees who have onsite parking by financing a project to plant 1,750 trees. The initiative earned the company a carbon-free label for 2007, awarded by The Green Initiative NGO. Our 49,000 hectares of woodland represent a carbon sink capable of removing 328,000 tonnes of CO_2 from the atmosphere. These woodlands are responsibly managed to ensure the sustainability of their environmental benefit.

Recycling is now standard procedure in all areas of the business. Growth in the number of managed contracts and enhanced communications tend to constantly increase the volume of paper we send to policyholders. Thanks mainly to the use of double-sided printing, we reduced the number of printed pages for the first time in 2007 by more than 5% to 106 million, despite a 10% increase in the number of letters sent to policyholders. PEFC paper is used for all of our printed documents, except for carbonless business forms which have to be printed on chemically treated paper. We plan to extend this practice to products distributed by the Savings Banks. In addition, the volume of printed contracts has been reduced, mainly through the development of online systems allowing insurance applications to be processed at the point of sale. In 2008, our objective is to build on the advances made in recent years, albeit at a slower rate now that there is much less scope for improvement, and extend this progress to other CO2-generating aspects of the business. Our concern for the environment also underpins our purchasing strategy. For example, a new printer supplier was chosen due to its products' limited environmental impact. Quality audits are regularly performed on the main administrative services. A purchasing audit, designed mainly to obtain assurance about compliance with contractual, social and environmental commitments, was launched on a trial basis with a supplier in 2007 and will be fully deployed in 2008.

— A similar approach at our international subsidiaries

Our largest subsidiary, Caixa Seguros in Brazil, made considerable efforts to reduce paper consumption and generally reduce its environmental footprint. Internal paper consumption was reduced by 7.7% and paper used for policyholder communications was cut by 14.7%.

Used paper is systematically recycled, as are computer consumables, and the resulting revenue is reinvested in the Caixa Seguros group's environmental programme. In Italy, following a review of the subsidiary's main sources of consumption, recommendations for corrective action were drawn up and an intranet page was built to promote the exchange of best practices.

In Portugal, suppliers are selected according to an environmental criterion. Obsolete equipment is donated to schools, hospitals and humanitarian organizations. Ecological practices are widely implemented and double-sided printing is the norm.

Sustainable development and our suppliers

- Eco-friendly purchases are encouraged.
- The Global Compact is promoted among suppliers.
- Purchasing teams are required to comply with the CNP Assurances Ethical Purchasing Charter.
- Social and environmental clauses are included in all calls for bids.

Our suppliers' eco labels and audited practices indicate that a significant proportion of purchases in each category qualify as eco-responsible.

Type of purchase	Eco-responsible purchases as a % of the total
Administrative services	75%
Cleaning services	Services: 100% Products used: 50%
Office furniture	100%
Photocopier and fax machines	100%
Printers	100%
Bleached paper (origin and production process)	100% recycled
Printing	100%
Office supplies	20%
Site maintenance	90%
Advertising objects	50%

Building management	Paper	Business travel
Electricity: 1t	In-house operations: 261t	Train: 40t
Heating: 442t	Policyholder communications: 1,070t	Airplane: 1,600t
	Contracts: 554t	Car: 1,477t

(Emissions in tonnes of CO_2 equivalent. Estimates based on ADEME conversion factors)

— Responding to private and institutional shareholders

Private and institutional shareholders are provided with regular information, through meetings, publications, a dedicated website section, the Shareholders' Club for private shareholders and site visits for institutional investors. The Investor and Analyst Relations team carefully tracks investor expectations and ensures that they consistently receive high quality, transparent information.

€13 bn

Market value
at 31 December 2007

— Tracking and responding to changes in the shareholder base

Listed on the Euronext Paris market, CNP Assurances had a free float representing slightly more than 23% of issued capital at 2 February 2008 and a market value of €13 billion at 31 December 2007. As part of its business development strategy, and to finance the acquisition of 49.9% of Écureuil Vie, a rights issue was carried out in January 2007 with pre-emptive subscription rights for existing shareholders.

Following this issue, a survey was conducted on 1 February 2008 under the "TPI" procedure to identify holders of bearer shares. The results, based on information obtained from Euroclear France*, revealed that there had been few changes in the shareholder base since the previous survey:

