

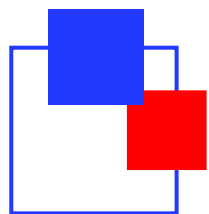


Half-year 2006 results

GROUPE BANQUE POPULAIRE



Banque et populaire à la fois.



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Banque Populaire Group's consolidated financial statements to June 30, 2006 and June 30, 2005 are presented in accordance with IFRS and are therefore fully comparable in terms of the accounting standards applied.

"Banques Populaires" as the basis of consolidation consists of: 19 Banque Populaire regional banks, Casden Banque Populaire, Crédit Coopératif, Crédit Maritime Mutuel, BICEC and MA Banque

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■ First-half highlights:

- Record commercial and financial performance by both the Banque Populaire banks and Natexis Banques Populaires

➔ Net banking income : up 16% to €4,720m

➔ Gross operating income : up 29% to €1,873m

➔ Net income attributable to equity holders of the parent: up 36% to €1,032m

} like-for-like

- Major strategic initiative: Natlxis with Caisse d'Epargne Group

Banque Populaire Group in the first half of 2006 (2/5)

■ Banque Populaire Banks:

➤ Strong revenue and earnings growth

➔ Net banking income: up 8.6% to €2,818m

➔ Net income attributable to equity holders of the parent*: up 23.4% to €587m

➤ Very good commercial performance

➔ Very high-quality franchise (upper socio-economic personal customers, professionals and SMEs)

➔ Steady growth based on

⇒ an ambitious long-term new branch opening strategy

⇒ high customer take-up levels

➔ Collective effectiveness enhanced by implementation of the new Strategic Plan and the development of new segmentation tools

* Dividends, paid by BFBP, excluded

Banque Populaire Group in the first half of 2006 (3/5)

■ Banque Populaire Banks (cont):

- **The cost/income ratio improved very sharply again to 62.2% (-2.8 points)**
 - ➔ with no decrease in spending on development
 - ➔ with good control of information system costs, the first return on major investment to establish a single IT platform (i-BP)

- **Good results enhanced cyclically by low credit provisions and the impact of new accounting standards (NBI before provisions for homebuyers' savings shemes: up 5.8%)**

Banque Populaire Group in the first half of 2006 (4/5)

■ Natexis Banques Populaires:

- **Growth accelerated while profitability improved still further:**
 - ➔ **Net banking income: up 29% to €1,928M**
 - ➔ **Net income attributable to equity holders of the parent: up 56% to €539m**
while credit provisions remained low

- **Strong sales momentum in all businesses with noteworthy performances by the Corporate and Institutional Banking and Capital Markets core business (NBI: up 43%)**

- **The cost/income ratio improved very substantially (-5.1 points) to 58.6%, with significant continuing investment in people and systems**

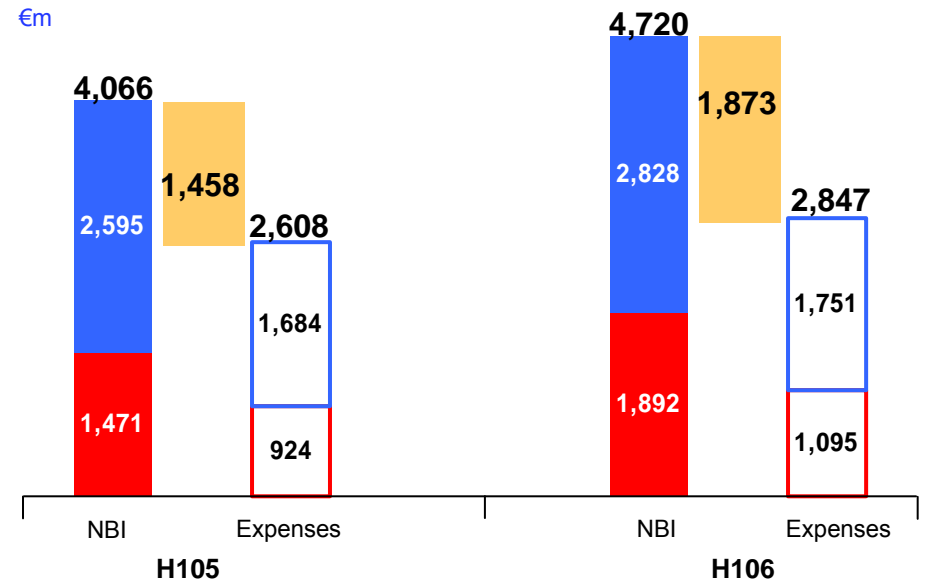
Banque Populaire Group in the first half of 2006 (5/5)

■ Natexis Banques Populaires (cont):

- **Performance was ahead of the business plan thanks to:**
 - ➔ **Better exploitation of the broad corporate and institutional client base**
 - ⇒ **Development of cross-selling**
 - ⇒ **Enhancement of the product offering**
 - ➔ **Renewed strong growth in high value-added businesses**
 - ➔ **Increased international expansion of all the Bank's businesses**
- **Very good results recognized by the market (share price, rating agencies)**

Further improvement in operating efficiency

- Steady rise of net banking income, driven entirely by organic growth
- Costs were kept under control at the same time as major investment was made in growth
- Expenses grew significantly more slowly than revenue



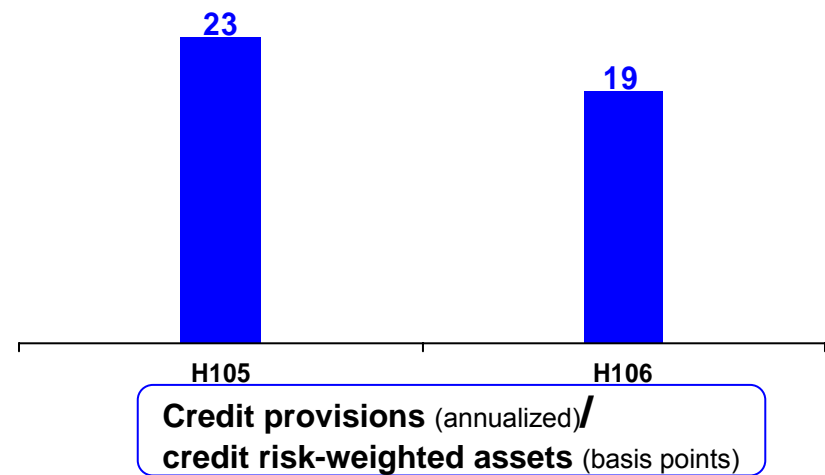
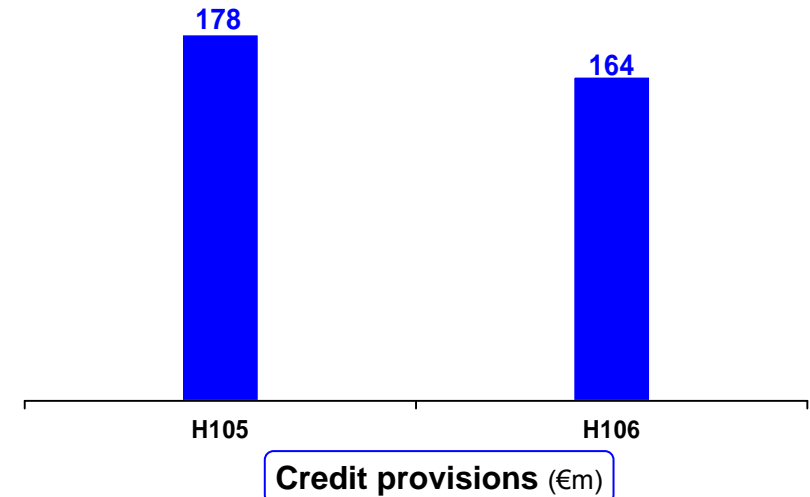
Gross operating income

- Banques Populaires (including BFBP)
- Natexis Banques Populaires consolidated contribution
- Consolidated gross operating income

	H105	H106	△
Cost/income ratio	64.2%	60.3%	-3.8 pts

Impairment charges and other credit provisions

- The credit risk environment is still very favourable
- Annualized cost of risk: 19 bp credit risk-weighted assets vs average of 37 bp from 2003 to 2005
- Particularly spectacular decline among corporate clients
- Coverage ratio maintained at high level (80.6%)



The balance sheet is still very strong

■ Steady Tier 1 capital generation

↳ Tier 1 capital: up 14%*

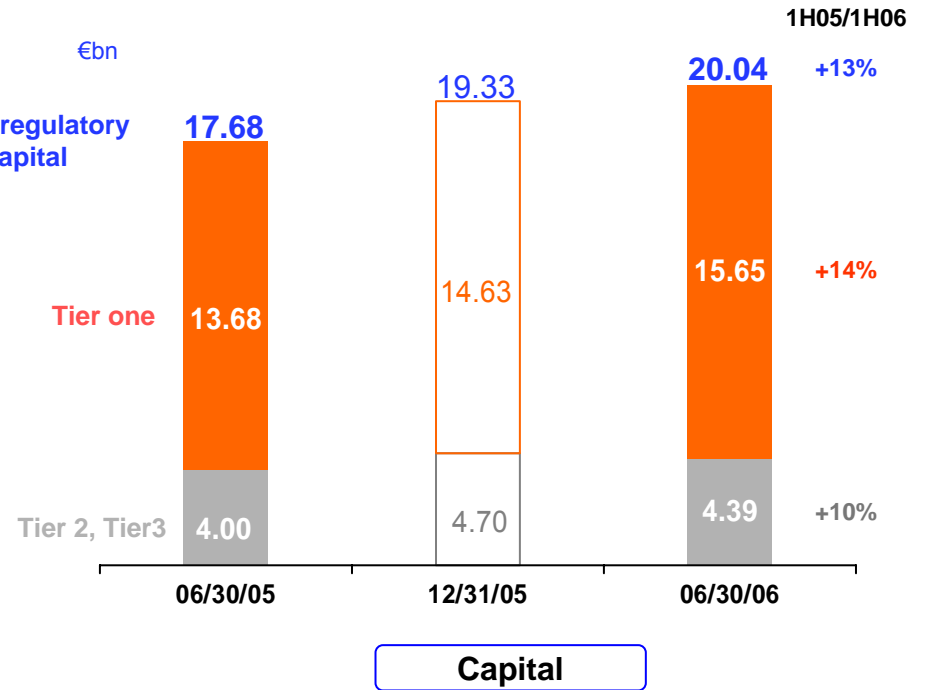
■ Growth in capital makes it possible to combine

- substantial growth in loans outstanding
- with one of the strongest balance sheets in the market

↳ Tier 1 ratio: 8.4%

■ Further increase in number of member-stakeholders

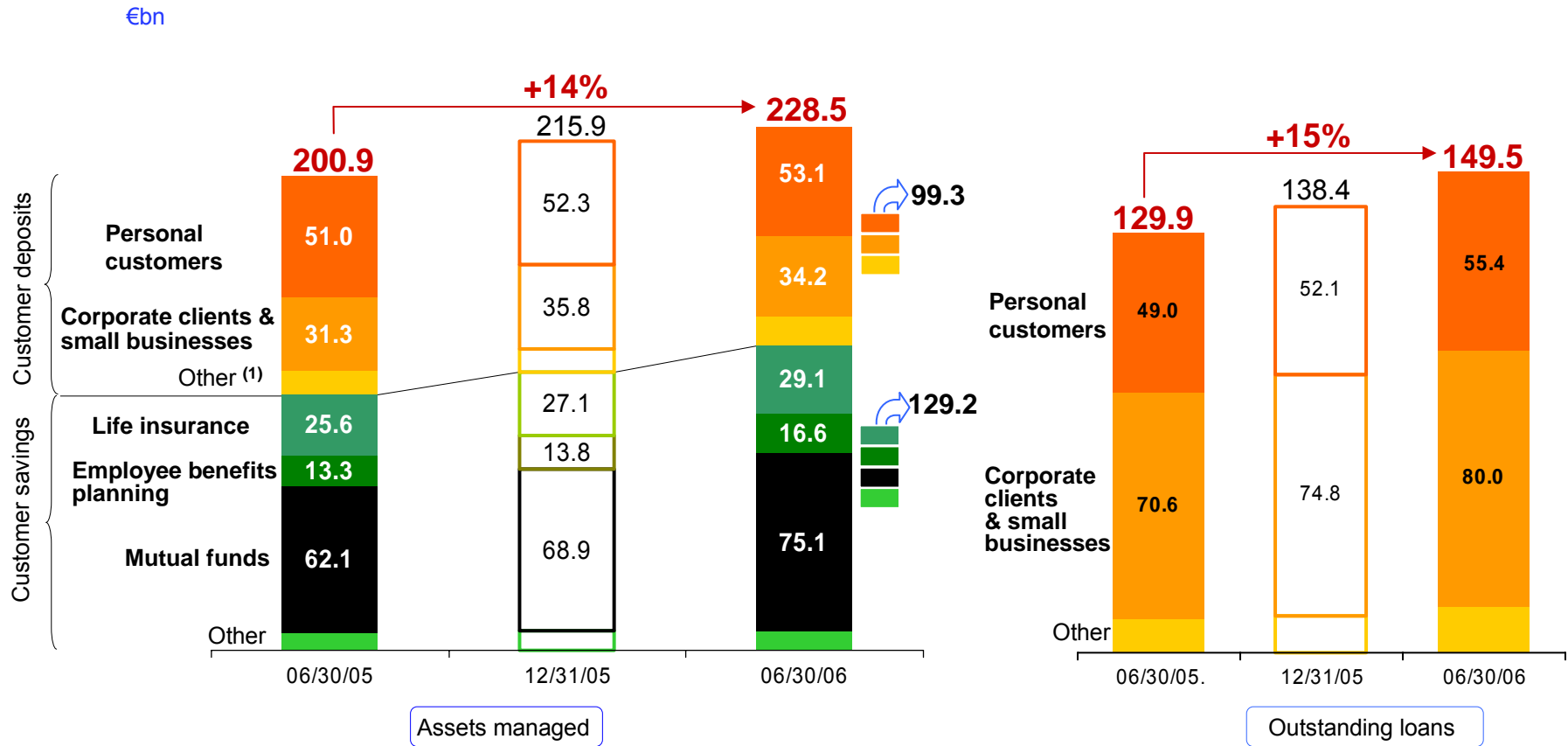
↳ up 8%* to 3.1 million member-stakeholders



