

## 2Q19 results

### A well-balanced business model to navigate the current environment

*Reported net income at €346m in 2Q19 and €1.1bn in 1H19*

*Financial strength with a Basel 3 fully-loaded CET1 ratio<sup>1</sup> at 11.5%, well above our 2020 target (11%)*

### STRENGTH OF A DIVERSIFIED BUSINESS MODEL

2Q19 UNDERLYING NET REVENUES<sup>2</sup> AT €2.3BN, STABLE VS. A RECORD 2Q18

#### AWM: Strong net revenue growth and positive net inflows in the US notably

Strength of our active asset management model with underlying net revenues<sup>2</sup> up +11% YoY in 2Q19 (+4% in 1H19) in part driven by high levels of performance fees that reached €138m this quarter (€171m in 1H19)

Demonstration of the strength of the multiboutique model with €(2)bn net outflows on LT products despite €(6)bn net outflows at H2O. More than +€3bn net inflows on LT products across other affiliates, of which +€2bn in the US

The average fee rate remains in line with the New Dimension target at ~30bps

Strong AuM growth of +5% over the quarter to reach €898bn, including WCM

*Projected partnership between Ostrum AM and LBP AM to create a key player in life insurance asset management*

#### CIB: Revenue diversification and tight cost control to create value despite an elevated cost of risk due to a large single file

Underlying net revenues<sup>2</sup> down YoY in 2Q19 with a high base effect in Global finance. Resilience of Global markets activities with revenues up QoQ and FIC-T also up YoY. Growth from IB/M&A and our *Green & Sustainable Hub*

Strict cost control, down -7% YoY at constant exchange rate in 2Q19

Cost of risk elevated this quarter driven by a large single file

*Underlying RoE<sup>2</sup> at 9.3% in 2Q19 and 11.7% with a normalized cost of risk of 30bps*

#### Insurance: Sustained growth and profitability

Underlying net revenues<sup>2</sup> up +7% YoY with a positive jaws effect both in 2Q19 and 1H19

Underlying RoE<sup>2</sup> >30% in 1H19, in line with the New Dimension 2020 target

#### Payments: Continued growth dynamic

Underlying net revenues<sup>2</sup> up +10% YoY with a positive jaws effect both in 2Q19 and 1H19

Increase in business volumes from Dalenys & PayPlug, up more than +20%

### SUSTAINABLE VALUE CREATION AND FINANCIAL STRENGTH

**Organic capital creation** of 38bps in 2Q19. **Basel 3 FL CET1 ratio<sup>1</sup>** at 11.5% as at June 30, 2019, well above our 2020 target (11%)

**Underlying net income<sup>2</sup>** at €363m in 2Q19 and €555m in 1H19, despite an elevated cost of risk (63bps in 2Q19 and 43bps in 1H19)

**Underlying RoTE<sup>2</sup>** at 9.6% in 2Q19 and 10.8% with a normalized cost of risk of 30bps

**Underlying RoTE<sup>2</sup> adjusted<sup>3</sup>** at 12.8% over New Dimension as at June 30, 2019

### FOCUS ON THE IMPLEMENTATION OF OUR 2020 AMBITIONS

**François Riahi, Natixis Chief Executive Officer, said:** “Natixis recorded solid results across all its businesses in the second quarter of 2019. Our diversified and balanced business model proves, once again, its worth in an uncertain economic environment. In Asset & Wealth Management our multi-boutique model demonstrated its robustness. Revenues and assets under management both continued to rise despite outflows at H2O and with net flows in the United States turning back positive. We also announced our ambition to create a 100% SRI-compliant European leader in insurance-related fixed income asset management with La Banque Postale. In Corporate & Investment Banking, we enjoyed sustained performances, including in our capital markets activities despite a less favorable environment than last year to which we notably adapt through tighter cost control. In Insurance and Payments, we continued to combine strong growth with a positive jaws effect. We further bolstered our capital position with our CET1 standing at 11.5%, above our 2020 objective.”

*Figures restated as communicated on April 11, 2019 following the disposal of the retail banking activities. See page 13 for the reconciliation of the restated figures with the accounting view<sup>1</sup> See note on methodology<sup>2</sup> Excluding exceptional items. Excluding exceptional items and excluding IFRIC 21 for cost/income, RoE and RoTE (see note on methodology)<sup>3</sup> Adjusting for the non-recurring impact on 4Q18 revenues from Asian equity derivatives and a 30bps normalized cost of risk in 2Q19, net of tax*

## 2Q19 RESULTS

On August 1, 2019, the Board of Directors examined Natixis' second quarter 2019 results.

€m	2Q19 reported	2Q18 restated	2Q19 o/w underlying	2Q18 o/w underlying	2Q19 vs. 2Q18 restated	2Q19 vs. 2Q18 underlying
<b>Net revenues</b>	<b>2,282</b>	<b>2,360</b>	<b>2,297</b>	<b>2,305</b>	<b>(3)%</b>	<b>0%</b>
o/w businesses	2,091	2,106	2,091	2,106	(1)%	(1)%
Expenses	(1,577)	(1,528)	(1,566)	(1,514)	3%	3%
<b>Gross operating income</b>	<b>705</b>	<b>832</b>	<b>730</b>	<b>791</b>	<b>(15)%</b>	<b>(8)%</b>
Provision for credit losses	(110)	(41)	(110)	(41)		
<b>Net operating income</b>	<b>595</b>	<b>791</b>	<b>620</b>	<b>750</b>	<b>(25)%</b>	<b>(17)%</b>
Associates and other items	7	7	7	7		
<b>Pre-tax profit</b>	<b>602</b>	<b>798</b>	<b>627</b>	<b>757</b>	<b>(25)%</b>	<b>(17)%</b>
Income tax	(164)	(234)	(172)	(220)		
Minority interests	(92)	(57)	(93)	(56)		
<b>Net income - group share</b>	<b>346</b>	<b>507</b>	<b>363</b>	<b>481</b>	<b>(32)%</b>	<b>(25)%</b>

**Natixis' underlying net revenues** are stable vs. a historically high 2Q18 with AWM up +11%, Payments up +10% YoY and Insurance up +7% YoY. Within CIB, Investment banking/M&A up +5% YoY and good resilience for Global markets (-5% YoY excl. CVA/DVA), offsetting Global finance evolution set against a 2Q18 historically high performance.

**Underlying expenses** are well under control and up +1% YoY at constant exchange rate, in part reflecting the strong top-line performance across AWM, Insurance and Payments. CIB costs down -7% YoY at constant exchange rate. **The underlying cost/income ratio<sup>1</sup>** is at 70.5%, up +250bps vs. 2Q18.

**The underlying loan loss provisioning** increased above its normalized level this quarter, mainly driven by a large single file in France. Expressed in basis points of loans outstanding (excluding credit institutions), **the businesses' underlying cost of risk** worked out to 63bps in 2Q19 vs. a normalized level of ~30bps.

**Underlying tax rate** at ~28% in 2Q19. YoY increase in minority interests on the back of a higher performance from some European AM affiliates and Coface.

Net income (group share), adjusted for IFRIC 21 and excluding exceptional items reached €315m in 2Q19. Accounting for exceptional items (-€17m net of tax in 2Q19) and IFRIC 21 impact (+€47m in 2Q19), the reported net income (group share) in 2Q19 is at €346m.

**Businesses' underlying RoE<sup>1</sup>** reached 12.6% in 2Q19 and 13.9% under a normalized<sup>2</sup> cost of risk.

**Natixis' underlying RoTE<sup>1</sup>** reached 9.6% in 2Q19 excl. IFRIC 21 and 10.8% under a normalized<sup>2</sup> cost of risk.

