CNP ASSURANCES

CONSOLIDATED FINANCIAL STATEMENTS

Year to 31 December 2007

DRAFT*

* Provisional accounts pending certification by the Auditors

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Consolidated Balance Sheet

ASSETS - In € millions	31/12/2007	31/12/2006	31/12/2005 Pro forma (1)
Goodwill	659,2	640,7	654,8
Contractual customer relationships	186,4	179,5	196,2
Other intangible assets	28,1	29,9	29,7
Total intangible assets	**873,7**	**850,1**	**880,7**
Investment property	1 499,3	1 285,6	1 240,4
Held-to-maturity investments	1 112,9	894,5	880,3
Available-for-sale financial assets	180 910,8	173 932,8	162 714,2
Securities held for trading	74 981,0	69 985,2	61 808,6
Loans and receivables	2 088,4	2 034,6	1 051,1
Derivative financial instruments	1 972,7	1 636,4	1 070,4
Insurance investments	**262 565,1**	**249 769,1**	**228 765,0**
Banking and other investments	**272,4**	**690,2**	**510,0**
Investments in associates	**422,8**	**300,3**	**346,7**
Reinsurers' share of insurance and financial liabilities	**6 139,3**	**5 912,6**	**5 382,7**
Insurance or reinsurance receivables	3 499,8	2 197,4	2 485,1
Current tax assets	324,7	424,8	211,6
Other receivables	968,4	1 629,5	1 836,6
Property and equipment	195,6	197,6	303,5
Other non-current assets	208,7	132,0	105,4
Deferred tax assets	26,3	41,1	3,9
Other assets	**5 223,5**	**4 622,4**	**4 946,1**
Cash and cash equivalents	**1 175,3**	**1 126,8**	**789,8**
TOTAL ASSETS	**276 672,1**	**263 271,5**	**241 621,0**

(1) The pro forma is detailed in Note 4

LIABILITIES - in € millions	31/12/2007	31/12/2006	31/12/2005 Pro forma (1)
Share capital	594,2	554,5	554,5
Share premium account	981,5	321,5	321,5
Revaluation reserve	1 972,6	2 077,4	2 529,4
Deeply-subordinated debt	2 143,0	2 035,0	625,0
Retained earnings	4 383,2	4 171,4	3 663,0
Profit for the period	1 221,8	1 145,3	969,6
Translation reserve	109,0	90,6	104,0
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	**11 405,3**	**10 395,7**	**8 767,0**
Minority interests	566,9	1 513,8	1 415,4
TOTAL EQUITY	**11 972,2**	**11 909,5**	**10 182,4**
Insurance liabilities (excluding unit-linked)	54 347,1	44 866,4	37 329,5
Insurance liabilities - unit-linked	27 306,0	22 921,6	16 358,6
Insurance liabilities	**81 653,1**	**67 788,0**	**53 688,1**
Financial liabilities - financial instruments with DPF (excluding unit-linked)	139 148,7	133 584,2	127 631,7
Financial liabilities - financial instruments without DPF (excluding unit-linked)	516,3	392,6	366,5
Financial liabilities - unit-linked financial instruments	14 200,3	15 778,9	16 162,4
Financial liabilities	**153 865,3**	**149 755,7**	**144 160,6**
Derivative financial instruments separated from the host contract	0,0	0,0	0,0
Deferred participation reserve	8 675,0	12 133,3	14 533,1
INSURANCE AND FINANCIAL LIABILITIES	**244 193,4**	**229 677,0**	**212 381,8**
Provisions	**112,5**	**96,1**	**87,7**
Subordinated debt	1 926,4	1 926,3	1 926,0
Financing liabilities	**1 926,4**	**1 926,3**	**1 926,0**
Operating liabilities represented by securities	4 319,7	6 661,8	6 175,9
Operating liabilities due to banks	69,9	319,2	196,2
Liabilities arising from insurance and reinsurance transactions	2 199,1	1 842,8	1 896,0
Current taxes payable	251,3	167,7	115,0
Current account advances	324,6	36,5	33,2
Liabilities towards holders of units in controlled mutual funds	4 336,4	3 035,3	3 016,4
Derivative financial instruments	1 456,1	1 410,6	973,6
Deferred tax liabilities	1 641,8	1 587,4	723,8
Other liabilities	3 868,7	4 601,3	3 913,0
Other liabilities	**18 467,6**	**19 662,6**	**17 043,1**
TOTAL EQUITY AND LIABILITIES	**276 672,1**	**263 271,5**	**241 621,0**

