NATIXIS

2008 REGISTRATION DOCUMENT

NATIXIS

Profile

Natixis was formed (at the end of 2006) through the combination of the corporate and investment banking, asset management and services businesses of Groupe Banque Populaire and Groupe Caisse d'Epargne. It is among the leading banking groups in Europe. Natixis has a diversified base of activities with significant expertise in its businesses, an extensive customer base and a broad international presence. It has approximately 22,000 employees in some 60 countries.

Natixis' activities are organized into five business divisions:

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

Retail banking also contributes directly to Natixis' performance through its 20% (1) interest in the share capital of the Banques Populaires and the Caisses d'Epargne and, indirectly, through the sale of Natixis products and services in the branches of these two networks that together account for around 25% of the French retail banking market.

Natixis has strong positions in all of its main businesses. As the banking partner of nearly all the largest companies in France, it is also very active in servicing financial institutions (banks, insurance companies, pension funds, etc.). It has gradually built up an increasingly significant international customer base.

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

Its very broad range of products and services (structured finance and commodities, capital markets, asset management and financial services) enable it to meet the needs of its own corporate and institutional clients as well as the personal banking, small business and small and medium-sized businesses customers of its two parent groups, Groupe Banque Populaire and Groupe Caisse d'Epargne.

Natixis' financial structure is strengthened through its dual affiliation to Banque Fédérale des Banques Populaires (BFBP) and Caisse Nationale des Caisses d'Epargne (CNCE). This dual affiliation, governed by an agreement signed on April 2, 2007 between BFBP and CNCE, enables Natixis to benefit from a liquidity and solvency guarantee from BFBP and CNCE equally and, if necessary, jointly.

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

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

This document was filed with the French Financial Markets Authority on April 7, 2009, in accordance with Article 212-13 of the general regulations of the Financial Markets Authority. It may be used in support of a financial transaction if it is supplemented by a transaction note approved by the Financial Markets Authority.

The present registration document includes all elements of the annual financial report mentioned in section I of Article L.451-1-2 of the French Monetary and Financial Code and Article 222-3 of the general regulations of the Financial Markets Authority. A table showing the relationships between the documents mentioned in Article 222-3 of the General Regulations of the Financial Markets Authority and the corresponding sections of the present registration document is given in pages 491-492.

The English language version of this report is a free translation from the original, which was prepared in French. All possible care has been taken to ensure that the translation is an accurate presentation of the original. However, the original language version of the document in French prevails over the translation.

Copies of the present registration document are available free of charge from Natixis,

Immeuble Arc de Seine
30 avenue Pierre Mendès France
75013 Paris.

Key figures 2008

22,096 full-time equivalent employees

as at December 31, 2008

Operations in 68 countries

LONG-TERM RATINGS as at end of February 2009

A+ (stable)

Standard & Poor's

Aa3 (stable)

Moody's

A+ (negative)

Fitch Ratings

RESULTS

(in millions of euros)	2008	2007
Net banking income, excl. GAPC	6,386	-
Net banking income	2,934	6,043
Gross operating income/(loss) (1)	(1,754)	902
Net income/(loss), Group share	(2,799)	1,101
Net income, Group share, excl. GAPC	810	-

(1) Excluding restructuring costs, costs related to the creation of Natixis and extraordinary items.

BALANCE SHEET

	31.12.2008	31.12.2007
Tier 1 capital	€13.4 bn (2)	€11.7 bn (1)
Capital adequacy ratio (CAD ratio)	10.2% (2)	10.3%
Tier 1 ratio	8.2% (2)	8.3% (1)
Weighted assets	€163 bn (2)	€141 bn
Total assets	€555.8 bn	€520.0 bn

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

(2) CRD/Basel II rules.

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NET BANKING INCOME/(LOSS) FROM BUSINESS LINES

(in millions of euros)	2008	2007 (1)
"New" CIB	2,857	2,574
Asset management	1,358	1,710
Private Equity and Private Banking	191	511
Services	1,477	1,466
Receivables Management	800	925
GAPC – Workout Portfolio Management	*(3,452)*	*(864)*

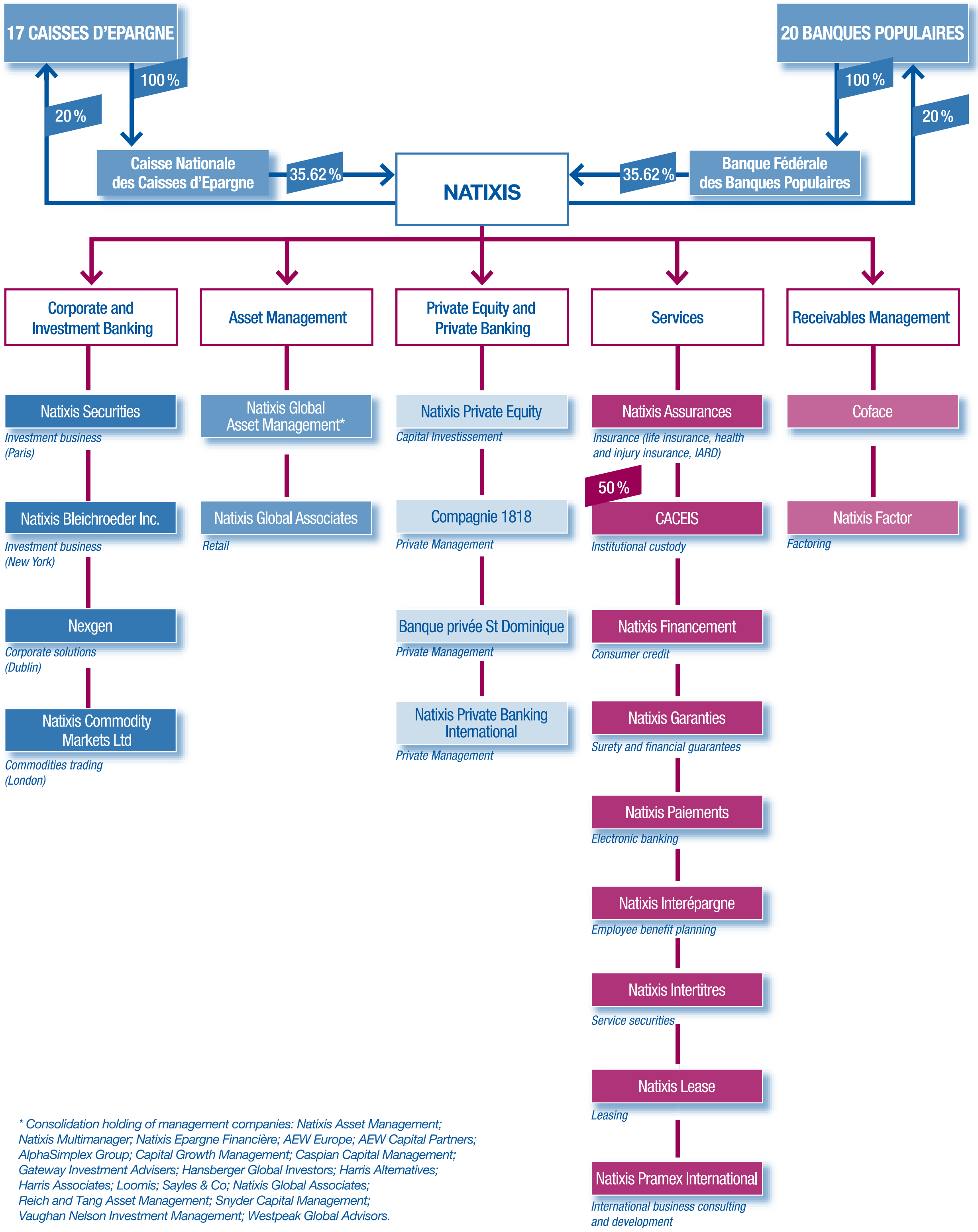
(1) Data taking into account: (i) Reclassification of leasing activities and international services (Natixis Pramex International and Natixis Algérie) of the Corporate and Investment Banking division to the Services division (first application 30.06.2008), (ii) Adjustment of analytical conventions in relation to the remuneration of allocated capital and the allocation of infrastructure costs (first application 30.06/2008), (iii) Allocation of capital according to CRD/ Basel II standardized approach (first application 31.03.2008).

NET OPERATING INCOME/(LOSS) OF BUSINESS LINES

(in millions of euros)	2008	2007 (1)
"New" CIB	370	518
Asset management	208	263
Private Equity and Private Banking	(10)	248
Services	342	359
Receivables Management	71	186
Retail banking (financial contribution)	285	480
GAPC – Workout Portfolio Management	*(3,609)*	*(776)*

(1) Data taking into account: (i) Reclassification of leasing activities and international services (Natixis Pramex International and Natixis Algérie) of the Corporate and Investment Banking division to the Services division (first application 30.06.2008), (ii) Adjustment of analytical conventions in relation to the remuneration of allocated capital and the allocation of infrastructure costs (first application 30.06.2008), (iii) Allocation of capital according to CRD/ Basel II standardized approach (first application 31.03.2008).

Simplified organization chart of Natixis businesses (as at 31.12.2008)



*Consolidation holding of management companies: Natixis Asset Management; Natixis Multimanager; Natixis Epargne Financière; AEW Europe; AEW Capital Partners; AlphaSimplex Group; Capital Growth Management; Caspian Capital Management; Gateway Investment Advisers; Hansberger Global Investors; Harris Alternatives; Harris Associates; Loomis; Sayles & Co; Natixis Global Associates; Reich and Tang Asset Management; Snyder Capital Management; Vaughan Nelson Investment Management; Westpeak Global Advisors.

1 NATIXIS SHARES

Natixis share capital

STOCK MARKET PROFILE AS OF DECEMBER 31, 2008

Share capital	€4,653,020,308.80
Number of shares	2,908,137,693
Market capitalization	€3.6 billion
Number of individual shareholders	Around 1 million
Stock exchange	Eurolist Paris (compartment A), eligible for deferred settlement service
ISIN code	FR0000120685
Reuters code	CNAT.PA
Bloomberg France code	KN
Stock market indices	SBF 80, SBF 120 and SBF 250

SHAREHOLDERS AS OF DECEMBER 31, 2008

	% of capital	% of voting rights
Banque Fédérale des Banques Populaires and subsidiaries	35.62%	35.77%
Caisse Nationale des Caisses d'Epargne et de Prévoyance	35.62%	35.77%
Free float (including DZ Bank AG and Intesa San Paolo Holding International)	28.76%	28.46%

Key share data

(in euros)	Natixis 2008	Natixis 2007	Natixis 2006	Natexis Banques Populaires 2005	Natexis Banques Populaires 2004
Net income per share [a]	(1.57)	0.90	1.73	14.9	8.50
Net assets per share [b]	5.37	13.9	14.3	113.2	91.1
Net dividend per share	-	0.45	0.86	5.0	3.3
Number of shares	2,908,137,693	1,222,042,694	1,219,864,330	48,995,480	48,255,962
Distribution rate	-	50 %	50 % [c]	40 %	38.8 %
Highest price [e]	8.91 [d]	15.26 [d]	15.64 [d]	92.63	72.11
Lowest price [e]	1.20 [d]	7.20 [d]	9.09 [d]	65.79	56.05

(a) Based on average number of shares outstanding during the year.
(b) Based on number of shares outstanding at end of year.
(c) Calculated on the basis of pro forma net income.
(d) After 10-for-1 stock split.
(e) Adjusted price.

DIVIDENDS

Unpaid dividends, after the five-year period of limitations, are paid to the French government.

Dividends distributed during the previous five fiscal years:

Fiscal year	2008	2007	2006	2005	2004
Number of shares comprising the share capital	2,908,137,693	1,222,042,694	1,219,864,330	48,995,480	48,255,962
Net dividend per share	-	€0.45	€0.86 *	€5.00	€3.30

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

Natexis Banques Populaires offered its shareholders the opportunity of payment of dividends in shares for dividends paid in 2006 for the 2005 fiscal year.

Natixis offered its shareholders the option of payment in shares for dividends paid in 2008 for the 2007 fiscal year.

Trading in Natixis shares

TRENDS IN AVERAGE MONTHLY SHARE PRICE AND NUMBER OF SHARES TRADED SINCE JANUARY 2006

	Average price	Highest price	Lowest price	Number of shares traded	Market value of shares traded
Jan 2006	9.06	10.46	9.09	6,400,674	60,948,113
Feb 2006	10.54	11.84	9.29	6,812,759	73,077,936
Mar 2006	13.42	15.10	11.38	20,506,799	279,555,913
Apr 2006	14.26	14.86	13.62	10,043,333	143,616,315
May 2006	13.08	14.26	11.18	18,508,516	237,877,130
Jun 2006	12.08	13.53	11.38	14,778,879	179,330,362
Jul 2006	12.20	12.68	11.51	12,948,282	158, 062,856
Aug 2006	13.00	13.49	12.53	6,691,007	86,753,564
Sep 2006	13.64	14.80	12.80	9,941,631	135,626,218
Oct 2006	14.70	15.64	14.01	16,634,554	244,815,478
Nov 2006 (1)	14.12	14.99	13.32	20,822,102	293,988,988
Dec 2006	14.06	14.42	13.29	92,173,674	1,277,730,530
Jan 2007	14.64	15.26	13.98	60,080,850	880,876, 066
Feb 2007	14.21	14.63	12.99	42,132,662	596,276,104
Mar 2007	12.53	13.41	11.47	87,445,913	1,082,642,390
Apr 2007	12.83	13.47	11.98	59,723,732	763,334,544
May 2007	13.29	13.76	12.45	67,013,222	883,464,771
Jun 2007	12.19	12.89	11.65	68,884,045	841,703,860
Jul 2007	11.63	12.48	10.07	75,408,037	862,127,828
Aug 2007	9.97	11.06	8.86	172,782,388	1,723,842,234
Sep 2007	10.03	10.68	9.32	70,868,678	707,821,714
Oct 2007	10.55	11.92	9.89	120,346,854	1,301,514,953
Nov 2007	8.56	10.11	7.20	182,151,372	1,570,825,980
Dec 2007	9.16	10.06	8.47	68,036,529	631,114,830
Jan 2008	7.91	8.91	6.74	106,338,485	828,428,324
Feb 2008	6.92	7.76	6.03	99,504,944	677,813,864
Mar 2008	6.12	6.84	5.18	115,510,355	696,773,559
Apr 2008	6.77	7.57	6.29	90,889,889	618,465,396
May 2008	7.08	8.25	6.28	121,860,431	864,730,326
Jun 2008	5.64	6.45	4.63	105,711,914	595,527,291
Jul 2008	3.89	4.91	2.84	230,190,377	873,683,684
Aug 2008	3.90	4.97	3.30	171,618,293	678,194,396
Sep 2008 (2)	3.14	4.34	1.75	729,472,146	2,136,145,512
Oct 2008	2.04	2.69	1.24	361,393,325	767,002,312
Nov 2008	1.75	2.30	1.28	170,471,214	306,155,876
Dec 2008	1.40	1.62	1.20	93,832,517	131,669,470

To enable comparison between share price data, the prices above take into account:

(1) The 10-for-one stock split of November 17, 2006 for prices prior to November 17, 2006 (creation of Natixis).

(2) An adjustment coefficient of 0.66 necessary for the adjustment of share prices prior to September 5, 2008 due to the capital increase.

Shareholder relations

ACTIONS UNDERTAKEN IN 2008

In 2008, Natixis handled all relations with **individual and institutional investors, financial analysts, and rating agencies.**

It **prepared Natixis' 2007 reference document (annual report)** and its updates, and ensured their filing with the AMF (French Financial Markets Authority).

Communication to accompany releases of financial statements as at December 31, 2007, March 30, 2008, June 30, 2008, and September 30, 2008 was based on a **press release and presentations** for the financial press and financial analysts. Earnings announcements were also published in the press, in particular the financial and business press, when the annual and interim results were announced. An electronic version of the earnings announcement was published online on the main market, economic and financial websites, where visitors could link to the Natixis website and access presentations of financial results and press releases.

Fiscal year 2008 was a particularly busy one for financial news. Natixis issued a number of specific press releases, notably on the consequences of the financial crisis, events that had a significant influence on the financial statements, reorganization measures and the main appointments that occurred.

All of the documents produced were published online on the Company's website, in French and, where appropriate, in English.

In addition to regular individual meetings organized throughout 2008 with **institutional investors,** in France and abroad, special meetings with investors and analysts were held during conferences organized by Morgan Stanley (April 2008) and Merrill Lynch (October 2008).

Natixis has continued to develop tools specifically tailored to its communication to individual investors:

- the **Shareholders' Club,** launched in April 2007, has continued to expand and now has nearly 20,000 members. Membership is by request and open to all registered shareholders, or those that hold at least 50 bearer shares. The Club targets shareholders who wish to develop a close relationship with the Company. Club members receive all publications intended for shareholders such as the "Lettre aux actionnaires" (in French only), at no charge and in the form that they choose (by mail or e-mail);
- the range of activities offered by the Club was extended in 2008. **Club members were invited to attend events organized in connection with the Company's sustainable development and sponsorship policy** (special visit to the "Biodiversité, nos vies sont liées (Biodiversity, our lives are inter-connected)" exhibition, organized by the Noé Conservation association and supported by Natixis, with a communication initiative about the Cinémathèque Française). A partnership was put in place with the École de la Bourse to offer shareholders training sessions on stock market techniques. Three training courses were given in 2008, two in Paris, and one in Nice;
- the Natixis **Shareholder Consultation Committee (CCAN)** was set up in 2008. It comprises 12 Natixis shareholder representatives. This committee meets two or three times a year, at Natixis' head office, and its purpose is to enable members to meet with executives of the Company. It provides feedback and recommendations on Natixis' communication to its individual shareholders. In 2008, the Committee met twice and talked to Philippe Dupont, Executive Chairman and Dominique Ferrero, Chief Executive Officer;
- four issues of the **"Lettre aux actionnaires"** were published in 2008, addressing subjects of specific interest to individual shareholders (dividend, General Shareholders' Meeting, news of the Company, discussions with senior executives). The newsletter is sent to Shareholder club members. All issues of this newsletter can be downloaded by all shareholders from the Natixis website;
- Natixis was present at the **Actionaria exhibition** (held in Paris on November 21-22, 2008). Club members had free entry passes to this exhibition. Over 500 contacts were made with shareholders at the Company's stand. From a qualitative viewpoint, and despite the particularly difficult stock market environment, impact studies continue to show that visitors to the exhibition have a very positive opinion of Natixis through its stand;
- shareholders have four ways in which they can contact Natixis:
  - a **toll-free number open to shareholders (0800 41 41 41)** open daily from 9 a.m. to 6 p.m. to answer their questions. It was used to receive reservations for events organized by the Shareholders' Club, a postal address for shareholders (Natixis - Club des actionnaires - Quai de la Marne - 75016 Paris Cedex 19), a **specially-created e-mail address (actionnaires@ natixis.fr)** allowing shareholders to raise questions and send messages to the Company. The Shareholder Relations team responds to these messages live,
  - the **Natixis website** "Shareholders' corner" section, enables the general public to access press releases, Natixis news highlights as well as all communications sent to shareholders. Club members may also register online for events through a secure extranet site accessible by password. Shareholders may also leave messages or raise questions about the website;

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- during the September 2008 capital increase, resources were reinforced and mobilized to meet the requirements for information from individual shareholders:
  - **opening hours for the toll-free number were extended during the summer until September. The number of** operators was increased to handle the greater number of calls (over 500 calls a day during the second fortnight of September 2008, compared to an average of 70 per day normally),
  - a **temporary dedicated extranet site** was set up during the subscription period for the capital increase (from September 1-30, 2008) with user-friendly tools (simulator of subscription rights, question and answer facility, library of reference documents relating to the operation). This temporary site enabled information about the operation to be conveyed effectively. There was significant interest with almost 45,000 visitors and over 200,000 pages viewed during the period,
  - **two telephone conferences of the Shareholders' Consultative Committee** were held during summer 2008 in order to obtain the opinions of its members in relation to actions undertaken for individual shareholders in relation to the capital increase. The opinions expressed by the CCAN during these meetings were able to be taken into account in the communication support media created for the operation.

Two General Shareholders' Meetings were held in 2008.

On May 22, 2008, over 1,500 people were scheduled to attend the Natixis **General Shareholders' Meeting** in the Carrousel du Louvre. A fire in the Louvre area the night before the event made it impossible for the Meeting to be held at the scheduled location. The General Shareholders' Meeting was held, nevertheless, on the same day a few hours later than originally scheduled, at the *Palais Brongniart* in Paris. Over 600 people were able to attend this combined Ordinary and Extraordinary General Shareholders' Meeting The results of the Company were commented upon and explained and Natixis' management answered questions from shareholders.

On August 29, 2008 an Extraordinary General Shareholders' Meeting was held in order to authorize the Executive Board to proceed with the capital increase that took place during September 2008. This meeting was held at the *Palais Brongniart* in Paris.

Shareholder relations

Tel: +33 (0) 1 58 19 26 34 or +33 (0) 1 58 32 06 94 - Fax: +33 (0) 1 58 19 93 93

Website: *www.natixis.com*

e-mail: relinvest@natixis.fr

Shareholders' corner

Toll-free number (for callers in France): 0 800 41 41 41

Website: *www.natixis.com*

e-mail: actionnaires@natixis.fr

Securities department

Tel: +33 (0) 1 58 32 31 86 - Fax: +33 (0)1 58 32 29 30

e-mail: emetteurs.charenton@natixis.fr

Registered shareholders

Website: *www.emetline.com*

e-mail: emetline@natixis.fr

2009 financial communications calendar

February 26, 2009

2008 Results Press Release

April 30, 2009

General Shareholders' Meeting

May 14, 2009

Q1 2009 Results Press Release

August 27, 2009

H1 2009 Results Press Release

November 16, 2009

Q3 2009 Results Press Release

Participating in the General Shareholders’ Meeting

Notice of General Shareholders’ Meeting

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

Holders of bearer shares are advised of the **General Shareholders’ Meeting** through notices published in the Bulletin des Annonces Légales Obligatoires (BALO – http://balo.journal-officiel.gouv.fr) and the financial press at least 35 days prior to the Meeting date. They may also obtain information by calling the toll-free number (for calls originating in France) or by visiting the bank’s website. Copies of the Notice of Meeting and voting forms can be obtained from their financial intermediary.

Legal requirements prior to the Meeting

Registered shares must be recorded in the holder’s registered share account or administered registered share account at least three business days prior to the **General Shareholders’ Meeting.**

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

Attending the General Shareholders’ Meeting in person

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

Postal and proxy voting

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

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

2 CORPORATE GOVERNANCE

Page

Developments relating to corporate governance, contained in this chapter, are subject to be impacted by proposed resolutions submitted to the combined Extraordinary and Ordinary General meeting to be held on April 30, 2009 such as those relating to changes to the method of administration and management of Natixis by adopting the structure of a French Société Anonyme with a conseil d'administration – similar to a Public Liability Company in the UK (see Chapter VIII – "Executive Board report on the resolutions submitted to the General Meeting" and "Proposed resolutions for the AGM of April 30, 2009").

Board composition and preparation and organization of its work

Structure of executive bodies (1)

Supervisory Board as of March 6, 2009

Member	Main role in the Company	Main role outside the Company
François Perol Date of birth: 06.11.1963 Natixis shares held: 1,000	**Chairman, Supervisory Board** First appointed: 6/3/2009 (2) (Chairman, Supervisory Board: Supervisory Board Meeting, 06.03.2009) Term expires: 2012 AGM (3)	Chairman, Executive Board, Caisse Nationale des Caisses d'Epargne et de Prévoyance CEO, Banque Fédérale des Banques Populaires 50 Avenue Pierre Mendès France 75201 Paris Cedex 13
Jean-Louis Tourret Date of birth: 10.07.1943 Natixis shares held: 3,060	**1st Vice-Chairman of the Supervisory Board** First appointed: AGM, 17.11.2006 (Deputy Chairman, Supervisory Board: 17.11.2006) Term expires: 2012 AGM (3) **Member, Compensation Committee** First appointed: 17.11.2006 Term expires: 2012 AGM (3)	Chairman, Banque Populaire Provençale et Corse 245 Boulevard Michelet BP 25 13274 Marseille Cedex 09
Didier Patault Date of birth: 22.02.1961 Natixis shares held: 2,300	**2nd Vice-Chairman of the Supervisory Board** First appointed: AGM, 17.11.2006 (Deputy Chairman, Supervisory Board: 12.11.2008) Term expires: 2012 AGM (3) **Member, Compensation Committee** First appointed: 12.11.2008 Term expires: 2012 AGM (3)	Chairman, Executive Board, Caisse d'Epargne Bretagne – Pays de Loire 8 Rue de Bréa BP 835 44000 Nantes
Banque Fédérale des Banques Populaires Natixis shares held: 1,034,400,960	**Permanent representative:** **Philippe Queuille** First appointed: AGM, 17.11.2006 Term expires: 2012 AGM (3) **Member, Audit Committee** First appointed: Supervisory Board Meeting, 06.03.2009 Term expires: 2012 AGM (3) (Member of the Compensation Committee from 16.01.2008 to 06.03.2009)	Deputy CEO, Banque Fédérale des Banques Populaires Le Ponant de Paris 5 Rue Leblanc 75511 Paris Cedex 15

(1) A brief curriculum vitae of each of the corporate officers of Natixis as well as a list of the roles that they performed as director in 2008 and in the previous five years are shown in the appendices below.

(2) To be ratified by the Combined General Shareholders' Meeting of April 30, 2009.

(3) At the General Shareholders' Meeting called to approve the financial statements for 2011.

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Member	Main role in the Company	Main role outside the Company
Caisse Nationale des Caisses d'Epargne et de Prévoyance Natixis shares held: 1,034,400,960	**Permanent representative: Alain Lemaire** First appointed: AGM, 17.11.2006 Term expires: 2012 AGM (3) **Joint Chairman, Audit Committee** First appointed: 12.11.2008 Term expires: 2012 AGM (3)	CEO, Caisse Nationale des Caisses d'Epargne et de Prévoyance 50 Avenue Pierre Mendès France 75201 Paris Cedex 13
Vincent Bolloré Date of birth: 01.04.1952 Natixis shares held: 1,000	**Member, Supervisory Board** First appointed: AGM, 17.11.2006 Term expires: 2012 AGM (3) **Chairman, Compensation Committee** First appointed: 17.11.2006 Term expires: 2012 AGM (3)	Chairman & CEO, Bolloré Group Tour Bolloré 31-32 Quai de Dion-Bouton 92800 Puteaux
Jean Clochet Date of birth: 05.02.1946 Natixis shares held: 1,047	**Member, Supervisory Board** First appointed: Supervisory Board Meeting, 30.05.2007 Term expires: 2012 AGM (3)	Chairman, Banque Populaire des Alpes 2 Avenue du Grésivaudan BP 43 – CORENC 38701 LA TRONCHE CEDEX
Jean-Claude Crequit Date of birth: 10.06.1953 Natixis shares held: 2,413	**Member, Supervisory Board** First appointed: AGM, 17.11.2006 Term expires: 2012 AGM (3) **Member, Audit Committee** First appointed: 17.11.2006 Term expires: 2012 AGM (3)	Chairman. Executive Board. Caisse d'Epargne Côte d'Azur 455 Promenade des Anglais BP 297 06205 Nice Cedex
Stève Gentili Date of birth: 05.06.1949 Natixis shares held: 57,780	**Member, Supervisory Board** First appointed: AGM, 17.11.2006 Term expires: 2012 AGM (3)	Chairman, BRED Banque Populaire 18 Quai de la Rapée 75012 Paris
Francis Henry Date of birth: 07.08.1946 Natixis shares held: 2,412	**Member, Supervisory Board** First appointed: AGM, 17.11.2006 Term expires: 2012 AGM (3) **Member, Compensation Committee** First appointed: 17.11.2006 Term expires: 2012 AGM (3)	Chairman, Steering and Supervisory Board, Caisse d'Epargne Lorraine Champagne-Ardenne 6 Rue de la Grosse-Écritoire BP 2747 57062 Reims
Bernard Jeannin Date of birth: 19.04.1949 Natixis shares held: 2,339	**Member, Supervisory Board** First appointed: 30.05.2007 Term expires: 2012 AGM (3) **Member, Compensation Committee** First appointment: 06.03.2009 Term expires: 2012 AGM (3)	CEO, Banque Populaire Bourgogne Franche-Comté 5 Avenue de Bourgogne B.P. 63 21802 QUETIGNY CEDEX
Olivier Klein Date of birth: 15.06.1957 Natixis shares held: 1,000	**Member, Supervisory Board** First appointment: 12.11.2008 Term expires: 2012 AGM (3)	Chairman, Executive Board. Caisse d'Epargne Rhône-Alpes 42 Boulevard Eugène Deruelle BP 3276 69404 Lyon Cedex 3

(3) At the General Shareholders' Meeting called to approve the financial statements for 2011.

Member	Main role in the Company	Main role outside the Company
Yvan de La Porte du Theil Date of birth: 21.05.1949 Natixis shares held: 1,000	**Member, Supervisory Board** First appointed: AGM, 17.11.2006 Term expires: 2012 AGM (3) **Member, Audit Committee** First appointed: Supervisory Board Meeting, 17.11.2006 Term expires: 2012 AGM (3)	Deputy Chief Executive Officer Banque Fédérale des Banques Populaires CEO, Banque Populaire Val-de-France 9 Avenue Newton 78183 Saint-Quentin-en-Yvelines Cedex
Jean-Charles Naouri Date of birth: 08.03.1949 Natixis shares held: 2,500	**Member, Supervisory Board** First appointed: AGM, 17.11.2006 Term expires: 2012 AGM (3) **Joint Chairman, Audit Committee** First appointed: 17.11.2006 Term expires: 2012 AGM (3)	Chairman, Euris 83 Rue Faubourg-Saint-Honoré 75008 Paris
Henri Proglio Date of birth: 29.06.1949 Natixis shares held: 1,000	**Member, Supervisory Board** First appointed: AGM, 17.11.2006 Term expires: 2012 AGM (3) **Member, Compensation Committee** First appointed: AGM, 17.11.2006 Term expires: 2012 AGM (3)	Chairman & CEO, Veolia Environnement 38 Avenue Kléber 75016 Paris
Philippe Sueur Date of birth: 04.07.1946 Natixis shares held: 1,000	**Member, Supervisory Board** First appointed: AGM, 17.11.2006 Term expires: 2012 AGM (3)	Vice-Chairman of the Steering and Supervisory Board of Caisse d'Epargne Île-de-France 57 Rue du Général-de-Gaulle 95880 Enghien-les-Bains
Robert Zolade Date of birth: 24.09.1940 Natixis shares held: 1,047	**Member, Supervisory Board** First appointed: AGM, 17.11.2006 Term expires: 2012 AGM (3) **Member, Audit Committee** First appointed: 17.11.2006 Term expires: 2012 AGM (3)	Chairman, Elior 65 Rue de Bercy 75589 Paris Cedex 12
Luigi Maranzana Date of birth: 22.01.1941	**Non-voting director** First appointed: 08.10.2008 Term expires: 08.10.2014	Chairman, Eurizon Vita S.p.A. Corso Cairoli n° 1 10123 Turin, (Italy)

Supervisory Board members whose term of office had expired as of March 6, 2009

Bernard Comolet Date of birth: 09.03.1947 Natixis shares held: 2,413	**Member, Supervisory Board (until 05.03.2009)** (Chairman, Supervisory Board from 12.11.2008 to 05.03.2009) First appointed: AGM, 17.11.2006
Bruno Mettling Date of birth: 30.03.1958 Natixis shares held: 2,413	**Member, Supervisory Board (until 05.03.2009)** (Member, Audit Committee from 16.01.2008 to 05.03.2009) First appointed: AGM, 17.11.2006
Ulrich Brixner Date of birth: 06.01.1941	**Non-voting director (until 19.02.2009)** First appointed: Supervisory Board Meeting, 17.11.2006

(3) At the General Shareholders' Meeting called to approve the financial statements for 2011.

Executive Board as of March 6, 2009

Members	Main role in the Company	Main role outside the Company
Dominique Ferrero Date of birth: 14.03.1947	**Chairman, Executive Board** **Member, Executive Board** First appointed: 17.11.2006 Term expires: 17.11.2012 (Dominique Ferrero was CEO from 17.11.2006 to 06.03.2009)	
Jean-Marc Moriani Date of birth: 12.05.1957	**Member, Executive Board** First appointed: 14.02.2008 Term expires: 17.11.2012	
Executive Board members whose term of office had expired as of March 6, 2009		
Philippe Dupont Date of birth: 18.04.1951	**Executive Chairman** (until March 2, 2009) First appointed: Supervisory Board Meeting, 17.11.2006	
Executive Board members whose term of office expired in 2008		
Jean-Pascal Beaufret Date of birth: 18.02.1951	**Member, Executive Board** (from February 14 to November 30, 2008) First appointed: Supervisory Board Meeting, 14.02.2008	
François Ladam Date of birth: 9/1/1947	**Member, Executive Board** (until May 31, 2008) First appointed: Supervisory Board Meeting, 17.11.2006	
Anthony Orsatelli Date of birth: 19.01.1951	**Member, Executive Board** (until February 14, 2008) First appointed: Supervisory Board Meeting, 17.11.2006	

Executive Committee (Comex) as at March 6, 2009

COMEX MEMBERS AS OF MARCH 6, 2009

Dominique Ferrero Chairman, Executive Board	**Jean-Marc Moriani** Member, Executive Board		
Aline Bec Information Systems	**Jérôme Cazes** Receivables Management	**Jean-Yves Forel** Services	**Pierre Servant** Asset Management
Ewa Brandt Human Resources	**Jean Duhau de Berenx** Private Equity and Private Banking	**Christian Gissler** Risk	
Sophie Cormary Communication	**Bertrand Duval** Coverage/CIB	**André-Jean Olivier** Finance	

Role and operating rules of the executive bodies

Natixis corporate governance, in its current form, is based on the by-laws adopted by Natexis Banques Populaires' (subsequently become Natixis) at its General Shareholders' Meeting on November 17, 2006.

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

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

Supervisory Board

A - Organization

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

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

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

  Groupe Banque Populaire and Groupe Caisse d'Epargne, that each held 35.62% of Natixis' shares as of December 31, 2008, have an equal number of seats on the Supervisory Board. This equal representation is in accordance with the agreement signed between the two shareholders.

  Banque Fédérale des Banques Populaires (BFBP) and Caisse Nationale des Caisses d'Epargne (CNCE) are each members of the Board as majority shareholders and legal persons. The other 12 members from the two groups are all individuals and directors of member banks of Groupe Banque Populaire and Groupe Caisse d'Epargne;
- four independent members serve on Natixis' Supervisory Board:

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

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

  All four of these members satisfy the criteria for independent members as set out in the AFEP/MEDEF reports. Banking relationships between Natixis and the groups headed by these two individuals are not of a nature to affect the impartiality of their judgement. In addition Henri Proglio serves as a non-voting director on the Supervisory Board of Caisse Nationale des Caisses d'Epargne, one of Natixis' two principal shareholders.

The Supervisory Board does not include two-thirds of independent directors in its composition as the provisions of the shareholder agreement provide for other safeguards.

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

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

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

During 2008 there were changes to the Board's membership:

- in October 2008, Luigi Maranzana was appointed provisionally as a non-voting director, subject to approval at the next General Shareholders' Meeting, to replace Alfonso Iozzo who resigned;
- in November 2008, following the resignation of Charles Milhaud from his position as Chairman and member of the Supervisory Board, Bernard Comolet was appointed Chairman of the Supervisory Board and Olivier Klein was co-opted as a member of the Supervisory Board for the remaining duration of Charles Milhaud's term of office, i.e. until the close of the General Shareholders' Meetingheld to approve the financial statements for fiscal year ending December 31, 2011. As a result, Didier Pataut was appointed second Vice-Chairman of the Supervisory Board and member of the Compensation Committee elected to replace Bernard Comolet who had occupied these roles until then.

On the same date, Alain Lemaire was appointed as the new permanent CNCE representative on the Supervisory Board

1 2 3 4 5 6 7 8 9

and co-Chairman of the Audit Committee, as a replacement for Nicolas Mérindol.

At the Supervisory Board Meeting of March 6, 2009 the resignations of Bernard Comolet and Bruno Mettling from the Supervisory Board were noted and the cooptation of François Pérol as a member of the Supervisory Board and his appointment as Chairman of the Board were approved unanimously.

In accordance with the provisions of Article 14 of the by-laws, each member of the Supervisory Board must own a minimum of at least 1,000 shares during their term of office.

When a new member is appointed to the Supervisory Board, their curriculum vitae with a career summary is circulated to Supervisory Board members and shareholders.

B - Role and powers of the Supervisory Board

In accordance with French law and by-laws (Section II, Articles 14 to 18), the Supervisory Board exercises permanent control of the management of the Company by the Executive Board.

At any time of the year, it carries out the verifications and reviews it considers appropriate and may request from the Executive Board any documents that it deems useful to the fulfilment of its mission.

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

At the end of each fiscal year, within regulatory timeframes, the Executive Board presents to the Supervisory Board the annual financial statements, the consolidated financial statements, and its report to the General Shareholders' Meeting, for the purposes of review and verification. At the General Shareholders' Meeting, the Supervisory Board presents its observations on the Executive Board's report and the annual, parent company and consolidated financial statements.

This supervision should under no circumstances imply the undertaking, whether directly or indirectly, of management actions by the Supervisory Board or its members.

The Supervisory Board appoints and may remove Executive Board members, the Executive Chairman and Chief Executive Officers as provided for under French law and Article 9 of the by-laws and under the terms and conditions mentioned in the shareholders' agreement as described in paragraph 1.2.2. of the Reference Document.

The Supervisory Board approves the draft resolution proposing to the General Shareholders' Meeting the appointment of Statutory Auditors, under the terms and conditions provided for by law.

The Supervisory Board may decide to establish committees to review issues submitted to it for examination by the Board itself or its Chairman. It determines the composition and duties of these committees, which operate under its responsibility.

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

- increases in share capital, with maintenance of preferential subscription rights, with immediate effect or in the future, for an amount, including premium, of over €75 million, and an increase in Natixis' share capital, with immediate effect or in the future, without preferential subscription rights;
- extension of Natixis' activities into material lines of business not carried on by Natixis;
- appointment of Supervisory Board members and the Board of Directors, Executive Board and, if applicable, Chief Executive Officers and Deputy Chief Executive Officers of the main subsidiaries;
- any acquisition or increase in a stake, all investments, divestments (or creation of joint venture) by Natixis or one of its subsidiaries, for an amount in excess of €150 million;
- any transfers, mergers or reorganizations in which Natixis or one of its main subsidiaries is involved;
- approval of the Company's business plan prepared by the Executive Board comprising, in particular, target rates of return and the Company's risk policy, as well as any material changes in the strategic plan;
- proposals to the General Shareholders' Meeting of any changes to the by-laws.

The Supervisory Board has decided to adopt a set of Internal Rules in addition to the statutory requirements, specifying certain procedures for its operation and setting out the rights and duties of its members. These are sent to each member at the time of his or her appointment.

Amongst the provisions of these Internal Rules particular attention should be drawn to those that deal with:

■ the definition of the criteria used to qualify members as "independent":

an independent director is a person who has no relationship whatsoever with the Company, its management or the Group that may compromise his or her freedom of judgement or be of a nature as to create a situation of conflict of interest with management, the Company or the Group.

Therefore, an independent member of the Supervisory Board may not:

- be an employee or corporate officer of the Company or the Group, an employee or director of a shareholder controlling on its own, or in concert, the Company, in accordance with Article L.233-3 of the French Commercial Code, or a Company consolidated by it, and has not served in such a capacity during the previous five years;
- be a corporate officer of a Company in which the Company, directly or indirectly, holds a directorship or in which an employee is designated as such or a corporate officer of the company holding a directorship;

- be a major customer, supplier, corporate or investment banker of the Company or the Group, or for which the Company accounts for a significant portion of its business;
- have a close family connection with an executive of the Company or its group, have been an auditor of the Company or a group company in the previous five years, have been an executive of the Company or one of the group's companies in the previous five years, been a member of the Company's Supervisory Board for more than 12 years, receive or have received additional material compensation from the Company or the Group other than directors' fees.

Supervisory Board members representing significant shareholders, directly or indirectly, in the Company may be considered independent if these shareholders do not control the Company within the meaning of Article L.233-3 of the French Commercial Code. However, if a member of the Supervisory Board represents a shareholder of the Company holding, directly or indirectly, more than 10% of the share capital or voting rights, the Board, on the basis of a report from the Compensation Committee, shall review the member's independence, taking into account the composition of the Company's share capital and the existence of any potential conflicts of interest.

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

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

the Internal Rules state that each member of the Supervisory Board must devote due time and attention to fulfilling his or her duties and regularly attend meetings of the Board and Committee or Committees of which he or she is a member. Each Supervisory Board member must ensure that he or she acts at all times in the best interests of Natixis and undertakes to defend and promote Natixis' values.

Supervisory Board and Committee members, as well as any person attending their meetings, have a general obligation of confidentiality on matters discussed at such meetings, as well as any information of a confidential nature or presented as such by its Chairman or the Executive Chairman.

Each Supervisory Board member must declare any trading in securities of the Company, in accordance with the provisions of Article L.621-18-2 of the French Monetary and Financial Code. Members must also inform the Company of the number of shares held as of December 31 of each year and of any financial transaction, to enable communication of this information by the Company.

The Company may also ask each Board member to provide any information in relation to the trading of securities of listed companies, necessary for it to fulfil its reporting obligations to all authorities such as stock market authorities, both in France and abroad.

Supervisory Board members shall refrain from carrying out any transactions involving Natixis securities in the 45 days prior to the publication of the Company's quarterly, interim or full-year results or before a General Shareholders' Meeting and ending two trading days after the date of the event concerned.

Supervisory Board members shall refrain from acting in a conflict of interest with Natixis or the companies it controls, e.g. when there is a proposed transaction in which a member of the Supervisory Board or a non-voting director is directly or indirectly concerned;

- **certain authorities that the Board has given the Executive Board through the Internal Rules:**

the Supervisory Board has decided, in accordance with Article R.225-54 of the French Commercial Code, that:

  - disposals of buildings, up to a limit not exceeding €10 million per transaction;
  - disposals of investments in any form of Company or grouping, up to a limit not exceeding €10 million per transaction;
  - disposals of investments in any form of Company or grouping created solely for the purpose of carrying out corporate or investment banking transactions, irrespective of the value,

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

In accordance with the regulations, the Executive Board may in turn decide to sub-delegate the power granted to it pursuant to this rule;

- **evaluation of the Supervisory Board:**

at least once a year, there will be an agenda item that deals with the evaluation of the operation of the Supervisory Board, with an account of this to be included in the Company's annual report;

- **operating procedures of the Board specified in the Internal Rules:**

in particular, the Internal Rules provide that, except for the adoption of decisions in relation to the checking and review of the Company and consolidated financial statements, Supervisory Board members participating at a meeting by videoconference or through the use of telecommunication facilities transmitting at least the member's voice and whose technical characteristics allow for continuous and simultaneous streaming of the proceedings, shall be deemed present for the purposes of calculation of the quorum and majority.

Minutes of Supervisory Board Meetings are prepared and these are sent to the members.

C - Activity of the Supervisory Board in 2008

During 2008 The Supervisory Board met on 13 occasions. The attendance rate of its members was 87.12% for the whole year (compared to 85% in 2007).

Executive Board members attended all meetings, which enabled board members to listen to them and put any questions that they considered relevant.

As required, the CFO and other business division executives were also invited to provide further information on subjects raised in meetings.

In accordance with banking legislation, the Board has been informed of reports prepared on the conditions for exercising internal control and on the measurement and monitoring of risks. The Board also examined the Chairman's report on the conditions for the preparation and organization of the work of the Board.

In addition the Board received a report on the work of the Audit Committee.

In relation to business monitoring, the Board was kept informed of the budget projections for the Company at the beginning of 2008 and for the 2009 fiscal year at the end of the year, as well the parent company and consolidated statutory financial statements prepared by the Executive Board. It was regularly kept informed of correspondence from the Banking Commission (Commission Bancaire) and the AMF. It also received draft copies of resolutions submitted to the General Shareholders' Meeting by the Executive Board. A regular update was presented to it on liquidity.

In addition to activity reports from the Executive Board giving an account of events between two meetings and the trends in business markets, the Board was kept regularly informed of measures affecting the Natixis organization, in the Departments of the parent company itself or in its subsidiaries.

The Board, in accordance with the shareholders' agreement and by-laws, had notably to give an opinion on the restructuring operations between subsidiaries prior to their implementation. The following projects were concerned:

- the formation of Natixis Epargne Financière;
- the formation of a joint subsidiary CNP-Natixis Belgique Investissements (NBI);
- the formation of a form of joint-venture company (Société en participation-SEP) between Natixis CMO and the electronic payments subsidiary Natixis Paiements;
- within the "Securities" business: transfer of institutional financial services from Natixis to CACEIS and the transfer of Gestitres' assets and liabilities to Natixis;
- the restructuring plan for the private banking business bringing together various entities;
- the restructuring of the Guarantees and Surety division with transfers of assets and liabilities;
- the sale by Natixis of Natixis Consumer Finance securities to Ecrinvest 11 and of GCE Bail securities to Natixis Lease.

Amongst the various decisions falling under the Supervisory Board's responsibility was the approval of the proposed share capital increase with the maintenance of preferential subscription rights for a total of around €3.7 billion. It also approved the transformation plan for the Corporate and Investment Bank that was presented to it at the end of the year.

Obviously, the work of the Board was marked by the special focus afforded to the analysis of the situation created by the international financial crisis.

In this regard the Board regularly questioned the Company's management and listened to the comments, in particular, of the Audit Committee on the impact of the crisis that first hit structured credit products before spreading to other asset categories.

It also met with members of Comex during the course of its work.

In accordance with regulations in force, the Supervisory Board authorized a certain number of regulated contracts prior to their signature. These were:

During its March 5, 2008 meeting:

- the contractual documentation in relation to the €25 billion secured bond issue by Groupe Caisse d'Epargne, in which Natixis was involved. These were: the *Receivables Pledge Agreement, the Issuer Accounts Pledge Agreement, the Asset Monitor Agreement and the Master Definitions and Constructions Agreement.*

During its March 28, 2008 and June 26, 2008 meetings:

- the shareholders' loan agreement between Natixis, BFBP and CNCE of €1.5 billion granted one half by BFBP and the other half by CNCE; and a rider to this agreement relating to an additional €1 billion also granted half by BFBP and half by CNCE.

During its September 3, 2008 meeting:

- the underwriting agreement between Natixis, BFBP, CNCE and the member banks of the underwriting group constituted for the requirements of the capital increase;
- the agreement between Natixis, BFBP and CNCE in relation to the underwriting commitment for the capital increase;
- the early repayment of overdrafts granted to Natixis in the first half of 2008 by BFBP and CNCE, and the approval of the signature of the letter of agreement pertaining to it.

During its December 18, 2008 meeting:

- confirmed the application of the rules of the Group retirement plan to Executive Board members and its closure (in that it defines the potential rights of members, fulfilling the conditions required to benefit from the plan, if they were appointed to the Executive Board between November 27, 2006 and December 15, 2008);
- the agreement in relation to the distribution of products and services offered by certain Natixis subsidiaries to regional banks, formerly owned by HSBC, acquired by Groupe Banque Populaire.

In its meeting of December 18, 2008 the Natixis Supervisory Board examined the AFEP-MEDEF recommendations of October 6, 2008 on the compensation of executive corporate officers of listed companies. It showed that these recommendations are in line with the Company's corporate governance approach. In addition it specified that, pursuant to the July 3, 2008 law transposing the European Community directive 2006/46/EC of June 14, 2006 into French law, the modified AFEP-MEDEF code is the one that the Company refers to in the preparation of the report provided for under Article L.225-68 of the French Commercial Code.

The AFEP-MEDEF code is available for consultation at the head office of the Company and on the Natixis website.

Specialist committees: established by the Supervisory Board

In accordance with the agreement signed on November 17, 2006, the two shareholders have equal representation on the Risk Management Committee and the Compensation Committee, each of which comprises six members, including two independent members. The Vice-Chairman of the Supervisory Board and an independent member jointly chair the Audit Committee. By special dispensation, the first joint chairman of the Audit Committee, from November 17, 2006, shall be a member put forward by Caisse Nationale d'Epargne et de Prévoyance and an independent member. An independent member shall chair the Compensation Committee.

1 Audit Committee

A - Organization

Pursuant to Article 17.1 of the by-laws and the provisions of the shareholder agreement, referred to in the previous paragraph, the Supervisory Board Meeting on November 17, 2006 appointed the following as Audit Committee members: Nicolas Mérindol and Jean-Charles Naouri, as co-Chairmen; and Jean-Claude Créquit, Michel Goudard, Yves de La Porte du Theil and Robert Zolade, as committee members.

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

Following the appointment of Alain Lemaire as the new permanent representative of CNCE to the Supervisory Board, he was also appointed co-Chairman of the Audit Committee, to replace Nicolas Mérindol.

The Supervisory Board of March 6, 2009 noted the resignation of Bruno Mettling from the Supervisory Board and appointed Philippe Queuille to replace him as member of the Audit Committee.

The Natixis Audit Committee does not include two-thirds of independent directors in its composition as the provisions of the shareholder agreement, signed in 2006, provide for other safeguards. These include that the Committee should be co-Chaired by an independent member.

B - Role and powers

The Natixis Audit Committee has internal regulations specifying its powers and its working procedures that were approved by the Supervisory Board on March 14, 2007.

Natixis' Audit Committee has the following responsibilities:

- it assists the Supervisory Board in its inspection and auditing of the financial statements and the Chairman's report on the Company's business activities. Under this framework, it monitors the quality of information provided to shareholders and, more generally, carries out the duties set out in CRBF rule No. 2001-01 of June 26, 2001, concerning internal control of credit institutions and investment firms, amending CRBF rule No. 97-02 of February 21, 1997, as amended by rule No. 2004-02 of January 15, 2004;
- it examines the Company and consolidated annual and interim financial statements, as well as the Company's budget projections at least one week before they are presented to the Supervisory Board, as well as Company financial documents distributed at the time the financial statements are approved;
- it gives an opinion on the choice or renewal of the Company's Statutory Auditors and examines the scope of their work, the results of their investigations and their recommendations, as well as any actions taken on the basis of these recommendations;
- it gives an opinion on the procedures implemented by the Company to ensure compliance with regulations, as well as the monitoring and control of risks; to that end, it receives reports from the risk committees of the Company and its main subsidiaries, as well as reporting on risks, notably operational, market or counterparty risks, carried out under the supervision of the Company's Executive Board;
- it gives an opinion on the appointment and removal of the head of the bank's Inspection Department;
- it monitors the implementation of actions based on the conclusions of Inspection and Banking Commission assignments; for this purpose, it may receive reports from the Inspection Department and Commission Bancaire in relation to the Company and its subsidiaries;
- it approves the Company's annual internal audit program, including audits of subsidiaries, which should be presented to the Committee at least one week prior to approval;
- it gives an opinion on the report submitted to it each year in relation to commercial relationships between the Company and one or more of its subsidiaries and all, or some, of the entities making up Groupe Caisse d'Epargne or Groupe Banque Populaire.

The Company's Executive Board provides the Audit Committee with any documents and information that may help it to discharge its duties, as necessary. The following list is not exhaustive:

- parent company and consolidated financial, accounting, and regulatory documents prepared periodically by the Company;

- summary reports by the Company's Statutory Auditors;
- any audit reports concerning the Company;
- accounting policies and methods applied within the Company;
- internal control policies and procedures;
- projected annual, parent company and consolidated results to June 30, September 30, and December 31;
- consolidated budgets and financial statements of the main subsidiaries, as well as any related documents provided to the Supervisory Board or, if applicable, the Audit Committee of the principal subsidiaries.

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

The Audit Committee meets at least once a quarter.

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

C - Activity of the Audit Committee in 2008

The Natixis Audit Committee met on 14 occasions in 2008. The attendance rate of its members was almost 94% for the whole year (compared to 82% in 2007).

The Committee also heard from the Chief Executive Officer on current events and, notably, the consequences of the financial crisis. The Audit Committee benefited from the presence at its various meetings of the Natixis CFO, as well as of the Risk Director, the Audit Directors of Natixis and the principal shareholders, and the Heads of Compliance and Internal Audit.

On the subject of audit of financial statements, the Audit Committee received presentations from the CFO and comments from the Statutory Auditors on the quarterly, interim, and full-year financial statements.

On the subject of internal control and compliance, the Committee received a presentation on the *Commission Bancaire* report on risk monitoring and internal control. It also received a presentation on the assignments and organization of the Natixis Compliance function, as well as the work program of the bank's Inspection Department, with regular follow up bulletins.

Given current events, the Committee's attention was naturally focused on the impact of the financial crisis that affected structured credit products before spreading to other asset categories. The Committee received detailed information on the consequences of the crisis for Natixis, covering the main exposures and their constituent components (sub-prime, conduit entities, special-purpose entities). A regular bulletin update was presented to it on liquidity.

The Committee was kept informed of Natixis' indirect exposure in the Madoff affair.

It was also kept informed about the transformation plan for Corporate and Investment Banking and gave its opinion on the 2009 annual budget.

2 Compensation Committee

A - Organization

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

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

Due to the appointment of Bernard Comolet as Chairman of the Supervisory Board, Didier Patault was appointed on November 12, 2008 as a member of the Compensation Committee to replace him in this role.

Following the appointment of Philippe Queuille to the Audit Committee on March 6, 2009, Bernard Jeannin was appointed to replace him as a member of the Compensation Committee.

The Natixis Compensation Committee does not include two-thirds of independent directors in its composition as the provisions of the shareholder agreement, signed in 2006, provide for other safeguards. These include that the Committee should be co-Chaired by an independent member.

B - Role and powers

The Natixis Compensation Committee has internal regulations specifying its powers and its working procedures that were approved by the Supervisory Board on March 14, 2007.

The Compensation Committee is responsible for making proposals to the Supervisory Board of the Company on the following issues:

- terms of compensation

  It is responsible for making proposals to the Supervisory Board concerning:

  - the level and terms of compensation paid to the Chairman of the Supervisory Board, including fringe benefits, pension plans, and health insurance;
  - the level and terms of compensation paid to Executive Board members, including fringe benefits, pension plans and health insurance, as well as the allocation of stock options or share purchases;
  - rules for the allocation of directors' fees to Supervisory Board members and the total amount submitted for decision at the Company's General Shareholders' Meeting;
  - the general policy for the grant of subscription stock options.

  It examines and gives an opinion on insurances taken out by the Company in relation to officers' liabilities;

- selection procedures

- upon request from the Supervisory Board, it gives an opinion and puts forward proposals and recommendations to the Supervisory Board on the appointment of the Executive Chairman,
- it gives an opinion on the appointment of other Executive Board members proposed by the Chairman, as well as the Chief Executive Officers, Deputy Chief Executive Officers and Executive Board members or the Board of Directors of the Company's main subsidiaries, in accordance with the principles set out in Articles 3 and 6.1 of the Company's by-laws.

The Company's Executive Board provides the Compensation Committee with any documents that may assist it in discharging its duties and to ensure it is fully informed. At the request of the Supervisory Board, the Compensation Committee may also appoint external experts to carry out reviews or analysis by experts external to the Company in relation to compensation paid to executive directors of comparable companies in the banking sector.

Minutes of Compensation Committee Meetings are prepared after each meeting and sent to each member. The Chairman of the Committee provides a report on the work of the Committee to the Supervisory Board.

C - Activity of the Compensation Committee in 2008

The Compensation Committee met twice in 2008, in January and December, to give an opinion:

- on the appointment of new Executive Board members of the Company proposed by the Chairman in accordance with the terms and conditions of the shareholder agreement;
- on the compensation of Executive Board members in relation to fiscal years 2008 and 2009;
- on the variable compensation of Executive Board members in relation to fiscal years 2007 and 2008 in view of the projected income for each of these periods;
- on the financial terms and conditions relating to the termination of employment for Executive Board members;
- on the terms and conditions for retirement, social protection and termination of employment of executive and equivalent employees;
- on the examination of the AFEP-MEDEF recommendations on the compensation of executive corporate officers;
- on the compensation of the new Chairman of the Supervisory Board;
- on director's fees for Supervisory Board members in 2009.

Executive Board

A - Organization

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

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

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

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

Jean-Pascal resigned as a member of the Executive Board on November 30, 2008.

The Supervisory Board Meeting of March 6, 2009 recorded the resignation of Philippe Dupont from the Executive Board and appointed Dominique Ferrero as Executive Chairman of the Board.

B - Role and powers of the Executive Board

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

It is entrusted with the most extensive powers to act under any circumstances on behalf of the Company, within its corporate aims, and subject to those expressly conferred by law and the by-laws to Shareholders' Meetings and the Supervisory Board.

The Executive Board prepares and presents reports and budget projections as well as the parent company and consolidated financial statements to the Supervisory Board, in accordance with the provisions provided by law and the by-laws.

The Executive Board convenes all General Shareholders' Meetings, sets their agenda, and executes their decisions.

As far as third parties are concerned, the Executive Chairman or the Chief Executive Officer can validly execute any acts binding the Company.

C - Activity of the Executive Board in 2008

During 2008, the Executive Board met on a weekly basis.

When justified by the importance of decisions, Executive Board Meetings were called outside their usual schedule or during holidays. This was, notably, the case for the capital increase during the summer and realized in September 2008. Finally, the Executive Board, on the occasions of the four special meetings to which the college of Statutory Auditors is invited, approved the 2007 financial statements, the 2008 interim and quarterly financial statements of the Company, as well as the Group consolidated financial statements. The approvals of the 2008 and 2009 budgets were also dealt with as specific agenda items of the Executive Board. In total, the Executive Board met 54 times in 2008.

The Executive Chairman or, in his absence, the Chief Executive Officer chaired Executive Board Meetings. Executive Board members, without exception, attended all meetings. Representatives from business lines and business divisions were asked to present various development projects to the Executive Board. Similarly, the Executive Board requested managers from support functions, notably finance, to join the discussions of the Executive Board, when the subjects raised warranted it.

During the various meetings the Executive Board regularly examined the development of Company activities and the trends in its results. It paid particular attention to the management of the financial crisis. This, in the early stages, was concentrated on the underlying credits and, in particular, structured credits, and accelerated sharply following the bankruptcy of Lehman Brothers and the dislocation of the markets in the autumn, extending to all underlying assets in a context of suspicion towards banks and financial institutions affecting, in particular, the liquidity of banks.

The Executive Board also paid continuous attention to the management of risks and exposures, to the control and reduction of weighted risks and to solvency requirements, and applied itself to reinforcing the Group's funding policy. The Executive Board regularly examined in depth the impacts of the crisis on the financial statements and the situation of Natixis. It undertook various operations that lead it to strengthening the solvency of Natixis: issuing hybrid debt at the beginning of the year whilst the markets still permitted it, a capital increase of €3.7 billion in September and a French TSSDI note issue underwritten by CNCE and BFBP in December 2008.

The Executive Board initiated and approved the work that has lead to the redefinition of the strategic directions of the Group presented at the time of the capital increase, as well as the transformation plan for Corporate and Investment Banking announced in December 2008. The Executive Board has segregated out the portfolios of corporate and investment bank assets presenting high levels of risk and entrusted their management to a separate workout team, notably management of proprietary trading, or lines of business that Natixis no longer wishes to continue.

The Executive Board also ratified the terms and conditions of the cost saving plan and that of the Adjustment Plan to the Economic and Competitive Environment *(Plan d'Adaptation au Contexte Économique et Concurrentiel)*. The Executive Board monitored the introduction of these measures. It initiated and supervised the asset disposal plans or activities initiated in relation to the reduction plan of non-performing assets, such as at the conclusion of the strategic review undertaken in the summer and autumn of 2008. It was kept informed of the disposal processes undertaken and managed its major aspects, in light of proposals formulated by contacted counterparties. It also continued to remain alert to the evolution of the monoline sector and ratified the participation of Natixis in the commutation agreement proposed to the principal counterparties of CIFG.

The Executive Board has supervised the launch and realization of projects to bring together activities that, for technical reasons inherent to these business lines, had been timetabled for 2008, first and foremost in the retail and institutional custody business lines, for the guarantees and sureties activity and for private banking.

The Executive Board ratified the operational strategies and organizational changes of certain business lines. It ensured the continuation of the introduction of monitoring and control tools, allowing for supervision of the whole Group. It also confirmed the directions taken in relation to salary and compensation policy.

The Executive Board has paid particular attention to coordinating Natixis relations with its two main shareholders through the governance bodies provided for when Natixis was created. It has also overseen the strengthening of operational agreements allowing for the deployment of Natixis products and services within the two networks of Groupe Caisse d'Epargne and Groupe Banque Populaire.

In accordance with legal requirements, the Executive Board prepared the annual, interim and quarterly financial statements of the Group and called the General Shareholders' Meeting after having established the agenda. The Executive Board ratified the principles and strategies for Natixis' financial communication. It also proceeded with the grant of a subscription option plan to certain employees of the Natixis, Banque Populaire and Caisse d'Epargne Groups. As a result of the capital increase, the Executive Board also decided on the option subscription adjustment methods and bonus share plans intended for all employees of the three groups.

Finally, the Executive Board ensured that the various control and regulatory authorities were kept regularly informed of developments and results of the Company, the management of the crisis, actions to strengthen solvency and monitor the financial stability of the Group, as well as measures to manage and control risks.

General Shareholders' Meetings

A - Procedure for convening a meeting

Meetings are convened by the Executive Board or, failing that, under the terms and conditions of Article 225-103 of the French Commercial Code. Notices of meeting are prepared in accordance with the conditions laid down by the regulations in force (Article 22 of the by-laws).

Meetings take place either at the head office or at another place specified in the notice of meeting.

B - The different types of meeting

The Meeting may be described as ordinary, extraordinary, or combined ordinary and extraordinary depending on the matters listed on the agenda.

1 2 3 4 5 6 7 8 9

- Ordinary General Shareholders' Meeting (OGM)

  This meeting is held annually and its objective is to notify shareholders about the running of the Company. Its principal objective is to give an opinion on the financial statements of the previous fiscal year, to determine the appropriation of income, and fix the dividend and the conditions for its payment.

  Its objective may also include the renewal of the term or appointment of Supervisory Board members, non-voting members as well as the Statutory Auditors and, if necessary, ratify the co-opting of a member of the Board.

  Decisions are taken by a simple majority of the votes of the shareholders present or represented.

- Extraordinary General Shareholders' Meeting (EGM)

  It is convened each time there are decisions envisaged with an objective to change the by-laws, notably in the event of an operation affecting the share capital: increase or reduction of capital.

  Decisions are taken by a two-thirds majority of the shareholders present or represented.

- Combined Ordinary and Extraordinary General Shareholders' Meeting (AGM)

  This combines the two previous meetings (OGM and EGM) on the same date under the same notice of meeting.

C - Conditions of admission

The meetings include all shareholders whose securities have no outstanding payments due.

Those shareholders that are able to justify their status with an accounting entry (pursuant to the seventh paragraph of Article R.228-1 of the French Commercial Code) in their name or in the name of the intermediary properly registered on their behalf, either in nominative shares accounts or in the accounts of bearer shares held by their authorized intermediaries, no later than three working days before the date of the Meeting, i.e. by midnight Paris local time (hereinafter referred to as D-3), may attend the Meeting.

An authorized proxy may always represent a shareholder at General Shareholders' Meetings. This proxy may not represent another person.

For holders of nominative shares, this entry at D-3 in the share accounts is sufficient to enable them to attend the General Shareholders' Meeting.

For holders of bearer shares, their authorized intermediaries are required to justify their clients' status as a shareholder directly to the centralizing body of the Meeting. They do so by producing a certificate that they attach to the voting form or admission card request in the name of the shareholder or the name of the registered intermediary acting on behalf of the shareholder. A certificate is also delivered to a shareholder who wishes to attend the Meeting in person and who has not received admission card by D-3.

Shareholders may, under the terms and conditions fixed by law and regulations, send their proxy and postal voting forms, either in paper format or, on decision of the Executive Board published in the notice of meeting and convocation, through tele-transmission. The Executive Board may also decide that shareholders may participate and vote at any General Shareholders' Meeting by videoconference or tele-transmission under the terms and conditions fixed under the regulations.

D - Shareholder rights

According to the provisions of Article 24 of the by-laws, one or several shareholders, representing at least the portion of the share capital required, and acting under the conditions and within the timeframes fixed by law, have the right to request, by registered letter with confirmation of receipt, the inclusion of draft resolutions on the agenda of the Meeting.

According to the provisions of Article 28 of the by-laws, each shareholder has the right to obtain, under the terms and conditions and at the times fixed by law, communication of the documents necessary to enable the shareholder to give an informed opinion on the management and control of the Company. The nature of the documents and the terms and conditions for their dispatch or availability are determined by the law and regulations.

E - Conditions for the exercise of voting rights

According to the provisions of Article 26 of the by-laws, each member of the Meeting has the right to as many votes as the shares he owns or represents.

F - Identification of shareholders

According to the provisions of Article 5 of the by-laws, the Company may, under the conditions provided for by the laws and regulations in force, request from any authorized organization or intermediary, communication of all information relating to the holders of securities conferring immediately, or in the future, the right to vote in Shareholders' Meetings, notably their identity, their nationality, their address, the number of securities that they own and the restrictions that these securities may be subject to.

Any natural person or legal entity that owns, directly or indirectly, alone or jointly, a 1% share of the voting rights, or any multiple of this percentage, must notify the Company, by registered letter with acknowledgement of receipt, of the number of voting rights that they possess. This notification must occur within 15 days of each acquisition or disposal of this fractional amount.

In the event of non-compliance with the notification requirement provided for in the previous paragraph and upon request, recorded in the minutes of the Meeting from a shareholder representing at least 1% of the voting rights, the shares exceeding the fraction which should have been declared will lose their voting rights for a period of two years following the date of regularization of the notification.

Policies and rules for determining compensation and all benefits in kind paid to members of the executive bodies

The AFEP-MEDEF recommendations of October 6, 2008 on the compensation of executive corporate officers of listed companies are in line with the bank's corporate governance approach. Pursuant to the July 3, 2008 law transposing the European Community directive 2006/46/EC of June 14, 2006 into French law, the modified AFEP-MEDEF code is the one that the Company refers to in the preparation of the report provided for by Article L.225-68 of the French Commercial Code.

The AFEP-MEDEF code may be consulted at the Company's head office and on the Natixis website.

Based on the opinion of the Compensation Committee, the Supervisory Board took the following decisions in relation to director compensation on February 14, 2008 and December 18, 2008:

Compensation and all benefits in kind of Supervisory Board members

A - Compensation and all benefits in kind paid to the Chairman of the Supervisory Board

Compensation paid to the Chairman of the Supervisory Board has been set at €285,000 for 2008.

There is no variable compensation, no grant of securities to the Chairman of the Supervisory Board and the payment is in addition to the directors' fees granted to all Supervisory Board members.

B - Compensation and all benefits in kind paid to Supervisory Board members

The total compensation budget has been set at €500,000 for a Board comprising 18 members, two non-voting directors and two committees, each of six members.

The amounts approved are:

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

  Total: maximum of €20,000.
- members of specialist committees:
  - Audit Committee:

    Chairman: €12,500 for each joint Chairman,

    Audit Committee members:
    - fixed portion: €5,000,
    - variable portion: €1,000 per meeting, for up to five meetings;
  - Compensation Committee:

    Chairman: €10,000,

    Compensation Committee members:
    - fixed portion: €3,000,
    - variable portion: €1,000 per meeting, for up to two meetings.

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

The Supervisory Board at its December 18, 2008 meeting, based on a motion from the Compensation Committee, decided to suspend all directors' fee payments for Supervisory Board members for the second half of 2008 and for 2009. The Compensation Committee will decide in the first quarter of 2009 the new measures to be applied.

Compensation and all benefits in kind of Executive Board members

A - General principles

Fixed compensation

Decisions taken in relation to fixed compensation of Executive Board members are based on three guiding principles:

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

Variable component

A variable component may be paid to all or some of the Executive Board members. It is based on Natixis and/or individual performance criteria with a target objective (projected income) and a maximum level (higher than expected income). These elements are determined for each fiscal year by the Compensation Committee.

In its December 18, 2008 meeting, the Supervisory Board approved the proposal of the Executive Board to waive any rights to variable compensation for the 2008 fiscal year given the results realized by Natixis during that fiscal year.

B - Monetary Compensation

Compensation paid to the Executive Chairman

The fixed compensation paid to Philippe Dupont in relation to his duties as Executive Chairman of Natixis was €350,000 in 2008. In addition, he may receive a bonus representing 120% of this salary if performance targets are reached, up to a maximum of €630,000 if the Company achieves 150% or more of its targets.

The Compensation Committee and the Supervisory Board have ratified the proposal of the Executive Chairman of the Board to waive any rights to variable compensation for the 2008 fiscal year.

Compensation paid to the Chief Executive Officer

The fixed compensation paid to Dominique Ferrero in relation to his duties as Chief Executive Officer of Natixis was €600,000 for 2008. In addition, he may receive a bonus representing 120% of this salary if performance targets are reached, up to a maximum of €1,080,000 if the Company achieves 150% or more of its targets.

The Compensation Committee and the Supervisory Board have ratified the proposal of the Chief Executive Officer to waive any rights to variable compensation for the 2008 fiscal year.

Dominique Ferrero signed an employment contract with Natexis Banques Populaires on March 23, 2006. This employment contract was suspended for the duration of his term of office (*i.e.* until November 17, 2012) at the time of his appointment as Chief Executive Officer and member of the Natixis Executive Board. This contract provides for financial provisions in the event that it was to be terminated unilaterally by Natixis.

Compensation paid to other Executive Board members

François Ladam (Term of office as a board member ended May 31, 2008)

In 2008 the fixed compensation of François Ladam was as follows:

- in relation to his employment contract, a fixed salary of €410,625;
- no bonus for the period;
- no compensation (fixed or variable) in relation to his duties.

François Ladam left Natixis on May 31, 2008 under an early retirement provision that will end on March 31, 2009, his effective retirement date.

Anthony Orsatelli (Resigned from the Board on February 14, 2008)

In 2008 the fixed compensation paid to Anthony Orsatelli was as follows:

- in relation to his employment contract, a fixed salary of €450,000;
- no bonus for the period;
- no compensation (fixed or variable) in relation to his duties.

During 2008, Natixis terminated the employment contract of Anthony Orsatelli whose notice period ended on January 21, 2009. The termination of the employment contract has lead to the payment in 2009 of severance damages corresponding to two years of compensation (2008 fixed salary + bonus in relation to 2007).

Jean-Pascal Beaufret (Appointed to the Board with effect from February 14, 2008 and resigned November 30, 2008)

In 2008 the fixed compensation paid to Jean-Pascal Beaufret was as follows:

- in relation to his employment contract, a fixed salary of €500,647 (including the family supplement);
- a guaranteed bonus upon his arrival of €500,000;
- no compensation (fixed or variable) in relation to his duties.

During 2008, Natixis terminated the employment contract of Jean-Pascal Beaufret whose 6-month notice period will end during 2009. The termination of the employment contact has lead to the payment in 2009 of severance damages corresponding to six months of annual salary.

Jean-Marc Moriani (Appointed to the Board with effect from February 14, 2008)

Between February and December 2008, the compensation of Jean-Marc Moriani was as follows:

- in relation to his employment contract, a fixed salary of €424,174, of which €324,174 was paid in relation to his secondment to the Natixis branch in the USA;
- no bonus for the period;
- in relation to his duties, the Supervisory Board in its December 18, 2008 meeting confirmed the proposal from the Compensation Committee to fix directorship compensation at €200,000 a year, effective from February 14, 2008. The payment of this fixed compensation in relation to 2008 will be subject to an adjustment in 2009;
- no variable compensation in relation to his duties.

Up until August 31, 2008, Jean-Marc Moriani was seconded to the Natixis branch in the USA. He therefore enjoyed benefits related to his expatriate status such as payment of his housing, school fees for his children, voluntary social security protection payments in France as well as the tax and social security charges pertaining to these benefits. Between February 2008 (month of his appointment as an Executive Director of Natixis) and the end of August 2008 (end of the secondment in the USA), the total amount of benefits that Jean-Marc Moriani enjoyed as an expatriate in the USA, was €402,361.

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

■ Grant for 2008

The Compensation Committee proposal, adopted by the Supervisory Board at its meeting on February 14, 2008, should have resulted in the grant in 2008 of:

- 190,000 subscription share options for the Executive Chairman for his role with Natixis (converting to 292,600 options after adjustment *(see paragraph below)*);
- 190,000 subscription share options for the Chief Executive Officer (converting to 292,600 options after adjustment *(see paragraph below)*);
- 125,000 subscription share options for Jean-Marc Moriani, member of the Executive Board (converting to 192,500 options after adjustment *(see paragraph below)*).

On March 23, 2009, the Executive Board decided against granting these share option plans that had been postponed until this date and which were initially planned within the Natixis group for 2008, to the extent that none of these share options were granted.

On the assumption that Natixis was to introduce a new subscription stock option plan for Executive Board members, it will try to ensure it complies with AFEP-MEDEF recommendations on the subject.

■ Adjustment related to the capital increase with preferential subscription right in September 2008

- Articles L.225-181 *et seq.* of the French Commercial Code provide for a compulsory adjustment of the exercise price and the number of subscription options after the realization of an operation affecting the capital of the issuer Company, including a capital increase in cash with a preferential subscription right, in order to preserve the investment amount made by beneficiaries of stock option plans.

  As a result, the Executive Board has decided upon an adjustment method for the exercise price and the number of subscription options granted to employees of Groupe Natixis and those of Groupe Caisse d'Epargne and Groupe Banque Populaire, between 2002 and 2008, with the method resulting in the application of an adjustment ratio of 0.649 *to the exercise price of the subscription options and of the ratio strictly inverse to the number of* options.

  This adjustment is applicable from October 6, 2008, the end date of the suspension period for the right to exercise subscription options.

- The Executive Board approved the principle and method for calculating the adjustment of the number of bonus shares granted on November 12, 2007, in relation to the SAGA scheme (Free Share Grant Plan), to Groupe Natixis employees and to those of the Caisse d'Epargne and Banque Populaire Groups, following the capital increase that occurred in September 2008.

  The capital increase in September 2008 had the effect of diluting the value of Natixis shares. To protect the rights of SAGA beneficiaries, and in an identical process to that proposed for the subscription option plans, the Executive Board decided to revise upwards the number of bonus shares granted on November 12, 2007, resulting in the additional grant of 33 shares per beneficiary (in addition to the 60 received initially).

The Compensation Committee and Supervisory Board approved these decisions.

■ Compliance rules applicable to the exercise of options and the sale of shares

Executive corporate officers of Natixis – in the same manner as the list of permanent insiders for Natixis securities – have been individually notified of the rules applicable to transactions on Natixis shares, and notably, the exercise of options and the sale of shares relating to subscription option plans or bonus shares.

The beneficiaries of the stock options and bonus shares are bound to the following obligations:

- sworn statement at the moment they exercise options or sell shares in which they declare that they are not contravening the legal provisions and regulations relating to insider operations and share price manipulation;
- prohibition on exercising options or selling shares arising from the exercise of options in the 45 days prior to the release of information on the quarterly, interim and annual results;
- prohibition on selling shares granted freely in the 45 days prior to the release of information on the quarterly, interim and annual results, and 10 trading days after the release of information or publication of the aforesaid results.

No discount is applied to the exercise price of the options. No repurchase hedging operations of securities arising from the exercise of options are authorized for Executive Board members.

■ Rule for holding in a registered share account

The Natixis Supervisory Board has fixed the following rules for Executive Board members relating to the holding of shares issued from the exercise of subscription options or share purchases:

- during their term of office, Executive Board members should maintain an equivalent number of shares to 50% of the net capital gain on acquisition (calculated after taking account of tax on capital gains and compulsory social security contributions), realized on securities arising from options exercised after January 1, 2007, in a registered share account;

- the policy relating to the free allocation of shares approved by the Executive Board does not provide for such grants to its members. The Board has not defined a similar restriction to that applicable to subscription options and share purchases.

D - Benefits in kind

In 2008 Dominique Ferrero enjoyed the use of a company car and parking space for an amount valued at €4,270.

François Ladam enjoyed the use of a company car and housing allowance valued for 2008 at €8,499.

Anthony Orsatelli and Jean-Marc Moriani both enjoyed the use of a company car with a value in 2008 of €4,781 and €1,798 respectively.

Philippe Dupont enjoyed benefits in kind (housing and a company-provided vehicle) valued in 2008 for a total of €45,237 fully paid by Banque Fédérale des Banques Populaires.

E - Director's Group retirement pension plan and severance payments

Group retirement pension plan

From November 17, 2006 to December 18, 2008, Natixis established a group pension plan for Executive Board members through an insurance company, similar to the plan for Banque Populaire bank CEOs.

This plan serves to provide a guaranteed pension income equivalent to a variable percentage, depending on the member's entry date into the plan, up to a maximum of €370,000, and after deducting all Social Security, ARRCO, AGIRC and other pensions that the officer is entitled to.

The Compensation Committee and the Supervisory Board approved the closure of this plan on December 18, 2008. This group plan is closed to all new members from this date. The potential beneficiaries of this plan will continue to be entitled to its benefits subject to ending their career within Groupe Natixis and to completing a minimum seven-year period in their position. Benefits from this pension guarantee vest upon the member completing his career, which may occur at various ages from 55 years to 63 years, depending on the respective member's age when he entered the plan.

Philippe Dupont is a beneficiary of this plan in relation to his activities with BFBP and, as a result, is not eligible for all of the plan's provisions in relation to Natixis.

François Ladam was already a potential beneficiary of this plan before November 17, 2006 in relation to his functions at Natexis Banques Populaires.

During the period from November 17, 2006 to December 18, 2008 the following Executive Board members became potential beneficiaries: Dominique Ferrero; Anthony Orsatelli; Jean-Pascal Beaufret; Jean-Marc Moriani.

Jean-Pascal Beaufret will not benefit from this plan as he did not complete the necessary seven years of service prior to his departure.

Severance payments

The Supervisory Board at its December 18, 2008 meeting acknowledged the AFEP-MEDEF recommendations on severance payments for executive directors and noted that the Executive Board directors (namely Phillipe Dupont, Dominique Ferrero and Jean-Marc Moriani as at December 31, 2008) are not entitled to severance payments in relation to their executive corporate officer positions within Natixis or its subsidiaries.

The information provided for in Article L.225-100-3 of the French Commercial Code is published in the annual report of the Company.

Standardized tables compliant with AMF recommendations

TABLE 1

Summary of the compensation, stock options and shares granted to each executive director

Compensation in relation to the fiscal year	2008	2007
Philippe Dupont, Executive Chairman	€651,721	€760,642
- in relation to his functions at Natixis	*€350,000*	*€350,000*
- in relation to his functions at BFBP	*€301,721*	*€410,642*
Dominique Ferrero, CEO	€604,270	€904,262
Jean-Marc Moriani, Member, Executive Board	€1,003,333	ns
Jean-Pascal Beaufret, Member, Executive Board	€1,000,647	ns
François Lasam, Member, Executive Board	€419,124	€698,146
Anthony Orsatelli, Member, Executive Board	€454,781	€721,371

AMF recommendations for the 2008 reference document require the publication of the valuation of subscription options granted during 2008 and 2007 to executive corporate officers.

The valuation of these options according to IFRS 2 in no way reflects the potential gain generated from the exercise of the option. It only reflects the personnel expenses that must appear in the financial statements, insofar as the options are granted in return for a delivered or expected service.

On the publication date of the reference document, the options granted in 2007 and 2008 had not yet vested. With the Natixis share price significantly below their exercise prices, of €14.38 and €8.27 respectively, it is difficult to imagine a theoretical future gain for the benefit of the beneficiaries.

As a result, an informed interpretation of the compensation for corporate officers would suggest that the valuation of the options should not be added to their monetary compensation.

Value of options granted during the fiscal year (IFRS 2)	2008	2007
Philippe Dupont, Executive Chairman	ns [1]	€1,206,270
- in relation to his functions at Natixis	*€0*	*€881,505*
- in relation to his functions at BFBP	*ns [1]*	*€324,765*
Dominique Ferrero, Chief Executive Officer	€0	€881,505
Jean-Marc Moriani, Member, Executive Board	€0	ns
Jean-Pascal Beaufret, Member, Executive Board	€0	ns
François Ladam, Member, Executive Board	€0	€579,938
Anthony Orsatelli, Member, Executive Board	€0	€579,938

(1) Philippe Dupont has expressly waived the subscription options that were granted to him in 2008 in relation to his functions within BFBP.

Value of performance stock grants during the fiscal year	2008	2007
Philippe Dupont, Executive Chairman	ns	ns
- in relation to his functions at Natixis	ns	ns
- in relation to his functions at BFBP	ns	ns
Dominique Ferrero, Chief Executive Officer	ns	ns
Jean-Marc Moriani, Member, Executive Board	ns	ns
Jean-Pascal Beaufret, Member, Executive Board	ns	ns
François Ladam, Member, Executive Board	ns	ns
Anthony Orsatelli, Member, Executive Board	ns	ns

TABLE 2

Summary table of the compensation of each executive corporate officer

In the following tables:

- the expression "Amounts due" corresponds to compensation and benefits in kind granted to the Executive Board member as part of his functions in relation to the fiscal year, irrespective of the date of payment (for example, variable compensation granted in relation to 2007 but paid in 2008 therefore appears both in the column "amounts due" of 2007 and the column "amounts paid" of 2008);
- the expression "amounts paid" corresponds to compensation and benefits in kind actually paid to the Executive Board member as part of his functions during the fiscal year, irrespective of the grant date.

Philippe DUPONT, Executive Chairman, Natixis	2008 Amounts due	2008 Amounts paid	2007 Amounts due	2007 Amounts paid
Fixed compensation	€595,000	€595,000	€595,000	€595,000
- in relation to Natixis	*€350,000*	*€350,000*	*€350,000*	*€350,000*
- in relation to BFBP	*€245,000*	*€245,000*	*€245,000*	*€245,000*
Variable compensation	0	€110,000	€110,000	€110,000
- in relation to Natixis	*0*	*0*	*0*	*0*
- in relation to BFBP	*0*	*€110,000*	*€110,000*	*€110,000*
Exceptional compensation				
Director's fees	€11,484	€11,040	€11,040	€11,285
- in relation to BFBP	*€11,484*	*€11,040*	*€11,040*	*€10,699*
- in relation to BFBP subsidiaries	*0*	*0*	*0*	*€586*
Benefits in kind	€45,237	€45,237	€44,602	€44,602
- in relation to Natixis	*0*	*0*	*0*	*0*
- in relation to BFBP (car and accommodation)	*€45,237*	*€45,237*	*€44,602*	*€44,602*
TOTAL	**€651,721**	**€761,277**	**€760,642**	**€760,887**

Dominique FERRERO, Chief Executive Officer	2008 Amounts due	2008 Amounts paid	2007 Amounts due	2007 Amounts paid
Fixed compensation	600,000 €	600,000 €	600,000 €	600,000 €
Variable compensation	0	300,000 €	300,000 €	500,000 €
Exceptional compensation				
Director's fees	0	0	0	0
Benefits in kind (car and accommodation)	4,270 €	4,270 €	4,262 €	4,262 €
TOTAL	**604,270 €**	**904,270 €**	**904,262 €**	**1,104,262 €**

Jean-Marc MORIANI, Member, Executive Board	2008 (1)		2007	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed compensation in relation to employment contract	€424,174	€424,174	ns	ns
- in France	*€100,000*	*€100,000*	ns	ns
- in USA	*€324,174*	*€324,174*	ns	ns
Fixed compensation in relation to board responsibilities	€175,000	0	ns	ns
Variable compensation	0	ns	ns	ns
Exceptional compensation			ns	ns
Director's fees	0	0	ns	ns
Benefits in kind	€404,160	€404,160	ns	ns
- benefits in kind in France (car)	*€1,798*	*€1,798*	ns	ns
- benefits related to secondment to the USA	*€402,361* (2)	*€402,361* (2)	ns	ns
TOTAL	**€1,003,333**	**€828,333**	**NS**	**NS**

(1) For the period from February 2008 to December 31, 2008.

(2) Benefits in kind that Jean-Marc Moriani had paid on his behalf in the USA between February and August 2008:

- accommodation: $210,000;

- children's school fees: $64,389;

- voluntary contributions to French social security: €50,504;

- tax and social security charges on benefits in kind: $243,107.

Exchange rate used: €1 = $1.470755.

Jean-Pascal BEAUFRET, Member, Executive Board	2008		2007	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed compensation	€500,647	€500,647 (3)	ns	ns
Variable compensation	0	ns	ns	ns
Exceptional compensation	€500,000	€500,000 (4)	ns	ns
Director's fees	0	0	ns	ns
Benefits in kind	0	0	ns	ns
TOTAL	**€1,000,647**	**€1,000,647**	**NS**	**NS**

(3) Including the family supplement.

(4) Guaranteed bonus paid on Jean-Pascal Beaufret's arrival.

Anthony ORSATELLI, Member, Executive Board	2008		2007	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Fixed compensation	€450,000	€450,000	€480,489	€480,489
- in relation to Natixis	*€450,000*	*€450,000*	*€450,000*	*€450,000*
- in relation to Natixis subsidiaries	*0*	*0*	*€30,489*	*€30,489*
Variable compensation	0	€225,000	€225,000	€280,000 (1)
Exceptional compensation				
Director's fees	0	10,000	€10,000	€3,076 (2)
Benefits in kind (car)	€4,781	€4,781	€5,882	€5,882
TOTAL	**€454,781**	**€689,781**	**€721,371**	**€769,447**

(1) Variable bonus paid in 2007 by the CNCE to Anthony Orsatelli for his functions at the CNCE in 2006.

(2) Director's fees paid by the CNCE to Anthony Orsatelli for his duties as non-voting director of the CNCE Supervisory Board.

TABLE 3

The allocation of director's fees has been suspended for members of the Natixis Supervisory Board in relation to the second half of 2008.

Table showing director's fees and other compensation received by non-executive members

Non-executive members	2008 Amounts due	2008 Amounts paid	2007 Amounts granted	
Banque Fédérale des Banques Populaires				
Director's fees				
Member, Natixis Supervisory Board	10,000	14,000 (2)	due: 20,000	paid: 32,000 (1)
In relation to Natixis subsidiaries	17,750	21,500 (3)	21,500	
Vincent BOLLORÉ				
Director's fees				
Member, Natixis Supervisory Board	10,000	14,000 (2)	due: 18,000	paid: 30,000 (1)
Member, Natixis Compensation Committee	10,000	10,000	due: 10,000	paid: 20,000 (1)
In relation to Natixis subsidiaries	0	0	0	
Other compensation	0	0	0	
Caisse Nationale des Caisses d'Epargne				
Director's fees				
Member, Natixis Supervisory Board	10,000	14,000 (2)	due: 20,000	paid: 32,000 (1)
In relation to Natixis subsidiaries	10,500	11,550 (3)	11,550	
Jean CLOCHET				
Director's fees				
Member, Natixis Supervisory Board	10,000	28,000 (2)	due: 18,000	paid: ns
In relation to Natixis subsidiaries	12,900	9,600 (3)	9,600	
In relation to BFBP and its subsidiaries	12,534	9,936 (3)	9,936	
Compensation in relation to specialist BFBP committees	6,089	2,500 (3)	2,500	
Other compensation	0	0	0	
Bernard COMOLET				
Director's fees				
Member, Natixis Supervisory Board	10,000	14,000 (2)	due: 20,000	paid: 32,000 (1)
Member Natixis Compensation Committee	4,000	4,000	due: 3,000	paid: 7,000 (1)
In relation to CNCE and its subsidiaries	19,900	66,000 (2)	25,230	
Other compensation				
Compensation in relation to his appointment as Chairman of the Natixis Supervisory Board	38,792	0	ns	
Personal fixed compensation in relation to CNCE	89,622	89,622	0	
Benefits in kind in relation to CNCE	378	378	0	

(1) Including a portion due in relation to director's fees for the 2006 fiscal year.
(2) Including a portion due in relation to director's fees for the 2007 fiscal year.
(3) Fees in relation to the 2007 fiscal year.

Director's fees and other compensation received by non-executive members

Non-executive members	2008 Amounts due	2008 Amounts paid	2007 Amounts granted
Jean-Claude CREQUIT			
Director's fees			
Member, Natixis Supervisory Board	10,000	14,000 (2)	due: 20,000 paid: 32,000 (1)
Member, Natixis Audit Committee	10,000	11,000 (2)	due: 10,000 paid: 14,000 (1)
In relation to CNCE and its subsidiaries	10,500	10,500	27,500
Other compensation	0	0	0
Stève GENTILI			
Director's fees			
Member, Natixis Supervisory Board	10,000	14,000 (2)	due: 20,000 paid: 32,000 (1)
In relation to Natixis subsidiaries	9,700	7,000 (2)	10,700
In relation to BFBP and its subsidiaries	13,009	11,040 (3)	11,040
Compensation in relation to specialist BFBP committees	3,466	2,261 (3)	2,261
Other compensation	0	0	0
Francis HENRY			
Director's fees			
Member, Natixis Supervisory Board	10,000	14,000 (2)	due: 20,000 paid: 32,000 (1)
Member, Natixis Compensation Committee	4,000	4,000	due: 3,000 paid: 7,000 (1)
In relation to CNCE subsidiaries	4,500	4,500	3,000
Other compensation	0	0	0
Bernard JEANNIN			
Director's fees			
Member, Natixis Supervisory Board	10,000	28,000 (2)	due: 18,000 paid: ns
In relation to Natixis subsidiaries	6,750	10,800 (3)	10,800
In relation to BFBP and its subsidiaries	10,965	9,936 (3)	9,936
Compensation in relation to BFBP specialist committees	7,288	2,916 (3)	2,916
Other compensation	0	0	0
Olivier KLEIN			
Director's fees			
Member, Natixis Supervisory Board	0	0	ns
In relation to Natixis subsidiaries	15,400	ns	ns
Member, Natixis Supervisory Board	0	0	ns
Yvan de LA PORTE du THEIL			
Director's fees			
Member, Natixis Supervisory Board	10,000	14,000 (2)	due: 20,000 paid: 32,000 (1)
Member, Natixis Audit Committee	10,000	11,000 (2)	due: 10,000 paid: 14,000 (1)
In relation to Natixis subsidiaries	9,800	10,800 (3)	10,800
In relation to BFBP and its subsidiaries	16,584	11,040 (3)	11,040
Compensation in relation to BFBP specialist committees	6,966	7,022 (3)	7,022
Other compensation	0	0	0

(1) Including a portion due in relation to director's fees for the 2006 fiscal year.

(2) Including a portion due in relation to director's fees for the 2007 fiscal year.

(3) Fees in relation to the 2007 fiscal year.

Director's fees and other compensation received by non-executive directors

Non-executive members	2008 Amounts due	2008 Amounts paid	2007 Amounts granted	
Alain LEMAIRE (Appointed to Natixis Board since 04.11.2008)				
Director's fees	0	0	ns	
Member, Natixis Audit Committee	0	0	ns	
In relation to Natixis subsidiaries	3,300	3,000	ns	
In relation to CNCE subsidiaries	22,700	22,058	ns	
Other compensation			ns	
Compensation in relation to CNCE subsidiaries other than Natixis	0	0	ns	
CNCE exceptional bonus	0	0	ns	
Personal fixed compensation in relation to CNCE	73,236	73,236	ns	
Personal variable compensation in relation to CNCE	0	0	ns	
Benefits in kind in relation to CNCE	400	400	ns	
Nicolas MERINDOL (Term of office at Natixis ended 03.11.2008)				
Director's fees				
Member, Natixis Audit Committee	12,500	12,500	due: 12,500	paid: 25,000 (1)
In relation to Natixis subsidiaries	33,413	45,025 (3)	45,025	
In relation to CNCE and its subsidiaries	136,192	189,009 (2)	188,797	
Other compensation				
Compensation in relation to CNCE subsidiaries other than Natixis	58,042	54,542	32,500	
CNCE exceptional bonus	0	0	due: 0	paid: 150,000 (4)
Personal fixed compensation in relation to CNCE	359,585	359,585	502,345	
Personal variable compensation in relation to CNCE (5)	unavailable	354,596 (5)	due: 354,596	paid: 288,750 (4)
Benefits in kind in relation to CNCE	/	7,024	5,523	
Bruno METTLING				
Director's fees				
Member, Natixis Supervisory Board	10,000	14,000 (2)	due: 20,000	paid: 32,000 (1)
Member, Natixis Audit and Compensation Committees	10,000	10,000	due: 3,000	paid: 7,000 (1)
In relation to Natixis subsidiaries	3,000	3,600 (3)	3,600	
In relation to BFBP subsidiaries	9,792	34,563 (2)	20,000	
Other compensation				
Personal fixed compensation in relation to BFBP	290,000	290,000	290,510	
Personal variable compensation in relation to BFBP	0	130,000 (3)	130,000	
Benefits in kind in relation to BFBP	45,733	45,733	45,733	

(1) *Including a portion due in relation to director's fees for the 2006 fiscal year.*
(2) *Including a portion due in relation to director's fees for the 2007 fiscal year.*
(3) *Fees in relation to the 2007 fiscal year.*
(4) *For financial year 2006.*
(5) *For financial year 2007.*

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Director's fees and other compensation received by non-executive members

Non-executive members	2008 Amounts due	2008 Amounts paid	2007 Amounts granted	
Charles MILHAUD (Term of office at Natixis ended 29.10.2008)				
Director's fees				
Member, Natixis Supervisory Board	10,000	14,000 (2)	due: 20,000	paid: 32,000 (1)
In relation to Natixis subsidiaries	1,500	1,500	3,000	
In relation to CNCE and its subsidiaries	74,100	129,435 (2)	103,670	
Other compensation				
Fixed compensation as Chairman, Natixis Supervisory Board	235,917	235,917	285,000	
Compensation in relation to CNCE subsidiaries other than Natixis	50,000	50,000	50,000	
Exceptional bonus	/	0	due: 0	paid: 150,000 (3)
Personal compensation in relation to CNCE	397,569	397,569	490,000	
Variable compensation in relation to CNCE	unavailable	385,000 (4)	due: 385,000	paid: 440,000 (3)
Benefits in kind in relation to CNCE	52,156	52,156	65,586	
Jean-Charles NAOURI				
Director's fees				
Member, Natixis Supervisory Board	8,000	12,000 (2)	due: 14,000	paid: 26,000 (1)
Member, Natixis Audit Committee	12,500	12,500	due: 12,500	paid: 25,000 (1)
In relation to Natixis subsidiaries	0	0	0	
Other compensation	0	0	0	
Didier PATAULT				
Director's fees				
Member, Natixis Supervisory Board	10,000	14,000 (2)	due: 20,000	paid : 32,000 (1)
Other compensation	0	0	0	
Henri PROGLIO				
Director's fees				
Member, Natixis Supervisory Board	10,000	14,000 (2)	due: 20,000	paid: 28,000 (1)
Member, Natixis Compensation Committee	4,000	4,000	due: 3,000	paid: 7,000 (1)
In relation to Natixis subsidiaries	0	0	0	
In relation to CNCE	13,427	12,697 (2)	10,340	
Other compensation	0	0	0	
Philippe QUEUILLE				
Director's fees				
Member, Natixis Compensation Committee	4,000	4,000	ns	
In relation to Natixis subsidiaries	0	ns	ns	
In relation to BFBP and its subsidiaries	0	ns	ns	
Other compensation				

(1) Including a portion due in relation to director's fees for the 2006 fiscal year.
(2) Including a portion due in relation to director's fees for the 2007 fiscal year.
(3) For financial year 2006.
(4) For financial year 2007.

Director's fees and other compensation received by non-executive members

Non-executive members	2008 Amounts due	2008 Amounts paid	2007 Amounts granted	
Philippe SUEUR				
Director's fees				
Member, Natixis Supervisory Board	10,000	14,000 (2)	due: 20,000	paid: 32,000 (1)
Other compensation	0	0	0	
Jean-Louis TOURRET				
Director's fees				
Member, Natixis Supervisory Board	10,000	14,000 (2)	due: 20,000	paid: 32,000 (1)
Member, Natixis Compensation Committee	4,000	10,000 (2)	due: 3,000	paid: 7,000 (1)
In relation to Natixis subsidiaries	5,400	6,300	6,300	
In relation to BFBP	6,264	9,936 (3)	9,936	
Compensation in relation to BFBP specialist committees	3,341	7,854 (3)	7,854	
Other compensation	0	0	0	
Robert ZOLADE				
Director's fees				
Member, Natixis Supervisory Board	10,000	16,000 (2)	due: 20,000	paid: 30,000 (1)
Member, Natixis Audit Committee	10,000	13,000 (2)	due: 10,000	paid: 12,000 (1)
In relation to Natixis subsidiaries	0	0	0	
Other compensation	0	0	0	

(1) *Including a portion due in relation to director's fees for the 2006 fiscal year.*
(2) *Including a portion due in relation to director's fees for the 2007 fiscal year.*
(3) *Fees in relation to the 2007 fiscal year.*

Non-voting directors	2008 Amounts due	2008 Amounts paid	2007 Amounts granted	
Ulrich BRIXNER				
Director's fees				
Non-voting Director, Natixis Supervisory Board	6,000	12,000 (2)	due: 20,000	paid: 28,000 (1)
Alfonso IOZZO (Term of office at Natixis expired 10.06.2008)				
Director's fees				
Non-voting Director, Natixis Supervisory Board	12,000	12,000	due: 14,000	paid: 24,000 (1)
Luigi MARANZANA (Term of office at Natixis began 8/10/2008)				
Director's fees				
Non-voting Director, Natixis Supervisory Board	0	0	ns	ns

(1) *Including a portion due in relation to director's fees for the 2006 fiscal year.*
(2) *Including a portion due in relation to director's fees for the 2007 fiscal year.*
(3) *Fees in relation to the 2007 fiscal year.*

TABLE 4

Subscription or purchase options granted during 2008 to each executive corporate officer by the issuer and by any company of the Group, after adjustment

Name of executive corporate officer	No. and date of plan	Type of options (purchase or subscription)	Valuation of options according to the method adopted for the consolidated financial statements	Number of options granted during 2008 (1)	Exercise price (1)	Exercise period
Philippe DUPONT	21.01.2008 Natixis No. 2. plan	Subscription options	ns (2)	ns (2)	€8.27	From January 21, 2012 to January 20, 2015
- including in relation to Natixis	*21.01.2008 Natixis No. 2. plan*	*Subscription options*	*€0*	*0*		
- including in relation to BFBP	*21.01.2008 Natixis No. 2. plan*	*Subscription options*	*ns (2)*	*ns (2)*		
Dominique FERRERO	21.01.2008 Natixis No. 2. plan	Subscription options	€0	0	€8.27	From January 21, 2012 to January 20, 2015
Jean-Marc MORIANI	21.01.2008 Natixis No. 2. plan	Subscription options	€0	0	€8.27	From January 21, 2012 to January 20, 2015
Jean-Pascal BEAUFRET	21.01.2008 Natixis No. 2. plan	Subscription options	€0	0	€8.27	From January 21, 2012 to January 20, 2015
François LADAM	21.01.2008 Natixis No. 2. plan	Subscription options	€0	0	€8.27	From January 21, 2012 to January 20, 2015
Anthony ORSATELLI	21.01.2008 Natixis No. 2. plan	Subscription options	€0	0	€8.27	From January 21, 2012 to January 20, 2015
TOTAL			**€0**	**0**		

(1) After adjustment following the capital increase in September 2008.

(2) Philippe Dupont has expressly waived the subscription options that were granted to him in 2008 in relation to his functions within BFBP.

TABLE 5

Subscription or purchase options exercised during 2008 by each executive corporate officer

Name of executive corporate officer	No. and date of plan	Number of options exercised during the period	Exercise price
Philippe DUPONT	ns	0	ns
Dominique FERRERO	ns	0	ns
Jean-Marc MORIANI	ns	0	ns
Jean-Pascal BEAUFRET	ns	0	ns
François LADAM	ns	0	ns
Anthony ORSATELLI	ns	0	ns
TOTAL		**0**	

TABLE 6

Performance bonus shares granted to each executive corporate officer

No performance bonus shares were granted in 2008 to executive corporate officers of Groupe Natixis.

Natixis shares were granted at no cost to all Natixis, Banque Populaire and Caisses d'Epargne employees in 2007 during the merger of Natexis Banques Populaires and Ixis in order to strengthen the identity and the spirit of cohesion within the newly created Natixis. Two corporate officers of Groupe Natixis benefited from this free share grant in relation to their employment contract.

Bonus shares granted to each corporate officer

Name of corporate officer	No. and date of plan	Number of options granted in 2007	Number of options granted in 2007 after adjustement	Valuation of options according to the method adopted for the consolidated financial statements	Exercise price	Exercise period
François LADAM	12.11.2007	60	93	€735.87	12.11.2009	12.11.2011
Anthony ORSATELLI	12.11.2007	60	93	€735.87	12.11.2009	12.11.2011

* *After adjustment following the capital increase in September 2008.*

TABLE 7

Performance bonus shares that became available for sale during the period for each executive corporate officer

No performance bonus shares were granted.

The bonus shares granted on November 12, 2007 become fully vested on November 12, 2009 and will be available for sale by the optionee on November 12, 2011.

1 2 3 4 5 6 7 8 9

TABLE 8: GROUP (NATIXIS, GROUPE CAISSE D'EPARGNE AND GROUPE BANQUE POPULAIRE)

Record of purchase or subscription option grants

	Information on purchase and subscription options					
	2002 plan	2003 plan	2004 plan	2005 plan	2007 plan	2008 plan
Date of the General Shareholders' Meeting	31.05.2001	31.05.2001	27.05.2004	19.05.2005	17.11.2006	24.05.2007
Date of the decision by the Executive Board	10.09.2002	10.09.2003	17.11.2004	15.11.2005	29.01.2007	21.01.2008
Number of exercisable subscription options as at 31.12.2008 including those that may be exercised by: (1)	5,099,094	6,266,106	6,587,350	7,653,800	15,398,922	7,576,792
1) Natixis Supervisory Board members in 2008:	**147,840**	**149,380**	**149,380**	**264,880**	**962,500**	**ns**
Charles MILHAUD	0	0	0	0	154,000	ns (3)
Nicolas MERINDOL	0	0	0	0	138,600	ns (3)
Bruno METTLING	0	0	0	77,000	107,800	ns (3)
Bernard COMOLET	0	0	0	0	66,220	ns (3)
Didier PATAULT	0	0	0	0	63,140	ns (3)
Jean-Claude CREQUIT	0	0	0	0	63,140	ns (3)
Olivier KLEIN	0	0	0	0	60,060	ns (3)
Bernard JEANNIN	43,120	43,120	43,120	47,740	61,600	ns (3)
Yvan de LA PORTE du THEIL	43,120	43,120	43,120	47,740	61,600	ns (3)
Jean-Louis TOURRET	7,700	9,240	9,240	13,860	18,480	ns (3)
Jean CLOCHET	0	0	0	15,400	20,020	ns (3)
Stève GENTILI	10,780	10,780	10,780	15,400	20,020	ns (3)
Philippe QUEUILLE	43,120	43,120	43,120	47,740	61,600	ns (3)
Alain LEMAIRE	0	0	0	0	66,220	ns (3)
Philippe SUEUR	0	0	0	0	0	0
Francis HENRY	0	0	0	0	0	0
Vincent BOLLORE	0	0	0	0	0	0
Jean-Charles NAOURI	0	0	0	0	0	0
Henri PROGLIO	0	0	0	0	0	0
Robert ZOLADE	0	0	0	0	0	0
Ulrich BRIXNER	0	0	0	0	0	0
Luigi MARANZANA	0	0	0	0	0	0

	Information on purchase and subscription options					
	2002 plan	2003 plan	2004 plan	2005 plan	2007 plan	2008 plan
2) Natixis Executive Board members in 2008:	**254,100**	**369,600**	**392,700**	**431,200**	**1,078,000**	**0**
Philippe DUPONT	169,400	184,800	192,500	215,600	400,400	ns
- in relation to his functions within Groupe Natixis	84,700	92,400	100,100	107,800	292,600	0
- in relation to his functions within Banque Populaire	84,700	92,400	92,400	107,800	107,800	ns (3)
Dominique FERRERO	0	0	0	0	292,600	0
Jean-Marc MORIANI	0	0	0	0	0	0
Jean-Pascal BEAUFRET	0	0	0	0	0	0
François LADAM	84,700	184,800	200,200	215,600	192,500	0
Anthony ORSATELLI	0	0	0	0	192,500	0
Vesting date	10.09.2006	10.09.2007	17.11.2008	15.11.2009	29.01.2011	21.01.2012
Expiry date	09.09.2009	09.09.2010	16.11.2011	14.11.2012	28.01.2014	20.01.2015
Subscription price after adjustment (in euros) (2)	4.71	5.41	5.79	7.74	14.38	8.27
Methods of exercise when the plan includes several tranches	ns	ns	ns	ns	ns	ns
Number of options exercised at 31.12.2008	3,680,230	1,393,828	130,130	21,560	0	0
Cumulative number of lapsed and cancelled subscription options	117,810	120,428	95,480	88,550	275,814	1,327,480
Cumulative number of outstanding subscription options at end of period	1,301,054	4,751,850	6,361,740	7,543,690	15,123,108	6,249,312

(1) After adjustment following the capital increase in September 2008.

(2) The subscription price corresponds to the average price for Natixis shares in the 20 trading days prior the decision date of the Executive Board.

(3) Taking into account individual waivers of subscription options granted in 2008.

TABLE 9

Options granted to, or exercised by, the top ten employee optionees within Natixis S.A. below.

	Total number of options granted/options exercised (1)	Exercise price *	Plan
Options granted during the fiscal year by the issuer and any company included in the scope for option grants for the period, to the top ten Natixis employees by number of options granted.	0	€8.27	21.01.2008
Options held in the issuer and the companies previously referred to, exercised during the fiscal year, by the top ten Natixis employees by number of options exercised.	7,700	€4.71	10.09.2002
	18,480	€5.41	10.09.2003

(1) After adjustment following the increase in capital in September 2008.

TABLE 10

Executive Board members as at 31.12.2008	Employment contract		Supplementary retirement plan		Payments or benefits due or likely to be due as a result of the termination or change of function		Payments in relation to a non-competition clause	
	yes	no	yes	no	yes	no	yes	no
Philippe Dupont, Executive Chairman, Natixis date appointed: November 17, 2006 date term expires: November 17, 2012		x		x (2)		x (4)		x
Dominique Ferrero, Chief Executive Officer date appointed: November 17, 2006 date term expires: November 17, 2012	contract suspended (1)		x (3)		Solely in relation to the employment contract (suspended)			x
Jean-Marc Moriani, Member, Executive Board date appointed: February 14, 2008 date term expires: November 17, 2012	x		x (3)	x (2)		x (4)		x

(1) Dominique Ferrero's employment contract, dated March 23, 2006, was suspended at the time of his appointment as Chief Executive Officer of Natixis on November 17, 2006.

(2) Executive Chairman Philippe Dupont is not a member of a supplementary pension plan in relation to his role at Natixis. However, he is a member of a supplementary retirement plan in relation to his functions within Groupe Banque Populaire.

(3) The Group pension plan for Natixis corporate officers was closed to all new entrants on December 18, 2008.

This group retirement plan provides for the payment of a retirement pension after deduction of all pensions paid by compulsory (Social security, Arrco, Agirc) and supplementary plans.

This pension is a percentage of the average compensation of the last two years with a maximum ceiling, subject to the member having completed a period of seven years in the function and terminated his or her career in Groupe Natixis.

The plan is therefore considered as a plan with uncertain rights operating in accordance with the provisions of Article L.137-11 of the Social Security Code. The current compensation ceiling is €370,000.

(4) Executive Board members do not have termination payments in relation to their corporate officer functions with Natixis.

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Potential conflicts of interest

Competence and integrity of Supervisory Board members

In accordance with regulations, a list of the functions performed by the corporate officers of Natixis is shown in this document. The brief summary of their curriculum vitae shows that they all have recognized business expertise through their positions as executives of banks or large industrial companies or as former bank executives.

In accordance with the enforcement decree of the EU directive 2003/71 (Article 14.1, paragraph 2), none of the persons, Supervisory Board members or members of Executive Management has been convicted of fraud in, at least, the previous five years (minimum), has been subject to bankruptcy, liquidation or receivership during, at least, the previous five years, has been convicted or punished by official or regulatory bodies, has been disqualified from acting as a member of administrative, management or supervisory bodies of an issuer or from involvement in the management or conduct of the business of an issuer during at least the previous five years

Agreements linking the Company and Supervisory and Executive Board members

In accordance with EU regulations, there are no service agreements linking members of the Board, Executive Management or the Executive Board of the Company that could confer benefits upon termination of such an agreement and that might by their nature compromise their independence or interfere with their decisions.

Natixis and its subsidiaries do have business relationships with its two principal shareholders or certain of their subsidiaries. Banking relationships between Natixis and the groups chaired by the independent members are not of a nature as to affect the impartiality of their judgement.

Conflicts of interest

Natixis' Executive and Supervisory Board members include employees of the two shareholder groups (Groupe Banque Populaire and Groupe Caisse d'Epargne). There are commercial relationships between Natixis and these two shareholder groups. Natixis does not consider this situation to constitute a conflict of interest.

Banking relationships between Natixis and the groups chaired by the independent members are not of a nature as to affect the impartiality of their judgement.

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3 OPERATIONS

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Corporate and Investment Banking

The Corporate and Investment Banking division (CIB) offers its clients – companies, institutional investors, insurance-companies and banks – a full range of financing and capital-markets products taking advantage of all of Natixis' expertise: advisory services, origination, structuring and distribution. Since the beginning of 2008, this division has been organized in three business lines and two regional platforms:

- Corporate and Institutional Relations: which manages client coverage in France and internationally, and directly manages straight financing, cash management and mergers and acquisitions advisory services. Net Banking Income 2008: €521 million.
- Debt and Finance: which includes Structured Finance and Commodities, Real Estate, Debt solutions and the Structured Credit and Securitization. Net Banking Income 2008 excluding GAPC [(1)]: €976 million.
- Capital Markets: structured around centers of expertise in interest-rate, foreign exchange, commodity, debt and equity markets. Net Banking Income 2008 excluding GAPC [(1)]: €1,019 million.
- Two regional platforms in North America and Asia, with dedicated resources to support each of the business lines in their international development, in a controlled manner.

The CIB Division's support functions (in addition to human resources, corporate secretary and economic research) include two departments one of which is dedicated to systems, organization, operations and finance, and the other to active risk management and supervision.

The Net Banking Income of the CIB (excluding operations transferred to Workout Portfolio Management, which is described below) was €2.86 billion in 2008 [(2)] compared to €2.57 billion in 2007.

CIB RESTRUCTURING PLAN

Following the worsening of the financial crisis and the bankruptcy of Lehman Brothers in mid-September 2008, on December 18, 2008, Natixis' Supervisory Board approved a restructuring plan proposed by Management designed to profoundly transform the activity of the CIB division.

The measures adopted include:

- The termination of the principal finance and proprietary structured credit investment activities in the Debt and Finance business line: these proprietary activities have been halted, and a segregated structure has been created to optimize management as the business is phased out.
- The termination of the most complex market activities.
- A renewed focus on strategic customers and customer activities, including large corporate customers in France and in Southern Europe, corporate mid caps in France, institutional investors in Europe and structured financing customers in the international market.
- A narrower international presence: involving sharp cutbacks in Asia (termination of most market activities, with maintenance of a simple customer-based service) and in the United States (termination of equity derivatives operations and plain vanilla financing for corporate customers) and closure of marginal offices (particularly in South America).
- The enhancement of risk management in all activities.
- A reduction in staff and costs: The impact of the termination of the most complex or high-volatility market activities will result in a 40% staff reduction in the activities concerned. Overall, CIB staff is expected to be reduced around 10% in 2009: at the end of 2009, the total workforce will fall to less than 5,000 employees, after having reached a maximum of 5,700 employees in March 2008. This will also result in a 10% reduction in the direct fixed costs related to CIB.

Creation of a segregated structure

Natixis has created a segregated structure within the CIB, known as GAPC (*Gestion Active des Portefeuilles Cantonnés*, or Workout Portfolio Management), to manage the phase down of activities involving assets most impacted by the crisis and those that are no longer considered part of the core business in light of the new strategic focus on customer activities. These activities include primarily the principal finance and proprietary structured credit investment activities, credit-correlation activities, portfolios of mortgage-based securities for the ABM Corp subsidiary in New York and the most complex operations within the interest-rate and equity derivatives business lines. In total €31 billion in risk-weighted assets (value as at December 31, 2008) have been transferred to the GAPC. *(See the Management Report in Chapter 6)*.

(1) GAPC: Gestion Active des Portefeuilles Cantonnés (Workout Portfolio Management).

(2) The division's total net banking income includes that of the three business lines, as well as other net banking income of €0.34 billion, which includes €0.54 billion from Credit Portfolio Management.

Main Rankings and Awards in 2008 *

- **No. 1 in primary equity capital markets in France** by number of transactions (Natixis and Lazard-Natixis) and **No. 4** by amount of issues *(source: Bloomberg)*;
- **2nd best broker in French securities** (Natixis Securities) *(source: Agefi-Thomson Extel Focus France)*;
- **No. 1 Mandated Lead Manager (MLA) on real estate finance in France** and No. 4 MLA in the Europe, Middle East and Africa (EMEA) zone *(source: Dealogic- January 2009)*;
- **No. 2 book runner on French corporate bond issues in euros** and **No. 2 book runner on bond issues from French AAA issuers in euros** *(source: Dealogic Loanware)*;
- **No. 2 MLA on LBO financing in France by amount** *(source: Agefi Hebdo/Dealogic)*;
- **No. 4 book runner on the worldwide market for covered bonds in euros** *(source: Dealogic)*;
- **No. 10 book runner on bond issues in euros** *(source: IFR)*;
- **No. 10 MLA book runner on syndicated loans** in the EMEA (Europe, the Middle East and Africa) zone by number of transactions, No. 19 by amount *(source: Dealogic)*;
- **"Eurobond deal of the year"** by IFR and **"Euro high grade deal of the year"** by *Credit Magazine* for the GDF-Suez bond issue co-managed by Natixis;
- "**Aeronautical financing transaction of the year**" for the transaction arranged for the manufacturer Embraer, by Air Finance Journal;
- **5 transactions won awards in aeronautical financing** from Jane's Transport Finance for their innovative characteristics: Turkish Airlines, Qatar Airways, TAM, Air Asia and Jet Airways;
- **"Best Rail Financing Transaction Europe"** for financing Angel Trains, awarded by Jane's Transport Finance;
- **6 awards in project financing: "Best financing transaction of the year"** for the transactions arranged by Natixis, awarded by the specialized magazines *Project Finance Magazine and Project Finance International*;
- **"Best trade bank of the year" in commodities financing in the metals category** from the specialized magazine *Trade & Forfaiting Review.*

* *Updated February 2009.*

CORPORATE AND INSTITUTIONAL RELATIONS

The Corporate and Institutional Relations department provides the Coverage function for all corporate and institutional customers in France and internationally, and directly manages three activities: straight financing operations, cash management, and mergers and acquisitions advice. It also manages the subsidiaries and branches around the world, with the exception of Asia and North America.

Coverage: close relations with customers

Coverage coordinates marketing and sales activities at customer level across all business lines with a focus is on controlling risk and optimizing overall profitability from client relationships over the long term. Coverage offers the full spectrum of Natixis services and businesses, including CIB, asset management, private equity and private banking, services and receivables management.

The department maintains close-knit relations with almost all major French corporations and institutions and is well-entrenched in the medium-to-large French company segment. Internationally, Natixis has close relationships with the main corporations and institutions, particularly in Europe.

The marketing and sales approach is structured to include senior bankers, sector groups and regional departments, with priority given to local customer relationships and sector expertise; this approach is organized by client type: companies and investment funds, institutional and public-sector clients, and natural resources.

The size of the network was reviewed at the end of 2008, and two regional departments where closed (reduced from 11 to 9), as were centers in the Paris region (reduced from 5 to 3) and several offices abroad, among them offices in Panama, Bogotá and Teheran.

Financing

Straight Financing is the basis of the client relationship, from which other services are offered. The business optimizes use of Natixis' regulatory capital, making use of syndication and securitization, managing a portfolio of the main credit lines, and selectively allocating commitments according to the prospects for developing Natixis' other products and services; in doing this, the bank relies on its recognized sector experience in certain economic areas, particularly in luxury goods, food processing, telecommunications and IT services and the automobile industry.

Some examples of financing transactions completed in 2008:

- in France: SFR (acquisition of Neuf Cegetel), Tereos, Aker Yards (performance bond), Clarins (financing the Public Repurchase

Offer), EDF (acquisition of British Energy), Renault, Gaumont, Energy Capital Partners, Gazprombank;

- internationally: Nordzucker (acquisition of Danisco), Acciona (acquisition of Endesa), Ferrovial, Finmeccanica, Lucchini, Region de Lazio.

Cash management

Natixis offers its clients cash-management services to meet their requirements for disbursements, receipts and cash-management at the national, European and international levels.

In 2008, the business line continued optimizing its organization and its processing of operations. It obtained an extension to its ISO 9001 certification to cover the implementation of cash-management solutions on the client's premises; until then, the certification was reserved for designing products and services and processing operations.

The cross-company Projects business, which focused on the development of new applications and new products, remained busy, particularly with the introduction of the SEPA payment transfer [1] and the BIC IBAN service. In January 2008, Natixis was the first European bank to issue a SEPA payment on the Euro Banking Association (EBA) exchange system. Natixis confirmed its role as advisory bank, providing its expertise to its customers on topical subjects: payments within Europe, the development of banking communication and cash management. The increase in volumes and associated income shows the effectiveness of the marketing operation.

Mergers and acquisitions

Natixis Finance acts as a mergers/acquisitions advisor, particularly to corporate midcaps, financial institutions and private equity funds; it has special expertise in the utilities and infrastructure sectors as well as in real estate.

In 2008, Natixis acted as consultant to GDF in the divestiture of Coriance, to PAI in the divestiture of Stoeffler, to Malteurop in the acquisition of ADM Corp., to IBM in the takeover bid/public repurchase offer on ILOG, to La Poste in outsourcing part of its premises, to Cube Infrastructure Fund (Investment Fund) in its investment in SAUR and to CDC Capital Investissement in the Socotec transaction.

DEBT AND FINANCE

Debt & Finance designs customized financing and investment solutions for Natixis' corporate and institutional customers. These solutions combine Natixis' expertise in the areas of specialized origination, credit structuring and distribution. The department is organized in four business lines: Structured Finance and Commodities, Real Estate, Debt Solutions and Securitization on behalf of clients.

Structured Finance and Commodities

Structured Finance and Commodities provides Natixis' customers with global expertise as an arranger, based on an integrated value chain: investment, advisory services, debt structuring and distribution. It includes 7 complementary business-lines:

- *Aeronautical Financing:* Natixis, via its wholly-owned subsidiary Natixis Transport Finance, remains a key player in the market for aeronautical financing, a worldwide market that refocused on a few core participants in 2008. Involved in aeronautical finance for more than 30 years, Natixis is currently financing nearly 500 aircraft of all models and has developed a full range of financing solutions (advance-payment financing, fiscal *leasing*, Islamic finance, export credits, etc.). In 2008, five transactions won awards from Jane's Transport Finance for their innovation (Turkish Airlines, Qatar Airways, TAM, Air Asia and Jet Airways) and the transaction arranged for the manufacturer Embraer was elected "aeronautical financing transaction of the year" by Air Finance Journal.
- *Financing assets for maritime and land transport:* Natixis is a major participant in this business, with more than 400 assets and more than 80 clients financed in ten years. Based in Paris, with offices in Hong Kong, Singapore, New York and Dubai, the activity is geographically diversified and finances a wide range of assets (oil-tankers, chemical tankers, gas tankers, bulk carriers, containers and container vessels, ferries, offshore platforms, etc.). In 2008, more than 30 transactions were successfully arranged and syndicated, including Emarat Maritime (Dubai), Vantage Drilling (Houston), Shipping Corporation of India (India) and Socatra (France). As part of its financing of land transport, the "Angel Trains" transaction won the "best rail financing Europe" award from Jane's Transport Finance.
- *In project financing,* Natixis offers a full range of products throughout the world: financial advisory services, arranging, subscription and acquisition of interests in senior and

(1) SEPA: Single Euro Payments Area.

subordinated bank financing, syndication, agent services, hedging products, etc. The structure is organized in four sectors (infrastructure/environment/public-private partnerships, electricity and renewable energy, natural resources and telecommunications) over 8 regions (Paris, London, Dubai, Madrid, Milan, New York, Hong Kong and Sydney). In 2008, Natixis was No. 15 by amount in MLA for the EMEA zone, No. 10 in North America and No. 19 in the world *(source: Infrastructure Journal).* Six awards for "Best financing transaction of the year" were awarded by the specialized magazines Project Finance Magazine and Project Finance International for transactions arranged by Natixis, including 3 for North American: YahSat (2 awards), Tuin Zonn, Topaz Power, Southwest Gen/Black Hills and Kleen Energy.

- *Acquisition and LBO financing* provides recognized expertise as an MLA, and acts as book runner on a complete range of financing solutions (senior, subordinated, LBO, LBI, Build-up) for wide and innovative coverage of financing requirements (family business transfer, hive-offs, stock market exits, secondary LBOs, mixed LBO/real estate and LBO/ infrastructure operations, etc.). In 2008, in spite of an economic climate with limited access to liquidity, Natixis remained a major player in the domestic market, with 9 transactions successfully arranged and syndicated, among them the key Converteam, Maisons du Monde and Socotec transactions. Natixis was ranked No. 2 MLA in France in 2008 by amounts *(source: Agefi Hebdo/Dealogic).* Natixis also continued to develop these skills internationally, particularly in Italy, where it arranged 3 of the 5 most important LBO financing transactions of the year: Giochi Preziosi (senior debt of €375 million), Guala Closures (senior and mezzanine debt of €428 million) and most importantly, N&W (senior debt of €470 million).
- *Financial engineering* arranges customized structured financing for corporate and institutional clients: optimized financing, equity financing (financing share acquisitions, equity-backed financing, monetization of shares, secured loans replicating the profile of a financial instrument, etc.), and asset financing (deconsolidation and monetization of contracts). In 2008, this model, based on transactions that are diversified, innovative and very selective in terms of risk and counterparty, allowed Natixis to support its customers (particularly Essilor, Nissan America, Groupe Arnault, Socatra, Auchan, Rallye, Apax and Colony), in a difficult economic climate. Financial engineering has continued to develop its products aimed at large corporate clients, shipping companies and airlines.
- *Commodities financing* combines sector expertise (energy, metals, agricultural commodities) and geographical specialization (Commonwealth of Independent States, Central and Eastern Europe, Latin America, North America, Africa and Asia). The business line maintains active relationships with all those involved in the value chain (producers, importers, traders and services companies) through a team of 120 account executives specialized in this market and the requirements of clients. In 2008, it confirmed its expertise in arranging major facilities in pre-financing and by supporting consolidation in the metals and energy sectors. The specialized magazine *Trade & Forfaiting Review* voted Natixis "best trade bank of the year" in the "metals" category; 5 transactions arranged by Natixis also won the "best transaction of the year" award from the magazine *Trade Finance*: Kazakhmys (Kazakhstan), Total Gabon (Gabon), Cocobod (Ghana), H&H - Huomei Hongjun Aluminium & Electricity (China) and Metalloinvest (Russia). The sector also has intensified development of cross-selling with the Group's other business lines (export finance, employee savings schemes, bond issues, primary equity capital markets in the United States, project financing, Coface and commodities derivatives).
- *Structured Export Finance:* the activity meets the financing and payment-security requirements generated by international contracts, particularly cross-border financing, through the Global Trade Services (GTS) range. GTS's international contracts are based on a variety of underlying assets including raw materials, capital equipment and services, turnkey projects, and investments involving export credit agencies. The mandates won by GTS, particularly in export financing (Areva, Cobra/Pemex-Brazil, ISOLUX/CFE-Mexico, Bhushan Steel-India, Dassault-Turkey, MBDA-Peru) confirm the development of the business in France and in the international level.

Real Estate

The Real Estate business line covers Real Estate Financing (REF) for institutional customers on all types of assets (offices, residential, hotels/leisure, commercial), in Continental Europe and the United States, as well as short/medium-term equity transactions via a dedicated subsidiary, Natixis Immo Développement.

In 2008, REF downsized its activities, while continuing to meet the needs of its historical customers (AxaReim, Nexity, Altarea/ Cogedim, etc.,) and confirmed a strong position in France (No. 1 with 6 transactions arranged as MLA, representing a 35% market share) and in the EMEA zone (No. 4 MLA with 9 transactions) (sources: *Dealogic*). REF began to reduce its portfolio of commitments in 2008, particularly through an active policy of syndication.

In spite of the significant slowdown in the U.S. real estate business, REF maintained a presence in the U.S. real estate finance market, carrying out 11 new syndicate transactions that were widely distributed among investors and participants. By focusing on syndication and the sale of debt and subordinated interests in debt, actively managing the portfolio and covering credit risks, REF reduced its outstanding loans by about 44% during 2008.

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Debt Solutions

The Debt Solutions teams are involved in all financing transactions originated by the CIB, to configure, assemble and structure them for the markets in which they are to be placed: bank syndication, sale to investors.

- *In the syndicated loan market,* Natixis is recognized for its ability to structure and distribute loans: corporate, financial institutions and structured finance. Based in Paris, London, New York, Hong Kong and Singapore, the teams operate in Europe, the Middle East, Africa and Asia. Natixis is also a regular player in the secondary loan market. In 2008, in spite of tightening liquidity, the business performed comparably to the previous year. Natixis is in 10th place in the EMEA zone with 45 transactions finalized as MLA/Bookrunner, among them Rexel, Grupo Planeta, Groupe Gascogne, Faurecia, Cofidis, NordZucker and Orchestra, and is placed 19th by amount *(source: Dealogic).*
- *Debt engineering* has an objective of developing debt products and balance-sheet solutions specifically adapted to Natixis' clients and their shareholder groups, as well as financing solutions for companies that are being restructured. In 2008, the "Horizon PME" debt fund, dedicated to the long-term financing of small-to-medium-sized business clients of the Banques Populaires and the Caisses d'Epargne, was officially launched and successfully finalized its first transactions. The "debt repackaging" business financed the purchase of the network of Virgin Megastores in France by Butler Capital Partners.
- *Debt Solutions North America* provides clients of Natixis with access to the American debt markets (public and private), and offers American issuers global coverage of their debt requirements. Based in New York, it offers integrated expertise in origination, structuring, implementation and syndication of syndicated loans, Company debt, secured loans, Company securitization, municipal debts and risk transfers. In 2008, Debt Solutions North America took part in 6 major transactions, in close collaboration with the structured-finance activities. These transactions were syndicated on the American market.

Global Debt Origination

In association with the "Capital Markets" and "Debt and Finance" activities, a cross-company origination team is dedicated to any problem involving debt financing, mainly in euros, using techniques in the markets for credit syndication, primary debt capital markets and securitization. The team offers Natixis' customers the most appropriate solutions for their situations.

Securitization

Natixis is a recognized player in the securitization market, in the United States and in Europe, focused on the specific requirements of its customers. This business line offers alternative and competitive sources of financing to customers of the bank, corporations and financial sponsors. Natixis works as a structurer, arranger, syndication lead manager and as counterparty for interest rate and/or foreign-exchange swaps for securitization vehicles. The underlying assets include: trade receivables, bank debt (personal loans, mortgages, consumer loans, credit cards, automobile loans, etc.), student loans, commercial mortgage-backed securities, collateralized debt obligations, subscription loans, and insurance risks.

Natixis also offers a *warehousing* service to its clients, allowing them to monetize their asset portfolios by placing them in dedicated conduits (Direct Funding, Elixir and Versailles), prior to their placement.

In a difficult economic environment, Natixis has developed its U.S. advisory business, particularly in acquisitions/divestitures. The bank gives its clients access to its specialist knowledge of complex structured products, its sophisticated analysis tools, its privileged relationships with purchasers and sellers of structured assets, and the dynamism of its marketing teams. It also has a sound reputation with a large base of investors, allowing it to refinance effectively. In 2008, Natixis securitized $1.5 billion of assets (Asset-Backed Securities – ABS) in the United States, excluding CDOs and mortgages.

In Europe, the business has refocused on arranging the financing of debt portfolios and distributing securities backed by portfolios, for companies and financial institutions, including insurance companies. The financial crisis and the transition to Basel II have encouraged transactions giving access to liquidity for the sellers. In this capacity, Natixis arranged or co-arranged 4 real-estate bond programs.

The development of the swaps securitization activity facilitates execution of transactions on the capital markets. Natixis has thus adapted its range of products to the requirements of its bank customers, hedge funds or corporate issuers.

CAPITAL MARKETS

Natixis, a recognized player in European capital markets, offering its customers a diversified and customized range of products in the interest rate, foreign-exchange, commodities, debt and equity markets.

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Interest-rate, foreign-exchange and credit markets

Natixis offers its customers investment and hedging products in foreign-exchange, interest-rates, credit and emerging markets:

- forex teams give quotes on simple or more complex products in the main currencies;
- the interest-rate activities give quotes on cash products in euros (government bonds) or simple or complex derivatives (including inflation) in European, Asian currencies or currencies in the Americas;
- the credit sector includes the origination and trading of public or private bonds or credit derivatives;
- in emerging markets, Natixis offers interest-rate, credit and foreign-exchange products, and continues to grow by following a niche strategy including geographical positioning to develop the other activities of the bank (China, Russia, Vietnam).

All of these products rely on a large research system and distribution teams organized by type of customers (corporate, financial institutions, customers of our shareholders or local authorities), and for institutional customers by type of product.

The business is mainly established in Europe (Paris, London, Milan, Madrid and Frankfurt), but is also carried out through trading and distribution platforms in Singapore and New York.

The significant events of 2008 were as follows:

- **the interest-rate and credit** sectors suffered from the financial crisis in several segments of their business: exotic operations involving interest rates and hybrid interest/exchange rates, as well as loan portfolios (ABS, covered bonds, corporate, financial and High Yield) suffered from the high volatility of markets and lack of liquidity;
- **commercial** activities have nevertheless stood up well in this difficult environment, based on close local relationships with clients. The distribution teams improved their commercial performance by 20% in terms of contributions per customer over 2008;
- **in the primary bond market,** 2008 saw Natixis ranked among the 10 best-performing banks in the Euro market, maintaining its rank as a first-rate player in Euro-denominated covered bonds, and confirmed its leadership in the public sector and among French corporate issuers.

Ranking on 31.12.2008	Product	Source
No. 10 bookrunner	Bond issues (in euros)	IFR
No. 4 bookrunner	€ covered bonds	Dealogic
No. 2 bookrunner	Bond issues by AAA French issuers	Dealogic
No. 2 bookrunner	French corporate bonds (in euros)	Dealogic

In 2008, Natixis managed several noteworthy issues, among them: the GDF Suez transaction was recognized as the "*Eurobond deal of the year*" by IFR and "*Euro high grade deal of the year*" by *Credit Magazine*, the corporate issue transactions for Danone, Lafarge and Bouygues, all for amounts greater than €1 billion; the inaugural issue from SFEF, recognized as the "*Euro Supranational/Agency bond of the Year*" by Euroweek, together with their second transaction, which both constituted the largest issues underwritten in this market in 2008; covered bond transactions for the Royal Bank of Canada, Sparebank 1 and BCP Millenium, which were the first covered transactions managed by Natixis in Canada, Norway and Portugal; two leading Spanish issues, those of Caja Madrid (€1,250 million) and the inaugural covered issue from Bankinter (€1,500 million); long-term (more than 10 year) issues from the French agencies SNCF and RATP and the Dutch agency BNG; the first issue underwritten by the Dutch government for the investment bank NIBC; lastly the inflation-indexed issue from the Agence France Trésor (€3 billion).

- **the foreign exchange sector** continued its development (2nd best worldwide increase by volume of operations handled, according to the Euromoney 2008 survey), strengthening its trading systems; it now has a 24 hour a day service from platforms in Singapore, Paris and New York, with an expanded range of products, while maintaining profitability.

The interest-rate, foreign-exchange and loan business constitutes, after segregating the most complex products, one of the bank's long-term activities, both in support of financing activities and to meet the requirements of priority clients, particularly institutional clients.

The Treasury and Arbitrage team ensures that the entities of the Natixis Group are refinanced over the short, medium and long terms, and carries out arbitrage transactions on interest-rates and loans (relative value).

Commodities Markets

In 2008, Natixis continued to develop its OTC [1] derivatives platform on underlying commodities. It now offers a complete range of derivative products on a number of families of underlying assets: base and precious metals, energy and agriculture. Also, Natixis Commodity Markets (NCM), a subsidiary specialized in intermediation and trading on commodities, continued to develop the use of its electronic order-entry platform for its customers. NCM, present in London, New York, Hong Kong and Tokyo, offers services from execution to clearing on the various commodity markets.

The high volatility in commodity markets during 2008 drove clients to make massive use of derivative products to hedge their risks. In this context, Natixis has continued to win market share with clients such as consumers, producers, traders or investors interested in commodities as products to diversify their portfolios. Natixis is currently developing an Energy trading platform in the United States.

The synergy between the Structured Finance and Commodities teams allows Natixis to offer its clients a wide range of products combining financing and risk hedging related to high market volatility.

Equity Markets

Natixis has developed great expertise in equity markets in the areas of brokerage, arranging of primary transactions, and the structuring and sale of hedging or investment products.

Natixis Securities

In the context of extreme market conditions in 2008, Natixis Securities showed a strong performance in the share-intermediation business.

A specialist in the French market, Natixis Securities has a multi-product distribution platform (cash equity, lending transactions in partnership with Natixis Asset Management and Natixis, listed derivatives and bonds) serving a large customer base (900 customers in Europe, the United Kingdom and the United States).

In addition to being specialists in all products of the French market, Natixis Securities' research teams cover the major European corporations. Natixis Securities has been ranked for the second consecutive year as the No. 2 broker in French securities in 2008: No. 1 broker for trading and execution services, and No. 2 for research in France, with more than 340 securities monitored in 25 sectors. In 2008, research on French securities was ranked in the top 3 on 24 occasions, including 12 first positions *(source: Thomson Extel Focus France – December 2008).*

Natixis Bleichroeder Inc.

Natixis Bleichroeder Inc. (NBI) is an American broker-dealer registered with the SEC, which offers institutional and corporate customer services covering brokerage, order execution, prime brokerage, lending transactions, advisory services and access to stock markets. NBI covers 55 world markets and its trading services are available 24 hours a day. In 2008, NBI consolidated its expertise in the brokerage of American Depositary Receipts (ADR) traded over-the-counter.

In spite of the significant drop in stock markets, the American institutional sales team had a performance in 2008 that was superior to that of the previous year, due to a strong diversification of its customer base.

In the area of research, NBI's reputation is growing in the three areas in which it specializes (energy, health and media), and it received an award in 2008 from "Institutional Investor All-American Research", a well-known survey.

Equity Capital Markets

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

In 2008, in spite of the particularly difficult economic climate, Natixis and Lazard-Natixis confirmed their first-rate position in the business in France, together being ranked No. 1 by number of transactions, with 11 transactions managed by Natixis and Lazard-Natixis as the lead manager and bookrunner, and No. 4 by volume *(source: Bloomberg).*

Natixis structured and managed several significant transactions during the year: in May 2008, the OCEANE issue [2] of €150 million for Vilmorin (the only significant convertible issue last year), the accelerated placement of €920 million of Vivendi shares in March (2nd largest block sale of shares by size in 2008), the two restructuring transactions carried out for Eurotunnel, respectively for €800 million in February and €915 million in May, the €375 million increase in the capital of Altarea in June (the only significant transaction in the real estate sector), the €130 million increase in the capital of Altran Technologies in July, and lastly, Natixis acted as global coordinator to manage the €3.7 billion capital increase for Natixis in September. The bank also managed the issues of OBSAAR [3] for NextradioTV, Havas and Akka Technologies.

(1) OTC: Over The Counter.

(2) OCEANE: bonds with the option for conversion into new or existing shares.

(3) OBSAAR: bonds with redeemable share purchase warrants.

Equity derivatives

Both in the primary and secondary markets, Natixis offers its customers a wide range of equity derivative products for hedging and investments based upon a wide variety of underlying assets and investment instruments. In spite of a second half-characterized by high volatility and a general drop in stock-market indices, equity derivatives continued to pursue their objective of developing a balanced business mix in 2008. During the year, the business line focused on:

- arbitrage activities, based on the introduction of its own NORTH technical platform and the continuation of its policy of direct membership of various stock markets (particularly Tokyo, Hong Kong and Northern Europe); this strategy aims to expand the range of tradable underlying assets;
- the consolidation of the Equity Finance teams present in three geographical zones (Europe, Asia, USA), whose recognized expertise ensures Natixis a place in the worldwide top 10 *(source: International Securities Finance);* particular investment has been made in asset managers;
- flow-management products, particularly through a variance swap business aimed at asset manager clients. Also, a platform (Natixis Direct) for products and services is made available to personal banking clients.

Corporate Solutions – Nexgen

The Corporate Solutions teams offer customers customized and innovative solutions for managing and optimizing their balance-sheets or transferring their risks during restructuring and acquisition transactions, as well as a capacity to execute such transactions of recognized quality. With a team of 150 persons and present in 12 countries, Corporate Solutions is aimed at a large international corporate client base located in Europe, the Middle East, in Asia (North and Southeast), in India and in the Americas.

The Corporate Solutions team carried out 117 transactions in 2008, up from 90 in 2007. These transactions were carried out in Europe, the Middle East and Asia, with strong development of the business in Asia and the Middle East.

For the Corporate Solutions business, the economic environment remained favorable until September: over the first nine months of 2008, 99 new transactions were carried out, up from 71 over a comparable period in 2007. In the last quarter of 2008, in the context of a worsening financial crisis, the business was mainly concentrated on restructuring transactions carried out with core clients.

Overall, during 2008, the Corporate Solutions business retained its profitability in spite of the crisis.

Tailor-made Structured Products (Alternative Assets)

Natixis is a recognized player in structuring and managing funds, present in the United States, Europe and Asia.

In 2008, the creation of a marketing team dedicated to the range of Alternative Assets products opened up new geographical zones such as the Middle East and extended the customer base to fund managers.

The range of funds-based derivative products had constant business in the first semester 2008, unlike in the second half of the year, which was gradually impacted by the financial crisis. Currently considered non-strategic, the business is now concentrated on restructuring transactions aimed at reducing risk, both incurred by Natixis and by its customers. Factors such as hedge-fund risk aversion, the lack of liquidity and external events, such as the Madoff fraud, have weighed heavily on the performance of portfolios.

Natixis has continued to develop of specialized alternative management products. Natixis Capital Partners, a subsidiary specialized in the real estate sector, introduced its third investment fund, Captiva, whose regulatory capital stood at €420 million at the beginning of 2009. Other “new generation” products, providing enhanced transparency and covering assets in which Natixis has expertise (such as ABS and commodity financing) have also supplemented the product range.

Natixis Alternative Investments International

Within a secure framework, Natixis has developed activities in asset management on behalf of third parties having strong business and marketing synergies with the CIB and aimed at French and international institutional investors.

Grouped in the Natixis Alternative Investments International holding company, the activities include:

- the management of the *greenfield* and *brownfield*, infrastructure funds;
- the management of environment and sustainable-development funds (the carbon fund, the renewable-energies fund);
- the management of insurance risk transfer funds (*alternative risk transfer*);
- European industrial and commercial real estate funds;
- a range of managed funds and alternative multi-management funds;
- the management of specialized and structured funds.

THE NORTH AMERICAN PLATFORM

Constituting an extension to Natixis’ global product line, the Corporate and Investment Banking division’s North American platform offers customized solutions and first-rate service to institutional customers, companies and local authorities in the American market. These services are mainly offered by the New York subsidiary and the subsidiaries Natixis North America Inc.

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and Natixis Bleichroeder Inc. Their dedicated teams, specialized in structured finance and some capital markets activities for companies and institutional investors, are mainly located in New York and the New York region, with some activities located in Boston, Houston and Los Angeles.

Since May 2008, the North American platform has implemented a series of measures aimed at regrouping its businesses in accordance with Natixis' plan to restructure the businesses of the CIB. It also continues to meet the needs of its customers coping with difficult markets, offering them solutions to meet their financial objectives or aiming to minimize the impact of market volatility. Furthermore, senior management, business-line managers and the risk-management teams have worked assiduously to reduce the risk profile related to the American operations.

Responsive to market trends and aware of the requirements of its customers, the North American platform also expanded Natixis' foreign-exchange activity in 2008, offering financial institutions and capital managers based in the United States a more complete range of products and services, combining consulting, analysis and the provision of an electronic brokerage platform. The North American establishment has also enhanced its *Debt Solutions* business, for issuing, structuring and distributing syndicated loans, private bond issues, secured loans, securitization, local-authority bonds and risk transfers.

THE ASIAN PLATFORM

Natixis is present in 12 countries in Asia via a platform created in 2008, which includes the "Financing" and "Capital Markets" businesses. It seeks to support French clients in the Asia-Pacific region and to build a portfolio of regional large accounts.

Institutional and Corporate Finance:

Coverage was enhanced in 2008, particularly in the Energy sector, and financial sponsors now have a targeted geographical and sector network that works to complement the specialized business lines. Significant transactions have been carried out: the Fraser & Neave and Parkway Holdings market transactions in Singapore, those for Tata Communications in India and those for PCCW in Hong Kong; factoring transactions in China and matched funding in India (including Videocon with the assistance of Coface), and a growing number of export credits in Indonesia, India, Vietnam and Malaysia benefit from Coface, Hermes, KEIC or Sinosure coverage. Among financial institutions, despite a sharp slowdown in activity, Natixis has remained among the market leaders in India (Punjab National Bank, Bank of India, HDFC Bank, Indian Overseas Bank), and has developed new relationships with certain funds such as La Salle Asia Opportunity Fund (Singapore) and Khazanah (Malaysia).

Structured and Commodities Finance:

- *In project financing,* the business had a remarkable debut as MLA in Australia (4 mandates, including DUET and Sydney Airport; No. 11 MLA in project finance in Australia, *source: Dealogic*), as well as a breakthrough in Asia, with the key Lion Power operation in Singapore (purchase of Senoko Power by GDF Suez/Marubeni).
- *In aeronautical finance,* Natixis continued to display its leadership, particularly in China (Air China, Shanghai Airlines, Hainan Airlines), India (Jet Airways) and in Southeast Asia (Lion Air in Indonesia and Air Asia in Malaysia).
- *In financing for shipping and land transport,* some 15 mandates were awarded in 2008, among them: Samudera and Mermaid Maritime (Singapore), Arpeni (Indonesia), PetroVietnam Transportation (Vietnam), STX PanOcean (Korea), SCI Forbes (India) and Emarat Maritime (Dubai).
- *In the financing of acquisitions and LBOs,* the Hong Kong and Sydney teams continued their strategy of moving upmarket, based on a very selective approach to risk, with their first mandate as arranger awarded in Australia (Lindores).
- *In commodities financing*, in 2008, the business was refocused on the main producers and importers in each country, and emphasis was placed on structured operations. Further success came through some 10 mandates as arranger in China (H&H and Coalmine pre-financing), in Southeast Asia and Oceania (RBL financing for Oil Search and Salamander Energy), and in India (Reliance Industries).
- In addition to these activities a regional *banking syndication* platform was put in place in 2008. Natixis was ranked No. 17 as MLA in syndicated loans in 2008 in the Asian zone - excluding Japan *(source: Loan Connector).*

In Capital Markets

As part of the CIB restructuring plan presented at the end of the year, the exotic interest-rate and equity products were halted, mainly in Tokyo. The plain vanilla cash, foreign-exchange and interest rate activities have been maintained and will continue to be developed.

Research commands strategic priority status

Economic research

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

Credit research

The Credit Strategy and Analysis teams combine quantitative and fundamental approaches that result in in-depth and independent analyses of 90 private euro-zone bond issuers. They also study trends in the credit market (developing new segments, such as government-underwritten debt) or problems specific to the credit market (Company liquidity). A range of publications offers clients the best opportunities available on the market at any given time.

Financial analysis

Natixis Securities was ranked No. 2 in December 2008 for research in France, with more than 340 securities monitored in 25 sectors. In 2008, research on French securities came in the top three on 26 occasions, including 12 first positions *(source: Thomson Extel Focus France – December 2008).*

Quantitative research

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

SUPPORT FUNCTIONS

Active risk management and supervision

The role of the Active Risk Management and Supervision structure (ARMS), in coordination with the risks department, is to advise the CIB division in the strategic management of the business. ARMS is responsible for Credit Portfolio Management (CPM), the objective of which is to manage commitments with a view to reducing concentration (sector, geographical, etc.) and outstanding loans. ARMS also directs the Special Affairs and Disputes department, the bank's center of expertise on cases of companies in difficulty. Lastly, ARMS runs the structure for the special segregated GAPC activity mentioned above.

Systems, organization, operations and finance

Cost control, risk control and operational rigor

The CIB's Systems, Organization, Operations and Finance Department covers the entire processing sequence for the segment's products.

Its teams were kept particularly busy in the difficult context of 2008. They managed the crisis on a day-to-day basis, increasing checks on the transactions of the most risky counterparties. They also absorbed peaks of activity and controlled operational risk through increased checks, thus meeting new regulatory requirements. They also undertook measures to optimize and reduce costs, as part of the bank's cost-reduction plan, were also undertaken.

Achievements 2008

Numerous projects were carried out to enhance operational efficiency in a sustained and structured manner.

All processes were optimized in all of the department's activities, to increase productivity gains. The teams were also heavily involved in the bank's large common projects.

The Information Systems Department continued system decommissioning and thus achieved post-merger synergies. Infrastructure management was optimized and basic services, such as IT hosting, were pooled at the Group level. The Research portfolio was adapted to the bank's new strategic requirements.

In the back-office, productivity gains took place on the control of cash management and STP * was introduced for equity market settlement/delivery. The back office for cash-management activities for provincial business centers was gradually centralized, as were the functions monitoring commitments in Europe.

At the middle-office level, information systems security was enhanced, the Financing middle office was reorganized and the redistribution of the Market Data workload began.

Lastly, consistent procedures for reconciling the results of post-merger market activities were implemented in the Results Service, while a project commenced to extend the central calculation of daily P&L to the "financing" businesses and at the international level.

* *Straight Through Processing.*

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Asset Management

Natixis' Asset Management division develops a wide range of investment solutions in the form of funds, dedicated products and mandates on all asset classes (money market, bonds, equities, real estate, alternative and diversified). An innovative divisional architecture – based on a global distribution platform serviced by multi-specialist asset managers – ensures a high degree of competitiveness.

Under the aegis of the Natixis Global Asset Management holding company, the division continued its policy of development on world markets and for a wide range of clients: institutions, large corporates, intermediaries and personal customers. In July 2008, the Company was designated "Asset Management firm of the year", for its overall strategy, by the magazine *Global Investor*.

The economic and financial crisis impacted the world market for inflows in asset management, which began to contract in the summer of 2007, and especially since the end of 2008. In this new context, the amount of assets under management by NGAM stood at 446.7 billion at the end of 2008. Net inflows are practically stable. Operating income remains positive.

NATIXIS GLOBAL AM: A GLOBAL ASSET MANAGER

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

Asset Management's federal-type organization comprises the Natixis Global Asset Management holding company – which manages and ensures the consistency of overall asset management operations and also has responsibility for business development – the Natixis Global Associates worldwide distribution structure and some 20 specialized asset management companies based in Europe, the United States and Asia. Headcount totals 2,900, with almost 1,700 staff based in the USA.

This multi-boutique organizational model, which covers all asset classes and management styles, is designed to leverage the specific expertise of each asset management company to the full, while providing the advantages of a global distribution network. It is adapted to a highly varied range of clients: institutional and corporate, insurers, banks, personal banking and private-banking clients.

It responds to developments in the worldwide market for asset management, which has slowed since 2007, but for which the background trends remain: positive medium-term prospects for growth and profitability, the growth of the open architecture (strongly present in the United States and developing in Europe) and the emergence of global distributors, growing demand for integrated and customized solutions with high added-value (particularly for institutional clients, personal banking distributors and private-banking clients).

The overall market for inflows in asset management has contracted on all products except money-market instruments and in all of the main geographical zones. This began from the summer of 2007 and intensified in the third quarter of 2008 following the bankruptcy of Lehman Brothers.

This new context has impacted the division, which, after several years of growth in assets under management, saw a drop in its assets to €447 billion at the end of 2008 against €591 billion at the end of 2007. These are divided between Europe (€294.1 billion), the United States (€152.3 billion, or $214.1 billion), and with the balance in the Asia Pacific region.

The variation in assets managed is mainly explained by negative exchange effects and market effects of €70 billion and the programmed 72 billion asset withdrawals from La Banque Postale. Other than these effects, outstandings are practically stable (-€2.5 billion, namely 0.3% of total outstandings), thanks to gross inflows that remained strong in spite of the very difficult market context in the fourth quarter.

Operating income dropped slightly by 5% (in constant euros) compared to 2007, which was a record year for profits. They remain positive and the ROE is around 13%, a level that is perfectly respectable in a period of crisis. These results position the division very favorably in relation to the competition.

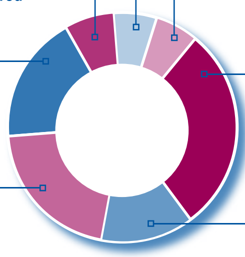
The multi-boutique model used by Natixis Global AM is evidence of its commercial and financial strength. The strategy implemented by Natixis Global AM has been confirmed. Transforming a Franco-American group into a global player remains the main ambition of the Asset Management division, through the regular extension of the range of management expertise and the development of its distribution platform, particularly in emerging zones, such as Asia or the Middle East, but also in Europe and the United States.

2009 will be another difficult year, but the division should remain in profit, thanks to its structural assets: a good competitive position in France and the United States, recognized expertise, the premium granted to the large market players, and a cost structure that is a relatively flexible thanks to its decentralized model.

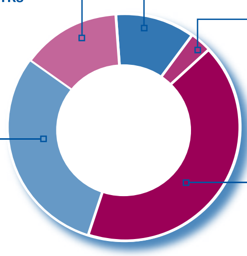
(1) Cerrulli Ranking - July 2008, covering assets under management at the end of 2007.

"A confirmed strategy as a global player, and an effective multi-boutique model"

ASSETS UNDER MANAGEMENT BY CATEGORY OF ASSETS



ASSETS UNDER MANAGEMENT BY DISTRIBUTION CHANNEL



NATIXIS GLOBAL ASSOCIATES: A WORLDWIDE DISTRIBUTION PLATFORM TO SERVE ASSET-MANAGEMENT COMPANIES

Natixis Global Associates is Natixis Asset Management's global distribution platform. Its distribution network already serves clients in about 30 countries on all continents. It markets the entire range of products of all Natixis' asset management companys, tailoring them to the needs of each country and grouping them with additional services. In the USA, Natixis Global Associates mainly targets distributors of personal banking savings products. Internationally, it services institutional clients via teams organized on a geographic basis.

In 2008, targeted actions were carried out to implement the development strategy of Natixis Global Associates. In the United States, two new initiatives were taken in the area of distribution to wealth-management consultants and institutional investors (Independent Channel and Institutional Services). Internationally, investments were oriented towards growth zones, especially Asia, the Middle East and Great Britain.

At the end of 2008, the amount of outstandings generated by Natixis Global Associates represented €63.8 billion ($89.7 billion). In an unfavorable worldwide economic environment, inflows were slightly positive in the United States, which is a considerable achievement in comparison to other comparable players, and negative in the rest of the world.

Natixis Global Associates' activities complement the direct distribution function exercised by the various asset management companies both to institutional clients in the USA and France, and to personal banking customers in France through the Caisses d'Epargne and Banques Populaires networks. With Natixis Global Associates handling distribution, Natixis' asset management companies can concentrate even more on their core business of creating performance, while reaping the benefit of worldwide commercial firepower and shared support functions.

"New initiatives to support management companies and clients"

NATIXIS ASSET MANAGEMENT: A KEY PLAYER IN EUROPE

The European asset management business managed €294.1 billion of assets at the end of 2008.

Natixis Asset Management (€273.2 billion of assets under management) is Natixis Global Asset Management's European expert, with its two subsidiaries, Natixis Multimanager, specialized in multi-management, and Natixis Epargne Financière. Natixis AM is one of the largest European asset managers and now delivers a wider range of high-performing management solutions to institutions, large corporates and personal banking customers of Groupe Banque Populaire and Groupe Caisse d'Epargne.