<sup>1</sup> See note on methodology. Excluding exceptional items and excluding IFRIC 21 <sup>2</sup> Normalizing the 2Q19 cost of risk at 30bps

## 1H19 RESULTS<sup>1</sup>

€m	1H19 restated	1H18 restated	1H19 o/w underlying	1H18 o/w underlying	1H19 vs. 1H18 restated	1H19 vs. 1H18 underlying
<b>Net revenues</b>	<b>4,414</b>	<b>4,553</b>	<b>4,410</b>	<b>4,526</b>	<b>(3)%</b>	<b>(3)%</b>
o/w businesses	3,992	4,146	3,992	4,146	(4)%	(4)%
Expenses	(3,297)	(3,202)	(3,269)	(3,173)	3%	3%
<b>Gross operating income</b>	<b>1,117</b>	<b>1,350</b>	<b>1,141</b>	<b>1,353</b>	<b>(17)%</b>	<b>(16)%</b>
Provision for credit losses	(141)	(77)	(141)	(77)		
<b>Net operating income</b>	<b>976</b>	<b>1,273</b>	<b>1,000</b>	<b>1,276</b>	<b>(23)%</b>	<b>(22)%</b>
Associates and other items	692	20	9	20		
<b>Pre-tax profit</b>	<b>1,668</b>	<b>1,293</b>	<b>1,009</b>	<b>1,295</b>	<b>29%</b>	<b>(22)%</b>
Income tax	(379)	(409)	(308)	(410)		
Minority interests	(178)	(117)	(145)	(117)		
<b>Net income - group share</b>	<b>1,110</b>	<b>767</b>	<b>555</b>	<b>769</b>	<b>45%</b>	<b>(28)%</b>

**Natixis' underlying net revenues** are higher or stable vs. 1H18 for the vast majority of the businesses with Payments up +10% YoY, Insurance up +7% YoY, AWM up +4% YoY and IB/M&A up +6% YoY. 1H19 revenue evolution to be put in the context of a historically high 1H18, in particular 1Q18 for Global markets and 2Q18 for Global finance.

**Underlying expenses** are well under control and up +1% YoY at constant exchange rate reflecting solid revenue growth across most businesses, investments being made (e.g. strategic projects, support functions) and the increase in the SRF contribution. CIB costs down -3% YoY at constant exchange rate. **The underlying cost/income ratio<sup>2</sup>** is at 71.7%, up +390bps vs. 1H18.

**The underlying loan loss provisioning** almost doubled vs. 1H18 on the back of a large single file impact in 2Q19 and is thus not representative of the normalized cost of risk. Expressed in basis points of loans outstanding (excluding credit institutions), **the businesses' underlying cost of risk** worked out to 43bps in 1H19.

**Underlying tax rate** at ~31% in 1H19 due to the non-deductibility of the SRF contribution in 1Q. Guidance maintained at <30% for 2019.

Net income (group share), adjusted for IFRIC 21 and excluding exceptional items reached €650m in 1H19. Accounting for exceptional items (+€555m net of tax in 1H19) and IFRIC 21 impact (-€95m in 1H19), the reported net income (group share) in 1H19 is at €1,110m.

**Businesses' underlying RoE<sup>2</sup>** reached 12.5% in 1H19 and 12.9% under a normalized cost of risk<sup>3</sup>.

**Natixis' underlying RoTE<sup>2</sup>** reached 9.9% in 1H19 excl. IFRIC 21 and 10.3% under a normalized cost of risk<sup>3</sup>.

<sup>1</sup> Figures restated as communicated on April 11, 2019 following the disposal of the retail banking activities. See page 13 for the reconciliation of the restated figures with the accounting view<sup>2</sup> See note on methodology. Excluding exceptional items and excluding IFRIC 21<sup>3</sup> Normalizing the 1H19 cost of risk at 30bps

## 2Q19 & 1H19 RESULTS

### Exceptional items

€m		2Q19	2Q18	1H19	1H18
Exchange rate fluctuations on DSN in currencies ( <i>Net revenues</i> )	<i>Corporate center</i>	(15)	55	4	27
Transformation & Business Efficiency Investment costs ( <i>Expenses</i> )	<i>Business lines &amp; Corporate center</i>	(10)	(18)	(26)	(30)
Fit to Win investments & restructuring expenses ( <i>Expenses</i> )	<i>Corporate center</i>	(1)	4	(1)	1
Disposal of subsidiary in Brazil ( <i>Gain or loss on other assets</i> )	<i>CIB</i>	0	0	(15)	0
Capital gain - Disposal of retail activities ( <i>Gain or loss on other assets</i> )	<i>Corporate center</i>	0	0	697	0
Total impact on income tax		8	(14)	(71)	1
Total impact on minority interests		0	(1)	(33)	(1)
<b>Total impact on net income (gs)</b>		<b>(17)</b>	<b>25</b>	<b>555</b>	<b>(2)</b>

€586m positive net impact from the disposal of the retail banking activities in 1Q19: €697m capital gain minus €78m income tax minus €33m minority interests

## TRANSFORMATION & BUSINESS EFFICIENCY

### Investment costs by reporting line

€m	2Q19	2Q18	1H19	1H18
AWM	(0)	(1)	(5)	(1)
CIB	(3)	(3)	(6)	(4)
Insurance	(2)	(1)	(2)	(1)
Payments	(0)	(1)	(0)	(1)
Financial Investments	0	0	0	0
Corporate center	(5)	(13)	(13)	(23)
<b>Impact on expenses</b>	<b>(10)</b>	<b>(18)</b>	<b>(26)</b>	<b>(30)</b>

Unless specified otherwise, the following comments and data refer to underlying results, i.e. excluding exceptional items (see detail p4)

## Asset & Wealth Management

€m	2Q19	2Q18	2Q19 vs. 2Q18	1H19	1H18	1H19 vs. 1H18	1H19 vs. 1H18 constant FX
<b>Net revenues</b>	<b>932</b>	<b>842</b>	<b>11%</b>	<b>1,705</b>	<b>1,641</b>	<b>4%</b>	<b>0%</b>
o/w Asset Management <sup>1</sup>	900	805	12%	1,642	1,567	5%	1%
o/w Wealth management	32	37	(12)%	63	74	(14)%	(14)%
Expenses	(605)	(568)	7%	(1,158)	(1,116)	4%	0%
<b>Gross operating income</b>	<b>327</b>	<b>274</b>	<b>19%</b>	<b>547</b>	<b>525</b>	<b>4%</b>	<b>1%</b>
Provision for credit losses	(2)	(1)		(1)	(1)		
Associates and other items	(2)	(2)		(4)	(2)		
<b>Pre-tax profit</b>	<b>323</b>	<b>270</b>	<b>20%</b>	<b>542</b>	<b>521</b>	<b>4%</b>	
Cost/income ratio <sup>2</sup>	65.1%	67.7%	-2.6pp	67.8%	67.8%	-0.0pp	
RoE after tax <sup>2</sup>	15.0%	15.2%	-0.2pp	13.5%	14.6%	-1.1pp	

**Underlying net revenues** from Asset & Wealth Management (AWM) are up +11% YoY in 2Q19 on a high 2Q18. Net revenues growth even excluding performance fees, illustrating the resilience of our active multi-boutique model. **Asset management** (excl. Employee savings plan) underlying net revenues excl. performance fees down -4% YoY in North America (€384m) and up +9% in Europe (€208m) in 2Q19 (-5% at €756m and +11% at €378m in 1H19 for North America and Europe respectively). **Wealth management** net revenues are down -€5m YoY in 2Q19 mainly due to the perimeter effect from the disposal of Selection 1818 finalized in 4Q18.

**The Asset management overall fee rate excluding performance fees** is at 30bps in 2Q19, flat QoQ and in line with the New Dimension target. In Europe, 16.5bps (+0.5bps QoQ) and 28.6bps excl. Life Insurance General Accounts (+1.1bps QoQ). In North America, 38bps (flat QoQ). **Performance fees** reached €138m in 2Q19 and €171m in 1H19 (~11% of AM revenues vs. ~13% FY18) mainly driven by H2O and AEW.

**Asset management net inflows** on LT products reached >€3bn in 2Q19 excluding H2O illustrating the diversity of the multi-boutique model with, notably, a rebound in the US. H2O AuM at €26bn as at end-June, above its end-June 2018 level. H2O fund flows have normalized quickly - positive net inflows in July. In Europe, ~€1bn net inflows on LT products (excl. H2O) in 2Q19 mainly driven by Fixed income, ESG and Real asset strategies. Net outflows on money market funds (~€4bn) in part driven by corporates' semester-end. In North America, ~€2bn net inflows on LT products in 2Q19 primarily driven by Fixed income and *growth* Equity strategies. Good momentum for Loomis.

**Asset management AuM** reached €898bn as at June 30, 2019 and are up +5% QoQ. Positive FX and perimeter effect of €27bn (mainly driven by the acquisition of a stake in WCM) and positive market effect of +€22bn in 2Q19. **Wealth management AuM** reached €30.0bn as at June 30, 2019 including Massena Partners (acquisition finalized end of June) and with €0.3bn positive net inflows.

**Underlying expenses** up +3% YoY at constant exchange rate in 2Q19 reflecting investments being made in new initiatives and digitalization as well as MIFID 2 impact.