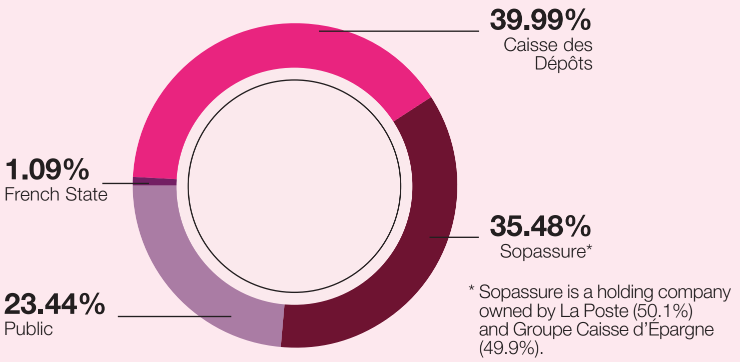
➔ Private shareholders
- There are now 142,000 private shareholders.
- As we intended, the January 2007 rights issue was taken up primarily by existing shareholders and consequently attracted very few new shareholders.
- 104,000 of the shareholders identified in the 2006 survey have retained their shares.
- 38,000 new private investors purchased CNP Assurances shares and will be contacted in 2008 by the shareholder relations team to be offered more information on the Company and the opportunity to join the Shareholders' Club.

➔ Institutional shareholders
- Since the end of 2007, Caisse des Dépôts has held a 40% interest in CNP Assurances, in accordance with the shareholders' agreement signed in January 2007.
- Institutional investors in CNP Assurances are mainly from France, the UK and the US, and continue to represent a large portion of the free float.

* Euroclear France is the French subsidiary of Euroclear, a global provider of settlement and related services for bond, equity and fund transactions responsible for processing all equity transactions carried out in France.

— Ownership structure

At 31 December 2007



— Facilitating access to information

CNP Assurances is committed to ensuring that its 142,000 private shareholders as well as analysts and institutional investors are given regular information, presented as clearly as possible through a variety of media:

- A wide range of publications, including the annual and interim reports in both French and English, a guide to shareholders' meetings, a shareholder guide (updated in November 2007), a quarterly shareholder newsletter and a booklet presenting the Group, available in French only.
- The "Private Shareholders" and "Investors and Analysts" sections of our website, www.cnp.fr. Prior to each General Meeting, regulatory information and proxy documents are posted in the private shareholders section, allowing shareholders to choose their preferred method of participation and vote by correspondence online.
- Shareholders can contact the shareholder and investor relations teams by e-mail at actionnaires@cnp.fr and infofi@cnp.fr.
- A toll-free number (0800 544 544) for calls originating in France, to find out the latest share price and indices, and to link up to a voice server to hear recent news, updated every two weeks. Shareholders can also reach the shareholder relations team at this number, Monday through Friday between 9 a.m. and 6 p.m., for information on the Company. Since March 2007, the shareholder relations team can also take requests to join the Shareholders' Club, receive financial documentation, sign up for a variety of events or report a change of address.

— Keeping in touch with shareholders

In addition to providing written information, CNP Assurances invites individual shareholders to a number of events organized throughout the year in France. Meetings are organized for analysts and institutional investors at key dates in the financial calendar, such as the annual and interim results presentations held in Paris and London. In addition, roadshows are held regularly in Europe and the United States.

The shareholder relations team participates each year in the Actionaria investors fair in Paris and this year invited shareholders for the first time to seminars on retirement and the impact of new French inheritance tax rules.

— Shareholders and sustainable development

In 2007, the shareholder relations team carried out initiatives contributing to our overall sustainable development policy, by requesting feedback from shareholders on how they perceive our financial information, in order to use the results to improve our communications methods, where necessary.

Their objectives were as follows:

- Adopt a more qualitative approach to shareholder relations, particularly by improving our understanding of the expectations and needs of all private shareholders.
- Improve the quality of service provided to private shareholders as well as the quality of communication and dialogue.
- Build the loyalty of Shareholders' Club members by extending the range of services offered to them.


142,

Loyal shareholders

Floated on the Paris stock market in 1998, CNP Assurances had a total of 142,000 private shareholders in February 2008. The January 2007 rights issue granted pre-emptive subscription rights to existing shareholders. 104,000 of the shareholders identified in the 2006 survey retained their shares while 38,000 new shareholders invested in CNP Assurances. The Company's market value at 31 December 2007 stood at €13 billion.

The subprime crisis and financial communication

We rapidly communicated to our shareholders about our overall exposure to the US subprime market, announcing in August 2007 that we had no direct exposure, and that our indirect exposure was limited to just €10 million (via funds of funds), compared with total assets of more than €219 billion at 31 December 2007. We confirmed this very low exposure on several occasions, in a press release dated 19 November 2007 and at the time of our interim and annual results announcements.

In practical terms, these objectives led us to:

- Set up a new database in March 2007 dedicated exclusively to private shareholders, enabling us to more efficiently process address changes, document requests and requests for information on the Company or Club events and send proxy documents to holders of bearer shares.
- Reorganize our toll-free number service to direct all callers to call centre operators regardless of the purpose of their call (except to check the share price or listen into the audio newsletter).
- Set up a call centre platform in March 2007 with advisors who:
  - Comply with our standards of quality when greeting shareholders and providing them with information.
  - Efficiently track and report shareholders' reactions to certain events, the nature of their enquiries and other types of feedback.
  - Process requests within a reasonable time frame according to their nature, recording address changes immediately and sending documents within 48 hours.
  - Keep a history of all callers in a database.
- Set up indicators to measure the quality of service provided to private shareholders, based on call centre data, with an initial evaluation scheduled to be made at the end of 2008.
- Redesign Shareholders' Club publications and improve Club services.