	Tier 1 ratio
Banque Populaire Group	8.4%
Crédit Agricole Group (Q106)	8.0%
BNP Paribas	7.6%
Société Générale	7.3%

*over 12 months

Balanced deposit and loan growth



(1) Client certificates of deposit and debt instruments

Consolidated income statement

€m	H106	H105	H106/H105
Net banking income	4,720	4,066	+16%
• Operating expenses	(2,847)	(2,608)	
Gross operating income	1,873	1,458	+28%
• Impairment charges and other credit provisions	(164)	(178)	
Operating income	1,709	1,280	+34%
• Share of income of associates	11	5	
• Gains or losses on other assets	11	7	
• Change in value of goodwill	-	-	
• Income taxes	(568)	(443)	
Net income before minority interests	1,163	849	+37%
• Minority interests	(131)	(92)	
Net income att. to equity holders of the parent	1,032	757	+36%
Annualized ROE	15.9%	13.5%	+2.4 pts

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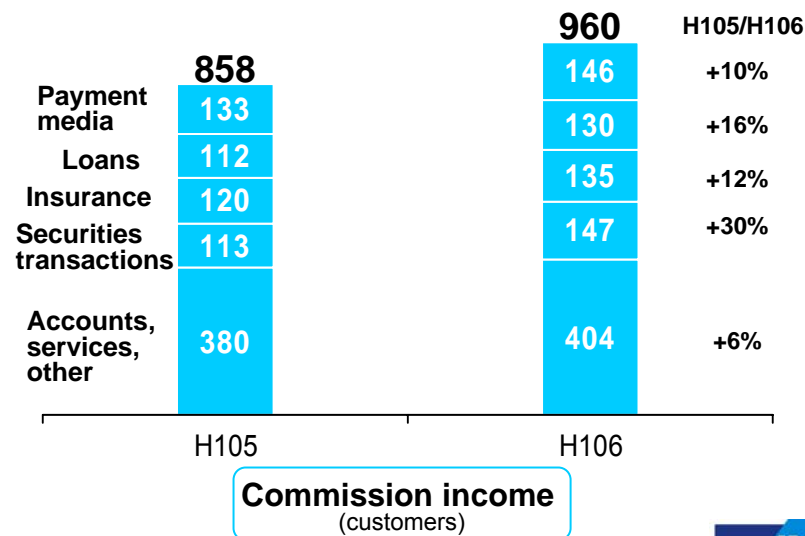
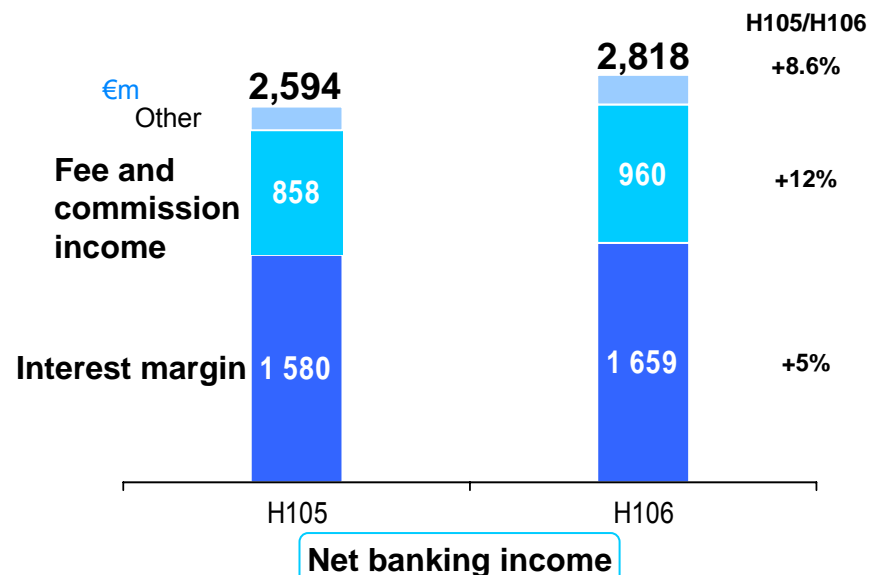
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Income statement

€m	H106	H105	H106/H105
Net banking income	2,818	2,594	+8.6%
• Operating expenses	(1,753)	(1,686)	
Gross operating income	1,065	909	+17.2%
• Impairment charges and other credit provisions	(166)	(168)	
Operating income	899	740	+21.4%
• Share of income of associates	6	1	
• Gains or losses on other assets	2	9	
• Change in value of goodwill	-	-	
• Income taxes	(317)	(262)	
Net income before minority interests	590	489	+20.7%
• Minority interests	(3)	(13)	
Net income att. to equity holders of the parent	587	476	+23.4%

Composition of net banking income

- Fee and commission income increased sharply (up 12%), with particularly strong growth in commissions on securities transactions (up 30%)
- Determined strategy to enhance customer take-up
 - ↳ 7.6 contracts per customer
 - ↳ Intensification of sales activity in customer savings
- Lower contribution from interest margin against a background of interest rate rises and very strong competitive pressure on loans
- Increased volatility in movements due to IFRS (NBI before PEL/CEL provisions*: up 5.8%)



*provisions for homebuyers' savings scheme

A powerful multi-brand platform

■ Even closer to customers

- **63 branches opened during the first half (net: 49)**
 - ↳ 2,856 branches at June 30, 2006
- **Business center expansion: up 18**
 - ↳ 150 business centers
- **More than 1,000 customer-service employees recruited (6 months)**
- **2/3 of employees allocated to network**

■ Closeness enhanced by development of remote channels

- **174 new automatic teller machines**
 - ↳ 4,144 ATMs at June 30, 2006
- **10 million incoming calls to call centers**
- **Internet connections up 40%, subscribers up 50%**
 - ↳ 55 million internet connections



Personal customers: successes and initiatives

- **220,000 new clients, of which 39% with 'young' customers**
 - ↳ **6,240,000 personal Banques Populaires customers**
 - ↳ **Still strong position in upper socio-economic segment**

- **Pick-up in life insurance growth**
 - **Life insurance: significantly better performance than the market**
 - ↳ **Gross new money in unit-linked: up 103% (market: up 75%)**
 - ↳ **Outstandings: up 13% (market: up 11%) - success of Fructi-Pulse and Fructi-Néo policies**
 - **Personal risk insurance: good start for 'Autonomis' dependency product**
 - **Property and casualty insurance: 558,000 (up 12%)**

- **Increase in new money from customer deposits despite change in homebuyers' savings schemes regulations: €53bn in outstandings (up 4%)**

- **New loans increased to €7.6bn (up 19%), driven by home loans**
 - ↳ **Outstanding home loans: €47.1 bn (up 15%)**
 - ↳ **Outstanding consumer loans: €8.1 bn (up 4%)**

- **Partnership agreement signed with Mutuelle des Etudiants for loans without parental guarantee**

- **Sales innovation**
 - ↳ **'Carte Football Banque Populaire': first affinity card in French market**

Small businesses: enhanced leadership position

- **No. 2 in French market**

- ↳ 1 craftsman in 3

- ↳ 1 tradesman in 4

} **Banques Populaires customers**

- **2,300 dedicated advisers**

- **Business start-ups: number one ranking confirmed with 30% market share**

- **Development of 'twin relationships'**

- **Steady new lending growth: up 6%**

- **34 Socama mutual guarantee companies supporting investment**

- **Increase in new business: up 20%** (by value)

Success of Socama loans confirmed in partnership with FEI

- ↳ 'Express Socama' loan: **new business up 28%**

- ↳ 'Transmission Socama' loan: **successful launch with more than €72m in new business**

- **Expansion of electronic banking**

- ↳ **280,000 cards for small businesses**

12 million transactions

- ↳ **187,000 small retailer contracts**

267 million items processed

Corporate clients: a key player

- **1 out of every 2 SMEs has a relationship with the Group**
- **Leading principal banker to SMEs**
- **Closer to customers through opening of new business centers**
- **Enhanced relationships with SMEs through 4 priorities:**
 - **Being the leading receivables management bank**
 - ↳ **Accelerated growth in factoring contracts: new contracts up 38%**
 - **Capturing transactions, particularly specialised transactions**
 - ↳ **Restructuring of cash management products with creation of 'Actiflow' product**
 - **Expanding internationally**
 - ↳ **Increase in international development advice business with Natexis Pramex**
International: revenues up 8% with more than 200 new contracts signed during first half
 - **Expanding employee benefits planning**
 - ↳ **Solid strengths with number 1 position in employee savings and leading role in marketing of CESU benefits**

Impetus of strategic plan

- **Sales performance in line with four major thrusts of the strategic plan**
 - **Pursue strategy of winning new business, particularly in personal customers market (branch opening, customer segmentation, multi-channel operations)**
 - **Enhance customer loyalty and take-up (customer savings and bancassurance)**
 - **Improve collective efficiency, particularly thanks to technological potential of shared information systems platform**
 - **Enhance new business portfolio**

Banque Populaire Group

Banque Populaire Banks

Natexis Banques Populaires

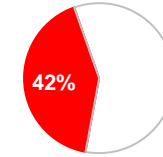
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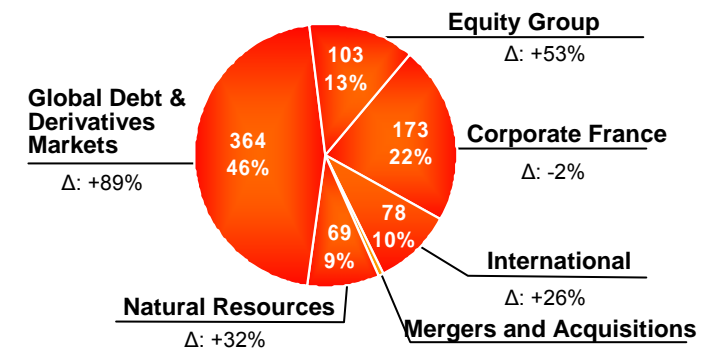
Income statement

€m	H106	H105	H106/H105
Net banking income	1,928	1,491	+29%
· Operating expenses	(1,131)	(950)	
Gross operating income	797	541	+47%
· Impairment charges and other credit provisions	2	(10)	
Operating income	799	531	+51%
· Share of income of associates	5	7	
· Gains or losses on other assets	8	(3)	
· Change in value of goodwill	-	-	
· Income taxes	(239)	(174)	
Net income	574	361	+59%
· Minority interests	(35)	(15)	
Net income att. to equity holders of the parent	539	346	+56%
Annualized ROE	20.9%	15.8%	+5.1 pts

- Strong momentum in all business sectors
 - Continuing expansion of cross-selling
 - High value-added businesses strengthened
- Sharp acceleration of growth in
 - all structured finance and capital markets activities (fixed income and foreign exchange desks)
 - equity brokerage (particularly in the USA) and primary markets in Europe
 - commodities financing thanks to increase in revenue from Energy & Metals businesses
 - international business with growth in NBI from financial institutions and corporate finance
- Very good results
 - Strong revenue growth
 - Sharp improvement in cost/income ratio to 54.4% (-6.4 points), one of the best in investment banking
 - Very substantial growth in profitability



€m	H106	H105	△
Net banking income	798	558	+43%
• Operating expenses	(434)	(339)	
Gross operating income	363	218	+66%
• Credit provisions	11	(4)	
Income before income taxes	374	210	+79%



NBI (€m)

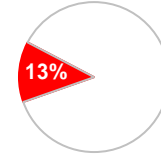
Δ: 1H06/1H05

■ Private equity

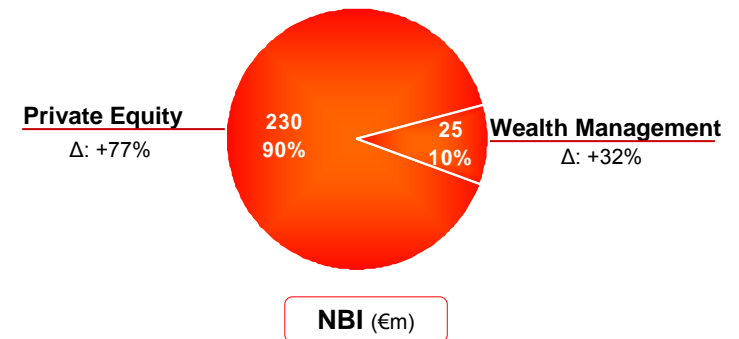
- Large gains realized in the first half
- Rapid rebuilding of stock of deferred gains
- High pace of investment
- More than half of assets under management are for third parties

■ Wealth Management

- Outstanding loans: €5.3 bn (up 12%)
- Net banking income: up 32%
- Substantial improvement in profitability
- First results of restructuring in Luxembourg and good progress in Paris



€m	H106	H105	△
Net banking income	255	149	+71%
• Operating expenses	(48)	(45)	
Gross operating income	207	104	+100%
• Credit provisions	-	(3)	
Income before income taxes	197	95	+107%



Δ: 1H06/1H05

■ All businesses performed well

➤ Life insurance

➔ Strong growth in gross new money: up 65%, driven by the success of Fructi-Pulse and Fructi-Néo

➔ Outstanding unit-linked policies: up 20%

➤ Employee benefits planning

➔ Assets under management: up 25% to €16.6bn

➔ New money increased by €1.8bn thanks to expansion of relationships with customers and addition of new customers

➤ Asset management: net banking income up 28%

➤ Financial services

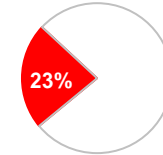
➔ Strong growth of market orders in France (up 71%)