**The underlying RoE<sup>2</sup>** reached 15.0% in 2Q19 and 13.5% in 1H19.

<sup>1</sup> Asset management including Private equity and Employee savings plan <sup>2</sup> See note on methodology. Excluding exceptional items and excluding IFRIC 21

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## Corporate & Investment Banking

€m	2Q19	2Q18	2Q19 vs. 2Q18	1H19	1H18	1H19 vs. 1H18	1H19 vs. 1H18 constant FX
<b>Net revenues</b>	<b>847</b>	<b>976</b>	<b>(13)%</b>	<b>1,654</b>	<b>1,920</b>	<b>(14)%</b>	<b>(16)%</b>
Net revenues excl. CVA/DVA/Other	844	922	(9)%	1,644	1,872	(12)%	(15)%
Expenses	(520)	(548)	(5)%	(1,099)	(1,113)	(1)%	(3)%
<b>Gross operating income</b>	<b>327</b>	<b>428</b>	<b>(24)%</b>	<b>554</b>	<b>807</b>	<b>(31)%</b>	<b>(34)%</b>
Provision for credit losses	(104)	(37)		(134)	(68)		
Associates and other items	3	3		6	9		
<b>Pre-tax profit</b>	<b>225</b>	<b>393</b>	<b>(43)%</b>	<b>426</b>	<b>748</b>	<b>(43)%</b>	
Cost/income ratio <sup>1</sup>	62.4%	56.9%	+5.5pp	65.5%	57.2%	+8.3pp	
RoE after tax <sup>1</sup>	9.3%	17.3%	-8.0pp	9.5%	17.2%	-7.7pp	

**Underlying net revenues** are down high-single digit in 2Q19 excl. CVA/DVA and Other. Revenue evolution largely driven by a high base effect for Global finance activities with a historically high 2Q18. Continued growth in Investment banking/M&A and resilient Global markets in 2Q19 with solid performances across the Americas and EMEA (excl. France) platforms. Increased revenue diversification and robust pipeline built up for 2H19 especially on our key sectors and Investment banking/M&A.

**Global markets** net revenues excl. CVA/DVA significantly up QoQ in 2Q19 and slightly down YoY. 1H19 revenue evolution reflecting a high base, especially in 1Q18. **FICT** net revenues up +2% YoY in 2Q19 with maintained high selectivity on profitable deals. Continued good performance in Credit especially in the US and revenues picking up in Rates, despite challenging market conditions and the lack of jumbo transactions. Less favorable environment for FX, notably due to the lack of volatility on major currencies. **Equity** net revenues excluding cash equity down -16% YoY in 2Q19 (high 2Q18) with a solid recovery post 4Q18 and remaining close to 1Q19 levels. Increased diversification while continuing to bring innovative solutions to address clients' needs.

**Global finance** net revenues down YoY due to the base effect from a historically high 2Q18, especially on Aviation and US Real estate. Sustained 2Q19 activity in Energy & Natural Resources as well as in Europe Real estate. **Robust new loan production**, up +36% QoQ although down YoY (base effect). Solid origination levels for Europe Real estate and ASF. **Distribution rate on Real Assets** at ~62% in 1H19. **Investment banking and M&A** net revenues up +5% YoY in 2Q19 (+6% in 1H19), in part driven by *Green & Sustainable* initiatives and including a good performance both in ECM and DCM. Sustained M&A activity in 2Q19 with a good contribution from PJ Solomon in the US. **Proportion of revenues generated from service fees** at ~38% in 2Q19 and ~40% in 1H19<sup>2</sup>.

**Underlying expenses** are well under control and down -7% YoY at constant exchange rate in 2Q19 reflecting lower variable costs and ongoing efforts to improve efficiency despite investments being made to develop our sectorial approach as well as control functions.

**Underlying cost of risk** above its normalized level of ~30bps due to a large single file in France in 2Q19.

**Underlying RoE<sup>1</sup>** of 9.3% in 2Q19 and 9.5% in 1H19. Normalizing for the cost of risk<sup>3</sup>, the 2Q19 RoE would have reached 11.7% (10.4% in 1H19). **RWA** are well under control, down -1% QoQ. **Acquisition of Azure Capital Limited** in Australia finalized in June to complement the international network of M&A boutiques and already bringing new mandates.

<sup>1</sup> See note on methodology. Excluding exceptional items and excluding IFRIC 21 <sup>2</sup> ENR, Real Assets, ASF <sup>3</sup> Normalizing the cost of risk at 30bps

Unless specified otherwise, the following comments and data refer to underlying results, i.e. excluding exceptional items (see detail p4)

## Insurance

€m	2Q19	2Q18	2Q19 vs. 2Q18	1H19	1H18	1H19 vs. 1H18
<b>Net revenues</b>	<b>207</b>	<b>193</b>	<b>7%</b>	<b>425</b>	<b>397</b>	<b>7%</b>
Expenses	(114)	(107)	6%	(239)	(225)	6%
<b>Gross operating income</b>	<b>93</b>	<b>85</b>	<b>9%</b>	<b>186</b>	<b>171</b>	<b>9%</b>
Provision for credit losses	0	0		0	0	
Associates and other items	5	0		5	3	
<b>Pre-tax profit</b>	<b>98</b>	<b>86</b>	<b>15%</b>	<b>192</b>	<b>175</b>	<b>10%</b>
Cost/income ratio <sup>1</sup>	56.9%	58.1%	-1.2pp	54.2%	54.4%	-0.2pp
RoE after tax <sup>1</sup>	27.7%	25.2%	+2.5pp	30.4%	29.1%	+1.3pp

### Banking view

**Underlying net revenues** up +7% YoY both in 2Q19 and 1H19 with growth across the board.

**Underlying expenses** up +6% YoY both in 2Q19 and 1H19, translating into a positive jaws effect and an **underlying cost/income ratio**<sup>1</sup> improvement, in line with the 2020 target of ~54%.

**Underlying gross operating income** up +9% YoY both in 2Q19 and 1H19.

**Underlying RoE**<sup>1</sup> continued progression, above 30% in 1H19 which is the target set for New Dimension by 2020

### Insurance view

**Global turnover**<sup>2</sup> reached €3.3bn in 2Q19, up +10% YoY (+2% in 1H19 at €6.7bn).

**Life and Personal protection:** €2.9bn earned premiums<sup>2</sup> in 2Q19, up +11% YoY.

- **Total AuM**<sup>2</sup> at €65.0bn as at end-June 2019, up +3% QoQ and +8% YTD, driven by €1.6bn of net inflows<sup>2</sup> in 2Q19 (€3.4bn YTD).
- **Unit-linked AuM**<sup>2</sup> at €15.9bn as at end-June 2019, up +5% QoQ and +13% YTD, driven by €0.6bn of net inflows<sup>2</sup> both in 1Q19 and 2Q19 (36% of total net inflows). UL products accounted for 29% of gross inflows in 2Q19, above the French market<sup>3</sup>.
- **Personal protection:** earned premiums up +22% YoY in 2Q19 at €0.3bn (+12% in 1H19 at €0.5bn).

**P&C:** €0.4bn earned premiums in 2Q19, up +7% YoY (+5% in 1H19 at €0.8bn). **The combined ratio** reaches 90.5% in 2Q19 (-1.5pp YoY) and 91.5% in 1H19 (-0.6pp YoY).

**The non-life equipment rate** at the end of June is at 26.5% (+0.5pp QoQ) for *Banques Populaires* and at 29.5% (+0.4pp QoQ) for *Caisses d'Epargne*.

<sup>1</sup> See note on methodology. Excluding exceptional items and excluding IFRIC 21 <sup>2</sup> Excluding reinsurance agreement with CNP <sup>3</sup> Source: FFA

Unless specified otherwise, the following comments and data refer to underlying results, i.e. excluding exceptional items (see detail p4)

## Payments

€m	2Q19	2Q18	2Q19 vs. 2Q18	1H19	1H18	1H19 vs. 1H18
<b>Net revenues</b>	<b>105</b>	<b>95</b>	<b>10%</b>	<b>208</b>	<b>188</b>	<b>10%</b>
Expenses	(94)	(87)	8%	(181)	(166)	9%
<b>Gross operating income</b>	<b>11</b>	<b>8</b>	<b>33%</b>	<b>27</b>	<b>22</b>	<b>21%</b>
Provision for credit losses	(1)	(0)		(1)	(0)	
Associates and other items	0	1		0	1	
<b>Pre-tax profit</b>	<b>10</b>	<b>9</b>	<b>17%</b>	<b>26</b>	<b>23</b>	<b>15%</b>
<i>Cost/income ratio<sup>1</sup></i>	89.8%	91.6%	-1.8pp	87.0%	88.1%	-1.1pp
<i>RoE after tax<sup>1</sup></i>	7.2%	7.9%	-0.7pp	9.8%	10.6%	-0.8pp

**Underlying net revenues** are up +10% YoY both in 2Q19 and 1H19. 40% of 1H19 revenues realized with direct clients (+3pp vs. 1H18).