— Sustained interest among institutional investors and financial analysts

The insurers, banks, investment funds, pension funds and other institutional investors who support our growth expect to receive the clearest, most transparent information possible.

At key dates in the financial calendar – quarterly revenue releases, interim and annual results presentations to analysts in Paris and London – we provide detailed updates concerning our business and financial performance (results, embedded value, impact of changes in market conditions, etc.) and stand ready to answer questions about current issues.

Coverage of the CNP share expanded among financial analysts in 2007 and share information was regularly updated. With investor interest constantly growing in Europe, North America and Asia, the road show schedule was again very full in 2007, especially in Germany, the United Kingdom, Switzerland and the Netherlands but also in Canada and the United States.

Throughout the year, we provided institutional investors and analysts with the information they needed through presentations, meetings, conference calls, training seminars and question and answer guides and regular, detailed updates to the regulatory filings published on the www.cnp.fr website in the "Financial Information" section.

In the second half of the year, we gave several presentations on our asset allocation, with detailed information on our exposure to credit derivatives. These presentations, made by members of Company management, and meetings with shareholders were held in Paris and London. We explained in clear and simple terms our asset/liability management and investment strategies as well as our approach to the credit crisis. This information served to reassure investors and confirmed our profile as a defensive stock.

— **Share price and trading volumes from 31 March 2005 to 31 March 2008**

Over the past three years, the CNP Assurances share has gained 35%, significantly outperforming the CAC 40 (18%) and the DJ Euro Stoxx Insurance index of Europe's leading insurance companies (12%). The market overreacted to our announcement of a slight decline in annual revenue in 2007, but our rapid communications and the quality of our 2007 results significantly lifted the share price, despite stock market conditions that have remained difficult since the summer of last year.

CNP Assurances and employee share ownership

Following the Annual General Meeting of 25 April 2007, the Executive Board set up a new employee share grant plan on the same basis as the 2006 plan. All employees aside from senior executives have received 45 shares under one or the other of these plans. In addition, half of the Company's employees hold units in the CNP Assurances corporate mutual fund through the Group's employee savings plan. The last employee rights issue took place in 2004.

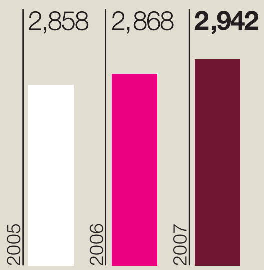
— The Shareholders' Club

We created the Shareholders' Club to establish a closer relationship with private shareholders and provide more information and opportunities for dialogue. Founded in the autumn of 2000, the Club now has nearly 10,000 members, who are regularly invited to meetings, training sessions and trade fairs and enjoy exclusive benefits with our subsidiaries and partners. Our Carrés Bleus and Filassistance telephone services were further improved in 2007 to meet the changing needs of Club members and to incorporate the latest innovations. In addition, in cooperation with Planète Patrimoine, the Shareholders' Club will propose a new series of introductory courses on asset management in 2008, following on from the success of the first series, launched in 2007. In 2008, the Financial Asset Management Guide published at the beginning of July 2007 will be updated to reflect new regulations and made available to Club members. Lastly, the new CNP shareholders' guide and descriptive brochure on our full range of shareholder services, both published in November 2007, are available on request. Membership of the Club is free for all CNP Assurances shareholders, regardless of the number of shares they hold.

— Employee indicators

In pledging our support for the Global Compact, we made a commitment to respecting fundamental human rights and international labour standards, as well as to working against corruption.

Global Compact initiative (p.11), principles 1 to 6



To find out more, go to pages 93 to 104.

France

The following information concerns employees of CNP Assurances SA and its French subsidiaries (Fongépar, CNP Caution, INPC, Filassistance, Anticipa, Âge d'Or, Banque Postale Prévoyance, GIE GES) as well civil servants seconded to the Company.

— Employees

Workforce structure

The workforce structure remained unchanged.
Men: 38% - Women: 62%
Management grade staff: 51%
Non-management grade: 49%
Direct employees: 89%
Seconded civil servants: 11%
The average age of employees under permanent contracts was up slightly at 42.9 years (41.7 for employees and 52.1 for seconded civil servants). The use of outside contractors was stable. An intercompany partnership set up by I-CDC and CNP Assurances employs 335 IT engineers. There are 18 outside security staff and three outside receptionists.