➔ Managed assets: €447bn

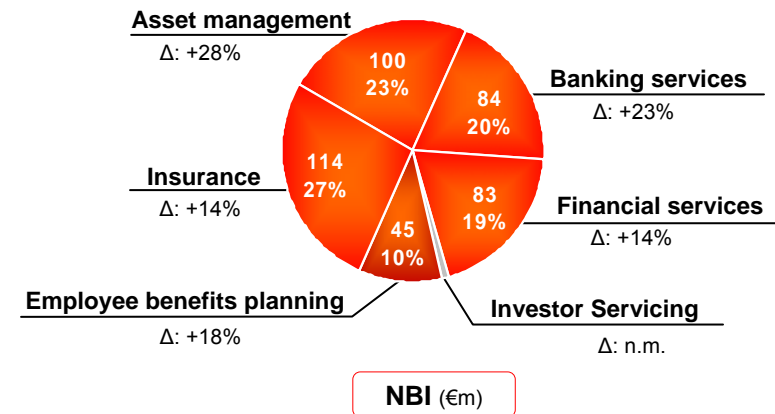
➤ Banking services

➔ Cards managed: up 5% to 5.7 million with 355 million cardholder transactions (up 9%)

➤ Investor servicing - NBI: €3m (x2.5)



€m	H106	H105	△
Net banking income	428	358	+20%
• Operating expenses	(237)	(216)	
Gross operating income	191	141	+35%
• Credit provisions	-	(1)	
Income before income taxes	186	138	+35%



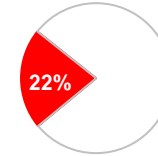
Δ: 1H06/1H05

■ Coface

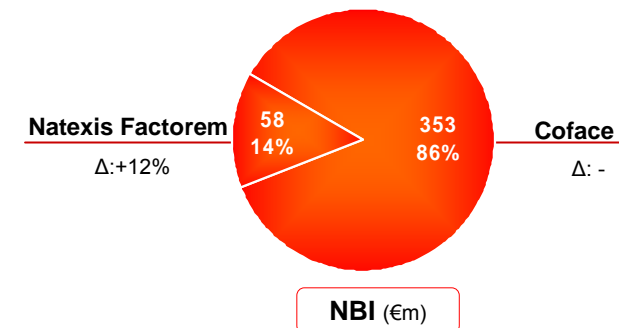
- Good sales momentum
 - ↪ Insurance premiums: up 12%
 - ↪ Services revenue: up 7%
- Slight deterioration in loss ratio, though it remains very low (47%)
- International expansion
 - ➔ Continuing growth in Russia with launch of a valuation tool for Russian SMEs

■ Factorem

- 18% increase in factored receivables to €6.6bn
- Expansion of VR Factorem (German subsidiary) with factored receivables up 50%



€m	H106	H105	△
Net banking income	411	405	+2%
• Operating expenses	(276)	(255)	
Gross operating income	135	150	-10%
• Credit provisions	(5)	(3)	
Income before income taxes	130	146	-11%



Δ: 1H06/1H05

- Tier 1 capital: up 7% over 6 months
- Tier 1 ratio satisfactory at 8%

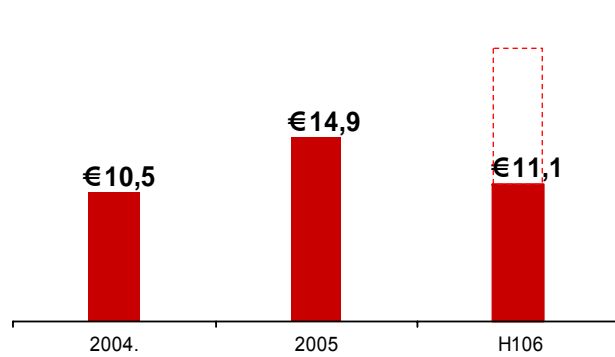
- Hedging rate raised to 91.9%
- Fall in proportion of non-performing loans (-0.4 point) in customer loans portfolio

€bn	06/30/06	12/31/05
■ Tier 1 ratio	8.0%	8.3%
■ Total regulatory capital	8.8	8.6
■ Tier 1 capital	6.4	6.0
■ Risk-weighted assets	80.1	71.7
■ Non-performing loans	1.23	1.35
■ NPL share*	1.7%	2.1%
■ Provisions **	1.13	1.22
■ Hedging rate	91.9%	90.4%

* based on customer loans

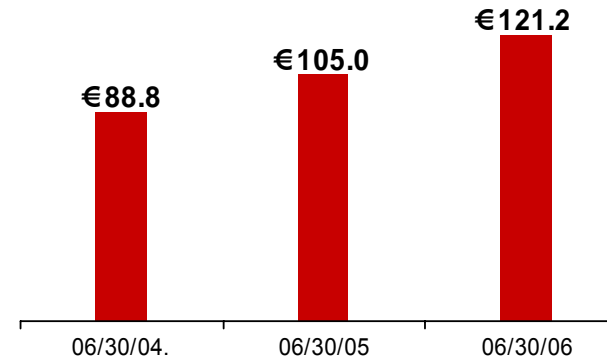
** individually and collectively

Natexis Banques Populaires share performance



Earnings per share

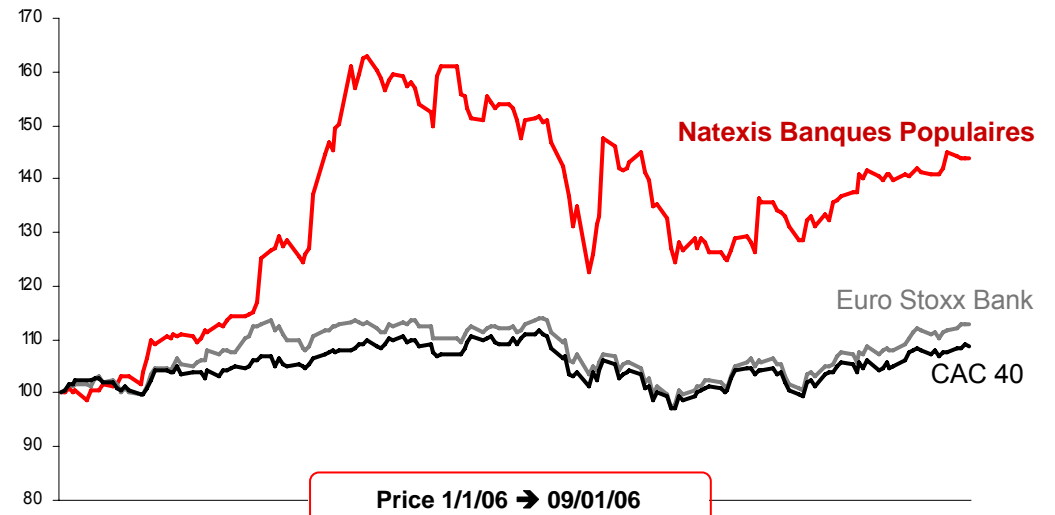
based on average number of shares



Net asset value per share

based on number of shares at end of period

Change	7/1/99 → 09/01/06	1/1/06 → 09/01/06
▪ NBP	+300%	+46%
▪ CAC 40	+12%	+9%
▪ Euro Stoxx Bank	+46%	+13%



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- **This excellent first-half performance reflects:**
 - **not only a number of favourable cyclical factors (credit provisions, provisions for homebuyers' savings schemes etc.)**
 - **but also very strong economic and financial fundamentals**
 - **whose value is realized by a balanced long-term strategy**

- ⇒ ***Banque Populaire Group is entering a decisive stage in its history in excellent shape: the strategic alliance with Caisse d'Epargne Group for the forthcoming transformation of Natexis Banques Populaires into Natixis will be built on solid foundations.***

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Number of employees

■ Banques Populaires	31,151
➤ Banques Populaires	28,651
➤ Crédit Maritime Mutuel	932
➤ MA Banque	144
➤ BICEC	581
➤ Processing centers	843
■ Financing, investment banking and services	13,749
➤ Natexis Banques Populaires	4,537
➤ Natexis Banques Populaires subsidiaries <i>o/w: Coface</i>	9,212 4,921
■ Banque Fédérale des Banques Populaires	496
■ Other subsidiaries	435
Total at June 30, 2006	45,831
<i>o/w: international</i>	4,832

Total number of employees expressed as full-time equivalent, excluding maternity, sick and unpaid leave

Appendix



Group

Consolidated income statement

€m	H106	H105
Interest and similar income	6,361	5,159
Interest and similar expenses	(4,168)	(3,416)
Fee and commission income	1,793	1,565
Fee and commission expense	(439)	(395)
Net gains/losses on financial instruments at fair value through profit or loss	298	366
Net gains or losses on available-for-sale financial assets	173	86
Income from other activities	3,781	3,826
Expenses from other activities	(3,079)	(3,124)
Net banking income	4,720	4,066
Operating expenses	(2,684)	(2,463)
Amortization, depreciation and impairment	(163)	(145)
Gross operating income	1,873	1,458
Impairment charges and other credit provisions	(164)	(178)
Operating income	1,709	1,280
Share of income of associates	11	5
Gains or losses	11	7
Change in value of goodwill	-	-
Income before income taxes	1,731	1,292
Income taxes	(568)	(443)
Net income	1,163	849
Minority interests	(131)	(92)
Net income attributable to equity holders of the parent	1,032	757

Appendix



Group

Consolidated balance sheet assets

€m	06/30/06	12/31/05
Cash and balances with central banks and post offices	2,884	3,129
Financial assets meas. at fair value through profit or loss	42,380	33,325
Hedging instruments	500	279
Available-for-sale financial assets	31,898	29,920
Loans and advances to banks	48,337	55,744
Loans and advances to customers	158,534	146,603
Interest rate hedging reserve	1	1
Held-to-maturity financial assets	6,971	6,899
Current income tax assets	109	-
Deferred income tax assets	541	682
Other assets	9,868	8,153
Non-current assets held for sale	14	-
Investments in associates	255	248
Investment property	1,210	1,154
Property, plant & equipment	1,721	1,702
Intangible assets	320	286
Goodwill	576	586
TOTAL ASSETS	306,119	288,711

Consolidated balance sheet liabilities

€m	06/30/06	12/31/05
Due to central banks and post offices	972	416
Financial liabilities at fair value through profit or loss	12,529	6,758
Hedging instruments	518	474
Deposits from banks	59,862	61,277
Customer deposits	97,654	104,483
Debt securities in issue	63,880	49,090
Interest rate hedging reserve	1	-
Current income tax liabilities	263	156
Deferred income tax liabilities	449	536
Other liabilities	14,855	12,517
Liabilities associated with non-current assets held for sale	-	-
Insurance companies' technical reserves	31,327	29,677
Provisions	1,818	1,922
Subordinated debt	5,936	6,404
Equity attributable to equity holders of the parent	14,642	13,699
<i>Share capital and reserves</i>	8,883	8,383
<i>Retained earnings</i>	4,200	3,180
<i>Unrealized or deferred gains or losses</i>	527	614
<i>Net income for the period</i>	1,032	1,522
Minority interests	1,413	1,301
TOTAL LIABILITIES AND EQUITY	306,119	288,711

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Cash flow statement (1/2)

Group

€m	06/30/06	12/31/05
Earnings before tax	1,731	2,551
+/-Net charge to depreciation and amortization of property, plant & equipment and intangible assets	162	306
+/-Impairment charges of goodwill and other non-current assets	(29)	(9)
+/-Net charge to other provisions (including insurance reserves)	2,079	2,953
+/-Share of income of associates	(11)	(15)
+/-Net loss/(gain) on investing activities	(166)	(414)
+/-Net loss/(gain) on financing activities	-	-
+/-Other movements	(203)	(79)
=Total non-cash items included in income before income taxes and other adjustments	1,832	2,743
+/-Decrease/(increase) in interbank and money market items	5,540	1,168
+/-Decrease/(increase) in customer items	(18,614)	(10,426)
+/-Decrease/(increase) in other financial assets or liabilities	13,413	1,340
+/-Decrease/(increase) in non-financial assets or liabilities	506	3,486
-Income taxes paid	(509)	(868)
=Net decrease/(increase) in operating assets and liabilities	337	(5,299)
Total net cash provided/(used) by operating activities (A)	3,900	(6)
+/-Decrease/(increase) in financial assets and investments in associates	(3,240)	(1,841)
+/-Decrease/(increase) in investment property	(85)	(159)
+/-Decrease/(increase) in property, plant & equipment and intangible assets	(217)	(209)
Total net cash provided/(used) by investing activities (B)	(3,542)	(2,209)

Appendix

Cash flow statement (2/2)