- **Payment Processing & Services:** Steady +4% YoY revenue growth in Natixis Payments' historical activities in 2Q19 (+5% in 1H19). Number of card transactions processed up +9% YoY in 2Q19.
- **Merchant Solutions:** Solid business volumes generated by Dalenys (medium/large corp.) and PayPlug (SME), up +22% YoY in 2Q19 (+24% in 1H19). Successful delivery of a fully-integrated "mobility as a service" (MAAS) solution for the SNCF Group simplifying payment services associated with all types of travel.
- **Prepaid & Issuing Solutions:** Robust growth in 2Q19 driven by meal vouchers (+7% YoY) and the contribution of our *Benefits & Rewards* activity (Titres Cadeaux and Comitéo). Number of mobile payments more than x2.6 vs. 2Q18. Launch of *Xpollens* in partnership with Visa, the first end-to-end "Payments in a box" offer integrating a full range of innovative payment solutions, from payment cards to instant payments through account management.

<sup>1</sup> See note on methodology. Excluding exceptional items and excluding IFRIC 21



Unless specified otherwise, the following comments and data refer to underlying results, i.e. excluding exceptional items (see detail p4)

## Financial Investments

€m	2Q19	2Q18	2Q19 vs. 2Q18	1H19	1H18	1H19 vs. 1H18
<b>Net revenues</b>	<b>196</b>	<b>174</b>	<b>13%</b>	<b>389</b>	<b>364</b>	<b>7%</b>
Coface	181	156	16%	356	333	7%
Other	15	18	(18)%	33	31	6%
Expenses	(140)	(129)	9%	(273)	(257)	6%
<b>Gross operating income</b>	<b>56</b>	<b>45</b>	<b>23%</b>	<b>116</b>	<b>107</b>	<b>8%</b>
Provision for credit losses	(4)	1		(6)	(5)	
Associates and other items	5	3		5	6	(5)%
<b>Pre-tax profit</b>	<b>57</b>	<b>50</b>	<b>15%</b>	<b>115</b>	<b>108</b>	<b>6%</b>

The net combined ratio of Coface<sup>1</sup> reached 77.5% in 2Q19 vs. 81.5% in 2Q18 (76.0% 1H19 vs. 77.0% 1H18) with a cost ratio moving from 35.0% to 32.2% (from 33.8% 1H18 to 32.0% 1H19) and a loss ratio moving from 46.6% to 45.3% (from 43.2% 1H18 to 44.0% 1H19).

## Corporate Center

€m	2Q19	2Q18	2Q19 vs. 2Q18	1H19	1H18	1H19 vs. 1H18
<b>Net revenues</b>	<b>9</b>	<b>25</b>		<b>28</b>	<b>16</b>	
Expenses	(93)	(74)	25%	(318)	(296)	7%
SRF	0	(0)		(170)	(160)	6%
Other	(93)	(74)	26%	(148)	(136)	9%
<b>Gross operating income</b>	<b>(83)</b>	<b>(49)</b>	<b>69%</b>	<b>(290)</b>	<b>(280)</b>	<b>3%</b>
Provision for credit losses	1	(4)		1	(3)	
Associates and other items	(5)	2		(3)	4	
<b>Pre-tax profit</b>	<b>(87)</b>	<b>(51)</b>	<b>72%</b>	<b>(292)</b>	<b>(280)</b>	<b>4%</b>

**Underlying net revenues** from the Corporate Center of €9m in 2Q19 vs. €25m in 2Q18 (various positive elements impacting 2Q18).

**Underlying expenses** excluding SRF contribution up +€19m YoY in 2Q19 mainly due to severances and real estate management.

**Underlying pre-tax profit** contribution broadly unchanged YoY in 1H19 excl. SRF.

<sup>1</sup> Reported ratios, net of reinsurance

## FINANCIAL STRUCTURE

### Basel 3 fully-loaded ratios<sup>1</sup>

Natixis' **Basel 3 fully-loaded CET1 ratio** worked out to 11.5% as at June 30, 2019.

- **Basel 3 fully-loaded CET1 capital** amounted to €11.1bn
- **Basel 3 fully-loaded RWA** amounted to €96.9bn

Based on a Basel 3 fully-loaded CET1 ratio of 11.6% as at March 31, 2019, the respective 2Q19 impacts were as follows:

- Irrevocable Payment Commitment deduction from capital (IPC): -12bps
- 2Q19 strategic operations (WCM, IM, Fiera Capital, Massena Partners, Azure Capital): -16bps
- 2Q19 results: +36bps
- 2Q19 ordinary dividends: -20bps
- 2Q19 RWA and other effects: +2bps

### Basel 3 regulatory ratios<sup>1</sup>

As at June 30, 2019, Natixis' **Basel 3 regulatory capital ratios stood at 10.6% for the CET1, 12.8% for the Tier 1 and 15.2% for the total capital ratio.**

- **Core Tier 1 capital** stood at €10.3bn and **Tier 1 capital** at €12.4bn
- Natixis' **RWA** totaled €96.9bn, breakdown as follows:
  - Credit risk: €65.6bn
  - Counterparty risk: €6.6bn
  - CVA risk: €1.8bn
  - Market risk: €9.6bn
  - Operational risk: €13.3bn

### Book value per share

Equity capital (group share) totaled €18.6bn as at June 30, 2019, of which €2.0bn in the form of hybrid securities (DSNs) recognized in equity capital at fair value (excluding capital gain following reclassification of hybrids).

Natixis' book value per share stood at **€5.24** as at June 30, 2019 based on 3,150,059,450 shares excluding treasury shares (the total number of shares being 3,153,078,482). The tangible book value per share (after deducting goodwill and intangible assets) was **€3.96**.

### Leverage ratio<sup>1</sup>

The **leverage ratio worked out to 4.35%** as at June 30, 2019.

### Overall capital adequacy ratio

As at June 30, 2019, the financial conglomerate's excess capital was estimated at around €3.5bn (based on own funds including current financial year's earnings).

<sup>1</sup> See note on methodology

## APPENDICES

### Note on methodology:

The results at 30/06/2019 were examined by the board of directors at their meeting on 01/08/2019.

Figures at 30/06/2019 are presented in accordance with IAS/IFRS accounting standards and IFRS Interpretation Committee (IFRIC) rulings as adopted in the European Union and applicable at this date

### Changes in Natixis' account presentation following the disposal of the retail banking activities to BPCE S.A.

- Employee savings plan is reallocated to Asset & Wealth Management
- Film industry financing is reallocated to Corporate & Investment Banking
- Insurance is not impacted
- Payments becomes a standalone business line
- Financial Investments are isolated and include Coface, Natixis Algeria and the private equity runoff activities. The Corporate Center is refocused on Natixis' holding and ALM functions and carries the Single Resolution Fund contribution within its expenses

### Additional impacts on the quarterly series from the disposal of the retail banking activities to BPCE S.A.

- New support function services provided by Natixis to the activities sold (TSA / SLA), as well as the cancellation of services or analytical items that have been made obsolete following such a disposal are factored in
- The reclassification as Net revenues of the residual IT and logistic services that continue to be provided to the activities sold. Such services now being provided to entities that do not fall under Natixis' scope of consolidation anymore, they have been reclassified as Net revenues instead of expense deductions
- The implementation of introductory fees between the Natixis CIB Coverage and the entities sold

In order to ensure comparability between the 2018 and 2019 quarterly series, these impacts have been simulated retroactively as of January 1st, 2018, even though they only impact the published financial statements as of their implementation date in 2019. These items essentially impact the Corporate Center and more marginally the CIB. The others business lines are unimpacted

### **Business line performances using Basel 3 standards:**

- The performances of Natixis business lines are presented using Basel 3 standards. Basel 3 risk-weighted assets are based on CRR-CRD4 rules as published on June 26<sup>th</sup>, 2013 (including the Danish compromise treatment for qualified entities).
- **Natixis' RoTE** is calculated by taking as the numerator net income (group share) excluding DSN interest expenses on preferred shares after tax. Equity capital is average shareholders' equity group share as defined by IFRS, after payout of dividends, excluding average hybrid debt, average intangible assets and average goodwill.
- **Natixis' RoE**: Results used for calculations are net income (group share), deducting DSN interest expenses on preferred shares after tax. Equity capital is average shareholders' equity group share as defined by IFRS, after payout of dividends, excluding average hybrid debt, and excluding unrealized or deferred gains and losses recognized in equity (OCI).
- **RoE for business lines** is calculated based on normative capital to which are added goodwill and intangible assets for the business line. Normative capital allocation to Natixis' business lines is carried out based on 10.5% of their average Basel 3 risk-weighted assets. Business lines benefit from remuneration of normative capital allocated to them. By convention, the remuneration rate on normative capital is maintained at 2%.