Human resources management

New hires: 98 permanent employees and 116 fixed-term employees Departures: 240, of which 112 at the end of fixed-term contracts, 30 retirements, 59 resignations, 14 trial periods not completed and 3 dismissals for misconduct or personal reasons. The turnover rate was stable at 3.8%. The geographic distribution of employees was unchanged.

— Organisation of working hours

Working hours

Full-time employees work a total of 1,575 hours per year. The number of part-time employees continued to increase. In 2007, 17.3% of the workforce chose to work part time, with three out of four people working at 80% of full-time hours. 28% were managers and 7% were men. 73% of the workforce enjoys flexible work hours. Under the TEPA Act, overtime hours not converted into days off were monetized at the end of 2007.

Absenteeism

The absenteeism rate was stable at 5.5%, or 4.2% excluding maternity leave.

Health and safety

There were 37 workplace accidents, of which 8 were lost-time accidents, and 45 commuting accidents, of which 17 were lost-time accidents.

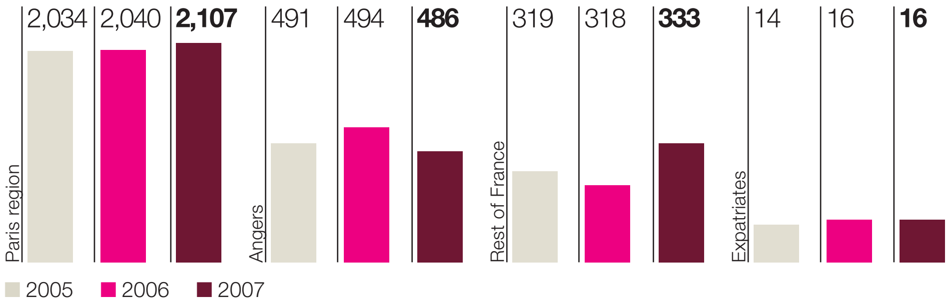
— Individual remuneration

Average annual salary

(based on annual payroll data submitted to the French tax authorities over two years)
The 2007 data reflects the monetization by 10% of employees of their «time savings accounts» corresponding to the days' leave accruing to them under the 35-hour week legislation.

Workforce breakdown

Employees by geographic region



Variable remuneration plans for all employees

Amounts paid during the year concerned for the prior year.

Discretionary profit-sharing

The amount paid increased by 62% thanks to the implementation of provisions under the December 2006 Act on employee savings plans.

Statutory profit-sharing

Amounts paid during the year concerned for the prior year.

Employee savings plans

At 31 December 2007, CNP Assurances employees (excluding seconded civil servants) had invested €93.89 million in employee savings plans. In 2006 and 2007, share grants were made to all employees (excluding senior executives) with more than three months' service.

Training

The training budget represented 5% of payroll in 2007 versus 4.9% in 2006. 70% of employees, including 1,084 management grade and 976 non-management grade employees, received an average of 3.8 days of training.

Social dialogue

Agreements in effect cover the following main areas:

Agreements signed in 2007

Professional development
Obligatory annual bargaining round
Amendment to the ARTT agreement providing for the monetisation of "time savings accounts", corresponding to accrued leave under the 35-hour week legislation
Renewal of the agreement on job opportunities for the disabled.

Meetings

16 Works Council meetings
12 meetings with employee representatives
21 meetings with trade union representatives
16 meetings with the occupational health, safety and working conditions committee.

Equal opportunities

49.3% of management-grade employees and 22.5% of senior managers are women.
57 school-leavers are employed under one-year "contrats d'insertion".
43 disabled people are employed under permanent contracts. 43 FTE employees work in sheltered workshops.

Other employee benefits

- All our employees are covered by long-term care insurance and a PERCO voluntary pension plan as well as private health insurance and life insurance.

Prepaid CESU service vouchers were launched in 2007.

- Employees benefit from Works Council welfare and cultural programmes.

The Works Council budget represented 1.72% of total payroll in 2007. This amount was allocated as follows:
Child welfare: 44%
Holiday vouchers: 25.5%
Subsidised holidays: 19%
Other (sport, cultural activities, social assistance): 11.5%

Subcontractors that uphold human rights and international labour principles

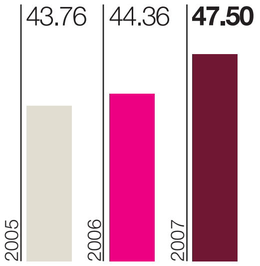
Social criteria based on human rights and ILO principles are used to select subcontractors. Candidates that do not fulfil these criteria are excluded from the competitive bidding process. Their compliance with these principles is verified.

Ethics

Our ethics principles are embedded in our Code of Conduct. The Code is referred to in each employment contract, printed in the Employee Orientation Guide and posted on the HR intranet site. Employees are informed of any specific rules applying to their particular profession.