Group

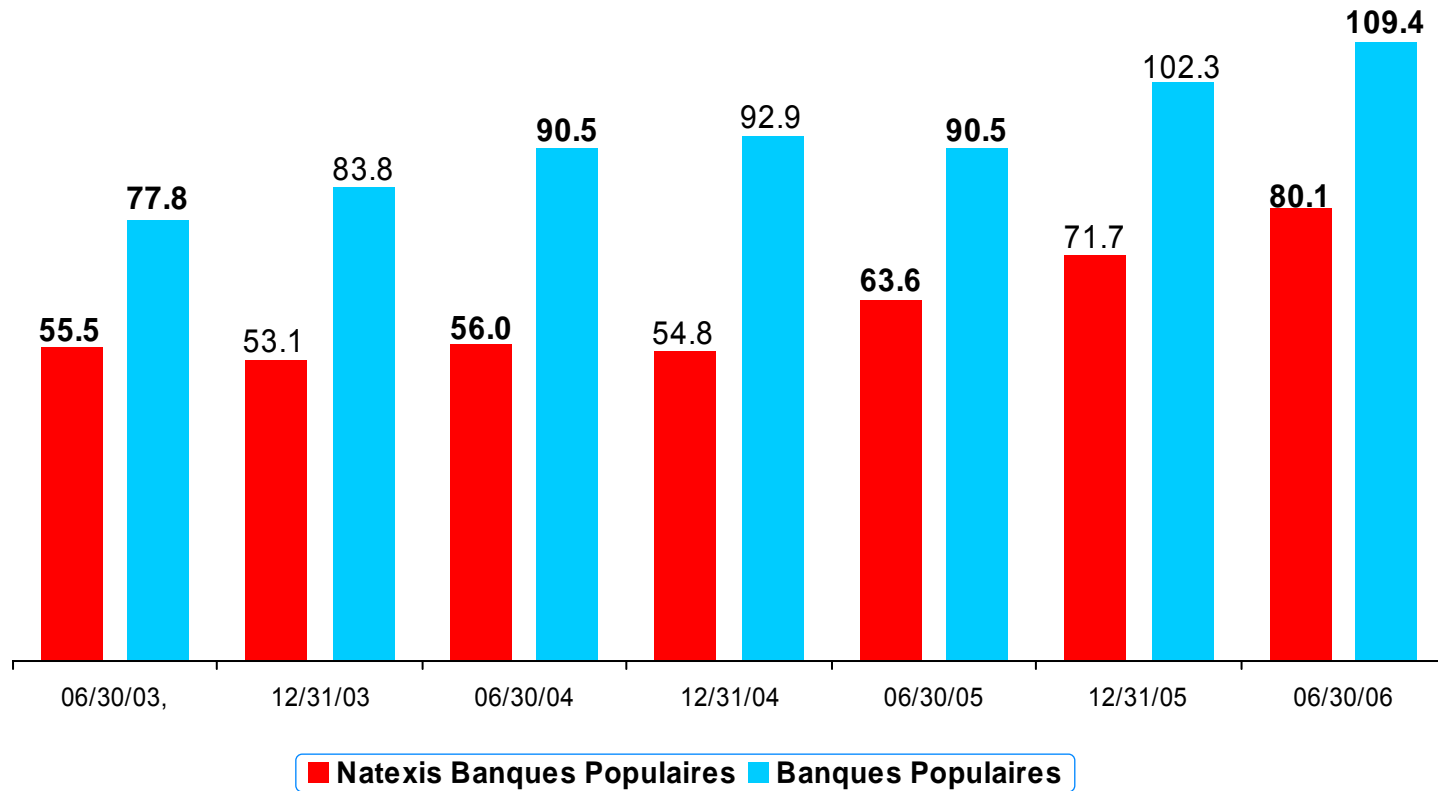
€m	06/30/06	12/31/05
+/-Cash received from/(paid to) shareholders	(36)	69
+/-Other cash provided/(used) by financing activities	(602)	1,148
Total net cash provided/(used) by financing activities (C)	(638)	1,217
Effect of exchange rate changes on cash and cash equivalents (D)	(98)	117
Net increase/(decrease) in cash & cash equivalents (A + B + C + D)	(378)	(880)
Net cash provided/(used) by operating activities (A)	3,900	(6)
Net cash provided/(used) by investing activities (B)	(3,542)	(2,209)
Net cash provided/(used) by financing activities (C)	(638)	1,217
Effect of exchange rate changes (D)	(98)	117
Opening cash & cash equivalents	509	1,390
Cash with/due from central banks (assets & liabilities)	2,713	3,329
Interbank balances	(2,203)	(1,939)
Closing cash & cash equivalents	131	509
Cash with/due from central banks (assets & liabilities)	1,911	2,713
Interbank balances	(1,780)	(2,203)
Change in cash & cash equivalents	(378)	(880)

Appendix

Risk-weighted assets

Group

€bn



Appendix



Group

Some rankings

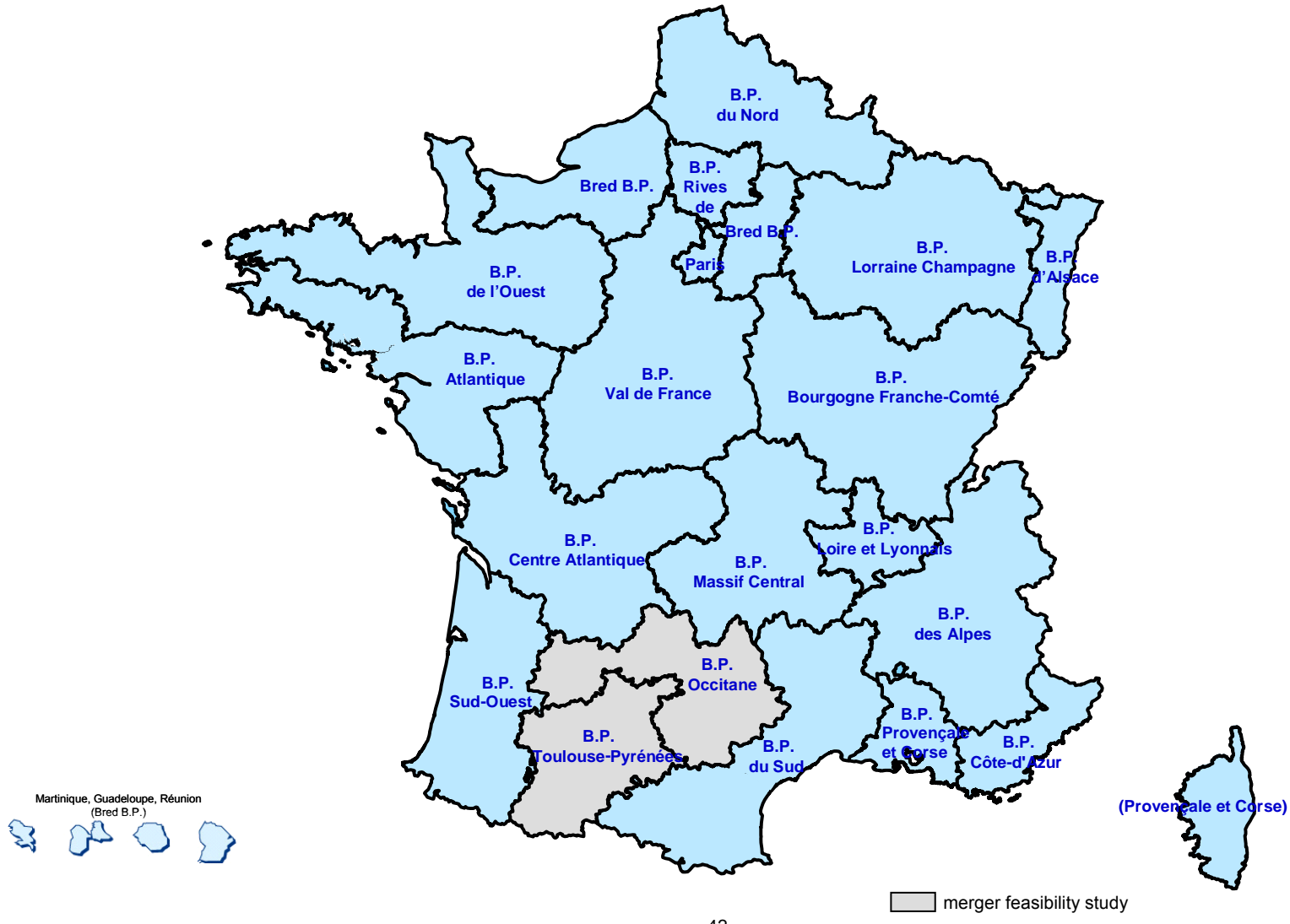
	Ranking*
Employee benefits planning	1
Business start-up loans	1
SME principal banker	1
Franchise financing	1
Solidarity-based savings	1
Microcredit financing	1
Company information	1
Equity research	1
French agency bond issues	1
Mutual funds distributor (Natexis Asset Management)	3
Factoring	3
LBO financing (number of deals)	3
Credit insurance world ranking	3

* Rankings are national except for credit insurance

Banque Populaire Banks

Banques Populaires

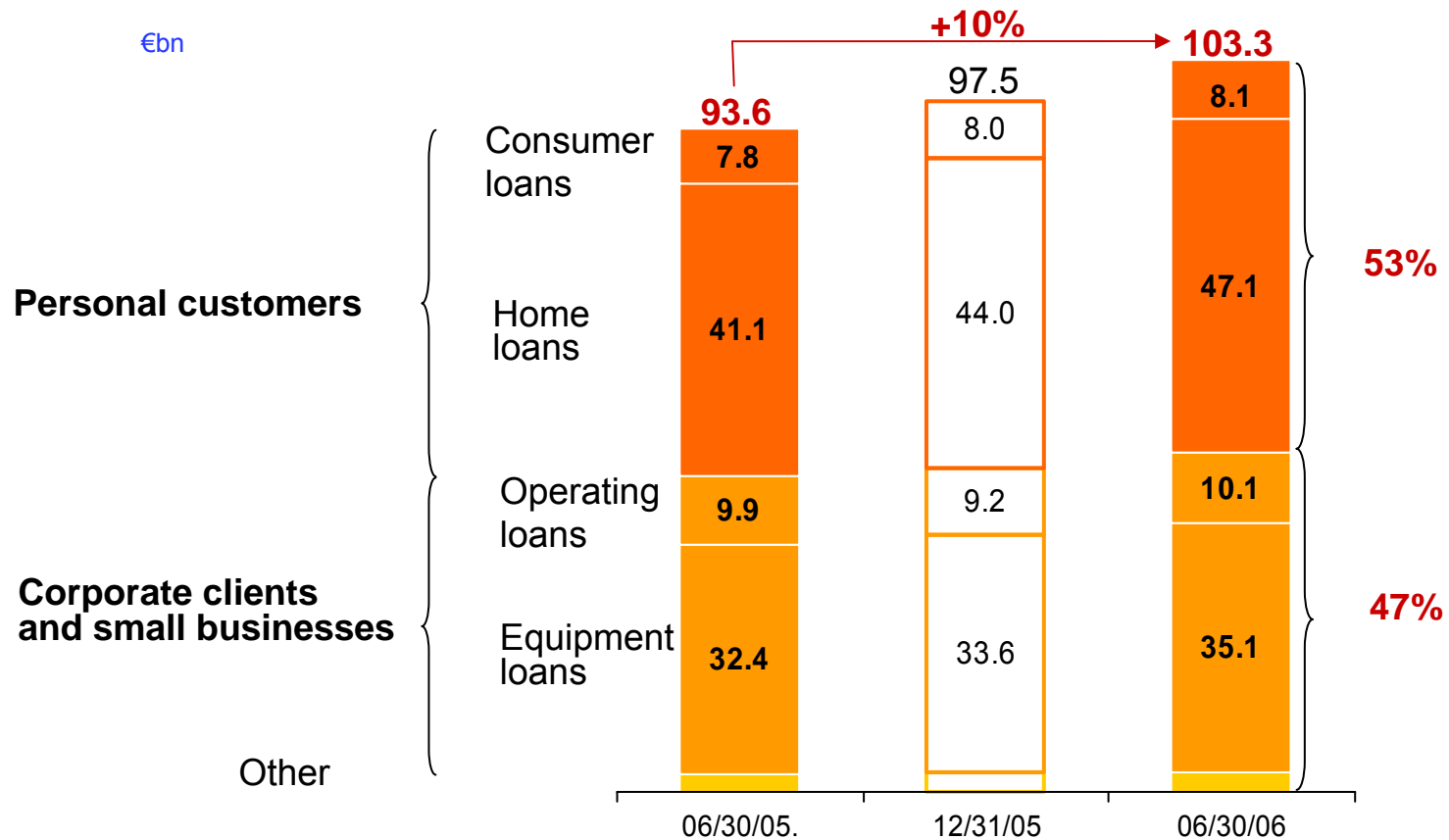
- 19 Banque Populaire regional banks with one merger being studied
- Casden Banque Populaire, Crédit Coopératif



Customer loans

Banques
Populaires

€bn

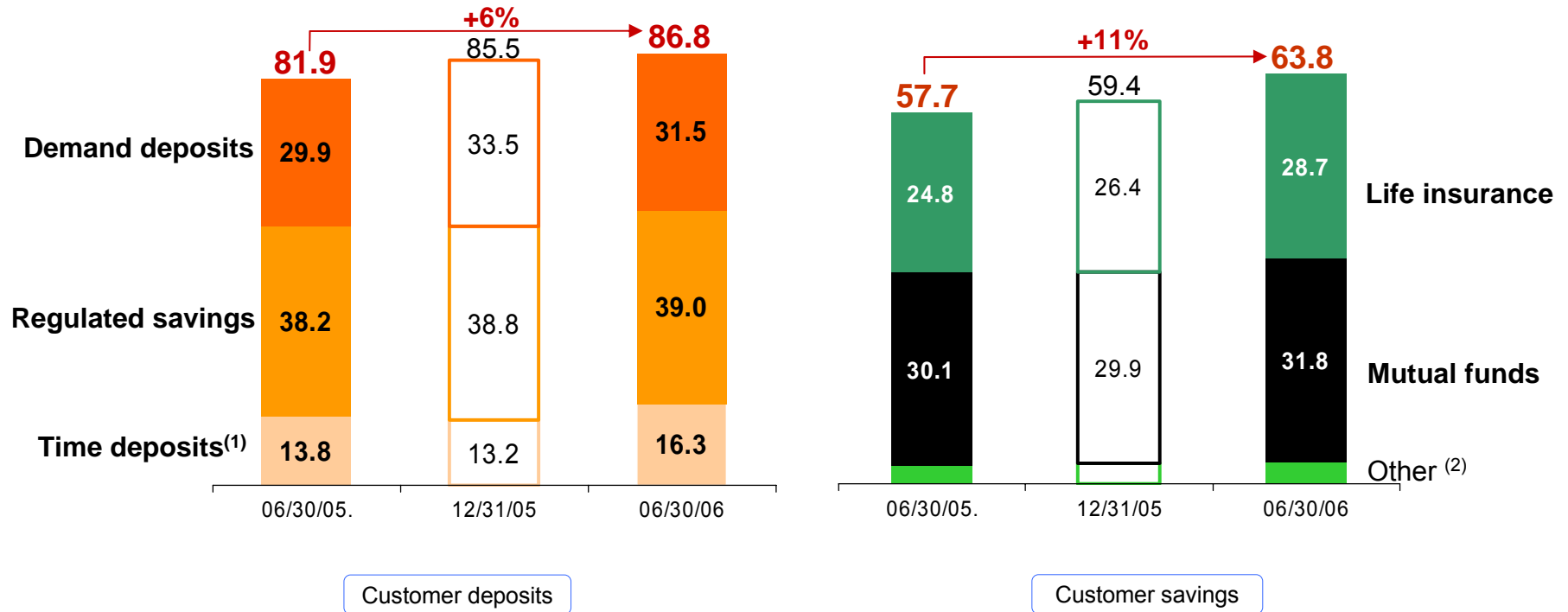


Outstanding loans

Assets managed

Banques
Populaires

€bn



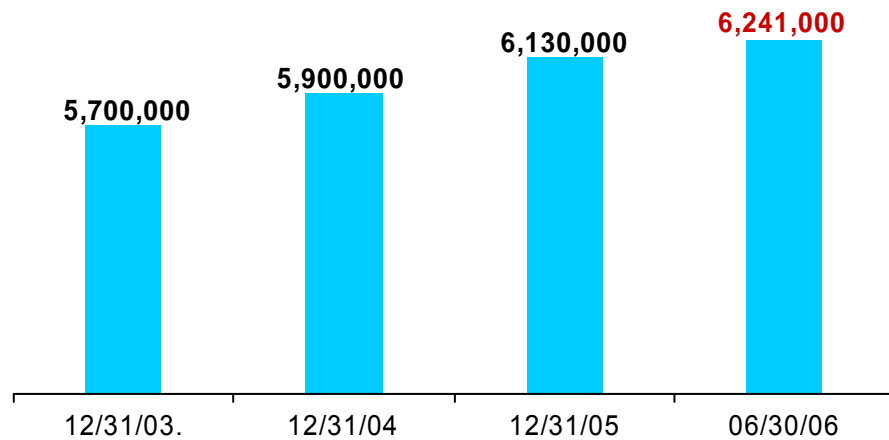
⁽¹⁾ including client certificates of deposit and debt instruments