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In 2008, Natixis Asset Management registered a sharp drop in the volume of its assets under management, related to a strong negative market effect and the programmed exit of €72 billion of assets from CNP's life insurance contracts distributed by La Poste, which occurred at the end of 2008.

Other than this exceptional factor, the impact of which was marginal in terms of income, considering the difficulties that appeared in dynamic money-market products and which were checked during the year, Natixis Asset Management stood up well, gaining market share in France and achieving second place for open funds in Europe.

The Company continued implementing its strategic plan. It adapted to the new context by increasing local relationships with clients, rationalizing the range of open funds and enhancing product expertise, particularly for the euro. Natixis Asset Management also confirmed its marketing ambitions to independent wealth-management consultants by taking a 25% stake in the capital of the Dorval Finance management company.

In 2008, Natixis Epargne Financière, a common distribution entity serving the networks for the Banques Populaires and Caisses d'Epargne groups, was established. Its purpose is to support the networks in their policy of developing sales of mutual funds, mainly managed by Natixis Asset Management.

Lastly, the Asset Management division's real estate management activity continued its organizational unification and its development policy: held at 60% by Natixis Global Asset Management and at 40% by the Caisse des Dépôts et Consignations, AEW Europe, a real estate asset-management company present in 10 European countries, particularly Paris and London, manages €17.6 billion in real estate assets. A subsidiary of AEW Europe, NAMI, develops real-estate investment trusts and real-estate mutual funds in France.

The European management companies thus provide a complete range of products and services covering all classes of traditional assets: money-market, interest-rates, equities and real estate, and expertise in high added-value areas, such as structured products, socially-responsible investment and multi-management.

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

The main awards in 2008

In the 9th edition of the Agefi 2008 Asset Management Grand Prix, Absolute Asia AM Pacific Rim Equities Fund won 1st place in the "Equities Asia, excluding Japan" category.

The magazine "Mieux Vivre votre Argent" awarded a "Corbeille d'or" to the Caisse d'Epargne network for the financial management of its funds delegated to Natixis Asset Management (category "Retail banks" over 1 year). Option Finance ranked Natixis Asset Management as second in France for institutional clients. Two gold trophies (best SICAV range and diversified funds – "Network banks" category over three years, and best overall performance – "Insurers" category) were awarded by the magazine Le Revenu for management delegated to Natixis Asset Management. "Mieux Vivre votre Argent" awarded an Excellence Label for Réactis Equilibre from Natixis Multimanager in the "Balanced" category.

AEW Europe won two "IPD EuroProperty Investment Awards" for its management in France during the last three years, one for diversified portfolios and the other for specialized portfolios.

MARKETING ACTIVITY IN THE UNITED STATES AND THE ASIA PACIFIC REGION

In the United States, assets under management for some 15 American and Asian subsidiaries stood at about $214.1 billion (€153.3 billion) at the end of 2008.

Gross inflows in asset management stood at $28 billion and net inflow remained positive at $1 billion in spite of very adverse market conditions, particularly due to the success of the "hedged equity" offer from Gateway.

The management companies acquired in 2007, Gateway Investment Advisers (definitively acquired in February 2008), specialized in "hedged equity", and Alpha Simplex, specialized in quantitative and alternative management, introduced several funds adapted to the new market environment and placed their expertise at the service of the Group. Furthermore, Natixis Caspian Private Equity was created in partnership with Natixis Private Equity, a company managing funds and co-investors in private equity in the United States.

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All of the American management companies directly provide distribution services for institutional clients in the United States. In the personal banking segment, they enjoy the support of Natixis Global Associates, which distributes products, provides advisory and structuring capabilities, and also offers related services that can be tailored according to differences in markets and distribution channels. Natixis Global Associates supplies both volume retailers and private investment advisers.

Natixis Global Associates also assists American asset management companies in developing sales of their products in the Asia-Pacific region in Singapore, Japan and Australia. In 2008, a partnership was initiated with China Industrial Bank to create an asset-management joint-venture; it should be finallized in 2009 when the required approval is obtained.

The main US awards in 2008

Fortune magazine named Ken Heebner "America's Hottest Investor." Dan Fuss was selected in the list drawn up by SmartMoney of the five best investors in the world (August 2008 edition). Loomis Sayles was ranked in the "Top Equity Fund Family" by Lipper for their performance over three years.

AEW was ranked number 1 by the Global Investor/Watson Wyatt Global Alternatives survey.

US and Asian asset management companies at end-2008

- Loomis Sayles (€75.4 billion in assets managed): management of assets (growth, core, value) and bonds (core to high yield);
- Harris Associates (€26.8 billion): management of American and international value equities;
- Reich & Tang Asset Management (€10.1 billion): management of small and mid-cap American equities, core and high-yield international bonds; money market;
- AEW Capital Management (€8.2 billion): real estate asset management;
- Harris Alternatives (€6.4 billion): alternative multi-management;
- Capital Growth Management (50%-owned, €5.1 billion): equity management;
- Gateway Investment Advisers (€5.0 billion): hedged equity;
- Vaughan Nelson (€4.8 billion): management of value equities and bonds;
- Hansberger Global Investors (€4.2 billion): management of international equities;
- Snyder (€1.1 billion): small and mid-cap American value equities;
- Westpeak (€0.8 billion): index-linked and quantitative management;
- Natixis Caspian Capital Management (51%-owned, €0.7 billion) alternative and money-market management;
- Alpha Simplex (€0.5 billion): quantitative management;
- Absolute Asia Management (€0.3 billion): management of Asian equities (excluding Japan), emerging Asian equities.

Private Equity and Private Banking

The Private Equity and Private Banking division groups business lines that are similar because of the nature of their clients, their organization and their professional practices.

Private equity is one of Natixis' historic business lines, having operated in this market for 20 years through subsidiary Natixis Private Equity (NPE). NPE is currently recognized as one of France's market leaders in private equity for small and medium-sized businesses, with a portfolio of over 650 investments and assets under management of €4 billion in 2008.

The Private Banking business is aimed at high-net-worth individual clients, through three structures established in France and internationally. It is based on the expertise of high-level specialists and offers a complete range of services, adapted to the expectations of different client segments: the wealth-management service for direct clients, the creation of products and services for high-net-worth individual clients of the Group's networks, and the marketing of products and services to independent financial advisors.

PRIVATE EQUITY

Natixis Private Equity

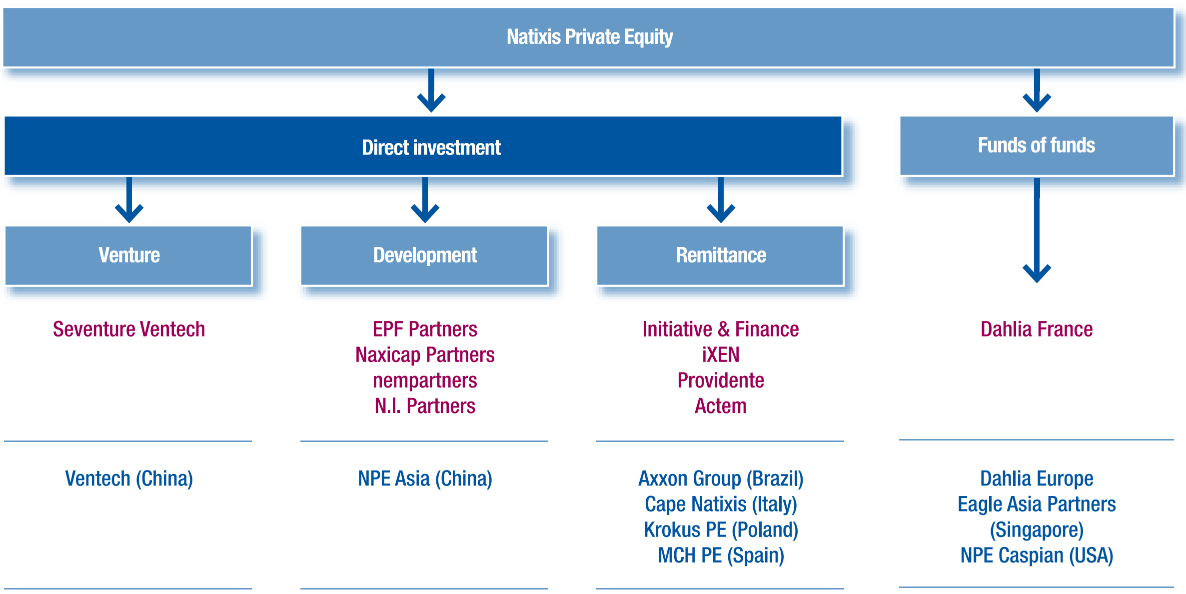
Natixis Private Equity is one of France's market leaders in private equity for small and mid-caps, a key player in Europe, particularly in Spain, Italy and Poland, and a player with growing visibility in very high-potential markets such as China, Brazil and India. NPE is devoted exclusively to small and medium-sized businesses and operates in all areas of private equity – venture capital, expansion capital, buy-out/buy-in financing and funds of funds – with 18 teams, 194 private-equity professionals and 695 investments.

The Natixis Private Equity model is based on associating small entrepreneurial teams, structured according to the economic sectors, specific issues and life cycles of the companies that they support over their long-term development.

With nearly €4 billion under management, Natixis Private Equity is one of the most important sources of capital in France for companies valued up to €500 million. NPE has supported all the funds managed by its teams since they were created and remains the main underwriter.

The presence of several major institutional investors in NPE's funds also helps to enhance visibility and its networks for the benefit of entrepreneurs both in France and abroad. This innovative business model, targeting solely small and medium-sized businesses, gives Natixis Private Equity a competitive advantage and robust growth outlook.

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



PRIVATE BANKING

> "All wealth-management solutions to meet the needs of high-net-worth individuals"

With 13.5 billion of assets under management at the end of 2008 and more than 500 employees, Natixis' Private Banking business designs wealth-management solutions meeting the requirements of high-net-worth individuals.

It relies on the expertise and experience of specialized teams to develop a wide range of products and services in the areas of asset management, insurance, tax optimization, financing and real estate.

Natixis' Private Banking business addresses three client segments:

- French and international direct clients, for wealth management;
- the Caisse d'Epargne and Banque Populaire networks, for which it has created specific services;
- independent wealth-management consultants, to whom it offers a full range of products and services through one of the leading platforms on the French market.

Its organization groups two institutions in France (Banque Privée Saint Dominique and La Compagnie 1818 - Banquiers Privés -) and an international structure based in Luxembourg (Natixis Private Banking International).

Banque Privée Saint-Dominique

Specialized in wealth-management, Banque Privée Saint-Dominique serves demanding clients with significant assets.

A genuine investment bank for the management of wealth, it has in-depth knowledge of the legal and tax issues related to business owners and senior executives. It has also developed expertise in financial engineering dedicated specifically to optimizing and financing private aspects of corporate finance transactions.

It works in close collaboration with the Natixis and Groupe Banque Populaire networks.

Compagnie 1818 - Banquiers Privés

Founded in 2005, La Compagnie 1818 - Banquiers Privés - has a considerable wealth-management department aimed at large private investors where the approach is widely based on an open architecture.

At the same time, it is developing a series of products and services specially designed for the private wealth-management sector of the Groupe Caisse d'Epargne.

It also has a significant share of the market for independent wealth-management professionals through the Centre Français du Patrimoine (CFP), which is one of the first overall platforms dedicated to this business.

Natixis Private Banking International

Established in Luxembourg since 1989 and in the United Kingdom (London) and Switzerland (Geneva), Natixis Private Banking international is dedicated to managing the wealth of an international high-net-worth clientele.

As well as providing traditional services, it has developed expertise in complex international legal and tax issues. To this end, it offers customized wealth-management structures and creates innovative investment funds and structures for personal investment and financing.

Merger of La Banque Privée Saint-Dominique and La Compagnie 1818 - Banquiers Privés

As part of its strategy, in November 2008 Natixis initiated a proposal to merge Banque Privée Saint-Dominique and La Compagnie 1818 - Banquiers Privés. The objective is to build a first-rate private bank in France to serve the two "Banques Populaires" and "Caisse d'Epargne" networks, which together represent more than 20% of the French retail banking market.

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Services

The Services division groups six complementary and interactive business-lines, both at the commercial and technical levels, organized in specialized subsidiaries, with the exception of the retail custody-services activity, which is integrated with the parent company.

The division develops competitive products and services for the clients of the bank networks and supplies complete, high-performance solutions to banks and institutional clients. Previously attached to the Corporate and Investment Bank, three activities – financial leasing, international development consulting for companies, and the banking subsidiary established in Algeria – joined the division in mid-2008.

Four of these six business lines – Insurance and Guarantees, Specialist Financing, Employee Benefits Planning, International Services – are specialized in the design of products and services marketed mainly by the "Banques Populaires" and "Caisses d'Epargne" networks.

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

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

In 2008, the Services division strengthened its presence with the two networks serving the Caisses d'Epargne and the Banques Populaires, and also developed its clients outside these two groups.

RANKINGS

- No. 1 employee savings manager in France *(source: AFG June 30, 2008);*
- No. 2 in guarantee insurance in France;
- No. 2 French player in real estate leasing in France *(source: ASF survey, March 2008);*
- No. 10 (CACEIS) in institutional custody services worldwide *(source: Global Custodian);*
- No. 2 in retail custody services in France;
- No. 3 electronic banking operator in France;
- No. 4 French player in consumer loans in France;
- No. 4 non-life bancassurer in France *(source: G11 2008).*

INSURANCE AND GUARANTEES

Insurance: an uneven year

In insurance, Natixis provides products and services covering all areas: life insurance and provident insurance for private individual clients, professionals and companies; non-life insurance marketed to private individual clients and professionals.

Life-insurance is standing up to the crisis

In a turbulent environment of economic and financial crisis and with high short-term rates, life-insurance inflows are down for the entire market. The bancassurers have thus seen a drop in activity of 13% on average *(source: G11).* Natixis Assurances, in spite of a drop of 20% in its revenues in individual life insurance, had outstandings of €31 billion at the end of 2008, slightly up compared to 2007.

The development of products and services for private clients continued, particularly via Foncier Assurance, a 60%-owned subsidiary of Natixis Assurances since June 2007 (the balance being held by Crédit Foncier de France). Totally integrated into its parent company, Foncier Assurance aims to develop significantly in the market for independent financial advisors and partnerships. The introduction of Scintilium in the Crédit Foncier network in June 2008 illustrates this diversification strategy. With a minimum investment of €1,500, Scintilium offers two tax frameworks (life insurance/personal savings plan and Capi-personal equity plan/ insurance), a wider range of instruments offered by managers of repute, as well as automatic management services (reinvestment of capital-gains in secure or higher-performance instruments, gradual investment, relative stop-loss and performance corridor)

The declared objective of strong development in high-net-worth clientele and wealth management has also resulted in significant growth in inflows on the Solévia (+2.2%) and Solévia Patrimoine (+3.7%) products marketed by Banques Populaires.

Strong growth in provident insurance

The Provident insurance activity, which is less sensitive to the financial climate, is continuing to grow and reached the objectives that Natixis Assurances set itself for 2008, with revenue up by 22%.

The revenue for Autonomis dependency-insurance contracts increased by 89%, while the number of "Multi-risk Non-Work-Related Accidents" contracts increased by 12% to reach a total of 121,000 contracts in the portfolio. There was also a 9% increase in premiums relating to Fructi-Famille, a contract for sheltering families from financial worries in case of death or absolute and definitive invalidity.

Lastly, Natixis Assurances continued the introduction of its insurance products for borrowers from the regional Banques Populaires. From January 1, 2009, Natixis Assurances' solutions are now offered in 13 Banques Populaires, representing about 80% of the new production of Groupe Banque Populaire's amortizable loan issuance.

Non-life insurance continued to develop

Non-life insurance, still subject to a very competitive environment, particularly in pricing, had gross production of 160,000 contracts in 2008, bringing the number of contracts in the portfolio to 680,000**.** The average drop of 7.4% in prices for automobile insurance in 2008 contributed to improving the competitiveness of Natixis Assurances' products in this market.

The non-life products designed for professionals, introduced in 2008, have also produced good results, in accordance with the objectives that were set.

In total, non-life revenue stood at €195 million, up by 6%.

2009 Outlook

Prospects for inflow in life insurance are more favorable in 2009, bearing in mind the standardization of the level of short rates, especially with the Livret A rate being reduced to 2.5% at the beginning of the year.

The effort to develop in the independent financial advisors market continued with the introduction of a "house-branded" range of products and services provided by Foncier Assurance.

Particular emphasis will be placed on the pursuit of growth in provident and non-life insurance, in particular through a national marketing campaign by Groupe Banque Populaire.

Also, Natixis Assurances continues to invest in renovating its production facilities and consolidating its work methods:

- the vast program to overhaul the IT system, which began in 2007, will enter a key stage with the partial activation of the system for managing life-insurance contracts;
- "Solvabilité 2", a program mobilizing numerous staff within the Company, aims for the operational application of the effects of future regulatory changes, not only in terms of capital adequacy and the internal risk-assessment model, but also in matters of corporate governance.

Guarantees and sureties: a harmonized, multi-market range of products and services

In 2008, Natixis Garanties merged its subsidiaries CEGI, SACCEF and SOCAMAB to form the **Compagnie Européenne de Garanties et Cautions,** a multi-business platform for financial guarantees and sureties**.** Natixis is thus providing the French market with a major player in guarantees and sureties, of particular interest to companies and banks in the current economic climate.

The names Cegi, Saccef and Socamab will remain in existence as product lines. They have been harmonized and distinguish the products in the documents designed for clients and partners: marketing brochures, surety bonds, etc.

The main guarantee insurance company in France, with outstanding guarantees that exceeded **€53 billion at the end of 2008**, the Compagnie Européenne de Garanties et de Cautions occupies 2nd place in the French market for guaranteeing mortgages to private individual clients, with 125,000 cases guaranteed in 2008. It also provides guarantees to nearly **26,000 companies**, covering regulatory, tax and contractual requirements.

In the real estate market in France, 1 in 3 new houses are covered by a completion guarantee from Natixis under the law introduced in 1990, representing 21,000 homes in 2008. Also, Natixis Garanties is the second-largest provider of professional guarantees for realtors and real-estate administrators in France, with 4,380 guarantees supplied under the Hoguet law (including the Foncia and Lamy Groups).

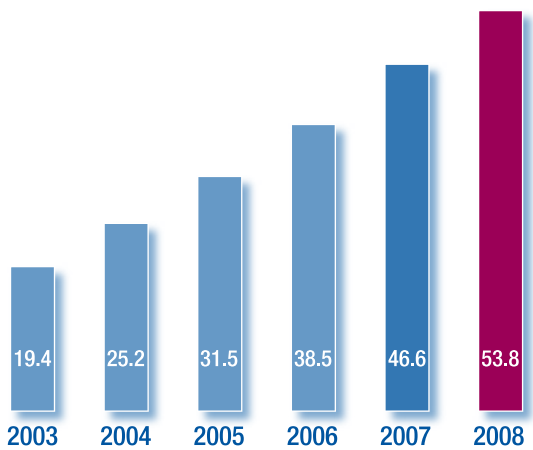
Natixis has a team of experts who maintain close relationships with professionals and provide guarantee services to a very wide range of economic sectors: housing, the social economy, manufacturing, financing of small-to-medium-sized businesses/manufacturers, the environment and public-private partnerships. For its clients and partners, it also stands out via its on-line services, provided through its proficiency in information technologies, in a professional world traditionally based on paper, where the signed document was authoritative.

Some significant events of 2008

- February 1, 2008: document dematerialization for business sureties with *www.cautiondemarche.com*;
- June 17, 2008: SACCEF obtains 88.5% overall satisfaction in the Quality Barometer from Groupe Caisse d'Epargne, the best score shared with Natixis Financement in the ranking of the network's dedicated subsidiaries;
- September 16, 2008: market introduction of CEGI guarantee products for Corporate clients of Natixis;
- December 11, 2008: approval by Groupe Banque Populaire of the surety services for small-to-medium-sized businesses/manufacturers;
- December 12, 2008: activation of the online sureties site *www.cmi-garanties.com*; annual housebuilders' convention and presentation of "Excellence trophies" to nine winners;
- Mid-December: introduction of the Saccef-Agri product range by Banques Populaires;
- Year-end 2008: after the Foncia contract in 2007, signature of the Lamy contract, respectively No. 1 and No. 2 French players in asset management.

TOTAL COMMITMENTS GIVEN

In billions of euros



SPECIALIST FINANCING

French number 2 in real estate leasing

Natixis Lease designs and manages a complete range of lease finance products for real estate and non-real estate investments in France, Spain and Italy.

Number 2 in French financial leasing *(source: ASF survey - March 2008),* number 4 in equipment leasing *(source: BNP Paribas Lease Group survey - January 2008*) and number 1 in French finance provider for wind farms, Natixis Lease improved its positions during 2008 to achieve new production of €2.8 billion and average outstandings of €7.5 billion.

Thus, in financial leasing, with €720 million, Natixis Lease improved its production by 35% in a market that grew by 7.5% *(source: ASF – March 2009).* Other than the increase in contributions from regional Banques Populaires, Natixis Lease used its expertise to carry out several significant operations with large corporate clients: Décathlon, Leroy Merlin, Airbus, Lidl, Liebherr, etc.

In Sofergie financial leasing, Natixis Energéco consolidated its dominant position in financing renewable energy, particularly wind and solar power, and had new production of nearly €150 million.

In equipment leasing, the preferred means for small and medium-sized businesses to finance their investments, Natixis Lease had an increase of 9% for new financing of €1.7 billion. Of this new production, 52% was contributed by the Banques Populaires network and 18% by that of Caisses d'Epargne.

With Natixis LLD, Natixis Lease provides an automobile fleet-management service. This activity reported nearly 2,000 orders in 2008 and currently manages more than 5,500 vehicles used by a clientele composed of very small, small and medium-sized businesses.

Internationally, in spite of the difficult economic environment in Spain and a market that is very weak, the Natixis Lease Madrid subsidiary had €102 million of new production, a result close to that of 2007. The Italian subsidiary had production of €75 million, up by 18% compared to 2007.

In 2008, Natixis Lease continued rationalizing its IT system, migrating the financial leasing activity to the new Cassiopée system.

In 2009, Natixis Lease will continue supporting the regional Banques Populaires in their marketing approach and will integrate its products with those offered by the seven Regional Banks, now subsidiaries of Groupe Banque Populaire. Natixis Lease will also support the Caisses d'Epargne in developing their business with professionals and companies.

Consumer Finance: increase in all activities

Natixis Financement provides all its expertise in the consumer-credit value chain to serve the Caisse d'Epargne and Banque Populaire networks: marketing and design, network organization, credit scoring, management of applications, collection and litigation.

The Teoz revolving credit service, distributed by Caisses d'Epargne, maintained a good rate of development, with more than 186,000 accounts opened at the end of December 2008, for a financing volume that was sustained at €615 million.

A highlight of 2008 was the success of the Créodis revolving credit card, developed for Banques Populaires. Since its introduction in October 2007, more than 94,000 accounts have been opened and €102 million of loans have been taken throughout the network.

Lastly, Natixis Financement manages personal loans for Caisses d'Epargne using "IZICEFi", a tool for proposing services to clients that are appropriate for their financing requirements, via an easy-to-use interface. The steady progression of Caisses d'Epargne in personal loans characterized 2008, with financing reaching €4.1 billion, or 27% greater than in 2007.

The outstandings managed (personal loans) or carried (revolving credit) by Natixis Financement grew strongly overall, going from €4.5 billion at the end of 2007 to €6.9 billion at the end of 2008.

To support this growth, on October 1, 2008, Natixis Financement opened a third Customer Relations Center at Reims. To meet the specific needs of partner networks in French overseas territories, the Company will set up establishments in Guadeloupe and Reunion Island in 2009.

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

A SUCCESSFUL YEAR FOR EMPLOYEE BENEFIT PLANNING, IN SPITE OF A DIFFICULT ECONOMIC SITUATION

Natixis Interépargne, Natixis Intertitres and Titres Cadeaux (joint venture between Natixis and the Banque Postale) design a full range of products to meet the employee-benefits policies of companies and professionals. The employee-benefits planning service combines employee savings solutions (profit-sharing, employee savings plans, collective-retirement plans, shareholding plans, etc.), complementary and collective retirement and provident-insurance products (Article 83 and 39, retirement benefits, etc.) and special payment vouchers (restaurant vouchers, pre-financed employment vouchers, gift vouchers, etc.).

Natixis Interépargne, No. 1 in running employee savings accounts in France *(source: AFG June 30, 2008)* with more than 3 million employee accounts under management and market share of 27.35%, is continuing its development. The number of client companies is up by about 13% compared to 2007.

Based on their positions, Natixis Interépargne and Natixis Asset Management are committed to developing socially-responsible saving and solidarity schemes. Natixis Asset Management is No. 1 in solidarity save-as-you-earn schemes in the French market with 54.6% market share *(source: 2008 edition of the Solidarity Finance barometer from Finansol)* and No. 1 in socially-responsible save-as-you-earn schemes, approved by CIES *(source: 2008 activity report from the Comité Intersyndical de l'Epargne Salariale [Inter-Union Employee Savings Committee])*.

Natixis Interépargne is emphasizing the development of save-as-you-earn schemes for professionals and small and medium-sized businesses, historically distributed by the Banques Populaires and, since November 2007, by the Caisses d'Epargne.

A pioneer over the last 40 years in save-as-you-earn schemes, in 2008 Natixis Interépargne introduced several new products, including one entirely dedicated to small and medium-sized businesses and professionals. Combining profit-sharing and a savings plan, Fructi Duo is the first product on the market meeting the new provisions for employee savings, enacted by the law promoting increased income from work.

In the institutional and corporate markets, Natixis Interépargne also continues to progress and has won several calls for tenders from large groups. The significant development with this clientele contributed to a substantial increase in income for Natixis Interépargne in 2008, in spite of the unfavorable financial-markets environment and exceptional release measures, allowing savers free access to their savings in the first half-year of 2008.

The potential development of the collective retirement plan (PERCO) became reality in 2008 with numerous relationships established. This phenomenon should accelerate still more in 2009, under the effect of the growing number of calls for tenders relating to Company retirement schemes.

Furthermore, Natixis Interépargne has widened its product range to adapt to recent regulatory changes covering employee savings and to anticipate new market expectations. In particular, it offers a communication plan to promote companies' benefits policies among employees and help them to choose between investment or the annual settlement of their contributions.

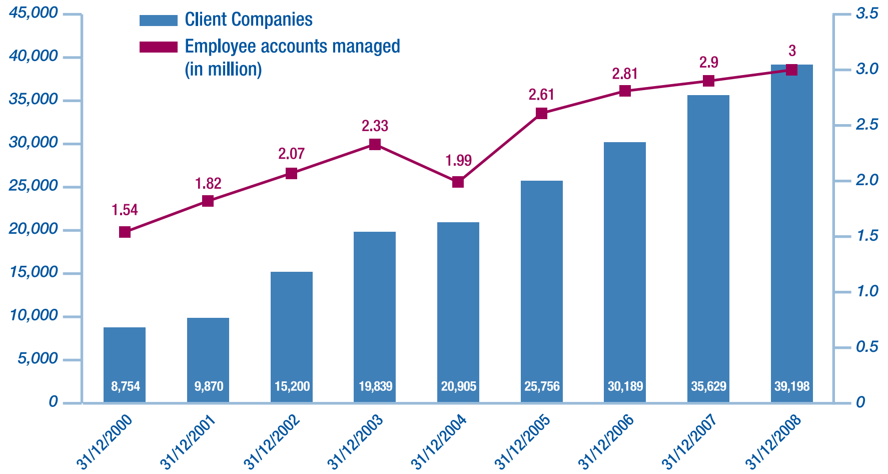
In collective life insurance, 2008 saw the overhaul of "Article 83" and "retirement benefits" products, whose competitiveness was recognized with a "Label of Excellence" awarded by the *Dossiers de l'Epargne 2008.*

Natixis Intertitres, the only bank player approved by the public authorities for distributing a full range of special payment vouchers, increased its market share in restaurant vouchers, where the volume increased by 13%.

For all special payment vouchers, the activity increased by 13.1% of the total volume issued, reaching more than 65 million vouchers on 31 December 2008. Their exchange value also increased by 16%. In 2008, Natixis Intertitres was chosen by the French railway operator SNCF to issue and repay the "taxi checks", which replace the traditional taxi vouchers given to train travelers in case of disruption.

Titres Cadeaux continued its development, with nearly 63 million CADO Checks issued in 2008, up by 50% compared to 2007.

INCREASE IN THE NUMBER OF EMPLOYEE SAVINGS ACCOUNTS (2000/2008)



INTERNATIONAL SERVICES

Natixis Pramex International: a network of experts in 16 countries

Natixis Pramex International is the subsidiary specialized in advisory services and international development for companies. Its marketing teams work with French companies in collaboration with account executives from Natixis and Banques Populaires and are supported by a network of experts established in 16 countries.

At a time of economic and financial crisis, Natixis Pramex International maintained a good general level of activity in 2008 (support for companies establishing themselves internationally, administrative management of subsidiaries abroad, commercial development).

This international expertise covers all phases in developing companies' business abroad: initial analysis of project, practical assistance in introducing an activity in a new country, support in international establishment.

Present in 16 countries (Algeria, Germany, Brazil, Canada, China, United Arab Emirates, Spain, United States, France, India, Italy, Morocco, Poland, Great Britain, Russia, Tunisia), Natixis Pramex International is rationalizing certain local structures (Shanghai will manage activities in Beijing, and Madrid will manage those of Barcelona).

In 2009, Natixis Pramex International will give priority to promoting the "administrative and financial assistance" activities, where revenue is growing steadily, together with assistance with international establishment, a significant source of development. This is assisted by its integration into the range of services offered by Banques Populaires and by a close collaboration with Natixis' regional departments.

Natixis Algérie: a full-service bank that is developing its business

Since 2007, Natixis Algérie has been a full-service bank and is now developing its local banking activities for personal banking clients and professionals.

To meet the expectations of this new target market, Natixis Algérie has designed an innovative product range, with dedicated agreements covering all common operations (checking account, savings account, e-banking, bank card, etc.), and facilitating access to financing (consumer loans, financial leasing and real estate loans).

At the end of 2008, Natixis Algérie had more than 900 private individual clients, as many professional clients and about 1,500 business accounts.

In 2008, the bank increased its net banking income by 37%, with nearly 40 billion DZD of commitments (equivalent value €425 million), up by 17%. Its Business activity remains the major contributor to the bank's income.

Natixis Algérie's strategy for development in 2009 is based on several policies:

- the extension of its branch network: from 12 branches operational at the end of 2008, the objective is to reach some 30 branches by the end of 2009. The workforce will go from 434 employees at the end of 2008 to nearly 660 in 2009;
- the development of local banking, in particular with the creation of a savings account introduced at the end of 2008, an overhaul of the private individual client agreement and a range of products aimed at employees (mixed retail/corporate approach);
- synergies with the other business lines of the Services division (insurance, housing finance, consumer credit, e-cash products) and the development of activities with the Regional Banks (study on a product for clients from the emigrant community);
- maintaining the sustained growth of the Business activity, with very strong orientation towards industrial financing, high-added-value activities and the promotion of equipment leasing.

PAYMENTS – LEVERAGING A POWERFUL PLATFORM

The Payments business designs, develops and manages all auxiliary processes and services necessary for the financial conclusion of all types of payment.

The services cover the exchange of all transactions in national and international payment systems. They process both block transactions and unitary transactions of large amounts, and those of correspondent banking.

Natixis Paiements' role includes acting as technical operator for the Banque Populaire network. It has handled 3.6 billion transactions exchanged in CORE, the new system for interbank exchange of block transactions, developed to replace SIT.

The IT system was adapted to meet the main changes during 2008: implementation of SEPA with the creation of SCT (Sepa credit transfer) and migration of the French banking community to TARGET 2 in February 2008.

Natixis Paiements is the third-largest e-cash operator in France. It manages 6.1 million bank cards and processed 1.6 billion card transactions in 2008 on behalf of the Banque Populaire network and other network banks.

To support the development of the market for private individual cards, Natixis Paiements is preparing the facilities necessary for the market introduction of numerous future products (pre-paid card, multi-visual card, affinity card, etc.), in collaboration with the Banques Populaires network. It has implemented a platform dedicated to the manufacture and management of pre-paid cards, with numerous applications.

In the "professionals" market, Natixis Paiements is also anticipating developments to the market for transaction acquisition, internalization of the e-commerce platform, the provision of terminals for electronic payment over broadband (ADSL and GPRS) etc., and is taking part in tests carried out on new payment technologies (contactless payment, payment by mobile telephone).

The work of Partecis, a 50/50 joint venture with BNP Paribas, is progressing according to the planned schedule. The last pooled e-cash components will be delivered in 2009, for activation in 2010, while the work to Europeanise the e-cash platform has begun.

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

SECURITIES SERVICES: A KEY PLAYER IN CUSTODY SERVICES

Natixis is a key European player in retail custody services, provided by the EuroTitres department and the departments for institutional custody services, funds administration and services to issuers. These activities are carried out within CACEIS, a subsidiary that is jointly owned with Crédit Agricole S.A.

Retail custody services and private management: a transitional year

The second-largest French player in custody-service accounts and the largest player in the market for outsourcing the activity, Natixis is one of the French leaders in retail custody services and private management.

Natixis offers a full range of services that are perfectly modular, from the secure provision of office service processing systems, to wider services including all back-office functions (order routing and execution, transaction accounting, client reporting, securities custody services, etc.).

Provided to the Banques Populaires, the Caisses d'Epargne and the other Natixis entities, these services are also offered to a wide range of clients outside the Group: network banks, specialized banks with or without networks and financial institutions.

July 1, 2008 saw the creation of EuroTitres, a department created by the merger of Gestitres within Natixis. By 2011, this merger with Natixis will create the first integrated platform for retail custody services and private banking in France and enhance its position on the European scale.

In a difficult market, with declining volumes and the departure of the client LCL in the first quarter of 2008, EuroTitres recorded a reduction in its activity. The number of securities accounts managed stood at 3.9 million in 2008, for a level of outstandings in safe custody of €300 billion, down by 18% compared to 2007.

In 2008, Natixis' retail custody-services business also continued its IT investment, to adapt its platforms to regulatory requirements and to projects at the European level, and began the convergence program for its securities information systems.

In 2009, Natixis will reorganize its securities services business, aiming for a unified back-office and IT platform, with priority given to monitoring client transactions, the quality of the service provided and the control of operational risk.

SLIB strengthens its international position

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

Currently, nearly 60 institutions in seven European countries, including Natixis Securities and CACEIS Bank, use SLIB solutions to optimize their market and post-market activities, portfolio management and bookkeeping.

In 2008, two thirds of new clients were at the international level, for services including clearing, settlement/delivery, portfolio management and risk management.

BNP Paribas' 33.40% stake will allow SLIB to accelerate its international development.

Institutional Custody Services

In Institutional Custody Services, through CACEIS, its subsidiary jointly-owned with Crédit Agricole SA, Natixis offers a very wide range of financial services to management companies, institutional clients and businesses:

- CACEIS provides bank depository and custody services in France, Luxembourg, Ireland and Germany. With €2,166 billion of assets under custody on December 31, 2008, the Company is among the world leaders in its business;
- CACEIS is also a major player in funds administration and services to asset managers, both in Europe and North America;
- CACEIS is also ranked among the three largest French providers of corporate trust services.

At the end of June 2008, the transfer to CACEIS of the financial services previously provided by Natixis, strengthened its position as the leader in France, both in terms of custody services and services to management companies and corporate trust services. In 2008, CACEIS also continued integrating the activities acquired at the end of 2007 in Germany (CACEIS Bank Deutschland) and in North America (Olympia).

Receivables Management

Receivables Management comprises the Coface Holding company, created by combining Coface and Natixis Factor. It supplies solutions to companies for managing, protecting and financing their client receivables, and provides its expertise in four business-lines: credit insurance, factoring, business information and rating and receivables management. In addition to these activities, Coface Holding manages public export guarantees granted by the French state to Coface and Natixis, especially prospection insurance, credit insurance for exports financed for over two years, foreign exchange insurance, and overseas investment guarantees.

The objectives for developing the division are ambitious, because its strategic plan, introduced in 2005, aims to make Natixis the worldwide No. 1 in receivables management by 2015. In 2008, Coface Holding continued implementing its 2008-2010 strategic plan and introducing its four business lines covering receivables management.

RECEIVABLE MANAGEMENT ACTIVITIES AND POSITIONING

Credit insurance protects companies against the risk of non-payment of their customers' receivables. Factoring allows companies to monetize their accounts receivable by transferring them to a third party, the factor, who takes responsibility for collection. With "business information and rating", companies can learn about commercial opportunities, assess the financial situation of their partners and check their partners' ability to fulfill their commitments. Receivables management provides them with a service for recovering monies due to them.

In France, the division is based on the networks belonging to Natixis, Banques Populaires and Caisses d'Epargne, Coface's network and on specialist brokers. Abroad, it uses the same channels, as well as local partners grouped within the CreditAlliance network. Coface Holding earned more than 63% of its consolidated revenue outside France in 2008. Directly present in 65 countries at the end of 2008 (after opening in Egypt in 2008), Coface Holding is gradually introducing its four business-lines: for each of them, the division is worldwide No. 1 for geographical coverage.

No. 1 in France for receivables management;

No. 6 worldwide for factoring;

No. 3 worldwide for credit insurance;

No. 4 worldwide for receivables management;

No. 5 worldwide for business information.

Source: Coface, according to ICISA (for credit insurance), FCI (for factoring).

ACTIVITY

7.2% increase in consolidated revenue in 2008, driven by credit insurance and services outside Europe (+21.9%) and by factoring (+14.2%)

- €419 billion of receivables insured;
- €40 billion of receivables financed.

The credit insurance business (domestic and export) increased its revenue by 4.6% compared to 2007. Standardized credit insurance contracts are now available in 93 countries; in 40 countries, these contracts are offered by Coface entities (opened in 2008 in Taiwan, Bulgaria and Latvia), and in other countries by partners. In 2008, Coface consolidated its position as No. 1 in Latin America, with the acquisition of a majority share in SBCE, leader in exports in Brazil; and its position as No. 1 in Asia, with the fifth year of growth exceeding 30% in Greater China.

The factoring business grew by 14.2%; driven by the integration, in 2008, of acquisitions in Denmark, the Czech Republic and in Slovakia, and by very strong internal growth, the factoring business is now present in 28 countries, compared to 16 at the end of 2007. This is the largest network in the world by geographical coverage. The two main countries where the business is present remain Germany, with Coface Finanz, No. 1 in its market, and France, with Natixis Factor, third largest factor nationally *(source: ASF)*. Natixis Factor saw its net banking income grow by 5.3%, with a volume of factored receivables that grew by 10% (+14% for export).

The service businesses (business information and receivables management) grew by 7.7% The division's information services are available in 65 countries, and the introduction of Coface financial rating is progressing *(see box)*. The worldwide network in receivables management was strengthened by two acquisitions in Argentina and The Netherlands.

Coface is developing its expertise in measuring the risk of Company default.

It is a skill particularly more essential in a period of crisis, both for the division (which had the best claims-to-premiums ratio among the large players in credit insurance in 2008) and for its clients.

Coface has implemented a worldwide rating system: the @rating score. The @rating score is available on 50 million companies and measures the probability of bankruptcy within the year. It is associated with a @rating credit opinion, which indicates a suggested credit limit (1@ = €20,000, 2@ = €50,000, 3@ = €100,000, etc.).

In July 2008, Coface announced its intention to become a financial rating agency, alongside the three large American agencies, limiting itself to “Company” risk. This introduction is based on the internal rating process that Coface Holding, in consultation with the companies in question, already uses for its own requirements, to score 17,000 companies throughout the world corresponding to the most important risks. Coface emphasizes three exclusive strong points: significantly lower cost, the statistical reliability of its tools, and expertise in risk handling acquired over 60 years in the credit-insurance business. The product, in the test phase in Europe and Asia, will be marketed during 2009.

THE COFACE TRANSPARENCY CHARTER

The crisis is weakening trust between clients and suppliers, and the division aims to help companies in this difficult period, by contributing to maintaining trust in inter-company relationships, access to debt financing for small and medium-sized businesses, and in playing its role as a “circuit-breaker” in serial company bankruptcies.

In this spirit, and in liaison with the representatives of companies and the public authorities, Coface gave commitments in November 2008 through a Transparency Charter, open to all French companies, whether they are clients or not. It undertakes i) to communicate to each company, free of charge and upon request, its Coface rating, its credit opinion, and the information that justifies them, and any modifications to them; ii) to contact companies prior to any decision to check any payment incidents that come to the attention of Coface concerning them, to determine whether they are real and their severity; and iii) to receive and analyze the most recent information that companies wish to provide to Coface, if necessary guaranteeing total confidentiality. This charter will be gradually extended and applied in the other countries where the division is present.

The contribution of retail banking

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

GROUPE BANQUE POPULAIRE AND GROUPE CAISSE D'EPARGNE

Natixis has the advantage of being associated with two powerful mutualist groups, Groupe Banque Populaire and Groupe Caisse d'Epargne, which give it access to a wide base of retail banking clients.

As a mutual banking organization, each group includes:

- a retail banking network that includes a group of mutual banks (20 Banque Populaire banks and 17 Caisse d'Epargne banks at December 31, 2008) that are owned directly or indirectly by cooperative shareholders (each group has over 3 million cooperative shareholders), as well as by Natixis through CICs, which represent 20% of their share capital [(1)];
- a central body that coordinates and supervises the activities of its group (BFBP and CNCE), the capital of which is held by the retail banks;
- a number of entities that provide specialized products either directly or through the personal banking networks, such as mutual funds, consumer finance and mortgage lending and insurance products, as well as financial services for corporate and institutional customers, distributed either directly or through the personal banking networks; and
- a system of financial solidarity.

Groupe Caisse d'Epargne also includes a body known as Fédération Nationale des Caisses d'Epargne, which is an institution for coordination and consultation within Groupe Caisses d'Epargne, responsible for shareholder relations.

THE RETAIL BANKING NETWORKS

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

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

The two groups have a highly complementary customer base:

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

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

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

- industrial ties: Natixis provides services for the Banque Populaire and Caisse d'Epargne banks such as custody, electronic banking, payments processing and IT support;
- ties as supplier-distributor: Natixis supplies products and services targeted at all customers (private individual clients, small businesses, corporate clients and institutional clients) of Groupe Banque Populaire and Groupe Caisse d'Epargne, which distribute these products;
- commercial ties: the Banque Populaire and Caisse d'Epargne banks are also direct clients of Natixis and recognized as a customer segment in their own right.

(1) Except the Caisse d'Epargne de Martinique, which has not issued any CICs.

The Banque Populaire network

As cooperative, regional banks of the people, the Banque Populaire banks define the Groupe Banque Populaire's regional footing. True to their primary vocation, they create an ongoing local banking relationship with their clients and actively participate in regional economic development.

- 8.9 million customers including 7.6 million private individual customers and 1.3 million small businesses and corporate clients.
- €139.2 billion of outstanding loans in 2008 (+13%).
- €113.5 billion of customer deposits in 2008 (+13%).
- Customer savings of €68.9 billion (+2%), including €35.8 billion in life insurance (+8%) and €29.5 billion in mutual funds in 2008.
- 593,000 Livret As opened since the beginning of 2009, with outstandings of €1.9 billion.

Enhanced regional positioning with the acquisition of the seven regional banks of HSBC France

On July 1, 2008, the acquisition of these seven regional banks was finalized following the period of exclusive negotiations that began on February 29, 2008. The amount of the transaction was €2.1 billion.

These banks are: Société Marseillaise de Crédit, Banque de Savoie, Banque Chaix, Banque Marze, Banque Dupuy, de Parseval, Banque Pelletier and Crédit Commercial du Sud Ouest.

This acquisition strengthens the position of the Group in the South of France with banks which, in most cases, have been established for more than 100 years in their regions. It fits in well with the strategy of Groupe Banque Populaire, which is based on regional positioning, a local relationship with clients and the extension of the local branch network.

This large-scale project is based on respect for the brand identity of the seven regional banks, within the decentralized model used by Groupe Banque Populaire.

With 2,990 employees serving 367,000 private individual clients and 88,000 small businesses and corporate clients through a network of 394 branches, the regional banks could accelerate their development with Groupe Banque Populaire's products, services and organization.

In 2008, the regional banks generated net banking income of €295 million and attributable profit of €95 million, as a contribution to the Group's income in the second half-year.

The regional banks were acquired by Banque Fédérale des Banques Populaires.

This entity will remain the full owner of Société Marseillaise de Crédit.

Banque Fédérale des Banques Populaires quickly reassigned 51% of the six other banks to their attached Banques Populaires: Banque Populaire Provençale et Corse for Banque Chaix, Banque Populaire du Sud-Ouest for CCSO and Banque Pelletier, Banque Populaire des Alpes for Banque de Savoie, Banque Populaire du Sud for Banque Dupuy, de Parseval and Banque Marze.

Private Individual Banking: continuation of a "win business" approach

On December 31, 2008:

Outstanding customer deposits: €64.4 billion (+11%);

Outstanding loans: 74.4 billion (+12%).

The private individual client market, with about 13,500 advisers, including 600 for private management, is a major avenue for development, as confirmed by the steady increase in the number of private individual clients and the constant growth of loans and savings.

2008 saw new business being won at a high rate, with a strong contribution from young people (44%) and government employees (16%), to reach 144,000 additional clients. The growth in the number of private individual clients was amplified by the integration of the regional banks, bringing the total number of new private individual customers to 511,000.

■ A structured and sustained campaign was carried out targeting young people

The youth clientele is a major strategic issue for the Group. It offers products structured according to the age of these clients, with the "Premier Pas" savings account dedicated to savers under 12, and a new payment card for the 12 to 18 age group, the "carte budJ".

For students, the Group has two complementary products.

The first stems from the partnership signed with LMDE (La Mutuelle Des Étudiants), which facilitates students' access to loans and rental deposits without having to request parents or third parties to act as guarantors.

The second product follows on from the partnership concluded with Oséo, which provides students with loans without surety and underwritten by the French government. This new product was introduced quickly and more than 1,400 loans were provided to students in 3 months.

A new product has also been prepared for young people in employment. This mainly consists of an "Equipage Horizon" agreement with the Visa card company, allowing significant price reductions compared to other client segments, alerts by e-mail or SMS for monitoring the situation of the account, the "Je m'installe" loan with an attractive rate, the advance against the first salary installment, repayable over 12 months for a cost of €1, and advantageous conditions on real estate loans and non-bank services through the "Le Pass Cityzen" card, available to those aged 15 to 25.

■ A very specific approach continues to target the government-employees segment

For many years, Groupe Banque Populaire has been developing the government-employees segment, with an innovative approach based partly on the favored position of CASDEN Banque Populaire among employees of the French national education, research and culture systems, and on the partnership established with the associations for credit and savings for government employees (ACEF).

A cooperative bank with a national vocation, CASDEN Banque Populaire is supported by 107 local structures with representatives in schools and 3,391 Banques Populaires branches. The ACEF, founded to provide government employees with a range of savings and loan products under preferential conditions, have adapted their organization to that of the Banques Populaires, to facilitate winning new members.

In addition to the various initiatives to win new business and retain clients, significant work has been done to provide a more innovative, adapted and enhanced range of products and services in all areas. These innovations and adaptations also extend to the area of traditional commercial banking, life and non-life insurance, and to the area of savings, with the new guaranteed-capital product “Izeis”.

The growth in rates of product placement among private individual customers demonstrates the appropriateness of this approach: this rate is currently an average of 10 products per account, against 9 in 2007.

Small businesses and corporate clients: strong positioning with comprehensive integration in the economic fabric

- No. 1 bank in franchise finance *(source: CSA survey 2008);*
- No. 1 main bank for small and medium-sized businesses *(source: TNS Sofres survey 2007);*
- No. 1 bank for craftsmen *(source: CSA “pépites” survey 2008);*
- No. 2 bank for professionals *(source: CSA “pépites” survey 2008);*
- No. 3 bank to self-employed professionals *(source: CSA survey 2008).*

On December 31, 2008:

Total outstanding loans: €64.7 billion (+15%).

■ Small businesses

Leader in business start-ups

In a national market that remains dynamic, Groupe Banque Populaire, the leader in business start-ups, widened its range of products and services in 2008. Solutions for factoring and employee savings (Fructi Duo) dedicated to very small companies, and guarantees facilitating access to loans (SOCAMA, Natixis Garanties, Oséo garanties, etc.), have contributed to the Group’s actions in creating businesses.

Facilitating access to loans for very small companies with:

The 28 SOCAMA (mutual guarantee companies for small businesses), which provide surety for the financing of investment

The renewal of the agreement with the European Investment Fund, which ensures continuity of the Socama express loan without personal guarantee, and the business transfer loan with a limited personal guarantee.

The implementation of an agreement with Oséo with the support of Natixis Garanties, directed at farmers, self-employed professionals and retailers.

The craft industry: a dynamic market for Banques Populaires

Groupe Banque Populaire works alongside the professional organizations representing the craftsmen to provide better solutions for the 320,000 craftsmen, clients of the Group, of whom 70% also have a private banking relationship with the Group.

Franchise financing

Groupe Banque Populaire is the number one bank with franchisees and franchisers, with respectively 25% and 51% market penetration.

In 2008, the Group implemented 10 new partnerships with franchise networks and strengthened those with which it already had relationships. A full range of products and services and a system organized within the regional Banques Populaires form the basis of the relationships that exist with nearly 500 networks and some 100 partnerships.

Agriculture

At the end of 2008, Groupe Banque Populaire had more than 55,000 clients in agriculture, representing nearly 326,200 farms at the national level, with a rate of penetration that is constantly growing.

The financing of agriculture remained active during 2008. Both subsidized and traditional loans increased by 16.24% over a sliding 12 month period. The Group’s reputation continues to grow in this client segment.

Self-employed professionals

Taking advantage of its position as leader in business creation, Groupe Banque Populaire also positions itself as the leading banking partner for the establishment of self-employed professionals. Facilities and guides have been provided, both for employees and for self-employed professionals.

Partnerships with the national federation of students in speech-therapy (FNEO) and the national association of young general practitioners (SNJMG), and a presence at the major conventions for the professions, such as the MEDEC (conference for general medicine) and the national conference for certified public accountants, have increased exposure to this clientele.

Corporate clients

Supported by a rate of penetration of 38% with companies of less than 1,000 employees *(source: SOFRES survey, 2007),* the Group plays a leading role in this market and supports most of the large French groups with Natixis.

Financing and investment

Groupe Banque Populaire is determined to support the activity and development of small-to-medium-sized businesses/ manufacturers under very demanding economic conditions.

To this end, it is committed to ensuring growth in its outstanding loans at an annual rate of 3 to 4%. This commitment also highlights the continuity of the close co-operation with Oséo, a long-term partner of the Group.

In addition to traditional financing techniques, the range of products to aid the growth of companies is becoming more diverse through Natixis' specialized financing subsidiaries, with:

- financial leasing and equipment leasing with Natixis Lease. This year, production stood at €107 million in equipment leasing (up by 14%) and at €533 million for financial leasing (up by 35%);
- the financing of renewable energy with Natixis Energéco;
- the four business-lines covering receivables management, with Coface and Natixis Factor: Business information, credit insurance, administration and loans financing.

Internationally

Groupe Banque Populaire is the main international banker for 17% of its clients and has strong development potential.

With the introduction of SEPA, the first Sepa Credit Transfers (SCT) were successfully carried out in January 2008.

Emphasis is now being placed on Internet transactions, with the new "Cyber international" service, which allows international Internet transfers according to the same schema as domestic transfers.

This service complements the electronic transfer of documentary credits via "Credoc Import Internet", which facilitates the transmission of import transactions and reduces lead-times.

New clients are also obtained through partnerships with foreign correspondents, such as those signed at the end of the year with Banque Centrale Populaire of Morocco and that with VBI for support in central Europe.

The Caisses d'Epargne network

The Group is centered around the Caisse d'Epargne network, France's third-largest banking network with 4,376 branches, 6,881 ATMs and a full range of online banking services. Nearly one in two people in France are Caisse d'Epargne customers, 3.7 million of whom are cooperative shareholders. The Caisse d'Epargne banks are committed to the idea of social progress that led to their creation and are open to everyone. They are continually working on innovations to make life easier for their customers and support them in their projects.

The process of merging the Caisses d'Epargne was completed in 2008: their number went from 29 in 2006 to 17 on 31.12.2008.

Retail banking

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

Private individual banking

In three years, the Caisses d'Epargne have made significant investments for improving their customers' satisfaction by optimizing their marketing methods and their network. Since the program began, 2,130 Branch offices have been renovated and 2,135 new ATMs have been installed. The Ecureuil Attitude reception framework has been introduced in all branches. The Fréquence Client program provides better availability for clients and the personalization of services.

In 2008, remote banking services, by telephone and via the Internet, were improved. The Internet site *caisse-epargne.fr* has been overhauled, merging the marketing and transaction areas in a single site, to become a real sales channel and to securely facilitate carrying out ever more numerous transactions.

The historic business of Caisse d'Epargne, the collection of savings from private individuals and professional clients, had a new record year, reaching nearly €9 billion. More than ever, liquidity, security and rates of interest were the determining factors for savers, who moved massively towards the Livret A (which had an interest rate of 4% on August 1, 2008, its highest level for 12 years), term deposits and, to a lesser extent, life insurance.

Wealth management confirmed its growth potential in 2008. It is based on 500 account executives, and on the experts in asset management and estate planning in La Compagnie 1818 - Banquiers Privés -, those of Iselection and Ciloger for real estate and Océor for tax-exempt solutions under the Girardin industriel law in French overseas territories.

Caisse d'Epargne remains the only large French bank to pay interest on its clients' on-demand deposits: more than 5 million personal banking clients currently have interest-bearing accounts through Caisse d'Epargne. The S'miles customer loyalty program, launched in 2006, for which Caisse d'Epargne is the exclusive banking partner, complements this unique service and contributes to satisfying and retaining customers through providing quickly accessible benefits. Caisse d'Epargne has also confirmed its position as the leading issuer of Visa cards and as second-largest issuer for all card brands.

As a bank for young people, Caisse d'Epargne works to help parents prepare for their children's futures, raise awareness of societal values, teach them to manage their budgets and support them in their projects: Livret A Kipouss, the first pre-paid and rechargeable bank card for adolescents, finance for driving lessons or studies, purchase of portable computer, etc.

The number two bank in real estate, Caisse d'Epargne continued its efforts to support first-time buyers, with the *Grandioz* loan and the zero-rate loan, and introduced *Adoucimmo*, a loan aimed at older clients with reduced installments from retirement. Consumer loans grew strongly in 2008 in a declining market; this performance is supported by *Izicefi* which allows Caisses d'Epargne's 22,000 salespersons to offer services correctly adapted to the requirements and resources of their clients.

The range of non-life insurance, developed by GCE Assurances, covers car insurance, home insurance, legal insurance and guarantees non-work-related accidents. The year 2008 was dynamic, with good take-up of complementary health insurance, developed with MACIF, aimed primarily at young people, students, young employed people and young families.

■ Small businesses

Caisse d'Epargne is also a partner of choice for small retailers, craftsmen and self-employed professionals, both on a professional and a private basis. 1,500 branch managers were specially trained to serve small businesses, more than 1,000 specialized managers are dedicated to them and 500 wealth-management account executives are available to them.

Current accounts, packages such as *Franchise & Vous* offering numerous account-management services (remote banking, insurance, etc.,) – and, for franchisees, e-cash solutions and secure Internet payment solutions – all increase the number of people holding bank accounts.

Whether it concerns business creation or business transfer, equipment loans, financial leasing or long-term rental, small-business clients have a complete range of products for financing their requirements in a simple and personalized way.

Regional development banking

With its strong regional positioning, Caisse d'Epargne is the banking partner to public and private players participating in regional development. Its products and services call upon all of the Group's expertise to finance their projects, simplify their management and optimize their investments. The organization into business centers encourages shared solutions and synergies between markets and improves functioning and marketing.

Corporate clients

Caisse d'Epargne supports regional companies from their founding to their transfer, with a complete range of financing and services, as well as solutions using its regulatory capital from its regional and national investment funds. It has an extensive range of products through the expertise of the subsidiaries Cicobail and Natixis Lease, Natixis Interépargne, Natixis Garanties (which became Compagnie Européenne de Garanties et Cautions in December 2008), as well as Coface and Natixis Factor. GCE again expanded its range of products and services in 2008, to provide even more effective solutions to businesses.

In the context of the sharp economic slowdown that began in summer 2008, the public authorities have implemented a plan to provide support to businesses. In October 2008, GCE released an exceptional budget of €1 billion for its business clients. Beyond this immediate effort, because of the measures taken by the public authorities allowing "decentralization" of all or part of the amounts collected by the network of "Livrets de développement durable" and "Livrets d'épargne populaire" accounts, Caisses d'Epargne has significant margin for maneuver to continue to provide effective support to businesses.

Social economy

As a partner to nearly 230,000 associations, Groupe Caisse d'Epargne has chosen to make the social economy a strong factor for development, particularly in the health and medical-social sector, mutual insurance companies and private education.

In 2008, numerous initiatives were undertaken to structure the sector to provide better solutions to the specific requirements of all those involved in the social economy, from association managers to institutional clients. The expertise of the sales force dedicated to these clients was improved, giving them better understanding of the legislative and regulatory changes that impact the health/social sector and health-insurance plans.

New products and services were introduced, including mutual funds adapted to the restrictions applicable to association managers and local associations, together with save-as-you-earn and retirement plans. In addition to its banking solutions, it provides associations with numerous information services to help them in their day-to-day running.

Local authorities and institutions

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

Against a background of municipal elections introducing new terms of office in 36,000 municipalities, the launch of the "Hospital 2012" plan in the public hospital sector, and declining revenues, Caisses d'Epargne has increased support to its clients.

In the context of a financial crisis and tight conditions for obtaining loans from October 2008, GCE has provided local authorities, the public hospital sector and social-housing organizations with a budget of €2.5 billion, complementing the other measures taken by the public authorities. At the end of 2008, this budget allowed local public authorities to obtain the financing necessary for continuing their investment projects.

Caisse d'Epargne also makes innovative services available to local authorities and institutions, such as the secure on-line payment service *ServicePublicPlus*, which allows users to pay on-line for municipal services. It also offers the pre-financed universal service-employment voucher in cooperation with Accor Services.

Public housing

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

Caisses d'Epargne participates in the governance of more than 250 public and private social-housing organizations.

4 RESOURCES

Human resources

A YEAR OF RESTRUCTURING

2008 also saw intense activity in human resources, with the implementation of the PACEC (plan for adaptation to the competitive and economic context), the reorganization of the human-resources department, the introduction of new reporting tools and the implementation of the new Groupe Talentis assessment tool.

GROUPE NATIXIS HUMAN-RESOURCES DEPARTMENT: A NEW ORGANIZATION IN 2008

In the beginning of 2008, after having in 2007 merged the HR teams in areas of common expertise, defined the organizational principles of the HR sector and organized the teams in accordance with working priorities, a strategic study on HR for the Group was begun. This study resulted in a new organization aiming to implement new functions in accordance with the Group's priorities, providing better coherence and resource optimization within the Group HRD, and defining efficient modes of working between the Group and its divisions.

Bringing HR organization into line with the Group's organization by division contributes to ensuring the correct application of company policy, and optimizes the sharing of HR expertise (legal, employee relationships, compensation & benefits, training, etc.,) and provides clearer information on key HR processes (employee relationships, recruitment, inter-company transfers, remuneration management, and the management of Senior Executives, high-potential employees and Human Resource Business Managers).

PLAN FOR ADAPTATION TO THE COMPETITIVE AND ECONOMIC CONTEXT (PACEC)

In a deteriorated world economic situation, while the impact of the financial crisis that occurred in 2007 was continuing to have its effect in 2008, Natixis had to take the measures necessary for restoring its profitability. To this end, personnel representatives were consulted concerning a plan to adapt employment. The main objective of this plan was to allow Natixis to adapt to new market conditions, so as to be able to finance its development on a sound basis.

The process of information and consultation

The plan for adaptation to the competitive and economic context was written in the form of a volume III and a volume IV given to the members of the Central Employee-Representative Committee in May 2008. At the end of the information/consultation procedure, the Health, Safety and Working Conditions Committee and the Central Employee-Representative Committee gave their respective opinions on September 16 and 17, 2008. This procedure continued with a meeting of the Institutional Committees in Lyon and Paris, together with their related centers, on September 18 and 19, 2008, where opinions were noted.

The voluntary system

The Plan began to be implemented on September 22, 2008 and continued until February 28, 2009. Employees of the parent company were able to volunteer for early departure using a special form available on the intranet. A communication kit covering the Plan and its terms was sent by letter to all employees of Natixis S.A.

The voluntary scheme applies to employees of the Natixis parent company, in France, who would like to leave the Company to carry out a professional or personal project, or to take early retirement. It was opened to employees in the CIB, the functional departments (Audit Department, Compliance, Communication and Investor Relationships, Finance, Risks, the Corporate Secretary function, Human Resources, Information Systems and Shared Services), and the functions supporting operational business lines. These areas contain the employees in the professional categories where workforce reductions are planned.

Applications that did not meet these conditions were nevertheless considered, insofar as the departure of an employee allows internal reclassification of an employee belonging to a professional category within which jobs are being eliminated. The job in question was published in the "jobmart" in "Contacts RH".

Employees wishing to volunteer were required to send a letter of intention by registered post with return receipt to the HRD, or present it in person to their HR Representative. In this letter, they expressed their wish to volunteer for early retirement or to leave in order to undertake a professional or personal project. After their requests were studied by their HR representative and their hierarchical manager, replies were given within 15 days. If their requests were accepted, the HRD invited them to meet an adviser from the Mobility Information Center. This adviser helped them to formalize their personal or professional projects. It was then up to the employees to confirm their requests by letter (registered with return receipt); this letter had to include the formal documentation for the project and the request for voluntary departure. Finally, the requests were examined by the validation commission. Replies were given to employees within 15 days.

The support system

A Mobility Information Center was set up when the period for volunteering began, with a team of consultants available to answer employees' questions via a single telephone number and face-to-face meetings.

Arrangements for communication

A section dedicated to the adjustment plan was created on the HRD's intranet, with regularly-updated information and an electronic mailbox. Offers of jobs available under the substitution process were also posted on the intranet. A pamphlet describing the PACEC was also sent to employees' homes, with particular emphasis on the voluntary scheme. Managers also received a summary brochure entitled "The manager's guide".

GROUP HR REPORTING AND SOCIAL MANAGEMENT CONTROL

2008 brought many changes to this team, which underwent significant renewal, with the pooling of the Group HR's various reporting teams, and with new employees joining. This team's activities, which consist of providing its internal clients with all detailed facts and figures, simulations and analyses necessary for the preparation and strategic management of HR policy and for complying with HR regulatory constraints, are now divided into three main areas: Consolidated HR Group reporting, parent company Social Management Control, and the activities coming under Employee Relationships and Regulations.

The significant events of 2008 were the improvement of operational reporting and reporting tools, the development of an activity to consolidate workforces for the entire Group, and the development of simulations and analyses using a new tool dedicated to examining salaries in support of annual negotiations.

The workforce is now consolidated monthly at the Group level, and this report is provided to Group HR, to divisional HR and to the financial department, based on processing rules drawn up in 2008. Monthly monitoring includes the workforce per entity and the monitoring of arrivals and departures in France and internationally.

The reporting team has also developed tools for calculating the compensation paid under the "plan for adaptation to the competitive and economic context."

In 2009, the actions that began in 2008 will be continued, with the improvement of operational reporting and the development of new simulations and analyses, as part of a study on value-added HR indicators for use in HR policies, particularly in relation to mobility and employment policy.

HRIS AND PROCESSES

During 2008, in addition to its traditional role of developing and installing HR Information Systems within the Group, the HRIS and Processes team took charge of managing projects for restructuring the HR function in France. The Group HRIS team managed the project to restructure training and the project to modernize Shared HR Services (Administrative and Wages Management).

The project to restructure training consists of developing the range of training courses available internally and preparing a training plan, optimizing the purchasing of training and having a specialized subcontractor take over training administration. This project will retain the capability to provide training, while making significant savings in administration.

Simultaneously with this project, savings are made by reducing the number of courses provided in certain areas. This new organization should be put in place in mid-2009.

The project to Modernize Shared HR Services consists of improving the productivity of the service by one-off improvements in functioning modes and tools, for example, by making forms available on-line, simplifying the process of time-monitoring with improved tools, and improving the systems for controlling pay. In 2008, the administrative workload of managers was lightened by the development of intranet forms for collecting information received from employees and automatically integrating it into the pay system, after verification by the employees of the parent company. This avoided having to process more than 5,000 paper forms manually.

In 2009, improvements to the processes and tools for managing time and controlling pay will provide new efficiency gains. The Group HRIS also contributed to defining processes implemented as part of the "plan for adaptation to the competitive and economic context".

Concerning the introduction of HRIS tools, three main subjects were dealt with:

- To improve and enhance the conduct of annual interviews and the setting of objectives, a new tool was put in place and introduced for about 8,000 employees in France and internationally, available in 5 languages. The project, which was completed in less than 6 months, involved teams from Group and divisional HR and IT, with the help of Technomédia, the Company that develops and hosts the chosen information system.

- To improve the management of the promotion process (promotion, salary increases, variable remuneration and bonuses), the Salary Review tool, which was already used in France, has also been introduced internationally for the CIB division. The introduction of this tool allows this entire process to be managed efficiently.
- Concerning reporting, the Group's reporting databases, and the process of supplying information to them, were made more reliable to allow the workforce to be consolidated for the whole of the Natixis Group, with all of its 5 business divisions and its functional departments.

Payroll simulations were improved using the "Scénario RH" tool, based on the "AllShare" product.

Numerous French subsidiaries started using the common tools for managing pay and time.

In 2009, HRIS will be introduced in line with HR policies, with the objective of continuing to improve the reliability of our reporting and analysis tools, continuing the international introduction of tools for managing performance (annual interviews and promotion interviews), and developing new tools for HR representatives to help with mobility and career planning.

Within the scope of the parent company, the activity to transform the HR organization will continue to help the Training and Shared HR Services department to improve its productivity and quality of service.

EMPLOYEE RELATIONSHIPS: CONTINUING TO DEFINE A FRAMEWORK FOR EMPLOYEE/MANAGEMENT DIALOG WITHIN THE GROUP

Employee relationships were the subject of intense activity, with the aim of pursuing the definition of a framework for employee/management dialog at the level of the Group and Natixis S.A., and supporting the development of organizations.

Continuation of definition of the framework for employee/management dialog at the level of Groupe Natixis and Natixis S.A.

Personnel Representative Bodies were put in place at the level of Groupe Natixis during 2008, with the signature of an agreement concerning the exercise of union functions. To this end, agreements were signed at the Group level for defining the conditions for exiting the Groupe Banque Populaire agreements and for harmonizing the measures applicable in terms of incentive plans. For Natixis S.A., 2008 saw the integration of employees from Ixis Cib, Altaïr, Gestitres and Natixis Financement. Collective negotiations were carried out in this context to harmonize the status of employees.

14 company agreements were thus signed, to harmonize most of the collective status, particularly the measures applicable concerning:

- working time;
- employee benefits;
- save-as-you-earn schemes;
- financing for social and cultural works.

These negotiations will continue in 2009 on the subjects of trade-union law, professional equality between men and women, retirement plans, health-care plans and provident insurance.

Details of Natixis S.A. agreements signed in 2008 with personnel representatives

- company savings scheme;
- childcare expenses;
- family supplement;
- working time;
- regime and regulations for variable hours;
- adaptation of the status of employees coming from Altaïr;
- details of financing of social and cultural activities;
- regime for compensation for supplementary hours;
- work on weekends and public holidays;
- specific working hours;
- support measures concerning retirement, health-insurance plans and provident insurance under the PACEC;
- long service awards and bonuses after 35 years;
- adaptation of the status of employees coming from Natixis Financement;
- adaptation of the status of employees coming from Gestitres.

With the aim of harmonizing all regulations applicable within the Company beyond the collective status of employees, new internal regulations, including an appendix concerning compliance, came into force during the first quarter 2008. The charter on the use of computing, digital and technological resources was attached to these new internal regulations, to define the rights and duties of employees in relation to IT resources made available to them by their employer. These new regulations apply to all employees of Natixis S.A.

Continuation of sustained management/ employee dialog

2008 saw sustained management/employee dialog through 5 meetings of the Group Committee, 38 meetings of the Central Employee Representative Committee of Natixis S.A., more than 50 meetings of the various Institutional Committees of Natixis S.A., 45 meetings of the Health, Safety and Working Conditions Committee and some 40 meetings with Personnel Representatives. All changes of organization within Natixis S.A. were the subject of consultation with the competent Personnel Representative Bodies.

COMPENSATION POLICY

Management of compensation policies

The compensation policy of a Group is not simply the sum of the compensation policies of its various structures. It is therefore important to define the key components of our compensation policy, to control the costs and risks related to systems of variable compensation and to obtain ongoing visibility concerning the practices and systems of compensation within all of our business lines. The aim is to have compensation systems that are appropriate to the specifics and diversity of our business-lines and in line with market practices, while taking care to keep overall coherence. This has been made possible with the creation of a team dedicated to compensation, employment benefits and salary policy, allowing individual and overall policies to be determined.

Salary agreement

In 2008, the obligatory annual negotiations led to the unilateral application of the Management's proposals, the main principles being as follows:

- revision to €19,000 of the minimum gross annual remuneration upon hiring for full-time employees on fixed-term and unlimited-term contracts, other than contracts related to employment policy;
- revaluation of basic salaries according to the following scale:
  - 3% for gross annual salaries less than or equal to €22,000,
  - 2% for salaries of between €22,000 and €35,000, with a minimum of €550,
  - 1% for salaries of between €35,000 and €70,000, with a minimum of €500;
- in-depth consideration, by managers and Human Resources representatives, of the situation of employees who had not had pay rises for at least 3 years on June 1, 2008.

Incentive and Profit-sharing plan

The incentive plan was the subject of an agreement concluded with employee representatives in 2008, between the Natixis S.A. parent company and 22 subsidiaries of the Group. This agreement will be extended to the entire Group over the next three years.

It allows employees with at least three months of seniority in the year in question and with fixed or indeterminate-term contracts, to benefit from the incentive plan according to the consolidated results of the Natixis Group. The calculation of the special reserve for the incentive plan is based on a formula that is exceptional to that provided for by the law. For 2008, the legal formula, which is the most favorable, was applied.

The profit-sharing plan signed in 2006 is still applicable within Natixis S.A. and three attached subsidiaries, under the same conditions as the previous year, namely that 60% of the dedicated amount is paid proportionate to the salary and 40% according to the period of presence of the beneficiaries.

Equality between the sexes

In application of the law dated March 23, 2006 concerning equality of pay between men and women, Natixis has decided to allocate a specific budget for adjusting the salaries of women, which have unjustified discrepancies with those of men. This is in addition to the budget reserved for individual and collective pay increases for 2009. An additional budget may be assigned in 2010, if necessary.

Remuneration Document

In order to provide a more comprehensive overview of all benefits received by employees in 2007, a "Remuneration Document" was sent to nearly 7,500 employees of the parent company and its subsidiaries. The document enabled all recipients to make a better distinction between direct remuneration (salaries, allowances, bonuses, etc.), deferred remuneration (employee savings scheme) and indirect remuneration (pension contributions, social protection, meals/catering, etc.).

MOBILITY AS A CORE EMPLOYMENT POLICY

2008 was the occasion for making mobility more important in the management of human resources, particularly with the introduction of the employment-training task force. This supported employees impacted by the mergers between structures, helping them to reposition and take on new jobs and become integrated into their new functions, in accordance with the agreement on support for employment changes signed in 2007.

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Concerning the Securities Services business, individual mobility was preferred: the Human Resources and operational teams provided information and support to the employees concerned about the possibility of moving to CACEIS, the entity created with Crédit Agricole, to the EuroTitres business within Natixis or towards different jobs, possibly in the provinces, in strongly-developing subsidiaries.

Lastly, under the cost-cutting plan, the constituent concerning the restriction on hiring was implemented by encouraging mobility between Natixis' business-lines and structures. In the same spirit, the Employment Adaptation Plan emphasized voluntary departure of employees, organizing their replacement by moving employees impacted by workforce reductions, thus preserving employment. Information was provided to operational teams via the intranet and its employment market, where all job offers are published, including those from subsidiaries. The Human Resources managers in charge of Natixis' various activities were given communication resources covering the internal job offers and the employees for whom they were responsible, in order to enhance mobility and career development among employees. Lastly, contacts with the shareholder groups have been increased and their job offers have been widely disseminated amongst Natixis' teams, particularly for repositioning employees in the provinces.

This policy is supported through the implementation of Recruitment Validation Committees which allows the Management Committee to control all decisions on developments to the workforce; and through the mobility charters agreed between Natixis, its subsidiaries and the shareholder groups, which provide a flexible and reassuring frame of reference; they provide consistency in managing individual mobility through common rules and support procedures.

RELATIONSHIPS WITH SCHOOLS AND YOUTH EMPLOYMENT

In 2008, the number of work-experience courses, work-based learning contracts and VIE increased, and the Natixis parent company received 1,097 students or recent graduates.

122 persons taking part in VIE (international voluntary service in companies) were able to acquire advantageous and recognized international experience through missions lasting from 18 to 24 months. They were able to refine their knowledge of the Group's business lines: structured or corporate finance, commodities finance and market activities.

704 agreements on paid work-experience courses were concluded for reception of trainees for periods of 6 to 12 months within the bank's various business lines.

103 students from 14 years old to those taking the BTS diploma were received for an introduction to the Company.

168 students who had opted to study for diplomas under work-based post-baccalaureate higher-education courses received practical training in our departments.

During the summer, 493 auxiliary seasonal staff joined the teams during the holiday period.

Thus, 1,590 "youth employees" were present in the Natixis parent company during summer 2008.

Natixis has enhanced its partnerships with higher-education establishments, taking part in 19 school forums.

The subsidiaries were associated with this approach and presented their activities on the Natixis stand.

In October 2008, to support our presence in the forums, we developed new visual communication media, which was prepared after consultation with our trainees, to take into account their perception of the culture and values of Natixis.

They considered that their missions were interesting, with a level of responsibility and team integration that was motivating.

The new communication campaign was also appreciated by our contacts in the schools, and the Paris Graduate School of Management displayed it on the inside cover of its guide to the Investment Banking forum.

A privileged partnership with the "Ecole Centrale Paris" led to us meeting future engineers on several occasions. In September, we gave a presentation on our capital-markets activity to students taking the Applied Mathematics option that we sponsor.

Natixis contributed to implementing a Markets and Investment Banking Master's degree at the University of Paris Dauphine. The purpose of this new master's degree is to meet demand from those involved in banking and to give work-based training appropriate to the CIB.

This was created in association with the other large banks in the market and Natixis received 5 students studying for this master's degree.

Several CIFRE research agreements were implemented within Natixis' Quantitative Research to allow young researchers to continue their work. Under a partnership with the Université Pierre et Marie Curie, the Natixis Business Foundation presented a prize to students studying for the master's degree in Probability and Finance, under the responsibility of Nicole El Karaoui and Gilles Pages.

Through the apprenticeship tax, we are strengthening our relationships with higher-education establishments, and in 2008, we became members of the EDHEC Corporate Club and of the ESC Rouen.

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ADAPTING TRAINING TO THE CONTEXT OF NATIXIS

In 2008, the training activity and strategy was adapted to the context of Natixis by restructuring the training courses, thus refocusing the department's activities on the operational requirements of business lines, increasing the development of E-Learning solutions, negotiating master agreements with training organizations and continuing the transition from a "catalogue" approach to one based on the creation of customized courses.

To carry out these changes, the training teams strengthened their partnerships with hierarchical managers and HR managers in the business lines.

The number of internal training courses was reviewed, dropping from 350 to 210, with an objective of greater operational effectiveness, while continuing to maintain the quality of the educational service.

The department's significant courses were in line with the realities concerning Natixis, both from the point of view of products and markets and concerning human resources:

- training support for PACEC by a dedicated team within the training department;
- implementation of a range of E-Learning products for the Front, Back and Middle Office market teams;
- individual assessment by a linguistics expert for requests for training in this area, with personalized course structures;
- transfer of managerial courses to Natixis Management, with the aim of offering consistent solutions;
- development of activities on individualized training courses (individual requests for training, skills assessment, inter-company, etc.)

In total in 2008, 123,481 hours of training were delivered to employees of Natixis S.A. including 24% on products and markets and 21% in the linguistic area.

NATIXIS MANAGEMENT: A PLAYER IN MANAGERIAL DEVELOPMENT

Dedicated to the development of managers for Natixis and its subsidiaries, Natixis Management pursues three main objectives: to cultivate a common managerial culture, help managers to develop their skills and support human-resources projects.

Organization of managerial communities

As in 2007, Natixis Management organized specific actions for senior management, such as the organization:

- of eight informational meetings with the Executive Board for the "Top 50" circle;
- of four meetings and a residential seminar over two days for the 300 senior executives of the Group, during which speeches by members of the Executive Board were interspersed with those from external personalities, together with workshops on the definition of the managerial model for the Natixis Group. A "Cohesion 300" Internet site was created in 2008, to allow participants access to the specific communications that were addressed to them by the directors of Natixis, and to support them in their role in passing on these messages to their teams.

At the same time, some 10 breakfasts were organized with Dominique Ferrero during the first half-year of 2008 so that the managers could have privileged discussions with the Executive Management concerning his vision and subjects of current interest. In the second half-year, a second series of breakfasts was organized with the members of the "50 circle" to prepare for meetings of the Senior Management.

All of these actions contribute to the dissemination of information, the development of a cross-company approach and the emergence of the Group's culture.

Retaining talent

Natixis Management also continued its task of retaining and integrating new hires through organizing the Objective Discovery seminar. The new element in 2008 was the organization of these seminars for 300 participants, with the contribution of 10 experienced managers for organizing sub-groups at each of the sessions.

The development of managerial skills and the support of managers

In the second half-year 2008, to support the policy of the Group HRD, Natixis Management became the division dedicated to the development of management. Natixis Management's actions are now aimed at all of the Group's managers (about 2000).

Concerning support for managers, Natixis Management has reviewed the range of training courses and restructured them around three stages:

- young managers;
- established managers;
- senior managers.

This range of courses has been online since January 14, 2009 on the new Natixis Management intranet site. It includes 10 seminars covering all management areas.

Natixis Management has also supported the implementation of the new Talentis campaign of annual interviews for setting objectives. In particular, 4 E-learning modules have been opened to all of the Group's managers. As well as these E-learning modules, new managers are offered six ½-day training sessions, each lasting one and a half days, covering the practical application of the conduct of individual interviews.

Concerning personalized support to managers, 2008 saw the standardization of the process of managing coaching in the Company, in cooperation with Natixis' Employment Managers, Human Resources Managers and Training Managers. In 2008, external coaches provided individual support to some 30 experienced managers.

TALENTIS: TOWARDS A COMMON ANNUAL INTERVIEW SYSTEM

The last quarter of 2008 saw the introduction of a new annual interview system, called "Talentis". The implementation of Talentis shows Natixis' intention to revitalize the approach to evaluating its employees and to offer a standardized system backed by an application appropriate to the new scope of the process. Interviews are now carried out within the framework of an annual campaign lasting about three months; within Natixis S.A., the 2008 campaign was focused on setting objectives. To support managers in the preparation and conduct of the interviews, which are a special moment for discussion with their employees, E-learning training modules are offered to them.

Talentis is a major factor in standardizing Natixis' practices in the area of human resources: it concerned the employees of Natixis S.A., and also those of certain subsidiaries of the Services division and some of the French and international subsidiaries of the CIB. In 2009, it is intended to extend the system to other entities within the Group.

PROGRAMS FOR 2009

The Human Resources department will continue its initiatives to support the Group's development, defining standardized policies on remuneration and improving the strategic management of both human and skills resources, while keeping salary costs under control. A procedure will be implemented by Natixis Management to provide support to managers during crisis periods.

In 2009, the Human Resources department will continue the studies that began in 2008 on managing senior staff, professional equality, provident insurance, and social protection, so that a common framework can be put in place that is appropriate to the identity and specifics of particular business lines.

Concerning the situation of senior staff, a process covering their situation in the Company was conducted in 2008. This involved improving knowledge of the employment and professional careers of senior staff, understanding their expectations and identifying measures to be implemented, consistent with HR policies, to promote the integration and development of senior staff within the Natixis environment. These themes were tackled using an innovative approach via discussion groups led by consultants: sixty employees of the parent company and French subsidiaries took part in three meetings. The essential issue remains finding a balance between non-discrimination and making the best use of the special abilities of senior staff. The lines of action identified also involve wider initiatives covering all employees: better knowledge of expertise, increased mobility, and more localized and individualized management.

Natixis headcount by activity

At December 31, 2008, in full-time equivalents

Corporate and Investment Banking	5,466
Asset Management	2,857
Private Equity and Private Banking	687
Services	5,343
Receivables Management	5,526
Functional departments and others	2,217 *
TOTAL	**22,096**

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

CHANGE IN NATIXIS HEADCOUNT *

(in thousands of euros)	On 31.12.2008	On 31.12.2007 **	Variation
Permanent and fixed-term contracts	22,096	22,073	+23
Corporate and Investment Banking	5,466	5,660	-194
Asset Management	2,857	2,800	+57
Private Equity and Private Banking	687	688	-1
Services	5,343	5,209	+134
Receivables Management	5,526	5,369	+157
Functional departments and others	2,217	2,348	-131

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

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

CONSOLIDATED CHARGE FOR PROFIT-SHARING AND INCENTIVE PLANS

(in thousands of euros)	2008	2007 *	2006 *	2005	2004
Profit sharing	39,095	31,691	37,153	18,791	15,622
Incentive plans	54,039	221,441	87,231	52,519	38,934

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

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

Natixis S.A.

(in millions of euros)	2008	2007	2006	2005	2004
	14.1	8.1	7.8	7.0	5.8

HEALTH AND SAFETY CONDITIONS (LA 9) – NRE APPENDICES TO REGISTRATION DOCUMENT

During 2008, the Health, Safety and Working Conditions Committee (HSWCC) placed great reliance upon intermediary committees responsible for checking the application of rules on health, safety and working conditions at the level of particular real estate divisions. Four intermediary committees are in operation, allowing the HSWCC to concentrate on cases covering the restructuring carried out in the company, and its consequences for working conditions.

To this end, the HSWCC carried out two significant assessments:

- one concerned evaluating the impact on working conditions, workload and risks to health for certain IT activities following the application of the LEAN and EVEO methods;
- the other, which is still in progress, is designed to assess the impact of the Employment Support Plan on working conditions, workload and health risks to employees.

Also, official recognition was given to the existence of the commission on "Professional behavior and the prevention of harassment and distress at work", whose task is to centralize information on situations involving suffering at work and to list organizational and psycho-social risks. Any of the Group's employees may now approach it.

Its existence, its role and its prerogatives were communicated within Natixis. A training program has just been approved. Initiatives will be carried out in 2009 and appropriate modules have been constructed for members of the commission, Human Resources managers, managers and lastly, for all employees. An intranet site dedicated to the HSWCC, managed by the HSWCC and paid for by the Management, is being constructed and will provide information on the system put in place.

Due to the large number of inter-company transfers, about 10,000 of which took place during the year, the "Moving in" commission, which includes the Management, the occupational health physicians and HSWCC representatives, met more than 10 times in 2008, because it has the advantage of being able to meet very quickly and without formalities according to the urgency of situations. Its role is to help in optimizing the conditions under

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which employees set up their new working environments as a result of team redeployments following reorganization.

The Health-Support Committee, created in 2006, continues to monitor risks at the human level and makes proposals to help Management in its decision-making.

Concerning employee health, the independent occupational medicine department regularly monitors employees in the Paris metropolitan area. Employees requiring special medical supervision will continue to be monitored on an annual basis.

In 2008, the health service did a lot of work on setting up a "stress observatory", which is now operational. In 2009, during their annual medical visits, Natixis' employees will be systematically asked by doctors to reply to a questionnaire containing about a hundred items.

Lastly, as is the practice every year, an influenza vaccination campaign in the workplace took place in the Fall.

A medical insurance adviser remains available twice a week for employee consultations in the Paris metropolitan area.

Other resources

SUMMARY SYSTEMS DEVELOPMENT PLAN (SDSS)

The Summary Systems Development Plan was begun at the end of 2005, with the aim, by 2008, of providing Natixis with a "summary systems" architecture that is modern, upgradeable and able to ensure the coherence of the various summary reports.

2008 was the year in which the SDSS program was completed

2008 saw the new Matisse system become the reference accounting system and informational database for the Natixis parent company, in the sense of the old scope of Natexis Banque Populaire and 4 subsidiaries (Natixis Funding, Natixis Transport Finance, Natixis Paiement and CFDI).

This last milestone completes the SDSS and provides Natixis with:

- databases common to all summary functions;
- a modern system for general accounting and cost accounting;
- a central informational database, with natively reconciled accounting data used for producing the various regulatory and management reports;
- new tools for process management and management control.

A major overhaul of the information system was therefore completed, contributing to significantly improving the strategic management of Natixis as a whole.

The SDSS architecture of the future

The work undertaken since then aims to improve the use of the new application components put in place with the SDSS program, while gradually widening the scope of the summary data and the Group entities managed in these tools:

- Matisse thus became the accounting tool used by Natixis Assurances in January 2009; the parent company Capital Markets flows will be processed in Matisse in April 2009, following a three-month phase where it is run in parallel; lastly, the forthcoming version of Matisse will handle a significant number of subsidiaries and branches, as well as all the data necessary for Basel II reporting;
- in future, the business applications will supply Matisse with data through a single platform, which will be deployed in installments over several years.

INFORMATION SYSTEM CONVERGENCE

ISS governance of subsidiaries

The Group's information security governance function is carried out through:

- setting up the committees mentioned in the General Policy on Information Security:
  - the **Information Systems Strategic Security Committee:** a decision-making authority, chaired by a member of the Executive Board, which meets twice a year to validate the annual security plan for Natixis and its subsidiaries,
  - the **Information Systems Coordination Committee**: which, five times a year, brings together those involved in security, particularly IS security managers in subsidiaries. Its purpose is to make sure that the annual security plan is followed, to coordinate and control all actions in the sector and to pool security projects;
- developing the main **operational security policies**, which specify the instructions to be complied with and now serve as a reference for all checks carried out within the Group.

IS governance

The improvement of the governance of Natixis' information systems has led to better monitoring and supervision of overall IT expenditure, through IT Monitoring and Approval Committees. These committees are now generalized in Natixis' various divisions, by business line. The Natixis IT Monitoring and Approval Committee has examined and validated the Group's largest IT projects, setting out to identify the factors for success and to restrict the financial aspects (business plans systematically produced when projects are begun). To provide the Executive Board and Management Committee with appropriate tools for IT strategic management, the teams in charge of governance regularly produce summary reports on large projects and tables of indicators showing IT costs, covering all business components and functional departments.

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Major projects

In 2008, Evasion, the program to overhaul the Natixis Assurance information system, crossed several visible milestones, with an electronic document-management system activated, an Internet site created, the reliability of data and databases improved and the switch over to the new Matisse accounting system at the end of the year. At the same time, work intensified on integrating the Graphtalk AIA software package, which will manage life-insurance operations during 2009.

Convergence work on Securities Services began in February 2008, with a study on the framework to define the conditions for integrating the Groupe Caisse d'Epargne's securities services activities on the DEFI target platform. The last quarter was devoted to the launch phase and bringing the business and project-management teams up to speed.

With the Antarès program, Natixis will obtain two very high availability computing sites (VEGA and SIRIUS) as well as the current site at Lognes, replacing sites rented from other hosting services. The Logistics department is managing the two construction sites in compliance with standards for high environmental quality. Concerning the technical aspects, detailed studies will be finalized concerning the plan for laying out the rooms, installing the technical infrastructure and moving computer equipment to the new sites, including that used by the CIB.

Extended scope of the purchasing department

The Purchasing department has extended its scope to cover the whole of the Natixis Group. This policy was confirmed at the highest level of the Company under the cost-cutting plan. Partnership agreements have been concluded with the business-lines to cover about 70% of Natixis France expenditure.

The partnership agreement, which defines the roles and responsibilities of those involved in the purchasing process, is based on the general purchasing procedure disseminated to all entities of the Natixis Group at the end of 2007

A report summarizing purchases is provided to Natixis' Management Committee every quarter. Created from data from the supplier accounts departments in the Group's various entities, this summary report gives a consolidated overview of expenditure for measuring the maturity of the current system according to different themes: suppliers, entities and categories of purchase.

This established that the purchase of intellectual services for technical assistance was the largest item of purchasing expenditure by Natixis in 2008.

5 SUSTAINABLE DEVELOPMENT

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Natixis commitment to sustainable development is applied across all business lines. Working alongside national and international bodies actively pursuing sustainable development initiatives, Natixis is among the leading financiers of renewable energy projects and managers of climate change funds.

It ranks first on the French market in the field of social solidarity investment funds and is a forerunner in the socially responsible and sustainable investment (SRSI) market space.

The Group endeavors to raise employee awareness of sustainable practices in the workplace by focusing on the need to reduce consumption, recycle waste, develop green travel plans and implement responsible purchasing policies.

In addition, by supporting projects that extend beyond the confines of its traditional business boundaries, Natixis aims to strengthen civil society through cultural sponsorship initiatives and its commitment to the fight against malaria.

A firm commitment to sustainable development

ACTIVE PARTICIPATION IN NATIONAL AND INTERNATIONAL BODIES

Natixis became a signatory to the United Nations Global Compact in its own right as of July 2007 and actively works to advance the ten fundamental principles of the Global Compact in the areas of human rights, workplace standards and the fight against corruption. Its subsidiary, Coface, has been a member of the UN Global Compact since 2003.

In France, Natixis is a member of the Observatory for Corporate Social Responsibility (ORSE) and *IMS-Entreprendre pour la Cité*, a French association which helps companies meet their social responsibility commitments.

INTEGRATING SUSTAINABILITY INTO OUR CORE BUSINESS

In 2008, Natixis stepped up efforts to direct its investment and financing decisions towards responding to needs and opportunities for sustainable development.

Seizing the opportunities and addressing the constraints of carbon market participation

Natixis continues to expand its reach into carbon markets (tradable emission permits, carbon credits, Kyoto projects, etc.).

Since the inception of the pilot phase of the European Union's emissions trading scheme (ETS), Natixis has focused on providing clients with a broad range of solutions, enabling them to manage their carbon costs and seize trading opportunities. Through the Carbon trading mechanisms instituted by the Kyoto Protocol, Natixis is able to satisfy a diverse range of client needs:

- on the European emissions trading market: Buying and selling of emissions trading permits on spot and futures markets; option strategies are also employed;
- on carbon credit markets created by the Kyoto protocol: Carbon credits arising from projects in emerging countries are an increasingly liquid asset class. These carbon credits can be bought and sold for forward settlement through Natixis.

In addition, Natixis creates structured products for investors in carbon markets.

Finally, in 2008, Natixis continued to endow the Chair in New Energy Strategies at Paris' École des Mines, alongside other corporate sponsors such as EDF, Keolis, Safran, GDF Suez and Total.

The research theme for this chair is to explore the potential impacts of transformational energy technologies on business, the economy and society. Some of the initiatives that are expected to be rapidly effective include biomass energy applications, the extension of quota markets to new sectors, and other international and national energy projects. In 2008, the chair published a report on the future of biomass energy.

Increased financing for environmental and renewable energy projects

Natixis is consolidating its leadership in financing capital-intensive renewable energy projects, whether in the form of financial leasing, project financing or the management of specialist investment funds.

Through its subsidiary, Energeco, Natixis Lease provided financing for the following renewable energy projects in 2008:

- provision of €107 million in financing for 15 wind farms with a combined power output of 133.60 megawatts;
- provision of €27 million in financing for five photovoltaic solar power plants with a combined power output of 9 megawatts;
- provision of €2 million in financing for a 1.2 megawatt biogas plant utilizing methane fermentation.

In 2008, Natixis Project Financing department provided financing for nine renewable energy projects representing an aggregate power output of 545 megawatts. This concerned five wind farm projects and four solar power projects located in Western Europe (France, Italy and Spain) and the United States. To date, Natixis has provided financing for more than 55 projects with a combined installed capacity of 6,745 megawatts.

Lead arranger for the financing of eight wind farms in France

Natixis arranged and underwrote the financing for the construction and operation of a portfolio of eight wind farms in France. The wind farms are being developed by Eolinvest France, a France-regulated private equity mutual fund (FCPR) which is managed by Eolfi Asset Management, an Group subsidiary. The wind farm portfolio has a combined capacity of 84 megawatts located in six areas of France and is scheduled to come on stream in 2010. A total of €127 million in debt financing was raised for the project.

An affiliate of the French water treatment giant, Veolia Environnement, Eolfi specializes in the development, acquisition, construction and operation of renewable energy facilities in France, Poland, Greece and the United States.

The Natixis subsidiary Natixis Environnement & Infrastructures is a portfolio manager regulated by the AMF specializing in project finance. It manages €960 million in funds through six investment funds specializing in environmental engineering and sustainable infrastructure. The two renewable energy mutual funds (FIDEME) and the European Carbon Fund (ECF) are close to fully invested. In late 2007, Natixis Environnement & Infrastructures launched the EUROFIDEME 2 and European Kyoto Fund. Natixis is a long-term investor in both funds.

In 2008, the adoption by the European Parliament of the so-called Climate-Energy Package provided a significant boost to the renewable energy sector. The package defines practical steps to be taken to reduce greenhouse gas emissions by 20% and to establish a 20% share for renewable energy in terms of total installed capacity. The strategic direction of the funds managed by Natixis Environnement & Infrastructures is fully consistent with these objectives.

In the infrastructure funds sector, the FIDEPP fund completed several transactions involving Public Private Partnerships in 2008. The Cube Infrastructure Fund, which is managed by Natixis Environnement & Infrastructures Luxembourg, made its first round of investments, worth a total of €250 million.

Practical achievements by the European Carbon Fund (ECF)

In 2008, Natixis Environnement & Infrastructures provided financing for the Anshan energy efficiency project in China. This involved the structuring, acquisition and syndication by ECF of 13 million metric tons of carbon emission reductions (CERs) from China's second-largest iron and steel producer, Anshan Iron and Steel Group (AISG). It represents the largest investment in the Clean Development Mechanism (CDM) market, outside the greenhouse gas offsets segment.

The investment was made jointly with the support of Natixis' banking unit. At the end of 2008, two of the four projects included in this investment were registered with the United Nations' CDM executive board. CDM registration is pending for the two final projects. The first certified emissions reductions are expected to be awarded in 2009.

At end 2008, ECF completed 24 investments in primary CDM projects, representing a total emission reduction of 60 million metric tons of CO_2. The projects financed by ECF are located in Latin America, North Africa and Asia. The year also saw the launch of data exchange between national and international registers under Kyoto as well as the realization of assets contributed to the ECF for the first time. This enabled the fund to accrue a substantial surplus and to envisage the payment of dividends to investors.

Applying environmental criteria in export financing and credit insurance practices

Credit officers systematically complete environmental scorecards for submission to the credit committees. Scorecards are used to rate the potential environmental impact of financing projects irrespective of the amount concerned. Scorecards measure environmental impact using a three-tier rating system – A, B or C ratings, as appropriate for the industry sector or country – together with regulatory compliance. The other key criteria included in evaluations are the findings of environmental assessments and the risk of opposition to projects. As from 2006, Coface introduced a specific risk monitoring procedure for projects with potentially high environmental risk. This procedure is supported by a variety of bank structures (project and commodity financing).

When covering export risks on behalf of the French state, Coface's export credit backing is contingent on compliance with environmental and social standards. In accordance with the OECD guidelines proposed for Export Credit Agencies (ECAs) using public resources, Coface systematically assesses the environmental and social impact of all projects that are deemed environmentally sensitive or which involve amounts in excess of €10 million. These projects must satisfy standards in force in host countries as well as the relevant international standards, including those established by the World Bank. These essentially relate to environmental stewardship in the broad sense of the term (e.g. curbs on waste, protection for local populations, biodiversity and cultural heritage, etc.).

At least 30 days before taking the decision to provide export credit backing, Coface publishes a list of key projects on its website *(www.coface.com)* and provides information on each project's potential environmental and social impacts based on the results of its project impact assessment. The purpose of publication is to seek feedback from stakeholders and other interested parties. It then provides disclosure relating to projects that are funded or guaranteed by it and certifies that standards are met.

More generally, Coface addresses these matters in a constructive way. Wherever possible, it works closely with clients and stakeholders in order not just to meet but also to exceed the standards set. It engages a two-way dialog with civil society and with environmental NGOs in relation to these procedures and their application. As appropriate, it also provides disclosure on a project by project basis.

Finally, Coface participates in discussion groups which seek to obtain preferable financing terms for renewable energy projects and other energy efficiency measures.

A policy of non-investment in companies involved in landmines and cluster bombs

Natixis has adopted a policy of non-investment in companies linked to the manufacture, trade and stockpiling of landmines and cluster bombs.

This non-investment policy applies to:

- financing for companies involved in landmines and cluster bombs;
- own-account investments;
- third party asset management services for portfolios management by Natixis Asset Management.

Natixis Asset Management will also raise awareness of this issue among its customers.

Socially responsible asset management

Natixis Asset Management has been a forerunner in the field of Socially Responsible Investment (SRI) for more than a quarter century. Some of its key achievements over this period include:

- the launch of *Natixis Impact Nord-Sud Développement* in 1985 [(1)]. This fund supports sustainable development and solidarity with emerging nations while promoting access to micro credit for underprivileged populations;
- in partnership with Natixis Interépargne, it established *Fructi Capital Ethique*, the first sustainability-screened employee savings fund, in 1999.

Natixis Asset Management has steadily developed a complete range of SRI-themed and solidarity mutual investment funds [(2)], covering the full spectrum of asset classes, from equities, bond and money market funds through to diversified funds. Funds are managed according to a variety of approaches, ranging from integrated SRI strategies [(3)] and thematic funds through to ethical and solidarity funds.

Natixis Asset Management manages a total of 37 SRI-themed and solidarity mutual investment funds (including dedicated mandates and employee savings schemes). It operates eleven funds in the open-end fund sector, representing €2.8 billion in assets under management.

(1) Formerly Knocon "Nord-Sud Developpement"

(2) An investment fund which dedicates between 5% and 10% of assets under management to the financing of projects in the social and solidarity economy.

(3) New-generation best-in-class, an investment screening approach focusing on integrating Environment, Social and Governance (ESG) factors into financial assessments.

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As at December 31, 2008, Natixis Asset Management had **€3.6 billion** in assets under management invested in **SRI and solidarity-based investment funds** and occupies a preeminent position in its markets:

- **No. 1 in solidarity-based fund management in France,** with a 44% market share, as reported in the 2008 Baromètre des Finances Solidaires league table compiled by Finansol [(1)], La Croix and Ipsos;
- **among the top-ranking SRI-themed funds in France,** according to the semiannual barometer of the SRI universe published by Novethic [(2)];
- in addition, **Natixis Interépargne** is the leader in the field of SRI employee savings plans, according to the 2008 report [(3)] of the Inter-Union Employee Savings Committee (CIES), covering all CIES-approved employee savings schemes.

Lastly, Natixis Interépargne and Natixis Asset Management are joint market leaders in social solidarity funds for Company sponsored employee savings schemes in France with a 54.6% market share [(4)].

Dedicating increased resources to SRI

Natixis Asset Management firmly believes in the importance of extra-financial value drivers for asset management and uses SRI as a key input in developing its investment strategy. It is continuously consolidating its core SRI research and asset management capabilities and is progressively extending Environmental, Social and Governance (ESG) standards to its mainstream asset management activities.

To meet these demands, Natixis Asset Management has reorganized and strengthened its specialist SRI teams:

- within Europe, Natixis Asset Management maintains one of the largest teams of research analysts and asset managers dedicated to SRI: 10 SRI asset managers are assigned to the various asset management units and are responsible for ongoing embedding of ESG principles into decision-making; they are supported by a team of 18 ESG analysts and credit analysts;
- to foster synergies and information sharing beyond the Core SRI universe [(5)], Natixis Asset Management has regrouped its extra-financial research and credit analysis team within a single department;
- a quantitative research unit has been established within the extra-financial and credit research department: two quantitative engineers are responsible for research (correlation, theory of runs) and documenting the materiality of extra-financial criteria.

Promoting socially responsible investment

During the year, Natixis Asset Management took steps to consolidate its position in the sustainable development capital space while reinforcing its promotional efforts and tactical marketing campaigns:

- a signatory to the global Principles for Responsible Investment [(6)] (PRI) in 2008;
- a member of the European Social Investment Forum (EUROSIF) in July 2008, building on its longstanding ties to the French Responsible Investment Forum (FIR);
- a joint sponsor of the 2008 edition of EUROSIF's SRI Market Study;
- launch of the "Responsible Investor Award" in association with the independent consulting firm Amadeis and the French business daily, Les Echos, on November 26, 2008;
- sponsor of the inaugural edition of the "International Microfinance Awards" held in October 2008 and organized by the non-profit international development organization, PlaNet Finance, to mark its tenth anniversary.

A new SRI trademark for Natixis Asset Management: *Natixis Impact*

Enhancing the SRI offering

Natixis Asset Management made several key enhancements to its SRI offering in 2008:

- as of September 15, 2008, Natixis Asset Management brought together its open-end SRI funds under the *Natixis Impact* umbrella;
- in addition, on October 1, 2008, it introduced two new funds which are managed according to an Integrated SRI approach: Natixis Impact Europe Equities Fund and Natixis Impact Euro Corporate Bond Fund [(7)].

Natixis Asset Management uses material extra-financial factors into its investment process and seeks to hone in on the key criteria that are likely to have a medium to long-term IMPACT on valuations and risk/reward. In addition, socially responsible investors who are clients of Natixis Asset Management are keen to make a positive and concrete IMPACT on the environment, society and corporate governance.

(1) Finansol: a representative body for institutions involved in social and ethical financing.
(2) Novethic: an independent think-tank on SRI and sustainable development. Novethic publishes a semiannual indicator on SRI management; February 2009.
(3) Report published end-December 2008.
(4) According to the 2008 edition of the Baromètre des Finances Solidaires league table published by Finansol.
(5) Core SRI corresponds to investment products managed according to strict SRI management rules.
(6) An initiative launched in 2006 by the United Nations under the auspices of UNEP Fi and the Global Compact.
(7) Sub-funds of the Luxembourg SICAV, Natixis International Funds (Lux) I.

A strong track record in solidarity-based fund management

Among the most prominent funds managed by Natixis Asset Management, Insertion Emplois Dynamique, Insertion Emplois Équilibre, Natixis Impact Nord-Sud Développement and the private equity mutual fund set up to manage the solidarity mutual investment sub-funds of Natixis Asset Management's employee savings plans, have won the seal of approval of Finansol [(1)],the French organization that vets social and ethical investments, in recognition of the transparency of their investment process.

Natixis Asset Management is leader in this field and plays a major role in the financing of social and ethical projects through the investors that it represents.

In 2008, Natixis Asset Management provided €2.5 million in financing via its UCI Insertion Emplois Équilibre for 58 job-creation projects in association with the non-profit foundation France Active. This funding has helped to provide jobs for a total of 2,930 people [(1)] (47% of whom were facing employment difficulties).

This French-regulated solidarity-based private equity mutual fund had €15.3 million in assets under management as at December 31, 2008 and provides funding for a variety of projects promoting social insertion, social housing, people in temporary difficulty, microfinance and social and ethical financial services. This innovative asset management product is unique on the French investment market and is specifically designed to optimize the management of the solidarity-based mutual investment sub-funds of employee savings schemes. It is specifically designed to cater for the increased prominence of solidarity mutual funds within employee savings plans, which is being driven by recent legal developments [(2)]. By launching this private equity mutual fund in 2006, Natixis Asset Management anticipated the future growth of solidarity-based employee savings schemes and gained the expertise to assist companies in this new area of investment.

Countering financial crime

During the year, Natixis continued to step up efforts aimed at combating the misuse of its operating units for money laundering, the financing of terrorism and breaches of financial embargos.

Employees in the Financial Security department of the Compliance Division work actively, both at upstream (standard-setting, guidance and training) and downstream (supervisory procedures and oversight) levels within the parameters of the compliance framework.

This framework is supported by supervisory practices such as know-your-customer (KYC) checks, detection procedures for unusual or suspicious transactions, and suspicious transactions reporting (STR) mechanisms which provide for information exchange with financial intelligence units and other competent authorities.

In 2008, the updated KYC procedure circulated to staff outlined the various principles to be applied in each business line. These principles incorporate the provisions and risk-based approach of the Third European Directive which will apply to Natixis as soon as it is transposed into French law. Different due diligence procedures are applied commensurate with the level of risk posed.

As from late 2006, Natixis further tightened its system of reporting of suspicious financial transactions by implementing Norkom Group's financial crime and compliance software which includes sophisticated behavioral profiling technology.

As part of its ongoing efforts to counter financing of terrorism and breaches of financial embargos, Natixis updated official sanction lists compiled by European and U.S. authorities (OFAC), extended its checks on customer databases, and implemented new versions of the FircoSoft watchlist filtering solution at the majority of its subsidiaries.

In addition, Natixis provided follow-up training for staff on the prevention of money laundering and terrorism financing. A complete training cycle was organized for a broad cross-section of employees of Natixis' parent company and its French-based subsidiaries. During the year, Natixis stepped up efforts to notify employees about compliance issues using a dedicated intranet portal which informs staff as legislation and regulations are promulgated at domestic, European and international levels and enables them to consult updates to relevant policies and procedures.

Furthermore, Natixis' Financial Security department participated in a series of interbank projects which aim to provide advocacy on legal and regulatory issues, such as the transposition into domestic law of the Third European Directive. This participation also enables it to keep abreast with best practices in its sector.

MINIMIZING DIRECT IMPACTS ON THE ENVIRONMENT

At Group level, Natixis' operations may have a significant impact on the environment, whether in terms of resource consumption, waste management and carbon emissions. An environmental stewardship policy was put in place to mitigate these negative impacts in 2004.

Natixis participates in eco-action initiatives coordinated by the French Environmental Protection Agency, Ademe, to raise public awareness about the contribution of greenhouse gases to climate change. It has a dedicated intranet site which encourages employees to alter their behavior in order to reduce energy, paper and fuel consumption, and optimize waste management.

(1) Source: France Active (data as at December 31, 2008).

(2) The French Economic Modernization Act of August 4, 2008 imposed requirements on Company savings schemes, intercompany savings scheme and group savings schemes to offer solidarity-based investment sub-funds to employees as from January 1, 2010.

Limiting resource consumption

The logistics department plays a role in managing the bank's direct impact on the environment by establishing a proactive policy of controlling energy use in buildings. It uses state-of-the-art operating systems to measure energy use and set targets to reduce annual consumption. Consumption is monitored on a month-by-month basis within the main corporate buildings. Since Natixis' creation in November 2006, consumption has been monitored at all Group entities.

The progressive rollout of networked multifunction printers is helping to reduce paper and ink cartridge consumption. Printers are set by default to double-sided, ink-saving mode.

In 2008, Natixis' Logistics Division initiated an integrated management system built upon ISO 9001 (quality management) and ISO 14001 (environmental management) certification.

Sidebar: ISO 14001 certification program

In 2008, Natixis embarked on an ISO 14001 certification program covering the facilities management and maintenance of its office buildings. A pilot environmental management system (EMS) has been implemented at two corporate office buildings and the findings of a preliminary audit carried out in October identified ten non-conformities and four corrective actions.

The reported non-conformities and corrective actions have been closed out and the EMS has been implemented at all corporate office buildings managed by Natixis' logistics department. A full certification audit is scheduled for 2009.

Insofar as ISO 14001 requires companies to ensure compliance with quality assurance standards, the logistics department has initiated efforts to obtain ISO 9001 quality certification for its property facilities management and maintenance activities. The ISO 9001 standard has four elements: Management responsibility for facilities management and maintenance functions, quality assurance, customer satisfaction criteria, and continuous improvement (measurement and analysis of quality performance and effective implementation of corrective actions).

Furthermore, in connection with the so-called *Antares* project, Natixis has implemented a certification program to obtain the French High Environmental Quality (HQE) standard for its data centers in the Paris region. This initiative will serve as a pilot project to transfer the methodology and processes for integrating HQE environmental standards for the operation of data centers.

Making waste sorting a standard practice

Natixis' waste sorting procedures have been established over successive years and have now reached a level of maturity enabling tangible results to be achieved in the various waste management categories: paper, batteries, ink cartridges, IT and office materials, telecommunications, etc.

The Group's waste management policy also covers IT equipment, both through purchasing initiatives and end-of-life electronics management. Carbon emissions assessments show that information technology systems account for 40% of Natixis' total greenhouse gas emissions.

For this reason, in 2008, Natixis decided to extend the replacement cycle for its desktop and laptop computers from three to four years, representing an annual replacement rate of 20%. Servers are replaced every three years.

Following the entry into force of the WEEE directive on electrical and electronic waste, Natixis appointed a specialist waste treatment firm, APR2, to coordinate end-of-life management, reprocessing and reclamation for IT systems.

Waste treatment for used mobile telephone handsets is handled by Ateliers du Bocage, a branch of the French humanitarian association Emmaus. Functional handsets are sold through Emmaus resale shops or on the internet.

A green corporate travel program

The carbon footprint assessment conducted within Natixis in 2006 showed that business travel has a significant impact on the environment. In 2007 the bank initiated a corporate travel program to develop alternatives to using private automobiles for commuting and travel between corporate premises.

Similarly, Natixis is a participant in the *Mobilité capitale* network for companies based in the Paris region which are interested in implementing corporate travel plans.

In this area, the bank has introduced a variety of initiatives to promote the use of public transport and so-called "soft" transport modes: in 2005, Natixis began providing part funding for a public bus service which serves its sites in the Paris suburb of Charenton-le-Pont. Staff are encouraged to use public transport facilities in the vicinity of Natixis' sites while shuttle bus services also operate between its various sites in the Paris region. Finally, facilities for parking bicycles are provided at the bank's largest office buildings, and 123 bicycle parking spots have been developed at eight locations in central Paris and the Paris suburbs.

For business journeys, as from 2008, Natixis introduced a policy of using rail in preference to air for travel within France as well as to Belgium, the Netherlands, Luxembourg and London. The initial results of this policy were perceptible as from August 2008, with a marked increase in train reservations and a concomitant decrease in air travel for journeys between Paris and the French regional cities of Marseille, Strasbourg and Bordeaux.

Furthermore, to help reduce the need for employees to travel to meetings, Natixis is promoting the use of videoconferencing and webcasting within its organization. In recent years, it has succeeded in steadily increasing reliance on videoconferencing with 888 videoconferences held in 2008, versus 856 in 2007 and 724 in 2006.

Efforts have also been directed towards enhancing the environmental performance of the vehicle fleet, notably through the use of low-emission vehicles and, as from 2008, the introduction of a one-model policy for vehicle fleet purchasing which is based on emissions efficiency.

Finally, in 2008, the Group developed the new carpooling website launched in late 2007. The site uses geographical information to help employees share their vehicles and match supply with demand, whether for commuting purposes or for travel between corporate premises.

2008 results of the carpooling initiative

- 1,050 commuters registered throughout the Paris Region;
- 210 carpooling proposals posted since the program began;
- 23 Natixis sites represented.

Expanding our responsible procurement policy

In 2008, the purchasing department continued to spearhead socially responsible procurement policies on behalf of the organization.

As from 2005, the Group's tendering process was updated to incorporate sustainable purchasing practices. In 2008, it introduced social and environmental responsibility criteria for the evaluation of supplier performance.

Representatives from the French Environmental Protection Agency work alongside Natixis' procurement staff to ensure that criteria are regularly reviewed and revised to comply with any updates to procurement frameworks and regulatory systems.

A sustainable development code of practice has also been drawn up and circulated to suppliers. The code of practice has been made available for download on the Group's supplier extranet since the end of 2008.

Of the approximately 540 purchase orders processed by the procurement department in 2008, 265 were scored on sustainable development criteria. In value terms, the proportion of orders awarded based on sustainability criteria was 80%.

Practical achievements

In 2008, Natixis revised its environmental purchasing policy to incorporate the following items:

- all paper is made from recycled or virgin wood fiber sourced from sustainably managed forests and has a base weight of 75 g rather than 80 g;
- use of recycled envelopes labeled according to French environmental standards;
- use of remanufactured consumables for printers and fax machines;
- wherever possible, office supplies are purchased from a green catalog. These purchases accounted for 28% of overall purchasing by volume and 22% by value.

EXPANDING THE SCOPE OF OUR ENVIRONMENTAL ACTIVITIES

In 2008, Natixis took part in two new projects in line with its objective to extend the scope of its sustainability commitments and explore new avenues for the reduction of environmental impacts.

Neighborhood eco-citizenship project

The so-called *Écocitoyen Paris Rive Gauche* project was initiated in 2008 in the 13th arrondissement of Paris, the district which is home to Natixis' headquarters building as well as five smaller office buildings. Natixis has a total of 4,400 employees based in the district.

The project brings together a cross-section of corporate sponsors, district authorities and neighborhood groups as well as students from Université Paris Diderot.

The project promotes eco-citizenship as part of the wider goals of the urban regeneration initiative underway in the 13th arrondissement of Paris. To this end, the goals pursued by the initiative can be summarized as follows:

- **environment**: energy efficiency, waste sorting, promotion of "soft" modes of transport;
- **society**: strengthening the diverse social-economic, cultural and generational fabric of Paris' 13th arrondissement;
- **economy**: promoting local businesses and services.

Three workshops were held from between June and October 2008 in order to establish a baseline evaluation and earmark the initiatives to be pursued in the coming year.

Raising awareness about biodiversity

Natixis is a sponsor to the French non-profit association, Noé Conservation, which is involved in activities related to conservation of biodiversity.

Noé Conservation 2008 awareness-raising campaign focusing on twenty topics, ranging from health, leisure, work, the arts through to nutrition, which aimed to educate the public about our dependence on species diversity and the practical contributions that can be made to preserve biodiversity.

The exhibition organized by the association in Paris ran from June to October 2008 and will travel throughout French regions in 2009. Natixis organized a number of special events for its shareholders and employees in conjunction with the exhibition and set up a French-language website *(www.agisavecnoe.com).*

> Further information is available online at *www.natixis.com/responsabilitesocietale/environnement.*

HARNESSING ECONOMIC GROWTH TO PROMOTE EQUAL OPPORTUNITY

Diversity management

During 2008, Natixis continued to demonstrate an ongoing commitment to managing diversity.

Concerning the advancement of women in the workplace, women account for 45.5% of the total workforce of the parent company. In addition, women occupied 36.9% of managerial positions within Natixis S.A. in 2008 and this proportion is set to increase insofar as women made up 58.1% of promotions to executive level, compared with 54.8% in 2007. As a result, the percentage of women occupying managerial positions within the Group's operations in France rose to 40.9%, up from 40.5% a year earlier, and the percentage of women in overall promotions increased to 63.8%, versus 59.7% in the prior year.

Following on from the creation of an equal opportunities commission within Natixis S.A. in July 2007, talks on gender equality were held with labor representatives in late 2008. A scheme to ensure pay equality will be implemented as from 2009.

In this area, agreements have now been signed in certain subsidiaries, such as Coface and Natixis Factor, covering the areas of recruitment, training, professional development and compensation.

Concerning the management of seniors, the Group carried out a survey on the situation of seniors within Natixis, the results of which will form the basis for negotiations with labor representatives in 2009.

Accommodating employees with disabilities has been identified as a fundamental social responsibility issue for Natixis. A dedicated body was set up in 2006 to supervise the Group's policy in this area. Its work is supported by a baseline assessment and action plan which was developed with the assistance of the disability services organization, Agefiph.

Natixis S.A. had 69 employees with disabilities in 2008, twelve more employees than in 2007. A consulting firm has been retained to carry out ergonomics surveys and make enhancements in order to accommodate disabled members of staff. In addition, awareness-raising initiatives are being implemented in the following areas:

- during the year, 65 people took part in a series of six disability awareness workshops. A total of 120 people have participated in the project since its inception. Further workshops are planned for 2009 and will be organized both for newly hired HR managers as well as the wider workforce;
- in terms of external communications initiatives, Natixis organizes meetings with a Natixis manager and disabled member of staff for engineering students in Paris. The purpose of meetings is to raise awareness among students of the role played by disabled employees in the workplace. As another demonstration of its commitment to promoting disability equality, Natixis also provides sponsorship for *L'Officiel du Handicap,* a French-language magazine for people with disability.

Additionally, the Group has established and consolidated relations with associations that facilitate dialog between companies and disabled persons (Hanploi, Tremplin, AFIJ, AFIDEO), as well as with temporary employment agencies with a view to providing work placement and recruitment opportunities for disabled persons.

In the field of external communications, Natixis has carried out development work on its website to ensure it is accessible to disabled persons. In 2008, the Group's website became the first bank website in France to achieve bronze level certification under the French *AccessiWeb* standard.

Finally, Natixis has also established contracts for supplies and services with sheltered work centers employing disabled persons. Thus, tasks such as responding to job applications and electronics recycling, collection and processing have been outsourced to ARP2, a French company providing sheltered work for disabled persons. Natixis' procurement department remains committed to sourcing additional supplies and services from sheltered work centers.

Staff are kept informed of the Group's initiatives in the sphere of disability equality through a dedicated newsletter and a designated space on its human resources intranet portal.

OUTREACH TO CIVIL SOCIETY

Corporate sponsorship and patronage activities enable Natixis to engage with civil society by supporting projects that extend beyond the confines of its traditional business boundaries. The key focus for outreach efforts is to create a two-way dialog and mutual benefits while firmly embedding the enterprise in the social, cultural and natural environment.

In the area of sustainable development, Natixis' corporate patronage activities focus on strengthening solidarity with the underprivileged and passing on knowledge to future generations.

Intensifying the fight against malaria

In the area of corporate philanthropy, Natixis has been a member of the French coalition in the fight against malaria since 2005. Malaria is recognized as a key barrier to economic and social development throughout the developing world. The reality is that solutions exist for fighting this insidious disease which causes two million deaths annually, mainly among pregnant women and infants.

For the fourth year running, Natixis was a partner in the "World Fight Against Malaria Day". As part of this commitment, it participated in the following awareness and fundraising activities:

- funding for public awareness initiatives organized by the French NGO, Plan France, including a poster campaign in Paris metro stations;
- providing support for a press conference and colloquium on malaria research held on April 22, 2008 and hosted by the Institut Pasteur in France;
- providing support for exhibitions, conferences and concerts organized by an association of medical students in Paris and 22 regional cities throughout France. The funds raised from these events were donated to NGOs involved in the fight against malaria;
- a temporary installation was organized in Paris by the Plan France NGO, incorporating informative displays, a photo exhibition and educational activities for adults and children.

A photo exhibition was held to publicize the operation in Cameroon to employees as well as through an awareness-raising and fundraising event.

In addition, Natixis continued to provide financing for training programs on malaria prevention for local communities and for the distribution of impregnated mosquito nets. Projects initiated in 2005 with the Plan France and Les Enfants de l'Air NGOs were stepped up in 2008 in Cameroon, Burkina Faso and Niger. These projects have provided tangible results in malaria eradication and have helped to save thousands of lives.

Lastly, Natixis provided funding for a project led by Dr. Ménard of the Institut Pasteur's Malaria Biology and Genetics unit. Using images obtained with an electronic microscope, the research team was able to examine in real time a crucial phase of the infection via dynamic imaging and confirmed the complete development cycle of the malaria parasite in human skin. The results of this research will contribute to the wider global effort to develop a vaccine against malaria.

High-profile patronage for cultural events

Under the *Patrimoines d'Hier, Trésors d'Avenir* banner (Yesterday's Heritage, Today's Treasures), Natixis has demonstrated a strong and consistent commitment to developing, studying and ensuring the transmission to future generations of lesser-known works of France's national heritage over the last six years.

In 2008, Natixis acted as a sponsor to the Babylon exhibition in the Louvre Museum. This unprecedented exhibition brought together a treasure trove of 400 works held in public and private collections around the world with the aim of reconciling Babylon's history with its legend. Through its support for the exhibition, Natixis helped to bring to light a unique view of the ancient city as well as the way in which its hidden treasures provide rich insights into the cultural roots of our modern world.

Finally, Natixis also provided sponsorship for the restoration of treasures from the collection of the legendary film pioneer Georges Melies as part of a year-long exhibition highlighting his contribution to modern-day cinematography. The "Movie Magician: Melies" exhibition held by the Cinémathèque Française in Paris, gave the public an opportunity to view some of Melies' most popular films along with costumes, props, set designs and screenings for young audiences.

Further information is available online at
www.natixis.com/responsabilitesocietale

NRE Annexes – Workforce information

The workforce indicators presented herein include all indicators referenced in the Decree of February 20, 2002 relative to the implementation of the New Economic Regulations (NRE) Act. Comparisons with Global Reporting Initiative (GRI 3) indicators are shown between brackets.

Scope

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

The main changes in the consolidation scope in 2008 concerned the removal of Natixis Investor Services, following its merger with CACEIS, and the inclusion of the workforce of M+X, following its absorption into Natixis Paiements.

Additional information is provided in the 2008 Social Audit.

TOTAL WORKFORCE *(LA 1)*

As of December 31, 2008, the salaried workforce amounted to 26,595 persons and the total number of full-time equivalent (FTE) employees amounted to 22,096.

Approximately 41% of the workforce is employed outside France.

FTE employees	2008	2007	2006	2005	2004
Natixis Group	22,096	22,073 *	21,138	12,973	12,534

* *Pro forma data (change in consolidation scope).*

See "Human Resources" section herein for the workforce breakdown by business line.

WORKFORCE BREAKDOWN – FRANCE-BASED EMPLOYEES

(Number of employees)

Fixed-term/permanent	2008	2007	2006
Fixed-term employees	231	340	377
Permanent employees	13,839	14,012	13,691
TOTAL	**14,070**	**14,352**	**14,068**

Managerial/non-managerial	2008	2007	2006
Managerial	9,633	9,635	9,215
Non-managerial	4,437	4,717	4,853

Gender profile	2008	2007	2006
Men	6,886	7,049	6,921
Women	7,184	7,303	7,147

In 2008, 106 fixed-term contracts were converted to permanent contracts.

At the end of 2008, 98.4% of employees were employed on permanent contracts, versus 97.6% in 2007.

Men accounted for 48.9% of the workforce employed in France (49.1% in 2007) and women 51.1% (50.9% in 2007).

The proportion of managerial employees in the overall workforce has increased steadily over several years. Managerial employees represent 68.5% of the workforce (67.1% in 2007) and 72.6% of the parent company's workforce *(see table below).*

WORKFORCE BREAKDOWN – PARENT COMPANY EMPLOYEES (NUMBER OF EMPLOYEES OR PERCENTAGE)

Fixed-term/permanent	2008	2007	2006	2005	2004
Fixed-term employees	64	108	54	67	53
Permanent employees	6,741	6,394	5,018	4,681	4,701
TOTAL	**6,805**	**6,502**	**5,072**	**4,748**	**4,754**

Managerial/non-managerial	2008	2007	2006	2005	2004
Managerial	72.6%	71.8%	63.3%	60.0%	56.6%
Non-managerial	27.4%	28.2%	36.7%	40.0%	43.4%

Gender profile	2008	2007	2006	2005	2004
Men	3,706	3,513	2,658	2,502	2,495
Women	3,099	2,989	2,414	2,246	2,259

Men accounted for 54.5% of the parent company's workforce and women 45.5%.

The staff of the parent company includes 95 civil servants on secondment.

NEW HIRES

1) In France:

New hires	2008	2007	2006
Under permanent contracts	1,021	1,315	1,456
Under fixed-term contracts	341	592	521
TOTAL NUMBER OF NEW HIRES	**1,362**	**1,907**	**1,977**
Proportion of managers	65.1%	61.2%	65.1%

The Group scaled back its recruitment activities in 2008. A total of 1,362 new employees were hired during the year, representing a 30% reduction on 2007. Of this total, 1,021 recruits were hired under permanent contracts and 341 under fixed-term contracts.

New hires in 2008 represented almost 9.7% of total employees in France.

Managers accounted for 65.1% of new recruits (61.2% in 2007) and 70.8% of new permanent contracts (69.9% in 2007).

2) Natixis' parent company greatly reduced its recruitment activity in the second half of the year. Excluding staff transfers made in connection with business combinations, a total of 493 new hires were recruited and this figure included

109 employees hired from subsidiaries. This compares with a total of 821 persons hired by the parent company in 2007.

3) During the year, there was a series of staff transfers within Natixis Group as a result of business combinations: Natixis/Altaïr/Gestitres, Natixis Lease/GCE Bail, Natixis Consumer Finance/Natixis Financement.

After stripping out the impact of staff transfers, intercompany mobility within the Natixis Group totaled 429 in 2008. Managerial staff accounted for 77% of this total.

A total of 73 employees were transferred into Natixis from Groupe Banque Populaire and Groupe Caisse d'Epargne or from Natixis partnerships in 2008, with managers accounting for 68% of this total.

EMPLOYEE TURNOVER

A total of 1,585 fixed-term and permanent employees left Natixis in 2008 for various reasons (excluding intercompany mobility), versus 1,653 in 2007.

The resignation rate among permanent employees was 3.7%, versus 4.7% a year earlier.

Finally, a total of 350 employees of Natixis in France were dismissed, versus 198 in 2007. This included 202 parent company employees and 87 redundancies made in connection with the workforce reduction plan. See "Workforce reduction and employment preservation plans" section herein for more information.

Employee dismissals	2008	2007	2006
Parent company	202	83	98
Subsidiaries	142	115	100
TOTAL	**350**	**198**	**198**

OVERTIME

The total number of overtime hours worked by employees in France amounted to 33,536 hours in 2008. Overtime hours converted to full-time equivalent amounted to 20.9.

Overtime worked by parent company employees amounted to 15,042 hours, representing 9.3 FTEs.

	2008	2007	2006
Overtime *(hours)*			
Parent company	15,042	17,812	12,900
Subsidiaries	18,494	22,237	30,875
TOTAL	**33,536**	**40,049**	**43,775**
Overtime *(annual FTE)*			
Parent company	9.3	11.1	8.0
Subsidiaries	11.6	13.8	19.2
TOTAL FTE OVERTIME – PARENT COMPANY AND SUBSIDIARIES	**20.9**	**24.9**	**27.2**

EXTERNAL WORKFORCE *(LA 1)*

- Temporary staff: In 2008, temporary staff accounted for 3.7% of the average salaried workforce, representing a monthly average of 526 FTEs.

In the parent company, temporary workers accounted for a monthly average of 201 FTEs, representing 3% of the average salaried workforce in 2008.

Temporary staff	2008	2007	2006
In France:			
Average monthly number	526	567	467
As a % of the workforce	3.7%	4.0%	3.3%
Parent company:			
Average monthly number	201	241	156
As a % of the workforce	3.0%	3.8%	3.1%

WORKFORCE REDUCTION AND EMPLOYMENT PRESERVATION PLANS

See "Human resources" section herein for more information.

In 2008, 96 employees opted for voluntary redundancy under workforce reduction and employment preservation plans. Of this total, 87 employees left for personal reasons and nine opted for early retirement.

Employee turnover by division	Number	%
Corporate and Investment Banking	64	67%
Operational departments	31	32%
Services	1	1%
TOTAL	**96**	**100%**

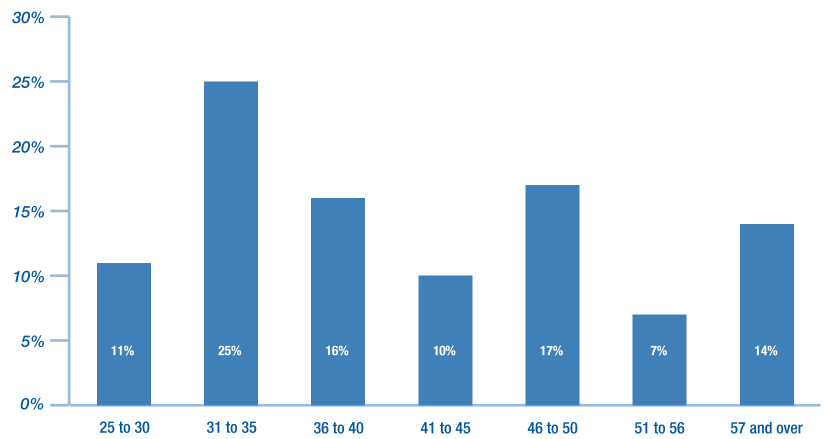
Employee turnover by gender	Number	%
Men	44	46%
Women	52	54%
TOTAL	**96**	**100%**

Employee turnover by qualification	Number	%
Technical staff	23	24%
Managers	69	72%
Other	4	4%
TOTAL	**96**	**100%**

Employee turnover by identified motive	Number	%
Early retirement	9	9%
Other salaried position (permanent or fixed-term)	53	55%
Business start-up projects	15	16%
Long-term training projects	13	14%
Personal life projects	6	6%
TOTAL	**96**	**100%**

Certified training courses	Number	Individual training leave (hours)
Long-term training	20	926.5
Other projects	5	328
TOTAL	**25**	**1,254.5**

AGE RANGE



WORK ARRANGEMENTS AND WORKING HOURS - ABSENTEEISM

The business activities of Natixis' parent company and its subsidiaries in France are covered by ten collective bargaining agreements. Three-quarters of employees are covered by collective bargaining agreements applicable to the banking and insurance sectors.

Certain sectors are subject to specific provisions, in particular with regard to working hours.

In the parent company, the statutory workweek is 35 hours averaged over the year. The collective workweek is 38 hours and employees also enjoy compensatory time off in lieu of overtime. Managers employed on the basis of a fixed number of days rather than an hourly basis work 209 days. This includes the additional work day stipulated under the Act of June 30, 2004 concerning solidarity and the autonomy of the elderly and disabled.

Employees have the option of choosing part-time work arrangements on the basis of 50%, 60%, 70%, 80% or 90% of a full-time equivalent. Similarly, managers employed on the basis of a fixed number of days may opt for part-time work arrangements on the basis of 105, 126, 147, 167 or 188 days.

Around 9.3% of all France-based employees have opted to work under part-time work arrangements.

Part-time employment	2008	2007	2006
France			
Number of employees	1,307	1,338	1,278
As a % of the workforce	9.3%	9.3%	9.1%

The absentee rate in France was 5.1% in 2008. Sick leave accounted for 2.4% of the total absentee rate and maternity leave 1.6%. The same figures for Natixis' parent company are 5.2%, 2.3% and 1.8%, respectively.

COMPENSATION POLICY

In 2008, the mandatory annual compensation negotiations resulted in the unilateral application of Management's proposals as summarized below:

- the annual minimum amount of gross compensation for new employees hired on a full-time basis under fixed-term or permanent contracts (excluding subsidized employment programs) was revised to €19,000;
- increases to base compensation were structured as follows:
  - 3% for annual gross salaries of up to €22,000,
  - 2% for salaries of between €22,000 and €35,000 with a ceiling of €550,
  - 1% for salaries of between €35,000 and €70,000 with a ceiling of €500;
- human Resources line managers and HR representatives carried out a detailed review of the situation of employees who have not had a salary increase in the three years prior to June 1, 2008.

Average gross annual compensation for permanent employees on a full-time equivalent basis (fixed and variable components excluding profit-sharing, incentive plans and employer's matching contributions to the employee savings plan) was €72,000 for the Group in France.

Around 7,500 employees of the parent company and its subsidiaries received an individual social audit, a document explaining to each employee what they have received in terms of fixed remuneration, statutory benefits, variable remuneration, employee savings schemes, as well as the benefits provided by the Company in terms of social protection (provident insurance, complementary health insurance, retirement benefits) and providing a breakdown of other benefits (training, employee representative committee, family allowances, etc.).

INCENTIVE AND PROFIT-SHARING PLANS

See "Human Resources" section herein for more information.

LABOR RELATIONS AND COLLECTIVE BARGAINING AGREEMENTS

See "Human Resources" section herein for more information.

WORKPLACE HYGIENE AND SAFETY PROCEDURES *(LA 9)*

In 2008, the Workplace Hygiene and Safety Committees (CHSCT) worked in collaboration with subcommittees responsible for enforcing hygiene, safety and workplace conditions in the Group's individual sites. Four subcommittees operating within the Group enable the Workplace Hygiene and Safety Committees (CHSCT) to focus specifically on workplace conditions related to reorganizations underway within the Company and their implications for working conditions.

To this end, the CHSCT prepared two significant assessment reports:

- the first concerned an assessment of the impact on working conditions, staff workloads and health risks arising from the implementation of Lean and "Drive Towards Operational Excellence" programs in specific IT operations;
- the other ongoing assessment is designed to evaluate the impact of the employment support plan on work conditions, staff workloads and health risks.

Furthermore, a specific commission on standards of professional behavior and the prevention of harassment and bullying in the workplace has been set up to collate data on workplace bullying and identify risk factors at organizational and psychosocial levels. The commission can be contacted by any employee.

Within the Group, Natixis organized initiatives to publicize the role and powers of the organization. A training program has also been approved. Initiatives will be rolled out in 2009 and specific training modules will be provided for the commission's members, HR line managers, management staff and employees as a whole. Funds have been earmarked by Management for the development of a Workplace Hygiene and Safety Committee intranet site to provide information on the framework put in place.

To facilitate the coordination of staff transfers within the organization, a specific commission bringing together senior management, occupational health professionals, and representatives of the Workplace Hygiene and Safety Committee has been set up in response to the significant number of transfers which occurred in 2008, with 10,000 movements recorded over the year. The

Committee was consulted on ten occasions in 2008 and meets on an ad hoc basis as and when urgent decisions are required. Its role is to contribute in facilitating the integration of employees who are redeployed as part of the corporate reorganization process.

A support committee was set up in 2006 to monitor occupational health risks and make proposals to assist decision-making by Management.

In the area of occupational health, an autonomous medical team regularly monitors employees in Paris and its area. In addition, as part of its overall strategy for occupational health management, Natixis carries out annual health surveillance examinations for staff. In 2008, the occupational health department took steps to develop a specialized unit to monitor the impact of stress in the workplace. This monitoring unit is now up and running. For 2009, the annual surveillance examination for staff will be further bolstered through the introduction of a 100-point questionnaire.

As in previous years, a free-of-charge influenza vaccination campaign in the workplace was organized in the fall.

Similarly, Natixis continues to use the services of a local health authority doctor to provide twice-weekly employee consultations in the Paris region.

TRAINING *(LA 10, LA 11)*

The number of training hours provided within the Group, which amounted to 275,000 hours in 2008, testifies to the importance that Natixis and its subsidiaries place on developing employee capabilities. Overall, 11,014 France-based employees followed at least one training course in 2008. This included 7,431 managerial and supervisory staff and 3,583 employees.

Within the parent company, 124,046 training hours were dispensed for 4,828 trainees, including 3,382 managerial staff and 1,446 technical staff.

A key area of focus for training initiatives in 2008, both within the parent company and subsidiaries, was developing seminars for managers at middle and senior management levels while placing increased emphasis on soft management skills.

Foreign language training accounts for a significant proportion of total training hours within the Group's various entities. This is indicative of the increased globalization of the Group's business operations and operating locations. Professional training also accounts for a significant share of overall training, with CRM being a key area of focus for sales and marketing staff. All employees receive ongoing training on compliance and anti-money laundering legislation and regulations.

TRAINING FOR STAFF EMPLOYED IN FRANCE

	2008	2007
Number of training hours	274,740	295,689
Number of trainees	11,024	10,948
Training topics *(percentage of training hours)*		
■ Information technology	16.0%	16.5%
■ Foreign languages	21.9%	21.3%
■ Professional training	25.1%	27.1%
■ Management and communications	16.2%	17.8%
■ Recognized qualification courses	5.1%	5.4%
■ Risk management and regulatory affairs	3.5%	2.8%
■ Other	12.2%	9.1%

PARENT COMPANY TRAINING HOURS

	2008	2007
Number of hours	124,046	144,251
Number of employees	4,828	5,052
Training topics *(percentage of training hours)*		
■ Information technology	17.7%	17.2%
■ Foreign languages	21.0%	22.5%
■ Professional training	24.1%	27.1%
■ Management and communications	17.4%	17.7%
■ Recognized qualification courses	3.7%	4.0%
■ Risk management and regulatory affairs	3.3%	2.8%
■ Other	12.8%	8.7%

The overall cost of training in 2008 accounted for 3.4% of the parent company's total payroll and 3.5% of the French payroll compared to a minimum legal requirement of 1.6%.

The Group produces an annual report on training activities which is distributed to employees of Natixis and its subsidiaries. The report compiles data on training courses as follows: cross-cutting training activities (information technology, foreign languages, regulatory affairs, etc.), training pathways (induction, functional training, managerial training) and other training initiatives (intercompany training, sabbaticals, individual training rights, transforming work skills recognition and skills assessments). All Group employees are eligible for training and can register online for up to 350 different training courses.

DIVERSITY *(LA 14)*

Gender equality

■ As at December 31, 2008, women made up 51.1% of the total workforce employed in France.

Percentage of women in the workforce	2008	2007	2006
Percentage of women in the total workforce employed in France	51.1%	50.9%	50.8%
Percentage of women in the parent company workforce	45.5%	46.0%	47.6%

■ **Recruitment:** A total of 839 women were recruited in 2008 in France, representing 49% of new hires. The percentage of women recruited to positions in the parent company was 37.1%.

Percentage of women among new hires	2008	2007	2006	2005
Percentage of women among the total workforce employed in France	49.0%	49.1%	50.4%	48.7%
Percentage of women among the parent company workforce	37.1%	41.5%	50.4%	45.2%

■ **Working hours:** Women accounted for 93.3% of employees working under part-time arrangements compared with 92.8% in 2007.

■ Percentage of women occupying **managerial** positions:

The proportion of women employed in management functions in France was 40.9% at December 31, 2008 compared to 40.5% a year earlier.

Proportion of women employed in managerial positions	2008	2007	2006	2005	2004
Workforce employed in France	40.9%	40.5%	39.7%		
Parent company	36.9%	37.1%	36.4%	34.9%	34.1%

■ Proportion of women in **promotions**:

Among all French employees, women received 63.8% of all promotions in 2008. This percentage is higher than the proportionate share of women in the workforce. Within the parent company, the percentage stood at 58.1%, also higher than the proportion of female employees.

Proportion of women in promotions	2008	2007	2006	2005	2004
France	63.8%	59.7%	56.7%	59.0%	
Parent company	58.1%	54.8%	57.3%	59.1%	56.4%

■ **Individual pay increases** granted to women:

Among employees based in France, women accounted for 51.1% of overall pay increases granted to individual employees. This percentage is higher than the proportionate share of women in the workforce.

Proportion of women obtaining individual pay increases	2008	2007	2006
France	51.1%	51.6%	50.7%
Parent company	47.3%	47.0%	45.9%

■ **Training:**

Women accounted for 54.0% of trainees and 52.2% of total training hours dispensed to staff employed in France. Both percentages are higher than the proportionate share of women in the workforce.

France	2008	2007
Share of women receiving training	54.0%	51.8%
Share of total training hours received by women	52.2%	52.2%

Within the parent company, the share of overall training dispensed to women is significantly higher than their proportionate share in the workforce.

Parent company	2008	2007	2006
Share of women receiving training	49.0%	49.0%	47.6%
Share of total training hours received by women	47.8%	51.5%	50.0%

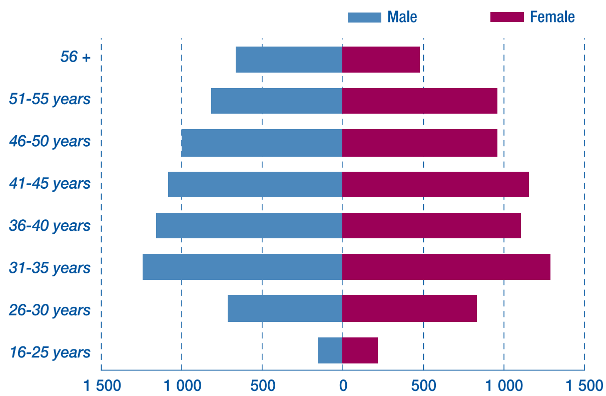
Breakdown of employees by age bracket

The age pyramid for France-based employees employed on permanent contracts is relatively balanced. Approximately, 32.2% of employees are aged below 36. At the other extreme, 1,146 employees are aged 56 years and above, representing 8.3% of the workforce. In coming years, employee turnover is due to increase significantly due to natural attrition, thereby creating promotional opportunities within the enterprise.

	2008	2007	2006
■ Below 36 years	32.2%	34.6%	34.9%
■ Over 55 years	8.3%	7.6%	6.9%
Average age	41	41	41

AGE PYRAMID FOR NATIXIS FRANCE

Permanent employees at 31.12.08



EMPLOYMENT AND SUPPORT FOR DISABLED EMPLOYEES

A total of 68 handicapped persons are employed by the parent company, 31% of them in managerial roles, while 37% of them are women.

In 2006, as part of its commitment to diversity management, the parent company appointed a diversity champion to draw up an action plan to promote the integration of disabled persons into the workforce.

As from 2007, a disability taskforce began organizing targeted awareness-raising efforts for human resources employees involved in the areas of HR administration, training and the integration of trainees and temporary staff. In addition, specific initiatives were directed towards occupational health physicians, social workers and occupational health nurses were also associated with these actions, as were members of the Group's Workplace Hygiene and Safety Committee.

Specific training is also provided to senior HR managers in the recruitment of disabled persons. Similar initiatives were undertaken in the subsidiaries, with a particular focus on training for managers.

Awareness-raising days on disability issues were included in the 2008 training plan and are extended to all managers of staff. Employees can register for training sessions online.

The parent company and a certain number of subsidiaries have developed partnerships with non-profit organizations which help to bring together companies and disabled persons. In the selection of temporary employment agencies, the impact of practices and policies upon disability equality is taken into account in selection procedures while master agreements systematically include non-discrimination clauses. Temporary workers with disabilities are regularly employed within the bank.

Furthermore, in order to facilitate access to information for employees suffering from motor disabilities or visual or hearing impairment, the human resources intranet site was upgraded in 2006 to meet international standards on web accessibility.

Natixis adopted a similar approach for the upgrade of its corporate website in 2007. The site incorporates a number of features designed to facilitate access by disabled persons. As a result, Natixis' website became the first banking sector website to achieve bronze level certification under the French *AccessiWeb* standard.

BENEFITS PROVIDED TO EMPLOYEES *(LA 3)*

Each year, Natixis earmarks 1.5% of total payroll for the funding of social and cultural activities for employees. In addition, it provides holiday vouchers to staff based on family income criteria and number of children, the amount of which represents 0.6% of the wage bill. Operating expenses for these social, personnel and transport activities are underwritten by Natixis.

Thanks to this support, the Group's central works council and locally-based works councils are able to subsidize a range of social, cultural and recreational activities for staff.

Also, in order to facilitate personnel traveling from one site to another and the organization of meetings, a uniform payment system has been applied across the nine company and intercompany canteens in the Paris region. This enables employees to pay a standardized price for foods services when visiting Group sites. Natixis subsidizes between 35% and 75% of the price of meals, according to employees' remuneration.

In addition, a mutual-assistance scheme exists for employees suffering accidents or encountering serious personal difficulties. Employees who so wish pay an annual contribution to the scheme which is supplemented by an employer paid matching contribution.

In 2007, many employees took part in France's annual Telethon fundraising campaign. The funds donated by employees on this occasion were matched by Natixis on a one-for-one basis.

Secondly, Natixis' complementary health insurance plan is managed jointly by management and employee representatives. The plan is anchored upon the principle of intergenerational equity between present and past employees.

METHODS USED BY THE COMPANY TO ACCOUNT FOR THE IMPACT OF ITS OPERATIONS ON EMPLOYMENT AND REGIONAL DEVELOPMENT IN FRANCE

Natixis supports regional development by providing financing and building long-term relationships with clients. See section 3, "Business Operations", for more information.

RELATIONSHIPS WITH EDUCATIONAL INSTITUTIONS AND ACTORS INVOLVED IN PROMOTING SOCIAL INCLUSION

See section 4, "Human Resources", for more information.

SUBCONTRACTING POLICY AND OBSERVANCE OF THE CORE CONVENTIONS OF THE INTERNATIONAL LABOR ORGANIZATION

The Company ensures that its sub-contractors abide by legal requirements for personnel management.

The purchasing department includes clauses affirming respect for human rights and equality in invitations to tender.

Contracts with suppliers also feature clauses affirming compliance with the terms of the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child together with the conventions of the International Labor Organization to which France is a signatory. These principals are also included in the Social Accountability 8000 standard.

METHODS USED BY INTERNATIONAL SUBSIDIARIES TO ACCOUNT FOR THE IMPACT OF THEIR OPERATIONS ON REGIONAL DEVELOPMENT AND LOCAL POPULATIONS

Natixis' international operations contribute to local development in the countries in which they operate. The Group has more than 10,900 employees in overseas offices, branches and subsidiaries. Virtually all of these employees are recruited locally. The Group has a very limited number of expatriate employees, accounting for only 189 employees of its France-based operations.

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NRE Annexes – Environmental performance

Performance indicators

The workforce indicators presented herein include all indicators referenced in the Decree of February 20, 2002 relative to the implementation of the New Economic Regulations (NRE) Act. Comparisons with Global Reporting Initiative (GRI 3) indicators are shown between brackets.

Reporting scope

The **2008 reporting scope** comprises Natixis and its subsidiaries in mainland France (representing 435,000 sq.m of office space and approximately 20,000 workstations).

RAW MATERIALS *(EN 1, EN 2)*

Raw materials used by Natixis consist primarily of paper consumption. Overall paper consumption was reduced by 7.2% in 2008.

Total paper consumption includes white and colored paper, security printing paper, envelopes, internal and external printed materials, etc.

	2008	2007
Total paper consumption *(tons)*	889	958
Consumption per workstation *(tons)*	43	47
Consumption per workstation *(reams of paper)*	17.4	18.7

WATER CONSUMPTION *(EN 8)*

Water consumption totaled 125,650 cubic meters. Overall consumption fell by 12% during the 2008 reporting period.

	2008	2007
Total consumption of drinking water *(cu. m.)*	125,650	144,623
Consumption per workstation *(cu. m.)*	6.14	7.05
Consumption per sq. m. of usable floor area *(cu. m.)*	0.29	0.33

ENERGY CONSUMPTION BY SOURCE *(EN 3, EN 4)*

Energy consumption (electricity, heating and cooling) totaled over 141,000 megawatt hours in 2008 and was broadly stable in relation to 2007. The Group's data center consumed 31,000 megawatt hours, a level almost unchanged from the prior year. Consumption of gas and heating oil remain low.

Natixis' principal office locations in Paris and Charenton-le-Pont are managed by the Group's logistics department and are in the process of obtaining ISO 14001 certification. Total energy consumption for these properties was down 7% to 57,342 megawatt hours (versus 61,608 MWh in 2007), representing a mean energy consumption of 4.38 megawatt hours per workstation and 0.24 megawatt hours per square meter of gross usable floor area.

1 2 3 4 5 6 7 8 9

	2008	2007
Total energy consumption for electricity, heating and cooling *(MWh)*	141,302	141,722
Energy consumption per workstation *(MWh)*	6.90	6.91
Energy consumption per sq. m. of usable floor area *(MWh)*	0.32	0.32
Total gas consumption *(cu. m.)*	143,147	139,002
Total fuel consumption *(cu. m.)*	97	208

MEASURES TAKEN TO IMPROVE ENERGY EFFICIENCY

The bank's energy and fluid consumption is managed by the logistics department. Its policy is to minimize the direct environmental impacts of the bank's operations, while maintaining a high standard of working conditions for employees. In an effort to strike the right balance, Natixis sets qualitative and quantitative consumption targets for individual buildings on an annual basis.

The logistics department has individual facilities managers who interact directly with users. Their duties include responsibility for optimizing energy consumption and, for this purpose, they use a centralized facilities management system to optimize user comfort while minimizing energy consumption. Building utility services are managed by automated systems which take account of external temperature and the thermal properties of buildings in addition to other factors.

System performance is monitored and improved via regular comparisons between actual consumption and budgeted energy requirements. Annual energy budgets incorporate quantitative targets and take account of seasonal fluctuations and historical variations for each operating location.

The environmental quality of buildings is systematically assessed during the design stage. The approach has enabled Natixis to develop specific policies for the optimization of construction and facilities management activities. The so-called Antares project for the construction of a new data center in the Val d'Europe area near Paris is a prime example of this policy. The project integrates key long-term financial, architectural and technical constraints. Building materials and equipment have been chosen not only on the basis of initial investment cost, but also according to their full lifecycle cost, i.e. their projected operating costs over the building's estimated useful life. This approach will lead to the implementation of modern, energy efficient and environmentally friendly solutions for the new building.

Arc de Seine, Natixis' headquarters building in the 13th arrondissement of Paris since 2007, has obtained the French High Environmental Quality (HQE) label.

USE OF RENEWABLE ENERGY *(EN 6)*

Natixis does not use renewable energy sources for the time being.

LAND USE - ATMOSPHERIC EMISSIONS - WATER AND POLLUTANT DISCHARGES - NOISE AND ODOR POLLUTION - WASTE PRODUCTION AND DISPOSAL *(EN 19 TO 23)*

Natixis attaches particular importance to the environmental quality of its buildings in order to limit the environmental impact of its operations in the immediate vicinity of its business locations.

Potentially sensitive technical facilities have been replaced in line with efforts to curb the discharges of *Legionella* bacteria into the atmosphere.

Emissions of ozone-depleting substances and other air pollutants: Nitrogen oxides and sulfur oxides *(EN 19, EN 20)*

Non-material.

Total water discharge by quality and destination *(EN 21)*

Natixis precludes the use of air-conditioning systems using evaporative cooling in order to avoid pollutant discharges: Glycolated water from thermal exchangers is periodically recovered and reclaimed by specialized contractors. Used fluids from combustion engines (electricity generators, vehicles, etc.) are also recovered and reclaimed by specialized companies.

Waste production and disposal methods *(EN 22)*

Since 2006, the bank has taken various measures to optimize waste management processes. Selective sorting of office waste has been introduced with specific procedures for recycling paper and the collection and reprocessing of used batteries and ink cartridges.

Waste	2007 quantity	2008 quantity	Processing
Paper, envelopes and cardboard	1,169 tons	1,603 tons	Systemic waste sorting and recycling Systematic use of recycled envelopes which are produced according to French environmental standards (NF label).
Batteries	806 kg	1 040 kg	Collection, transportation and treatment by an approved external service provider in accordance with legislation.
Electrical and electronic waste	39.7 tons (excluding mobile phones)	31.7 tons (excluding mobile phones)	Since Q4/2007, Natixis has contracted a specialist WEEE reprocessing company to transport and treat waste in accordance with legislation.

Total number and volume of significant spills *(EN 23)*

Nil.

Noise and odor pollution

Non-material.

MEASURES TAKEN TO MITIGATE NEGATIVE IMPACTS ON BIOLOGICAL DIVERSITY, NATURAL ENVIRONMENTS AND PROTECTED ANIMAL AND PLANT SPECIES

The bank's operations are predominately located in urban environments and do not have a direct material impact on the natural environment. Notwithstanding this, preventive measures have been taken to avoid any accidental discharges into the atmosphere or water. To this end, the Group carries out regular maintenance of sensitive facilities and ensures that premises containing potentially polluting substances or contaminants are watertight.

ENVIRONMENTAL ASSESSMENTS AND CERTIFICATION EFFORTS

As a listed company, Natixis is regularly assessed and assigned solicited ratings by extra-financial rating agencies. These agencies place considerable emphasis on the Company's environmental strategy.

MEASURES TAKEN, IF ANY, TO ENSURE THAT THE COMPANY'S BUSINESS OPERATIONS COMPLY WITH ENVIRONMENTAL LEGISLATION AND REGULATIONS

Natixis observes all legal and regulatory obligations with regard to the environment. To this end, it engages the services of civil engineers and facilities management consultants. These specialists work in tandem with property occupants and are highly proficient in the use of technical equipment. They also perform regulatory monitoring on behalf of the Group. Finally, technical installations and maintenance processes are subject to regular inspections by independent consultancies.

TOTAL ENVIRONMENTAL PROTECTION EXPENDITURES AND INVESTMENTS *(EN 30)*

Environmental protection expenditures made by Natixis in 2008 were as follows:

- asbestos abatement: €91,000;
- treatment of potentially pollutant fluids: €18,500;
- replacement of air-conditioning equipment using Freon gas: €1,015,000.

AMOUNT OF PROVISIONS AND GUARANTEES FOR ENVIRONMENTAL RISKS *(EN 30)*

Nil.

MONETARY VALUE OF SIGNIFICANT FINES AND TOTAL NUMBER OF NON-MONETARY SANCTIONS FOR NON-COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS *(EN 28)*

Nil.