### Note on Natixis' RoE and RoTE calculation: Calculations based on quarter-end balance sheet in 1Q19 to reflect the disposal of the retail banking activities. The €586m net capital gain is not annualized

**Net book value:** calculated by taking shareholders' equity group share (minus distribution of dividends proposed by the Board of Directors and submitted to the approval of the General Shareholders' Meeting on May 28, 2019), restated for hybrids and capital gains on reclassification of hybrids as equity instruments. Net tangible book value is adjusted for goodwill relating to equity affiliates, restated goodwill and intangible assets as follows:

€m	30/06/2019
Goodwill	3,863
Restatement for Coface minority interests	(162)
Restatement for AWM deferred tax liability & others	(334)
<b>Restated goodwill</b>	<b>3,367</b>

€m	30/06/2019
Intangible assets	697
Restatement for Coface minority interest & others	(48)
<b>Restated intangible assets</b>	<b>649</b>

**Own senior debt fair-value adjustment:** calculated using a discounted cash-flow model, contract by contract, including parameters such as swap curves and revaluation spread (based on the BPCE reoffer curve). Adoption of IFRS 9 standards, on November 22, 2016, authorizing the early application of provisions relating to own credit risk as of FY2016 closing.

**Regulatory (phased-in) capital and ratios:** based on CRR-CRD4 rules as reported on June 26, 2013, including the Danish compromise - phased in. Presentation excluding current financial year's earnings and accrued dividend (based on a 60% pay-out<sup>1</sup>)

**Fully-loaded capital and ratios:** based on CRR-CRD4 rules as reported on June 26, 2013, including the Danish compromise - without phase-in. Presentation including current financial year's earnings and accrued dividend (based on a 60% pay-out<sup>1</sup>)

**Leverage ratio:** based on delegated act rules, without phase-in (presentation including 1H19 earnings and accrued dividend<sup>1</sup>) and with the hypothesis of a roll-out for non-eligible subordinated notes under Basel 3 by eligible notes. Repo transactions with central counterparties are offset in accordance with IAS 32 rules without maturity or currency criteria. Leverage ratio disclosed including the effect of intragroup cancelation - pending ECB authorization

**Exceptional items:** figures and comments on this press release are based on Natixis and its businesses' income statements **excluding non-operating and/or exceptional items detailed page 4**. Figures and comments that are referred to as 'underlying' exclude such exceptional items. Natixis and its businesses' income statements including these items are available in the appendix of this press release

**Restatement for IFRIC 21 impact:** the cost/income ratio, the RoE and the RoTE excluding IFRIC 21 impact calculation in 1H19 takes into account ½ of the annual duties and levies concerned by this accounting rule. The impact for the quarter is calculated by difference with the former quarter

**Earnings capacity:** net income (group share) restated for exceptional items and the IFRIC 21 impact

**Expenses:** sum of operating expenses and depreciation, amortization and impairment on property, plant and equipment and intangible assets

<sup>1</sup> Pay-out ratio based on reported net income group share minus DSN interest expenses on preferred shares after tax and excluding the €586m net capital gain from the disposal of the retail banking activities

## Natixis - Consolidated P&L (restated)

€m	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	2Q19 vs. 2Q18	1H18	1H19	1H19 vs. 1H18
<b>Net revenues</b>	2,193	2,360	2,156	2,040	2,132	2,282	(3)%	4,553	4,414	(3)%
Expenses	(1,675)	(1,528)	(1,499)	(1,656)	(1,720)	(1,577)	3%	(3,202)	(3,297)	3%
<b>Gross operating income</b>	518	832	658	383	412	705	(15)%	1,350	1,117	(17)%
Provision for credit losses	(36)	(41)	(93)	(23)	(31)	(110)		(77)	(141)	
Associates	7	3	6	13	3	8		10	11	
Gain or loss on other assets	6	4	(0)	44	682	(2)		10	681	
Change in value of goodwill	0	0	0	0	0	0		0	0	
<b>Pre-tax profit</b>	495	798	570	418	1,066	602	(25)%	1,293	1,668	29%
Tax	(175)	(234)	(154)	(110)	(215)	(164)		(409)	(379)	
Minority interests	(60)	(57)	(59)	(127)	(86)	(92)		(117)	(178)	
<b>Net income (group share)</b>	260	507	358	181	764	346	(32)%	767	1,110	45%

Figures restated as communicated on April 11, 2019 following the disposal of the retail banking activities. See below for the reconciliation of the restated figures with the accounting view

## Natixis - Reconciliation between management and accounting figures

### 1H18

€m	1H18 underlying	Exceptional items	1H18 restated	Contribution from perimeter sold	1H18 reported
<b>Net revenues</b>	4,526	27	4,553	437	4,989
Expenses	(3,173)	(29)	(3,202)	(233)	(3,435)
<b>Gross operating income</b>	1,353	(2)	1,350	204	1,554
Provision for credit losses	(77)		(77)	(7)	(84)
Associates	10		10	0	10
Gain or loss on other assets	10		10	0	10
<b>Pre-tax profit</b>	1,295	(2)	1,293	197	1,490
Tax	(410)	1	(409)	(61)	(470)
Minority interests	(117)	(1)	(117)	0	(118)
<b>Net income (group share)</b>	769	(2)	767	136	903

### 1H19

€m	1H19 underlying	Exceptional items	1H19 restated	Residual contribution from perimeter sold	1H19 reported
<b>Net revenues</b>	4,410	4	4,414	22	4,436
Expenses	(3,269)	(28)	(3,297)	(22)	(3,319)
<b>Gross operating income</b>	1,141	(24)	1,117	0	1,117
Provision for credit losses	(141)		(141)	0	(141)
Associates	11		11	0	11
Gain or loss on other assets	2	682	681	0	681
<b>Pre-tax profit</b>	1,009	659	1,668	0	1,668
Tax	(308)	(71)	(379)	0	(379)
Minority interests	(145)	(33)	(178)	0	(78)
<b>Net income (group share)</b>	555	555	1,110	0	1,110

## Natixis - IFRS 9 Balance sheet

Assets (€bn)	30/06/2019	31/03/2019
Cash and balances with central banks	17.8	20.3
Financial assets at fair value through profit and loss <sup>1</sup>	218.1	219.3
Financial assets at fair value through Equity	11.5	11.1
Loans and receivables <sup>1</sup>	124.9	119.2
Debt instruments at amortized cost	1.8	1.5
Insurance assets	106.9	104.3
Non-current assets held for sale	0.0	0.0
Accruals and other assets	16.4	15.9
Investments in associates	0.7	0.7
Tangible and intangible assets	2.2	2.3
Goodwill	3.9	3.8
<b>Total</b>	<b>504.3</b>	<b>498.4</b>

Liabilities and equity (€bn)	30/06/2019	31/03/2019
Due to central banks	0.0	0.0
Financial liabilities at fair value through profit and loss <sup>1</sup>	217.8	211.9
Customer deposits and deposits from financial institutions <sup>1</sup>	97.5	101.8
Debt securities	48.5	45.7
Liabilities associated with non-current assets held for sale	0.0	0.0
Accruals and other liabilities	18.5	17.8
Insurance liabilities	96.5	93.4
Contingency reserves	1.7	1.7
Subordinated debt	4.0	4.0
Equity attributable to equity holders of the parent	18.6	20.8
Minority interests	1.2	1.4
<b>Total</b>	<b>504.3</b>	<b>498.4</b>

