New dimension
deepen, digitalize & differentiate

Natixis

Disposal of retail banking activities, acquired by BPCE S.A.

September 12, 2018

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Figures in this presentation are unaudited

Key highlights of the contemplated transaction

New Dimension one step further

In this presentation, all financial impacts from the transaction have been estimated based on 2018 projections

- Natixis is contemplating the **disposal of its retail banking activities to BPCE S.A.** - Consumer finance, Leasing, Sureties & Financial guarantees, Factoring and Securities services
- The transaction will allow **Natixis to reinforce its differentiated positioning across key areas of expertise** i.e. Asset & Wealth Management, CIB, Insurance and Payments. Consistent with the objectives of the **New Dimension** strategic plan, this will support **value creation sustainability**, notably via **increased flexibility and agility, both from a financial and a strategic standpoint**. This will also **foster value creation** throughout the Group
- **The foreseen transaction price of €2.7bn** is based on each business' 2018 New Dimension trajectory. Based on 2017 reported figures, this is equivalent to a **~12.5x P/E and ~1.7x allocated capital**
- The transaction will provide Natixis with **increased strategic mobility to deploy capital towards potential acquisitions and dividends**. **Upon completion of the foreseen transaction** and **given Natixis' strategy to not hold any excess capital**, a **special dividend up to €1.5bn (~€0.50/share)** will be paid out, contingent on potential acquisitions that may arise by then. By doing so, Natixis will position itself at a **fully-loaded CET1 ratio of 11%, reaching the 2020 target ahead of plan**. **Natixis' acquisition ambition for 2018-2020 will be lifted from €1bn to €2.5bn** with Groupe BPCE to support Natixis' growth ambitions, if needed

14-15.5%
2020 RoTE target

reviewed upwards compared to previous target range of 13-14.5%

Up to €1.5bn
Special dividend

to be paid upon completion of the transaction contingent on potential acquisitions that may arise by then (slide 15)

1 OVERVIEW & STRATEGIC RATIONALE

PROJECTED DEAL

Strategic rationale of the transaction

Reinforce Natixis' strategic mobility & value creation potential

Figures estimated as at end 2017

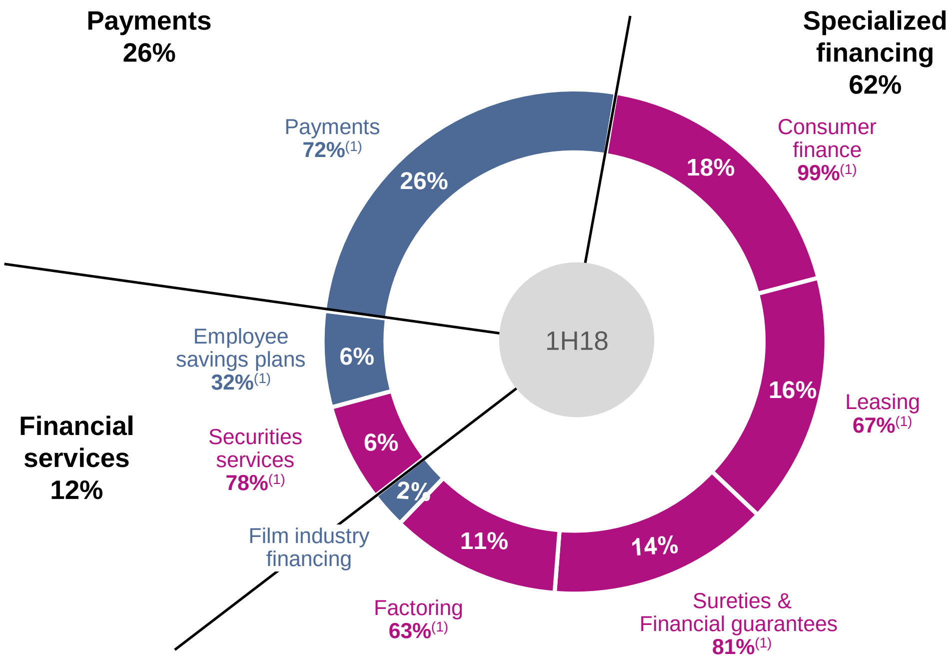
		Current	Pro forma
Group	**Strengthening of Groupe BPCE universal banking model** to adapt to digital uses, foster growth and commercial development. Existing relationships between Natixis and Groupe BPCE networks unchanged	See slide 6-8	
Strategic mobility	**Increased ability to deploy capital towards potential acquisitions and dividends**, consistent with Natixis' strategy to not hold any excess capital and with BPCE committment to allocate more capital towards Natixis' asset-light activities, if needed	See slides 15-16	
Asset-light strategy	**Deepen Natixis' asset-light strategy towards non-banking activities** that consume less capital, liquidity and cost of risk	2.7% Cost of risk / Net revenues	2.2% Cost of risk / Net revenues
Differentiate	**Reinforcement of Natixis' differentiation** with a clear focus on businesses where Natixis' truly distinctive expertise and strategy will support sustained revenue growth (AWM, CIB, Insurance, Payments)	See slide 7	
Agility	**Improved cost flexibility** with a higher share of variable expenses in order to adjust Natixis' cost trajectory, if necessary. **Improved balance sheet agility** with a shorter duration (> 75% under 1 year)	~ 30% Flexible costs by 2020	~ 1/3 Flexible costs by 2020
International	**More geographically diversified** sources of revenues and thus increased focus on Natixis' international development	48% Revenues outside France	53% Revenues outside France