(1) The pro forma is detailed in Note 4

Income Statement

(in € millions)	31/12/2007	31/12/2006	31/12/2005 Pro forma (1)
Premiums written	31 504,3	31 947,2	26 488,2
Change in unearned premiums reserve	(4,9)	(25,2)	(22,4)
Earned premiums	**31 499,4**	**31 922,0**	**26 465,8**
Revenue from other activities	161,9	171,7	115,7
Other operating revenue	0,0	0,2	0,0
Investment income	9 753,7	8 742,2	8 258,1
Gains and losses on disposal of investments, net of reversals of impairment losses and amortisation	1 707,9	1 451,5	755,8
Change in fair value of financial assets at fair value through profit	16,1	2 039,3	3 431,9
Impairment losses on financial instruments	17,7	(24,7)	(15,3)
Net financial income, before finance costs	**11 495,4**	**12 208,3**	**12 430,5**
Net revenue	**43 156,7**	**44 302,2**	**39 012,0**
Claims and benefits expenses	(37 168,8)	(38 952,5)	(34 704,1)
Investment expenses and interest expense, excluding finance costs	(597,1)	(566,6)	(312,3)
Reinsurance result	(18,1)	(3,6)	(4,9)
Expenses of other businesses	(11,9)	(23,7)	(0,1)
Acquisition costs	(2 989,1)	(2 459,7)	(1 964,1)
Amortisation of value of business acquired	(19,6)	(16,3)	(15,3)
Policy administration expenses	(349,8)	(389,1)	(388,0)
Other recurring operating income and expense, net	(16,7)	(86,8)	61,5
Total other recurring operating income and expense, net	**(41 171,1)**	**(42 498,3)**	**(37 327,3)**
RECURRING OPERATING PROFIT	**1 985,6**	**1 803,9**	**1 684,7**
Other operating income and expense, net	1,7	0,0	0,0
OPERATING PROFIT	**1 987,3**	**1 803,9**	**1 684,7**
Finance costs	(106,5)	(104,9)	(91,3)
Share of profit of associates	46,0	46,0	19,3
Income tax expense	(547,8)	(314,7)	(453,0)
PROFIT FOR THE PERIOD	**1 379,0**	**1 430,3**	**1 159,7**
Attributable to minority interests	(157,2)	(285,0)	(190,1)
Attributable to equity holders of the parent	**1 221,8**	**1 145,3**	**969,6**
Basic earnings per share (in €)	8,2	7,7	7,0
Diluted earnings per share (in €)	8,2	7,7	7,0

(1) The pro forma is detailed in Note 4

Table of movements in equity

Table of movements in equity 2007:

(in € millions)	Share capital	Share premium account	Revaluation reserve	Deeply-subordinated debt	Retained earnings and profit	Translation reserve	Total equity attributable to equity holders	Minority interests	Total equity
	Attributable to equity holders of the parent								
Adjusted equity at 1 January 2007 - IFRS	**554,5**	**321,5**	**2 077,4**	**2 035,0**	**5 316,7**	**90,6**	**10 395,7**	**1 513,8**	**11 909,5**
Fair value adjustments recognised in equity									
- Available-for-sale financial assets			(3 861,3)				(3 861,3)	(6,8)	(3 868,1)
- Shadow accounting adjustments before deferred tax effect			3 809,0				3 809,0	0,7	3 809,7
- Deferred taxes			(114,4)				(114,4)	1,5	(112,9)
Exchange differences on translating foreign operations									
Other movements						18,4	18,4	19,8	38,2
Net income recognised directly in equity			**(166,7)**			**18,4**	**(148,3)**	**15,2**	**(133,1)**
- Profit for the period					1 221,8		1 221,8	157,2	1 379,0
Total recognised income and expense for the period			**(166,7)**		**1 221,8**	**18,4**	**1 073,5**	**172,4**	**1 245,9**
- Dividends paid					(340,9)		(340,9)	(78,4)	(419,3)
- Issue of shares	39,7	660,0					699,7		699,7
- Equity component of share-based payments									
- Deeply-subordinated debt, net of tax				108,0	(70,5)		37,5	(108,0)	(70,5)
- Treasury shares, net of tax					(9,0)		(9,0)		(9,0)
- Other movements			61,9		(513,1)		(451,2)	(932,9)	(1 384,1)
Equity at 31 December 2007	**594,2**	**981,5**	**1 972,6**	**2 143,0**	**5 605,0**	**109,0**	**11 405,3**	**566,9**	**11 972,2**