<sup>1</sup> Including deposit and margin call

## Natixis - 2Q19 P&L by business line

€m	AWM	CIB	Insurance	Payments	Financial investments	Corporate Center	2Q19 restated
<b>Net revenues</b>	<b>932</b>	<b>847</b>	<b>207</b>	<b>105</b>	<b>196</b>	<b>(5)</b>	<b>2,282</b>
Expenses	(605)	(523)	(116)	(94)	(141)	(98)	(1,577)
<b>Gross operating income</b>	<b>327</b>	<b>324</b>	<b>92</b>	<b>11</b>	<b>55</b>	<b>(103)</b>	<b>705</b>
Provision for credit losses	(2)	(104)	0	(1)	(4)	1	(110)
<b>Net operating income</b>	<b>325</b>	<b>219</b>	<b>92</b>	<b>10</b>	<b>51</b>	<b>(102)</b>	<b>595</b>
Associates and other items	(2)	3	5	0	5	(5)	7
<b>Pre-tax profit</b>	<b>323</b>	<b>223</b>	<b>96</b>	<b>10</b>	<b>56</b>	<b>(107)</b>	<b>602</b>
						Tax	(164)
						Minority interests	(92)
						<b>Net income (gs)</b>	<b>346</b>

## Asset & Wealth Management

€m	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	2Q19 vs. 2Q18	1H18	1H19	1H19 vs. 1H18
<b>Net revenues</b>	<b>799</b>	<b>842</b>	<b>841</b>	<b>1,032</b>	<b>773</b>	<b>932</b>	<b>11%</b>	<b>1,641</b>	<b>1,705</b>	<b>4%</b>
<i>Asset Management</i> <sup>1</sup>	762	805	805	998	742	900	12%	1,567	1,642	5%
<i>Wealth management</i>	37	37	36	34	31	32	(12)%	74	63	(14)%
Expenses	(548)	(569)	(584)	(642)	(558)	(605)	6%	(1,117)	(1,163)	4%
<b>Gross operating income</b>	<b>251</b>	<b>273</b>	<b>257</b>	<b>389</b>	<b>216</b>	<b>327</b>	<b>20%</b>	<b>524</b>	<b>542</b>	<b>3%</b>
Provision for credit losses	(0)	(1)	(1)	0	1	(2)		(1)	(1)	
<b>Net operating income</b>	<b>251</b>	<b>272</b>	<b>256</b>	<b>390</b>	<b>216</b>	<b>325</b>	<b>20%</b>	<b>523</b>	<b>541</b>	<b>4%</b>
Associates	0	0	0	2	0	0		0	0	
Other items	(0)	(3)	(2)	41	(2)	(2)		(3)	(4)	
<b>Pre-tax profit</b>	<b>251</b>	<b>269</b>	<b>255</b>	<b>433</b>	<b>214</b>	<b>323</b>	<b>20%</b>	<b>520</b>	<b>537</b>	<b>3%</b>
Cost/Income ratio	68.6%	67.6%	69.4%	62.3%	72.1%	64.9%		68.1%	68.2%	
Cost/Income ratio excl. IFRIC 21	68.1%	67.7%	69.6%	62.4%	71.6%	65.1%		67.9%	68.0%	
RWA (Basel 3 - in €bn)	11.7	11.8	12.5	12.3	12.5	13.7	16%	11.8	13.7	16%
Normative capital allocation (Basel 3)	4,143	4,065	4,150	4,363	4,364	4,407	8%	4,104	4,385	7%
RoE after tax (Basel 3) <sup>2</sup>	13.7%	15.2%	13.9%	19.6%	11.5%	15.1%		14.4%	13.3%	
RoE after tax (Basel 3) excl. IFRIC 21 <sup>2</sup>	14.0%	15.1%	13.8%	19.5%	11.8%	15.0%		14.5%	13.4%	

<sup>1</sup> Asset management including Private equity and Employee savings plan

<sup>2</sup> Normative capital allocation methodology based on 10.5% of the average RWA-including goodwill and intangibles

## Corporate & Investment Banking

€m	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	2Q19 vs. 2Q18	1H18	1H19	1H19 vs. 1H18
<b>Net revenues</b>	<b>944</b>	<b>976</b>	<b>828</b>	<b>518</b>	<b>807</b>	<b>847</b>	<b>(13)%</b>	<b>1,920</b>	<b>1,654</b>	<b>(14)%</b>
<b>Global markets</b>	<b>527</b>	<b>457</b>	<b>334</b>	<b>14</b>	<b>366</b>	<b>419</b>	<b>(8)%</b>	<b>984</b>	<b>785</b>	<b>(20)%</b>
<i>FIC-T</i>	378	299	252	231	251	304	2%	677	554	(18)%
<i>Equity</i>	148	145	97	(219)	125	117	(19)%	293	242	(17)%
Equity excl. cash	143	140	97	(219)	125	117	(16)%	283	242	(15)%
Cash equity	5	4	(0)	(0)	0	0		9	0	
<i>CVA/DVA desk</i>	1	13	(15)	2	(9)	(3)		14	(12)	
<b>Global finance<sup>1</sup></b>	<b>341</b>	<b>394</b>	<b>341</b>	<b>362</b>	<b>337</b>	<b>333</b>	<b>(15)%</b>	<b>735</b>	<b>670</b>	<b>(9)%</b>
<b>Investment banking<sup>2</sup></b>	<b>82</b>	<b>85</b>	<b>78</b>	<b>126</b>	<b>87</b>	<b>90</b>	<b>5%</b>	<b>167</b>	<b>177</b>	<b>6%</b>
<b>Other</b>	<b>(7)</b>	<b>41</b>	<b>74</b>	<b>16</b>	<b>16</b>	<b>6</b>		<b>34</b>	<b>22</b>	
Expenses	(566)	(551)	(525)	(559)	(582)	(523)	(5)%	(1,117)	(1,105)	(1)%
<b>Gross operating income</b>	<b>378</b>	<b>425</b>	<b>302</b>	<b>(41)</b>	<b>225</b>	<b>324</b>	<b>(24)%</b>	<b>803</b>	<b>549</b>	<b>(32)%</b>
Provision for credit losses	(31)	(37)	(98)	(9)	(30)	(104)		(68)	(134)	
<b>Net operating income</b>	<b>347</b>	<b>388</b>	<b>204</b>	<b>(50)</b>	<b>195</b>	<b>219</b>	<b>(43)%</b>	<b>735</b>	<b>414</b>	<b>(44)%</b>
Associates	4	3	3	3	2	3		6	6	
Other items	3	0	(0)	0	(15)	0		3	(15)	
<b>Pre-tax profit</b>	<b>353</b>	<b>391</b>	<b>207</b>	<b>(47)</b>	<b>183</b>	<b>222</b>	<b>(43)%</b>	<b>744</b>	<b>405</b>	<b>(46)%</b>
Cost/Income ratio	60.0%	56.4%	63.5%	107.9%	72.2%	61.8%		58.2%	66.8%	
Cost/Income ratio excl. IFRIC 21	57.7%	57.2%	64.4%	109.4%	69.1%	62.7%		57.4%	65.9%	
RWA (Basel 3 - in €bn)	59.7	61.7	61.2	61.1	62.0	61.1	(1)%	61.7	61.1	(1)%
Normative capital allocation (Basel 3)	6,435	6,416	6,676	6,631	6,634	6,740	5%	6,426	6,687	4%
RoE after tax (Basel 3) <sup>3</sup>	16.0%	17.6%	9.0%	NR	7.6%	9.6%		16.8%	8.6%	
RoE after tax (Basel 3) excl. IFRIC 21 <sup>3</sup>	17.0%	17.2%	8.7%	NR	8.6%	9.2%		17.1%	8.9%	

<sup>1</sup> Including Film industry financing <sup>2</sup> Including M&A <sup>3</sup> Normative capital allocation methodology based on 10.5% of the average RWA-including goodwill and intangibles



## Insurance

€m	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	2Q19 vs. 2Q18	1H18	1H19	1H19 vs. 1H18
<b>Net revenues</b>	204	193	192	201	218	207	7%	397	425	7%
Expenses	(118)	(108)	(103)	(118)	(125)	(116)	7%	(226)	(241)	6%
<b>Gross operating income</b>	86	85	89	83	93	92	8%	170	184	8%
Provision for credit losses	0	0	0	0	0	0		0	0	
<b>Net operating income</b>	86	85	89	83	93	92	8%	170	184	8%
Associates	3	0	3	9	0	5		3	5	
Other items	0	0	(0)	0	0	(0)		0	(0)	
<b>Pre-tax profit</b>	89	85	92	91	93	96	14%	173	189	9%
Cost/Income ratio	58.0%	56.1%	53.8%	58.9%	57.5%	55.8%		57.1%	56.7%	
Cost/Income ratio excl. IFRIC 21	51.1%	58.5%	56.2%	61.2%	51.7%	57.8%		54.7%	54.7%	
RWA (Basel 3 - in €bn)	7.3	7.0	7.1	7.3	8.0	7.9	13%	7.0	7.9	13%
Normative capital allocation (Basel 3)	853	868	828	841	858	942	8%	861	900	5%
RoE after tax (Basel 3) <sup>1</sup>	28.6%	26.4%	30.3%	30.7%	29.4%	28.4%		27.5%	28.8%	
RoE after tax (Basel 3) excl. IFRIC 21 <sup>1</sup>	33.0%	24.9%	28.8%	29.2%	33.3%	27.2%		28.9%	30.1%	