⁽²⁾ employee savings, SCPI shares, equities and bonds under management

Personal customers (1)

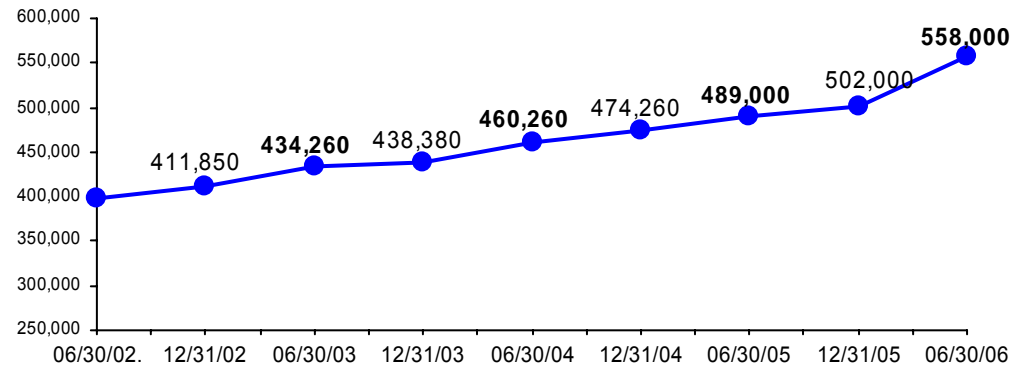
Banques
Populaires

■ Personal customers



■ Insurance

	06/30/06	06/30/05	△
Policies (number)	5,075,218	4,538,141	+12%
→ Non-life (motor and home)	558,000	488,990	+12%
→ Personal risk	4,517,218	4,049,151	+11%
Life insurance (premiums)	€2,742m	€1,803m	+52%



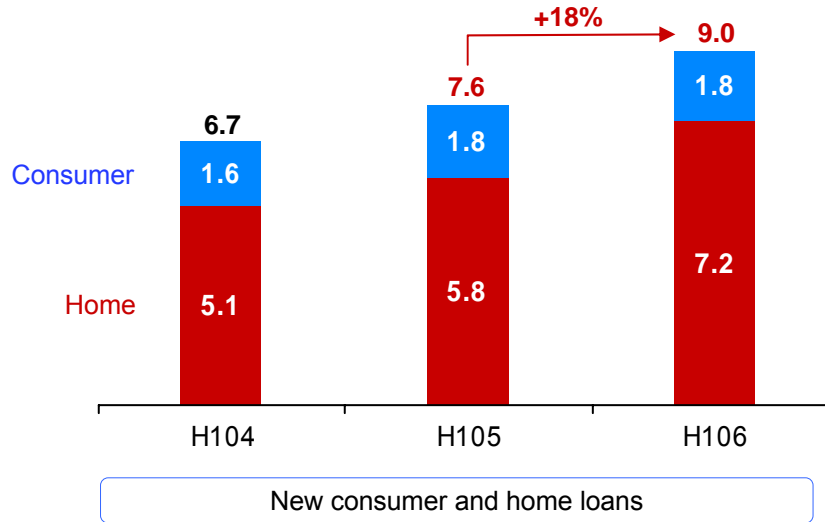
Number of non-life policies

Personal customers (2)

Banques Populaires

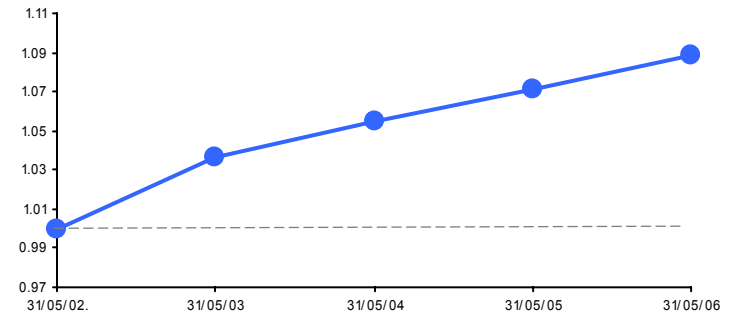
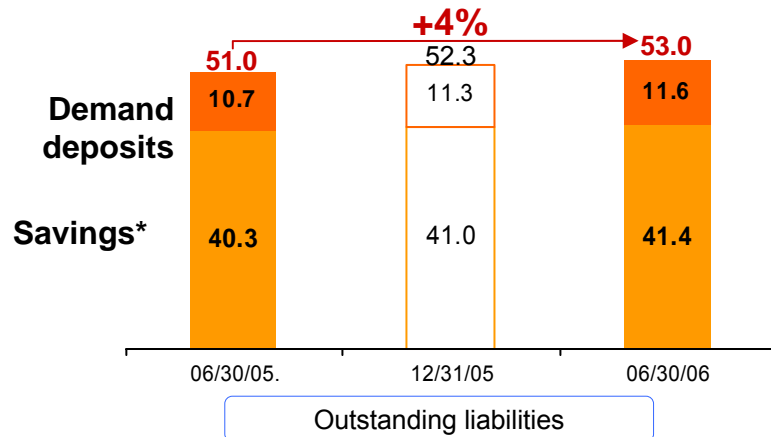
Loans

€bn



Sources of funds

€bn

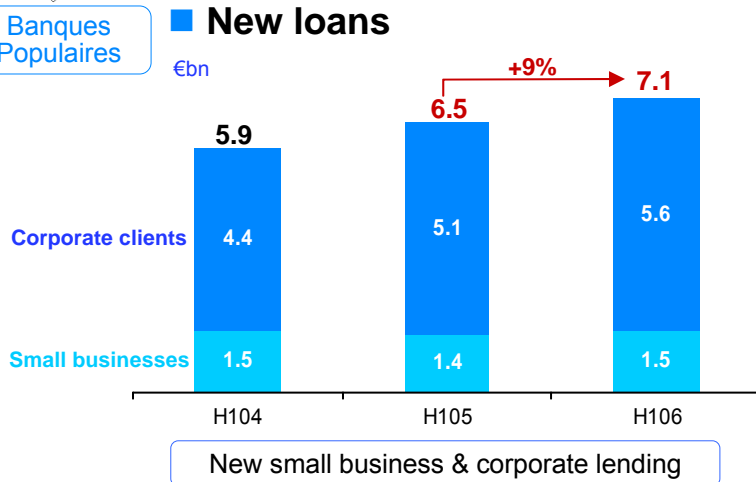


Sources of funds market share
source: Banque de France

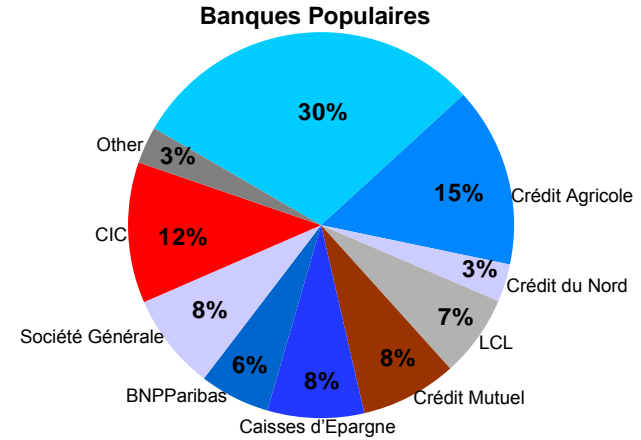
*EARS savings accounts + time accounts

Small businesses and corporate clients (1)

Banques Populaires

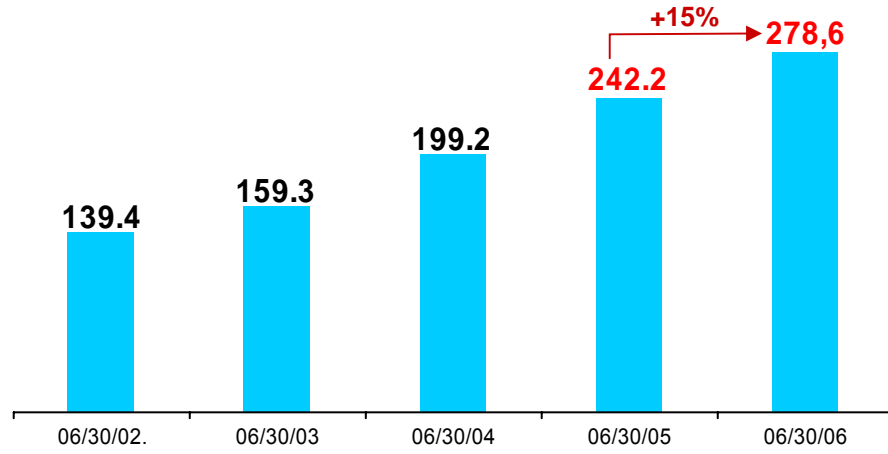


New small business & corporate lending

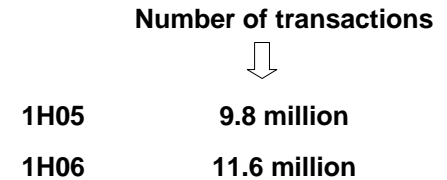


New company loans (national market share)

Small business card market



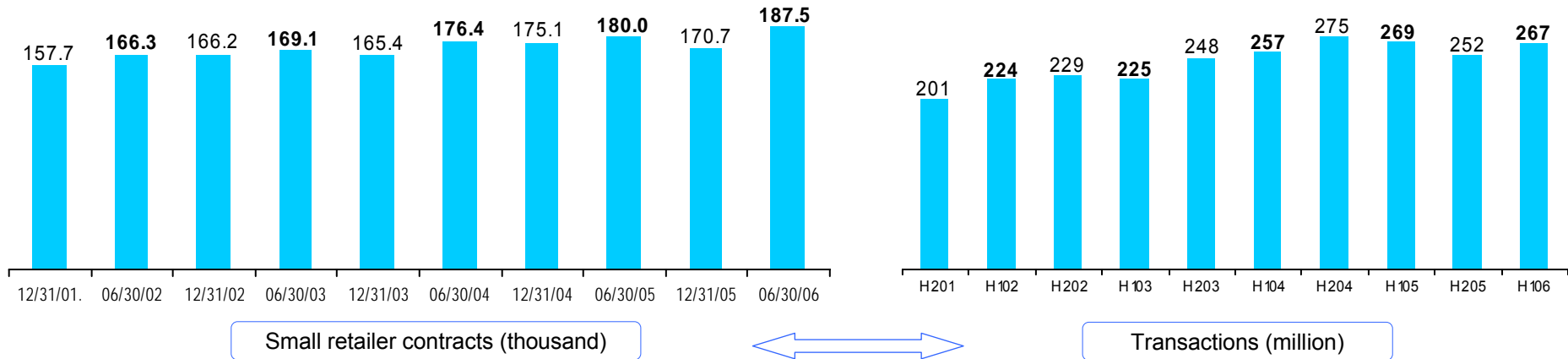
Number of small business cards (thousand)



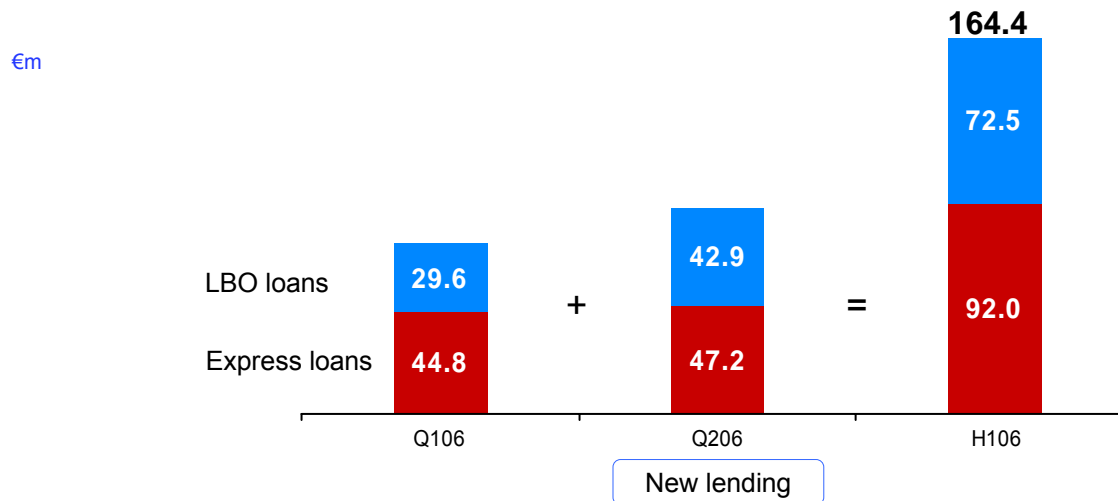
Small businesses and corporate clients (2)