Consistent strategy and selective expertise to differentiate ourselves and deliver sustainable value creation

Scope of the transaction

Natixis to sell its retail banking activities to BPCE S.A.

Net revenues by business line



(1) % of net revenues generated with Groupe BPCE networks

SFS activities sold to BPCE S.A.

Consumer finance (Natixis Financement), **Leasing** (Natixis Lease), **Sureties & Financial guarantees** (CEGC), **Factoring** (Natixis Factor), **Securities services** (Natixis EuroTitres). These activities generate an average **~80% of their revenues with Groupe BPCE networks**

~ 2/3	~ 85%	~ 85%
of SFS Net revenues	of SFS Profit before tax	of SFS RWA

SFS activities remaining within Natixis

Payments, **Employee savings plan** (Natixis Interépargne), **Film industry financing** (Natixis Coficiné). **Payments remain core to Natixis' strategy and ambition** to build a European pure-player

~ 1/3	~ 15%	~ 15%
of SFS Net revenues	of SFS Profit before tax	of SFS RWA

NATIXIS BEYOND BANKING

More firepower to reach Natixis' ambitions

Increase distinctiveness in Natixis' four business lines

Become the **world's premier active asset manager**

> 30bps
Fee rate over 2018-2020

Asset & Wealth Management

Asset Management
Wealth Management
Employee Savings Plans

Be recognized as a **solution-oriented innovative house** and become the **"go-to bank" in 4 selected sectors**

~ 6%
Net revenues / RWA in 2020

Corporate & Investment Banking

Investment Banking and M&A
Financing (incl. Film Industry)
Capital Markets
Trade and Treasury Solutions
Coverage

Clear path towards a **leading French insurer** both in life and non-life insurance

~ €90bn[(1)]
Life insurance AuM in 2020

Insurance

Life & Personal Protection
Property & Casualty

Build a **European pure-player** in Payments

x 1.5
Payment revenues by 2020

Payments

Merchant Solutions
Prepaid & Managed Solutions
Services & Processing

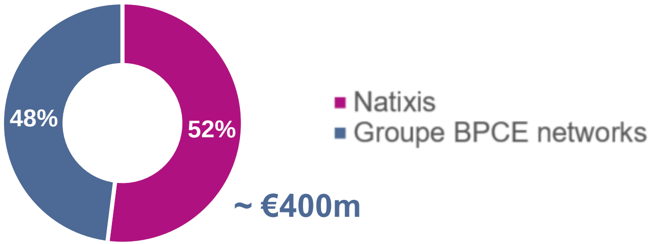
Post transaction, **Payments** will become a standalone business line

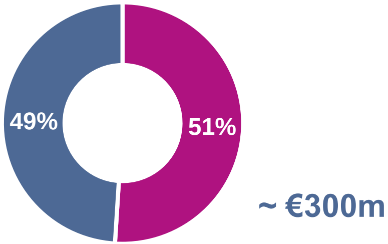
Post transaction, Employee savings plan (Natixis Interépargne) will be reallocated to Asset & Wealth Management and Film industry financing (Natixis Coficiné) to CIB
(1) ~€77bn excluding the reinsurance agreement with CNP Assurances

NATIXIS BEYOND BANKING

Strategic relationship between Natixis and Groupe BPCE
Natixis' expertise in high-growth businesses to serve the networks