(1) Amounts given on the "other movements" line are:

- in Attributable to equity holders of the parent, the amount of - €451.2 M corresponds mainly to allocation to equity of the goodwill for Ecureuil-Vie of -€471.6 M (explanation in paragraph 5.3),
- in Minority interests, the amount of -€932.9 M corresponds mainly to the purchase of minority interests in Ecureuil-vie for €928.5M.

Table of movements in equity 2006:

(in € millions)	Attributable to equity holders of the parent								
	Share capital	Share premium account	Revaluation reserve	Deeply-subordinated debt	Retained earnings and profit	Translation reserve	Total equity attributable to equity holders	**Minority interests**	**Total equity**
Adjusted equity at 1 January 2006 - IFRS	**554,5**	**321,5**	**2 529,4**	**625,0**	**4 632,6**	**104,0**	**8 767,0**	**1 415,4**	**10 182,4**
Fair value adjustments recognised in equity									
- Available-for-sale financial assets			(2 049,0)				(2 049,0)	(943,1)	(2 992,1)
- Shadow accounting adjustments before deferred tax effect			2 335,3				2 335,3	893,8	3 229,1
- Deferred taxes			(855,4)				(855,4)	(117,2)	(972,6)
Exchange differences on translating foreign operations						(13,4)	(13,4)	(12,1)	(25,5)
Other movements			117,1		(160,6)		(43,5)		(43,5)
Net income recognised directly in equity			**(452,0)**		**(160,6)**	**(13,4)**	**(626,0)**	**(178,6)**	**(804,6)**
- Profit for the period					1 145,3		1 145,3	285,0	1 430,3
Total recognised income and expense for the period			**(452,0)**		**984,7**	**(13,4)**	**519,3**	**106,4**	**625,7**
- Dividends paid					(264,2)		(264,2)	(168,4)	(432,6)
- Issue of shares									
- Equity component of share-based payments									
- Deeply-subordinated debt, net of tax				1 410,0	(25,5)		1 384,5	107,9	1 492,4
- Treasury shares, net of tax					(16,2)		(16,2)		(16,2)
- Other movements					5,3		5,3	52,5	57,8
Equity at 31 December 2006	**554,5**	**321,5**	**2 077,4**	**2 035,0**	**5 316,7**	**90,6**	**10 395,7**	**1 513,8**	**11 909,5**

Table of movements in equity 2005:

(in € millions)	Share capital	Share premium account	Revaluation reserve	Deeply-subordinated debt	Retained earnings and profit	Translation reserve	Total equity attributable to equity holders	Minority interests	Total equity
	Attributable to equity holders of the parent								
Adjusted equity at 1 January 2005 - IFRS	**554,5**	**321,5**	**1 926,9**	**300,0**	**3 588,4**	**6,2**	**6 697,5**	**1 108,8**	**7 806,3**
Fair value adjustments recognised in equity									
- Available-for-sale financial assets			2 866,6				2 866,6	477,7	3 344,3
- Shadow accounting adjustments before deferred tax effect			(2 501,9)				(2 501,9)	(465,3)	(2 967,2)
- Deferred taxes			237,8		8,1		237,8	44,7	282,5
Exchange differences on translating foreign operations						97,8	97,8	47,5	145,3
Other movements							15,3		15,3
Net income recognised directly in equity			**602,5**		**8,1**	**97,8**	**715,6**	**104,6**	**820,2**
- Profit for the period					969,6		969,6	190,1	1 159,7
Total recognised income and expense for the period			**602,5**		**984,9**	**97,8**	**1 685,2**	**294,7**	**1 979,9**
- Dividends paid					(230,1)		(230,1)	(119,4)	(349,5)
- Issue of shares									
- Equity component of share-based payments									
- Deeply-subordinated debt, net of tax				325,0	(6,9)		318,1		318,1
- Treasury shares, net of tax							7,1		7,1
- Other movements					303,5		289,2	131,4	420,6
Equity at 31 December 2005	**554,5**	**321,5**	**2 529,4**	**625,0**	**4 632,6**	**104,0**	**8 767,0**	**1 415,4**	**10 182,4**