Banques Populaires

■ Small retailer contracts



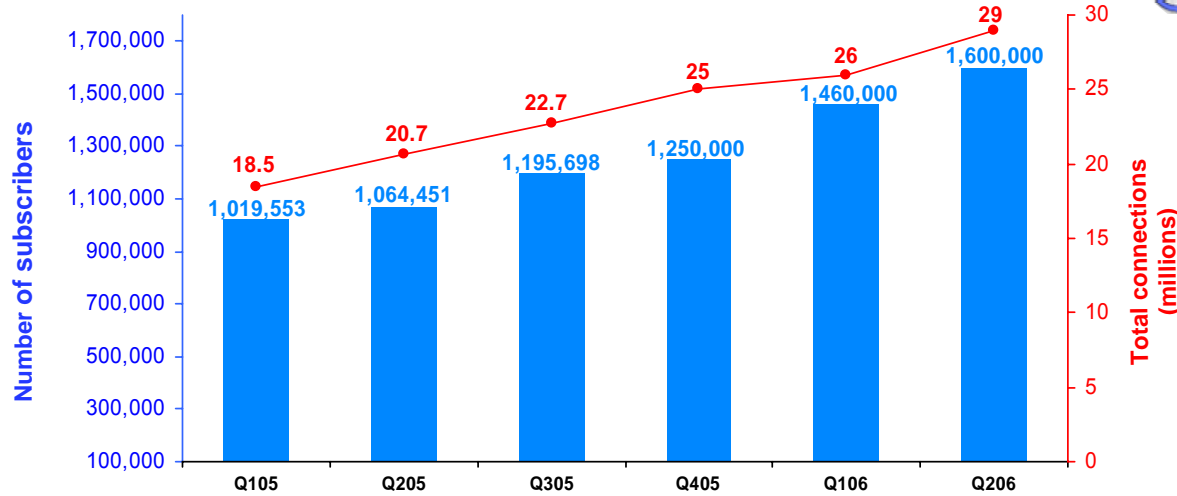
■ 'Prêt' investment loans with FEI guarantee



Remote banking

Banques Populaires

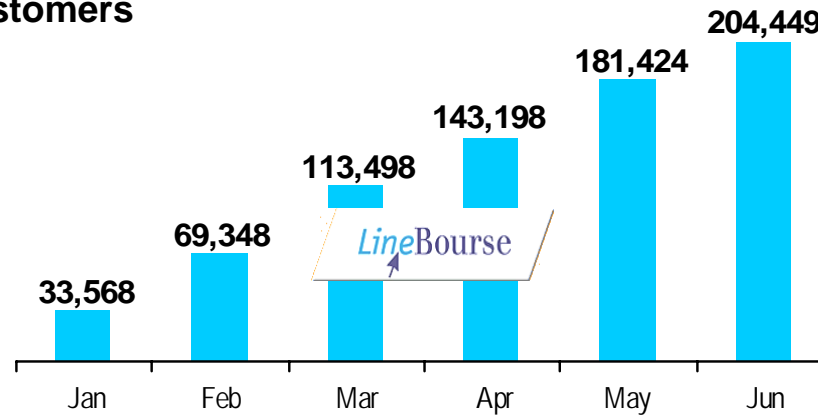
Internet-based customer-bank relationships



Customer take-up rate

- Personal: 38%
- Corporate: 44%

Internet customers



Number	H106
Pages viewed	30,140,000
Accounts	100,000

Total number of orders



Consolidated income statement

NBP

€m	H106	H105
Interest and similar income	3,359	2,248
Interest and similar expenses	(2,723)	(1,958)
Fee and commission income	743	619
Fee and commission expense	(376)	(337)
Net gains or losses on financial instruments at fair value through profit and loss	77	228
Net gains or losses on available-for-sale financial assets	131	23
Income from other activities	3,371	3,311
Expenses from other activities	(2,654)	(2,643)
Net banking income	1,928	1,491
Operating expenses	(1,091)	(910)
Amortization, depreciation and impairment	(40)	(40)
Gross operating income	797	541
Impairment charges and other credit provisions	2	(10)
Net operating income	799	531
Share of income of associates	5	7
Gains or losses	9	(3)
Change in value of goodwill	-	-
Income before income taxes	813	535
Income taxes	(239)	(174)
Net income	574	361
Minority interests	(35)	(15)
Net income attributable to equity holders of the parent	539	346

Consolidated balance sheet assets

NBP

€m	06/30/06	12/31/05
Cash and balances with central banks and post offices	250	217
Financial assets meas. at fair value through profit or loss	34,022	26,013
Hedging instruments	348	43
Available-for-sale financial assets	24,583	22,240
Loans and advances to banks	51,020	56,099
Loans and advances to customers	55,508	49,200
Interest rate hedging reserve	-	-
Held-to-maturity financial assets	7,124	7,053
Current income tax assets	76	-
Deferred income tax assets	77	248
Other assets	6,501	4,766
Non-current assets held for sale	-	-
Investments in associates	50	50
Investment property	1,039	1,001
Property, plant & equipment	309	314
Intangible assets	171	142
Goodwill	736	733
TOTAL ASSETS	181,814	168,119

Consolidated balance sheet liabilities

NBP

€m	06/30/06	12/31/05
Due to central banks and post offices	967	412
Financial liabilities at fair value through profit or loss	10,088	5,288
Hedging instruments	394	212
Deposits from banks	53,095	54,853
Customer deposits	17,984	23,990
Debt securities in issue	49,897	37,760
Interest rate hedging reserve	-	-
Current income tax liabilities	229	120
Deferred income tax liabilities	291	414
Other liabilities	10,142	8,490
Liabilities associated with non-current assets held for sale	-	-
Insurance companies' technical reserves	27,860	26,236
Provisions	360	382
Subordinated debt	4,290	4,293
Equity attributable to equity holders of the parent	5,876	5,357
<i>Share capital and reserves</i>	3,552	3,224
<i>Retained earnings</i>	1,563	1,232
<i>Unrealized or deferred gains or losses</i>	223	206
<i>Net income for the period</i>	539	695
Minority interests	330	312
TOTAL LIABILITIES AND EQUITY	181,814	168,119

Cash flow statement (1/2)

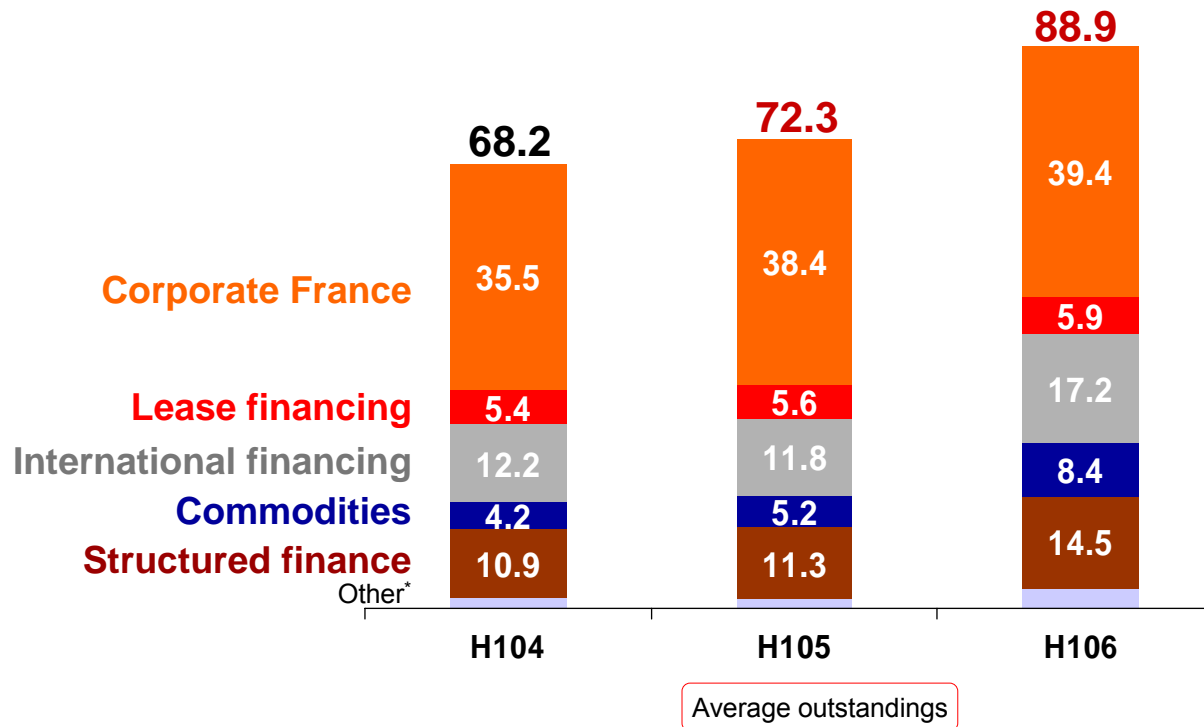
NBP

€m	06/30/06	12/31/05
Earnings before tax	813	1,067
+/-Net charge depreciation/amortization of property, plant & equipment & intangible assets	40	74
+/-Impairment charges of goodwill and other non-current assets	(24)	(10)
+/-Net charge to other provisions (including insurance reserves)	1,853	2,507
+/-Share of income of associates	(5)	(14)
+/-Net loss/(gain) on investing activities	(153)	(308)
+/-Net loss/(gain) on financing activities	-	-
+/-Other movements	36	(278)
=Total non-cash items included in income before income taxes and other adjustments	1,747	1,972
+/-Decrease/(increase) in interbank and money market items	3,378	405
+/-Decrease/(increase) in customer items	(12,324)	(7,274)
+/-Decrease/(increase) in other financial assets or liabilities	10,745	454
+/-Decrease/(increase) in non-financial assets or liabilities	43	3,196
-Income taxes paid	(239)	(309)
=Net decrease/(increase) in operating assets and liabilities	(1,604)	(3,528)
Total net cash provided/(used) by operating activities (A)	4,164	(490)
+/-Decrease/(increase) in financial assets and investments in associates	(2,395)	(2,747)
+/-Decrease/(increase) in investment property	(68)	(143)
+/-Decrease/(increase) in property, plant & equipment and intangible assets	(66)	105
Total net cash provided/(used) by investing activities (B)	(2,529)	(2,786)

Cash flow statement (2/2)

NBP

€m	06/30/06	12/31/05
+/-Cash received from/(paid to) shareholders	(38)	(116)
+/-Other cash provided/(used) by financing activities	(1,096)	1 520
Total net cash provided/(used) by financing activities (C)	(1,134)	1,404
Effect of exchange rate changes on cash and cash equivalents (D)	(86)	98
Net increase/(decrease) in cash & cash equivalents (A + B + C + D)	415	(1,773)
Net cash provided/(used) by operating activities (A)	4,164	(490)
Net cash provided/(used) by investing activities (B)	(2,529)	(2,786)
Net cash provided/(used) by financing activities (C)	(1,134)	1,404
Effect of exchange rate changes on cash and cash equivalents (D)	(86)	98
Opening cash & cash equivalents	(6,508)	(4,735)
Cash with/due from central banks (assets & liabilities)	(193)	170
Interbank balances	(6,315)	(4,906)
Closing cash & cash equivalents	(6,093)	(6,508)
Cash with/due from central banks (assets & liabilities)	(717)	(193)
Interbank balances	(5,376)	(6,315)
Change in cash & cash equivalents	415	(1,773)



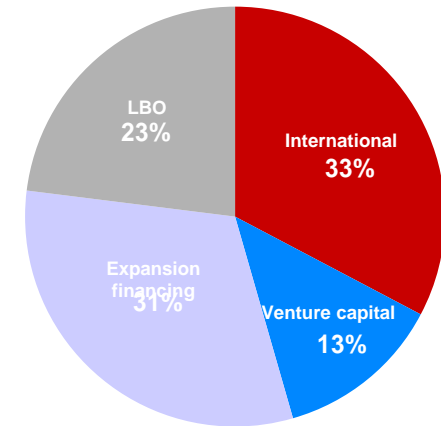
* Financial engineering and syndications activities; optimization and placing of credit

Private Equity and Wealth Management

NBP

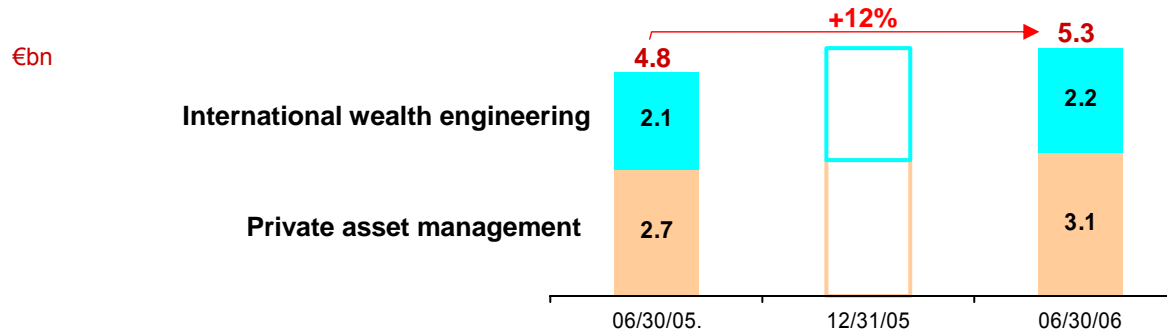
■ Private Equity

€m	H106	H105
Proprietary portfolio		
Investments	124	101
Divestments (sale price)	253	69
Own-account managed assets (a)	1,230	1,289
Managed private equity funds		
Investments	112	87
Divestments (sale price)	134	61
Third party managed assets (b)	1,302	1,179
Total managed assets (a)+(b)	2,533	2,469