Old	NEW(1)
+ 24%	**+ 41%**
2018-2020 growth in revenue synergies between Natixis and Groupe BPCE networks vs. New Frontier plan	**2018-2020 growth in revenue synergies** between Natixis and Groupe BPCE networks vs. New Frontier plan
~€750m in 3 years vs. ~€810m in 4 years	**~€560m in 3 years vs. ~€530m in 4 years**





Synergies remain elevated between Natixis' businesses and Groupe BPCE networks, driven by Natixis' asset-smart and high-growth activities
Pro forma for the transaction, ~16% of Natixis' 2017 revenues generated with the networks

(1) Pro forma for perimeter to be sold

Foreseen timetable of the transaction

Transaction expected to close by the end of 1Q19

12/09/2018
Transaction announcement

08/11/2018
Natixis 3Q18 results

12/02/2019
Natixis 4Q18 results

February
BPCE EGM

March
Closing of the transaction

09/05/2019
Natixis 1Q19 results

28/05/2019
Natixis AGM

By the end of February 2019
Regulatory approvals

Approval of BPCE S.A. capital upstream related to the transaction

Financial impacts detailed on **slide 11** fully booked by then

Completion of the transaction subject to regulatory approvals, employee representatives' approval and BPCE S.A. capital upstream

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FINANCIAL IMPACTS

PROJECTED DEAL

Main financial impacts of the transaction

Based on a transaction price of €2.7bn

In this presentation, all financial impacts from the transaction have been estimated based on 2018 projections
Impacts estimated at end 2018. Actual figures will notably depend on potential fiscal adjustments

P&L IMPACTS

ONE-OFF

~ +€450m

Impact on Net income
fully booked by closing of the transaction

RECURRING

~ €200m

2017 Net income contribution
from activities to be sold to BPCE S.A.

CAPITAL GENERATION

~ +200bps

Impact on FL CET1 ratio

~ +€450m

One-off P&L gain
fully booked by closing of the transaction

~ +€200m

Lower CET1 deductions
(DTA, goodwill, etc.)

~ €14bn

RWA deconsolidation

FULLY-LOADED CET1 RATIO

11.0%

Upon closing of the transaction
post €1.5bn special dividend and/or acquisitions (slide 15)

2020 Target already achieved

With increased strategic mobility

RETURN ON TANGIBLE EQUITY

Broadly stable

2017 pro forma
excluding excess capital

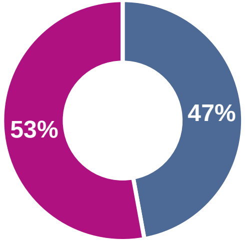
Natixis' business model

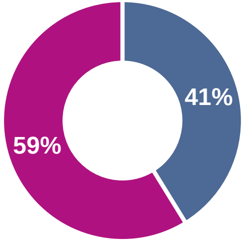
A diversified mix increasingly geared towards non-banking activities

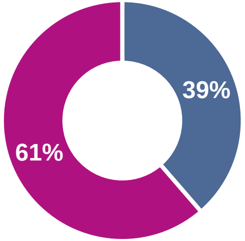
NET REVENUES | **GROSS OPERATING PROFIT** | **ALLOCATED CAPITAL**

Current (1H18)

- AWM, Insurance, Payments
- CIB, SFS excl. Payments







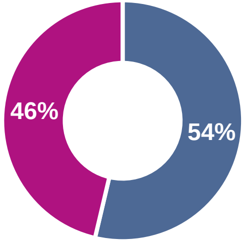
+7pp non-banking

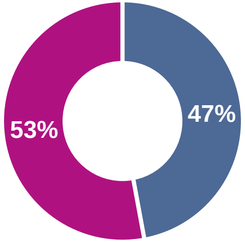
+6pp non-banking

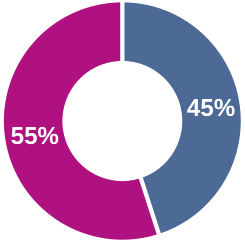
+6pp non-banking

Pro forma (1H18)

- AWM, Insurance, Payments
- CIB







Capital allocated towards non-banking activities > 50% if full consumption of the €2.5bn acquisition envelope

Natixis' business model

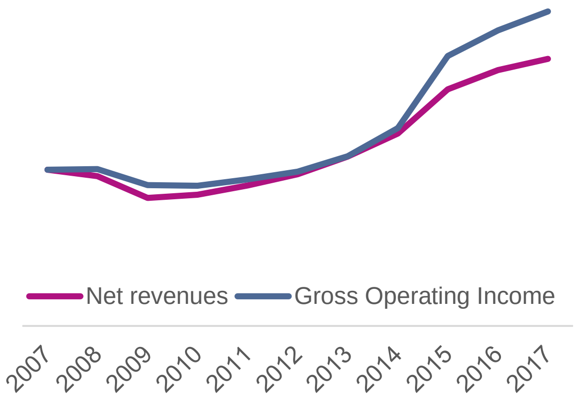
Flexibility and resilience to ensure sustainable delivery