* Provisional accounts pending certification by the Auditors

Cash flow statements

The consolidated cash flow statements include:

- the cash flow for controlled companies,
- the Group's proportionate share of cash flows of jointly-controlled entities consolidated by the proportionate method (up to the IP%),
- cash flow linked to Group holdings and distributions and other cash inflows or outflows between the Group and associated companies and jointly controlled companies when consolidated using the equity method.

Definition of cash flow and cash equivalents

Cash flow and cash equivalents include cash in hand, sight deposits and short term investments, that are highly liquid and easily convertible for a known amount of cash and subject to negligible risk of change in value.

To check these criteria, the CNP Assurances Group uses the AMF (French Securities Regulator) classification: Cash mutual funds termed "Regular" are thus classified as cash equivalents whereas highly sensitive Dynamic mutual funds are classified with investments.

Bank overdrafts repayable on call, which are an integral part of the Group's cash management, are a component of cash and cash equivalents for the requirements of the cash flow statement.

Definition of operational cash flow

The operational cash flow mostly comes from the Company's main revenue generating businesses.

Definition of investment cash flow

Investment cash flow represents cash flow from the acquisition or disposal of moveable or fixed investments, or tangible or intangible assets.

Definition of finance cash flow

This is all cash flow that results from alterations in the size and composition of financial assets or liabilities:

- increase/reduction in capital,
- debt issues or repayments,
- changes in dividends paid on own shares outside the Group (shareholders and minority shareholders).

Reconciliation between balance sheet cash flow and the cash flow statement

(in € millions)	31/12/2007	31/12/2006	31/12/2005
Cash and cash equivalents	1 175,3	1 126,8	789,8
Liabilities towards banks	3,1	(172,4)	(23,6)
Trading securities	3 879,0	4 840,7	4 800,2
Total	**5 057,4**	**5 795,1**	**5 566,4**

The balance sheet cash flow and the cash flow statement are reconciled as follows:

- cash and cash equivalents under assets on the balance sheet
- operating liabilities to companies in the banking sector are cash liabilities excluding finance liabilities (balance sheet – liabilities)
- transaction certificates correspond to cash mutual funds listed under assets on the balance sheet.

Cash flow statement.