Breakdown of investments
(first-half 2006)

■ Wealth Management



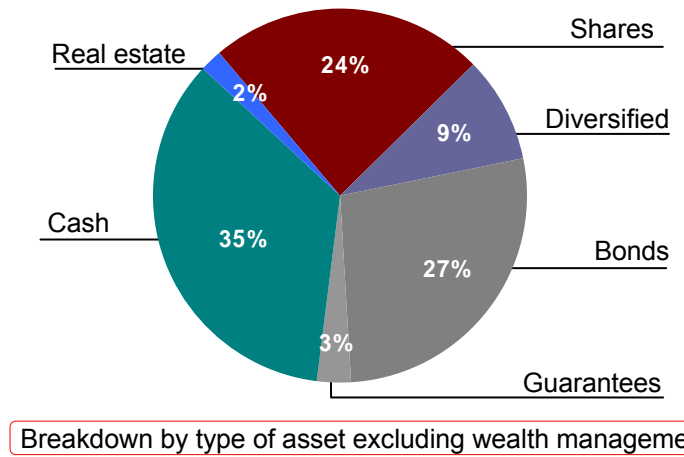
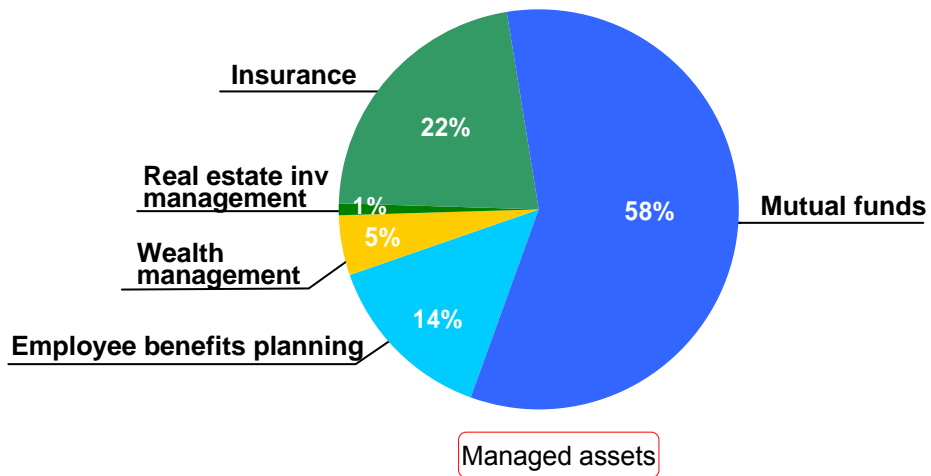
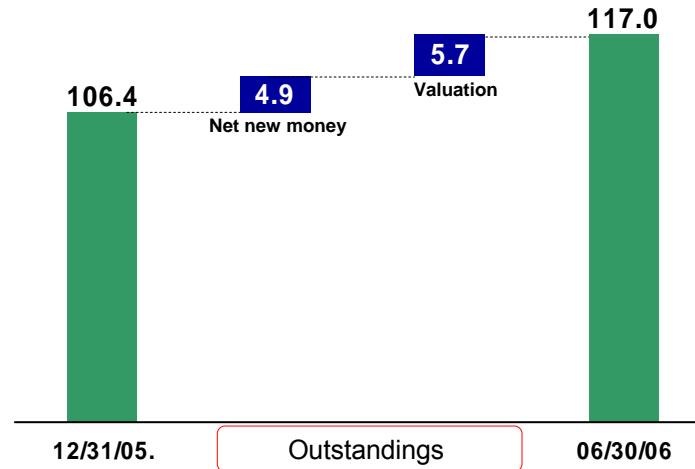
Assets under management

Appendix

Managed assets

NBP

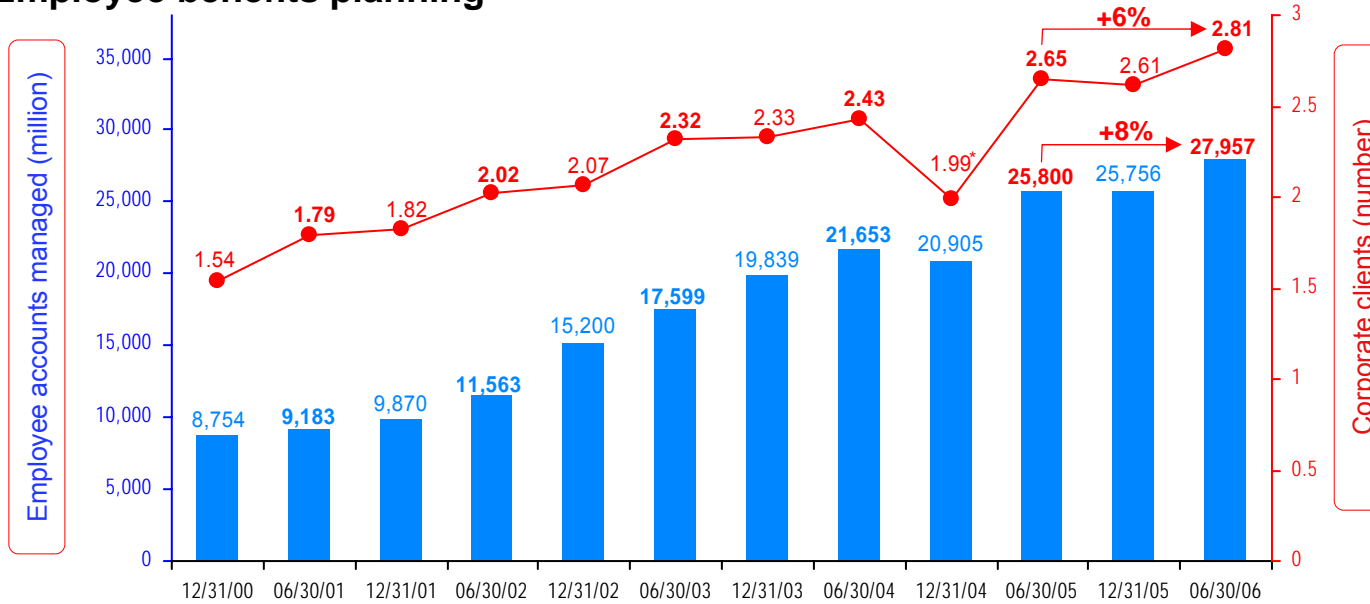
€bn



Services (1)

NBP

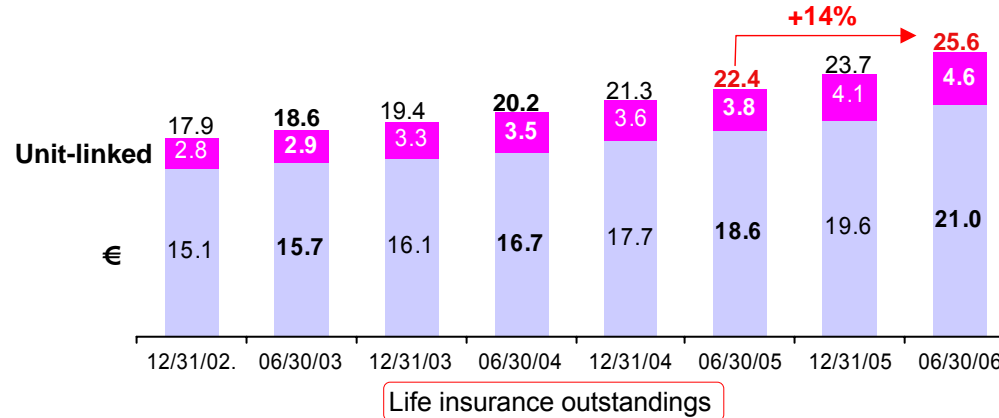
Employee benefits planning



* impact of early unblocking measures

Insurance

€bn

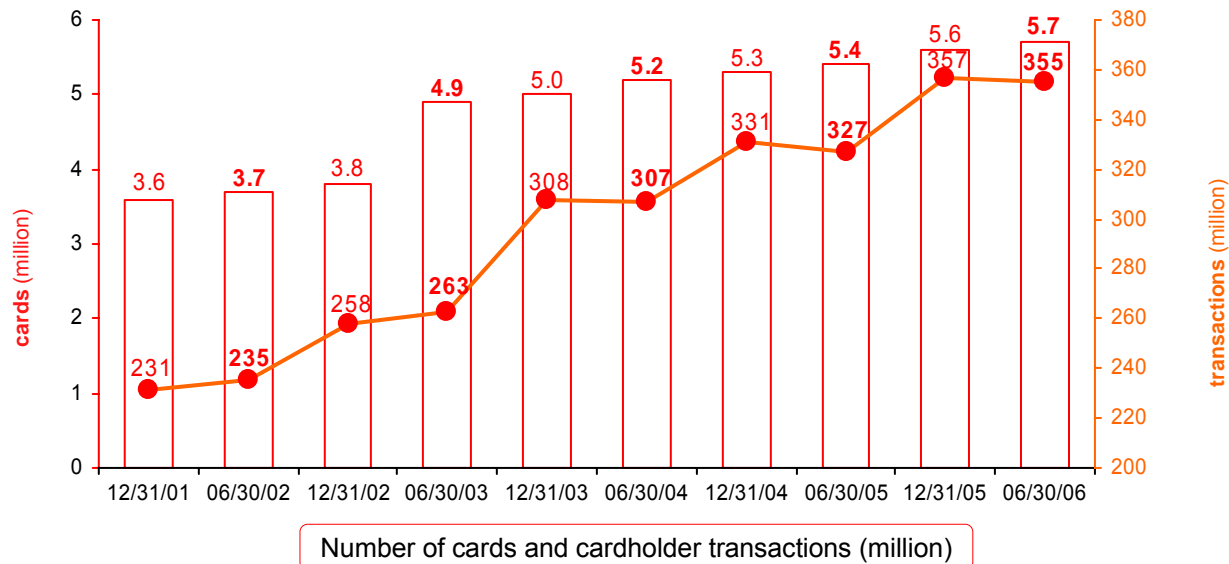
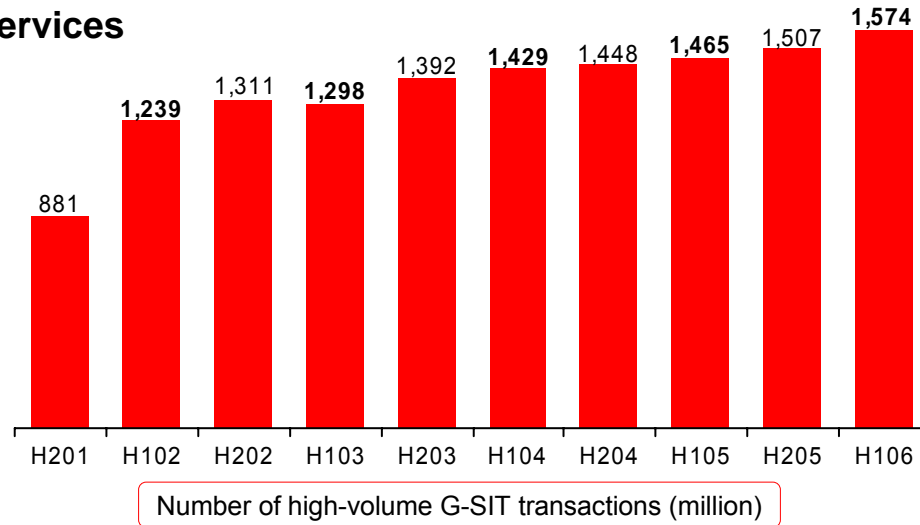


Life insurance outstandings

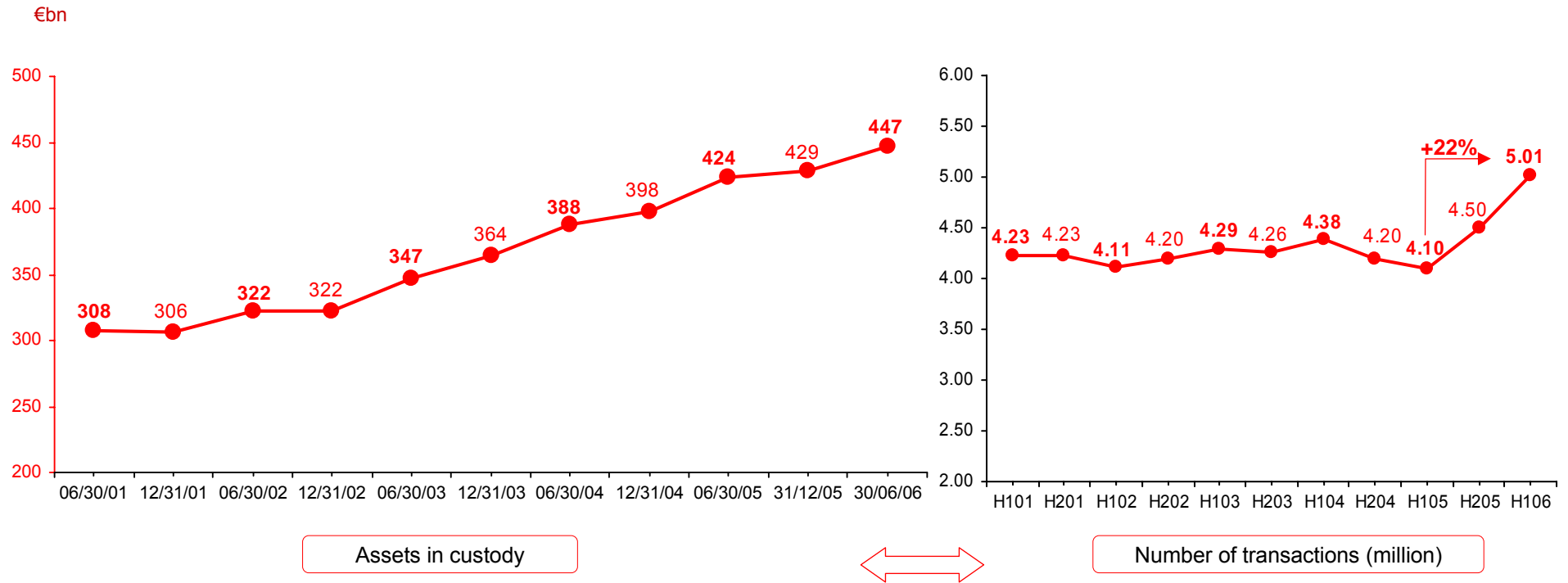
Services (2)