EXISTENCE OF INTERNAL DEPARTMENTS FOR ENVIRONMENTAL MANAGEMENT, TRAINING AND INFORMING EMPLOYEES - RESOURCES DEVOTED TO MITIGATING ENVIRONMENTAL RISK

Environmental aspects of construction work and property facilities management are supervised by a cross-functional unit reporting to the logistics department. It is responsible for tracking consumption, coordinating and spearheading actions taken by the logistics department's operating units.

Since 2005, the bank has engaged awareness-raising and training initiatives for employees about everyday habits that help minimize the Company's impact on the environment (Ademe partnership, *Gestes verts* campaign). A dedicated website was established and is regulatory updated.

ARRANGEMENTS FOR DEALING WITH ACCIDENTAL POLLUTION WITH POTENTIAL REPERCUSSIONS EXTENDING BEYOND THE COMPANY'S OPERATIONS

Given the bank's activities, emissions of polluting substances are very rare.

Any potentially polluting fluid used in the bank's premises (glycolated water, hydrocarbons, etc.) is recovered and treated in line with current regulations.

INFORMATION ON TARGETS SET FOR INTERNATIONAL SUBSIDIARIES IN RELATIONS TO ITEMS 1 TO 6 ABOVE

Objectives relating to building facilities management and information for employees apply to all the bank's international subsidiaries.

6 FINANCIAL DATA

Risk factors

Natixis operates in an environment that presents inherent risks, some of which it cannot control. However, these are not the only risks to which Natixis is exposed. The risks set out below, as well as other risks that have not yet been identified or which are currently considered immaterial by Natixis, may have a material adverse impact on its operations, financial position and/or results.

RISKS RELATING TO THE FINANCIAL CRISIS

Adverse market or economic conditions may cause a decrease in the net banking income, profitability and financial condition of Natixis

Natixis' businesses are materially affected by changes in financial markets and economic conditions generally in France, in Europe and the rest of the world. Consequently, its results operations and its financial conditions have suffered significantly, and may continue to suffer, from the exceptional disruptions that are affecting all markets throughout the world.

Higher interest rates, coupled with the drop in property prices and the large increase in the number of subprime mortgages granted in 2005, 2006 and 2007, contributed to a significant increase in the number of payment defaults and delinquencies relating to mortgages in the United States during 2007 and 2008. These defaults and delinquencies in turn impacted mortgage-backed securities and other structured credit products, resulting in severe declines in value and, in many cases, the disappearance of the trading market.

This situation also affected other markets as financial institutions sold other assets to meet liquidity requirements. Several financial institutions were weakened in this way, including Lehman Brothers, which filed for bankruptcy protection in September 2008. The uncertainty as to the health of financial institutions has resulted in a significant slowdown in worldwide credit markets, and a sharp reduction in the amount of available liquidity, a situation that continues as of the date of the present Registration Document.

The tightening of credit has affected the general level of economic activity and led to significant drops in the main stock market indices. The impact of this situation on the economic environment has been worsened by a significant reduction in consumer demand following losses in the financial and property markets. The reduction in economic activity and the negative outlook have caused an increase in unemployment, a significant reduction in investment, a slowdown in several industrial sectors such as automobile manufacturing, and a worldwide recession.

Simultaneously, the worsening economic climate has increased the rate of default among borrowers. Furthermore, the interbank credit market is highly disrupted, as banking and financial counterparties (which represent a very large part of the Group's outstanding credit risks) carry a level of default risk that is both high and difficult to assess.

In this context, Natixis recorded a significant loss in 2008. The decline in financial markets in France, Europe and the rest of the world, and the increased volatility in these markets, have adversely affected revenues in financial markets businesses, as well as the level of assets and commissions for asset management. A continuing worsening of the economic situation may have negative effects on Natixis' results of operations and financial condition.

Conditions in the financial markets, particularly the primary and secondary debt markets, may have a significant negative effect upon Natixis

As Natixis is highly dependent on the availability of credit to finance its operations, the significant and unprecedented disruptions currently being experienced in the financial markets, particularly the primary and secondary debt markets, have had, and may have in future, an adverse impact on the financing of Natixis" operations, and therefore on its results of operations and financial condition. Current conditions in debt markets are characterized by a reduction in liquidity and an increase in credit risk premiums. These conditions, which increase the cost and reduce the availability of credit, have become significantly worse since Lehman Brothers filed for bankruptcy protection in September 2008, and this situation could continue, or even worsen, in the future. Natixis' cost of debt also depends on its ability to maintain an investment-grade credit rating. In addition, Natixis was historically dependent in part on the international debt markets to maintain its equity capital ratios (through the issuance of subordinated debt and hybrid capital securities). Disruptions in these markets have made and in the future may make the issuance of these securities costly or impossible under reasonable conditions. This affects Natixis' capital ratios and its ability to grow its business. Although Natixis is supported by its two main shareholders, as well as by the programs put in place by the French government and by certain other governments to ensure the strength and liquidity of the banking system, these measures may prove insufficient to compensate for the lack of liquidity currently observed in world markets.

Natixis has suffered significant losses, and may continue to suffer losses, on its portfolio of assets affected by the financial crisis

Natixis holds a portfolio of loans and financial instruments backed by loans (collateralized debt obligations or "CDOs"), and certain other assets, the value of which has been affected by adverse market conditions. Natixis also has exposure to certain sectors that could be particularly vulnerable if economic conditions continue to deteriorate, including leveraged buyouts (LBOs) and commercial real estate. Specific information on the exposure in question is described in the notes to the consolidated financial statements, in this Registration Document.

Because of the crisis, Natixis recorded large losses in 2008, described in detail in the Management Report in chapter 6 of this Registration Document. Most of these losses resulted from provisions and writedown of assets impacted by the crisis (such as CDOs) and on Natixis' exposure to monoline financial guarantee.

Natixis determined the amount of provisions and writedowns recorded in respect of CDOs and other risky assets on the basis of a number of assumptions resulting from statistical analyses. The estimates resulting from the use of these methods may change and result in different valuations, which could lead to further provisions and writedown caused by factors that may not have been foreseen or correctly evaluated in the statistical models, or by further changes in market conditions. Given the magnitude of the market disruptions and the fact that international financial institutions do not all use the same methodologies and assumptions the provisions recorded by Natixis and those recorded by other financial institutions in relation to the same exposure may differ, possibly by significant amounts.

Natixis may not be able to wind down its operations that are impacted by the financial crisis efficiently

Natixis has announced its intention to phase down certain activities that are affected by the financial crisis, particularly corporate and investment banking activities that involve incurring proprietary risks, including exposure to structured product risks in France and internationally. The phase-down may include the sale of assets affected by the crisis to the extent market conditions permit. Natixis may find itself unable to phase down these activities as quickly or efficiently as it hopes, either because there are no buyers willing to pay a reasonable price for the relevant assets or activities, or because there is no liquid market for the relevant assets, or because the ongoing obligations of Natixis make a sale or phase-down impracticable. If Natixis is unable to wind down these business as planned, then it will not achieve (or will only partially achieve) its objective of reducing its exposure to market volatility and diversifying its revenue and income base.

Natixis' options for maintaining or strengthening its regulatory capital could be limited

The ability of Natixis to raise equity capital may be limited by the financial crisis. The share price of Natixis, which typically would be the reference price of any capital raising activity, has at times fallen below the nominal value of a Natixis share, which is the lowest price at which a new share issuance may legally take place. A reduction of the nominal value of a Natixis share would require the approval of a capital reduction by an extraordinary general shareholders meeting. A capital reduction that does not result from losses also requires a procedure that allows creditors to register objections, or to request a court to declare their debts payable or to require Natixis to provide security for such debts. These procedures (which would only be applicable to a capital reduction not resulting from losses) could render more complex or delay any transaction in which Natixis seeks to raise new equity capital.

RISKS RELATING TO NATIXIS' STRUCTURE

The proposed merger between CNCE and BFBP may have a significant impact on the strategy and business of Groupe Natixis

Natixis' two main shareholders, CNCE and BFBP, announced their intention to merge in October 2008, and confirmed their intention on February 26, 2009. Following the merger, the main shareholder of Natixis that would succeed BFBP and CNCE would hold more than 70% of the capital of Natixis and would be able, acting alone, to take any corporate decision requiring the approval of shareholders, except in cases where this shareholder would not have the right to vote under applicable laws or regulations.

Although the transaction between CNCE and BFBP should have no direct impact on Natixis' activity, it is possible that the new post-merger strategy might have a significant impact on the business of Natixis or on the commercial relationships between Natixis and the two groups.

The merger, if it were to go forward, would require modification of the shareholders' agreement between BFBP and CNCE (signed in the presence of Natixis), particularly to the non-competition commitment granted for the benefit of Natixis by these two groups concerning some of their activities. The other clauses of the agreement would in theory no longer be applicable when the merger is carried out, but nevertheless will remain applicable until the effective date of the merger. If the merger is not carried out, these contractual commitments will remain applicable under the conditions set forth herein, unless they are renegotiated in whole or in part by the parties.

Natixis has two main shareholders that have a significant degree of influence over certain corporate actions

Natixis' two main shareholders are BFBP and CNCE, each of which owns approximately 35.62% of Natixis' share capital. These two shareholders are therefore in a position to exert significant influence in the election of Natixis' directors and officers and other corporate actions that require shareholder approval. Pursuant to a shareholders' agreement signed between the two groups on November 17, 2006, as amended, BFBP and CNCE have also agreed to coordinate the voting of their shares with respect to certain actions, in particular with respect to the election of members of the Supervisory Board and of the Executive Board. Any coordinated action between BFBP and CNCE will further limit the ability of other shareholders to influence the corporate governance of Natixis.

The shareholders' agreement between BFBP and CNCE limits the flexibility of Natixis to raise equity capital or to use its shares for acquisitions, and could have significant anti-takeover effects

In application of the above-mentioned shareholders' agreement, BFBP and CNCE have each committed to hold an identical number of Natixis shares and to maintain their percentage holding at 34% or more of the equity capital of Natixis until at least November 17, 2016. Consequently, Natixis' ability to issue shares or to use its shares in the context of acquisitions in the Company's interest will be limited, given that these operations will require the approval of both BFBP and CNCE, and a mechanism allowing the two shareholders to maintain their percentage holding in the equity capital following the transaction. BFBP's and CNCE's ownership of a large percentage of Natixis' share capital and any coordination between them may also have the effect of delaying, deferring or preventing a change in Natixis' control, and may discourage bids for its shares more generally.

The risk management policies and procedures of Natixis are subject to the approval and control of BFBP and CNCE

BFBP and CNCE are both required to ensure the compliance of the entire Groupe Banque Populaire and Groupe Caisse d'Epargne, respectively, with applicable French banking regulations in areas such as regulatory capital adequacy and risk management. As a result, BFBP and CNCE have been granted significant approval rights over important aspects of the risk management policies of Natixis (which is part of both Groupe Banque Populaire and Groupe Caisse d'Epargne). In particular, BFBP and CNCE have the power to approve the appointment or removal of the director of internal audit of Natixis, as well as certain aspects of risk management, such as the approval of credit limits and the classification of loans, to customers that are common to Natixis and one or both of the two shareholder groups, as doubtful loans. The interests of BFBP and CNCE (on behalf of their respective groups) with respect to risk management may be different from those of Natixis.

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In the event of a disagreement between BFBP and CNCE, the business or operations of Natixis could be subject to significant disruptions

Under the shareholders' agreement, BFBP and CNCE have established a mechanism for the appointment of members of the Supervisory Board and of the Executive Board of Natixis, and have also agreed on the implementation of various corporate governance measures. In addition, the shareholders' agreement provides that certain decisions deemed essential, such as the purchase or sale of an interest or the creation of a joint venture by Natixis or one of its subsidiaries in an amount exceeding €150 million, require the approval of both BFBP and CNCE as well as the Supervisory Board of Natixis. In the event of a disagreement, the shareholders' agreement provides mechanisms for the resolution of the issue at the senior management level but it does not contain a mechanism for definitively resolving the disagreement. In the event of deadlock, the Executive Board may be unable to obtain Supervisory Board or shareholder approval to proceed with planned actions. Natixis' business may therefore be subject to significant disruptions in the event that BFBP and CNCE are unable to resolve any differences concerning Natixis' development.

Natixis has no voting rights with respect to the cooperative investment certificates representing 20% of the share capital of Banques Populaires and Caisses d'Epargne, and it is not the central body of Groupe Banque Populaire or Groupe Caisse d'Epargne

Natixis owns a 20% equity interest in Banques Populaires and in Caisses d'Epargne, in the form of cooperative investment certificates issued by each entity. These cooperative investment certificates are non-voting securities, with different rights from those attached to cooperative shares in Banques Populaires and Caisses d'Epargne. Although Natixis is entitled to participate in meetings of the cooperative shareholders ("sociétaires") of Banques Populaires and Caisses d'Epargne, it is not entitled to vote at these meetings and does not have control over decisions that require the consent of the shareholders of Banques Populaires and Caisses d'Epargne. Moreover, Natixis is not the central body of Groupe Banque Populaire or of Groupe Caisse d'Epargne (the central bodies, BFBP and CNCE, respectively, have certain coordination and control powers under French banking laws and regulations).

Natixis has a significant influence with respect to Banques Populaires and Caisses d'Epargne as a result of certain rights granted to it under agreements relating to the combination transactions (in particular, rights with respect to representation in or the right to be consulted on certain decisions of the governance bodies or committees of BFBP and CNCE, audit and inspection rights and rights to receive information), but these rights do not include voting rights in General Shareholders' Meetings and are not equivalent to the powers of a central body. As a result, the ability of Natixis to guide the future development of the two groups in which it holds a substantial interest is limited.

Natixis cannot freely sell its 20% equity interests in Banques Populaires or Caisses d'Epargne, and in some circumstances could be required to sell those interests back to Banques Populaires or Caisses d'Epargne

Under the terms of the agreements relating to the combination transactions that took place on November 17, 2006, Natixis is prohibited from selling all or part of its 20% equity interests in Banques Populaires or Caisses d'Epargne without the prior consent of the board of directors of the Banque Populaire concerned or CNCE, respectively. While a bank whose board refuses to approve such a sale will be required to repurchase the relevant equity interests, the price will be based on the proportionate share of the net assets of the bank represented by the equity interests, taking into account the valuation method used to determine the initial price paid by Natixis for those interests, and thus may be different from the price that Natixis would have obtained from the proposed purchaser. In addition, the mere existence of the approval right might make it difficult for Natixis to sell its equity interests.

If the equal ownership of the shares of Natixis by BFBP and CNCE is not substantially maintained, or if BFBP and CNCE cease to control Natixis jointly, or if certain legislative changes or other circumstances occur *(see paragraph entitled "Major Contracts" in Chapter 8),* then Banques Populaires and Caisses d'Epargne will each have the right to repurchase the 20% equity interests from Natixis, at a price based on the proportionate share of the net assets of such bank represented by the equity interests, taking into account the valuation method used to determine the initial price paid by Natixis for those interests. The repurchase price may be different from the price that Natixis could have obtained through a sale to an unaffiliated third party. Moreover, following the repurchase Natixis will no longer have an economic interest in the results of the affected bank or banks, and its ability to sell products and services through the affected bank or banks could be impaired.

Natixis has important commercial relationships with entities in Groupe Banque Populaire and Groupe Caisse d'Epargne, which might have interests that are different than those of the shareholders of Natixis

Part of Natixis' strategy for long-term growth is to expand the products and services it provides through the retail banking networks of Groupe Banque Populaire and/or Groupe Caisse d'Epargne, in areas such as employee benefits planning, consumer finance and payment services. However, the customers of Groupe Banque Populaire and Groupe Caisse d'Epargne are faced with a range of savings, investment or other products from which to choose, including in some cases products and services of competitors that are offered by banks within each group. There can be no assurance that products or services provided by Natixis will be uniformly selected, or promoted, over the other services offered by the two banking networks. Although Groupe Banque Populaire and Groupe Caisse d'Epargne, as indirect owners of substantial interests in Natixis, have a significant financial interest supporting Natixis' continued development, they may from time to time have interests that differ from those of Natixis.

The non-competition undertakings of BFBP and CNCE contain certain exceptions that could result in Natixis being in direct competition with the entities of one of the two groups

As part of the shareholders' agreement, Natixis' two principal shareholders, BFBP and CNCE, have generally agreed not to compete with the activities of Natixis in France or abroad. However, this agreement not to compete contains certain exceptions, in particular for operations conducted by either BFBP or CNCE and their subsidiaries at the time the agreement was signed, and that were not contributed to Natixis as part of the combination transactions. In particular, these exceptions include life and property insurance, areas in which the Caisses d'Epargne offer their customers products of CNCE affiliates that were not contributed to Natixis. As a result, Natixis may find itself competing directly or indirectly with the services provided by one or both of its principal shareholders.

RISKS RELATING TO NATIXIS' OPERATIONS AND THE BANKING SECTOR

Natixis is subject to several categories of risks inherent in banking activities

There are four main categories of risks inherent in Natixis' activities, which are summarized below and described in detail under "Risk Management" in the management report. The risk factors described in the following paragraphs (and above in the section "Risks related to the Financial Crisis") elaborate on, or give specific examples of these different types of risks and describe certain additional risks faced by Natixis.

- **Credit risk.** Credit risk is the risk of financial loss relating to the failure of a counterparty to honor its contractual obligations. The counterparty may be a bank, an industrial or commercial enterprise, a government and its various entities, an investment fund, or a natural person. Credit risk is increased in time of economic uncertainty such as that currently seen in the market, as such conditions may lead to a greater level of defaults. Credit risk arises in lending activities and Natixis is also exposed to the risk of counterparty default in various other activities, such as its trading, capital markets and settlement activities. For instance, a default by a bank could significantly and directly affect Natixis through its trading and brokerage positions with this bank. Credit risk also arises in connection with the credit insurance and factoring businesses of Natixis, although the risk relates to the credit of the counterparty's customers, rather than the counterparty itself.
- **Market, liquidity and financing risk.** Market risk is the risk to earnings that arises from adverse movements of market parameters, such as the ones that international financial markets have experienced since the second half of 2007. These parameters include but are not limited to bond prices, interest rates, securities and commodities prices, derivatives prices and prices of all other assets, such as real estate and foreign exchange rates.

  Liquidity is also an important component of market risk. In instances of little or no liquidity, a market instrument or transferable asset may not be negotiable at its estimated value. A lack of liquidity can arise due to diminished access to capital markets, unforeseen cash or capital requirements or legal restrictions.

  Market risk arises in trading portfolios and in non-trading portfolios. In non-trading portfolios, it encompasses:

  - the overall interest-rate risk associated with asset and liability management, which is the risk to earnings arising from asset and liability mismatches in the banking book or in the insurance business;
  - the risk associated with investment activities, which is directly connected to changes in the value of invested assets within securities portfolios; and
  - the risk associated with certain other activities, such as real estate, which is indirectly affected by changes in the value of negotiable assets held in the normal course of business.
- **Operational risk.** Operational risk is the risk of losses due to inadequate or failed internal processes, or due to external events, whether deliberate, accidental or natural occurrences. Internal processes include, but are not limited to, human resources and information systems. External events include

floods, fires, earthquakes, fraud or terrorist attacks. Legal risk is also a component of operational risk.

- **Insurance risk.** Insurance risk is the risk to earnings due to mismatches between expected and actual claims. Depending on the insurance product, this risk is influenced by macroeconomic changes, changes in customer behavior, changes in public health, pandemics, accidents and catastrophic events (such as earthquakes, industrial disasters, or acts of terrorism or war). As mentioned above, the credit insurance business is also subject to credit risk.

The net banking income of Caisses d'Epargne may be affected by changes to the rules governing the Livret A (a regulated savings account formerly distributed only by Caisses d'Epargne and La Banque Postale)

The French government has modified the rules applicable to the Livret A, a regulated savings account developed by the French government to finance requirements for social housing. Since January 1, 2009, all authorized French financial institutions may offer the Livret A to their clients. Until then, only the Caisses d'Epargne and the Banque Postale (a subsidiary of the Groupe La Poste) were authorized to distribute the Livret A. This modification was made following a decision by the European Commission in May 2007, according to which the previous regime was declared incompatible with community competition law.

The Livret A offers depositors a fixed interest rate that is not subject to tax. The deposits collected by the banks are transferred to the Caisse des Dépôts et des Consignations, which centralizes the funds and uses them to finance social housing. The financial institutions distributing the Livret A receive a commission at a rate that is fixed by the government. In 2008, Groupe Caisse d'Epargne recorded €740 million in net banking income for its distribution of the Livret A.

It is probable that the reform will lead to a reduction in the market share of the Caisses d'Epargne of deposits for Livret A, which could affect the total amount of commissions that they receive. The reform also includes a reduction in commission rates from 1.0% to 0.6% (subject, for the Caisses d'Epargne, to an additional commission received during a transition period, set at 0.3% in 2009 and 2010 and 0.1% in 2011). The commission will also only be based on the funds transferred to Caisse des Dépôts et Consignations, which, when the reform is complete, will represent about 70% of the funds collected from Livret A depositors, and not 100% as was the case before the reform.

The reform of the distribution system could have an adverse effect on the net banking income of Caisses d'Epargne, which would in turn affect the share in the income of Caisses d'Epargne that Natixis records in respect of its 20% equity interest.

A substantial increase in new provisions or losses greater than the level of previously recorded provisions could adversely affect Natixis' results of operations and financial condition

In connection with its lending activities, Natixis periodically establishes provisions for loan losses, which are recorded in its income statement under "cost of risk". Natixis' overall level of provisions is based upon its assessment of prior loss experience, the volume and type of lending being conducted, industry standards, past due loans, economic conditions and other factors related to the recoverability of various loans. For further information on Natixis' provisioning policy and its treatment of doubtful loans, see "Risk Management".

Although Natixis endeavors to establish an appropriate level of provisions, its lending businesses may have to increase their provisions for loan losses in the future as a result of increases in non-performing assets, deteriorating economic conditions leading to increases in defaults and bankruptcies, or for other reasons. Any significant increase in provisions for loan losses or a significant change in Natixis' estimate of the risk of loss inherent in its portfolio of non-impaired loans, as well as the occurrence of loan losses in excess of the provisions allocated with respect thereto would have an adverse effect on Natixis' results of operations and financial condition.

Natixis' ability to attract and retain qualified employees is critical to the success of its business and failure to do so may materially affect its performance

Natixis' employees are its most important resource and, in many areas of the financial services industry, competition for qualified personnel is intense. Natixis' results depend on its ability to attract new employees and to retain and motivate its existing employees. Changes in the business environment may cause Natixis to move employees from one business to another or to reduce the number of employees in certain of its businesses; this may cause temporary disruptions as employees adapt to new roles and may reduce Natixis' ability to take advantage of improvements in the business environment. This may impact Natixis' ability to take advantage of business opportunities or potential efficiencies.

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Future events may be different than those reflected in the management assumptions and estimates used in the preparation of Natixis' financial statements, which may cause unexpected losses in the future

Pursuant to IFRS rules and interpretations in effect as of the present date, Natixis is required to use certain estimates in preparing its financial statements, including accounting estimates to determine loan loss reserves, reserves related to future litigation, and the fair value of certain assets and liabilities, among other items. Should Natixis' estimated values for such items prove substantially inaccurate, particularly because of significant and unexpected market movements, or if the methods by which such values were determined are revised in future IFRS rules or interpretations, Natixis may experience unexpected losses.

Natixis may incur significant losses on its trading and investment activities due to market fluctuations and volatility

As part of its trading and investment activities, Natixis maintains positions in the fixed income, currency, commodity and equity markets, as well as in unlisted securities, real estate and other asset classes. These positions can be adversely affected by volatility in financial and other markets, that is, the degree to which prices fluctuate over a particular period in a particular market, regardless of market levels.

Volatility can also lead to losses relating to a broad range of other trading and hedging products Natixis uses, including swaps, futures, options and structured products, if they prove to be insufficient or excessive in relation to Natixis' expectations.

To the extent that Natixis owns assets, or has net long positions, in any of those markets, a downturn in those markets can result in losses due to a decline in the value of its net long positions. Conversely, to the extent that Natixis has sold assets that it does not own, or has net short positions, in any of those markets, an upturn in those markets can expose it to losses as it attempts to cover its net short positions by acquiring assets in a rising market. Natixis may from time to time have a trading strategy of holding a long position in one asset and a short position in another, from which it expects to earn net revenues based on changes in the relative value of the two assets. If, however, the relative value of the two assets changes in a direction or manner that Natixis did not anticipate or against which it is not hedged, Natixis might realize a loss on those paired positions. Such losses, if significant, could adversely affect Natixis' results of operations and financial condition.

Natixis may generate lower revenues from brokerage and other commission and fee-based businesses during market downturns

Market downturns, such as the current one, are likely to lead to a decline in the volume of transactions that Natixis executes for its customers and as a market maker, and, therefore, to a decline in its net banking income from these activities. In addition, because the fees that Natixis charges for managing its customers' portfolios are in many cases based on the value or performance of those portfolios, a market downturn that reduces the value of its customers' portfolios or increases the amount of withdrawals would reduce the revenues Natixis receives from its asset management and private banking businesses.

Even in the absence of a market downturn, below-market performance by Natixis' asset management business may result in a decline in assets under management (in particular as a result of withdrawals from mutual funds) and in the incentive and management fees Natixis receives.

Significant interest rate changes could adversely affect Natixis' net banking income or profitability

The amount of net interest income earned by Natixis during any given period significantly affects its overall net banking income and profitability for that period. In addition, significant changes in credit spreads, such as the widening of spreads experienced recently, can impact the results of operations of Natixis. Interest rates are highly sensitive to many factors beyond Natixis' control. Changes in market interest rates could affect the interest rates charged on interest-earning assets differently than the interest rates paid on interest-bearing liabilities. Any adverse change in the yield curve could cause a decline in Natixis' net interest income from lending activities. In addition, increases in the interest rates at which short-term funding is available and maturity mismatches may adversely affect Natixis' profitability. Increasing or high interest rates and/or widening credit spreads, especially if such changes occur rapidly, may create a less favorable environment for certain of Natixis' businesses.

Changes in exchange rates can significantly affect Natixis' results

Natixis conducts a significant portion of its business overseas, in particular in the United States, and its net banking income and results of operations can be affected by exchange rate fluctuations. While Natixis incurs expenses in currencies other than the euro, the impact of these expenses only partially compensates for the impact of exchange rate fluctuations on net banking income. Natixis is particularly vulnerable to fluctuations in the exchange rate between the United States dollar and the euro, as a significant portion of its net banking income and results of operations income is earned in the United States. In the context of its risk management policies Natixis enters into transactions to hedge its exposure to exchange rate risk. However, these transactions may not be fully effective to offset the effects of unfavorable exchange rates on Natixis' operating income; they may even, in certain hypothetical situations, amplify these effects.

An interruption in or a breach of Natixis' information systems, or those of third parties, may result in lost business and other losses

As with most other banks, Natixis relies heavily on communications and information systems to conduct its business, as its activities require it to process a large number of increasingly complex transactions. Any failure or interruption or breach in security of these systems could result in failures or interruptions in customer relationship management, general ledger, deposit, trading and/or loan organization systems. If, for example, Natixis' information systems failed, even for a short period of time, it would be unable to serve some customers' needs in a timely manner and could thus lose their business. Likewise, a temporary shutdown of Natixis' information systems, despite back-up recovery systems and contingency plans, could result in considerable information retrieval and verification costs, and even a decline in its proprietary business if, for instance, such a shutdown occurs during the implementation of its hedging policies. The inability of Natixis' systems to accommodate an increasing volume of transactions could also constrain its ability to expand its businesses.

Natixis also faces the risk of operational failure or termination of any of the clearing agents, exchanges, clearing houses, depositaries or other financial intermediaries or outside vendors it uses to execute or facilitate its securities transactions. As its interconnectivity with its customers grows, Natixis may also increasingly face the risk of operational failure with respect to its customers' systems. Natixis cannot provide assurances that such failures or interruptions in its systems or in those of such other parties will not occur or, if they do occur, that they will be adequately addressed.

Unforeseen events can interrupt Natixis' operations and cause substantial losses and additional costs

Unforeseen events like severe natural disasters, pandemics, terrorist attacks or other states of emergency can lead to an abrupt interruption of Natixis' operations and, to the extent not, partially or entirely, covered by insurance, can cause substantial losses. Such losses can relate to property, financial assets, trading positions and key employees. Such unforeseen events may additionally disrupt Natixis' infrastructure, or that of third parties with which it conducts business, and can also lead to additional costs (such as relocation costs of employees affected) and increase Natixis' costs (such as insurance premiums).

Such events may also make insurance coverage for certain risks unavailable and thus increase Natixis' global risk.

Natixis may be vulnerable to political, macroeconomic and financial environments or circumstances specific to the countries where it does business

Natixis is subject to country risk, which is the risk that economic, financial, political or social conditions in a foreign country will affect its financial interests. Natixis does business throughout the world, including in developing regions of the world commonly known as emerging markets. In the past, many emerging market countries have experienced severe economic and financial disruptions, including devaluations of their currencies and capital and currency exchange controls, as well as low or negative economic growth. Natixis' businesses and revenues derived from operations and trading outside the European Union and the United States, although limited, are subject to risk of loss from various unfavorable political, economic and legal developments, including currency fluctuations, social instability, changes in governmental policies or policies of central banks, expropriation, nationalization, confiscation of assets and changes in legislation relating to local ownership.

Natixis is subject to extensive supervisory and regulatory regimes in France and in the many countries around the world in which it operates; regulatory actions and changes in these regulatory regimes could adversely affect Natixis' business and results

A variety of supervisory and regulatory regimes apply to Natixis in each of the jurisdictions in which it operates. Non-compliance could lead to significant intervention by regulatory authorities and fines, public reprimand, damage to reputation, enforced suspension of operations or, in extreme cases, withdrawal of authorization to operate. The financial services industry has experienced increased scrutiny from a variety of regulators in recent years, as well as an increase in the penalties and fines sought by regulatory authorities, a trend that may be accelerated in the current financial context. Natixis' businesses and earnings can be affected by the policies and actions of the various regulatory authorities of France, other European Union or foreign governments and international agencies. Such constraints could limit Natixis' ability to expand its business or to pursue certain activities. The nature and impact of future changes in such policies and regulatory action are unpredictable and are beyond Natixis' control.

Such changes could include, but are not limited to, the following:

- the monetary, interest rate and other policies of central banks and regulatory authorities;
- general changes in government or regulatory policy that may significantly influence investor decisions in particular markets in which Natixis operates;
- general changes in regulatory requirements, for example prudential rules relating to the capital adequacy framework, such as the modifications being made to the regulations implementing the Basel II requirements;
- changes in rules and procedures relating to internal controls;
- changes in the competitive environment and pricing practices;
- changes in the financial reporting environment;
- expropriation, nationalization, price controls, exchange controls, confiscation of assets and changes in legislation relating to foreign ownership; and
- any adverse change in the political, military or diplomatic environments creating social instability or an uncertain legal situation capable of affecting the demand for the products and services offered by Natixis.

Tax laws and their interpretation in France and in the countries in which Natixis does business may significantly affect Natixis' results

As a multinational banking group involved in complex and large-scale cross-border transactions, Natixis is subject to tax legislation in a number of countries. Natixis structures its business globally in order to optimize its effective tax rate. Modifications to the tax regime by the competent authorities in those countries may have a significant effect on the results of Natixis. Natixis manages its business so as to create value from the synergies and commercial capacities of its different entities. Natixis also endeavors to structure the financial products sold to its clients in a tax-efficient manner. The structures of Natixis' intragroup transactions and of the financial products sold by Natixis are based on Natixis' own interpretations of applicable tax laws and regulations, generally relying on opinions received from independent tax counsel, and to the extent necessary, on rulings or specific guidance from competent tax authorities. There can be no assurance that the tax authorities will not seek to challenge such interpretations, in which case Natixis could become subject to tax claims.

A failure of or inadequacy in Natixis' risk management policies, procedures and methods may leave it exposed to unidentified or unanticipated risks, which could lead to material losses

Natixis' risk management techniques and strategies may not effectively limit its risk exposure in all economic market environments or against all types of risk, including risks that Natixis fails to identify or anticipate. Natixis' risk management techniques and strategies may also not limit its risk exposure in all market patterns. These techniques and strategies may not be effective against certain risks, particularly those that Natixis has not previously identified or anticipated. Some of Natixis' qualitative tools and metrics for managing risk are based upon its use of observed historical market behavior. Natixis applies statistical and other tools to these observations to arrive at quantifications of its risk exposures. These tools and metrics may fail to predict future risk exposures. These risk exposures could, for example, arise from factors Natixis did not anticipate or correctly evaluate in its statistical models, or from unexpected and unprecedented market movements. This would limit Natixis' ability to manage its risks. Natixis' losses could therefore be significantly greater than the historical measures indicate. In addition, Natixis' quantified modeling does not take all risks into account. Natixis' qualitative approach to managing those risks could prove insufficient, exposing it to material unanticipated losses. In addition, while no material issue has been identified to date, the risk management systems are subject to the risk of operational failure, including fraud. *(See "Risk Management" for a more detailed discussion of the policies, procedures and methods Natixis uses to identify, monitor and manage its risks.)*

Natixis' hedging strategies may not prevent losses

If any of the variety of instruments and strategies that Natixis uses to hedge its exposure to various types of risk in its businesses is not effective, Natixis may incur losses. Many of its strategies are based on historical trading patterns and correlations. For example, if Natixis holds a long position in an asset, it may hedge that position by taking a short position in an asset where the short position has historically moved in a direction that would offset a change in the value of the long position. However, Natixis may only be partially hedged, or these strategies may not be fully effective in mitigating Natixis' risk exposure in all market environments or against all types of risk in the future. Unexpected market developments, such as the ones currently experienced in international financial markets since the second half of 2007, may also affect Natixis' hedging strategies. In addition, the manner in which gains and losses resulting from certain ineffective hedges are recorded may result in additional volatility in Natixis' reported earnings.

Natixis may have difficulty in identifying, executing and integrating an external growth policy in its acquisitions or joint ventures

Even though external growth does not constitute a significant part of its current strategy, in the future, Natixis may consider external growth opportunities from time to time. Even though Natixis expects to review the companies it will acquire or joint ventures into which it will enter, it is generally not feasible for these reviews to be comprehensive in all respects. As a result, Natixis may have to assume unanticipated liabilities, an acquisition or joint venture may not perform as well as expected, the synergies expected may not be realized in whole or in part, or the transaction may give rise to costs that are higher than foreseen. In addition, it might have difficulty integrating any entity with which it combines its operations. Failure to complete announced business combinations or failure to integrate acquired businesses or joint ventures successfully into the businesses of Natixis could materially adversely affect Natixis' profitability. It could also lead to departures of key employees or lead to increased costs and reduced profitability if Natixis felt compelled to offer them financial incentives to remain. In the case of joint ventures, Natixis is subject to additional risks and uncertainties in that it may be dependent on, and subject to liability, losses or reputational damage relating to, systems, controls and personnel that are not under its control. In addition, conflicts or disagreements between Natixis and its joint venture partners may negatively impact the benefits intended to be achieved by the joint venture.

Intense competition, both in Natixis' home market of France, where it has the largest single concentration of its businesses, as well as internationally, could adversely affect Natixis' net banking income and profitability

Competition is intense in all of Natixis' primary business areas in France and the other countries in which it conducts large portions of its business. Consolidation, both in the form of mergers and acquisitions and by way of alliances and cooperation, is increasing competition. Consolidation has created a number of firms that, like Natixis, have the ability to offer a wide range of products and services. Natixis competes on the basis of a number of factors, including transaction execution, its products and services, innovation, reputation and price. If Natixis is unable to continue to respond to the competitive environment in France or in its other major markets with attractive product and service offerings that are profitable for Natixis, it may lose market share in important areas of its business or incur losses on some or all of its activities. In addition, downturns in the global economy or in the economy of Natixis' major markets could add to the competitive pressure, through, for example, increased price pressure and lower business volumes for Natixis and its competitors. In addition, new lower-cost competitors may enter the market, which may not be subject to the same capital or regulatory requirements or may have other inherent regulatory advantages and, therefore, may be able to offer their products and services on more favorable terms. Technological advances and the growth of e-commerce have made it possible for non-depository institutions to offer products and services that traditionally were banking products, and for financial institutions and other companies to provide electronic and Internet-based financial solutions, including electronic securities trading. These new entrants may exert downward price pressure on Natixis' products and services or may affect Natixis' market share.

Natixis' profitability and business prospects could be adversely affected by reputational and legal risk

Various issues may give rise to reputational risk and cause harm to Natixis and its business prospects. These issues include inappropriately dealing with potential conflicts of interest; legal and regulatory requirements; ethical issues; money laundering laws; information security policies and sales and trading practices. Failure to address these issues appropriately could also give rise to additional legal risk to Natixis, which could increase the number of litigation asserted and the amount of damages asserted against Natixis, or subject Natixis to regulatory sanctions. *(See Section 5.8 "Legal risks" of the management report in Chapter 6, and in particular, the paragraph on "Legal and arbitration procedures").*

Management Report

DECEMBER 31, 2008

I. PRELIMINARY COMMENTS: METHODOLOGY

The data included in the Management Report have been restated in order to take into account the following:

- The creation of a new business line, GAPC (Workout Portfolio Management), the purpose of which is to manage on a runoff basis the Group's non-core Corporate and Investment Banking activities, which include primarily structured credit, complex interest-rate and equity derivatives and structured fund-based derivatives. GAPC activities were separated for financial and management accounting purposes effective as of the end of 2008. The income statement of the CIB business line for 2008 (annual and quarterly) and 2007 (annual only) has been restated to reflect the results of operations of the GAPC, on the one hand, and the New CIB1 business line (excluding GAPC), on the other hand. The restated data were prepared using the following methodology:
- net banking income from the GAPC represents revenues from books corresponding to activities that were transferred to the new structure as well as the related issuer spread. Net banking income from the New CIB represents revenues from books that were not transferred to the GAPC,
  - 2008 expenses correspond to direct expenses relating to staff assigned to the GAPC or New CIB business lines, as well as indirect expenses split between the GAPC and the "New" CIB on the basis of cost drivers. The GAPC's quarterly expenses in 2008 were calculated by dividing full-year expenses into four equal parts. The New CIB's quarterly expenses were obtained by subtracting the amount allocated to the GAPC from total Corporate and Investment Banking (CIB) expenses. As it was impossible to use the same methodology to split 2007 expenses between the GAPC and the New CIB, they were broken down between the two subgroups in the same proportions as in 2008,
  - the cost of risk for 2007 and 2008 was broken down on the basis of the activities to which it relates. For instance, the portion allocated to the GAPC in the fourth quarter of 2008 relates chiefly to monoline insurers, credit derivative product companies and the Madoff fraud,
  - for 2007 and 2008, a normative tax rate of 30% was applied to income before tax derived from the "New" CIB activities, and the remaining income tax expense of the former CIB division was allocated to the GAPC;
- the transfer of the Leasing and International Services activities (Natixis Pramex International and Natixis Algérie) from the CIB division to the Services division (which was effective June 30, 2008);
- the conversion of data, when denominated in foreign currencies, on the basis of the average exchange rates over the quarter;
- the modification of the methods used to determine income on allocated capital and corporate costs allocated to the business segments (first applied on June 30, 2008);
- the modification of the methods used to determine income on allocated capital and corporate costs allocated to the business segments (first applied on June 30, 2008);
- rules for capital allocation:
  - Retail Banking: 75% of amounts deducted from Tier 1 capital in relation to the ownership of CICs (cooperative investment certificates), reflecting the contribution of hybrid capital),
  - Insurance (Services): 75% of the end-of-quarter solvency margin,
  - Credit insurance (Receivables Management): 100% of net earned premium income,
  - Services, Public Procedures (Receivables Management): 25% of annual expenses,
  - Other business lines: 6% of Basel II risk-weighted assets at the start of the quarter and 75% of amounts deducted from Tier 1 capital in relation to interest in securitization transactions rated B or lower.

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II. SUMMARY CONSOLIDATED RESULTS

(in millions of euros)	2008	2007	Change 2008/2007 Amount	%
Net banking income	**2,933.8**	**6,043.0**	**(3,109.1)**	**(51)%**
Operating expenses	**(4,687.5)**	**(5,140.9)**	**+453.4**	**(9)%**
Gross operating income *	**(1,753.7)**	**902.1**	**(2,655.7)**	**ns**
Cost/income ratio	*160%*	*85%*		
Cost of risk	(1,816.6)	(244.2)	(1,572.4)	
Operating income *	**(3,570.3)**	**657.9**	**(4,228.1)**	**ns**
Share of net income of associates	484.3	672.0	(187.7)	
Gains or losses on other assets	(5.0)	4.3	(9.3)	
Goodwill impairment	(72.5)	(0.8)	(71.7)	
Income before tax *	**(3,163.4)**	**1,333.4**	**(4,496.8)**	**ns**
Tax [1]	613.8	(91.3)	+705.1	
Minority interests	(72.8)	(111.9)	+39.1	
Underlying net income (Group share) *	**(2,622.4)**	**1,130.2**	**(3,752.6)**	**ns**
Income from discontinued operations	0.0	(369.2)	+369.2	
Net restructuring income [2]	69.7	465.7	(395.9)	
Net restructuring expenses	(246.6)	(125.2)	(121.3)	
NET INCOME (GROUP SHARE)	**(2,799.2)**	**1,101.5**	**(3,900.7)**	**ns**

* *Before restructuring income and expenses.*

(1) *Including a €35 million deferred tax liability relating to a capital gain from a disposal.*

(2) *Capital gains net of taxes, before taking into account a €35 million deferred tax liability from a disposal.*

- For Natixis, as for all financial institutions, the year 2008 can be broken down into two parts:
  - until September 15, 2008, when Lehman Brothers collapsed, the effects of the crisis were limited mainly to credit underlyings, particularly structured credit products. Losses and value adjustments were focused chiefly on the Proprietary Portfolio Management and Principal Finance business lines, and, to a lesser extent, the Capital Markets business lines. The profitability of the other CIB business lines showed a fair measure of resilience until this time;
  - after September 15, 2008, the bankruptcy of Lehman Brothers' resulted in a severe disruption in all markets. The crisis worsened suddenly and its impact spread to virtually all of Natixis' business lines.
- In December 2008, Natixis decided to implement a radical transformation of its CIB businesses and to terminate substantially all of its most complex proprietary and derivatives operations. These activities have been segregated and placed in a special structure in the CIB division.

  CIB's accounts are now split into "New" CIB which houses core business activities due to be developed, and a segregated "Workout Portfolio Management" activity (GAPC).

  The separation is intended to ensure optimal proactive management of the segregated assets, protecting the core assets to be retained within the group, and highlighting the performance of the "New" CIB. The main characteristics of the "New" CIB are as follows:
  - a renewed refocus on core clients, especially tier-one corporate institutions in France and Southern Europe, corporate midcaps in France, financial institutions in Europe, and structured lending clients in the international market,
  - a product offering tailored to the new environment, built around structured lending, simple market products that allow Natixis to leverage cross-selling opportunities (which performed well during crisis times), simple investment products, and a heavily de-risked equity business that includes simple derivatives and brokerage,
  - a narrower international presence, involving sharp cutbacks in Asia and the United States, the closure of marginal offices, and the indefinite deferral of development projects,
  - a reduced risk profile and stronger controls, with an end to most pure proprietary business and high-volatility activities,
  - enhanced operational efficiency, entailing a steep cut in headcount by the end of 2009.

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The objectives of the Workout Portfolio Management (GAPC) structure are the following:

- isolating and running off assets that no longer fit with Natixis' new strategic choices, because:
  - they offer no synergies with other activities;
  - they do not generate sufficient returns relative to the amount of capital or cash that they tie up; or
  - their risk profile no longer complies with management's guidelines;
  - gradually and proactively externalizing segregated assets so as to optimize the balance between improving returns on capital and the resale price that can be obtained for the assets.

Net banking income

- Natixis' **net banking income** amounted to €2,934 million for the year ended December 31, 2008, down 51% compared with 2007.

  The crisis had a total negative impact of €3,573 million on net banking income over the 2008 fiscal year as a whole. Of this, €1,276 million came in the fourth quarter, when equity and interest-rate derivatives were hurt by the surge in volatility and the increase in the cost of hedging (€1,017 million).

  The impact on net banking income was compounded by a €1,536 million increase in the cost of risk attributable to the crisis *(see below).*

  - **Net banking income for the CIB division** was -€595 million in 2008, of which a negative €456 million in the fourth quarter.
    - Net banking income from "New" CIB amounted to €2,857 million, up 11% compared with 2007. This includes the significant revenues derived from the Credit Portfolio Management (CPM) business.

      The Corporate and Institutional Relations business line showed good resilience in 2008 in a very poor global financial environment. The Debt and Financing business line recorded a 7% decline in net banking income compared with 2007. While performances were very strong in commodities, financial engineering, shipping and land transport, the real estate and LBO segments were down, as would be expected given the CIB division's new strategic direction. Net banking income was up 10% in the Capital Markets business line.
    - The **GAPC** bore most of the brunt of the crisis due to the nature of the activities it houses, particularly with respect to complex equity and interest-rate derivatives, and because of writedowns on structured credit portfolios.

      Its net banking income was -€3,452 million in 2008. Excluding the impact of the crisis, it was €315 million.
  - Net banking income for the **Asset Management division** amounted to €1,358 million, down 17% at constant exchange rates. The decline in net banking income is attributable to lower performance commissions compared to the high level recorded in 2007 in alternative management and real estate funds, and to the reduction in average assets under management (-6%).
  - Business trends remained strong in most areas of the **Services division**, both with direct customers, and with customers of the retail networks of the two shareholder groups, where the penetration rate increased.

    The division's financial results held up well, with net banking income edging up 1% or €11 million to €1,477 million over the year. Adjusting for change in the scope of consolidation (acquisition of CACEIS Bank Deutschland and Olympia early in the year, transfer of activities to CACEIS) and one-off items in 2007, net banking income would have been down 2% over the year.
  - Net banking income for the **Private Equity and Private Banking** division amounted to €191 million, down 63% compared with 2007.
    - In Private Equity, net banking income amounted to €80 million, down 79% compared with 2007. Despite an increase in capital gains on disposals, the results reflected the value adjustments on individual investments in the portfolio, as well as an increase in risk.
    - In Private Banking, net banking income amounted to €110 million, down 13% compared with 2007. Margins suffered from a wait-and-see approach on the part of investors, and from a decline in assets under management resulting from equity market losses.
  - The **Receivables Management** division posted a strong increase in its 2008 revenue, fueled by credit insurance and factoring. Credit insurance was nevertheless hurt by a surge in claims in the fourth quarter. The loss ratio increased from 49% in 2007 to 73% in 2008. The division's net banking income, which amounted to €800 million, was down 14% compared with 2007.
  - Net banking income **not derived from the business lines** was -€296 million, relatively stable compared with 2007.
- **End-of-period risk-weighted assets** totaled €163.1 billion as of December 31, 2008, up from €156.9 billion as of March 31, 2008.The €6.2 billion increase in risk-weighted assets in the nine months from April 1, 2008 reflects the impact of a significant reduction in risk-weighted assets that would have occurred under the former calculation methodology, which was more than offset by the impact of changes in methodology imposed by the regulator, particularly with respect to market risk (adding €12.5 billion).

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Operating expenses and headcount

Underlying operating expenses (excluding restructuring expenses) totaled €4,687 million, down 9% compared with 2007. At constant scope of consolidation and exchange rates, operating expenses were down 10%.

- Payroll charges amounted to €2,608 million, a 14% reduction year-on-year attributable to the sizeable reduction in variable compensation.

  The internal headcount remained broadly stable over the year, with 22,096 full-time-equivalent (FTE) employees as of December 31, 2008, compared with 22,073 a year earlier. The headcount was cut significantly in the CIB division (-194 FTEs) and in the Corporate Center (-131 FTEs), reflecting the initial effects of the cost-cutting plan launched in September 2008. However, headcount edged up slightly in other business lines due to ongoing recruiting in the Services division and, to a lesser extent, in Receivables Management and Asset Management.

- Other operating expenses totaled €2,080 million, unchanged compared with 2007. At constant scope of consolidation and exchange rates, they were down 3%.

  The impact of cost-cutting measures was most evident in charges relating to external personnel, namely training and recruiting, travel and entertainment, and communications and advertising.

Gross operating income

Gross operating income was a -€1,754 million excluding restructuring income and expenses.

Income before tax

- The **cost of risk** increased significantly. It amounted to €1,817 million in 2008, including €988 million recorded in the fourth quarter alone.
  - The cost of risk directly attributable to the crisis amounted to €1,536 million (of which €1,002 million in the fourth quarter), and breaks down as follows:
    - €306 million on monoline insurers and credit derivative product companies;
    - €293 million on Lehman Brothers;
    - €94 million on Icelandic banks;
    - €375 million on the Madoff fraud (or 80% of estimated net exposure);
    - €317 million on counterparty defaults in the Corporate Solutions business line;
    - €135 million on CIFG (liquidity lines);
    - €17 million on dynamic money-market funds in Asset Management.
  - Excluding the impact of the crisis, the cost of risk amounted to €281 million, reflecting €477 million of net provisions recorded for individual risk, partially offset by €196 million of reversals of collective provisions linked to changes in various technical parameters.
- **Income from associates** amounted to €484 million at year-end, down 28% compared with 2007.

  The contribution from the two networks consolidated under the equity method totaled €449 million, down 30% year-on-year due to the fall in net income recorded by the Caisses d'Epargne and Banques Populaires networks (-34% combined). Two further factors were a lower amount of accretion profit, offset by the positive impact of lower consolidation adjustments relating to capital gains on available-for-sale securities.
- **Impairment of goodwill** represented a charge of €73 million, including €69 million related to goodwill on CIB businesses (both "New" CIB activities and GAPC activities).
- **Underlying net loss before tax** was €3,163 million.

Underlying net loss (Group share)

- An income tax benefit of €614 million was recorded, reflecting amounts that may be used to offset taxable income in future years.
- After deducting €73 million of minority interests, underlying net loss in 2008 (Group share) was €2,622 million.

  Excluding the segregated assets (GAPC), underlying net income (Group share) was positive, amounting to €987 million.

Net loss (Group share)

The Group recorded restructuring income of €70 million after tax from the sale of its institutional custody business to CACEIS (which is only 50% owned by the Natixis Group).

Restructuring expenses amounted to €247 million after tax, of which €96 million was recorded in expenses stemming from the Job adaptation plan. The figure also includes severance payments linked to departures outside the Job adaptation plan, and expenses relating to the implementation of the various reorganization plans.

Net loss (Group share) was €2,799 million.

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Results excluding segregated assets (GAPC)

NATIXIS (NEW CIB, excluding GAPC) *(in millions of euros)*	2008	2007	Change 2008/2007 Amount	%
Net banking income	**6,386.3**	**6,907.2**	**(520.9)**	**(8)%**
Charges	**(4,512.9)**	**(4,945.9)**	**+432.9**	**(9)%**
Gross operating income *	**1,873.4**	**1,961.3**	**(88.0)**	**(4)%**
Cost/income ratio	*71%*	*72%*		
Cost of risk	(969.8)	(69.8)	(900.0)	
Operating income *	**903.6**	**1,891.6**	**(988.0)**	**(52)%**
Share of net income of associates	484.3	672.0	(187.7)	
Gains or losses on other assets	(5.0)	4.3	(9.3)	
Goodwill impairment	(72.5)	(0.8)	(71.7)	
Income before tax *	**1,310.3**	**2,567.1**	**(1,256.8)**	**(49)%**
Tax (1)	(250.6)	(549.4)	+298.8	
Minority interests	(72.8)	(111.9)	+39.1	
Underlying net income (Group share) *	**986.9**	**1,905.8**	**(918.9)**	**(48)%**
Income from discontinued operations	0.0	(369.2)	+369.2	
Net restructuring income (2)	69.7	465.7	(395.9)	
Net restructuring expenses	(246.6)	(125.2)	(121.3)	
NET INCOME (GROUP SHARE)	**810.1**	**1,877.1**	**(1,067.0)**	**(57)%**

* *Before restructuring income and expenses.*

(1) *Including a €35 million deferred tax liability relating to a capital gain from a disposal.*

(2) *Capital gains net of taxes, before taking into account a €35 million deferred tax liability from a disposal.*

Excluding segregated assets, net banking income from Natixis' "New" CIB activities amounted to €6,386 million, down 8% compared with 2007.

Expenses totaled €4,513 million, down 9%, in line with the fall in net banking income.

The cost of risk amounted to a substantial €970 million. This includes €317 million covering counterparty defaults in the Corporate Solutions business line, €157 million covering Lehman Brothers exposure and €94 million for exposure to Icelandic banks.

Underlying net income (Group share) amounted to €987 million.

III. CONTRIBUTION BY BUSINESS LINE

The contribution of the Group's various business lines to its 2008 results breaks down as follows:

(in millions of euros)	CIB	New CIB	GAPC	Asset Management	Services	Receivables Management	PEPB	Retail Banking	Corporate Center	Total Natixis
Net banking income	**(595)**	**2,857**	**(3,452)**	**1,358**	**1,477**	**800**	**191**	**ns**	**(296)**	**2,934**
Charges	(1,832)	(1,657)	(175)	(965)	(955)	(696)	(170)	ns	(70)	(4,687)
Gross operating income	**(2,427)**	**1,200**	**(3,627)**	**393**	**522**	**104**	**21**	**ns**	**(366)**	**(1,754)**
Cost of risk	(1,500)	(653)	(847)	(56)	(21)	(28)	(13)	ns	(199)	(1,817)
Income before tax*	**(3,943)**	**530**	**(4,474)**	**335**	**516**	**102**	**9**	**302**	**(483)**	**(3,163)**
Underlying net income (Group share)	**(3,239)**	**370**	**(3,609)**	**208**	**342**	**71**	**(10)**	**285**	**(280)**	**(2,622)**
Allocated capital	7,665	5,992	1,673	214	1,978	1,225	365	3,374	867	15,688
Recurrent ROE	ns	6.2%	ns	97.3%	17.3%	5.8%	ns	8.5%	ns	ns
Cost/income ratio	ns	58%	ns	71%	65%	87%	89%	ns	ns	ns

* *Before restructuring income and expenses.*

IV. ANALYSIS BY BUSINESS LINE

4.1 – Corporate and Investment Banking

CIB DIVISION *(in millions of euros)*	2008	2007	Change 2008/2007 Amount	%
Allocated capital (average)	7,665	7,359	+306	+4%
Net banking income	**(595.3)**	**1,710.1**	**(2,305.4)**	**ns**
Expenses	**(1,831.9)**	**(1,998.8)**	**+166.9**	**(8)%**
Gross operating income	**(2,427.3)**	**(288.7)**	**(2,138.5)**	**+741%**
Cost of risk	(1,499.6)	(219.4)	(1,280.2)	+584%
Income before tax	**(3,943.5)**	**(506.5)**	**(3,436.9)**	**+679%**
Underlying net income (Group share)	**(3,239.1)**	**(257.3)**	**(2,981.8)**	**+1159%**
Return on equity	ns	ns		
Cost/income ratio	ns	117%		

Having already been severely affected by the crisis during the first nine months of the year, the CIB division bore the full brunt of the markets' meltdown in late September. Practically every marke – equities, credit, interest rates – was affected simultaneously. The extreme volatility in market indices, the markets' structural illiquidity, the surge in risk and the bankruptcy of certain counterparties (Lehman Brothers) sparked large drops in mark-to-market valuations, particularly on the most complex derivatives. This was compounded by additional provisions and a fresh round of writedowns on exposure to monoline insurers and various portfolios of structured credit products.

The CIB division nevertheless recorded a significant increase in customer activity over the year. The increase held up towards the end of the period, against the backdrop of a profound reorganization of the Group's operations.

The effects of the crisis

- The **crisis caused a total decrease of €3,540 million in net banking income**, of which €1,283 million was recorded in the fourth quarter alone.

(in millions of euros)	Q1 2008	Q2 2008	Q3 2008	Q4 2008	2008
CIB	**(408)**	**(1,507)**	**(342)**	**(1,283)**	**(3,540)**
RMBS/ABS CDOs	(116)	(606)	(246)	(234)	(1,202)
Value adjustments on monoline insurers	(164)	(789)	(263)	(70)	(1,286)
Widening of spreads	(127)	(105)	30	(291)	(493)
Syndication discount	(24)	(15)	8	(11)	(42)
Complex equity and interest-rate derivatives	(126)	-	(56)	(1,017)	(1,199)
Increase in issuer spreads	149	8	186	250	593
Other	-	-	-	90	90

This impact resulted primarily from:

- the **meltdown of the credit market** (impairment of RMBSs and ABS CDOs, writedowns on monoline insurers, widening of spreads, syndication discount and the increase in issuer spreads), for a total of €2,430 million;
- the **surge in correlation and volatility on complex equity and interest-rate derivatives**, for a total of €1,199 million, of which €1,017 million was recorded in the fourth quarter.

- The crisis added a total of €1,277 million to the **cost of risk**, of which €911 million was recorded in the fourth quarter resulting primarily from:
  - the **meltdown of the credit market** (collective provisions on monoline insurers and credit derivative product companies) for a total of €306 million;
  - **counterparty defaults** for a total of €971 million, including €375 million relating to the Madoff fraud, €186 million on Lehman Brothers, €317 million on counterparties in Corporate Solutions transactions and €94 million on exposure to Icelandic banks.

(in millions of euros)	Q1 2008	Q2 2008	Q3 2008	Q4 2008	2008
CIB	**(12)**	**(172)**	**(182)**	**(911)**	**(1,277)**
Collective provisions on monocline risks		(162)			(162)
Collective provisions on CDPC risks	(12)	(10)		(122)	(144)
Lehman Brothers			(143)	(43)	(186)
Icelandic banks			(39)	(54)	(94)
Corporate Solutions counterparties				(317)	(317)
Madoff fraud				(375)	(375)

- **Aggregate net banking income** for the CIB division was -€595 million in 2008, of which a -€456 million was recorded in the fourth quarter alone.

  Net banking income for the “New” CIB amounted to €2,857 million, against a -€3,452 million for the GAPC. In 2007, the two subgroups’ net banking income came to €2,574 million and a -€864 million respectively.

  The €3,540 million impact of the crisis on net banking income breaks down as a positive impact of €227 million for the “New” CIB and a negative impact of €3,766 million for the GAPC.

  Excluding the impact of the crisis, net banking income worked out at €2,945 million, breaking down as €2,630 million for the “New” CIB and €314 million for the GAPC.

- **Operating expenses** (excluding restructuring expenses) totaled €1,832 million, down 8% compared with 2007, due to the very substantial reduction in variable compensation.

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The CIB division's end-of-period headcount was down 3% at 5,466 full-time-equivalent (FTE) employees, compared with 5,660 FTEs at the end of 2007, a reduction of 194 FTEs over the year.

In France, there were 212 fewer FTEs at the end of the period, thanks to the initial impact from the Job adaptation plan (the bulk of the departures will be seen in 2009). Internationally, headcount edged up slightly, as the decision to scale down operations, particularly in Asia, will only translate into job cuts in 2009.

- **The CIB division's gross operating income** was -€2,427 million.
- **The cost of risk** amounted to €1,500 million, of which €882 million was recorded in the fourth quarter of 2008 alone and €1,277 million stemmed from the crisis. The "continuing" cost of risk assessed on an individual basis also continued to rise.
- **The CIB division's underlying net income (Group share)** amounted to a loss of €3,239 million after taking into account €705 million in deferred tax benefits.
- **Basel II risk-weighted assets** amounted to €133.5 billion as of December 31, 2008. Action taken over the year allowed the Group to reduce credit risk, although market risk increased due to changes imposed by the regulator and the steep rise in volatility.

Results of the "New" CIB

CIB – EXCLUDING GAPC *(in millions of euros)*	2008	2007	Change 2008/2007 amount	%
Allocated capital (average)	5,992	6,025	(33)	(1)%
Net banking income	**2,857.1**	**2,574.3**	**+282.8**	**+11%**
Charges	**(1,657.3)**	**(1,803.8)**	**+146.4**	**(8)%**
Gross operating income	**1,199.8**	**770.5**	**+429.2**	**+56%**
Cost of risk	(652.8)	(45.0)	(607.8)	+1352%
Income before tax	**530.3**	**727.2**	**(196.9)**	**(27)%**
Underlying net income (Group share)	**370.3**	**518.3**	**(148.0)**	**(29)%**
Return on equity	6.2%	8.6%		
Cost/income ratio	58%	70%		

The CIB division's overall net banking income (excluding GAPC) amounted to €2,857 million, up 11% compared with 2007.

This strong performance was nevertheless more than offset by a sharp increase in the cost of risk following counterparty defaults in Corporate Solutions and provisions for the Icelandic banks and Lehman Brothers.

The "New" CIB's expenses fell by 8%, thanks to the reduction in variable compensation.

The "New" CIB's gross operating income amounted to €1,200 million.

Income before tax amounted to €530 million, down 27% compared with 2007. Underlying net income (Group share) amounted to €370 million, down 29% compared with 2007.

Net banking income by business line

(in millions of euros)	2008	2007	Change
Net banking income	**2,857.1**	**2,574.3**	**+11%**
Corporate and Institutional Relations	521.5	508.3	+3%
Debt and Financing	976.2	1,050.8	(7)%
Capital Markets	1,018.6	925.0	+10%
Credit Portfolio Management and Other	340.8	90.1	ns

■ Corporate and Institutional Relations

The year 2008 as a whole demonstrated the resilience of the Corporate and Institutional Relations business line, which lifted its net banking income by 3% year-on-year to €521.5 million in an exceptionally poor international financial environment. The financing businesses accounted for 90% of the business line's income.

- Net banking income from the **financing business lines** (corporate France and international, international financial institutions) grew by a moderate 3%. Origination was down 35% over the year, with a very sizeable fall in the fourth quarter, in line with the new strategic plan. Margins firmed on new loans.
- Net banking income in the Mergers and Acquisitions business line was up 18% compared with 2007.

■ Debt and Financing

After the segregation of proprietary activities, ABS and a portion of Structured Credit Europe, the **Debt and Financing** business line's net banking income was **€976 million**, down 7% compared with 2007.

Aside from an adverse impact from exchange rates across the board (the U.S. dollar's 7% decline against the euro), performances varied from one business line to another.

Structured finance and commodities

Structured finance and commodities now account for two-thirds of the Debt and Financing business line's net banking income, which was close to stable over the year (-2%).

At €10.1 billion, new financing was down 52% year-on-year. Average loans nevertheless increased by 24% year-on-year, due to the very substantial amount of new financing in 2007.

- Net banking income in **Commodity Financing** was up 27% compared with 2007. Despite the deterioration in the economic environment, with the prices of oil and base metals such as steel starting to fall in the second half, transaction volumes held firm. Interest income and fee and commission income drove revenues. Average volumes moved up 38% over the year, although fierce competition among banks weighed on margins.
- Net banking income in **Leveraged Finance** was down 6% compared with 2007. In a very challenging environment in 2008, with European leveraged finance market volumes tumbling by more than 66%, our teams managed to hold on to their leading position in the French market (second-ranking player with seven MLAs including Socotec, Converteam and Maison du Monde), and move up the rankings in Italy (three MLAs).
- The **Financial Engineering** teams had a strong performance, recording growth of 18% over the year. Financial Engineering benefited from the surge in aviation and shipping financing, and diversified its offering. The business also relied on help from the Commodities teams to look for prospective clients.
- Net banking income was down 7% year-on-year in **Project Financ**e. There is nevertheless still a lot of activity in project finance markets throughout the world, and attractive opportunities are still being offered. New financing was, however, down 45% over the year, in line with the Group's new strategic plan.
- Net banking income was essentially stable in **Aviation** (-1%). Natixis Transport Finance is a major and respected player in the market. It can count on real opportunities for new business following the withdrawal of several banks (West LB, ING and RBS), while at the same time continuing to back prudent financing policies across the sector.
- Net banking income was up 44% in **Shipping**. The 34% increase in interest income is attributable to the large increase in the volume of average assets (+51%). Fee and commission income also progressed significantly, benefiting from an increase in arranger positions internationally.

Real Estate

Net banking income was down 15% in Real Estate. Revenue fell in Europe as well as in the United States. Volumes of new lending were low in commercial real estate, in line with the Group's new strategic plan.

Debt Solutions

Net banking income was up 14% in Debt Solutions, due to strong performances in syndicated loans.

Structured credit

Net banking income was down 11% in Structured Credit. The economic environment hurt business badly in the United States. The Advisory Services business strengthened towards the end of the year.

Capital Markets

Net banking income for the Capital Markets business line amounted to €1,019 million, up 10% compared with 2007.

Commercial performance was very strong among corporate customers in 2008, especially outside France. Business with banks and asset managers also held up well. The proportion of the business line's activity from France declined compared to international business.

Equities and Commodities

Net banking income was down 29% in Equities and Commodities. This performance can be attributed primarily to a sharp deterioration in the **Equity Derivatives & Arbitrage** business, particularly in the fourth quarter, due to the high level of volatility in the markets.

The **Cash Equity** business held up well, but was hurt by the decline in market indices, which weighed on commissions, especially in Europe. Primary market activity essentially stopped, except for rights issues.

Commodity trading recorded strong growth in 2008, particularly in OTC derivatives, although the trend was less favorable towards the end of the period due to the large decline in prices in the leading commodity markets, which impacted the brokerage business (Natixis Commodities Markets).

Net banking income was up in **Corporate Solutions**. A sizeable loss was nevertheless taken due to an increase in the cost of risk in the fourth quarter following the default of two counterparties.

The bulk of the **Alternative Assets** business has been transferred to the GAPC. Management activities are all that remain within scope of the "New" CIB.

Fixed Income

The Fixed Income business line enjoyed a very strong increase in net banking income compared with 2007, due to the good results obtained in the Treasury Management and Arbitrage, and Fixed Income businesses.

Fixed Income revenue advanced due to the resilience of plain vanilla interest-rate derivatives and growth in commercial activity.

The **Foreign Exchange** business did well in 2008, thanks to the reinforcement of teams working in the United States.

Net banking income was more than double the level achieved in 2007 in **Treasury Management and Arbitrage**.

Credit Portfolio Management and Other

Net banking income amounted to €340.8 million in the "CPM and other" business line, a large increase compared to the €90.1 million registered in 2007, due to the positive valuation adjustment of outstanding Credit Default Swaps under which Natixis was the protection purchaser.

Results of the GAPC

CIB – SEGREGATED ASSETS (GAPC) *(in millions of euros)*	2008	2007	Change 2008/2007 Amount	%
Allocated capital (average)	1,673	1,334	+338	+25%
Net banking income	**(3,452.4)**	**(864.2)**	**(2,588.2)**	**+299%**
Expenses	**(174.6)**	**(195.0)**	**+20.5**	**(10)%**
Gross operating income	**(3,627.0)**	**(1,059.3)**	**(2,567.8)**	**+242%**
Cost of risk	(846.8)	(174.4)	(672.4)	+385%
Income before tax	**(4,473.8)**	**(1,233.7)**	**(3,240.1)**	**+263%**
Net income (Group share)	**(3,609.3)**	**(775.6)**	**(2,833.7)**	**+365%**
Return on equity	ns	ns		
Cost/income ratio	ns	ns		

The segregated structure's net banking income includes the following impacts from the crisis:

- writedowns on RMBS/ABS CDOs containing sub-prime debt: €1,202 million;
- impact from the widening of spreads on CMBSs, other CDOs and correlated trading losses: €1,033 million;
- writedowns on exposure to monoline insurers and credit derivative product companies: €1,286 million;
- losses on complex derivatives: €838 million; and
- gains from value adjustments resulting from changes in the issuer spreads: €593 million.

4.2 – Asset Management division

Highlights of 2008

The Asset Management division was hit hard by the unprecedented volatility in market indices and the significant market downturn. Asset under management were also affected by a structural change, French post office bank Banque Postale's withdrawal of its portfolios, although this only had a limited impact on net banking income.

Despite the crisis, the division managed to keep gross operating income at a similar level to 2007 by putting a tight rein on operating expenses.

Impact of the crisis on the Asset Management division

Dynamic money-market funds

In the second half of 2007, Natixis Asset Management acted as as partial counterparty for redemptions on the Natixis ABS+ fund in order to ensure its liquidity.

This position was unwound in the first half of 2008. With the agreement of the AMF, the French market regulator, Natixis Asset Management no longer holds any shares in the ABS+ fund. Instead, it owns the assets themselves, thereby allowing the fund's assets to be moved to the AFS (available for sale securities) category. This had a negative impact of **€32.8 million** on 2008 net banking income.

Impairment was recognized in December in respect of credit risk on certain fixed-income securities, formerly part of the ABS+ fund but are now held in the AFS category. This had a **€17 million impact on the cost of risk**.

Impact of the Lehman Brothers bankruptcy

A counter-guarantee provided to two money market mutual funds on Lehman Brothers bond debt led to the a **€38.9 million cost of risk provision in 2008**.

The crisis had a total impact of €89 million on the Asset Management division's accounts.

Business

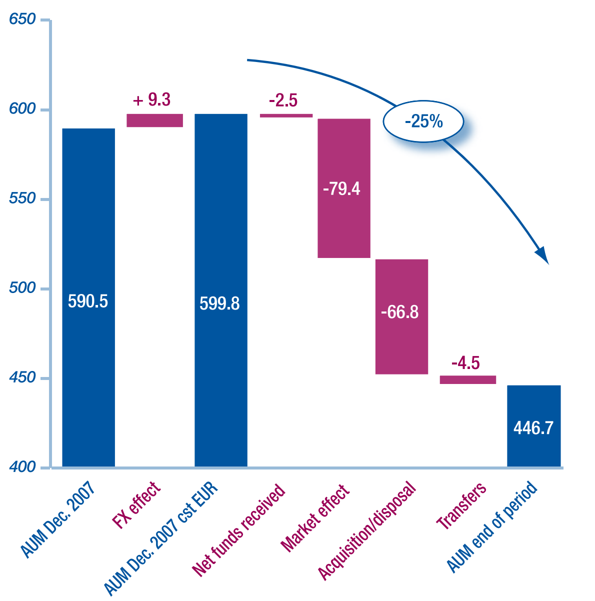
Assets under management totaled €446.7 billion as of December 31, 2008, down 24% over the year on a current exchange rate basis and down 25% on a constant-currency basis.

The main factors affecting the change in assets under management are as follows:

- market conditions, which were difficult throughout the year and worsened significantly in the fourth quarter, pushed down the value of assets under management. Over the year, the market impact totaled -€79.4 billion;
- net asset outflows were only very slight over the period (-€2.5 billion);
- the impact of the withdrawal of funds managed on behalf of Banque Postale, France's post office bank, totaled €72.2 billion (the impact on net banking income was nevertheless slight, at only €7 million over the year as a whole). The withdrawal was carried out in two stages, with an initial €7.9 billion withdrawal in the second quarter of 2008 followed by an additional withdrawal of €64.3 billion in the fourth quarter.

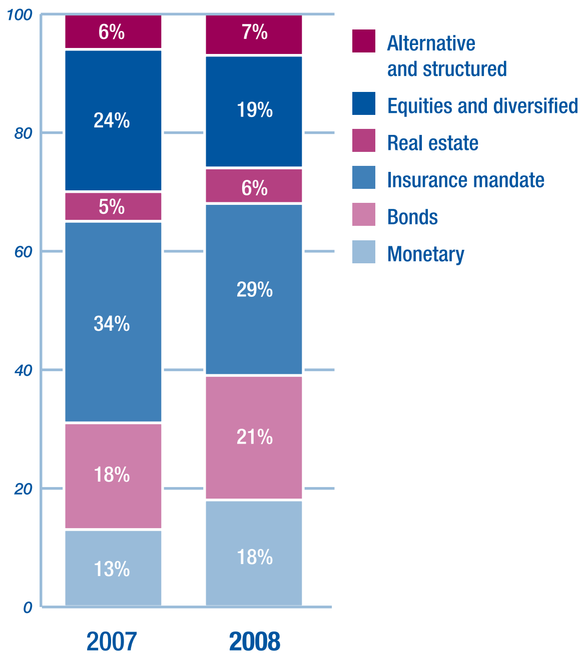
CHANGES IN ASSETS AND NET FUNDS RECEIVED OVER 12 MONTHS 2008

(in billions of euros)



In response to the deterioration in the equity markets, there were changes in the breakdown among investment vehicles, with a higher proportion of money-market and fixed-income funds in the overall product mix.

CHANGES IN THE BREAK DOWN OF ASSETS BY VEHICLE TYPE



ASSET MANAGEMENT DIVISION *(in millions of euros)*	2008	2007	Change 2008/2007 Amount	%
Allocated capital (average)	214	204	+10	+5%
Net banking income	**1,357.5**	**1,709.8**	**(352.3)**	**(21)%**
Charges	**(965.0)**	**(1,278.1)**	**+313.1**	**(24)%**
Gross operating income	**392.5**	**431.7**	**(39.2)**	**(9)%**
Cost of risk	(55.7)	(2.9)	(52.8)	+1822%
Income before tax	**334.5**	**442.6**	**(108.1)**	**(24)%**
Net income (Group share)	**208.2**	**262.6**	**(54.3)**	**(21)%**
Return on equity	97.3%	128.8%		
Cost/income ratio	71%	75%		

- **Net banking income** amounted to €1,357.5 million, down 21% or -€352.3 million compared with 2007.

  At constant exchange rates, net banking income was down 17%, due mainly to the following:

  - a 75% drop in performance-related fees (at constant exchange rates). The drop was particularly marked in the U.S., bearing in mind that US hedge funds enjoyed an excellent year in 2007, a year that also saw a high level of performance-related fees on real-estate funds;
  - a 6% decline in commissions due to the fall in average assets under management.

- The Asset Management division's **operating expenses were down 24%** compared with 2007 **at €965.0 million**. At constant exchange rates, expenses fell by 21%.

  Payroll charges fell by 32% year-on-year, due to the significant reduction in variable compensation.

  Excluding personnel charges, operating expenses were down 3%.

- **Gross operating income** fell by 9% to **€392.5 million**. Excluding the impact from the dollar, the fall was limited to 4%.

  Despite very challenging market conditions, the Asset Management division managed to remain profitable.

- **The cost of risk increased significantly, totaling €55.7 million in the year ended December 31, 2008, compared with €2.9 million in 2007.** This is attributable to the impact of the guarantee given money market funds in respect of Lehman Brothers debt securities (€38.9 million), and the credit-risk provision on AFS fixed-income securities originally held by dynamic money-market funds but now directly owned (€17.9 million).

- **2008 underlying net income (Group share) amounted to €208.2 million**, down 21%. At constant exchange rates, the fall was limited to 15%. The cost/income ratio improved by 4 points, moving down from 75% to 71%.

Europe

In Europe, assets under management amounted to €294 billion as of December 31, 2008, down from €391.5 billion a year earlier, a 25% or -€97.4 billion fall over the year.

The year saw net outflows limited to €2.6 billion, or less than 1% of assets under management (excluding the withdrawal of Banque Postale funds).

The market impact represented -€22.6 billion, or 5.8% of assets under management as of the end of December 2007. The impact of large declines in European share indices in the last quarter was partially offset by the easing of interest rates in the fixed-income market.

The impact of the withdrawal of funds belonging to Banque Postale (€72.2 billion) accounted for 74% of the change in assets under management in Europe.

North America

Assets under management totaled $214 billion as of December 31, 2008, down from $291 billion a year earlier, a 26% drop (-$77 billion).

A small amount of net inflows, totaling $0.8 billion, was recorded over the year, coming chiefly from the distribution platform. They relate mainly to fixed-income products sold by Loomis, and Gateway's Hedged Equity.

The market's losses nevertheless took a heavy toll, decreasing the value of assets under management by $79.2 billion over the year.

4.3 - Services division

The Services division was extended at the end of June 2008, and now has six business lines:

- Insurance and Guarantees: life insurance, provident insurance, mortgage protection insurance, property and casualty insurance, and sureties and financial guarantees;
- Specialized Finance: leasing and consumer finance;
- Employee Benefits Planning: employee savings plans and service vouchers;
- Payments: electronic payment systems, checks and payment systems, services to private individuals;
- Securities Services: retail and institutional custody, asset servicing, issuer services;
- International Services: international advisory services and retail banking in Algeria.

- Despite the deterioration in the economic and financial environment, the Services division's operations remained strong in most business lines in 2008. Efforts were focused on direct customers, but work was also done to improve the penetration rate in the retail network of the two main shareholder groups. The Sureties and Financial Guarantees, Provident Insurance and Employee Benefits Planning business lines were able to benefit from potential within the shareholder networks, thereby keeping their revenues at a healthy level. At the same time, the Specialized Finance business lines recorded excellent results, in aggregate terms as well as volumes, thanks to new business in equipment and property leasing and growth in consumer finance.
- The financial crisis and the significant worsening of the economic environment nevertheless weighed on the division's overall performance, especially in the final quarter.

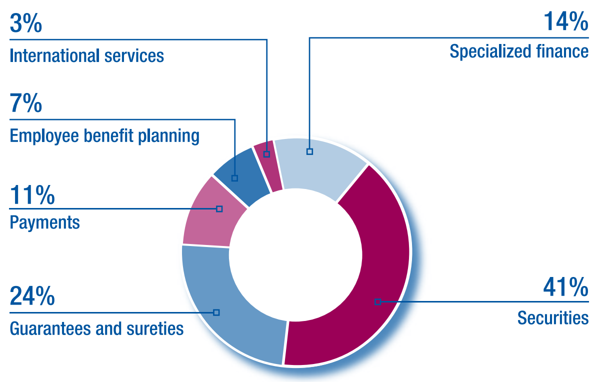
SERVICES DIVISION *(in millions of euros)*	2008	2007	Change 2008/2007 Amount	%
Allocated capital (average)	1,978	1,912	+66	+3%
Net banking income	**1,477.3**	**1,466.2**	**+11.1**	**+1%**
Charges	**(955.4)**	**(909.6)**	**(45.9)**	**+5%**
Gross operating income	**521.9**	**556.6**	**(34.8)**	**(6%)**
Cost of risk	(20.6)	(15.5)	(5.1)	+33%
Income before tax	**515.9**	**545.2**	**(29.3)**	**(5%)**
Net income (Group share)	**341.9**	**358.8**	**(16.8)**	**(5%)**
Return on equity	17.3%	18.8%		
Cost/income ratio	65%	62%		

- The Services division's **net banking income** amounted to **€1,477.3 million**, up 1% or €11.1 million compared with 2007.

  Net banking income was down 2% after adjusting for changes in the scope of consolidation and a non-recuring item in the securities service business line relating to (i) the acquisition by CACEIS of custody operations formerly owned by HVB in Germany and hedge fund manager Olympia, (ii) the transfer of Natexis' former institutional securities service operations to CACEIS, and (iii) a compensatory payment made to former client LCL.

  The division's revenues were held back by the reduction in financial results in life insurance in the wake of the equity markets' declines, and value adjustments to the leasing business line's rental property portfolio, which the strong performances turned in by the division's other business lines were not sufficient to offset.

BREAKDOWN OF THE SERVICES DIVISION'S NET BANKING INCOME



- The Services division's **expenses** totaled €955.4 million, up 5% year-on-year. On a constant-structure basis, they were down 2%, showing that the various business lines adapted to the slowing of revenue growth.

Based on a constant consolidation scope, the headcount increased by 134 FTEs, due to the Group's aggressive growth in the Insurance, Consumer Finance and International Services business lines. At the same time, the first synergies started flowing through in the Securities Services business line.

- The Services division's **gross operating income** amounted to **€521.9 million**, down 6% or -€34.8 million compared with 2007. Based on a constant scope of consolidation, however, it was down only 2%.
- **Gains on fixed assets** amounted to €6.4 million, reflecting capital gains on the disposals of (i) a 33% interest in SLIB (€5.3 million) and (ii) Fastnet House, a subsidiary of CACEIS (€4.6 million), and a €2.4 million asset write-down.
- **Underlying net income (Group share)** amounted to €341.9 million, down 5% compared with 2007.

Insurance and Guarantees

Insurance

- Natixis Assurances showed impressive resilience against the backdrop of a significant deterioration in the economic and financial environment in 2008.

  Revenues in **individual life insurance**, which exceeded €3 billion, were down 20%, amidst falling global markets.

  The decline can be attributed to the inversion of the yield curve, which favored short-term investments to the detriment of life insurance, heavy falls in the equity markets and the desire by most institutions to preserve a high level of liquidity, which kept sales forces busy in other asset-gathering activities.

  Life insurance portfolios were stable at €30.9 billion as of December 31, 2008.

  By contrast, **Provident Insurance** (including mortgage protection insurance) recorded a very good performance. Less sensitive to the economic environment, premium income increased by 22% to €251 million, thanks to continued efforts to sell mortgage protection, accident and dependency insurance products to customers of the Banques Populaires and Caisses d'Epargne networks.

- **Net banking income** came to €225 million in Insurance, down 20% or -€58 million compared with 2007 due to the decline in life insurance, which suffered from the deterioration in the capital markets (financial spread, provision for a prolonged decline in value and the impact of fair-value accounting) and to a lesser extent from slower business.

Sureties and Financial Guarantees

- Natixis Garanties reinforced its positioning the markets in 2008. Its business now assists more than 47,000 corporate clients and nearly 754,000 households.

  Revenues advanced by 1% to €171.9 million over the year.

  Business was broadly stable among retail customers, advanced slightly in the corporate market and increased strongly among realtors and property administrators (+16%), due to the arrival of new partners.

  Outstanding guaranteed loans amounted to €53.8 billion at end-December, up 15% compared with 2007, with increases of 15% in the retail market and 10% in the corporate market.

- The loss ratio remained moderate despite higher claims. Net banking income advanced by 6% or €7 million to €124.5 million on the back of an 18% increase in earned premiums.

Specialized Finance

Leasing

- In a challenging competitive environment, new business amounted to €2.77 billion in 2008, a 14% increase year-on-year, driven by sales made through the shareholder networks.

  Average leasing volumes totaled €7.52 billion, up 8.4% compared with 2007.

- **Net banking income** nevertheless fell by 12% or -€15 million to €107 million, penalized by risk-related expenses, mainly in the form of fair-value adjustments on the business line's rental property portfolio.

Consumer Finance

- Although the French market is showing signs of slowing down, Natixis Financement enjoyed buoyant business, in revolving credit as well as personal loans.

  The impressive performance in revolving credit can be ascribed to the successful launch of the Créodis card in the Banques Populaires network and to continued brisk business for the Caisses d'Epargne network's Teoz card. Outstanding loans amounted to €1.1 billion as of December 31, 2008, up 9% year-on-year.

  The personal loans business enjoyed strong growth, due to the successful integration of the new technical platform for the rollout of the offering in the Caisses d'Epargne network. Outstanding loans amounted to €5.8 billion, up 64% year-on-year.

- **Net banking income** amounted to €99.7 million, up 18% or €15.5 million compared with 2007.

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Employee Benefits Planning

- Employee benefits planning recorded satisfactory business in the light of financial and legal developments.

  Impacted by the financial crisis and a government measure allowing people to cash in part of their employee savings plans early, funds under management in employee savings plans fell by a substantial 22% or -€4 billion to €14.5 billion in the year ended December 31, 2008.

  Natixis Interépargne nevertheless pressed ahead with its expansion in all customer segments, signing 8,857 new contracts (+5% compared with 2007). The number of employer clients under management increased by 6% and the number of client employers was up 13%.

  The Service Vouchers business continued to grow strongly, thanks largely to new contracts with local government and social organizations. The number of vouchers issued (nearly 64 million) increased by 13% and the number of CESU checks (used by private individuals who employ someone for personal services) by 38%.

- **Net banking income** amounted to €98.7 million, up 9% or €8 million.

Payments

- The Payments business line held up well over the year.

  Electronic payment systems continued to grow, with the number of cards in circulation up 5% over the year and the number of cleared transactions up 4%.

  The Exchange Systems business performed satisfactorily. Since the end of 2007, this business has benefited from new flows of capital market transactions for settlement in its systems.

- The Payments business line recorded **net banking income** of €168 million, up 3%, or €5 million, over the year.

Securities Services

- In conjunction with the operational integration of CACEIS Bank Deutschland (formerly HVB's custody business) and Olympia, acquired at the end of 2007, the 2008 fiscal year was marked by the restructuring of the Securities Services business line.

  On June 30, 2008, securities held by Natixis on behalf of institutional clients as well as all securities held by Natixis Investor Servicing were transferred to CACEIS.

  On July 1, 2008, the legal merger between Natixis and its subsidiary Gestitres gave birth to the EuroTitres Department specializing in retail custody.

- Assets under custody totaled €2,467 billion, down 14%, or -€402 billion, compared with December 31, 2007.

- The Securities Services business line's **net banking income** amounted to €615.2 million, up 7% or €41 million compared with 2007.

  Restated for change in the scope of consolidation and the departure of LCL, a former client, the Securities Services business line's net banking income was stable compared with 2007.

International Services

- Revenues for Natixis Pramex International's advisory business held steady in 2008, despite the fact that some midcap clients deferred their acquisition plans due to the economic environment.

  Natixis Algérie's retail banking business continued to enjoy strong growth. The branch network continued to grow in a high-potential market (at the end of December 2008, 12 branches had opened, and another six were awaiting the green light from the Bank of Algeria).

- The International Services business recorded **net banking income** of nearly €40 million in 2008, a year-on-year increase of 24%, or €8 million, buoyed by revenue growth for Natixis Algérie.

4.4 - Private Equity and Private Banking division

PRIVATE EQUITY AND PRIVATE BANKING DIVISION *(in millions of euros)*	2008	2007	Change 2008/2007 Amount	%
Allocated capital (average)	365	319	+46	+14%
Net banking income	**190.5**	**510.6**	**(320.1)**	**(63)%**
Charges	**(169.7)**	**(171.3)**	**+1.6**	**(1)%**
Gross operating income	**20.8**	**339.4**	**(318.6)**	**(94)%**
Cost of risk	(13.2)	7.6	(20.8)	
Income before tax	**9.1**	**346.7**	**(337.6)**	**(97)%**
Underlying net income (Group share)	**(9.9)**	**247.9**	**(257.7)**	**ns**
Return on equity	(2.7)%	77.6%		
Cost/income ratio	89%	34%		

The results of the Private Equity and Private Banking division were heavily affected by the financial crisis. The division's net banking income amounted to €190.5 million in 2008, compared with €510.6 million in 2007, a drop of 63%. The fourth-quarter results were hit hard by the aggravation of the economic downturn, with net banking income moving into negative territory in Private Equity.

The division's operating expenses totaled €169.7 million, compared with €171.3 million in 2007, down 1%.

The division's gross operating income fell by 94% or -€318.6 million to €20.8 million. Its cost/income ratio was 89%.

The cost of risk amounted to €13.2 million, hit hard by risk on Lehman Brothers.

The Private Equity and Private Banking division's **underlying net loss (Group share)** was €9.9 million, nearly €258 million below the significant positive underlying net income earned in 2007.

Private Equity

Investments remained strong over the year, advancing by 27% to €778 million, up from €615 million in 2007. Proprietary investments were €438 million, or 56% of the total.

Divestments amounted to €601.7 million over the year, compared with €680 million in 2007, a fall of 12%. Of this, €424 million (70% of the total) concerned proprietary investments. The decline in divestments related mainly to client assets.

Managed capital, which includes funds raised at the time of subscription and any unrealized capital gains, amounted to €4.0 billion, up 11% or €0.4 billion compared with 2007. This breaks down as €1.9 billion in proprietary capital (48% of the total) and €2.1 billion in client funds.

With the exception of the LBO business line, managed capital increased in all business segments, with more marked growth internationally (+31% compared with 2007).

Net banking income in Private Equity amounted to €80.3 million in 2008, down 79% compared with 2007.

Capital gains on divestments increased by a significant 34% to €268.7 million.

By contrast, the **stock of unrealized capital gains** contracted by €69.7 million (as opposed to an increase of €182.5 million in 2007). Unrealized capital gains amounted to €267 million at year's end. The revaluation of the portfolio on December 31, 2008 was largely offset by the realization of formerly unrealized capital gains (-€112 million) stemming from divestments in 2008.

Concurrently, **provisions** on portfolio investments increased sharply, standing at €141.9 million, compared with €21 million in 2007, meaning new provisions were €120.9 million over the year, mainly in the real estate and textile industries.

Private Banking

The Group's Private Banking operations are undergoing a reorganization, with French entities Banque Privée Saint Dominique and La Compagnie 1818 - Banquiers Privés to merge in the second half of 2009. This merger is intended to facilitate the development of wealth management on behalf of direct customers, the creation of products and services for the high-net-worth customers of the Caisses d'Epargne and Banques Populaires networks, and the sale of products and services through independent wealth advisers.

Funds under management fell sharply over the year, from €17.3 billion at the end of 2007 to €13.6 billion at the end of 2008, a drop of 22% or -€3.75 billion.

Despite challenging market conditions, **net inflows** remained positive, amounting to €0.5 billion, driven by wealth management.

Volumes of customer loans reached €931 million in the year ended December 31, 2008, not far off the level of 2007. This stagnation reflects an environment marked by a high cost of liquidity hurting new loan production and a rise in early repayments.

Net banking income in Private Banking amounted to €110.2 million, down from €127.0 million in 2007, a fall of 13% or -€16.8 million.

The economic environment weighed on results, with the impact of the crisis becoming even more pronounced in the second half. Margins suffered due to competition and ongoing falls in the equity markets.

4.5 - Receivables Management division

The Receivables Management division increased its revenue in a very poor economic environment in 2008 due to a healthy growth in credit insurance and the development of factoring.

The aggravation of the global credit crisis in the fourth quarter of 2008 nevertheless took a heavy toll on the division. Claims were up sharply, revenue growth slowed and interest rates started falling in most countries.

An increase in delinquencies was matched by a surge in claims, which are now affecting all countries. Over the year as a whole, the loss ratio was at 72.6%, up from 49.1% in 2007, an increase of 23.5 points.

Against this backdrop, the January 2008 "Act on the Crisis" plan, which included action to rein in risk exposure and increase premiums (targeted reduction in poorly rated exposure, caps on acceptance levels, action on premiums), was extended in November. Its targets were toughened further in December.

A new and more radical series of measures was taken in January 2009 ("Crisis II") on the basis of 2008 results.

Already a leader in unsolicited corporate credit ratings, Coface began offering solicited credit ratings half way through 2008, as an alternative to the traditional rating agencies. Towards the end of the year, as part of the French government plan to bolster intercompany credit(2) announced by Finance Minister Christine Lagarde on November 27, 2008, and in partnership with Medef, France's employers' federation, Coface signed a Transparency Charter covering its dealings with rated firms. The Charter includes four commitments:

- communicate to each firm, free of charge and on demand, its Coface rating and credit opinion, and the information on which they were based;
- keep it informed, in real time, of any possible change to its rating or credit opinion;
- check with the firm the veracity of any payment incident concerning it that may have been brought to Coface's attention by third-party sources before any decision is made;
- receive and review, with the utmost confidentiality, any up-to-date information that the firm may wish to make available to Coface.

The division also pressed ahead with the global expansion of its four business lines. The factoring business now operates in 28 countries, compared with 16 countries previously, with launches in Australia, China, Portugal, Lithuania and Luxembourg. Credit-insurance operations now cover 93 countries, with the recent move into Cameroon and Venezuela. In May, Coface acquired Denmark's leading factoring company, Midt Factoring, specialized in multi-service receivables management solutions.

(2) which represents four times the volume of short-term bank lending.

RECEIVABLES MANAGEMENT DIVISION *(in millions of euros)*	2008	2007	Change 2008/2007 Amount	%
Allocated capital (average)	1,225	1,127	+98	+9%
Net banking income	**800.0**	**925.3**	**(125.3)**	**(14)%**
Charges	**(695.6)**	**(668.3)**	**(27.3)**	**+4%**
Gross operating income	**104.4**	**257.0**	**(152.6)**	**(59)%**
Cost of risk	(28.0)	(14.7)	(13.3)	+90%
Income before tax	**101.5**	**252.5**	**(151.0)**	**(60)%**
Underlying net income (Group share)	**70.8**	**186.1**	**(115.3)**	**(62)%**
Return on equity	5.8%	16.5%		
Cost/income ratio	87%	72%		

Over the year as a whole, divisional revenues amounted to €1,682 million, up 7.1% compared with 2007, due to growth of 16.8% in factoring. Credit-insurance revenues grew by 5.0%.

The division's **net banking income** amounted to €800.0 million, compared with €925.3 million in 2007, down 14% or -€125.3 million due to a surge in claims towards the end of 2008.

■ **Credit insurance**

Net banking income for the credit insurance business line amounted to €314.6 million, compared with €489.6 million in 2007, down 36%. The decline is attributable to the increase in claims throughout the year, and especially in the fourth quarter. The increase in revenue was not sufficient to offset higher claims.

Claim settlements totaled €739.5 million over the year.

The loss ratio was 72.6% over the year, compared with 49.1% in 2007. It deteriorated by 3.4 points in each of the first three quarters and by 13.4 points in the final quarter.

■ **Factoring**

Net banking income for the factoring business line amounted to €247.3 million, compared with €213.9 million in 2007, up 16%. Excluding change in the scope of consolidation and currency impact, growth remained strong at 13%, buoyed by the robust performance over the first nine months.

Growth in net banking income was fueled by international operations (+35%), thanks in large part to the acquisition of Midt Factoring in Denmark. Growth was more muted in France (+5%) due to the effects of competition on margins and slower business in the fourth quarter in a sluggish market.

The volume of factored receivables totaled €50.6 billion, one-third of which were in France.

■ **Credit Management Services (Information and Receivables Management)**

Net banking income for the Information business line amounted to €134.3 million, compared with €127.5 million in 2007, a 5% increase attributable to the acquisition of Kompass (consolidated for only 10 months in 2007) and the consolidation of Polish operations.

Net banking income for the Receivables Management business line amounted to €37.3 million, compared with €33.6 million in 2007, an 11% increase fueled by international operations.

■ **Public Procedure Management**

Net banking income for business managed on behalf of the French state totaled €66.5 million in 2008, compared with 60.8 million in 2007, a significant 9% increase. The business line benefited from the favorable outcome of negotiations concerning the renewal of the financial agreement with the French state, which also led to a €3 million upward adjustment to 2007 revenue in 2008.

The division's **operating expenses** totaled €695.6 million, up 4% compared with the total of €668.3 million in 2007. Restated for change in the scope of consolidation (Kompass, Midt Factoring and Polish entities) and exchange rates, the increase in operating expenses was limited to 2%, thanks to the implementation of cost-cutting measures.

The number of FTEs increased by a total of 7%, but by only 3% excluding change in the scope of consolidation. This increase is consistent with the increase in the factoring business line and the international expansion of the services business lines.

The division's **gross operating income** amounted to €104.4 million, compared with €257.0 million in 2007, down 59% or -€152.6 million.

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The **cost of risk** increased substantially to €28.0 million, nearly double the 2007 level of €14.7 million. Of this, €23.1 million is attributable to the impairment of client receivables in the factoring business line due to the economic crisis.

The credit crisis depressed earnings substantially: the division's **underlying net income (Group share)** amounted to €70.8 million in 2008, compared with €186.1 million in 2007, down 62%, or -€115.3 million.

4.6 - Retail Banking

In 2008, the contribution from the two shareholder networks, Banques Populaires and Caisses d'Epargne, to the "share of net income of associates" line came to €449 million, down 30% compared with 2007 (€642 million).

Aggregate net income for the two networks (100%) was down 34% at €1,943 million.

Two technical factors affected the share of net income from associates, namely the drop in accretion gains which was offset by lower consolidation adjustments of capital gains on available-for-sale securities.

Accretion gains fell by €15 million compared with 2007, including a €12.9 million reduction in respect of Banques Populaires.

The negative impact of value adjustments[3] declined by €20 million, with a positive net impact on the two networks' contributions.

(in millions of euros)	2008	2007	Change 2008 / 2007 amount	%
Net income (Group share)	**1,943**	**2,935**	**(992)**	**(34)%**
Of which Caisses d'Epargne	918	1,595	(677)	(42)%
Of which Banques Populaires Régionales	1,025	1,340	(315)	(23)%
Contribution Natixis				
Equity method accounting at 20%	389	587	(198)	(34)%
Accretion gains	104	119	(15)	(12)%
Value adjustments	(43)	(63)	+20	(31)%
Contribution from associates	**449**	**642**	**(193)**	**(30)%**
Tax on CICs	(67)	(73)	+5	(7)%
Contribution net accounting income	**382**	**570**	**(188)**	**(33)%**

(3) At the time of the initial consolidation of the CICs by Natixis, unrealized capital gains made by the two networks on part of their investment portfolios were treated as capital, limiting recognition of goodwill. The effective realization of these capital gains by the two networks in 2008 generated revenues recognized under net banking income that Natixis cannot recognize twice. These revenues have therefore been deducted (after tax) from the share of net income of associates line.

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Banque Populaire[4]

(in millions of euros)	2008	2007	Change 2008/2007 Amount	%
Net banking income	**5,698**	**5,839**	**(142)**	**(2)%**
Expenses	**(3,803)**	**(3,658)**	**(145)**	**+4%**
Gross operating income	**1,895**	**2,181**	**(286)**	**(13)%**
Cost of risk	(529)	(388)	(141)	+36%
Income before tax	**1,379**	**1,864**	**(485)**	**(26)%**
Net income (Group share)	**1,025**	**1,340**	**(315)**	**(23)%**
Equity accounting of CICs				
Share accounted for under the equity method	205.0	267.9	(62.9)	(23)%
Accretion gain	25.4	38.3	(12.9)	(34)%
Value adjustments	(26.9)	(18.6)	(8.3)	+45%
Tax on CICs	(21.2)	(27.4)	+6.2	(23)%
Contribution to Natixis net income	**182.3**	**260.2**	**(77.9)**	**(30)%**

Groupe Banque Populaire acquired six Regional Banks in early July 2008 [5], representing a total of 249 branches and nearly 1,700 FTEs.

The Banques Populaires network maintained a strong pace of lending growth in 2008, with total outstanding loans advancing by 12% year-on-year (+9% excluding change in the scope of consolidation).

Growth was driven by the increase in residential home loans (+11% year-on-year), and by medium- and long-term equipment loans in other markets (+15% year-on-year).

In savings, overall volumes increased by 5% (+1% excluding change in the scope of consolidation). Deposits increased by 11% (+6% excluding change in the scope of consolidation), driven by growth in both the private individual market and other markets, despite outflows on home purchase savings plans. By contrast, private individual funds invested in managed savings products were down 2% overall (-6% excluding change in the scope of consolidation), largely because of outflows on mutual funds attributable to the unfavorable market conditions.

Groupe Banque Populaire's **net banking income** amounted to €5,698 million in 2008, down 2% compared with 2007.

Despite stable interest margins and sustained growth in fee and commission income, results were hurt by the negative impact of the fall in the equity markets and unfavorable yield curve trends that affected instruments accounted for on a mark-to-market basis.

Operating expenses totaled €3,803 million in 2008, up 4.0% or 2% excluding the impact of the change in the scope of consolidation.

The cost/income ratio was at 66.7%, a 4.1-point increase.

Groupe Banque Populaire's gross operating income amounted to €1,895 million, down 13%.

The **cost of risk** was €529 million, up 36% or €141 million due to exposure to Lehman Brothers and Icelandic banks.

Excluding these elements and expressed as a percentage of average loans outstanding, the cost of risk worked out at 35 basis points.

Groupe Banque Populaire's **income before tax** amounted to €1,379 million, down 26%. The fall was accentuated by the fact that the 2007 financial statements included a €49 million capital gain on the disposal of BISE, Crédit Coopératif's former Polish subsidiary.

Groupe Banque Populaire's **net income** amounted to €1,025 million, down 23% compared with 2007.

Natixis' 20% share of this sum came to €205 million, down 23%. There was also an accretion gain of €25.4 million, down 34% offset by consolidation adjustments on AFS assets and cash-flow hedges for €27 million.

Natixis' share of Groupe Banque Populaire's net income on the contributions from associates line amounted to €203.5 million, down 29%.

(4) Aggregate financial statements of the Banques Populaires, i.e. Retail Banking excluding Société Marseillaise du Crédit (SMC) and other Regional Banks contributing 49% of their earnings to net income (Group share).

(5) Banque de Savoie (BP Alpes), Banque Chaix (BP Provençale et Corse), Banques Marze and Dupuy, de Parseval (BP Sud) and Banque Pelletier and CCSO (BP Sud Ouest).

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Caisses d'Epargne

(in millions of euros)	2008	2007	Change 2008/2007 amount	%
Net banking income	**5,743**	**6,435**	**(692)**	**(11)%**
Expenses	**(4,450)**	**(4,309)**	**(141)**	**+3%**
Gross operating income	**1,293**	**2,126**	**(833)**	**(39)%**
Cost of risk	(395)	(118)	(277)	
Income before tax	**912**	**2,005**	**(1,093)**	**(55)%**
Net income (Group share)	**918**	**1,595**	**(677)**	**(42)%**
Equity accounting of CICs				
Share accounted for under the equity method	183.6	319.0	(135.4)	(42)%
Accretion gain	78.4	80.2	(1.8)	(2)%
Value adjustments	(16.5)	(44.5)	+28.0	(63)%
Tax on CICs	(46.1)	(45.2)	(0.9)	+2%
Contribution to Natixis net income	**199.4**	**309.5**	**(110.1)**	**(36)%**

The year 2008 was marked by strong growth in lending, with total loans up 8% compared with 2007. Growth came to 6% among retail customers, driven by home loans (+5%) and consumer lending (+6%).

In the other markets, total loans increased by 11%, with a large increase in new medium- and long-term loans (+7%).

Growth was also strong in savings. Customer savings were up 6% over the year, driven by strong growth in Livret A passbook accounts, as well as the increase in life insurance.

Groupe Caisse d'Epargne's **net banking income** amounted to €5,743 million in 2008, down 11% compared with 2007.

Despite healthy fee and commission income, net banking income declined as a result of narrower interest margins and the fall in revenues from financial activities.

Operating expenses totaled €4,450 million, up 3%.

Gross operating income amounted to €1,293 million, down 39% compared with 2007.

Groupe Caisse d'Epargne recorded **net income of €918 million**, down 42%.

Natixis' share came to €183.6 million, down 42%. There was also an accretion gain of €78.4 million.

Natixis' share consolidated under the equity method amounted to at €245.5 million, down 31%.

4.7 - Cost of risk

The cost of risk totaled €1,817 million in 2008, including €1,707 million for individual risk and €110 million for collective risk.

Individual risk increased sharply, with most of the increase in the CIB division (€1.5 billion), fuelled by exposure to banking and financial institutions. The main risks related to the Madoff fraud (€375 million), Lehman Brothers (€293 million) and Icelandic banks (€94 million).

Total provisions covering collective risk increased to €966 million, up 15% compared with 2007.

CHANGE IN THE OVERALL COST OF RISK BY DIVISION

(in millions of euros)	2008 IFRS-EU	2007 IFRS-EU
Corporate and Investment Banking	(1,500)	(219)
Asset Management	(56)	(3)
Private Equity and Private Banking	(13)	8
Services	(21)	(16)
Receivables Management	(28)	(15)
Others	(199)	1
OVERALL COST OF RISK	**(1,817)**	**(244)**

DETAILS FOR THE CORPORATE AND INVESTMENT BANKING DIVISION

(in millions of euros)	2008 IFRS-EU	2007 IFRS-EU
Corporate and Institutional Relations	(82)	11
Debt and Financing	(5)	(16)
GAPC	(847)	0
Capital Markets	(415)	(214)
Other	(151)	0
TOTAL	**(1,500)**	**(219)**

CHANGE IN THE INDIVIDUAL COST OF RISK BY DIVISION

(in millions of euros)	2008 IFRS-EU	2007 IFRS-EU
Corporate and Investment Banking	(1,389)	(26)
Asset Management	(56)	(3)
Private Equity and Private Banking	(13)	8
Services	(22)	(18)
Receivables Management	(28)	(15)
Others	(199)	(1)
INDIVIDUAL COST OF RISK	**(1,707)**	**(55)**

DETAILS FOR THE CIB DIVISION

(in millions of euros)	2008 IFRS-EU	2007 IFRS-EU
Corporate and Institutional Relations	(126)	(17)
Debt and Financing	(178)	31
GAPC	(519)	0
Capital Markets	(415)	(40)
Other	(151)	0
TOTAL	**(1,389)**	**(26)**

BY REGION, CHANGE IN THE INDIVIDUAL COST OF RISK WAS AS FOLLOWS

(in millions of euros)	2008 IFRS-EU	2007 IFRS-EU
Africa and the Middle East	(3)	(6)
Central and Latin America	(60)	(10)
North America	(656)	5
Asia-Pacific	(5)	7
Eastern Europe	(318)	3
Western Europe	(665)	(54)
TOTAL	**(1,707)**	**(55)**

V. RISK MANAGEMENT

The information provided in the following sections is an integral part of the financial statements certified by the Statutory Auditors:

5.1 Natixis' general risk management system

5.2 Natixis' Risk Management Department

5.3 Credit risk (for audited data only)

5.4 Market risk (for audited data only)

5.5 Overall interest rate, liquidity and structural foreign exchange risk.

5.9 Insurance risk

5.1 – Natixis' general risk management system

Natixis' general risk management system is managed in accordance with banking regulations and governance guidelines followed by the Banque Populaire and Caisse d'Epargne Groups. The system is the responsibility of Natixis' Executive Board and is built around three tiers of coordinated risk management:

- internal controls are carried out by operational or functional departments or under the supervision of their management. Depending on the precise situation and business line, first-tier controls are conducted either by personnel themselves or by an ad hoc body, such as a middle office or an accounting control department, or, where appropriate, by both acting together;
- second-tier controls (in accordance with Article 6-a of CRBF regulation 97-02) are carried out by dedicated bodies acting independently from operational management;
- third-tier controls, also known as periodic controls, are carried out by the Internal Audit Department.

The Chief Executive Officer is responsible for ensuring the consistency and effectiveness of permanent controls (in accordance with Article 7-1, sub-point 4 of CRBF regulation 97-02 as amended).

The Chairman of the Executive Board chairs a committee that coordinates controls and includes all people involved in permanent controls, the head of IT Systems Security, the Chief Financial Officer and the Corporate Secretary.

In keeping with commitments made to the Credit Institutions and Investment Firms Commission (CECEI), Natixis now has an additional control system based on:

- the separation of risk and control functions within the Natixis Group, including:
  - a clear delineation between front- and back-office functions,
  - first-tier controls at the operating level,
  - a distinction between periodic and permanent controls;
- the organization of the Group's control functions and units on a worldwide basis so as to ensure the consistency of internal procedures;
- a specific central body function assigned jointly to Groupe Caisse d'Epargne and Groupe Banque Populaire.

The Risk Management and Compliance Departments carry out permanent controls. The control system comes under the overall supervision of Natixis' Executive Board and Supervisory Board, which is assisted in its duties by the Audit Committee.

The joint-control system aimed at ensuring the consolidation and monitoring of Natixis' risks by its central institutions is assisted by the permanent Global Risks Committees set up at the time of Natixis' creation at the end of 2006.

5.2 – Natixis' Risk Management Department

Since Natixis was created on November 17, 2006, its Risk Management Department has used a single set of resources, methodologies and tools.

The Risk Management Department draws up risk policies in keeping with those of its two central institutions. These policies are then submitted to the Executive Board for approval.

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Similarly, it makes proposals to the Executive Board concerning principles and rules in the following areas:

- risk-acceptance procedures;
- delegations;
- risk assessment;
- risk monitoring.

It plays a key role within a system of Committees, including:

- a General Committee, the Group Risk Committee, which draws up the outlines of the Group's risk policy;
- the Natixis Group Credit Committee;
- the Market Risk Committee;
- the Operational Risk Committee;
- the New Products and New Activities Committees, which oversee the approval process;
- the Limit Violation Committee;
- the Counterparty Watch List Committee.

It also plays an active part in the Group Provisions and ALM Committees, which are chaired and organized by the Finance Department.

Lastly, it reports regularly on its work, submitting its analyses and findings to Natixis' executive and decision-making bodies, and to the Caisse d'Epargne and Banque Populaire Groups.

To carry out its role in terms of measuring, consolidating, monitoring and reporting risks, Natixis' Risk Management Department uses a dedicated IT system suited to the Group's various businesses.

It uses a basic set of risk tools, with data provided by the management systems of each business line. The Risk Management Department helps design the management tools used at the operating level in order to ensure the quality and relevance of the data provided.

The basic risk tools encompass many applications, built around three functions:

- measuring and monitoring economic risk;
- calculating and managing regulatory risk;
- providing data for management and reporting purposes.

In 2008, given the deterioration in the financial environment, the Risk Management Department worked at reinforcing its vigilance mechanisms.

Action taken over the year included:

- a wide-ranging review of existing limits with banking counterparties, and remedial action where necessary;
- redefining and drawing up stress scenarios, and measuring their impact, taking into account recent changes in the markets, in terms of both credit and market risk;
- risk monitoring within the process of the segregation of some CIB operations;
- the implementation of new methodology used to determine VaR, taking into account the findings of studies devoted to changes in market behavior following the bankruptcy of Lehman Brothers;
- the finalization of the rollout of Natixis' tool for measuring, controlling and managing operational risks across the entire Group;
- the continuation of work aimed at developing risk monitoring and management tools using Basel II advanced approaches.

This work was dealt with in reports submitted to Natixis' management bodies, its central institutions and, where necessary, the French Banking Commission (work on VaR and Basel II).

5.3 – Credit risk

5.3.1 – General principles governing the allocation and management of Credit risk

(data certified by the Statutory Auditors in accordance with IFRS 7)

Natixis' credit-risk measurement and management procedures are based on:

- standardized risk-taking processes governed by a system of delegations and decision-making Committees;
- independent analyses providing a second opinion, carried out by the Risk Management Department as part of the loan request review process;
- rating tools and methodologies providing standardized counterparty-risk assessments, thereby making it possible to evaluate the probability of default within one year;
- information systems providing an overview of outstanding loans and exposure limits using a single risk-consolidation tool based on an amalgamated counterparty database.

These procedures are updated so as to remain consistent with those of the Caisse d'Epargne and Banque Populaire Groups, particularly with respect to rating methodologies for each asset class and market segment.

Natixis received permission from the French Banking Commission to use the internal rating based foundation approach (IRBF) to calculate its regulatory capital requirements for credit risk as of January 2008. It has sought approval to adopt the advanced approach (IRBA) for most of its operations.

5.3.2 – Internal rating system and Methodologies

(*data certified by the Statutory Auditors in accordance with IFRS 7*)

The rating system is an integral part of Natixis' counterparty-risk monitoring and control mechanism.

In accordance with regulatory requirements, all counterparties in the banking portfolio must have an internal rating when they:

- incur a loan or are assigned a limit;
- guarantee a loan;
- issue securities used as collateral for a loan.

Similarly, internal ratings for some counterparties are only calculated after the rating for another entity or counterparty (the parent company for a subsidiary, for instance) has been set.

The process of evaluation and updating counterparty ratings involves several Departments.

Generally speaking, the relevant business line prepares a credit file providing the appropriate amount of detail and looking at all the questions needed to form an opinion. The file includes a proposed rating, based on the appropriate engine for the asset class and market segment.

After conducting his or her own independent analysis, the credit analyst issues an opinion or a recommendation, including the rating. The Risk Management Department validates the rating on the basis of a decision taken either under delegations or authorizations given to the various business lines and certain members of the Risk Management Department, or by the appropriate credit committee, after a second opinion has been obtained.

The mechanism is based on:

- internal rating methodologies specific to the various Basel asset classes, consistent with Natixis' risk profile;
- an information system used for managing the successive stages of the rating process, from start to finish, archiving every step in the process through to the validation of the final rating;
- processes, procedures and controls that place internal ratings at the heart of the risk-management system, from transaction origination to ex-post analysis of defaulting counterparties;
- lastly, a project-mode approach, which involves working with the business lines in which the Risk Management Department plays a decisive role.

At the end of 2008, Natixis drew up internal rating methods for the various Basel asset classes with a view to complying with the IRBF approach for the following categories: sovereigns, banks and corporate entities.

The Natixis Group uses internal rating systems for exposure to securitization issues. The Natixis Group acknowledges its use, in determining securitization exposure limits, of assessments provided by the following three external credit rating agencies:

- Fitch Rating;
- Moody's;
- Standard & Poor's.

Ratings are set on the basis of two approaches: statistics-based approaches and advanced techniques.

For exposure to non-OECD banks and corporate entities with consolidated revenue of less than €1 billion, internal rating models are statistics-based and use available financial data to assign the exposure to a specific class of risk. In 2008, the parameters of these models were reviewed with a view to improving their performances on the basis of new samples.

A statistics-based model developed by Groupe Banque Populaire, which assesses the likelihood of default within one year, is also used for corporate entities for which parent company financial statements are available.

Advanced rating models are used for sovereigns and major counterparties (OECD banks and large corporate entities with consolidated revenue of more than €1 billion).

Default probability thresholds are established:

- using statistics models based on mapping between internal ratings and the associated rates of default for the three rating agencies with respect to major counterparties;
- using historical internal default data for "small" corporate entities with parent company and consolidated financial statements;
- using mapping based on rating agency data for sovereigns.

Back-testing and performance-monitoring programs are also used to ensure the quality and reliability of rating models and default probability thresholds. They include a detailed analysis conducted using indicators such as differences in terms of the severity and migration compared with agency ratings, actual defaults and change in ratings prior to default, and the predictive power of indicators used in statistics-based models.

Natixis checks whether default probability thresholds are consistent with actual default rates in its portfolio.

Statistics and the results of this work are reviewed by oversight committees responsible for imposing corrective measures or adjustments wherever necessary, such as the enrichment or redefinition of models, or the modification of reference samples.

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Work carried out in 2008 demonstrated Natixis' prudence with respect to sovereign debt, in light of actual defaults. This was also the case for virtually all the points on the scale applied to major counterparties. Work done in 2009 will ensure that this prudence is maintained, given the ongoing deterioration in the economic environment.

In addition to the quantitative work done on its models, Natixis also conducts periodic controls at different levels of the bank in order to ensure the quality of both its internal ratings and the overall process.

The Risk Management Department carries out various types of controls as part of its monitoring function. It ensures that procedures are correctly applied, that the internal rating system works properly, and that the data used in the various rating systems are reliable. The Risk Management Department also organizes regular training and support sessions aimed at rating-system users.

5.3.3 – Credit risk reduction techniques

(*data certified by the Statutory Auditors in accordance with IFRS 7*)

Natixis uses credit risk reduction techniques including set-off agreements, guarantees, collateral and credit-default swaps.

The principles for identifying, measuring and managing credit-risk hedging instruments comply with the recommendations of the Basel Committee. The decision on whether a guarantee's risk-reducing effects make it eligible to be included in risk-exposure calculations is made on a case-by-case basis. Checkpoints are set up throughout the process. They cover the approval of the transaction, the monitoring of credit-risk exposure and the calculation of the resulting capital requirements.

Collateral and set-off agreements give rise to:

- analysis, when a loan application is approved or reviewed, aimed at assessing the suitability of the instrument or guarantee provided and the reduction in risk it confers;
- verification, processing and documentation work based on the use of standard contracts or contracts approved by the Legal Department;
- registration and monitoring procedures in administrative and risk-management procedures.

Guarantors are assessed, rated and monitored in the same way as debtors.

Natixis' Credit Portfolio Management Department takes action to reduce exposure by counterparty, by sector and by region. Exposure limits are set on the basis of stress-test methodologies (rating migration on the basis of macroeconomic scenarios).

Natixis buys credit-default swaps and enters into synthetic securitization transactions in order to reduce all or part of the credit-risk exposure attached to some assets by transferring the risk to the market.

Loans protected by credit-default swaps remain on Natixis' balance sheet, but bear the counterparty risk attached to the credit-default sellers, which are generally OECD banks. These transactions are subject to the same decision-making and monitoring procedures as those applying to all derivatives.

Natixis generally keeps part of the risk on junior tranches of portfolio transactions.

All risk-reduction techniques are vetted during preparatory work carried out to calculate regulatory capital requirements.

Credit-risk monitoring

Credit-risk monitoring is based on the accountability of the various business lines and the control measures overseen by a dedicated team within the Risk Management Department.

The business lines carry out day-to-day monitoring, the middle office oversees financing, and the Risk Management Department conducts second-tier controls.

Breaches of exposure limits are reviewed during a monthly Committee Meeting. The Committee analyzes the breach on the basis of specific indicators (number, business lines concerned, etc.). It looks closely at significant breaches and monitors the return to normal.

Cases presenting an increase in risk are identified as they arise and reported immediately to the Risk Management Department, the Special Affairs and Disputes Department and the business line concerned, in accordance with counterparty surveillance and alert procedures.

A decision as to whether these cases are subjected to special monitoring is then made by the Special Affairs and Disputes Department and the Risk Management Department, and validated by the appropriate credit committee, depending on the level of exposure.

Sensitive cases are reviewed at least once a quarter, and are passed on to the Counterparty Watch List Committee, which meets quarterly.

Sensitive, doubtful or disputed risks are monitored by the Special Affairs and Disputes Department, which intervenes whenever necessary in difficult cases and recovers debt in the event of litigation.

Monitoring of doubtful and disputed cases, and provisioning mechanism

Individual provision

Provisions Committee Meetings are held quarterly in each division. They look at all cases liable to give rise to provisions or adjustments to existing provisions, and decide on the amount of provisions necessary.

A Group Provisions Committee, organized by the Finance Department, meets once a quarter. It is chaired by the Chief Executive Officer and includes representatives of the Risk

Management Department, the Special Affairs and Disputes Department, and the heads of the business lines concerned.

The work of the Group Provisions Committee is based on reviews carried out by the Counterparty Watch List Committee, the same case analysis materials being presented at Meetings.

Collective provisions

Natixis also constitutes provisions to cover country risk and sector risk assessed from two angles:

- ratings for exposure to private individuals and professionals;
- sector risk and geographical risk for other counterparties (corporate entities, sovereigns, etc.)

For the latter, objective impairment indicators are sought using analysis and close monitoring of business sectors and countries. Objective impairment indices generally comprise a range of micro- or macroeconomic indicators specific to the sector or country concerned. When necessary, an expert opinion is sought to fine-tune the result.

5.3.4 – Exposure to credit risk and breakdown of outstanding loans

The following table sets out the exposure of all the Natixis Group's financial assets to credit risk. This exposure does not take into account guarantees, sureties, credit-default swaps, collateral OTC financial instruments, the impact of master netting agreements for and other credit enhancements. It corresponds to the net value of the financial asset on the balance sheet, after taking all provision into account (individually or collectively assessed).

GROSS EXPOSURE TO CREDIT RISKS

(data certified by the Statutory Auditors in accordance with IFRS 7)

(in millions of euros)	Performing exposures	Default exposures	Value adjustments	Net exposures 31.12.2008	Net exposures 2007
Financial assets at fair value through profit and loss (excluding variable-rate securities)	262,963			262,963	177,595
Hedging derivatives	502			502	670
Available-for-sale financial assets (excluding variable-rate securities)	25,696		(124)	25,572	29,057
Loans and advances to financial institutions*	65,381	516	(324)*	65,573	112,394
Loans and advances to customers*	115,882	2,048	(2,326)*	115,604	112,505
Held-to-maturity financial assets	6,411			6,411	6,501
Financing commitments given	55,307	13		55,320	56,142
Financial guarantee commitments given	158,802	154	(125)	158,831	103,719
TOTAL GROSS EXPOSURE	**690,944**	**2,731**	**(2,899)**	**690,776**	**598,583**

* *Including collective provisions.*

The following tables set out the exposure to credit risk on the basis of Basel II regulations (order of February 20, 2007). Exposure at default (EAD) in accordance with Basel II standards.

EXPOSURE AT DEFAULT (EAD) BY CATEGORY AND AVERAGE RISK EXPOSURE OVER THE PERIOD

(*data certified by the Statutory Auditors in accordance with IFRS 7*)

Amounts exposed to credit risk by asset class, excluding securitization, deducted from equity.

(in millions of euros) Category of exposure	Exposure at default	Exposure at default (average 2008)*
Other exposure listed in the corporate category	119,211	123,014
Financial institutions and investment firms	88,870	87,933
Securitization	33,206	22,337
Other assets	28,904	29,278
Specialized financing	21,674	20,098
Small and medium-sized businesses listed in the corporate category	5,898	6,414
Governments and central banks	5,230	5,813
Equities	3,701	3,313
Other exposure listed in the retail customer category	3,651	3,543
Small and medium-sized businesses listed in the retail customer category	1,770	1,585
Other banks	1,168	1,767
TOTAL	**313,282**	**305,095**

* *EAD averages correspond to the average of the four quarter-end figures (these data are not audited).*

Exposure at default at the end of 2008 was slightly higher than the average for the year. The increase in the weighting of securitized assets classified in EAD at year's end stems primarily from the move to the banking portfolio from the trading portfolio, in accordance with International Accounting Standards, for a total of €8 billion. The increase in securitized assets classed as EAD also stems from transactions aimed at reducing risk-weighted assets by means of the synthetic securitization of corporate debt, which caused these assets to be moved from the corporate segment to the securitized segment.

BREAKDOWN OF EXPOSURE AT DEFAULT BY CATEGORY AND GEOGRAPHY

(*data certified by the Statutory Auditors in accordance with IFRS 7*)

Breakdown of exposure at default by geographic area

(after deducting other assets and generic risk-adjustment factors)

(Breakdown as a %)	Exposure at default	
Geographic area	31.12.2008	31.12.2007
France	44.2%	44.4%
European Union	30.1%	30.6%
North America	14.2%	14.2%
Others	11.5%	10.8%
TOTAL	**100.0%**	**100.0%**

Calculations for the year ended December 31, 2007 were made in accordance with regulations governing large exposures (CRBF regulation 93-05 as amended). Data for the year ended December 31, 2008 correspond to EAD under Basel II (order of February 20, 2007 relative to capital requirements applicable to credit institutions and investment firms).

French and European Union counterparties account for 74% of Natixis' exposure.

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Breakdown of exposure at default by category for the main geographic areas

(after deducting other assets and generic risk-adjustment factors)

(Breakdown as a %)	Exposure at default 31.12.2008 Geographic area				
Category of exposure	France	European Union	North America	Others	Total
Other exposures listed in the corporate category	20.2%	9.5%	6.3%		
Financial institutions and investment firms	16.0%	11.9%	2.8%		
Small and medium-sized businesses listed in the corporate category	1.7%	0.2%	0.1%		
Specialized financing	1.7%	2.8%	1.3%		
Securitization	1.8%	5.0%	3.4%		
Governments and central banks	0.7%	0.1%	0.2%		
Small and medium-sized businesses listed in the retail customer category	0.7%	0.0%	0.0%		
Other exposure listed in the retail customer category	0.3%	0.0%	0.0%		
Equities	1.2%	0.1%	0.0%		
Other banks	0.0%	0.4%	0.0%		
TOTAL	**44.2%**	**30.1%**	**14.2%**	**11.5%**	**100.0%**

BREAKDOWN OF EXPOSURE AT DEFAULT BY INDUSTRIAL SECTOR

(after deducting other assets and generic risk-adjustment factors)

(data certified by the Statutory Auditors in accordance with IFRS 7)

(Breakdown as a %)	Exposure at default	
Sector	31.12.2008	31.12.2007
Finance and Insurance*	56.6%	51.3%
Services	7.6%	6.4%
Real Estate	5.0%	5.9%
Holdings and Conglomerates	4.7%	7.3%
Energy	3.6%	3.9%
Basic Industries	3.1%	2.9%
Retailing	2.6%	2.5%
Mechanical and Electrical Engineering	2.4%	2.7%
Construction	2.4%	3.1%
Communications	2.1%	2.1%
Government	1.4%	2.8%
Food	1.8%	1.7%
International Trading, Commodities	1.5%	1.9%
Pharmaceuticals, Healthcare	1.2%	1.3%
Consumer Goods	1.3%	0.9%
Technology	1.1%	1.4%
Utilities	0.9%	0.9%
Tourism, Hotels and Leisure	0.6%	0.8%
Other	0.1%	0.2%
TOTAL	**100.0%**	**100.0%**

* *Including 5.8% in respect of Caisses d'Epargne and Banques Populaires central bodies and affiliates: 5.8% in 2008.*

Calculations for the year ended December 31, 2007 were made in accordance with regulations governing large exposures (CRBF regulation 93-05 as amended). Data for the year ended December 31, 2008 correspond to EAD under Basel II (order of February 20, 2007 relative to capital requirements applicable to credit institutions and investment firms).

BREAKDOWN OF EXPOSURE AT DEFAULT BY RESIDUAL MATURITY AND BY CATEGORY OF EXPOSURE

(Breakdown of exposure at default with the exception of other assets that do not represent a credit obligation, equities and securitization positions)

(in millions of euros)	Exposure at default 31.12.2008 Residual maturities						
Category of exposure	D <= 3 months	3 months < D <= 1 year	1 year < D <= 2 years	2 years < D <= 5 years	D > 5 years	Undetermined	Total
Governments and central banks	2,124	783	1,305	436	581		5,230
Financial institutions and investment firms	17,223	6,912	15,283	19,881	27,402	2,167	88,870
Other banks	32	9	132	422	572		1,168
Small and medium-sized businesses listed in the corporate category	1,083	458	340	1,363	2,651	2	5,898
Specialized financing	1,609	2,026	2,000	6,390	9,649		21,674
Other exposure listed in the corporate category	19,934	10,680	20,352	38,484	26,427	3,334	119,211
Small and medium-sized businesses listed in the retail customer category	28	35	178	780	749		1,770
Other exposure listed in the retail customer category	527	1,939	692	201	292		3,651
TOTAL	**42,559**	**22,843**	**40,282**	**67,958**	**68,324**	**5,504**	**247,471**

BREAKDOWN OF INDIVIDUAL AND COLLECTIVE PROVISIONS AS OF DECEMBER 31, 2008

(data certified by the Statutory Auditors in accordance with IFRS 7)

(in millions of euros) Region	Individual risk	Collective risk	Total risk	Individual provisions	Collective provisions	Total Impairment
France	1,005	11,495	12,500	697	96	793
Other Western European countries	558	4,397	4,955	339	77	416
Eastern Europe	317	942	1,259	317	8	325
North America	535	7,619	8,154	262	639	901
Central and Latin America	128	828	956	89	47	136
Africa and Middle East	26	1,377	1,403	16	70	86
Asia-Pacific	41	1,393	1,434	4	30	34
TOTAL	**2,610**	**28,050**	**30,660**	**1,724**	**966**	**2,690**

BREAKDOWN OF COLLECTIVE PROVISIONS BY SECTOR AS OF DECEMBER 31, 2008

(Breakdown as a %) Sector	Collective provisions
Finance and Insurance	54.9%
Services	5.4%
Communication	5.3%
Government	5.0%
Basic Industries	4.4%
Real Estate	3.5%
Holdings and Conglomerates	3.4%
Energy	3.1%
Pharmaceuticals and Healthcare	2.6%
Retailing	2.2%
International Trading, Commodities	2.1%
Consumer Goods	1.6%
Technology	1.5%
Mechanical and Electrical Engineering	1.1%
Tourism, Hotels and Leisure	1.1%
Construction	1.0%
Food	1.0%
Utilities	0.5%
Others	0.3%
TOTAL	**100.0%**

92.4% of collective provisions on the Finance and Insurance sector are made up of provisions on credit derivative product companies and monoline credit enhancers.

CHANGE IN COLLECTIVE PROVISIONS

(data certified by the Statutory Auditors in accordance with IFRS 7)

(in millions of euros) Type of provision	Total provisions as of 31.12.2007	New provisions (-) Reversals (+)	Translation adjustment	Total provisions as of 31.12.2008
Sector	705.1	(116.1)	9.6	830.8
Geographical	136.8	6.1	4.9	135.7
TOTAL	**842.0**	**(110.0)**	**14.5**	**966.4**

EXPOSURE AT DEFAULT (EAD) BY ASSET CLASS AND APPROACH

(in millions of euros)	Exposure at default 31.12.2008			
Category of exposure	IRBA approach	IRBF approach	Standard approach	Total
10 - Governments and central banks	0	3,507	1,723	5,230
2A - Financial institutions and investment firms	0	83,921	4,948	88,870
2B - Other banks	0	1,168	0	1,168
3A - Small and medium-sized businesses listed in the corporate category	0	2,962	2,936	5,898
3B - Specialized financing	0	21,643	31	21,674
3C - Other exposure listed in the corporate category	0	110,654	8,557	119,211
4A - Small and medium-sized businesses listed in the retail customer category	0	0	1,770	1,770
4D - Other exposure listed in the retail customer category	772	0	2,879	3,651
50 - Equities	0	2,490	1,212	3,701
7 - Other assets	0	28,904	0	28,904
Securitization	0	28,338	4,868	33,206
TOTAL	**772**	**283,586**	**28,924**	**313,282**

The standard approach is used for European subsidiaries, exposure in the retail asset class, liquidity lines provided to ABCP conduits, some French subsidiaries (CACEIS, Natixis Garanties, Compagnie 1818) and property finance leasing.

EAD BY RATING (S&P EQUIVALENT) FOR SOVEREIGN, BANK AND CORPORATE (EXCLUDING SPECIALIZED FINANCE) ASSET CLASSES CALCULATED USING THE IRB APPROACH

(data excluding specialized finance and equities: for the latter, see section 5.10 The banking portfolio's exposure to equities)

(data certified by the Statutory Auditors in accordance with IFRS 7)

		Breakdown as a %	
Grade	*Internal rating*	**31.12.2008**	**31.12.2007**
Investment Grade	*AAA*	3.2%	2.7%
	AA+	1.0%	0.9%
	AA	13.3%	7.4%
	AA-	15.4%	13.7%
	A+	12.3%	18.6%
	A	5.0%	4.0%
	A-	5.3%	5.8%
	BBB+	6.9%	8.7%
	BBB	6.5%	6.5%
	BBB-	6.9%	8.1%
Investment Grade		**75.8%**	**76.4%**
Non Investment Grade	*BB+*	6.7%	4.9%
	BB	4.4%	3.8%
	BB-	4.2%	4.1%
	B+	3.3%	2.6%
	B	0.9%	0.9%
	B-	0.9%	0.1%
	CCC+	0.0%	0.0%
	CCC	0.5%	0.1%
	CC	0.1%	0.2%
	C	0.1%	0.3%
Non Investment Grade		**21.1%**	**17.0%**
Default	*D*	**1.0%**	**0.4%**
Not rated	*Not rated*	**2.1%**	**6.2%**

Calculations for the year ended December 31, 2007 were made in accordance with regulations governing large exposures (CRBF regulation 93-05 as amended). Data for the year ended December 31, 2008 correspond to EAD under Basel II (order of February 20, 2007 relative to capital requirements applicable to credit institutions and investment firms).

EAD is broken down on the basis of the internal rating (S&P equivalent) for asset classes assessed using the IRB approach (sovereigns, banks, corporate entities) after subtracting specialized financing (calculated using Slotting Criteria, i.e. weighting on the basis of the internal ratings for the transaction and not the counterparty) and exposure to equities (calculated using a simple weighting). Pool-based exposure (acquired portfolios) and accounting adjustments have also been excluded.

The breakdown of exposure shows Natixis' credit risk to be high quality, with 75% deemed to be of investment grade. As the same time, significant efforts have been made to reduce non-rated exposures, which fell from 6.2% at the end of 2007 to 2.1% at the end of 2008.

AVERAGE WEIGHTINGS AS OF DECEMBER 31, 2008 BY INTERNAL RATING (S&P EQUIVALENT)

Grade	*Internal rating*	Average rating
	AAA	10.20%
	AA+	18.70%
	AA	14.40%
	AA-	11.20%
	A+	14.10%
	A	16.20%
	A-	28.80%
	BBB+	33.70%
	BBB	49.70%
Investment Grade	*BBB-*	65.70%
Investment Grade		
	BB+	71.60%
	BB	89.50%
	BB-	107.10%
	B+	83.30%
	B	101.40%
	B-	170.40%
	CCC+	164.40%
	CCC	178.80%
Non Investment Grade	*C*	193.00%
Non Investment Grade		
Default	*D*	**0.00%**
Not rated		**100.00%**
TOTAL		**40.00%**

Average risk-weightings are broken down by internal rating (S&P equivalent) for asset classes assessed using the IRB approach (sovereigns, banks, corporate entities) after subtracting specialized financing (calculated using Slotting Criteria) and exposure to equities (calculated using a simple weighting). Pools of acquired debt and accounting adjustments have also been excluded (as these exposures are booked on an aggregate basis without detail by counterparty).

For each transaction, the proportion of RWAs is calculated not only on the basis of the counterparty's internal rating (probability of default), but also depending on whether the exposure is senior or subordinated, on the nature of the assets received as collateral (rate of loss in the event of default), the nature of off-balance-sheet commitments (credit conversion factor) and the maturity. Exposures calculated using the IRB approach have an average risk weighting of 40%.

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RISK-WEIGHTED EXPOSURE TO SPECIALIZED FINANCING

(in millions of euros)	Risk-weighted exposure to specialized financing as of 31.12.2008				
Weighting	**Rating grade**	**Residual maturity**	**IRB approach**	**Standard approach**	**Total**
50%	Strong	M < 2.5 years	1,467	-	1,467
	Strong	M >= 2.5 years	5,752	-	5,752
70%	Good	M < 2.5 years			
90%	Good	M >= 2.5 years	6,245	-	6,245
100%	Standard	-	-	31	31
	Satisfactory	M < 2.5 years	1,037	-	1,037
115%	Satisfactory	M >= 2.5 years			
250%	Weak	M < 2.5 years	912	-	912
TOTAL			**15,414**	**32**	**15,445**

Specialized financing benefiting from "strong" or "good" rating grades (50%, 70% and 90% weightings) account for 87% of risk-weighted assets in this asset class.

EXPOSURE AT DEFAULT FOR RETAIL CUSTOMERS ON THE BASIS OF THE EXPECTED RATE OF LOSS AS OF DECEMBER 31, 2008

(in millions of euros) **Category of exposure**	**Exposure at default**	**Expected loss**	**Rate of expected loss**
A3 - Retail Pool Credit Insurance	409,655	1,034	0.25%
A4 - Retail Pool excluding Credit Insurance	362,339	208	0.06%
TOTAL	**771,994**	**1,242**	**0.16%**

Expected rate of loss (within a year), covering default and dilution risk, on retail factoring pools. Factoring (Natixis Factor) is the only retail exposure Natixis calculates using the IRB approach. Other retail exposure is calculated using standard methods.

Exposure to counterparty risk on market transactions

Gross value of contracts on a mark-to-market basis / exposure at default / notional amount of credit derivative transactions

TECHNICAL IMPACT OF THE REDUCTION IN RISK ON DERIVATIVES OTHER THAN CREDIT DERIVATIVES (DATA AS OF DECEMBER 31, 2008)

(in millions of euros) Type of contract	Notional	Gross positive replacement cost	Net positive replacement cost	Potential credit risk	Credit risk equivalent before collateral	Credit risk equivalent after collateral	Collateral received
Interest rate derivatives	6,115,484	111,316	9,365	11,533	24,298	20,898	3,400
Foreign exchange derivatives	540,404	18,509	4,236	6,405	11,292	10,640	651
Equity derivatives	132,841	10,940	2,689	3,479	7,866	6,168	1,697
Precious metals derivatives	883	883	883	62	945	945	-
Commodity derivatives	-	-	-	-	-	-	-

TECHNICAL IMPACT OF THE REDUCTION IN RISK ON CREDIT DERIVATIVES (DATA AS OF DECEMBER 31, 2008)

(in millions of euros) Direction	Notional	Gross positive replacement cost	Net positive replacement cost*	Potential credit risk	Credit risk equivalent before collateral	Credit risk equivalent after collateral	Collateral received	Of which contracts including margin calls
Purchase	426,978	48,909	7,225	10,343	18,594	17,568	1,026	129,088
Sale	419,237	595	208	8,909	9,695	9,118	577	140,941

* *After the application of netting agreements.*

Credit-default swaps constitute substantially all of these instruments.

AMOUNTS EXPOSED TO COUNTERPARTY RISK ON DERIVATIVE AND REPURCHASE TRANSACTIONS

(in millions of euros) Type of exposure	Category of exposure	Exposure at default 31.12.2008
Derivatives	Governments and central banks	1,158
	Financial institutions and investment firms	39,076
	Other banks	1,163
	Small and medium-sized businesses listed in the corporate category	756
	Specialized financing	408
	Other exposure listed in the corporate category	17,780
	Small and medium-sized businesses listed in the retail customer category	103
	Securitization	6,515
TOTAL		**66,959**
Repo	Governments and central banks	768
	Financial institutions and investment firms	5,283
	Other banks	1
	Small and medium-sized businesses listed in the corporate category	49
	Other exposure listed in the corporate category	3,831
TOTAL		**9,931**

EXPOSURES COVERED BY PLEDGES OF COLLATERAL BY CATEGORY OF EXPOSURE (CLIENT ASSET CLASS) AS OF DECEMBER 31, 2008

(in millions of euros) Category of exposure	Other physical collateral	Tangible assets	Financial assets
Governments and central banks	5	-	-
Financial institutions and investment firms	52	-	42
Small and medium-sized businesses listed in the corporate category	615	45	8
Specialized financing	229	-	229
Other exposure listed in the corporate category	10,127	2,262	5,165
Small and medium-sized businesses listed in the retail customer category	47	-	47
TOTAL	**11,076**	**2,307**	**5,492**

Excluding financial collateral kept or acquired (repurchase agreements).

Other physical collateral includes collateral other than securities, financial instruments, property or loans. Tangible assets collateral includes real property or related mortgages, in accordance with Articles 166.2 and 183.1 of the February 20, 2007 order.

Financial collateral includes securities and other instruments constituting physical collateral in accordance with lines b) to f) of Article 338.3 of the February 20, 2007 order.

Exposure covered by guarantees or similar sureties by category of exposure (client asset class).

EXPOSURE COVERED BY PERSONAL SURETIES BY CATEGORY OF EXPOSURE (CLIENT ASSET CLASS)

(in millions of euros) Category of exposure	Personal sureties 31.12.2008
Governments and central banks	121
Financial institutions and investment firms	486
Small and medium-sized businesses listed in the corporate category	666
Specialized financing	1,901
Other exposure listed in the corporate category	9,213
Small and medium-sized businesses listed in the retail category	626
Other exposure listed in the retail customer category	66
TOTAL	**13,080**

SECURITIZATION

(in millions of euros) Type of securitization	Exposure at default 31.12.2008
Synthetic	10,832
Classic	22,373
TOTAL	**33,206**

BREAKDOWN OF AGGREGATE AMOUNTS REPRESENTED BY SECURITIZATION POSITIONS KEPT OR ACQUIRED BY RISK-WEIGHTING CATEGORY

(in millions of euros) Risk-weighting category	Exposure at default 31.12.2008
6%-10%	7,502
12%-18%	13,943
20%-40%	8,542
50%-75%	1,728
100%	1,233
250%	53
425%	173
650%	31
TOTAL	**33,206**

Securitization positions rated lower than BB- are deducted from shareholders' equity.

The figures and comments relating to exposure to assets that are subject to risks resulting from the financial crisis (including Financial Stability Forum tables) are included in the notes to the financial statements.

5.4 – Market risk

5.4.1 – Organization and control of market risk

(data certified by the Statutory Auditors in accordance with IFRS 7)

The Market Risk Department independently defines methodology used to measure risk, examines limits and monitors all market risk within Natixis' scope of consolidation. The market risk control system is based on a delegated architecture, in which the Group Risk Committee has overall responsibility and the Market Risk Committee plays an essential role.

The Market Risk Committee is tasked with defining the bank's market risk policy and ensuring compliance. As the operational extension of the Executive Board, the Committee is endowed with all the decision-making powers required to carry out its role.

It meets on a bi-monthly basis and is chaired by a member of the Executive Board. Extraordinary Meetings can be held if necessary.

In 2008, Natixis' risk policy was focused on reinforcing the Risk Management Department's market-risk-monitoring mechanism and ensuring greater involvement by the business lines.

Additional supporting documents have been provided in order to track key developments over the period covered on the basis of aggregate data (VaR, stress tests, P&L, loss alerts and breaches), summaries of important developments, points needing attention by business line, and summaries by the New Products and New Activities Committees.

The Market Risk Committee's main tasks include:

- setting and reviewing VaR, operational and loss-alert limits. This process is carried out on the basis of budgetary information provided by front-office managers;
- establishing delegations for validation purposes;
- reviewing risk exposure with a focus on a specific class of risk wherever necessary;
- reviewing any real and/or unauthorized breaches of limits and action taken or needing to be taken;
- reviewing delegated decisions after they have been taken;
- providing information on the validation of market-risk methodologies and fair-value adjustments, and on the validation of models.

Natixis' Risk Management Department validates market models and regularly ensures that models used are consistent with market developments and best practices.

The Market Risk Department has two parts: an operational unit and a cross-function unit.

The operational unit is responsible for day-to-day control of market risks. It is split into five teams, four of which control risk for the main front offices (Credit, Interest Rates and Interest Rate Derivatives, Equities and Equity Derivatives – Commodities and Treasury – Foreign Exchange – Structured Financing – Project Finance) and a fifth overseeing Variation.

These teams are responsible for monitoring activity. They also represent the Department in its relations with the various front offices.

Each team carries out the following functions for their specific business line:

- analysis and control of market risks and preparation of the corresponding reports;
- regular monitoring of positions and their gain/loss;
- validation of valuation models (pricers);
- definition of provisioning and value-adjustment policies (for liquidity risk, non-hedgeable risks, model risks, etc.)

They are also tasked with defining appropriate risk-measurement methodologies for their respective business lines.

The cross-function team is responsible for all consolidated reports submitted to management (Executive Board and front office management), implementing standards and procedures applicable to all entities (subsidiaries and branches) with respect to market risks, international coordination and technology forecasting, as well as relations with internal and external auditors and follow-up on their recommendations.

It provides the Market Risk Committee and the Executive Board member in charge of the CIB division with a bi-monthly assessment of the market-risk situation and any changes thereto.

5.4.2 – Methodology for measuring market risk

(data certified by the Statutory Auditors in accordance with IFRS 7)

Natixis uses methodology designed to measure market risks incurred by the various entities comprising its Capital Markets business.

Different techniques are used to measure market risk:

1- synthetic measures of VaR to identify potential losses in each activity, based on a pre-determined confidence level (e.g. 99%) and time period (e.g. 1 day). They are compiled and monitored on a daily basis for all the Group's trading activities.

To this end, a statistical model has been constructed to track the combined behavior of market parameters affecting portfolio value over a period of 1 rolling year. More than 4,200 market risk factors are currently modeled and used.

Natixis uses VaR calculated using numerical simulations, based on Monte Carlo-type methodology taking into account a portfolio's possible non-linear characteristics with respect to different risk factors. Calculation methods are harmonized using a single calculation tool, Scénarisk. In order to monitor compliance with VaR limits set by the regulator, Natixis' Risk Management Department determines VaR for Natixis' entire scope of consolidation.

The extreme volatility affecting all asset classes since the Lehman Brothers collapse in September 2008 prompted Natixis to carry out several studies calculating VaR on the basis of historical data going back to various depths, in the aim of better grasping the change in behavior observed in the capital markets recently. These studies led to the definition of a new calculation methodology, now based on econometrics in which standard deviation, for individual risk factors, is assumed to be the maximum standard deviation seen over the following time periods: 12 rolling months, 3 rolling months, September 1, 2008-current date (as long as the current date is before September 1, 2009). This change in methodology caused all limits to be redrawn. After being submitted to the French Banking Commission, this method was implemented during the fourth quarter of 2008;

2- operational indicators are used to manage activity on an overall basis and/or by homogenous activity, by focusing on more directly observable criteria (e.g. sensitivity to change in the value of the underlying, sensitivity to change in volatility or to correlation, diversification indicators). Limits corresponding to these operational indicators thereby complement VaR and loss-alert limits. They are determined consistently with the latter. All operational limits are subject to day-to-day monitoring by the Market Risk Department.

Any breaches of the limits (both operational and loss-alert limits) are notified. Breaches of loss-alert limits may lead to a management decision concerning the position in question (closure, hedging, maintaining, etc.)

The main standard indicators used are:

- an indicator of sensitivity to a 1-basis-point variation in interest rates (overall and regional indicator, by currency and/or maturity),
- a trend-risk indicator,
- a foreign-exchange risk indicator,
- an equity-market exposure indicator,
- an indicator of sensitivity to variations of +/-1% in implied volatility in the equity markets, foreign-exchange markets, interest rates, inflation and commodity prices (these indicators are taken broadly, by maturity and by strike price),
- an indicator of variations in the delta to variations in underlyings (equities, interest rates, foreign currencies or commodities),
- an indicator of sensitivity to variations in government bond/swap spreads,
- an indicator of sensitivity to variations in issuer spreads,
- an indicator of inter-currency spreads,
- an indicator of sensitivity to inflation (variation of 1 basis point),
- a measurement of discontinuity risk,
- indicators of sensitivity to variations in correlation,
- an indicator of sensitivity to recovery and jump to default,
- monthly and annual loss-alert indicators;

3- stress tests are also carried out to measure potential losses on portfolios in extreme market conditions.

Natixis uses two main categories of stress tests: broad stress tests and specific stress tests for each business line.

Broad stress tests were at the heart of a major project in 2008 aimed at redrawing and reinforcing them. They are carried out using Natixis' VaR calculation tool, and can be divided into three categories:

- **Historic stress tests** aim to reproduce groups of variations in market parameters observed during past crises, in order to provide ex-post simulations of the order of magnitude of resultant change on the income statement. While stress tests do not have any predictive powers, they do make it possible to gauge exposure to actual scenarios. Six historic stress tests were devised,
- **Hypothetical stress tests** are used to simulate variations in market parameters in all activities, on the basis of plausible hypotheses of one market's reaction compared with another's, depending on the nature of the initial shock. These shocks are defined jointly by front office staff and economists. Their scenarios can be defined on the basis of economic criteria (e.g. real estate crisis, economic crisis), geopolitical considerations (e.g. terrorist attacks in Europe, overthrow of a Middle East regime) or other factors (e.g. avian flu). Five hypothetical stress tests were devised,
- **Adverse stress tests** are designed to detect the most adverse situations for the bank, based on the characteristics of its portfolio. The calculations involve running stress scenarios through a matrix, adverse stress being the level giving rise to the maximum loss.

A joint project with the CIB division has been undertaken to look at **specific stress tests**: severity standards and shock matrices have been defined for each business line. This project is to be finalized in 2009. The goal is to allow this stress to be calculated using management tools and to be subject to limits.

At the end of 2007, when the two entities merged, the French Banking Commission allowed Natixis to use the internal VaR model, initially approved for the former Ixis Corporate and Investment Bank, for the equivalent scope of businesses under Natixis. After a review carried out in 2008, the French Banking Commission confirmed Natixis' use of its model for regulatory purposes as of December 31, 2008.

5.4.3 - Quantitative data for measuring Natixis' market risk

(data certified by the Statutory Auditors in accordance with IFRS 7)

■ Change to VaR within Natixis

The 99% 1-day VaR level for Natixis' trading portfolios averaged €29.6 million, peaking at €66.4 million on December 22, 2008 and standing at €55.8 million on December 31, 2008.

These numbers should be seen in the light of the change in market conditions in September 2008, after the collapse of Lehman Brothers.

This major crisis prompted the CIB division to reorganize its activities over the final quarter and to put part of its assets into a segregated structure (GAPC). This reorganization was accompanied by change in risk-monitoring methods (with the setting of new limits) and reporting procedures.

Likewise, as described above, it was deemed necessary to adapt the methodology used to calculate VaR to take account of market movements of an exceptional magnitude. Natixis accordingly implemented a change in the way it takes historical data into account, adjusting the calculation of standard deviation on the basis of the following formula:

Standard deviation = maximum (12 rolling months, 3 rolling months, historical data starting on September 1, 2008, capped at 1 year).

The new methodology used to calculate standard deviations, applied to individual risk factors, was first applied in the fourth quarter of 2008.

This methodology is more conservative and more attuned to the sustainably high level of market volatility, and increased VaR significantly (multiplying it by 1.5 or 2 depending on the scope) on equivalent positions. An overall limit of €70 million under this methodology was applied as of the same date.

The former VaR limit of €35 million is still monitored on a day-to-day basis, using the former methods, meaning that Natixis in effect now has dual VaR monitoring.

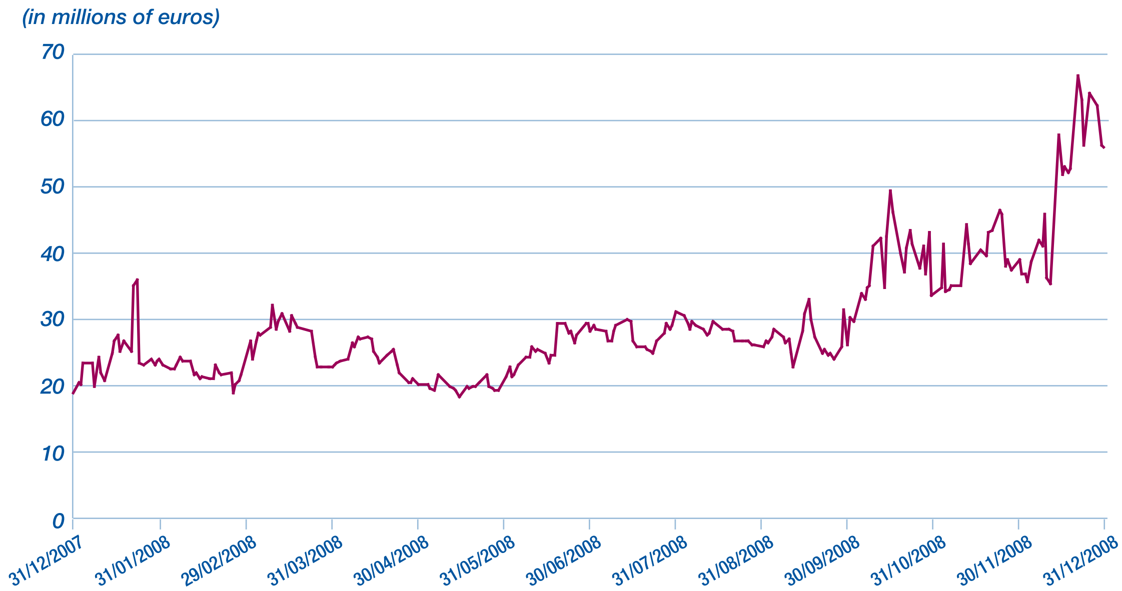
The following tables highlight the abrupt and sustained change in the markets.

The introduction of the new VaR methodology on the approved scope of businesses at the end of 2008 had the effect of reducing the number of back-testing exceptions to two over the entire year under review.

OVERALL VAR ON THE TRADING PORTFOLIO USING NEW AND FORMER METHODOLOGIES

	99% 1-day Monte-Carlo VaR based on new methodology			99% 1-day Monte-Carlo VaR based on former methodology			
(in millions of euros)	31.12.2008	Limit	Average	31.12.2008	Limit	Average	Deviation
Natixis	**55.8**	**70**	**29.6**	**36.8**	**35**	**28.7**	**18.9**
"New" CIB	**39.6**	**60**	**37.4**	**27.2**		**30.8**	**12.4**
Natixis Europe Asia	38.6		27.5	25.8		26.7	12.8
Debt & Financing (total)	0.1	0.8	6.2	0.1	8	6.2	0
Capital Markets	37.6		23.8	25		23.1	12.6
Supervision and active risk management (total)	3.5		2.3	2.3		2.2	1.2
Natixis Capital Markets	6.9	6.3	6.1	5.3	6.8	6	1.7
Segregated assets (GAPC)	**36.4**	**30**	**24.1**	**22.4**		**19.9**	**13.9**
Natixis Europe Asia segregated (total)	33.5		21.6	20		17.7	13.6
Natixis Capital Markets segregated (total)	10		8.9	7.8		7.9	2.2

OVERALL VAR NATIXIS – TRADING PORTFOLIO (VaR 99% 1 day)



BREAKDOWN OF OVERALL VAR FOR TRADING OPERATIONS BY TYPE OF RISK

	99% 1-day Monte-Carlo VaR trading operations			
(in millions of euros)	Level as of 31.12.2008	99% 1-day Monte-Carlo VaR 31.12.2007	Difference	Average over 1 rolling year
Natixis				
Interest-rate risk	38.6	10.1	28.5	17.6
Equity risk	26.2	6.9	19.3	13.0
Specific equity risk	2.2	3.0	(0.8)	5.2
Specific interest-rate risk	22.6	10.2	12.4	14.4
Foreign exchange risk	6.5	2.1	4.4	4.2
Total for all types of risk	**96.1**	**32.3**	**63.8**	
Impact from offsetting	**(40.3)**	**(13.0)**	**(27.3)**	
CONSOLIDATED VAR	**55.8**	**19.3**	**36.5**	**29.6**

Results of stress tests

Applied to positions held on December 31, 2008, broad hypothetical stress tests imply potential impact on results (in aggregate terms) as follows:

- Stress test 1 – Lower stock-market indices: €3 million;
- Stress test 2 – Higher interest rates: €72 million;
- Stress test 3 – Wider spreads, lower stock-market indices and interest rates: €34 million;
- Stress test 4 – Commodities - Heightened volatility: €224 million;
- Stress test 5 – Crisis in emerging markets: €166 million.