(in € millions)	31/12/2007	31/12/2006	31/12/2005
Operating profit before tax	**1 987,5**	**1 803,7**	**1 684,8**
Gains on sales of investments	(1 707,9)	(1 451,5)	(755,8)
Depreciation and amortisation expense, net	73,1	84,9	65,8
Change in deferred acquisition costs			
Impairment losses, net	(14,4)	(31,6)	(15,3)
Charges to technical reserves for insurance and financial liabilities	17 489,0	21 406,8	20 604,6
Charges to provisions, net	(132,9)	(10,2)	174,9
Change in fair value of financial instruments at fair value through profit (other than cash and cash equivalents)	(16,1)	(2 057,4)	(3 431,9)
Other adjustments	(548,2)	325,0	(225,0)
Total adjustments	**15 142,6**	**18 266,0**	**16 417,3**
Change in operating receivables and payables	94,1	1 116,2	(671,7)
Change in securities sold and purchased under repurchase and resale agreements (1)	(2 311,0)	462,7	3 605,5
Change in other assets and liabilities	(1 973,0)	(1 456,6)	(1 187,5)
Income taxes paid, net of reimbursements	(398,0)	(595,9)	(439,5)
Net cash provided by operating activities	**12 542,3**	**19 596,2**	**19 408,9**
Acquisitions of subsidiaries and joint ventures, net of cash acquired (2)	(925,2)		(339,2)
Divestments of subsidiaries and joint ventures, net of the cash sold			
Acquisitions of associates			(85,1)
Divestments of associates			
Net cash (used) by divestments and acquisitions	**(925,2)**		**(424,3)**
Proceeds from the sale of financial assets	137 369,3	88 822,7	38 375,8
Proceeds from the sale of investment properties	31,8	49,3	1 313,4
Proceeds from the sale of other investments	(0,0)		8,7
Net cash provided by sales and redemptions of investments	**137 401,1**	**88 872,1**	**39 697,9**
Acquisitions of financial assets	(149 744,8)	(109 025,4)	(56 733,0)
Acquisitions of investment properties	(33,6)	(148,2)	(510,4)
Acquisitions and/or issuance of other investments		(2,8)	(10,7)
Net cash (used) by acquisitions of investments	**(149 778,4)**	**(109 176,4)**	**(57 254,1)**
Proceeds from the sale of property and equipment and intangible assets	19,8	7,1	1,7
Purchases of property and equipment and intangible assets	(41,1)	(71,6)	(37,9)
Net cash (used) by sales and purchases of property and equipment and intangible assets	**(21,3)**	**(64,5)**	**(36,1)**
Net cash used by investing activities	**(13 323,8)**	**(20 368,9)**	**(18 016,6)**
Issuance of equity instruments (3)	699,6	51,5	56,1
Redemption of equity instruments	(16,5)	(47,6)	
Purchases and sales of treasury stock	(8,3)	(14,3)	1,0
Dividends paid	(419,1)	(442,0)	(300,4)
Net cash (used) by transactions with shareholders	**255,7**	**(452,4)**	**(243,3)**
New borrowings		1 518,0	433,0
Repayments of borrowings	(9,3)	(2,8)	(5,3)
Interest paid on borrowings	(198,2)	(66,2)	(122,5)
Net cash provided by other financing activities	**(207,5)**	**1 449,0**	**305,2**
Net cash (used) provided by financing activities	**48,2**	**996,6**	**61,9**
Cash and cash equivalents at beginning of period	**5 795,1**	**5 566,4**	**4 114,7**
Net cash provided by operating activities	12 542,3	19 596,2	19 408,8
Net cash used by investing activities	(13 323,8)	(20 368,9)	(18 016,6)
Net cash (used) provided by financing activities	48,2	996,6	61,9
Effect of changes in exchange rates	(4,5)	4,8	(2,4)
Cash and cash equivalents at the period-end	**5 057,3**	**5 795,1**	**5 566,4**

(1) Due to Bond Picking business stopping on Ecureuil Vie

(2) 49.9% in Ecureuil Vie bought for €1 404.8 M, Skandia Vida bought in Spain (-€469.4 M net cash acquired consisting of €78.5M purchase price paid and -€547.9 M cash acquired) and repayment of the Caixa Seguros liability guarantee of -€10.2 M.

(3) Increase in capital by CNP Assurances of €699.6 M to partly fund the acquisition of a 49.9% holding in Ecureuil Vie

Notes on the consolidated accounts

Note 1. Significant events in 2007

1.1 Increase in capital by CNP Assurances and signature of a rider to the shareholders' agreement

The increase in capital with maintenance of the preferential subscription right, approved by the 22 November 2006 Extraordinary General Meeting, to partly fund the acquisition of Ecureuil Vie was begun on 8 January 2007 and was highly successful with a take-up rate of 185 %. The final gross amount raised came to €699,613,108.65. The Caisse des Dépôts and Sopassure both took up their allocations. The number of new CNP Assurances shares was thus raised to 148,537,823. Previously, on 8 January 2007, the key shareholders signed a rider to the amended 1998 agreement, which is now set to end on 31 December 2015.

1.2 Purchase completed then merger with Ecureuil Vie

On 20 February 2007, CNP Assurances and the Caisse d'Epargne Group completed the purchase by CNP Assurances of the 49.9 % of Ecureuil Vie held by the Caisse d'Epargne Group. Outlined in the memorandum of understanding on the Caisse des Dépôts & Consignations disposing of its holding in Caisse Nationale des Caisses d'Epargne (CNCE), the transaction was concluded in accordance with the agreements between CNP Assurances and CNCE approved on 14 September 2006 and 10 October 2006. The price of 1,406 million euros was adjusted, in accordance with the mechanism announced to take account of the consequences of the change in financial markets on the revalued net assets. The calculation was made on 16 February 2007 and lead to a final acquisition price of €1,404.8 M being fixed. CNP Assurances and the Caisse d'Epargne Group will continue to develop innovative personal insurance solutions through Ecureuil Vie's products. The partners have created a joint body to run and support the Caisses d'Epargne networks that is designed to promote sales of Ecureuil Vie's products.