ASSET MANAGEMENT

2-year rolling
Net revenues and Gross Operating Income

2007=100

2006-2017 Net revenues mutiplied by ~ x2
2006-2017 Gross Operating Income mutiplied by ~ x2.5



~ 60%

of variable costs

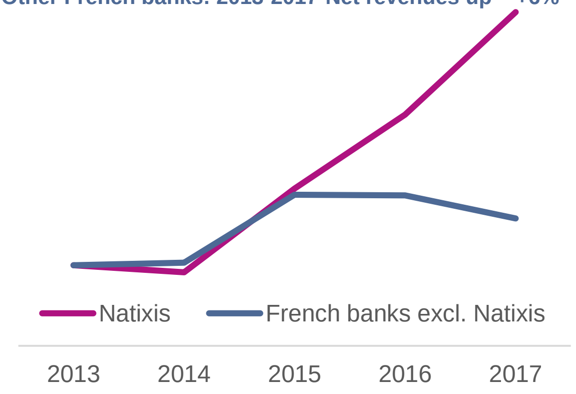
Historical illustration: ~50% drop in variable compensation in 2008 to offset a ~20% decline in revenues to protect Gross Operating Income

CIB

FICT + Equity revenues vs. listed French banks over New Frontier - excl. CVA/DVA

2013=100

Natixis: 2013-2017 Net revenues up ~ +30%
Other French banks: 2013-2017 Net revenues up ~ +6%



Deepen and Differentiate

across all CIB activities

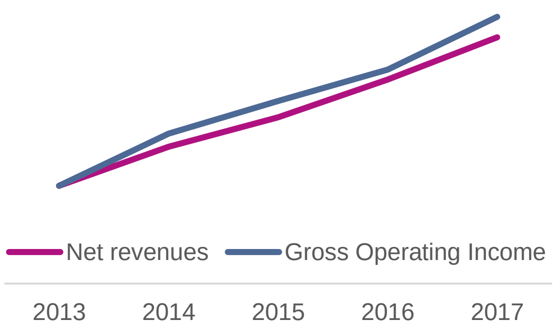
Focus on Solutions vs. flow business (Global markets)
Focused and selective sectorial approach (Global finance)
Multi-boutique model (M&A)

INSURANCE

Net revenues and Gross Operating Income

2013=100

2013-2017 Net revenues up ~ +60%
2013-2017 Gross Operating Income up ~ +70%



	Life	Non-Life
Banques Populaires	✓	✓ to achieve New Dimension
Caisses d'Epargne	✓ achieved New Frontier	✓ achieved New Frontier

NATIXIS BEYOND BANKING

3 STRATEGY UPDATE & CAPITAL DEPLOYMENT

POST PROJECTED DEAL

New Dimension: 2018-2020 financial targets

RoTE and excess capital generation targets reviewed upwards

	NET REVENUES	OPERATING EXPENSES	CET1 FULLY-LOADED	ROTE[1]	EXCESS CAPITAL FREE UP
	2017-2020 Businesses CAGR	*2017-2020 CAGR*	*2020 Target after distribution*	*2020 Target*	*2018-2020*
Old	~ 5%	< 3%	11%	13-14.5%	~ €4bn
NEW	~ 5%	~ 3%	11%	14-15.5%	~ €6bn

Minimum pay-out ratio > 60%

Theoretical dividend capacity of €5.6bn, after €0.4bn spent on acquisitions to date, should no further acquisition happen by the end of 2020

Special dividend up to €1.5bn, contingent on potential acquisitions that may arise by the closing of the transaction.