5.4.4 – Regulatory capital requirements

(in millions of euros) Type and nature of risk	Capital requirements: Interest rate risk	Commodity risk	Risk on property deeds	Foreign exchange risk	Internal model	Total
General risk	84	85	53	8	753	983
Specific risk	479	0	23	0	211	713
Optional risk	692	13	214	15	0	935
TOTAL	**1,255**	**98**	**290**	**23**	**964**	**2,631**

5.5 – Overall interest-rate, liquidity and structural foreign-exchange risk

The ALM Committee sets out the governing principles in terms of structural balance-sheet risk. Its scope of responsibility covers the parent company banking portfolio, and those of subsidiaries showing a high level of structural risk on their balance sheets. It meets quarterly, is chaired by the Chief Executive Officer and includes members of the CIB division, the Finance Department and the Risk Management Department. It is tasked with:

- monitoring change on the balance sheet and in off-balance-sheet commitments;
- defining rules governing refinancing rates applied internally;
- approving overall policies with respect to refinancing, non-operating foreign-exchange risk management and reinvestment of available capital;
- approving assumptions and conventions used to draw up stress indicators and scenarios;
- validating overall limits applying to structural balance-sheet risk indicators, as well as management procedures during liquidity crises.

In accordance with the tripartite risk-monitoring convergence plan within the framework of Natixis' dual affiliation, the supporting documents and minutes of all Committee Meetings are submitted to the central bodies. As of early 2009, Natixis' ALM system will be interfaced with those of the central institutions. The aim is to enable the central bodies to monitor Natixis' ALM risks at the consolidated level, in accordance with guidance set out in the convergence plan.

Overall interest-rate risk

Interest-rate risk

Natixis' overall interest-rate risk stems from the mismatching of interest rates on assets and interest rates on liabilities. It is essentially linear and focused on the euro and the US dollar, resulting primarily from mismatching positions between transactions with contractual maturities. The biggest positions concern exposure to the short end of the yield curve and are linked in large part to gaps between dates on which the IBOVariation is reset.

For the parent company, with the exception of structural positions held by the Finance Department, management of mismatching on the banking portfolio is centralized via the use of internal supporting contracts within the Treasury Department, which has been delegated responsibility for operational management by the ALM Committee.

Due to the specific nature of their activity, some subsidiary credit institutions (leasing, factoring, private banking, consumer finance) are allowed to manage interest-rate risk on their own banking portfolio within the framework of their own ALM Committee or their own Treasury Committee. Directional positions held by these entities are nevertheless ranked below those of the Treasury Department.

Monitoring system

Natixis' overall interest-rate risk is monitored to track the sensitivity of the portfolios' economic value on the basis of their position on the yield curve and their currency. The Treasury system also includes 1-day 99% VaR measurements. These measurements are subject to limits set by the ALM Committee on the proposal of the Risk Management Department and tracked on a day-to-day basis for the Treasury Department and on a monthly basis for subsidiaries.

Natixis' overall interest-rate risk does not warrant any special comments. The shock resulting from the application of Basel II standards (+200 basis point instantaneous variation to yield curves) would have resulted in a **€184 million** impairment to the economic value of the portfolio.

Lastly, measures of the sensitivity of the banking portfolio's annual net interest margin are regularly carried out for indicative purposes by the Finance Department. On the basis of data at the end of 2008, an immediate and sustained 100 basis point increase in swap yield curves would reduce the annual net interest margin by roughly €80 million.

Liquidity risk

Refinancing

The management of the short-, medium- and long-term net refinancing requirements in a large number of currencies on behalf of Natixis and its subsidiaries is carried out by the Treasury Department, which has offices in Paris, New York and Singapore.

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This centralization allows the cost of liquidity to be optimized on a permanent basis, to the benefit of the Group as a whole. It also facilitates the issuance policy, which is based on a constant search for maximum diversification in the placement of Natixis' debt, in terms of both instruments and geographic area.

Liquidity risk

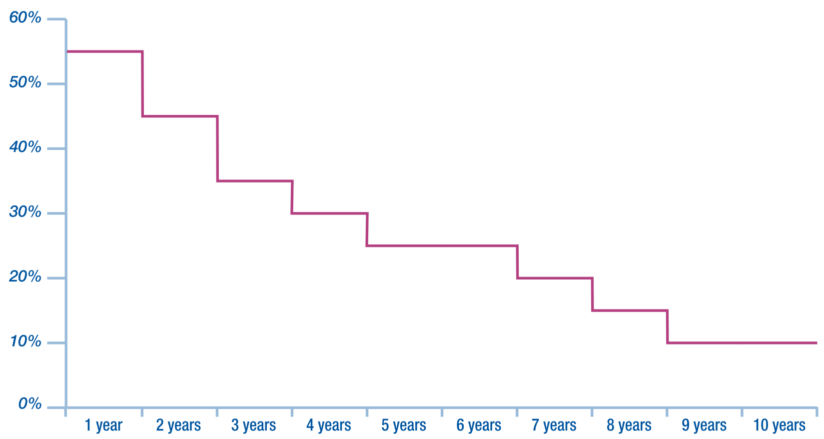
Liquidity risk stems from the mismatching of maturities between assets and liabilities. As a corporate and investment bank, Natixis' liquidity risk results primarily from mismatching positions between transactions with contractual maturities.

As is the case for interest rates, the transformation of the parent company's refinancing activities into liquidity is centralized by the Treasury Department. Specific subsidiary credit institutions have free reign to manage the process on their own behalf, although the resulting liquidities rank below those of the Treasury Department.

The CIB division's capital markets activities, which generally hold liquidities for short durations and whose portfolios rotate at a faster rate than the corporate lending activities, are responsible for managing their own refinancing, and receive their net refinancing needs from the Treasury Department.

Monitoring system

The liquidity risk monitoring system is based on calculating static liquidity gaps and mismatching ratios(6). For the operational management of short-term liquidity, liquidity gaps are calculated every day on a day-by-day basis over a three-month timeframe, and for all operations. Dynamic liquidity gaps, taking into account the renewal of assets and liabilities, are also calculated on shorter timeframes in order to facilitate the operational management of some maturities (at year's end for instance). With respect to transformations carried out over the medium term on financing operations with more stable positions, liquidity gaps are calculated monthly on an annual basis until the relevant operations have been run down. The Treasury Department's management of liquidity mismatching risk on its own banking portfolio is bound by minimum mismatching ratios(7) approved by the ALM Committee and reviewed periodically by this Committee. Minimum ratios, renewed in 2008, are as follows:



The ALM Committee has not formally approved any limits for subsidiaries responsible for their own liquidity mismatching involving strong currencies, bearing in mind that their positions rank below those of the Treasury Department and that these subsidiaries must comply with regulatory liquidity ratios for durations of less than one month.

For refinancing operations in non-transferable currencies managed in Moscow and Shanghai, the ALM Committee approves dedicated mismatching ratios taking into account the absence of local markets for debt maturing in more than a year.

Lastly, in accordance with recommendations issued by regulatory authorities, this system was reinforced early in 2008 by means of liquidity stress tests aimed at determining whether Natixis is in a position to cope with crisis situations. These tests are based on adverse scenarios (systemic and specific crises) over a given timeframe, translating into shocks affecting the liquidity gap, then the implementation of measures designed to reduce liquidity outflows swiftly (using securities and debts eligible as collateral for central bank refinancing or suspending trading activities that use up large amounts of short-term liquidity). A business continuity plan in the event of a liquidity crisis has also

(6) Defined for each type of maturity as the ratio of residual liabilities to residual assets. A negative gap on 12-month maturities reflects a provisional refinancing requirement at that date.

(7) The mismatching ratios are defined for each type of maturity as the ratio of residual liabilities to residual assets. According to these limits, 25% of banking portfolio assets with residual maturities of five years or more must be refinanced by liabilities with more than five years remaining to maturity.

been drawn up in conjunction with the central institutions and approved by the ALM Committee.

Managing the 2008 crisis

Like most financial institutions, Natixis, as a corporate and investment bank without stable and sustainable customer deposits, had to deal with tensions in the interbank markets in 2008, leading to tougher refinancing conditions. In this unprecedented environment, Natixis quickly implemented a strategy geared towards safeguarding its balance sheet in the short term. The measures taken by the Treasury Committee and approved by the ALM Committee were initially aimed at gradually increasing the internal cost of liquidity charged by the Treasury Department on capital markets activities in order to make some liquidity-intensive activities less attractive. The subsequent goal was to reduce the amounts of short-term liquidity drawn by the capital markets businesses from the Treasury Department. At the same time, assets that were eligible to be used as collateral for central bank refinancing were handed over to the Treasury Department in order to optimize its refinancing.

As of mid-March, the Treasury Department was instructed to maintain until further notice a liquidity cushion to help it deal with exogenous shocks of any nature, by maintaining an intra-day lending position closed after 10 days.

It was not possible to continue pursuing this strategy, which involved an extension of refinancing maturities, after the collapse of Lehman Brothers in September. This event sent the refinancing markets into turmoil by making investors more averse to the risk represented by banking groups, by prompting withdrawals from mutual money-market funds, which generally help provide banking institutions with liquidity, and by making it virtually impossible for banks to access term financing. These extreme conditions prompted the Treasury Department to activate, as a preventative measure, the crisis plan approved by the ALM Committee, and to inform the central bodies. This plan involved tighter monitoring and control over liquidity consumption, and asset reductions. Following government and central bank action taken in October, Natixis took advantage of all new arrangements aimed at restoring market confidence, including the extension of rules covering the eligibility of assets for use as collateral against central bank refinancing, term fixed-rate tenders and the ECB's U.S. dollar-denominated facilities, facilities offered by the U.S. Federal Reserve Bank (Commercial Paper Funding Facility), the Société de Financement de l'Économie Française, an ad hoc vehicle created in October 2008 dedicated to the issuance of senior funding for French banks[8], and the issuance of perpetual deeply subordinated notes under the plan to reinforce bank capital implemented by the French government via the Société de Prise de Participation de l'État, a state-owned vehicle set up to buy capital issued by the beneficiary banks[9].

The significant asset reductions carried out by Natixis in the second half of the year, the implementation of government and central bank measures and the unfailing support of the central bodies in the final quarter, in the form of the liquidity and solvency guarantee provided to Natixis, allowed Natixis to bring year-end borrowing positions well below forecast and to get through the year in excellent condition.

With respect to the liquidity risk caused by the financial crisis, the Group was able to ensure its financing in the intra-day and term markets throughout 2008, by placing collateral with the ECB and thanks to loans provided by its two main shareholders, and does not foresee any difficulties in respecting its financial obligations going forward.

Structural foreign exchange risk

Natixis' structural foreign exchange risk is focused primarily on the U.S. dollar. It stems in part from net foreign investments refinanced by currency purchases, as well as from income and expenses (exceptional or recurrent) denominated in foreign currencies and not balanced against euros.

Given the presence of weighted risks denominated in currencies other than the euro, the ALM Committee has approved currency purchases to refinance long-term investments in order to immunize the bank's capital-adequacy ratio against change in the euro-U.S. dollar exchange rate.

For income and expenses, part of U.S. dollar-denominated gross operating income included in this year's budget has been hedged in order to neutralize the impact of adverse change in the average euro-U.S. dollar exchange rate over the year in relation to the average assumed when preparing the budget.

5.6 – Operational risks

Overview

Operational risk is defined as the risk of losses deriving from shortcomings or flaws attributable to procedures, staff and internal systems or exogenous events. The definition includes legal risk, but excludes strategic and reputational risk.

The Operational Risk Department is tasked with:

- operational risk measurement procedures:
  - listing incidents,
  - investigating serious incidents,
  - risk mapping,
  - tracking indicators and variables relating to the environment;

(8) *See VII Refinancing below.*

(9) *See VI Financial structure and regulatory ratios below.*

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- procedures for managing operational risks:
  - drawing up and monitoring action plans,
  - setting limits policies.

Organization

In February 2008, Natixis' Operational Risk Department was restructured around seven units corresponding to the Group's various business lines and activities:

- CIB (CIB) Capital Markets;
- CIB Financing;
- Support, including IT systems, Finance, Procurement and Human Resources;
- Services encompassing business lines serving the bank's commercial operations: Natixis Assurances, Natixis Paiements, Natixis InterEpargne, Natixis Intertitres, Compagnie Européenne de Garanties et Cautions, EuroTitres, Natixis Financement, Natixis Lease, Natixis Algérie, CACEIS;
- Private Equity and Private Banking: BPSD, Compagnie 1818, NPBI and NPE;
- Asset Management: NGAM and subsidiaries;
- Receivables Management: covering the factoring and reassurance business lines (Coface and Natixis Factor).

The first five of these are part of the Operational Risk Department. They currently include 45 operational risk managers, five of whom are based outside France (London, Asia, America) and 29 of whom work out of subsidiaries but report to the Operational Risk Department.

The Asset Management and Receivables Management divisions report to the Operational Risk Department.

Two units, "reporting" and "methods and data," are responsible for the Department's cross-function work, defining measures and policies, managing references and data, and reporting.

As such, the Group as a whole is covered by an organization structured around its various activities and the location of its operations.

This structure is complemented within each business line by a network of *operational risk correspondents* (more than 150 people across the Group excluding Asset Management, Coface and CACEIS). They are responsible for declaring any incidents to the Operational Risk Department and for providing data constituting operational risk: incidents, variables relating to the environment, progress on action plans.

Steering Committees

The overall structure is piloted by **Natixis' Operational Risks Committee**.

Natixis' Operational Risks Committee is responsible for setting out operational risk policy. It is the operational extension of the Executive Board, and as such has decision-making power with respect to operational risk. It meets quarterly and is chaired by a member of the Executive Board.

The piloting of Natixis' operational risks covers the following elements:

- validation of standards and methods, measures, operational risk management procedures;
- risk management:
  - review of the most serious incidents,
  - decisions relating to and monitoring of action plans,
  - definition of limits and monitoring of Natixis' key indicators.

The **Business Line Operational Risk Committees** are an offshoot of Natixis' Operational Risks Committee. They manage operational risks in the various business lines closely. They are chaired by the heads of the various business lines, and the Operational Risk Department is represented by the head of Department or the head of operational risks for the division to which the business line belongs.

The chairmen of the Business Line Operational Risk Committees have decision-making power on the management of operational risks linked to their business line (including the implementation of action plans). However, the Operational Risks Department, which is responsible for ensuring compliance to Natixis' overall policies, can oppose a decision (or the absence of a decision) and can take the matter to a higher committee for a decision on the issue raised.

At this time, 67 Business Line Operational Risk Committees meet regularly, at least once a quarter, in the presence of the Operational Risks Department.

Business line	Number of business line Committees
CIB	43
Europe	*25*
Asia	*9*
America	*9*
Support	10
Private Equity and Private Banking	4
Services	6
Receivables Management	4
TOTAL	**67**

Management of operational risks

Work carried out in 2008 was focused on four main areas:

- rolling out OSIRISK, Natixis' tool for gathering and measuring risk-related data across the entire Group (excluding Receivables Management);
- recording losses and analyzing them;
- implementing action plans covering incidents and major risks;
- quantifying Natixis' major risks.

1. Rollout of the OSIRISK risk-data gathering and measuring tool

OSIRISK is Natixis' tool for measuring, controlling and managing operational risks. It was rolled out across the Group as a whole in 2008, except for the insurance-related business lines within the Receivables Management division, using historical data. As of December 31, 2008, the state of progress was as follows.

	Progress in the rollout of OSIRISK as of 31.12.2008
Average progress	*86%*
CIB division - Capital Markets	100%
CIB division - Financing	95%
Private Equity and Private Banking division	100%
Services division*	100%
Support functions	100%
Receivables Management division	9%
Asset Management division	100%

* *Excluding retail businesses*

2. Listing and analyzing incidents

Losses are listed from the very first euro and as they are incurred. A single definition of "serious incident" is adopted throughout the Group[(10)]. All serious incidents are passed up to the Operational Risks Department and the Risk Manager as they occur. A departmental investigation is then conducted, and a report giving the facts and recommending action plans is drawn up. This report is then debated within the relevant Operational Risk Committee. It is up to the Committee Chairman to decide which action plans should be implemented. Incidents involving more than €1 million are immediately declared to the central bodies.

Since April 2008, the Department has published monthly reports on Natixis' operational risks. These reports set out the operational losses incurred by the Group (by number and amount), in

(10) An incident is considered serious in the following cases:

– if the real or estimated financial impact comes to €50,000 or more;

– if the real or estimated reputational risk is significant, in cases where information that is either erroneous or prejudicial to the bank's reputation is spread in an uncontrolled manner;

– if it is behind a malfunction in the production of data used for piloting the bank's operations, namely false data, delays or an absence of data production over periods of several days or frequently;

– if it stems from internal or external fraud;

– if the Operational Risks Department considers the incident to be serious;

– if it is a near miss catastrophe.

aggregate terms and by division, over the previous month and for the current year. They also provide a detailed analysis of serious incidents by division.

In 2008, Natixis recorded a reduction in the number of incidents, but a substantial increase in the most serious incidents and loss amounts, particularly in the CIB division. The increases on both counts can be ascribed to:

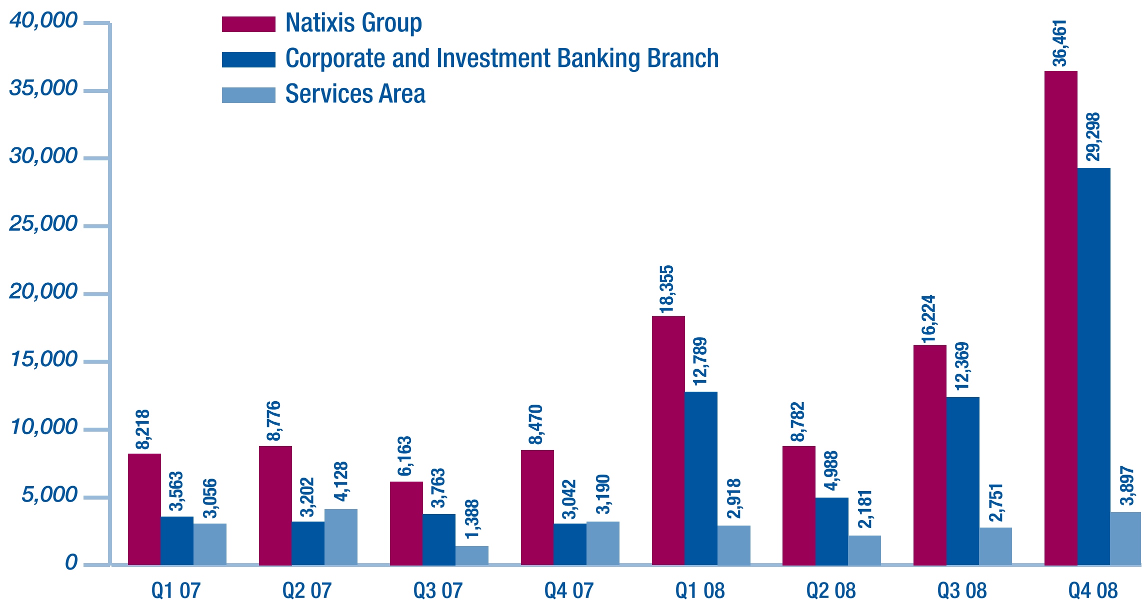
- the improved quality of data gathering thanks to the OSIRISK tool;
- a reduction in incidents linked to ongoing operations (fewer operations, smaller customer flows, etc.);
- an increase in losses stemming from volatility in the capital markets. Costs relating to incidents for which losses have a direct impact on the price (e.g. forgetting a buy order) were up sharply;
- change in operating methods linked to the credit crunch. Processes linked to the activation of our guarantees, sureties, recovery and break clauses, were in much greater demand than in previous years;
- an increase in fraud.

Division	31.12.2008 Number	31.12.2008 Amount (in €k)	31.12.2007 Number	31.12.2007 Amount (in €k)	Change 2008/2007 volume (%)	Change 2008/2007 amount (%)
Private Equity and Private Banking	703	1,246	965	963	(27)%	29%
Receivables Management	145	1,874	150	1,096	(3)%	71%
Services	3,445	11,747	3,486	11,696	(1)%	0%
Asset Management	688	5,145	897	4,069	(23)%	26%
CIB - Corporate and Institutional Relations	436	1,709	598	1,571	(27)%	9%
CIB - Debt and Financing	79	7,266	289	901	(73)%	706%
CIB - Capital Markets	5,006	50,469	6,794	11,017	(26)%	358%
Support functions	115	366	121	315	(5)%	16%
TOTAL*	**10,617**	**79,822**	**13,300**	**31,628**	**(20)%**	**152%**

* *Excluding the "Third-party account management" business line.*

CHANGES IN AMOUNT OF OPERATING RISKS LOSSES - 01/01/2007 TO 31/12/2008

(in thousands of euros)



3. The main action plans

In each of its operating entities, Natixis has implemented action plans geared towards reducing its exposure to operational risks (see table below). Significant efforts have been made to implement action plans that help reinforce the bank's structure. In addition to the business continuity plan, Natixis' Operational Risks Committee has worked closely on four major action plans:

- new hires/departures taskforce harmonizing processes relating to the hiring and departure of personnel (internal and external);
- work relating to back office suspense items, the reduction in their number, and the time taken to resolve them;
- unification of Natixis' counterparty repositories, particularly in New York;
- anti-market-fraud taskforce set up in the wake of the Kerviel affair.

ACTION PLAN FOLLOW-UP IN 2008

Division	Number of action plans carried out in 2008	Number of action plans underway	Number of new action plans in 2008
Asset Management	ns	ns	ns
CIB Capital Markets	216	339	82
CIB Financing	27	38	50
Private Equity and Private Banking	24	54	59
Receivables Management	168	96	Nd
Services (excluding CACEIS)	134	99	78
Support functions	84	77	63
TOTAL	**653**	**703**	**332**

4. Natixis' major risks

The Operational Risks Department mapped the most critical risk situations in order to rank them in terms of cost, to draw up preventative action plans to reduce exposure, and to prioritize them.

A total of 120 major risks were identified in coordination with the relevant business line and on the basis of interviews and mapping. Each of these risk situations was analyzed and modeled in the form of a fault tree:

- the risk situation is modeled on the basis of cause and effect;
- for initial causes, known as loss-generating events, a law of probability in terms of frequency is defined;
- for each consequence, known as a process fault, a law of probability in terms of severity is defined.

This methodology is used to calculate operational VaR (Value at Risk) for each risk situation, then the entity's overall exposure, and to carry out studies pertaining to the sensitivity to and effectiveness of action plans.

Regulatory approach used by the Natixis Group

The control mechanism is consistent with the standard method applied for all Natixis' operational divisions, except for some business lines housed in the Receivables Management division (placed under the heading "other Group entities" in 2009) and Natixis Algérie, for which the basic method is used.

5.7 – Insurable risks

The insurance delegation, which reports to the Corporate Secretary's office, is tasked with analyzing insurable operational risks and taking out appropriate insurance cover (self-insurance/transfer insurance).

The main risks analyzed are:

- internal or external fraud;
- reduction in the value of property;
- liability risk (the Company's civil operating and professional liability, as well as managers' and corporate officers' civil liability);
- damage to operational assets (buildings and contents, hardware and computerized data), as well as losses on banking operations due to such damages.

"Overall Banking," "Company Civil Liability" (operational and professional) and "Management Civil Liability" insurance is subscribed to by Natixis on behalf of the parent company and all subsidiaries. Its policies were all renewed on July 1, 2008.

All the Group's entities benefit from:

- "combined" Overall Banking (securities and fraud) and Company Civil Liability (operational and professional) policies providing cover of €125 million per claim and/or per year of insurance;

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- civil liability insurance policies covering managers and corporate officers, and providing cover of up to €100 million per claim and/or per year of insurance.

This cover extends throughout the entire world, except for professional civil liability, where the guarantee does not extend to permanent operations in the United States (cover for U.S. operations is purchased locally by subsidiaries or branches).

As of January 1, 2008, efforts continued to bring subsidiaries contributed to Natixis by Groupe Caisse d'Epargne under group-wide general insurance contracts. Most of the buildings housing the Group's operations and their contents in France, computer risks and risks pertaining to resultant banking losses are now under single cover (reconstruction and/or replacement cost, capped at €200 million per claim).

All the policies mentioned above were taken out with insurance companies deemed by the market to be solvent.

All insurance cover is purchased with deductible portions (the amounts retained by the Group itself) in accordance with Natixis' capacities.

Insurance premiums cost a total of €6.3 million in the 2008 fiscal year.

5.8 – Legal risk

Situation of dependency

Natixis is not dependent on any patent or license, or on any industrial, commercial or financial supply contract.

Legal and arbitration procedures

Harris Associates L.P. v. Jerry Jones et al

In August 2004, three shareholders acting in the name of and on behalf of three investment funds (Oakmark Fund, Oakmark Equity and Income Fund and Oakmark Global Fund) filed a complaint against Harris Associates L.P., a 100% subsidiary of Natixis Global Asset Management, before the United States District Court for the Northern District of Illinois. The plaintiffs alleged that Harris Associates L.P. billed services to these three funds at an excessively high rate in light of applicable regulations. These proceedings are among numerous legal claims initiated in recent years against investment advisors. Harris Associates and the plaintiffs filed motions for summary judgment.

On February 27, 2007, the judge accepted all aspects of the Harris Associates motion and rejected the motion of the plaintiffs. On March 20, 2007, the plaintiffs appealed that decision. Both parties filed written arguments and appeared before the Court of Appeals on September 10, 2007.

On May 19, 2008, a panel of judges from the Court of Appeals for the Seventh Circuit issued a decision affirming the decision of the District Court in favor of Harris Associates L.P.

On June 2, 2008, the plaintiffs requested a rehearing of the appeal by the entire Court of Appeals. On August 8, 2008, the Court of Appeals denied the plaintiffs' request for a rehearing.

On November 3, 2008, the plaintiffs sought relief from the United States Supreme Court, demanding that the denial of their appeal be overturned.

On March 9, 2009, the Supreme Court decided to hear the case. Hearings are scheduled for October 2009 and a ruling is expected to be handed down in late 2009 or early 2010.

Class action lawsuits in the United States relating to Municipal Guaranteed Investment Contract (Muni GIC) transactions

Since March 13, 2008, Natixis and Natixis Funding have been named among the defendants in multiple class-action lawsuits filed by and on behalf of certain state, county and municipal bond issuers in the U.S. federal courts in New York, Washington, D.C. and California. The complaints allege a conspiracy between providers and brokers of municipal derivatives to fix prices, rig bids and allocate customers between 1992 and 2006. The various plaintiffs have also named some thirty-plus other U.S. and European banks and brokers as defendants. Plaintiffs seek to certify a class of all state, local and municipal government entities, independent government agencies and private entities that purchased municipal derivatives from defendants or through brokers from 1992 to the present and to recover damages to the class that result from the alleged anticompetitive activities. The actions are brought under certain federal antitrust laws that allow for judgments awarding treble damages and attorneys' fees under certain circumstances. The federal cases have been consolidated in the United States District Court for the Southern District of New York under the caption "In re: Municipal Derivatives Antitrust Litigation".

In addition, two actions by the City of Los Angeles and the City of Stockton were filed in California state court. These claims have also been consolidated for hearing before the Southern District of New York.

These private damages claims arise out of investigations that were performed or are currently being performed by the U.S. Internal Revenue Service ("IRS"), the Department of Justice "DOJ" Anti-Trust Division and the U.S. Securities and Exchange Commission ("SEC"). Although the IRS investigation has been settled without admission of guilt or liability by Natixis Funding or Natixis, the DOJ investigations encompass a significant part of Natixis Funding's Muni GIC transactions since 1998. Additionally, the SEC is seeking to determine whether there has been any violation of disclosure obligations in this respect. Several other bank and underwriter defendants have received letters from the DOJ naming those entities as targets of the investigation. Target letters are not formal accusations, but indicate that the DOJ has singled out the recipient to be of particular interest in the ongoing investigation. Although one employee of Natixis Funding received a target letter, neither Natixis nor Natixis Funding has received any such letter.

A consortium of state attorneys general, led by the New York Attorney General and the Connecticut Attorney General ("CTAG"), has also begun an investigation into defendants' activities in the municipal derivatives market. On June 26, 2008, Natixis Funding Corporation was issued a subpoena by the CTAG for documents related to its sales of GICs and other municipal derivatives. Other defendants names in the private actions were also issued subpoenas. Natixis Funding produced to the CTAG a list of its GIC transactions and a list of its current active swaps on July 24 2008. To date, the CTAG has not taken any further action.

Litigation concerning swap transactions with public housing companies

In a decision dated March 27, 2008, the Commercial Court of Toulouse decided to cancel two swap transactions with notional amounts of €7.5 million and €12.5 million entered into by Natixis with the Société Patrimoine Languedocienne, S.A., a public housing company (SPL), holding Caisse d'Epargne Midi Pyrénées and Natixis jointly liable for damages to SPL relating to these swaps. The court named an expert to assess the damages, for which the Caisse d'Épargne Midi Pyrénées and Natixis have already made a provisional payment. Natixis has appealed this judgment.

No other governmental, legal or arbitration procedures are pending that would be likely to have a significant impact on Natixis' accounts.

The Madoff fraud

Natixis has estimated its maximum net exposure at €473 million. The effective impact of this exposure will depend both on the amount of the assets deposited with Bernard L. Madoff Securities on behalf of Natixis that are recovered and the outcome of any action the bank can take, including legal action. Natixis intends to defend its rights by taking any reasonable legal action open to it, in France or abroad. Natixis has retained the services of a law firm to assist it.

CIC-Crédit Mutuel claim

On September 11, 2008, CIC and Crédit Mutuel brougt an action against Lagardère and Natixis before the Commercial Court of Paris (Tribunal de Commerce de Paris), seeking the cancellation of contracts under which they had made forward purchases of EADS shares from Natixis.

Basing their argument on a report by the French market regulator (AMF), which has not been made public, the plaintiffs allege that Lagardère SCA failed to comply with market regulations when it issued bonds redeemable in EADS shares, subcribed by Natixis, in April 2006.

Natixis has not been accused of any wrongdoing in the CIC group's complaint, whether with respect to the execution of the contracts on their performance. The legal arguments used by the Crédit Mutuel Group to challenge the validity of its purchases of EADS shares appear to be without merit.

Natixis is nevertheless following this procedure very closely and intends to defend its rights with a view to avoiding any potential prejudice. All the bonds have been redeemed.

Complaint coordinated by ADAM

A complaint has been filed by Natixis shareholders, coordinated by the *Association de défense des actionnaires minoritaires* (ADAM). For a discussion, please see Chapter 6, "Recent developments."

There are no other governmental, legal or arbitrational procedures likely to have a significant impact on Natixis' accounts.

5.9 – Insurance risks

Natixis Assurances

As Natixis Assurances essentially markets savings products, the main risks resulting from its insurance contracts are of a financial nature:

Risk no longer being able to meet the minimum contractual rate in the case of a drop in interest rates

To deal with this risk, ABP Vie has for several years marketed only contracts with no rate. More than 90% of contracts have no guaranteed minimum rate. The guaranteed minimum rate averages 0.76%.

Risk of contract repurchase in case of a rise in rates.

Natixis Assurances has identified the insured population for whom the risk of repurchase is high, the differential criteria being age, fiscal seniority and the amount of capital. For this population, Natixis Insurance has hedged the risk from rate increases with Cap contracts, and has limited the scope covered by such contracts to approximately a quarter of its interest-rate assets. It has also subscribed to variable-rate bonds with a minimum rate.

The liability adequacy test carried out in accordance with IFRS 4 showed that insurance liabilities evaluated under local standards, for the year ended December 31, 2008, were greater than the fair value of these liabilities, taking into account the repurchase option incorporated in the contract.

Financial risk in the case of rate increases.

The sensitivity of shareholder equity to variations in interest rates is lessened by the classification of approximately 6.4 billion euros of interest-bearing securities in the category of securities held until maturity.

Concerning securities in other categories, the sensitivity analysis carried out at the end of December 2008 shows that an increase by 1 point in bond rates would have a negative impact of €30 million on shareholders' equity (taking into account the variation attributable to policyholders and taxation), i.e. 3.4% of owners' equity.

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Market risks

Natixis Assurance is confronted with variations in the value of its financial assets. The management of financial risks consists of the definition of a strategic allocation taking into account liability commitments, regulatory constraints (particularly in terms of non-concentration) and commercial requirements. Thus, allocation ranges are defined for each type of asset. The sensitivity analysis carried out on December 31, 2008 shows that:

- a drop by 10% in the stock market would have a negative impact of €10.8 million on shareholders' equity (after taking into account the variation attributable to policyholders and taxation), i.e. 1.2% of shareholders' equity, and
- a drop by 10% in the property market would have a negative impact of €4 million on shareholders' equity (after taking into account the variation attributable to policyholders and taxation), i.e. 0.5% of shareholders' equity.

Also, Natixis Assurance reinsures, at 100% the guaranteed minimum payment on unit-linked contracts.

Credit risks

The monitoring and management of counterparty risk is carried out in compliance with standards and Natixis' internal limits, as determined by the Credit-Risk Committee, as well as the regulatory constraints imposed on insurance companies. Thus, 92% of the fixed income portfolio is invested in securities with ratings higher than A-.

Term life and accident insurance business

Mortality and morbidity risks are limited by the implementation of a pricing structure appropriate for the population and guarantees that are insured, the use of experience tables and the upstream practice of medical selection of new policyholders.

Natixis Assurances makes use of reinsurance to limit its exposure to the risk of dispersion of capital guaranteed upon death, accidents of life and loss of autonomy, as well as the frequency of claims for cessation of work, invalidity and loss of autonomy. A reinsurance treaty in case of epidemic or pandemic has also been put in place in order to limit exposure to the increase in deaths which would result.

The annual reinsurance plan seeks to diversify reinsurers and to deal only with parties having a high-quality rating. No reinsurance treaty is concluded or renewed with parties that are not of investment grade. In practice, the rating of the group's reinsurers is between BBB and AA (some reinsurers may nevertheless be unrated if their shareholders are deemed to be of sufficiently high quality).

Concentration of risks

The nature of insured risks combined with reinsurance coverage does not create any particular exposure to concentrated insurance risks.

Coface

Through its activities, Coface is exposed to two main types of risk. The first is a technical risk, which is the risk of losses generated by Coface's portfolio of insurance policies. The second is a financial risk, which is the risk of loss due to unfavorable variations in interest rates, exchange rates or the market value of securities or investment properties. Coface has put sophisticated tools in place designed to rigorously control these risks so that they remain

Technical risk

The technical risk concerns the risk of loss generated by the portfolio of insurance policies.

Traditionally, Coface distinguishes between frequency risk and event risk:

- **frequency risk** represents the risk of a sudden and significant increase in delinquency from a multitude of debtors. This risk is measured for each entity by monitoring the loss ratio (ratio between claims and premiums) by business sector (domestic credit), by country (export credit), or by product line (deposit, single risks). The loss ratios for the various underwriting centers are also monitored at the group level, as are the amounts and monthly numbers concerning delinquency;
- **event risk** represents the risk of abnormally high losses recorded for the same debtor or group of debtors, or of an accumulation of losses for the same country.

In addition to monthly monitoring at the level of each underwriting-center, a system is put in place at the group level, which includes:

- centralization of declarations of threats of claims exceeding a certain amount (currently €0.5 million for all the underwriting centers, and €1 million for the two main underwriting centers, Coface SA and Coface Kredit), with the intervention of a subsidiary specialized in recovery (Coface Recovery Business Intelligence);
- the large risks committee, which sets the maximum outstanding risk accepted by Coface over the 400 greatest risks for the group (maximum loss in a stressed scenario of €15 million and severity greater than €35 million) and allocates ceilings by emerging country;
- a system for rating corporate and country risks; and
- a system for the static evaluation of "severities" (maximum losses that may be recorded in case of claim) by debtor, group of debtors or emerging country.

In the context of the financial crisis, the listing of vulnerable risks has been made on the basis of Coface ratings as well as on proposals from underwriting centers for specific risks such as repurchase operations with leverage effect due to strong indebtedness. All the significant risks rated BB- or lower are subject to centralized monitoring both for inventory and monthly flows. For frequency risks, scores will be used to identify populations at risk and more restrictive quotation matrixes are to be implemented.

Diversification of the portfolio of credit risks

Coface maintains a diversified portfolio of credit risk, in order to minimize the risk that default by a debtor, a slowdown in a particular sector of activity or an unfavorable event in a given country may have a disproportionate impact on the overall loss level for Coface. Furthermore, the great majority of risks to which Coface is exposed are short-term, which allows it to reduce the risk covered for a debtor or a group of debtors relatively quickly after having noticed a deterioration in its solvency.

EXPOSURE TO RISK ON DEBTORS ON DECEMBER 31, 2008 (EXCLUDING TRANSACTIONS ON BEHALF OF THE STATE)

Loan tranches	Loans outstanding *(in millions of euros)*	Number of limits	Number of buyers	As a %
Refusal	0	607,526	463,172	0.0%
€1k-10k	3,960	559,304	522,923	0.9%
€11k-20k	6,710	481,622	394,231	1.6%
€21k-30k	4,419	261,233	166,644	1.1%
€31k-40k	4,077	203,578	110,981	1.0%
€41k-50k	5,557	186,778	115,481	1.3%
€51k-60k	3,289	128,055	58,052	0.8%
€61k-70k	2,828	103,279	42,547	0.7%
€71k-80k	3,441	99,331	44,651	0.8%
€81k-90k	2,100	70,595	24,372	0.5%
€91k-100k	6,086	109,757	61,605	1.5%
€101k-150k	12,652	292,059	101,149	3.0%
€151k-200k	11,391	207,023	64,172	2.7%
€201k-300k	17,506	278,511	70,449	4.2%
€301k-400k	14,250	190,437	40,711	3.4%
€401k-500k	11,981	141,985	26,536	2.9%
€501k-800k	27,642	283,256	43,602	6.6%
€801k-1,500k	40,803	320,230	37,599	9.7%
€1,501k and more	240,011	697,793	43,382	57.3%
TOTAL	**418,703**	**5,222,352**	**2,432,259**	**100.0%**

Number of buyers without collateral (excluding @rating check[11]): 1,281,633

Total number of buyers (excluding @rating check[12]): 3,235,200

(11) i.e. not monitored.
(12) Idem.

5.10 – The banking portfolio's exposure to equities

(information added in accordance with requirements under Pillar III)

Overview of accounting techniques

The banking portfolio's exposure to equities corresponds to financial assets classified in the following categories in accordance with IAS 39:

- available-for-sale assets;
- financial assets at fair value.

Breakdown of exposure to equities on the basis of the intention in holding the asset, including the search for capital gains and strategic reasons

The banking portfolio's exposure to equities is treated in credit risk on the basis of the following methods:

- exposure representing interests of more than 10% in credit institutions is excluded. These positions are directly deducted from capital;
- exposure through interests in the Group's insurance companies is excluded. These companies are consolidated under the equity method;
- exposure through interests in clearing houses is excluded. These assets are reclassified and listed under on the "other assets" line

BREAKDOWN OF EXPOSURE AT DEFAULT IN THE EQUITIES CATEGORY BY DIVISION

(Breakdown as a %) Division	31.12.2008 Exposure to equities
Private Equity	62.34%
Strategic investments	26.31%
Asset management	6.44%
Private Banking	2.69%
CIB	1.61%
Others	0.61%
TOTAL	**100.00%**

BREAKDOWN OF AMOUNTS BY EQUITY PORTFOLIO AND BY THE "TYPE" AND "NATURE" OF THE AMOUNT

(in millions of euros)	Amounts exposed to risk au 31.12.2008			
Type and nature of exposure	Listed equities	Private equity capital held in sufficiently diversified portfolios	Other equity exposure	Total
Equities	351	2,292	143	2,786
Mutual funds	127	0	15	142
Direct investments	155	310	309	773
TOTAL	**632**	**2,602**	**467**	**3,701**

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RISK-WEIGHTED ASSETS IN THE EQUITY CATEGORY

(in millions of euros)	Weighted exposure to equities as of 31.12.2008		
Weighting	IRB approach	Standard approach	Total
Diversified private equity	2,642	1,817	4,460
Listed equities	1,833	0	1,833
Unlisted equities	1,532	0	1,532
TOTAL	**6,007**	**1,817**	**7,824**

Article 115 of the document relative to the methodology for calculating the capital-adequacy ratio defines diversified private equity on the basis of a number of criteria considered to be indicative of diversification (stage of the investment, years, economic sector, supports, region or country, risk division). Other equity exposure is broken down into listed and unlisted equity.

UNREALIZED CAPITAL GAINS OR LOSSES AS OF DECEMBER 31, 2008

(in millions of euros) Assets	Cost or historic value (after permanent decline in value)	Fair value or adjusted value or presumed cost	Net unrealized capital gain or loss	Gross unrealized capital gains	Gross unrealized capital losses
Financial assets at fair value	6,251	6,153	(117)	20	(0)
Available-for-sale financial assets	2,952	3,021	69	73	(4)
TOTAL	**9,203**	**9,175**	**(48)**	**93**	**(4)**

TOTAL AMOUNT OF CAPITAL GAINS OR LOSSES ON DISPOSAL FOR THE PERIOD UNDER REVIEW

(in millions of euros) Assets	Total amount of capital gains or losses on disposal
Financial assets at fair value	823
Available-for-sale financial assets	48
Other assets	105
TOTAL	**976**

FRACTION OF AMOUNTS OF UNREALIZED CAPITAL GAINS OR LOSSES INCLUDED IN TIER-1 OR TIER-2 CAPITAL AS OF DECEMBER 31, 2008

(in millions of euros) Assets	Fraction of amounts of unrealized capital gains or losses included in Tier-1 or Tier-2 capital
Regulatory restatement of unrealized capital gains or losses on available-for-sale capital instruments	(42)
Regulatory restatement of unrealized capital gains or losses on available-for-sale capital instruments as a percentage of upper Tier-2 capital	20
TOTAL	**(21)**

VI. FINANCIAL STRUCTURE AND REGULATORY RATIOS

Analysis of the consolidated balance sheet

ASSETS

(in billions of euros)	31.12.2008	31.12.2007
Financial assets at fair value through profit and loss and hedging derivatives	275.2	198.1
Available-for-sale financial assets	30.9	34.8
Loans and advances to financial institutions	36.7	45.4
Loans and advances to customers	103.1	85.4
Securities held under reverse repurchase agreements	53.9	100.5
Held-to-maturity financial assets	6.4	6.5
Accruals and other assets	49.6	49.3
TOTAL ASSETS	**555.8**	**520.0**

LIABILITIES

(in billions of euros)	31.12.2008	31.12.2007
Financial liabilities at fair value through profit and loss and hedging instruments	269.4	163.3
Deposits from financial institutions	65.8	77.7
Customer deposits	34.5	32.0
Securities delivered under repurchase agreements	62.1	95.1
Debt securities	34.6	65.5
Others liabilities and provisions	25.9	24.2
Insurance companies' technical reserves	33.6	33.9
Subordinated debt	13.6	10.7
Shareholders' equity	16.3	17.6
TOTAL LIABILTIIES	**555.8**	**520.0**

Total consolidated assets amounted to €555.8 billion as of December 31, 2008, compared with €520.0 billion as of December 31, 2007, an increase of €35.8 billion or 6.9%. The increase was linked primarily to the increase in value of transactions recognized at fair value on the balance sheet, offset chiefly by a decline in repurchase agreements.

Assets

Financial assets at fair value through profit and loss and hedging derivatives amounted to €275.2 billion, compared with €198.1 billion as of December 31, 2007, a €77.1 billion increase linked primarily to higher valuations for credit derivatives and interest-rate swaps. Financial assets at fair value through profit and loss comprise trading instruments (€248.5 billion), instruments recognized at fair value (€26.2 billion) and hedging derivatives (€0.5 billion).

Available-for-sale financial assets amounted to €30.9 billion. These assets are fairly evenly broken down between life insurance investment portfolios, mainly in the form of fixed-income securities, and the banking investment portfolio.

The customer loan portfolio, including lease financing and factoring, amounted to €103.1 billion, an increase of €17.7 billion compared with December 31, 2007. This increase stemmed in large part from the reclassification of assets from the trading portfolio as available-for-sale assets, totaling €11.5 billion.

Securities held under reverse repurchase agreements amounted to €53.9 billion, a €46.6 billion decline stemming from transactions with credit institutions. These assets are financed primarily by repurchase agreements and recorded under liabilities.

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Liabilities

Activities excluding securities delivered under repurchase agreements were mainly financed by an increase in liabilities at fair value through profit and loss (€106.1 billion), including an increase in the fair value of derivative instruments matching the increase on the asset side of the balance sheet, offsetting a fall in debt securities (€30.9 billion).

Shareholders' equity and regulatory ratios

Registered share capital

Outstanding shares increased by 1,643,729,997 shares in 2008 following the capital increase that closed on September 18, 2008, by 42,342,502 shares due to the payment of the 2007 dividend in shares and by 22,500 shares through the exercise of options. As of December 31, 2008, registered share capital amounted to €4,653,020,309, divided into 2,908,137,693 shares with a par value of €1.60.

Regulatory capital and capital adequacy ratio

Regulatory capital and risk-weighted assets are calculated in accordance with the February 20, 2007 order, amended on October 19, 2007 and September 11, 2008, relative to regulatory capital requirements applicable to credit institutions operating under the Basel II framework. Regulatory capital and risk-weighted-asset data for the year ended December 31, 2007, are provided on a pro-forma basis under the Basel II framework as well as under Basel I.

The regulatory scope of consolidation is based on the statutory scope of consolidation, but with equity-method accounting for the insurance companies Coface, Natixis Assurances and Natixis Garanties.

CACEIS, VR Factorem and EDF Investment Group are proportionally consolidated in accordance with the Group's economic interest, i.e. 50%, 25% and 15% respectively.

The following stakes are deducted from regulatory capital:

(in billions of euros) Entity	Amount
Groupe Banque Populaire	4.5
Groupe Caisses d'Epargne	4.4
TOTAL	**8.9**

CACEIS is Natixis' sole subsidiary to be subject to capital-adequacy requirements individually. The parent company and other French subsidiaries are credit institutions, that are exempt from compliance with these requirements on an individual basis, by authorization of the French Banking Commission.

Regulatory capital is structured as follows in respect to the various rules:

(in billions of euros)	Basel II 31.12.2008	Basel II pro forma 31.12.2007	CAD 31.12.2007	Change
Shareholders' equity				
Adjustments, including	15.6	16.9	16.9	(1.3)
Hybrid	*5.1*	*2.4*	*2.4*	*2.7*
Goodwill	*(3.2)*	*(3.1)*	*(3.1)*	*(0.1)*
Other prudential restatements	*0.8*	*0.0*	*0.0*	*0.8*
Tier-1 capital	18.3	16.2	16.2	2.1
Deductions from Tier-1 capital	(4.9)	(4.7)	(4.5)	(0.2)
Tier-1 capital	**13.4**	**11.5**	**11.7**	**1.9**
Tier-2 capital	8.3	8.4	7.9	(0.1)
Upper Tier-2 capital	0.1	ns	ns	0.1
Deductions from Tier-2 capital	(4.9)	(4.7)	(5.1)	(0.2)
TOTAL CAPITAL	**16.9**	**15.2**	**14.5**	**1.7**

At December 31, 2008, Natixis' consolidated regulatory capital amounted to €16.9 billion, compared with €15.2 billion as of December 31, 2007, an increase of €1.7 billion.

The €1.3 billion reduction in accounting capital resulted from the offsetting impacts of the €3.7 billion capital increase carried out in September, the €2.8 billion loss in 2008, and revaluation losses totaling €1.6 billion on available-for-sale assets and €0.5 billion on hedging derivatives.

The increase in hybrid securities stemmed from the issuance of deeply subordinated notes for a total of €0.9 billion during the first half and two issues of deeply subordinated notes, each totaling €0.95 billion, one subscribed to by Groupe Caisses d'Epargne and the other by Groupe Banque Populaire, mirroring their own issues with the Société de Prise de Participation de l'État, a state-owned vehicle set up to buy capital issued by the beneficiary banks, less the redemption of U.S. $275 million in preferred stock issued by Natixis AMBS.

Supplementary capital was virtually unchanged over the period, while deductions increased mainly because of securitization issues rated under BB- or not rated.

Risk-weighted assets under the Basel II framework totaled €163.2 billion, an increase of €9.5 billion year-on-year on a pro-forma Basel II basis.

(in billions of euros)	Basel II 31.12.2008	Basel II pro forma 31.12.2007	Basel I 31.12.2007
Credit risk	121.6	128.2	125.5
Market risks	32.9	15.1	15.8
Operational risks	8.7	10.4	-
TOTAL RISK-WEIGHTED ASSETS	**163.2**	**153.7**	**141.3**

The overall ratio was to 10.2%, above the 10% minimum required by the U.S. Federal Reserve Bank.

The Tier-1 ratio stood at 8.2% as of December 31, 2008, compared with 7.5% on a pro-forma basis as of December 31, 2007 and 8.3% under the capital-adequacy directive. The core Tier-1[13] ratio excluding hybrid securities stood at 5.9% as of December 31, 2008.

(13) Core Tier-1: the Core Tier-1 ratio numerator excludes hybrid regulatory capital in Tier-1 regulatory capital. CCIs are deducted (at 50%) from the Core Tier-1 ratio numerator pro rata to the proportion of Tier-1 capital represented by non-hybrid regulatory capital.

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(in millions of euros)	31.12.2008
Capital requirements	**13,256**
Capital requirements for credit risk, dilution risk and settlement-delivery	**9,726**
Credit risk – Standard approach	**1,338**
Governments and central banks	-
Banks	98
Corporate entities	704
Retail customers	230
Equities	145
Assets other than credit obligations	-
Of which the present value of residual exposure at default on financial leases	-
Securitization positions	160
Credit risk – Internal rating approach	**8,388**
Governments and central banks	24
Banks	917
Corporates	6,041
Retail customers	28
Equities	483
Securitization positions	514
Assets other than credit obligations	382
Capital requirements for market risks	**2,631**
Capital requirements for operational risk	**695**
Others capital requirement and mezzanine capital requirement	**203**

Internal capital

A calculation of economic capital requirements for the entire Natixis Group is conducted on a half-yearly basis. It covers four areas of risk: credit, market in the broad sense (trading, ALM, investment portfolios and private equity, etc.), operational and business-related.

The calculation is managed by the Finance Department. The process relies foremost on the Group's existing risk-measurement tools and on databases provided by central systems.

Economic capital requirements can be compared not only with regulatory capital requirements, but also with capital that would be available to the Group to cover its funding needs in the event of a crisis (measured from an economic perspective, by analogy with the economic measurement of risks).

The system also includes a mechanism for allocation by business lines.

Other regulatory ratios

The liquidity ratio is designed to ensure that liquid assets with maturities of less than one month are equal to or exceed liabilities falling due within the same period.

The ratio of liquid assets to liabilities falling due within one month must be higher than 100%. It stood at 195% as of December 31, 2008.

Natixis complies with regulatory rules governing large exposures.

In accordance with banking regulations, no single exposure may exceed 25% of regulatory capital, and the aggregate total of individual exposures in excess of 10% of regulatory capital may not exceed eight times regulatory capital.

VII. REFINANCING

2008 was marked by a succession of events in the capital markets building up to an unprecedented liquidity crisis. It is against this backdrop that the Natixis' Treasury Department took on a unified structure, with the task of financing the bank under a single and new signature in the capital markets.

Short-term refinancing

Natixis' short-term refinancing is organized by business line on three distinct sites, in Paris, New York and Singapore, with the aim of facilitating the refinancing of the various business lines and being more effective in each currency. The Treasury Department's short-term goal is to secure and diversify Natixis' refinancing, to optimize the cost of its borrowings and to manage risks within the bounds of VaR and mismatching limits. The size of certificate of deposit and commercial paper issues was increased to match the new entity's funded balance sheet.

In early 2008, the Treasury Department focused its efforts on promoting the new signature on the capital markets while at the same time preserving its capacity and keeping a reign on the cost. As it would not have been possible to draw concurrently on lines of credit taken out with correspondent banks under the institutions' former names, a minimum reduction was anticipated. Combined efforts by the Group's teams helped guarantee the optimization of liquidity despite the increase in the size of the funded balance sheet in the first half.

The Bear Stearns crisis in March prompted a change in internal rules governing transformation into liquidity. As of that time, Natixis began weighting its very-short-term refinancing risk and limiting its medium-term exposure. The Treasury Department significantly extended the length of its borrowings and secured sources of refinancing.

The aggravation of the crisis after the collapse of Lehman Brothers led the short-term treasury unit to modify its processes:

- dynamic management of the liquidity gap was ensured by a reduction in the size of the funded balance sheet;
- the increase in assets given to the ECB and the U.S. Federal Reserve as collateral was carried out swiftly by mobilizing assets already on the balance sheet; the use of CPFF refinancing organized by the Federal Reserve offset the deterioration in liquidity conditions in the euro and U.S. dollar markets;
- implementation of more restrictive internal rules governing the consumption and re-billing of liquidity;
- participation by the Treasury Department in market liquidity working groups geared towards recommending transitional measures to the ECB.

The various mechanisms implemented in synergy with New York and Singapore enabled Natixis to deal with the dysfunctions in the liquidity markets.

Medium- and long-term refinancing

Despite worsening conditions in the capital markets for banks, Natixis was able to successfully complete its medium-and long-term refinancing program.

In 2008, it raised a gross total of €20.2 billion under its various programs and debt instruments.

In April 2008, seizing a window of opportunity in the bond market, Natixis launched three public issues: a senior 2-year issue initially aimed at raising €1.5 billion, which was subsequently increased to €2.175 billion; in the junior-debt market, two issues of deeply subordinated U.S. dollar-denominated notes raised €300 million in the form of perpetual notes redeemable after five years and €750 million in perpetual notes redeemable after 10 years.

Like all financial institutions, Natixis had to cope throughout the year with a significant widening of issuer spreads, linked to the market environment, the downgrade of its long-term credit rating to single A by Standard & Poor's and Fitch in October 2008, and widespread wariness on the part of investors, particularly after the collapse of Lehman Brothers on September 15.

Between the start and the close of the year, refinancing spreads widened by minimums of between 160 and 250 basis points, depending on the maturities.

These extreme conditions prompted the French government to introduce support measures to help the banking sector.

To help banks' medium-term refinancing, the government set up the Société de Financement de l'Économie Française (SFEF), a vehicle dedicated to the issuance of senior funding for French banks, in October 2008. This body issues government-guaranteed debt, and places the proceeds at the disposal of French banks in exchange for collateral.

Thanks to this mechanism, and with the help of its two main shareholders, which are founding members of the SFEF, Natixis was able to obtain, towards the end of 2008, resources totaling €835 million with maturities spread over 1.5 and 3 years.

The bulk of Natixis' medium-and long-term refinancing was nevertheless still obtained by means of privately placed debt in 2008, mainly EMTN programs and interbank deposits.

Natixis' main EMTN program has a €45 billion ceiling. Other programs aimed at covering targeted clienteles are also used. The most active are the Natixis Structured Products program (capped at €10 billion) and Natixis Financial Products (capped at €5 billion).

The net amount of resources issued in the structured EMTN compartment in 2008 was nevertheless negative to the tune of roughly €1 billion due to the return to a greater degree of prudence on the part of investors with respect to the complex nature of these products and to counterparty risk.

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NATIXIS' VARIOUS ISSUES AND OUTSTANDING NOTES

	EMTN	BMTN	USMTN	Bond issues	Extendible Notes
Issues made in 2008	9,113	872	219	750**	0
Outstanding as of 31.12.2008	36,541	2,849	149	9,089	0
Outstanding as of 31.12.2007	36,273	2,814	293	8,877	3,000

** *In US dollars.*

Natixis' medium- and long-term resources were also boosted by proceeds from the €3.7 billion capital increase carried out in September 2008 and the subscription by the CNCE and the BFBP to €1.9 billion of deeply subordinated perpetual notes in December 2008. This subscription fell under the terms of the French government's bank recapitalization plan. The two shareholders having also issued deeply subordinated perpetual notes to the newly-created SPPE.

Senior debt

(i) Senior debt contracted within the framework of issuance programs:

Natixis' MTN program includes a standard negative pledge. There are no covenants attached to Natixis' EMTN programs, either financial or linked to the Group's credit rating.

There is a cross-default clause restricted to the issuer, with a trigger threshold of €50 million.

The terms and conditions of notes issued under the USCP framework (these notes are issued by Natixis US Finance Company, LLC and Natixis Commercial Paper Corp., with Natixis' guarantee), certificates of deposit (issued by the Singapore branch), ECP, TCN and Extendible Notes are not subject to any covenants.

(ii) Senior debt outside existing programs:

Bond issues carried out in 2008 outside the framework of EMTN programs (under the international format) included negative pledges and cross-default clauses similar to those included in the MTN program.

Subordinated debt

(i) Redeemable subordinated notes are not subject to any covenants.

(ii) With respect to deeply subordinated notes:

- issued on March 31, 2008 (€150,000,000) fixed then floating coupon; the prospectus allows for early redemption as of March 31, 2018 and at every subsequent interest payment date;
- issued on April 16, 2008 (US $ 300,000,000) fixed coupon; the prospectus allows for early redemption as of April 16, 2013 and at every subsequent interest payment date;
- issued on April 30, 2008 (U.S. $ 750,000,000) fixed then floating coupon; the prospectus allows for early redemption as of April 30, 2018 and at every subsequent interest payment date

These notes are subject to a number of covenants:

- non-payment of the coupon at the due date under certain circumstances;
- reduction in the amount of accrued interest and the nominal value of the issue in the case of certain events affecting the issuer's financial situation or certain ratios.

The subordination clause is set out below in the terms used in the prospectus:

- Status of the Notes:

  The Notes are deeply subordinated notes of the Issuer issued pursuant to the provisions of Article L. 228-97 of the French Code de commerce, as amended in particular by law no. 2003-706 on financial security dated August 1, 2003.

  The proceeds of the issue of the Notes will be treated, for regulatory purposes, as consolidated fonds propres de base for the Issuer subject to the limits on the portion of the Issuer's fonds propres de base that may consist of hybrid securities in accordance with Applicable Banking Regulations (the "**Hybrid Securities Limit**") as interpreted by the SGCB. Fonds propres de base ("**Tier-1 Capital**") shall have the meaning given to it in Article 2 of Règlement no. 90-02 dated February 23, 1990, as amended, of the Comité de la Réglementation Bancaire and Financière (the "**CRBF Regulation**") or otherwise recognized as fonds propres de base by the SGCB. The CRBF Regulation should be read in conjunction with the press release of the Bank for International Settlements dated October 27, 1998 concerning instruments eligible for inclusion in Tier-1 Capital (the "**BIS Press Release**").

  The principal and interest on the Notes (which constitute obligations under French law) are direct, unconditional, unsecured, undated and deeply subordinated obligations of the Issuer and rank and will rank pari passu among themselves and with all other present and future Support

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Agreement Claims and Deeply Subordinated Obligations, but shall be subordinated to the present and future prêts participatifs granted to the Issuer and present and future titres participatifs issued by the Issuer, Ordinarily Subordinated Obligations and Unsubordinated Obligations of the Issuer.

In the event of liquidation of the Issuer, the Notes shall rank in priority to any payments to any classes of share capital and any other equity securities issued by the Issuer.

There will be no limitations on issuing debt, at the level of the Issuer or of any consolidated subsidiaries.

VIII. SUBSEQUENT EVENTS

- On February 25, 2009, Natixis issued a press release in the following terms:

Natixis announced it had reached an agreement in principle with Crédit Agricole SA to enter into exclusive negotiations for the sale in cash to Crédit Agricole SA of a 35% stake in CACEIS in the amount of €595 million.

If these negotiations are successful, Natixis will retain a 15% stake in the capital of CACEIS.

Natixis' Supervisory Board examined the terms of the project at its Meeting on that day.

On this basis, the information and consultation process with employee representative bodies was initiated.

Subject to obtaining the advice of employee representative bodies and the required authorizations, the sale could be finalized in the second quarter of 2009.

This sale is in line with the strategic refocusing announced in mid-2008 and implemented since then.

When the sale becomes effective, Natixis' solvency will be strengthened with a positive impact of 0.40% on its Tier-1 ratio.

- On February 26, 2009, Groupe Banque Populaire and Groupe Caisses d'Epargne issued a press release in the following terms:

Banque Fédérale des Banques Populaires (BFBP) Board of Directors and Caisse Nationale des Caisses d'Epargne's (CNCE) Supervisory Board met on February 24, and February 26, 2009, and approved the merger principles regarding the two central bodies that will lead to the creation of France's second largest banking Group.

The new Group will be supported by two complementary autonomous networks and two distinct brands. The new entity will consist of around 34 million customers, over 7 million member-stakeholders and a deeply rooted network, thanks to 7,700 branches, and almost 110,000 employees. The new Group will have Tier-1 capital of €38 billion and 22% of French bank total deposits standing firmly as a first-rate entity funding the economy: i.e. private individuals, small businesses, small and medium-sized businesses and large corporate entities.

The retail banking business will be the focus of the new Group, essentially concentrating on the domestic market. In addition, Natixis will steadfastly pursue its transformation plan.

The merger plan is based on the creation of a new central body, common to the Banque Populaire bank and Caisses d'Epargne et de Prévoyance networks. The central body will be held equally between the two Groups and include their main retail banking subsidiaries and production entities (Natixis, Société Marseillaise de Crédit, SIBP (excluding VBI), Financière Océor, GCE Assurances, BCP France, BCP Luxembourg, DV Holding and the indirect 17.7% stake in CNP). The technical and human capabilities of BFBP and CNCE required to perform the duties of a central body will also be included in this new entity.

The subsidiaries of the real estate division of the two Groups (Crédit Foncier de France, Nexity, Foncia, MeilleurTaux) as well as the other interests of the two central bodies (notably Banca Carige, Banque Palatine, DZ Bank and MaBanque) will be kept initially by CNCE and BFBP.

The French State, which had favorably welcomed the merger plan, has wished to support the establishment of the new Group by proposing an equity contribution in line with its policy of supporting major French banking Groups. In this way, the government has stated that it intends to subscribe to preference shares without voting rights and undated super-subordinated notes (TSSDI) issued by the new central body, for a maximum amount of €5 billion. The government support will enable the new Group to benefit from a robust and durable capital structure. The preference shares will be convertible into ordinary shares, under certain conditions, leading the State to hold up to a 20% stake in the new central body.

The merger will also facilitate combining Natixis' ownership structure, whose governance will be simplified. In this respect, at the General Shareholders' Meeting called to approve the 2008 financial statements, the transformation of Natixis into a Company with the separation of roles between Chairman and Chief Executive Officer with a Board of Directors will be proposed.

The new central body will be a French joint stock company governed by a Management and Supervisory Board. In addition to two employee representatives, the Supervisory Board will include eighteen members: seven members will represent Groupe Banque Populaire, seven members will represent Groupe Caisse d'Epargne and four members will be appointed by the French State including two members nominated as independent Directors.

The first chairmanship of the Supervisory Board will be occupied by a member from Groupe Banque Populaire until the start of the calendar year following the second year after they have commenced their duties. To this end, the BFBP Board of Directors has decided to propose Mr. Philippe Dupont to occupy the position of first Chairman of the Supervisory Board of the new central body. At the end of the term of office of Mr. Philippe

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Dupont, the position of Chairman of the Supervisory Board of the new central body will be subject to alternation between the two Groups every two years. The appointment of Mr. Yves Hubert, currently Chairman of CNCE's Supervisory Board will be proposed for the position of first Vice-Chairman of the new central body.

Mr. François Pérol has been nominated as the Chairman of the Management Board of the new central body. Mr. François Pérol has also been appointed to Natixis' Supervisory Board and will be the Chairman. Mr. Dominique Ferrero, in his capacity as Chairman of the Management Board, will be responsible for the general management of Natixis.

To speed up the merger momentum, and to facilitate the best possible coordination of the work leading to its effective creation, Mr. François Pérol has been appointed as of March 2, 2009 Chairman of CNCE's Management Board and Chief Executive Officer of BFBP.

The parties concerned continue their work and expect to obtain the required authorizations with the intention of signing the final agreements before the end of the first half of 2009. The employee representative bodies will naturally be consulted on the project, according to the legal and regulatory requirements in force…

- On March 6, 2009, Natixis issued a press release in the following terms:

At its Meeting of March 6, 2009, the Supervisory Board noted the resignations of Mr. Bernard Comolet and Mr. Bruno Mettling from the Supervisory Board and of Mr. Philippe Dupont from the Executive Board.

After deliberating, the Supervisory Board unanimously approved:

  - the cooptation of Mr. François Pérol as a member of the Supervisory Board and his appointment as Chairman of the Supervisory Board;
  - the appointment of Mr. Dominique Ferrero as Chairman of the Executive Board.

The Executive Board is now composed as follows:

  - Chairman of the Executive Board: Dominique Ferrero;
  - Board Member: Jean-Marc Moriani.

With a view to simplifying the Company's governance, the Supervisory Board has approved the plan to modify the administration and management of Natixis so that it has a Board of Directors with separation of the roles of Chairman and CEO.

This plan will be submitted to Natixis' shareholders at the combined Ordinary and Extraordinary Shareholders Meeting convened to approve the accounts for the 2008 fiscal year. The date of the combined Ordinary and Extraordinary Meeting has been advanced to April 30, 2009.

- With the exception of what is specified in this Registration Document, no significant change to the financial or commercial situation of the Group have occurred between February 20, 2009, the date when the accounts were approved by the Executive Board, and the date when this registration document was filed.

IX. INFORMATION CONCERNING THE PARENT COMPANY AND PROPOSED ALLOCATION OF NET INCOME

Information concerning the Natixis parent company

2008 was marked by a continuation of the global financial crisis.

In 2008, Natixis' net banking income fell by €3,436 million, taking into account:

- a €1,633 million increase in net interest income;
- a €67 million (15%) reduction in fee and commission income;
- a €339 million (31%) increase in income from variable-income securities;
- a €4,942 million reduction in trading income;
- a €405 million reduction in income from transactions on held-for-sale securities.

Operating expenses increased by 50% year-on-year due to impairment of goodwill (€861 million) recorded at the time of the Natexis/Ixis CIB merger and provisions totaling €144 million to cover the Job adaptation plan.

Gross operating income recorded a loss of -€4,409 million.

The cost of risk increased significantly in 2008 (€983 million) compared with 2007 (€175 million).

Gains or losses on fixed assets were positive at €164 million.

Net income recorded a loss of €5,054 million, compared with a loss of €467 million in 2007.

At December 31, 2008, total assets amounted to €357,664 million, compared with €412,008 million as of December 31, 2007.

Proposed allocation of net income

The Natixis parent company recorded negative net income of €5,053,779,558.57 for the year ended December 31, 2008.

The third resolution that will be put to the April 30, 2009 Shareholders' Meeting proposes that the €5,053,779,558.57 loss for the year ended December 31, 2008 be charged against retained earnings in the amount of €3,646,316.70 and against share premium in the amount of €5,050,133,241.87.

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The Supervisory Board's comments on the Executive Board's management report and the 2008 financial statements

The Board has regularly obtained information about the business and activities of the Company and the Group in accordance with legal and statutory requirements. As part of its supervisory role, it carried out the checks and controls it deemed necessary.

In accordance with the clauses of Article L. 225-68 of the Commercial Code, the Executive Board's management report on the business of the Company and its Group, together with the annual accounts for the year ending December 31, 2008, were examined by the Supervisory Board at the Meeting of February 25, 2009.

The Board has also been informed of the findings of the Audit Committee, and of the reports concerning the conditions under which internal control is exercised and risk is measured and monitored (Articles 42 and 43 of regulation CRBF 97-02).

Lastly, the Supervisory Board approved its Chairman's report, which details its composition and the conditions for organizing and preparing its work, and the procedures for internal audit and risk management implemented by the Company.

After these inspections, the Supervisory Board has no comments to make either on the unconsolidated and consolidated accounts for 2008, or on the management report presented by the Executive Board.

According to the terms of the resolutions submitted for your approval, you are requested to approve the unconsolidated and consolidated accounts for 2008, the assignment of the results and the draft resolutions presented by the Executive Board.

The Supervisory Board wishes to thank all teams and the Executive Board for the work carried out during the past year and the quality of information communicated to it.

Executed in Paris, April 2, 2009.

On behalf of the Supervisory Board,

Chairman,

François Pérol

Recent development

Complaint filed coordinated by ADAM

In March 2009, the press described a criminal complaint filed by Natixis minority shareholders and coordinated by the Association de défense des actionnaires minoritaires Association to Defend Minority Shareholder Rights) (ADAM). The Paris public prosecutor will launch a preliminary investigation. At this point, the facts underlying the complaint have not been made known to Natixis.

Financial data

CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

CONSOLIDATED BALANCE SHEET – ASSETS

(in millions of euros)	Notes	31.12.2008	31.12.2007
Cash and balances with central banks and post offices		1,759	961
Financial assets at fair value through profit and loss	*8.1*	285,493	202,928
Hedging instruments	*8.2*	502	670
Available-for-sale financial assets	*8.3*	30,911	34,761
Loans and advances to banks	*8.4*	65,573	112,394
o/w institutional activities			*83*
Customer loans and advances	*8.4*	115,604	112,505
o/w institutional activities		*407*	*354*
Revaluation adjustments on portfolios hedged against interest rate risk			
Held-to-maturity financial assets	*8.5*	6,411	6,501
Current tax assets		397	538
Deferred tax assets	*8.7*	2,200	939
Accrued income, prepaid expenses and other assets	*8.8*	32,387	33,524
Non-current assets held for sale			0
Investments in associates		9,320	9,307
Investment properties	*8.9*	1,016	992
Property, plant and equipment	*8.9*	645	697
Intangible assets	*8.9*	719	446
Goodwill	*8.11*	2,823	2,844
TOTAL ASSETS		**555,760**	**520,005**

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CONSOLIDATED BALANCE SHEET – LIABILITIES AND EQUITY

(in millions of euros)	Notes	31.12.2008	31.12.2007
Due to central banks and post offices		831	1,406
Financial liabilities at fair value through profit and loss	*8.1*	275,380	165,030
Hedging instruments	*8.2*	259	1,672
Deposits from banks	*8.12*	96,600	138,234
o/w institutional activities		*72*	*155*
Customer deposits	*8.12*	58,780	61,701
o/w institutional activities		*665*	*605*
Debt securities in issue	*8.13*	34,606	65,530
Revaluation adjustments on portfolios hedged against interest rate risk		407	125
Current tax liabilities		339	630
Deferred tax liabilities	*8.7*	678	325
Deferred income, accrued charges and other liabilities	*8.8*	23,143	22,618
o/w institutional activities		*2*	*26*
Liabilities associated with non-current assets held for sale			0
Insurance companies' technical reserves	*8.14*	33,558	33,908
Provisions	*8.15*	1,260	520
Subordinated debt	*8.16*	13,631	10,678
Equity attributable to equity holders of the parent		15,552	16,885
- Share capital and reserves		*17,135*	*14,118*
- Retained earnings		*3,185*	*1,611*
- Unrealized or deferred gains or losses		*(1,969)*	*55*
- Net income/(loss)		*(2,799)*	*(1,101)*
Minority interests		736	744
TOTAL LIABILITIES AND EQUITY		**555,760**	**520,005**

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CONSOLIDATED INCOME STATEMENT

(in millions of euros)	Notes	31.12.2008	31.12.2007
Interest and similar income	*9.1*	16,536	18,460
Interest and similar expenses	*9.1*	(14,490)	(17,291)
Fee and commission income	*9.2*	4,141	4,460
Fee and commission expenses	*9.2*	(1,361)	(1,541)
Net gains or losses on financial instruments at fair value through profit and loss	*9.3*	(3,024)	1,148
Net gains or losses on available-for-sale financial assets	*9.4*	(419)	334
Income from other activities	*9.5*	5,372	6,620
Expenses from other activities	*9.5*	(3,821)	(6,148)
Net banking income		**2,934**	**6,043**
Operating expenses	*9.6*	(4,852)	(5,157)
Depreciation, amortization and impairment of property, plant and equipment and intangible assets		(208)	(164)
Gross operating income/(loss)		**(2,126)**	**721**
Cost of risk	*9.7*	(1,817)	(244)
Net operating income/(loss)		**(3,943)**	**477**
Share in income from associates	*9.8*	484	672
Gains or losses on other assets	*9.9*	100	538
Change in value of goodwill		(73)	(1)
Income/(loss) before tax		**(3,432)**	**1,686**
Income tax	*9.10*	705	(97)
Net income/(loss) after tax from discontinued operations or operations in the process of disposal		0	(369)
Net income/(loss) for the period		**(2,727)**	**(1,221)**
o/w:			
- Attributable to equity holders of the parent		(2,799)	1,101
- Attributable to minority interests		72	119
Earnings/(loss) per share			
Consolidated net income/(loss) attributable to equity holders of the parent – per share, calculated on the basis of the average number of shares over the period excluding treasury shares		*(1,57)*	*0.90*
Diluted earnings/(loss) per share			
Consolidated net income/(loss) attributable to equity holders of the parent – per share, calculated on the basis of the average number of shares over the period excluding treasury shares and including shares that could be issued on the exercise of stock options		*(1.56)*	*0.90*

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital and related reserves		Consolidated reserves
(in millions of euros)	Share capital	Reserves related to share capital[1]	Elimination of treasury stock
Equity as of January 1, 2007	**1,952**	**12,472**	**0**
Share Capital increase	3	15	
Elimination of treasury shares			(110)
Equity component of share-based payment plans			
2006 dividend paid in 2007		(324)	
Total movements related to relations with shareholders	**3**	**(309)**	**(110)**
Change in fair value of financial instruments through equity			
2007 net income			
Impact of acquisitions and disposals			
Change in translation adjustment			
Other			
Equity as of December 31, 2007	**1,955**	**12,163**	**(110)**
Appropriation of 2007 income		(467)	
Equity as of January 1, 2008	**1,955**	**11,696**	**(110)**
Share Capital increase	2,698	1,332	
Elimination of treasury shares			(1)
Equity component ofshare-based payment plans			
2007 dividend paid in 2008		(546)	
Total movements related to relations with shareholders	**2,698**	**786**	**(1)**
Change in fair value of financial instruments through equity			
2008 net income/(loss)			
Impact of acquisitions and disposals			
Change in cumulative translation reserves			
Other			
Equity as of December 31, 2008	**4,653**	**12,482**	**(112)**

(1) Share premium, legal reserve, contractual reserves, long-term capital gains reserve and other Natixis reserves.

(2) Includes the equity component of share-based payment plans.

Consolidated reserves	Unrealized or deferred gains or losses (net of tax)						
Consolidated reserves[2]	Related to translation adjustments	Change in fair value of available-for-sale financial assets	Change in fair value of hedging instruments	Net income/(loss) attributable to equity holders of the parent	Equity attributable to equity holders of the parent	Equity attributable to minority interests	Total consolidated equity
2,433	**(28)**	**593**	**55**	**0**	**17,477**	**766**	**18,243**
					18		18
					(110)		(110)
9					9		9
(725)					(1,049)	(82)	(1,131)
(716)					**(1,132)**	**(82)**	**(1,214)**
		(364)	80		(284)	4	(280)
				1,101	1,101	119	1,221
					0	(34)	(35)
	(281)				(281)	(28)	(309)
3					3		3
1,720	**(309)**	**229**	**135**	**1,101**	**16,885**	**744**	**17,629**
1,568				(1,101)	0		0
3,288	**(309)**	**229**	**135**	**0**	**16,885**	**744**	**17,629**
					4,030	145	4,175
					(1)		(1)
13					13		13
					(546)	(118)	(664)
13					**3,495**	**27**	**3,522**
		(1,476)	(591)		(2,066)	(3)	(2,070)
				(2,799)	(2,799)	72	(2,727)
					0	(105)	(106)
	42				42	2	44
(5)					(5)		(5)
3,297	**(266)**	**(1,247)**	**(456)**	**(2,799)**	**15,552**	**736**	**16,288**

CONSOLIDATED CASH FLOW STATEMENT

(in millions of euros)	31.12.2008	31.12.2007
Income/(loss) before tax	**(3,431)**	**1,686**
+/- Net charge to depreciation and amortization of property, plant & equipment and intangible assets	206	164
+/- Impairment of goodwill and other non-current assets	85	189
+/- Net charge to other provisions (including insurance companies' technical reserves)	2,574	3,500
+/- Share of income of associates	(484)	(672)
+/- Net loss/(gain) on investing activities	(636)	(712)
+/- Net loss/(gain) on financing activities	504	115
+/- Other movements	(3,551)	5,279
= Total non-cash items included in income/(loss) before tax and other adjustments	***(1,302)***	***7,863***
+/- Decrease/(increase) in interbank and money market items	7,800	2,063
+/- Decrease/(increase) in customer items	4,521	(8,444)
+/- Decrease/(increase) in other financial assets or liabilities	(2,277)	9,349
+/- Decrease/(increase) in non-financial assets or liabilities	(5,480)	(6,053)
- Income taxes paid	(190)	(621)
= Net decrease/(increase) in operating assets and liabilities	***4,374***	***(3,706)***
Net cash provided/(used) by operating activities (A)	**(359)**	**5,843**
+/- Decrease/(increase) in financial assets and investments in associates	89	(6,471)
+/- Decrease/(increase) in investment property		108
+/- Decrease/(increase) in property, plant & equipment and intangible assets	35	(305)
Net cash provided/(used) by investing activities (B)	**124**	**(6,668)**
+/- Cash received from/(paid to) shareholders	3,511	(1,113)
+/- Other cash provided/(used) by financing activities	1,673	10,960
Net cash provided/(used) by financing activities (C)	**5,184**	**9,847**
Effect of exchange rate changes on cash and cash equivalents (D)	**(71)**	**(84)**
Net increase/(decrease) in cash and cash equivalents (A+B+C+D)	**4,878**	**8,938**
Net cash provided/(used) by operating activities (A)	(359)	5,843
Net cash provided/(used) by investing activities (B)	124	(6,668)
Net cash provided/(used) by financing activities (C)	5,184	9,847
Effect of exchange rate changes on cash and cash equivalents (D)	(71)	(84)
Cash and cash equivalents at beginning of period	**(12,188)**	**(21,126)**
Cash, central banks and post offices	(445)	(335)
Interbank balances	(11,743)	(20,791)
Cash and cash equivalents at end of period	**(7,310)**	**(12,188)**
Cash, central banks and post offices	928	(445)
Interbank balances	(8,238)	(11,743)
CHANGE IN CASH AND CASH EQUIVALENTS	**4,878**	**8,938**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CONTENTS

NOTE 1 SIGNIFICANT EVENTS OF THE YEAR

1.1 - Escalation of the financial crisis

In response to the deepening financial crisis which hit new asset classes during the year, and the sharp downturn in the economic climate triggered by banking failures in the third quarter, Natixis:

- redefined its business plan, concentrating on more traditional business lines, cutting costs, strengthening its financial structure, and improving the risk profile of its Corporate and Investment Banking division (CIB). These new strategic focuses will be implemented as part of the plan to transform the corporate and investment banking business, approved by Natixis' Supervisory Board on September 18, 2008. The plan involves:
  - discontinuing credit and structured credit proprietary investing activities and the more complex capital market activities. A specific structure has been created within Natixis CIB to optimize run-off management,
  - refocusing on historic clients by concentrating on operations for corporate and institutional customers,
  - achieving a leaner international presence by steep operational cutbacks in Asia (most capital market activities will be stopped) and in the United States (the equity derivatives desk will be shut down),
  - strengthening risk discipline across all activities,
  - reducing CIB employee numbers by 15% and CIB direct overheads by 10%;
- implemented a cost-cutting program to run through to 2009. A series of downsizing measures were launched in the second quarter of 2008 as part of the 2008-2009 cost-cutting

program, concerning internal and external staff costs and operating expenses. A work adjustment plan was launched for Natixis S.A. employees in September 2008. The impacts of this plan were costed and a provision of €144 million set aside in the 2008 financial statements (see Note 13);

- carried out a €3.7 billion rights issue in September. The Banque Fédérale des Banques Populaires and the Caisse Nationale des Caisses d'Epargne subscribed to €2.5 billion of the issue by offsetting the shareholder loan previously granted.

The main impacts of the crisis on the financial statements of the Natixis Group for the year ended December 31, 2008 are detailed in Note 6.

1.2 - Integration process for entities contributed on November 17, 2006

Besides the strategic refocusing and other measures adopted in response to the financial crisis, Natixis continued with its process of integrating the entities contributed on November 17, 2006*. The main business combinations completed in 2008 for legal purposes are listed below:

- reorganization of the securities services business:
  - institutional custody, fund administration and corporate trust activities carried out by Natixis and Natixis Investor Servicing were transferred to CACEIS,
  - retail custody platforms of Gestitres and Natixis were merged for legal purposes;
- CEGI, SACCEF and SOCAMAB merged to form Compagnie Européenne de Garanties et Cautions, a multi-business platform for surety bonds and financial guarantees;
- Natixis Altaïr's data center operations were contributed to its subsidiary Natixis Altaïr IT Shared Services, while the rest of Natixis Altaïr's businesses (technical architecture, support functions, etc.) were merged with Natixis' IT division. For legal purposes, the merger took the form of a full asset/liability transfer (transmission universelle de patrimoine);
- in the consumer credit business, activities related to the development of management software were incorporated within Natixis Consumer IT (a wholly-owned subsidiary of Natixis Consumer Finance).

At the end of November 2008, Banque Privée Saint Dominique and La Compagnie 1818 – Banquiers Privés launched a merger project to create a private bank offering:

- wealth management services to direct clients;
- bespoke products and services for high-net-worth clients from the Caisse d'Epargne and Banque Populaire networks;
- products and services for independent wealth management advisors.

1.3 - Proposed merger between Banque Fédérale des Banques Populaires and Caisse Nationale Caisses d'Epargne

A key event of the year for Natixis shareholders was the announcement on October 8, 2008 of a plan to merge the central institutions of the Banque Populaire and Caisse d'Epargne Groups. This merger will create a single central institution with two separate networks.

On November 12, the Banque Fédérale des Banques Populaires (BFBP) and the Caisse Nationale des Caisses d'Epargne (CNCE) signed a negotiation agreement setting out the scope of their

* *As part of the merger with Groupe Caisse d'Epargne on November 17, 2006, the following legal transactions took place:*
- *Caisse Nationale des Caisses d'Epargne (CNCE) contributed to Natixis some of its subsidiaries and equity interests in corporate and investment banking and services activities. It also contributed a portion of cooperative investment certificates ("CCI Caisses d'Epargne") issued after 2004 by each Caisse d'Epargne et de Prévoyance (except Caisse d'Epargne de Martinique and Caisse d'Epargne de Nouvelle Calédonie), representing 20% of their share capital;*
- *SNC Champion, an entity set up by the Banque Fédérale des Banques Populaires (BFBP) and Banques Populaires, contributed to Natixis the remaining Caisses d'Epargne cooperative investment certificates not contributed by the CNCE that SNC Champion had previously acquired from the CNCE. It also contributed 1.23% of the share capital of IXIS CIB, and 4.63% of the share capital of IXIS AMG which it had previously acquired from San Paolo IMI (SPIMI);*
- *subscribed to 20% of the share capital of each Banque Populaire bank in the form of a reserved issue of cooperative investment certificates ("CCI Banques Populaires") financed by debt;*
- *acquired the 66% held by the Banques Populaires banks in consumer credit firm Novacrédit.*

Following these transactions, the CNCE and the BFBP (through SNC Champion) placed on the market some of the Natixis shares they received in consideration for the above-mentioned contributions. This resulted in an increase in Natixis' free-float, while maintaining strictly equal the shareholdings owned (directly and indirectly) by the BFBP and the CNCE merger talks and the work to be performed with a view to completing and executing the merger in the first half of 2009.

The new entity created by this agreement will take the form of a société anonyme with a Management Board and Supervisory Board, whose governance will be based on the principles of balance and equality between both networks.

1.4 - Subsequent events

On March 2, 2009, Natixis announced that it had reached a memorandum of understanding with Crédit Agricole SA to begin exclusive talks with a view to selling 35% of the capital of CACEIS to Crédit Agricole SA for €595 million. Subject to obtaining advice from the employee representative bodies and securing the requisite authorizations, the sale could be finalized in the second quarter of 2009. If the negotiations are successful, Natixis would retain a 15% stake in CACEIS. The sale is part of the strategic refocusing measures announced and implemented by Natixis since mid-2008.

NOTE 2 BASIS OF PRESENTATION

2.1 - IFRS standards and IFRIC interpretations applied by the Group

As required by European regulation 1606/2002 of July 19, 2002, Natixis has prepared its consolidated financial statements for the year ended December 31, 2008 in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union at that date[1]. These standards include IAS 1 to 41, IFRS 1 to 8 and the related IFRIC interpretations adopted by the European Union as at December 31, 2008.

Natixis' consolidated financial statements include a balance sheet, income statement, statement of changes in equity, cash flow statement and notes to the financial statements.

The financial statements presented for comparative purposes were published by Natixis in the 2007 Registration Document filed with the French securities regulator (Autorité des marchés financiers – AMF) on April 18, 2008. In accordance with European regulation 809/2004 relative to information contained in prospectuses, the financial statements for the year ended December 31, 2006 that were published in the 2006 Registration Document filed with the AMF on April 17, 2007 are incorporated by reference into this Registration Document.

The impacts of the first-time application of IFRS on shareholders' equity, equity capital, assets, liabilities and earnings, and the first-time application options used by Natixis in accordance with IFRS 1 "First-time adoption of International Financial Reporting Standards", were published in the 2005 Registration Document.

Standards and interpretations applicable since January 1, 2008

Among the standards and amendments applicable for the first time at January 1, 2008, only the amendment to IAS 39 and IFRS 7 dealing with the reclassification of financial assets has a material impact on the 2008 consolidated financial statements. This amendment was published on October 13, 2008 and adopted by the European Commission on October 15, 2008. The amendment allows entities, in particular circumstances, to:

- reclassify non-derivative financial assets out of the "Fair value through profit and loss - Trading" category;
- reclassify financial assets from the "Available-for-sale" category to the "Loans and advances" category.

The transfer of assets meeting the definition of loans and advances at the reclassification date depends on the intention and ability of the entity to hold the financial assets for the foreseeable future or through to maturity. If the asset was designated "At fair value through profit and loss – Trading" upon initial recognition, it must no longer be held for the purpose of being sold in the near term. An analysis is carried out in the case of hybrid instruments featuring embedded deriatives, based on the conditions prevailing upon inception of the transaction, to determine whether the derivative should be separated out and continued to be reported as at fair value through profit and loss – Trading.

As permitted by this amendment, Natixis reclassified the following items to "Loans and advances" on October 1, 2008:

- €8.8 billion relating to the fair value of assets previously classified as "At fair value through profit or loss – Trading";
- €2.8 billion relating to the fair value of assets previously classified within the "Available-for-sale" category.

Had these assets not been reclassified, they would have been remeasured to fair value at December 31, 2008, resulting in an unrealized capital loss of €380 million (see Note 8.6.3). This capital loss would have had an impact of €215 million on income and €165 million on equity to be recycled to the income

(1) *All of the standards adopted by the European Union are available from the European Commission's website, at http://ec.europa.eu/internal_market/accounting/ias_fr.htm#adopted-commission.*

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statement. Following their reclassification, the instruments were written down by €70 million to reflect counterparty risk arising in the fourth quarter (see Note 8.6.4).

The reclassified assets are primarily composed of CLOs, European RMBS rated AAA and AA, and US RMBS.

Only unhedged instruments were reclassified (see Note 8.6.1).

Natixis also took into account:

- with regard to pricing financial instruments in its 2008 consolidated financial statements, the recommendation published on October 15, 2008 by the AMF, the French National Accounting Board (Conseil National de la Comptabilité), the European Commission, the French Banking Commission (Commission bancaire) and the French insurance regulator (Autorité de Contrôle des Assurances et des Mutuelles – ACAM), and the guidance published by the IASB on October 31, 2008 entitled "Measuring and disclosing the fair value of financial instruments in markets that are no longer active". These two texts underline the importance of using judgment to determine fair value in illiquid markets;
- with regard to financial reporting on risk exposure, the recommendations applicable in France resulting from the Financial Stability Forum. Details of risk exposure, presented as recommended by the French Banking Commission in its May 29, 2008 statement on the application in France of the FSF's financial transparency recommendations, are included in Note 4 discussing the impacts of the financial crisis, and Note 6 on special-purpose entities;
- with regard to accounting for insurance and investment contracts with a discretionary participation feature, the CNC's recommendation dated December 19, 2008 (see Note 3).

Standards, amendments and interpretations adopted by the European Union at December 31, 2008, but not early adopted in the 2008 consolidated financial statements

Natixis did not early adopt the following standards, interpretations and amendments endorsed by the European Union at December 31, 2008:

- IFRS 8 "Operating segments" adopted by the European Commission on November 21, 2007 and effective for accounting periods beginning on or after January 1, 2009. This standard replaces IAS 14 "Segment reporting" and requires operating segments to be defined using the management approach;
- the revised IAS 1 "Presentation of financial statements" published by the IASB on September 6, 2007 and adopted by the European Commission on December 17, 2008. This revised standard replaces the current IAS 1, and is mandatorily applicable for accounting periods beginning on or after January 1, 2009. It aims to make it easier for financial statement users to analyze and compare information. The revised IAS 1 concerns only the presentation and contents of financial statements, and accordingly, has no impact on Natixis' earnings or equity;
- the amendment to IFRS 2 "Share-based payment", published by the IASB on January 17, 2008 and adopted by the European Commission on December 16, 2008. This amendment clarifies vesting conditions and specifies that all cancellations, whether by the entity or by other parties, should receive the same accounting treatment. The amendment is retrospectively applicable for accounting periods beginning on or after January 1, 2009. It should not have any impact on the way in which share-based payments made by Natixis are accounted for;
- the revised IAS 23 "Borrowing costs", published by the IASB on March 29, 2007 and adopted by the European Commission on December 10, 2008. This revised standard is mandatorily applicable for accounting periods beginning on or after January 1, 2009 and eliminates the possibility of recognizing borrowing costs directly attributable to the acquisition, construction or production of qualifying assets within expenses. As this standard does not apply to Natixis' operations, it will have no impact on the financial statements;
- IFRIC 11 "Group and treasury share transactions" adopted by the European Union on June 1, 2007 and effective for accounting periods beginning on or after January 1, 2009. This interpretation should have no impact on Natixis' financial statements. IFRIC 11 provides guidance on applying IFRS 2 in two share-based payment arrangements in which:
  - an entity chooses or is required to buy its own equity instruments from another party to settle its share-based payment obligation,
  - a subsidiary entity's employees are granted rights to equity instruments of the parent entity (or another entity in the same group). In this case, the interpretation clarifies how the transaction should be accounted for in the entities' individual financial statements;
- IFRIC 13 "Customer loyalty programmes" which was adopted by the European Commission on December 16, 2008. As this interpretation does not apply to Natixis, it will have no impact on its financial statements;
- IFRIC 14 "The limit on a defined benefit asset, minimum funding requirements and their interaction", published by the IASB on July 5, 2007 and adopted by the European Commission on December 16, 2008. This interpretation is only enforceable in Europe for accounting periods beginning on or after January 1, 2009. It should not impact the Group's consolidated financial statements.

2.2 - Presentation of the consolidated financial statements

The consolidated financial statements have been prepared in accordance with the measurement and presentation principles set out in Notes 3, 6 and 7 below.

2.3 - Year-end

The consolidated financial statements are based on the individual financial statements as at December 31, 2008 of the entities included in Natixis' scope of consolidation.

2.4 - Notes to the consolidated financial statements

Unless otherwise indicated, the figures given in the notes are expressed in millions of euros.

NOTE 3 CONSOLIDATION METHODS AND PRINCIPLES

3.1 - Scope of consolidation

Natixis' consolidated financial statements include the financial statements of Natixis S.A. and its main subsidiaries.

Only subsidiaries making a material contribution to the Group's financial statements are consolidated.

Materiality is determined based on specific thresholds for each of the Group's businesses and on a qualitative assessment of the relevance of each entity's contribution to the consolidated financial statements.

The scope of consolidation includes all material entities over which Natixis exercises control or significant influence. Three relationships of control are identified under IFRS: control, joint control and significant influence. Determining the type of control that exists is based on an analysis of the economic and legal relations between the parent and its subsidiaries, as well as any voting rights held.

Potential voting rights

In determining whether it exercises control or significant influence, Natixis considers all current voting rights and any potential voting rights to the extent that they are currently exercisable or convertible. Potential voting rights arise from stock options on ordinary shares or from the conversion of bonds into new ordinary shares. However, potential voting rights are not taken into account to calculate the percentage of ownership.

In accordance with IAS 27.14, potential voting rights resulting from a put option granted to minority interests are not taken into account in calculating the percentage of ownership and voting rights held, since they are not currently exercisable and do not give access to the associated economic benefits.

If the written put is associated with a currently exercisable call option, in principle the potential voting rights are included in the calculation of the percentage of ownership and voting rights held, because the options held by each party make the sale of the shares certain.

A review of potential voting rights held by Natixis had no impact on the basis for consolidation in 2008.

3.2 - Consolidation methods

The consolidation methods applied by Natixis are described below:

Full consolidation

Companies controlled by Natixis are fully consolidated. Under IAS 27, control is presumed to exist when the parent has:

- ownership, directly or indirectly through subsidiaries, of more than half of the voting power of an entity;
- power to govern the financial and operating policies of the entity under a statute or agreement;
- power to appoint or remove the majority of the members of the Board of Directors or equivalent governing body;
- power to cast the majority of votes at Meetings of the Board of Directors or an equivalent governing body.

No majority shareholdings were consolidated as a result of applying IAS 27 to the Group's private equity business, as the shareholdings concerned are not material.

Proportional consolidation

Companies jointly controlled by Natixis are proportionally consolidated. Joint control is the contractually agreed sharing of control over an economic activity between a limited number of shareholders or investors, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control.

IAS 31 also permits jointly controlled companies (joint ventures) to be accounted for using the equity method. Natixis has not elected to apply this option.

Equity method

Companies over which Natixis exercises significant influence are accounted for using the equity method.

Significant influence is the power to participate in the financial and operating policy decisions of an economic activity but is not control over such policies. Significant influence is presumed to exist when the reporting entity directly or indirectly owns at least 20% of the voting rights.

Under IAS 28 and IAS 31, private equity investments between 20% and 50%-owned do not have to be accounted for using the equity method if they are designated at inception as at fair value through profit and loss. Natixis has opted for the latter method which it believes provides investors with more relevant information.

Ownership of the Banques Populaires and Caisses d'Epargne cooperative investment certificates (CCIs), representing 20% of the share capital of each entity, gives Natixis significant influence over the Banques Populaires and Caisses d'Epargne banks. The financial statements of these entities are therefore accounted for using the equity method in Natixis' consolidated financial statements.

Since the Banques Populaires CCIs and the Caisses d'Epargne CCIs do not carry any voting rights, Natixis' significant influence over the issuers is characterized by (i) legally enforceable influence resulting from its involvement in the operational and financial management of the Banques Populaires and Caisses d'Epargne networks, and (ii) de facto influence deriving from operational and technical cooperation by the Banques Populaires and Caisses d'Epargne banks with Natixis.

Natixis' legally enforceable significant influence over the Banques Populaires and Caisses d'Epargne banks derives from the following rights conferred on Natixis by the preliminary agreements concerning its involvement in the operational and financial management of the Banques Populaires and Caisses d'Epargne networks:

- representation on the Banques Populaires and Caisses d'Epargne Board of Directors (BP: federal delegate/CEP: non-voting Director);
- participation in intra-group Committees of Groupe Banque Populaire and Groupe Caisse d'Epargne;
- right regarding certain decisions made within the BFBP and the CNCE (Natixis' opinion to be sought and Natixis to be consulted in its capacity as a non-voting member; rights to a second deliberation of certain matters);
- right to receive information (information related to the CCIs, and federal delegate/non-voting member reporting);
- right to audit the Banques Populaires and the Caisses d'Epargne et de Prévoyance banks;
- delegation of powers concerning the risk management function (definition of risk standards and risk assessment methodologies);
- exchange of management personnel.

Natixis and the Banques Populaires banks have agreed to maintain any existing industrial and commercial relationships for a minimum period of 10 years as from the subscription date for the Banques Populaires CCIs:

- provision of IT infrastructure;
- supply of industrial services (custodial services, payment systems, operational management of foreign currency accounting);
- design and management of customer products on behalf of the Banques Populaires banks (asset management, insurance products, factoring, lease financing, financial engineering, expansion capital, employee benefits planning, international operations, credit insurance and business information).

Natixis and the Caisses d'Epargne banks also agreed to maintain, for a minimum period of ten years as from the date of the contributions, any industrial and commercial relations existing in the following areas:

- custodial services;
- design and management of customer products (asset management, revolving credit facilities, guarantee insurance for borrowers, factoring and equipment lease financing, financial engineering and capital market products, local authority financing and debt management);
- securities and derivatives brokerage.

3.3 - Institutional activities

Natixis

In accordance with Article 116 of the amended finance law for 2005 (2005-1720 of December 30, 2005) and the agreement signed with the French State on December 28, 2006, Natixis manages certain public procedures on behalf of the French State. The related transactions, some of which may be guaranteed by the State, are recognized separately in the financial statements. The State and other related creditors have a specific right over the assets and liabilities allocated to these institutional activities. The bank's assets, liabilities and commitments relative to these activities are identified on a separate line of the balance sheet under each of the headings concerned.

Fees received and loans outstanding in connection with institutional activities are not material. Accordingly, these items were not restated at amortized cost. Activities other than financing where Natixis acts as an intermediary on behalf of the French State, have been accounted for using the previous treatment in the IFRS financial statements.

Coface

Revenues derived from the management of public procedures represent the fees paid by the French State. These fees are set out in a financial agreement between the State and Coface.

On June 9, 2008, a new financial agreement was signed covering the four-year period from 2007 to 2010. This agreement defines the retroactive fees payable to Coface for 2007.

Premiums paid by customers, claims covered and amounts recovered as a result of these guarantees are paid over to the State. Accordingly, they are not included in the Group's consolidated financial statements. Expenses relating to public procedures management are mainly incurred in delivering State guarantees, managing claims, and recovering debts covered by the guarantees.

3.4 - Foreign currency translation

Natixis' consolidated financial statements are prepared in euros.

The balance sheet of foreign subsidiaries and branches whose functional currency is not the euro are translated into euros at the closing exchange rate, except for share capital, reserves and capital allocations, which are translated at the historical exchange rate. The income statements of foreign subsidiaries and branches whose functional currency is not the euro are translated at the average exchange rate for the year. Any resulting translation gains or losses arising on both balance sheet and income statement items are recognized in equity under "Translation adjustments" for the portion attributable to the Group and "Minority interests" for the portion attributable to third parties.

Natixis elected to use the option available under IFRS 1 on first-time adoption to transfer the cumulative balance of translation adjustments existing at January 1, 2004 to consolidated reserves. If a foreign entity is subsequently sold, the gain or loss on sale will include only those translation gains or losses arising after January 1, 2004.

3.5 - Business combinations and goodwill

IFRS 3 dealing with business combinations requires all identifiable assets, liabilities and contingent liabilities to be measured at fair value on the acquisition date. Adjustments may subsequently be made to these initial fair values for a period of 12 months from the acquisition date.

On its first-time application of IFRS, Natixis chose the option available under IFRS 1 for first-time adopters not to retrospectively restate business combinations carried out prior to January 1, 2004 in accordance with the provisions of IFRS 3 "Business combinations".

The excess of the cost of the business combination over the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities is recognized as goodwill. Goodwill is allocated at the acquisition date to one or more cash-generating units (CGUs) expected to benefit from the acquisition.

Goodwill is tested for impairment at least once a year and whenever there is objective evidence that it may be impaired. Impairment testing consists of comparing the carrying amount of the CGU or group of CGUs including goodwill with its recoverable amount.

When the recoverable amount is lower than the carrying amount, an impairment loss is recognized in the consolidated income statement for the period and charged firstly against the goodwill allocated to the CGU or group or CGUs, and then against other identifiable assets belonging to the CGU or group of CGUs, pro rata to their carrying amount. The impairment loss charged against the assets in the CGU or group of CGUs must not reduce the carrying amount of the related assets to below the higher of their fair value less costs to sell, value in use, and zero. Impairment losses taken on goodwill may not be reversed.

Negative goodwill is recognized immediately in the income statement under "Changes in value of goodwill", following the remeasurement of identifiable assets, liabilities and contingent liabilities.

Principles adopted for measuring contributions by Groupe Caisse d'Epargne to Natixis

The assets contributed by the CNCE to Natixis fall into two different categories:

- shares in the corporate and investment banking and services subsidiaries;
- a portion of the corporate investment certificates (CCIs) conferring entitlement to the share capital of the Caisses d'Epargne banks.

The contribution values used for consolidation purposes in respect of both categories of assets are the carrying amounts of these assets in the CNCE's consolidated financial statements, restated in accordance with IFRS as adopted in the European Union.

Principles adopted for measuring other transactions affecting the structure of the Group and described in Note 1.2

In accordance with IFRS 3, other transactions affecting the structure of the Group that are described in Note 1.2 – contribution of the remaining Caisses d'Epargne CCIs, 1.23% of the share capital of IXIS CIB, and 4.63% of the share capital of IXIS AMG; subscription to the Banques Populaires CCIs, and acquisition of Novacrédit – have been accounted for by the purchase method for consolidation purposes.

Goodwill arising in connection with the business combination on December 31, 2006

Goodwill on contributed entities

As the contributions were recognized at their net carrying amount under IFRS, no valuation adjustments have been recorded on the various assets and liabilities contributed. The difference between the acquisition cost and the Group's interest in the net assets of the contributed entities does not represent goodwill within the meaning of IFRS 3, since the acquisition cost takes into account the real value of the shares, while the contributions were recognized at their net carrying amount. Each of the differences observed was recognized in consolidated reserves.

An amount of €3,170 million was charged against the issue premium in this respect at December 31, 2006.

Goodwill on other transactions

Goodwill generated as a result of the business combination totaled €484 million, breaking down as €229 million on IAMG, €21 million on IXIS CIB and €8 million on Novacrédit, plus the goodwill recorded in "Investments in associates" relating to the Caisses d'Epargne CCIs (€190 million) and the Banques Populaires CCIs (€36 million).

At December 31, 2007, goodwill arising on the CCIs had been definitively allocated to the following accounts:

- valuation adjustments on Banques Populaires land and buildings in an amount of €102 million (Banques Populaires CCIs);
- valuation adjustments on Caisses d'Epargne land and buildings in an amount of €47 million (Caisses d'Epargne CCIs).

These valuation adjustments were split into a depreciable and non-depreciable component in proportion to the value of the land and buildings in question. The depreciable component is depreciated in line with the rules and residual useful life applicable to similar assets (15 years on average).

Other goodwill

In 2008, goodwill decreased by €3 million excluding translation gains of €54 million and impairment losses.

The main changes are described below:

Acquisitions:

- NGAM: acquisition of Gateway Investment Advisers, generating €21.6 million in goodwill;
- Coface: acquisition of Coface A/S Danmark, generating €15.5 million in goodwill;
- acquisition of a minority 23.76% stake in La Compagnie 1818, generating €18.1 million in goodwill;
- acquisition of a minority 19.55% stake in Business Data Information, generating €1.2 million in goodwill.

Goodwill allocation

Goodwill arising on Olympia and CACEIS Germany recognized in 2007 was allocated to intangible assets for €15 million and €44 million, respectively.

Disposals:

- CACEIS: sale of Fastnet House, leading to a €1.4 million reduction in goodwill;
- sale of 33% of SLIB, leading to a €1.3 million reduction in goodwill;
- sale of 25.9% of VR Factorem, leading to a €1.3 million reduction in goodwill.

Division of the corporate and investment banking CGU into two CGUs

The creation of a special hive-off vehicle to run down certain activities (see Note 1) prompted a reorganization of Natixis' reporting structure. The loss-making activities have been placed under the responsibility of a specific management team, with the related earnings and risk profile monitored separately from the Group's other corporate and investment banking operations. In accordance with IAS 14, these hived-off activities represent a separate business segment (see Note 14 "Segment and geographical analysis") and therefore a new CGU. Consequently, any items of goodwill previously allocated to corporate and investment banking operations have been split between the two CGUs using an allocation scale based on the expected capital consumption of each activity. As a result, of the €69 million in goodwill previously allocated to the CIB CGU, €52 million has been transferred to the "CIB – Continuing operations" CGU and €17 million to the "CIB – Hived-off operations" CGU.

Impairment tests

Methodology and results of impairment tests

All items of goodwill are tested for impairment based on the value in use of the cash-generating units (CGUs) to which they have been allocated.

Value in use is determined principally[1] by discounting the expected future cash flows from the CGU on the basis of the medium-term business plans drawn up by the Group for strategic planning purposes.

(1) For certain businesses (asset management, securities services, payments), value in use is calculated through a combination of the DCF model and market comparables method. For the private equity business, value in use is calculated based on net assets.

The assumptions underpinning these forecasts were as follows:

- expected future cash flows: forecast data covering the next three years taken from the Group's medium-term business plan(1);
- perpetual growth rate: 2%;
- discount rate: 10.25% for all Group CGUs.

The discount rate used is based on trading data for the period. It represents the projected average rate of return on listed stocks in the same sector as Natixis, based on their current share price, projected earnings for the coming years and an extrapolation of these earnings to infinity using a constant perpetual growth rate. This is obtained by adding the risk-free rate (10-year French treasury bonds) to the risk premium and the historical industry beta, both of which are calculated using a representative sample of listed companies in the same sector as Natixis.

No impairment was recognized as a result of these tests, nor would have been recognized if the discount rate had been 1% higher or the perpetual growth rate 1% lower. However, in light of the extremely uncertain environment affecting both the Group's continuing and hived-off corporate and investment banking operations, the goodwill allocated to the CIB business has been written down in full out of prudence. These write-downs are shown on the income statement line "Change in value of goodwill".

3.6 - Dilutive/accretive impact resulting from ownership of the CCIs

The dilutive/accretive impact derives from differences in the rights associated with ownership shares (entitlement to dividends) and CCIs (entitlement to dividends at least equal to dividends payable on ownership shares and entitlement to reserves made up of retained earnings).

The difference in dividend entitlements is recognized in the financial year in which it arises.

3.7 - Non-current assets held for sale

The assets and liabilities of subsidiaries which Natixis intends to sell within a maximum period of 12 months and for which it is actively seeking a buyer, are identified separately in the consolidated balance sheet as non-current assets held for sale and liabilities associated with non-current assets held for sale.

Further to the capital increase subscribed for on December 20, 2007 by the Banque Fédérale des Banques Populaires and the Caisse Nationale des Caisses d'Epargne, Natixis' stake in the CIFG sub-group was reduced to 0.47% at December 31, 2007. As a result, CIFG was withdrawn from the scope of consolidation at that date and the remaining shares held written down in full given the Company's financial position. The earnings of this sub-group for 2007 as well as the impacts of its sale are shown in the income statement under "Net income/(loss) after tax from discontinued operations or operations in the process of disposal".

As part of the commutation agreement signed on January 22, 2009 by CIFG, its two shareholders and its main counterparties including Natixis, the Group's percentage interest in CIFG moved to 6.9% (see Note 6.3).

3.8 - Standardization of individual data and elimination of intra-group transactions

Prior to consolidation, the individual financial statements of companies included in the scope of consolidation are restated to bring them into line with the Group accounting policies described below. Intra-group balances and gains and losses arising on intra-group transactions are eliminated.

3.9 - Consolidation of insurance companies

The following rules are applied for fully consolidated insurance subsidiaries:

- income and expenses are classified by nature in accordance with banking accounting principles and not by function of expense;
- balance sheet items are included under the corresponding line items of the financial statements presented in the banking format.

Insurance company investments are classified in the balance sheet under the various categories defined in IAS 39.

Contracts managed by the insurance subsidiaries of Coface and Natixis Assurances sub-groups meet the definition of insurance contracts or investment contracts with a discretionary participation feature set out in IFRS 4. Accordingly, they result in the recognition of technical reserves in liabilities. These reserves are measured in accordance with French GAAP pending publication of an IFRS standard dealing with technical liabilities of insurance companies.

Mathematical reserves for savings contracts correspond to the surrender value of the contracts.

Technical reserves for personal risk insurance contracts are calculated using statutory discount rates and mortality tables, as well as BCAC tables for incapacity and disability risks.

(1) The forecasting period used for the life insurance and asset management businesses is three years and four years, respectively.

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Loss reserves for personal risk insurance contracts correspond to the estimated cost of loss claims and are not discounted.

A liability adequacy test is carried out in accordance with IFRS 4 to ensure that the insurance liabilities as presented in the consolidated financial statements are sufficient to cover the future cash flows estimated at that date. The test is based on a stochastic model valuation of discounted future cash flows.

In accordance with IFRS 4, insurance and investment contracts with a discretionary participation feature (life insurance) give rise to the recognition of a deferred participation asset or liability to offset the difference in value between assets and liabilities (shadow accounting).

The deferred participation asset or liability is equal to the portion of unrealized gains and losses on investments carried in assets, payable to policyholders pursuant to their insurance contracts or arising on consolidation adjustments. The rate is calculated on the basis of the average participation rate of policyholders recognized in the individual financial statements under contractual rules (average contractual participation rate for each product weighted by the value of the investments on the calculation date). This rate was around 92% for ABP Vie at December 31, 2008 (virtually unchanged from end-2007).

Deferred participation assets and liabilities arise mainly on:

- the remeasurement of available-for-sale financial assets and financial assets at fair value through profit and loss;
- the remeasurement of real estate assets held to cover insurance contracts;
- the restatement in the consolidated financial statements of the capitalization reserve and the liquidity risk reserve.

The change in the deferred participation asset and liability is recognized in equity when it relates to changes in the value of assets classified as “available for sale”, and in income when it relates to changes in the value of assets “at fair value through profit and loss” or investment property held to cover insurance contracts.

Given the sharp downturn in the markets, a deferred participation asset was recognized as a result of shadow accounting, corresponding to the unrealized losses that may be charged against the future returns associated with the technical liabilities.

(in millions of euros)	31.12.2008	31.12.2007	Change
Total net deferred participation asset	922	0	922
Total net deferred participation liability	0	(655)	655

Two-thirds of the change in the deferred participation amount between 2007 and 2008 is due to the steep decline in the equity markets, while one-third reflects the change in credit spreads on debt instruments.

Pursuant to the recommendation of the French National Accounting Board (Conseil National de la Comptabilité) of December 19, 2008, the deferred participation asset was recognized at its recoverable amount within “Accrued income, prepaid expenses and other assets” in the consolidated balance sheet, with a matching entry recorded in equity or income, depending on the classification of the assets to which the capital losses relate. The deferred participation asset relates essentially to Assurances Banque Populaire Vie and to the investment vehicles owned by the latter, which carry the bulk of life insurance for Natixis Assurances. A recoverability test was carried out on Natixis Assurances. In the absence of significant allocated resources (outstandings under PERP plans represent less than 1% of the ABP Vie total), the test was carried out on the overall liabilities of the insurance fund.

The recoverability of the deferred participation amount depends on the intention and ability of an entity to achieve future returns on contracts. These are sensitive to:

- changes in equity and bond markets;
- changes in net inflows, reflecting the commercial appeal of the contracts and the propensity of policyholders to surrender their contracts;
- the entity’s ability to hold the loss-making assets over a similar period as the liabilities in accordance with market cycles.

Analyzing the recoverability of the deferred participation asset involves:

- assessing the probability that the unrealized capital losses will be realized at the reporting date, and as a result, indirectly assessing the entity’s ability to continue to hold the loss-making assets, based on estimated net inflow and benefit scenarios and a going concern assumption;
- a liability adequacy test carried out in accordance with IFRS 4. The test compares total cash flows expected to arise on the contracts (forecast over a period of 15 years) with the carrying amounts of liabilities recognized in the financial statements, including deferred participation. Any resulting inadequacies are taken to income.

The process involves modeling future cash flows obtained from stochastic analyses, prepared in compliance with the regulatory and contractual conditions applicable to the contracts (guaranteed minimum yields, age and rules applying to the participation feature). Stochastic economic scenarios are generated based on historical probability (equities, dividends, short and long-term interest rates, inflation).

Five such tests were carried out each using a different series of assumptions:

- inflows over four consecutive years;
- structural surrender patterns obtained from historical surrender rates;
- dynamic surrender rates provided by the French insurance regulator (Acam) in Quantitative Impact Study 4 (QIS4) of Solvency II, to replace conjuncture-based surrender rates;
- a combination of the Acam's dynamic surrender rates and the structural surrender patterns used in the second test;
- a combination of the Acam's dynamic surrender rates and inflows over a four-year period.

These tests and scenarios revealed the sensitivity of the recoverable amount of the deferred participation asset to:

- the surrender rates used, which have a significant bearing on the amount of net inflows and cash to be invested or withdrawn from investments;
- market assumptions (long-term interest rates, change in equity and property markets indexes, etc.), which determine changes in competitive returns payable to policyholders, compared with the estimated future rate of return on the asset portfolio.

However, the average results obtained by the stochastic scenarios did not call into question the recoverability of the deferred participation asset, the net amount of which was €922 million.

NOTE 4 SPECIAL PURPOSE ENTITIES

4.1 - Consolidation of special purpose entities

Special purpose entities (SPEs) created to manage a specific operation or group of similar operations and substantially controlled by Natixis, even where there is no equity relationship, are fully consolidated if their contribution to the Group's consolidated financial statements is a material one. The main criteria for assessing the existence of control as defined by SIC 12 are as follows:

- **Operations**: the operations of the SPE are mostly conducted on behalf of Natixis which, directly or indirectly, has created the SPE according to its specific business needs;
- **Decision-making powers**: Natixis has the right to control or obtain control of the SPE or its assets, including certain decision-making powers created after the formation of the SPE. Such decision-making powers may have been delegated by establishing an "autopilot" mechanism;
- **Benefits**: rights to obtain a majority of the benefits of the SPE's operations; rights to a majority of any economic benefits distributed in the form of future net cash flows, earnings, net assets or other economic benefits or rights to majority residual interests;
- **Risks**: Natixis retains substantially the majority of the residual or ownership risks related to the SPE or its assets in order to obtain benefits from its activities.

SIC 12 does not apply to SPEs whose purpose is to manage post-employment and other long-term employee benefits, which are covered by IAS 19, "Employee Benefits". Employee pension and mutual entities are therefore not consolidated.

4.2 - Nature of the SPEs with which Natixis has relationships

In the framework of its operations, Natixis has relationships with numerous SPEs for which it may act as lender, investor, guarantor, manager, sponsor or arranger.

An analysis of the characteristics of these entities and of their eligibility for consolidation is provided hereafter for each operation and major category of SPEs:

4.2.1 SPEs involved in Asset Management (OPCVM investment funds, CDO investment funds, real estate funds)

OPCVM investment funds

The analysis differs depending on whether or not Natixis is a guarantor of the fund:

Non-guaranteed OPCVM funds

Management of the holding company does not in itself confer the majority of a fund's risks and benefits onto the NGAM sub-group. The holding company does not guarantee the fund and is not at risk in respect of the fund's assets; any provision for profit-sharing by the holding company only applies to a minor part of the fund's gains. NGAM's compensation as the fund manager is of a marginal nature in comparison with that provided to investors.

SIC 12's criteria of "risks" and "benefits" must therefore be assessed in terms of any fund shareholdings by the holding company or any other Natixis entity. As neither NGAM nor any other Group entity have any material shareholdings in these funds, the Natixis Group does not retain a majority of the benefits nor incur a majority of the risks associated with such non-guaranteed OPCVM investment funds.

- As of December 31, 2008, only the NBP Invest FCP investment fund is consolidated since Natixis is its 100% shareholder and the fund is a material component with regard to Natixis' consolidated financial statements.

Guaranteed OPCVM funds

Natixis guarantees the capital and/or performance of certain OPCVM funds. Analysis of the risk incurred by Natixis via such guarantees shows that it is neutralized either via the management policies and control procedures applied, or via the funds' composition (monetary assets), or via careful attention to counterparty risk, or by systematically reversing swaps in the market (when Natixis is the counterparty for the performance swap contracted by the fund). Therefore such OPCVM investment funds are not consolidated.

CDO investment funds

The NGAM sub-group intervenes in such funds in its capacity as manager of the underlying portfolio. Its function is strictly defined by the management agreement which never provides it with effective control of the structure. Neither NGAM nor any other Natixis entity holds any material interest in such funds. Natixis is not therefore subject to the majority of the risks and benefits associated with the funds, none of which is consolidated as of December 31, 2008.

Real estate funds

Real estate funds are generally set up by NGAM, but NGAM may also act purely as the manager of a portfolio of real estate assets on the basis of a contract concluded with a third party. NGAM's function is strictly defined by the management agreement which never provides it with effective control of the structure. The rate of commission does not allow it to benefit from the major part of the cash flows generated by the portfolio. If provision has been made for an out performance commission it generally takes the form of a liquidation bonus, the major part of which accrues to the shareholders. The "majority of risks" and "majority of benefits" criteria are thus assessed on the basis of the Group's shareholdings in such funds.

On this basis, one real estate fund managed by NGAM is consolidated as of December 31, 2008:

- the EPI SLP fund.

US funds managed by the NGAM Corp. sub-group

Several funds managed by NGAM Corp. sub-group management companies are consolidated given the sub-group's majority shareholdings in these funds:

- LS Consumer Discretionary LLC;
- Loomis Sayles Energy LLC;
- Loomis Sayles Trust Company LLC;
- Loomis Sayles International Bond Fund;
- Loomis Sayles Multi-Strategy Fund LP;
- Loomis Sayles Alpha LLC;
- Vaughan Nelson Value opportunities fund;
- LS Energy Hedge Fund II LP;
- Natixis Global Growth Fund;
- ASG Quasar Fund;
- ASG Laser Fund;
- ASG Global Alternatives Fund;
- Natixis Oakmark Global LC.

4.2.2 – Life insurance SPEs (Natixis Assurances sub-group)

Natixis Assurances has shareholdings in OPCVM and SCI investment funds which provide support for euro or unit-linked insurance contracts.

- The euro contracts are contracts under which the insured receives a minimum guaranteed return plus a major share of the excesses generated by the insurance company's main fund. Any shortfall between the fund's return and the minimum guaranteed return is borne by the insurer which thus assumes the risks of the fund. The risk and benefit criteria are met for such funds if the insurer's shareholding is a majority one. At December 31, 2008 the Natixis Assurances sub-group held a majority shareholding in four funds which are material to the Group's consolidated financial statements and have thus been consolidated:
  - ABP Actions;
  - ABP Croissance Rendement;
  - ABP Midcap;
  - Fructifoncier.
- The unit-linked contracts are policies under which the insured chooses the funds in which the insurer invests on the insured's behalf. The value of the insurer's shareholdings in such funds is mirrored by the value attributed to the unit-linked insurance contracts, the remuneration of which is not guaranteed. The risks and benefits inherent in these investments are borne by the insured. Such funds do not therefore require consolidation.

4.2.3 – Credit insurance (Coface sub-group) SPEs

The Coface sub-group's credit enhancement operations consist in insuring third parties' securitized receivables held by investors via an SPE for losses in excess of a predefined amount. In this type of operation, the Coface sub-group has no role whatsoever in determining the SPE's activity or in its operating management. The insurance premium received represents a minor cash flow for the SPE the majority of whose cash flows accrue to the investors.

In analyzing the associated risks, a distinction must be made between the contracts entered into by the German subsidiary Coface Kredit and those entered into by Coface in France:

- under the German contracts, the credit insurer is only liable for losses in excess of a predefined contractual deductible termed the Aggregate First Loss. The guarantee provided by Coface Kredit under such contracts may be likened to a "Natural Catastrophe" type of guarantee since analysis shows that the amount of the "first loss" is systematically higher than the "expected loss", i.e. than the average losses expected in any given year. The "majority of risks" criterion is thus not held to apply and the SPEs involved in such arrangements are therefore not consolidated;
- the French contracts entered into by Coface rarely include non-guaranteed "first losses". But the contracts only cover a small portion of the receivables held by the SPE. In addition, the risk associated with the portfolio guaranteed by Coface, compared with the risk borne by the other participants in the SPE (other insurers, sponsors, transferors) is not such as to confer the majority of the risks associated with the SPE on Coface. Such entities are thus not consolidated.

4.2.4 – Private Equity entities

- In the framework of its private equity operations, the Natixis Private Equity sub-group makes equity investments in unlisted companies via FCPR and SICAR investment funds and limited partnerships. All four SIC 12 criteria ("Operations", "Decision-making powers", "Benefits" and "Risks") need to be assessed on the basis of the level of Natixis Private Equity's shareholdings at each stage of investment, as well as of any guarantees provided to these entities.

  Based on these elements, four subsidiaries have been consolidated as of December 31, 2008:

  - the "Dahlia A SICAR SCA" SICAR investment fund;
  - the "IXEN" FCPR investment fund;
  - the "IXEN II" FCPR investment fund;
  - the "IXEN III" FCPR investment fund.
- Natexis Investment Corp., a 100% Natixis subsidiary, has a range of Private Equity investment fund shareholdings which are not consolidated given that they represent marginal interests (generally of less than 1%) in the funds and thus do not meet any of SIC 12's operations, decision-making powers, benefits and risks criteria.

4.2.5 – SPEs for Structured Finance "New" CIB with the exception of financial engineering operations

For the purposes of project finance (for industrial or infrastructure projects), of financing real estate or other assets (in the area of air, maritime or land transport), or of acquiring companies (with LBO financing) or raw materials, Natixis may be required to create SPEs lodging specific financing arrangements on behalf of a client. Such entities do not meet any of the consolidation criteria defined by SIC 12 because:

- the SPE's business is conducted first and foremost on behalf of the client;
- Natixis is rarely a shareholder in these entities and when it is, its shareholding is generally a minority one. Auto-pilot mechanisms generally exist but have not been oriented for the benefit of Natixis;
- Natixis merely acts as a lender; most credit facilities are syndicated and the risks are equitably shared between the lenders in proportion to the amounts they have lent.

The SPEs for which Natixis is the sole lender or the majority shareholder are rare and do not have a material impact on Natixis' consolidated financial statements.

In consequence, none of these entities have been consolidated as of December 31, 2008.

4.2.6 – Financial Engineering SPEs ("New" CIB)

- SPEs may be used to hold securities on behalf of a client.

  Such SPEs include "Akhdar Investment Group" and "Gulf Capital Luxembourg" which were previously consolidated given Natixis' majority shareholdings. As of December 31, 2008 these entities are in liquidation and thus have not been consolidated.

  Natixis is not the majority shareholder of the other SPEs, nor are the risk and benefit criteria met because the risk is borne either by the capital provider, or by a third party providing Natixis with a guarantee as to the value of the SPE's assets.

- SPEs may be used to transform a particular type of debt instrument (on the asset side of their balance sheet) into an equity instrument (on the liability side of their balance sheet) e.g. by the issue of preferential shares. Four such material entities for Natixis' consolidated financial statements, which are controlled by Natixis, have been consolidated as of December 31, 2008. They are:
  - Natexis Banque Populaire Preferred Capital 1;
  - Natexis Banque Populaire Preferred Capital 2;
  - Natexis Banque Populaire Preferred Capital 3;
  - Garbo Invest.

  The AMBS LLC SPE has been deconsolidated as of December 31, 2008 given that its preference share issue was wholly redeemed during the period.

4.2.7 – Other real estate funds

- Natixis Immo Développement invests in real estate assets in partnership with other investors and using two types of structuring:
  - SEP type partnerships which are not consolidated inasmuch as each partner recognizes its share of the SEP's assets, liabilities and results;
  - other arrangements under which a distinct legal entity (SCI, SAS, SNC etc.) acquires the assets. Natixis Immo Développement does not have any shareholding in such entities that would be liable to have a material impact on Natixis' consolidated financial statements. No such entity is therefore consolidated as of December 31, 2008.
- Natixis controls a certain number of SPEs whose purpose is to own or lease real estate assets designed to be leased or otherwise made available to other Group subsidiaries or third parties. Such SPEs are consolidated if Natixis has a majority shareholding and if the SPEs are material to Natixis' consolidated financial statements. Three entities meet these criteria and have thus been consolidated as of December 31, 2008:
  - Natixis Immo Exploitation;
  - SCI Altaïr 1;
  - SCI Altaïr 2.
- The Natixis Lease sub-group holds a certain number of SPEs which own real estate assets. Four of them are controlled by the Group (interests in excess of 50%) and are material to its consolidated financial statements as of December 31, 2008.

  They have therefore been consolidated as of that date:
  - SCI Valmy Coupole;
  - Fructibail Invest;
  - OPCI Natixis Lease Investissement;
  - SASU Immobilière Natixis Bail held by OPCI Natixis Lease Investissement.
- Natixis Garanties holds three SCI real estate companies that own the business's premises. All three of these companies have been consolidated by Natixis as of December 31, 2008:
  - SCI Champs-Elysées;
  - SCI La Boétie;
  - SCI SACCEF.

4.2.8 – CIB securitization entities (Paris – Natixis Capital Market New-York) – segregated operations

Securitization conduits are generally constituted in the form of SPEs used to segregate the assets or derivatives representative of credit risks. The purpose of such SPEs is to diversify and slice the underlying credit risks with a view to their acquisition by investors seeking a certain level of remuneration based on the level of risk assumed.

The assets of these conduits, and the liabilities they issue, are rated by the rating agencies which constantly scrutinize the degree of match between the level of risk associated with each tranche sold and the rating attributed.

Investors may wish to invest for relatively short periods, in which case the asset-backed commercial paper (ABCP) held by the conduits may be transformed into treasury notes issued with shorter maturities.

Natixis is mainly involved in securitization entities in its capacity as:

- developer of the securitization operations;
- originator of the loans or securities held on the asset side of the balance sheet and awaiting securitization;
- credit risk intermediary between the market and the securitization entity.

Natixis is also the sponsor of three ABCP conduits: Direct Funding, Elixir and Versailles.

Given the segregation of risk and the aim of spreading credit risk for the benefit of investors other than Natixis, securitization conduits do not generally require consolidation under IFRS:

- the associated operations have been principally undertaken on behalf of third party investors so as to provide them with access to diversified portfolios;
- a third party entity manages the assets to the extent required. Natixis has no powers of decision or management within such third party entities;

- in comparison with the third party investors, Natixis never derives the majority of the benefits associated with the entities;
- Natixis only holds the most senior shares and is thus not exposed to the majority of the risks associated with the entities.

The review performed as of December 31, 2008 concluded that there was a requirement for consolidation of three securitization entities with portfolios comprising CDO and ABS securities backed by subprime mortgages.

Defaults occurring in 2008 have affected all or part of the subordinated tranches of these entities held by third party investors. As a result, these entities are implicitly consolidated de facto, Natixis remains the principal investor and the risks associated with the underlying assets are apprehended via the valuation of Natixis' shareholdings classified as "Instruments at fair value through profit and loss – Trading".

NOTE 5 CONSOLIDATION SCOPE

The main changes in consolidation scope since January 1, 2008 have been as follows:

5.1 - Receivables Management

Newly consolidated entities

- Creation of Poland Factoring (factoring).
- Creation of Natixis Factor Portugal (factoring).
- Creation of Coface Factoring Lithuania, a branch of Coface Poland Factoring.
- Creation of Coface Bulgaria.
- Creation of Coface Latvia Insurance, a branch of Coface Austria (insurance).
- Creation of Coface Ecuador, a branch of Coface SA (insurance).
- Creation of Coface Australia, a branch of Coface SA (insurance).
- Creation of Coface Taiwan, a branch of Coface SA (insurance).
- Reconsolidation of Coface Poland CMS by application of the Group's materiality thresholds.
- Acquisition of a 75% interest in Coface Finans A/S Denmark generating goodwill of €15.5 million.

Changes in percentage interest

- Purchase of a 19.55% interest from the minority shareholders in Business Data Information generating goodwill of €1.2 million.
- Sale of 25.9% of VR Factorem resulting in a change from proportional consolidation to equity accounting.

Internal restructuring

- Absorption of Kompass France by Kompass International.
- Absorption of La Viscontéa Immobiliare by Coface Assicurazioni Spa.

5.2 - Corporate and Investment Banking

Newly consolidated entities

- Creation of Natixis Australia Ltd.
- Creation of a Real Estate Property Program (REPP) business SPE: CM Reo Holdings Trust.
- Creation of two Emerging Markets Global Strategies SPEs for indexing purposes related to an ELN issue by NCM on behalf of a client.
- Creation of NH Philadelphia Property LP.

Changes in percentage interest

- 18.33% dilution in EIG following a share capital increase exclusively subscribed by EDF. The Group's interest has fallen from 33.33% to 15% but the entity continues to be subject to proportional consolidation on the basis of joint control which has not been affected by the new split of the share capital.

Deconsolidated entities

- Deconsolidation of Natixis Arbitrage with effect from January 1, 2008.
- Deconsolidation of SAS Opéra Sentier with effect from July 1, 2008.
- Deconsolidation of Akhdar with effect from October 1, 2008.
- Deconsolidation of Gulf Capital Luxembourg SA with effect from October 1, 2008.
- Deconsolidation of the SPEs associated with the "Muni Trust" business of Natixis Municipal Products (a Natixis Capital Markets North America Group Company).
- Liquidation of 11 West Division, Ixis CMNA (Australia) Acceptances (No. 1) Inc, Ixis CMNA (Australia) Acceptances (No. 2) Inc, Ixis CMNA (Australia) Funding (No. 1) Pty Ltd, Ixis CMNA (Australia) Funding (No. 2) Pty Ltd, Ixis CMNA (Australia) Participations (No. 1) Inc, IXIS CMNA (Australia) Participations (No. 2) Inc, IXIS CMNA International Participations (No. 1) LLC., Natixis Asset Finance Inc. and Ixis Manzano Special Member LLC.

- Liquidation of Cléa 2.
- Liquidation of Parallel Absolute Return Fund Ltd, Parallel Absolute Return Fund LP, Parallel Asolute Return Master Fund LP and Par Fund GP LLC.

Internal restructuring

- Absorption of Gestitres by Natixis with effect from July 1, 2008.
- Transfer of the shares in Natixis Investor Servicing (NIS) held by Natixis S.A. to CACEIS.

5.3 - Services

Newly consolidated entities

- Creation of OPCI Natixis Lease Investment.
- Creation of SAS Immobilière Natixis Bail (a subsidiary of OPCI Natixis Lease Investment).

Changes in percentage interest

- Sale of 33.4% of SLIB.

Deconsolidated entities

- Deconsolidation of SCI ABP Pompe with effect from April 1, 2008 (Natixis Assurances).
- Sale of Fastnet House on March 31, 2008 to Crédit Agricole Luxembourg (CACEIS Group).
- Liquidation of FCP GCEC Diversifié in March 2008 (Natixis Garanties).

Internal restructuring

- Contribution by Natixis of its custodial (bookkeeping and services to issuers focused on institutional clients) and fund administration operations to CACEIS (Natixis' percentage interest in CACEIS remaining unchanged at 50%).
- Absorption of SACCEF and Socamab by Natixis Garanties with retroactive effect from January 1, 2008.
- Absorption of Brooke Securities Inc, Olympia Inc, Olympia Capital Inc. and Olympia Capital Associates LP by CACEIS USA Inc. (ex-Brooke Securities Holding Inc.).

5.4 - Private Equity and Private Banking

Private Equity

Newly consolidated entities

- Creation of FCPR Ixen III.
- Creation of NPEI Luxembourg.
- Creation of FNS5.

Changes in percentage interest

- 11.2% increase in the Group's shareholding in Natexis Actions Capital Structurant (NACS).
- 1.19% increase in the Group's shareholding in Natixis Private Banking International (NPBI) following a share capital increase entirely subscribed by Natixis Private Banking and purchase of 3.01% of minority interests generating goodwill of €0.7 million. NPBI has become a 100% subsidiary.
- 1.4% increase in the Group's shareholding in BP Développement.

Deconsolidated entities

- Deconsolidation of Seventure Partner with effect from April 1, 2008; this entity has fallen below the Group's consolidation thresholds.

Private Banking

Newly consolidated entities

- Acquisition of 23.76% of Compagnie 1818 from the GCE Group, generating additional goodwill of €18.1 million.

Deconsolidated entities

- Deconsolidation of CM Finance.

5.5 - Asset Management

Newly consolidated entities

- Creation of:
  - Loomis Sayles Alpha L.P.;
  - Loomis Sayles Multi-Strategy Alpha L.P.;
  - ASG Quasar Fund;
  - AEW VIA Co-Investors L.P.;
  - Natixis Global Associates Switzerland;
- Acquisition of Gateway Investment Advisers, LLC generating goodwill of €21.6 million.

Changes in percentage interest

- 0.4% decrease in the Group's shareholding in Natixis Multimanager.

Deconsolidated entities

- Deconsolidation of:
  - Securities Limited Partnership;

- Aew TSF Inc.;
- Loomis Sayles Energy Hedge Fund II L.P.;
- Loomis Sayles Consumer Discretionary L.P.;
- Loomis Sayles Consumer Discretionary GP LLC.;
- Westpeak Small Cap Growth Fund;
- Sale of Percipio Capital Management LLC.

5.6 - Retail Banking

Newly consolidated entities

- Creation of BTP Capital Conseil, Euro Capital, BP Covered Bonds, IPAB, SASU BFC Croissance and TISE.
- Acquisition from HSBC of the following retail banks: Banque Chaix, Banque de Savoie, Banque Pelletier, CC SO, Banque Dupuy de Parseval and Banque Marze.

Internal restructuring

- Merger of Caisse Régionale de Vendée and Caisse Régionale Morbihan-Loire Atlantique, now known as Crédit Maritime Atlantique.
- Merger of Caisse Régionale du Finistère and Caisse Régionale Littoral Manche, now known as Caisse Régionale Bretagne Normandie.
- Merger of Parnassienne de Crédit and Banque Monétaire et Financière.
- Merger of Trust and Pay with B-Process.
- Sale of Achatpro.
- Dissolution of MonéCC2+ and BDG SCI.
- TUP with SPIG.

CCI CEP

Internal restructuring

- Absorption of Caisse d'Epargne De Haute Normandie by Caisse d'Epargne Normandie (ex-Caisse d'Epargne de Basse Normandie).
- Absorption of Caisse d'Epargne De Bretagne by Caisse d'Epargne Bretagne-Pays de Loire (ex-Caisse d'Epargne des Pays de la Loire).
- Absorption of Caisse d'Epargne Ile de France Ouest et Nord by Caisse d'Epargne Ile de France (ex-Caisse d'Epargne Ile de France Paris).

5.7 - Other entities

Deconsolidated entities

- Deconsolidation of Foncière Kupka with effect from April 1, 2008.
- Deconsolidation of AMBS LLC with effect from October 1, 2008.

Internal restructuring

- Creation of Natixis Altaïr IT Share Services by contribution of part of the operations of Natixis Altaïr (*cf. Note 1*) followed by absorption of Natixis Altaïr by Natixis.

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NOTE 6 IMPACT OF THE FINANCIAL CRISIS ON THE CONSOLIDATED FINANCIAL STATEMENTS

6.1 - Risk exposures in Natixis' balance sheet as of December 31, 2008

Natixis is directly or indirectly exposed to the following risks:

Direct exposure

The portfolio of loans awaiting securitization represents Natixis' only direct exposure to subprime loans. The portfolio is classified within financial assets at fair value through profit and loss.

The portfolio presented the following exposure as of December 31, 2008:

	31.12.2008	31.12.2007
Nominal amount	197	284
Carrying amount	120	201
Fair value as a percentage of the nominal amount	61%	70%
Discount	39%	30%

Fair value is determined based on transactions observed in the market and on the opinion of the experts responsible for performing the portfolio's valuation.

Indirect exposure to subprime risk and US RMBS

The models used for valuing this exposure as of December 31, 2008 have all been reviewed and approved by the Risk Department.

The exposures relate to the following asset portfolios:

■ ABS CDO subprime portfolios

These exposed "cash" or "synthetic" subprime portfolios are chiefly held by Natixis Capital Markets North America and Natixis.

Net exposure

Exposed ABS CDO subprime portfolios	#1	#2	#3	#4	#5	#6	#7	#8
Gross exposure (gross balance sheet amount before impairment)	208	194	275	379	567	415	157	113
Nature of the tranche	Supersenior	Mezzanine	Supersenior	Supersenior	Supersenior	Supersenior	Supersenior	Supersenior
Accounting classification	Trading	Trading	Trading	Fair value option	Fair value option	Trading	Trading	Trading
Nature of the underlyings	Mezzanine	Mezzanine	Mezzanine	High Grade	High Grade	High Grade	Mezzanine	Mezzanine
Attachment point	28.0%	Average: 28.0% Minimum: 10.0%	60.3%	0.0%	20.0%	13.6%	46.7%	77.7%
% underlying subprime assets	89.3%	61.4%	53.2%	19.1%	8.3%	7.5%	68.2%	84.6%
of which: arising in 2005 and before	19.6%	35.4%	43.4%	16.0%	7.0%	5.7%	60.0%	15.7%
in 2006	69.7%	26.0%	9.8%	3.1%	1.3%	1.8%	8.2%	68.9%
in 2007								
% Alt-A underlying assets	2.8%	7.9%	3.9%	0.6%	1.1%	1.4%	0.5%	4.1%
% (Mid-prime-->) Prime underlying assets	2.2%	11.2%	7.2%	4.4%	1.5%	2.4%	11.7%	2.8%
Total cumulative impairment losses	(196)	(187)	(262)	(81)	(124)	(52)	(102)	(101)
Impairment losses recognized in 2008	(36)	(29)	(166)	(50)	(124)	(46)	(103)	(101)
Foreign exchange impact	(1)	(2)	(19)	(8)	(8)	(3)	(8)	(10)
% total CDO write-downs as of December 31, 2008	94.3%	96.4%	95.2%	21.4%	21.9%	12.6%	65.2%	89.4%
Net exposure (after cumulative impairment losses) as of 31.12.2008	12	7	13	298	443	363	55	12
Net exposure (after cumulative impairment losses) as of 31.12.2007	49	36	180	420	546	397	241	398

All transactions are evaluated at fair value through profit and loss.

The nominal amount of the ABS CDO subprime assets subject to transformation amounted to €581 million as of December 31, 2008. The corresponding fair value of €340 million has been fully depreciated.

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The gross nominal amount of ABS CDO subprime assets subject to monoline insurance amounted to €1,393 million as of December 31, 2008. Of these exposures, €581 million relate to ABS CDOs covered by CDSs contracted with CIFG and cancelled in the framework of the commutation agreement entered into with CIFG (*cf. Note 6.3*). These exposures are also presented in the table summarizing the protection obtained from monoline insurers included in Note 6.2.

Basis of valuation

The exposed ABS CDO subprime portfolios held directly by the Group have been valued using stress tests applied by the Risk Department in a similar way to that adopted as of December 31, 2007. For the purpose of valuing the Group's exposures, the loss assumptions applied as of December 31, 2007 have been revised as follows:

Loss assumptions by vintage	2005	2006	2007
As of 31.12.2007	9%	23%	23%
As of 31.03.2008	10%	25%	25%
As of 30.06.2008	10%	25%	25%
As of 30.09.2008	11%	25%	30%
As of 31.12.2008	11%	25%	30%

For the previous generations of loans, the loss rate retained amounts to 7.5%.

In addition, given the significant deterioration in certain 2005 vintage assets and therefore, in the expected deterioration in their final performance, the valuation model has been adapted as follows:

- integration of the current rating of collateral assets rated CCC plus or minus by applying a 97% discount to those underlyings;
- valuation of the non-subprime underlying assets held using a discount table reflecting the type, rating and vintage of transactions.

As this model mainly uses non-observable data, it is positioned at level three of the fair value hierarchy.

The application of this model has generated €655 million of capital losses since the beginning of the period.

Sensitivity analysis

An increase of 10% in the cumulative impairment losses used to determine the fair value of the CDOs would have the following impacts:

- exposed ABS CDO assets: +€13 million of unrealized capital losses;
- ABS CDO assets covered by CDSs subject to the commutation agreement with CIFG (*cf. Note 6.3*): +€17 million of unrealized capital losses.

A decrease of 10% in the assumptions of excess spread would have the following impacts:

- exposed ABS CDO assets: +€7 million of unrealized capital losses;
- ABS CDO assets covered by CDSs subject to the commutation agreement with CIFG (*cf. Note 6.3*): +€6 million of unrealized capital losses.

■ US RMBS portfolios including subprime RMBSs

These are the US RMBS portfolios (subprime or other) held by Natixis, Natixis' New York branch and Natixis Capital Markets North America. Depending on the entities, these assets were originally classified as "Assets at fair value through profit and loss" or "Available-for-sale assets". As of October 1, 2008 the US RMBS portfolios classified as "Available-for-sale assets" and most of the US RMBSs accounted for as "Assets at fair value through profit and loss – trading" were reclassified as "Loans and advances" as provided for by the "Reclassification of Financial Assets" amendment to IAS 39 and IFRS 7 published on October 13, 2008. The reclassification was made on the basis of the assets' €6,386 million fair value as of the date of reclassification.

Without this reclassification, the revaluation of the US RMBSs as of December 31, 2008 would have generated an unrealized capital loss of €44 million. Following the reclassification, a €24 millions impairment loss for counterparty risk was recorded during the fourth quarter.

Net exposure

ANALYSIS OF EXPOSED US RMBSS (BASED ON NET EXPOSURE)

US RMBSs (in millions of euros)	Net exposure 31.12.2007	Reclassification (IAS 39 amendment)	2008 impairment losses	Other changes in 2008	Net exposure 31.12.2008	Gross exposure 31.12.2008
Transaction portfolio	1,306	(1,137)	(310)	241	100	103
Available-for-sale asset portfolio	507	(589)	(133)	273	58	68
Fair value option asset portfolio	0			5	5	5
Loans and advances portfolio	0	1,726	(15)	(202)	1,509	1,523
	1,813	**0**	**(458)**	**317**	**1,672**	**1,700**
US Agencies (transaction portfolio)	4,065	(4,123)	(20)	78	0	0
US Agencies (loans and receivables portfolio)	0	4,123	0	(112)	4,011	4,011
TOTAL	**5,878**	**0**	**(478)**	**283**	**5,683**	**5,710**

The US RMBSs may be broken down as follows by rating and by type of underlying as of December 31, 2008:

Breakdown by rating	
AAA	85%
AA	6%
A	3%
BBB	2%
BB	1%
B	2%
CCC	1%
	100%

Breakdown by type of underlying	
US Agencies	71%
Prime RMBSs	7%
Alt-A	6%
Subprime RMBSs	11%
Other items	5%
	100%

Basis of valuation

The non-Agency US RMBSs have been valued as of December 31, 2008 using a discounted cash flow method reflecting the following parameters:

- expected rate of early repayment;
- actual and expected rates of default;
- loss in the event of default;
- default timing (by type of collateral and vintage) based on research by JP Morgan;
- cost of liquidity and monoline insurance;
- monoline insurance cover where applicable but reflecting the probability of default of the monoline insurers and the expected loss rate in the event of default.

Other exposures

The portfolios presenting no subprime exposure, but for which market price data could not be identified, were valued using valuation models positioned at level three of the fair value hierarchy, i.e. mainly using non-observable data.

■ European RMBSs

As of October 1, 2008 the European RMBS portfolios rated AAA and AA and classified as “Available-for-sale assets” and “Assets at fair value through profit and loss – trading” were reclassified as “Loans and advances” as provided for by the “Reclassification of Financial Assets” amendment to IAS 39 and IFRS 7 published on October 13, 2008. The reclassification was made on the basis of the assets’ €2,144 million fair value as of the date of reclassification. The corresponding nominal value amounted to €2,364 million. An impairment test as of December 31, 2008 was performed for the instruments reclassified as of October 1, 2008.

Without this reclassification, the revaluation of the European RMBSs as of December 31, 2008 would have generated an unrealized capital loss of €103 million. Following the reclassification, a €15 million impairment loss for counterparty risk was recorded during the fourth quarter.

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Net exposure
UK RMBSS

UK RMBSs *(in millions of euros)*	Net exposure 31.12.2007	Reclassification (IAS 39 amendment)	2008 impairment losses	Other changes in 2008	Net exposure 31.12.2008	Gross exposure 31.12.2008	AAA	AA	A	BBB	BB	Not rated
Transaction portfolio	668	(367)	(16)	(244)	41	61		22	3	16		
Available-for-sale asset portfolio	431	(283)	(51)	47	143	184	29	1	3	2	39	68
Fair value option asset portfolio	33		(4)	(1)	28	28	28					
Loans and advances portfolio	6	650	0	(68)	588	588	515	40	29	3		
TOTAL	**1,138**	**0**	**(71)**	**(267)**	**800**	**861**	**572**	**63**	**35**	**22**	**39**	**68**

SPANISH RMBSS

Spanish RMBSs *(in millions of euros)*	Net exposure 31.12.2007	Reclassification (IAS 39 amendment)	2008 impairment losses	Other changes in 2008	Net exposure 31.12.2008	Gross exposure 31.12.2008	AAA	AA	A	BBB	BB	Not rated
Transaction portfolio	992	(344)	(58)	(561)	29	63			17	3	8	
Available-for-sale asset portfolio	329	(325)	(36)	50	18	28				4		14
Fair value option asset portfolio	0		(4)	4	0	0						
Loans and advances portfolio	0	670	0	(20)	650	650	582	69				
TOTAL	**1,321**	**0**	**(98)**	**(526)**	**697**	**741**	**582**	**69**	**17**	**7**	**8**	**14**

OTHER RMBSS: €1.1 BILLION (INCLUDING NETHERLANDS 33%, ITALY 35% AND PORTUGAL 10%)

Basis of valuation

To value these instruments, a model was developed enabling calculation of fair values based on the historical benchmark spreads contained in the Mark it database. The benchmarks were defined by type of securitization, rating and country and resulted in the preparation of spread curves which were then adjusted by a coefficient designed to factor in the trend in liquidity risk. The calculation of this coefficient was approved by the Risk Department.

■ Other assets not exposed to the US residential sector and for which the Group makes use of a valuation model

The valuation as of December 31, 2008 of the following assets, related to securitization transactions, for which no market prices could be identified, was performed using valuation models:

- for non-residential US ABS CDOs, application of a scoring model including criteria for differentiation of the level of risk associated with each individual structure;
- for CRE CDOs, application of a valuation model based on projected cash flows reflecting the cumulative losses for each structure and adjusted for stress. The cumulative loss rates per structure were modulated on the basis of the losses on the underlying CRE loans estimated at 10%. The available monoline insurance cover was taken into account subject to adjustment for the probability of default of the monoline insurers and the expected loss rate in the event of default. A minimum valuation of 15% was applied given the estimated coupons reflecting the current ratings of the structures;
- for Trups CDOs, application of a valuation model based on projected cash flows reflecting the cumulative losses for each structure and adjusted for stress. The cumulative loss rates per structure were determined using the 84 default scenarios for this class of assets published by S&P in November 2008. Each scenario was applied to each structure and the average result of the worst 42 scenarios was used to determine the value to be allocated to each transaction;
- for CLOs, application of a model reflecting detailed knowledge of the characteristics of transactions and credit risk evaluation adjusted for stress.

As of October 1, 2008 most of the exposed CLO portfolios classified as "Available-for-sale assets" and "Assets at fair value through profit and loss – trading" were reclassified as "Loans and advances" as provided for by the "Reclassification of Financial Assets" amendment to IAS 39 and IFRS 7 published on October 13, 2008. The reclassification was made on the basis of the assets' €2,217 million fair value as of the date of reclassification. An impairment test as of December 31, 2008 was performed for the instruments reclassified as of October 1, 2008.

Without this reclassification, the revaluation of the CLOs as of December 31, 2008 would have generated an unrealized capital loss of €156 million. Following the reclassification, a €16 impairment loss for counterparty risk was recorded during the fourth quarter:

- for the ABSs of the Natixis Asset Management and Natixis Assurances portfolios acquired from ABS+ (*cf. Note 6.4*), application of a valuation model enabling the calculation of fair values based on the historical benchmark spreads contained in the Mark it database. These values were then adjusted by a coefficient designed to factor in the trend in liquidity risk.

CMBSs

CMBSs (in millions of euros)	Net exposure 31.12.2007	Reclassification (IAS 39 amendment)	2008 impairment losses	Other changes in 2008	Net exposure 31.12.2008	Gross exposure 31.12.2008
Transaction portfolio	895	(9)	(132)	(68)	687	796
Fair value option asset portfolio	177		(9	(124)	44	54
Available-for-sale asset portfolio	370	(150)	(76)	55	199	258
Loans and advances portfolio	5	159	0	(7)	157	157
TOTAL	**1,447**	**0**	**(217)**	**(143)**	**1,087**	**1,265**

The Group measured its CMBS exposures on the basis of the applicable market prices as of December 31, 2008 in the same way as for previous periods.

Breakdown of CMBSs by rating	As a percentage
AAA	66%
AA	17%
A	10%
BBB	7%
BB	0%
B	0%
TOTAL	**100%**

Breakdown of CMBSs by country	As a percentage
UK	8%
USA	26%
Europe	66%
TOTAL	**100%**

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6.2 - Exposure to credit enhancers

- The Group's CDS transactions with credit enhancers have been subject to further impairment losses given the deterioration in the ratings of these counterparties and the broadened spreads for the assets they guarantee. The method of calculation of impairment losses was thus reviewed during the second quarter of 2008 and maintained unchanged as of December 31, 2008. They have been calculated by assuming a standard rate of recovery of 10% of the unrealized capital losses on the underlying assets (this rate is justified by the low capitalization of the monoline insurers given their risk exposures) and a probability of default reflecting the credit enhancer's credit risk. Additional credit losses of €1,329 million have thus been recognized during the period, making for a closing cumulative total of €1,528 million. An additional €162 million has also been provided against the monoline insurers, taking the cumulative total to €300 million.

Data as of 31.12.2008	Nominal amount	Pre-value adjustment exposure	Value adjustment
Protection for subprime CDOs	1,393	757	(627)
of which subject to commutation	*581*	*340*	*(340)*
Protection for non-subprime CDOs	149	21	(21)
of which subject to commutation	*149*	*21*	*(21)*
Protection for CLOs	5,683	210	(68)
Protection for RMBSs	927	164	(50)
Protection for CMBSs	3,987	800	(361)
- of which subject to commutation	*300*	*5*	*(5)*
Other risks	6,220	1,240	(401)
TOTAL INC. DEALS COMMUTED	**18,358**	**3,190**	**(1,528)**
- of which subject to commutation	*1,030*	*365*	*(365)*

Data as of 31.12.2008	Total	Total excluding deals commuted
Pre-value adjustment exposure	3,190	2,825
Value adjustments	(1,528)	(1,162)
General provisions	(300)	(300)
Residual exposure	**1,363**	**1,363**
% discount	57%	52%

- In addition, the general provision against the Credit Derivatives Products Companies (CDPC) was increased by €156 million during the period. The provision was calculated on the basis of the gross economic exposure plus 20% of the nominal amount and less the fair value of the contracts, thus providing a basis amount to which was applied a probability of default over 7 years based on Moody's historical data for the level of risk of each counterparty. The cumulative CDPC provision thus calculated amounted to €190 million as of December 31, 2008, based on a depreciable amount of €2,016 million compared with €353 million as of December 31, 2007. The increase in this amount mainly reflected the broadened credit spreads of the underlyings.

A further impairment loss was recognized against a particular credit enhancing transaction given the deterioration observed in the counterparty's credit status. As of December 31, 2008 this impairment loss amounted to €83 million compared with an economic exposure of €539 million.

6.3 - Commutation agreement in respect of CIFG

Following negotiations, on January 22, 2009 an agreement in principle was reached between CIFG, its two shareholders and CIFG's main counterparties including Natixis. The agreement provides for:

- the cancellation by the counterparties of all the CDSs, insurance and financial guarantees in their favor and in respect of ABS CDOs (without exception) and certain CRE CDO based transactions with the greatest loss potential for CIFG. These transactions represent a total nominal amount of €1,030 million for Natixis. The CDS guarantees for our benefit were valued at €365 million as of December 31, 2008 and have been entirely provided against via a charge to "Net gains or losses on financial instruments at fair value through profit and loss";
- in exchange, a balancing payment by CIFG to the counterparties of about 11% of CIFG's valuation of the total guarantees and essentially comprising:
  - about $1.2 billion in cash to be shared between the counterparties, of which $98.5 million for Natixis,
  - the split between the counterparties of the essential part of CIFG's share capital, of which 6.9% for Natixis.