<sup>1</sup> Normative capital allocation methodology based on 10.5% of the average RWA-including goodwill and intangibles

## Payments

€m	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	2Q19 vs. 2Q18	1H18	1H19	1H19 vs. 1H18
<b>Net revenues</b>	93	95	96	105	103	105	10%	188	208	10%
Expenses	(79)	(88)	(84)	(90)	(88)	(94)	7%	(167)	(181)	8%
<b>Gross operating income</b>	14	7	12	15	16	11	46%	21	27	25%
Provision for credit losses	(0)	(0)	0	(2)	(0)	(1)		(0)	(1)	
<b>Net operating income</b>	14	7	12	13	16	10	40%	21	26	23%
Associates	0	0	0	0	0	0		0	0	
Other items	0	1	0	0	0	0		1	0	
<b>Pre-tax profit</b>	14	8	12	13	16	10	28%	22	26	19%
Cost/Income ratio	85.2%	92.2%	87.6%	85.7%	84.8%	89.6%		88.7%	87.2%	
Cost/Income ratio excl. IFRIC21	84.5%	92.4%	87.9%	85.9%	84.1%	89.8%		88.5%	87.0%	
RWA (Basel 3 - in €bn)	1.0	1.2	1.0	1.1	1.1	1.2	(1)%	1.2	1.2	(1)%
Normative capital allocation (Basel 3)	295	300	352	332	356	373	25%	297	365	23%
RoE after tax (Basel 3) <sup>1</sup>	12.8%	7.4%	9.6%	10.1%	12.0%	7.3%		10.1%	9.6%	
RoE after tax (Basel 3) excl. IFRIC 21 <sup>1</sup>	13.4%	7.2%	9.4%	9.9%	12.5%	7.1%		10.3%	9.7%	

## Standalone EBITDA calculation

Figures excluding exceptional items

€m	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	1H18	1H19
<b>Net revenues</b>	93	95	96	105	103	105	188	208
Expenses	(79)	(87)	(85)	(90)	(88)	(94)	(166)	(181)
<b>Gross operating income - Natixis reported excl. exceptional items</b>	14	8	11	15	16	11	22	27
Analytical adjustments to net revenues	(1)	(1)	(2)	(1)	(1)	(1)	(3)	(3)
Structure charge adjustments to expenses	5	5	5	5	6	5	10	11
<b>Gross operating income - standalone view</b>	18	12	14	19	20	15	29	35
Depreciation, amortization and impairment on property, plant and equipment and intangible assets	3	4	4	5	4	4	7	8
<b>EBITDA - standalone view</b>	21	16	18	24	24	19	36	43

EBITDA = Net revenues (-) Operating expenses. Standalone view excluding analytical items and structure charges

<sup>1</sup> Normative capital allocation methodology based on 10.5% of the average RWA-including goodwill and intangibles

## Financial investments

€m	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	2Q19 vs. 2Q18	1H18	1H19	1H19 vs. 1H18
<b>Net revenues</b>	<b>190</b>	<b>174</b>	<b>197</b>	<b>181</b>	<b>193</b>	<b>196</b>	<b>13%</b>	<b>364</b>	<b>389</b>	<b>7%</b>
<i>Coface</i>	177	156	180	165	175	181	16%	333	356	7%
<i>Other</i>	13	18	17	16	18	15	(18)%	31	33	6%
Expenses	(130)	(125)	(131)	(140)	(133)	(141)	13%	(255)	(275)	8%
<b>Gross operating income</b>	<b>59</b>	<b>49</b>	<b>66</b>	<b>41</b>	<b>60</b>	<b>55</b>	<b>11%</b>	<b>109</b>	<b>115</b>	<b>6%</b>
Provision for credit losses	(6)	1	1	3	(2)	(4)		(5)	(6)	
<b>Net operating income</b>	<b>54</b>	<b>50</b>	<b>67</b>	<b>44</b>	<b>58</b>	<b>51</b>	<b>1%</b>	<b>104</b>	<b>108</b>	<b>4%</b>
Associates	0	0	0	0	0	0		0	0	
Other items	2	3	0	0	0	5		5	5	
<b>Pre-tax profit</b>	<b>56</b>	<b>53</b>	<b>67</b>	<b>44</b>	<b>58</b>	<b>56</b>	<b>5%</b>	<b>109</b>	<b>114</b>	<b>4%</b>
RWA (Basel 3 - in €bn)	5.3	5.6	5.5	5.6	5.7	5.7	2%	5.6	5.7	2%

## Corporate Center

€m	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	2Q19 vs. 2Q18	1H18	1H19	1H19 vs. 1H18
<b>Net revenues</b>	<b>(37)</b>	<b>79</b>	<b>3</b>	<b>3</b>	<b>37</b>	<b>(5)</b>		<b>42</b>	<b>32</b>	
Expenses	(232)	(87)	(71)	(107)	(234)	(98)	12%	(319)	(331)	4%
<i>SRF</i>	(160)	(0)	(0)	0	(170)	0		(160)	(170)	6%
<i>Other</i>	(73)	(86)	(71)	(107)	(64)	(98)	13%	(159)	(162)	2%
<b>Gross operating income</b>	<b>(269)</b>	<b>(7)</b>	<b>(68)</b>	<b>(104)</b>	<b>(196)</b>	<b>(103)</b>		<b>(277)</b>	<b>(299)</b>	
Provision for credit losses	1	(4)	4	(15)	0	1		(3)	1	
<b>Net operating income</b>	<b>(269)</b>	<b>(11)</b>	<b>(63)</b>	<b>(118)</b>	<b>(196)</b>	<b>(102)</b>		<b>(280)</b>	<b>(298)</b>	
Associates	0	0	0	0	0	0		0	0	
Other items	1	2	2	3	699	(5)		4	694	
<b>Pre-tax profit</b>	<b>(268)</b>	<b>(9)</b>	<b>(62)</b>	<b>(115)</b>	<b>503</b>	<b>(107)</b>		<b>(276)</b>	<b>396</b>	
RWA (Basel 3 - in €bn)	9.0	9.4	8.7	7.8	7.0	7.3	(22)%	9.4	7.3	(22)%

## 2Q19 results: from data excluding non-operating items to reported data

€m	2Q19 underlying	Exchange rate fluctuations on DSN in currencies	Transformation & Business Efficiency investment costs	Fit to Win investments & restructuring expenses	2Q19 reported
<b>Net revenues</b>	2,297	(15)			2,282
Expenses	(1,566)		(10)	(1)	(1,577)
<b>Gross operating income</b>	730	(15)	(10)	(1)	705
Provision for credit losses	(110)				(110)
Associates	8				8
Gain or loss on other assets	(2)				(2)
<b>Pre-tax profit</b>	627	(15)	(10)	(1)	602
Tax	(172)	5	3	0	(164)
Minority interests	(93)			0	(92)
<b>Net income (group share)</b>	363	(10)	(7)	(0)	346

## 1H19 results: from data excluding non-operating items to restated data

€m	1H19 underlying	Exchange rate fluctuations on DSN in currencies	Transformation & Business Efficiency investment costs	Fit to Win investments & restructuring expenses	Liquidation of a holding structure	Capital gain - Disposal of retail banking activities	1H19 restated
<b>Net revenues</b>	4,410	4					4,414
Expenses	(3,269)		(26)	(1)			(3,297)
<b>Gross operating income</b>	1,141	4	(26)	(1)	0	0	1,117
Provision for credit losses	(141)						(141)
Associates	11						11
Gain or loss on other assets	(2)				(15)	697	681
<b>Pre-tax profit</b>	1,009	4	(26)	(1)	(15)	697	1,668
Tax	(308)	(1)	8	0		(78)	(379)
Minority interests	(145)			0		(33)	(178)
<b>Net income (group share)</b>	555	3	(18)	(0)	(15)	586	1,110

Figures restated as communicated on April 11, 2019 following the disposal of the retail banking activities. See page 13 for the reconciliation of the restated figures with the accounting view