Ambition for potential acquisitions reviewed upwards from €1bn to €2.5bn with BPCE to support Natixis' growth ambitions, if needed

(1) Post SRF contribution and US tax reform reviews

New Dimension: 2018-2020 acquisition strategy

Value creation through a solid track record of acquisitions

2015 flagship acquisitions in AWM and CIB

	NET REVENUES	GROSS OPERATING INCOME	COMMERCIAL INDICATORS
DNCA INVESTMENTS	> 20% CAGR 2014-2017 fee rate increase	> 20% CAGR 2014-2017	~40% of 2015-2017 net inflows driven by Natixis integration
NATIXIS PARTNERS	> 80% CAGR 2015-2017	> 90% CAGR 2015-2017	From #42 (2012) to #5 (2017) number of transactions in France

~ 12%

Return on Investment(1)
on New Frontier acquisitions in **AM**
after an average ~2 years

DNCA INVESTMENTS — IML INVESTORS MUTUAL LTD

Foster underlying growth
while creating sizeable revenue synergies

Management stability
Alignment of interests, autonomy of the teams

Enrichment and depth of Natixis' offering

Sharing of Natixis' standards

> 13%

Return on Investment(1)
on New Frontier acquisitions in **CIB**
after an average ~3 years

NATIXIS PARTNERS — NATIXIS PARTNERS — PJ SOLOMON

Target to reach RoI > 12% in 3-5 years

Reminder - Some fully-consolidated entities are not owned 100% but with a gradual ramp-up over time. This means **progressive EPS accretion** with no additionnal capital consumption

(1) Based on 2017 actual figures and/or 2018 projected figures

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APPENDIX
PROXY FINANCIALS
POST PROJECTED DEAL

Natixis - Pro forma consolidated P&L

€m	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	1H17	1H18
Net revenues	**2,110**	**2,175**	**1,973**	**2,277**	**2,172**	**2,335**	**4,285**	**4,507**
Expenses	(1,631)	(1,461)	(1,396)	(1,594)	(1,654)	(1,504)	(3,092)	(3,158)
Gross operating income	**479**	**714**	**577**	**683**	**518**	**831**	**1,193**	**1,348**
Provision for credit losses	(50)	(54)	(43)	(42)	(36)	(41)	(104)	(77)
Associates	7	6	5	8	7	3	13	10
Gain or loss on other assets	9	18	(1)	22	6	4	27	10
Change in value of goodwill	0	0	0	0	0	0	0	0
Pre-tax profit	**446**	**684**	**539**	**670**	**495**	**796**	**1,130**	**1,291**
Tax	(190)	(227)	(153)	(119)	(174)	(231)	(416)	(405)
Minority interests	(28)	(29)	(59)	(76)	(60)	(57)	(57)	(117)
Net income (group share)	**228**	**428**	**326**	**475**	**260**	**508**	**656**	**768**

Proxy financials, including exceptional items. Actual pro-forma figures may ultimately differ and will be communicated at a later point in time

Natixis - P&L of perimeter considered for sale

€m	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	1H17	1H18
Net revenues	**237**	**234**	**232**	**229**	**241**	**242**	**471**	**483**
Expenses	(140)	(133)	(135)	(143)	(141)	(136)	(273)	(277)
Gross operating income	**97**	**101**	**97**	**86**	**100**	**106**	**198**	**206**
Provision for credit losses	(20)	(13)	(13)	(23)	(8)	1	(34)	(7)
Associates	0	0	0	0	0	0	0	0
Gain or loss on other assets	0	0	0	0	0	0	0	0
Change in value of goodwill	0	0	0	0	0	0	0	0
Pre-tax profit	**77**	**88**	**84**	**63**	**93**	**107**	**165**	**199**
Tax	(25)	(28)	(27)	(21)	(30)	(35)	(53)	(64)
Minority interests	0	0	0	0	0	0	0	0
Net income (group share)	**52**	**59**	**57**	**43**	**62**	**72**	**111**	**134**

Proxy financials, including exceptional items. Actual pro-forma figures may ultimately differ and will be communicated at a later point in time

Natixis - Payments

€m	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	1H17	1H18
Net revenues	**81**	**83**	**83**	**89**	**93**	**95**	**164**	**188**
Expenses	(68)	(70)	(70)	(77)	(79)	(88)	(139)	(167)
Gross operating income	**13**	**13**	**13**	**12**	**14**	**7**	**26**	**21**
Provision for credit losses	0	0	0	0	0	0	0	0
Net operating income	**13**	**13**	**13**	**12**	**14**	**7**	**26**	**21**
Associates	0	0	0	0	0	0	0	0
Other items	0	0	0	0	0	1	0	1
Pre-tax profit	**13**	**13**	**13**	**12**	**14**	**8**	**26**	**22**
RWA (Basel 3 – in €bn)	0.8	0.9	0.9	1.0	1.0	1.2	0.9	1.2

Proxy financials, including exceptional items. Actual pro-forma figures may ultimately differ and will be communicated at a later point in time