Natixis, as a shareholder of CIFG until the end of 2007, had prior to that date provided its subsidiary with a shareholder's advance of $200 million of which:

- $98.5 million had been used at the time of transfer of Natixis' shareholding to Caisse Nationale des Caisses d'Epargne and Banque Fédérale des Banques Populaires;
- $101.5 million had not been used.

The specific agreement with Natixis provides for Natixis to pay the complement of $101.5 million and then write off the full amount of $200 million.

The consequences of this agreement have been reflected in the Group's consolidated financial statements as of December 31, 2008; their total impact amounted to +€102 million.

6.4 - Reanalysis of the consolidation of SPEs to which financial support has been provided

The financial crisis has led Natixis to reinforce the financial support provided to certain non-consolidated SPEs principally used for securitization purposes. The support has taken the form:

- either of the subscription of securities issued by the SPEs (in the case of the Elixir, Versailles and Direct Funding conduits); or,
- of the granting of credit facilities or cash. The total facilities granted to Versailles, Elixir, Nacréa and the Hudson Castle entities as of December 31, 2008 amount to €6.3 billion; or,
- of the purchase of part of the assets held by the structures. During 2008, two Group entities restructured their shareholdings in an FCP investment fund in this way. They surrendered their shares in return for a nominal amount of about €379 million of assets classified as available for sale.

Each new intervention has been accompanied by reexamination of the SIC 12 criteria for consolidating the SPE, but it has never appeared appropriate to reconsolidate the entities concerned.

Natixis' SPE relationships are detailed in Note 4.

6.5 - Recognition of general provisions reflecting the deterioration of certain sectors directly affected by the financial crisis

During 2008, objective criteria were identified for recognizing general provisions against certain new business sectors such as LBO operations outside Europe and real estate development.

In addition, the basis amount to be provided against has been adjusted for the non-investment grade financial assets reclassified under the October 13, 2008 amendment to IAS 39. The related impact as of December 31, 2008 has been a charge of €17.3 million essentially relating to the residential real estate sector.

6.6 - Specific impairment of certain shares in Special Investment Vehicles (SIVs)

SIVs invest in highly rated medium- or long-term assets using significant leverage in the form of commercial paper or medium- or long-term notes. As these issues are rated by the rating agencies, SIVs are required to comply with liquidity ratios and

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to respect certain thresholds related to the value of their assets, if necessary by selling assets. As of December 31, 2008 and given the trend observed in the redemption values for the SIV shares held by Natixis and the resulting risk of asset sales, an additional impairment loss of €42 million was recognized against those shares making for a cumulative total of €60.8 million as of December 31, 2008.

One SIV in particular deteriorated significantly during the third quarter of 2008 and represents 56% of the cumulative impairment losses recognized as of December 31, 2008.

The Group's net SIV investments amounted to €21 million as of December 31, 2008.

6.7 - Recognition of impairment losses against the portion of syndicated loans destined to be sold

The liquidity crisis has resulted in delays in syndication and diff iculties in placing the portion of syndicated loans destined to be sold in the short term in the secondary market. Real estate and LBO financing has been the most affected.

As of December 31, 2008 the loans whose theoretical date of syndication was already past amounted to €857.4 million. These loans were individually reviewed in order to take into account any market discounts applicable as of the balance sheet date. As a result, an additional impairment loss of €53.5 million was booked making for a cumulative total of €96.1 million as of December 31, 2008.

6.8 - Exposure in respect of Lehman Brothers

SUMMARY OF NATIXIS GROUP'S EXPOSURE IN RESPECT OF LEHMAN BROTHERS

Type of exposure	Outstandings as of December 31, 2008 *(in millions of euros)*	Impairment losses as of December 31, 2008 *(in millions of euros)*
Financial instruments	189.7	(160.1)
Price guarantees given to two OPCVM investment funds managed by NAM	44	(38.9)
Counterparty risk guarantee provided by an OPCVM investment fund managed by NAM	61.4	(55.2)
Debt instruments issued by Lehman Brothers Treasury Co BV and Lehman Brothers Holdings Inc.	77.5	(11.5)*
Miscellaneous items(a)	96.6	(33.1)
TOTAL	**469.2**	**298.8**

* *After taking deferred insurance benefits into account.*

(a) *Mainly including €90 million invested in a fund on behalf of clients. The fund had invested 85% of its assets with Lehman and Lehman had in turn placed 80% of the assets in the market.*

An impairment loss of €27 million has been recognized based on the available collateral and the other details mentioned.

During September 2008, the following events had an impact for several Lehman Brothers Group entities:

- the bankruptcy under US law of Lehman Brothers Holdings Inc. on September 15, 2008;
- the receivership of Lehman Brothers International Europe on September 16, 2008;
- the liquidation of Lehman Brothers Inc. commenced on September 19, 2008.

Natixis duly notified its counterparties concerned by these events, thereby canceling the derivatives and repo transactions entered into with these companies.

The positive amounts resulting from these cancellations were recorded as asset balances by Natixis in the “Loans and advances” category. The associated net risk exposure as of December 31, 2008 amounted to €189.7 million against which an impairment loss of €160.1 million was recognized by charging the cost of risk.

In addition, Natixis:

- provided, during September 2008, a price guarantee to two OPCVM investment funds managed by NAM and holding debt securities issued by Lehman entities. A €38.9 million provision for risk was recognized as of December 31, 2008 in respect of this guarantee;
- had to make a payment under its counterparty risk guarantee provided to an OPCVM investment fund managed by NAM that had entered into a performance swap with Lehman Brothers International Europe. The payment on demand to the fund of €40.5 million was classified in “Loans and advances” as the fund manager had provided Lehman Brothers International Europe with notification of default. A €34.4 million impairment loss was recognized against this receivable by charging the cost of risk. Natixis recognized an additional €20.9 million provision for risk, equally charged to the cost of risk, in respect of the residual counterparty risk borne by the fund and guaranteed by Natixis at the fund’s maturity by reason of the capital and performance guarantees provided to the fund;
- held an outstanding amount of €77.5 million, as of December 31, 2008. A €11.5 million impairment loss, net of deferred insurance profit-sharing, was recognized against this amount by charging the cost of risk.

6.9 - Exposure to Icelandic counterparties

Following the failure of certain banks during September 2008, Iceland nationalized the country’s three main banks (Landsbanki, Kaupthing and Glitnir).

As of December 31, 2008 Natixis’ global exposure in respect of the Icelandic banks amounted to €174 million of which €145 million of loans and €29 million of derivatives.

Specific impairment losses, charged to the cost of risk, of €93.6 million were recognized at the end of 2008 after analysis of each counterparty, taking into account:

- the nature of the Group’s commitments;
- the guarantees available to Natixis;
- the events of the fourth quarter of 2008 and the outlook for recovery.

6.10 - Exposure to Madoff

Bernard L. Madoff Investment Securities LLC. is subject to judicial liquidation since December 15, 2008 following the arrest and indictment of its Chairman for fraud.

The company was one of the main New York brokers. It also acted as an investment advisor and custodian on behalf of certain hedge funds (hereafter denoted the “Madoff Feeders”).

Natixis held no shares in those funds on its own behalf.

Nor is Natixis exposed to any risk of loss relating to its investment (€286 million) in the hedge funds’ securitization structures, given that the equity shares issued by those SPEs, and subscribed by third party investors, have a value very significantly in excess of the risk of loss on the underlying Madoff Feeder shares.

Equally, Natixis is not exposed to any risk of loss in respect of the CFOs it holds on behalf of its clients ($218.9 million equating with €155.7 million) inasmuch as the associated risks are entirely supported by its clients via pass-through instruments.

Natixis is indirectly exposed to unhedged losses of €473 million related to fund-indexed issues, since it holds shares in Madoff Feeders as cover for securities purchased by its clients. The risk of loss arises because the securities issued by Natixis have the benefit of leverage or of a guaranteed amount of capital upon maturity.

The risks inherent to the Madoff affair have been provided against in the amount of €375 million as of December 31, 2008.

6.11 - Impact of the valuation of the issuer's spread on Natixis' issues measured at fair value

The valuation of the issuer's spread on Natixis' issues measured (by option) at fair value through profit and loss has had a positive impact of €633 million on the Group's result for 2008 and a cumulative positive impact of €664 million as of December 31, 2008. These values have been determined by discounting the nominal amount of each issue on the basis of the net margin between the average contractual spread for the issue and the spread for a replacement Natixis issue with the same rating.

6.12 - State support

Natixis has indirectly benefited, via its two main shareholders, from the finance made available to banks by the French government in the framework of the support plan for the financial sector approved by the European Commission. The plan has two components:

- a medium-term refinancing mechanism for the benefit of credit institutions included in the Amended Finance Act for the Purposes of Financing the Economy dated October 16, 2008. The mechanism allows the Société de Financement de l'Economie Française (SFEF) to raise state-guaranteed funds in the market and lend them on to French banks against collateral;
- a mechanism for reinforcing banks' equity via the Société de Prise de Participation de l'Etat (SPPE) which is authorized to subscribe to issues of subordinated securities eligible for inclusion in the equity of the issuing banks.

The finance provided by Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne has been at an arm's length basis and has taken two specific contractual forms:

- inter-bank medium-term loans guaranteed by the transfer of full ownership of receivables meeting certain criteria for eligibility. The transfer of ownership enables the lenders (Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne) to pledge the receivables with Société de Financement de l'Economie Française (SFEF) as security for its loans. The loans thus received by Natixis from Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne are included in "Deposits from banks" in the amount of €835.6 million. The receivables provided as security have been maintained in Natixis' consolidated balance sheet with their original classification since the criteria for derecognition defined by IAS 39 do not apply. They are included in the "Loans and advances" line item of the table entitled "Financial assets provided as security" presented in Note 8.6.5;
- super-subordinated perpetual debt securities. Two issues each of €950 million have been subscribed, one in totality by Banque Fédérale des Banques Populaires and the other in totality by Caisse Nationale des Caisses d'Epargne. These issues mirror those subscribed by Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne with Société de Prise de Participation de l'Etat. Natixis' two issues are classified under IFRS, as defined by IAS 32 in accordance with IFRIC's position, as debt instruments given the existence of an obligation to reimburse the interest relating to a prior "linker" issue of super-subordinated debt securities of the same rank for which the payment of interest is obligatory.

6.13 - Exposure relating to LBO finance

The Group's LBO portfolios may be broken down as follows:

(in millions of euros)	31.12.2008	31.12.2007
Final shares		
Number of dossiers	376	356
Commitments	5,864	5,455
Shares for sale		
Number of dossiers	64	31
Commitments	366	553
TOTAL LOANS AND ADVANCES	**6,230**	**6,008**

(in millions of euros)	31.12.2008	31.12.2007
Shares for sale		
Number of dossiers	6	66
Commitments	8	250
TOTAL LOANS AT FAIR VALUE	**8**	**250**

NOTE 7 SIGNIFICANT ACCOUNTING POLICIES

7.1 - Financial assets and liabilities

At initial recognition, financial assets and liabilities are measured at fair value, corresponding to their acquisition price at that date. Their subsequent accounting treatment depends on their balance sheet classification. In accordance with IAS 39, securities held and loans granted are classified in one of the four categories of financial assets set out below.

Financial assets at fair value through profit and loss

These are instruments held for trading purposes or designated at fair value through profit and loss on initial recognition in accordance with the fair value option amendment to IAS 39 (published by the IASB in June 2005 and adopted by the European Union on November 15, 2005).

Securities held for trading purposes are those acquired by Natixis principally to be sold in the near term and those forming part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking.

Securities accounted for under the fair value option fall into one of the following three categories:

- hybrid instruments that contain one or more significant and separable embedded derivative features;
- instruments belonging to a group of financial assets valued and managed on a fair value basis;
- instruments that present an inconsistency in accounting treatment with a related financial liability.

As stated in Note 3, Natixis has elected to use the option provided by IAS 28 and not to account for private equity investments between 20% and 50%-owned using the equity method if they are designated as "Financial assets at fair value through profit and loss". In accordance with the fair value option amendment, private equity investments less than 20%-owned are also recognized as "Financial assets at fair value through profit and loss", since managing and measuring these investments at fair value is a well-established practice within private equity companies.

The fair value of these assets on initial recognition is determined based on the bid price. Fair value is reviewed at each subsequent reporting date, and any changes including accrued interest are recorded in "Net gains or losses on financial instruments at fair value through profit and loss" in the consolidated income statement.

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Held-to-maturity financial assets

These are non-derivative financial assets with fixed or determinable payments and fixed maturity that Natixis has the positive intention and ability to hold through to maturity, other than those that are designated on initial recognition as at fair value through profit and loss (fair value option) or available-for-sale, and those that meet the definition of loans and advances.

On initial recognition, held-to-maturity financial assets are measured at fair value including transaction costs, and subsequently measured at amortized cost using the effective interest rate method. They are tested for impairment at each reporting date, and an impairment loss is recognized where appropriate in income under cost of risk. Transactions intended to hedge interest rate risk on these securities are not permitted under IFRS.

Loans and advances

Loans and advances are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market, other than those designated as at fair value through profit and loss or available-for-sale. This excludes assets for which the holder cannot recover the majority of its initial investment other than because of a credit deterioration, which should be classified as available-for-sale. The vast majority of loans granted by Natixis are classified in this category. Loans and advances also include the fair value of the hedged components of assets classified in this category (fair value hedges).

On initial recognition, loans and advances are measured at fair value plus transaction costs and less any discount and transaction revenues. In the case of loans, transaction costs include fees and any expenses directly attributable to setting up the loan.

After initial recognition, loans and advances are measured at amortized cost using the effective interest rate method, and tested for impairment at each reporting date. Where necessary, an impairment charge is recorded in income under "Cost of risk".

When loans are granted at below-market interest rates, a discount corresponding to the difference between the face value of the loan and the sum of future cash flows discounted at the market interest rate is deducted from the face value of the loan. The market rate of interest is the rate applied by the vast majority of financial institutions at any given time for instruments and counterparties with similar characteristics. These discounts are not material for Natixis.

Loans and advances also include non-derivative financial assets classified as at fair value through profit and loss or available-for-sale, which have been reclassified into the "Loans and advances" category under the conditions set out in the amendment to IAS 39 and IFRS 7 "Reclassification of financial assets" published on October 13, 2008. Instruments reclassified in this category met the definition of loans and advances at the reclassification date, i.e. they were not quoted on an active market or were no longer quoted at the reclassification date. Assets reclassified in accordance with this amendment cannot be held with the intention of being sold in the near term.

The instruments are reclassified based on their fair value as of the reclassification date. The difference between this amount and the estimated cash flows the entity expects to recover at the reclassification date is recognized within net banking income over the instrument's expected maturity, based on the effective interest rate at that date. After reclassification, the assets are measured at amortized cost using the effective interest rate method and will be tested for impairment at each reporting date. Any resulting impairment losses will be recognized in income under "Cost of risk".

If the estimated future cash flows are subsequently revised upwards, the impact is accounted for as an adjustment to the effective interest rate at the date of the change in estimate.

The reserve to be recycled to the income statement in respect of instruments reclassified from "Available-for-sale financial assets" to "Loans and advances" remains fixed at its level on the reclassification date. The amounts in question are recycled to income using the effective interest rate method over the residual life of the assets, or immediately if the instrument has been impaired or sold since reclassification.

All required disclosures regarding reclassified financial assets, particularly changes in the fair value of these instruments since the reclassification date, are provided in Note 8.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are not classified as loans and advances, held-to-maturity investments or financial assets at fair value through profit and loss. Assets in this category include Natixis' investments in non-consolidated companies. On initial recognition, available-for-sale financial assets are measured at fair value including transaction costs. Subsequently, and at each reporting date, the assets are remeasured to fair value based on the bid price for listed instruments.

The fair value of listed non-consolidated investments corresponds to their last listed price prior to the reporting date. The fair value of unlisted non-consolidated investments is obtained using the P/E (price earnings ratio) or DCF (discounted cash flow) valuation methods.

Gains or losses arising from changes in the fair value (excluding income) of available-for-sale financial assets that are not hedged are recognized directly in equity under "Unrealized or deferred gains or losses". Accrued or earned income is recognized in the income statement under "Interest and similar income" using the effective interest rate method. Available-for-sale financial assets are tested for impairment at each reporting date. When there is objective evidence that the asset is impaired and a decline in the fair value has already been recognized directly in equity, the cumulative loss carried in equity is taken to income under cost of risk (fixed-income securities) or net banking income (variable-income securities).

Determining whether there is objective evidence of impairment is based on a multi-criteria analysis and independent expert opinions, particularly in the case of debt instruments. Indications of impairment are listed below:

- debt instruments: default on interest or principal payments; existence of mediation, warning or legal reorganization procedures; counterparty bankruptcy or any other indicator pointing to a material decline in the counterparty's financial position, such as losses on completion projected by discounted cash flow models or stress tests0} The issuer's financial position is systematically analyzed in the case of debt instruments issued by non-investment grade entities presenting an unrealized capital loss of over 30% on their face value for a period of at least six months;
- equity instruments (excluding investments): indications suggesting that the entity is unlikely to recover all or part of its initial investment. Securities presenting an unrealized capital loss of over 20% on their face value for a period of at least six months, or securities nearing this threshold that present a significant discount are systematically tested for impairment. The test involves a qualitative analysis considering a variety of factors such as share price performance over a given period or information relating to the issuer's financial position. Where necessary, an impairment loss is recognized based on the market price at the reporting date. Irrespective of the above, an impairment loss is systematically recognized when securities present an unrealized capital loss of over 30% on their face value for a period of at least six months;
- investments: unrealized capital losses of over 20% on their face value for a period of more than 18 months, or significant changes in the technological, market, economic or legal environment suggesting that the amount invested in the equity instrument may not be recoverable;
- shares in venture capital funds (FCPR): net asset value alone is not enough to determine whether there is any evidence that the initial investment might not be recovered. This is because net asset value during the investment phase is reduced by start-up costs (structuring and brokerage fees, etc.) Accordingly, for investments of this type which are not quoted on an active market, the following impairment principles apply:
  - no impairment is recognized if, at the reporting date, the position and results of the fund are in line with the business plan,
  - if this is not the case, the business plan is revised to determine whether or not the securities should be impaired.

If the fair value of an available-for-sale financial asset increases during a subsequent period, and this increase can be objectively linked to an event occurring after the impairment loss was charged to income:

- reversals of impairment losses on equity instruments are recorded in equity rather than in the income statement;
- reversals of impairment losses on debt instruments are recorded in income up to the amount of the previously recorded impairment loss.

In accordance with IFRIC 10, impairment losses recorded against equity instruments at interim reporting dates are frozen in income and cannot be reversed until the securities are sold.

7.2 - Leases

Natixis as lessor

Leases are classified as finance leases when substantially all of the risks and rewards incidental to ownership are transferred to the lessee. All other leases are classified as operating leases.

IAS 17 prescribing the accounting treatment for leases gives five examples of situations where substantially all of the risks and rewards incidental to ownership are transferred to the lessee:

- the lease transfers ownership of the asset to the lessee by the end of the lease term;
- the lessee has the option to purchase the asset at a price that is expected to be sufficiently below the fair value at the date the option becomes exercisable for it to be reasonably certain, at the inception of the lease, that the option will be exercised;
- the lease term is for the major part of the economic life of the asset;
- at the inception of the lease, the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset;
- the leased assets are of such a specialized nature that only the lessee can use them without major modifications.

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IAS 17 also describes three indicators that individually or in combination could also lead to a lease being classified as a finance lease:

- if the lessee can cancel the lease, the lessor's losses associated with the cancellation are borne by the lessee;
- gains or losses from the change in the fair value of the residual value accrue to the lessee;
- the lessee has the ability to continue the lease at a rent that is substantially below the market rent.

Upon the adoption of IFRS, Natixis analyzed the substance of its lease contracts in accordance with the provisions of IAS 17, which are more specific than French GAAP. This led to certain finance leases being reclassified as operating leases.

At inception, assets held under a finance lease are recognized in the lessor's balance sheet and presented as a receivable at an amount equal to the net investment in the lease, corresponding to the present value of minimum lease payments due from the lessee discounted at the rate of return implicit in the lease, plus any unguaranteed residual value accruing to the lessor.

Revenues under the finance lease are recognized in income at the interest rate implicit in the lease so as to produce a constant periodic rate of return on the lessor's net investment. The interest rate implicit in the lease is the discount rate that, at the inception of the lease, causes:

- the aggregate present value of the minimum lease payments receivable by the lessor and the unguaranteed residual value, to be equal to the sum of:
- (i) the fair value of the leased asset and (ii) any initial direct costs of the lessor.

IAS 17 requires unguaranteed residual value to be reviewed on a regular basis. If there has been a reduction in the estimated unguaranteed residual value, the income allocation over the lease term is revised (revised depreciation schedule) and any reduction in respect of amounts accrued is recognized immediately.

Finance income corresponding to interest is recognized in the income statement under "Interest and similar income".

Provisions for finance leases are determined using the same method as that described for loans and advances.

Assets provided under operating leases are shown in the balance sheet under property, plant and equipment or intangible assets in the case of equipment leases, and investment property in the case of property leases. Lease income from operating leases is recognized in the income statement on a straight-line basis over the lease term, under income or expenses from other activities.

Natixis as lessee

For consolidation purposes, property, plant and equipment used in the business and held under finance leases is restated and reported under "Property, plant and equipment" where material. At the inception of the lease term, leased property, plant and equipment is recognized at the lower of fair value and the present value of minimum lease payments, with a corresponding entry under debt on the liabilities side of the balance sheet.

Leased assets are depreciated in the same way as owned assets of the same nature.

7.3 - Credit risk on assets classified as loans and advances

a) Assets individually assessed for impairment

At each reporting date, Natixis reviews assets classified as loans and advances to determine whether there is any objective evidence of impairment arising from one or more events occurring after initial recognition and having an impact on estimated future cash flows. This corresponds to loans identified as doubtful or irrecoverable under French regulations (CRC regulation 2002-03).

When evidence of impairment exists, Natixis calculates the estimated recoverable amount discounted at the original effective interest rate, taking into account the impact of any available guarantees. Impairment is recognized as the difference between the net carrying amount of the loan and its estimated recoverable amount.

The impairment loss is recorded against the line on which the asset was initially shown for its net amount. Impairment charges and reversals are recorded in the income statement under cost of risk.

b) Assets collectively assessed for impairment

Financial assets measured at amortized cost for which there is no objective evidence of impairment are included in a group of assets with similar risk characteristics. Where objective evidence of impairment is found to exist for a given group of assets, a collective impairment loss is recorded regardless of whether or not the risk has yet affected one or more individual loans.

Financial assets are grouped according to three characteristics: credit rating for loans to individual and small business customers, and industry risk and geographical risk for corporate, sovereign and other similar counterparties.

In the first risk group comprising individual and small business customers, loans in default under the terms of Basel II are recognized as impaired, in accordance with their pre-dispute status.

For the other two risk classes (industry and geographical risk), objective evidence of impairment is based on in-depth analysis and monitoring of business sectors and countries. Objective evidence of impairment usually consists of a combination of micro or macroeconomic indicators specific to each industry or country.

Where a group of financial assets is found to be impaired, the impairment loss is calculated based on the expected losses arising on each exposure within the group (excluding investment grade exposures), in accordance with the provisions of Basel II.

Since risk measurement under the terms of Basel II is based on the probability of default within one year, the calculation of expected losses is adjusted to reflect the probability of default over the remaining term of the loans affected.

Where necessary, Natixis calls on the opinion of experts to adjust the results of this calculation to the Group's actual risks.

The impairment loss is recognized as a deduction from the line on which the asset was originally shown for its net amount. Impairment charges and reversals are recorded in the income statement under cost of risk.

7.4 - Derivative financial instruments and hedge accounting

Under IAS 39, derivative financial instruments are recognized at fair value on the balance sheet, regardless of whether they are held for trading or hedging purposes.

Derivative financial instruments held for trading purposes

Derivatives held for trading purposes are recorded in the balance sheet under "Financial assets at fair value through profit and loss" when their market value is positive, and under "Financial liabilities at fair value through profit and loss" when their market value is negative.

After initial recognition, changes in fair value are recorded in the income statement under "Net gains or losses on financial instruments at fair value through profit and loss". The interest accrued on such instruments is also recorded in this line at the same time as changes in value.

■ Embedded derivatives

An embedded derivative is a component of a host contract which causes some or all of the cash flows of that contract to change in response to changes in an underlying (interest rate, share price, exchange rate or other index).

When the hybrid instrument (host contract and derivative) is not measured at fair value through profit and loss, the embedded derivative is separated from the host contract if it meets the criteria for definition as a derivative and its economic characteristics and associated risks are not closely related to those of the host contract.

Derivatives separated from host contracts in this way are included in assets and liabilities at fair value through profit and loss.

Derivative financial instruments held for hedging purposes

IAS 39 recognizes three hedging relationships eligible for hedge accounting: cash flow hedges, fair value hedges and hedges of a net investment in a foreign operation.

Derivatives may only be designated as hedges if they meet the criteria set out in IAS 39 at inception and throughout the term of the hedge. These criteria include formal documentation that the hedge is both prospectively and retrospectively effective. Hedging relationships are presumed to be effective when changes in the value of the hedging instrument offset changes in the value of the hedged item in a range of 80%-125%.

■ Cash flow hedging

Cash flow hedging is used to hedge future cash flows from an existing or highly probable future transaction.

Hedging of variable-rate borrowings and issues

Natixis uses interest rate swaps borrowing at fixed rates to fix the cost of interbank borrowings and public/private issues.

Hedging of variable-rate loans

Natixis uses plain vanilla interest rate swaps lending at fixed rates to fix future variable-rate borrowing costs.

Structural hedging of interest rate risk

Cash flow hedges are mainly used by Natixis to hedge the parent company's overall interest rate risk.

The documentation for these structural hedges is based on repricing schedules for all variable-rate transactions.

Prospective hedge effectiveness tests involve establishing repricing schedules (by index and currency) for (i) cumulative variable-rate borrowings and fixed-rate borrower swaps by maturity bracket, and (ii) cumulative variable-rate loans and fixed-rate lender swaps, by maturity bracket.

Hedging is demonstrated if, for each maturity, the nominal amount of the items to be hedged is greater than the notional amount of the hedging derivatives.

Retrospective hedge effectiveness tests are used to verify whether or not the hedge was effective at different reporting dates. At each such date, changes in the fair value of hedging instruments (excluding accrued interest) are compared with changes in the fair value of the hypothetical derivatives (synthetic instruments representative of hedged assets or liabilities and management intentions). To be effective, changes in the fair value of hedging instruments must offset changes in the fair value of hedged items in a range of 80%-125%. Outside these limits, the hedge would no longer qualify for hedge accounting under IFRS.

Accounting for cash flow hedges

The effective portion of the gain or loss on the hedge is recognized directly in equity, while the ineffective portion is taken to income at each reporting date under "Net gains or losses on financial instruments at fair value through profit and loss". No specific entries are made to hedged items (other than those that would be made if they were not hedged).

If a hedging relationship is discontinued, for example when hedge effectiveness is outside the 80%-125% range, the derivative must be reclassified in financial instruments at fair value through profit and loss, while the cumulative amount relating to the effective portion of the hedge that has been carried in equity under "Unrealized or deferred gains or losses" is recycled to income.

■ Fair value hedging

Fair value hedging is intended to hedge the exposure to changes in fair value of a recognized asset or liability or an unrecognized firm commitment.

Natixis uses plain vanilla interest rate swaps lending at fixed rates to protect the Group against the impact of unfavorable changes in interest rates on its fixed-rate borrowings and issues. Plain vanilla swaps borrowing at fixed rates are used to protect it from the impact of unfavorable changes in interest rates on its fixed-rate loans and securities.

Natixis Capital Markets North America documents structural hedging of its interest rate risk in accordance with fair value hedging rules. To account for these transactions, the subsidiary applies the carve-out provisions of IAS 39 as adopted by the European Union. The accounting treatment of derivative financial instruments designated for accounting purposes as structural fair value hedges is similar to that applied to fair value hedging derivatives. Changes in the fair value of portfolios of hedged instruments are reported on a specific line of the balance sheet ("Revaluation adjustments on portfolios hedged against interest rate risk"), with a corresponding entry in income.

Documentation of fair value hedges

The prospective hedge effectiveness test is used to ensure that the financial characteristics of the hedged item and hedging instrument are essentially the same: (value date, maturity, notional amount, fixed rate, payment frequency).

The retrospective hedge effectiveness test is used to verify whether or not the hedges were effective at different reporting dates.

At each such date, changes in the fair value of hedging instruments (excluding accrued interest) are compared with changes in the fair value of the hypothetical assets and liabilities hedged (synthetic instruments representative of the assets and liabilities to be hedged). Hedges are deemed to have been effective when changes in the fair value of the hedging instrument offset changes in the fair value of the hedged item in a range of 80%-125%.

Outside these limits, the hedge no longer qualifies for hedge accounting under IFRS.

Accounting for fair value hedges

Changes in the fair value of derivatives relating to the effective and ineffective portion of the hedge are recorded in income symmetrically with changes in the fair value of the hedged items.

Accordingly, only the ineffective portion of the hedge affects income.

Changes in the fair value of hedging derivatives excluding accrued interest are recorded in income under "Net gains or losses on financial instruments at fair value through profit and loss". Accrued interest relating to these instruments is recorded under "Interest and similar income" or "Interest and similar expenses".

When a hedging relationship is discontinued, the hedging instrument is reclassified in financial instruments at fair value through profit and loss, while the unrealized gain or loss on the hedged item is fixed at its amount on the date the hedge is discontinued and taken to income through to maturity.

■ Hedging of a net investment in a foreign operation

Net investment hedges are used to hedge the exchange risk arising on investments made in dollars. They are accounted for in the same way as cash flow hedges. The effective portion of changes in the fair value of net investment hedges eligible for hedge accounting is recognized in equity, while the ineffective portion is recognized in income. Unrealized gains or losses recognized in equity are transferred to income when all or part of the net investment is sold.

Internal contracts

A number of internal contracts involving derivatives used in hedge accounting exist between Natixis and its subsidiaries. To ensure that the transactions meet the hedge accounting criteria for consolidation purposes, Natixis regularly verifies that they have been correctly hedged on the market.

Credit derivatives

Credit derivatives used by Natixis are not considered as financial guarantees but as derivatives falling within the scope of IAS 39. They are classified as assets or liabilities at fair value through profit and loss.

7.5 - Foreign currency transactions

Monetary assets and liabilities (mainly bonds and other fixed-income securities) denominated in foreign currencies are translated into euros at the spot rate prevailing on the reporting date. The resulting exchange gains and losses are recognized directly in income, or in equity for derivatives designated as cash flow hedges.

Non-monetary items denominated in foreign currencies and measured at fair value are translated at the exchange rates when fair value is estimated. When a gain or loss on a non-monetary item (e.g. available-for-sale financial assets) is recognized directly in equity, any foreign exchange component of that gain or loss is also recognized directly in equity. When a gain or loss on a non-monetary item (e.g. financial assets at fair value through profit and loss) is recognized directly in income, any foreign exchange component of that gain or loss is also recognized in income.

7.6 - Fair value of financial instruments

The fair value of a financial asset or liability is the amount at which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction.

On initial recognition, fair value is the price paid or received. On subsequent reporting dates, fair value is estimated on the following basis:

- if the instrument is quoted on an active market, fair value is its quoted price. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis;
- if the market for a financial instrument is not active, fair value is established using various valuation techniques. Valuation techniques may refer to observable data from recent transactions, the fair value of similar instruments, discounted cash flow analysis and option pricing models. The fair values obtained using these models may be adjusted, depending on the instruments concerned and associated risks, to take account of factors such as the bid-ask spread and modeling risk in the case of hybrid instruments.

a) Instruments quoted on an active market

These are securities and derivatives quoted on organized markets, such as futures and options, which are located in liquidity zones that can be demonstrated as such (active market). All transactions in which Natixis is involved on listed markets are included in this category.

b) Over-the-counter instruments valued using recognized models and observable parameters

Standard instruments

Most over-the-counter derivatives, swaps, forward rate agreements, caps, floors and plain vanilla options are traded in an active market. An active market is a liquid market in which trades occur regularly.

These instruments are valued using generally accepted models (discounted cash flow, Black & Scholes, interpolation techniques), and on the basis of directly observable parameters.

For these instruments, the extent to which models are used and the observability of parameters has been documented.

Hybrid instruments

Certain hybrid and/or long-maturity financial instruments are measured using a recognized internal model on the basis of market parameters derived from observable data such as yield curves, implied volatility layers of options, market consensus data or active over-the-counter markets.

Parameters relating to all such instruments were demonstrated to be observable. From a methodological perspective, observability is based on four key criteria:

- parameters are derived from external sources (a recognized contributor wherever possible);
- they are updated periodically;
- they are representative of recent transactions;
- the characteristics of the parameters are identical to the characteristics of the transaction. If necessary, a proxy may be used, provided that the relevance of such an arrangement is demonstrated and documented.

The fair value of instruments obtained using valuation models is adjusted to take account of counterparty risks, modeling risks and parameter risks.

The margin generated when these instruments begin trading is immediately recognized in income.

c) Over-the-counter instruments valued using models that are not commonly used or that draw on non-observable parameters

Under IAS 39, day one profit should be recognized only if it is generated by a change in the factors that market participants would consider in setting a price, i.e. only if the model and parameters input into the valuation are observable.

If the selected valuation model is not recognized by current market practices or if one of the parameters used is not observable, the trading profit on the trade date cannot be recognized immediately in the income statement, but is taken to income over the life of the transaction or until the date the parameters become observable. Any losses incurred at the trade date are immediately recognized in income.

At December 31, 2008, instruments on which the recognition of day one profit/loss has been deferred include:

- structured products with multiple underlyings (equities/indexes);
- options on funds;
- hybrid interest rate and inflation-linked products;
- interest rate derivatives;
- securitization swaps;
- structured credit products (CDS, CDOs and FTDs);
- carbon-based derivative instruments.

Shares in securitization vehicles measured at fair value for which no market price was available at December 31, 2008 have been valued using the models described above in Note 6.

7.7 - Property, plant and equipment and intangible assets

Measurement on initial recognition

Investment property, shown separately from other property, plant and equipment on the balance sheet, consists of properties held with the aim of generating rental income rather than for operating purposes.

On the first-time adoption of IFRS, property, plant and equipment and investment property were maintained at historical cost as permitted by the options available under IFRS 1, with the exception of properties held by insurance companies which are carried at fair value through profit and loss.

Property, plant and equipment and investment properties are recorded at their purchase price at the acquisition date, including directly attributable costs (transfer duties, fees, commissions and registration expenses). Natixis does not include borrowing costs in the acquisition cost of its assets.

Computer software developed in-house is recognized under "Intangible assets" at its direct cost of development, which includes the related hardware costs, service costs and payroll costs directly attributable to the production and preparation of the software for use. Expenses incurred during the development phase are capitalized if they meet the criteria for recognition as intangible assets set out in IAS 38. These include technical feasibility, the intention to complete the asset and use or sell it, the probability that it will generate future economic benefits, the availability of resources, and the ability to measure reliably the expenditure attributable during the asset's development. Costs incurred during the research phase are not capitalized but are recognized in expenses.

Subsequent measurement

After initial recognition, assets are measured at cost less accumulated depreciation, amortization and impairment losses. Investment property held by insurance companies is measured at fair value through profit and loss in accordance with IAS 40 and IFRS 4.

Fair value is obtained using a multi-criteria approach based on the capitalization of rents at the market rate and a comparison with market transactions.

In accordance with Article R. 332-210-1 of the French Insurance Code, a five-yearly appraisal is conducted by an independent expert approved by the French insurance regulator (ACAM). Between two appraisals, the market value of assets is certified by experts on a half-yearly basis.

Depreciation and amortization

As soon as they are in a condition to be used by Natixis in the manner in which they are intended, property, plant and equipment and intangible assets are depreciated or amortized over their estimated useful lives on a straight-line or declining balance basis when this better reflects the pattern in which the economic benefits are consumed. The residual value of the asset is deducted from its depreciable or amortizable amount when it can be measured reliably. Natixis does not believe it can reliably measure the residual value of items other than land and non-destructible buildings classified as historical monuments. They are therefore assigned a residual value of zero.

In line with IAS 16, a specific depreciation schedule is defined for each significant component of an item of property, plant and equipment which has a different useful life or is expected to consume future economic benefits differently from the item as a whole.

For buildings used in the business and investment property, the following components and depreciation periods have been identified:

Component	Depreciation period
Land	ns
Non-destructible buildings classified as historical monuments	ns
Walls, roofs and waterproofing	20-40 years
Foundations and framework	30-60 years
External rendering	10-20 years
Equipment and installations	10-20 years
Internal fixtures and fittings	8-15 years

Other items of property, plant and equipment are depreciated over their estimated useful lives, generally between five to ten years.

Purchased software is amortized on a straight-line basis over its estimated useful life, which in most cases is less than five years. Internally generated software is amortized over its estimated useful life, which may not exceed 15 years.

Other intangible assets primarily comprise:

- purchased goodwill with an indefinite useful life, which is not amortized but tested for impairment at least annually;
- components of the Coface portfolio, which are amortized over the term of the contracts (eight to ten years for France).

The charge to depreciation or amortization is recognized in the consolidated income statement under the heading "Depreciation, amortization and impairment of property, plant and equipment and intangible assets".

Impairment losses

Assets are tested for impairment whenever there is objective evidence that they may be impaired and at least annually in the case of intangible assets with an indefinite useful life. Natixis considers whether there is any evidence of impairment at each reporting date. When any such evidence exists, the recoverable amount of the individual asset is estimated wherever possible; otherwise the recoverable amount of the CGU to which the asset belongs. The recoverable amount is the higher of fair value less costs to sell and value in use, which is the present value of future cash flows expected to be derived from continuing use of the asset or cash-generating unit. If the recoverable amount of the asset or CGU is lower than its carrying amount, an impairment loss is recognized in income under "Depreciation, amortization and impairment of property, plant and equipment and intangible assets".

Impairment losses are recognized in the income statement under "Depreciation, amortization and impairment of property, plant and equipment and intangible assets". They may be reversed if there has been a change in conditions, for example there is no longer any objective evidence of impairment.

Gains or losses on disposals

Gains or losses on disposals of assets used in the business are recognized in the income statement under "Gains or losses on other assets", while gains and losses on disposals of investment property are recorded within "Income from other activities" or "Expenses from other activities".

7.8 - Non-current assets held for sale and associated liabilities

Non-current assets that Natixis intends to sell within a period not exceeding 12 months and for which it is actively seeking a buyer are identified separately in the balance sheet under "Non-current assets held for sale". Assets reclassified to this category are no longer depreciated or amortized as from the reclassification date. An impairment loss is recognized if their carrying amount is higher than their fair value less costs to sell. Associated liabilities are also identified on a separate line of the balance sheet.

In the financial statements at December 31, 2007, the CIFG sub-group was included in the income statement under "Discontinued operations or operations in the process of disposal" (see Note 3.7)

At December 31, 2008, no assets met the criteria to be classified as held for sale.

7.9 - Financial liabilities at fair value through profit and loss

These include financial liabilities held for trading (including derivative financial instruments) and those designated as at fair value on initial recognition pursuant to the option available under IAS 39. The conditions for applying IAS 39 were described in the amendment to the standard published in June 2005.

Financial liabilities in this category are shown on a separate line of the balance sheet and measured at fair value at the reporting date. Changes in fair value (including the issuer spread) are recognized in the income statement under "Net gains or losses on financial instruments at fair value through profit and loss".

7.10 - Debt

Debt originated by Natixis that is not classified within financial liabilities at fair value through profit and loss is measured using the amortized cost method and recognized in the balance sheet under "Deposits from banks", "Customer deposits" or "Debt securities in issue".

Debt securities in issue are broken down into interbank market instruments, negotiable debt instruments and bonds. They do not include subordinated notes, which are included within subordinated debt and dealt with below.

On initial recognition, debt securities in issue are measured at their issue price including transaction costs. They are subsequently measured at amortized cost, with issue expenses recognized over the term of the instruments used.

7.11 - Derecognition

IAS 39 requires the derecognition of all or part of a financial asset if the contractual rights to the cash flows from the financial asset expire, or if these contractual rights or substantially all of the risks and rewards of ownership are transferred.

If the Group has neither transferred the contractual rights nor retained substantially all of the risks and rewards, Natixis then determines whether it has transferred control of the asset. If control is considered to have been relinquished, the financial asset is derecognized. If the Group retains control of the asset, it remains on the balance sheet to the extent of the Group's continuing involvement.

Continuing involvement is evidenced by the existence of contractual conditions such as:

- an option or obligation to repurchase the assets transferred;
- collection of financial compensation linked to the performance of the asset transferred.

A financial liability is derecognized when it is settled, cancelled or expires.

Repurchase agreements

Assignor

Securities sold are not derecognized. Natixis recognizes a liability representing the commitment to return funds received ("Securities sold under repurchase agreements"). This financial liability is recorded at amortized cost, not at fair value.

Assignee

Securities bought are not recognized but a receivable due from the assignee is recorded representing the funds lent. The amount disbursed in respect of the asset is recognized under "Securities acquired under repurchase agreements" within "Loans and advances".

At subsequent reporting dates, the securities continue to be valued by the assignor in accordance with the rules applicable to the category in which they were initially classified. In the assignee's accounts, the amount receivable from the assignor continues to be carried at amortized cost within "Loans and advances".

Securities lending

Securities lending/borrowing transactions do not involve the transfer of a financial asset within the meaning of IFRS. Consequently, these transactions do not lead to the derecognition of the securities loaned. Loaned securities are not identified under IFRS: the securities continue to be recorded in their original IFRS category and measured accordingly. Borrowed securities are not recognized by the borrower.

7.12 - Provisions and contingent liabilities

A provision is a liability of uncertain timing or amount. A liability is a present obligation arising from past events, the settlement of which is expected to result in an outflow of resources embodying economic benefits that can be reliably measured.

The amount recognized as a provision should be the best estimate of the expenditure required to settle the present obligation at the balance sheet date. This amount is discounted when the effect of discounting is material. Provisions are reviewed at each balance sheet date and adjusted if necessary.

A provision for restructuring costs is recognized when the standard aforementioned criteria for recognizing provisions and the two following conditions are met:

- there is a detailed formal plan for the restructuring, identifying at least:
  - the operations or part of the operations concerned,
  - the principal locations affected,
  - the location, function, and approximate number of employees who will be compensated upon termination of their services,
  - the expenditures that will be undertaken, and
  - when the plan will be implemented;
- the Group has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

Provisions for restructuring costs include only expenditure directly related to the restructuring.

At December 31, 2008, Natixis had set aside provisions for restructuring costs in respect of:

- the work adjustment plan launched in September 2008 for Natixis S.A. employees;
- the plan to transform the CIB business, approved by the Supervisory Board on December 18, 2008.

The amount of these provisions is detailed in Note 8.15.2 “Provisions”. Charges to the provisions are disclosed in Note 9.6 3 “Operating expenses”.

No provisions were recognized in respect of future operating losses or major repairs. The Group has no contingent assets or liabilities.

Movements in provisions are recognized in the income statement on the line items corresponding to the nature of future expenditure.

7.13 - Provisions for employee benefits

The main provisions for employee benefits concern:

- supplementary banking pensions;
- end-of-career awards and allowances;
- early retirement benefits and supplementary pension benefits;
- “CATS” early retirement plan benefits;
- employer’s contributions to private health insurance companies in respect of retirees and early retirees;
- long service awards.

The provision recognized in the balance sheet is equal to:

- the amount of the actuarial liability in respect of pension and similar benefits for employees and retirees;
- minus the market value of plan assets;
- plus or minus any actuarial gains or losses arising from:
  - experience adjustments linked to demographic variables,
  - changes in actuarial assumptions such as the discount rate, employee turnover rate and rate of future salary increases,
  - differences between the actual return and expected return on plan assets,
  - unrecognized past service cost.

Provisions for employee benefits are assessed regularly by independent actuaries using the projected unit credit method. This method is based on assumptions concerning demographics, salary increase rates, discount rates and inflation. Differences resulting from changes in actuarial assumptions and experience adjustments (impact of differences between previous actuarial assumptions and actual events) give rise to actuarial gains and losses.

Actuarial gains and losses are recognized in income using the “corridor” method. Under this method, the portion of gains and losses that exceeds 10% of the greater of (i) the Group’s obligation and (ii) the fair value of plan assets is deferred over the remaining working lives of the employees participating in the plan.

Actuarial assumptions are reviewed annually.

For end-of-career allowances and long service awards, employee turnover is calculated by age bracket and grade based on a three-year average. The rate is 0% for employees over 55. Future salary increases are estimated by grade based on a constant population and a three-year average.

The annual charge recognized in income for the period in respect of the Group’s obligation therefore corresponds to:

- incremental benefit entitlements (service cost);
- plan curtailments and settlements;
- interest cost representing the impacts of unwinding the discount;
- expected return on plan assets;
- recognition of actuarial gains and losses outside the corridor;
- amortization of past service costs.

The corridor method is not used for other long-term employee benefits such as long service awards.

Natixis used the option available under IFRS 1 to recognize all unrecognized actuarial gains and losses in equity in its opening IFRS balance sheet at January 1, 2004.

7.14 - Distinction between debt and equity

In accordance with IAS 32, issued financial instruments are classified as debt or equity depending on whether or not they incorporate a contractual obligation to deliver cash to the holder.

An analysis of the contractual agreements covering subordinated notes, super-subordinated notes and the three preferred share issues led to their classification as debt, since one of the clauses in these agreements made payment of a coupon by Natixis obligatory.

1 2 3 4 5 6 7 8 9

7.15 - Share-based payments

Stock option plans

Natixis and certain consolidated entities have set up share-based payment plans for some of their employees. Payments are settled either directly in shares or in cash, the amount of which depends on the value of the equity instruments concerned. Under IFRS, share-based payments systematically result in the recognition of payroll costs, which are determined as described below.

- Natixis grants stock options to certain of its employees. These options are exercisable over a period of three years after a lock-up period of four years. As required by IFRS 2, stock options granted after November 7, 2002 which have not yet vested at the reporting date are stated at their fair value on the grant date using the Black & Scholes model. The fair value is expensed in payroll costs over the vesting period, with a corresponding entry in equity. The expense is revised at each reporting date and adjusted whenever subsequent information regarding the number of beneficiaries alters the initial estimates of rights vested. The resulting adjustments affect the expense for the period and for subsequent periods.

  Natixis has set up five stock option plans since 2002 which were still outstanding at December 31, 2008. The features of these plans are set out in Note 13.4.

  Following the September 2008 rights issue, Natixis' Executive Board of December 8, decided to adjust the exercise conditions and number of shares underlying the options. These adjustments are aimed at safeguarding the rights of stock option holders:

  - the reduction in the exercise price is intended to offset the decline in value of the shares resulting from the detachment of the preferential subscription rights,
  - the change in the number of shares underlying the options is intended to offset the impacts of the fall in the option exercise price on the overall amount to be subscribed in shares by each beneficiary upon exercising the options. The number of options was changed accordingly, but the option-for-share ratio remained the same.

  The total subscription price also remained unchanged (before and after detachment of the preferential subscription rights).

  These two adjustments maintain the fair value of the share-based payments within the meaning of IFRS 2 at the level it stood before detachment of the preferential subscription rights. Consequently, the expense recognized under IFRS in respect of these plans was not adjusted.

  The changes in the plans resulting from the adjustments described above are detailed in Note 13.4;

- Natixis Global Asset Management share-based payments relate to cash-settled stock option plans. Under IFRS 2, options are stated at fair value based on a binomial model incorporating the volatility-related impact of a sample of comparable companies. Fair value is recognized under "Wages and salaries" over the vesting period, with a corresponding reduction in liabilities under "Deferred income, accrued charges and other liabilities". This liability is reassessed at each reporting date until settlement, with a corresponding adjustment in income.

  A plan set up in 2004 relates to investment certificates issued by Natixis Asset Management and Natixis Global Asset Management participations1 preferred shares. The vesting period under these plans was three years for US beneficiaries and four years for European beneficiaries. All options under these plans were exercised in 2008;

- a plan was set up by Natixis Multimanager (formerly IXIS Private Capital Management) in 2004. The vesting period under this plan was four years. All of the options under this plan were exercised in 2008.

Employee stock option plans

Employees of Natixis (parent company) and Coface are entitled to participate in plans to purchase stock options at a discount. These plans give rise to an expense recognized in payroll costs with a corresponding entry in equity when the plan is set up. The cost of these plans is measured as the difference, at the purchase date, between the fair value of the shares purchased, taking into account the lock-up period and subscription price paid by employees.

SAGA bonus share plans

On November 12, 2007, Natixis' Executive Board awarded 60 registered bonus Natixis shares to each employee in the Natixis, Banque Populaire and Caisse d'Epargne Groups. The bonus share plans cover employees in France with at least three months' service at the grant date, who hold an employment contract with one of the following:

- Natixis;
- the Banque Fédérale des Banques Populaires;
- the Caisse Nationale des Caisses d'Epargne;
- a credit institution affiliated to one of these central institutions;
- an entity in which 50% or more of the capital is directly or indirectly, exclusively or jointly held by Natixis, the central institutions or an entity affiliated to these institutions.

A total of 6,084,120 shares were awarded to 101,402 employees on November 12, 2007.

The current bonus share plan is governed by the French 2006 law on the financing of employee profit-sharing and share ownership. The plan was approved by Natixis' Extraordinary General Meeting of May 24, 2007.

The plan consists of three stages spread over four years:

- November 12, 2007: grant date and start of two-year vesting period.

  At the grant date, each eligible employee is granted the right to receive 60 shares after two years provided that they continue to be employed by the Group at that date. The statutory two-year vesting period begins at the grant date. During this period, employees do not own the shares. They have a non-transferable right until the end of the vesting period, but no voting or dividend rights;

- November 12, 2009: vesting of the shares provided that employees are still with the Group, and start of the two-year lock-up period.

  At the start of this period, each beneficiary in employment receives his or her shares, which are placed in a registered account or employee investment trust for a lock-up period of two years. Employees therefore become the owners of their shares at the start of this lock-up period. They are entitled to dividends but may not sell their shares;

- November 14, 2011: shares become available.

  Shares become available with effect from this date. They may continue to be held under the same conditions, at no cost to the holder, or may be sold at any time.

  Shareholder Groups bear the cost of expenses incurred in setting up and running SAGA bonus share plans in proportion to the number of shares awarded to their employees (this basis is also used to determine the allocation of rebilled costs). The costs payable by each entity essentially represent the purchase cost of the shares.

Consequently, the income statement only includes within expenses the value of the benefits granted to Group employees. In accordance with IFRS 2, the cost of the benefits was measured based on the share price at the grant date, less the present value of dividends to which employees were not entitled during the vesting period. The amount is recognized in payroll costs over the two-year vesting period.

In connection with the September 2008 rights issue, the preferential subscription rights attached to treasury shares owned by Natixis were sold. To safeguard the rights of beneficiaries of the SAGA bonus share plan, on December 8, 2008 Natixis' Executive Board approved a number of adjustments to the plan. These involved awarding 33 additional Natixis shares on top of the 60 shares initially awarded. The additional shares awarded are subject to the same vesting conditions and lock-up period as the initial shares.

In accordance with IFRS 2, this new award increases the plan's aggregate fair value. The fair value of the commitment corresponding to the 33 additional shares awarded to Natixis Group employees is added to the expense already recognized under IFRS 2 in respect of the initial award of 60 bonus shares.

This additional expense is recognized in payroll costs over the period remaining until the date the shares are effectively granted (November 12, 2009).

The amount of the additional expense is calculated based on the share price at the grant date (December 8, 2008), taking into account the number of beneficiaries and the proportion of those beneficiaries that remained employed by the Group during the period.

7.16 - Treasury shares

All treasury shares held by Natixis are deducted from equity regardless of the purpose for which they are acquired/held. Any gains or losses recognized in the individual financial statements in respect of the sale, measurement or impairment of treasury shares held as trading or available-for-sale securities are eliminated in the consolidated financial statements through equity.

7.17 - Minority interests in dedicated mutual funds

In accordance with IAS 32, minority interests in the equity of dedicated mutual funds represent a financial liability recognized under "Financial liabilities at fair value through profit and loss".

7.18 - Fees and commissions received

The method of accounting for fees and commissions received depends on the end purpose of the services rendered and the method of accounting for the financial instruments to which the service relates.

Fees and commissions for one-off services, such as business provider fees, are recognized in income as soon as the service is provided.

Fees and commissions for ongoing services, such as guarantee fees or management fees, are deferred over the period during which the service is provided.

Fees and commissions that form an integral part of the effective yield of an instrument, such as commitment fees or loan set-up fees, are recognized as an adjustment to the effective interest rate over the estimated term of the loan. Accordingly, they are treated as interest income.

7.19 - Income taxes

The tax charge for the year comprises:

- tax payable by French companies at the standard rate of 34.43%, and by foreign companies and branches at the local rate;
- deferred taxes arising from temporary differences between the carrying amount of assets and liabilities and their tax basis, which are calculated using the balance sheet liability method.

Deferred tax assets and liabilities are offset at the level of each tax entity. The tax entity may either be a single entity or a group of entities that have elected for group tax relief. Natixis does not recognize net deferred tax assets unless it is reasonably certain that they will be used to offset a future tax charge.

The capitalization reserve carried in the individual financial statements of insurance companies is intended to defer capital gains arising on the sale of certain bonds to offset subsequent capital losses. The portion presumed unlikely ever to be used is reclassified in equity. Under French GAAP, no deferred taxation is recognized. However, under IAS 12, it is treated as a temporary difference that gives rise to a deferred tax liability. All temporary differences have been recognized regardless of their recovery or payment date. The net deferred income tax balance is shown in the balance sheet under "Deferred tax assets".

7.20 - Financing and guarantee commitments

Financial guarantees

Financial guarantee commitments not classified as derivatives are contracts requiring the issuer to make specific payments to repay the business guaranteed for a loss that it has actually suffered owing to the failure of a debtor to make the contractual installments due. The exercise of these rights is subject to the occurrence of an uncertain future event.

In accordance with paragraph 43 of the amendment to IAS 39 and IFRS 4 (published by the IASB in August 2005 and adopted by the European Union), financial guarantees given are carried at their fair value plus any transaction costs directly attributable to the issuance of the guarantees. For independent agreements entered into at market rates, fair value at the inception of the agreement is equal in theory to the amount of premium(s) received. All financial guarantees issued within the Natixis Group are entered into at market rates.

Subsequently, financial guarantees are stated at the higher of:

- the amount initially recognized upon inception less, where appropriate, the amount of amortization recorded in line with the principles outlined in IAS 18 "Revenues". This amortization represents the deferred recognition of the fees received over the period covered by the guarantee;
- the value determined under IAS 37 "Provisions, contingent liabilities and contingent assets", which is the amount that the entity would normally pay to settle the obligation or to transfer it to a third party.

All financial guarantees issued by insurance subsidiaries that also meet the definition of an insurance contract were accounted for in line with the requirements of IFRS 4 "Insurance contracts", as permitted by paragraph AG64 (a) of the amendment.

Guarantees issued to mutual funds

Natixis guarantees the capital and/or returns on shares in certain mutual funds. These guarantees are executed solely in the event that the net asset value of each of the shares in the fund at maturity date is lower than the guaranteed net asset value. Under IAS 39, these guarantees represent derivative instruments.

However, given the preponderant impact of operational risk on the fair value of the guarantee, guarantees granted to mutual funds are treated as financial guarantees.

Financing commitments

All financing commitments granted by Natixis give rise to loans granted at market rates at the grant date. The drawn-down portion of these commitments is classified in "Loans and advances". These commitments constitute contingent liabilities and are recorded in accordance with IAS 37. On inception, they are not recognized in the balance sheet. A provision is recognized in liabilities if the cost of the commitment exceeds the associated revenues.

7.21 - Fair value in the notes to the financial statements

IFRS 7 requires disclosures in the notes to the financial statements of the fair value of all financial instruments carried at amortized cost, including loans. The following valuation methods are used to determine the fair value disclosed in the notes to the financial statements:

Loans classified as "Loans and advances" and amounts payable under finance leases

The majority of Natixis' loans are variable-rate loans, and their fair value is determined on the basis of discounted future cash flows. The discount rate applied for a given loan is the rate that Natixis would grant at the reporting date to a counterparty for a loan with similar characteristics. As these are primarily variable-rate loans, the contractual rate is adjusted according to the trend in market lending rates and in counterparty risk.

If there is a quoted price that meets the criteria of IAS 39, the quoted price is used.

The fair value of loans with an initial term of less than one year is considered to be their carrying amount.

The fair value of instruments reclassified in accordance with the amendment to IAS 39 and IFRS 7 published on October 13, 2008 dealing with the reclassification of financial assets, was calculated using the valuation models described in Note 6.1.

Borrowings and savings

The fair value of variable-rate borrowings and debt securities is considered to be their net carrying amount on the balance sheet. Fixed-rate borrowings and debt securities are discounted based on the fixed rates available on the market at the reporting date for a debt with a similar term to maturity. Where fluctuations in the issuer spread are not material, the valuation does not take this effect into account.

Investment property recognized at cost

The fair value of investment property (excluding investment property held by insurance companies) is determined by reference to the capitalization of rents, a method widely used by real estate professionals. The capitalization rate applied to the property depends on a number of factors such as location, the quality and type of building, use, type of ownership, quality of lessees and characteristics of leases, interest rates and competition in the real estate market.

7.22 - Use of estimates in preparing the financial statements

In preparing its financial statements, Natixis is required to make certain estimates and assumptions based on available information that is likely to require expert judgment. These estimates and assumptions constitute sources of uncertainty which may affect the calculation of income and expenses in the income statement, the value of assets and liabilities in the balance sheet, and/or certain disclosures in the notes to the financial statements. The financial crisis that took hold in 2008 led to more extensive use of accounting estimates. As a result, future results of certain operations may differ significantly from the estimates used in the financial statements at December 31, 2008.

The main areas requiring use of estimates and assumptions are set out below:

Financial instruments recorded at fair value

The fair value of hybrid instruments not traded on an active market is calculated using valuation techniques. Valuations produced using valuation models are adjusted, depending on the instruments concerned and the associated risks, to take account of the bid and offer price for the net position, modeling risks, counterparty risk and parameter risk. The fair values obtained from these methods may differ from the actual prices at which such transactions might be concluded in the event of a sale on the market.

The valuation models used to price financial instruments for which liquidity has dried up as a result of the financial crisis are described in Note 6.1.

Impairment of loans and advances

At each reporting date, Natixis assesses whether or not there is any objective evidence that loans and advances may be impaired, either on an individual basis or collectively by risk category. Natixis analyzes trends in a number of objective criteria, but also relies on the judgment of its own experts. Similarly, Natixis may use its expert judgment to establish the likely timing of future cash flow recoveries (where the aim is to calculate the amount of individual impairment losses), or to adjust the amount of expected losses under the Basel II framework, on which the amount of collective impairment is based.

Valuation of unlisted equity instruments classified as available-for-sale financial assets

Unlisted equity instruments classified as available-for-sale financial assets primarily consist of investments in non-consolidated companies. The fair value of unlisted non-consolidated investments is obtained principally by using the P/E (price earnings ratio) and DCF (discounted cash flow) valuation methods. Use of these methods requires certain choices and assumptions to be made in advance, particularly as regards projected future cash flows and discount rates.

Valuation of CGUs

Each item of goodwill is assigned to a CGU so that it may be tested for impairment. The tests performed by Natixis consist of comparing the carrying amount of the CGU (including goodwill) with its value in use. Value in use is calculated by discounting free cash flows to infinity. Use of the discounted cash flow method involves:

- estimating future cash flows. Natixis has based these estimates on forecasts included in its business units' medium-term plans;
- extrapolating the cash flow forecasts beyond the third year to infinity, using a rate reflecting the expected annual growth rate;
- discounting cash flows at an expected average annual rate of return to infinity on listed stocks in the relevant sector.

Fair value of loans and advances recorded at amortized cost

The fair value of unlisted loans is determined using the discounted cash flow method. The discount rate is based on an assessment of the rates used by the institution during the period for groups of loans with similar risk characteristics. Loans have been classified into groups with similar risk characteristics based on statistical research enabling factors having an impact on credit spreads to be identified. Natixis also relied on expert judgment to refine this segmentation.

■ Employee benefits

Natixis calls on independent actuaries to calculate its principal employee benefits. The discount rates, future salary increase rates and rates of return on plan assets used are based on observed market rates at the reporting date, for example the yield on French government bonds for discount rates. When applied to long-term liabilities, these rates introduce uncertainty into the valuations.

■ Insurance-related liabilities

Insurance technical reserves are calculated using estimates and assumptions that may lead to adjustments in amounts reported over the period:

- for personal risk insurance, claims reserves are calculated by modeling claims experience;
- for life insurance, technical reserves are computed based on economic and financial assumptions, mortality and morbidity tables, and behavioral statistics, for example concerning surrenders;
- for credit insurance, claims reserves include an estimate of claims reported but not settled at year-end. Besides this amount of claims payable, a provision is set aside for unknown claims, calculated on a statistical basis by reference to the final amount of claims to be paid following settlement of risks and any debt recovery measures. Provisions for debt recovery procedures, representing estimates of expected recoveries, are calculated by applying a terminal recovery rate to all subscription periods not yet settled.

■ Other provisions

Provisions recognized in the consolidated balance sheet, other than those relating to financial instruments, employee benefits and insurance contracts, mainly concern provisions for litigation, fines and tax risks.

A provision is raised when it is likely that an outflow of resources embodying economic benefits will be required to settle an obligation arising from a past event, and when the amount of the obligation can be reliably estimated. In order to calculate this amount, management is required to assess the probability of the risk occurring. Future cash flows are discounted where the impact of discounting is material.

7.23 - Earnings/(loss) per share

Diluted earnings/(loss) per share correspond to net income/(loss) for the period attributable to equity holders of the parent, divided by the weighted average number of shares adjusted for the maximum impact resulting from the conversion of dilutive instruments into ordinary shares. Stock options issued are taken into account in calculating diluted earnings/(loss) per share. The conversion of these instruments does not impact net income/(loss) used to calculate diluted earnings/(loss) per share.

	31.12.2008	31.12.2007
Earnings/(loss) per share		
Net income/(loss) attributable *to equity holders of the parent (in millions of euros)*	(2,799)	1,101
Average number of ordinary shares issued and outstanding over the period	1,794,666,986	1,220,693,389
Average number of treasury shares issued and outstanding over the period	8,642,611	1,298,047
Average number of shares used to calculate earnings/(loss) per share	1,786,024,375	1,219,395,341
Earnings/(loss) per share in euros	**(1.57)**	**0.90**
Diluted earnings/(loss) per share		
Net income/(loss) attributable *to equity holders of the parent (in millions of euros)*	(2,799)	1,101
Average number of ordinary shares issued and outstanding over the period	1,794,666,986	1,220,693,389
Average number of treasury shares issued and outstanding over the period	8,642,611	1,298,047
Number of potential dilutive shares resulting from stock option plans	5,760,088	5,446,385
Average number of shares used to calculate diluted earnings/(loss) per share	1,791,784,463	1,224,841,727
Diluted earnings/(loss) per share in euros	**(1.56)**	**0.90**

NOTE 8 NOTES TO THE BALANCE SHEET

8.1 - Financial assets and liabilities at fair value through profit and loss

These assets and liabilities are measured at fair value at the balance sheet date, with changes in value, including interest, recognized in income under “Net gains or losses on financial instruments at fair value through profit and loss”.

8.1.1 Financial assets at fair value through profit and loss

At December 31, 2008 financial assets at fair value through profit and loss primarily comprised securities and derivative instruments.

(in millions of euros)	Notes	31.12.2008	31.12.2007
Securities held for trading	(1)	**59,087**	**93,822**
Securities		59,087	93,822
Fixed income		*41,840*	*73,083*
Variable income	*8.1.1.1*(2)	*17,247*	*20,739*
Loans and advances held for trading	(1)	**3,137**	**7,964**
Banks		1,109	4,862
Clients		2,028	3,102
Derivative instruments not used for hedging	*8.1.3*	**186,273**	**72,205**
Securities designated at fair value through profit and loss	*8.1.1.3*	**35,894**	**26,935**
Securities		25,142	21,498
Fixed income		*13,859*	*16,904*
Variable income	*8.1.1.1*	*11,283*	*4,594*
Reverse repos		10,752	5,437
Loans and advances designated at fair value through profit and loss	*8.1.1.2 and 8.1.1.3*	**1,102**	**2,002**
Banks		105	465
Clients		997	1,537
TOTAL		**285,493**	**202,928**

(1) The debt instruments reclassified on October 1, 2008 from this line item to "Loans and advances", as provided for by the "Reclassification of Financial Assets" amendment published by the IASB on October 13, 2008 (cf. Note 6.1 and Notes 8.6.1 to 8.6.4), represent €8.8 billion of fair value.

(2) Including shares in OPCVM investment funds.

8.1.1.1 Variable-income securities at fair value through profit and loss

(in millions of euros)	31.12.2008		
	Evaluation by quoted market price	Other methods of evaluation	Total
Securities held for trading	**15,306**	**1,941**	**17,247**
Securities designated at fair value through profit and loss	**5,746**	**5,537**	**11,283**
of which: private equity securities	*14*	*1,685*	*1,699*
TOTAL	**21,052**	**7,478**	**28,530**

8.1.1.2 Loans and advances designated at fair value through profit and loss and credit risk

Exposure to credit risk is represented by the fair value of loans and advances designated at fair value through profit and loss shown on the balance sheet. Purchases of credit derivatives covering exposure to credit risk for loans and advances are indicated for the amount of their fair value recognized on the balance sheet. Variations in fair value are calculated over the period and in aggregate from the date of initial recognition of the loan or receivable.

(in millions of euros)	Exposure to credit risk 31.12.2008	Exposure to credit risk 31.12.2007	Related credit derivatives 31.12.2008	Related credit derivatives 31.12.2007	Variation in fair value of loans and advances attributable to credit risk Period	Variation in fair value of loans and advances attributable to credit risk Aggregate
Loans and advances (banks)	105	465				
Loans and advances (clients)	997	1,537				
TOTAL	**1,102**	**2,002**				

Natixis does not hedge, by protective purchases, the credit risk for loans and advances designated at fair value through profit and loss.

8.1.1.3 Conditions for classification of financial assets designated at fair value through profit and loss

Financial assets are designated at fair value through profit and loss when this choice provides more pertinent information or when the instruments incorporate one or more significant and separable derivatives (*cf. Note 7.1*).

The use of the fair value option is considered to provide more pertinent information in two situations:

- in the absence of accounting match between economically linked assets or liabilities. In particular, this is the case between an asset and a hedging derivative when the criteria for hedge accounting are not fulfilled;
- in the presence of a portfolio of financial assets and liabilities managed and evaluated at fair value as part of a documented policy of asset and liability management.

(in millions of euros)	Carrying amount	Carrying amount of instruments designated at fair value through profit and loss because of accounting imbalance with related instruments	Carrying amount of instruments designated at fair value through profit and loss and included in a portfolio of financial assets or liabilities managed and evaluated at fair value through profit and loss	Carrying amount of hybrid instruments designated at fair value through profit and loss because of the presence of significant and separable incorporated derivatives
Loans and advances (banks)	105	104	1	
Loans and advances (clients)	997		997	
Fixed income securities	13,859	10,201	3,002	656
Variable income securities	11,283	6,421	4,701	161
Other assets	10,752		10,752	
TOTAL	**36,996**	**16,726**	**19,453**	**817**

8.1.2 Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss primarily comprised derivatives not used as hedging instruments.

Securities classified as instruments held for trading essentially comprised short sales of financial assets.

1 2 3 4 5 6 7 8 9

(in millions of euros)	Notes	31.12.2008	31.12.2007
Instruments held for trading		**210,589**	**105,084**
Short sales		24,849	33,406
Derivatives not used as hedging instruments	*8.1.3*	184,353	69,774
Other liabilities		1,387	1,904
Instruments designated at fair value through profit and loss	*8.1.2.1 and 8.1.2.2*	**64,791**	**59,946**
Securities		55,081	52,335
Pledged securities		6,266	3,380
Other liabilities		3,444	4,231
TOTAL		**275,380**	**165,030**

■ 8.1.2.1 Financial liabilities designated at fair value through profit and loss and credit risk

The carrying amount of financial liabilities designated at fair value through profit and loss corresponds to their fair value.

The amount contractually due upon maturity of loans represents the amount of capital remaining due on the balance sheet date plus any accrued interest not yet due. For securities, it is the redemption value.

	31.12.2008			31.12.2007				
							Variation in the fair value of financial liabilities designated at fair value through profit and loss, attributable to credit risk	
(in millions of euros)	Carrying amount	Amount contractually due on maturity	Difference between the carrying amount and the amount contractually due on maturity	Carrying amount	Amount contractually due on maturity	Difference between the carrying amount and the amount contractually due on maturity	Period	Aggregate
Liabilities (banks)	501	500	1	390	390			
Liabilities (clients)	2,918	3,314	(396)	3,841	3,841			
Securities	55,015	55,814	(799)	52,238	52,292	(54)	(633)	(664)
Subordinated debt	66	100	(34)	97	97			
Other liabilities	6,291	6,296	(5)	3,380	3,380	0		
TOTAL	**64,791**	**66,023**	**(1,232)**	**59,946**	**60,000**	**(54)**	**(633)**	**(664)**

The method used to calculate the fair value attributed to credit risk is described in Note 6.11.

■ 8.1.2.2 Conditions for classification of financial liabilities designated at fair value through profit and loss

Financial liabilities are designated at fair value through profit and loss when this choice provides more pertinent information or when the instruments incorporate one or more significant and separable derivatives (*cf. Note 7.1*).

The use of the fair value option is considered to provide more pertinent information in two situations:

- in the absence of accounting match between economically linked assets or liabilities. In particular, this is the case between a liability and a hedging derivative when the criteria for hedge accounting are not fulfilled since the use of the option then allows natural offset to occur between changes in fair value of the hedged item and those of the hedging instrument;
- in the presence of a portfolio of financial assets and liabilities managed and evaluated at fair value as part of a documented policy of asset and liability management.

(in millions of euros)	Carrying amount	Carrying amount of instruments designated at fair value through profit and loss because of accounting imbalance with related instruments	Carrying amount of instruments designated at fair value through profit and loss and included in a portfolio of financial assets or liabilities managed and evaluated at fair value through profit and loss	Carrying amount of hybrid instruments designated at fair value through profit and loss because of the presence of significant and separable incorporated derivatives
Liabilities (banks)	501	279	222	
Liabilities (clients)	2,918	2,863	55	
Securities	55,015	44,712	10,303	
Subordinated debt	66			66
Other liabilities	6,291		6,291	
TOTAL	**64,791**	**47,854**	**16,871**	**66**

8.1.3 Derivatives held for trading

Derivative financial instruments not held for hedging purposes are held for trading, irrespective of the period for which they are held.

	31.12.2008			31.12.2007		
(in millions of euros)	Notional	Assets	Liabilities	Notional	Assets	Liabilities
Forward transactions	**5,200,651**	**118,030**	**124,216**	**4,884,250**	**51,426**	**53,842**
Interest rate derivatives	5,022,438	100,831	103,623	4,668,531	41,794	41,713
Currency derivatives	11,855	17,004	18,161	25,333	36	31
Equity derivatives	3,314	55				
Other items	163,044	140	2,432	190,386	9,596	12,098
Options	**1,716,560**	**15,393**	**11,589**	**2,060,231**	**11,233**	**8,853**
Interest rate derivatives	1,419,680	2,514	2,902	1,761,784	1,697	1,898
Currency derivatives	166,591	3,010	3,261	164,986	1,022	1,040
Equity derivatives	84,416	6,587	4,712			
Other items	45,873	3,282	714	133,461	8,514	5,915
Credit derivatives	**846,073**	**52,850**	**48,548**	**813,314**	**9,546**	**7,078**
TOTAL	**7,763,285**	**186,273**	**184,353**	**7,757,795**	**72,205**	**69,774**

8.2 - Hedging instruments

Derivative financial instruments designated as hedges are those that meet the conditions required by IAS 39 at inception and throughout the term of the hedging relationship, particularly with respect to documentation of an effective relationship between the hedging instrument and the hedged item, both prospectively and retrospectively. Hedging relationships are presumed to be effective when the ratio of actual changes in the value of the hedging instrument and the hedged item is between 80% and 125%.

Cash flow hedging is principally used by Natixis as a structural hedge of interest-rate risk. Fair value hedging is used to hedge changes in the fair value of fixed income instruments individually and as a structural hedge of Natixis Capital Markets North America's interest rate risk.

(in millions of euros)	31.12.2008 Notional	31.12.2008 Assets	31.12.2008 Liabilities	31.12.2007 Notional	31.12.2007 Assets	31.12.2007 Liabilities
Cash flow hedges						
Forward transactions	**41,599**	**99**	**30**	**75,247**	**257**	**134**
Interest rate derivatives	41,599	99	30	71,945	257	134
Currency derivatives				3,302		
Equity derivatives						
Other items						
Options	**1**			**2**		
Interest rate derivatives	1			2		
Currency derivatives						
Equity derivatives						
Other items						
Fair value hedges						
Forward transactions	**314,192**	**403**	**228**	**276,717**	**408**	**1,537**
Interest rate derivatives	314,192	403	228	272,440	386	1,523
Currency derivatives				2,762	1	
Equity derivatives						
Other items				1,515	21	14
Options				**1**	**5**	
Interest rate derivatives						
Currency derivatives				1	1	
Equity derivatives						
Other items					4	
Credit derivatives	**1,316**		**1**			**1**
Hedging of net investments in foreign currencies						
TOTAL	**357,108**	**502**	**259**	**351,967**	**670**	**1,672**

8.3 - Available-for-sale financial assets

The table breaks down available-for-sale financial assets by type of instrument (loans outstanding, fixed-income securities, variable-income securities). It discloses the gross value before impairment, impairment losses and the carrying amount net of impairment.

Available-for-sale assets are tested for impairment as of each publishable balance sheet date (so at a quarterly rhythm). When there is objective evidence of impairment and a reduction in fair value has previously been recognized in equity, the aggregate loss is transferred from equity and recognized in profit and loss.

(in millions of euros)	31.12.2008	31/12/2007
Loans outstanding	***62***	***56***
- Loans and advances	62	56
- Accrued interest		
Securities	***31,866***	***35,221***
- Fixed income(1)	25,141	29,015
- Variable income(2)	6,233	6,046
- Accrued interest	492	160
Total available-for-sale assets before impairment	**31,928**	**35,277**
Impairment of available-for-sale assets	***(1,017)***	***(516)***
- Loans and advances		
- Fixed income securities	(124)	(175)
- Variable income securities	(893)	(341)
TOTAL	30,911	**34,761**
Of which: unrealized gains and losses	(1,347)	648

(1) The fall observed in the amount of fixed income securities is mainly due to the €2.8 billion reclassification of certain securities to loans and advances, as of October 1, 2008 and as provided for by the "Reclassification of Financial Assets" amendment published by the IASB on October 13, 2008 (cf. Note 6.1 and Notes 8.6.1 to 8.6.4).

(2) Including shares in OPCVM investment funds.

8.4 - Loans and advances

8.4.1 Loans and advances (banks)

(in millions of euros)	Notes	31.12.2008	31.12.2007
Performing loans			
Performing loans	*8.4.1.1*	65,381	112,428
General impairment losses		(45)	(49)
Net		**65,336**	**112,379**
Non-performing loans			
Non-performing loans		516	37
Specific impairment losses		(279)	(22)
Net		**237**	**15**
NET TOTAL		**65,573**	**112,394**

Impairment losses amounted to 54% of non-performing loans to banks at December 31, 2008 compared with 60% at December 31, 2007.

1 2 3 4 5 6 7 8 9

8.4.1.1 Performing loans to banks

(in millions of euros)	31.12.2008	31.12.2007
Loans and advances	25,222	28,368
Current accounts overdrawn	7,731	12,268
Unlisted fixed income securities	1,429	3,419
Reverse repos	30,355	67,046
Other items		31
Accrued interest	644	1,296
TOTAL PERFORMING LOANS	**65,381**	**112,428**

8.4.2 Loans and advances (clients)

(in millions of euros)	Notes	31.12.2008	31.12.2007
Performing loans			
Performing loans	*8.4.2.1*	115,912	112,888
General impairment losses		(921)	(793)
Specific impairment losses		(30)	(35)
Net		**114,961**	**112,060**
Non-performing loans			
Non-performing loans		2,048	1,148
Specific impairment losses		(1,405)	(703)
Net		**643**	**445**
NET TOTAL		**115,604**	**112,505**

Impairment losses amounted to 69% of non-performing loans to clients at December 31, 2008 compared with 61% at December 31, 2007.

8.4.2.1 Performing loans to clients

(in millions of euros)	Notes	31.12.2008	31.12.2007
Lease financing	*8.4.2.2*	7,378	6,802
Other loans and advances	*8.4.2.3*	66,380	60,844
Current accounts overdrawn		8,541	7,734
Unlisted fixed income securities		13,924	3,861
Reverse repos		12,438	27,035
Factoring		6,508	6,030
Other items		50	41
Accrued interest		693	541
TOTAL		**115,912**	**112,888**

The rise observed in the amount of unlisted fixed income securities is mainly due to the €11.6 billion reclassification of certain securities as of October 1, 2008 and as provided for by the "Reclassification of Financial Assets" amendment published by the IASB on October 13, 2008 (*cf. Note 6.1 and Notes 8.6.1 to 8.6.4*).

8.4.2.2 Lease financing

(in millions of euros)	31.12.2008 Real estate	Equipment	Total	31.12.2007 Real estate	Equipment	Total
Outstandings	**3,489**	**3,888**	**7,378**	**3,860**	**2,942**	**6,802**
Net non-performing loans	**14**	**23**	**37**	**52**	**33**	**85**
Non-performing loans	57	78	134	76	52	128
Impairment of non-performing loans	(42)	(55)	(97)	(24)	(19)	(43)
TOTAL	**3,504**	**3,912**	**7,415**	**3,912**	**2,975**	**6,887**

Impairment losses amounted to 72% of non-performing loans at December 31, 2008 compared with 34% at December 31, 2007.

8.4.2.3 Other loans and advances

(in millions of euros)	31.12.2008	31.12.2007
Commercial loans	310	575
Export credits	2,168	1,916
Cash and consumer credit	33,442	30,914
Equipment loans	5,255	4,674
Home loans	870	689
Other items	24,335	22,076
TOTAL	**66,380**	**60,844**

8.5 - Held-to-maturity financial assets

(in millions of euros)	31.12.2008	31.12.2007
Government securities		
Gross amount		
Impairment		
Accrued interest		
Net government securities		
Bonds and other items		
Gross amount	6,411	6,501
Impairment		
Net bonds and other items	**6,411**	**6,501**
TOTAL	**6,411**	**6,501**

8.6 - Other information relating to financial assets

8.6.1 Reclassification of financial assets as provided for by the "Reclassification of Financial Assets" amendment to IAS 39 and IFRS 7 published on October 13, 2008

(in millions of euros) To / From	Carrying amount at the date of reclassification	Available-for-sale	Loans and advances	Assets held to maturity
Held for trading	8,813		8,813	
Available for sale	2,764		2,764	
TOTAL	**11,577**		**11,577**	
	Average effective interest rate at the date of reclassification		5.40%	
	Expected cash flows at the date of reclassification		12,383	

As provided for by the "Reclassification of Financial Assets" amendment to IAS 39 and IFRS 7 published by the IASB on October 13, 2008, with effect from October 1, 2008 Natixis reclassified certain debt instruments from "Financial instruments at fair value through profit and loss – trading" and "Available-for-sale financial assets" to "Loans and advances". The reclassification was made on the basis of the assets' fair value at the date of reclassification, i.e. October 1.

The instruments reclassified as "Loans and advances" meet the definition applying to this category because , at the date of reclassification, the payments to be made under the instruments were determinable and the instruments were no longer listed on an active market since they had become subject to a fall in or absence of transactions or significant price dispersion.

The reclassified instruments are broken down by type in Note 6.1.

8.6.2 Change in fair value of the financial instruments reclassified during the period

The table below discloses the changes in fair value recognized in 2008 or 2007 (i.e. prior to reclassification) for the instruments reclassified at October 1, 2008.

(in millions of euros)	31.12.2008
Original classification	
Held for trading	(652)
Available for sale	(367)
TOTAL	**(1,019)**
Profit and loss impact (net banking income)	(652)
Profit and loss impact (cost of risk)	(98)
Equity impact (recyclable)	(269)
TOTAL	**(1,019)**

8.6.3 Changes in fair value that would have been recognized if items had not been reclassified

The financial instruments reclassified in accordance with the amendment dated October 13, 2008 have been valued in accordance with the bases described in Note 6.1. The changes in fair value that would have had an impact on profit and loss for the fourth quarter of 2008, if the October 1, 2008 reclassification had not taken place, are summarized in the table below.

(in millions of euros)	31.12.2008				
	Fair value at 31.12.2008	Carrying amount at 31.12.2008	Changes in fair value that would have been charged to profit and loss in respect of assets previously classified as at fair value through profit and loss	Impairment that would have been charged to profit and loss in respect of assets previously classified as available for sale	Changes in fair value that would have been charged to recyclable equity in respect of assets previously classified as available for sale
Available-for-sale assets					
Instruments reclassified as loans and advances	11,166	11,546	(95)	(120)	(165)
Assets held to maturity					
TOTAL	**11,166**	**11,546**	**(95)**	**(120)**	**(165)**

8.6.4 Gains and losses of the period in respect of financial instruments reclassified

These are the gains and losses recognized through profit and loss after the date of reclassification of assets (*cf. Notes 7.1 and 7.3*)

(in millions of euros)	Net banking income	Cost of risk
Available-for-sale assets		
Instruments reclassified as loans and advances	3	(73)
Assets held to maturity		
TOTAL	**3**	**(73)**

8.6.5 Financial assets provided as security

Included below is the carrying amount:

- of securities and other items provided as security for liabilities;
- of receivables the ownership of which has been transferred to Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne as security for the finance obtained from SFEF.

These instruments continue to be disclosed in the consolidated balance sheet in accordance with their original classification.

(in millions of euros)	31.12.2008	31.12.2007
Equity instruments	5,458	4,079
Debt instruments	43,823	84,106
Loans and advances	14,548	2,605
TOTAL	**63,829**	**90,790**

8.6.6 Financial assets received as security and able to be sold or reused as security

Natixis does not hold any significant amount of financials assets received as security under terms allowing it to reuse the assets in the absence of any failure on the part of the owner of the guarantee.

8.6.7 Financial assets transferred but not derecognized

Certain assets may be transferred without derecognition (total or partial) on the grounds that they do not meet the criteria for derecognition set out in paragraphs 15 to 37 of IAS 39. Such transfers are generally performed in the framework of synthetic securitization transactions.

With the exception of the repurchase agreements described in Note 8.6.5, Natixis does not hold any assets the cash flows for which might have been transferred within the meaning defined by IAS 39 but without being (totally or partially) derecognized on the basis of Natixis having retained control of the assets or substantially all of the risks and rewards of ownership.

8.6.8 Restructured financial assets

Restructured financial assets are debt instruments recognized as assets and the terms and conditions of which (relating to their interest rates or repayment) have been renegotiated as a result of financial difficulties experienced by the counterparty.

(in millions of euros)	31.12.2008	31.12.2007
Loans and advances (banks)	22	28
Loans and advances (clients)	53	101
TOTAL	**75**	**129**

These restructured assets exist essentially at the level of the parent company Natixis in the amount of €36 million at the end of 2008 (€86 million at the end of 2007), Natixis Financements in the amount of €35 million at the end of 2008 (€29 million at the end of 2007) and the Group's finance lease operations in the amount of €4 million at the end of 2008 (€14 million at the end of 2007).

8.6.9 Financial assets that are overdue but not impaired

The table below provides, by category of financial instrument, an analysis of the age of financial assets which were overdue at the balance sheet date but have not been impaired.

Overdue assets are those in payment arrears (meaning installments of capital or interest not paid), but which have not yet been the subject of impairment.

For overdrafts, the arrears are counted from the date when the client is notified and the amount indicated is the total overdraft.

What are known as "technical" delinquencies, meaning those related to incidents occurring in the collection process, and without any relationship to the counterparty's financial situation, are not included.

The age of each amount in arrears is determined according to the age of the first unpaid amount observed for the debt in question. The breakdown for the period is prepared on the basis of the first amount in arrears.

Type of assets	Payment arrears				
(in millions of euros)	≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	> 1 year	Total
Loans and advances (banks)	1			19	20
Loans and advances (clients)	96	13	8	31	148
Other financial assets	4	5	1		10
TOTAL	**101**	**18**	**9**	**50**	**178**

Amounts unpaid for less than 90 days represent 57% of the total.

8.6.10 Fair value of financial assets

IAS 39 establishes a hierarchy in the means of determining fair value:

- the best representation of fair value is the price quoted on an active market. A market is considered as active if prices are easily and regularly available from a stock market, broker, negotiator, price-evaluation service or regulatory agency and these prices represent real transactions regularly occurring in the market;

- failing this, fair value must be determined using evaluation techniques. These techniques include the use of recent transactions, the reference to the fair value of a substantially identical instrument, discounted cash flow methods, share-valuation models and any valuation technique commonly used by players in the market.

When a valuation model is applied, it must make maximum use of data from the market. In the case of certain structured products, often prepared to order, the valuation model is sometimes supplied with parameters that are not observable in the market.

For these instruments, profit or loss cannot be established upon initial recognition. The margin shown upon initial booking must, in this situation, be deferred and spread over the spread over the lifetime of the instrument.

The table below presents the fair value of all financial assets, whether or not they are recognized at fair value in the balance sheet. This information is broken down according to the hierarchy for determining the fair value of an instrument provided by IAS 39.

Assets					Fair value based on techniques not using observable market data	
(in millions of euros)	Fair value	Carrying amount	Fair value based on market prices	Fair value based on application of a valuation technique	Fair value	Change in fair value through profit and loss
Financial assets held for trading	248,497	248,497	55,829	192,668	2,714	544
Financial assets designated at fair value through profit and loss	36,996	36,996	28,059	8,937	1,780	
Derivative hedging instruments	502	502		502		
Available-for-sale financial assets	30,911	30,911	27,837	3,074	492	
Loans and advances (banks)	65,337	65,573		65,337	65,337	
Loans and advances (clients)	112,785	115,604		112,785	112,785	
Financial assets held to maturity	6,492	6,411	6,199	293	91	
TOTAL	**501,520**	**504,494**	**117,924**	**383,596**	**183,199**	**544**

The “Fair value based on market prices” column provides the fair value of quoted securities and derivatives.

The “Fair value based on application of a valuation technique” column includes:

- the fair value of over the counter derivatives. For most of these instruments, documentation exists to support the habitual nature of the pricing models applied and the observable nature of the parameters used;
- the fair value of complex instruments (and/or instruments with long-term maturities) valued using internal pricing models (in common use or not) applied to market parameters based on observable or non-observable data;
- securitization securities for which no market price was available at December 31, 2008 and which were therefore valued using the valuation models described in Note 6.1.

The derivatives and complex instruments valued using a valuation model not in common use, and/or on the basis of wholly or partly unobservable market parameters, are separately disclosed in the column entitled “Fair value based on techniques not using observable market data”. The nature of these instruments is detailed in Note 7.6. This column also includes the securitization securities valued on the basis of one of the valuation models described in Note 6.1.

8.7 – Deferred tax assets and liabilities

(in millions of euros)	31.12.2008	31.12.2007
Principal sources of deferred tax[1]		
Flow-through entities	(150)	(185)
Leasing reserves	(160)	(35)
Elimination of equalization reserve	(357)	(421)
Financial instruments at fair value through equity (AFS+CFH)	1,281	(468)
Capital reserves of insurance companies	(81)	(84)
Fair value of private equity business	(311)	(386)
Amortized cost of loans	86	99
Provisions for employee benefits	323	263
Other non-deductible provisions[2]	2,158	2,087
Non-deductible accrued expenses (deferred compensation, etc.)	32	294
Unrealized gains on OPCVM investment funds		40
Intra-group dividends (retail bank CICs)	(196)	(211)
Tax losses carried forward	7,046	458
Internal credit risk for liabilities	(664)	(30)
Other temporary differences	(353)	36
TOTAL SOURCES OF DEFERRED TAX, GROSS	**8,654**	**1,456**
Unrecognized sources of deferred tax assets	(3,898)	(275)
TOTAL SOURCES OF DEFERRED TAX, NET	**4,756**	**1,181**
Total deferred tax recognized	**1,522**	**614**
of which:		
– deferred tax assets	2,200	939
– deferred tax liabilities	(678)	(325)

(1) The sources of deferred tax giving rise to deferred tax assets are given a positive sign, while those giving rise to deferred tax liabilities are shown with a negative sign.

(2) Including collective provisions and the impact of discounting specific provisions.

8.8 – Other assets and liabilities

Accrued income and prepaid expenses and deferred income and accrued charges correspond to technical accounts, details of which are given below.

ASSETS

(in millions of euros)	Notes	31.12.2008	31.12.2007
Other assets	*8.8.1.1*	24,575	16,265
Accrued income and prepaid expenses (excluding insurance)	*8.8.2.1*	5,797	15,777
Insurance company items	*8.8.3.1*	2,015	1,482
TOTAL		**32,387**	**33 524**

LIABILITIES

(in millions of euros)	Notes	31.12.2008	31.12.2007
Other liabilities	8.8.1.2	18,219	15,005
Deferred income and accrued charges (excluding insurance)	8.8.2.2	4,469	7,322
Insurance company items	8.8.3.2	455	291
TOTAL		**23,143**	**22,618**

8.8.1 Other assets and liabilities

8.8.1.1 Other assets

(in millions of euros)	31.12.2008	31.12.2007
Securities settlement accounts	1,056	21
Other items	715	879
Miscellaneous debtors	22,745	15,207
Accrued interest	59	158
TOTAL	**24,575**	**16,265**

8.8.1.2 Other liabilities

(in millions of euros)	31.12.2008	31.12.2007
Amounts due on securities		10
Miscellaneous creditors	13,410	14,893
Securities settlement accounts	1,519	
Other items	3,290	101
Accrued interest		1
TOTAL	**18,219**	**15,005**

8.8.2 Accrued income and prepaid expenses and deferred income and accrued charges

8.8.2.1 Accrued income and prepaid expenses (excluding insurance)

(in millions of euros)	31.12.2008	31.12.2007
Collection accounts	65	330
Adjustment accounts	12	838
Prepaid expenses	123	121
Accrued income	543	715
Deferred charges	2	
Other items	5,052	13,773
TOTAL	**5,797**	**15,777**

8.8.2.2 Deferred income and accrued charges (excluding insurance)

(in millions of euros)	Note	31.12.2008	31.12.2007
Collection accounts		323	466
Adjustment accounts		1,069	580
Deferred income		346	314
Accrued charges		1,348	1,022
Day one P&L	*8.8.2.2.1*	183	204
Other items		1,200	4,736
TOTAL		**4,469**	**7,322**

8.8.2.2.1 Day one P&L restatement

The table represents the deferred margin on the first day for instruments valued using valuation techniques making use of non-observable parameters or non-prevalent valuation models at the beginning of the period, at the end of the period, and for variations during the period. The nature of such instruments is described in Note 7.6.

(in millions of euros)	31.12.2008	31.12.2007
Deferred margin at the beginning of the period	204	251
Margin for new transactions	54	65
Margin recognized during the period	(75)	(79)
Other changes		(33)
Deferred margin at the end of the period	183	204

Day one P&L sensitivity depends on the amortization period for transactions. The P&L impact for 2008 of reducing that period would be as follows:

- equity instruments:

Reduction in the amortization period for day one P&L	P&L impact for 2008 *(in millions of euros)*
1 year	+ 6
5 years	+ 65.7
10 years	+ 75.2

- debt instruments:

Reduction in the amortization period for day one P&L	P&L impact for 2008 *(in millions of euros)*
1 year	+4.9
5 years	+47.8
10 years	+72

8.8.3 Insurance company items

8.8.3.1 Insurance company items – Assets

(in millions of euros)	31.12.2008	31.12.2007
Reinsurers' share of technical reserves	424	290
Insurance receivables	292	375
Reinsurance receivables	57	71
Accrued premium income	170	633
Deferred acquisition costs	147	113
Deferred profit-sharing – debit balances	925	
TOTAL	**2,015**	**1,482**

8.8.3.2 Insurance company items – Liabilities

(in millions of euros)	31.12.2008	31.12.2007
Insurance liabilities	270	159
Reinsurance liabilities	103	115
Cash deposits received from reinsurers	79	13
Other items	3	4
TOTAL	**455**	**291**

8.9 – Property, plant and equipment, intangible assets, investment properties

8.9.1 Changes over the year in property, plant and equipment and intangible assets

	31.12.2008			31.12.2007		
(in millions of euros)	Cost	Depreciation, amortization and impairment	Net	Cost	Depreciation, amortization and impairment	Net
Property, plant and equipment	**1,307**	**(662)**	**645**	**1,305**	**(608)**	**697**
Land and buildings	662	(295)	367	750	(327)	423
Other items	645	(367)	278	555	(281)	274
Intangible assets	**1,145**	**(426)**	**719**	**865**	**(419)**	**446**
Leasehold rights	66	(15)	51	81	(36)	45
Software	628	(323)	305	514	(281)	233
Other items	451	(88)	363	270	(102)	168
TOTAL	**2,452**	**(1,088)**	**1,364**	**2,170**	**(1,027)**	**1,143**

(in millions of euros)	Cost 01.01.2008	Purchases	Sales	Changes in consolidation scope and other items	Cost 31.12.2008
Property, plant and equipment	**1,305**	**174**	**(114)**	**(58)**	**1,307**
Land and buildings	750	52	(29)	(111)	662
Other items	555	122	(85)	53	645
Intangible assets	**865**	**237**	**(102)**	**145**	**1,145**
Leasehold rights	81	16	(2)	(29)	66
Software	514	164	(90)	40	628
Other items	270	57	(10)	134	451
TOTAL	**2,170**	**411**	**(216)**	**87**	**2,452**

8.9.2 Investment properties

(in millions of euros)	31.12.2008			31.12.2007		
	Cost	Depreciation, amortization and impairment	Net	Cost	Depreciation, amortization and impairment	Net
Investment properties						
At fair value[1]	525		525	588		588
At historical cost	801	(310)	491	704	(300)	404
TOTAL	**1,326**	**(310)**	**1,016**	**1,292**	**(300)**	**992**

(1) Insurance company investments. Changes in fair value give rise to the symmetrical recognition of a deferred participation reserve equal, on average, to 92% of the related basis amount (cf. Note 3.9).

8.9.3 Fair value of investment properties

The fair value of investment properties is obtained by discounting the rental yield of these assets at the market rate.

(in millions of euros)	31.12.2008	
	Net	Net amount
Operating leases	484	864
Finance leases – ITNL	7	10
TOTAL	**491**	**874**

8.10 – Assets obtained by taking possession of guarantees

The table lists the assets obtained by taking possession of guarantees: the type and the carrying amount of the assets (securities, buildings, etc.) obtained and booked following use of guarantees or by mobilizing other forms of surety.

(in millions of euros)	31.12.2008	31.12.2007
Property, plant and equipment	2	
Investment properties	29	9
Equity and debt instruments		2
TOTAL	**31**	**11**

Natixis Real Estate Capital Inc. recovered property through mortgage loan guarantee foreclosure for an amount of €23 million in 2008 (€9 million in 2007).

8.11 – Goodwill

(in millions of euros)	01.01.2008	Purchases	Allocations	Divestiture/ deconsolida-tion	Impair-ment	Conversion differences	Reclassifi-cation	31.12.2008
Net value per business segment and unit								
Corporate and Investment Banking	**69**				**(69)**			
Natixis S.A.	21				(21)			
Natixis Corporate Solutions	36				(36)			
Natixis Coficiné	10				(10)			
Natixis Commodity Markets	2				(2)			
Asset Management	**1,556**	**22**	**(4)**		**(3)**	**47**		**1,618**
NGAM Group	1,556	22	(4)		(3)	47		1,618
Private Equity and Private Banking	**25**	**20**				**(1)**		**44**
Natixis Private Equity and subsidiaries	22	1						23
Cie 1818 Group	1	19						20
Other entities	2					(1)		1
Services	**675**		**(60)**	**(2)**		**7**		**620**
CACEIS Group	516		(60)	(1)		7		462
Natixis Assurances	96							96
Natixis Interépargne	31							31
Natixis Garanties Group	12							12
Natixis Consumer Finance	10							10
Natixis Intertitres	6							6
Slib	4			(1)				3
Receivables Management	**489**	**23**		**(1)**		**1**	**2**	**514**
Coface Group	489	23		(1)		1	2	514
Other operations	**30**						**(3)**	**27**
Other entities	30						(3)	27
TOTAL	**2,844**	**65**	**(64)**	**(3)**	**(72)**	**54**	**(1)**	**2,823**

8.12 – Deposits from banks and customer deposits

Deposits from banks and customer deposits are presented by nature, taking into account whether they are demand or time deposits. They are measured in accordance with IAS 39 as other financial liabilities under the amortized cost method.

8.12.1 Deposits from banks

(in millions of euros)	31.12.2008	31.12.2007
Current accounts in credit and accrued interest	**10,804**	**19,679**
Accounts and deposits	**53,278**	**56,136**
demand	4,907	6,154
time	48,371	49,982
Pledged securities	**440**	**2,930**
demand		
time	440	2,930
Repurchase agreements	**31,370**	**58,198**
demand	1,180	3,341
time	30,190	54,857
Other liabilities	**78**	**82**
Accrued interest	**630**	**1,209**
TOTAL	**96,600**	**138,234**

8.12.2 Customer deposits

(in millions of euros)	31.12.2008	31.12.2007
Current accounts in credit	**14,169**	**15,184**
demand	12,026	11,332
time	2,143	3,852
Accounts and deposits	**17,155**	**13,961**
demand	9,955	4,658
time	7,200	9,303
Repurchase agreements	**24,172**	**29,575**
demand	4,349	6,221
time	19,823	23,354
Special savings accounts	**86**	**100**
Factoring liabilities	**1,806**	**1,699**
Accrued interest	**126**	**232**
Other items	**1,266**	**950**
TOTAL	**58,780**	**61,701**

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8.13 – Debt securities in issue

Debt securities in issue (interest-bearing notes, interbank market instruments, etc.) are broken down by nature, excluding subordinated debt which is recorded separately in a specific line item.

These debt securities are initially recognized at fair value, which is the issue price less transaction costs, and then stated at amortized cost, using the effective interest rate method to defer issue costs over the lifetime of the securities.

(in millions of euros)	31.12.2008	31.12.2007
Interbank market instruments		**3**
Money market instruments	**21,408**	**50,104**
BMTN	2,896	3,450
CDN	18,512	46,654
Bonds	**12,765**	**11,378**
Other debt securities in issue	**216**	**3,488**
Accrued interest	**217**	**557**
TOTAL	**34,606**	**65,530**

8.14 – Insurance companies' technical reserves

In order to protect policyholders, insurance companies record under liabilities technical reserves determined on the basis of statistical calculations.

Provisions for unearned premium income reflect the portion (calculated on an accrual basis) of premiums issued during the financial year that relate to a period after the balance sheet date.

Life insurance reserves reflect the payments received, plus investment income paid out to policyholders and less exit benefits. These reserves are topped up by the management reserve, which is intended to cover future management costs on life insurance contracts.

Life insurance loss reserves cover the capital payable upon the occurrence of a loss. In credit insurance, they include an estimate of the total cost of losses reported but not yet settled at the close of period. Accrued losses are topped up by a reserve for unknown losses calculated statistically.

The reserves for deferred profit-sharing represent the portion of investment income attributable to policyholders, but not yet paid out. These reserves are due to be paid out within eight years.

Other technical reserves include reserves for financial contingencies and for deferred acquisition costs.

(in millions of euros)	31.12.2008	31.12.2007
Mathematical reserves	**30,972**	**30,836**
Life insurance	25,992	24,969
Unit-linked business	4,980	5,867
Loss reserves	**1,300**	**1,105**
Profit-sharing reserves	**415**	**1,160**
Other technical reserves	**871**	**807**
TOTAL	**33,558**	**33,908**

The change between 2007 and 2008 in the reserves for deferred profit-sharing is attributable for about two thirds of its amount to the strong fall in the equity markets and for the remaining third, to the change in the credit spreads for debt instruments.

At December 31, 2008, given the very significant fall in the markets, the shadow accounting mechanism resulted in the recognition of a €925.2 million deferred profit-sharing asset (*cf. Note 3.9*).

The Group's opening non-life insurance reserves were reclassified from mathematical reserves to other technical reserves (impact: €589 million).

1 2 3 4 5 6 7 8 9

8.15 - Provisions and impairment

8.15.1 Summary

(in millions of euros)	01.01.2008	Increase	Utilization	Reversals not used	Conversion differences	IAS 39 reclassification	Changes in consolidation scope	Other items	31.12.2008
Impairment of assets	**2.165**	**2.474**	**(116)**	**(585)**	**18**	**(238)**	**17**	**60**	**3.794**
Impairment of performing loans	842	502		(392)	14				966
Impairment of non-performing loans	743	1.157	(116)	(67)	4			3	1.724
Other impairment	64	34		(17)			(3)	9	87
Durable impairment of available-for-sale financial assets	516	781		(110)		(238)	20	48	1.017
Provisions	**762**	**1.092**	**(257)**	**(126)**	**8**			**3**	**1.482**
Provisions for risks and other costs	**520**	**1.037**	**(256)**	**(51)**	**7**			**3**	**1.260**
Provisions for counterparty risk	88	614	(7)	(34)	6			(3)	664
Provisions for impairment risk	25	13	(4)	(15)				3	22
Provisions for employee benefits	286	34	(61)	(2)	1			(1)	257
Provisions for operating risk	121	376	(184)					4	317
Provisions for regulated savings accounts									
Provisions for current income tax	**242**	**55**	**(1)**	**(75)**	**1**				**222**
TOTAL	**2.927**	**3.566**	**(373)**	**(711)**	**26**	**(238)**	**17**	**63**	**5.276**

Impact on the income statement	Charges	Reversals	Net impact
Net banking income	**(983)**	**274**	**(709)**
Operating expenses	(223)	124	(99)
Charges for depreciation, amortization and impairment	(5)	3	(2)
Gross operating income	**(1,211)**	**401**	**(810)**
Cost of risk	(2,300)	607	(1,693)
Income before income tax	**(3,511)**	**1,008**	**(2,503)**
Income tax	(55)	76	21
NET INCOME	**(3,566)**	**1,084**	**(2,482)**

8.15.2 Provisions for risks and other costs

(in millions of euros)	Notes	01.01.2008	Increases	Utilization	Reversals not used	Conversion differences	Changes in consolidation scope	Other items	31.12.2008
Counterparty risk		**88**	**614**	**(7)**	**(34)**	**6**		**(3)**	**664**
Financing and guarantee commitments		23	195	(3)	(10)	(1)		10	214
Client disputes		49	2	(3)	(12)			(12)	24
Other provisions		16	417	(1)	(12)	7		(1)	426
Impairment risks		**25**	**13**	**(4)**	**(15)**			**3**	**22**
Long-term investments		9		(4)					5
Real estate developments									
Other provisions		16	13		(15)			3	17
Employee benefits	*13.3*	**286**	**34**	**(61)**	**(2)**	**1**		**(1)**	**257**
Operating risk		**121**	**376**	**(184)**				**4**	**317**
Restructuring		15	168	(28)					155
Other provisions		106	208	(156)				4	162
TOTAL		**520**	**1,037**	**(256)**	**(51)**	**7**		**3**	**1,260**

The other provisions for counterparty risk include €375 million of charges for the risk associated with the Madoff affair (*cf. Note 6.10*).

The "Restructuring" line item includes a €144 million provision for redundancies.

8.16 - Subordinated debt

Subordinated debt differs from advances and bonds issued in that it will be repaid only after all the senior and unsecured creditors, but before the repayment of participating loans and securities and super-subordinated debt. It is valued at amortized cost.

Depending on their nature, preferred shares may be classified either as debt or equity. All the preferred shares issued by Natixis are classified under subordinated debt (*cf. Note 7.14*).

(in millions of euros)	31.12.2008	31.12.2007
Dated subordinated debt	7,994	7,957
Perpetual subordinated debt	4,958	1,889
Preference shares	449	626
Accrued interest	230	206
TOTAL	**13,631**	**10,678**

CHANGES IN SUBORDINATED DEBT OVER THE PERIOD

(in millions of euros)	01.01.2008	Issues [1]	Redemptions [2]	Conversion differences	Other items	31.12.2008
Dated subordinated debt	**7,957**	**25**	**(55)**	**19**	**48**	**7,994**
Subordinated bonds	6,466	25	(52)	19	88	6,546
Subordinated loans	1,492		(3)		(40)	1,449
Perpetual subordinated debt	**1,889**	**2,764**		**49**	**256**	**4,958**
Super-subordinated bonds	1,794	2,764		47	239	4,844
Subordinated bonds	84			2		86
Subordinated loans	11				17	28
TOTAL	**9,846**	**2,789**	**(55)**	**68**	**304**	**12,952**

This table does not include:

- *Preference shares; or*
- *Accrued interest.*

(1) Issues in 2008 comprised:

- *Redeemable subordinated bonds: a €100 million (Group share of €25 million) tranche issued by CACEIS in March 2008 with a maturity of March 29, 2018;*
- *Super-subordinated bonds:*
  - *two €950 million tranches subscribed respectively by Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne and mirroring their own issues to Société de Prise de Participations de l'État (December 2008 – call December 11, 2013),*
  - *a €150 million tranche issued by Natixis (March 2008),*
  - *a €204 million tranche issued by Natixis (April 2008 – USD 300 million – call April 16, 2018),*
  - *a €510 million tranche issued by Natixis (April 2008 – USD 750 million – call April 30, 2018).*

(2) Repayments comprised:

- *At maturity:*
  - *Natixis repaid the May 1998 and July 1998 tranches of the redeemable subordinated bonds issued in FRF to Banque Fédérale des Banques Populaires (an amount of €1.5 million),*
  - *Natixis Factor repaid a July 1997 tranche of redeemable subordinated bonds (an amount of €1.5 million).*
- *In advance:*
  - *CACEIS repaid €200 million of a December 2007 tranche of redeemable subordinated bonds (Group share: €50 million),*
  - *Natixis Coficiné repaid an April 1997 tranche of redeemable subordinated bonds (€0.8 million) and a December 1998 tranche (€0.8 million).*

8.17 - Fair value of financial liabilities

IAS 39 establishes a hierarchy in the means of determining fair value:

- the best representation of fair value is the price quoted on an active market. A market is considered as active if prices are easily and regularly available from a stock market, a broker, a negotiator, a price-evaluation service or a regulatory agency and these prices represent real transactions regularly occurring in the market;
- failing this, fair value must be determined using evaluation techniques. These techniques include the use of recent transactions, the reference to the fair value of a substantially identical instrument, discounted cash flow methods, share-valuation models and any valuation technique commonly used by players in the market.

When a valuation model is applied, it must make maximum use of data from the market. In the case of certain structured products, often prepared to order, the valuation model is sometimes supplied with parameters that are not observable in the market. For these instruments, profit or loss cannot be established upon initial recognition. The margin shown upon initial booking must, in this situation, be deferred and spread over the lifetime of the instrument.

The table below presents the fair value of all financial liabilities, whether they are booked to the balance sheet by fair value or not. This information is broken down according to the hierarchy given by the IAS 39 standard for determining the fair value of an instrument.

Liabilities (in millions of euros)	Fair value	Carrying amount	Fair value based on market prices	Fair value based on application of a valuation technique	Fair value based on techniques not using observable market data	
					Fair value	Change in fair value through profit and loss
Financial liabilities held for trading	210,589	210,589	25,928	184,661	2,006	(1,290)
Financial liabilities designated at fair value through profit and loss	64,791	64,791	31	64,760		
Derivative hedging instruments	259	259		259		
Financial liabilities due to banks	96,402	96,600		96,402	96,402	
Financial liabilities due to customers	58,726	58,780		58,726	58,726	
Debt in the form of securities issued	34,606	34,606		34,606	34,606	
Subordinated debt	10,510	13,631		10,510	10,510	
Other items	407	407		407		
TOTAL	**476,290**	**479,663**	**25,959**	**450,331**	**202,250**	**(1,290)**

NOTE 9 NOTES TO THE INCOME STATEMENT

9.1 - Net interest income

"Interest and similar income" and "interest and similar expenses" comprise interest on fixed-income securities recognized as available-for-sale financial assets, and interest on loans and advances to and from banks and clients.

These line items also include interest on financial assets held to maturity.

Financial assets and liabilities valued at amortized cost give rise to the recognition of interest calculated using the effective interest rate method.

1 2 3 4 5 6 7 8 9

(in millions of euros)	31.12.2008 Income	Expenses	Net	31.12.2007 Income	Expenses	Net
Central banks and post offices	**2**	**(26)**	**(24)**	**4**	**(33)**	**(29)**
Securities	**1,723**	**(2,056)**	**(333)**	**2,377**	**(3,923)**	**(1,547)**
Loans and advances	**12,573**	**(9,347)**	**3,226**	**14,894**	**(12,204)**	**2,691**
To/from banks	6,586	(6,774)	(188)	8,437	(9,682)	(1,245)
To/from clients	5,583	(2,544)	3,039	5,970	(2,490)	3,480
Finance leases	404	(29)	375	487	(32)	456
Subordinated debt		**(504)**	**(504)**		**(467)**	**(467)**
Other transaction	**11**	**(25)**	**(14)**	**231**		**231**
Hedging instruments	**2,214**	**(2,532)**	**(318)**	**952**	**(664)**	**288**
Expiry of hedging relationships (CFH)				15	(15)	
Accrued interest	2,214	(2,532)	(318)	937	(649)	288
Impaired loans, including restructured loans	13		13	2		2
TOTAL	**16,536**	**(14,490)**	**2,046**	**18,460**	**(17,291)**	**1,169**

9.2 - Net fee and commission income

The method of accounting for fees and commissions received in respect of services or financial instruments depends on the ultimate purpose of the services rendered and the method of accounting for the financial instruments to which the service relates.

- Fees and commissions for immediate services, such as business-provider commission, are recognized in income as soon as the service has been provided. Fees and commissions for continuous services such as guarantee commissions or management fees are spread over the period during which the service is provided.
- Fiduciary or similar fees and commissions are those that result in assets being held or invested on behalf of personal customers, pension schemes or other institutions. In particular, fiduciary transactions include the asset management and custodial activities performed on behalf of third parties.
- Fees and commissions that form an integral part of the effective yield of an instrument such as commitment fees or loan set-up fees are recognized as an adjustment to the effective interest rate over the estimated term of the applicable loan. Under EU IFRS, these fees and commission are recognized as interest income rather than fees and commission.

(in millions of euros)	31.12.2008 Income	Expenses	Net	31.12.2007 Income	Expenses	Net
Interbank transactions	16	(24)	(8)	6	(24)	(17)
Client transactions	574	(73)	501	643	(398)	244
Securities transactions	251	(169)	82	333	(104)	230
Payment services	318	(87)	231	217	(62)	155
Financial services	416	(643)	(227)	396	(280)	117
Fiduciary transactions	2,163	(57)	2,106	2,679	(611)	2,068
Financing, guarantee, securities, derivatives commitments	156	(24)	132	146	(58)	89
Other transactions	247	(284)	(37)	39	(4)	35
TOTAL	**4,141**	**(1,361)**	**2,780**	**4,460**	**(1,541)**	**2,919**

9.3- Gains or losses on financial assets and liabilities at fair value through profit and loss

This item includes gains and losses on financial assets and liabilities at fair value through profit and loss, whether held for trading or designated as at fair value, including interest.

Hedging instruments include changes in the fair value of fair value hedges, including interest, plus the symmetrical revaluation of items hedged. They also include the ineffective portion of cash flow hedges.

(in millions of euros)	31.12.2008	31.12.2007
Net gains/(losses) on financial assets and liabilities excluding hedging instruments	**(3,096)**	**1,137**
Net gains/(losses) on financial assets and liabilities held for trading [(1)]	(2,026)	3,202
o/w non-hedging instruments	*(555)*	*176*
Net gains on other financial assets and liabilities designated at fair value through profit and loss	(1,385)	(1,971)
Other transactions	315	(94)
Hedging instruments and revaluation of hedged items	**72**	**11**
Ineffective portion of cash flow hedges (CFH)	9	6
Ineffective portion of fair value hedges (FVH)	63	5
Changes in the fair value of fair value hedges	*628*	*127*
Changes in the fair value of hedged items	*(565)*	*(122)*
TOTAL	**(3,024)**	**1,148**

(1) The "Net gain/(losses)s on financial assets and liabilities held for trading" line item includes:

- *the impairment of the CDSs entered into with monoline insurers, as described in Note 6.2 and amounting to €1.3 billion at December 31, 2008;*
- *the valuation losses for subprime ABS CDOs amounting to €655 million at December 31, 2008;*
- *the valuation losses for subprime RMBSs amounting to €330 million at December 31, 2008.*

9.4 - Gains and losses on available-for-sale financial assets

Net gains or losses on available-for-sale financial assets principally comprise gains or losses on sale and impairment losses on variable-income securities.

Variable-income securities classified as available-for-sale are tested for impairment and an impairment loss recognized if their carrying amount is higher than their recoverable amount.

Impairment of fixed income securities is charged to the cost of risk.

This line item also includes dividends received from variable income securities.

(in millions of euros)	31.12.2008	31.12.2007
Dividends	**269**	**241**
Gains or losses on sale	**138**	**421**
Impairment of variable income securities	**(730)**	**(285)**
Discounts on syndicated loans	**(96)**	**(43)**
TOTAL	**(419)**	**334**

9.5 - Other income and expenses

Income and expenses from other operations mainly comprises income and expenses relating to finance leases and investment property. This item also includes income and expenses relating to insurance operations, in particular life insurance premium income, paid benefits and claims and changes in insurance liabilities.

(in millions of euros)	Notes	31.12.2008 Income	31.12.2008 Expenses	31.12.2008 Net	31.12.2007 Income	31.12.2007 Expenses	31.12.2007 Net
Finance leases	*9.5.1*	139	(105)	34	156	(235)	(79)
Investment property		107	(47)	60	111		111
Other non-operating assets					1	(2)	(1)
Real estate developments					31	(11)	20
Sub-total real estate activities		**246**	**(151)**	**94**	**299**	**(248)**	**51**
Net charge to/reversal of insurance companies' technical reserves			(128)	(128)		(1,764)	(1,764)
Other insurance income and expenses	*9.5.2*	4,491	(3,045)	1,446	5,590	(3,759)	1,831
Sub-total insurance		**4,491**	**(3,173)**	**1,318**	**5,590**	**(5,523)**	**67**
Operating leases		41	(32)	10	51	(42)	9
Other related income and expenses	*9.5.3*	594	(465)	129	680	(335)	345
TOTAL		**5,372**	**(3,821)**	**1,551**	**6,620**	**(6,148)**	**472**

9.5.1 Finance leases

(in millions of euros)	31.12.2008 Income	31.12.2008 Expenses	31.12.2008 Net	31.12.2007 Income	31.12.2007 Expenses	31.12.2007 Net
Gains or losses on sale	1	(7)	(6)	20	(131)	(111)
Impairment		1	1	6	(5)	1
Other related income and expenses	138	(99)	39	130	(99)	31
TOTAL	**139**	**(105)**	**34**	**156**	**(235)**	**(79)**

9.5.2 Other insurance income and expenses

(in millions of euros)	31.12.2008	31.12.2007
Life insurance premium income	3,187	4,483
Personal risk insurance premium income	277	138
Credit insurance premium income	876	802
Paid benefits and claims	(2,883)	(3,708)
Other net income/(expenses)	(12)	116
TOTAL	**1,446**	**1,831**

9.5.3 Other related income and expenses

(in millions of euros)	31.12.2008	31.12.2007
IT development and other services	39	51
Credit management services [1]	165	162
Other operations	(75)	132
TOTAL	**129**	**345**

(1) These services correspond to sales of credit information services, marketing information services and receivables collection services provided by Coface subsidiaries.

9.6 - Operating expenses

Operating expenses mainly comprise payroll costs, including wages and salaries net of rebilled expenses (*cf. Note 13.1*), social security charges and employee benefits (*cf. Note 13.3*) such as pensions (defined benefit plans) and share-based payments (*cf. Note 13.4*) accounted for under IFRS 2.

The €144 million estimated cost of the Group's redundancy plan has been fully provided for in the 2008 consolidated financial statements, within the "Payroll costs – other transactions" line item below.

This item also includes all administrative expenses and external services.

(in millions of euros)	Notes	31.12.2008	31.12.2007
Payroll costs			
Wages and salaries [1]	*13.1*	(1,909)	(2,147)
Post-employment and other benefits	*13.3*	(123)	(130)
Social security charges		(432)	(443)
Incentive and profit-sharing plans		(93)	(253)
Payroll-based taxes		(108)	(110)
Other transactions		(142)	(5)
Total payroll costs		**(2,807)**	**(3,088)**
Other operating expenses			
Taxes other than on income		(114)	(147)
External services		(1,868)	(1,949)
Other transactions		(63)	27
Total other operating expenses		**(2 045)**	**(2 069)**
TOTAL		**(4,852)**	**(5,157)**
(1) of which share-based payments	*13.4*	*(15)*	*(9)*

9.7 - Cost of risk

This item mainly comprises cost of risk relating to credit transactions: charges net of reversals for specific and collective impairment, receivables written off during the period and recoveries on bad debts written off.

"Impairment of individual receivables" includes impairment of securities classified as "Loans and advances" (including items so reclassified following the October 13, 2008 amendment) as well as of fixed income securities classified as AFS.

(in millions of euros)	31.12.2008 Charges	Net reversals	Write-offs not covered by provisions	Recoveries of bad debts written off	Net	31/12/2007 Charges	Net reversals	Write-offs not covered by provisions	Recoveries of bad debts written off	Net
Provisions for risks and other costs	**(614)**	**34**			**(580)**	**(23)**	**24**			**1**
Financing commitments	*(195)*	*10*			*(185)*	*(12)*	*13*			*1*
Other transactions	*(418)*	*24*			*(395)*	*(11)*	*11*			
Impairment of financial assets	**(1,686)**	**449**	**(8)**	**9**	**(1,237)**	**(499)**	**246**	**(7)**	**15**	**(245)**
Impairment of individual receivables	*(1,184)*	*57*	*(8)*	*9*	*(1,127)*	*(139)*	*76*	*(7)*	*15*	*(55)*
General provision for impairment	*(502)*	*392*			*(110)*	*(360)*	*170*			*(190)*
Cost of risk	**(2,300)**	**484**	**(8)**	**9**	**(1,817)**	**(522)**	**270**	**(7)**	**15**	**(244)**
Reversals of surplus impairment		*484*					*270*			
Reversals for final write-offs		*124*					*78*			
Sub-total reversals		**608**					**348**			
Write-offs covered by provisions		*(124)*					*(78)*			
Total net reversals		**484**					**270**			

9.8 - Share in income from associates

(in millions of euros)	31.12.2008 Share of net assets	31.12.2008 Share of net income	31.12.2007 Share of net assets	31.12.2007 Share of net income
Financial sector companies	9,218	467	9,265	663
Other companies	101	17	42	9
TOTAL	**9,319**	**484**	**9,307**	**672**

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9.9 - Gains or losses on other assets

This item comprises capital gains and losses on the disposal of property, plant and equipment and intangible assets, as well as capital gains and losses on the disposal of investments in consolidated companies.

(in millions of euros)	31.12.2008			31.12.2007		
	Investments in consolidated companies	Property, plant & equipment and intangible assets	Total	Investments in consolidated companies	Property, plant & equipment and intangible assets	Total
Net capital gains/(losses) on disposals	**104**	**(4)**	**100**	**244**	**294**	**538**
TOTAL	**104**	**(4)**	**100**	**244**	**294**	**538**

The net capital gain for 2008 on the disposal of investments in consolidated companies includes the €105 million gain arising on the contribution by Natixis to CACEIS of its custodial operation and shares in Natixis Investor Servicing (NIS).

9.10- Reconciliation of the tax charge in the financial statements and the theoretical tax charge

(in millions of euros)	31.12.2008	31.12.2007
+ Consolidated net income/(loss) attributable to equity holders of the parent	(2,799)	1,101
+ Consolidated net income/(loss) attributable to minority interests	72	119
+ Income tax charge	(705)	97
+ Income from discontinued operations		369
+ Change in value of goodwill	73	1
- Share in income from associates	(484)	(672)
= Consolidated net income before tax, goodwill amortization and share of income of associates	**(3,843)**	**1,015**
+/- Permanent differences [(1)]	(518)	(928)
= Consolidated taxable income/(loss)	**(4,361)**	**87**
x Standard tax rate	33.33%	33.33%
= Theoretical tax charge	**1,454**	**(29)**
+ Contributions and minimum annual tax charges	40	(5)
+ Income taxed at reduced rates	(1)	(39)
+ Losses for the period not recognized for deferred tax purposes	(932)	(9)
+ Impact of group tax relief	20	(7)
+ Differences in foreign tax rates	(42)	47
+ Tax reassessments	59	(33)
+ Tax credits	12	21
+ CIC distribution tax	(67)	(73)
+ Prior year tax [(2)]	176	
+ Other items	(14)	30
= Tax charge for the period	**705**	**(97)**
o/w: current tax	*(103)*	*(484)*
deferred tax	*808*	*387*

(1) The main deductions in respect of permanent timing differences concern the tax-exempt net income of venture capital subsidiaries. Foreign deductions include fiscal amortization of goodwill and tax-exempt income from subsidiaries in Luxembourg and the United States.

(2) Including €135 million of deferred tax assets recognized by the New York branch.

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NOTE 10 SEGMENT AND GEOGRAPHICAL ANALYSIS

The Group's segment analysis reflects a two-dimensional approach:

- a primary reporting level based on business segments;
- a secondary reporting level based on geographical segments.

Segments are identified on the basis of Natixis' organizational structure and its internal reporting to the Executive Board and Supervisory Board. Up to the third quarter of 2008, Natixis had identified six business segments equating with the six business divisions disclosed in its organization chart.

During the fourth quarter of 2008, Natixis' Corporate and Investment Banking (CIB) operations were split between a segment called "New" CIB, containing the core business operations intended to be pursued and developed, and a "Workout Portfolio Management (GAPC) segment". The separation is intended to optimize management of the segregated assets, to protect the ongoing operations and to highlight the performance of the "New" CIB business. The CIB division thus henceforth comprises two business segments: the "New" CIB and CIB-GAPC.

At December 31, 2008 Natixis has thus retained seven business segments based on its organizational structure and internal reporting.

10.1 - "New" CIB

The "New" CIB offers its clients – companies, institutional investors, insurers and banks – a complete range of financing and capital markets services integrating all Natixis' know-how: advisory, origination, structuring and distribution. The segment comprises three business lines and two regional platforms:

- Corporate and institutional relations: manages the client relationship in France and internationally and arranges standard finance and cash flow products as well as advising on mergers and acquisitions;
- Financing products: combines structured finance, commodities, real estate, debt solutions, credit derivatives and securitization.
- Capital markets: provides market expertise in interest rates, foreign currencies, commodities, credit and equity;
- Two regional platforms, North America and Asia, dispose of dedicated resources allowing them to accompany each business line in its international development.

10.2 - CIB-GAPC

The "CIB-GAPC" segment has been created within the CIB division in order to wind down both the asset portfolios hardest hit by the financial crisis and the portfolios no longer considered part of Natixis' core business given its new strategic orientation focusing on customer operations. These portfolios comprise in particular: Natixis' own investments in credit instruments and derivatives, credit correlation, the mortgage portfolios held by ABM Corp in New York and the more complex operations involving interest rate and equity derivatives.

10.3 - Private Equity and Private Banking

This division encompasses:

- private equity operations developed under the impetus of Natixis' own sales force principally focused on generally unlisted small and medium enterprises. These operations may take the form of equity finance for mature corporations, leveraged buy-outs, risk capital for young and innovative companies, and international private equity transactions;
- wealth management activities in France and Luxembourg, developed from the clientele of Caisses d'Epargne and Banques Populaires, supplemented by Natixis clientele. They span advisory services, portfolio management and mutual fund investment management.

10.4 - Services

This division groups together a number of service businesses dedicated primarily to the Caisses d'Epargne and Banques Populaires networks, and to the other Natixis business lines:

- securities – securities back-office services: custody (account administration, back-office outsourcing, depository control), fund administration and accounting, issuer services, order receipt and transmission, office services;
- payments – systems and infrastructure: electronic banking, issuance and collection of high-volume electronic transfers, check processing;
- insurance: life insurance, non-life insurance, personal risk insurance;
- employee benefits planning (a comprehensive offering to assist companies with their employee benefits planning), marketing and management of employee savings accounts, fund administration and accounting; collective life insurance, service vouchers;
- specialized finance: comprises both finance leasing (taken over from the CIB division) and consumer finance;
- guarantees and bail bonds: this business line is operated by Natixis Garanties. The main services it provides are: guarantees for mortgage loans granted by the Caisses d'Epargne network to personal and small business customers, legal guarantees and financial bail bonds;

- international banking services: corporate services supplied via Pramex and development of the retail network in Algeria (business lines taken over from the CIB division).

10.5 - Receivables Management

This business line was restructured in 2007. The first step taken was to merge GCE Affacturage with Natixis Factor, thus consolidating its position as the No. 3 factoring company in France. This was followed by the creation of the Coface holding company, which now houses all subsidiaries of the business line within a single legal entity. The business includes trade receivables management and offers customers tailored products to manage, protect and finance their receivables.

Over half of its revenue is derived from international markets, which continue to enjoy significant potential for development.

Its main activities are: credit insurance, business information and ratings (solvency and marketing), receivables management (from issuance through to collection), factoring, and management of public procedures on behalf of the French State.

Training in receivables management techniques is also an expanding business.

Receivables management has an extensive distribution network comprising:

- its own network inherited from Coface covering 64 countries, supported by the Credit Alliance network (91 countries);
- the Banques Populaires and Caisses d'Epargne retail banking networks, which are a major source of business for factoring activity in France and offer substantial development potential for the other activities of the business line.

10.6 - Asset Management

Asset management activities are grouped together within Natixis Global Asset Management. They cover all asset categories and are carried out mainly in the United States and in France. These activities are performed by autonomous entities (specialized management companies and specialized distribution units) coordinated by a holding company that ensures the organization's consistency by overseeing its strategic direction. These companies are thus able to focus on their core business of achieving high performance, while retaining the option of developing their own institutional clientele and benefiting from the business line's other support functions, based on appropriate economic models. A number of them have forged a strong reputation, such as Harris Associates, Loomis Sayles, IXIS AEW and Natixis Asset Management.

Together, these specialized management companies enable the Group to provide a full range of expertise meeting demand from all the various customer segments. Coverage of the various customer segments is optimized by the organization of distribution around the Advisors/Global Associates platform and the business franchises developed over the long term by the management companies, mainly with group clientele. The management companies continue to handle distribution via the Group's shareholder networks in France.

10.7 - Retail banking

Natixis integrates these operations via its 20% ownership of the Banques Populaires' and Caisses d'Epargne's retail banking networks and via the business lines distributed by the networks. Both shareholder groups' networks hold distinct yet complementary market positions. The Caisses d'Epargne banks have a strong presence in the personal and small-business customer segment, offering a full spectrum of products and services. They also boast robust local roots and are prime movers in regional development, offering local authorities, social housing organizations and businesses an extensive range of products and services. The Banque Populaire network focuses on small businesses, small and medium-sized businesses and personal customers.

Other operations not covered by these six core businesses are grouped under "Other businesses", a category primarily comprising the functional departments (IT, human resources, finance and internal audit).

Natixis has four geographical regions:

- France;
- other EU countries;
- North America (Canada, USA);
- other OECD countries.

This analysis reflects the main regions in which Natixis operates, of which France is the largest market.

Segment reporting is based on financial aggregates taken from the balance sheet and income statement and reconciled with the consolidated financial statements. Results for each segment comprise directly attributable operating income and expenses, including transactions with other segments of Natixis.

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NOTE 11 RISK MANAGEMENT

The information on risk management required under IFRS 7 and IFRS 4 is presented in the management report, Chapter V "Risk Management", sections 5.1 to 5.5 and 5.9 . This information is an integral part of the audited financial statements.

NOTE 12 INFORMATION ON CAPITAL

12.1 - Share capital

	2008		
Ordinary shares	Number of shares	Par value	Capital *(in euros)*
Opening value	1,222,042,694	1.60	1,955,268,310
Capital increase	1,686,094,999	1.60	2,697,751,998
Closing value	2,908,137,693	1.60	4,653,020,309

12.2 - Capital management

Natixis' main objectives in terms of capital management are to ensure that the Group meets the capital requirements imposed by its external environment and maintains an adequate rating to sustain its activity and to maximize shareholder value.

Natixis adapts the management of its capital structure in line with the changes taking place in economic conditions and in the risk characteristics of its operations.

12.3 - Regulatory capital

As a lending institution, Natixis is subject to banking regulations and to supervision by the French Banking Commission. This control is exercised on a consolidated basis and its purpose is to set a number of rules guaranteeing the bank's capital adequacy, liquidity and financial equilibrium. The main means used to achieve these objectives are a quantitative mechanism consisting of ratios governing capital adequacy, control of large exposures and liquidity, accompanied by a qualitative mechanism based on internal control requirements.

Regulatory capital and capital adequacy ratio

The capital adequacy ratio encompasses credit risk, market risk and operating risk. This ratio measures the adequacy of regulatory capital in relation to risk. The numerator represents the bank's consolidated regulatory capital, calculated in accordance with CRBF regulation 90-02. The denominator represents all of the bank's weighted credit, market and operating risks. Natixis complied with the 8% minimum level at December 31, 2008.

Other regulatory ratios

- **Liquidity ratio**

The liquidity ratio compares liquid assets with a maturity of less than one month with liabilities falling due within the same period. Natixis complied with the 100% requirement during financial year 2008. Management of liquidity risk has been adapted to the context of the financial crisis, resulting in adoption of the specific measures described in Note 5.5 to the management report.

- **Controlling large exposures**

The purpose of controlling large exposures is to prevent an excessive concentration of risks on a single beneficiary. The requirement is based on an ongoing dual obligation: all of the risks carried on a single beneficiary must not exceed 25% of the bank's regulatory capital, and all of the risks carried on beneficiaries who individually exceed 10% of the bank's regulatory capital must not exceed 800% of its regulatory capital. Natixis complied with this requirement during 2008.

NOTE 13 PAYROLL COSTS, NUMBER OF EMPLOYEES, COMPENSATION AND EMPLOYEE BENEFITS

13.1 - Payroll costs

Payroll costs totaled €2,807 million at December 31, 2008.

Payroll costs not only include wages and salaries net of rebilled expenses but also employee benefits such as pensions (defined benefit plans) and share-based payments in accordance with IFRS 2.

The annual charge for defined benefit plans comprises:

- additional entitlements vested with all employees;
- interest costs (discount effect);
- the gross yield on plan assets;
- amortization of actuarial gains and losses (application of the so-called corridor approach) and past service costs.

13.2 - Number of employees

By number	31.12.2008	31.12.2007
Number of employees [(1)]	22,096	21,959

(1) Full-time equivalent employees active within the Natixis Group at December 31, 2008.

13.3 - Employee benefits

The main provisions for employee-related liabilities concern:

- CAR supplementary banking pension;
- supplementary banking pension for beneficiaries of other Natixis institutions;
- end-of-career awards;
- long service awards.

The Banque Populaire Group's CAR (Caisse Autonome des Retraites) pension fund, for which Natixis employees from the former Caisse Centrale des Banques Populaires were also eligible, was closed on December 31, 1993 in accordance with the industry agreement of September 13, 1993 applicable to the Banque Populaire banks under the Group agreement of January 7, 1994.

Pension liabilities to active and retired employees comprise supplementary pensions specific to the Banque Populaire Group and a residual supplementary banking pension calculated on the basis of the difference between banking entitlement at December 31, 1993 and social security pensions.

The former Crédit National funds disclosed a slight deficit in 2007 but have been adversely affected by the economic situation prevailing in 2008. The fall in value of the plan assets, in conjunction with a reduction in the discount rate, have increased the total plan obligation at December 31, 2008. However the portion of the actuarial losses exceeding the corridor is not material (about €4 million) and will be spread over the remaining benefit vesting period.

The former BFCE plan remained balanced in 2008.

For end-of-career awards, consolidated entities cover all or part of their commitments through insurance policies with ABP Vie, the life insurance subsidiary of Natixis, which is fully consolidated.

Provisions are booked for all subsidiaries' commitments not covered by insurance policies.

Impact of new law

- The Social Security financing act for 2009 amends the conditions under which employees may be retired between the ages of 65 and 69. Henceforth, and as provided for by law 2008-1330 dated December 17, 2008 and decree 2008-1515 dated December 30, 2008, an employee retired between the ages of 65 and 69 must be consulted in writing as to his or her voluntary intention of ceasing employment. An employee wishing to continue to work beyond the age of 65 will be able to do so until the age of 70, when the employer will once again be able to retire him or her unilaterally.

The Group does not believe that this modification will change the current assumptions as to employees' age of retirement. The new measure is thus without impact on the amount of the Group's benefit obligations.

- Article 11 of the National Collective Bargaining Agreement dated January 11, 2008, included in the Labor Market Modernization Act dated June 25, 2008 and the related implementing decree dated July 18, 2008, has increased the amount of compensation payable in law for termination of employees, with effect from one year's complete service, to 1/5th of a month's salary per year of employment plus 2/5th with effect from the 10th year of employment.

If the employer decides to retire an employee, a lump-sum benefit becomes payable the amount of which must equal either the amount of termination benefit calculated as above or, if more advantageous, the specific end-of-career award provided for by the applicable collective bargaining agreement or individual employment contract.

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This measure has increased the corresponding benefit obligation by €16.8 million. As it is considered under IAS 19 as a plan amendment, the impact of this measure will be charged to profit and loss over the remaining vesting period estimated at 12 years.

Impact of internal restructuring

During 2008, the following changes took place as regards the beneficiaries of Natixis' benefit plans:

- former Ixis CIB employees were reclassified with effect from January 1, 2008;
- former Natixis Altaïr employees were included in the Natixis benefit plan with effect from April 1, 2008 following the absorption of this entity;
- former Gestitres employees were included in the Natixis benefit plan with effect from July 1, 2008 following the absorption of this entity.

With effect from these dates, the employees concerned come under the Natixis arrangements for end-of-career awards, healthcare benefit and long service awards.

On July 1, 2008, following the contribution of certain Group operations to CACEIS, the employees concerned left the Natixis benefit plan.

These various restructuring measures have increased the Group's overall benefit obligation by about €6 million. This amount will be accounted for under IAS 19 as a plan amendment, i.e. by charging it to profit and loss over the remaining vesting period.

Impact of the redundancy plan

In September 2008, Natixis implemented a redundancy plan providing for the suppression of 840 jobs. As the employees concerned will not finish their careers with Natixis, this measure will reduce the amount of the Group's end-of-career award, healthcare benefit and long service award obligations.

The applicable benefit obligation for employees aged over 55 included in the redundancy plan has been provided for as part of the overall provision for the redundancy plan (*cf. Note 8.15.2 and Note 9.6*).

Discount rate and return on plan assets at December 31, 2008

	Supplementary pensions	End-of-career awards	Long service awards
Discount rate	3.81%	3.73%	3.53%
Return on plan assets	4.48%	4.23%	

The drift rate for healthcare expenses is 4.3%, of which 1.8% relates to inflation and 2.5% to aging of the population.

For end-of-career and long service awards, employee turnover is calculated by age bracket and grade based on a three-year average. The rate is 0% for employees over 55. Future salary increases are estimated by grade based on a constant population and three-year average.

(in millions of euros)	Supplementary pensions	End-of-career awards	Long service awards	Other benefits	Total
IAS liabilities at 01.01.2008					
Impairment	64	132	40	50	286
Items not recognized under IAS 19	10	4		18	32
Plan amendments not yet recognized	(1)	10		4	12
TOTAL LIABILITIES AT 01.01.2008	**73**	**146**	**40**	**71**	**330**
Benefits paid over the period	(9)	(10)	(3)	(3)	(25)
Benefits vested over the period	2	8	4	3	16
Interest charge	10	6	2	4	21
Expected gross return on plan assets	(8)	(1)			(10)
Change in management fees					
Payments to the fund	(13)	(2)			(15)
Payment charges					
Plan amendments recognized over the period		2			2
Actuarial gains and losses	1		(1)	1	1
Other items	3	(22)			(20)
Change taken to profit and loss	**(14)**	**(20)**	**1**	**4**	**(29)**
Actuarial gain or loss on liabilities	16	4		3	23
Actuarial gain or loss on return on plan assets	23	3			26
Other actuarial gains or losses	3	10		(11)	2
Change in actuarial gains or losses not recognized	**41**	**17**		**(8)**	**51**
Plan amendments over the period	3	24		3	30
Other items	1			(3)	(2)
Other changes not recognized	**5**	**24**			**29**
Other items	(3)	(1)	(1)	5	(1)
Other changes	**(3)**	**(1)**	**(1)**	**5**	**(1)**
Liabilities at 31.12.2008					
Impairment recognized	46	112	40	58	257
Items not recognized under IAS 19	50	22		9	81
Plan amendments not yet recognized	3	31		3	38
TOTAL LIABILITIES AT 31.12.2008	**100**	**165**	**40**	**71**	**376**

The significant fall in the expected return on plan assets mainly relates to ex-Crédit National's pension plan. It reflects the sharp drop in the equity markets at December 31, 2008.

Changes in the discount rate and expected inflation have also contributed to increasing the overall benefit obligation.

CHANGE IN THE FAIR VALUE OF ASSETS HELD TO FUND POST-EMPLOYMENT BENEFITS GRANTED TO EMPLOYEES

(in millions of euros)	Supplementary pensions	End-of-career awards	Other benefits	Total 31.12.2008
Fair value at January 1	**194**	**39**	**1**	**234**
Expected return on plan assets	8	1		10
Expected return on separate assets				
Actuarial gains or losses over the year	(19)	(3)		(22)
Currency translation				
Contributions paid		2		2
Benefits paid				
Changes in consolidation scope	58	8	(1)	65
Conversion differences				
Curtailments and settlements		(1)		(1)
Fair value at December 31	**240**	**47**	**1**	**287**

At December 31, 2008 the plan assets for Natixis' post-employment benefit plans comprised 67% of bonds, 27.7% of shares, 4.8% of monetary assets, 0.4% of real estate assets and 0.1% of other assets.

EXPERIENCE ADJUSTMENTS FOR NATIXIS' MAIN POST-EMPLOYMENT BENEFIT PLANS

	31.12.2008
Experience adjustment of plan liabilities (negative: gain)	(3.07)%
Experience adjustment of plan assets (negative: gain)	10.30%

Experience adjustments reflect the effects of differences between previous actuarial assumptions and what has actually occurred.

13.4 - Share-based payment

Natixis grants share subscription options to certain of its employees. The options may be exercised during a 3 year period following a 4 year vesting period. As provided for by IFRS 2, options granted after November 7, 2002 and the rights to which have not yet vested at the balance sheet date are measured at their fair value at the date on which they were granted. The fair value is computed using a Black and Scholes valuation model and is charged to payroll costs over the vesting period by crediting equity. The amount is adjusted at each balance sheet date to reflect in particular any changes in the number of options outstanding. Any adjustment required also affects both the current and subsequent accounting periods.

Following the share capital increase which took place in September 2008, at its meeting of December 8 Natixis' Executive Board decided to modify the option exercise criteria and number of shares subject to option. The adjustments were made in order to preserve the rights of the holders of share subscription options:

- the reduction in the exercise price is intended to compensate for the loss in value of the share arising as a result of the creation of preferential rights of subscription to the September 2008 share issue;
- the change in the number of shares subject to option is intended to compensate for the reduction in the share option exercise price whilst remaining consistent with the total share subscription price expected to be paid by each beneficiary at the time of exercise of his or her options.

The total subscription price has thus been maintained at a constant level (pre- and post-share capital increase).

As a result, there has been no change to the fair value and other accounting recognized under IFRS 2.

NATIXIS STOCK OPTION PLANS

Plan year	Date of allocation	Total number of options granted	Options granted within the Natixis consolidation scope	Exercisable as of	Expiry date	Exercise price	Options outstanding at end 2008	Fair value	Share price at the date of allocation
2004	17.11.2004	6,587,350	3,916,220	17.11.2008	16.11.2011	5.79	6,361,740	1.33	9.54
2005	15.11.2005	7,653,800	4,573,800	15.11.2009	14.11.2012	7.74	7,543,690	2.46	13.00
2007	29.01.2007	15,398,922	7,698,922	29.01.2011	28.01.2014	14.38	15,123,108	5.03	21.97
2008	21.01.2008	7,576,792	7,263,256	21.01.2012	20.01.2015	8.27	6,249,312	1.69	10.63

No options were granted in 2006

	2004 Plan	2005 Plan	2007 Plan	2008 Plan
Number of options at 01.01.2008	6,380,220	7,577,570	15,321,306	
■ Awarded in 2008				7,576,792
■ Lost in 2008	18,480	33,880	198,198	1,327,480
■ Expired in 2008				
■ Exercised in 2008				
Number of options at 31.12.2008	6,361,740	7,543,690	15,123,108	6,249,312

MAIN ASSUMPTIONS USED FOR VALUING NATIXIS STOCK OPTION PLANS

	2004	2005	2007	2008
Valuation method	Black & Scholes	Black & Scholes	Black & Scholes	Black & Scholes
Risk-free interest rate (2)	4%	3%	4%	4%
Share's future volatility (1)	21%	20%	33%	43%
Dividend payment rate (3)	5.28% p.a.	3.54% p.a.	4.75% p.a.	4.23% p.a.
Rate for loss of entitlements	2%	2%	2%	2%

(1) *Volatility has been based on past experience for the Natixis share and on the estimated gap between the historical and implicit volatility for companies with a similar profile.*

(2) *Based on the Bank's standard rate curve applying to interbank swaps.*

(3) *Dividend payment rates generally correspond to the last dividend payment made without future progression while maintaining this last level.*

AMOUNT OF THE EXPENSE CHARGED TO PROFIT AND LOSS

in € thousands	31.12.2008	31.12.2007
Net expense of Natixis stock option plans	9,944	8,679

Bonus share allocation plan

On November 12, 2007 Natixis' Executive Board awarded 60 free Natixis shares to each member of staff with the Natixis, Banque Populaire and Caisse d'Epargne Groups. More specifically, this allocation concerned employees working in France and with at least three months seniority on the allocation date, within the following entities:

- Natixis;
- Banque Fédérale des Banques Populaires;
- Caisse Nationale des Caisses d'Epargne;
- Banks affiliated with one of the central institutions;
- entities whose capital is at least 50%-owned – directly or indirectly, exclusively or jointly – by Natixis, one of its central institutions or an affiliated bank.

Altogether, 101,402 employees were awarded a total of 6,084,120 shares on November 12, 2007.

This bonus share allocation is governed by the French Law of 2006 for financing profit-sharing and employee shareholding. It was authorized at Natixis' Extraordinary General Shareholders' Meeting on May 24, 2007.

The Plan is based on three stages spread over four years:

- November 12, 2007: allocation date and start of the two year vesting period.

  On the allocation date, each employee was entitled to receive 60 shares within two years subject to conditions of presence. The two-year vesting period required under French law runs from this date. Over this period, employees do not own the shares. They have a non-transferable allocation right through to the end of the vesting period, but they do not have any voting rights or rights to dividends.

- November 12, 2009: acquisition of shares subject to the conditions of presence, and start of the two-year holding period.

  At the start of this period, each employee still present will receive their shares and will allocate them to a registered account or mutual fund for a mandatory two-year holding period. Employees thus own the shares from the start of this period. They are entitled to dividends, but are not allowed to sell their shares.

- November 14, 2011: availability of shares.

  As of this date, the shares will be available to be held under the same conditions as before, at no cost for beneficiaries, or to be sold at any time.

At the time of the share capital increase of September 2008, the preferential subscription rights attached to Natixis' treasury shares were sold in the market. In order to preserve the rights of the holders of the free shares, at its meeting of December 8, 2008 Natixis' Executive Board decided to adjust the bonus allocation by allocating an additional 33 shares to each employee benefiting from the original allocation of 60 shares. The new allocation is subject to the same conditions of acquisition and conservation as the original allocation.

Under IFRS 2, the new allocation increases the fair value of the allocation as a whole. The fair value attributable to the supplementary allocation of 33 shares will be charged to payroll costs over the remaining period till the date of vesting (i.e. November 12, 2009).

The amount of the additional charge will be based on the share price at the date of allocation (i.e. December 8, 2008), the number of beneficiaries at that date and their rate of continued presence during the subsequent period.

Date of allocation	Total number of rights allotted	Rights granted within the Natixis consolidation scope	Vesting period	Date of availability of shares	Fair value of the share at the date of allotment	Net charge for the period (in €K)
12.11.2007	6,084,120	918,180	2 years	14.11.2011	11.39	5,006
08.12.2008	3,139,356	480,942	1 year	14.11.2011	1.59	48

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OPTIONS PLANS OF UNLISTED SUBSIDIARIES SETTLED IN CASH

Plan year	Date of allotment	Number of options allotted	Date of acquisition	Date of availability	Share value	Shares extant at 31.12.2008	Fair value of the liability at 31.12.2008	Change in fair value over the year in €K
2004	NGAM	1,345,000	24.08.2004	24.08.2007 (1)	47.9	-	-	(1,929)
2004	Natixis Multimanager (Ex. IPCM)	57,298	15.03.2004	15.03.2008	35.2	-	-	(682)

(1) 24.08.2007 for US beneficiaries & 24.08.2008 for European beneficiaries. Options were exercised in advance of the theoretical date.

All options under the 2004 NGAM and Natixis Multimanager plans were exercised in the course of 2008.

AMOUNT OF THE CHARGE TO PROFIT AND LOSS

in € thousands	31.12.2008	31.12.2007
Net expense/net income on stock option plans for other unlisted Group companies	657	(180)

NOTE 14 SEGMENT AND GEOGRAPHICAL ANALYSIS

14.1- Segment analysis

14.1.1 Income statement

(in millions of euros)	Retail Banking	Corporate and Investment Banking	Asset Management	Private Equity and Private Banking	Services	Receivables Management	Other Activities	Total
	31.12.2008							
	[1]	[2]	[3]	[4]	[5]	[6]	[7]	
Net banking income		**(595)**	**1,358**	**191**	**1,477**	**800**	**(296)**	**2,934**
2008/2007 change		*(135)%*	*(21)%*	*(63)%*	*1%*	*(14)%*	*(6)%*	*(51)%*
Operating expenses		**(1,933)**	**(976)**	**(172)**	**(974)**	**(696)**	**(309)**	**(5,060)**
2008/2007 change		*(6)%*	*(24)%*	*0%*	*5%*	*4%*	*42%*	*(5)%*
Gross operating income		**(2,529)**	**381**	**19**	**503**	**104**	**(605)**	**(2,126)**
2008/2007 change		*(650)%*	*(9)%*	*(94)%*	*(7)%*	*(59)%*	*(22)%*	*(395)%*
Income before tax	**302**	**(4,045)**	**323**	**7**	**497**	**102**	**(618)**	**(3,432)**
2008/2007 change	*(40)%*	*(629)%*	*(35)%*	*(98)%*	*(6)%*	*(60)%*	*(637)%*	*(303)%*

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Following the reorganization of Corporate and Investment Banking (CIB) and the refocusing of its business, its results are now reviewed by new CIB and CIB – GAPC (Workout Portfolio Management). They were as follows as of December 31, 2008:

	31.12.2008		
(in millions of euros)	New Corporate and Investment Banking	CIB – GAPC	Corporate and Investment Banking Total
Net banking income	2,856	(3,452)	(595)
Operating expenses	(1,759)	(175)	(1,933)
Gross operating income	1,099	(3,627)	(2,529)
Income before tax	429	(4,474)	(4,045)

14.1.2 - Balance sheet

(in millions of euros)	Retail Banking	Corporate and Investment Banking	Asset Management	Private Equity and Private Banking	Services	Receivables Management	Other Activities	Total
	[1]	[2]	[3]	[4]	[5]	[6]	[7]	
Assets at fair value through profit and loss		275,183	657	1,756	7,183	130	585	285,493
Available-for-sale financial assets		7,834	311	204	20,860	1,105	597	30,911
Loans and advances to banks		58,320	139	411	2,923	191	3,588	65,573
Customer loans and receivables		93,231	4	1,056	10,736	6,805	3,772	115,604
Held-to-maturity financial assets					6,321	90	0	6,411
Goodwill			1,618	44	620	514	27	2,823
Other assets	158	23,570	(1,207)	(484)	2,328	287	24,293	48,945
TOTAL ASSETS	**158**	**458,138**	**1,522**	**2,989**	**50,971**	**9,121**	**32,861**	**555,760**

(in millions of euros)	Retail Banking	Corporate and Investment Banking	Asset Management	Private Equity and Private Banking	Services	Receivables Management	Other Activities	Total
	[1]	[2]	[3]	[4]	[5]	[6]	[7]	
Financial liabilities at fair value through profit and loss		273,723		73	859	29	696	275,380
Due to banks		81,689	350	647	8,655	4,142	1,117	96,600
Customer payables		48,270		762	6,092	1,842	1,815	58,780
Debt securities		34,716	(78)	169	(886)	682	3	34,606
Insurance companies' technical reserves		109			32,226	1,223	0	33,558
Subordinated debt		13,077		10	677	24	(157)	13,631
Other liabilities	158	6,554	1,250	1,328	3,348	1,179	29,388	43,205
TOTAL LIABILITIES	**158**	**458,138**	**1,522**	**2,989**	**50,971**	**9,121**	**32,861**	**555,760**

BREAKDOWN OF THE BALANCE SHEET OF CORPORATE AND INVESTMENT BANKING

(in millions of euros)	New CIB	CIB - WPM	CIB Total
Assets at fair value through profit and loss	202,918	72,265	275,183
Available-for-sale financial assets	5,823	2,011	7,834
Loans and advances to banks	57,968	352	58,320
Customer loans and receivables	85,271	7,960	93,231
Other assets	21,012	2,558	23,570
TOTAL ASSETS	**372,992**	**85,146**	**458,138**

(in millions of euros)	New CIB	CIB - WPM	CIB Total
Financial liabilities at fair value through profit and loss	221,211	52,512	273,723
Due to banks	56,199	25,490	81,689
Customer payables	44,914	3,356	48,270
Debt securities	34,716		34,716
Insurance companies' technical reserves	109		109
Subordinated debt	13,077		13,077
Other liabilities	2,765	3,789	6,554
TOTAL LIABILITIES	**372,992**	**85,146**	**458,138**

The key figures shown above are broken down by the seven business described in Note 10:

- Retail banking [1] encompasses Banque Populaire and Caisse d'Epargne activities, which are integrated by Natixis through its 20% shareholding;
- new CIB [2] houses the target CIB division business. CIB houses the capital markets and financing business targeting major customers;
- CIB – WPM [2] manages the winding down of the portfolios of CIB division segregated assets. These portfolios comprise the assets most affected by the crisis along with the assets that no longer fit within the new Natixis strategy (*see Note 10*);
- Asset Management [3] is responsible for the asset management activities performed by various subsidiaries, including NGAM;
- Private Equity and Wealth Management [4] comprises private equity (Natixis Private Equity) and wealth management (Banque Privée Saint-Dominique, Compagnie 1818-Banquiers Privés and Natixis Private Banking Luxembourg);
- Services [5] houses the following activities: Securities back-office services (CACEIS and Gestitres), Payments, Insurance and Guarantees (Natixis Assurances and Natixis Garanties), Employee Benefits Planning (Natixis Interépargne) and Specialist Financing Under Consumer Loans (Natixis Financement), Leasing and International Banking Services (Pramex and Natixis Algérie);
- Receivables Management [6] houses the credit insurance and credit management services provided by Coface plus the factoring businesses of Natixis Factor and VR Factorem;
- other businesses [7] house Natixis activities that are not strictly operational, including its own holding company activities serving its direct subsidiaries. Net banking income derives from the management of its corporate treasury, real estate income and institutional activities performed on behalf of the French State. General operating expenses reflect overhead not allocated to the individual business lines. Other Businesses also include certain consolidation adjustments that cannot be assigned to business segments.