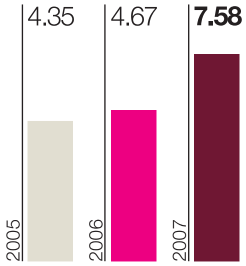
— Remuneration

(Average remuneration in €k)

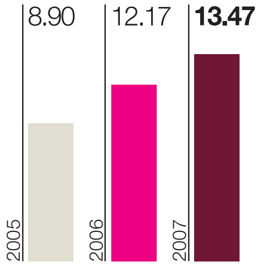


— Variable remuneration plans for all employees

Total discretionary profit-sharing (in €m)



Total statutory profit-sharing (in €m)



Employee indicators for foreign subsidiaries, 2007

	South America		Europe		
	Caixa Seguros (Brazil)	CNP Seguros de Vida (Argentina)	Global Seguros Portugal	CNP UniCredit Vita (Italy)	CNP Vida (Spain)
EMPLOYEES					
Total number of employees at 31 Dec. 2007	748	41	348	104	83
External hires	75	9	23	21	3
Dismissals Cause: Unsuitable profile	57	3	0	20 (turnover)	8
Use of outside contractors	Security staff, cleaners and receptionists: 50	Night security staff: 1 Cleaners: 2	Security staff and receptionists: 4	Not applicable	Receptionists, cleaners and maintenance staff: 2.1
Equal opportunity initiatives	- 100 interns	56% are women 5 interns	16.3% of senior managers are women		40% are women
EMPLOYEE RELATIONS	Insurance industry collective bargaining agreement				
WORKING HOURS					
Hours worked per week (overtime hours paid or converted into days off)	37 hrs, 30 min	45hrs	35hrs	37hrs	40h
Absenteeism	2.90%	1.17%	Sick leave: 1.44% Maternity leave: 0.06%	Sick leave: 6% Maternity leave: 4%	6,04%
Health and safety: workplace accidents	0	0	0	2	2 (commuting accidents)
COMPENSATION					
Average monthly compensation	BRL3,150 (excluding senior managers)	$3,450	€2,436	€3,130	€3,318
% change vs. 2006	3.40%	11.30%	4%	19%	NS
Discretionary and statutory profit-sharing bonuses	BRL4,600 on average	0	€4,423.00	0	0
TRAINING					
Budget as a % of payroll	7.7%	2.3%		4%	0.4%
Trainees as a % of workforce	93%	91%	38%	78%	47%
Length of service per employee (yrs)	20.64	1.5	2	3	1

In addition, the CNP Group has a branch in Italy that employs 13 people. The subsidiary in China has 46 local employees.

— Environmental indicators

Global Compact initiative (p.11), principles 7 to 9

In pledging our support for the Global Compact, we made a commitment to working to protect the environment. In 2007, our Argentine subsidiary also pledged support for the Global Compact.

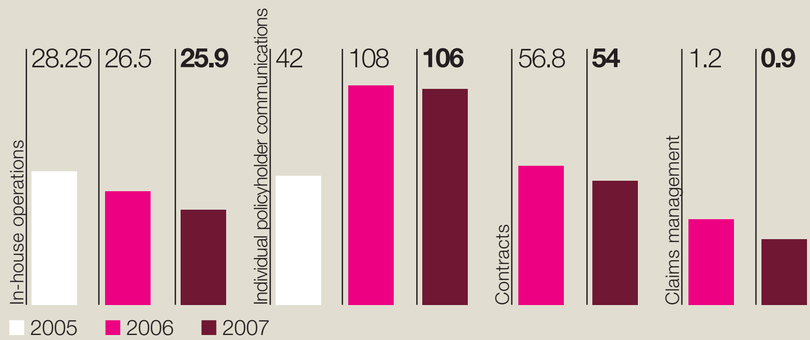
France

Basis of reference: 2,868 employees in 2006 and 2,942 employees in 2007 (up 2.6%), office surface area stable (92,000 sq. m.), number of contracts up 5% and number of letters sent up 10%.

Consumption

— Paper

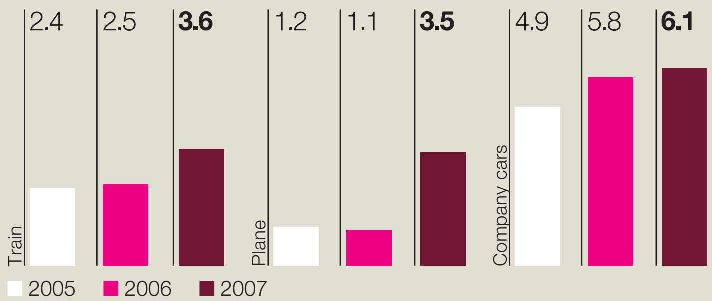
In millions of sheets of A4 paper



Virtually all these documents are printed on PEFC paper.