NBP

■ Banking services



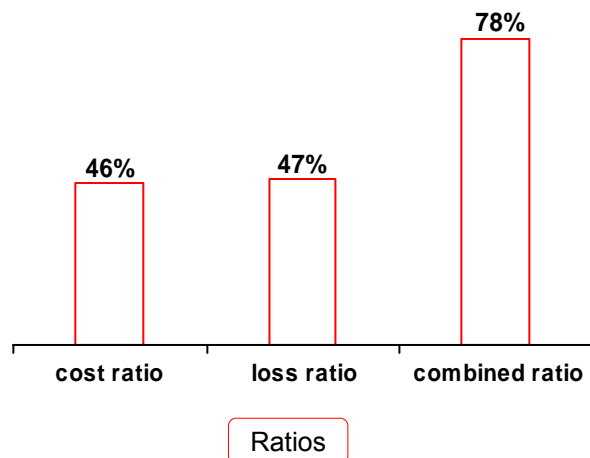
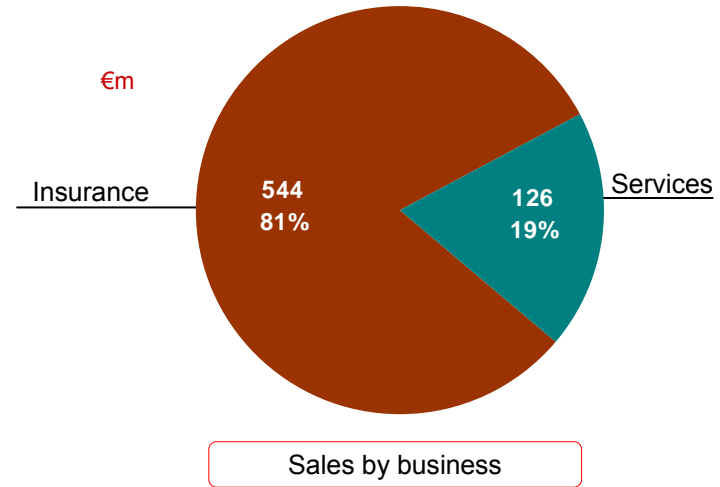
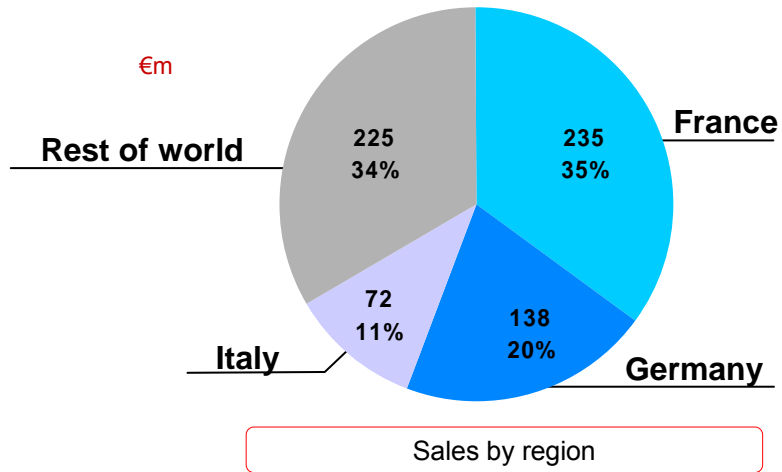
■ Financial Services



Receivables Management

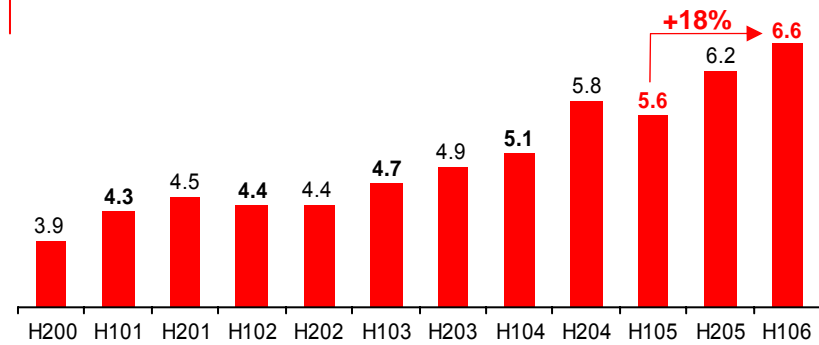
NBP

■ Coface



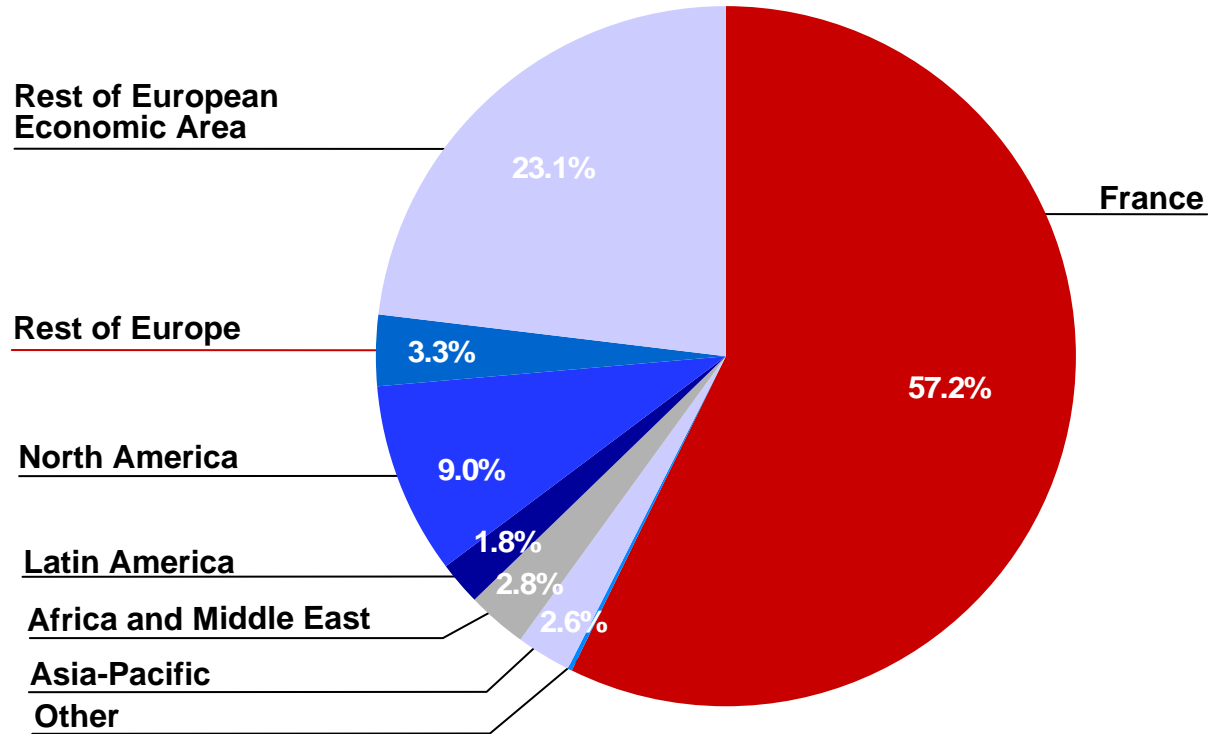
■ Natexis Factorem

€bn



Credit risk by region

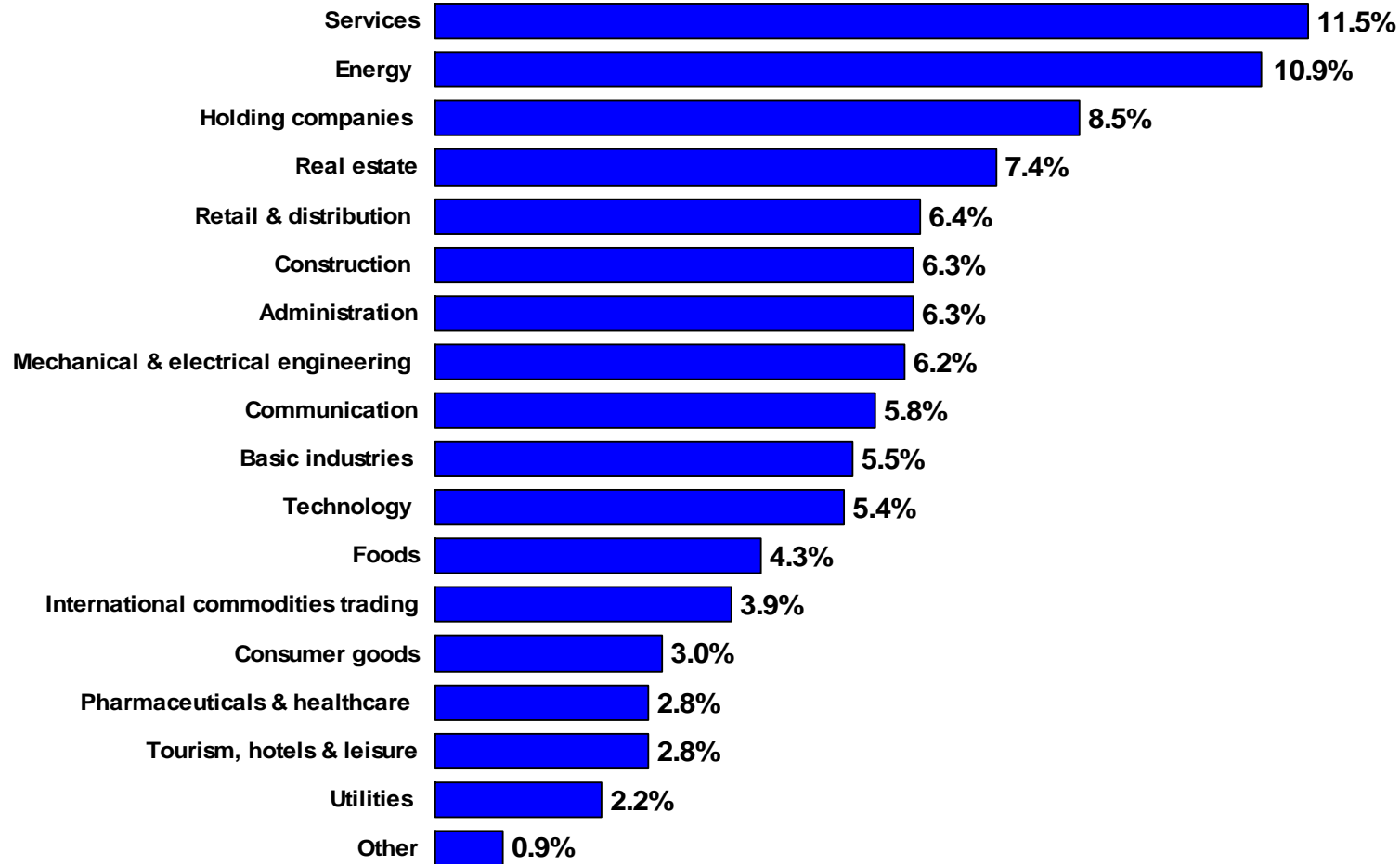
NBP



Total outstanding : €140.3bn

Credit risk by client industry

NBP



Total outstanding: €80.7bn excluding financial institutions and insurance

Corporate lending

February 2006



EUR 300,000,000
Mandated Lead Arranger
Bookrunner
Agent

March 2006



EUR 4,000,000,000
Mandated Lead Arranger
Bookrunner

April 2006



EUR 900,000,000
Mandated Lead Arranger
Bookrunner

May 2006



EUR 300,000,000
Mandated Lead Arranger
Bookrunner
Agent

June 2006



EUR 700,000,000
Mandated Lead Arranger
Sole Bookrunner
Agent

June 2006



EUR 1,500,000,000
Mandated Lead Arranger

Structured finance

Brazil January 2006



CVRD
USD 50,000,000,000
Pre-Export Finance Facility
Mandated Lead Arranger

January 2006



Senior Unsecured
Corporate Revolving Facility
€500 million
Arranger & Bookrunner

LBO February 2006


ABN Amro Capital France



Sales:
EUR 250,000,000
Mandated Lead Arranger
& Bookrunner

Project Finance May 2006

Kuwait



Greater Equate
USD2.5 billion
Petrochemical Complex
Mandated Lead Arranger

2006



China Southern Airlines
French Optimised Lease
for 3 Airbus A320 - 200
USD 130,000,000
Arranger & Agent

June 2006 France



Financing of the acquisition
of France Printemps




EUR 1 billion
Sole Mandated &
Lead Arranger


Bond issues




€500m
E3M + 20bp
May 2009
Co-manager
March 2006




€200m
4.125%
May 2016
Joint Bookrunner
April 2006




€400m
4.875%
May 2016
Joint Bookrunner
May 2006



€1.750bn
€1,150m / €600m
4.5% / 4.75%
May 2013 / May 2016
Joint Bookrunner
May 2006



€429m
4.50%
March 2018
Joint Bookrunner
June 2006



€350m
4%
October 2016
Joint Bookrunner
June 2006

Equities



Placing of 8% of share capital
€18m
Lead manager
February 2006



Eurolist IPO
€130m
Co-lead manager
March 2006



Capital increase with preferential subscription rights
€2,500m
Co-lead manager
March 2006



Alternext IPO
€20m
Lead manager
June 2006



Capital increase without preferential subscription rights
€13m
Lead manager
June 2006



Eurolist IPO
€1,300m
Co-lead manager
March 2006