14.2 - Geographical analysis

14.2.1 Income statement

(in millions of euros)	France	Other EU	North America	Other OECD	Other Countries	Total
Net banking income	1,264	772	750		148	2,934
Operating expenses	(3,130)	(672)	(945)	(23)	(81)	(4,852)
Net amortization, depreciation and impairment	(146)	(20)	(35)	(1)	(7)	(208)
Gross operating income (loss)	(2,013)	79	(230)	(23)	60	(2,126)
Cost of risk	(746)	(606)	(449)	(3)	(14)	(1,817)
Net operating income (loss)	(2,758)	(526)	(678)	(26)	46	(3,943)
Share in income from equity method affiliates	463	10	10		1	484
Gains or losses on other assets	114	(14)	(1)			100
Change in value of goodwill	(27)	(44)	(2)			(73)
Income (loss) before tax	(2,208)	(574)	(672)	(26)	48	(3,431)
Income taxes	695	(156)	181	(3)	(12)	705
Net income (loss)	(1,513)	(730)	(490)	(29)	35	(2,727)
Minority interests	(49)	(2)	(22)		1	(72)
NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	**(1,562)**	**(732)**	**(513)**	**(30)**	**37**	**(2,799)**

14.2.2 Balance sheet

(in millions of euros)	France	Other EU	North America	Other OECD	Other Countries	Total
Assets at fair value through profit and loss	204,807	29,945	48,967	84	1,691	285,493
Available-for-sale financial assets	26,651	3,415	450	54	340	30,911
Loans and advances to banks	53,819	8,700	1,389	75	1,590	65,573
Customer loans and receivables	66,757	24,945	19,851	227	3,824	115,604
Held-to-maturity financial assets	6,349	62				6,411
Goodwill	1,763	496	557	4	4	2,823
Other assets	48,162	(113)	1,509	(15)	(599)	48,945
TOTAL ASSETS	**408,308**	**67,450**	**72,722**	**430**	**6,849**	**555,760**

(in millions of euros)	France	Other EU	North America	Other OECD	Other Countries	Total
Financial liabilities at fair value through profit and loss	200,559	23,192	48,628	85	2,916	275,380
Due to banks	75,270	29,338	(9,364)	246	1,110	96,600
Customer payables	31,934	11,640	14,419	15	771	58,780
Debt securities	15,253	985	17,395	5	968	34,606
Insurance companies' technical reserves	31,473	1,893	58	31	104	33,558
Subordinated debt	12,274	1,278	66	5	8	13,631
Other liabilities	41,545	(875)	1,520	43	972	43,205
TOTAL LIABILITIES	**408,308**	**67,450**	**72,722**	**430**	**6,849**	**555,760**

NOTE 15 COMMITMENTS

15.1 - Guarantee commitments

A financial guarantee is a contract that requires the issuer to reimburse the holder of the contract for a loss that the holder incurs because a debtor fails to make payment when due. The exercise of these rights is contingent on the occurrence of an uncertain future event.

IAS recognizes three types of financial guarantees:

- guarantees extended (received) upon the exit (entry) of financial assets/liabilities;
- financial guarantees treated as derivatives; these are credit derivatives and are included in the derivatives table;
- financial guarantees that meet the definition of an insurance contract and are covered by sufficient technical reserves.

The amounts shown represent the nominal value of the commitment undertaken.

(in millions of euros)	31.12.2008	31.12.2007
Guarantees extended		
To banks	*4,674*	*2,854*
- Confirmation of documentary credits	1,042	1,496
- Other guarantees	3,632	1,358
To customers	*105,339*	*100,861*
- Real estate guarantees	1,133	1,597
- Administrative and tax bonds	550	669
- Other bonds and endorsements extended	82,154	72,111
- Other guarantees	21,502	26,484
TOTAL COMMITMENTS FOR GUARANTEES EXTENDED	**110,012**	**103,715**
Guarantee commitments received from banks	**8,373**	**39,066**

15.2 - Financing commitments

In accordance with IAS 39 (§ 2), financing commitments outside the scope of IAS 39 are recognized in accordance with IAS 37, "Provisions, Contingent Liabilities and Contingent Assets".

The following financing commitments fall within the scope of IAS 39:

- commitments classified as financial liabilities at fair value through profit and loss. If an entity has a practice of reselling or securitizing credits just after they are issued, these loans are subject to IAS 39 beginning in the commitment phase;
- commitments which are subject to netting (disposal);
- commitments which result in a loan under below-market terms.

Other financing commitments are subject to IAS 37.

A financing commitment extended is a contingent liability, defined by IAS 37 as:

- a possible obligation arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise; or
- a present obligation arising as a result of past events but that is not recognized because:
  - it is not probable that an outflow of resources representing economic benefits will be required to settle the obligation, or
  - the amount of the obligation cannot be measured reliably.

(in millions of euros)	31.12.2008	31.12.2007
Financing commitments extended		
To banks	*8,640*	*2,899*
To customers	*46,680*	*53,242*
- Documentary credits	1,709	2,728
- Other confirmed lines of credit	38,228	43,603
- Other commitments	6,743	6,911
TOTAL FINANCING COMMITMENTS EXTENDED	**46,680**	**56,142**
Financing commitments received		
- From banks	17,932	2,927
- From customers	1,008	
FINANCING COMMITMENTS RECEIVED	**18,940**	**2,927**

15.3 - Commitments on securitizations

The Natixis Group structures securitization transactions on behalf of its customers and investors using specific conduits.

The Group extends liquidity lines to three of these vehicles (Versailles, Elixir Funding and FCC Nacréa); these totaled €3.5 billion as of December 31, 2008.

A liquidity line in the amount of €2.8 billion was also extended to a vehicle (Hudson Castle) for which the Group is a co-sponsor.

Natixis Group also extended liquidity lines to several funds arranged by third parties (Landale, LMA SA, Thesee, Eureka, Victory Receivables Chase, Banca Pop Dell Aadige, Northwest and Cedulas) for a total of €1.4 billion.

As of December 31, 2008, none of these vehicles was consolidated as the Group does not have control and because it is not exposed to most of the risks and benefits related to the securitized assets.

NOTE 16 OTHER INFORMATION

16.1 - Maturity of outstanding assets and liabilities

The following table presents assets and liabilities by their remaining contractual maturity.

Assets and liabilities without a maturity date, such as receivables and related payables, ordinary accounts and receivables due and payable immediately are shown in the column “less than one month”.

Assets *(in millions of euros)*	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 2 years	2 to 5 years	Over 5 years	Indefinite	Total
Cash and balances with central banks	1,759							1,759
Financial assets at fair value through profit and loss	14,127	1,851	7,538	7,190	13,714	26,271	28,530	99,220
Trading derivatives	99,292	5,174	8,868	7,200	30,340	35,399		186,273
Hedging instruments	467		4	31				502
Available-for-sale financial assets		436	1,194	1,969	4,840	17,133	5,340	30,911
Loans and advances to banks	24,773	10,444	7,469	3,042	9,152	10,692		65,573
Customer loans and receivables	30,707	14,107	10,328	11,646	23,537	25,279		115,604
Held-to-maturity assets	95	318	807	535	1,202	3,454		6,411
TOTAL ASSETS	**171,221**	**32,330**	**36,207**	**31,612**	**82,785**	**118,227**	**33,870**	**506,253**

Liabilities *(in millions of euros)*	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 2 years	2 to 5 years	Over 5 years	Indefinite	Total
Due to central banks	831							831
Financial liabilities at fair value through profit and loss	38,383	14,515	4,670	4,713	12,540	16,205		91,027
Trading derivatives	102,578	5,172	7,942	6,668	28,745	33,249		184,353
Hedging instruments	163	9	26	11	1	50		259
Debts and payables with financial institutions	47,460	21,586	9,444	5,158	7,536	5,416		96,600
Customer payables	34,010	15,425	1,914	1,237	1,897	4,297		58,780
Debt securities	10,822	7,700	3,178	5,568	4,320	3,019		34,606
Subordinated debt	704	46	31	736	573	6,583	4,958	13,631
TOTAL LIABILITIES	**234,950**	**64,453**	**27,205**	**24,091**	**55,611**	**68,819**	**4,958**	**480,088**

16.2 - Information on finance leases and operating leases

16.2.1 Leases as lessor

Leases as lessor *(in millions of euros)*	Residual duration Less than 1 year	> or equal to 1 year 1 to 5 years	Over 5 years	Total
Finance leases				
Gross investment	1,737	5,145	1,935	8,817
Present value of minimum lease payments receivable	1,441	4,376	1,683	7,500
Unearned finance income	295	769	252	1,317
Operating leases				
Minimum payments receivable under irrevocable leases	56	233	262	551

Leases as lessor *(in millions of euros)*	Real Estate Assets	Non-real Estate Assets	Total
Finance leases			
Unsecured residual value accruing to the lessor	57	83	140

16.2.2 Leasing as lessee

Leasing as lessee *(in millions of euros)*	Real Estate Assets	Non-real estate Assets	Total
Finance leases			
Net carrying amount	52		52

16.3 - Affiliates

Relationships among the Group's consolidated companies

The main transactions between Natixis and related parties (Groupe Banque Populaire, including Banque Fédérale and its subsidiaries and Banque Populaire banks and their subsidiaries, Groupe Caisse d'Epargne, including CNCE and its subsidiaries and Caisses d'Epargne banks and their subsidiaries, investments consolidated proportionally with respect to the portion not eliminated for consolidation purposes and all affiliates consolidated by the equity method) are described below:

	31.12.2008				31.12.2007			
(in millions of euros)	(incl. BP CICs)	(incl. CEP CICs)	Companies Consolidated Proportionally	Affiliates Consolidated by the Equity Method (excl. BP and CEP CICs)	(incl. BP CICs)	(incl. CEP CICs)	Companies Consolidated Proportionally	Affiliates Consolidated by the Equity Method (excl. BP and CEP CICs)
ASSETS								
Assets at fair value through profit and loss	1,130	5,311	50		3,877	2,407	42	
Available-for-sale financial assets	2,465	5,752	1,618		4,175	55		
Loans and advances to banks	16,511	9,557	86		16,960	10,087	2,337	
Customer loans and receivables	583	4			482	6		
Held-to-maturity financial assets	131	44			162			
LIABILITIES								
Financial liabilities at fair value through profit and loss	5,086	12,046	1,095		949	3,769	252	
Due to banks	14,994	13,278	1,227		7,230	9,546	491	
Customer payables	33	4			47	1		
Debt securities			868		2,060	3	571	
Subordinated debt	1,669	2,553	(45)		827	1,539		
PROFIT AND LOSS								
Interest and similar income	1,036	417	8	2	925	397	22	
Interest and similar expenses	(178)	(326)	(46)		(412)	(397)	(12)	
Net fee and commission income	(18)	(69)	(12)		(242)	58	(11)	
Net gains or losses on financial instruments at fair value through profit and loss	154	8	(45)		103	(957)	6	
Net gains (losses) on available-for-sale financial assets					1			
Income and expenses from other activities	(70)	(46)	2		45	(31)		
Operating expenses	(1)	(23)	(18)		(13)	(32)	(5)	
COMMITMENTS								
Commitments extended	1,287	42,500	47		394	38,723	80	
Commitments received	5,346	3,986			3,943	2,318	40	

Summary financial information for affiliates

Balance sheet – Assets *(in millions of euros)*	31.12.2008 Banque Populaire CCI's	31.12.2008 Caisse d'Epargne CCI's
Cash and balances with central banks and post offices	3,937	1,186
Financial assets at fair value through profit and loss	6,042	6,329
Hedging instruments	583	537
Available-for-sale financial assets	19,684	28,548
Loans and advances to banks	26,207	135,159
Customer loans and receivables	138,520	129,505
Revaluation adjustments on portfolios hedged against interest rate risk	29	149
Held-to-maturity financial assets		2,115
Current tax assets, deferred tax assets	813	1,222
Accrued income, prepaid expenses and other assets	9,167	5,172
Non-current assets held for sale		
Investments in affiliates consolidated by the equity method	143	
Investment properties	211	106
Property, plant & equipment	1,482	1,528
Intangible assets	81	113
Goodwill	386	
TOTAL ASSETS	**207,285**	**311,669**

Balance sheet - Liabilities *(in millions of euros)*	31.12.2008 Banque Populaire CCI's	31.12.2008 Caisse d'Epargne CCI's
Due to central banks and post offices		10
Financial liabilities at fair value through profit and loss	2,832	871
Hedging instruments	853	970
Due to banks	44,623	83,099
Customer payables	101,516	195,423
Debt securities	22,781	1,208
Revaluation adjustments on portfolios hedged against interest rate risk	7	188
Current tax liabilities, deferred tax liabilities	209	72
Deferred income, accrued charges and other liabilities	3,058	4,898
Insurance companies' technical reserves	3,783	
Provisions	1,220	1,453
Subordinated debt	2,216	1,881
Equity attributable to equity holders of the parent	23,896	21,596
Share capital and reserves	*5,884*	*10,876*
Retained earnings	*11,670*	*10,025*
Unrealized or deferred gains or losses	*5,317*	*(223)*
Net income (loss)	*1,025*	*918*
Minority interests	291	
TOTAL LIABILITIES	**207,285**	**311,669**

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Income statement *(in millions of euros)*	31.12.2008 Banque Populaire CCI's	31.12.2008 Caisse d'Epargne CCI's
Interest and similar income	8,746	13,330
Interest and similar expenses	(5,691)	(10,510)
Fee and commission income	2,623	2,493
Fee and commission expense	(448)	(418)
Net gains or losses on financial instruments at fair value through profit and loss	(34)	12
Net gains or losses on available-for-sale financial assets	446	827
Income from other activities	1,075	167
Expenses from other activities	(1,019)	(158)
Net banking income	**5,698**	**5,743**
Operating expenses	(3,581)	(4,229)
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	(222)	(221)
Gross operating income (loss)	**1,895**	**1,293**
Cost of risk	(529)	(395)
Net operating income (loss)	**1,366**	**898**
Share of income from affiliates consolidated by the equity method	10	
Gains or losses on other assets	2	14
Change in value of goodwill	1	
Income (loss) before tax	**1,379**	**912**
Income tax	(329)	6
Net income (loss)	1,050	918
Minority interests	(25)	
Net income, Group share	**1,025**	**918**
Net income – Group share for 20% shareholdings in the CCI's	**205**	**184**
Consolidation restatements:		
- Profit from the increase in the share in income	25	78
- Other restatements	(27)	(16)
Share in income in Natixis' financial statements	**203**	**246**

Management compensation

(in euros)	31.12.2008	31.12.2007
Natixis managers [(1)]	891,542	504,000
Executive officers [(2)]	10,313,588	6,501,611

(1) In 2008, as in previous years, attendance fees paid to members of the Supervisory Board included a fixed portion (€10,000 per year per person) and a variable portion (€2,000 per Board meeting per person). Members of the Audit Committee and of the Compensation Committee a fixed payment (€5,000 and €3,000, respectively) and a variable payment of €1,000 per meeting per person. This compensation was paid in full at the end of the year.

(2) Total gross compensation paid to members of Natixis' Executive Committee during their term of office during the period, including members of the Executive Board. Number of members of the Executive Board: 17 in 2008, 14 in 2007.

Executive officer compensation

Total gross compensation paid to executive officers was as follows:

(in euros)	31.12.2008	31.12.2007
Mr. Philippe Dupont, Executive Chairman of Natixis	350,000	350,000
Mr. Dominique Ferrero, Chief Executive Office and member of the Executive Board of Natixis	904,270	1,104,262
Mr. Jean-Marc Moriani, Member of Natixis' Executive Board	828,333	
Mr. Jean-Pascal Beauffret, Member of Natixis' Executive Board	1,000,647	
Mr. François Ladam, Member of Natixis' Executive Board	644,124	473,146
Mr. Anthony Orsatelli, Member of Natixis' Executive Board	695,161	455,882

The number of stock options awarded to officers of the issuing company and related companies were as follows:

Number of options awarded	31.12.2008	31.12.2007 [a]
Mr. Philippe Dupont, Executive Chairman of Natixis	-	400,400
Mr. Dominique Ferrero, Chief Executive Office and member of the Executive Board of Natixis	-	292,600
Mr. Jean-Marc Moriani, Member of Natixis' Executive Board	-	-
Mr. François Ladam, Member of Natixis' Executive Board	-	192,500
Mr. Anthony Orsatelli, Member of Natixis' Executive Board	-	192,500

(a) After adjustment following the September 2008 capital increase.

Number of options exercised	31.12.2008	31.12.2007
Mr. Philippe Dupont, Executive Chairman of Natixis	-	110,000
Mr. Dominique Ferrero, Chief Executive Office and member of the Executive Board of Natixis	-	-
Mr. Jean-Marc Moriani, Member of Natixis' Executive Board	-	-
Mr. François Ladam, Member of Natixis' Executive Board	-	-
Mr. Anthony Orsatelli, Member of Natixis' Executive Board	-	-

Group pension plan

From November 17, 2006 to December 18, 2008, Natixis had in place for the members of its Executive Board a group pension plan carried by an insurer similar to that provided to the chief executive officers of the Banque Populaire banks.

This plan provides defined benefits based on a variable percentage determined by the date of entry into the plan, with a maximum benefit of €370,000 less all Social Security, ARRCO, AGIRC, etc. pensions to which the manager is entitled.

The closing of this plan was approved by the Compensation committee and the Supervisory Board on December 18, 2008.

Upon its closing the plan was closed to any new beneficiaries. The potential beneficiaries of this plan will continue to receive benefits if they serve out their careers in the Natixis Group and provided they have served for at least 7 years. Benefits under this plan vest upon retirement at retirement age, which varies from 55 to 63 years of age, depending on the date of entry into the plan.

Mr. Philippe Dupont is eligible for this plan based on his service at BFBP and he is therefore not eligible for his service at Natixis.

Mr. François Ladam was already a potential beneficiary of this plan prior to November 17, 2006, based on his service at Natexis Banques Populaires.

The following members of the Executive Board became potential beneficiaries of this plan during the period November 17, 2006 to December 18, 2008: Mr. Dominique Ferrero; Mr. Anthony Orsatelli; Mr. Jean-Pascal Beaufret; and Mr. Jean-Marc Moriani.

Mr. Jean-Pascal Beaufret will not be a beneficiary of this plan because he departed prior to serving the required 7 years.

Severance payments

The members of the Supervisory Board at their December 18, 2008 meeting, having taken note of the AFEP-MEDEF recommendations on several payments for executive officers, noted for the record that the members of the Executive Board (as of December 31, 2008, Messrs. Dupont, Ferrero and Moriani) were not eligible for any severance payments for their service at Natixis and its subsidiaries.

The information required by Article L.225-100-3 of the Commercial Code is disclosed in the Company's annual report.

16.4 - Insurance company items

16.4.1 Insurance company results

The insurance industry companies within Natixis' scope of consolidation are: Coface and its subsidiaries (credit insurance, business information and debt management services), Natixis Assurances and its subsidiaries (life insurance, personal risk insurance, non-life insurance), Foncier Assurances (life insurance) and Natixis Garanties (legal guarantees and bonds).

The following table shows a reconciliation between the financial statements of the insurance companies and how these financial statements translate into financial statements in the banking format.

It also shows the consolidated contribution by the insurance companies in the banking format.

The main reclassifications concern general operating expenses, which are analyzed by application in the insurance format and by nature in the banking format.

At net banking income level, in the interest of consistency, insurance income and expenses that are similar to banking income and expenses (principally interest and fees and commissions) are reclassified under related line items in the banking format. Technical reserves and claims expenses are charged to net banking income rather than recognized as cost of risk.

Balance sheet reclassifications were immaterial. Most of the balance sheet line items specific to insurance companies are shown under "insurance company investments" on the asset side and under "insurance companies' technical reserves" on the liabilities side. Receivables and related payables, shown under accrued income, prepaid expenses and other assets or deferred income, accrued charges and other liabilities in the insurance format are reclassified on the same lines as the principal in the banking format.

(in millions of euros)	Insurance format Total	31.12.2008 Banking Format Net Banking Income	General Operating Expenses	Gross Operating Income	Taxes	Other Items	Net Income (Loss)
Premiums written	*4 520*	*4 520*		*4 520*			*4 520*
Change in unearned premium income	*(30)*	*(30)*		*(30)*			*(30)*
Earned premiums	4 490	4 490		4 490			4 490
Banking operating income	245	245		245			245
Revenues and other operating income	324	324		324			324
Other operating income	44	44		44			44
Investment income	*1 438*	*1 438*		*1 438*			*1 438*
Investment expenses	*(98)*	*(94)*	*(4)*	*(98)*			*(98)*
Capital gains and losses on disposal of investments (net of reversals of depreciation and amortization)	*27*	*27*		*27*			*27*
Change in fair value of investments carried at fair value through profit and loss	*(1 424)*	*(1 341)*		*(1 341)*		*(83)*	*(1 424)*
Change in impairment on investments	*(402)*	*(402)*		*(402)*			*(402)*
Investment income (net of expenses)	**(459)**	**(372)**	**(4)**	**(376)**		**(83)**	**(459)**
Policy benefit expenses	**(3 199)**	**(3 135)**	**(64)**	**(3 199)**			**(3 199)**
Reinsurance transfer income	*408*	*408*		*408*			*408*
Reinsurance transfer expenses	*(383)*	*(383)*		*(383)*			*(383)*
Income and expenses net of reinsurance transfers	**25**	**25**		**25**			**25**
Cost of risk	(23)					(23)	(23)
Banking operating expenses	(108)	(108)		(108)			(108)
Policy acquisition costs	(379)	(249)	(130)	(379)			(379)
Amortization of portfolio values and related items							
Administrative costs	(367)	(166)	(201)	(367)			(367)
Other current operating income and expenses	(313)	71	(384)	(313)			(313)
Other operating income and expenses	12	20	(8)	12			12
Operating income (loss)	**292**	**1 189**	**(791)**	**398**		**(106)**	**292**
Finance expense	(44)	(44)		(44)			(44)
Share in income of affiliates	21					21	21
Income taxes	(80)				(80)		(80)
After-tax income from discontinued activities							
Minority interests	(3)					(3)	(3)
CONSOLIDATED NET INCOME	**186**	**1 145**	**(791)**	**354**	**(80)**	**(88)**	**186**

16.4.2 Insurance companies' contribution to the consolidated income statement

(in millions of euros)	31.12.2008	31.12.2007
Interest and similar income	1,113	1,029
Interest and similar expenses	(109)	(79)
Fee and commission income	505	188
Fee and commission expense	(311)	(369)
Net gains or losses on financial instruments at fair value through profit and loss	(1,399)	(313)
Net gains or losses on available-for-sale financial assets	(155)	345
Income from other activities	4,517	5,778
Expenses from other activities	(3,016)	(5,528)
Net banking income	**1,145**	**1,052**
Operating expenses	(783)	(637)
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	(8)	(18)
Gross operating income (loss)	**354**	**397**
Cost of risk	(106)	(11)
Net operating income (loss)	**248**	**386**
Share in income of equity method affiliates	21	17
Gains or losses on other assets		(2)
Change in value of goodwill		
Income (loss) before tax	**269**	**401**
Income tax	(80)	(111)
Net income (loss)	**189**	**290**
Minority interests	(3)	(4)
NET INCOME - GROUP SHARE	**186**	**287**

16.5 - Statutory Auditors' fees

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

Mazars was appointed by the shareholders at the Combined General Annual Meeting of November 17, 2006, for a term of six years ending as of the General Annual Meeting called to approve the 2012 financial statements.

Deloitte & Associés – 185, avenue Charles-de-Gaulle – 92524 Neuilly-sur-Seine Cedex.

Salustro Reydel, member of KPMG International – 1, cours Valmy – 92923 Paris La Défense Cedex.

Mazars, Immeuble Exaltis 61, rue Henri-Régnault – 92075 La Défense Cedex.

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

	Deloitte & Associés				KPMG				MAZARS			
	Amount excl. VAT		%		Amount excl. VAT		%		Amount excl. VAT		%	
(in millions of euros)	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
Audit												
Audit, certification, review of individual and consolidated financial statements	*7,230*	*3,914*	*73%*	*61%*	*3,480*	*2,737*	*74%*	*65%*	*3,428*	*2,270*	*87%*	*99%*
Issuer	*1,617*	*916*	*16%*	*14%*	*1,484*	*789*	*32%*	*19%*	*1,516*	*295*	*38%*	*13%*
Fully and proportionally consolidated subsidiaries and branches	*5,613*	*2,998*	*56%*	*47%*	*1,996*	*1,948*	*42%*	*46%*	*1,912*	*1,975*	*48%*	*86%*
Other services relating directly to auditor's duties	*1,560*	*1,461*	*16%*	*23%*	*605*	*1,483*	*13%*	*35%*	*99*	*20*	*3%*	*1%*
Issuer	*795*	*422*	*8%*	*7%*	*566*	*185*	*12%*	*4%*	*95*	*0*	*2%*	*0%*
Fully and proportionally consolidated subsidiaries and branches	*765*	*1,039*	*8%*	*16%*	*39*	*1,298*	*1%*	*31%*	*4*	*20*	*0%*	*1%*
Subtotal	**8,790**	**5,375**	**88%**	**83%**	**4,085**	**4,219**	**87%**	**100%**	**3,527**	**2,290**	**89%**	**100%**
Other services provided by the firms to fully and proportionally consolidated subsidiaries												
Legal, tax and employee-related	*607*	*367*	*6%*	*6%*	*108*	*0*	*2%*	*0%*	*62*	*8*	*2%*	*0%*
Other	*547*	*696*	*6%*	*11%*	*516*	*0*	*11%*	*0%*	*367*	*4*	*9%*	*0%*
Subtotal	**1,154**	**1,063**	**12%**	**17%**	**624**	**0**	**13%**	**0%**	**428**	**12**	**11%**	**0%**
TOTAL	**9,944**	**6,438**	**100%**	**100%**	**4,709**	**4,220**	**100%**	**100%**	**3,955**	**2,301**	**100%**	**100%**

The alternate Statutory Auditors are:

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

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NOTE 17 COMPANIES INCLUDED IN THE SCOPE OF CONSOLIDATION

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
CORPORATE AND INVESTMENT BANKING							
NATIXIS S.A.	Holding company	FC	100	100	100	100	France
NATIXIS SECURITIES **	Brokerage	FC	100	100	100	100	France
DUPONT-DENANT CONTREPARTIE	Investment company	FC	50	50	50	50	France
CLEA2 (1) (7)	Debt HERE2 securitization fund		0	0	100	100	France
IXIS SP 1 - Compartiment Prévie (1)	Mutual investment fund	FC	100	100	100	100	Luxembourg
SNC TOLBIAC FINANCE (1)	Investment company	FC	100	100	100	100	France
NATIXIS ASIA Ltd	Other financial company	FC	100	100	100	100	Hong Kong
NATIXIS STRUCTURED PRODUCTS Ltd	Financing on secondary market	FC	100	100	100	100	Jersey
NATIXIS AUSTRALIA PTY Ltd (23)	Financial institution	FC	100	100	0	0	Australia
AKHDAR INVESTMENT GROUP (1) (31)	Financial institution/ Fin. holding company		0	0	100	100	Luxembourg
GARBO INVEST (1)	Investment company	FC	100	100	100	100	Luxembourg
GULF CAPITAL Luxembourg (1) (31)	Financial institution/ Fin. holding company		0	0	100	100	Luxembourg
NATIXIS ABM CORP LLC	Trading in securitized instruments	FC	100	100	100	100	United States
NATEXIS ABM CORP	Trading in securitized instruments	FC	100	100	100	100	United States
NATIXIS BLEICHROEDER Inc	Investment company	FC	100	100	100	100	United States
NATIXIS COMMODITY MARKETS Ltd	Precious metals brokerage	FC	100	100	100	100	Great Britain
NATIXIS MOSCOW	Foreign banking	FC	100	100	100	100	Russia
NATEXIS US FINANCE CORPORATION	Issuance of negotiable debt securities	FC	100	100	100	100	United States
NATIXIS ARBITRAGE (4)	Shares and derivatives arbitrage		0	0	100	100	France
NATIXIS COFICINÉ **	Finance company (audiovisual)	FC	94	94	94	94	France
NATIXIS FINANCE	Merger and acquisition advisory services	FC	100	100	100	100	France

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
NATIXIS FUNDING (1) **	Market making on secondary debt market	FC	100	100	100	100	France
NATIXIS IMMO DÉVELOPPEMENT	Property development and renovation	FC	100	100	100	100	France
NATIXIS Luxembourg	Bank	FC	100	100	100	100	Luxembourg
NATIXIS TRANSPORT FINANCE **	Bank	FC	100	100	100	100	France
OPERA SENTIER SAS (4)	Property development and renovation		0	0	50	50	France
SAS VAL A (1)	Investment portfolio holding	FC	100	100	100	100	France
NATIXIS Marco	Investment company	FC	100	100	100	100	France
NATIXIS BELGIQUE INVESTISSEMENTS	Investment company	FC	100	100	100	100	Belgium
EDF INVESTISSEMENT GROUPE (32)	Investment company	PC	15	15	33	33	Belgium
NATIXIS MALTA INVESTMENTS LIMITED	Holding company	FC	100	100	100	100	Malta
CALIFANO INVESTMENTS LIMITED	Structured financing	FC	100	100	100	100	Malta
BLOOM ASSET HOLDINGS FUND PLC (1)	Other financial company	FC	100	100	100	100	Ireland
NATIXIS INNOV	Holding company	FC	100	100	100	100	France
NATIXIS LUXEMBOURG INVESTISSEMENTS	Investment company	FC	100	100	100	100	Luxembourg
FILI SA	Investment company	FC	100	100	100	100	Luxembourg
CASANLI	Investment company	PC	50	50	50	50	Luxembourg
NATIXIS ALTERNATIVE INVESTMENTS INTERNATIONAL S.A.	Holding company	FC	100	100	100	100	Luxembourg
NATIXIS MALTA INVESTMENTS LIMITED	Funds management	FC	100	100	100	100	Great Britain
IXIS ALTERNATIVE HOLDING LIMITED	Holding company	FC	100	100	100	100	Great Britain
NATIXIS ENVIRONNEMENT & INFRASTRUCTURES	Management of venture-capital mutual funds	FC	100	100	100	100	France
BRANCHES							
NATIXIS NEW YORK	Financial institution	FC	100	100	100	100	United States
NATIXIS LONDON	Financial institution	FC	100	100	100	100	Great Britain
NATIXIS HONG KONG	Financial institution	FC	100	100	100	100	Hong Kong

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
NATEXIS SINGAPORE	Financial institution	FC	100	100	100	100	Singapore
NATIXIS HO-CHI MINH	Financial institution	FC	100	100	100	100	Vietnam
NATIXIS FRANKFURT	Financial institution	FC	100	100	100	100	Germany
NATIXIS LABUAN	Financial institution	FC	100	100	100	100	Malaysia
NATIXIS SHANGHAI	Financial institution	FC	100	100	100	100	China
NATIXIS MADRID	Financial institution	FC	100	100	100	100	Spain
NATIXIS MILAN	Financial institution	FC	100	100	100	100	Italy
NATIXIS PANAMA	Financial institution	FC	100	100	100	100	Panama
NATIXIS DUBAI	Financial institution	FC	100	100	100	100	Dubai
NATIXIS CAPITAL MARKETS GROUP							
NATIXIS NORTH AMERICA Inc.	Holding company	FC	100	100	100	100	United States
NATIXIS INVESTMENT MANAGEMENT CORP	Other financial company	FC	100	100	100	100	United States
NATIXIS CAPITAL MARKETS Inc	Other financial company	FC	100	100	100	100	United States
NATIXIS FUNDING CORP	Other financial company	FC	100	100	100	100	United States
NATIXIS COMMERCIAL PAPER CORP	Other financial company	FC	100	100	100	100	United States
NATIXIS NORTH AMERICA Inc.	Brokerage	FC	100	100	100	100	United States
NATIXIS FINANCIAL PRODUCTS Inc	Derivatives transactions	FC	100	100	100	100	United States
NATIXIS FINANCIAL PRODUCTS Inc	Financing on secondary market	FC	100	100	100	100	United States
NATIXIS DERIVATIVES Inc	Brokerage	FC	100	100	100	100	United States
NATIXIS REAL ESTATE CAPITAL Inc	Property financing	FC	100	100	100	100	United States
NATIXIS SECURITIZATION CORP	Other financial company	FC	100	100	100	100	United States
NATIXIS CAPITAL ARRANGER CORP	Intermediation services	FC	100	100	100	100	United States
CDC HOLDING TRUST	Financing on secondary market	FC	100	100	100	100	United States
IXIS STRATEGIC INVESTMENTS CORP.	Other finance company	FC	100	100	100	100	United States
IXIS LOAN FUNDING I LLC (1)	Financing on secondary market	FC	100	100	100	100	United States

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	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
NATIXIS ASSET FINANCE Inc (1) (7)	Other finance company		0	0	100	100	United States
NATIXIS PARTICIPATIONS HOLDING Inc (1) (7)	Other finance company	FC	0	0	100	100	United States
NATIXIS PARTICIPATIONS N°1 Inc (7)	Other finance company	FC	0	0	100	100	United States
BEDFORD OLIVER FUNDING LLC (1)	Other finance company	FC	100	100	100	100	United States
IXIS HAWAI SPECIAL MEMBER LLC (1)	Financing of commercial property	FC	100	100	100	100	United States
IXIS MANZANO SPECIAL MEMBER LLC (1) (8)	Property financing		0	0	100	100	United States
IXIS LT INVESTOR LLC (1)	Other finance company	FC	100	100	100	100	United States
PLAZA SQUARE APPARTMENTS OWNERS LLC (1)	Property financing	FC	100	100	100	100	United States
PLAZA/TRINITY LLC (1)	Property financing	FC	100	100	100	100	United States
11 WET DIVISION LLC (1) (8)	Property financing		0	0	100	100	United States
CM REO HOLDINGS TRUST (1) (2)	Financing on secondary market	FC	100	100	0	0	United States
NH PHILADELPHIA PROPERTY LP (1) (2)	Other finance company	FC	100	100	0	0	United States
IXIS CMNA ACCEPTANCES LLC (1)	Other finance company	FC	100	100	100	100	United States
IXIS CMNA INTERNATIONAL HOLDINGS Inc. (1)	Other finance company	FC	100	100	100	100	United States
IXIS CMNA INTERNATIONAL PARTICIPATIONS (No. 1) LLC (1) (8)	Other finance company		0	0	100	100	United States
IXIS CMNA IP ASSETS HOLDINGS (LUXEMBOURG) SCA (1)	Other finance company	FC	100	100	100	100	Luxembourg
IXIS CMNA (Australia) (No. 2) LLC (1)	Other finance company	FC	100	100	100	100	United States
IXIS CMNA (Australia) (No. 2) SCA (1)	Other finance company	FC	100	100	100	100	Luxembourg
IXIS CMNA (Australia) ACCEPTANCES (No. 1) Inc. (1) (8)	Other finance company		0	0	100	100	United States
IXIS CMNA (Australia) ACCEPTANCES (No. 2) Inc. (1) (8)	Other finance company		0	0	100	100	United States
IXIS CMNA (Australia) FUNDING (No. 1) PTY Ltd (1) (8)	Other finance company		0	0	100	100	Australia
IXIS CMNA (Australia) FUNDING (No. 2) PTY Ltd (1) (8)	Other finance company		0	0	100	100	Australia
IXIS CMNA (Australia) HOLDINGS (No. 2) Inc. (1)	Other finance company	FC	100	100	100	100	United States

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	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
IXIS CMNA (Australia) HOLDINGS Inc [1]	Other finance company	FC	100	100	100	100	United States
IXIS CMNA (Australia) PARTICIPATIONS (No. 1) Inc. [1] [8]	Other finance company		0	0	100	100	United States
IXIS CMNA (Australia) PARTICIPATIONS (No. 2) Inc. [1] [8]	Other finance company		0	0	100	100	United States
PAR FUND GP LLC [1] [7]	Other finance company		0	0	100	100	United States
PARALLEL ABSOLUTE RETURN FUND LP [1] [7]	Other finance company		0	0	93	93	United States
PARALLEL ABSOLUTE RETURN MASTER FUND LP [1] [7]	Other finance company		0	0	73	73	Cayman Islands
PARALLEL ABSOLUTE RETURN FUND Ltd [1] [7]	Other finance company		0	0	93	93	Cayman Islands
IXIS MUNICIPAL PRODUCTS Inc. SARATOGA SERIES 2004-2 TRUST [1] [8]	Other finance company		0	0	100	100	United States
IXIS MUNICIPAL PRODUCTS Inc. SARATOGA SERIES 2004-4 TRUST [1] [8]	Other finance company		0	0	100	100	United States
IXIS MUNICIPAL PRODUCTS Inc. SARATOGA SERIES 2004-9 TRUST [1] [8]	Other finance company		0	0	100	100	United States
IXIS MUNICIPAL PRODUCTS Inc. SARATOGA SERIES 2005-12 TRUST [1] [8]	Other finance company		0	0	100	100	United States
IXIS MUNICIPAL PRODUCTS Inc. SARATOGA SERIES 2005-19 TRUST [1] [8]	Other finance company		0	0	100	100	United States
IXIS MUNICIPAL PRODUCTS Inc. SARATOGA SERIES 2005-20 TRUST [1] [8]	Other finance company		0	0	100	100	United States
IXIS MUNICIPAL PRODUCTS Inc. SARATOGA SERIES 2005-21 TRUST [1] [8]	Other finance company		0	0	100	100	United States
IXIS MUNICIPAL PRODUCTS Inc. SARATOGA SERIES 2005-23 TRUST [1] [8]	Other finance company		0	0	100	100	United States
IXIS MUNICIPAL PRODUCTS Inc. SARATOGA SERIES 2005-24 TRUST [1] [8]	Other finance company		0	0	100	100	United States
IXIS MUNICIPAL PRODUCTS Inc. SARATOGA SERIES 2005-7 TRUST [1] [8]	Other finance company		0	0	100	100	United States
JPMORGAN PUTTERS/ DRIVERS TRUST SERIES 2002 [1] [8]	Other finance company		0	0	100	100	United States
JPMORGAN PUTTERS/ DRIVERS TRUST SERIES 2003 [1] [8]	Other finance company		0	0	100	100	United States

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
JPMORGAN PUTTERS/ DRIVERS TRUST SERIES 2004 (1) (8)	Other finance company		0	0	100	100	United States
JPMORGAN PUTTERS/ DRIVERS TRUST SERIES 2005 (1) (8)	Other finance company		0	0	100	100	United States
JPMORGAN PUTTERS/ DRIVERS TRUST SERIES 2006 (1) (8)	Other finance company		0	0	100	100	United States
JPMORGAN PUTTERS/ DRIVERS TRUST SERIES 2007 (1) (8)	Other finance company		0	0	100	100	United States
JPMORGAN PUTTERS/ DRIVERS TRUST SERIES 2008 (1) (8)	Other finance company		0	0	100	100	United States
NATIXIS CORPORATE SOLUTIONS GROUP							
NEXGEN FINANCIAL HOLDINGS Ltd	Investment company	FC	100	100	100	100	Ireland
NEXGEN REINSURANCE Ltd (formerly NEXGEN RE Ltd) *	Reinsurance	FC	100	100	100	100	Ireland
UNIVERSE HOLDINGS Ltd	Investment company	FC	100	100	100	100	Cayman Islands
NEXGEN CAPITAL Ltd	Investment company	FC	100	100	100	100	Ireland
NEXGEN MAURITIUS Ltd	Investment company	FC	100	100	100	100	Mauritius Island
NATIXIS CORPORATE SOLUTIONS (ASIA) Pte Ltd	Investment company	FC	100	100	100	100	Singapore
NATIXIS CORPORATE SOLUTIONS Ltd	Investment company	FC	100	100	100	100	Ireland
GUAVA CDO Ltd (1)	Other finance company	FC	100	100	100	100	Jersey
LIME CDO Ltd (1)	Other finance company	FC	100	100	100	100	Jersey
MANGO CDO Ltd (1) (7)	Other finance company		0	0	100	100	Jersey
EMERGING MARKETS GLOBAL STRAGEGIES Ltd (1) (2)	Other finance company	FC	100	100	0	0	Cayman Islands
EMERGING MARKETS GLOBAL STRAGEGIES II Ltd (1) (2)	Other finance company	FC	100	100	0	0	Cayman Islands
PRIVATE EQUITY AND PRIVATE BANKING							
Private Equity							
BP DÉVELOPPEMENT	Venture capital	FC	43	19	42	36	France
BPSD GESTION	Private Banking	FC	100	100	100	100	France
DHALIA A SICAR SCA (1)	Capital-investment	FC	100	100	100	100	Luxembourg
FINANCIÈRE NATEXIS SINGAPOUR	International investment fund	FC	100	100	100	75	Singapore

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
FINATEM	International investment fund	FC	100	100	100	76	Germany
FNS2	Capital-investment	FC	100	100	100	79	Singapore
FNS3	Capital-investment	FC	100	100	100	100	Singapore
FNS4	Capital-investment	FC	100	92	100	85	Singapore
FNS5 (2)	Capital-investment	FC	100	100	0	0	Singapore
INITIATIVE ET FINANCE INVESTISSEMENT	Buy-in/buy-out financing	FC	93	71	92	74	France
FCPR IXEN (1)	Buy-in/buy-out financing	FC	100	88	100	87	France
FCPR IXEN II (1)	Buy-in/buy-out financing	FC	100	84	100	75	France
FCPR IXEN III (1) (2)	Buy-in/buy-out financing	FC	99	99	0	0	France
MERCOSUL	International investment fund	FC	100	94	100	95	Great Britain
NATEXIS ACTIONS CAPITAL STRUCTURANT	Development capital	FC	75	75	64	64	France
NATEXIS CAPE	International investment fund	FC	99	95	98	88	Luxembourg
NATEXIS INDUSTRIE FCPR	Buy-in/buy-out financing	FC	89	78	89	80	France
NATEXIS INVERSIONES SL	International investment fund	FC	100	81	100	52	Spain
NATEXIS INVESTMENT CORP.	Portfolio management	FC	100	100	100	100	United States
NATIXIS PRIVATE EQUITY INTERNATIONAL Luxembourg (2)	Capital-investment holding company	FC	100	100	0	0	Luxembourg
NATIXIS PRIVATE EQUITY INTERNATIONAL SINGAPOUR	Capital-investment holding company	FC	100	100	100	100	Singapore
NATIXIS PRIVATE EQUITY OPPORTUNITIES	Capital-investment	FC	99	98	99	94	France
NATIXIS VENTURE SELECTION	Investment fund	FC	100	100	100	100	France
NATIXIS INVESTISSEMENT	Development capital	FC	100	84	100	90	France
NATIXIS PRIVATE BANKING (1)	International wealth management	FC	100	100	100	100	France
NATIXIS PRIVATE BANKING INTERNATIONAL (29)	International wealth management	FC	100	100	96	96	Luxembourg

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
NATIXIS PRIVATE EQUITY	Capital-investment	FC	100	100	100	100	France
NATIXIS PRIVATE EQUITY INTERNATIONAL	Capital-investment	FC	100	100	100	21	France
NAXICAP PARTNERS	Management of venture-capital mutual funds	FC	100	100	100	100	France
NEM 2	Asset management company (Capital-investment)	FC	100	100	100	100	France
PROVIDENTE SA	Stakeholdings	FC	100	100	100	100	France
SEVENTURE PARTNERS (4)	Management of Innovation Mutual Fund		0	0	100	100	France
Private Banking							
BANQUE PRIVEE ST DOMINIQUE **	Private Banking	FC	100	100	100	100	France
COMPAGNIE 1818 GROUP							
ANTEIS EPARGNE (36)	Insurance brokerage	FC	51	50	51	38	France
C&M FINANCE (13)	Mutual fund management company		0	0	20	15	France
CENTRE FRANCAIS DU PATRIMOINE (36)	Relationships with business brokers	FC	100	98	100	74	France
LA COMPAGNIE 1818 - BANQUIERS PRIVÉES (35) **	Holding company	FC	100	98	76	74	France
LA COMPAGNIE 1818 - GESTION (36)	Mutual fund management company	FC	100	98	100	74	France
LA COMPAGNIE 1818 - IMMOBILIER (36)	Real estate operations	FC	100	98	100	74	France
MANTRA GESTION (36)	Mutual fund management company	EM	34	33	34	25	France
ASSET MANAGEMENT							
NATIXIS GLOBAL ASSET MANAGEMENT GROUP							
NATIXIS GLOBAL ASSET MANAGEMENT	Holding company	FC	89	89	89	89	France
AEW ADVISORS, Inc.	Asset Management	FC	89	89	89	89	United States
AEW CAPITAL MANAGEMENT, Inc.	Asset Management	FC	89	89	89	89	United States
AEW CAPITAL MANAGEMENT, LP.	Asset Management	FC	89	89	89	89	United States
AEW CENTRAL EUROPE (2)	Asset Management	FC	89	89	0	0	United States
AEW GLOBAL ADVISORS (Asia) Ltd	Asset Management	FC	89	89	89	89	Singapore
AEW GLOBAL ADVISORS (EUROPE) Ltd	Asset Management	FC	89	89	89	89	Great Britain
AEW II CORPORATION	Asset Management	FC	89	89	89	89	United States
AEW INVESTMENT GROUP, Inc.	Asset Management	FC	89	89	89	89	United States

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	Stake	31.12.2007 Controlling Stake	Stake	Country
AEW MANAGEMENT AND ADVISORS, LP	Asset Management	FC	89	89	89	89	United States
AEW PARTNERS III, Inc.	Asset Management	FC	89	89	89	89	United States
AEW PARTNERS IV, Inc.	Asset Management	FC	89	89	89	89	United States
AEW PARTNERS V, Inc.	Asset Management	FC	89	89	89	89	United States
AEW REAL ESTATE ADVISORS, Inc.	Asset Management	FC	89	89	89	89	United States
AEW SECURITIES LIMITED PARTNERSHIP (7)	Distribution		0	0	89	89	United States
AEW TSF, Inc. (7)	Asset Management		0	0	89	89	United States
AEW VIF INVESTORS, Inc.	Asset Management	FC	89	89	89	89	United States
AEW VIF II INVESTORS, Inc.	Asset Management	FC	89	89	89	89	United States
AEW VIA Co-INVESTORS, LP (2)	Asset Management	FC	89	89	0	0	United States
ALPHASIMPLEX GROUP LLC	Asset Management	FC	89	89	89	89	United States
ALTERNATIVE STRATEGIES GROUP LLC	Asset Management	FC	89	89	89	89	United States
ASAHI NVEST INVESTMENT ADVISORY CO, Ltd	Distribution	EM	49	43	49	43	Japan
ASG QUASAR FUND (1) (2)	Asset Management	FC	89	89	0	0	United States
ASG LASER FUND (1) (2)	Asset Management	FC	89	89	0	0	United States
ASG GLOBAL ALTERNATIVES FUND (1) (2)	Asset Management	FC	89	89	0	0	United States
CAPITAL GROWTH MANAGEMENT, LP	Asset Management	EM	50	44	50	44	United States
CASPIAN CAPITAL MANAGEMENT, LLC	Asset Management	FC	51	45	51	45	United States
CGW GESTION D'ACTIFS	Asset Management	EM	33	18	33	18	France
COGIM (30)	Asset Management		0	0	89	53	France
CREA WESTERN INVESTORS I, Inc.	Asset Management	FC	89	89	89	89	United States
CURZON GLOBAL ADVISORY Ltd	Asset Management	FC	89	53	89	53	Great Britain
CURZON GLOBAL CC Ltd	Asset Management	FC	89	53	89	53	Great Britain
CURZON GLOBAL Ltd	Asset Management	FC	89	53	89	53	Great Britain
CURZON GLOBAL PARTNERS	Asset Management	FC	89	53	89	53	Great Britain
CURZON GLOBAL UK Ltd	Asset Management	FC	89	53	89	53	Great Britain
NATIXIS EPARGNE FINANCIÈRE GESTION (formerly Ecureuil Gestion) *	Asset Management	FC	89	89	89	89	France
NATIXIS EPARGNE FINANCIÈRE GESTION FCP (formerly Ecureuil Gestion Fonds Commun Placement) *	Asset Management	FC	89	89	89	89	France

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
EPI SLP LLC [1]	Asset Management	FC	89	53	89	53	Great Britain
FEDERAL STREET MANAGEMENT, Inc.	Asset Management	FC	89	89	89	89	United States
GATEWAY INVESTMENT ADVISERS, LP [3]	Asset Management	FC	89	89	0	0	United States
HANSBERGER GROUP, Inc.	Asset Management	FC	88	88	88	88	United States
HANSBERGER GLOBAL INVESTOR, Inc.	Asset Management	FC	89	89	89	89	United States
HANSBERGER GLOBAL (HK) Ltd	Asset Management	FC	89	89	89	89	United States
HARRIS ALTERNATIVES HOLDING Inc.	Holding company	FC	89	89	89	89	United States
HARRIS ALTERNATIVES, LLC	Asset Management	FC	89	89	89	89	United States
HARRIS ASSOCIATES INVESTMENT TRUST	Asset Management	FC	89	89	89	89	United States
HARRIS ASSOCIATES LP	Asset Management	FC	89	89	89	89	United States
HARRIS ASSOCIATES SECURITIES, LP	Distribution	FC	89	89	89	89	United States
HARRIS ASSOCIATES, Inc.	Asset Management	FC	89	89	89	89	United States
IXIS AEW EUROPE SA	Asset Management	FC	60	53	60	53	France
IXIS AEW ITALIA	Asset Management	FC	89	53	89	53	Italy
IXIS AEW LUXEMBOURG	Asset Management	FC	89	53	89	53	Luxembourg
NATIXIS GLOBAL ASSOCIATES AUSTRALIA HOLDINGS, LLC	Holding company	FC	89	89	89	89	Australia
NATIXIS ASSET MANAGEMENT ADVISERS, LP	Distribution	FC	89	89	89	89	United States
ABSOLUTE ASIA AM	Asset Management	FC	89	89	89	89	Singapore
NATIXIS DISTRIBUTION CORPORATION	Distribution	FC	89	89	89	89	United States
NATIXIS DISTRIBUTORS, LP	Distribution	FC	89	89	89	89	United States
NATIXIS ASSET MANAGEMENT JAPAN CO., Ltd	Asset Management	FC	89	89	89	89	Japan
NATIXIS INVESTMENT SERVICES JAPAN, Ltd	Distribution	FC	89	89	89	89	Japan
KOBRICK FUNDS, LLC	Asset Management	FC	89	89	89	89	United States
LOOMIS SAYLES ALPHA, LLC [1] [2]	Asset Management	FC	89	89	0	0	United States
LOOMIS SAYLES & COMPANY, Inc.	Asset Management	FC	89	89	89	89	United States
LOOMIS SAYLES & COMPANY, LP	Asset Management	FC	89	89	89	89	United States
LOOMIS SAYLES CONSUMER DISCRETIONARY GP LLC [7]	Asset Management	FC	0	0	89	89	United States
LOOMIS SAYLES CONSUMER DISCRETIONARY LP [7]	Asset Management	FC	0	0	89	89	United States
LOOMIS SAYLES CONSUMER DISCRETIONARY, LLC [1]	Asset Management	FC	89	89	89	89	United States

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
LOOMIS SAYLES DISTRIBUTORS, Inc.	Distribution	FC	89	89	89	89	United States
LOOMIS SAYLES DISTRIBUTORS, LP	Distribution	FC	89	89	89	89	United States
LOOMIS SAYLES ENERGY, LLC (1)	Asset Management	FC	89	89	89	89	United States
LOOMIS SAYLES ENERGY HEDGE FUND II, LP (1) (7)	Asset Management		0	0	89	89	United States
LOOMIS SAYLES FUTURES, LLC	Asset Management	FC	89	89	89	89	United States
LOOMIS SAYLES INTERNATIONAL BOND FUND (1) (2)	Asset Management	FC	89	89	0	0	United States
LOOMIS SAYLES MULTI-STRATEGY ALPHA, LP (1) (2)	Asset Management	FC	89	89	0	0	United States
LOOMIS SAYLES SOLUTIONS, Inc.	Asset Management	FC	89	89	89	89	United States
LOOMIS SAYLES TRUST COMPANY, LLC (1)	Asset Management	FC	89	89	89	89	United States
MC MANAGEMENT, Inc.	Holding company	FC	89	89	89	89	United States
MC MANAGEMENT, LP	Holding company	FC	89	89	89	89	United States
NATIXIS LOOMIS SAYLES GLOBAL GROWTH FUND (1) (2)	Asset Management	FC	89	89	0	0	United States
NATIXIS ASSET MANAGEMENT IMMOBILIER	Real estate management (SCPI)	FC	88	53	88	53	France
NATIXIS ASSET MANAGEMENT	Asset Management	FC	89	89	89	89	France
NATIXIS ASSET MANAGEMENT PARTICIPATIONS 1	Holding company	FC	89	89	89	89	France
NATIXIS ASSET MANAGEMENT PARTICIPATIONS 2	Holding company	FC	89	89	89	89	France
NATIXIS GLOBAL ASSET MANAGEMENT CORPORATION	Holding company	FC	89	89	89	89	United States
NATIXIS GLOBAL ASSET MANAGEMENT HOLDINGS, LLC	Holding company	FC	89	89	89	89	United States
NATIXIS GLOBAL ASSET MANAGEMENT PARTICIPATIONS 1	Holding company	FC	89	89	89	89	France
NATIXIS GLOBAL ASSET MANAGEMENT PARTICIPATIONS 2	Holding company	FC	89	89	89	89	France
NATIXIS GLOBAL ASSET MANAGEMENT PARTICIPATIONS 3	Holding company	FC	89	89	89	89	France
NATIXIS GLOBAL ASSET MANAGEMENT PARTICIPATIONS 4	Holding company	FC	89	89	89	89	France
NATIXIS GLOBAL ASSET MANAGEMENT, LLC	Holding company	FC	89	89	89	89	United States

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
NATIXIS GLOBAL ASSET MANAGEMENT, LP	Holding company	FC	89	89	89	89	United States
NATIXIS GLOBAL ASSOCIATES GERMANY	Distribution	FC	89	89	89	89	Germany
NATIXIS GLOBAL ASSOCIATES ITALIA	Asset Management	FC	89	89	89	89	Italy
NATIXIS GLOBAL ASSOCIATES LUXEMBOURG	Distribution	FC	89	89	89	89	Luxembourg
NATIXIS GLOBAL ASSOCIATES UK	Distribution	FC	89	89	89	89	Great Britain
NATIXIS GLOBAL ASSOCIATES, Inc.	Distribution	FC	89	89	89	89	United States
NATIXIS GLOBAL ASSOCIATES, LLC	Distribution	FC	89	89	89	89	United States
NATIXIS GLOBAL ASSOCIATES SWITZERLAND (2)	Asset Management	FC	89	89	0	0	Switzerland
NATIXIS MULTIMANAGER	Asset Management	FC	89	89	89	89	France
NATIXIS OAKMARK GLOBAL LARGE CAP (1)	Asset Management	FC	89	89	89	89	United States
NATIXIS CASPIAN PRIVATE EQUITY (2)	Asset Management	EM	40	35	0	0	United States
PBW REAM	Asset Management	EM	50	26	50	26	Netherlands
PERCIPIO CAPITAL MANAGEMENT, LLC (34)	Asset Management		0	0	30	27	United States
REICH & TANG ASSET MANAGEMENT, LLC	Asset Management	FC	89	89	89	89	United States
REICH & TANG DISTRIBUTORS, Inc.	Distribution	FC	89	89	89	89	United States
REICH & TANG SERVICES, Inc.	Asset Management	FC	89	89	89	89	United States
SEAPORT SENIOR HOUSING, LLC	Asset Management	FC	89	89	89	89	United States
SNYDER CAPITAL MANAGEMENT, Inc.	Asset Management	FC	89	89	89	89	United States
SNYDER CAPITAL MANAGEMENT, LP	Asset Management	FC	89	89	89	89	United States
VAUGHAN NELSON INVESTMENT MANAGEMENT, Inc.	Asset Management	FC	89	89	89	89	United States
VAUGHAN NELSON INVESTMENT MANAGEMENT, LP	Asset Management	FC	89	89	89	89	United States
VAUGHAN NELSON TRUST COMPANY	Asset Management	FC	89	89	89	89	United States
VAUGHAN NELSON VALUE OPPORTUNITIES FUND (1) (2)	Asset Management	FC	89	89	0	0	United States
WESTPEAK GLOBAL ADVISORS, LP	Asset Management	FC	89	89	89	89	United States

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
WESTPEAK INVESTMENT ADVISORS, Inc.	Asset Management	FC	89	89	89	89	United States
WESTPEAK SMALL CAP GROWTH FUND (1) (7)	Asset Management		0	0	89	89	United States
NATIXIS AXELTIS Ltd (formerly AXELTIS Ltd) *	UCITS distribution	FC	100	100	100	100	Great Britain
TRADE RECEIVABLES MANAGEMENT							
COFACE GROUP							
COFACE HOLDING SAS	Holding company	FC	100	100	100	100	France
COFACE SA	Credit insurance and related services	FC	100	100	100	100	France
AKCO FUND	Insurance investment mutual fund	FC	100	100	100	100	Germany
BUSINESS DATA INFORMATION (40)	Marketing and other services	FC	80	80	61	61	Israel
Cesar	Insurance	FC	100	100	100	100	Germany
CERVED	Financial data	EM	15	15	15	15	Italy
COFACE ASSICURAZIONI SPA	Credit insurance and related services	FC	100	100	100	100	Italy
COFACE AUSTRIA	Credit insurance and related services	FC	100	100	100	100	Austria
COFACE BELGIUM SERVICES	Business and solvency data	FC	100	100	100	100	Belgium
COFACE BELGIUM SERVICES HOLDING	Business and solvency data	FC	100	100	100	100	Belgium
COFACE COLLECTION NORTH AMERICA	Receivables management data	FC	100	100	100	100	United States
COFACE CREDIT MANAGEMENT NORTH AMERICA	Receivables management data	FC	100	100	100	100	United States
COFACE DEBITOREN	Receivables management data	FC	100	100	100	100	Germany
COFACE DEUTSCHLAND	Holding company	FC	100	100	100	100	Germany
COFACE DO BRASIL SEGUROS DE CREDITO	Credit insurance and related services	FC	100	100	100	100	Brazil
COFACE FACTORING ESPANA	Factoring	FC	100	100	100	100	Spain
COFACE FACTORING ITALIA SpA	Factoring	FC	100	100	100	100	Italy
COFACE FINANZ	Factoring	FC	100	100	100	100	Germany
COFACE FINANS A/S DANMARK (formerly MidtFactoring) (3)	Factoring	FC	75	75	0	0	Denmark
COFACE HOLDING AMERICA LATINA	Financial data	FC	100	100	100	100	Mexico

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
COFACE HOLDING AUSTRIA	Holding company	FC	100	100	100	100	Austria
COFACE HOLDING ISRAEL	Holding company	FC	100	100	100	100	Israel
COFACE ITALIA	Holding company	FC	100	100	100	100	Italy
COFACE KREDIT	Credit insurance and related services	FC	100	100	100	100	Germany
COFACE NEDERLAND SERVICES	Receivables management data	FC	100	100	100	100	Netherlands
COFACE NORTH AMERICA	Credit insurance and related services	FC	100	100	100	100	United States
COFACE NORTH AMERICA HOLDING COMPANY	Holding company	FC	100	100	100	100	United States
COFACE NORTH AMERICA INSURANCE COMPANY	Credit insurance and related services	FC	100	100	100	100	United States
COFACE POLAND CMS [21]	Financial data	FC	100	75	0	0	Poland
COFACE POLAND FACTORING [2]	Factoring	FC	100	100	0	0	Poland
COFACE RECEIVABLE FINANCES	Factoring	FC	100	100	100	100	Great Britain
COFACE SERVICE	Receivables management data	FC	100	100	100	100	France
COFACE SERVICE SPA	Receivables management data	FC	100	100	100	100	Italy
COFACE SERVICES AUSTRIA	Receivables management data	FC	100	100	100	100	Austria
COFACE SERVICES NORTH AMERICA GROUP	Holding company	FC	100	100	100	100	United States
COFACE SERVICIOS ESPANA S.L.	Receivables management data	FC	100	100	100	100	Spain
COFACE SERVICIOS PORTUGAL	Receivables management data	FC	100	100	100	100	Portugal
COFACE UK HOLDINGS	Holding company	FC	100	100	100	100	Great Britain
COFACE UK SERVICES Ltd	Receivables management data	FC	100	100	100	100	Great Britain
COFACERATING HOLDING	Receivables management data	FC	100	100	100	100	Germany
COFACERATING.DE	Receivables management data	FC	100	100	100	100	Germany
COFACREDIT	Credit insurance and related services	EM	36	36	36	36	France

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
PLACEMENTS COFACTIONS 2	Insurance investment mutual fund	FC	100	100	100	100	France
COFINPAR	Credit insurance and related services	FC	100	100	100	100	France
COFOBLIG	Insurance investment mutual fund	FC	100	100	100	100	France
COGERI	Receivables management data	FC	100	100	100	100	France
FIMIPAR **	Buyback of receivables	FC	100	100	100	100	France
GRAYDON HOLDING	Receivables management data	EM	28	28	28	28	Netherlands
GROUPE COFACE CENTRAL EUROPE HOLDING	Holding company	FC	75	75	75	75	Austria
KISSELBERG	Insurance	FC	100	100	100	100	Germany
KOMPASS Belgique	Marketing and other services	FC	100	100	100	100	Belgium
KOMPASS France (9)	Holding company		0	0	100	100	France
KOMPASS INTERNATIONAL NEUENSCHWANDER	Holding company	FC	100	100	100	100	France
LA VISCONTEA IMMOBILIARE (25)	Real estate company		0	0	100	100	Italy
MSL1 FUND	Insurance investment mutual fund	FC	100	100	100	100	Germany
UNISTRAT COFACE	Insurance brokerage	FC	100	100	100	100	France
NATIXIS FACTOR **	Factoring	FC	100	100	100	100	France
NATIXIS FACTOR Portugal (2)	Factoring	FC	100	100	0	0	Portugal
VR FACTOREM GMBH (33)	Factoring	PC	25	25	51	51	Germany
BRANCHES							
COFACE SVERIGE (formerly AKC NORDEN) - SUCC (COFACE KREDIT)	Insurance	FC	100	100	100	100	Germany
COFACE IRELAND - SUCC (COFACE SA)	Insurance	FC	100	100	100	100	Ireland
COFACE UK - SUCC (COFACE SA)	Insurance	FC	100	100	100	100	Great Britain
COFACE BELGIUM - SUCC (COFACE SA)	Insurance	FC	100	100	100	100	Belgium
KOMPASS LUXEMBOURG - SUCC (KOMPASS BELGIQUE)	Data and advertising	FC	100	100	100	100	Luxembourg
COFACE PORTUGAL - SUCC (COFACE SA)	Insurance	FC	100	100	100	100	Portugal

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
COFACE IBERICA -SUCC (COFACE SA)	Insurance	FC	100	100	100	100	Spain
KOMPASS ESPAGNE - SUCC (KOMPASS FRANCE)	Data and advertising	FC	100	100	100	100	Spain
COFACE SWITZERLAND - SUCC (COFACE SA)	Insurance	FC	100	100	100	100	Switzerland
COFACE NEDERLAND - SUCC (COFACE KREDIT)	Insurance	FC	100	100	100	100	Netherlands
COFACE FINANCES PAYS-BAS - SUCC COFACE FINANZ	Factoring	FC	100	100	100	100	Netherlands
COFACE DANMARK-SUCC (COFACE KREDIT)	Insurance	FC	100	100	100	100	Denmark
COFACE ARGENTINA -SUCC (COFACE SA)	Insurance	FC	100	100	100	100	Argentina
COFACE CHILE -SUCC (COFACE SA)	Insurance	FC	100	100	100	100	Chile
COFACE CANADA - SUCC (COFACE SA)	Insurance	FC	100	100	100	100	Canada
COFACE HUNGARY (formerly ÖKVC FIÓKTELEPE) - SUCC (COFACE AUSTRIA)	Insurance	FC	100	100	100	100	Hungary
COFACE POLAND (formerly ÖKVC POLAND) - SUCC (COFACE AUSTRIA)	Insurance	FC	100	100	100	100	Poland
LEID - SUCC (COFACE AUSTRIA)	Insurance	FC	100	100	100	100	Austria
COFACE ROMANIA INSURANCE -SUCC (COFACE AUSTRIA)	Insurance	FC	100	100	100	100	Romania
COFACE CZECH INSURANCE -SUCC (COFACE AUSTRIA)	Insurance	FC	100	100	100	100	Czech Republic
COFACE SLOVAKIA INSURANCE -SUCC (COFACE AUSTRIA)	Insurance	FC	100	100	100	100	Slovakia
COFACE LATVIA INSURANCE -SUCC (COFACE AUSTRIA) (2)	Insurance	FC	100	100	0	0	Latvia
COFACE JAPAN - SUCC (COFACE SA)	Insurance	FC	100	100	100	100	Japan
COFACE SINGAPOR -SUCC (COFACE SA)	Insurance	FC	100	100	100	100	Singapore
COFACE HONG KONG -SUCC (COFACE SA)	Insurance	FC	100	100	100	100	Hong Kong
COFACE ECUADOR (SUCC-COFACE SA) (2)	Insurance	FC	100	100	0	0	Ecuador
COFACE AUSTRALIE (SUCC-COFACE SA) (2)	Insurance	FC	100	100	0	0	Australia
COFACE TAIWAN (SUCC-COFACE SA) (2)	Insurance	FC	100	100	0	0	Taiwan
COFACE BULGARIA (Branch) (2)	Insurance	FC	100	100	0	0	Bulgaria

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
COFACE FACTORING LITHUANIA - SUCC (Coface Factoring Poland) (2)	Insurance	FC	100	100	0	0	Lithuania
SERVICES							
ADIR	Property damage insurance	EM	34	34	34	34	Lebanon
ASSURANCES BANQUE POPULAIRE ACTIONS (1)	Insurance investment mutual fund	FC	99	98	100	99	France
ASSURANCES BANQUE POPULAIRE CROISSANCE RENDEMENT (1)	Insurance investment mutual fund	FC	99	99	99	99	France
ASSURANCES BANQUE POPULAIRE IARD	Property damage insurance	EM	50	50	50	50	France
ASSURANCES BANQUE POPULAIRE MIDCAP (1)	Insurance investment mutual fund	FC	100	100	100	100	France
ASSURANCES BANQUE POPULAIRE PRÉVOYANCE	Pensions and disability insurance	FC	100	100	100	100	France
ASSURANCES BANQUE POPULAIRE VIE	Life insurance	FC	100	100	100	100	France
NATIXIS CONSUMER FINANCE * (formerly Ecrinvest 11)	Holding company	FC	100	100	100	100	France
NATIXIS FINANCEMENT **	Consumer loans	FC	67	67	67	67	France
NATIXIS CONSUMER FINANCE IT (formerly Natixis Consumer Finance)	Consumer loans	FC	100	100	100	100	France
FONCIER ASSURANCE	Insurance	FC	60	60	60	60	France
FRUCTIFONCIER (1)	Insurance real estate investments	FC	100	100	100	100	France
GESTITRES (27)	Securities holding		0	0	100	100	France
NATIXIS ASSURANCES	Insurance company holding company	FC	100	100	100	100	France
NATIXIS IMMO EXPLOITATION (1)	Real estate operations	FC	100	100	100	100	France
NATIXIS INTERÉPARGNE **	Payroll savings accounts	FC	100	100	100	100	France
NATIXIS INTERTITRES	Securities services	FC	100	100	100	100	France
NATIXIS INVESTOR SERVICING (Ex NATEXIS INVESTOR SERVICING) * (12)	Mutual fund administration		0	0	100	100	France
NATIXIS LIFE	Life insurance	FC	100	100	100	100	Luxembourg
NATIXIS PAIEMENTS **	Banking services	FC	100	100	100	100	France

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
S.C.I. ABP POMPE (1) (11)	Insurance real estate investments		0	0	100	100	France
SLIB (5)	Data services	FC	67	67	100	100	France
VITALIA VIE	Life insurance	FC	100	100	100	100	France
GCE BAIL **	Leasing	FC	100	100	100	100	France
FRUCTIBAIL **	Financial leasing	FC	100	100	100	100	France
FRUCTIBAIL INVEST (1)	Financial leasing	FC	100	100	100	100	France
FRUCTICOMI **	Financial leasing	FC	100	100	100	100	France
NATIXIS BAIL **	Financial leasing	FC	100	100	100	100	France
NATIXIS ENERGECO **	Equipment leasing	FC	100	100	100	100	France
NATIXIS LEASE **	Equipment leasing	FC	100	100	100	100	France
NATIXIS LEASE MADRID	Equipment and property leasing	FC	100	100	100	100	Spain
NATIXIS LEASE MILAN	Equipment and property leasing	FC	100	100	100	100	Italy
NATIXIS LLD	Extended period vehicle rental	FC	100	100	100	100	France
OPCI NATIXIS LEASE INVESTMENT (1) (2)	Real estate funds	FC	100	100	0	0	France
SAS IMMOBILIÈRE NATIXIS BAIL (1) (2)	Financial leasing	FC	100	100	0	0	France
NATIXIS ALGÉRIE	Bank	FC	100	100	100	100	Algeria
GROUPE NATIXIS PRAMEX INTERNATIONAL							
NATIXIS PRAMEX INTERNATIONAL	Holding company	FC	99	99	99	99	France
NATIXIS PRAMEX INTERNATIONAL Inc. - Montréal	Promotion and international trade operations	FC	100	99	100	99	Canada
NATIXIS PRAMEX INTERNATIONAL SARLAU - Casablanca	Promotion and international trade operations	FC	100	99	100	99	Morocco
NATIXIS PRAMEX INTERNATIONAL - Madrid	Promotion and international trade operations	FC	100	99	100	99	Spain
NATIXIS PRAMEX INTERNATIONAL - Milan	Promotion and international trade operations	FC	100	95	100	95	Italy

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
NATIXIS PRAMEX GMBH - Frankfurt	Promotion and international trade operations	FC	100	99	100	99	Germany
NATIXIS PRAMEX INTERNATIONAL - Tunisia	Promotion and international trade operations	FC	100	99	100	99	Tunisia
NATIXIS PRAMEX INTERNATIONAL SP ZO.O - Warsaw	Promotion and international trade operations	FC	100	99	100	99	Poland
NATIXIS PRAMEXRUS - Moscow	Promotion and international trade operations	FC	100	99	100	99	Russia
NATIXIS PRAMEX INTERNATIONAL AP Ltd - Hong Kong	Promotion and international trade operations	FC	100	99	100	99	Hong Kong
NATIXIS PRAMEX INTERNATIONAL DO BRASIL - Sao Paulo	Promotion and international trade operations	FC	100	99	100	99	Brazil
NATIXIS PRAMEX INTERNATIONAL CORP- New York	Promotion and international trade operations	FC	100	99	100	99	United States
NATIXIS PRAMEX INTERNATIONAL Ltd - London	Promotion and international trade operations	FC	100	99	100	99	Great Britain
NATIXIS PRAMEX France - Paris	Promotion and international trade operations	FC	100	98	100	98	France
CACEIS Group							
CACEIS (USA) Inc. (formerly Brooke Securities Holding Inc.) *	Holding company	PC	50	50	50	50	United States
BROOKE SECURITIES Inc. [38]	Funds Administration		0	0	50	50	United States
CACEIS BANK	Institutional safekeeping – Mutual fund depositary bank	PC	50	50	50	50	France
CACEIS BANK LUXEMBOURG	Institutional safekeeping – Mutual fund depositary bank	PC	50	50	50	50	Luxembourg
CACEIS BANK DEUTSCHLAND	Securities holding	PC	50	50	50	50	Germany

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
CACEIS CORPORATE TRUST	Issuer services	PC	50	50	50	50	France
CACEIS FASTNET AMERICAN ADMINISTRATION	Holding company	PC	50	50	50	50	France
CACEIS FASTNET	Funds Administration	PC	47	47	47	47	France
CACEIS FASTNET SUISSE	Funds Administration	PC	50	50	50	50	Switzerland
CACEIS SAS	Holding company	PC	50	50	50	50	France
FASTNET Belgium	Funds Administration	PC	26	26	26	26	Belgium
FASTNET IRELAND	Funds Administration	PC	50	50	50	50	Ireland
FASTNET LUXEMBOURG	Funds Administration	PC	26	26	26	26	Luxembourg
FASTNET NETHERLANDS	Funds Administration	PC	26	26	26	26	Netherlands
INVESTOR SERVICES HOUSE	Real estate operations	PC	50	50	50	50	Luxembourg
NATIXIS INVESTOR SERVICING (ex NATEXIS INVESTOR SERVICING) * (12) (39)	Mutual fund administration		0	0	0	0	France
OLYMPIA CAPITAL Inc. (38)	Funds Administration		0	0	50	50	United States
OLYMPIA CAPITAL ASSOCIATES, LP (38)	Funds Administration		0	0	50	50	United States
CACEIS CANADA Ltd (formerly Olympia Capital Financial Services Inc.) *	Funds Administration	PC	50	50	50	50	Canada
CACEIS BERMUDA Ltd (formerly Olympia Capital Bermuda Ltd) *	Funds Administration	PC	50	50	50	50	Bermuda
CACEIS CAYMAN Ltd (formerly Olympia Capital Cayman Ltd) *	Funds Administration	PC	50	50	50	50	Cayman Islands
OLYMPIA CAPITAL IRELAND Ltd	Funds Administration	PC	50	50	50	50	Ireland
PARTINVEST SA	Real estate operations	PC	50	50	50	50	Luxembourg
THE FASTNET HOUSE (6)	Real estate operations		0	0	50	50	Luxembourg
WINCHESTER GLOBAL TRUST COMPANY Ltd	Funds Administration	PC	50	50	50	50	Bermuda
WINCHESTER FIDUCIARY SERVICES Ltd	Funds Administration	PC	50	50	50	50	Bermuda
GROUPE NATIXIS GARANTIES							
COMPAGNIE EUROPÉENNE DE GARANTIES ET CAUTIONS (37)	Insurance	FC	100	100	100	100	France
FCP GCEC Diversifié (14)	Insurance investment mutual fund		0	0	100	100	France

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
NATIXIS GARANTIES **	Lending institution	FC	100	100	100	100	France
SACCEF (37)	Insurance		0	0	100	100	France
SCI CHAMPS-ÉLYSÉES (1)	Real estate management	FC	100	100	100	100	France
SCI LA BOETIE (1)	Real estate management	FC	100	100	100	100	France
SCI SACCEF (1)	Real estate management	FC	100	100	100	100	France
SOCAMAB (37)	Insurance		0	0	100	100	France
OTHER ACTIVITIES							
EDVAL C INVESTMENTS Ltd	Loan country risk defeasance vehicle	FC	100	100	100	100	Great Britain
FONCIÈRE KUPKA (4)	Real estate investments		0	0	100	100	France
NATEXIS AMBS COMPANY LLC (1) (15)	Issuance of preferred shares		0	0	100	0	United States
NATEXIS BANQUES POPULAIRES INVEST (1)	Mutual investment fund	FC	100	100	100	100	France
NATEXIS BANQUES POPULAIRES PREFERRED CAPITAL I LLC (1)	Issuance of preferred shares	FC	100	0	100	0	United States
NATEXIS BANQUES POPULAIRES PREFERRED CAPITAL II (1)	Issuance of preferred shares	FC	100	0	100	0	United States
NATEXIS BANQUES POPULAIRES PREFERRED CAPITAL III (1)	Issuance of preferred shares	FC	100	0	100	0	United States
NATIXIS FUNDING USA LLC	Refinancing activity	FC	100	100	100	100	United States
NATINIUM FINANCIAL PRODUCTS (1)	Securitization vehicle	FC	100	100	100	100	Ireland
NATIXIS ALTAÏR (formerly NATEXIS ALTAÏR) * (10)	Data services		0	0	100	100	France
NATIXIS ALTAÏR IT SHARE SERVICES (2)	Data services	FC	100	100	0	0	France
NATIXIS PARTICIPATIONS 1 (formerly NXBP1)	Holding company	FC	100	100	100	100	France
S.C.I. ALTAÏR 1 (1)	Real estate operations	FC	100	100	100	100	France
S.C.I. ALTAÏR 2 (1)	Real estate operations	FC	100	100	100	100	France
S.C.I. VALMY COUPOLE (1)	Real estate operations	FC	100	100	100	100	France
SA NATIXIS FONCIÈRE (formerly SPAFICA) (1)	Real estate investments	FC	100	100	100	100	France
WORLEDGE A INVESTMENTS Ltd	Loan country risk put vehicle	FC	100	100	100	100	Great Britain

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
RETAIL BANKING							
CCI BP							
ACEF OCCITANE	Lending institution/ Guarantee company	EM	20	20	20	20	France
ACHATPRO (13)	Non-financial/ services provider		0	0	19	19	France
ATLANTIQUE PLUS	Financial institution/ Fin. holding company	EM	20	20	20	20	France
BANQUE CALÉDONIENNE D'INVESTISSEMENT	Lending institution/ bank	EM	10	10	10	10	France
BANQUE MONÉTAIRE ET FINANCIÈRE	Lending institution/ bank	EM	20	20	20	20	France
BANQUE CHAIX (28)	Lending institution/ bank	EM	20	10	0	0	France
BANQUE DE SAVOIE (28)	Lending institution/ bank	EM	20	10	0	0	France
BANQUE PELLETIER (28)	Lending institution/ bank	EM	20	10	0	0	France
CC SO (28)	Lending institution/ bank	EM	20	10	0	0	France
BANQUE DUPUY DE PARSEVAL (28)	Lending institution/ bank	EM	20	10	0	0	France
BANQUE MARZE (28)	Lending institution/ bank	EM	20	10	0	0	France
BANQUE POPULAIRE ALSACE	Lending institution/ bank	EM	20	20	20	20	France
BANQUE POPULAIRE ATLANTIQUE	Lending institution/ bank	EM	20	20	20	20	France
BANQUE POPULAIRE BOURGOGNE FRANCHE-COMTÉ	Lending institution/ bank	EM	20	20	20	20	France
BANQUE POPULAIRE CENTRE ATLANTIQUE	Lending institution/ bank	EM	20	20	20	20	France
BANQUE POPULAIRE DE LA COTE D'AZUR	Lending institution/ bank	EM	20	20	20	20	France
BANQUE POPULAIRE DE LOIRE ET LYONNAIS	Lending institution/ bank	EM	20	20	20	20	France
BANQUE POPULAIRE DE L'OUEST	Lending institution/ bank	EM	20	20	20	20	France
BANQUE POPULAIRE DES ALPES	Lending institution/ bank	EM	20	20	20	20	France
BANQUE POPULAIRE DU MASSIF CENTRAL	Lending institution/ bank	EM	20	20	20	20	France
BANQUE POPULAIRE DU NORD	Lending institution/ bank	EM	20	20	20	20	France
BANQUE POPULAIRE DU SUD	Lending institution/ bank	EM	20	20	20	20	France

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	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
BANQUE POPULAIRE DU SUD-OUEST	Lending institution/ bank	EM	20	20	20	20	France
BANQUE POPULAIRE LORRAINE CHAMPAGNE	Lending institution/ bank	EM	20	20	20	20	France
BANQUE POPULAIRE OCCITANE	Lending institution/ bank	EM	20	20	20	20	France
BANQUE POPULAIRE PROVENÇALE ET CORSE	Lending institution/ bank	EM	20	20	20	20	France
BANQUE POPULAIRE RIVES DE PARIS	Lending institution/ bank	EM	20	20	20	20	France
BANQUE POPULAIRE VAL DE FRANCE	Lending institution/ bank	EM	20	20	20	20	France
BATILEASE	Lending institution/ bank	EM	19	19	19	19	France
BATILEASE INVEST (formerly Batinorest-Bail) *	Lending institution/ bank	EM	20	19	20	19	France
BTP CAPITAL CONSEIL (2)	Non-financial/ venture capital institution	EM	20	20	0	0	France
BCI MER ROUGE	Lending institution/ bank	EM	10	10	10	10	France
BDG SCI (7)	Non-financial/real estate company		0	0	20	20	France
BERCY GESTION FINANCE	Financier institution/ extension of activity	EM	20	20	20	20	France
BERCY PATRIMOINE	Lending institution/ bank	EM	20	20	20	20	France
BGF	Non-financial/ services provider	EM	20	20	20	20	France
BIC BRED	Lending institution/ bank	EM	20	20	20	20	France
B-PROCESS	Non-financial/ services provider	EM	10	10	10	10	France
BRED - BANQUE POPULAIRE	Lending institution/ bank	EM	20	20	20	20	France
BRED COFILEASE (formerly NCM) *	Lending institution/ bank	EM	20	20	20	20	France
BRED GESTION	Lending institution/ other	EM	20	20	20	20	France
BRED HABITAT	Lending institution/ Guarantee company	EM	20	20	20	20	France
BRED VANUATU	Lending institution/ bank	EM	17	17	17	17	Vanuatu
BTP BANQUE	Lending institution/ bank	EM	20	20	20	20	France

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
BTP CAPITAL INVESTMENT	Non-financial/ venture capital institution	EM	16	16	16	16	France
CAISSE DE GARANTIE IMMOB. DU BÂTIMENT	Non-financial/ insurance company	EM	7	7	7	7	France
CAISSE RÉGIONALE BRETAGNE NORMANDIE (19)	Lending institution/ bank	EM	20	20	0	0	France
CAISSE RÉGIONALE DE MÉDITERRANÉE	Lending institution/ bank	EM	20	20	20	20	France
CAISSE RÉGIONALE DE VENDÉE (20)	Lending institution/ bank		0	0	20	20	France
CAISSE RÉGIONALE DU FINISTÈRE (19)	Lending institution/ bank		0	0	20	20	France
CAISSE RÉGIONALE LITTORAL MANCHE (19)	Lending institution/ bank		0	0	20	20	France
CAISSE RÉGIONALE MORBIHAN/LOIRE ATLANTIQUE (20)	Lending institution/ bank		0	0	20	20	France
CAISSE RÉGIONALE REGION NORD	Lending institution/ bank	EM	20	20	20	20	France
CAISSE RÉGIONALE SUD OUEST	Lending institution/ bank	EM	20	20	20	20	France
CAISSE SOLIDAIRE	Lending institution/ bank	EM	20	12	20	12	France
CAPI COURT TERME No. 1	Financial/ intermediation company	EM	20	20	20	20	France
BP COVERED BONDS (2)	Financial institution	EM	20	20	0	0	France
CASDEN - BANQUE POPULAIRE	Lending institution/ bank	EM	20	20	20	20	France
CLICK AND TRUST	Non-financial/ services provider	EM	20	20	20	20	France
CMGM	Lending institution/ bank	EM	20	1	20	1	France
COFEG	Financier institution/ extension of activity	EM	20	20	20	20	France
COFIBRED	Financial institution/ Fin. holding company	EM	20	20	20	20	France
COOPEST (2)	Lending institution/ bank	EM	7	7	0	0	France
CRÉDIT COOPÉRATIF	Lending institution/ bank	EM	20	20	20	20	France
CRÉDIT MARITIME ATLANTIQUE (20)	Lending institution/ bank	EM	20	20	0	0	France
CRÉDIT MARITIME OUTRE MER	Lending institution/ bank	EM	20	20	20	20	France

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
CREPONORD	Non-financial/real estate company	EM	20	20	20	20	France
DE PORTZAMPARC	Financial institution/ other activities	EM	20	14	20	14	France
ECOFI INVESTISSEMENT	Financial institution/ management company	EM	20	20	20	20	France
EDEL	Lending institution/ bank	EM	20	7	20	7	France
ESFIN	Financier institution/ extension of activity	EM	8	8	8	8	France
EURO CAPITAL [(2)]	Financial institution/ other activities	EM	20	14	0	0	France
EXPANDE INVEST	Non-financial/ services provider	EM	20	20	20	20	France
FCC AMAREN II	Lending institution/ other	EM	20	20	20	20	France
FCC CRISTALYS	Lending institution/ other	EM	20	20	20	20	France
FCC ELIDE	Lending institution/ other	EM	20	20	20	20	France
FINANCIÈRE DE LA BP OCCITANE	Lending institution/ bank	EM	20	20	20	20	France
FINANCIÈRE PARTICIPATION BPS	Lending institution/ bank	EM	20	20	20	20	France
FONCIÈRE DU VANUATU	Lending institution/ other	EM	20	20	20	20	Vanuatu
FONCIÈRE VICTOR HUGO	Financier institution/ extension of activity	EM	20	20	20	20	France
FOREST MASSIF CENTRAL	Lending institution/ Guarantee company	EM	20	20	20	20	France
FORESTIERS LORRAINE	Lending institution/ Guarantee company	EM	20	20	20	20	France
GARIBALDI CAPITAL DÉVELOPPEMENT	Non-financial institution/other	EM	20	20	20	20	France
GEDEX DISTRIBUTION	Lending institution/ bank	EM	20	0	20	0	France
GIE USC	Non-financial institution/other	EM	20	20	20	20	France
GROUPEMENT DE FAIT	Non-financial institution/other	EM	20	20	20	20	France

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
HABITAT RIVES DE PARIS	Lending institution/ Guarantee company	EM	20	20	20	20	France
INGÉNIERIE ET DÉVELOPPEMENT	Lending institution/ bank	EM	20	20	20	20	France
IBP INVESTISSEMENT (formerly IBP Développement)	Lending institution/ bank	EM	20	20	20	20	France
INTERCOOP	Lending institution/ Real estate leasing	EM	20	20	20	20	France
L F I [26]	Financier institution/ extension of activity		0	0	20	20	France
LFI4	Financial institution/ other activities	EM	20	20	20	20	France
LUDOVIC DE BESSE	Lending institution/ bank	EM	20	20	20	20	France
LUX EQUIP BAIL	Lending institution/ Financial leasing	EM	18	18	18	18	Luxembourg
MONE+CC2 [7]	Financial/ intermediation company		0	0	20	20	France
MONINFO	Lending institution/ bank	EM	20	7	20	7	France
NJR INVEST	Financial institution	EM	20	20	20	20	France
NORD FINANCEMENT	Lending institution/ bank	EM	20	0	20	0	France
PARNASSE FINANCES	Financier institution/ extension of activity	EM	20	20	20	20	France
PARNASSIENNE DE CRÉDIT [22]	Lending institution/ other		0	0	18	18	France
PARTICIPATIONS BPSO	Lending institution/ bank	EM	20	20	20	20	France
PLUSEXPANSION	Lending institution/ bank	EM	20	20	20	20	France
PREPAR COURTAGE (formerly BERPA) *	Financial institution/ other activities	EM	20	20	20	20	France
PREPAR-IARD	Non-financial/ insurance company	EM	20	20	20	20	France
PREPAR-VIE	Non-financial/ insurance company	EM	20	20	20	20	France
PROMEPAR	Financial institution/ management company	EM	20	20	20	20	France

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
IPAB (2)	Financier institution/ extension of activity	EM	20	20	0	0	France
SASU BFC CROISSANCE (2)	Lending institution/ bank	EM	20	20	0	0	France
SAS PERSPECTIVES ET PARTICIPATIONS	Financier institution/ extension of activity	EM	20	20	20	20	France
SAS SOCIÉTARIAT BP LORRAINE CHAMPAGNE	Lending institution/ bank	EM	20	20	20	20	France
SAVOISIENNE	Lending institution/ bank	EM	20	20	20	20	France
Small and medium-sized businesses (formerly SOGEFIP) *	Lending institution/ specialty financing institution	EM	20	20	20	20	France
SCI BPSO	Non-financial/real estate company	EM	20	20	20	20	France
SCI du CRÉDIT COOPÉRATIF	Non-financial/real estate company	EM	20	20	20	20	France
SCI FAIDHERBE	Non-financial/real estate company	EM	20	20	20	20	France
SCI SAINT-DENIS	Non-financial/real estate company	EM	20	20	20	20	France
SEGIMLOR	Non-financial institution/other	EM	20	20	20	20	France
SGTI	Financier institution/ extension of activity	EM	20	20	20	20	France
INTERCOOP LOCATION (formerly Sicomi coop) *	Lending institution/ Real estate leasing	EM	16	16	14	14	France
SIMC	Lending institution/ bank	EM	20	20	20	20	France
SMI	Industrial and trading company	EM	20	20	20	20	France
SOCACEF BAS RHIN	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCACEF MASSIF CENTRAL	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCACEF NORD	Lending institution/ Guarantee company	EM	20	20	20	20	France

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
SOCAMA ARIÈGE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA ATLANTIQUE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA AUDE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA BAS RHIN	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA BOUCHES DU RHÔNE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA BOURGOGNE FRANCHE COMTE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA BRED IDF	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA CENTRE ATLANTIQUE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA CHAMPAGNE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA CORSE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA COTE D'AZUR	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA DES ALPES	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA DU MIDI	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA HAUT RHIN	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA HAUTE GARONNE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA LOIRE ET LYONNAIS	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA LORRAINE	Lending institution/ Guarantee company	EM	20	20	20	20	France

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
SOCAMA MASSIF CENTRAL	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA MIDI PYRÉNÉES OUEST	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA NORD	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA NORMANDIE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA OCCITANE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA OUEST	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA RIVES DE PARIS	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA ROUSSILLON	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA SUD OUEST	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA VAL DE FRANCE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA VAUCLUSE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMI ALPES	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMI ALSACE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMI ATLANTIQUE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMI AUDE ARIÈGE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMA BOURGOGNE FRANCHE COMTE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMI CENTRE ATLANTIQUE	Lending institution/ Guarantee company	EM	20	20	20	20	France

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
SOCAMI COTE D'AZUR	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMI DU MIDI	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMI DU SUD OUEST	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMI HAUTE GARONNE HABITAT	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMI LOIRE ET LYONNAIS	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMI LORRAINE CHAMPAGNE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMI MASSIF CENTRAL	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMI NORD	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMI OCCITANE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMI OUEST	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMI PROVENCE ET CORSE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMI PYRÉNÉES ORIENTALES	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMI VAL DE FRANCE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMMES	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAMUPROLOR	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCAUPROMI ALSACE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOCIÉTARIAT BANQUE POPULAIRE D' ALSACE	Lending institution/ bank	EM	20	20	20	20	France
SOCIÉTARIAT BP BOURGOGNE FRANCHE-COMTÉ	Lending institution/ bank	EM	20	20	20	20	France

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	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
SOCIÉTARIAT BP CENTRE ATLANTIQUE	Lending institution/ bank	EM	20	20	20	20	France
SOCIÉTARIAT BP CÔTE D'AZUR	Lending institution/ bank	EM	20	20	20	20	France
SOCIÉTARIAT BP DE L'OUEST	Lending institution/ bank	EM	20	20	20	20	France
SOCIÉTARIAT BP DES ALPES	Lending institution/ bank	EM	20	20	20	20	France
SOCIÉTARIAT BP DU NORD	Lending institution/ bank	EM	20	20	20	20	France
SOCIÉTARIAT BP LOIRE ET LYONNAIS	Lending institution/ bank	EM	20	20	20	20	France
SOCIÉTARIAT BP MASSIF CENTRAL	Lending institution/ bank	EM	20	20	20	20	France
SOCIÉTARIAT BP OCCITANE	Lending institution/ bank	EM	20	20	20	20	France
SOCIÉTARIAT BP COTE D'AZUR	Lending institution/ bank	EM	20	20	20	20	France
SOCIÉTARIAT BP PROVENÇALE ET CORSE	Lending institution/ bank	EM	20	20	20	20	France
SOCIÉTARIAT BP RIVES DE PARIS	Lending institution/ bank	EM	20	20	20	20	France
SOCIÉTARIAT BP SUD	Lending institution/ bank	EM	20	20	20	20	France
SOCIÉTARIAT BP SUD OUEST	Lending institution/ bank	EM	20	20	20	20	France
SOCIÉTARIAT BP VAL DE FRANCE	Lending institution/ bank	EM	20	20	20	20	France
SOCIÉTARIAT CRÉDIT COOPÉRATIF/BP	Lending institution/ bank	EM	20	20	20	20	France
SOCIÉTÉ D'EXPANSION BOURGOGNE FRANCHE COMTE	Non-financial institution/other	EM	20	20	20	20	France
SOCIÉTÉ FINANCIÈRE DE LA NEF	Lending institution/ bank	EM	20	1	20	1	France
SOCIÉTÉ IMMOBILIÈRE PROVENÇALE ET CORSE	Lending institution/ bank	EM	20	20	20	20	France
SOCREDO BANQUE POLYNÉSIENNE	Lending institution/ bank	EM	3	3	3	3	France
SOCOREC	Lending institution/ bank	EM	20	0	20	0	France
SOFIAG	Lending institution/ bank	EM	20	20	20	20	France
SOFIDER	Lending institution/ bank	EM	20	20	20	20	France
SOFIGARD	Lending institution/ bank	EM	20	0	20	0	France
SOFINDI	Lending institution/ bank	EM	20	1	20	1	France

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
SOFIRIF	Lending institution/ bank	EM	20	4	20	4	France
SOFISCOP	Lending institution/ bank	EM	20	0	20	0	France
SOFISCOP SUD-EST	Lending institution/ bank	EM	20	1	20	1	France
SOFRONTA	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOMUDIMEC	Lending institution/ bank	EM	20	0	20	0	France
SOMUPACA	Lending institution/ bank	EM	20	0	20	0	France
SOPROLIB DES ALPES	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOPROLIB FRANCHE-COMTE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOPROLIB LORRAINE	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOPROLIB NORD	Lending institution/ Guarantee company	EM	20	20	20	20	France
SOPROLIB SUD OUEST	Lending institution/ Guarantee company	EM	20	20	20	20	France
SPGRES	Lending institution/ bank	EM	20	20	20	20	France
SPIG	Financier institution/ extension of activity	EM	20	20	20	20	France
SUD PARTICIPATION	Lending institution/ bank	EM	20	20	20	20	France
TISE (2)	Non-financial/ services provider	EM	20	20	0	0	France
TRANSIMMO	Non-financial/real estate company	EM	20	20	20	20	France
TRUST AND PAY (24)	Non-financial/ services provider		0	0	9	13	France
VECTEUR	Non-financial/ venture capital institution	EM	20	20	20	20	France
VIALINK	Non-financial/ services provider	EM	20	20	20	20	France

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
CCI CEP							
CAISSE D'EPARGNE AQUITAINE POITOU-CHARENTES	Financial and lending institution	EM	20	20	20	20	France
CAISSE D'EPARGNE CÔTE D'AZUR	Financial and lending institution	EM	20	20	20	20	France
CAISSE D'EPARGNE D'ALSACE	Financial and lending institution	EM	20	20	20	20	France
CAISSE D'EPARGNE D'AUVERGNE ET DU LIMOUSIN	Financial and lending institution	EM	20	20	20	20	France
CAISSE D'EPARGNE NORMANDIE (formerly Caisse d'épargne de Basse-Normandie) (16) *	Financial and lending institution	EM	20	20	20	20	France
CAISSE D'EPARGNE DE BOURGOGNE FRANCHE-COMTÉ	Financial and lending institution	EM	20	20	20	20	France
CAISSE D'EPARGNE DE BRETAGNE (17)	Financial and lending institution		0	0	20	20	France
CAISSE D'EPARGNE DE HAUTE NORMANDIE (16)	Financial and lending institution		0	0	20	20	France
CAISSE D'EPARGNE LORRAINE CHAMPAGNE-ARDENNE	Financial and lending institution	EM	20	20	20	20	France
CAISSE D'EPARGNE DE MIDI-PYRÉNÉES	Financial and lending institution	EM	20	20	20	20	France
CAISSE D'EPARGNE DE PICARDIE	Financial and lending institution	EM	20	20	20	20	France
CAISSE D'EPARGNE BRETAGNE-PAYS DE LOIRE (formerly Caisse d'épargne des Pays de la Loire) * (17)	Financial and lending institution	EM	20	20	20	20	France
CAISSE D'EPARGNE ÎLE DE FRANCE-NORD (18)	Financial and lending institution		0	0	20	20	France
CAISSE D'EPARGNE ÎLE DE FRANCE-OUEST (18)	Financial and lending institution		0	0	20	20	France
CAISSE D'EPARGNE ÎLE DE FRANCE (formerly Caisse d'épargne Île-de-France Paris) * (18)	Financial and lending institution	EM	20	20	20	20	France
CAISSE D'EPARGNE LANGUEDOC-ROUSSILLON	Financial and lending institution	EM	20	20	20	20	France
CAISSE D'EPARGNE LOIRE-CENTRE	Financial and lending institution	EM	20	20	20	20	France

	Activity	Consolidation method as of Dec. 31, 2008	31.12.2008 Controlling Stake	31.12.2008 Stake	31.12.2007 Controlling Stake	31.12.2007 Stake	Country
CAISSE D'EPARGNE LOIRE DROME ARDÈCHE	Financial and lending institution	EM	20	20	20	20	France
CAISSE D'EPARGNE NORD FRANCE EUROPE	Financial and lending institution	EM	20	20	20	20	France
CAISSE D'EPARGNE PROVENCE-ALPES-CORSE	Financial and lending institution	EM	20	20	20	20	France
CAISSE D'EPARGNE RHÔNE-ALPES	Financial and lending institution	EM	20	20	20	20	France

* *Registered company name change.*

** *French subsidiaries whose individual prudential oversight is performed based on Group consolidated ratios in conformity with the provisions of Article 4.1 of Rule 2000.03 of the Accounting and Finance Rules Committee.*

(1) Special purpose company.
(2) Established in 2008.
(3) Acquisition during 2008.
(4) Deconsolidated because below materiality thresholds.
(5) Disposal of 33% of the capital to non-Group entity.
(6) Disposal of the subsidiary to Crédit Agricole Luxembourg.
(7) Liquidated companies.
(8) Cessation of operations.
(9) Merger – absorption by Kompass International.
(10) Merger with Natixis as of January 1, 2008.
(11) Deconsolidated after disposal of the building as of April 1, 2008.
(12) Merger into the CACEIS tier as of 30.06.2008.
(13) Disposal as of June 30, 2008.
(14) Liquidation in first quarter 2008.
(15) Deconsolidated as of 30.09.2008 because below materiality thresholds.
(16) Merger of Caisses d'Epargne of Basse and Haute Normandie in first half 2008.
(17) Merger of Caisses d'Epargne of Bretagne and Pays de la Loire in first half 2008.
(18) Merger of Caisses d'Epargne Île-de France Ouest, Île-de-France Nord and Île-de-France Paris in first half 2008.
(19) Result of merger Caisse Régionale du Finistère and Caisse régionale Littoral Manche.
(20) Result of merger Caisse Régionale de Vendée and Caisse régionale Morbihan/Loire Atlantique.
(21) Reconsolidated because above materiality thresholds
(22) Absorption by La Banque Monétaire et Financière.
(23) First consolidation as of fourth quarter 2008.
(24) Absorption by B-Process.
(25) Merged into Coface Assicurazioni spa.
(26) Merger with SPIG.
(27) Merger with Natixis as of 30.06.2008.
(28) Acquisition of retail banks from HSBC.
(29) 3.01% buyback from minority shareholders and 1.19% earnings-per-share increase effect.
(30) Merged into NAMI.
(31) Deconsolidated as of 30.09.2008 after liquidation of its assets.
(32) 18.33% earnings-per-share increase effect related to a capital increase subscribed exclusively by EDF.
(33) Disposal of 25.9% of the VRFactorem shares with change in consolidation method from PC to EM.
(34) Disposal of Percipio shares.
(35) Acquisition of 23.76% of CIE 1818 shares from GCE Group.
(36) Effect of acquisition of 23.76% of CIE 1818 shares from GCE Group.
(37) Merger into CEGC.
(38) Merged into CACEIS (USA) Inc.
(39) Merger into Caceis Fasnet as of 31.12.2008.
(40) 19.55% buyback from minority shareholders.

Statutory Auditors' report on the consolidated financial statements

Year ended December 31, 2008

Dear Shareholders,

In accordance with our appointment as Statutory Auditors at the General Shareholders' Meeting, we hereby present our report for the year ended December 31, 2008, on:

- our audit of the accompanying consolidated financial statements of Natixis;
- the justification of our assessments;
- the specific verifications and disclosures required by law.

The consolidated financial statements have been approved by the Executive Board. Our responsibility is to express an opinion on these financial statements based on our audit.

I - OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis or using other sampling techniques, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the financial position and the assets and liabilities of the group of consolidated companies, and of the results of its operations in accordance with IFRS as adopted by the European Union.

Without qualifying our opinion, we draw your attention to the change in accounting policy in accordance with the amendment to IAS 39 adopted on October 15, 2008. The amendment allows certain financial assets to be reclassified and is described in Note 2 "Basis of presentation', Note 6.1 "Risk exposure in Natixis' balance sheet as of December 31, 2008", and Note 7 "Significant accounting policies".

II - JUSTIFICATION OF OUR ASSESSMENTS

As described in Note 6 to the consolidated financial statements and in the management report, the financial and economic crisis has prompted an unprecedented spike in volatility, a shortage of liquidity on certain markets, and a lack of visibility as regards the economic and financial outlook going forward. This results in specific conditions for the preparation of this year's consolidated financial statements, particularly in terms of accounting estimates. In this context, pursuant to Article L.823-9 of the French Commercial Code regarding the justification of our assessments, we draw your attention to the issues set out below.

Change in accounting policy

As described in Notes 2, 6.1 and 7, the Group reclassified a portfolio of financial assets within the "Loans and advances" category, in accordance with the amendment to IAS 39 and IFRS 7 adopted on October 15, 2008. We ensured that these assets were eligible for reclassification and that the accounting treatment applied and disclosures provided were in accordance with the above-mentioned amendment.

Estimates made within the context of banking activities

Measurement of financial instruments

As indicated in Notes 7.6 and 7.22 to the consolidated financial statements, the Group uses internal models and methodologies to measure financial instruments that are not traded on an active market, as well as to book certain impairment losses. We examined the control procedures relating to the assessment of whether a given market was inactive, the validation of models and the definition of the parameters used.

Provisions for credit and counterparty risks

The Group recognizes impairment losses to cover the credit and counterparty risks inherent in its businesses (Notes 6.2, 7.1, 7.3, 8.4 and 9.7 to the consolidated financial statements). We examined the control procedures relating to credit and counterparty risk monitoring, impairment methodology, the assessment of risks of non-collection and the provisions set aside in this respect for individual and collective impairment.

Impairment of available-for-sale assets

The Group recognizes impairment losses against available-for-sale assets when there is objective evidence that such assets have suffered a prolonged or significant decline in value (Notes 7.1, 8.3, 9.4 and 9.7 to the consolidated financial statements). We examined the control procedures relating to the identification of impairment indicators and measurement of the largest impairment losses, as well as the estimates made in recognizing impairment losses to cover the decline in value of these assets where applicable.

Other estimates

Measurement of intangible assets

The Group revises its measurement of intangible assets and goodwill carried in its consolidated financial statements (Notes 3.5, 7.7 and 8.11 to the consolidated financial statements). We examined how this work was carried out as well as the main assumptions and parameters used.

Recognition of deferred taxes

The Group recognized deferred tax assets in respect of tax loss carryforwards (Notes 7.19 and 8.7 to the consolidated financial statements). We examined the main estimates and assumptions on which the recognition of deferred tax assets was based.

Employee benefits

The Group records provisions to cover employee benefits (Notes 7.13 and 13.3 to the consolidated financial statements). We examined the methodology used to measure these benefit obligations, as well as the main assumptions and parameters applied.

These assessments were made in the context of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the formation of the unqualified opinion expressed in the first part of this report.

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III - SPECIFIC VERIFICATION

We also verified the information provided in the management report, in accordance with French law.

We have nothing to report regarding the fairness of this information and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Paris-La-Défense, March 30, 2009

DELOITTE & ASSOCIES	SALUSTRO REYDEL	MAZARS
Damien Leurent	Member of KPMG International	Charles de Boisriou
	Michel Savioz	Michel Barbet-Massin

PARENT COMPANY FINANCIAL STATEMENTS AND NOTES

NATIXIS COMPARATIVE BALANCE SHEETS

(in millions of euros) See note No.	Year ended December 31	2008	2007	2006
	ASSETS			
3	Cash and balances with central banks and post offices	857	175	44
3	Government securities and equivalent	23,161	20,566	3,977
3	Advances to banks	96,038	132,333	54,110
23	*institutional business activities:*		*83*	*166*
4	Customer transactions	83,320	92,113	42,743
23	*Institutional business activities:*	*407*	*354*	*400*
5	Bonds and other fixed-income securities	61,966	58,917	15,586
5	Equities and other non-fixed-income securities	17,219	34,080	3,873
7	Investment in associates and other securities held for investment	9,644	9,385	8,996
7	Investments in related companies	14,760	12,788	14,107
4	Leasing			
4	Operating leases			
12	Intangible assets	181	1,012	87
12	Property, plant & equipment	202	188	90
	Share capital subscribed not paid in			
7	Treasury shares	67	108	
13	Other assets	28,841	26,392	3,812
13	Accrued income and prepaid expenses	21,408	23,951	1,011
	TOTAL ASSETS	**357,664**	**412,008**	**148,435**

See Note No.	Off-balance sheet items – Commitments received	2008	2007	2006
38	**Financing commitments**	**13,623**	**3,957**	**14,368**
	Commitments received from lending institutions	13,176	3,892	14,243
	Commitments received from customers	447	65	125
38	**Guarantee commitments**	**39,791**	**38,680**	**13,338**
	Commitments received from lending institutions	35,202	34,066	10,555
	Commitments received from customers	*4,589*	*4,614*	*2,783*
23	*Institutional business activities:*	*24*	*103*	*183*
38	**Commitments on securities**	**2,031**	**3,360**	**195**
38	**Other commitments received**	**9,918**	**11,161**	**1,613**

See Note No.	Year ended December 31	2008	2007	2006
	LIABILITIES			
14	Due to central banks and post offices	653	1,405	613
14	Due to banks	105,553	137,318	50,267
23	*Institutional business activities:*	*72*	*155*	*239*
15	Customer transactions	53,157	48,153	13,039
23	*Institutional business activities:*	*665*	*605*	*523*
16	Debt securities	75,209	109,519	48,484
17	Other liabilities	72,990	70,209	7,741
17	Deferred income and accrued charges	17,917	15,916	2,924
23	*Institutional business activities:*		*1*	*3*
18	Provisions for contingencies and charges	3,427	2,019	1,067
19	Subordinated debt	13,489	10,607	5,894
20	Fund for general banking risks			
	Equity excluding fund for general banking risks	15,269	16,862	18,407
21	Subscribed capital	4,653	1,955	1,952
21	Issue premium	15,531	14,912	14,897
21	Reserves	115	415	704
	Revaluation adjustments			
20b	Regulated provisions and investment subsidies	24	47	94
23	*Institutional business activities:*	*2*	*25*	*78*
21	Retained earnings	0		17
	Net income (loss)	(5,054)	(467)	744
	TOTAL LIABILITIES	**357,664**	**412,008**	**148,435**

See Note No.	Off-balance sheet items – Commitments given	2008	2007	2006
38	**Financing commitments**	**44,647**	**45,433**	**37,807**
	Commitments in favor of lending institutions	8,652	3,002	8,797
	Commitments in favor of customers	35,995	42,431	29,010
38	**Guarantee commitments**	**26,720**	**31,556**	**20,385**
	Commitments in favor of lending institutions	3,704	3,638	3,016
	Commitments in favor of customers	23,016	27,918	17,369
23	*Institutional business activities:*			
38	**Commitments on securities**	**3,486**	**2,816**	**183**
38	**Other commitments given**	**17,307**	**15,226**	**52**

NATIXIS COMPARATIVE INCOME STATEMENTS

See note No.	Year ended December 31	2008	2007	2006
24	**Interest and similar income**	**17,120**	**17,668**	**5,416**
	Interbank transactions	10,198	8,637	2,813
	Customer transactions	4,866	4,801	1,985
	Finance lease transactions	0	0	0
	Operating lease transactions	0	0	0
	Bonds and other fixed-income securities	1,296	3,093	448
	Other interest and similar income	760	1,137	170
25	**Interest and similar expenses**	**(16,508)**	**(18,689)**	**(5,318)**
	Interbank transactions	(10,148)	(9,520)	(2,663)
	Customer transactions	(1,942)	(3,356)	(655)
	Finance lease transactions	0	0	0
	Operating lease transactions	0	0	0
	Bonds and other fixed-income securities	(4,366)	(4,844)	(1,770)
	Other interest and similar expenses	(52)	(969)	(230)
26	**Income from non-fixed-income securities**	**1,417**	**1,078**	**433**
27	**Fee and commission income**	**745**	**798**	**719**
	Fee and commission expense	**(361)**	**(347)**	**(216)**
28	**Net gains/(losses) on trading portfolio transactions**	**(2,668)**	**2,274**	**883**
	Net gains/(losses) on securities trading transactions	(1,914)	2,113	165
	Net foreign exchange trading gains/(losses)	813	396	584
	Net gains/(losses) on financial instrument transactions	(1,567)	(235)	134
29	**Net gains/(losses) on securities held for sale**	**(1,194)**	**(789)**	**(5)**
30	**Other banking revenues**	**169**	**141**	**44**
	Other banking expenses	**(157)**	**(135)**	**(91)**
	NET BANKING INCOME	**(1,437)**	**1,999**	**1,865**
31	**Operating expenses**	**(2,025)**	**(1,915)**	**(1,197)**
	Payroll expenses	(1,090)	(984)	(654)
	Other administrative expenses	(935)	(931)	(543)
	Depreciation, amortization and impairment of property, plant & equipment and intangible assets	**(947)**	**(60)**	**(30)**
	GROSS OPERATING INCOME (LOSS)	**(4,409)**	**24**	**638**
32	**Cost of risk**	**(983)**	**(175)**	**(141)**
	OPERATING INCOME (LOSS)	**(5,392)**	**(151)**	**497**
33	**Net gains/(losses) on disposals of non-current assets**	**164**	**(452)**	**73**
	INCOME (LOSS) BEFORE TAX	**(5,228)**	**(603)**	**570**
34	**Non-recurring items**	**0**	**0**	**0**
35	**Income tax**	**175**	**142**	**(55)**
20	**Funding/reversal of fund for general banking risks and mandated provisions**	**(1)**	**(5)**	**231**
	NET INCOME (LOSS)	**(5,054)**	**(466)**	**744**

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

NOTE 1 SIGNIFICANT EVENTS DURING THE YEAR

Worsening of the financial crisis:

In a climate marked by the worsening financial crisis, which spread to other types of assets and to the deterioration of the economic environment after the bank failures during the third quarter, Natixis:

- has redefined its business plan, rebalancing its business model to focus on recurring business, cutting costs, strengthening its financial structure and reducing the Corporate and Investment Banking (CIB) risk profile. This strategic refocusing was implemented under the CIB transformation decided upon by Natixis' Supervisory Board at its meeting of December 18, 2008. The plan called for:
  - discontinuing own account investment activities, loans and structured loans and discontinuing the most complex market activities. These decisions were accompanied by the creation of a dedicated structure to house these activities so as to optimize management of the winding down process,
  - refocusing on our traditional customers, emphasizing Corporate and Institutional Customer transactions,
  - a streamlined international presence, cutting back sharply in Asia (discontinuing capital markets activities) and the United States (discontinuing equities derivatives activities),
  - increasing discipline regarding risks in all businesses,
  - cutting CIB headcount and direct fixed expenses;
- has implemented a cost cutting program for 2009, to cut 10% of 2007 base fixed costs. This approach, which translated into a series of rationalization projects launched in second quarter 2008, is part of a 2008-2009 expense reduction plan affecting headcount, outsource service providers and operating expenses. With respect to headcount, a job adaptation plan was implemented among Natixis S.A. employees in September 2008. The impact of this plan was assessed and provisions in the amount of -€144 million were funded, charging the 2008 accounts;
- in September, it carried out a capital increase in the amount of €3.7 billion, with Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne subscribing €2.5 billion by offset of the shareholder advance previously contributed;
- with respect to the liquidity risk triggered by the financial crisis, Natixis notes that it throughout 2008 it was able to cover its day-to-day and long-term financing requirements by obtaining liquidity from the ECB and seeking loans from its two major shareholders. The Company does not foresee any difficulties with respect to its future financial obligations.

French State support measures:

Natixis has benefited indirectly, through its two major shareholders, from financing made available by the French State to banks under the financial sector support plan approved by the European Commission. This plan has two key components:

- a medium-term refinancing mechanism targeting banks subject to the Amended Finance Law to Finance the Economy of October 16, 2008. This law enables Société de Financement de l'Économie Française (SFEF) to raise funds on the market, guaranteed by the State, in order to lend these funds to French banks against the provision of collateral;
- a mechanism to strengthen banks' equity through Société de Prise de Participation de l'État (SPPE), which is authorized to subscribe subordinated notes that can be included in the regulatory capital of the issuing banks.

The financing provided by Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne was provided under market conditions under specific agreements of two types:

- medium term interbank loans secured by turning over unrestricted ownership of receivables, subject to certain eligibility requirements. The transfer of ownership of the receivables enables the lenders (Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne) to pledge these receivables to Société de Financement de l'Économie Française (SFEF) to secure loans SFEF extended to them. The loans extended to Natixis under this program by Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne, entities which received direct financing from the SFEF, are shown on the balance sheet line "Due to banks" for a sum of €835.6 million;
- perpetual super-subordinated bonds. Two issues for a sum of €950 million each were subscribed, one in its entirety by Banque Fédérale des Banques Populaires, and the other in its entirety by Caisse Nationale des Caisses d'Epargne. These issues mirror those subscribed by Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne with Société de Prise de Participation de l'État.

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Main impacts of the crisis on the 2008 financial statements:

- Natixis has not taken advantage of the possible securities portfolio reclassifications permitted by CRC Standard No. 2008-17.
- Indirect subprime risk exposure carried on Natixis' balance sheet as of December 31,2008:

  This exposure was in the form of an ABS CDO portfolio essentially classified as trading securities for a global nominal exposure of €2,038 billion, of which €1,189 billion was covered by monolines.

  In the total absence of a market benchmark, the valuation of the assets represented by this exposure was established based on a valuation model. The valuation technique used is based on an assumed rate of loss calculated for each year in which loans were originated. The loss-rate assumptions were calculated as follows:

  - 30% for loans originated in 2007 (versus 23% as of December 31, 2007),
  - 25% for loans originated in 2006 (versus 23% as of December 31, 2007),
  - 11% for loans originated in 2005 (versus 9% as of December 31, 2007),
  - and 7.5% for loans originated in prior years (versus 5.75% as of December 31, 2007);

  Securitization holdings, excluding subprime exposure for which it has not been possible to identify a price, were valued using valuation models:

  - a correlation model (for CSOs),
  - a scoring model for structures (for ABS CDO's and CLOs), which involved defining the level of risk for each structure according to distinguishing criteria benchmarked against observable data.
- Exposure on monolines:

  Transactions with monoline insurers entered into in the form of CDSs were subject to the funding of additional fair-value adjustments related to the lowering of the rating of these counterparties and to the widening of spreads on the assets backing them. The method for determining the fair-value adjustments was reviewed in 2_{nd} quarter 2008 and maintained from then through December 31, 2008. Impairment was determined by applying to the unrealized capital losses on the underlyings an across-the-board recovery rate of 10% (a rate justified by the weak capitalization of the monolines considering their risk exposure) and a likelihood of default in line with the credit risk of the enhancement. This resulted in an additional fair-value adjustment in the amount of €1,060 billion for the fiscal year, increasing the total stock to €1,216 million. In addition, the stock of monoline industry provisions increased to €300 million with an additional funding €162 million.
- Individual writedowns of certain shares in SIV's:

  SIV's (Structured Investment Vehicles) are entities that make highly leveraged investments in highly-rated medium- and long-term assets. To fund themselves, SIV's issue commercial paper or medium- and long-term notes. Since these issues are rated by rating agencies, SIV's need to conform to liquidity ratios and are bound to respect thresholds linked to the value of their portfolios. If these thresholds are reached or exceeded, they must liquidate assets. Given the changes in the NAV of the shares in SIV's held by Natixis and of the consequent liquidation risk, Natixis recognized a €42 million writedown on these shares (classified as securities held for investment) on December 31, 2008.
- Stake in the capital of IKB:

  Natixis has held a 2.5% stake in the capital of the German bank IKB since 1993. The business relationship between the two companies is essentially focused on financing medium to large German companies. It does not concern, either directly or indirectly, IKB's financing and investment activities on the European and American real estate markets. The German bank's financial difficulties linked to the subprime crisis led Natixis to recognize an additional impairment charge against the IKB shares in the amount of €11.3 million, bringing the total to €27.1 million.
- Stake in the capital of CIFG and swap agreement:

  After the financial support to CIFG at year-end 2007, and as announced at that time, the transfer of the securities to Caisse Nationale des Caisses d'Epargne and Banque Fédérale des Banques Populaires took place in 2008. A swap agreement was entered into on January 22, 2009, resulting in Natixis voiding guarantee agreements, the drawdown of the available balances of the lines of credit extended to CIFG, the discontinuation of all the lines of credit extended and the collection of an adjustment in cash and CIFG shares. Since the terms of this agreement were known as of the closing date, Natixis recognized the consequences on the financial statements as of December 31, 2008, for the impairment of the lines of credit (USD 200 million) and the recording of a receivable for the adjustment (USD 98 million).
- Exposure to Lehman Brothers:

  The gross amount of Natixis' exposure to Lehman Brothers risks was €301.6 million. It recorded an impairment of €176.6 million as of December 31, 2008.
- Exposure to Icelandic banks:

  After the failure of certain banks in September 2008, Iceland nationalized the principality's three leading banks (Landsbanki, Kaupthing and Glitnir).

As of December 31, 2008, Natixis' exposure to Iceland bank risks totaled €174 million.

The individual provisions funded for risk at year-end 2008, were €93.6 million and the exposure to each Icelandic counterparty was analyzed taking into account:

- the nature of the obligations,
- the guarantees provided to Natixis,
- tourth quarter 2008 trends and the outlook for recovery.

- Exposure to Madoff risks:

  Natixis' net indirect exposure to the broker Bernard Madoff Investment Securities (BMIS) through 6 funds was €356.4 million. The risk of loss was estimated at €221 million and fully provisioned as of December 31, 2008. In addition, a provision of €12 million was funded for legal expenses.

- Ixis CIB goodwill:

  Ixis CIB's merger into Natixis resulted in the recognition of a negative technical value adjustment for the difference between the value of Ixis CIB shares on Natixis' balance sheet and the net value of the assets contributed by Ixis CIB as of December 31, 2006 (the backdating date). All of the adjustment (€861 million) was charged to goodwill. In was fully depreciated as of December 31, 2008.

NOTE 2 ACCOUNTING PRINCIPLES AND VALUATION METHODS

Natixis' financial statements have been prepared in accordance with generally accepted accounting principles applicable to banks, including standard CRC 2000-03 on financial statement presentation.

1 - Loans to customers and banks

Loans are carried on the balance sheet at their par value. Undisbursed amounts of loans already committed are included in off-balance sheet items on the line "financing commitments given". Performing and non-performing loans are identified separately.

2 - Impairment policy

Since 2000, Natixis has provided for loan impairment at three levels:

2.1 Specific provisions

2.1.1 Loan principal

Where there is a risk of partial or total non-recovery of receivables or borrowers' breach of covenants, impairment charges or provisions are charged to the income statement on the line "cost of risk". These impairment charges are determined on a case-by-case and country-by-country basis and reviewed quarterly, based on an analysis of the related risk and available collateral. For lease financing and similar transactions, capital gains and losses on disposal and funding and reversals of provisions (leased assets and temporarily unleased assets) are recognized in "net banking income". Termination compensation is booked as "interest and similar income". Only the principal amount of payments on non-performing leases is provisioned under "cost of risk".

The impairment charge is calculated as the difference between the loan carrying amount and the estimated recoverable amount discounted at the original effective interest rate.

Non-performing loans are identified and recognized in conformity with the provisions of CRC Standard 2002-03. This Standard and the notice issued by the CNC Urgent Issues Task Force on December 18, 2003 set forth the rules for classifying non-performing and reclassifying them as unrecoverable loans.

Loans declared in default, restructured loans on which the borrower has once again defaulted and loans classified as non-performing for more than one year for which a write-off is planned are deemed to be unrecoverable.

In addition, Natixis recognized a charge to net banking income to amortize discounts on restructured loans and the write-back of impairment on unrecoverable loans related to the passage of time.

2.1.2 Loan interest

In accordance with banking regulations:

- unpaid accrued interest due on loans to borrowers subject to bankruptcy proceedings is deducted from the interest account in which it was initially recorded. If the interest is subsequently recovered, it is credited to income upon collection through the same account;
- interest on non-performing loans three, or where applicable, six or nine months past due is also provisioned in full by deduction from the interest account in which it was initially recorded;
- all other loans made to these customers are also classified as non-performing, even when the risk appraisal does not require an impairment charge against the outstanding principal;
- the same rules apply to lease financing transactions; they are classified as non-performing and a provision is funded for the amount outstanding when a lease payment or any incidental costs are more than three months (equipment) or six months (real estate) past due.

2.1.3 Restatement of former BFCE sovereign risk

In 1991 and 1992, there were two transactions involving the assets of the former BFCE subject to sovereign risk, a defeasance transaction and a put. The defeasance structure, Edval Investment Ltd, and the vehicle set up to hold the put, Worledge Investment Ltd, were consolidated for the first time as of December 31, 2002. In accordance with paragraph 10052 of CRC Standard 99-07, consolidation of these two entities led to an adjustment of provisions covering at-risk loans covered by the put.

On the assets side of the balance sheet, the net outstanding balance of the loans subject to the put is covered by zero-coupon bonds held by the two entities. The results of the two entities consist solely of annual accruals to recognize the value appreciation of the zero-coupon bonds up to their redemption value in 2014, when the bonds mature and the structures will be wound up. Over this period, the value appreciation exactly matches the 100% for the loans covered by the put. Consequently, the operation has no impact on the income statement and the cash flow is neutral.

2.2 Industry and country risk provisions

These provisions cover certain Natixis businesses that carry potential future risks. These businesses are reviewed quarterly and where necessary included in the basis for provisioning for

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sound exposure in countries or industries likely to experience difficulties.

Financial assets that are not specifically identified as impaired are divided into groups of assets with similar risk profiles on an industry by industry basis. Each group of assets is assessed for objective evidence of impairment based on observable data indicating a likely decrease in the estimated recoverable cash flows for that group of assets. Collective provisions are funded to cover any objective evidence of impairment. Assets that are subsequently specifically identified as impaired are no longer included in the groups of assets assessed collectively.

The impairment provision is based on the expected loss at maturity.

3 - Securitization transactions

Securitizations are transactions that transfer credit risk without disposing of the underlying portfolios. They consist of synthetic securitizations based on credit derivatives entered into jointly with third party banks and special purpose entities. Credit derivatives are equivalent to credit insurance protecting Natixis against execution risk (bankruptcy, restructuring of the terms of an underlying asset and borrower's inability to pay) for the borrowers comprising the portfolio.

4 - Assets and liabilities denominated in foreign currencies

Assets, liabilities and off-balance sheet commitments denominated in foreign currencies are converted into euros at the exchange rates prevailing at year end. Exchange gains and losses are recognized directly on the income statement.

Translation differences arising on conversion of borrowings for which the currency risk is guaranteed by the State or which relate to institutional activities are recorded in an accruals account.

5 - Securities portfolio

5.1 Securities transactions (securities held for trading, securities held for sale, and securities held for investment)

The following rules, in conformity with the provisions of the amended Bank Regulation Committee Standard No. 90-01 on recognizing securities transactions, amended by Accounting Regulation Committee Standard No. 2008-17 are applicable regardless of their legal form (equities, bonds and notes, treasury bills, certificates of deposit, negotiable instruments, money market securities, etc.), based on the purpose of the transactions:

- **securities held for trading:** are securities traded on liquid markets which are bought or sold with the intention of reselling or repurchasing them within a short period. They are carried on the balance sheet at the transaction price, including any transaction expenses and accrued interest. At the period-end, they are marked to market and the resulting unrealized gain or loss is recognized in income;
- **securities held for sale:** are securities not recorded as securities held for trading or securities held for investment. They are valued individually at year end at the lower of acquisition cost or fair value. An impairment charge is taken for unrealized losses but no unrealized gains are recognized. Any difference between the acquisition cost (excluding accrued interest) and the redemption price is recorded in income over the remaining life of the securities;
- **securities held for investment:** are fixed-income securities acquired with the stated intention of holding them to maturity. They are either specifically funded or hedged against interest rate risk. Securities held for investment are recorded at acquisition cost (excluding accrued interest), and any difference between cost and redemption price is recorded in income over the remaining life of the securitie.

  In conformity with French regulations, unrealized losses on these securities do not give rise to impairments unless they are very likely to be divested before they mature as a result of new circumstances, notwithstanding any impairment to be recognized pursuant to the provisions of CRC Standard 2002-03 in the event there is a risk that the issuer of the securities will default (cost of risk). No unrealized gains are recognized;
- **treasury shares:** are purchased for various purposes, primarily to regulate the market price under a liquidity agreement. To this end, a total of 6,688,651 shares were held in the treasury stock portfolio as of December 31, 2008, with shares valued at a total of €10.7 million classified as securities held for trading.

  In addition, a bonus share allocation plan (SAGA) was implemented in November 2007 for the benefit of employees of Natixis and companies linked to it either directly or indirectly, pursuant to the provisions of Article L.225-197-2 of the French Commercial Code. The number of treasury shares held for this purpose was 5,760,188 as of December 31, 2008, with shares valued at €59 million classified as securities held for sale. The cost of acquiring these shares is provisioned for contingencies and charges spread over the vesting period (two years on a pro rata basis).

  As a result of the capital increase in September 2008, the Executive Board at its meeting of December 8, 2008,

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resolved to adjust the bonus share allocation program in order to preserve the rights of the beneficiaries, resulting in the allocation of 33 additional shares to supplement the 60 shares initially allocated. The shares will be acquired by Natixis in 2009 for allocation to employees and the acquisition cost will be provisioned pursuant to the provisions applied in the first phase. Given the immateriality of the impact for the period, no charge was recorded in 2008.

In order to pursue the convergence of French rules with IFRS following the publication of the amendment to IAS 39 and IFRS 7 on reclassification of financial assets, on December 10, 2008, the CNC issued a notice allowing banks to carry out reclassifications under terms similar to those cited in IFRS 7. The notice was restated in CRC Standard No. 2008-17 published on December 30, 2008.

It authorizes under certain circumstances reclassifications from "Securities held for trading" to "Securities held for sale" and "Securities held for investment" and from "Securities held for sale" to "Securities held for investment".

The rules authorize banks to dispose of all or a portion of the securities reclassified to "Securities held for investment" when such disposal satisfies the following conditions:

- the reclassification was triggered by an exceptional situation; and
- the market for these securities revived.

5.2 Investments in affiliates and securities held for investment

- **Consolidated investments in affiliates:** Natixis valued its investments in consolidated subsidiaries as of December 31, 2008.

  The valuation method applied was the net present value of future cash flows method. This method is based on business plans prepared by Management of the main subsidiaries and validated by Natixis' Executive Management.

  The future cash flows discount rate applied for each subsidiary was based on the following:

  - the average 10-year OAT (French government bond) yield,
  - the risk premium in the subsidiary's market,
  - a beta based on a sample of comparable companies.

  The results of this method were corroborated using other customary methods such as market comparisons and restated net asset value.

- **Non-consolidated investments in affiliates:** are valued individually at the lower of acquisition cost and value in use at year end. Value in use as of year end is determined based on criteria such as restated net asset value and profitability of the affiliates in question.

- **Securities held for investment:** are securities acquired with the intention of holding them over the medium- to long-term in order to sell them at a sufficient profit or obtain a sufficient yield. They are recorded at acquisition cost and an impairment charge is recorded if their net book value is greater than their fair value (based on recent transaction values, profitability, market price for listed securities or other valuation methods used at the time of acquisition).

6 - Income, value adjustments and gains or losses on securities

- Income on equity securities is recorded on a cash basis.
- Income on fixed-income securities is recorded on an accruals basis.
- Value adjustments and gains or losses on disposal of securities are shown on different lines depending on the nature of the transaction:
  - securities held for trading, securities held for sale and securities held for investment: "gains or losses" are recorded in net banking income,
  - securities held for investment: value adjustments and gains or losses are recorded on the line "cost of risk" when they reflect counterparty risk, and "net gains (losses) on disposals of non-current assets" when they reflect market risk or the result of disposal,
  - investments in affiliates and other securities held for investment: are recorded on the line net gains (losses) on disposals of non-current assets

7 - Property, plant and equipment and intangible assets

7.1 Measurement upon initial recognition

Fixed assets of the former Crédit National purchased prior to December 31, 1976 are stated at their value in use as determined at the time of the 1976 mandatory restatement. Assets acquired since 1976 are recorded at acquisition cost. Fixed assets of the former BFCE are carried on Natixis' balance sheet at their value in use as determined at the time of BFCE's acquisition by Crédit National. Fixed assets of the former Caisse Centrale des Banques Populaires were contributed at their net book value following the partial asset contribution.

New acquisitions are recorded at acquisition cost plus directly attributable transaction costs (transfer duties, fees, commissions and registration expenses). Borrowing costs are not capitalized.

Internally-generated software is carried on the balance sheet at the total cost of development, including related hardware costs, service costs and personnel costs directly attributable to the production and preparation of the software. Expenses incurred during the development phase are only capitalized if they satisfy the following conditions: technical feasibility, intention to complete the asset for internal use or sale, probability of future economic benefits, availability of resources and ability to reliably measure the development expenses. Expenses incurred during the research phase are not capitalized; they are charged to income when incurred.

7.2 Subsequent measurement

After acquisition, fixed assets are carried at cost less any cumulative depreciation, amortization and impairment losses.

7.3 Amortization and depreciation

Fixed assets are depreciated or amortized over their estimated useful lives either on a straight-line basis or on a diminishing balance basis when this better reflects the pattern of consumption of future economic benefits. The residual value of the asset is deducted from its depreciable or amortizable amount when it can be measured reliably. Natixis does not believe it can reliably measure the residual value of items other than land and indestructible construction. They are therefore assigned no residual value.

In conformity with the new standards, a specific depreciation schedule is drawn up for each significant component of property, plant and equipment component which has a different useful life or rate of consumption of future economic benefits than property, plant and equipment as a whole. For buildings used in the business and investment property, Natixis has identified the following components and depreciation periods:

■ land:	ns
■ indestructible constructions:	ns
■ facades, roof, waterproofing:	20-40 years
■ foundations, framework:	30-60 years
■ external rendering	10-20 years
■ equipment and installations:	10-20 years
■ internal fixtures and fittings	8-15 years

Other property, plant and equipment items are depreciated over their estimated useful lives, which range from five to ten years.

Purchased software is amortized over its estimated useful life, which in most cases is less than five years. Internally-generated software is amortized over a period which may not exceed fifteen years.

Other intangible assets primarily comprise goodwill with an indefinite useful life, which is not amortized but rather tested for impairment at least annually.

8 - Perpetual and dated subordinated notes

Natixis has issued perpetual and dated subordinated notes, which in the event of the issuer's liquidation rank behind all other creditors.

Where perpetual subordinated notes are treated as equivalent to debt repayable in installments, each periodic payment is broken down into the repayment of principal, which is deducted from the outstanding debt, and interest, which is charged to the income statement as interest and similar expenses.

9 - Participating notes

Remuneration paid on participating notes is treated as interest payable and charged to the income statement as accrued.

10 - Interest, premiums, fees and commissions

Interest, together with premiums, fees and commissions treated as interest income, is recognized on the income statement as accrued. Other fees and commissions are accounted for on a cash basis.

11 - Interest rate adjustment charges and customer loan prepayment penalties

Interest rate adjustment charges and prepayment penalties are treated as deferred interest income and recognized on the income statement over the life of the loan in proportion to the interest income lost in each year based on the original loan repayment schedule.

12 - Debt issuance and capital increase costs

Beginning in January 1, 1994, Natixis elected to defer all debt issuance expenses over the life of the debt, as permitted by tax legislation (law of August 8, 1994) and in line with trends in the nature of such expenses, which are in substance an additional financing cost.

The cost of Natixis capital increases is offset, net of tax, against the issue premium.

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13 - Financial futures and options held for Natixis' proprietary account

The notional amount of these instruments is recorded off-balance sheet for internal monitoring and regulatory purposes, but they are not included in the published statement of off-balance sheet items. Further details are provided in the notes to the financial statements.

The accounting treatment depends on the instrument involved and the purpose of the transaction (hedging or trading).

13.1 Interest rate swaps

These instruments are classified according to the purpose for which they are executed:

- micro-hedging (hedging of specific transactions or positions);
- macro-hedging (overall balance sheet management);
- speculative position-taking;
- specialized management of a trading portfolio.

- The first two categories are treated for income statement purposes as equivalent to lending or borrowing transactions and the amounts received or paid are recognized on the income statements on an accrual basis.
- The accounting treatment of speculative positions is identical with respect to interest flows. Positions are marked to market at the period end and a provision is funded for any unrealized losses.
- In the case of specialized management of a trading portfolio, each instrument is marked to market on an individual basis. Changes in value during the period are recognized immediately on the income statement. Valuations are adjusted for counterparty risk and the discounted present value of future contractual management costs.

13.2 Currency trading

- Spot currency transactions outstanding at year end are valued at the year-end price.
- Forward currency hedging transactions are recognized on the income statement on an accrual basis, either as premiums or discounts where they are intended to hedge commercial transactions, or as accrued interest where they are intended to hedge long-term assets and liabilities denominated in foreign currencies.

13.3 Interest rate, currency and equity options and forward contracts

The notional value of the instrument underlying the option or forward contract is recorded off-balance sheet, with hedging and trading transactions identified separately.

Income and expenses on hedging transactions are recognized in income on a symmetrical basis with the income and expenses on the hedged items.

For non-hedging activities, positions in a class of option or forward contract are marked to market at the period end. Changes in value during the period are recognized immediately on the income statement. For over-the-counter instruments, a discount may be charged to the market value based on modeling risks or uncertainty over parameters, by funding provisions for financial instruments charged to income.

13.4 Institutional business

Commitments given to banks that extend export credits financed in foreign currencies in order to fix the exchange rate of their foreign currency borrowings are not included in published off-balance sheet commitments. Income and expenses deriving from institutional activities (exchange rate swaps and guarantees) are charged or paid to the French Treasury in accordance with agreed upon terms and conditions.

14 - Non-recurring income

Non-recurring income and expenses are unusual in terms of their nature, amount or frequency.

15 - Corporate income tax

The tax charge for the year comprises current taxes payable in France at the rate of 34.43%, and at the local corporate tax rate for foreign branches.

16 - Employee-related liabilities and post-retirement benefits

The main provisions for employee-related liabilities concern:

- end-of-career awards and allowances;
- supplementary bank pensions;
- early retirement benefits and supplementary pension benefits;
- cessation of activities plan benefits;
- employer contributions to private health plans for retirees and early retirees;
- long service awards.

Natixis uses independent actuaries to measure its main liabilities like the supplementary bank pension.

The provision recognized on the balance sheet is equal to:

- the amount of the actuarial liability in respect of post-retirement and similar benefits for employees and retirees;

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- less the market value of plan assets;
- less or plus any actuarial gains or losses arising from:
  - experience adjustments with respect to demographic variables,
  - changes in actuarial assumptions such as the discount rate, employee turnover and future salary increases,
  - differences between the actual return and expected return on plan assets.

Actuarial gains and losses are recognized in income using the “corridor” method. Under this method, the portion that exceeds 10% of the greater of the group’s obligation or the fair value of plan assets is deferred over the remaining average working lives of the employees participating in the plan.

In conformity with CNC recommendation R. 2003-01, Natixis funds a provision for the entire amount of employee benefit obligations.

In conformity with notice 2004-A issued by the CNC Urgent Issues Task Force, the French Pensions Law of August 21, 2003 reformed the retirement terms and conditions applicable to employees; this reform was treated as a change of applicable regime and its effect deferred over the employees’ remaining working lives.

17 - Changes in accounting method

There were no changes to accounting method during the year.

NOTE 3 INTERBANK AND SIMILAR TRANSACTIONS

(in millions of euros)	2008	2007	2006
Cash and balances with central banks and post offices	**857**	**175**	**44**
Government and equivalent securities	**23,161**	**20,566**	**3,977**
Securities held for trading	22,660	19,740	3,117
Securities held for sale	263	430	516
accrued interest receivable	*2*	*11*	*20*
impairment charges	*0*	*(1)*	*(1)*
Securities held for investment	238	396	344
accrued interest receivable	*4*	*6*	*9*
Advances to banks	**96,038**	**132,333**	**54,110**
Demand	6,678	12,948	7,158
accrued interest receivable	*9*	*4*	*2*
non-performing	*237*	*1*	*1*
impairment charges	*(123)*	*(1)*	*0*
Time (*)	89,360	119,385	46,952
accrued interest receivable	*718*	*1,575*	*532*
non-performing	*216*	*36*	*40*
impairment charges	*(122)*	*(21)*	*(26)*
INTERBANK AND SIMILAR TRANSACTIONS	**120,056**	**153,074**	**58,131**
(*) Subordinated loans:		*214*	*120*
performing	*618*	*565*	*114*
non-performing	*0*	*0*	*1*
accrued interest receivable	*0*	*5*	*5*
Securities received under repurchase agreements:	*38,017*	*76,696*	*76,696*
accrued interest receivable	*236*	*1,032*	*329*

NOTE 4 TRANSACTIONS WITH CUSTOMERS AND LEASE FINANCING AND SIMILAR TRANSACTIONS

(in millions of euros)	2008	2007	2006
Current accounts in debit	**3,977**	**4,688**	**5,315**
accrued interest receivable	*17*	*23*	*18*
non-performing	*236*	*169*	*81*
impairment charges	*86*	*0*	*(40)*
Commercial loans	**345**	**553**	**646**
accrued interest receivable	*0*	*5*	*0*
non-performing	*81*	*8*	*27*
impairment charges	*(5)*	*0*	*(4)*
Other loans to customers	**78,998**	**86,872**	**36,782**
Short-term loans and consumer loans	34,010	32,008	18,159
accrued interest receivable	*187*	*83*	*81*
Equipment loans	2,979	3,095	2,182
accrued interest receivable	*16*	*11*	*10*
Export loans	1,395	1,111	942
accrued interest receivable	*34*	*7*	*12*
Home loans	547	462	240
accrued interest receivable	*2*	*0*	*0*
Securities held under resale agreements	10,526	18,527	2,158
accrued interest receivable	*34*	*5*	*10*
Subordinated loans	309	579	754
accrued interest receivable	*5*	*6*	*4*
non-performing	*0*	*0*	*0*
impairment charges	*0*	*0*	*0*
Other loans	29,232	31,090	12,347
accrued interest receivable	*225*	*396*	*88*
non-performing	*766*	*432*	*592*
impairment charges	*(574)*	*(431)*	*(438)*
TRANSACTIONS WITH CUSTOMERS	**83,320**	**92,113**	**42,743**
Equipment leasing	**0**	**0**	**0**
Outstandings	0	0	0
Temporarily unleased assets and non-performing loans			
Accrued interest			
Asset impairment			
Loan impairment			
Operating leases	**0**	**0**	**0**
Outstandings	0	0	0
Temporarily unleased assets and non-performing loans			
Accrued interest			
Asset impairment			
Loan impairment			
LEASE FINANCING AND SIMILAR TRANSACTIONS	**0**	**0**	**0**

NOTE 5 BONDS, SHARES AND OTHER FIXED-INCOME AND FLOATING RATE SECURITIES

	2008				2007				2006
	Securities held for trading	Securities held for sale	Securities held for invest-ment	Total	Securities held for trading	Securities held for sale	Securities held for invest-ment	Total	Total
BONDS AND OTHER FIXED-INCOME SECURITIES									
Gross value [(1)]	39,095	19,101	4,194	62,390	31,346	21,943	5,574	58,863	15,566
Premiums/discounts		0	0	0		(23)	(8)	(31)	(3)
Accrued interest	2	168	61	231	0	190	94	284	68
Impairments		(642)	(13)	(655)		(155)	(44)	(199)	(46)
Net carrying amount	**39,097**	**18,627**	**4,242**	**61,966**	**31,346**	**21,955**	**5,616**	**58,917**	**15,586**
EQUITIES AND OTHER FLOATING-RATE SECURITIES									
Gross value	15,729	1,606		17,335	32,228	2,544		34,772	3,922
Accrued interest	0	0		0	0	(121)		(121)	0
Impairments	0	(116)		(116)	0	(571)		(571)	(49)
Net carrying amount	**15,729**	**1,490**		**17,219**	**32,228**	**1,852**		**34,080**	**3,873**

(1) The gross values shown in the "Securities held for sale" and "Securities held for investment" columns represent their redemption value.