— Business travel

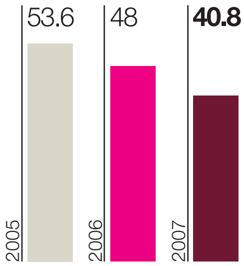
In millions of km



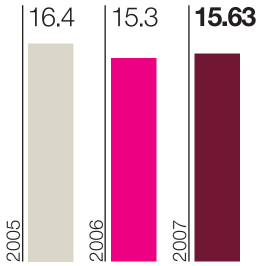
45% of business travel is between Angers and the Paris region.

— Building management

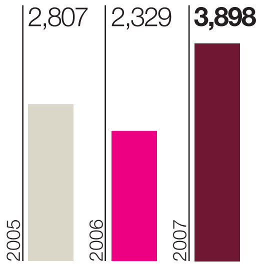
Water in thousands of cubic metres



Electricity in GWh



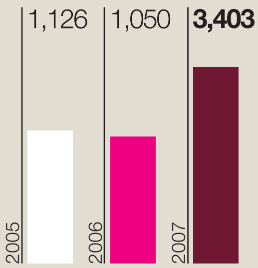
Heating in tonnes of water vapour (Angers site only) 2005



We have constantly strived to optimize consumption for more than 10 years, but actual consumption is heavily dependent on weather conditions.

— Videoconferencing

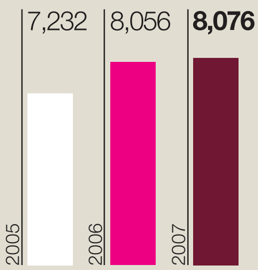
In number of hours connected



Travel is minimised thanks to frequent conference calls.

— Computer consumables

In number of cartridges



Waste management

A waste-sorting system is now in place at all our Paris locations. As a result, 60 tonnes of paper were recycled in 2007. 1,987 toner cartridges were collected in 2007 versus 2,045 in 2006 and only 933 cartridges were recycled versus 1,511. This was because our printers were replaced with new equipment – chosen based on environmental criteria – requiring single-use cartridges. The proceeds from the sale of used toner cartridges are donated to the Fédération des Maladies Orphelines. All neon tubes and light bulbs are recycled. Longer-lasting compact fluorescent lamps are increasingly being used. That explains why only 59 neon tubes were recycled in 2007 versus 478 in 2006. In 2007, nine new disposable battery collectors were installed in Paris and two were installed in Arcueil, leading to the recovery of 193 kg of batteries. A system developed for dismantling obsolete photocopiers, telephones, minitel systems, screens, CPUs, printers and other equipment allowed eight tonnes of products to be processed. In 2008, this system will be deployed to our locations outside Paris.

To find out more, go to pages 110 to 115.

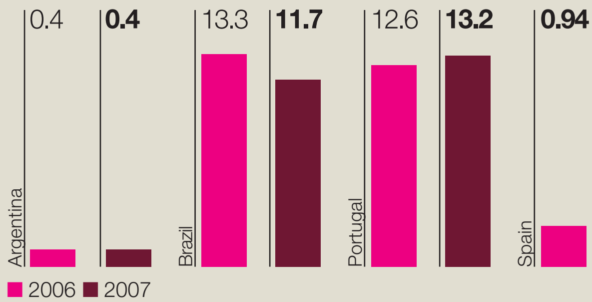
International subsidiaries

Basis of reference:
Argentina: 41 people
Brazil: 748
Portugal: 348
Spain: 83

Consumption

— Paper

In millions of sheets



In Brazil, 4.1 million sheets were consumed for internal operations and 7.5 million for policyholder communications.

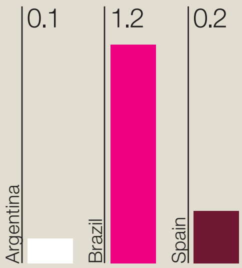
— Business travel

In Brazil, air travel is unavoidable. Reflecting business growth, the distance travelled by plane increased by 13% in 2007 to 2.4 million km. Travel by company car totalled 509,500 km.
In Portugal, business travel mainly concerned sales inspectors. Kilometres travelled by car fell by 7% in 2007 to 3.1 million km.

— Building management

Power consumption

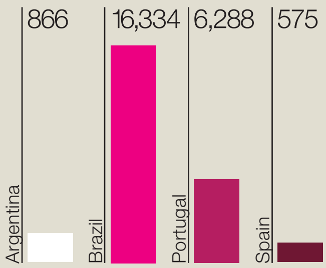
in 2007, in GWh



Consumption was high in Portugal at 28.9 GWh because of the agency network.