## Natixis - 2Q19 capital & Basel 3 financial structure

See note on methodology - Irrevocable Payment Commitment (IPC) deduction disclosed as part of the ratio as of 2Q19

### Fully-loaded

€bn	30/06/2019
<b>Shareholder's Equity</b>	<b>18.6</b>
Hybrid securities <sup>(2)</sup>	(2.1)
Goodwill & intangibles	(3.8)
Deferred tax assets	(0.7)
Dividend provision	(0.3)
Other deductions	(0.5)
<b>CET1 capital</b>	<b>11.1</b>
<b>CET1 ratio</b>	<b>11.5%</b>
Additional Tier 1 capital	1.8
<b>Tier 1 capital</b>	<b>12.9</b>
<b>Tier 1 ratio</b>	<b>13.3%</b>
Tier 2 capital	2.3
<b>Total capital</b>	<b>15.1</b>
<b>Total capital ratio</b>	<b>15.6%</b>
<b>Risk-weighted assets</b>	<b>96.9</b>

### Regulatory

€bn	30/06/2019
<b>Fully-loaded CET1 capital</b>	<b>11.1</b>
Current financial year's earnings	(1.1)
Current financial year's accrued dividend	0.3
<b>CET1 capital</b>	<b>10.3</b>
<b>CET1 ratio</b>	<b>10.6%</b>
Additional Tier 1 capital	2.1
<b>Tier 1 capital</b>	<b>12.4</b>
<b>Tier 1 ratio</b>	<b>12.8%</b>
Tier 2 capital	2.3
<b>Total capital</b>	<b>14.7</b>
<b>Total capital ratio</b>	<b>15.2%</b>
<b>Risk-weighted assets</b>	<b>96.9</b>

## IFRIC 21 effects by business line

Effect in Expenses								
€m	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	1H18	1H19
AWM	(4)	1	1	1	(4)	1	(3)	(3)
CIB	(22)	7	7	7	(24)	8	(15)	(16)
Insurance	(14)	5	5	5	(13)	4	(9)	(8)
Payments	(1)	0	0	0	(1)	0	0	0
Financial investments	0	0	0	0	0	0	0	0
Corporate center	(119)	40	40	40	(119)	40	(80)	(79)
<b>Total Natixis</b>	<b>(160)</b>	<b>53</b>	<b>53</b>	<b>53</b>	<b>(161)</b>	<b>54</b>	<b>(107)</b>	<b>(107)</b>

Historical figures restated for the disposal of the retail banking activities

## Normative capital allocation and RWA breakdown - 30/06/2019

€bn	RWA EoP	% of total	Goodwill & intangibles 1H19	Capital allocation 1H19	RoE after tax 1H19
AWM	13.7	16%	3.1	4.4	13.3%
CIB	61.1	73%	0.2	6.7	8.6%
Insurance	7.9	9%	0.1	0.9	28.8%
Payments	1.2	1%	0.2	0.4	9.6%
<b>Total (excl. Corp. center and Financial invmts)</b>	<b>83.9</b>	<b>100%</b>	<b>3.6</b>	<b>12.3</b>	

RWA breakdown (€bn)	30/06/2019
<b>Credit risk</b>	<b>65.6</b>
<i>Internal approach</i>	54.5
<i>Standard approach</i>	11.1
<b>Counterparty risk</b>	<b>6.6</b>
<i>Internal approach</i>	5.7
<i>Standard approach</i>	1.0
<b>Market risk</b>	<b>9.6</b>
<i>Internal approach</i>	4.1
<i>Standard approach</i>	5.4
<b>CVA</b>	<b>1.8</b>
<b>Operational risk - Standard approach</b>	<b>13.3</b>
<b>Total RWA</b>	<b>96.9</b>

### Fully-loaded leverage ratio<sup>1</sup>

According to the rules of the Delegated Act published by the European Commission on October 10, 2014, including the effect of intragroup cancellation - pending ECB authorization

€bn	30/06/2019
<b>Tier 1 capital<sup>1</sup></b>	<b>13.2</b>
Total prudential balance sheet	399.0
Adjustment on derivatives	(48.4)
Adjustment on repos <sup>2</sup>	(29.8)
Other exposures to affiliates	(47.7)
Off balance sheet commitments	36.4
Regulatory adjustments	(5.2)
<b>Total leverage exposure</b>	<b>304.4</b>
<b>Leverage ratio</b>	<b>4.35%</b>

<sup>1</sup> See note on methodology. Without phase-in - supposing replacement of existing subordinated issuances when they become ineligible <sup>2</sup> Repos with clearing houses cleared according to IAS32 standard, without maturity or currency criteria

## Net book value as at June 30, 2019

€bn	30/06/2019
<b>Shareholders' equity (group share)</b>	<b>18.6</b>
Deduction of hybrid capital instruments	(2.0)
Deduction of gain on hybrid instruments	(0.1)
Distribution	
<b>Net book value</b>	<b>16.5</b>
Restated intangible assets <sup>1</sup>	(0.6)
Restated goodwill <sup>1</sup>	(3.4)
<b>Net tangible book value<sup>2</sup></b>	<b>12.5</b>
<b>€</b>	
<b>Net book value per share</b>	<b>5.24</b>
<b>Net tangible book value per share</b>	<b>3.96</b>

## 1H19 Earnings per share

€m	30/06/2019
Net income (gs)	1,110
DSN interest expenses on preferred shares after tax	(45)
<b>Net income attributable to shareholders</b>	<b>1,065</b>
<b>Earnings per share (€)</b>	<b>0.34</b>

## Number of shares as at June 30, 2019

	30/06/2019
Average number of shares over the period, excluding treasury shares	3,149,759,007
Number of shares, excluding treasury shares, EoP	3,150,059,450
Number of treasury shares, EoP	3,019,032

## Net income attributable to shareholders

€m	2Q19	1H19
Net income (gs)	346	1,110
DSN interest expenses on preferred shares after tax	(22)	(45)
<b>RoE &amp; RoTE numerator</b>	<b>324</b>	<b>1,065</b>

<sup>1</sup> See note on methodology <sup>2</sup> Net tangible book value = Book value – goodwill - intangible assets



### RoTE<sup>1</sup>

€m	30/06/2019
Shareholders' equity (group share)	18,621
DSN deduction	(2,122)
Dividend provision	(288)
Intangible assets	(649)
Goodwill	(3,367)
RoTE Equity end of period	12,195
Average RoTE equity (2Q19)	12,202
<b>2Q19 RoTE annualized with no IFRIC 21 adjustment</b>	<b>10.6%</b>
IFRIC 21 impact	(47)
<b>2Q19 RoTE annualized excl. IFRIC 21</b>	<b>9.1%</b>
Average RoTE equity (1H19)	12,205
<b>1H19 RoTE annualized excl. IFRIC 21</b>	<b>13.4%</b>

### RoE<sup>1</sup>

€m	30/06/2019
Shareholders' equity (group share)	18,621
DSN deduction	(2,122)
Dividend provision	(288)
Unrealized/deferred gains and losses in equity (OCI)	(513)
RoE Equity end of period	15,697
Average RoE equity (2Q19)	15,722
<b>2Q19 RoE annualized with no IFRIC 21 adjustment</b>	<b>8.3%</b>
IFRIC 21 impact	(47)
<b>2Q19 RoE annualized excl. IFRIC 21</b>	<b>7.0%</b>
Average RoE equity (1H19)	15,735
<b>1H19 RoE annualized excl. IFRIC 21</b>	<b>10.4%</b>

### Doubtful loans<sup>2</sup>

€bn	31/03/2019 Under IFRS 9	30/06/2019 Under IFRS 9
Provisionable commitments <sup>3</sup>	1.7	1.7
Provisionable commitments / Gross debt	1.5%	1.4%
Stock of provisions <sup>4</sup>	1.3	1.3
Stock of provisions / Provisionable commitments	76%	75%

<sup>1</sup>See note on methodology. Returns based on quarter-end balance sheet to reflect the disposal of the retail banking activities. The €586m net capital gain is not annualized <sup>2</sup> On-balance sheet, excluding repos, net of collateral <sup>3</sup> Net commitments <sup>4</sup> Specific and portfolio-based provisions

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NATIXIS financial disclosures for the second quarter 2019 are contained in this press release and in the presentation attached herewith, available online at [www.natixis.com](http://www.natixis.com) in the "Investors & shareholders" section.

The conference call to discuss the results, scheduled for August 2, 2019 at 9:00 a.m. CET, will be webcast live on [www.natixis.com](http://www.natixis.com) (on the "Investors & shareholders" page).

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