Additional information on securities:

Original portfolio	Destination portfolio	Amounts transferred during the fiscal year 2008	2007	2006
Securities held for trading	Securities held for sale	0	0	47

	2008			
	Securities held for trading	Securities held for sale	Securities held for investment	Total
Bonds and other fixed-income securities				
Unrealized capital gains	228			228
Unrealized capital losses		(1,719)	(44)	(1,763)
Equities and other floating-rate securities				
Unrealized capital gains				0
Unrealized capital losses	(18)	(145)		(163)

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NOTE 6 NON-PERFORMING AND UNRECOVERABLE LOANS AND IMPAIRMENT

(in millions of euros)	2008		2007		2006	
	Non-performing	Unrecoverable	Non-performing	Unrecoverable	Non-performing	Unrecoverable
Banks	**92**	**117**	**15**	**0**	**6**	**8**
Loans	173	281	18	18	14	26
Impairment	(81)	(164)	(3)	(18)	(8)	(18)
Customers	**395**	**23**	**189**	**15**	**217**	**1**
Loans	759	325	311	324	360	336
Impairment	(364)	(302)	(122)	(309)	(143)	(335)
NET NON-PERFORMING AND UNRECOVERABLE LOANS	**487**	**140**	**204**	**15**	**223**	**9**

NOTE 7 INVESTMENTS IN SUBSIDIARIES AND AFFILIATES, OTHER SECURITIES HELD FOR INVESTMENT AND TREASURY STOCK

(in millions of euros)	2008	2007	2006
Investments in affiliates	**9,503**	**9,236**	**8,915**
Outstandings	9,509	9,241	8,924
Current account advances	25	25	0
Translation differences	2	2	1
Securities loaned	(33)	(32)	(10)
Impairment	0	0	0
Other securities held for investment	**141**	**149**	**81**
Outstandings	184	171	115
Current account advances	0	0	0
Translation differences	0	0	0
Impairment	(43)	(22)	(34)
Securities loaned	0	0	0
Accrued interest	**0**	**0**	**0**
INVESTMENTS IN AFFILIATES AND OTHER SECURITIES HELD FOR INVESTMENT	**9,644**	**9,385**	**8,996**
Investments in related companies	**14,760**	**12,788**	**14,107**
Outstandings	14,696	12,696	14,187
Current account advances	10	6	6
Translation differences	149	187	39
Impairment	(95)	(101)	(125)
Securities loaned	0	0	0
Accrued interest	**0**	**0**	**0**
INVESTMENTS IN SUBSIDIARIES	**14,760**	**12,788**	**14,107**
Treasury stock	**67**	**108**	**0**
Securities held for trading	8	17	0
Securities held for investment *	59	91	0
Securities loaned	0	0	0
Long-term investments*	0	0	0
TREASURY STOCK	**67**	**108**	**0**
** Impairment charges*	*0*	*0*	*0*

NOTE 8 INVESTMENT PORTFOLIO AS OF DECEMBER 31, 2008

Amounts *(in euros)*	Number of shares	Book value
I - INVESTMENTS IN SUBSIDIARIES		
A) Banking and credit institutions		
NATIXIS MARCO	100,017,000	1,000,170,000,00
CACEIS	7,530,314	941,500,000.00
NATIXIS LUXEMBOURG S.A.	5,911,509	750,716,884.66
NATIXIS GARANTIES	221,010	474,976,359.72
NATIXIS LEASE	16,670,494	399,595,042.46
IXIS CMNA INTERNATIONAL HOLDINGS INC.	93,025	280,869,408.00
NATIXIS BLEICHROEDER (formerly Arnhold Bleichroeder, Inc.)	100	202,477,648.76
NATIXIS TRANSPORT FINANCE	1,244,314	177,127,048.32
NEXGEN FINANCIAL HOLDINGS LTD	100,000,000	154,130,497.39
NATIXIS INNOV	15,006,000	150,060,000.00
COMPAGNIE 1818	522,826	110,828,021.35
NATIXIS INTERÉPARGNE	555,655	57,053,104.13
NATIXIS ALGÉRIE	3,198,517	56,677,945.24
NATIXIS ARBITRAGE	4,019,847	51,570,459.43
NATIXIS SECURITIES	14,168	48,123,368.67
NATIXIS PAIEMENTS	8,147,760	47,172,222.16
NATIXIS MOSCOW	111,618	36,743,030.55
NATIXIS BRASIL SA	87,999,999	34,278,265.07
NATIXIS COFICINÉ	111,310	31,499,782.26
NATIXIS FUNDING	4,503,629	16,524,580.36
NATIXIS AUSTRALIA PTY LTD	25,000,000	15,887,716.54
CFDI	29,994	4,572,555.82
IFCIC – INSTITUT FINANCEMENT CINEMA ET IND. CULT	28,473	434,068.08
NATIXIS LEASE (Madrid)	32,134	514,000.00
B) Financial institutions		
NATIXIS NORTH AMERICA	24,858	1,303,353,726.49
NATIXIS PRIVATE EQUITY	21,720,663	596,136,077.70
SAS VAL A	1,672,000	282,160,453.47
IXIS CMNA - AUSTRALIA - HOLDINGS INC. Macquarie	27	144,776,203.24
IXIS CMNA -AUSTRALIA- HOLDINGS No. 2 St Georges	105	77,571,046.29
SPAFICA	42,822	63,472,905.24
NATIXIS ASIA LIMITED	400,000,000	39,585,925.66
NATIXIS COMMODITY MARKETS LTD	20,000,000	24,037,340.85
NATEXIS ABM CORP	100	10,028,858.60
SLIB	498,628	7,978,201.73
INVEST KAPPA	576,133	7,914,712.84
INVESTIMA 6 SAS	690,922	6,562,719.00

Amounts *(in euros)*	Number of shares	Book value
NATEXIS SERVICOS E INFORMATICOES LTDA	600,000	2,912,023.57
NATIXIS FINANCE	165,000	2,558,077.01
AIVELYS ASSET MANAGEMENT (formerly Ecrinvest 10)	169,994	1,699,940.00
CONTANGO TRADING (formerly Ecrinvest 2)	9,994	219,260.52
NATIXIS MIDDLE EAST LIMITED (DUBAI)	250,000	177,777.78
NATIXIS AMBS LLC (New York)	42,050	29,902,222.22
NBP PREFERRED II (New York)	10,000,000	7,111,111.11
NBP PREFERRED II (New York)	11,500	8,177,777.79
C) Sundry		
NATIXIS PARTICIPATIONS 1	155,460	3,886,602,446.74
COFACE HOLDING formerly SDGP 41	126,927,949	1,198,952,405.82
NATIXIS ASSURANCES	12,052,628	882,100,709.70
TOLBIAC FINANCE	32,812,499	328,124,990.00
NATIXIS CONSUMER FINANCE (formerly ECRINVEST 11)	21,739,643	217,396,430.00
CUBE INFRASTRUCTURE FUND	240,115,482	147,238,939.50
NATIXIS IMMO EXPLOITATION	7,674,462	124,002,112.22
GARBO-INVEST (formerly Investima 20)	105,000	105,000,000.00
NATIXIS ALTERNATIVE INVEST INTERN EX ICMOS LUX	58,770	58,905,302.03
NATIXIS PRIVATE BANKING	4,496,385	53,970,590.71
REACOMEX	5,000	9,652,489.97
INVESTIMA 32	713,600	7,132,587.00
NATIXIS REAL ESTATE FEEDER	7,120,000	7,120,000.00
NATIXIS IMMO DÉVELOPPEMENT	92,674	6,775,636.78
COFACE	33,666	4,290,916.62
SCI HAUSSMANN 90	1,809	2,757,802.72
SCI ALTAÏR 1	200	2,407,813.99
INVESTIMA 35	253,700	2,401,274.00
INVESTIMA 34	247,500	2,327,528.00
INVESTIMA 17	230,000	1,925,718.00
INVESTIMA 54 – SAS	190,950	1,909,500.00
INVESTIMA 18	226,000	1,907,223.00
INVESTIMA 19	220,000	1,868,093.00
INVESTIMA 31	186,200	1,862,000.00
INVESTIMA 25	182,132	1,821,320.00
INVESTIMA 26	182,100	1,821,000.00
INVESTIMA 53 – SAS	181,700	1,817,000.00
INVESTIMA 29	171,950	1,719,500.00
PHOENIX 63 (formerly INVESTIMA 62 - SAS)	171,700	1,717,000.00
INVESTIMA 27	167,200	1,672,000.00
PHOENIX 62 (formerly INVESTIMA 61 - SAS)	166,700	1,667,000.00
INVESTIMA 28	166,450	1,664,500.00

Amounts *(in euros)*	Number of shares	Book value
PHOENIX 4 (formerly INVESTIMA 63 - SAS)	164,400	1,644,000.00
INVESTIMA 30	162,700	1,627,000.00
CRANE 5 (formerly INVESTIMA 59 - SAS)	154,700	1,547,000.00
PHOENIX 1 (formerly INVESTIMA 60 - SAS)	150,700	1,507,000.00
CRANE 4 (formerly INVESTIMA 58 - SAS)	145,200	1,452,000.00
CRANE 2 (formerly INVESTIMA 56)	132,700	1,327,000.00
CRANE 2 (formerly INVESTIMA 55)	131,000	1,310,000.00
CRANE 3 (formerly INVESTIMA 57)	130,500	1,305,000.00
PARTECIS	1,250	1,250,000.00
INVEST DELTA	14,994	1,228,582.06
NATIXIS DÉVELOPPEMENT MAINTENANCE LOGICIEL	494	476,993.91
INVESTIMA 16	52,000	429,770.00
INVESTIMA 14	52,000	427,872.00
SCI ANTIN HAUSSMANN	20	304,898.05
LUGDUNUM GESTION	7,995	289,653.21
CO-ASSUR	2,493	282,457.17
TITRES-CADEAUX(formerly ISSY SF2 2)	27,000	260,894.87
NATEXIS SECURITIES INC.	100	252,437.72
INVEST ALPHA	14,994	228,582.06
INVEST GAMMA	2,493	219,792.39
NATIXIS PARTICIPATIONS (formerly SD CONSEIL)	2,494	190,137.57
D) Investments with a book value of less than or equal to €150,000		**1,671,745.52**
E) Current account advances		
SCI ALTAÏR 1		10,458,278.92
SPAFIC – SHAREHOLDERS' ADVANCE	-	1,134.60
F) Securities loaned		**93,701.83**
G) Accrued interest receivable		**243,552.69**
II - INVESTMENTS IN AFFILIATES AND OTHER SECURITIES HELD FOR INVESTMENT		
A) Banking and credit institutions		
CEP ÎLE DE FRANCE PARIS	6,453,685	676,986,059.00
BRED - BANQUE POPULAIRE	7,562,500	545,710,000.00
CEP PROVENCE ALPES CORSE	4,243,160	415,118,825.00
CEP NORD FRANCE EUROPE (formerly PAS DE CALAIS)	3,828,418	402,646,778.00
CEP BRETAGNE PAYS DE LA LOIRE	6,640,640	390,786,756.00
CEP RHONE ALPES (formerly CEP ALPES)	3,398,568	339,821,358.00
BP RIVES de PARIS	4,975,000	333,341,458.05
BP VAL DE FRANCE – ST QUENTIN EN YVELINES	1,175,000	332,739,909.76
BP OCCITANE – TOULOUSE	8,970,240	324,985,368.80
CEP AQUITAINE POITOU CHARENTES (formerly AQUITAINE NORD)	2,732,819	317,344,561.00
CASDEN - BANQUE POPULAIRE	9,228,000	311,583,546.48

Amounts *(in euros)*	Number of shares	Book value
CEP LORRAINE CHAMPAGNE ARDENNE (formerly Lorraine)	2,370,047	290,034,525.00
BP BOURGOGNE FRANCHE-COMTÉ – DIJON	3,046,731	268,223,991.45
CEP BOURGOGNE FRANCHE COMTÉ	2,628,842	258,757,282.00
CEP BASSE NORMANDIE	2,118,505	258,634,836.00
BP LORRAINE CHAMPAGNE – METZ	4,468,750	248,558,343.75
CEP MIDI-PYRÉNÉES	2,759,818	244,510,128.00
CEP LOIRE CENTRE (formerly VAL DE FRANCE ORLÉANAIS)	1,920,209	243,366,291.00
BP DU SUD – PERPIGNAN	28,920,135	232,879,055.30
CEP PICARDIE	1,518,559	203,935,744.00
BP ATLANTIQUE – NANTES	3,270,611	195,023,205.08
CEP COTE D'AZUR	1,937,919	194,099,058.00
BP DE L'OUEST – RENNES	2,147,743	188,981,102.85
CEP AUVERGNE LIMOUSIN	1,589,229	188,954,738.00
BP DES ALPES – GRENOBLE	3,300,000	186,097,656.50
CEP LANGUEDOC ROUSSILLON	1,778,010	183,933,881.00
CREDIT COOPÉRATIF	6,475,001	175,602,027.12
BP D'ALSACE – STRASBOURG	3,825,000	150,652,121.74
LAZARD Ltd (Berm)	6,999,800	141,955,559.11
BP LOIRE ET LYONNAIS – LYON	2,382,353	136,667,399.22
BP DU SUD-OUEST – BORDEAUX	4,147,058	121,386,431.44
CEP LOIRE DROME ARDÈCHE	1,638,769	120,534,779.00
CEP ALSACE	1,150,000	117,909,215.00
BP CENTRE ATLANTIQUE – NIORT	11,021,750	107,012,854.48
BP DU NORD – LILLE	3,378,126	101,609,028.87
BP DU MASSIF CENTRAL – CLERMONT-FERRAND	1,100,000	98,674,122.62
BP COTE D'AZUR – NICE	1,375,001	97,118,327.74
BP PROVENÇALE ET CORSE – MARSEILLE	1,548,438	92,556,618.60
BANCO FINANTIA	12,765,844	24,311,111.14
CEP RHONE ALPES LYON	625,000	12,500,000.00
MEDIAFINANCE	255,000	3,370,120.84
OSEO garantie	133,372	3,242,831.92
IKB DEUTSCHE INDUSTRIEBANK	2,200,000	2,310,000.00
WGZ BANK	8,700	1,091,345.87
VILC – VIETNAM INTERNATIONAL LEASING	1,000,000	793,563.57
EUROTITRISATION	1,273	226,321.70
UNIGRAINS	6,825	207,681.09
B) Financial institutions		
NATIXIS CIB PARTICIPATIONS 1	130,400	13,040,000.00
PROPARCO	787,590	13,017,784.19
MTS SPA (CLASS A)	9,511	3,062,542.00
BIAT	272,000	3,046,869.66

Amounts *(in euros)*	Number of shares	Book value
SOFIPROTEOL	41,313	711,448.01
LCH CLEARNET Limited	362,903	462,860.11
C) Sundry		
PENTELIA LIMITED	6,853,532	48,736,227.56
SICOVAM HOLDING (formerly Soparsico)	3,694	30,417,099.22
PAI EUROPE V FCPR	274,750	24,471,153.00
NATIXIS ALTAÏR IT SHARED SERVICES (formerly VAL E)	2,449,916	22,832,936.26
RREEF	19,843,668	18,955,657.97
FIDEPP	15,479	18,275,379.75
EURAZEO CO-INVESTMENT PARTNERS	19,044	17,731,277.39
PAI EUROPE IV-C FCPR	2,500,000	14,048,250.00
EMBRAER	273,120	10,492,370.08
HINES PAN EUROPEAN CORE FUND	10,000,000	8,658,474.00
PAI EUROPE IV-C FCPR UK GENERAL	1	6,265,500.00
COLYZEO 2	18,435,923	6,132,011.00
INDUSTRI KAPITAL 2004 GP LP	5,607,077	4,763,895.88
FIDEME - FCPR	6,248	4,754,880.00
NATEXIS INVESTMENT CORP.	3,217	2,552,930.38
INDUSTRI KAPITAL 2007	1,194,100	2,012,263.50
SYSTRA	7,300	1,977,973.37
GIE VULCAIN ÉNERGIE	91,712	1,374,539.29
GIE SPRING RAIN	17,599,140	1,351,071.60
FONDATIONS CAPITAL I SCA formerly MR SCA SICAR	60,424	973,630.00
AGRO INVEST SAS	11,619	701,788.00
FONCIÈRE INEA	26,900	668,465.00
NATIXIS PRAMEX INTERNATIONAL	33,985	600,697.70
PORCHER INDUSTRIES	506	570,830.10
GIE LES JEUNES BOIS	503,080	507,215.47
SOFRANTEM	15,002	388,822.74
GIE STAR TROIS	248,765,110	326,269.96
CHICAGO MERCANTILE EXCHANGE (CME)	1	209,777.78
SMTPC	62,525	158,277.40
GOLD TOE INVESTMENT CORP	156,433	154,583.30
EUROFIDEME	5,000	25,000,000.00
TERRA FIRMA CAPITAL PARTNER III LP (London)		4,257,326.91
THIRD CINVEN FUND (London)		7,771,860.47
ADVENT (London)		1,683,903.25
FOURTH CINVEN FUND LTD (London)		7,601,221.60
PRIVATE EQUITY INVESTMENT (Hong Kong)		244,991.49
D) Investments with a book value of less than or equal to €150,000		**1,694,037.06**

Amounts *(in euros)*	Number of shares	Book value
E) Current account advances		
Informatique CDC		24,942,570.39
F) Securities loaned		**32,321.74**
G) Accrued interest receivable		
III - TREASURY STOCK		
NATIXIS	12,713,642	67,604,408.33
TOTAL INVESTMENT PORTFOLIO AS OF DECEMBER 31, 2008		**24,472,423,996.45**

NOTE 9 DISCLOSURES OF MATERIAL SHAREHOLDINGS IN FRENCH COMPANIES DURING THE YEAR:

The table below is provided in conformity with the provisions of Article L.247-1 of the French Commercial Code:

	% as of 31.12.2008	Number of shares as of 31.12.2008
Additions		
NATIXIS ALTAÏR ITSHARED SERVICES	100.00%	2,449,916
EUROPEAN KYOTO FUND	100.00%	31,000
NATIXIS DÉVELOPPEMENT MAINTENANCE LOGICIEL	98.80%	494
BRIDGEPOINT	100.00%	140,225
Exits		
ALGIERS BUSINESS CENTERS SPA		
BANQUE POPULAIRE IMAGES 4		
BOULEVARD PÉRIPHÉRIQUE NORD DE LYON – LIQUIDATI		
CARLYLE EUROPE PARTNERS II LP		
CLEMET SAS		
CRI - CENTRALE DES RÈGLEMENTS INTERBANCAIRES		
ESU LAZARD LTD		
EUROPOLIS INVEST (company in liquidation)		
FINANCIÈRE CLADEL		
GCE Bail		
GESTITRES		
GIE CREOLIBAIL		
GIE GIPRINT		
GIE GRAMONT BAIL		
GIE POLKA BAIL		
GIE TRANSREGIOLISE		
GIE VALDISE BAIL		
GIMAR FINANCES SCA		
SCI GUYANCOURT		
IMMOBILIÈRE PRIVÉE- France PIERRE (formerly Imm Privée 2)		
INVESTIMA 64 - SAS		
LUCIA		
M5 (AKA)		
NATEXIS BANQUES POPULAIRES IMAGES 3		
NATEXIS BANQUES POPULAIRES IMAGES 3		
NATIXIS ALTAÏR (formerly +X Altaïr)		
NATIXIS CONSUMER FINANCE (formerly GCEFS)		
NATIXIS INVESTOR SERVICING		
PARNASSIENNE DE CRÉDIT		

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	% as of 31.12.2008	Number of shares as of 31.12.2008
SAERP		
SAMIC		
SAMM SNC		
SCI GUYANCOURT VILLOROY		
SCI L' ORÉE DE PARIS		
SCI LES MANOIRS DE DEAUVILLE		
SCI LOUIS PASTEUR		
SPAFIC – SHAREHOLDERS' ADVANCE		
SPOC		
SWAPSWIRE		

NOTE 10 DISCLOSURES SUBSIDIARIES AND AFFILIATES *(in thousands of units)*

Article L.233 - 15 of the French Commercial code

Companies or groups	Share capital *(in thousands of units)*	Shareholders equity other than share capital *(in thousands of units)*	Share in capital as of 31.12.2008
A - Breakdown of investmens with a carrying value of more than 1% of the share capital of the reporting company			
Investments in subsidiaries and affiliates (holdings in excess of 10%)			
CACEIS 1, PLACE VALHUBERT 75013 PARIS	602,000 EUR	1,118,800 EUR	50.00%
COFACE HOLDING 30, RUE PIERRE MENDES-FRANCE 75013 PARIS	107,120 EUR	1,098,898 EUR	100.00%
COMPAGNIE 1818 8, RUE DU PROFESR LAVIGNOLLE PROFESSEUR LAVIGNOLLE 33049 BORDEAUX CEDEX	48,346 EUR	78,148 EUR	81.60%
GARBO-INVEST 30, AV. PIERRE MENDES FRANCE 75013 PARIS	105,000 EUR	(4,219) EUR	100.00%
ICMNA INTERNATIONAL HOLDING 1209 ORANGE STREET - WILMINGTON NEW CASTLE COUNTY - DELAWARE UNITED STATES	2,138,912 USD	(59,209) USD	18.47%
NATIXIS ALGÉRIE 62, CHEMIN DRARENI MOHAMED HYDRA ALGERIA	3,483,193 DZD	2,217,650 DZD	100.00%
NATIXIS ALTERNATIVE INVESTMENTS LUXEMBOURG LUXEMBOURG SA 25 RUE GOETHE L-1637 LUXEMBOURG	58,769 EUR	207 EUR	100.00%
NATIXIS ARBITRAGE 115, RUE MONTMARTRE 75002 PARIS	49,778 EUR	44,011 EUR	100.00%
NATIXIS ASSURANCES 68-76, QUAI DE LA RAPÉE 75012 PARIS	91,962 EUR	577,039 EUR	100.00%
NATIXIS BLEICHROEDER 1345 AV. OF THE AMERICAS NEW YORK, NY 10105-4300	151,503 USD	(4,089) USD	100.00%
NATIXIS CONSUMER FINANCE 5, RUE MASSERAN 75007 PARIS	21,740 EUR	195,630 EUR	100.00%
NATIXIS FUNDING 115, RUE MONTMARTRE 75002 PARIS	67,555 EUR	(11,453) EUR	100.00%
NATIXIS GARANTIES 128, RUE LA BOETIE 75008 PARIS	10,110 EUR	158,850 EUR	100.00%
NATIXIS IMMO EXPLOITATION 30, RUE PIERRE MENDES-FRANCE 75013 PARIS	117,036 EUR	16,063 EUR	100.00%
NATIXIS INNOV 47, QUAI D'AUSTERLITZ 75648 PARIS CÉDEX 13	150,060 EUR	(52,539) EUR	100.00%
NATIXIS INTERÉPARGNE 68, QUAI DE LA RAPÉE 75012 PARIS	8 891 EUR	18 585 EUR	100,00 %

Book value of investments		Loans and advances extended but not yet repaid	Guarantees and avals furnished	Prior year revenues	Prior year income or loss	Dividends received in 2008	
Gross							
(in thousands of units)	*(in thousands of units)*	*(in thousands of units)*	*(in thousands of euros)*	*(in thousands of euros)*	*(in thousands of euros)*	*(in thousands of euros)*	Remarks
941,500	941,500		94,000	811,892 EUR	157,341 EUR	50,000	
1,198,952	1,198,952			164,518 EUR	164,444 EUR	157,368	
110,828	110,828			44,660 EUR	4,022 EUR	4,448	
105,000	105,000			4,574 EUR	(95) EUR	-	
280,869	280,869			95,707 USD	61,223 USD	7,863	
56,678	56,678			2,608,702 DZD	641,103 DZD	-	
58,905	58,905			3,717 EUR	3,232 EUR	-	
60,615	51,570			11,034 EUR	5,767 EUR		
882,101	882,101			8,674 EUR	3,875 EUR	83,560	
181,040	202,478			105,351 USD	21,969 USD	-	(1)
217,397	217,397			5,791 EUR	5,748 EUR	-	
68,884	16,525			(38,780) EUR	(39,577) EUR	-	
474,976	474,976			22,982 EUR	20,614 EUR	6,430	
124,002	124,002			135,889 EUR	5,314 EUR	160,396	
150,060	150,060	2,308,775		(22,999) EUR	(23,079) EUR	-	
	57 053	57 053			81 551 EUR	9 910 EUR	8 946

Companies or groups	Share capital (in thousands of units)	Shareholders equity other than share capital (in thousands of units)	Share in capital as of 31.12.2008
NATIXIS LEASE 115, RUE MONTMARTRE 75002 PARIS	267,242 EUR	345,788 EUR	99.81%
NATIXIS LUXEMBOURG SA 51, AVENUE J.F. KENNEDY L-1855 LUXEMBOURG	591,151 EUR	196,929 EUR	100.00%
NATIXIS MARCO 47, QUAI D'AUSTERLITZ 75013 PARIS	1,000,170 EUR	461 EUR	100.00%
NATIXIS NORTH AMERICA INC. 36TH FLOOR 9W 57TH STREET NEW YORK, NY 10019	25 USD	1,725,749 USD	100.00%
NATIXIS PAIEMENTS 30, RUE PIERRE MENDES-FRANCE 75013 PARIS	44,813 EUR	6,243 EUR	100.00%
NATIXIS PARTICIPATIONS 21, QUAI D'AUSTERLITZ 75013 PARIS	2,487 EUR	3,545,269 EUR	100.00%
NATIXIS PRIVATE BANKING 51, AVENUE JF KENNEDY L-1855 LUXEMBOURG	53,957 EUR	5,148 EUR	100.00%
NATIXIS PRIVATE EQUITY 5-7, RUE DE MONTTESSUY 75007 PARIS	499,576 EUR	179,526 EUR	100.00%
NATIXIS SECURITIES 47, QUAI D'AUSTERLITZ 75013 PARIS	4,014 EUR	45,764 EUR	99.89%
NATIXIS TRANSPORT FINANCE 30, RUE PIERRE MENDES-FRANCE 75013 PARIS	95,626 EUR	81,505 EUR	100.00%
NATIXIS CORPORATE SOLUTIONS ORMONDE HOUSE 12 LOWER LEESON STREET DUBLIN 2	100,000 EUR	10,177 EUR	100.00%
PENTELIA LIMITED PO BOX 309GT UGLAND HOUSE SOUTH CHURCH STREET GEORGE TOWN ILES CAIMAN	307,199 USD	292,987 USD	23.39%
SAS VAL A 115, RUE MONTMARTRE 75002 PARIS	167,200 EUR	120,517 EUR	100.00%
SNC TOLBIAC FINANCE 47, QUAI D'AUSTERLITZ 75013 PARIS	328,125 EUR	0 EUR	100.00%
SPAFICA 115, RUE MONTMARTRE 75002 PARIS	685 EUR	62,859 EUR	100.00%
BANQUES POPULAIRES RÉGIONALES (total)	4,860,895 EUR	9,071,847 EUR	20.00%
CAISSE D'EPARGNE ET DE PRÉVOYANCE (total)	4,933,000 EUR	13,115,000 EUR	
B - General disclosures on other subsidiaries and affiliates			
Subsidiaries and affiliates not included under A			
21 - France (aggregate)			
22 - Foreign companies (aggregate)			

(1) The net value of these lines of securities is higher than their gross value, due to a positive translation differences.

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Book value of investments		Loans and advances extended but not yet repaid	Guarantees and avals furnished	Prior year revenues	Prior year income or loss	Dividends received in 2008	
Gross							
(in thousands of units)	*(in thousands of units)*	*(in thousands of units)*	*(in thousands of euros)*	*(in thousands of euros)*	*(in thousands of euros)*	*(in thousands of euros)*	Remarks
399,595	399,595	6,103	176,522	55,637 EUR	5,341 EUR	-	
750,717	750,717	901,330	308,452	31,158 EUR	19,959 EUR	-	
1,000,170	1,000,170			(18,302) EUR	(19,961) EUR	8	
1,222,101	1,303,354			(8,216) USD	578 USD	-	(1)
47,172	47,172			130,352 EUR	25,722 EUR	18,376	
3,886,602	3,886,602			339,741 EUR	339,775 EUR	341,900	
53,971	53,971			(15,545) EUR	(16,101) EUR	-	
596,136	596,136	450,000	65,000	141,903 EUR	124,443 EUR	151,172	
48,123	48,123			94,672 EUR	3,321 EUR	-	
177,127	177,127	3,031,604		27,512 EUR	20,349 EUR	14,683	
154,130	154,130			531,371 EUR	96,770 EUR	95,000	
48,736	48,736			14,212 USD	14,212 USD		
282,160	282,160			11,758 EUR	7,731 EUR	11,679	
328,125	328,125			(12,138) EUR	(12,196) EUR	-	
63,473	63,473	31,000		2,767 EUR	1,970 EUR	17,042	
4,249,402	4,249,402	6,035,625	264,319	5,197,698 EUR	847,867 EUR	77,417	
4,859,875	4,859,875	813,754		5,743,000 EUR	918,000 EUR	131,098	
419,816	390,585	6,850,781	488,280			34,746	
480,092	467,081	6,097,669	708,494			21,879	

NOTE 11 TREASURY SHARES - ASSETS

(in euros)	Quantity purchased	Purchase price	Average purchase price	Quantity sold or cancelled	Selling price	Average selling price	Closing stock	% of share capital
At January 1, 2008	**19,230,670**	**312,784,490**	**16.26**	**12,004,099**	**204,122,124**	**17.00**	**7,226,571**	**0.59%**
Share price regulation	20,277,316	95,766,756	4.72	14,884,025	102,451,206	6.88		
Allocated to employees	93,900	827,865	8.82	-	-			
Bonus share allocation plan (SAGA)	-	-		120	1,850			
At December 31, 2008	**39,601,886**	**409,379,111**	**10.34**	**26,888,244**	**306,575,180**	**11.40**	**12,713,642**	**0.44%**

NOTE 12 FIXED ASSETS

(in millions of euros)	2008			2007			2006		
	Gross	Amortization and depreciation	Net	Gross	Amortization and depreciation	Net	Gross	Amortization and depreciation	Net
Operating assets	**1,543**	**(1,163)**	**380**	**1,480**	**(281)**	**1,199**	**347**	**(172)**	**175**
Intangible assets	1,133	(952)	181	1,113	(101)	1,012	134	(47)	87
Property, plant & equipment	410	(211)	199	367	(180)	187	213	(125)	88
Non-operating assets	**5**	**(2)**	**3**	**5**	**(4)**	**1**	**8**	**(6)**	**2**
Intangible assets	0	0	0	0	0	0	0	0	0
Property, plant & equipment	5	(2)	3	5	(4)	1	8	(6)	2
INTANGIBLE ASSETS	**1,133**	**(952)**	**181**	**1,113**	**(101)**	**1,012**	**134**	**(47)**	**87**
PROPERTY, PLANT AND EQUIPMENT	**415**	**(213)**	**202**	**372**	**(184)**	**188**	**221**	**(131)**	**90**

	Year-end 2007	Purchases	Sales	Other	Year-end 2008
Gross values					
Intangible assets used in the business	**1,113**	**65**	**(79)**	**34**	**1,133**
Goodwill	882	3	0	5	890
Software	90	42	(75)	149	206
Other intangible assets	141	20	(4)	(120)	37
Property, plant & equipment used in the business	**367**	**74**	**(28)**	**(3)**	**410**
Land and buildings	124	37	(14)	72	219
Other property, plant & equipment	243	37	(14)	(75)	191
Non-operating property, plant & equipment	**5**	**0**	**0**	**0**	**5**
Land and buildings	3	0	0	0	3
Other property, plant & equipment	2	0	0	0	2
TOTAL	**1,485**	**139**	**(107)**	**31**	**1,548**

	Year-end 2007	Provisions and reversals	Sales	Other	Year-end 2008
Depreciation, amortization and provisions					
Intangible assets used in the business	**101**	**899**	**(75)**	**27**	**952**
Goodwill	0	861	0	7	868
Software	40	38	(72)	78	84
Other intangible assets	61	0	(3)	(58)	0
Property, plant & equipment used in the business	**180**	**47**	**(30)**	**14**	**211**
Land and buildings	50	18	(10)	37	95
Other property, plant & equipment	130	29	(20)	(23)	116
Non-operating property, plant & equipment	**4**	**0**	**0**	**(1)**	**3**
Land and buildings	3	0	0	(1)	2
Other property, plant & equipment	1	0	0	0	1
TOTAL	**285**	**946**	**(105)**	**40**	**1,166**

NOTE 13 ACCRUED INCOME, PREPAID EXPENSES AND OTHER ASSETS

(in millions of euros)	2008	2007	2006
Purchased options	10,329	14,137	2,504
Settlement accounts	307	703	184
Other receivables	18,205	11,551	1,121
Inventory accounts	0	1	3
OTHER ASSETS	**28,841**	**26,392**	**3,812**
Collection accounts	0	0	9
Adjustment accounts	9,768	4,680	75
Gains on financial instruments	5,141	4,707	0
Deferred charges and prepayments	228	240	107
Accrued income	897	1,073	346
Sundry accruals	5,374	13,251	474
ACCRUALS	**21,408**	**23,951**	**1,011**

NOTE 14 INTERBANK AND SIMILAR TRANSACTIONS

(in millions of euros)	2008	2007	2006
Due to central banks and post offices	**653**	**1,405**	**613**
Due to banks	**105,553**	**137,318**	**50,267**
Demand	18,446	24,281	14,648
accrued interest payable	*23*	*4*	*5*
other amounts due	*4*	*6*	*1*
Time (*)	87,107	113,037	35,619
accrued interest payable	*573*	*1,328*	*344*
INTERBANK AND SIMILAR TRANSACTIONS	**106,206**	**138,723**	**50,880**
(*) Securities delivered under repurchase agreements:	*27,295*	*56,042*	*21,577*
Accrued interest payable	*225*	*878*	*239*

NOTE 15 TRANSACTIONS WITH CUSTOMERS

(in millions of euros)	2008	2007	2006
Special savings accounts	**77**	**87**	**60**
Other payables	**53,080**	**48,066**	**12,979**
Demand	13,596	10,969	5,967
accrued interest payable	*34*	*7*	*6*
other amounts due	*54*	*5*	*3*
Time (*)	39,484	37,097	7,012
accrued interest payable	*67*	*77*	*24*
security deposits	*1,033*	*683*	*145*
TRANSACTIONS WITH CUSTOMERS	**53,157**	**48,153**	**13,039**
(*) Securities delivered under repurchase agreements:	*22,022*	*19,316*	*1,108*
Accrued interest payable	*51*	*91*	*6*

NOTE 16 DEBT PAPER

(in millions of euros)	2008	2007	2006
Interbank market instruments and money market instruments	**42,482**	**91,256**	**46,396**
accrued interest payable	*206*	*974*	*437*
Bonds	**32,727**	**18,262**	**2,087**
accrued interest payable	*308*	*216*	*26*
Retail certificates of deposit and savings bonds	**0**	**1**	**1**
accrued interest payable	*0*	*0*	*0*
DEBT PAPER	**75,209**	**109,519**	**48,484**

NOTE 17 DEFERRED INCOME, ACCRUED CHARGES AND OTHER LIABILITIES

(in millions of euros)	2008	2007	2006
Sundry payables	12,624	10,103	1,940
Securities transactions	48,833	46,647	3,745
securities held for trading	*0*	*0*	*0*
liabilities securities held for trading	*48,833*	*46,665*	*3,735*
accrued interest payable	*0*	*(18)*	*0*
Sold options	10,832	13,369	1,936
Securities settlement accounts	701	90	120
OTHER LIABILITIES	**72,990**	**70,209**	**7,741**
Unavailable accounts	126	207	45
Adjustment and suspense accounts	9,949	6,743	468
Losses on financial instruments	3,275	1,659	0
Deferred charges and prepayments	129	136	52
Accrued charges	1,557	1,826	724
Sundry accruals	2,881	5,345	1,635
ACCRUALS	**17,917**	**15,916**	**2,924**

NOTE 18 PROVISIONS (RISKS AND CHARGES)

(in millions of euros)	Employee benefits	Off-balance sheet commitments	Country risks	Specific credit risk	Provisions for litigation	Industry risk	Tax-related provisions	Financial instrument risks	Sundry risks	Total
At January 1, 2006	**145**	**13**	**251**	**41**	**6**	**220**	**236**	**18**	**4**	**934**
Provisions	7	20	89	10	1	188	71	45	0	431
Reversals	(14)	(18)	(77)	(7)	(2)	(91)	(68)	(4)	(2)	(283)
Translation differences	0	0	(13)	0	0	(2)	(1)	0	0	(16)
Other changes	2	0	0	0	0	5	(6)	0	0	1
Movements in 2006	**(5)**	**2**	**(1)**	**3**	**(1)**	**100**	**(4)**	**41**	**(2)**	**133**
Balance as of December 31, 2006	**140**	**15**	**250**	**44**	**5**	**320**	**232**	**59**	**2**	**1 067**
At January 1, 2008	**140**	**15**	**250**	**44**	**5**	**320**	**232**	**59**	**2**	**1 067**
Integration of Ixis CIB	6	105	9	0	14	0	35	2	1	172
Provisions	11	26	33	21	7	217	131	546	20	1 012
Reversals	(9)	(19)	(15)	(8)	(7)	(28)	(72)	(60)	(1)	(219)
Translation differences	0	0	(7)	0	0	(7)	(3)	0	0	(17)
Other changes	2	(104)	0	0	4	102	0	0	0	4
Movements in 2007	**10**	**8**	**20**	**13**	**18**	**284**	**91**	**488**	**20**	**952**
Balance as of December 31, 2007	**150**	**23**	**270**	**57**	**23**	**604**	**323**	**547**	**22**	**2 019**
At January 1, 2008	**150**	**23**	**270**	**57**	**23**	**604**	**323**	**547**	**22**	**2 019**
Provisions	191	215		13	244	66	115	724	123	1 691
Reversals	(61)	(107)	(21)	(28)	(8)		(76)	(67)	(60)	(428)
Merger flows / partial contributions of assets	(4)						(7)		(5)	(16)
Translation differences				1						1
Other changes	(3)	(6)	5	28	(14)	(154)	2	188	114	160
Movements in 2008	**123**	**102**	**(16)**	**14**	**222**	**(88)**	**34**	**845**	**172**	**1 408**
Balance as of December 31, 2008	**273**	**125**	**254**	**71**	**245**	**516**	**357**	**1 392**	**194**	**3 427**

NOTE 19 SUBORDINATED DEBT

(in millions of euros)	2008	2007	2006
Dated subordinated debt	**8,385**	**8,378**	**5,217**
Subordinated bonds	6,964	6,927	4,699
Subordinated loans	1,421	1,451	518
Perpetual subordinated debt	**4,897**	**2,058**	**614**
Participating loans	0	0	0
Subordinated bonds	4,897	2,058	586
Subordinated loans	0	0	28
Accrued interest receivable	**207**	**171**	**63**
SUBORDINATED DEBT	**13,489**	**10,607**	**5,894**

NOTE 20 FUND FOR GENERAL BANKING RISKS (FRBG)

(in millions of euros)	Euro FGBR	Foreign currency FGBR	Foreign currency provision	Total
At January 1, 2006	**190**	**29**	**20**	**239**
Provisions				0
Reversals	(190)	(23)	(21)	(234)
Translation differences		(6)	1	(5)
Other changes				0
Movements in 2006	**(190)**	**(29)**	**(20)**	**(239)**
Balance as of December 31, 2006	**0**	**0**	**0**	**0**
At January 1, 2008	**0**	**0**	**0**	**0**
Integration of Ixis CIB	0	0	0	0
Provisions	0	0	0	0
Reversals	0	0	0	0
Translation differences	0	0	0	0
Other changes	0	0	0	0
Movements in 2007	**0**	**0**	**0**	**0**
Balance as of December 31, 2007	**0**	**0**	**0**	**0**
At January 1, 2008	**0**	**0**	**0**	**0**
Provisions	0	0	0	0
Reversals	0	0	0	0
Translation differences	0	0	0	0
Other changes	0	0	0	0
Movements in 2008	**0**	**0**	**0**	**0**
Balance as of December 31, 2008	**0**	**0**	**0**	**0**

NOTE 20B MANDATED PROVISIONS

(in millions of euros)	Revaluation reserve for depreciable assets	Provisions for investment	Accelerated depreciation	Total
At January 1, 2006	**0**	**11**	**1**	**12**
Provisions		6		6
Reversals		(2)		(2)
Translation differences				0
Other changes				0
Movements in 2006	**0**	**4**	**0**	**4**
Balance as of December 31, 2006	**0**	**15**	**1**	**16**
At January 1, 2008	**0**	**15**	**1**	**16**
Integration of Ixis CIB	0	0	0	0
Provisions	0	7	0	7
Reversals	0	(2)	0	(2)
Translation differences	0	0	0	0
Other changes	0	0	0	0
Movements in 2007	**0**	**5**	**0**	**5**
Balance as of December 31, 2007	**0**	**20**	**1**	**21**
At January 1, 2008	**0**	**20**	**1**	**21**
Provisions	0	2	0	2
Reversals	0	(1)	0	(1)
Translation differences	0	0	0	0
Other changes	0	0	0	0
Movements in 2008	**0**	**1**	**0**	**1**
Balance as of December 31, 2008	**0**	**21**	**1**	**22**

NOTE 21 SHARE CAPITAL, ISSUE PREMIUMS, RESERVES AND RETAINED EARNINGS

(in millions of euros)	Share capital	Issue premium	Statutory reserve	General reserve	Long-term capital gains reserve	Other reserves	Retained earnings	Total
At January 1, 2006	**784**	**1,856**	**74**	**306**	**0**	**198**	**(89)**	**3,129**
Appropriation of 2005 income			5	121			342	468
Dividends paid in 2006							(245)	(245)
Capital increase	1,188	13,313						14,501
Reduction in share capital	(25)	(289)						(314)
Set-off of expenses		(4)						(4)
Exercise of stock options	5	21						26
Changes in accounting methods							9	9
Movements in 2006	**1,168**	**13,041**	**5**	**121**	**0**	**0**	**106**	**14,441**
Balance as of December 31, 2006	**1,952**	**14,897**	**79**	**427**	**0**	**198**	**17**	**17,570**
At January 1, 2007	**1,952**	**14,897**	**79**	**427**	**0**	**198**	**17**	**17,570**
Appropriation of 2006 income	0	0	36	(325)	0	0	1,032	743
Dividends paid in 2007	0	0	0	0	0	0	(1,049)	(1,049)
Capital increase	0	0	0	0	0	0	0	0
Reduction in share capital	0	0	0	0	0	0	0	0
Set-off of expenses	0	0	0	0	0	0	0	0
Exercise of stock options	3	15	0	0	0	0	0	18
Changes in accounting methods	0	0	0	0	0	0	0	0
Movements in 2007	**3**	**15**	**36**	**(325)**	**0**	**0**	**(17)**	**(288)**
Balance as of December 31, 2007	**1,955**	**14,912**	**115**	**102**	**0**	**198**	**0**	**17,282**
At January 1, 2008	**1,955**	**14,912**	**115**	**102**	**0**	**198**	**0**	**17,282**
Appropriation of 2007 income		(167)		(102)		(198)		(467)
Dividends paid in 2008	0	(549)					0	(549)
Dividends paid in the form of shares 2007	68	333						401
Capital increase	2,630	1,068						3,698
Reduction in share capital								0
Set-off of expenses		(66)						(66)
Exercise of stock options								0
Changes in accounting methods								0
Movements in 2008	**2,698**	**619**	**0**	**(102)**	**0**	**(198)**	**0**	**3,017**
Balance as of December 31, 2008	**4,653**	**15,531**	**115**	**0**	**0**	**0**	**0**	**20,299**

The share capital comprises 2,908,137,693 shares with a par value of €1.60 each. All shares confer the same rights to their holders other than treasury shares, which do not carry voting rights.

NOTE 22 TRANSACTIONS WITH SUBSIDIARIES

(in millions of euros)	2008	2007	2006
ASSETS			
Advances to banks	50,106	15,629	25,520
Customer loans	7,117	7,865	4,281
Bonds and other fixed-income securities	6,211	3,296	34
Equities and other floating-rate securities	0	4,367	2,325
LIABILITIES			
Due to banks	39,441	5,595	27,141
Customer payables	1,352	11,756	1,798
Debt securities	15,815	6,326	176
Subordinated debt	4,635	790	349
OFF-BALANCE SHEET			
Financing commitments extended to:			
banks	677	256	3,250
customers	228	517	8
Guarantees furnished on behalf of:			
banks	1,586	886	1,063
customers	527	852	522

NOTE 23 STATEMENT OF ASSETS, LIABILITIES AND COMMITMENTS RELATED TO MANAGEMENT OF PUBLIC PROCEDURES

(in millions of euros)	2008	2007	2006
Interbank and money market assets	0	83	166
Customer transactions	407	354	400
Other assets	0	0	0
TOTAL ASSETS	**407**	**437**	**566**
Interbank and money market assets	72	155	239
Customer transactions	665	605	523
Debt securities	0	0	0
Other liabilities	2	26	81
TOTAL LIABILITIES	**739**	**786**	**843**
Commitments extended			
Financing commitments extended	0	0	0
Guarantees extended	0	0	0
TOTAL COMMITMENTS EXTENDED	**0**	**0**	**0**
Commitments received			
Financing commitments received	0	0	0
Guarantee commitments received	24	103	183
TOTAL COMMITMENTS RECEIVED	**24**	**103**	**183**

NOTE 24 INTEREST AND SIMILAR INCOME

(in millions of euros)	2008	2007	2006
Interbank transactions	10,198	8,637	2,813
Customer transactions	4,866	4,801	1,985
Finance lease transactions	0	0	0
Operating lease transactions	0	0	0
Bonds and other fixed-income securities	1,296	3,093	448
Other interest and similar income	760	1,137	170
TOTAL	**17,120**	**17,668**	**5,416**

NOTE 25 INTEREST AND SIMILAR EXPENSES

(in millions of euros)	2008	2007	2006
Interbank transactions	(10,148)	(9,520)	(2,663)
Customer transactions	(1,942)	(3,356)	(655)
Finance lease transactions	0	0	0
Operating lease transactions	0	0	0
Bonds and other fixed-income securities	(4,366)	(4,844)	(1,770)
Other interest and similar expenses	(52)	(969)	(230)
TOTAL	**(16,508)**	**(18,689)**	**(5,318)**

NOTE 26 EQUITIES INCOME

(in millions of euros)	2008	2007	2006
Investments in subsidiaries	1,400	1,063	429
Securities held for sale	17	15	4
TOTAL	**1,417**	**1,078**	**433**

NOTE 27 FEES AND COMMISSIONS

(in millions of euros)	2008	2007	2006
Fee and commission income			
Customer transactions	155	174	142
Securities transactions	14	73	3
Off-balance sheet items:			
Forwards	34	22	15
Financing commitments	33	31	26
Guarantee commitments	26	33	36
Other commitments extended	40	1	9
Other			
Foreign exchange transactions	1	1	1
Other financial services	52	110	156
Payment services	65	66	71
Ancillary income	127	215	211
Other	198	72	49
TOTAL	**745**	**798**	**719**
Fee and commission expense			
Customer transactions	(3)	(2)	(5)
Securities transactions	(136)	(98)	(3)
Off-balance sheet items:			
Forwards	(74)	(67)	(29)
Guarantee commitments	(13)	(19)	(16)
Other	(45)	(5)	(4)
Foreign exchange transactions	(6)	(4)	(1)
Other financial services	(18)	(51)	(94)
Payment services	(66)	(52)	(60)
Other		(49)	(4)
TOTAL	**(361)**	**(347)**	**(216)**

NOTE 28 NET GAINS (LOSSES) ON SECURITIES HELD FOR TRADING

(in millions of euros)	2008	2007	2006
Net gains (losses) on securities held for trading	(1,914)	2,113	165
Net gains (losses) on foreign exchange transactions	813	396	584
Net gains (losses) on forwards	(1,567)	(235)	134
TOTAL	**(2,668)**	**2,274**	**883**

NOTE 29 GAINS (LOSSES) ON SECURITIES HELD FOR SALE

(in millions of euros)	2008	2007	2006
Gains on disposal	996	339	37
Losses on disposal	(2,158)	(364)	(39)
Impairment charges	(562)	(769)	(60)
Reversals of impairment charges	530	5	57
TOTAL	**(1,194)**	**(789)**	**(5)**

NOTE 30 NET INCOME FROM OTHER ACTIVITIES

(in millions of euros)	2008	2007	2006
Expenses on commitments	0	(3)	(17)
Expenses on income sharing agreements	(28)	(80)	(22)
Ancillary income	12	7	3
Share of income in banking joint ventures	1	2	2
Transfers of banking expenses	5	72	0
Other	22	8	(13)
TOTAL	**12**	**6**	**(47)**

NOTE 31 OPERATING EXPENSES

(in millions of euros)	2008	2007	2006
Payroll expenses			
Wages and salaries	(644)	(669)	(415)
Social security contributions [(1)]	(261)	(240)	(188)
Incentive and profit-sharing Plans	(14)	(29)	(46)
Payroll taxes	(69)	(71)	(40)
Expenses rebilled	27	26	29
Funding of provisions for contingencies and charges (pension commitments)	(129)	(1)	6
	(1,090)	**(984)**	**(654)**
Other administrative expenses			
Leasing	(5)	(9)	(9)
Taxes	(32)	(47)	(22)
Outsourced services	(1,059)	(966)	(565)
Expenses rebilled	161	91	53
	(935)	**(931)**	**(543)**
Depreciation, amortization and impairment of property, plant & equipment and intangible assets			
Provisions	(947)	(60)	(30)
TOTAL	**(2,972)**	**(1,975)**	**(1,227)**
(1) Including pension costs	*(85)*	*(72)*	*(51)*

NOTE 32 COST OF RISK

(in millions of euros)	2008	2007	2006
Deducted from assets			
Non-performing loans:	**(547)**	**28**	**(39)**
Impairment charges	(556)	(48)	(60)
Reversals of impairment charges	92	129	98
Losses covered by impairment charges	(87)	(62)	(82)
Losses not covered by impairment charges	(3)	(4)	(11)
Recovery of bad debts written off	7	13	16
Securities:	**0**	**(14)**	**27**
Impairment charges	0	(20)	(5)
Reversals of impairment charges	0	6	32
Losses covered by impairment charges	0	0	0
Losses not covered by impairment charges	0	0	0
Recovery of bad debts written off	0	0	0
Net charge deducted from assets	**(547)**	**14**	**(12)**
Recognized as liabilities			
Country risks:	**21**	**(20)**	**(28)**
Charges to provisions	0	(34)	(89)
Reversals from provisions	21	15	77
Losses covered by impairment charges	0	(1)	(16)
Losses not covered by impairment charges	0	0	0
Recovery of bad debts written off	0	0	0
Contingences and charges	**(457)**	**(169)**	**(101)**
Charges to provisions	(521)	(220)	(198)
Reversals from provisions	64	51	97
Losses covered by impairment charges	0	0	0
Losses not covered by impairment charges	0	0	0
Recovery of bad debts written off	0	0	0
Net provision charge recognized as liabilities	**(436)**	**(189)**	**(129)**
TOTAL	**(983)**	**(175)**	**(141)**

NOTE 33 GAINS (LOSSES) ON NON-CURRENT ASSETS

(in millions of euros)	2008	2007	2006
Long-term investments			
Gains			
Investments in affiliates and other securities held for investment [2]	254	98	85
Securities held for investment	1	1	4
Losses			
Investment in affiliates and other securities held for investment	(30)	(41)	(3)
Securities held for investment	(49)	(16)	(21)
Impairment charges			
Investments in affiliates and other securities held for investment [1]	(71)	(606)	(5)
Securities held for investment	0	0	0
Reversals of impairment charges			
Investment in affiliates and other securities held for investment	58	95	9
Securities held for investment	0	0	0
Reversals of provisions for contingencies and charges			
Investment in affiliates and other securities held for investment	(1)	0	2
TOTAL	**162**	**(469)**	**71**
Property, plant and equipment and intangible assets	**2**	**17**	**2**
TOTAL	**164**	**(452)**	**73**

(1) Year 2007: including €536.5 million for CIFG Holding.

(2) Year 2008: including €210 million for Caceis.

NOTE 34 NON-RECURRING INCOME

(in millions of euros)	2008	2007	2006
Payroll expenses			
Reversal of provision for departures under the employee assistance program	0	0	1
transfer of payroll expenses to employee assistance program	0	0	(1)
Other non-recurring items			
Other non-recurring charges	0	0	0
VAT reassessment	0	0	0
Other non-recurring income	0	0	0
TOTAL	**0**	**0**	**0**

1 2 3 4 5 6 7 8 9

NOTE 35 INCOME TAX

(in millions of euros)	2008	2007	2006
Tax at standard rate	(37)	(72)	(66)
Surtax and annual fixed tax charge			
Tax at reduced rates		(3)	
Tax reassessments	63	(24)	(19)
Tax credits	2	14	11
Impact of tax consolidation	66	148	23
Other Items	28	50	(4)
Carryback	53	29	
TOTAL	**175**	**142**	**(55)**

Tax calculation

The tax consolidation convention prevailing at Natixis Group is based on the principle of neutrality, whereby each subsidiary determines its tax and contributes the tax to the Group as if it were not consolidated. The tax charge payable for each subsidiary is not affected by consolidation.

Any tax savings or expense generated by consolidation is recognized by the parent company Natixis.

Any losses transferred to the parent company are recognized as a provision for restitution of corporate tax to offset the additional Group tax if in favor of the subsidiaries, and the tax contribution is decreased by the amount of the prior year losses.

The provisions for restitution of corporate tax for consolidated and tax-consolidated subsidiaries are eliminated in the consolidated financial statements.

NOTE 36 HEADCOUNT TREND

	2008	2007	2006
Staff	2,862	1,848	1,863
Managers	4,936	5,800	3,209
TOTAL HEADCOUNT	**7,798**	**7,648**	**5,072**

NOTE 37 OFF-BALANCE SHEET - FORWARDS

(in millions of euros)	2008 Notional Value	2007 Notional Value	2006 Notional Value
Organized markets	**285,224**	**637,712**	**65,653**
Swaps			
Firm transactions	*0*	*268,169*	*0*
Options	*0*	*0*	*0*
Other			
Firm transactions	*270,920*	*11,836*	*65,579*
Options	*14,304*	*357,707*	*74*
Over-the-counter	**5,592,994**	**5,212,560**	**892,190**
Swaps			
Forward transactions	*3,337,633*	*3,967,331*	*663,547*
Options		*503,247*	*0*
Other			
Firm transactions	*951,551*	*0*	*77,991*
Options	*1,303,810*	*741,982*	*150,652*
INTEREST RATE INSTRUMENTS	**5,878,218**	**5,850,272**	**957,843**
Organized markets	**19**	**0**	**13**
Swaps			
Firm transactions	*0*	*0*	*0*
Options	*0*	*0*	*0*
Other			
Firm transactions	*19*	*0*	*13*
Options	*0*	*0*	*0*
Over-the-counter	**177,185**	**167,384**	**239,584**
Swaps			
Firm transactions	*16,525*	*455*	*1,963*
Options	*0*	*0*	*0*
Other			
Firm transactions	*24*	*0*	*0*
Options	*160,636*	*166,929*	*237,621*
EXCHANGE RATE INSTRUMENTS	**177,204**	**167,384**	**239,597**
Organized markets	**684,882**	**802,754**	**8,017**
Swaps			
Firm transactions	*0*	*6,394*	*0*
Options	*0*	*0*	*0*
Other			
Firm transactions	*13,167*	*1,096*	*899*
Options	*671,715*	*795,264*	*7,118*
Over-the-counter	**72,202**	**83,599**	**19,583**
Swaps			
Firm transactions	*8,379*	*6,865*	*129*
Options	*0*	*0*	*0*
Other			
Firm transactions	*3,023*	*122*	*29*
Options	*60,800*	*76,612*	*19,425*
OTHER INSTRUMENTS	**757,084**	**886,353**	**27,600**

FAIR VALUES OF FORWARDS (EXCLUDING BRANCHES)

(in millions of euros)	2008
Interest rate instruments	
Positive fair value	82,919
Negative fair value	85,417
Exchange rate instruments	
Positive fair value	20,426
Negative fair value	21,058
Other instruments	
Positive fair value	42,893
Negative fair value	39,161

NOTE 38 OFF-BALANCE SHEET – FOREIGN-CURRENCY DENOMINATED COMMITMENTS AND TRANSACTIONS

COMMITMENTS

(in millions of euros)	2008	2007	2006
Financing commitments	**44,647**	**45,433**	**37,807**
Banks	8,652	3,002	8,797
Customers	35,995	42,431	29,010
Guarantee commitments	**26,720**	**31,556**	**20,385**
Banks	3,704	3,638	3,016
Customers			
Commitments on securities	**3,486**	**2,816**	**183**
Other commitments	17,307	15,226	52
TOTAL COMMITMENTS EXTENDED	**92,160**	**95,031**	**58,427**
Financing commitments	**13,623**	**3,957**	**14,368**
Banks	13,176	3,892	14,243
Customers	447	65	125
Guarantee commitments	**39,791**	**38,680**	**13,338**
Banks	35,202	34,066	10,555
Customers	4,589	4,614	2,783
Commitments on securities	**2,031**	**3,360**	**195**
Other commitments	**9,918**	**11,161**	**1,613**
TOTAL COMMITMENTS RECEIVED	**65,363**	**57,158**	**29,514**

FOREIGN-CURRENCY DENOMINATED TRANSACTIONS

(in millions of euros)	2008	2007	2006
Spot transactions			
Foreign currencies purchased not received	22,497	21,320	5,827
Foreign currencies sold not delivered	22,521	20,674	5,836
Foreign currency lending/borrowing			
Foreign currencies loaned not delivered	436	479	0
Foreign currencies borrowed not received	3,634	1881	0
Forward currency			
Euros receivable/currencies deliverable	388,057	147,091	63,974
Currencies receivable/euros deliverable	381,336	158,470	98,101
Currencies receivable/currencies deliverable	196,626	160,855	31,491
Currencies deliverable/currencies receivable	197,006	160,064	31,288
Premium/discount receivable	3,758	3,335	0
Premium/discount payable	3,592	3,194	0

NOTE 39 STATUTORY AUDITORS' FEES

	2008	2007
Audit		
Audit, certification, examination of individual and consolidated financial statements	5.1	2.7
Other services relating directly to auditor's duties	0.8	0.6
TOTAL	**5.9**	**3.3**

Company financial performance over the last five periods

Articles 133, 135 and 148 of the Commercial Companies Decree

Category	2004	2005	2006	2007	2008
Financial position at year end					
Registered share capital	772,095,392.00	783,927,680.00	1,951,782,928.00	1,955,268,310.40	4,653,020,308.80
Number of shares issued	48,255,962	48,995,480	1,219,864,330	1,222,042,694	2,908,137,693
Number of bonds redeemable in shares	0	0	0	0	0
Number of convertible bonds	0	0	0	0	0
Results of operations					
Operating revenue net of tax	11,705,235,507.71	12,725,811,668.81	24,125,749,761.01	36,243,060,348.21	50,787,613,550.53
Income before tax, depreciation and provisions	280,959,662.75	457,665,461.91	677,795,500.73	852,134,041.69	(2,548,305,710.82)
Income tax	(28,338,400.20)	(99,996,625.19)	(55,322,327.37)	141,132,997.05	175,491,065.29
Income after tax, depreciation, amortization and provisions	213,582,296.25	459,177,494.14	744,399,468.97	(467,183,610.92)	(5,053,779,558.57)
Dividends paid	159,244,674.60	244,977,400.00	1,049,083,323.80	549,919,212.30	0.00
Per share data					
Income after tax, but before depreciation, amortization and provision	5.24	7.30	0.51	0.81	(0.82)
Income after tax, depreciation, amortization and provisions	4.43	9.37	0.61	(0.38)	(1.74)
Dividend	3.30	5.00	0.86	0.45	0.00
Workforce information					
Number of employees	4,754	4,748	5,072	7,648	7,798
Total payroll costs	295,556,511.38	331,173,385.69	415,344,933.38	668,942,830.46	644,059,193.67
Social security, pension costs, etc., and other employee benefits	166,610,951.72	193,645,949.43	233,880,070.04	269,404,568.47	273,921,026.89

Statutory Auditors' report on the parent company financial statements

Year ended December 31, 2008

Dear Shareholders,

In accordance with our appointment as Statutory Auditors at the General Shareholders' Meeting, we hereby present our report for the year ended December 31, 2008 on:

- our audit of the accompanying financial statements of Natixis S.A.;
- the justification of our assessments;
- the specific verifications and disclosures required by law.

The parent company financial statements have been approved by the Executive Board. Our responsibility is to express an opinion on these financial statements based on our audit.

I - OPINION ON THE FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis or using other sampling techniques, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements give a true and fair view of the financial position and assets and liabilities of the Company as of December 31, 2008, and of the results of its operations for the year then ended.

II - JUSTIFICATION OF OUR ASSESSMENTS

As described in Note 1 to the financial statements and in the management report, the financial and economic crisis has prompted an unprecedented spike in volatility, a shortage of liquidity on certain markets, and a lack of visibility as regards the economic and financial outlook going forward. This results in specific conditions for the preparation of this year's consolidated financial statements, particularly in terms of accounting estimates. In this context, pursuant to Article L.823-9 of the French Commercial Code regarding the justification of our assessments, we draw your attention to the issues set out below.

- Estimates made within the context of banking activities

  Natixis uses significant estimates within the scope of its banking activities:

  - the Company uses internal models and methodologies to measure financial instruments that are not traded on an active market, as well as to book certain impairment losses (see section 13 of Note 1 to the financial statements discussing significant accounting policies). We examined the control procedures relating to the assessment of whether a given market was inactive, the validation of models and the definition of the parameters used,
  - the Company recognizes impairment losses to cover the credit risks inherent in its businesses (see paragraph 2 of Note 1 to the financial statements discussing significant accounting policies). We examined the control procedures relating to credit risk monitoring, impairment methodology, the assessment of risks of non-collection and the provisions set aside in this respect for individual and collective impairment.

- Other estimates

  Natixis revises its measurement of goodwill and investments in subsidiaries carried on the balance sheet (see paragraphs 5.2 and 7.3 of the note discussing significant accounting policies). We examined how this work was carried out as well as the main assumptions and parameters used.

  The Company records provisions to cover employee benefits (see paragraph 16 of the note discussing significant accounting policies). We examined the methodology used to measure these benefit obligations, as well as the main assumptions and parameters applied.

  We assessed whether these estimates were reasonable.

  The assessments were made in the context of our audit of the financial statements, taken as a whole, and therefore contributed to the formation of the unqualified opinion expressed in the first part of this report.

SPECIFIC VERIFICATION AND DISCLOSURES

We also conducted the specific verifications required by law.

We have nothing to report regarding:

- the fairness of the information provided in the management report of the Executive Board and in the documents addressed to shareholders on the Company's financial position and financial statements, and its consistency with the parent company financial statements;
- the fairness of information provided in the management report concerning compensation and benefits paid to certain corporate officers, as well as benefits granted on or after assuming, changing or terminating office.

As required by law, we verified that the management report contains the appropriate disclosures concerning the acquisition of controlling interests and other shareholdings, and the identity of the Company's shareholders.

Neuilly-sur-Seine and Paris-La-Défense, March 30, 2009

DELOITTE & ASSOCIES	SALUSTRO REYDEL	MAZARS
Damien Leurent	Member of KPMG International	Charles de Boisriou
	Michel Savioz	Michel Barbet-Massin

Special report on related party agreements and commitments

Year ended December 31, 2008

Dear Shareholders,

In our capacity as Statutory Auditors of Natixis, we hereby present our report on related party agreements and commitments.

In view of the end-2007 merger between Natixis and Ixis Corporate & Investment Bank ("Ixis CIB"), this report presents the agreements and commitments approved by Natixis together with those approved by Ixis CIB and taken on by Natixis.

1 AGREEMENTS AND COMMITMENTS APPROVED DURING THE YEAR

As required by Article L.225-88 of the French Commercial Code, we have been advised of those agreements and commitments which were subject to prior authorization by the Supervisory Board.

It is not our responsibility to ascertain the existence of other agreements and commitments, nor to comment on their relevance or substance. We are simply required to report to shareholders, based on the information provided, on the basic terms and conditions of agreements and commitments that have been disclosed to us. Under the provisions of Article R. 225-58 of the French Commercial Code, it is the shareholders' responsibility to determine whether the agreements and commitments are appropriate and should be approved (fourth resolution put to the vote at the Ordinary General Shareholders' Meeting).

We performed the procedures that we considered necessary in accordance with the professional standards issued by the French Statutory Auditors' Board (Compagnie nationale des commissaires aux comptes – CNCC). Those procedures involved ensuring that the information disclosed to us was consistent with the source documents from which it was taken.

1.1 Natixis' participation as arranger in the €25 billion secured bond issue program launched by the Caisse d'Epargne Group and approval of the corresponding related party agreements

Corporate officers concerned: Charles Milhaud, Bernard Comolet, Nicolas Mérindol, Jean-Claude Créquit, Francis Henry, Didier Patault and Philippe Sueur.

To enable Natixis to act as the arranger in the €25 billion secured bond issue program launched by the Caisse d'Epargne Group, the Supervisory Board approved the following agreements on March 5, 2008:

- the Receivables Pledge Agreement;
- the Issuer Accounts Pledge Agreement;
- the Asset Monitor Agreement; and
- the Master Definitions and Construction Agreement.

Revenue recognized with respect to this agreement in 2008 totaled €404,666.

1.2 Shareholder advance agreement between Natixis, Banque Fédérale des Banques Populaires (BFBP) and Caisse Nationale des Caisses d'Epargne (CNCE); Addendum and Letter of Agreement concerning early repayment

Corporate officers concerned: Philippe Dupont, Charles Milhaud, Jean-Louis Tourret, Bernard Comolet, Philippe Queuille, Stève Gentili, Yvan de la Porte du Theil, Nicolas Mérindol, Jean-Claude Créquit, Francis Henry, Bruno Mettling, Didier Pataut, Jean Clochet, Bernard Jeannin and Philippe Sueur.

On March 28, 2008, the Supervisory Board approved the shareholder advance agreement between Natixis, BFBP and CNCE for €1.5 billion, contributed in equal portions by the BFBP and the CNCE.

Furthermore, on June 26, 2008, the Supervisory Board approved an addendum to the agreement for a further €1 billion, also contributed in equal portions by BFBP and CNCE.

Finally, on September 3, 2008, the Supervisory Board approved the letter of agreement concerning early repayment of the shareholder advances granted to Natixis by BFBP and CNCE in the first half of 2008 within the scope of the €3.7 billion capital increase carried out with preferential subscription rights.

Charges recognized with respect to this agreement in 2008 totaled €89,616,000.

1.3 Guarantee and placement agreement between Natixis, BFBP, CNCE and the banks in the placement syndicate set up in connection with the capital increase

Corporate officers concerned: Philippe Dupont, Charles Milhaud, Jean-Louis Tourret, Bernard Comolet, Philippe Queuille, Stève Gentili, Yvan de la Porte du Theil, Nicolas Mérindol, Jean-Claude Créquit, Francis Henry, Bruno Mettling, Didier Pataut, Jean Clochet, Bernard Jeannin and Philippe Sueur.

Within the scope of the €3.7 billion capital increase carried out with preferential subscription rights, on September 3, 2008 the Supervisory Board approved a guarantee and placement agreement between Natixis, Banque Fédérale des Banques Populaires, Caisse Nationale des Caisses d'Epargne and the banks in the placement syndicate set up in connection with said capital increase.

Charges recognized with respect to this agreement in 2008 totaled €59,212,979.38.

1.4 Agreement between Natixis, BFBP and CNCE regarding the commitment to subscribe to the capital increase

Corporate officers concerned: Philippe Dupont, Charles Milhaud, Jean-Louis Tourret, Bernard Comolet, Philippe Queuille, Stève Gentili, Yvan de la Porte du Theil, Nicolas Mérindol, Jean-Claude Créquit, Francis Henry, Bruno Mettling, Didier Pataut, Jean Clochet, Bernard Jeannin and Philippe Sueur.

In connection with the aforementioned capital increase, on September 3, 2008 the Supervisory Board approved an agreement between Natixis, CNCE and BFBP under which the CNCE and the BFBP agreed to (i) subscribe by way of right to the capital increase up to the full amount of their preferential subscription rights, and (ii) in the event of the termination of the guarantee agreement, bankruptcy of a guarantor or deferral of the settlement date for the issue, to subscribe in equal portions for any shares not subscribed by way of right or for any excess shares not subscribed by other parties.

This agreement did not have any financial impact in 2008.

1.5 Adoptions of regulations for the closed collective pension scheme

Corporate officers concerned: Philippe Dupont, Dominique Ferrero, Jean-Marc Moriani.

On December 18, 2008, the Supervisory Board approved a number of measures.

- Regarding the closed collective pension scheme available to members of the Executive Board:

  (i) to adopt regulations for the scheme insofar as they define the potential rights of members of the Executive Board eligible to benefit from the scheme, provided that they were appointed to the Board between November 27, 2006 and December 15, 2008, and

  (ii) to close the scheme to any new members of the Executive Board.

The regulations exclude any indemnities resulting from the termination of professional relations with members of the Executive Board.

- Regarding the collective welfare benefit scheme: to continue offering in 2009 the welfare scheme available to the chief executive officers of the Banques Populaires to members of Natixis' Executive Board, it being specified that the scheme adapts the guarantees applicable to all former Natexis Banques Populaires personnel to the specific situation of each member.
- Regarding termination and retirement indemnities: not to apply the provisions regarding early termination or retirement indemnity arrangements for the chief executive officers of the Banques Populaires to Natixis' corporate officers appointed after May 1, 2005.

This agreement did not have any financial impact in 2008.

1.6 Agreement providing for the distribution of Natixis products and services to the regional banks acquired by Banque Populaire from HSBC

Corporate officers concerned: Philippe Dupont, Jean-Louis Tourret, Philippe Queuille, Jean Clochet, Stève Gentili, Yvan de la Porte du Theil, Bruno Mettling and Bernard Jeannin.

On December 18, 2008, the Supervisory Board approved an agreement providing for the distribution of Natixis products and services to the regional banks acquired by Banque Populaire from HSBC, pursuant to which Natixis shall be the exclusive supplier of the regional banks in the businesses concerned by the agreement as from 2009. The agreement also stipulates that the terms and conditions governing dealings between Natixis and the Banque Populaire Group shall apply to the former HSBC banks.

This agreement did not have any financial impact in 2008.

2 AGREEMENTS AND COMMITMENTS APPROVED IN PRIOR FISCAL YEARS AND STILL IN EFFECT DURING THE YEAR

In accordance with the French Commercial Code, we have been informed that the following agreements and commitments that were approved during previous fiscal years were still in effect over the last fiscal year.

2.1 Invoicing agreement regarding the affiliation of Natixis to Banque Fédérale des Banques Populaires (BFBP) and Caisse Nationale des Caisses d'Epargne et de Prévovance (CNCE)

On May 30, 2007, the Supervisory Board approved the provisions of an invoicing agreement regarding the affiliation of Natixis to the BFBP and the CNCE, setting the contribution paid by Natixis at €10 million excluding VAT, representing €5 million for each central body, with annual indexing based on objective criteria.

Charges recognized with respect to this agreement in 2008 totaled €11,299,423.71.

2.2 Natixis' participation as arranger in the €25 billion secured bond issue program launched by BFBP

To enable Natixis to act as the arranger for the €25 billion secured bond issue program launched by BFBP, the Supervisory Board approved the following on November 23, 2007:

- a credit and financial guarantee master agreement between Banques Populaires Covered Bonds, BFBP, Natixis, and initially, seven Banques Populaires banks;
- a letter setting out hedging transactions between Banques Populaires Covered Bonds, BFBP and Natixis.

Revenue recognized in respect of these two agreements in 2008 totaled €840,000 excluding VAT.

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2.3 Sale of CIFG Holding shares held by Natixis to BFBP and CNCE

On December 19, 2007, the Supervisory Board approved an agreement providing for the sale by Natixis of its shares in CIFG Holding to the BFBP and the CNCE, with the following main characteristics:

- sale price of US$2;
- if BFBP and CNCE were to sell over 34% of the capital of CIFG Holding to a third party before December 31, 2009, Natixis would receive additional price consideration;
- Natixis' entitlement to the additional price consideration would apply for up to US$800 million of any gross capital gains (before factoring in capital gains tax) generated by BFBP and CNCE; Natixis would not be entitled to any additional price consideration on the portion of the capital gains exceeding US$800 million.

This agreement did not apply in 2008.

2.4 Mandate for risk control and assistance with the control and supervision of the CIFG Group in the interests of BFBP and CNCE

On December 19, 2007, the Supervisory Board approved a risk control and assistance mandate with BFBP and CNCE, under which Natixis is responsible, up to December 31, 2009 (subject to renewal) or until CIFG Holding is sold to a third party, for the control and supervision of the CIFG Group (risk policy, portfolio supervision, new file acceptance procedures, IT systems, models, etc.) in the interests of BFBP and CNCE (the "Mandate").

Under the Mandate, Natixis is entitled to fees equal to the costs it incurs, plus 10%.

In a letter dated April 15, 2008, Natixis was informed that CNCE and BFBP had decided to jointly terminate the December 20, 2007 Mandate regarding the CIFG Group, pursuant to the provisions of Article 3.2 of said Mandate.

Revenue recognized with respect to this agreement in 2008 totaled €31,319.04.

2.5 "Clic'n Trade" partnership and service agreement between Ixis CIB, CNCE and Banque Palatine

On June 6, 2007, the Supervisory Board approved a service agreement between Ixis CIB, CNCE and Banque Palatine relative to the CNCE's transfer of operational and technical responsibility for the "Clic'n Trade" site to Banque Palatine. Under the agreement, the CNCE remains the owner of the site and the counterparty for forward and spot exchange transactions carried out in relation to Ixis CIB.

This agreement did not have any financial impact in 2008.

2.6 Letters of joint and several guarantees and commitments terminated or expired

Between 1996 and 2004, Ixis CIB (formerly CDC Marchés and then CDC Ixis Capital Markets) signed a number of letters of joint and several guarantees and commitments with its successive shareholders, namely Caisse des Dépôts (CDC), CDC Finance – CDC Ixis (replaced in its rights and obligations by CNCE further to the merger on December 31, 2004), and the CNCE.

Similarly, Ixis CIB signed a number of letters of joint and several guarantees and commitments with its US subsidiaries, namely Natixis Municipal Products Inc. (formerly CDC Municipal Products Inc.), Natixis Derivatives Inc. (formerly CDC Derivatives Inc.), Natixis Financial Products Inc. (formerly CDC Financial Products Inc.), Natixis Funding Corp. (formerly CDC Ixis Funding Corp.), and Natixis Commercial Paper Corp. (formerly CDC Ixis Commercial Paper Corp.).

All of these letters of joint and several guarantees and commitments had terminated or expired at the date of this report, but continue to retrospectively apply to all guaranteed transactions entered into prior to the date on which the underlying joint and several guarantees terminated or expired, until these transactions have been fully unwound.

For joint and several guarantees entered into with CDC Finance-CDC Ixis, the creditors of Ixis CIB for transactions secured under these guarantees that were entered into before the expiry of the respective guarantees, may, in accordance with the letter from the Chief Executive Officer of CDC dated October 12, 2004, exercise their rights directly against CDC through to the maturity of the transactions guaranteed, as if this commitment had been taken out directly by CDC on behalf of Ixis CIB's creditors.

The conditions governing the payment and calculation of the fees payable by Ixis CIB in respect of the guarantees were defined in an agreement with CDC Finance-CDC Ixis and CNCE.

Charges recognized by Natixis with respect to this agreement in 2008 totaled €8,926,805.

2.7 Letters of joint and several guarantees and commitments in force

On June 15, 2006, the Supervisory Board approved letters of joint and several guarantees and commitments between Ixis CIB and:

a) Natixis Financial Products Inc. (formerly Ixis Financial Products Inc.) for the USMTN program. The guarantee given by Ixis CIB in connection with this agreement may be invoiced at 0.02%;

b) Natixis Financial Products Inc. (formerly Ixis Financial Products Inc.) for the USMTN program. The guarantee given by Ixis CIB in connection with this agreement may be invoiced at 0.02%;

c) Natixis Securities North America Inc. (formerly Ixis Securities NA) for lending/borrowing transactions. The guarantee given by Ixis CIB in connection with this agreement may be invoiced at 0.02% per year, applicable to the overall exposure with average risk over the period.

This agreement did not have any financial impact in 2008.

2.8 De facto association agreement between CDC, CNCE (replacing CDC Ixis in its rights and obligations) and Ixis CIB (formerly CDC Ixis Capital Markets)

On December 19, 2001, the Supervisory Board approved a de facto association agreement between the CDC, CNCE (replacing CDC Ixis in its rights and obligations) and Ixis CIB (formerly CDC Ixis Capital Markets).

This agreement, automatically renewed every three years, replaces the agreement entered into on August 30, 1996 between the CDC and CDC Ixis Capital Markets (formerly CDC Marchés).

Charges recognized by Natixis with respect to this agreement in 2008 totaled €5,259,322.

2.9 Agreement entered into between Ixis CIB (formerly CDC Ixis Capital Markets) and Natixis Securities (formerly CDC Ixis Securities) relative to research office services

On December 19, 2001, the Supervisory Board approved an agreement between Ixis CIB (formerly CDC Ixis Capital Markets) and Natixis Securities (formerly CDC Ixis Securities), setting the conditions for Natixis Securities to invoice Ixis CIB for a percentage of the cost of its research office, set at 25%.

On November 17, 2005, the Supervisory Board approved an addendum to this agreement providing for a reduction in the percentage at which the services provided would be rebilled, from 25% to 18.75%.

Charges recognized by Natixis with respect to this agreement in 2008 totaled €3,867,864.

2.10 Service and partnership agreement between Ixis CIB and CNCE

On November 17, 2005, the Supervisory Board approved a service and partnership agreement between Ixis CIB and the CNCE under which Ixis CIB agreed to develop and host a website for the CNCE for placing orders on forward and spot foreign exchange transactions.

This agreement did not have any financial impact in 2008.

2.11 Agreements to transfer software user rights and services between Ixis CIB and Crédit Foncier de France

On June 15, 2006, the Supervisory Board approved a number of agreements providing for the transfer of software user rights and services between Ixis CIB and Crédit Foncier de France (“CFF”).

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Under these agreements, Ixis CIB grants CFF a non-transferable, non-exclusive and personal right to use the AMeRisC software, and also provides any available market and econometric data to CFF on a daily basis for running the AMeRisC software. In connection with the implementation of the software within CFF, Ixis CIB also provides consulting services at cost price.

This agreement did not have any financial impact in 2008.

3 AGREEMENTS AND COMMITMENTS NOT PREVIOUSLY APPROVED

We also present you our report on the agreements and commitments subject to the provisions of Article L.225-90 of the French Commercial Code.

In accordance with Article L.823-12 of the Commercial Code, we remind you that these agreements and commitments did not receive the prior approval of the Supervisory Board.

We are required to report to shareholders, based on the information provided, on the basic terms and conditions of these agreements and commitments, and on the reasons why the approval procedure was not respected.

Financial guarantee and credit master agreements between Natixis, CNCE and BFBP

Natixis entered into financial guarantee and credit master agreements with its central institutions (CNCE and BFBP) on December 3 and December 4, 2008, respectively. These agreements were transferred to the Société de Financement de l'Économie Française (SFEF) and to the French Treasury.

The purpose of these agreements is to allow Natixis to borrow from its two central institutions in return for posting collateral. The amounts lent represent credit facilities granted under the terms of the agreements between the central institutions and the SFEF. The terms therefore reflect the agreement entered into between the central institutions (and all other banks in the marketplace) and the SFEF.

Under the agreement, Natixis can indirectly benefit from the facilities granted by the SFEF, according to the following principles:

- each central institution borrows from the SFEF against a pledge of collateral;
- all or part of the revenue arising on this arrangement is used to grant Natixis a loan, in return for a guarantee in the form of collateral, which will be pledged by the central institution to the SFEF to guarantee its loan.

The purpose of master agreements is to define the terms and conditions for intra-Group loans. The purpose of financial guarantee master agreements is to organize Natixis' collateral arrangements.

Given the timing of these agreements, they could not be approved by the Supervisory Board before being signed. These agreements are the subject of the fifth and sixth resolutions put to the vote of the Ordinary General Shareholders' Meeting.

Charges recognized by Natixis with respect to this agreement in 2008 totaled €4,473,199.40.

Neuilly-sur-Seine and Paris-La-Défense, March 30, 2009

The Statutory Auditors

DELOITTE & ASSOCIÉS	SALUSTRO REYDEL Member of KPMG International	MAZARS	
Damien Leurent	Michel Savioz	Charles de Boisriou	Michel Barbet-Massin

7 CHAIRMAN'S REPORT ON CORPORATE GOVERNANCE AND INTERNAL CONTROL

(ARTICLE L.225-68 OF THE FRENCH COMMERCIAL CODE)

Composition, preparation and organization of tasks undertaken by the Supervisory Board

Information about the composition of the Supervisory Board and the preparation and organization of the tasks it undertakes is provided in the section on corporate governance.

Internal control procedures

INTRODUCTION

Natixis was formed from the merger of the corporate and investment banking and services operations of the Banque Populaire and Caisse d'Epargne Groups. The merger took place on November 17, 2006, following the CECEI's authorization on October 11, 2006. The process continued with Ixis Corporate & Investment Bank's (IXIS CIB) merger into Natixis in 2007. The transaction – which came into effect on December 31, 2007 – was approved by the CECEI on November 15, 2007. The main shareholders of Natixis are Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne.

Natixis' internal control system respects the principles underlying the CECEI's approval dated November 15, 2007 and complies with the legal and regulatory requirements arising from amended CRBF regulation 97-02 under which applicable companies must implement a consolidated internal control system providing for:

- permanent checks of compliance, security and validation of transactions, as well as other forms of diligence relating to the monitoring of all types of risk resulting from transactions;
- periodic checks in the form of enquiries and audits of the compliance of transactions, conformity with procedures and the effectiveness of permanent control systems.

In reference to its regulatory requirements and commitments made to the CECEI, Natixis has structured its internal control system around a periodic control body that undertakes audits, together with units in charge of exercising permanent control over compliance and transaction security and verifying the effectiveness of the Bank's risk control and monitoring procedures.

Natixis is subject to the joint controls of its two shareholders and central institutions, Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne. These institutions are responsible for ensuring that their respective groups respect risk monitoring requirements on a consolidated basis. To ensure overall consistency, structures and systems for coordinating permanent and periodic controls were set up when Natixis was created. Similarly, the Risk, Compliance and Audit departments are integrated into the business units of the two shareholder groups.

1 - THE INTERNAL CONTROL MECHANISM

Natixis' internal control mechanism complies with both external and internal regulations and standards.

External standards

Many external standards apply, due to the diversity of business lines in which Natixis operates, however the principal standards are as follows:

- as a lending establishment, Natixis is governed by the provisions of the French Monetary and Financial Code (which encompasses the provisions of the French Banking Act of January 24, 1984 and the French Financial Activity Modernization Act of July 2, 1996); as regards internal controls, it is subject to the specific banking guidelines resulting from CRBF regulation 97-02 and its additional clauses;
- as a provider of investment services, Natixis is subject to the provisions set out by the French financial market regulator (AMF), and especially the code of good conduct concerning market participation and customer relations;
- Natixis complies with the terms of the codes of good conduct published by professional associations whenever the regulator recommends or enforces their application (for example, the Code of Compliance for Financial Analysts, made mandatory by the AMF);
- Natixis applies anti-money laundering and terrorist financing regulations, under the control of the French Banking Commission;
- regarding its foreign branches and subsidiaries, Natixis applies the Group's organization standards and also the regulations defined by the regulators in the markets in which Natixis has offices (in particular, the ***Financial Services Authority*** in the United Kingdom, ***BAFIN*** in Germany, ***Banca Centrale*** in Italy, the ***Financial Supervisory Authority*** in Japan, the ***Federal Reserve***, the ***National Association of Securities Dealers*** and the ***Securities and Exchange Commission*** in the United States, the ***Financial Supervisory Commission*** in Hong Kong, the ***Commission de Surveillance du Secteur Financier*** in Luxembourg, the ***Irish Financial Services Regulatory Authority*** in Ireland), where the activities exercised locally are subject to these regulations;
- regarding periodic control, Natixis enforces the standards set by the IFACI/***Institute of Internal Auditors***.

Internal standards

Natixis' internal control system is organized around several sets of rules:

- a set of charters and procedures which standardizes and regulates the Group's risk systems (procedures governing Natixis' lending decision process, market risk charter, charter for measuring, controlling and managing operational risk, charter for managing compliance risk, etc.);
- Natixis Group's audit charter;
- the general IT security policy which establishes governance rules relating to IT systems security and continuity and specifies the security principles needing to be implemented;
- the charter which formally sets out the jurisdiction of the country managers in Natixis' foreign offices and which organizes relations with the heads of the business lines represented locally;
- the "compliance manual" which defines the rules of good conduct applicable to Natixis' staff (especially concerning conflicts of interest, money laundering, professional compliance and the protection of confidential information, etc.).

2 - OVERALL ORGANIZATION

Natixis' permanent and periodic controls are organized as operational or functional first-tier controls, up to the highest level. They are structured according to three principles:

- Natixis separates its risk-taking and control functions, and different levels of control. This separation results in:
  - a distinction between front- and back-office functions,
  - the existence of first-tier controls at the operational level,
  - a distinction between periodic and permanent controls.

  Although responsibility for first-tier controls rests with the heads of operational or functional departments, second-tier permanent controls and periodic controls are carried out by independent central functional departments, the heads of which, within the meaning of Articles 7 and 11 of CRBF regulation 97-02, report directly to Natixis' executive body within the meaning of Article 4 of the same rule;
- Natixis organizes its internal control functions into global units in order to ensure consistency throughout the Group. The internal control system therefore covers all risks and extends to all business lines and subsidiaries of the Natixis Group. Local permanent and periodic control functions within the Group's subsidiaries or business lines report to Natixis' corresponding central control departments, either on a functional basis in the case of subsidiaries or on a hierarchical basis in the case of business lines. The "risk", "compliance" and "inspection/audit" units constitute separate business units;
- Natixis' control system is organized in accordance with the principles set out by Groupe Caisse d'Epargne and Groupe Banque Populaire. This organization is geared to ensuring a consolidated approach to risk within the framework of the joint control exercised by the two shareholder groups (and central institutions), and the regulatory requirement to monitor risk on a consolidated basis as specified in amended CRBF regulation 97-02.

3 - INTERNAL INVOLVEMENT IN CONTROL

3.1 - First-tier control

First-tier permanent controls are an essential component of Natixis' internal control system.

These controls are carried out by operational or functional departments under managerial supervision. These departments are responsible for:

- verifying the compliance of transaction processing procedures;
- justifying the accounting balances of active accounts relating to the transactions they carry out.

Depending on the situation and activities, these first-tier controls are carried out by the operating units themselves or by ad-hoc control units, such as middle office or accounting control units.

First-tier controls are documented in formal written procedures.

3.2 - Second-tier control

Second-tier control has remained unchanged during 2008; its actors are the Compliance Department and the IT Systems Security (ITSS) Department.

3.2.1 - Compliance

Overall organization

The Compliance Department promotes the development of best practices in preventing and managing compliance risk at Natixis, thereby helping to prevent financial loss and related image risk. Compliance operates in line with the two shareholder Groups' recommendations and covers all of the Natixis Group, including subsidiaries and branches.

Compliance's main responsibilities involve:

- conducting legal and regulatory watch in the compliance area, in conjunction with the legal function;
- defining standards and methods for assessing compliance, control and reporting risks. These standards were devised in order to ensure market integrity, the primacy of customer interest, to prevent conflicts of interest (including independence in third-party account management) as well as the fight against money laundering and the financing of terrorism;
- conducting permanent second-tier controls (regarding compliance standards and application of procedures);
- establishing a compliance risk map;
- implementing a system of cooperation with the Risk Department, through reports and corrective measures regarding operational defects which may entail risks of non-compliance for the Bank;
- issuing a written opinion concerning all new activities, structures, processes, products and transactions, and significant changes to existing products. This opinion is accompanied by the right of blockage or appeal, within the framework of New Product Committees set up within Natixis' business lines or set up centrally for products common to many business lines;
- advising business lines in order to secure operations and ensure compliance with standards;
- contributing to employee training in conjunction with Human Resources;
- managing information systems for the monitoring and control of compliance risk at the consolidated Group level, in conjunction with the business lines;
- ensuring centralized recording of dysfunctions that entail compliance risk at subsidiary or business-line level, with a view to their consolidation at Group level;
- centralizing any dysfunctions in the sense of Article 11-2 of amended regulation 97-02, at subsidiary or business-line level, with a view to consolidating them at Group level and reporting them to the two shareholder groups; defining the conditions for exercising the alert facility provided for in the above article, in keeping with confidentiality requirements regarding information providers;
- preparing regular summary reports for use by Natixis' Executive Board and central institutions;
- ensuring that permanent compliance risk controls are consistent and effective.

The Compliance Department reports to the Chairman of the Executive Board, and is independent of operational departments. The Chief Compliance Officer is responsible for permanent compliance risk controls, as defined in Article 11 of regulation 97-02.

Natixis' Compliance Department operates on a business line basis, guiding and prompting action by Compliance managers in subsidiaries and branches via a strong functional and hierarchical link.

Compliance managers in subsidiaries and branches report to the executive body or, exceptionally, if the size of the entity warrants it, to a permanent controls manager who, in turn, reports to the executive body through a strong functional and hierarchical link to the Chief Compliance Officer. This link means that:

- Natixis' Chief Compliance Officer is required to issue prior approval to the attachment, appointment or withdrawal of a subsidiary's Compliance manager;
- Natixis' Chief Compliance Officer participates in annual performance reviews and career advancement decisions;
- the subsidiary Compliance manager must fulfill mandatory reporting requirements towards Natixis' Chief Compliance Officer.

In the head office business lines, Compliance managers report directly and hierarchically to Natixis' Chief Compliance Officer.

There are three main components to Natixis' Compliance mechanism:

Professional ethics

The professional ethics function is in charge of ensuring that all regulations applicable to providers of investment services governing Natixis, its subsidiaries and all of its employees, are appropriately publicized and enforced.

During 2008 the compliance standards of the merged entities Natexis Banques Populaires and Ixis Corporate & Investment Bank were harmonized and reissued. A new system was also rolled out to enable business lines to notify the Compliance Department systematically of transactions posing issues of confidentiality or potential conflicts of interest. Regulatory watch was also reinforced.

Natixis S.A. issued new internal regulations and a compliance manual at the beginning of 2008. Particular attention has been paid to reminding employees of their obligations when engaging in personal transactions and in improving control over such transactions in parallel to the application of the European Markets in Financial Instruments Directive (MiFID). These new standards have been appropriately adapted by subsidiaries.

The circulation of sensitive information and the detection of conflicts of interest are now processed via a modern IT system that is widely used within the Corporate and Investment Banking business lines. This facilitates the holding of lists of insiders and

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improves the recording and archiving of information in respect of actual or potential conflicts of interest.

The system for informing business lines' Compliance managers of changes in the applicable law or regulations has been improved and the information is now available to all Natixis staff via the Group's intranet portal. Appropriate legal and regulatory watch also continues to be performed by the Group's subsidiaries and foreign branches.

The Compliance Department has continued to be an active participant in the ad hoc committees set up to review proposals for new products.

Financial security

The Financial Security function reports to the Compliance Department and is in charge of measures within Natixis and its subsidiaries to counter money laundering and terrorist financing, in liaison with these bodies. Financial Security thus plays an essential advisory, monitoring, training and informational role within the Group.

Following drafting and issue of the new anti-money laundering procedure at the end of 2007, a new "know your client" procedure was drafted and issued at the beginning of April. It defines the guiding principles to be implemented by each business line and introduces the risk-based approach defined by the 3rd European Directive under which each client or counterparty is classified as of low, medium or high risk. The approach is currently being deployed by Natixis Corporate and Investment Banking.

Employee information and training in measures to counter money laundering and terrorist financing was pursued. A specific seminar was provided to all head office employees and Natixis Securities employees.

Considerably more information is now available via the Compliance Department's intranet portal. Three days of contacts with third party specialists were also provided for Natixis' Tracfin correspondents, Compliance managers and commercial staff.

Monitoring of transactions has been largely reinforced thanks, in part, to the implementation of the new "know your client" procedure, and also to the ongoing rollout of the financial transaction monitoring system (broadened scope, new criteria for detection of atypical transactions, client segmentation).

Measures to counter the financing of terrorism were also pursued by frequent updating of the European and American (OFAC) listings, monthly review of client databases, training sessions, and improved software and filtering of transactions. Order originators are subject to verification of identity for payments both issued and received, as provided for by European regulation 1781/2006, and action has been taken (in particular with banking correspondents) in order to achieve a significant improvement in the transparency of transfers received.

Controls

The Compliance Department's permanent second-tier controls focus on:

- transaction compliance: this involves checking that both transactions and transaction execution processes comply with applicable banking and financial rules and market rules;
- organizational compliance;
- the quality of data transmitted to Compliance (via automated tools and various reports);
- the application of procedures. This involves ensuring that procedures exist and are effectively applied (in accordance with Article 40 of regulation 97-02), and that these procedures comply with the rules applicable to the various types of risk.

The Compliance Department's controls may take three forms:

- controls based on the reporting documents arising from first-tier controls;
- controls based on alerts arising from automated control tools, especially related to anti-money laundering efforts and the detection of market abuse;
- controls based on document checks and, if appropriate, on-site checks, so as to ensure that automated controls are relevant. These controls also ensure adherence to more qualitative rules (knowledge of and classification of the client, applying Chinese walls, managing conflicts of interest, etc.).

The risk-mapping approach continued in 2008, via the controls executed by Compliance Department controllers. The parent company's domestic operations were covered in 2008 and the process will be extended to its subsidiaries and foreign branches in 2009.

The approach takes into account the areas of risk highlighted by the operational risk function and which might have an impact in the field of compliance.

3.2.2- IT systems security

The IT Systems Security (ITSS) Department guarantees the security and continuity of the IT systems used within Natixis and its subsidiaries. It is responsible to the Executive Board for establishing, implementing, controlling and maintaining IT security policy.

The Head of ITSS works for Natixis and its subsidiaries, and with service providers, vendors and clients. Responsibilities include:

- ensuring that policy is always appropriate to the risks involved;
- promoting policy and ensuring adherence to it at all levels;
- providing any necessary security services;
- verifying and monitoring adherence to policy and standard reporting across the whole of the Natixis Group.

The Head of ITSS for Natixis and subsidiaries reports directly to the Head of IT Systems and Shared Services, and works closely with the Compliance, Internal Audit and Risk Departments. He also takes part in the main Management Committees in charge of the Bank's controls and operational risks, and especially in:

- the Control Functions Coordinating Committee;
- the Committee on Operational Risks and Security in Information Systems;
- the Natixis Operational Risks Committee.

The ITSS Department participates fully in the Bank's internal controls system. Its activities are in keeping with the recommendations contained in the French Banking Commission's White Papers and regulation 97-02 and, more generally, in the Basel Committee's guidelines.

The Head of ITSS for Natixis and subsidiaries oversees the IT security mechanism and the various parties engaged in managing, implementing and controlling IT systems security policy:

- heads of ITSS within subsidiaries are in charge of applying security policy locally as appropriate for each subsidiary;
- the business lines are in charge of implementing security policy locally and providing advice and assistance within their area of responsibility;
- IT project management teams who are in charge of setting up and maintaining security mechanisms.

The ITSS functions as a whole is steered by:

- an ITSS Strategic Committee, which determines IT security policy for Natixis and its subsidiaries. The Committee is chaired by a member of the Executive Board. It is responsible for validating the annual security plan prepared for Natixis and its subsidiaries at the highest level. It met twice in 2008, in accordance with the General Policy on Information Security;
- an ITSS Coordination Committee which comprises the various parties involved in security, and especially the Heads of ITSS within subsidiaries. It is responsible for monitoring the annual security plan, coordinating and steering all ITSS actions and pooling security projects. It met five times in 2008, in accordance with the General Policy on Information Security;
- Security Committees within subsidiaries or business lines. These Committees are chaired by the Head of ITSS within the subsidiary or within the Natixis Group and oversee ITSS initiatives at the local level.

ITSS activities in 2008 focused on:

- ITSS governance;
- logical security;
- operational continuity;
- risk prevention;
- permanent controls.

During 2008 ITSS also managed several IT projects designed to improve controls:

- software designed to monitor and correlate security incidents;
- progressive rollout of software designed to protect the IT systems from security failures by means of instantaneous correction of information flows;
- redefinition of the infrastructure for technical alerts and its extension to subsidiaries.

3.3 - Third-tier control

Third-tier or periodic control is the responsibility of the Internal Audit Department.

Internal Audit reports directly to the Chairman of Natixis' Executive Board. It has strong functional ties, of a hierarchical nature, with the internal audit departments of Natixis' shareholders – Banque Fédérale des Banques Populaires (BFBP) and Caisse Nationale des Caisses d'Epargne (CNCE) – in accordance with the principles approved by the CECEI on November 15, 2007. Also in accordance with these principles, Internal Audit heads up a global audit function.

Internal Audit is responsible for verifying the bank's controls and is one of the bodies responsible for the correct functioning of the Bank's internal control system within the meaning of CRBF regulation 97-02. In this respect, it is independent from all business lines and support functions. It has no operational role and can therefore never be in the position of both judge and interested party.

Internal Audit conducts audit assignments across the entire Natixis Group (parent company, subsidiaries and branches), covering all classes of risk involved in the Bank's various business activities. It has full and unrestricted access to all information, confidential or otherwise. Its field of investigation encompasses all of Natixis' operational activities, as well as its functional departments – including entities in charge of permanent controls – and outsourced activities. In each business line, it carries out in-depth analysis of the "front-to-back" processes through which operations are carried out. These analyses concern evaluation of existing controls in the audit process as well as the risks to which the relevant operations are exposed. Recommendations may be formulated to make these controls more comprehensive or robust. They are set out in order of priority.

Internal audit reports are sent to the audited units, to the Executive Chairman and members of Natixis' Executive Board. BFBP and CNCE's internal audit departments also receive a copy of all internal audit reports issued by Natixis, in accordance with the provisions filed by the CECEI on November 15, 2007.

Internal Audit is responsible for following up progress in implementing its recommendations. It conducts follow-up audits, making use of recurrent work carried out by permanent control teams when this is required.

Internal Audit's assignments are set out in a yearly audit plan, which itself forms part of a four-year plan proscribing the frequency of audits and assigning resources according to the nature of the risks to be verified.

The audit plan may be revised during the year at the request of the Executive Board or if required by circumstances.

In addition to conventional audit assignments, the Internal Audit Department is also able to carry out ad hoc audits in order to address issues arising in the course of the year that were not initially included in the audit plan.

Natixis' annual and multi-year audit plans are approved by the Executive Chairman and the internal audit departments of the Bank's shareholders. The annual audit plan is examined by Natixis' Audit Committee.

In 2008, the Internal Audit Department conducted assessments on all the risk classes to which Natixis' operations are exposed. It also dedicated a substantial portion of its resources to regulatory surveys, as part of the Bank's Basel II certification process, as well as to work arising as a result of the crisis in the financial markets.

These undertakings were carried out in active coordination with BFBP and CNCE's Internal Audit Departments. To this end, seven Internal Audit Coordination Committee meetings took place during the year.

Efforts were made to further consolidate Natixis' audit function in three main directions:

- agreements regarding the organization of periodic controls were proposed to Natixis' main subsidiaries in France. They have been approved by Natixis' Audit Committee. Most of them have been signed by the persons in charge of the companies concerned, whilst others are still subject to the approval of the companies' executive bodies during 2009;
- work continued on the integration of the auditors located in Natixis' main French and foreign subsidiaries and branches into the audit function run by the Internal Audit Department;
- continuing efforts were made in 2008 to rationalize and standardize Internal Audit's methodologies and tools, particularly as regards the follow-up of audit recommendations which was addressed by specific surveys and by implementing a dedicated system.

Lastly, in keeping with commitments made to the CECEI, Internal Audit continued to reinforce headcount in line with the plan launched when Natixis was formed in 2006.

3.4 - Coordinating control

The Control Functions Coordination Committee, which already existed within the former Natexis, saw its remit renewed within the new Group in 2007.

The Committee is chaired by the Executive Chairman or the Chief Executive Officer, and comprises the Secretary General, the Chief Financial Officer, the Heads of Risk, Compliance, Internal Audit and IT Systems Security and the Special Advisor to the Executive Chairman.

The Committee handles all issues relating to the organization and planning of control services, highlights areas of emerging or recurring risk and reports any significant dysfunctions observed to the executive body. It also supplies the executive body with updates on ongoing controls performed by internal or external control functions or regulators, and ensures that the conclusions from these undertakings are taken into account by the operational lines.

It may also meet with operational managers when necessary. The Control Functions Coordination Committee held three meetings in 2008.

3.5 - Role of the executive bodies

See the chapter dealing with the functioning of the executive bodies.

4 - RISK MONITORING AND CONTROL

The Risk Department contributes to the secure development of the Natixis Group by ensuring that the risk control system is both effective and exhaustive. Its scope of action extends to the following risks:

- credit risks;
- market risks;
- interest-rate, currency and liquidity risks;
- operational risks;

and to all entities falling within Natixis' consolidation scope.

The Risk Department plays a key role in the Bank's permanent control system by identifying, measuring and controlling risk. It makes proposals to the Executive Board and keeps it informed about Natixis' exposures and their development. It also reports to the Supervisory Board and Audit Committee by providing them with reports and periodic analyses.

Natixis' highest risk governance authority is the Group Risk Committee, which defines the key elements of risk policy, analyzes the main risks and validates the principal risk standards and methodologies.

Natixis' risk management mechanism is coordinated and consistent with those of the Groupe Banque Populaire and the Groupe Caisse d'Epargne, in line with the convergence plan concluded between the three groups. The three governing Committees (the Joint Risk Committee, the Joint Standards and Methods Committee and the Joint Information Systems Risk Committee) met on a regular basis during 2008.

4.1 - Credit risk

Identifying and analyzing credit risk

The Risk Department is responsible for analyzing counterparty credit risk using a formalized credit dossier for each counterparty and beneficiary group. This dossier includes all relevant information for reaching a decision, such as:

- information about the client and its business operations, e.g. financial data, identification and analysis of the client in accordance with diligence approved by the Group Compliance Department prior to entering into business relations, and internal ratings, taking country risk into account;
- external data, e.g. external credit agency ratings, sector analyses, country risk and sovereign risk ratings, etc.;
- information regarding commitments, and the credit file summarizing all credit risks incurred by the Bank, including those on capital market transactions;
- information concerning the counterparty's profitability.

Each credit dossier submitted for a decision must include a ratings proposal and a recommended limit.

Credit decisions are made either via delegations of authority accorded to business lines and certain members of the Risk Department or by the relevant Credit Committee, following a counter-analysis.

These authorizations are set out formally and granted personally (without the right to sub-delegate), by the Chief Executive Officer or any person with the appropriate authority. They are graded according to the counterparty's category and internal credit rating, and to the type and duration of the commitment.

In addition to this decision-making system on an individual basis, the Group's Risk Committee, the most senior risk committee, approves the main risk-taking procedures and sets overall limits relating, for example, to country risk.

4.1.1 - Client credit ratings

Natixis bases its credit management decisions on an individualized internal rating system (decision-making, monitoring, etc.).

In coordination with the central institutions, Natixis chose the rating methodologies applicable to the asset classes held jointly by the three groups. A joint tripartite organization for assigning roles and monitoring in the ratings area was also developed in collaboration with Groupe Banque Populaire and Groupe Caisse d'Epargne. The objective was to ensure the uniformity and consistency of the methodologies used and ratings attributed.

4.1.2 - Tracking credit risk

The Bank's commitments are measured and monitored on a daily basis using dedicated consolidation tools.

An IT system is used to consolidate overall limits and credit exposures across the whole of Natixis and most of its subsidiaries. Counterparty groups were set up and incorporated into the counterparty database. These groups are maintained on a dedicated basis: each counterparty is allocated a unique identification number, one for the regulatory group to which it belongs, and another for the counterparty's group rating.

The Risk Department provides the Executive Board and business line managers with reports, trend studies and analyses on the Group's risk. Natixis' commitments and developments are presented according to various risk indicators such as:

- the category, internal rating, business sector or client location;
- the type of commitment;
- the Basel II segmentation.

Internal management criteria (business lines, office, etc.) are also taken into account.

4.1.3 - Monitoring credit risk

Each business line is accountable for monitoring its own credit risk, while a dedicated team within the Risk Department carries out different control actions.

Day-to-day monitoring is performed by the front office business lines while financing is performed by the middle office and second-tier controls by the Risk Department.

An Excess Committee meets monthly in order to analyze excess movements against various indicators (number, business lines affected, etc.), and to examine significant excesses and monitor their regularization.

Cases entailing deteriorations in risk are detected as they emerge and immediately reported to the Risk Department, the Special Affairs and Litigation Department, and to the business line involved, in accordance with watch list and alert procedures.

Their entry onto watch list is then examined and, if applicable, acted upon by the Special Affairs and Litigation Department, the Risk Department or the relevant Credit Committee, depending on the level of exposure.

Sensitive cases are reviewed at least quarterly and are presented to the quarterly Watch List Committee.

Sensitive, doubtful or disputed risks are monitored by the Special Affairs and Litigation Department, which intervenes in the management of difficult cases when necessary. It also handles the recovery of receivables in the event of legal proceedings.

4.1.4 - Tracking doubtful and disputed cases

■ Specific provisions

Each core business has a Provisioning Committee that meets quarterly. Provisioning Committees examine cases liable to require provisions or adjustments to existing provisions.

A Group Provisioning Committee is organized by the Financial Department every quarter. It is chaired by the Chief Executive Officer and comprises the Risk and Special Affairs and Litigation Departments and the managers of the relevant business lines.

The Group Provisioning Committee makes use of the investigations carried out by the Counterparty Watch List Committee, with the documentation and reports being presented in the session.

■ Collective provisions

Natixis also sets aside provisions for country and sector risk. Since the transition to IFRS, these provisions have been categorized as collective provisions and established for similar types of assets according to the following criteria:

- credit rating for loans to private individuals and small businesses;
- sector risk and geographic risk for other counterparties (corporate and sovereign clients, etc.).

Sectors of activity and countries are analyzed and monitored in detail in order to identify objective indices of value impairment. These indices usually comprise a combination of micro- or macro-economic indicators specific to the sector or the country. Where necessary, an expert opinion is sought in order to confirm the result obtained.

4.1.5 - Risk diversification

Risk diversification represents a fundamental risk management principle.

The rules for diversifying risk form part of the tripartite agreement between Natixis, Groupe Banque Populaire and Groupe Caisse d'Epargne. Natixis reports its "major risks" to its central institutions, which then jointly validate the credit cases and ratings assigned to the counterparties concerned at least once yearly.

During 2008, Natixis' Risk Department has regularly reported to the Executive Board and central institutions on the areas affected by the financial crisis.

4.2 - Market risk

Natixis' main market risks relate to the Markets, Debt & Financing and Active Risk Management business lines within Natixis CIB.

The market risk management and control system is primarily the responsibility of the front office, which manages and monitors the limits allocated to them on a daily basis.

Market risk control is handled by the Market Risk function within the Risk Department. Market Risks has full independence to define risk measurement principles and develop the necessary tools.

The market risk management mechanism is based on a validated risk measurement methodology, the allocation of limits in accordance with this methodology and ex-post checks to ensure these limits are respected.

Natixis has selected the Scénarisk model which uses Monte-Carlo VaR simulation and, following a review in 2008, has been approved by the French Banking Commission for use for regulatory purposes.

The extreme market volatility of all asset classes observed since the failure of Lehman Brothers led the Risk Department to undertake several reviews involving the calculation of VaR for different time periods in order to take account of the recent evolution of the financial markets. The reviews enabled the establishment of a new basis of calculation reflecting a system of econometrics with standard variations defined as the maximum standard variations observed over the following periods: 12 months, 3 months and from September 1, 2008 to the date of calculation. The change in methodology was accompanied by an adjustment of risk limits.

Natixis also launched a fundamental review designed to redefine its existing stress tests (hypothetical, historical and specific).

As a result, six global historical stress tests were set up and two new global hypothetical stress tests were defined (Emerging Economy Crisis and Commodity Crisis).

As regards specific stress tests, a review was undertaken with CIB and led to the definition of severity criteria and impact matrices for each business line. The review is expected to be completed during 2009 and to allow for stress tests to be performed on a routine system basis and be compared with predefined limits.

Work also continued throughout the year to standardize and unify risk indicators and the calculation of fair values and adjustments.

Finally, the major crisis observed in the financial markets led CIB to reorganize its operations during the final quarter of 2008 and transfer part of its operations to an ad hoc portfolio denominated GAPC (Workout Portfolio Management). In parallel, significant changes were made to the process of risk monitoring (in particular by defining new limits) and to the Risk Department's reporting requirements.

Organization of market risk management

The functions and organization of Market Risk Control at Natixis are described in Natixis' Market Risk Regulation Charter, which was approved by the Group Risk Committee in March 2007 and amended in February 2008 and January 2009. The charter defines:

- the principles and system governing Natixis' market risk system;
- the conditions under which market risk limits are examined, allocated and monitored;
- the respective roles of the front office, the Risk Department and Natixis' Group Market Risk Committee.

The Charter applies to all Natixis Group entities whose operations entail market risks.

Natixis' Risk Department plays a key role in the market risk management mechanism:

- it provides an independent (i.e. non-business line) view during the market risk decision process;
- it defines risk measurement and fair value adjustment methods and submits them to the Market Risk Committee for approval;
- it proposes or examines limits, whether they are requested by the business lines or on its own initiative under the aegis of the Market Risk Committee;
- it is responsible for the day-to-day analysis and measurement of risks, using a process designed to ensure that all risks to which Natixis has significant exposure are duly taken into account and, secondly, the reliability and uniformity of the calculations made within the Group;
- it is responsible for defining, implementing and operating the market risk measurement tools that enable risk to be aggregated on a consolidated basis at Natixis. The decisions in this area are validated in matters of principle by the Market Risk Committee.

As regards limit allocations, the Market Risk Committee (which exists since Natixis was created) meets twice monthly under the chairmanship of the Chief Executive Officer or his delegate, a member of the Executive Board.

In addition to the Committee, a system of delegations was set up in order to enable decisions to be taken between scheduled committee meetings.

The system is based on business line delegations and determining factors such as:

- VaR amounts;
- quantitative and qualitative operational limits;
- percentage increase in the event of a request for an increase to an existing limit;
- transaction type.

All limit requests must be examined beforehand by the Risk Department.

The Market Risk Department checks daily that limits are respected. Any excesses are reported to the front office and management as specified in the procedure for notifying excesses.

Global risk reporting is sent to members of the Executive Board and front office business line managers on a daily basis, and, if requested, to the Supervisory Board. The Risk Department submits overall limits and the main standards and procedures for validation to Natixis' Risk Committee, which is the highest authority in this area.

It reports regularly to the Group's central institutions within the framework of the Joint Standards and Methods Committee (as regards tripartite methodological aspects) and the Joint Risk Committee (as regards risk monitoring).

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4.3 - Structural interest rate, liquidity and currency risks

The Asset & Liability Committee (ALMS Committee), which is chaired by the Chief Executive Officer and includes representatives of the Corporate and Investment Bank, the Financial Department and the Risk Department, is responsible for monitoring Natixis' structural balance sheet risks. It meets once a quarter to define relevant risk management policy and concentrates on the following duties:

- monitoring on- and off-balance sheet movements;
- defining internal refinancing (transfer pricing) rules for the business lines;
- validating overall policy on refinancing, non-operational currency risk management and reinvestment of available regulatory capital;
- approving assumptions and rules used to devise indicators and stress scenarios;
- validating the overall limits applying to structural balance sheet risk indicators and liquidity crisis management procedures.

The ALMS Committee's remit covers the banking portfolios of the Bank's head office and of those branches and subsidiaries presenting significant structural balance sheet risks. In line with the tripartite convergence plan for monitoring structural balance sheet risks taken through Natixis' double affiliation, the supporting documents and minutes of all committee meetings are sent to the central institutions where Natixis' risk is monitored on a consolidated basis. As provided for by the convergence plan, Natixis' ALMS system is about to be interfaced with those of the central institutions.

The Corporate and Investment Bank's Treasury function is located in its offices in Paris, New York and Singapore. It handles refinancing for all of Natixis' operations. By centralizing the overall short-, medium- and long-term refinancing requirements for a large number of currencies, the Treasury function constantly optimizes liquidity costs for the benefit of the Group as a whole. It also facilitates an issuing policy that seeks maximum diversification of Natixis' debt, in terms of both instrument and geographic area.

As a corporate and investment bank, the bulk of Natixis' overall liquidity and interest-rate risks stem from the mismatching of transactions with contractual maturities. As a result, with the exception of structural positions, the impact of ALMS agreements on the operational management and risk monitoring and measuring mechanism is negligible.

At Group level, where the majority of Natixis' balance sheet risks are concentrated, this mismatching is centralized by the use of the Treasury's internal matching contracts and managed by delegation by the ALMS Committee. Because of their specific operations, certain subsidiaries qualifying as credit establishments are permitted to manage their own ALMS risk on a delegated basis via their own ALMS Committee or Treasury Committee.

Overall interest-rate risk on the Treasury Department's portfolio, which is primarily linear, is measured and tracked daily by the Risk Department using one-day VaR of 99% and portfolio value sensitivity at selected points and by currency. These measures are monitored daily by risk managers within a framework of directional and VaR limits.

Subsidiaries managing their own interest rate exposure and possessing material positions are subject to predefined sensitivity limits for a rate change of 100 bp (approved by the ALM Committee).

The exposure of Natixis' banking portfolio, essentially concentrated on its euro and US dollar (USD) content, to overall interest rate risk in 2008 does not call for any major comments.

Liquidity mismatching risk on Natixis' banking portfolio is measured on the basis of mismatching ratios defined for each class of maturity, e.g. the ratio of assets remaining due to liabilities remaining due. Minimum ratios validated by the ALM Committee were applied across the Treasury function.

As recommended by the regulatory authorities, the procedures for monitoring liquidity risk have been complemented by stress scenarios and by the preparation of a formal business continuity plan for the event of a liquidity crisis.

The financial crisis, which began during the summer of 2007 and worsened in 2008 following the failure of Lehman Brothers, led to significant tensions in the markets and a considerable rise in the cost of liquidity. Natixis reacted early in 2008 by a policy of prudent management, restricting its market operations requiring significant liquidities in order to limit its very short-term borrowings to the strict minimum. It also set up and optimized a bank of collateral eligible for central bank refinancing and took advantage of the opportunities provided by the authorities for such collateralized financing. Natixis' own measures, taken in conjunction with the policies implemented by its central institutions, enabled it to cope with the failure of the inter-bank market experienced in 2008. Finally, Natixis was able to complete its medium-term refinancing program for 2008, which mainly took the form of private and public issues as well as of use of the new measures instituted by the French ministry of finance.

Natixis' structural currency risk, which is primarily in USD, consists of risk from net investments abroad refinanced by currency purchase and risk resulting from revenue and expenses (whether of an exceptional or recurring nature) recorded in currencies other than the euro. Given the non-euro risk weighting, the ALM Committee approved continued refinancing of long-term investments via purchases of foreign currencies for the first component, in order to immunize the Bank's capital

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adequacy ratio. With regard to the second component, a portion of budgeted USD gross operating income is subject to hedging.

4.4 - Operational risks

The Operational Risk function is in charge of monitoring and controlling risks arising from the inappropriateness or failure of procedures, employees and internal systems or from outside events.

The missions and organization in respect of operational risks are described in Natixis' *Charter for Measuring*, *Controlling and Managing Operational Risks* which was approved by its Operational Risk Committee in September 2007. The Charter defines:

- procedures for measuring operational risks:
  - incident recording,
  - investigating major incidents,
  - risk-mapping,
  - indicators and environmental variables;
- procedures for controlling operational risks:
  - drafting and follow-up of action plans,
  - risk limits policy.

Since February 2008 the Operational Risk function has been subdivided into seven areas of control to ensure consistent coverage of Natixis' businesses and operations. Five of these areas report hierarchically to the Operational Risk Department whilst the other two have a functional relationship.

Coverage of the Group as a whole is ensured by a matrix-type organization combining business lines and geographic locations.

The Group's Operational Risk System is placed under the supervision of Natixis' Operational Risk Committee. This policy-making body acts by delegation of the Executive Board and as such, has full powers in respect of all matters within its scope of responsibility. The Committee is chaired by a member of the Executive Board and the Head of Operational Risk serves as its secretary.

Within each business line, there exists an Operational Risk Committee designed to ensure the closest control over the specific business risks. Each such Committee, which meets at least quarterly, is chaired by the Head of the Business Line with the participation of the Operational Risk Department which has a right of veto and acts as the Committee's secretary.

The main achievements of 2008 have been as follows:

- group-wide rollout of the dedicated reporting system and standardization of the reporting process, with the exception of Receivables Management;
- identification and quantification of Natixis' major risks as of December 31, 2008;
- support for key action plans such as:
  - the anti-market fraud task force set up following the Kerviel affair,
  - the task force responsible for harmonizing employee entry/departure procedures including external personnel,
  - reducing the number of back office suspense items and the time taken to resolve them,
  - standardization of the permanent data held on counterparties, in particular in New York.

Lastly, the Risk Department is involved in managing the operational risks related to the launch of new products and operations. It coordinates the analysis by the applicable support functions, as well as contributing to and chairing the committees dealing with such projects.

5 - INTERNAL CONTROL OVER FINANCIAL REPORTING

5.1 - Preparation of the consolidated financial statements

The Finance Department is responsible for preparing Natixis' consolidated financial statements using the consolidation system and manual now developed and administered by Natixis S.A. As a listed company Natixis is required to prepare its own consolidated financial statements, albeit the group of which it is the parent is included as part of the two consolidated groups formed by Groupe Banque Populaire and Groupe Caisse d'Epargne.

The consolidation process is operationally autonomous but nevertheless closely linked with that of the two central institutions.

The reliability of the process is based on the following core principles:

- definition and communication of the accounting principles applicable to Group companies, including analysis and interpretation of new IFRS texts issued during the period;
- use of the direct consolidation method (now being rolled out throughout the Group) in order to permit the consolidation packages from each consolidated company to be examined via a formal review process;
- preparation of consolidated financial statements on a quarterly basis. This allows for a better level of control over financial reporting, on the basis of projected transactions for the year

and increased reconciliation of intra-Group transactions and balances;

- an automated control procedure for individual information provided by the consolidated entities. This process uses consolidation packages including checks for accuracy and consistency which must be met for the data to be transmitted;
- item by item analysis of all entries that impact consolidated shareholders' equity and production of a tax proof for each consolidated entity. This procedure provides full evidence of consolidated shareholders' equity and individual justification of recognized deferred taxes;
- the provision of audit trail for all the accounting data published in the financial statements and their notes;
- archiving and security procedures including the twice-daily back-up of the unified consolidation database and regular data recovery testing;
- regular support and training of accounting teams at the consolidated entities providing input to the consolidation system, promoting the use of best practices throughout the Group.

During 2008, Natixis pursued the project started in 2007 and as a result, during the second half of the year, implemented its new Copernic consolidation system on schedule which:

- allows for the preparation of IFRS compliant local reporting packages, including deferred tax transactions and balances, and includes automated notes to the consolidated financial statements;
- ensures unified data for the Group's banking and insurance operations;
- provides adequate sub-group reporting (for CIB Natixis Garantie and Compagnie 1818 in particular) within the Natixis Group;
- offers report-generating functionalities adequate to the Bank's regulatory, statutory and prudential reporting requirements;
- and enables sub-consolidations to be prepared on demand.

Despite this progress which took effect at the September 2008 quarterly consolidation, the existence of two accounting environments at the parent company obliged Natixis to prepare two separate consolidation packages throughout the year, thereby complicating the overall process.

The development of a regular, formal approach to closing procedures, which began with the September 2007 quarterly consolidation, continued during 2008. It aided the scheduled compliance with the new regulatory constraints (the transparency directive) as well as the quarterly publication of financial statements.

Despite the change in IT systems, the process of reduction of reporting deadlines thus continued and enabled a gain of seven days in publishing the annual financial statements compared to 2007.

2009 will be devoted to:

- interfacing entities' reporting packages with the accounting systems so they can be input automatically;
- continuing to revise the accounting for intra-Group transactions and balances (by standardizing the rules for reporting and reconciling the intercompany balances between Natixis and its core shareholder groups).

5.2 - Internal control processes for consolidated entities

As part of the regulatory process implemented by the French Banking Commission (CRBF regulation 97-02) for the internal control systems of credit institutions, Natixis' Internal Audit Department uses the results of its periodic audits to assess internal control procedures. There is a particular focus on the accounting and financial procedures of all consolidated entities, whether or not they have credit institution status.

The fact that most subsidiaries have their own management and control functions means that internal control procedures are decentralized. Procedures are tailored to the organization of each of the consolidated entities. In all cases, the process includes several layers of controls:

- basic permanent and local controls included in processing programs at operational level and formalized in clearly defined working programs;
- independent, second-tier checks on processing operations performed by each entity's financial or accounting departments and which are geared to ensuring accounting data is both accurate and complete;
- third-tier controls conducted by the Internal Audit Department as part of its periodic audits.

These permanent and periodic controls encompass reviews of account justification work undertaken by the various departments, clearance of suspense items, reconciliation with management accounts (for both balance sheet and income statement), proper accrual of income and expenses, rectification of errors identified through these controls and the corresponding analyses and documentation.

These controls are conducted using the diverse accounting systems in use throughout the Group.

For all systems, Natixis and its subsidiaries continued efforts to upgrade their accounting and financial control procedures and develop adequate audit trail tools. The Group's Finance Department supervised and monitored the work performed at subsidiaries.

At the parent company level, Natixis has undertaken the preparation of an overall plan for its accounting systems (SSDS) integrating:

- new accounting software (Matisse) integrating the classic functionalities of an accounting ERP package (account codes, multi-currency accounting, scheduling, audit trail, etc.);
- new databases for the various account code dimensions (Counterparties, Products, Operations, Applications and Structure) so as to ensure consistent use by the Group's various systems;
- a specific database enabling centralization of all the information required by the systems generating financial statements and regulatory returns;
- an inventory and accounting reconciliation engine integrated into the tool, including two possible levels of reconciliation (inventory and transactions) and adaptable to different accounting code parameters;
- dedicated data warehouses enabling the configuration of standardized reports available to the Bank as a whole.

Matisse went live for the Group's ex-NBP entities on January 1, 2008 and, after a period running in parallel with the previous system, was confirmed as the sole accounting system with effect from April 1, 2008.

Natixis' teams continued working throughout the year to prepare the transfer of the Group's CIB/Capital Markets entities to Matisse, scheduled for 2009.

During this phase, the coexistence of two accounting systems, magnified by the migration of other applications towards the targeted management systems, complicated the accounting processes and increased the number of specific reconciliations performed.

Natixis' accounting control system is based on the following core principles:

- strict separation of recording and accounting control functions;
- a system of first-tier control at the level of business lines and second-tier control under the supervision of the Finance Department;
- dimensions tailored to objectives;
- work schedules balanced with the rollout of accounting controls;
- management and monitoring conducted by the Finance Department.

The system continues to be supported by two applications solutions:

- the first, developed by Natixis (Nordicc/Corot), is used for recovering, reporting and managing controls. It provides access to a database of accounting control procedures and documentation;
- the second (Accurate/Vermeer) industrializes reconciliation and suspense monitoring processes. In addition to the standard reconciliation and comparison functions, the tool includes a suspense control module that applies a risk-based approach to flag each item and monitor its elimination.

In the case of the CIB/Capital Markets entities the coexistence of the two different systems environments (as described above) justified maintaining, despite the merger of the accounting teams, separate control programs for Capital Markets and other operations.

The accounting and financial control procedures remained organized as follows:

- tier-one controls decentralized in back office and Financial Reporting functional levels, the first engaging in basic reconciliation using the Recon business line application and the second engaging in reconciliation of net banking income using the Ematch application;
- a centralized second-tier with operational and analytical responsibility for data justification and product information, and which also executes additional controls.

Most of the guiding principles for Accounting Control, as set out in its charter, have now been deployed although they are not yet fully harmonized nor based on the same systems.

2008 was dedicated to:

- adapting Natixis' existing control systems:

  Dedicated projects had to be set up to restructure accounting interfaces and add certain new functionalities.

  The changes made mainly consisted in integrating:

  - dual systems from the sales ledger and general accounting applications,
  - the modifications required by the changes in account codes and the associated new databases,
  - the transfer of certain functionalities previously handled by the accounting system.

  The projects resulted in the launch of Corot (replacing Nordicc) and Vermeer (replacing Accurate) simultaneously to that of Matisse;
- undertaking rationalization as part of the Performance Project:

In conjunction with the Organization Department, the Finance Department is implementing a wide-ranging review of Accounting Control, without compromising the scope of control or the level of quality required for financial statement preparation. The aim is to improve the function's competencies and productivity within the context of the planned adjustments to levels of employment.

Applied as a Group-wide exercise, the project has involved:

- focusing accounting control on the monthly closing procedures, while at the same time recognizing the necessity of continuing to make use of dedicated teams for routine accounting work such as processing suspense items;
- identification of areas for improvement requiring analysis of processes or changes to systems;
- simplification of first-tier control by regrouping the control teams in the business lines and confirming their functional attachment to the second-tier control function.

In the context of the financial crisis and resulting tighter controls, the Group's accounting control teams have been particularly active, especially regarding validation of risk exposure and the corresponding financial reporting requirements.

2008 has also been marked by an increase in the volume of suspense items as a result of the migration of accounting systems, the systematic recording of internal transactions and the discontinuous processing arising from the front to back integration.

Task forces were set up to review and resolve these suspense items, the structural causes of which were identified in order to enable appropriate corrective action to be taken in the relevant applications.

At the parent company level, 2009 will see:

- the CIB entities as a whole, currently using two accounting systems, making use of Matisse;
- new foreign entities being integrated within Copernic.

Changes will continue to be made within accounting control. An automated system for chasing up unresolved suspense items will be part of this using the new functionalities of Vermeer.

In this context, and once GEAC has migrated to Matisse, a review will be performed to assess the scope for increased convergence of the accounting control systems.

The use of a unique application solution will enable accounting control to be reinforced and to provide for Group-wide centralized monitoring.

Above and beyond changes to systems, accounting control will be reinforced by:

- adding new controls relating to both individual and collective risks;
- instituting a program of on-site and documentary controls to be performed within the business lines, thus complementing the periodic second-tier controls performed.

Lastly, the Performance Project for the accounting control functions (launched in 2008) will be continued, in particular for Services and Capital Markets, with the aim of achieving a consistent level of accounting control over the Natixis S.A. Group as a whole.

The Finance Department teams of Natixis have been temporarily reinforced in order to develop consistency, control and analysis procedures for the reporting packages received, as well as monitor the second-tier controls performed by the finance or accounting departments of each subsidiary or branch. To this end, a Group-wide process of analytical review has been ongoing since June 2007 and will become an integral part of the Group's accounting organization with effect from 2009.

2009 will also see the centralization of the accounting control programs applied locally by each consolidated Natixis entity, thus contributing to the continuous improvement of financial statement preparation.

5.3 - External control

In addition to the control procedures followed by the financial departments responsible for preparing individual or consolidated accounts, the quality of accounting controls is verified by:

- ad hoc audit assignments conducted by the Internal Audit Departments of Natixis' central institutions (CNCE, BFBP) and of Natixis itself;
- audits carried out by the French Banking Commission in its role as banking regulator;
- audits carried out by the three firms of external auditors, who work in collegiate fashion consistently throughout all Group entities. The conclusions from these audits take into account Natixis' compliance with Group policies and the effectiveness of local internal control procedures.

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CONCLUSION

Natixis was created at the end of 2006 and so completed its second full year in 2008.

During the year the bank has, in common with other financial institutions, been confronted with the difficulties arising as a result of the international financial crisis, to which both the Supervisory Board and the Audit Committee – which met fourteen times during the year – has paid particular attention.

Natixis has also continued to assume the constraints of the merger process initiated at the end of 2006, and to progress towards its objective of consolidating its approach to corporate governance and integrating and rationalizing its internal control systems.

In 2007, Natixis undertook major projects designed to achieve convergence in its accounting and financial reporting systems and these projects were pursued in 2008.

François Pérol

Chairman of the Supervisory Board

Auditors' report on Chairman's report

STATUTORY AUDITORS' REPORT PREPARED IN ACCORDANCE WITH ARTICLE L.225-235 OF THE FRENCH COMMERCIAL CODE (CODE DE COMMERCE), ON THE REPORT PREPARED BY THE CHAIRMAN OF THE SUPERVISORY BOARD OF NATIXIS

Year ended December 31, 2008

This is a free translation into English of the Statutory Auditors' report issued in French prepared in accordance with Article L.225-235 of the French Commercial Code on the report prepared by the Chairman of the Supervisory Board of Natixis on the internal control procedures relating to the preparation and processing of accounting and financial information issued in French and is provided solely for the convenience of English-speaking users.

This report should be read in conjunction with, and construed in accordance with, French law and the relevant professional standards applicable in France.

Shareholders,

In our capacity as Statutory Auditors of Natixis and in accordance with Article L.225-235 of the French Commercial Code (Code de commerce), we hereby report to you on the report prepared by the Chairman of the Supervisory Board in accordance with Article L.225-68 of the French Commercial Code for the year ended December 31, 2008.

It is the Chairman's responsibility to prepare, and submit to the Supervisory Board for approval, a report on the internal control and risk management procedures implemented by the company and containing the other disclosures required by Article L.225-68 of the French Commercial Code, particularly in terms of corporate governance.

It is our responsibility:

- to report to you on the information contained in the Chairman's report in respect of the internal control procedures relating to the preparation and processing of accounting and financial information; and
- to attest that this report contains the other disclosures required by Article L.225-68 of the French Commercial Code, it being specified that we are not responsible for verifying the fairness of these disclosures.

We conducted our work in accordance with professional standards applicable in France.

Information on the internal control procedures relating to the preparation and processing of accounting and financial information

The professional standards require that we perform the necessary procedures to assess the fairness of the information provided in the Chairman's report in respect of the internal control procedures relating to the preparation and processing of accounting and financial information. These procedures mainly consisted of:

- obtaining an understanding of the internal control procedures relating to the preparation and processing of accounting and financial information on which the information presented in the Chairman's report is based and the existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and the existing documentation;
- determining whether any significant weaknesses in the internal control procedures relating to the preparation and processing of accounting and financial information that we might have noted in the course of our engagement are properly disclosed in the Chairman's report.

On the basis of our work, we have nothing to report on the information in respect of the company's internal control procedures relating to the preparation and processing of accounting and financial information contained in the report prepared by the Chairman of the Supervisory Board in accordance with Article L.225-68 of the French Commercial Code.

Other disclosures

We hereby attest that the Chairman's report includes the other disclosures required by Article L.225-68 of the French Commercial Code.

Neuilly-sur-Seine and Paris-La-Défense, March 30, 2009

The Statutory Auditors

DELOITTE & ASSOCIÉS	SALUSTRO REYDEL	MAZARS
Damien Leurent	Member of KPMG International	Charles de Boisriou
	Michel Savioz	Michel Barbet-Massin

8 LEGAL INFORMATION

Report from the Executive Board on the resolutions to be put to the vote at the General Shareholders' Meeting

Forty resolutions are put to the vote at a Combined General Shareholders' Meeting on April 30, 2009 at 14h30 at the Espace de la Grande Arche, Parvis de la Défense – 92044 La Défense. They can be broken down into three groups:

- the first nine resolutions (from the 1st to the 9th) are ordinary business for 2008 (accounts, regulated agreements) as well as the ratification of co-optations and appointments to the Supervisory Board since the last General Meeting;
- the next nine resolutions (from the 10th to the 18th) are extraordinary business and relate to the change in company administration and management as well as the transfer or renewal of authorizations and delegated financial powers;
- the last 22 resolutions (from the 19th to the 40th) are more ordinary business and relate to the composition of the new Board of Directors and Company trading in treasury share.

ORDINARY BUSINESS RESOLUTIONS (1 TO 9)

Approval of the accounts for 2008

In **the first and second resolution**, the Shareholders' Meeting is being asked to approve, respectively, Natixis individual and consolidated financial statements for 2008.

The **third resolution** aims to appropriate earnings by charging it entirely to retained earnings and the issue premium.

Regulated party agreements

The **fourth resolution** concerns the approval of regulated agreements, in application of Article L.225-86 of the French Commercial Code, entered into before 2008 and still in force as well as new agreements authorized by the Supervisory Board in 2008. These regulated party agreements are presented in the Statutory Auditors' special report.

The **fifth and sixth resolution** aim to approve and expressly ratify the master credit and financial guarantee agreements concluded, respectively with Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne within the framework of agreements entered into thereby with the Société de Financement de l'Économie Française (SFEF).

Ratification of co-optation of members of the Supervisory Board and the appointment of a non-voting member

In the **seventh, eighth and ninth resolutions**, the shareholders are being asked to ratify, respectively, the co-optation of Olivier Klein and François Pérol as members of the Supervisory Board and the appointment of Luigi Maranzana as non-voting member of the Supervisory Board.

EXTRAORDINARY BUSINESS RESOLUTIONS (10 TO 18)

Change in how the Company is administered with the creation of a Board of Directors

In the **tenth and eleventh resolution**, shareholders are being asked to adopt, in place of an executive and Supervisory Board, the form of a public limited company (société anonyme) with a Board of Directors and, as a result, to amend the bylaws.

Reduction of share capital by cancellation of treasury share

In the **twelfth resolution**, the shareholders are being asked to authorize the Board of Directors to cancel, for a period of 18 months, as a means of reducing the share capital, all or part of the treasury share owned by your company or acquired within the scope of the authorization given by the Ordinary General Shareholders' Meeting, within the limit of 10% of the capital in any 24 month period. This authorization would render any prior authorization of the same type, for unused amounts, null and void.

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Renewal of authorizations and delegated financial powers

The shareholders are being asked to renew authorizations and delegated financial powers investing the Board of Directors with the right to issue, within 26 months of this meeting, those securities best suited, in terms of flexibility and speed, to meet the Company's financing needs. They shall render null and void those authorizations and powers adopted by the Extraordinary General Shareholders' Meeting on August 29, 2008 for the same purpose, the ceiling for which was almost reached by the capital increase of September 2008. The additional report from the Executive Board describes the uses made of these authorizations.

The **thirteenth and fourteenth resolutions** aim to invest the Board of Directors with the power to decide to increase the share capital both with, and without, preferential subscription rights. These capital increases, the overall ceiling of which shall not exceed the overall nominal maximum of €5 billion, may be implemented either by issuing shares or by issuing securities giving access to share capital, particularly in the form of securities representing debts (the total nominal amount of these securities representing debts not being permitted to exceed €1.5 billion). A capital increase without preferential subscription rights shall result in the Board of Directors compiling an additional report outlining the reasons for this choice.

In addition, within the context of certain special operations, the Board of Directors may decide:

- to increase capital without preferential subscription voting rights with a view to remunerating contributions in kind granted to the Company, within the limit of 10% of the share capital at the time of the issue; this being the subject of the **fifteenth resolution**;
- to increase capital by incorporating premiums, reserves, earnings or other items; this being the subject of the **sixteenth resolution**;
- to increase the number of securities to be issued within the legal limits in the event of a capital increase with, or without, preferential subscription rights; this being the subject of the **seventeenth resolution**.

Finally, in the **eighteenth resolution**, shareholders are asked to renew the authority delegated to the Board of Directors to decide on capital increases reserved for members of company savings plans for up to a maximum of €16 million to be charged against the overall ceiling mentioned above.

ORDINARY BUSINESS RESOLUTIONS (19 TO 40)

Appointment of members of the Board of Directors and non-voting members

Resolutions 19 to 37 ask the shareholders to appoint 17 directors, including 4 independent directors and 2 non-voting members. The **thirty-eighth resolution** aims to set the overall annual amount of directors' fees to be allocated to members of the Board of Directors as a whole at €500,000.

Authority to trade in the Company's treasury shares

In **the thirty-ninth resolution**, shareholders are asked to authorize the Board of Directors to set up a treasury share buyback program until, in accordance with the law, a maximum of 10% of the capital is owned. The maximum purchase price is set at €10 per share.

Power to complete formalities

Finally, **the fortieth resolution** relates to the issue of the powers required to complete legal formalities and publications relating to ordinary and extraordinary business.

Adoption of all the resolutions, apart from the 18th resolution, submitted for approval by this Combined General Shareholders' Meeting has been approved by the Executive Board.

Draft resolutions for the Combined General Shareholders' Meeting on April 30, 2009

ORDINARY BUSINESS

First resolution *(Approval of the parent company financial statements for 2008)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for an ordinary general meeting, having heard the Executive Board's management report, the observations of the Supervisory Board on the Executive Board's management report and on the parent company financial statements for the financial year just ended, the report from the chairman of the Executive Board on the tasks undertaken by the board and on internal control procedures, as well as the Statutory Auditors' report for the year ended on December 31, 2008, approves the parent company financial statements for 2008, as presented, as well as the transactions represented in these accounts or summarized in these reports, showing a loss of €5,053,779,558.57.

Second resolution *(Approval of the consolidated financial statements for 2008)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, approves, in accordance with the provisions of Articles L.233-16 et seq. of the French Commercial Code, the consolidated financial statements for 2008, as presented, as well as the transactions represented in these accounts or summarized in these reports.

Third resolution *(Appropriation of earnings)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, upon recommendation of the Executive Board, decides to allocate the loss for 2008, i.e.: €5,053,779,558.57, by charging it against the issue premium.

The General Shareholders' Meeting is reminded that, as required by law, net dividends paid in the previous three years were as follows:

	2007	2006	2005 **
Total amount of dividend distributed	€549,919,212.30	€1,049,083,323.80	€244,977,400
Dividend per share	€0.45 *	€0.86 *	€0.50*
Number of remunerated shares	1,222,042,694	1,219,864,330	489,954,800

* *The dividend was eligible for the 40% allowance and for a fixed allowance.*

** *Pro forma after division of the nominal value by 10.*

Fourth resolution *(Approval of regulated party agreements referred to by Article L.225-86 et seq. of the French Commercial Code)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, having heard the special report from the Statutory Auditors on the agreements referred to in Article L.225-86 of the French Commercial Code, approves the regulated party agreements mentioned therein, pursuant to Article L.225-88 of the French Commercial Code.

Fifth resolution *(Ratification of two regulated agreements)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, having heard the special report from the Statutory Auditors prepared in application of Article L.225-90 of the French Commercial Code, expressly approves and ratifies, under the terms of Articles L.225-88 and L.225-90 of the French Commercial Code, the master credit and financial guarantee agreements concluded on December 3, 2008 with Banque Fédérale des Banques Populaires (BFBP), within the framework of agreements entered into thereby with the Société de Financement de l'Économie Française (SFEF) acknowledging that the Supervisory Board was informed of these agreements at its meeting on January 21, 2009.

Sixth resolution *(Ratification of two regulated agreements)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, having heard the special report from the Statutory Auditors prepared in application of Article L.225-90 of the French Commercial Code, expressly approves and ratifies, under the terms of Articles L.225-88 and L.225-90 of the French Commercial Code, the master credit and financial guarantee agreements concluded on December 4, 2008 with Caisse Nationale des Caisses d'Epargne (CNCE), within the framework of agreements entered into thereby with the Société de Financement de l'Économie Française (SFEF), acknowledging that the Supervisory Board was informed of these agreements at its meeting on January 21, 2009.

Seventh resolution *(Ratification of the co-optation of Olivier Klein as member of the Supervisory Board)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, ratifies the co-optation by the Supervisory Board on November 12, 2008 of Olivier Klein as member of the Supervisory Board, replacing Charles Milhaud, who tendered his resignation, for the remainder of the latter's term of office, i.e. until the end of the General Shareholders' Meeting called to rule on the accounts for the year ending on December 31, 2011.

Eighth resolution *(Ratification of the co-optation of François Pérol as member of the Supervisory Board)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, ratifies the co-optation by the Supervisory Board on March 6, 2009 of François Pérol as member of the Supervisory Board, replacing Bernard Comolet who tendered his resignation, for the remainder of the latter's term of office, i.e. until the end of the General Shareholders' Meeting called to rule on the accounts for the year ending on December 31, 2011.

Ninth resolution *(Ratification of the provisional appointment of Luigi Maranzana as non-voting member of the Supervisory Board)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, ratifies the provisional appointment by the Supervisory Board on October 8, 2008 of Luigi Maranzana as non-voting member of the Supervisory Board, replacing Alfonso Iozzo, who tendered his resignation, for a six-year period, i.e. until October 8, 2014.

EXTRAORDINARY BUSINESS

Tenth resolution *(Change in how the company is administered and managed with the creation of a Board of Directors)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, having heard the Executive Board's report:

1) Decides to change the way in which the Company is administered and managed by adopting, instead of executive and Supervisory Boards, the form of a public limited company with a Board of Directors governed by Articles L.225-17 to L.225-56 of the French Commercial Code;

2) Decides that this change shall come into force at the end of this Combined General Shareholders' Meeting;

3) Acknowledges, as a result of the adoption of the method of administration by a Board of Directors, that the terms of office of the members of the Supervisory Board, the members of the Executive Board and the non-voting members shall come to an end at the close of this Combined General Shareholders' Meeting.

Eleventh resolution *(Adoption of new and updated bylaws)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for extraordinary general meetings, subject to the adoption of the tenth resolution of this general meeting, having heard the Executive Board's report and the draft amended bylaws:

1) Decides to adopt, Article by Article, and in its entirety, the text of the new amended bylaws updated in consideration of amendments pertaining to the way in which the Company is to be administered and managed and to the simplification and updating of the bylaws after this general meeting and a copy of which will remain attached to the minutes of this General Shareholders' Meeting;

2) Decides that the financial statements for the financial year commencing on January 1, 2009 shall be prepared and presented in accordance with legal and statutory requirements for the Board of Directors.

Twelfth resolution *(Authorization given to the Board of Directors to reduce the share capital by canceling shares purchased under the share buyback program)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for extraordinary general meetings, subject to the adoption of the 10th and 11th resolutions of this general meeting, having heard the Executive Board's report and the special report from the Statutory Auditors and pursuant to the provisions of Articles L.225-209 et seq. of the French Commercial Code:

1) Authorizes the Board of Directors to cancel, upon one or more occasions, in the proportions and at the times determined by it, within a limit of 10% of the share capital (it being specified that this limit applies to the Company share capital amount adjusted, where necessary, to take into consideration transactions affecting the share capital subsequent to this general meeting), for each 24 month period, all or part of the share that the Company holds or may hold in the future, to reduce the share capital correspondingly and to allocate the difference between the purchase value of the cancelled share s and their nominal value to the premiums and reserves available, including the legal reserve, for up to 10% of the cancelled share capital;

2) Invests the Board of Directors with full authority, with the right to sub-delegate pursuant to legal requirements, to proceed with this or these capital reduction(s) and, as a consequence, to amend the bylaws, as well as to provide all related information, arrange all publications and complete all formalities and, generally speaking, do what is necessary.

This authorization which, as of today, renders null and void, where appropriate, the unused part of any prior delegation for the same purpose, i.e. any delegation of power to reduce the share capital by cancellation of treasury share and, in particular, the authorization granted by the Combined General Shareholders' Meeting of May 22, 2008 in its 14th resolution, is granted for a period of 18 months from the date of this meeting.

Thirteenth resolution *(Delegation of power to the Board of Directors to decide on an increase in share capital by issuing – with preferential subscription rights – shares and/or securities giving access to Company capital and/or by issuing capital securities representing debts)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for extraordinary general meetings, subject to the adoption of the 10th and 11th resolutions of this general meeting, having heard the Executive Board's report and the special report from the Statutory Auditors and pursuant to the provisions of Articles L.225-129 et seq. of the French Commercial Code, in particular, Article L.225-129-2 of said Code and the provisions of Articles L.228-91 et seq. of the French Commercial Code:

1) Delegates to the Board of Directors, with the right to sub-delegate pursuant to legal requirements, its powers to decide to increase the share capital, on one or more occasions, in France or abroad, in the proportion and at the times that it deems fit, either in Euro or in any other currency or monetary unit established in reference to several currencies, by issuing Company shares (not including preference shares) and/or capital securities giving immediate and/or future access to Company capital (whether these are new or existing shares), issued for a fee or free of charge, governed by Articles L.228-91 et seq. of the French Commercial Code, it being specified that subscription for shares and other securities may be in cash, either by offsetting debts, or by incorporating reserves, earnings or premiums or, under the same conditions, to decide to issue securities representing debts governed by Articles L.228-91 et seq. of the French Commercial Code;

2) Delegates to the Board of Directors, with the right to sub-delegate pursuant to legal requirements, its powers to decide to issue securities giving access to the capital of companies in which it holds a direct, or indirect capital interest in excess of 50%;

3) Decides to set, as follows, limits on the capital increases authorized in the event of use by the Board of Directors of this delegation of power:

- the maximum nominal amount of capital increases likely to be implemented immediately or in the future by virtue of this delegation is set at €5 billion (or the exchange value of this amount on the issue date in the event of issue in another currency), it being specified that the maximum overall nominal amount of capital increases likely to be implemented by virtue of this delegation and delegations conferred by virtue of resolutions 14, 15, 16, 17, and 18 of this meeting, shall be charged against this overall ceiling,
- the nominal amount of any additional shares that may be issued in the event of new financial operations, will be added to this ceiling to preserve the rights of holders of securities giving access to capital in accordance with the law and applicable contractual stipulations,
- should debt securities be issued by virtue of this delegation, the overall maximum nominal amount of the debt securities thus issued by virtue of this delegation may not exceed €1.5 billion (or the exchange value of this amount on the issue date if the issue is in another currency), this amount being increased, where necessary, by any above-par redemption premium;

4) Fixes the period of validity of the delegation of power covered by this resolution at 26 months from the date of this meeting;

5) Should the Board of Directors use this delegation of power:

- decides that the issue or issues shall, in preference, be reserved for shareholders who may subscribe, by way of right, in proportion to the number of shares owned by them at that time,

- acknowledges the fact that the Board of Directors is, in accordance with the law, entitled to grant shareholders the right to subscribe, subject to allocation, for a number of shares greater than those for which they may subscribe by way of right, in proportion to their subscription rights, and in any event, within the limit of their application,
- decides that, in accordance with Article L.225-134 of the French Commercial Code, if the subscriptions by way of right, and where appropriate, subject to allocation, have not taken up the entire issue, the Board of Directors may use, under the conditions provided for by the law and in the order which it will determine, one and/or the other of the options given below:
  - to limit the capital increase to the amount of subscriptions on condition that this amount reaches at least three-quarters of the increase initially decided upon,
  - to freely distribute all or part of the shares or, in the case of securities giving access to capital, securities whose issue has been decided but which have not yet been subscribed,
  - to offer the public all, or part, of the shares or, in the case of securities giving access to capital, those securities that have not been subscribed for, either on the French market or abroad;
- decides that share purchase warrants for Company shares may be issued not only by means of a subscription offer, but also by free assignment to the owners of old shares, given that the Board of Directors will be entitled to decide that rights relating to fractional amounts will not be negotiable and that the corresponding securities will be sold,
- acknowledges the fact that this delegation of power automatically signifies the waiver by the shareholders of their preferential subscription right to the shares to which these securities will give immediate, or future, access, for the benefit of the holders of securities issued and giving access to Company capital;

6) Decides that the Board of Directors shall have full authority, with the right to sub-delegate pursuant to legal requirements, to implement this delegation of power, for the purpose, in particular, of:

- deciding on one or more increases in capital and determining the securities to be issued,
- finalizing the terms of the issue or issues(s),
- deciding on the amount of capital increase, the issue price as well as the amount of premium that may, if appropriate, be requested upon issue,
- determining capital increase dates and procedures, the nature, the number and the characteristics of the securities to be created; deciding, in addition, in the case of bonds or other debt securities (including the securities giving access to debt securities referred to in Article L.228-91 of the French Commercial Code), whether or not they should be subordinate (and, where necessary, their subordination ranking, in accordance with the provisions of Article L.228-97 of the French Commercial Code), fixing their interest rate (in particular, fixed or variable rate or zero-rated or index-linked) and providing, if necessary, for mandatory or optional cases of suspension or non-payment of interest, planning their term (fixed or indefinite period), the possibility of reducing or increasing the par value of securities and other issue procedures (including the act of investing them with guarantees or sureties) and of amortization (including redemption by delivery of Company assets); if necessary, these securities may be accompanied by warrants giving entitlement to the allocation, acquisition or subscription of bonds or other securities representing debts, or providing for the Company to have the option to issue debt securities (equivalent or not) as payment of interest which may have been suspended by the Company, or may even take the form of complex bonds in the widest sense understood by share market authorities (for example, due to their redemption or remuneration procedures or other entitlements such as index-linking or option rights); changing, during the lifetime of the securities in question, the procedures referred to above, in accordance with applicable formalities,
- determining the way in which shares or securities giving access to capital to be issued immediately or in the future are to be paid up,
- if necessary, setting the terms for exercising rights (where appropriate, conversion, exchange and redemption rights, including redemption by delivery of Company assets such as securities already issued by the Company) attached to the shares or securities giving access to capital to be issued and, in particular, finalizing the date, even if this is retroactive, from which the new shares will bear interest, as well as any other terms and conditions of their issue(s),
- setting the terms under which the Company will, where appropriate, have the right to buy or trade on the market, at any time or for set periods, the securities issued or to be issued immediately or in the future with a view to their possible cancellation, in consideration of legal requirements,
- providing for any option to eventually suspend the exercise of rights attached to these securities in accordance with legal and regulatory requirements,
- at its sole initiative, setting off the fees for the capital increase against related premiums and deducting from this amount the sums required for allocation to the legal reserve,
- making any adjustments intended to take into consideration the impact of operations on the Company's capital, in particular, should there be any changes to the par value of shares, capital increases by incorporation of reserves, free allocations of shares, division or groupings of securities, distributions of reserves or any other assets, amortization of capital, or any other operation affecting the equity or the capital (including by means of a public offer and/or in the

event of a change in control), and setting the terms under which, where appropriate, the rights of holders of securities giving access to capital will be guaranteed,

- recording the completion of each capital increase and making related amendments to the bylaws,
- generally speaking, concluding any agreements, in particular, for the successful completion of the planned issues, taking any measures and completing any formalities required for the issue, quotation and financial servicing of the issued securities, in accordance with this delegation of power, and the exercising of the rights attached to it, recording the completion of each capital increase, making related amendments to the bylaws and generally doing what is necessary;

7) Acknowledges the fact that this delegation renders null and void, as of the date of this meeting, up to the unused part of any prior delegation for the same purpose, i.e. any delegation of power relating to capital increases with preferential subscription rights, covering the securities and transactions referred to in this resolution and, in particular, the 1st resolution of the Extraordinary General Shareholders' Meeting held on August 29, 2008;

8) Acknowledges the fact that, should the Board of Directors come to use the delegation of power invested in them in this resolution, the Board of Directors shall report to the next ordinary general meeting, in accordance with the law and regulations, on the use made of the authorizations invested in this resolution.

Fourteenth resolution *(Delegation of power to the Board of Directors to decide on an increase in share capital by issuing – without preferential subscription rights – shares and/or securities giving access to Company capital and/or by issuing securities representing debt securities)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for extraordinary general meetings, subject to the adoption of the 10th and 11th resolutions of this general meeting, having heard the Executive Board's report and the special report from the Statutory Auditors and pursuant to the provisions of Articles L.225-129 et seq. of the French Commercial Code, in particular, Article L.225-129-2, L.225-135, L.225-136 and L.225-148 of said Code and the provisions of Articles L.228-91 et seq. of said Code:

1) Delegates to the Board of Directors, with the right to sub-delegate pursuant to legal requirements, its powers to decide to increase the share capital, on one or more occasions, in the proportion and at the times that it deems fit, subject to the provisions of Article L.233-32 of the French Commercial Code, in France or abroad, by a public offer or by an offer referred to in Article L.411-2, II of the French Monetary and Financial Code (Code monétaire et financier) (as amended by Order No. 2009-80 of January 22, 2009), either in Euros, or in any other currency or monetary unit established in reference to several currencies, by issuing Company shares (not including preference shares) and/or securities giving immediate and/or future access to Company capital (whether these are new or existing shares) issued for a fee or free of charge, governed by Articles L.228-91 et seq. of the French Commercial Code, it being specified that subscription for shares and other securities may be in cash, either by offsetting debts, or by incorporating reserves, earnings or premiums or, under the same conditions, to decide to issue securities representing debts governed by Articles L.228-91 et seq. of the French Commercial Code. These securities may, in particular, be issued by way of remuneration for securities tendered within the context of a public exchange offer in France or abroad, in accordance with local regulations (for example, as part of an Anglo-Saxon type reverse merger) on securities meeting the requirements set by Article L.225-148 of the French Commercial Code;

2) Delegates to the Board of Directors, with the right to sub-delegate pursuant to legal requirements, its powers to decide to issue shares or securities giving access to Company capital to be issued subsequent to the issue, by companies in which the Company has a direct or indirect capital interest in excess of 50%, of securities giving access to Company capital; and acknowledges the fact that this decision signifies the automatic waiver by Company shareholders of their preferential right to subscribe for the shares or securities giving access to Company capital to which these securities give entitlement, for the benefit of holders of securities likely to be issued by companies belonging to the parent company group;

3) Delegates to the Board of Directors, with the right to sub-delegate pursuant to legal requirements, its powers to decide to issue securities giving access to the capital of companies in which it holds a direct, or indirect, capital interest in excess of 50%;

4) Decides to set, as follows, limits on the capital increases authorized in the event of use by the Board of Directors of this delegation of power:

- the maximum nominal amount of capital increases likely to be implemented immediately, or in the future, by virtue of this delegation is set at €5 billion (or the exchange value of this amount on the date of issue in the event of issue in another currency), it being specified that this amount will be charged against the overall ceiling provided for in point 3 (first sub-paragraph) of the 13th resolution of this meeting or, where appropriate, against any overall ceiling that may be provided for by any resolution of the same type that may supersede said resolution during the period of validity of this delegation, it being specified that in any event, securities issued by means of an offer referred to in Article L.411-2, II of the French Monetary and Financial Code (as amended by Order No. 2009-80 of January 22, 2009) are limited by law,

- the nominal amount of any additional shares that may be issued in the event of new financial operations, will be added to this ceiling to preserve the rights of holders of securities giving access to capital in accordance with the law and applicable contractual stipulations,
- should debt securities be issued by virtue of this delegation, the overall maximum nominal amount of the debt securities thus issued by virtue of this delegation may not exceed €1.5 billion (or the exchange value on the issue date if the issue is in another currency), it being specified that (i) this amount will be charged against the ceiling for securities giving access to capital representing debt provided for in point 3 (third sub-paragraph) of the 13th resolution of this meeting or, where appropriate, against any ceiling that may be provided for by any resolution of the same type that may supersede said resolution during the period of validity of this delegation, and (ii) where appropriate, any above-par redemption premium will be added to this amount;

5) Fixes the period of validity of the delegation of power covered by this resolution at 26 months from the date of this meeting;

6) Decides to abolish shareholders' preferential subscription right to securities covered by this resolution, granting, however, the Board of Directors, in application of Article L.225-135, paragraph 2 of the French Commercial Code, the option to give shareholders, for a period, and under the terms set by it in accordance with legal and regulatory provisions applicable, and for all or part of an issue, a deadline for preferential subscription, not resulting in the creation of negotiable rights to be exercised, in proportion to the number of shares owned by each shareholder and which may eventually be supplemented by subscription subject to reduction, it being specified that securities not subscribed for in this way will be the subject of a public placement in France or abroad;

7) Acknowledges the fact that if subscriptions, including where appropriate, shareholder subscriptions, have not taken up the entire issue, the Board of Directors may limit the operation to the amount of subscriptions received provided that this reaches at least three quarters of the issue initially decided upon;

8) Acknowledges the fact that this delegation of power signifies the automatic waiver by shareholders of their preferential right to subscribe for the shares to which these capital securities will give immediate, or future, access for the benefit of holders of issued securities giving access to Company capital;

9) Acknowledges the fact that, pursuant to Article L.225-136 1 paragraph 1 of the French Commercial Code:

- the issue price of shares issued directly shall at least amount to the minimum provided for by regulations applicable on the issue date (on the date of this meeting, the weighted average of the prices quoted on Euronext Paris during the last three sessions prior to the subscription price for the capital increase being set, less 5%) after, if necessary, correction of this average in the event of different dated dates,
- the issue price of securities giving access to capital shall be such that the sum received immediately by the Company, plus, where necessary, the amount likely to be received by it at a later date is, for each share issued as a result of the issue of these securities, at least the same as the minimum subscription price set in the previous paragraph,
- each security giving access to capital is converted, redeemed or, generally speaking, transformed into shares, in consideration of the par value of the bond or of said security, such that the sum received by the Company for each share is at least the same as the minimum subscription price set in the first paragraph of this point 9;

10) Decides that the Board of Directors shall have full authority, with the right to sub-delegate pursuant to legal requirements, to implement this delegation of power, for the purpose, in particular, of:

- deciding on one or more increases of capital and determining the securities to be issued,
- finalizing the terms of the issue or issues(s),
- deciding on the amount of capital increase, the issue price as well as the amount of premium that may, if appropriate, be requested upon issue,
- determining capital increase dates and procedures, the nature, the number and the characteristics of the securities to be created; deciding, in addition, in the case of bonds or other debt securities (including the securities granting debt securities, referred to in Article L.228-91 of the French Commercial Code), whether or not they are subordinated (and, where necessary, their subordination ranking, in accordance with the provisions of Article L.228-97 of the French Commercial Code), fixing their interest rate (in particular, fixed or variable rate or zero-rated or index-linked) and providing, if necessary, for mandatory or optional cases of suspension or non-payment of interest, planning their term (fixed or indefinite period), the possibility of reducing or increasing the nominal value of securities and other issue procedures (including investing them with guarantees

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or sureties) and of amortization (including redemption by delivery of Company assets); if necessary, these securities may be accompanied by warrants giving entitlement to the allocation, acquisition or subscription of bonds or other securities representing debts, or providing for the Company to have the option to issue debt securities (equivalent or not) as payment of interest which may have been suspended by the Company, or may even take the form of complex bonds in the widest sense understood by share market authorities (for example, due to their redemption or remuneration procedures or other entitlements such as index-linking or option rights); changing, during the lifetime of the securities in question, the procedures referred to above, in accordance with applicable formalities,

- determining the way in which shares or securities giving access to capital to be issued immediately or in the future are to be paid up,
- setting, if necessary, the terms for exercising rights (where appropriate, conversion, exchange and redemption rights, including by delivery of Company assets such as treasury share and securities already issued by the Company) attached to shares or securities giving access to capital to be issued and, in particular, finalizing the date, even if it is retroactive, from which the new shares will bear interest, as well as any other terms and conditions of their issue(s);
- setting the terms under which the Company will, where appropriate, have the right to buy or trade on the market, at any time or for set periods, the securities issued or to be issued immediately or in the future with a view to their possible cancellation, in consideration of legal requirements,
- providing for any option to suspend entitlement to exercise the rights attached to these securities in accordance with legal and regulatory provisions,
- where securities are issued to remunerate securities tendered within the context of a public offer containing an exchange component (OPE), determining the list of securities tendered for the exchange, setting the issue conditions, the exchange parity and, where appropriate, the amount of cash adjustment to pay and determining the terms of the issue within the context of a public exchange offer, an alternative tender or exchange offer, or a single offer proposing the purchase or exchange of the securities in question against payment in securities and in cash, or a tender offer (OPA) or a primary exchange, matching a public exchange offer or a subsidiary tender offer, or any other form of public offer conforming to the law and to regulations applicable to said public offer,
- at its sole initiative, setting off the fees for the capital increase against related premiums and deducting from this amount the sums required for allocation to the legal reserve,
- making any adjustments intended to take into consideration the impact of operations on the Company's capital, in particular, should there be any changes to the par value of shares, capital increases by incorporation of reserves, free allocations of shares, division or groupings of securities, distributions of reserves or any other assets, amortization of capital, or any other operation affecting the equity or the capital (including by means of a public offer and/or in the event of a change of control), and setting the terms under which, where appropriate, the rights of holders of securities giving access to capital will be guaranteed,
- recording the completion of each capital increase and making related amendments to the bylaws,
- in general, concluding any agreements, particularly to achieve the success of the issues envisaged, taking all the measures and completing all the formalities required for the issue, quotation and financial servicing of the securities issued by virtue of this delegation of power, and the exercising of the rights attached to it and generally doing what is necessary;

11) Acknowledges the fact that this delegation renders null and void, as of the date of this meeting, up to the unused part of any prior delegation for the same purpose, i.e. any delegation of power relating to capital increases without preferential subscriptions rights, covering the securities and transactions referred to in this resolution and, in particular, the second resolution of the Extraordinary General Shareholders' Meeting held on August 29, 2008;

12) Acknowledges the fact that, should the Board of Directors come to use the delegation of power invested in them in this resolution, the Board of Directors shall report to the next ordinary general shareholders' meeting, in accordance with the law and regulations, on the use made of the authorizations invested in this resolution.

Fifteenth resolution *(Authorization to be given to the Board of Directors for the purpose of issuing shares or securities giving access to capital without preferential subscription rights by way of remuneration for contributions in kind relating to capital securities or securities giving access to capital)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for extraordinary meetings, subject to the adoption of resolutions 10 and 11 of this general meeting, having heard the Executive Board's report and the Statutory Auditors' special report and pursuant to the provisions of Articles L.225-129 et seq. of the French Commercial Code,

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and in particular of Article L.225-147, paragraph 6 of said Code:

1) Authorizes the Board of Directors, with the right to sub-delegate pursuant to legal requirements, for a period of 26 months from the date of this meeting, to increase the capital on one or more occasions, within the limit of 10% of the share capital at the time of issue (this percentage applying to the share capital as adjusted in accordance with operations impacting on it subsequent to this General Shareholders' Meeting), with a view to remunerating contributions in kind granted to the Company and comprising capital securities or securities giving access to capital, when the provisions of Article L.225-148 of the French Commercial Code do not apply, by issuing, on one or more occasion, shares (not including preference shares) or securities giving immediate and/or future access to the Company's capital;

2) Decides that the Board of Directors shall have full authority, with the right to sub-delegate pursuant to legal requirements, to implement this resolution, for the purpose, in particular, of:

- deciding to increase the capital by remunerating contributions and determining the number and nature of the securities to be issued,
- compiling a list of the securities contributed, approving the valuation of contributions, setting the terms for the issue of securities remunerating contributions, as well as, if necessary, the adjustment amount to be paid, approving the granting of other non-cash considerations, reducing, if agreed by contributors, the valuation of the contributions or the remuneration of other non-cash considerations, and recording the contributions made,
- determining the characteristics of securities remunerating contributions and setting the terms under which, if necessary, the rights of holders of securities giving access to capital will be guaranteed,
- at its sole initiative, setting off the fees for capital increases against premiums pertaining thereto and deducting from this amount the sums required for allocation to the legal reserve,
- recording the completion of each capital increase and making correlative amendments to the bylaws,
- generally, taking all the necessary measures and completing all the necessary formalities for the issue, quotation and financial servicing of the securities issued by virtue of this delegation of power, and the exercising of the rights attached to it and generally doing what is necessary;

3) Decides that the maximum nominal amount of the capital increase or increases likely to be implemented immediately, or in the future, by virtue of this resolution will be charged against the overall ceiling provided for in point 3 (first sub-paragraph) of resolution 13 of this meeting or, where appropriate, against any overall ceiling that may be provided for by any resolution of the same type that may supersede said resolution during the period of validity of this delegation;

4) Acknowledges the fact that this delegation renders null and void, as of the date of this meeting, up to the unused part of any prior delegation for the same purpose, i.e. any delegation of power permitting the issue of shares or securities giving access to capital without preferential subscriptions rights as remuneration for contributions in kind relating to capital securities or securities giving access to capital and, in particular, resolution 3 of the Company's Extraordinary General Shareholders' Meeting on August 29, 2008.