Water consumption

in 2007, in thousands of cubic metres

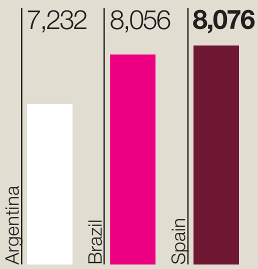


Waste management

Caixa Seguros in Brazil recycles all its waste. Paper, cartridges and toner are sold to a recycling company and the proceeds from the sale are reinvested in the Caixa Seguros group's environmental programme. Company cars are serviced annually to reduce their environmental impact. In 2008, the collection programme will be extended to disposable and rechargeable batteries and used cooking oils. Obsolete CPUs, monitors and printers are sold at auction and the proceeds go to an NGO. In Portugal, all consumables are recycled. The proceeds from recycling and from obsolete equipment sales are donated to non-profit organizations. Spain also collects consumables for recycling. Obsolete screens and CPUs are given to employees.

— Computer consumables

In number of cartridges, 2007



— Glossary

— Annual premium equivalent (APE)
Life insurance business indictor corresponding to the sum of total new regular premiums and 10% of single premiums received during the period.

— Appraisal value
Sum of embedded value and new business.

— Asset/Liability Management (ALM)
The purpose of asset/liability management is to match fund the insurer's liabilities towards the insured with assets, so that the insurer's financial risk is covered at all times.

— Attributable recurring profit
Recurring profit attributable to equity holders before fair value adjustments and nonrecurring items. Attributable recurring profit includes capital gains realised over the period.

— Autorité de Contrôle des Assurances, des Mutuelles (ACAM)
Independent regulator responsible for ensuring that all insurance and reinsurance companies and employee benefits institutions operating in France comply with all insurance laws and regulations and fulfil their commitments to the insured.

— Combined unit-linked and non-unit-linked contract
Insurance policy for which the surrender value and benefit payments are expressed as either a cash amount or in units. The policyholder generally has the choice between investing premiums in a non-unit-linked or a unit-linked fund. Some policies allow policyholders to shift their capital from one fund to the other during the life of the policy.

— Conseil National de la Comptabilité (CNC)
The French national accounting board. The CNC's responsibilities include issuing opinions on all accounting matters.

— Dilution
Decrease in earnings per share (opposite of accretion).

— Dow Jones Euro Stoxx Insurance (DJ Insurance)
Stock market index comprising the main European insurance stocks.

— Embedded value (EV) and European embedded value (EEV)
Adjusted NAV + value of in-force business. Starting in 2006, CNP Assurances calculates embedded value in accordance with CFO Forum principles (European embedded value).

— Fédération Française des Sociétés d'Assurance (FFSA)
Professional federation whose members include the majority of French insurance companies and subsidiaries of foreign groups, operating in the life or non-life business or both. The federation examines proposed regulatory changes and also produces statistics on the French market.

— Gross operating profit (EBIT)
Net insurance revenue less expenses, corresponding to operating profit before fair value adjustments, capital gains recognised in profit and non-recurring items.

— **Group insurance**
Class of insurance allowing a company (or an association, local authority, mutual insurer or bank) – "the policyholder" – to take out an insurance policy covering a natural group of individuals (such as the company's employees) – "the insured".

— **Guaranteed rate contracts**
Life insurance contracts under which the insurer guarantees the payment of a certain minimum yield over a specified period.

— **Individual insurance**
Class of personal insurance allowing an individual to take out insurance cover (endowment, whole life) with an insurance company.

— **IAS/IFRS (International Accounting Standards/International Financial Reporting Standards)**
Internationally recognised accounting standards that all listed European companies are required to apply as from January 2005.

— **In-force business**
Discounted present value of the future earnings stream from in-force business less the cost of the capital needed to comply with solvency margin requirements.

— **Life insurance**
This term covers endowment products and whole life insurance. Under endowment insurance, the insured receives the face value of the policy, either in a lump sum or in the form of annuities, if he or she survives the endowment period. Under whole life insurance, a benefit is paid out to a named beneficiary on the death of the insured. Certain endowment contracts also include whole life cover.

— **Loan insurance**
Insurance policy whereby an insurer commits to making loan repayments on behalf of the insured following the occurrence of an insured risk.

— **Long-term care insurance**
Insurance policy covering individuals against the risk of loss of autonomy in old age.

— **Mathematical reserves**
Amounts that the insurer records in its balance sheet, under liabilities, corresponding to its commitments towards the insured.

— **Net asset value (NAV)**
Equity (including the capitalization reserve) less goodwill plus unrealised gains, net of tax, attributable to shareholders. Each insurance company has its own method of calculating unrealized gains attributable to shareholders. At CNP Assurances, the NAV included in the calculation of embedded value corresponds to book NAV less the unamortised value of in-force business and the Brazilian tax benefit, recorded under assets.

— **New business/Goodwill**
Multiple of the value of new business. The multiple depends on the growth outlook.

— **New business (value of)**
Discounted present value of future earnings streams from business written during the year less the cost of the capital needed to comply with solvency margin requirements.