Sixteenth resolution *(Delegation of powers to the Board of Directors for the purpose of deciding to increase the share capital by the incorporation of premiums, reserves, earnings or other items)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report and pursuant to the provisions of Article L.225-130 of the French Commercial Code:

1) Delegates to the Board of Directors, with the right to sub-delegate pursuant to legal requirements, for a period of 26 months from the date of this meeting, its powers to decide to increase the share capital, on one or more occasions, in the proportion and at the times that it deems fit, by the incorporation of premiums, reserves, earnings or other items, the capitalization of which shall be legally and statutorily possible, in the form of the issue of new capital securities or by increasing the nominal amount of existing capital securities or by a combination of these two methods. The maximum nominal amount of capital increases likely to be implemented for this reason may not exceed €5 billion, it being specified that this amount will be charged against the overall ceiling provided for in point 3 (first sub-paragraph) of resolution 13 of this meeting or, where appropriate, against any overall ceiling provided for by any resolution of the same type that may supersede said resolutions during the period of validity of this delegation, nor must it, under any circumstances, exceed the amount of premiums, reserves, earnings or other items for which capitalization is legally and statutorily possible at the time of the capital increase;

2) Should the Board of Directors use this delegation of power, delegates to the latter full authority, with the right to sub-delegate pursuant to legal requirements, to implement this delegation, for the purpose, in particular; of:

- fixing the amount and type of sums to be incorporated into the capital, fixing the number of new capital securities to be issued and/or the amount by which the nominal amount of existing capital securities comprising the share capital will be increased, setting the date, even if this is retroactive, from which the new capital securities will bear interest or the date on which the raising of the nominal amount of existing capital securities will come into effect,

- deciding, in the event of distributions of free capital securities:
  - that rights relating to fractional amounts will not be negotiable and that the corresponding capital securities will be sold, the sums arising from the sale being allocated to holders of rights pursuant to legal and regulatory requirements,
  - that capital securities to be allocated under this delegation by virtue of existing capital securities with double voting rights will benefit from this right as soon as they are issued,
  - making any adjustments intended to take into consideration the impact of operations on the Company's capital, in particular, should there be any changes to the par value of shares, capital increases by incorporation of reserves, free allocations of shares, division or groupings of securities, distributions of reserves or any other assets, amortization of capital, or any other operation affecting the equity or the capital and, in particular, setting the terms under which, where appropriate, the rights of holders of securities giving access to capital, will be guaranteed,
  - recording the completion of each capital increase and making correlative amendments to the bylaws,
  - generally, concluding any agreements, taking all necessary measures and completing all necessary formalities for the issue, quotation and financial servicing of the securities issued by virtue of this delegation of powers, and the exercising of the rights attached to it and generally doing what is necessary;

3) Acknowledges the fact that this delegation renders null and void, as of the date of this meeting, where appropriate, up to the unused part of any prior delegation for the same purpose, i.e. any delegation of power relating to capital increases by the incorporation of premiums, reserves, earnings or other items and, in particular, the fourth resolution of the Extraordinary General Shareholders' Meeting held on August 29, 2008.

Seventeenth resolution *(Delegation of powers to the Board of Directors for the purpose of increasing the number of securities to be issued in the event of a capital increase with or without preferential subscription rights)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for extraordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report and the Statutory Auditors' special report and pursuant to the provisions of Article L.225-135-1 of the French Commercial Code:

1) Delegates to the Board of Directors, with the right to sub-delegate pursuant to legal requirements, its powers to decide to increase the number of securities to be issued in the event of an increase in the Company's share capital, with or without preferential subscription rights, at the same price as the initial issue, within the timescales and limits provided for by regulations applicable on the issue date (on the date of this meeting, within 30 days of the final subscription date and up to a maximum of 15% of the initial issue), in particular, with a view to granting an over-allocation option in accordance with market practice;

2) Decides that the nominal amount of the capital increase or increases decided in application of this resolution will be charged against the overall ceiling provided for in point 3 (first sub-paragraph) of resolution 13 of this meeting or, where appropriate, against any overall ceiling that may be provided for by any resolution of the same type that may supersede said resolution during the period of validity of this delegation;

3) Decides that the Board of Directors will have full authority to implement this delegation, with the right to sub-delegate pursuant to legal requirements, within the limits and under the terms specified above;

4) Fixes the period of validity of the delegation of power covered by this resolution at 26 months from the date of this meeting;

5) Acknowledges the fact that this delegation renders null and void, as of the date of this meeting, where appropriate, up to the unused part of any prior delegation for the same purpose, i.e. any delegation of power relating to increases in the number of securities to be issued in the event of a capital increase with, or without, preferential subscription rights and, in particular, the fifth resolution of the Extraordinary General Shareholders' Meeting held on August 29, 2008.

Eighteenth resolution *(Delegation of power to the Board of Directors for the purpose of deciding to increase the share capital by issuing shares or securities giving access to capital, reserved for members of company savings plans with removal of said members' preferential subscriptions rights in application of Article L.225-129-6 of the French Commercial Code)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for extraordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report and the Statutory Auditors' special report and pursuant, on the one hand, to the provisions of Articles L.225-129-2, L.225-129-6 and L.225-138-1 of the French Commercial

Code and, on the other, to the provisions of Articles L.3332-18 et seq. of the French Labor Code:

1) Delegates to the Board of Directors, with the right to sub-delegate pursuant to legal requirements, its powers to decide to increase the Company's share capital, on one or more occasions, by a maximum nominal overall amount of €16 million, by issuing shares or securities giving access to capital, reserved for members of one or more save-as-you-earn company savings plans (or any other plan whose members are permitted by legal and regulatory provisions to reserve a capital increase under the same conditions) set up within the Natixis Group which is made up of the Company and French or foreign companies falling within the scope of consolidation or of a combination of Company accounts in application of Article L.3344-1 of the French Labor Code, it being specified that the maximum nominal amount of capital increases likely to be implemented immediately or in the future by virtue of this delegation will be charged against the overall ceiling provided for in point 3 of resolution 13 of this meeting or, where appropriate, against any overall ceiling provided for by any resolution of the same type that may supersede said resolutions during the period of validity of this delegation;

2) Fixes the period of validity of the delegation of power covered by this resolution at 26 months from the date of this meeting;

3) Decides that the issue price for shares or securities giving access to new capital will be determined under the terms provided for by Articles L.3332-18 et seq. of the French Labor Code;

4) Authorizes the Board of Directors to allocate, free of charge, to the aforementioned beneficiaries, in addition to shares or securities to be subscribed for in cash within the context of the aforementioned capital increases, shares or securities giving access to capital to be issued, or already issued, in place of any discount planned and/or matching contributions to the employee savings plan, given that the benefit resulting from this allocation may not exceed the legal and regulatory limits applicable under the terms of Articles L.3332-10 et seq. of the French Labor Code;

5) Decides to remove, for the benefit of the aforementioned beneficiaries, shareholders' preferential subscription rights to shares and securities giving access to capital whose issue is covered by this delegation, said shareholders also waiving any right, in the event of the allocation, free of charge, to the aforementioned beneficiaries of shares or securities giving access to capital, to said shares or securities giving access to capital, including to the part of the reserves, earnings or premiums incorporated into the capital, due to the free allocation of said securities on the basis of this resolution;

6) Authorizes the Board of Directors, under the terms of this delegation, to sell shares to members of save-as-you-earn company savings plans provided for by Article L.3332-24 of the French Labor Code, it being specified that sales of shares where discount is given to members of one or more save-as-you-earn company savings plan referred to in this resolution, will be charged, up to the nominal amount of shares sold in this way, against the overall ceiling referred to in point 1 above;

7) Decides that the Board of Directors will have full authority to implement this delegation, with the right to sub-delegate pursuant to legal requirements, within the limits and under the terms specified above, in particular, for the purpose of;

- compiling, pursuant to legal requirements, a list of companies in respect of which the aforementioned beneficiaries may subscribe for shares or securities giving access to capital thus issued and may benefit, where appropriate, from shares and securities giving access to capital that are allocated free of charge,
- deciding that subscriptions may be made direct by beneficiaries, members of a save-as-you-earn company savings plan, or via employee share ownership plans or other eligible structures or entities subject to the legal or regulatory provisions applicable,
- determining the conditions, particularly length of service, to be met by beneficiaries of capital increases,
- setting the opening and closing dates for subscriptions,
- fixing the amounts issued by virtue of this authorization and finalizing, in particular, the nature, characteristics and number of shares or securities giving access to capital to be issued as well as issue prices, dates, deadlines, terms and conditions of subscription, payment, delivery and the right (even if retroactive) to interest or dividends relating to securities issued in this way, the rules of reduction applicable in the event of over-subscription as well as other terms and conditions for issues, within current legal and regulatory limits,
- in the event of the free allocation of shares or securities giving access to capital, fixing the nature, characteristics and number of shares or securities giving access to capital to be issued, the number to be allocated to each beneficiary, and finalizing the dates, deadlines, terms and conditions of allocation of these shares or securities giving access to capital within current legal and regulatory limits and, in particular, choosing whether to substitute, in full or in part, the allocation of these shares or securities giving access to capital for any discounts planned, or to charge the equivalent value of these shares or securities giving access to capital

against total matching contributions to employee plans, or to combine the two options,

- if new shares are issued, where appropriate, setting off the sums required in order to pay up said shares in full against reserves, earnings or issue premiums,
- recording the completion of the capital increase(s) for the amount of shares to be subscribed and proceeding with related amendments of the bylaws,
- where appropriate, setting off the cost of the capital increase(s) against the amount of the related premiums and deducting from this amount the sums needed to bring the legal reserve to one tenth of the new capital resulting from these capital increases,
- concluding any agreements, completing directly, or indirectly via a proxy, all operations and formalities, including formalities subsequent to capital increases and correlative amendments to the bylaws,
- generally speaking, concluding any agreements, particularly for the successful completion of the planned issues, taking all necessary measures and completing all necessary formalities for the issue, quotation and financial servicing of the securities issued by virtue of this delegation of power, as well as exercising the rights attached to it or formalities subsequent to the capital increases implemented;

8) Decides that this authorization renders null and void, as of the date of this meeting, the unused part of any delegation previously given to the Board of Directors for the purpose of increasing the Company's share capital by issuing shares or securities giving access to capital, reserved for members of company savings plans, with removal of preferential subscription rights for the benefit of said members.

ORDINARY BUSINESS

Nineteenth resolution *(Appointment of François Pérol as director)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report, appoints François Pérol as director, with effect from the end of this General Shareholders' Meeting, for a period of six years, ending at the close of the General Shareholders' Meeting called to approve the accounts for the year ending on December 31, 2014.

François Pérol has already indicated that he accepts this appointment and that he does not hold any office, and is not subject to any measure likely to prevent him from performing this role.

Twentieth resolution *(Appointment of Banque Fédérale des Banques Populaires, represented by Philippe Queuille as director)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report, appoints of Banque Fédérale des Banques Populaires, represented by Philippe Queuille as director, with effect from the end of this General Shareholders' Meeting, for a period of six years, ending at the close of the General Shareholders' Meeting called to approve the accounts for the year ending on December 31, 2014.

Banque Fédérale des Banques Populaires, represented by Philippe Queuille has already indicated that he accepts this appointment and that he does not hold any office, and is not subject to any measure likely to prevent him from performing this role.

Twenty first resolution *(Appointment of Caisse Nationale des Caisses d'Epargne, represented by Alain Lemaire as director)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report, appoints Caisse Nationale des Caisses d'Epargne, represented by Alain Lemaire as director, with effect from the end of this General Shareholders' Meeting, for a period of six years, ending at the close of the General Shareholders' Meeting called to approve the accounts for the year ending on December 31, 2014.

Caisse Nationale des Caisses d'Epargne, represented by Alain Lemaire has already indicated that he accepts this appointment and that he does not hold any office, and is not subject to any measure likely to prevent him from performing this role.

Twenty second resolution *(Appointment of Vincent Bolloré as director)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report, appoints Vincent Bolloré as director, with effect from the end of this General Shareholders' Meeting, for a period of six years, ending at the close of the General Shareholders' Meeting called to approve the accounts for the year ending on December 31, 2014.

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Vincent Bolloré has already indicated that he accepts this appointment and that he does not hold any office, and is not subject to any measure likely to prevent him from performing this role.

Twenty third resolution *(Appointment of Jean Clochet as director)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report, appoints Jean Clochet as director, with effect from the end of this General Shareholders' Meeting, for a period of six years, ending at the close of the General Shareholders' Meeting called to approve the accounts for the year ending on December 31, 2014.

Jean Clochet has already indicated that he accepts this appointment and that he does not hold any office, and is not subject to any measure likely to prevent him from performing this role.

Twenty fourth resolution *(Appointment of Jean-Claude Créquit as director)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report, appoints Jean Claude Créquil as director, with effect from the end of this General Shareholders' Meeting, for a period of six years, ending at the close of the General Shareholders' Meeting called to approve the accounts for the year ending on December 31, 2014.

Jean-Claude Créquit has already indicated that he accepts this appointment and that he does not hold any office, and is not subject to any measure likely to prevent him from performing this role.

Twenty fifth resolution *(Appointment of Stève Gentili as director)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report, appoints Stève Gentil as director, with effect from the end of this General Shareholders' Meeting, for a period of six years, ending at the close of the General Shareholders' Meeting called to approve the accounts for the year ending on December 31, 2014.

Stève Gentili has already indicated that he accepts this appointment and that he does not hold any office, and is not subject to any measure likely to prevent him from performing this role.

Twenty sixth resolution *(Appointment of Francis Henry as director)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report, appoints Francis Henry as director, with effect from the end of this General Shareholders' Meeting, for a period of six years, ending at the close of the General Shareholders' Meeting called to approve the accounts for the year ending on December 31, 2014.

Francis Henry has already indicated that he accepts this appointment and that he does not hold any office, and is not subject to any measure, likely to prevent him from performing this role.

Twenty seventh resolution *(Appointment of Bernard Jeannin as director)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report, appoints Bernard Jeannin as director, with effect from the end of this General Shareholders' Meeting, for a period of six years, ending at the close of the General Shareholders' Meeting called to approve the accounts for the year ending on December 31, 2014.

Bernard Jeannin has already indicated that he accepts this appointment and that he does not hold any office, and is not subject to any measure likely to prevent him from performing this role.

Twenty eighth resolution *(Appointment of Olivier Klein as director)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report, appoints Olivier Klein as director, with effect from the end of this General Shareholders' Meeting, for a period of six years, ending at the close of the General Shareholders' Meeting called to approve the accounts for the year ending on December 31, 2014.

Olivier Klein has already indicated that he accepts this appointment and that he does not hold any office, and is not subject to any measure likely to prevent him from performing this role.

Twenty ninth resolution *(Appointment of Yvan de La Porte du Theil as director)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report, appoints Yvan de La Porte du Theil as director, with effect from the end of this General Shareholders' Meeting, for a period of six years, ending at the close of the General Shareholders' Meeting called to approve the accounts for the year ending on December 31, 2014.

Yvan de La Porte du Theil has already indicated that he accepts this appointment and that he does not hold any office, and is not subject to any measure likely to prevent him from performing this role.

Thirtieth resolution *(Appointment of Jean-Charles Naouri as director)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report, appoints Jean-Charles Naouri as director, with effect from the end of this General Shareholders' Meeting, for a period of six years, ending at the close of the General Shareholders' Meeting called to approve the accounts for the year ending on December 31, 2014.

Jean-Charles Naouri has already indicated that he accepts this appointment and that he does not hold any office, and is not subject to any measure likely to prevent him from performing this role.

Thirty first resolution *(Appointment of Didier Patault as director)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report, appoints Didier Patault as director, with effect from the end of this General Shareholders' Meeting, for a period of six years, ending at the close of the General Shareholders' Meeting called to approve the accounts for the year ending on December 31, 2014.

Didier Patault has already indicated that he accepts this appointment and that he does not hold any office, and is not subject to any measure likely to prevent him from performing this role.

Thirty second resolution *(Appointment of Henri Proglio as director)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report, appoints Henri Proglio as director, with effect from the end of this General Shareholders' Meeting, for a period of six years, ending at the close of the General Shareholders' Meeting called to approve the accounts for the year ending on December 31, 2014.

Henri Proglio has already indicated that he accepts this appointment and that he does not hold any office, and is not subject to any measure likely to prevent him from performing this role.

Thirty third resolution *(Appointment of Philippe Sueur as director)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report, appoints Philippe Sueur as director, with effect from the end of this General Shareholders' Meeting, for a period of six years, ending at the close of the General Shareholders' Meeting called to approve the accounts for the year ending on December 31, 2014.

Philippe Sueur has already indicated that he/she accepts this appointment and that he does not hold any office, and is not subject to any measure likely to prevent him from performing this role.

Thirty fourth resolution *(Appointment of Jean-Louis Tourret as director)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report, appoints Jean-Louis Tourret as director, with effect from the end of this General Shareholders' Meeting, for a period of six years, ending at the close of the General Shareholders' Meeting called to approve the accounts for the year ending on December 31, 2014.

Jean-Louis Tourret has already indicated that he accepts this appointment and that he does not hold any office, and is not subject to any measure likely to prevent him/her from performing this role.

Thirty fifth resolution *(Appointment of Robert Zolade as director)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report, appoints Robert Zolade as director, with effect from the end of this General Shareholders' Meeting, for a period of six years, ending at the close of the General Shareholders' Meeting called to approve the accounts for the year ending on December 31, 2014.

Robert Zolade has already indicated that he accepts this appointment and that he does not hold any office, and is not subject to any measure likely to prevent him from performing this role.

Thirty sixth resolution *(Appointment of Luigi Maranzana as a non-voting member)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report, appoints Luigi Maranzana as a non-voting member, with effect from the end of this General Shareholders' Meeting, for a period of six years, ending at the close of the General Shareholders' Meeting called to approve the accounts for the year ending on December 31, 2014.

Thirty seventh resolution *(Appointment of xxxx as a non-voting member)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report, appoints xxxxx as a non-voting member, with effect from the end of this General Shareholders' Meeting, for a period of six years, ending at the close of the General Shareholders' Meeting called to approve the accounts for the year ending on December 31, 2014.

Thirty eight resolution *(Setting the directors' fees)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report, decides to set the overall annual amount of directors' fees to be allocated to members of the Board of Directors at the sum of €500,000 for 2009 and for subsequent financial years, until a new decision is taken.

If new Company directors are appointed by this meeting, this overall amount will be calculated, on a pro rata basis, in respect of the duration of the new members of the board's 2009 terms of office.

Thirty ninth resolution *(Authority to trade in the Company's own shares)*

The General Shareholders' Meeting, ruling under the conditions of quorum and majority required for ordinary general meetings, subject to the adoption of resolutions 10 and 11 of this General Shareholders' Meeting, having heard the Executive Board's report and pursuant to the provisions of Articles L.225-209 et seq. of the French Commercial Code, authorizes the Board of Directors, with the right to sub-delegate pursuant to legal requirements, to purchase Company shares, or have Company shares purchased by third parties and:

1) Decides that these shares may be purchased so as to:

- guarantee the buoyancy of Natixis securities, in particular to favor transactional liquidity and the regularity of quotations, within the context of a liquidity contract in line with the principles listed in the code of ethics of the French Association of Investment Firms (the "AFEI") dated March 14, 2005, recognized by the French Financial Markets Authority (the "AMF") and concluded with an investment services provider acting independently, in line with market practices approved by the AMF,
- implement any Company share option plan within the context of the provisions of Articles L.225-177 et seq. of the French Commercial Code or any similar plan,
- allocate shares, free of charge, within the scope of the provisions of Articles L.225-197-1 et seq. of the French Commercial Code,
- allocate or sell shares to employees by way of their share of company profits or to implement any save-as-you-earn company savings plan pursuant to legal requirements, in particular, Articles L.3332-1 et seq. of the French Labor Code,
- retain said shares and tender them, at a later date, as payment, exchange or other, within the context of external growth, merger, demerger or equity financing operations,
- tender shares when rights attached to securities giving access to capital are exercised by redemption, conversion, exchange, presentation of a warrant or by any other means,
- cancel shares, in whole or in part, within the scope of a reduction of capital authorized by Extraordinary General Shareholders' Meetings,
- more generally, perform any operation permitted by current regulations or which may be permitted in the future; [in this event, the Company would inform its shareholders by means of a press release];

2) Decides that the acquisition, sale or transfer of these shares may take place at any time in accordance with current regulations, by any means, on regulated markets, multilateral trading facilities, with systematic internalizers or over the counter, including by means of the acquisition or sale of blocks of shares (without limiting any part of the buyback program that may be realized by this means), by a tender or exchange offer, by using derivatives or by the use of options or other full term financial instruments traded on regulated markets, multilateral trading facilities, with systematic internalizers or over the counter, or by the tendering of shares subsequent to the issue of securities giving access to Company capital by conversion, exchange or redemption, by exercising a warrant or by any other means, or directly or indirectly via the intermediary of an investment services provider. The maximum capital share purchased or transferred in the form of security blocks can affect the program. The entire authority may be used to purchase or transfer the capital shares in the form of security blocks;

3) Decides that the Board of Directors may use this authorization and continue with the share buyback program even in the event of a public offer involving Company shares or initiated by the Company in accordance with regulations applicable at the time of the buyback;

4) Decides that the maximum number of shares that can be bought during the buyback program may not, at any one time, exceed 10% of the total number of shares comprising the share capital, this percentage being applied to a capital amount adjusted in accordance with operations impacting on it subsequent to this general meeting, given that, in addition, the Company may not, at any one time, hold more than 10% of the shares comprising its share capital on the date in question. It is also specified that the number of shares acquired with a view to being held and tendered at a later date as part of a merger, demerger or equity financing operation, may not exceed 5% of the Company's capital;

5) Sets at €2,908 million, the maximum overall amount allocated to the share buyback program authorized by this resolution;

6) Decides that the maximum share purchase price within the context of this resolution may not exceed €10 per share (or the exchange value of this amount on the same date in another currency), given that this maximum price only applies to purchases decided upon as of the date of this meeting and not to forward transactions concluded by virtue of an authorization given by a previous General Shareholders' Meeting and providing for purchases of shares subsequent to the date of this meeting;

7) Delegates to the Board of Directors, in the event of later transactions impacting on the Company's capital, in particular, changes to the par share value, capital increases by incorporation of reserves, free allocations of shares, divisions or groupings of shares, the power to adjust the price indicated above so as to take into consideration the impact of these transactions on the share value;

8) Consequently, invests the Board of Directors, with the right to sub-delegate pursuant to legal requirements, with full authority to decide upon and implement this authorization, to specify, where necessary, the terms of said authorization and to finalize its procedures, to complete the buyback program and, in particular, to place any share market order, to conclude any agreement, with a view to keeping registers of sales and purchases of shares, making any declarations to the AMF and any other authority that may replace it, completing all formalities and, generally speaking, do all that is necessary.

This authorization, which renders null and void, as of today, the unused part of any previous delegation given to the Executive Board for the purpose of dealing in the Company's shares and, in particular, the sixth resolution of the Combined General Shareholders' Meeting on May 22, 2008, is granted for a period of 18 months from today's date.

Fortieth resolution *(Powers to complete formalities)*

All necessary powers are conferred on the holder of a copy or extract of the minutes of this meeting to carry out any filing and publication formalities provided for by law.

General information about Natixis

The developments included in this section will be affected pursuant to the draft resolutions put forward to the Combined General Shareholders' Meeting on April 30, 2009, notably those relating to the change in administration and management of Natixis by adopting the form of a Public Limited Company (Société Anonyme) with a Board of Directors *(see Chapter VIII – "Report from the Executive Board on the resolutions to be put to the vote at the General Shareholders' Meeting" and "Draft resolutions for the Combined General Shareholders' Meeting on April 30, 2009".)*

NAME

Natixis

HEAD OFFICE

30, avenue Pierre-Mendès-France, 75013 Paris

LEGAL FORM

Natixis is a French public limited company (société anonyme) with an Executive Board and a Supervisory Board. It is governed by French company law, the provisions of the French Monetary and Financial Code (Code monétaire et financier) and its bylaws.

DATE OF INCORPORATION AND TERM

The Company was incorporated on November 20, 1919 under the name Crédit National. Its term was increased to 99 years from November 9, 1994, save for extension of this term or early dissolution of the Company. The name "Natixis" was adopted by the shareholders at their meeting on November 17, 2006.

CORPORATE PURPOSE

Pursuant to Article 2 of the bylaws, the Company's corporate purpose in France and abroad is:

- the conduct of all and any banking business and related businesses within the meaning of French Banking Law;
- the provision of all and any investment services as defined in the French Monetary and Financial Code;
- the performance of specific assignments on behalf of the French State in economic and financial areas under the provisions of special agreements;
- the conduct of all and any brokerage business;
- the acquisition of interests in companies, groups or associations with a direct or indirect connection with the activities referred to above;
- the completion of all and any private and commercial transactions.

COMMERCIAL REGISTER AND REGISTRATION NUMBER

Paris Commercial Register

B 542 044 524 APE Code 6492Z

ACCESS TO CORPORATE DOCUMENTS

All documents concerning the Company, including its bylaws, financial statements and reports presented to general meetings of shareholders by the Executive Board or the Statutory Auditors are available at the Company's head office.

FINANCIAL YEAR

The Company's financial year runs from January 1 to December 31.

APPROPRIATION OF EARNINGS *(TITLE V, ARTICLE 34 OF THE BYLAWS)*

After deduction of any prior year losses, a minimum of 5% of each year's earnings shall be transferred to the legal reserve as required by law. This ceases to be mandatory when said reserve amounts to one tenth of the share capital: it becomes mandatory once again when said reserve drops below one tenth of the share capital.

The balance, plus any retained earnings, comprises the sum available for distribution, which may, by resolution of the shareholders at the Ordinary General Shareholders' Meeting, be used as they deem appropriate within the limits permitted by law, either by way of transfer to retained earnings or other reserves, or on the recommendation of the Executive Board, distributed in full or in part as a dividend.

The shareholders may also resolve to distribute sums from retained earnings or reserves to which they are entitled. In this case, their resolution must expressly indicate which reserve accounts are to be used.

The shareholders' resolution may offer the option of receiving all or part of the dividend in either cash or shares. In the latter case, payment will be made by means of allotting shares in the company in accordance with any applicable legal and regulatory provisions.

As permitted by law, the Executive Board may decide to pay an interim dividend either in cash or in shares.

Annual dividends shall be paid on the date or dates set by the Executive Board but no later than nine months after the year end.

PROVISIONS OF THE BYLAWS CONCERNING THE ADMINISTRATION AND CONTROL OF THE COMPANY *(TITLE III, ARTICLES 9 TO 20 OF THE BYLAWS)*

Executive Board

Article 9 – Composition of the Executive Board

The Company shall be managed by an Executive Board comprising between two and seven members appointed by the Supervisory Board. It shall carry out its functions under the supervision of the Supervisory Board, in accordance with the law and with these bylaws.

Members of the Executive Board may be non-shareholders. They must be natural persons. They may be re-elected. Members of the Supervisory Board may not also be members of the Executive Board.

The age limit for holding office as a member of the Executive Board shall be 70 years. Any member of the Executive Board who attains that age shall automatically be deemed to have resigned.

The Executive Board shall be appointed for a term of six (6) years. In the event of a vacancy for a member of the Executive Board, the Supervisory Board shall appoint a replacement for the remainder of the term of office of his or her predecessor, as provided by law.

Any member of the Executive Board may be dismissed, either by the Supervisory Board or by the General Shareholders' Meeting. If the dismissal is without just cause, it may give rise to the payment of damages. The dismissal of a member of the Executive Board shall not result in the termination of his or her employment contract.

Article 10 – Chairmanship of the Executive Board – Executive Management

The Supervisory Board shall appoint one of the members of the Executive Board as Chairman. The Chairman shall exercise his or her functions throughout his or her term of office as a member of the Executive Board. He or she shall represent the Company in its relations with third parties.

The Supervisory Board may confer the same representative power on one or two members of the Executive Board, in which case they shall have the title of Chief Executive Officer.

The functions of the Chairman, and, if applicable, of the Chief Executive Officer allocated to members of the Executive Board, may be withdrawn at any time by the Supervisory Board.

The Executive Chairman or a Chief Executive Officer may take any action validly binding the Company as regards third parties.

Article 11 – Deliberations of the Executive Board

The Executive Board shall meet as often as the interests of the Company require, upon a notice of meeting being issued by its Chairman or by at least half its members. It shall meet at the head office or in any other place indicated in the notice of meeting. Additions may be made to the agenda when the meeting takes place. Notices of meetings may be issued by any means including by word of mouth.

Meetings shall be chaired by the Executive Chairman or, in his or her absence, by the Chief Executive Officer appointed by the Chairman.

The Executive Board may only validly deliberate if at least half its members are present. Decisions shall be taken by a majority of the votes of members present or represented. In the event of a tied vote, the Chairman of the meeting shall have a casting vote.

The proceedings of the Executive Board shall be recorded in minutes contained in a special minute book and signed by the members of the Executive Board taking part in the meeting.

The Executive Board shall draw up its own regulations governing its manner of functioning, and shall provide a copy of them to the Supervisory Board for information.

Article 12 – Powers and obligations of the Executive Board

The Executive Board shall be invested with the broadest powers to act in all circumstances on behalf of the Company, subject to the limitations of the corporate purpose and those powers expressly attributed by law and by these bylaws to General Shareholders' Meetings and the Supervisory Board.

No restriction on the Executive Board's powers shall be enforceable against third parties, which may commence legal action against the Company to enforce obligations entered into on its behalf by the Executive Chairman or by a Chief Executive Officer, on condition that their appointments were properly published.

The Executive Board may appoint one or more of its members or any non-member of the Executive Board to carry out such special permanent or temporary missions as it shall determine, and may delegate to them the powers it considers necessary for one or more particular purposes, with or without the power to sub-delegate.

The Executive Board shall prepare and present reports, budgets and quarterly, half-yearly and annual financial statements to the Supervisory Board under the conditions provided by law and by the bylaws.

The Executive Board convenes all General Shareholders' Meetings, sets the agenda and executes decisions.

Article 13 – Compensation for Members of the Executive Board

The Supervisory Board shall fix the terms and amount of the compensation of each of the members of the Executive Board.

Supervisory Board

Article 14 – Composition of the Supervisory Board

The Supervisory Board shall comprise no less than three and no more than 18 members, subject to the derogation provided by law in the event of a merger.

The members of the Supervisory Board shall be appointed by the Ordinary General Shareholders' Meeting, save that in the event of one or more positions becoming vacant, the board may co-opt replacements for the remainder of the term of office of their predecessors, subject to ratification by the next General Shareholders' Meeting.

When it has been determined in accordance with current regulations that the percentage of the share capital owned by employee shareholders is in excess of the ceiling provided by law, a member of the Supervisory Board shall be appointed by the general meeting from among candidates put forward by the Supervisory Board of the Employee Share Ownership Plan or Plans. The member of the Supervisory Board appointed in this way shall not be taken into account in the calculation of the maximum number of members provided for by the first paragraph of this Article.

The member of the Supervisory Board appointed in this way shall be entitled to vote on the Supervisory Board and shall be subject to the same rights and obligations as the other members thereof.

No more than one third of the members of the Supervisory Board in office may be more than 70 years of age. When this proportion is exceeded, the oldest member of the Supervisory Board, except for the Chairman, shall cease to hold office at the end of the next Ordinary General Shareholders' Meeting.

Throughout his or her term of office, each member of the Supervisory Board must own at least one thousand (1,000) shares.

The members of the Supervisory Board shall be appointed for a term of six years. They may be re-elected. The functions of a member of the Supervisory Board shall come to an end at the end of the Ordinary General Shareholders' Meeting called to approve the financial statements for the financial year ended, which is held in the year in which his or her term of office expires.

Article 15 – Chairmanship of the Supervisory Board

The Supervisory Board shall elect a Chairman and two Vice-Chairmen from among its members, for the duration of their term of office. They must be natural persons.

The Supervisory Board shall determine their compensation, whether fixed or variable.

The Chairman shall be responsible for convening meetings of the Supervisory Board at least four times a year, and for directing its proceedings.

Article 16 – Meetings of the Supervisory Board

16.1 The Supervisory Board shall meet as often as is required by the interests of the Company and legal and regulatory provisions, and at least once a quarter in order to examine the written quarterly report of the Executive Board. Meetings shall be called by the Chairman of the Supervisory Board or by a third of its members, either at the head office or in any other place indicated in the notice of meeting.

Subject to Urgent Business as defined below, the Supervisory Board must be given reasonable prior notice of the date of its meeting. Notice of meetings shall include a detailed agenda for the meeting.

Meetings of the Supervisory Board shall be chaired by its Chairman or by one of its Vice-Chairmen.

The Supervisory Board may appoint a secretary from among its members or from elsewhere.

Meetings shall be held and decisions taken according to the conditions of quorum and majority provided by law.

The Supervisory Board shall draw up internal regulations which may provide that, save for the adoption of decisions relating to the verification and control of the parent company and consolidated financial statements, members of the Supervisory Board taking part in meetings by means of videoconferencing or telecommunication shall be deemed to be present for the purposes of calculating the quorum and majority, under the conditions permitted or prescribed by current laws and regulations.

Minutes of meetings of the Supervisory Board shall be prepared, and copies or extracts thereof shall be issued and certified in accordance with the law.

16.2 In the event of urgent business as defined below ("Urgent Business"), the accelerated procedure set out below may be applied.

Urgent Business is defined as an exceptional situation (i) characterized by the existence of a short deadline, which is imposed by a third party on pain of foreclosure and where failure to comply would be likely to cause loss to the Company or to one of its Principal Subsidiaries (the term Principal Subsidiary referring to Natixis Global Asset Management, Coface or any other company controlled directly or indirectly by the Company within the meaning of Article L.233-3 of the French Commercial Code (x) which is substituted for them (in whole or in part) by reason of a merger, equity financing operation or other asset transfer or (y) which it has control thereof within the meaning of Article L.233-3 headings I and II of the French Commercial Code, or (ii) requiring a rapid response from the Company which is incompatible with the application of the usual time limits for the convening of meetings of the Supervisory Board.

In the event of Urgent Business, the time limits for convening and conducting meetings of the Supervisory Board shall not be subject to Article 16 above, on condition that the Chairman of the Supervisory Board of the Company has:

- first sent a notice to the members of the Supervisory Board justifying the existence of the Urgent Business within the meaning of the definition set out above; and
- provided all the members of the Supervisory Board with all the information necessary for them to analyze the situation, together with the notice of meeting.

Article 17 – Powers of the Supervisory Board

17.1 The Supervisory Board shall exercise permanent control over the management of the Company by the Executive Board.

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

The Executive Board shall present it with a report at least once a quarter, summarizing the main acts or other matters in connection with the management of the Company, and including all the information necessary for the Supervisory Board to be informed of developments in the Company's business, together with the quarterly and half-yearly financial statements.

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

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

The Supervisory Board shall appoint and may dismiss the members of the Executive Board, the Chairman of the Board and the Chief Executive Officers, under the conditions provided by law and by Article 9 of these bylaws.

The Supervisory Board decides on the draft resolution in which the General Shareholders' Meeting is asked to appoint the Statutory Auditors, subject to legal requirements.

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

17.2 The following operations shall be subject to the prior authorization of the Supervisory Board:

- a) pursuant to current legal and regulatory provisions:
  - the sale of real property,
  - the total or partial sale of shareholdings,
  - any agreement subject to Article L.225-86 of the French Commercial Code;
- b) pursuant to these bylaws:
  - any immediate or future increase in the share capital, while maintaining preferential subscription rights, with a value including premium in excess of €75 million,
  - any extension of the activities of Natixis to significant businesses not carried on by Natixis,
  - any appointment of members of the Supervisory Boards, boards of directors or Executive Boards, and, if applicable, of Chief Executive Officers and Deputy Chief Executive Officers of the Principal Subsidiaries (as defined in Article 16.2),
  - any acquisition or increase of a shareholding, and any investments or disinvestments (including the transfer of cooperative investment certificates issued by Caisses d'Epargne or Banques Populaires) or the formation of joint ventures by Natixis or any of its subsidiaries, in an amount in excess of €150 million,
  - any asset transfer, merger or demerger to which Natixis or any of the Principal Subsidiaries (as defined in Article 16.2) or Dedicated Subsidiaries (the term Dedicated Subsidiaries referring to Compagnie 1818 – Banquiers Privés, Banque Privée Saint Dominique, Natixis Assurances, Natixis Garantie, Ecureuil Gestion and Foncier Assurance, or any company that might be substituted for them) may be party,
  - any increase in the share capital of Natixis, immediate or future, with removal of preferential subscription rights,
  - approval of the Company's business plan prepared by the Executive Board including, in particular, profitability targets and risk policy (the "Strategic Plan") together with any significant amendment of the Strategic Plan,
  - proposals to the General Shareholders' Meeting of any changes to the bylaws.

Article 18 – Compensation for Members of the Supervisory Board

The General Shareholders' Meeting may allocate directors' fees to the Supervisory Board. The Supervisory Board shall distribute said fees between its members as it sees fit.

The Supervisory Board may also award exceptional compensation to its members in the cases and subject to the conditions provided by law.

Control

Article 19 – Non-voting members

The Ordinary General Shareholders' Meeting may appoint one or more non-voting members.

Their term of office is for six (6) years. They may be re-elected and may be dismissed by the General Shareholders' Meeting.

Non-voting members shall receive the same information as the members of the Supervisory Board and shall be convened to all meetings of the Supervisory Board. They shall sit on the Supervisory Board in a consultative capacity.

They may be appointed temporarily by the Supervisory Board subject to ratification by the next general meeting of shareholders.

They may receive compensation, the amount of which shall be determined by the Supervisory Board.

Article 20 – Statutory Auditors

Acting and substitute Statutory Auditors shall be appointed by the Ordinary General Meeting of Shareholders under the conditions provided by law. Their duties and powers shall be as provided by current legislation.

General information about Natixis's share capital

FORM AND TRANSFER OF SHARES *(TITLE II, ARTICLE 4 OF THE BYLAWS)*

Shares in the Company may either be registered shares or identifiable bearer shares, at the option of the holder.

They shall be registered in an account and transferred in the manner provided by applicable laws and regulations.

REGISTERED SHARE CAPITAL

The share capital amounted to €4,653,020,308.80 at December 31, 2008, divided into 2,908,137,693 fully paid up shares of €1.60 each.

CAPITAL AUTHORIZED BUT NOT ISSUED – DELEGATIONS FOR CAPITAL INCREASES

The Combined General Shareholders' Meeting on May 22, 2008 granted the Executive Board delegations of power in respect of financial matters.

These delegations were replaced by new delegations of power granted to the Executive Board by the Extraordinary General Shareholders' Meeting on August 29, 2008 for a period of 26 months with a view to increasing the capital with, or without, preferential subscription rights.

The Extraordinary General Shareholders' Meeting on August 29, 2008 decided that these capital increases, the overall ceiling for which may not exceed the nominal amount of €4 billion, may be implemented either by issuing shares or by issuing securities giving access to share capital, particularly in the form of securities representing debts securities (the total nominal amount of these securities representing debt securities giving access to capital not being permitted to exceed €1.5 billion).

This same meeting also decided that the Executive Board may:

- increase capital without preferential subscription voting rights with a view to remunerating contributions in kind granted to the Company, within the limit of 10% of the share capital at the time of the issue;
- increase capital via the incorporation of premiums, reserves, earnings or other items;
- increase the number of securities to be issued, within the legal limits, in the event of capital increases with, or without, preferential subscription rights.

Report from the Executive Board on the Use of Authorizations for capital increases in 2008

In accordance with the authorizations given to the Executive Board by the General Shareholders' Meeting on August 29, 2008 (described in the previous paragraph), the latter decided on September 3, 2008, after having received prior authorization from the Supervisory Board, to proceed with a capital increase for a total (issue premium included) of approximately €3.7 billion (€3,698,392,493.25) with preferential subscription rights for shareholders.

Banque Fédérale des Banques Populaires (BFBP) and Caisse Nationale des Caisse d'Epargne (CNCE), having together a 69.80% stake in the capital at the time of the increase, and in accordance with the undertaking given by them on September 3, 2008, exercised, by way of right, their full preferential subscription rights. The remainder of the capital increase was guaranteed by a banking syndicate run by Natixis as Overall Coordinator, Lazard Frères Banque (acting, with Natixis directly or indirectly, jointly but not severally, under the name "Lazard-Natixis"), Crédit Suisse and Merrill Lynch International acting as Lead Managers and Joint Book Runners.

BFBP and CNCE subscribed for the capital increase not just by offsetting debts with the advance payments made to Natixis in the first half of 2008, amounting to a principal sum of €2.5 billion but also in cash for a fraction in excess of €2.5 billion, i.e. €81,227,101.25.

Terms of the transaction: new shares were subscribed for at €2.25 per share (i.e. €1.60 nominal amount and €0.65 issue premium) with a parity of 13 new shares for every ten existing shares, thereby resulting in the creation of 1,643,729,997 new shares. The subscription period for new shares commenced on September 5, 2008 and ended on September 18, 2008.

New shares' dated date: January 1, 2008.

Impact of the issue on shareholders: on a non-diluted basis, a shareholder with a 1% capital interest prior to the issue and not subscribing for the new shares (calculation made on the basis of the number of shares comprising the capital on August 29, 2008) would have a 0.43% capital interest after the issue.

On September 30, 2008, the Executive Board finalized the total amount of subscriptions and completed the capital increase, stating that the new share capital amounted to €4,653,020,308.80 divided into 2,908,137,693 fully paid up shares of €1.60 each.

The theoretical impact of the capital increase on the current market value of the Natixis share as determined by the average of the 20 trading sessions prior to setting the subscription price, would be as follows:

- non-adjusted average closing price for the 20 trading sessions prior to setting the subscription price: €6.04;
- based on this average and the share capital on August 29, 2008, the theoretical price of the Natixis share would be as follows:
  - assuming that no exercisable share options were exercised before suspension of the right to exercise, effective from August 27, 2008 for a period of three months after the issue of 1,643,729,997 shares resulting from the capital increase, the theoretical price of the Natixis share would be €3.90,
  - assuming that all exercisable share options were exercised before suspension of the right to exercise, effective from August 27, 2008 for a period of three months after the issue of the shares underlying these options and 1,643,729,997 shares resulting from the capital increase, the theoretical price of the Natixis share would be €3.92.

SUMMARY TABLE OF DELEGATIONS OF POWER GRANTED TO THE EXECUTIVE BOARD BY THE GENERAL SHAREHOLDERS' MEETING

Date of meeting	Resolution No.	Purpose of the delegation	Amount authorized	Duration	Date used	Amount used
17.11.2006	20	For the purpose of allocating stock options	10,000,000 shares	38 months	29.01.2007 replaced on May 24, 2008	9,999,300 options
24.05.2007	6	For the purpose of allocating stock options	10,000,000 shares	38 months	21.01.2008 replaced on May 22, 2008	9,875,000 options
24.05.2007	7	For the purpose of allocating free shares	6,600,000 shares	38 months	12.11.2007 replaced on May 22, 2008	6,084,120 shares
22.05.2008	7	For the purpose of allocating stock options	10,000,000 shares	38 months	none	none
22.05.2008	8	For the purpose of increasing capital via the issue of ordinary shares or of any securities giving access to capital, with preferential subscription rights accorded to existing shareholders	€150 million	26 months	none, replaced on August 29, 2008	none
22.05.2008	9	For the purpose of increasing capital via the issue of ordinary shares or any securities giving access to capital, without preferential subscription rights accorded to shareholders	€150 million (1)	26 months	none, replaced on August 29, 2008	none
22.05.2008	10	Possibility to increase the amount of the issues in the event of surplus demand	15% of initial issue	26 months	none, replaced on August 29, 2008	none
22.05.2008	11	Possibility for shares issued without preferential subscription rights for existing shareholders, to be used as remuneration for shares tendered in the event of a public exchange offer or a contribution in kind	10% of the share capital (at the time of issue)	26 months	none, replaced on August 29, 2008	none
22.05.2008	12	For the purpose of increasing capital via the incorporation of premiums, reserves, earnings or other items	€150 million	26 months	none, replaced on August 29, 2008	none
22.05.2008	13	For the purpose of a capital increase reserved for employees in application of Article L.225-129-6 of the French Commercial Code	€16 million	26 months	none, replaced on August 29, 2008	none
29.08.2008	1	For the purpose of increasing capital via the issue of ordinary shares or of any securities giving access to capital, with preferential subscription rights accorded to existing shareholders	€4 billion	26 months	30.09.2008	€3.7 billion

Date of meeting	Resolution No.	Purpose of the delegation	Amount authorized	Duration	Date used	Amount used
29.08.2008	2	For the purpose of increasing capital via the issue of ordinary shares or any securities giving access to capital, without preferential subscription rights accorded to shareholders	€4 billion (2)	26 months	none	none
29.08.2008	3	Possibility for shares or securities giving access to capital issued without preferential subscription rights for shareholders serve to remunerate contributions in kind	10% of the share capital (at the time of issue) (2)	26 months	none	none
29.08.2008	4	For the purpose of increasing capital via the incorporation of premiums, reserves, earnings or other items	€4 billion (2)	26 months	none	none
29.08.2008	5	Possibility of increasing the amount of the issues in the event of surplus demands	15% of initial issue (2)	26 months	none	none
29.08.2008	6	For the purpose of a capital increase reserved for members of savings plans, without preferential subscription rights, for the benefit of said members in application of Article L.225-129-6 of the French Commercial Code	€16 million	26 months	none Resolution rejected	none Resolution rejected

(1) Amount offset against the ceiling decided in resolution No. 8 of said general meeting.

(2) Amount offset against the ceiling decided in resolution No. 1 of said general meeting.

SECURITIES NOT CONFERRING RIGHTS IN THE SHARE CAPITAL

On November 25, 1985, Banque Française du Commerce Extérieur issued 140,000 participating shares with a nominal value of FRF 5,000. The dividend is payable annually on November 25. Redemptions are on the initiative of the borrower. At December 31, 2008, there were 113,000 participating shares outstanding.

OTHER SECURITIES GIVING ACCESS TO CAPITAL

On December 31, 2008 there were 41,330,754 share subscription options exercisable or still to be exercised, after adjustment for the cash capital increase in September 2008.

These options were granted until 2005:

- to employees and executive directors of Natexis Banques Populaires and other companies in which Natexis Banques Populaires directly or indirectly held the majority of the share capital;
- to employees and executive directors of Banque Fédérale des Banques Populaires, Banque Populaire banks and entities that are more than 50%-owned either directly or indirectly, exclusively or jointly, by Banque Fédérale des Banques Populaires or affiliated institutions.

No stock options were granted for financial year 2006.

On November 17, 2006, the Combined General Shareholders' Meeting authorized the Natixis Executive Board to grant, on one or more occasions, stock options to some, or all, Company employees or corporate officers, or to related companies within the meaning of Article L.225-180 of the French Commercial Code. This authorization was valid up to a maximum of €10,000,000 shares.

On May 24, 2007, the Combined General Shareholders' Meeting once again authorized the Natixis Executive Board to grant stock options, to some, or all, company employees or corporate officers, or to related companies within the meaning of Article L.225-180 of the French Commercial Code. This authorization was also valid up to a maximum of €10,000,000 shares.

The subscription price for these shares corresponds to the average price quoted for Natixis shares in the last 20 market sessions prior to the date of the Executive Board meeting. No discount was given.

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SUMMARY OF STOCK OPTION PLANS AT 31.12.2008, AFTER ADJUSTMENT

Plan date	Date of General Shareholders' Meeting	Exercise start date	Option expiry date	Option exercise price (in €)	Number of remaining beneficiaries	Number of options authorized by the BoD	Number of options awarded	Number of options exercised	Number of options exercisable	Number of options yet to be exercised	Number of options cancelled
10.09.2002	31.05.2001	10.09.2006	09.09.2009	4.710	114	5,775,000	5,099,094	3,680,230	1,301,054	0	117,810
10.09.2003	31.05.2001	10.09.2007	09.09.2010	5.410	440	6,622,000	6,266,106	1,393,828	4,751,850	0	120,428
17.11.2004	27.05.2004	17.11.2008	16.11.2011	5.790	558	6,930,000	6,587,350	130,130	0	6,361,740	95,480
15.11.2005	19.05.2005	15.11.2009	14.11.2012	7.740	649	7,700,000	7,653,800	21,560	0	7,543,690	88,550
29.01.2007	17.11.2006	29.01.2011	28.01.2014	14.380	1,249	15,400,000	15,398,922	0	0	15,123,108	275,814
21.01.2008	24.05.2007	21.01.2012	20.01.2015	8.270	539	15,400,000	7,576,792	0	0	6,249,312	1,327,480
TOTALS					**3,549**	**57,827,000**	**48,582,064**	**5,225,748**	**6,052,904**	**35,277,850**	**2,025,562**

SUMMARY OF STOCK OPTION PLANS ALLOCATED TO NATIXIS EXECUTIVE DIRECTORS AT 31.12.2008 AFTER ADJUSTMENT

Plan date	Date of General Shareholders' Meeting	Exercise start date	Option expiry date	Option exercise price (in €)	Number of beneficiary directors	Number of options awarded to directors	Number of options exercised	Number of options exercisable	Number of options yet to be exercised	Number of options cancelled
10.09.2002	31.05.2001	10.09.2006	09.09.2009	4.710	2	254,100	169,400	84,700	0	0
10.09.2003	31.05.2001	10.09.2007	09.09.2010	5.410	2	369,600	0	369,600	0	0
17.11.2004	27.05.2004	17.11.2008	16.11.2011	5.790	2	392,700	0	392,700	0	0
15.11.2005	19.05.2005	15.11.2009	14.11.2012	7.740	2	431,200	0	0	431,200	0
29.01.2007	17.11.2006	29.01.2011	28.01.2014	14.380	4	1,078,000	0	0	1,078,000	0
21.01.2008	24.05.2007	21.01.2012	20.01.2015	8.270	0	0	0	0	0	0
TOTALS						**2,525,600**	**169,400**	**847,000**	**1,509,200**	**0**

Observations:

The figures take into consideration the adjustment to the option exercise price and the number of options following the cash capital increase of September 2008.

Certain derogations allow options to be exercised early (third party financial operations impacting on Natixis capital, and the negotiated retirement or death of the beneficiary).

From 2001 to 2005, the beneficiary directors were the Executive Chairman and Chief Executive officer of Natexis Banques Populaires.

In 2007, the beneficiary managers were the members of the Natixis Executive Board.

NATIXIS scope of consolidation	Total number of options awarded/ shares subscribed *	Weighted average price *	Plan
Options awarded by the issuer during the year to ten salaried employees of the issuer and of all the companies included within its scope of consolidation, this being the highest number of options granted	0	€8.27	21.01.2008
Options held in respect of the issuer and the companies referred to above, exercised, by the ten salaried employees of the issuer and of these companies, this being the highest number of options subscribed in this way	7,700	€4.71	10.09.2002
	18,480	€5.41	10.09.2003

* *After adjustment following the capital increase of September 2008.*

CHANGE IN SHARE CAPITAL DURING THE LAST FIVE FINANCIAL YEARS

	Number of shares at the start of the financial year	Number of shares created during the financial year	Number of shares at the end of the financial year	Share capital *(in euros)*
2002	44,314,352	3,128,485	47,442,837	759,085,392
2003	47,442,837	602,302	48,045,139	768,722,224
2004	48,045,139	210,823	48,255,962	772,095,392
2005	48,255,962	739,518	48,995,480	783,927,680
2006	48,995,480	1,214,964,750 (a)	1,219,864,330	1,951,782,928
2007	1,219,864,330	2,178,364	1,222,042,694	1,955,268,310
2008	1,222,042,694	1,686,094,999	2,908,137,693	4,653,020,308.80

(a) *Including 1,109,911,689 shares in respect of the division of the nominal value on November 17, 2006.*

The table below gives details of the amount of issue premiums for each of the operations impacting on the capital.

Years	Headings	Number of shares	Share capital *(in euros)*	Issue premiums on capital increases *(in euros)*
2002	**Number of shares at the start of the financial year**	**44,314,352**	**709,029,632**	
	shares in respect of ESOPs	5,355	85,680	286,620.37
	shares arising from the conversion of undated subordinated securities	1,717,431	27,478,896	86,413,090.39
	shares in respect of the exercise of stock options	4,400	70,400	108,393.66
	shares attributable to the contribution of Arnhold & S. Bleichroeder securities	1,401,082	22,417,312	83,448,443.92
	shares resulting from the merger with the property company ABC	217	3,472	3,943.16
	At 31.12	**47,442,837**	**759,085,392**	
2003	**At 01.01**	**47,442,837**	**759,085,392**	
	shares in respect of ESOPs	3,756	60,096	161,981.00
	shares in respect of the exercise of stock options	43,340	693,440	1,733,850.39
	shares attributable to the contribution of Banque du Dôme-Crédifrance Factor securities	218,559	3,496,944	14,643,375.64
	shares attributable to the contribution of Sopromec Participations securities	336,647	5,386,352	25,248,563.45
	At 31.12	**48,045,139**	**768,722,224**	

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Years	Headings	Number of shares	Share capital (in euros)	Issue premiums on capital increases (in euros)
2004	**At 01.01**	**48,045,139**	**768,722,224**	
	shares in respect of ESOPs	3,086	49,376	175,126.36
	shares in respect of the exercise of stock options	207,737	3,323,792	10,204,917.64
	At 31.12	**48,255,962**	**772,095,392**	
2005	**At 01.01**	**48,255,962**	**772,095,392**	
	shares in respect of ESOPs	3,043	48,688	225,259.18
	shares in respect of the exercise of stock options	480,436	7,686,976	33,653,461.26
	shares in respect of the increase in capital reserved for Banque Fédérale des Banques Populaires	256,039	4,096,624	25,903,465.63
	At 31.12	**48,995,480**	**783,927,680**	
2006	**At 01.01**	**48,995,480**	**783,927,680**	
	payment of the dividend in shares	1,103,281	17,652,496	185,075,387.75
	shares in respect of ESOPs	10,010	160,160	1,529,227.70
	shares in respect of the exercise of stock options	83,274	1,332,384	5,773,940.85
	shares in respect of contributions from CNCE and SNC CHAMPION	73,131,476	1,170,103,616	13,128,041,797.00
NATEXIS BANQUES POPULAIRES BECOMES NATIXIS – DIVISION OF THE NOMINAL VALUE BY 10				
	new situation	*1,233,235,210*	*1,973,176,336*	
	2006 expenses offset against the share premium			(3,879,879.00)
	reduction of capital by the cancellation of treasury share	(15,552,460)	(24,883,936)	(288,910,332.20)
	shares in respect of the exercise of stock options	2,181,580	3,490,528	13,635,082.21
	At 31.12	**1,219,864,330**	**1,951,782,928**	
2007	**At 01.01**	**1,219,864,330**	**1,951,782,928**	
	shares in respect of the exercise of stock options	2,153,693	3,445,908	14,166,927.51
	shares in respect of ESOPs	24,671	39,473	352,203.20
	At 31.12	**1,222,042,694**	**1,955,268,310**	
2008	**At 01.01**	**1,222,042,694**	**1,955,268,310.40**	
	Appropriation of 2007 earnings and deduction for payment of dividend			(716,815,118.77)
	Shares in respect of the exercise of stock options	22,500	36,000	142,688.50
	Payment of the dividend in shares	42,342,502	67,748,003.20	329,424,665.56
	Subscription	1,643,729,997	2,629,967,995.20	1,068,424,498.05
	2008 expenses offset against the share premium			(66,113,652.29)
	At 31.12	**2,908,137,693**	**4,653,020,308.80**	

OTHER INFORMATION ABOUT THE CAPITAL

Natixis has not pledged any of its shares.

Distribution of the capital and voting rights

OWNERSHIP STRUCTURE AS OF 31.12.2008

At December 31, 2007 the principal shareholders of Natixis were as follows:

	% capital	% voting rights
Banque Fédérale des Banques Populaires (BFBP)	35.62%	35.78%
Caisse Nationale des Caisses d'Epargne (CNCE)	35.62%	35.78%
Employee shareholders (ESOP)	0.53%	0.54%
Treasury shares	0.44%	0.00%
Public	27.79%	27.91%

As far as Natixis is aware, there are no shareholders that own more than 5% of the capital or voting rights other than those listed in the above table.

Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne have entered into a shareholders' agreement pursuant to which they act in concert, and the principal provisions of which are described in "Shareholders' Agreement" hereinafter.

OWNERSHIP OF SHARES BY MEMBERS OF MANAGEMENT AND SUPERVISORY BODIES

The members of the Supervisory Board, whether natural or legal persons, owned 71.5% of the capital of Natixis (almost all of this amount being owned by BFBP and CNCE), at December 31, 2008.

The ownership of shares by corporate officers is not significant. Please refer to page Chapter 2, table 4 for details of Company stock options granted to certain employees and corporate officers.

Following the capital increase in September 2008, Banque Fédérale des Banques Populaires and Caisse Nationale des Caisses d'Epargne both increased their stake in the Company's capital at par (refer to Chapter 8).

TREASURY SHARES

In the context of the share buyback program authorized by the General Shareholders' Meeting on May 22, 2008, Natixis owned 12,713,642 treasury shares at December 31, 2008.

The table below shows the number and percentage of shares owned as treasury shares at January 1, 2008 and December 31, 2008.

	Quantity purchased	Purchase price *(in euros)*	Average price *(in euros)*	Quantity sold or cancelled	Exit price *(in euros)*	Average exit price *(in euros)*	Final share	% of share capital
At 01.01.2008	**19,230,670**	**312,784,490**	**16.26**	**12,004,099**	**204,122,124**	**17**	**7,226,571**	**0.59%**
Price regulation	20,277,316	95,766,756	4.72	14,884,025	102,451,206	6.88		
Allocated to employees	93,900	827,865	8.82	-	-			
Free share allocation plan (SAGA)	-	-	120	1,850				
At 31.12.2008	**39,601,886**	**409,379,111**	**10.34**	**26,888,244**	**306,575,180**	**11.40**	**12,713,642**	**0.44%**

EMPLOYEE SHAREHOLDERS

The proportion of the Natixis capital owned by the company employees and by Groupe Banque Populaire reached 0.53% at December 31, 2008.

The Combined General Shareholders' Meeting on May 24, 2007 granted the Executive Board authority, for a period of 38 months with effect from the date of the meeting, to allocate free shares on one or more occasions to employees of Natixis and of companies directly or indirectly associated with Natixis within the meaning of Article L.225-197-2 of the French Commercial Code.

This authority covered a maximum of 6,600,000 shares and was exercised by the Executive Board on November 12, 2007.

CHANGES IN THE DISTRIBUTION OF THE CAPITAL DURING THE LAST THREE YEARS

	Natixis		
At 31.12 (as a %)	2008	2007	2006
Groupe Banque Populaire and its subsidiaries	35.62%	34.45%	34.44%
Groupe Caisse d'Epargne	35.62%	34.45%	34.44%
DZ BANK AG	-	1.87%	1.87%
INTESA SANPAOLO HOLDING INTERNATIONAL	-	1.68%	1.68%
NEW EAGLE HOLDINGS LLC	-	0.43%	0.43%
Employee shareholders	0.53%	0.70%	0.60%
Treasury shares	0.44%	0.59%	-
Public	27.79% (1)	25.83%	26.54%

(1) Including DZ BANK AG and INTESA SANPAOLO HOLDING INTERNATIONAL.

NATURAL OR LEGAL PERSONS EXERCISING OR CAPABLE OF EXERCISING CONTROL OVER NATIXIS

Groupes Banque Populaire and Groupe Caisse d'Epargne exercise the responsibilities provided by the banking regulations, by reason of their position as the principal shareholders of Natixis.

The application of the corporate governance rules and the rules imposed on the members of the board enable the risk of the abusive exercise of management control to be prevented.

SHAREHOLDERS' AGREEMENT

The developments included in this section will be affected pursuant to the draft resolutions put forward to the Combined General Shareholders' Meeting on April 30, 2009, notably those relating to the change in administration and management of Natixis by adopting the form of a Public Limited Company (Société Anonyme) with a Board of Directors (see Chapter VIII – "Report from the Executive Board on the resolutions to be put to the vote at the General Shareholders' Meeting" and "Draft resolutions for the Combined General Shareholders' Meeting on April 30, 2009".)

On November 17, 2006, a shareholders' agreement (hereinafter the "Agreement") was entered into by BFBP and CNCE, the principal provisions of which are described below:

Stability of the respective investments

Inalienability and upper limits

BFBP and CNCE undertake to maintain strict parity of investment in the capital of Natixis for a period of ten years, which could be extended for successive periods of five years.

Consequently, any acquisition or sale of Natixis shares is prohibited during this period, with the exception:

- of sales of securities within the context of the market transaction which took place at the end of 2006 with a view to enabling each of the two shareholders to hold at least 34% of the capital, on a fully-diluted basis, at the end of this transaction;
- of joint sales by each of the shareholders of an identical number of Natixis securities, on condition that upon completion of the sale, each shareholder retains a strictly identical investment in terms of number of shares, and which is greater than or equal to 34% of the capital of Natixis on a fully-diluted basis;

- of sales of securities to a natural person appointed as a member of the Supervisory Board, up to the number of securities required by the bylaws;
- of acquisitions of securities carried out in the event of "dilutive" circumstances after which the investment of each shareholder would be less than 34% of the capital on a fully-diluted basis, subject to an investment limit of 34% of the capital on a fully-diluted basis, it being specified that such acquisitions of securities shall be carried out on behalf of the two shareholders by a jointly-appointed investment services provider;
- of the subscription, by way of right, for increases in the capital of Natixis while maintaining preferential subscription rights, and of subscriptions for increases in the capital necessary to maintain the prudential equity capital of Natixis.

The shareholders shall meet every two years with effect from the date of signature of the agreement in order to re-examine the best way to ensure the sustainability of their agreement and the stability of their investments in the capital of Natixis, whether by the creation of a joint holding company to which they would transfer their respective investments in the capital of Natixis, or by the extension of the 10-year stability period.

Right of pre-emption in the event of non-renewal of the stability period

In the event that either of the shareholders gives notice of its decision not to renew the stability period (inalienability and upper limits) for a further period of five years at the end of the initial period of ten years (or of a tacit extension of that initial term), any transfer of securities that the said shareholder planned to carry out will be subject to the other shareholder's right of pre-emption.

In order to guarantee compliance with this stability obligation, Natixis shares owned by each of the shareholders have been registered as pure registered shares in the Company's accounts and a retention agreement has been entered into with a financial institution, under the terms of which the Company can only transfer those shares upon the instructions of the said financial institution given under the conditions provided by its agreement.

Ownership by the parties of a strictly identical number of Natixis shares

In the event that either of the shareholders owns a number of shares in excess of the number of shares owned by the other shareholder, that shareholder shall waive its voting rights in respect of the excess shares, and undertakes to sell them at the latest on the fifth trading day following the date of their acquisition. Failing this, that shareholder:

- shall be solely responsible for the costs and obligations resulting therefrom pursuant to the applicable stock exchange regulations, particularly as regards the compulsory filing of a draft public offer for Natixis;
- undertakes (by way of a sale undertaking) to sell half of the excess shares thus owned to the other shareholder, at a price equal to their nominal value.

Prohibition on the conclusion of new agreements constituting a concert party

In addition, the shareholders undertake throughout the stability period of 10 years (as potentially extended) not to enter into any agreement relating to Natixis and constituting a concert party with a third party.

Governance of Natixis

Composition of company bodies

The Agreement is intended to guarantee the principle of parity of representation of the two shareholders on the Natixis Supervisory Board.

The Natixis Supervisory Board is composed of 18 members of whom seven are appointed upon a proposal by BFBP, seven are appointed upon a proposal by CNCE, and four independent members are appointed upon a joint proposal by BFBP and CNCE. The Supervisory Board is chaired alternately by a representative of one of the two shareholders for a period of six financial years. The first Chairman of the Supervisory Board is Charles Milhaud. The Vice-Chairman of the Supervisory Board is a representative of the shareholder whose representative is not the Chairman of the Supervisory Board. The two shareholders are represented equally on the Audit Committee and on the Compensation Committee, each of which has six members of whom two are appointed upon a proposal by CNCE, two upon a proposal by BFBP and two independent members are appointed jointly by CNCE and BFBP.

The Executive Board is composed of between two and seven members appointed for a term of six years by the Supervisory Board (on a proposal from the Executive Chairman in the case of the other members). They are chosen according to competence criteria without distinction being made between the two groups.

The Executive Chairman is appointed by the Supervisory Board for a term of six years. The first Chairman of the Executive Board is Philippe Dupont. The dismissal of all or any of the members of the Executive Board by the General Shareholders' Meeting requires the prior approval of the two shareholders.

Operations requiring the prior approval of the Supervisory Board

Certain major decisions are subject to the prior approval of the Supervisory Board, which takes decisions based on a simple majority vote of the members present and represented by proxy, or in the case of certain operations qualified as "essential decisions", based on a dual majority vote (i) of the members present and represented by proxy and (ii) of the members representing each of the two shareholders.

Essential decisions are:

- the appointment and dismissal of the Chairman of the Executive Board;
- the dismissal and, upon a proposal by the Chairman of the Executive Board, the appointment of the other members of the Executive Board;
- the decision to appoint one (or two) member(s) of the Executive Board as Chief Executive Officer;
- the withdrawal of the position of Chairman or Chief Executive Officer from a member of the Executive Board;
- any acquisition or increase of a shareholding, or any investment or disinvestment (including the transfer of the CICs (Cooperative Investment Certificates) issued by Caisses d'Epargne or Banques Populaires) or the setting up of a joint venture by Natixis or any of its subsidiaries, for an amount in excess of €150 million;
- any asset transfer, merger or demerger transaction to which Natixis or any of its subsidiaries is a party;
- any immediate or future increase in the share capital of Natixis, with removal of preferential subscription rights, including the allocation of stock options or new free shares;
- a proposal to the General Shareholders' Meeting to amend the bylaws.

In the event of disagreement relating to an essential decision, the matter will be referred to the Chairmen and, if applicable, the Supervisory Boards and Boards of Directors (as the case may be) of each of the shareholders in order for them to consult each other and reach a joint position. If the disagreement persists at the time of a second meeting of the Supervisory Board of Natixis, the essential decision concerned will not be implemented, without either of the two shareholders having the benefit of an exit right.

Consultation

BFBP and CNCE shall consult each other before each General Shareholders' Meeting of Natixis in order, as far as possible, to arrive at a joint position on the resolutions submitted to the vote of the shareholders.

Governance of the principal subsidiaries

The Agreement specifies that the appointment of managers (Executive Board, Executive Management) of the principal Natixis subsidiaries (i.e. Ixis Corporate & Investment Bank, Ixis Asset Management Group, Coface and Natexis Asset Management) is subject to prior approval from the Supervisory Board.

Furthermore, the Supervisory Board (or Board of Directors) of the principal subsidiaries of Natixis shall be composed, in addition to the members representing the Executive Board of Natixis, of an equal number of members appointed on a proposal from BFBP and members appointed upon a proposal by CNCE.

Distribution of dividends

Subject to the existence of distributable profits and reserves and the applicable prudential rules, and save in exceptional circumstances, BFBP and CNCE are committed (i) to proposing to every General Shareholders' Meeting convened, for the purpose of approving the financial statements of Natixis, a distribution of dividends in an amount at least equal to 50% of the net consolidated profit in respect of each financial year (50% of the net pro forma profit for financial year 2006) and (ii) to voting in favor of such a distribution at Natixis General Shareholders' Meeting.

Maintenance of prudential equity capital

The Agreement contains a commitment on the part of BFBP and CNCE, for as long as they remain shareholders of Natixis, and including in the event of disagreement between them, to contribute any funds that may be necessary for Natixis to comply with the provisions of banking legislation and regulations as regards prudential equity capital.

Entry into force, term

The Agreement came into force on November 17, 2006 for a term of 15 years. Each of the two shareholders may, however, terminate the stability period (inalienability and upper limits) after a period of ten years, subject to giving prior notice of six months.

At the end of the 15 year period, the Agreement will automatically be renewed for successive periods of five years (including the stability period if one of the two shareholders has not terminated it in accordance with the terms and conditions mentioned above), unless notice to terminate is given by either of the two shareholders at least six months before its expiry.

Additional clauses added to the Natixis Shareholders' Agreement between BFBP and CNCE

Additional clause dated August 7, 2007:

By way of exception to the provisions of the Agreement, CNCE and BFBP decided to add another clause to the Agreement on August 7, 2007, so as to be able, if justified by circumstances, to make joint purchases of Natixis securities on the market as of the date of the additional clause and, at the latest, by December 31, 2007, so as to strengthen their position in respect of their capital interest in Natixis, thereby reaffirming their full confidence in Natixis's prospects and in its fundamentals despite the current market situation in respect of Natixis shares.

This additional clause specifies that purchases of Natixis shares made in accordance with its stipulations must be such that each shareholder acquires, at any one time, a strictly identical number of shares so as to adhere to the principle of strict parity fixed by the Agreement. In addition, the number of Natixis shares purchased by each of the parties shall, in any event, be less than 2% of the capital and voting rights (calculated over a rolling period of 12 months) in accordance with regulations on public offers.

The majority shareholders have, by mutual consent, agreed to appoint a financial intermediary to make these purchase on their behalf, where necessary, and in accordance with their instructions, in strict compliance with the principle of parity of investment referred to above.

Additional clause dated September 3, 2008:

On the occasion of the Natixis capital increase which took place in September 2008, the majority shareholders decided to add another additional clause to the Agreement on September 3, 2008 so as to:

- agree that if, subsequent to a "dilutive event", their investment should (i) fall below 34% of the capital on a fully-diluted basis but (ii) be above 34% of the capital on a non diluted basis, they would be free to make joint purchases of Natixis shares so as to prevent their potential dilution, it being specified that said purchases must, under all circumstances, be made via a jointly appointed financial intermediary;
- if, subsequent to a "dilutive event", their respective capital interest in Natixis should fall below 34%, on a non-diluted basis, appoint a financial intermediary to purchase on the market, on behalf of each majority shareholder, a sufficient and identical number of Natixis shares to enable each shareholder's investment to return to 34% of the capital on a non-diluted basis as soon as possible;
- expressly reiterate the pivotal nature of the 34% ceiling on investment by the parties in Natixis capital.

Additional clause dated September 29, 2008:

By way of an exception to the provisions of the Agreement, CNCE and BFBP decided on September 29, 2008 to add another clause to the Agreement so as to be able to make joint purchases of Natixis securities on the market as of the date of the additional clause and, at the latest, by December 31, 2008, so as to strengthen their position in terms of their capital interest in Natixis and to reaffirm their confidence in Natixis's prospects despite current market conditions.

Each of the two shareholders shall, where applicable, purchase a strictly identical number of Natixis shares so as to adhere to the principle of strict parity fixed by the Agreement. In addition, the number of Natixis shares purchased by each of the parties (including purchases already made during the last 12 months) must, under all circumstances, be less than 2% of the capital and voting rights, so as not to exceed the threshold provided for by Article 234-5 of the general regulations of the French Financial Markets Authority (AMF).

Major contracts

A - DESCRIPTION OF THE MAIN PROVISIONS OF THE BANQUES POPULAIRES CIC AGREEMENT

The main provisions of the Banques Populaires CICs (cooperative investment of certificates) Agreement signed on September 26, 2006 by Natexis Banques Populaires, BFBP and all the Banques Populaires, are as follows:

1 - Restrictions on the free transferability of Banques Populaires CICs

Banques Populaires CICs are freely negotiable. However, the sale of Banques Populaires CICs must be approved in advance by the Board of Directors of the relevant Banque Populaire, under the conditions provided below.

In order to obtain approval, the vendor must notify the relevant Banque Populaire of its request for approval, indicating the identity of the purchaser, the number of Banques Populaires CICs of which a sale is envisaged and, if applicable, the price offered and the payment terms.

Approval of the sale of Banques Populaires CICs will either result from a notice to the vendor of the decision taken by the relevant Banque Populaire's Board of Directors, or the absence of a reply within a period of one month, as of the date of receipt of notice of the proposed sale.

In the event that approval is refused, and failing abandonment by the vendor of its proposed sale, the Banque Populaire whose CICs are the subject of the proposed sale must repurchase the said Banques Populaires CICs (with the consent of the vendor) or must arrange for them to be purchased by a third party, at a sale price that takes account of the proportion of the net assets to which Banques Populaires CICs confer a right, and which complies with the valuation methods used to value Banques Populaires CICs at the time of their issue. In the absence of agreement between the vendor and the relevant Banque Populaire, the purchase price of Banques Populaires CICs will be determined by an expert.

2 - Consolidation of Natixis' investment in Banques Populaires

Natixis, which will have considerable influence over Banques Populaires in terms of compliance with the rules of governance and internal organization within Groupe Banque Populaire, compliance with contractual commitments previously entered into within Groupe Banque Populaire and compliance with the principles determined therein, will arrange for consolidation accounting of Banques Populaires CICs, using the equity method.

Since Banques Populaires CICs do not carry voting rights, the considerable influence of Natixis over Banques Populaires will be characterized **(i)** by its legal influence arising from Natixis having the means to assess and make known its assessment of the consequences for Natixis of operational and financial management decisions made by Banques Populaires, and **(ii)** by its "de facto" influence arising from the industrial and technical cooperation between Banques Populaires and Natixis.

The considerable legal influence of Natixis over Banques Populaires will arise particularly from the following provisions of the Banques Populaires CICs Agreement:

- **(i)** the extension of the mission of the federal representative of BFBP on the Boards of Directors of Banques Populaires to take into account the interests of Natixis in terms of the consistency of the development of each Banque Populaire with Natixis objectives;
- **(ii)** the representation of Natixis on the Audit and Group Risks Committee of BFBP (whose mission will be extended to examine the operational and financial relationships existing between Natixis and Banques Populaires, with regards Natixis' investment in the capital of Banques Populaires), and on the Group Technology Committee, the Group Development Committee and the Strategic Committee acting under the authority of the Board of Directors of BFBP;
- **(iii)** the prior consultation of Natixis in its capacity as a non-voting member as of right on the Board of Directors of BFBP, for all decisions of the Board of Directors which relate to its mission as the central body of the Banques Populaires network of BFBP (in particular, definition of the policy and strategic direction of the Banques Populaires network, the negotiation and conclusion of national and international agreements on behalf of the Banques Populaires network, the approval of the directors of Banques Populaires, the approval of increases in the capital, of bond issues and of acquisitions and sales of investments, and the centralization of cash flow surpluses of Banques Populaires and their refinancing);
- **(iv)** the right of Natixis to request a second resolution in the event that the Board of Directors of BFBP decides not to follow the advice given by Natixis on a decision likely to cause harm to its fundamental interests;
- **(v)** the right of Natixis to full and complete information regarding the operational and financial management of Banques Populaires;
- **(vi)** the rights of Natixis in respect of the audit of Banques Populaires, and particularly the association of Natixis, in its capacity as a non-voting member, with the decisions taken

by the Board of Directors of BFBP relating to administrative, technical and financial control of the organization of Banques Populaires management;

(vii) the delegation of powers by BFBP to Natixis as regards the definition of standards and methods of assessment of risks common to BFBP, CNCE and Natixis.

3 - The right to repurchase Banques Populaires CCIs

Banques Populaires CICs may be repurchased from Natixis on the initiative of each Banque Populaire, without the prior authorization of the special general meeting of CIC holders and with the prior authorization of the Board of Directors of BFBP, in the following circumstances:

- any substantial alteration in the balance of the respective shareholdings of BFBP and CNCE in Natixis and/or an end to the joint control exercised by CNCE and BFBP over Natixis;
- any reform of the 1947 law involving a substantial alteration of the rights of CIC holders.

In addition, in the event that legislative or regulatory changes or changes in the assessment of the relevant regulators or of the Statutory Auditors of Natixis should make it necessary to increase the influence of Natixis or to alter it significantly in order to enable the consolidation of Banques Populaires CCIs by Natixis to be maintained, Natixis must submit the precise terms of the changes made necessary to Banques Populaires in order for them to be able to determine whether they should integrate the new aspects of influence in their arrangements or whether they should decide, on receiving prior authorization from the Board of Directors of BFBP, to exercise their right to buyback the CICs that they have issued.

The buyback value of Banques Populaires CICs will be calculated using the method of valuation used when they were issued, particularly as regards the calculation of revalued net assets, and must take account of the profitability of Banques Populaires and of the proportion of the net assets to which the CICs confer a right. In the absence of agreement between Natixis and the Banque Populaire concerned, this buyback value will be determined by an expert.

4 - Technical and industrial cooperation between Natixis and Banques Populaires

Natixis and Banques Populaires have agreed to maintain existing industrial and commercial relations for a period of at least ten years as of the subscription date of Banques Populaires CICs.

In particular, the provision of the following services currently provided by Natexis Banques Populaires to Banques Populaires will be maintained:

- provision of IT infrastructure;
- the provision of industrial services (retention of rights, payment systems, operational management of currency accounting);
- the design and management of customer products on behalf of Banques Populaires (asset management, the whole range of insurance products (life, provident, fire, accident and other risks), factoring and lease financing, financial planning, development capital, employee benefits planning (and particularly employee savings), international planning, credit insurance and commercial information (Coface)).

During this period, Natixis has undertaken to provide its services at the market price and under market terms and conditions. If Banques Populaires consider that the products and/or services provided by Natixis are not competitive, the matter will be referred to BFBP which may, if necessary, commission an expert to carry out an external assessment and, if appropriate, to propose measures to improve the competitiveness of the said products and/or services.

Upon the expiry of the ten-year period provided above, either of the parties may terminate, in whole or in part, the existing commercial and industrial relations and any other relations which might have been added in the meantime, in accordance with the special contractual provisions governing those relations and subject to giving one year's prior notice.

B - DESCRIPTION OF THE MAIN PROVISIONS OF THE CAISSES D'EPARGNE CICS AGREEMENT

An agreement relating to the CICs issued by Caisses d'Epargne and transferred to Natexis Banques Populaires was entered into by each Caisse d'Epargne et de Prévoyance and by CNCE, SNC Champion and Natexis Banques Populaires, before the end of October 2006 (hereinafter the "Caisses d'Epargne CIC Agreement"), after approval by the steering and Supervisory Board of each of the Caisses d'Epargne.

The principal provisions of the Caisses d'Epargne CICs Agreement are as follows:

1 - Restriction on the free transferability of Caisses d'Epargne CICs

The Caisses d'Epargne CIC Agreement provides that the transfer of all or part of Caisses d'Epargne CICs by Natixis shall be subject to the prior agreement of CNCE.

In the event that CNCE agrees to the transfer of Caisses d'Epargne CICs, their transfer will be subject to the first-ranking right of pre-emption held by CNCE and then by the issuing Caisses d'Epargne (subject to the authorization of the banking authorities) with an option to substitute a third party approved by CNCE.

2 - Consolidation of the investment of Natixis in Caisses d'Epargne

Natixis, which exercises considerable influence over Caisses d'Epargne in terms of compliance with the rules of governance and internal organization within Groupe Caisse d'Epargne, compliance with contractual commitments previously entered into within Groupe Caisse d'Epargne and compliance with the principles determined therein, will arrange consolidation accounting of Caisses d'Epargne CICs by using the equity method.

Since Caisses d'Epargne CICs do not carry voting rights, the considerable influence of Natixis over Caisses d'Epargne will be characterized **(i)** by its legal influence arising from Natixis having the means to assess and make known its assessment of the consequences for Natixis of operational and financial management decisions made by Caisses d'Epargne provided for in the Caisses d'Epargne CICs Agreement, and **(ii)** by its "de facto" influence arising from the industrial and technical cooperation between Caisses d'Epargne and Natixis, organized by Caisses d'Epargne CICs Agreement.

The considerable legal influence of Natixis over Caisses d'Epargne will arise notably from the following provisions of the Caisses d'Epargne CICs Agreement:

(i) the extension of the mission of the non-voting member representing CNCE on the steering and Supervisory Boards of Caisses d'Epargne to take into account the interests of Natixis in terms of the consistency of the development of each Caisse d'Epargne with Natixis objectives;

(ii) the representation of Natixis on the Group Risks Committee (and its sub-Committees), on the Group ALM Committee and on CNCE Committees for the approval of new customer and financial products acting under the authority of CNCE's Executive Board;

(iii) the prior consultation of Natixis in its capacity as a non-voting member as of right on the Supervisory Board of CNCE, for all decisions of the Supervisory Board which relate to its mission as the central body of CNCE's Caisses d'Epargne network (in particular, definition of the policy and strategic direction of the Caisses d'Epargne network, the negotiation and conclusion of national and international agreements on behalf of the Caisses d'Epargne network, the approval of the directors of Caisses d'Epargne, the approval of increases in the capital, of bond issues and of acquisitions and sales of investments, and the centralization of cash flow surpluses of Caisses d'Epargne and their refinancing);

(iv) the right of Natixis to request a second resolution in the event that the Supervisory Board of CNCE decides not to follow the advice given by Natixis on a decision likely to cause harm to its fundamental interests;

(v) the right of Natixis to full and complete information regarding the operational and financial management of Caisses d'Epargne;

(vi) the rights of Natixis in respect of the audit of Caisses d'Epargne, and particularly the association of Natixis, in its capacity as a non-voting member, with the decisions taken by the Board of Directors of CNCE relating to administrative, technical and financial control of the organization of Caisses d'Epargne management;

(vii) the delegation of powers by CNCE to Natixis as regards the definition of standards and methods of assessment of risks common to BFBP, CNCE and Natixis.

3 - Technical and industrial cooperation between Natixis and Caisses d'Epargne

There are numerous economic ties between the subsidiaries transferred by CNCE and Caisses d'Epargne and these are likely to continue and to develop with the creation of Natixis.

In particular, the transferred subsidiaries provide Caisses d'Epargne with the following services:

- retention of shares;
- design and management of customer products (asset management, revolving credit facilities, suretyship insurance for borrowers, factoring and equipment lease financing, financial engineering and capital market products, local authority financing, debt management);
- securities and derivative brokerage.

Natixis and Caisses d'Epargne will maintain and develop their close cooperation in industrial and commercial areas.

Within the context of the development of this industrial and commercial cooperation, Natixis and Caisses d'Epargne have agreed to maintain the existing industrial and commercial relations described above for a period of at least ten years, as of the Completion Date.

Upon the expiry of this period, either of the parties may terminate, in whole or in part, the commercial and industrial relations described above and any other relations which might have been added in the meantime, in accordance with the special contractual provisions governing those relations and subject to giving one year's prior notice.

4 - The right to buyback Caisses d'Epargne CICs

Under the terms of the Caisses d'Epargne CICs Agreement, Natixis undertakes to sell Caisses d'Epargne CICs to CNCE or to the relevant Caisse d'Epargne, in accordance with the terms and conditions defined below, without the prior authorization of the special general meeting of the holders of Caisses d'Epargne CICs, in the following circumstances:

(i) any substantial alteration in the balance of the respective shareholdings of BFBP and CNCE in Natixis and/or an end to the joint control exercised by CNCE and BFBP over Natixis after the completion of the Operation;

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(ii) any sale and/or transfer of Caisses d'Epargne CICs for any reason whatever, including in the event of a merger or demerger of Natixis;

(iii) any reform of France's law of 1947 involving a substantial alteration of the rights of CIC holders;

(iv) any legislative or regulatory changes or changes in the assessment of the regulators concerned or of the Statutory Auditors of Natixis that makes it necessary to increase the influence of Natixis or to alter it significantly in order to enable the consolidation of Caisses d'Epargne CICs by Natixis to be maintained, on the understanding that, in this event, Natixis must submit the precise terms of the changes made necessary to CNCE and the Caisse d'Epargne concerned in order for them to be able to determine whether they should integrate the new aspects of influence in their arrangements or whether they should decide to exercise their right to buy back Caisses d'Epargne CICs.

In addition, without prejudice to the benefit of paragraph **(iii)**, in the event of a legislative amendment conferring a voting right on the holders of CICs, Natixis undertakes to act in concert with CNCE and Caisses d'Epargne and with their agreement, to make the necessary adaptations while either maintaining the rights and characteristics of the securities issued, or replacing Caisses d'Epargne CICs with securities having the same characteristics, and particularly without voting rights and with Natixis having the ability to consolidate the profit of Caisses d'Epargne by the equity method in proportion to its investment in the capital.

In the event that CNCE and the relevant Caisse d'Epargne exercise their right to buyback Caisses d'Epargne CICs in cases **(i)**, **(ii)** and **(iv)**, CNCE's right will have priority over that of the Caisse d'Epargne concerned.

In the event that CNCE and the relevant Caisse d'Epargne exercise their right to buyback Caisses d'Epargne CICs in case **(iii)**, the Caisse d'Epargne's right will have priority over that of CNCE.

The buyback value of Caisses d'Epargne CICs will be calculated using the method of valuation used when they were issued, and must take account of the proportion of the net assets to which the CICs confer a right. In the absence of agreement between Natixis and CNCE or the relevant Caisse d'Epargne, this repurchase value will be determined by an expert.

C - SUMMARY OF THE CROSS-UNDERTAKINGS OF PURCHASE AND SALE RELATING TO THE SHARES OF COMPAGNIE 1818 – BANQUIERS PRIVÉS ENTERED INTO BY NATIXIS ON THE ONE HAND, AND FONCIER PARTICIPATIONS, CRÉDIT FONCIER DE FRANCE AND BANQUE PALATINE, ON THE OTHER

On November 17, 2006, Natixis entered into purchase and sale undertakings with Banque Palatine, Foncier Participations and Crédit Foncier de France relating to the investments held by Banque Palatine, Foncier Participations and Crédit Foncier de France in the capital of Compagnie 1818 – Banquiers Privés.

Under the terms of these undertakings, Natixis undertook to purchase 238,480 shares representing 37.22% of the share capital and voting rights of Compagnie 1818 – Banquiers Privés from Banque Palatine, Foncier Participations and Crédit Foncier de France. Banque Palatine, Foncier Participations and Crédit Foncier de France reciprocally undertook to sell their investment in Compagnie 1818 – Banquiers Privés to Natixis.

The total exercise price of the undertakings is €34,448,822 likely to be subject to certain adjustments in the event of a cash transfer, dividend distribution or reduction of the capital of Compagnie 1818 – Banquiers Privés.

The purchase offers will be exercisable between July 1 and August 31, 2008. The sale offers will be exercisable between September 1, 2008 and November 30, 2008.

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List of corporate officer positions

Jean-Pascal Beaufret, age 58, a HEC and ENA graduate has held top positions at the Ministry of Finance and Economy (Treasury Department at the Internal Revenue Department) and, in the banking world and in industry, in particular at Alcatel-Lucent, where he has been Chief Financial Officer since 2002.

Positions and directorships as at December 31, 2008	In the last five years
Director of Sequana Capital	**Member of the Natixis Executive Board** Director of Natixis Asset Management Director of Natixis Global Asset Management Director of Natixis Interépargne Director of AEW Europe Permanent representative of Natixis on the Natixis Assurances Board of Directors Member of the Supervisory Board of CACEIS Director of Natixis Consumer Finance Director of Natixis Financement Chairman and Chief Executive Officer of Electro Banque Chairman and Chief Executive Officer of Telpart Chairman and Chief Executive Officer of SAFT Member of the Thales Alenia Space Supervisory Board Director of Alcatel Capital Corp. Director of Alcatel-Lucent Participations Director of Alcatel-Lucent Italia S.p.A. Director of Alcatel Standard AG, Basel Chairman of the Aura Merger Executive Board Director of Aura Merger Sub, Inc.

Vincent Bolloré, age 57, manages and controls the Bolloré Group, which has over 30,000 employees, and is a market leader in the manufacturing, transportation and logistics sectors, energy distribution and media.

Positions and directorships as at December 31, 2008	In the last five years
FRENCH COMPANIES	**FRENCH COMPANIES**
Member of the Natixis Supervisory Board	**Director of Natexis Banques Populaires**
Chairman and Chief Executive Officer of Bolloré	Chairman of the Board of Directors of Bolloré Média
Chairman and Chief Executive Officer of Bolloré Participations	Chairman of the Board of Directors of Bolloré Investissement
Chairman of the Board of Directors of Havas	Chairman of the Board of Directors of Direct 8 (formerly Bolloré Média)
Chairman of the Board of Directors of Havas Média France	Chairman of the Board of Directors of Direct Soir
Chairman of the Board of Directors of Financière de l'Odet	Chairman of the Board of Directors of Matin Plus (formerly Compagnie de Bangor)
President of Bolloré Production	Director of Bolloré Investissement
President of Véhicules Électriques Pininfarina-Bolloré (VEPB)	Director of Bolloré Média
Chief Executive Officer of Sofibol	Director of Compagnie de Bangor
Chief Executive Officer of Omnium Bolloré	Director of Tobaccor
Chief Executive Officer of Financière V	Permanent representative of Compagnie du Cambodge, Member of the Supervisory Board of Société Financière HR
Director of Batscap	Director of Generali France
Director of Bolloré	Member of the Supervisory Board of Vallourec
Director of Bolloré Participations	
Director of Compagnie des Glénans	
Director of Direct 8 (formerly Bolloré Média)	
Director of Direct Soir	
Director of Financière Moncey	
Director of Financière de l'Odet	
Director of Financière V	
Director of Havas	
Director of Havas Média France	
Director of Matin Plus (formerly Compagnie de Bangor)	
Director of Omnium Bolloré	
Director of Sofibol	
Director of Véhicules Électriques Pininfarina-Bolloré (VEPB)	
Permanent representative of Bolloré Participations, Director of Cie des Tramways de Rouen	
Permanent representative of Bolloré Participations, Director of Société Anonyme Forestière et Agricole (Safa)	
Permanent representative of Bolloré Participations, Director of Sté des Chemins de Fer et Tramways du Var et du Gard	
Permanent representative of Bolloré Participations, Director of Sté Industrielle et Financière de l'Artois	

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Vincent Bolloré (next)

Positions and directorships as at December 31, 2008	In the last five years
Permanent representative of Bolloré Participations, Director of Société Bordelaise Africaine	
Permanent representative of Bolloré Participations, Director of IER	
Permanent representative of Bolloré Participations, Member of he Supervisory Board of Compagnie du Cambodge	
Permanent representative of Bolloré on the board of F.F.L.Paris	
Permanent representative of Havas on the board of Médiamétrie	
FOREIGN COMPANIES	**FOREIGN COMPANIES**
Chairman of Nord Sumatra Investissements	Chairman of Plantations des Terres Rouges
Chairman of Financière du Champ de Mars	Chairman of Selective East Asiatic
Chairman of Financière Nord Sumatra	Deputy Chairman of Nord Sumatra Investissements
Chairmand of Champ de Mars Investissement	Director of Compagnie Internationale de Cultures
Vice-Chairman of Société des Caoutchoucs de Grand Bereby (SOGB)	Director of Socfin Plantations Sendiriam Berhad (Malaisie)
Vice-Chairman of Bereby Finances	Director of Société Financière du Champ de Mars (formerly Socfin)
Director of BB Groupe	Director of Socfininter
Director of Centrages	Permanent representative of Bolloré Participations, Director of SDV Côte d'Ivoire
Director of Champ de Mars Investissement	Permanent representative of Bolloré Participations, Director of Immobilière de la Pépinière
Director of Financière Nord Sumatra	Permanent representative of Bolloré, Director of Afrique Initiatives
Director of Financière Privée	
Director of Intercultures	
Director of Liberian Agricultural Company (LAC)	
Director of Mediobanca	
Director of Plantations Nord Sumatra Limited	
Director of Plantations des Terres Rouges	
Director of Red Land Roses	
Director of SDV Gabon	
Director of SDV Sénégal	
Director of Socfin KCD	
Director of Socfinaf	
Director of Socfinal	
Director of Socfinasia	
Director of Socfinco	
Director of Socfindo	
Director of Société de Gestion pour le Caoutchouc et les Oléagineux (Sogescol)	

Vincent Bolloré (next)

Positions and directorships as at December 31, 2008	In the last five years
Deputy Director of Nord Sumatra Investissements	
Deputy Director of Financière du Champ de Mars	
Permanent representative of Bolloré Participations, Director of SDV Cameroun	
Permanent representative of Bolloré Participations, Director of SDV Congo	
Permanent representative of Bolloré Participations, Director of SAFA Cameroun	
Permanent representative of Bolloré Participations, Director of Socapalm (Société Camerounaise de Palmeraies)	
Premanent representative of Bolloré Participations, Director of Palmcam (Palmeraies du Cameroun)	
Permanent representative of Bolloré Participations, Director of SPFS (Société des Palmeraies de la Ferme Suisse – Palm'or)	
Permanent representative of Bolloré Participations, Director of Société des Caoutchoucs de Grand Bereby – SOGB	
Permanent representative of Bolloré Participations, Director of Bereby Finance	
Manager of Huilerie de Mapangu Sprl	

Ulrich Brixner (died in February 2009), is of German nationality and has a doctorate in management. He has held various positions of responsibility at major German banks and was Chairman of the board of DZ BANK AG from 2000 to 2006.

Positions and directorships as at December 31, 2008	In the last five years
Non-voting member of the Natixis Supervisory Board	Chairman of the Executive Board of DZ Bank AG
Chairman of the Foundation of DZ Bank AG	Vice-Chairman of the Supervisory Board of Bausparkasse Schwäbisch Hall AG
Chairman of the Consultative Committee of DZ Bank AG	Chairman of the Board of Directors of DZ BANK Ireland plc.
	Vice-Chairman of the Supervisory Board of R+V Versicherung AG
	Chairman of the Supervisory Board of VR-Immobilien AG
	Member of Board of Directors of KfW Kreditanstalt für Wiederaufbau
	Chairman of CIBP
	Vice-Chairman of Board of Directors of Banco Cooperativo Espanol S.A
	Member of the Supervisory Board of Südzucker AG
	Member of Board of Directors of Landwirtschaftliche Rentenbank
	Member of the Supervisory Board of Equens N.V. – Payment Services for Europe
	Chairman of the European Business School/Wiesbaden – Oestrich-Winkel Foundation

Jean Clochet, age 63, Chairman of the Board of Directors of Banque Populaire des Alpes, is also Chairman and Chief Executive Officer of Routin SA, which produces and markets beverages from concentrate.

Positions and directorships as at December 31, 2008	In the last five years
Member of the Natixis Supervisory Board	**Director of Natexis Banques Populaires**
Chairman of the Board of Directors of Banque Populaire des Alpes	Director of Banque Privée Saint-Dominique
Chairman of the Board of Directors of Natixis Global Asset Management	Chairman of the Board of Directors of AAA-Actions-Agro-Alimentaire
Vice-Chairman of the Board of Directors of Natixis Global Asset Management	Chairman of Pays de Savoie Entreprendre
Vice-Chairman of the Board of Directors of Banque Fédérale des Banques Populaires	Deputy Vice-Chairman of the Board of Directors of Banque Populaire des Alpes
Vice-Chairman of the Board of Directors of Banque de Savoie	Director of Savoie Entreprendre
Director of Natixis Private Banking	Director of Syndicat national des Sirops
Director and Chairman and Chief Executive Officer of Brasserie des Cîmes	
Chairman of the Board of Directors of Routin America Inc.	
Director and Chairman and Chief Executive Officer of Routin S.A.	
Director and Chairman and Chief Executive Officer of Routin Nord Europe	
Manager of Montania	
Co-Manager of SCI (C3, Houille Blanche et Cimoise)	
Treasurer of Syndicat Rhône Alpes des Sirops et Liqueurs	

Bernard Comolet, age 62, is Chairman of the Executive Board of Caisse d'Epargne Île-de-France and previously held various positions of responsibility within the banking sector. He was Chairman of the Executive Board of Caisse Nationale des Caisses d'Epargne and Chairman of the Natixis Supervisory Board from November 2008 to March 2009.

Positions and directorships as at December 31, 2008	In the last five years
Chairman of the Natixis Supervisory Board	**Vice-Chairman of the Supervisory Board of Natixis**
Chairman of the Executive Board of Caisse Nationale des Caisses d'Epargne	Chairman of the Executive Board of Caisse d'Epargne Île-de-France Paris
Chairman of the Executive Board of Caisse d'Epargne Île-de-France	Chairman of the Executive Board of Caisse d'Epargne Île-de-France Ouest
Chairman of the Supervisory Board of Banque BCP SAS	Vice-Chairman of the Supervisory Board of Caisse Nationale des Caisses d'Epargne
Chairman of Fondation des Caisses d'Epargne pour la Solidarité	Member of the Supervisory Board of Ixis Corporate &-Investment Bank
Vice-Chairman of the Board of Directors of Nexity	Permanent representative of Caisse d'Epargne et de Prévoyance Île-de-France Paris, Director of Saccef
Vice-Chairman of the Supervisory Board of Financière Océor	Permanent representative of Caisse d'Epargne et de Prévoyance Île-de-France Paris, Director of Eulia Caution
Vice-Chairman of the Board of Directors of Groupement Européen des Caisses d'Epargne	Permanent representative of Caisse d'Epargne et de Prévoyance Île-de-France Paris, Director of Socamab Assurances
Member of the Supervisory Board of Banque BCP SAS	Chairman and Chief Executive Officer of SICAV Ecureuil Dynamique +
Permanent representative of la Caisse d'Epargne et de Prévoyance Île-de-France, Director of Immobilière 3F	Permanent representative of Caisse d'Epargne et de Prévoyance Île-de-France Paris, Director of Odacia
Permanent representative of Caisse d'Epargne et de Prévoyance Île-de-France, Member of the Supervisory Board of Efidis	Non-voting member of CNP Assurances
Director of CNP Assurances	
Director of Sopassure	
Director of Paris OPH Habitat	
Legal representative of CNCE, Chairman of GCE ASAP	
Legal representative of CNCE, Chairman of GCE Eclair 07	
Legal representative of CNCE, Chairman of GCE NAO	
Legal representative of CNCE, Chairman of GCE Participations	
Legal representative of CNCE, Chairman of gce Promotion Méditerranée	
Legal representative of Caisse d'Epargne and of Prévoyance Île-de-France, Member of the Supervisory Board of GCE Technologies	
Legal representative of CNCE, Chairman of gce Participations, Manager of SNC Participations Ecureuil	
Legal representative of CNCE, Member of the Executive Committee of the Fédération Bancaire Française	

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

Positions and directorships as at December 31, 2008	In the last five years
Member of the Natixis Supervisory Board	Chairman and Chief Executive Officer of Sodero
Chairman of the Executive Board of Caisse d'Epargne Côte d'Azur	Chairman of the Supervisory Board of Sodero Participations
Member of the board of FNCE	Chairman of the Supervisory Board of Batiroc Pays de la Loire
Director of Siparex Associés	Chairman of the board of Grand Ouest Gestion
Vice-Chairman of the Board of GCE Capital	Chairman and Chief Executive Officer of Sicav Horizon
Chairman of the Management Board of SAS Alliance Entreprendre	Director of Ecureuil Vie
Chairman of SAS Alliance Entreprendre Développement	Director of Ecureuil Gestion
Director and Chairman of Nouveau Logis Azur (SA HLM)	Director of SEM Nantes Gestion Equipements
	Director of SEMITAN
	Director of SA HLM Nantaise d'Habitation
	Member of the Supervisory Board of Pays de Loire Développement
	Member of the Supervisory Board of SOCFIM
	Director of Foncier Expertise
	Member of the Supervisory Board of Caisse Nationale des Caisses d'Epargne
	Member of the Supervisory Board of Banque Palatine

Philippe Dupont, age 57, Chairman of the Board of Directors of Banque Fédérale des Banques Populaires. From 1999 to March 2009 he was Chairman and Chief Executive Officer of Banque Fédérale des Banques Populaires and from 2006 to March 2009 he was Chairman of the Natixis Executive Board. With a degree in Management and Economics, Mr. Dupont was the Manager of a commodities wholesaler for 12 years and then Chairman of the Board of Directors of BP ROP Banque Populaire. Mr Dupont is a member of the Executive Committee of the French Banking Federation.

Positions and directorships as at December 31, 2008	In the last five years
Chairman of the Natixis Executive Board	**Chairman of the Board of Directors of Natexis Banques Populaires**
Chairman and Chief Executive Officer of Banque Fédérale des Banques Populaires	Chairman of the Board of Directors of Natixis Assurances
	Chairman of the Supervisory Board of Ixis Corporate & Investment Bank (Ixis CIB)

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Dominique Ferrero, age 62, studied at the École Normale Supérieure and held a variety of positions of responsibility at Banque Française du Commerce Extérieur (French Foreign Trade Bank), of which he became Chief Executive Officer in 1994. He was Chief Executive Officer of Natexis Banques Populaires and then of Crédit Lyonnais from November 1999, then Senior Adviser at Merrill Lynch from 2004.

Positions and directorships as at December 31, 2008	In the last five years
Member of the Executive Board, Chief Executive Officer of Natixis Chairman of Coface Holding Director of Vinci Director of Lazard Permanent representative of Natixis on the Coface Board of Directors Permanent representative of Natixis on the Board of Directors de Natixis Global Asset Management Permanent representative of Natixis on the Natixis Private Equity Board of Directors	Chief Executive Officer of Crédit Agricole Indosuez Chief Executive Officer and Member of the Executive Committee of Crédit Lyonnais Chairman of the Executive Board of Ixis Corporate & Investment Bank (Ixis CIB) Member of the Supervisory Board of Atos, now Atos Origin

Stève Gentili, age 59. Chairman of BRED Banque Populaire since 1998, was a director, until 2004, of a major food manufacturer. He is Chairman of Agence des Banques Populaires pour la Coopération et le Développement (ABPCD) and Natixis Pramex International.

Positions and directorships as at December 31, 2008	In the last five years
Member of the Natixis Supervisory Board	**Director of Natexis Banques Populaires**
Chairman of the Board of Directors of BRED Banque Populaire	Chairman of the Board of Directors of SPIG
Chairman of the Board of Directors of BRED Gestion	Chairman of the Board of Directors of Deroche SA
Chairman of the Board of Directors of Natixis Pramex International	Chairman of the Supervisory Board of BPAM
President of Compagnie Financière de la BRED – Cofibred	Vice-Chairman of the Supervisory Board of Banque Internationale de Commerce – BRED
Chairman of the Board of Directors of Natixis Institutions Jour	Director of BRED Gestion
Chairman of the Board of Directors of SPIG	Director of Compagnie Financière de la BRED – Cofibred
Vice-President of Banque Fédérale des Banques Populaires	Director of LFI
Chairman of the Supervisory Board of Banque Internationale de Commerce – BRED	Director of Pramex Italia S.R.L.
Director of Société Marseillaise de Crédit	Member of the Supervisory Board of Banque Internationale de Commerce – (BIC BRED)
Director of Bercy Gestion Finances +	Permanent representative of BRED Gestion on the Board of Directors of LFI 2
Director of bred Cofilease	Permanent representative of BRED Gestion on the board of Vialink
Director of Coface	Permanent representative of BRED Banque Populaire on the Board of Directors of Banque Internationale de Commerce - BRED
Director of Natixis Algérie	Permanent representative of Cofibred on the Board of LFI
Director of Natixis Pramex Italia SRL	
Director of Prepar IARD	
Director of Promepar Gestion	
Member of the Supervisory Board of Prepar Vie	
Permanent representative of bred Banque Populaire, Director of Banque Commerciale Internationale (BCI)	
Permanent representative of BRED Banque Populaire, Director of BICEC – Banque Internationale pour le Commerce, l'Epargne et le Crédit	
Permanent representative of bred Banque Populaire, Chairman of the Board of Directors of NJR INVEST	

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

Positions and directorships as at December 31, 2008	In the last five years
Member of the Natixis Supervisory Board	Member of the Board of Directors of Entenial
Chairman of the steering and Supervisory Board of Caisse d'Epargne et de Prévoyance de Lorraine Champagne-Ardennes	
Chairman of the Board of Directors of Société locale d'épargne Marne Nord	
Director of Fédération Nationale des Caisses d'Epargne	
Director of Crédit Foncier de France	

Alfonso Iozzo, age 66, was President of Casa Depositi e Prestiti. He held various positions of responsibility and subsequently Executive Management positions within the SanPaolo Group. He has been the Director of various European banks.

Positions and directorships as at December 31, 2008	In the last five years
	Non-voting member of the Natixis Supervisory Board
	President of Cassa Depositi e Prestiti S.p.A. (Rome)
	Member of the Supervisory Board of Intesa Sanpaolo S.p.A. (Turin)
	Deputy Director of Sanpaolo IMI S.p.A. (Turin)
	Member of the board of Associazione Bancaria Italiana (Rome)
	Chairman of Sanpaolo Banco di Napoli S.p.A. (Naples)
	Chairman of Banca OPI S.p.A.
	Member of the Board of Directors of Fédération Bancaire de l'UE (Brussels)
	Member of the Board of Directors of Assicurazioni Internazionali di Previdenza S.p.A. (Turin)
	Member of the Board of Directors of Eurizon Financial Group S.p.A. (Turin)
	Member of the Supervisory Board of CDC Finance – CDC Ixis (Paris)

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

Positions and directorships as at December 31, 2008	In the last five years
Member of the Natixis Supervisory Board Chief Executive Officer of Banque Populaire Bourgogne Franche-Comté Director of Banque Fédérale des Banques Populaires Director of IPMPE Director of Natixis Assurances Director of Natixis Lease Director of Natixis Paiements Permanent representative of Banque Populaire Bourgogne Franche-Comté, Director of i-BP S.A. Director of Banque de Savoie	**Director of Natexis Banques Populaires** Director of Natixis Assurances Director of Natixis Lease Director of Natixis Paiements Permanent representative of Banque Populaire du Quercy et de l'Agenais, Director of i-BP S.A. Director of Natixis Private Equity Chairman of the Board of Directors of Sud-Est Croissance Permanent representative of Banque Populaire Bourgogne Franche-Comté, Member of the Supervisory Board of la Banque pour les Paiements onLine Permanent representative of Banque Populaire Bourgogne Franche-Comté, Non-voting Member of ABP-Assurances Banque Populaire Member of the Board of Directors of Caisse Autonome de Retraite

Olivier Klein, age 51, Chairman of the Executive Board of Caisse d'Epargne Rhône Alpes and Professor of Financial Economics. He is a graduate of École Nationale de la Statistique et de l'Administration Économique (ENSAE) and of HEC's Cycle d'Études Supérieures en Finances. After having held positions of responsibility at BFCE and Natexis (in market financial engineering, in business and corporate banking), he joined Groupe Caisse d'Epargne in 1998. He has, in particular, held the position of Chairman of the Executive Board of Caisse d'Epargne Île de France Ouest. In 2007, he was appointed Chairman of the Executive Board of Caisse d'Epargne Rhône Alpes. Olivier Klein has, in addition, been Chairman of Groupe Caisse d'Epargne's retail banking committee.

Positions and directorships as at December 31, 2008	In the last five years
Member of the Natixis Supervisory Board	Chairman of the Executive Board of Caisse d'Epargne Rhône Alpes Lyon
Chairman of the Executive Board of Caisse d'Epargne Rhône Alpes	Chairman of the Executive Board of Caisse d'Epargne Île de France Ouest
Chairman of the Supervisory Board of Rhône-Alpes PME Gestion	Member of the Supervisory Board of Ecureuil Gestion
Director of Coface	Member of the Supervisory Board of Ecureuil Gestion FCP
Director of Natixis Consumer Finance	Permanent representative of CERA, Director of SALT
Director of Natixis Financement	Permanent representative of CERA, Member of the Supervisory Board of ARPEGE
Director of Natixis Global Asset Management	
Director of Neptune Technologies	
Member of the Supervisory Board of La Compagnie 1818 – Banquiers Privés	
Permanent representative of CERA, Director of Fédération Nationale des Caisses d'Epargne	
Permanent representative of CNCE, Member of the Supervisory Board of Compagnie des Alpes	
Permanent representative of CERA, Member of the Supervisory Board of GCE Business Services	
Permanent representative of CERA, Member of the Supervisory Board of Société des Trois Vallées	
Permanent representative of CERA, Manager of Terrae	

François Ladam, age 62, a HEC graduate, has spent his entire career with Groupe Banque Populaire as Internal auditor and then Chief Executive Officer of two Banque Populaire regional banks. He was Chief Executive Officer of Natexis Banques Populaires from November 1, 2002.

Positions and directorships as at December 31, 2008	In the last five years
	Member of the Natixis Executive Board Chief Executive Officer of Natexis Banques Populaires Chairman of the Supervisory Board of BPL – Banque pour les Paiements on Line Vice-Chairman of the Supervisory Board de Natixis Private Equity Permanent representative of Natexis Banques Populaires, Director of Natixis Arbitrage Permanent representative of Natexis Banques Populaires, Member of the Supervisory Board of + X Altaïr Permanent representative of Natexis Banques Populaires, Member of the Supervisory Board of ABP – Assurances Banque Populaire Permanent representative of Natexis Banques Populaires, Member of the Supervisory Board of Fructiger Permanent representative of Natexis Banques Populaires, Director of Natixis Altaïr Permanent representative of Natexis Banques Populaires, Director of Natixis Assurances Permanent representative of Natexis Banques Populaires, Director of Natixis Private Equity Legal representative of Natexis Banques Populaires, Manager of Natixis Arbitrage Permanent representative of Natixis, Director of Natixis Altaïr Permanent representative of Natixis, Director of Coface – Compagnie Française d'Assurance pour le Commerce Extérieur Permanent representative of Natixis, Director of Natixis Private Equity Permanent representative of Natixis Assurances, Member of the Supervisory Board of Assurances BP IARD Legal representative of Natixis, Manager of Natixis Arbitrage Permanent representative of Natixis, Director of Natixis Assurances Director of Natixis Interépargne Permanent representative of Natixis, Non-voting member of Banque Fédérale des Banques Populaires Vice-Chairman of the Supervisory Board de CACEIS Chairman of the Management Committee of Coface Holding SAS Member of the Supervisory Board of La Compagnie 1818 – Banquiers Privés Director of Ecrinvest 11 Director of Natixis Financement Director of Natixis Global Asset Management

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

Positions and directorships as at December 31, 2008	In the last five years
Member of the Natixis Supervisory Board Chief Executive Officer of Banque Populaire Val-de-France Chairman of the Supervisory Board of M.A. Banque – Multi Acces Banque Vice-Chairman of Banque Fédérale des Banques Populaires Director of Coface Director of Crédit Commercial du Sud-Ouest Director of Natixis Private Banking Permanent representative of Banque Populaire Val-de-France, Director of i-BP (Informatique Banques Populaires) Member of the Supervisory Board of Foncia Groupe **Other positions held:** Member of Executive Committee of CIBP (Confédération Internationale des Banques Populaires)	**Director of Natexis Banques Populaires** Chairman of the Supervisory Board of small and medium-sized businesses Director of Natixis Assurances Director of Natexis Immo Placement Permanent representative of Banque Populaire Val-de-France, Director of la Banque Populaire Développement Permanent representative of Banque Populaire Val-de-France, Director of la BICEC (Banque Internationale du Cameroun pour l'Epargne et le Crédit) Permanent representative of Banque Populaire Val-de-France, Vice-Chairman of i-BP (Informatique Banques Populaires)

Alain Lemaire, age 59, former student at the École Nationale des Impôts and ENA, has been Chief Executive Office of Caisse Nationale des Caisses d'Epargne since October 19, 2008. He has also been Chairman of the Caisse d'Epargne Provence-Alpes-Corse since 2002. He was Chief Executive Officer of Crédit Foncier from 1999 to 2002.

Positions and directorships as at December 31, 2008	In the last five years
Permanent representative of Caisse Nationale des Caisses d'Epargne, Member of the Supervisory Board of Natixis	Member of the Supervisory Board of Caisse Nationale des Caisses d'Epargne et de Prévoyance
Chief Executive Officer and Member of the Executive Board of Caisse Nationale des Caisses d'Epargne et de Prévoyance	Vice-Chairman of the Supervisory Board of Ecureuil Gestion
Chairman of the Executive Board of Caisse d'Epargne Provence-Alpes-Corse	Vice-Chairman of the Supervisory Board of Ecureuil Gestion FCP
Director of Natixis Epargne Financière	Member of the Supervisory Board of Arpège
Director of Natixis Epargne Financière Gestion	Director of Ecureuil Vie
Member of the Supervisory Board of La Compagnie 1818 – Banquiers Privés	Permanent representative of CEPAC, Director of Holassure
Chairman of Board of Directors of Crédit Foncier de France	
Chairman of the Board of Directors of Natixis Asset Management	
Chairman of the Supervisory Board of Banque Palatine	
Chairman of the Supervisory Board of GCE Capital	
Chairman of the Supervisory Board of SOCFIM	
Chairman of the Supervisory Board of Viveris Management	
Chairman of the Supervisory Board of FLCP	
Chairman of the management board of Viveris	
Chairman of la SAS Erixel	
Director of Banca Carige	
Director of CNP Assurances	
Director of Erilia	
Director of GCE Domaine	
Director of Marseille Aménagement	
Director of Nexity	
Director of Sopassure	
Member of the Supervisory Board of ANF	
Member of the management board of Proxipaca Finance	
Non-voting member of Yunus Movie Project Partners	
Manager of SCF Py & Rotja	
Permanent representative of CEPAC, Director of Banque de la Réunion	
Permanent representative of CEPAC, Director of Banque des Antilles Françaises	
Permanent representative of CEPAC, Director of La Chaîne Marseille – LCM	

Alain Lemaire (next)

Positions and directorships as at December 31, 2008	In the last five years
Permanent representative of CEPAC, Member of the Supervisory Board of Business Services Permanent representative of CEPAC, Member of the Supervisory Board of Caisse d'Epargne Garanties Entreprises Permanent representative of CEPAC, Member of the Supervisory Board of Financière Océor Permanent representative of GCE I, Member of the Supervisory Board of I.Sélection	

Luigi Maranzana, age 68, is currently Chairman of some Groupe Intesa Sanpaolo companies, after having been Deputy Director of Sanpaolo Imi S.p.A. During his professional career, Mr. Maranzana managed Group activities in the United States in the 1980s, then within Banque Sanpaolo in France in the 1990s.

Positions and directorships as at December 31, 2008	In the last five years
Non-voting member of the Natixis Supervisory Board President of EurizonVita S.p.A. Vice-President of Banca Fideuram S.p.A. Member of the Board of Directors of Eurizon Capital SGR S.p.A. Member of the Executive Committee of ANIA (Associazione Nazionale fra le Imprese Assicuratrici)	Deputy Director of Sanpaolo IMI S.p.A. Member of the Board of Directors of Banca Fideuram S.p.A., Sanpaolo Imi Wealth Management S.p.A. and New BPA S.r.l. President of Noricum Vita S.p.A. President of Banca Imi S.p.A. Member of the Board of Directors of Sanpaolo Life Limited Member of A.B.I. (Associazione Bancaria Italiana) President of New Step S.p.A. President of Assicurazioni Internazionali di Previdenza S.p.A. President of Eurizon Financial Group S.p.A. President of EurizonVita S.p.A. Member of the Board of Directors of Banca Fideuram S.p.A. Member of the Board of Directors of Eurizon Capital SGR S.p.A. Member of the Board of Directors of Eurizon Investimenti SGR S.p.A.

Nicolas Mérindol, age 48 was, until October 2008, Chief Executive Officer of Caisse Nationale des Caisses d'Epargne. He held a series of management positions with a major French carmaker before joining Caisse des Dépôts et Consignations and then Groupe Caisse d'Epargne.

Positions and directorships as at December 31, 2008	In the last five years
	Permanent representative of Caisse Nationale des Caisses d'Epargne, Member of the Supervisory Board of Natixis
	Chief Executive Officer and Member of the Executive Board of CNCE
	Chairman of the Board of Directors of Crédit Foncier de France
	Chairman of the Board of Directors of Natixis Asset Management
	Chairman of the Supervisory Board of Banque Palatine
	Chairman of the Supervisory Board of Compagnie 1818 – Banquiers Privés
	Chairman of the Supervisory Board of Ecureuil Gestion
	Chairman of the Supervisory Board of Ecureuil Gestion FCP
	Chairman of the Supervisory Board of CEMM
	Chairman of the Supervisory Board of GCE Capital
	Chairman of the Supervisory Board of FLCP
	Chairman of Natixis Consumer Finance
	Vice-Chairman of the Board of Directors of Natixis Global Asset Management
	Vice-Chairman of the Supervisory Board of Financière Océor
	Director of Sopassure
	Director of GCE Domaines
	Director of Nexity
	Director of Banca Carige
	Director of CNP Assurances
	Director of Coface
	Permanent representative of CNCE, Member of the Supervisory Board of GEMO-RSI
	Permanent representative of CNCE, Member of the Supervisory Board of Girce Stratégie
	Non-voting member of Yunus Movie Project Partners
	Chairman of Board of Directors of A.C.E
	Permanent representative of CNCE, Member of the management board of Alliance Entreprendre
	Director of Banque de la Réunion
	Director of Banque des Antilles françaises
	Chairman of the Supervisory Board of Ecureuil Vie
	Vice-Chairman of the Supervisory Board of Issoria

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Nicolas Mérindol (next)

Positions and directorships as at December 31, 2008	In the last five years
	Vice-Chairman of the Supervisory Board of NAM Participations 2
	Director of CDC Entreprises Capital Investissement (CECI)
	Vice-Chairman of the Supervisory Board of Crédit Foncier de France
	Member of the Supervisory Board and Limited partner of Ecufoncier
	President of Ecureuil Crédit
	Member of the Supervisory Board of Efidis
	Director of Entenial
	Director of Erilia
	Director of Erixel
	Permanent representative of CNCE, Member of the Supervisory Board of Financière Océor
	President of GCE Fidélisation
	Member of the Supervisory Board of GCE Immobilier
	Chairman of the Supervisory Board of GCE Newtec
	Chairman and Chief Executive Officer of Holgest
	Permanent Representative of Ecureuil Participations, Director of Holgest
	Chairman of Board of Directors of Ingepar
	Vice-Chairman of the Supervisory Board of NGAM Participations 1
	Vice-Chairman of the Supervisory Board of Ixis Corporate & Investment Bank
	Member of the Supervisory Board of Ixis Investor Services
	Permanent representative of CNCE, Director of Natixis Financement (formerly CEFI)
	Permanent representative of CNCE, Member of the Supervisory Board of SEDI-RSI
	Chairman of the Supervisory Board of Société Lamy (formerly estrim)
	Director of Vigeo

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Bruno Mettling, age 51, currently Advisor to the Chairman of Banque Fédérale des Banques Populaires, was Deputy Chief Executive Officer of Banque Fédérale des Banques Populaires until March 2009. Auditor with the French Treasury until 1995, he held various positions of responsibility within ministerial cabinets before rejoining Groupe Caisse d'Epargne in 1999 of which he was a member of the Executive Board and then Groupe Banque Populaire in 2004.

Positions and directorships as at December 31, 2008	In the last five years
Member of the Natixis Supervisory Board Deputy Chief Executive Officer of Banque Fédérale des Banques Populaires Chairman of the Supervisory Board of Foncia Groupe President of ABPCE President of SAS BP Création, representing BFBP Vice-Chairman of Société Marseillaise de Crédit Director of Coface Director of Natixis Private Banking Member of the Supervisory Board of MA Banque Member of the Supervisory Board of Fonds de Garantie des Dépôts Permanent representative of Banque Fédérale des Banques Populaires, Director of Natixis Assurances Permanent representative of Banque Fédérale des Banques Populaires, Director of BICEC Permanent representative of Banque Fédérale des Banques Populaires, Director of Natixis Consumer Finance Permanent representative of Banque Fédérale des Banques Populaires, Director of Natixis Financement Permanent representative of Banque Fédérale des Banques Populaires, Manager of BANKEO Permanent representative of la Banque Fédérale des Banques Populaires, Member of the CIBP Executive Committee Member of FBF forward planning committee	Chairman of the Board of Directors of BCI-Banque Commerciale Internationale Deputy Chief Executive Officer of Banque Fédérale des Banques Populaires Interim Chief Executive Officer of Banque Populaire Centre Atlantique Member of the Executive Board of Caisse Nationale des Caisses d'Epargne

Charles Milhaud, age 66, was, from 1999 until October 2008, Chairman of the Executive Board of Caisses d'Epargne. A science graduate, his whole career has been spent with Groupe Caisse d'Epargne. Charles Milhaud was also Chairman of the Natixis and Financière Oceor Supervisory Boards, Chairman of Caisses d'Epargne Foundation for Social Solidarity and, since September 1, 2006, has been a member of the Executive Committee of the French Banking Federation.

Positions and directorships as at December 31, 2008	In the last five years
Chairman of the Board of Directors of BTK Chairman of SAS and of the Board of Directors of GCE Maroc Chairman of the Supervisory Board of Financière Océor Vice-Chairman of the Board of Directors of Europacorp Vice-Chairman of Board of Directors of Crédit Immobilier et Hôtelier Vice-Chairman of the Board of Directors of Fransabank France Director of Djouba Promotion Groupe Addoha Director of Financière Océor Algérie Director of IEP Aix-en-Provence Director of SLE Préfecture Director of Véolia Eau – Compagnie Générale des Eaux Permanent representative of CNCE, Chairman of Malraux Permanent representative of CNCE, Chairman of CEPBL Communications Manager of CM Investissement Manager of SCI Cascades Paradis Manager of SCI Grand Horizon Paradis	**Chairman of the Natixis Supervisory Board** Chairman of the Executive Board of Caisse Nationale des Caisses d'Epargne Chairman of Fondation des Caisses d'Epargne pour la Solidarité President of Erixel Chairman of the Board of Directors of GCE Domaines Chairman of Board of Directors of Centre National d'Enseignement à Distance (CNED) Vice-Chairman of the Board of Directors of Nexity Vice-Chairman of the Supervisory Board of Europacorp Vice-Chairman of Groupement Européen des Caisses d'Epargne (GECE) Director of Banque des Mascareignes LTEE Director of CNP Assurances Director of Coface Director of GCE Maroc Immobilier Director of Massira Capital Management Director of Sodexho Alliance Director of Sopassure Director of Groupement National de la Coopération (GNC) Member of the Executive Committee of Fédération bancaire française Member of the Supervisory Board of IDF Télé Permanent representative of CNCE, Chairman of GCE Participations Permanent representative of Erixel, President of Erilia Permanent representative of CNCE, President of GCE ASAP Permanent representative of CNCE, President of GCE AVI 007 Permanent representative of CNCE, President of GCE Eclair 07 Permanent representative of CNCE, President of GCE ESKA 007 Permanent representative of CNCE, President of GCE FX 007 Permanent representative of CNCE, President of GCE IDA 007 Permanent representative of CNCE, President of GCE KALI 007

Monsieur Charles Milhaud (next))

Positions and directorships as at December 31, 2008	In the last five years
	Permanent representative of CNCE, President of GCE KOLA 007
	Permanent representative of CNCE, President of GCE ODE 07
	Permanent representative of CNCE, President of GCE ONA 007
	Permanent representative of CNCE, President of GCE Participations, manager of SNC Participations Ecureuil
	Permanent representative of CNCE, President of GCE Promotion Méditerranée
	Permanent representative of CNCE, President of GCE SNL 7
	Permanent representative of CNCE, President of GCE SRD 07
	Permanent representative of CNCE, President of GCE TEO 007
	Permanent representative of CNCE, President of GCE TTU 07
	Permanent representative of CNCE, President of GCE VTR 007
	Permanent representative of CNCE, President of GCE ZOE 007
	Permanent representative of GCE SEM, Member of the Supervisory Board of SOGIMA
	Treasurer of the Belem Foundation
	Permanent representative of CNCE, President of Oterom Holding
	Permanent representative of CNCE, President of GCE Courtage (formerly GCE Imédia 07)
	Permanent representative of CNCE, President of GCE Paiements
	Chairman of the Supervisory Board of Crédit Foncier de France
	Vice-Chairman of the Supervisory Board of GCE Immobilier
	Permanent representative of CNCE, Director of Banque des Îles Saint-Pierre et Miquelon
	Member of the Supervisory Board of CDC Entreprises
	Chairman of the Supervisory Board of IXIS Corporate & Investment Bank
	Permanent representative of CNCE, member of the Supervisory Board of Natixis Asset Management
	Member of the Supervisory Board of Natixis Global Asset Management
	Vice-Chairman of the Supervisory Board of CDC Finances – CDC Ixis
	Permanent representative of CNCE, Member of the Supervisory Board of Natixis Multimanager

Charles Milhaud (next)

Positions and directorships as at December 31, 2008	In the last five years
	President of Université Groupe Caisses d'Epargne Director of Université René Descartes (Paris V) Member of the Cetelem Supervisory Board Director of Caisse de Dépôts et Développement Vice-Chairman of Compagnie financière Eulia Director of Ecureuil Participations Permanent representative of CNCE, Director of Banque de la Réunion Permanent representative of CNCE, Director of Banque de la Nouvelle-Calédonie Permanent representative of CNCE, Director of Banque de Tahiti Member of the Supervisory Board of GCE Habitat Chairman of the Supervisory Board of Issoria Chairman of executive Committee of Fédération bancaire française Permanent representative of GCE Immobilier, Member of the Supervisory Board of SOGIMA

Jean-Marc Moriani, age 51, a graduate of École Centrale of Paris and Université Paris I (Economics), has served most of his career at Groupe Crédit Lyonnais and, subsequently, Crédit Agricole, in France and in the United States. He became responsible for the Natixis Finance and Investment Bank in August 2007 and continues to manage it today.

Positions and directorships as at December 31, 2008	In the last five years
Member of the Natixis Supervisory Board Permanent representative of Natixis on the Natixis Securities Board of Directors Legal representative of Natixis, Managing partner of Investima 74 Chairman of the Board of Directors of Natixis North America Inc. Chairman of the Board of Directors of Natixis Capital Markets Member of the Board of Directors of Natixis Bleichroeder Inc.	Chief Executive Officer of Crédit Lyonnais Americas (New York) Chief Executive Officer of Calyon Americas (New York) Chairman of the Board of Directors of Calyon Securities Inc. Chief Executive Officer of Ixis CIB Member of the Executive Board of Ixis CIB

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Jean-Charles Naouri, age 60, is Chairman and Chief Executive Officer and founder of EURIS, the holding company of one of France's leading retail groups. He began his career as an auditor with the French Treasury before becoming chief of staff at the Ministry of Social Affairs and National Solidarity in 1982 and at the Ministry of the Economy in 1984. He was also Managing partner at Rothschild & Cie Banque from 1987 to 2005.

Positions and directorships as at December 31, 2008	In the last five years
Member of the Natixis Supervisory Board	Chairman of the Board of Directors of Euris
Chairman and Chief Executive Officer of Casino, Guichard-Perrachon	Chairman of Groupe Euris
Chairman and Chief Executive Officer of Rallye	Non-voting member of Fimalac
President of Euris	Director of HSBC France
Chairman of the Board of Directors of Finatis	Member of the Supervisory Board of Laurus (now Super de Boer)
Director of Fimalac	Member of the Supervisory Board of Groupe Marc de Lacharrière
Member of the Supervisory Board of Companhia Brasileira de Distribuicao (CBD)	Non-voting member of Caisse Nationale des Caisses d'Epargne et de Prévoyance
Manager of SCI Penthièvre Seine	Vice-Chairman of the Executive Board of Francarep (now Paris-Orléans)
Manager of SCI Penthièvre Neuilly	Member of the Supervisory Board of Casino, Guichard-Perrachon
Member of Consultative Committee of Banque de France	Director of Continuation Investments NV
Chairman of the association "Promotion des Talents"	Director of Crédit Commercial de France (CCF)
Vice-Chairman of Fondation Euris	Managing partner of Rothschild & Cie Banque
Honorary Chairman and Director of Institut de l'École Normale Supérieure	Member of the Supervisory Board of Wilkes Participaçoes
	Limited partner of Rothschild & Cie Banque

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Anthony Orsatelli, age 58, studied at ENA, held various positions at the Ministry of the Economy and in ministerial cabinets then, in 1987, he joined Groupe BNP and, in 1995, he joined Groupe Caisse des Dépôts then Groupe Caisse d'Epargne. He was also, in particular, Chairman of the Executive Board of CDC Marchés, Chief Executive Officer of CDC IXIS, Chairman of the Executive Board of Ixis-CIB, member of the Executive Board of CNCE and, until February 2008, a member of the Natixis Executive Board.

Positions and directorships as at December 31, 2008	In the last five years
Director (Government representative) of GIAT Industries	**Member of the Natixis Executive Board** Member of the Executive Board of Ixis Corporate & Investment Bank (Ixis CIB) Permanent representative of Natixis, Non-voting member of the Supervisory Board of Caisse Nationale des Caisses d'Epargne et de Prévoyance Director of Natixis Global Asset Management (formerly Ixis Asset Management Group) Director of Natixis Global Asset Management Corporation (formerly Ixis Asset Management US Corporation) Director of Natixis Private Equity Director of Natixis Bleichroeder Inc. Member of the Supervisory Board of CACEIS Director of AEW Europe (formerly Ixis AEW Europe) Member of the Supervisory Board of Ecureuil Gestion Member of the Supervisory Board of Ecureuil Gestion FCP Permanent representative of Natixis, Director of Natixis Securities (formerly Ixis Securities) President of CIFG Holding Ltd (formerly CIFG Holding) President of CIFG Guaranty LTD (formerly CIFG Guaranty) Director of CIFG Assurance North America Inc. Director of CIFG Services Inc. Permanent representative of CIFG Guaranty, member of the Supervisory Board of CIFG Europe Director of Lazard Ltd Chairman of the Supervisory Board of CACEIS Chairman of the Executive Board of Ixis Corporate & Investment Bank (Ixis CIB) Chairman of the Supervisory Board and Permanent representative of Caisse Nationale des Caisses d'Epargne on the Supervisory Board of CIFG Holding Chairman of the Supervisory Board and Permanent representative of Natixis on the Supervisory Board of CIFG Holding President of Nexgen Financial Holding Limited President of Nexgen RE Limited Director of Natixis Bleichroeder SA Chairman of Natixis North America (formerly Ixis North America) President of Natixis Capital Markets (formerly Ixis Capital Markets North America)

Anthony Orsatelli (next)

Positions and directorships as at December 31, 2008	In the last five years
	President of Natixis Commercial Paper Corp. (formerly Ixis Commercial Paper Corp.) President of Natixis Financial Products Inc. (formerly Ixis Financial Products Inc.) President of Natixis Real Estate Capital Inc. (formerly Ixis Real Estate Capital Inc.) Director of SanPaolo IMI S.p.A. Director of Natixis Securities North America Inc. (formerly Ixis Securities North America Inc.) President of Natixis Derivatives Inc. (formerly Ixis Derivatives Inc.) President of Natixis Funding Corp. (formerly Ixis Funding Corp.) President of Natixis Municipal Products Inc. (formerly Ixis Municipal Products Inc.) Chairman of the Supervisory Board of Natixis Asset Management (formerly Ixis Asset Management) Chairman of the Supervisory Board of Natixis Global Asset Management (formerly Ixis Asset Management Group) Chairman of the Supervisory Committee of Natixis Global Asset Management Participations 1 (formerly Ixis Asset Management Participations 1) Chairman of the Supervisory Committee of Natixis Asset Management Participations 2 (formerly Ixis Asset Management Participations 2) Director of Natixis Global Asset Management, LLC (formerly Ixis Asset Management US LLC) Chairman of the Supervisory Board of Natixis Multimanager (formerly Ixis Private Capital Management) Chairman of the Board of Directors of Ixis SP S.A. Permanent representative of CIFG Holding, Member of the Supervisory Board of CIFG Guaranty Member of the Executive Board of Caisse Nationale des Caisses d'Epargne Director of Euroclear PCL Director of Euroclear SA/NV Chairman of the Supervisory Board of Ixis Investor Services Director of Cube Infrastructure Fund

Didier Patault, age 48, Chairman of Caisse d'Epargne Bretagne des Pays de Loire, held positions of responsibility at CDC Gestion until 1992 and then at Caisse d'Epargne des Pays du Hainaut and Caisse Nationale des Caisses d'Epargne.

Positions and directorships as at December 31, 2008	In the last five years
Vice-Chairman of the Supervisory Board of Natixis	**Member of the Natixis Supervisory Board**
Chairman of the Executive Board of Caisse d'Epargne et de Prévoyance Bretagne - Pays de Loire	Chairman of the Executive Board of Caisse d'Epargne et de Prévoyance des Pays de la Loire
Chairman of the Board of Directors of Mancelle d'Habitation	Chairman and Chief Executive Officer of SDR-Ouest Sodero
Chairman of the Board of Directors of Samo	Chairman of the Board of Directors of Association C.O.L.E.
Chairman of the Board of Directors of Sodero Participations	Chairman of the Board of Directors of Association SAPAD
Chairman of the Supervisory Board of Batiroc Pays de la Loire	Chairman of the Board of Directors of Ecolocale
Chairman of the Supervisory Board of Sodero Gestion	Chief Executive Officer of Caisse d'Epargne et de Prévoyance de Bretagne
Representative of Sodero Participations, Chairman of the Supervisory Board of Grand Ouest Gestion	Director of Meilleurtaux
Director of Compagnie de Financement Foncier	Director of Oterom Holding
Member of the Supervisory Board of GCE Capital	Director of Université Caisses d'Epargne
Representative of CEBPL, Director of Nantes Atlantique Place Financière	Member of the Supervisory Board of Ixis Corporate & Investment Bank
Representative of CEBPL, Director of Pays de la Loire Développement	Member of the Supervisory Board of Ecureuil Vie
Representative of CEBPL, Director of SEMITAN	Representative of CEPDL, Member of the Supervisory Board of GIRCE Ingénierie
	Representative of CEPDL, Director of GIRCE Stratégie
	Representative of CEPDL, Member of the Supervisory Board of GCE Business Services
	Representative of CEPDL, Member of the Supervisory Board of GCE Technologies

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

Positions and directorships as at December 31, 2008	In the last five years
Member of the Natixis Supervisory Board	Chairman of the Executive Board of Vivendi Environnement
Chief Executive Officer of Veolia Environnement	Director of EDF International
Chairman of the Board of Directors of Veolia Propreté	Director of Vinci
Chairman of the Board of Directors of Veolia Transport	Member of the Supervisory Board of CEO
Chairman of the Board of Directors of Veolia Water	Member of the Supervisory Board of CFSP
Director of EDF	Director of Comgen Australia
Director of Dassault Aviation	Director of Connex Leasing (United Kingdom)
Director of Dalkia International	Director of Connex Transport AB (Sweden)
Director of Société des Eaux de Marseille	Director of Connex Transport UK (United Kingdom)
Director of Sarp Industries	Member of the Supervisory Board of Société des Eaux de Melun
Director of CNP Assurances	Director of Esterra
Manager of Veolia Eau – Compagnie Générale des Eaux	Director of B 1998 SL et FCC (Spain)
Member of the Supervisory Board of Lagardère	Director of Grucycsa (Spain)
Member of Supervisory Boards A and B of Dalkia (SAS)	Director of Onyx UK Holdings (United Kingdom)
Member and Chairman of the Supervisory Board of Dalkia France	Director of Safise
Non-voting member of the Supervisory Board of Caisse Nationale des Caisses d'Epargne	Director of Wasco (formerly USFilter, USA)
Director of Veolia ES Australia	Director of Sarp
Director of Veolia Transport Australasia	Director of Thales
Director of Veolia Environmental Services UK	Member of the Supervisory Board of Elior
Director of Siram	Member of the Supervisory Board of CNP Assurances
Director of Veolia Transport Northern Europe	Director of Veolia Environmental Services Asia
Director of Veolia Environmental Services North America Corp.	Director of Casino, Guichard-Perrachon
Director of Veolia Environnement North America Operations	

Philippe Queuille, age 52, Deputy Chief Executive Officer of Banque Fédérale des Banques Populaires, has also served as Chairman of the Board of Directors and Chief Executive Officer of Informatique Banques Populaires since 2000. He previously held a series of management positions at Groupe Banque Populaire.

Positions and directorships as at December 31, 2008	In the last five years
Permanent representative of Banque Fédérale des Banques Populaires, Member of the Natixis Supervisory Board	Chief Executive Officer of Banque Populaire de l'Ouest
Chairman of Board of Directors and Chief Executive Officer of Informatique Banques Populaires	Director of Natixis Paiements
Chairman of Board of Directors and Chief Executive Officer of Albireo	Permanent representative of Banque Populaire de l'Ouest, Director of Informatique Banques Populaires
Permanent representative of Informatique Banques Populaires, Director of Natixis Altaïr IT Shared Services	Permanent representative of Banque Populaire de l'Ouest, Director of Natexis Asset Management
Deputy Chief Executive Officer of Banque Fédérale des Banques Populaires	Permanent representative of Banque Populaire de l'Ouest, Director of Bicec – Banque Internationale pour le Commerce, l'Epargne et le Crédit
Permanent representative of Banque Fédérale des Banques Populaires, Director of Partecis	Chairman of the Board of Directors of SAS Cyberplus Market – C+M
Permanent representative of Banque Fédérale des Banques Populaires, Director of Crédit Commercial du Sud-Ouest	Member of the Supervisory Board of Hubwoo
	Chairman of the Board of Directors of Ouest Croissance
	Permanent representative of SAS Cyberplus Market, Director of Avisium
	Permanent representative of Banque Populaire de l'Ouest, Member of the Supervisory Board of Banque pour les Paiements onLine
	Member of the UPIV Rennes steering committee
	Director of Socami Ouest

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

Positions and directorships as at December 31, 2008	In the last five years
Member of the Natixis Supervisory Board	Chairman of the steering and Supervisory Board of Caisse d'Epargne Île-de-France Nord
Vice-Chairman of the steering and Supervisory Board of Caisse d'Epargne Île-de-France	Chairman and Chief Executive Officer of Semavo (Société d'Économie Mixte d'Aménagement du Val d'Oise)
Director of Groupe Ecureuil Assurance	Chairman of the Val d'Oise Departmental Committee of Tourism and Leisure
Permanent representative of CEIDF in respect of SICAV Associations	Director of Syndicat des Transports d'Île-de-France (STIF)
Vice-Chairman of the Association Nationale des Maires de Stations Classées et Communes Touristiques	Director of AFTRP (Agence Foncière et Technique de la Région parisienne)
President of the Institut de Formation des Animateurs de Collectivités (IFAC) National et du Val d'Oise (1901 associations law)	

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

Positions and directorships as at December 31, 2008	In the last five years
Vice-Chairman of the Supervisory Board of Natixis	**Director of Natexis Banques Populaires**
Chairman of the Board of Directors of Banque Populaire Provençale et Corse	Chairman of the Supervisory Board of InterEpargne
Chairman of the Board of Directors of Natixis Private Banking	Vice-Chairman of the Board of Directors of Banque Fédérale des Banques Populaires
Chairman & Chief Executive Officer of Proclair SAS	Chairman of the Supervisory Board of Natixis Interépargne
Chairman & Chief Executive Officer of Tourret SAS	Chairman of the Supervisory Board of Natexis Epargne Entreprise
Vice-Chairman of the Board of Directors of Banque Chaix	Chairman of the Board of Directors of Natexis Epargne Entreprise
Director of Société Marseillaise de Crédit	Chairman of the Board of Directors of Natixis Interépargne
Director of Lafarge Ciments	Chairman of Sopres SAS
Manager of Proclair Provence	Chairman of the Board of Directors of Banque Privée Saint Dominique
Manager of Proclair Rhône-Alpes	Manager of Tourret Électronique
	Manager of Tourret Entreprises
	Vice-Chairman of the Board of Directors of Banque Fédérale des Banques Populaire
	Manager of Sopres

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

Positions and directorships as at December 31, 2008	In the last five years
FRANCE	**FRANCE**
Member of the Natixis Supervisory Board	**Director of Natexis Banques Populaires**
President of SOFIBIM (SAS)	Director of Idia Participations (SA)
President of Bagatelle Investissement et Management-BIM (SAS)	President of HBI SAS
President of Octant Partenaires (SAS)	President and Director of Holding Bercy Management (SAS)
Manager of Servinvest (SARL)	President of Servinvest 2
Manager of M.B.O.B. (SCI)	Director of Eliance Marseille Provence
Manager of L.M.D.B. (SCI)	Legal Representative of Eliance, manager-associate of Eliance Orly Ouest (SNC)
Legal Representative of Bercy Présidence, the company that is managing partner of Holding Bercy Investissements-H.B.I. (SCA)	Legal Representative of Eliance, manager-associate of Eliance Aéroports (SNC)
Legal Representative of H.B.I., the company that is Chairman of Bercy Participations (SAS)	Legal Representative of Holding Bercy Management, Chairman of Management Restauration Collective (SAS)
Legal Representative of Bercy Présidence, the company that is managing partner of H.B.I. itself Chairman of Bercy Participations, manager and partner company of Elior (SCA)	
President of Bercy Présidence (SAS)	
Manager of Bercy Patrimoine (SARL)	
President and Director of Avenance (SAS)	
President and Director of Eliance (SAS)	
Legal Representative of Avenance SAS, the company that is Chairman of Bercy Services I (SAS)	
Legal Representative of Avenance SAS, the company that is Chairman of Bercy Services V (SAS)	
Legal Representative of Elior SCA, the company that is Chairman of Elior Gestion (SAS)	
Member of the Supervisory Board of Pragma Capital (SA)	
INTERNATIONAL	**INTERNATIONAL**
Director of Elior UK Ltd	President and Director of Eliance Iberica (Spain)
Vice-Chairman and Director of Areas (SA)	President and Director of Grupo Osesa (Spain)
Director of Areas Iberico Americana	President of Eurocater PLC (Great Britain)
Director and Chairman of Avenance UK	Member of the Supervisory Board of Elior Nederland BV (Netherlands)
Director of Serunion (SA)	Director of Ristochef (SPA) Italy

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9 ADDITIONAL INFORMATION

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Historical information concerning Natixis

Natixis was created following the transfer of the assets of CNCE (Caisse Nationale des Caisses d'Epargne et de Prévoyance) and SNC Champion (a wholly-owned subsidiary of Banque Fédérale des Banques Populaires) to Natexis Banques Populaires, which was approved by the shareholders of Natexis Banques Populaires on November 17, 2006.

Natexis Banques Populaires itself was created following the transfer of the operating activities of Caisse Centrale des Banques Populaires (CCBP) to Natexis S.A., which was approved by the shareholders of both entities in Extraordinary General Shareholders' Meetings held on July 27, 1999.

HISTORY OF CCBP

CCBP was founded in 1921 to support the expansion of the Banque Populaire regional banks, and to conduct both institutional operations on behalf of the Banque Populaire regional banks (managing and monitoring their cash surpluses, special assignments on behalf of the Chambre Syndicale des Banques Populaires, bond and similar issuance) and banking activities in the competitive market sector.

In October 1997, CCBP acquired a 23.35% holding in the share capital of Natexis S.A. This was followed by a friendly takeover bid as a result of which the Groupe Banque Populaire held 71.4% of Natexis S.A. on June 2, 1998. This percentage was raised to 74.36% at the end of 1998.

Following the transfer of its operating activities to Natexis S.A. in July 1999, CCBP became the Banque Fédérale des Banques Populaires (BFBP).

At the end of 1999, the Groupe Banque Populaire held 88.06% of the share capital of the newly-formed Natexis Banques Populaires. At the end of 2000, its holding was reduced to 79.23% following a new share issue placed primarily with retail investors.

Under the law of May 15, 2001, BFBP replaced CCBP as the central body of the Groupe Banque Populaire.

HISTORY OF THE ENTITIES COMPRISING NATEXIS S.A.

Founded in 1919, Crédit National initially focused on developing its business as a medium and long-term lender before branching out into related operations in order to offer its corporate clients broader and more comprehensive solutions to their needs.

During 1996, Crédit National increased its stake in Banque Française du Commerce Extérieur (BFCE) from 10.06% to 88% and then 100%. BFCE, which was founded in 1947, had focused on developing its commercial banking operations while gradually scaling back its export support activities on behalf of the French state.

In June 1997 Crédit National, now renamed Natexis S.A., transferred its entire commercial banking arm to BFCE, which had been renamed Natexis Banque. Natexis S.A. became a holding company and was responsible for the consistency and strategic management of all Natexis Group operations.

Simplification and unification of legal structures

Natexis Banques Populaires was created in July 1999 following the transfer of CCBP's operating activities to Natexis S.A.

At their Extraordinary General Shareholders' Meeting on June 28, 2000, the shareholders of Natexis Banques Populaires approved the merger of Natexis Banque into Natexis Banques Populaires, with effect from June 30, 2000. As the transaction involved a wholly-owned subsidiary, it took place under the simplified merger regime and no new shares were issued.

Arrival of new shareholders in Natexis Banques Populaires in 2002

In May 2002, the German bank DZ Bank AG acquired shares in Natexis Banques Populaires as part of its partnership with the Groupe Banque Populaire.

In July 2002, pursuant to an agreement with Arnhold and S. Bleichroeder Holdings Inc. ("ASB"), Natexis Banques Populaires agreed to acquire the entire capital stock of Arnhold and S. Bleichroeder Inc. ("ASB"), a company incorporated under the laws of New York State, for the sum of $105 million, payable in Natexis Banques Populaires shares.

At its Extraordinary General Shareholders' Meeting held on December 6, 2002, the shareholders of Natexis Banques Populaires approved all the provisions of this agreement, as well as the transfer value of the shares transferred by ASB. The shareholders also approved a share capital increase of €22,417,312 to pay for the acquisition, through the issuance of 1,401,082 fully paid-up shares with a nominal value of €16 each.

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The stages in the creation of Natixis in 2006

1st half-year 2006: Exclusive negotiations between Groupe Banque Populaire and Groupe Caisse d'Epargne

March 12, 2006: Groupe Banque Populaire and Groupe Caisse d'Epargne enter into exclusive negotiations concerning the creation of Natixis.

June 6, 2006: Following the exclusivity period announced on March 12, 2006, Philippe Dupont, Chairman of the Groupe Banque Populaire, and Charles Milhaud, Executive Chairman of Caisse Nationale des Caisses d'Epargne, signed the agreement that sets out the terms and conditions of the creation of their new joint subsidiary, Natixis.

The Boards of Directors of Banque Fédérale des Banques Populaires and Natexis Banques Populaires and the Supervisory Board of Caisse Nationale des Caisses d'Epargne approved the agreement at their meetings held on June 2 and 6 respectively.

2nd half-year 2006: Creation of Natixis and market transaction

November 17, 2006: Combined General Shareholders' Meeting of Natexis Banques Populaires shareholders approving the asset transfer giving rise to the creation of Natixis.

The transfer includes:

- on the one hand, the transfer by Caisse Nationale des Caisses d'Epargne (hereinafter referred to as "**CNCE**") to Natexis Banques Populaires, of interests in certain subsidiaries and affiliates with activities in corporate and investment banking and financial services, as well as cooperative investment certificates ("CICs"), issued since 2004 by each of the Caisse d'Epargne et de Prévoyance banks [(1)] (hereinafter referred to as "**Caisses d'Epargne**") and representing 20% of their share capital (the "**Caisses d'Epargne CICs**"), that were also wholly owned by CNCE; and,
- on the other hand, the transfer by SNC Champion – a special-purpose company formed by the Banque Fédérale des Banques Populaires (hereinafter referred to as "**BFBP**") and the Banques Populaires banks to Natexis Banques Populaires of the remaining Caisses d'Epargne CICs not transferred by CNCE and purchased previously by SNC Champion from CNCE. In addition, CNCE and SNC Champion transferred their interests in Ixis Corporate & Investment Bank (hereinafter referred to as "**Ixis CIB**") and Ixis Asset Management Group (hereinafter referred to as "**Ixis AMG**") purchased from SanPaolo IMI (hereinafter referred to as "**SPIMI**").

As a result, CNCE and BFBP (directly and through SNC Champion) each held an equal stake of 45.52% (44.86% on a fully diluted basis) in Natexis Banques Populaires, now Natixis.

Concomitantly with these contributions, each of the Banque Populaire banks issued CICs for Natexis Banques Populaires representing 20% of its share capital (together referred to as the "**Banque Populaire CICs**").

November 18, 2006 – December 5, 2006: Placement of Natixis shares in the form of an open price offer ("Offre à Prix Ouvert") in France for private investors and a global placement ("Placement Global") for institutional investors in France and abroad, with:

- December 6: establishment of the definitive price of the open price offer and global placement;
- December 7: listing of the shares under the name Natixis; and
- December 11: settlement/delivery of the shares.

At the end of this market transaction, CNCE and BFBP each owned 34.44% of Natixis. Since then, their respective share was increased to 35.62% at the end of 2008.

Merger of the two central bodies of the Groupe Banque Populaire and Groupe Caisse d'Epargne.

On October 8, 2008, the executive bodies of the Groupe Banque Populaire and the Groupe Caisse d'Epargne formalized their agreement to begin discussions on the principle of a merger that would take place between the Banque Fédérale des Banques Populaires and the Caisse Nationale des Caisses d'Epargne to form a single central body for the two autonomous networks, thus constituting the second-largest French banking group (*see press releases issued on October 8, 2008 by the BFBP and the CNCE*).

On February 26, 2009, the Board of Directors of the Banque Fédérale des Banques Populaires and the Supervisory Board of the Caisse Nationale des Caisses d'Epargne gave approval in principle for the merger of the two central bodies for the creation of the second-largest French banking group (see paragraph "Subsequent events" in the Management Report, in Chapter 6).

(1) Except for Caisse d'Epargne et de Prévoyance de Martinique and Caisse d'Epargne et de Prévoyance de Nouvelle-Calédonie.

The list of countries in which Natixis is present under its own name or through its subsidiaries or commercial representatives

ALGERIA, ARGENTINA, AUSTRALIA, AUSTRIA, BELGIUM, BENIN, BRAZIL, BULGARIA, BURKINA FASO, CAMEROON, CANADA, CHILE, CHINA (PRC) INCLUDING HONG KONG, COLOMBIA, COSTA RICA, CROATIA, CZECH REPUBLIC, DENMARK, ECUADOR, EGYPT, ESTONIA, FRANCE, GERMANY, HUNGARY, INDIA, INDONESIA, IRAN, IRELAND, ISRAEL, ITALY, IVORY COAST, JAPAN, KAZAKHSTAN, LATVIA, LEBANON, LITHUANIA, LUXEMBOURG, MALAYSIA, MALI, MEXICO, MOROCCO, NETHERLANDS, NORWAY, PANAMA, PERU, POLAND, PORTUGAL, ROMANIA, RUSSIA, SENEGAL, SERBIA, SINGAPORE, SLOVAKIA, SLOVENIA, SOUTH AFRICA, SOUTH KOREA, SPAIN, SWEDEN, SWITZERLAND, TAIWAN, THAILAND, TOGO, TUNISIA, TURKEY, UKRAINE, UNITED ARAB EMIRATES, UNITED KINGDOM, UNITED STATES, VENEZUELA, VIETNAM.

Person responsible for the shelf-registration document

PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT

M. Dominique Ferrero

Natixis Executive Chairman

Statement by the person responsible for the registration document

"To the best of my knowledge, the information contained in this registration document is true and accurate, and contains no omissions liable to impair its significance.

To the best of my knowledge, the financial statements were prepared in accordance with applicable accounting standards; and the information on the balance sheet, the financial situation and the income of the company and the companies entering in the scope of consolidation is true and accurate. The management report accurately reflects the business, the income and the financial situation of the company and all the companies included in the consolidation scope and provides a description of potential risks and uncertainties.

I have obtained a letter from the Statutory Auditors certifying the completion of their work, in which they indicate that they have verified the information relating to the financial situation and the accounts given in this report and have read the whole of the report."

The historical financial information relating to the year ending December 31, 2008 presented in this document was the subject of reports by the Statutory Auditors, shown on pages 335 to 336 and on pages 389 to 390. The Statutory Auditors' report on the consolidated accounts, shown on pages 335 to 336, contains a comment.

Dominique Ferrero

Documents available to the public

Documents relating to Natixis (deeds of incorporation, bylaws, reports, letters and other documents, historical parent company and consolidated financial information for each of the financial years preceding the publication of this document) are partially included in this document and may be consulted at the Company's head office, preferably by appointment.

This registration document is available under the heading "Shareholders and investors" on the company's institutional website at *www.natixis.com*.

Any person wishing to obtain additional information about Natixis can request documents free of charge and without obligation:

- by letter:

Natixis

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Investor Relations Department

Immeuble Arc-de-Seine

30, avenue Pierre Mendès-France

75013 Paris

- by telephone:

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- by e-mail:

relinvest@natixis.fr

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Pursuant to Article 28 of Commission regulation No. (EC) 809/2004 of April 29, 2004, the following information is incorporated by reference in this registration document:

- the consolidated financial statements for the year ended December 31, 2007, presented on pages 181 to 315, the Statutory Auditors' report thereon, pages 316 to 317, and the Group management report, on pages 136 to 178 of the registration document filed with the AMF on April 18, 2008 under number D.08-0261,
- the consolidated financial statements for the year ended December 31, 2006, presented on pages 191 to 321, the Statutory Auditors' report thereon, pages 206 to 207, and the Group management report, on pages 69 to 95 of the registration document filed with the AMF on March 23, 2006 under number D.06-0152 All other chapters of reference documents D.07-0337 and D.06-0152 and are either of no material interest to investors or covered elsewhere in this registration document.

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GROUPE BANQUE POPULAIRE

A joint subsidiary
of Banque Populaire and Caisse d'Epargne groups

GROUPE CAISSE D'EPARGNE