— **Non-unit-linked contract**
Insurance policy for which the surrender value and benefit payments correspond to a cash amount.

— **Pension products (insurance)**
Unit-linked or combined non-unit-linked/unit-linked insurance policy allowing the insured to receive a lump sum or an annuity when he or she retires. Most pension products are group insurance policies. The Pensions Reform Act ("Fillon Act") of 21 August 2003 established the framework for the launch of new tax-advantaged pensions offerings (see PERP and PERCO).

— **PERCO (Plan d'Épargne Retraite Collective)**
Product introduced in the 2003 Pensions Reform Act to replace the PPESV employee savings plan. Group pension product, accounted for as an employee savings plan not as life insurance. Benefits are payable as a lump sum or an annuity. Early withdrawal of the capital is allowed in a limited number of circumstances.

— **PERP (Plan d'Épargne Retraite Populaire)**
Personal pension plan introduced in the 2003 Pensions Reform Act, open to everyone. Tax-advantaged pure annuity product with no surrender option. A "PERP" layer may now also be added to "Article 83" group pension plans. These two-layer plans are known as PEREs (Plan d'Épargne Retraite en Entreprise).

— **Personal insurance**

Insurance policy concerning an insured individual, not the insured's property. Examples include endowment insurance, whole life insurance, accident insurance, disability insurance and health insurance.

— **Personal risk insurance**

Insurance policy offering cover against the risk of death, accident or illness. The premiums are not recoverable if the insured risk does not occur.

— **Policyholder dividends**

In life insurance, the portion of the investment yield distributed to policyholders in the form of dividends.

— **Provision for permanent impairment in value**

Provision intended to cover an other-than-temporary fall in value of specific assets of the insurer.

— **Required capital**

Minimum coverage of insurance risks required by the regulatory authorities to protect the interests of the insured. Required capital carrying cost corresponds to the present value of the cost of equity capital held to cover required capital over the period until all obligations to policyholders have been extinguished. It is calculated as the difference between the return expected by shareholders (discount rate) and the net of tax return earned from the investment of the required capital.

— **Savings products (insurance)**

Unit-linked or non-unit-linked insurance policy allowing the policyholder to build up capital. The capital may be recovered by the policyholder by surrendering the policy.

— **Segregated assets**

A portfolio of insurance policies is segregated when the assets corresponding to technical reserves are managed separately in a segregated portfolio.

— **Subordinated notes**

Debt securities that are repayable, in the event of bankruptcy, after all other creditor claims have been settled. In the case of an insurance company, repayment would be made after all commitments to the insured had been settled, together with all other debts. Depending on the notes' characteristics, subordinated debt may be included in the calculation of the insurer's solvency capital. Notes that are subordinate in ranking to all other senior and subordinated debt are referred to as "deeply-subordinated notes" ("titres super subordonnés").

— **Unit-linked contract**

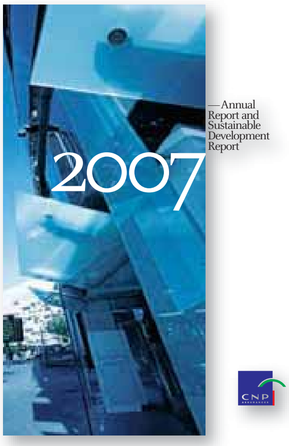
Insurance policy for which the surrender value and benefit payments are expressed in units, generally corresponding to the number of units in a mutual fund. The cash value of the insurer's commitment varies in line with the market value of the mutual fund units.

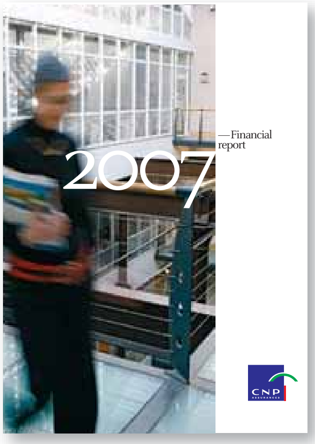
— **Unrealised gain or loss**

The positive or negative difference between the market value of an asset and its carrying value in the balance sheet.

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

This Registration Document was filed with the *Autorité des Marchés Financiers* on 14 May 2008, in accordance with Articles 211-1 to 211-42 of *Autorité des Marchés* Regulations. The Registration Document may not be used in connection with a financial transaction unless it is accompanied by an information Memorandum approved by the *Autorité des Marchés Financiers*.





—The 2007 Annual Report and Sustainable Development Report consists of two separate documents in a single folder: the 2007 Business Review and Sustainable Development Report and the 2007 Financial Report. Together they comprise the 2007 Registration Document, which has been filed with the French securities regulator (Autorité des Marchés Financiers).

We would like to thank all CNP Assurances staff who helped to prepare this report.

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