The purchase of minority interests in Ecureuil-Vie was funded by the increase in capital and the issue of super subordinate shares.

In accordance with the CNP Group's accounting principles (see note 2.3.2), goodwill occurring on acquisition of the holdings, when control of this subsidiary was already effective, was deducted from the Group's equity. The goodwill amounts to €471.6 M (see note 5.3).

When the purchase was finalised, the 18 December 2007 Shareholders' General Meeting of CNP Assurances approved the merger absorption of Ecureuil Vie by CNP Assurances minuted by the Board of Directors of CNP Assurances on 11 September 2007.

1.3 Purchase of 94 % of Skandia Vida in Spain finalised

After obtaining the authorisations required by law in Spain, on 4 April 2007 CNP Assurances finalised the agreement announced on 20 December 2006, with Skandia Insurance Company Ltd. ("Skandia", a subsidiary of Old Mutual plc), to buy its 94 % holding in the Spanish insurance company Skandia Vida S.A. de Seguros y Reaseguros ("Skandia Vida"), for an amount of €79.2 M. The remaining 6% is held by seven Spanish savings banks which sell Skandia Vida's products on a non-exclusive basis.

Through this acquisition and in line with its international expansion strategy mainly focused on Southern Europe, CNP Assurances, already operating in Italy and Portugal, has entered the individual life assurance market in Spain.

Skandia Vida has taken the name CNP Vida.

1.4 Dilution of CNP Assurances' interest in the Ixis Asset Management Group (Ixis AMG)

CNP Assurances' interest in the capital of Ixis Asset Management Group (Ixis AMG), the entity that manages the major part of the CNP Group's assets, fell from 15.4 % to 11.3 % subsequent to its increase in capital at the end of June 2007 due to contributions resulting in a merger. At that time, Ixis Asset Management Group was renamed Natixis Global Asset Management (Natixis AM). The merger produced a dilution gain for the CNP Group that amounts to €121.8 M.

CNP Assurances continues, however, to have a significant influence on Natixis AM and consequently is consolidating the company by the equity method as an associated company within the meaning it IFRSs. This is because the significant influence is, in particular, established by CNP Assurances holding two seats on Natixis AM's Board of Directors. The significant transactions between CNP Assurances and Natixis AM are further evidence of its significant influence.

CNP Assurances holds an undertaking by the Caisse Nationale des Caisses d'Epargne to buy its holding in Natixis AM. The undertaking was valued and gave rise to revenue of €20 M.

1.5 Change of governance

The 10 July 2007 Extraordinary General Meeting approved the change of governance of CNP Assurances Group. As a result, it changes from a *société anonyme* (joint stock company) with Executive and Supervisory Boards to a *société anonyme* (joint stock company) with a Board of Directors. The Board of Directors appointed Mr. Edmond Alphandéry as Chairman, and appointed Mr. Gilles Benoist as Chief Executive.

Note 2. Accounting principles

CNP Assurances, the Group's parent company, is a Company with Board of Directors, of 594,151,292 euros capital fully paid up, governed by France's *Code des assurances* (insurance regulations), and registered at the Paris Commercial Court under company number 341 737 062.

The registered office of CNP Assurances is 4, place Raoul Dautry, 75015 Paris, France.

The CNP Assurances Group's main activity is individual insurance. The business of CNP Assurances is:

- life assurance and capitalisation;
- insurance covering physical injury due to accident or illness;
- holding majority interests in insurance companies.

The consolidated financial statements of CNP Assurances for the financial year to 31 December 2007 include the Company and its subsidiaries, and the Group's interests in associated companies and entities under joint control. They were approved by the Board of Directors on 4 March 2008.

2.1 Statement of compliance

In application of European regulation 1606/2002 dated 19 July 2002 on international accounting standards, the CNP Group has produced its financial statements in compliance with the IFRSs as approved by the European Union before 31 December 2007.

Subsidiaries apply the Group's accounting principles and valuation methods that are detailed in this note to the consolidated financial statements.

For the first time, the Group has applied IFRS standard 7 – Financial Instruments: Disclosures , and the amendment to IAS 1 – Capital: Presentation of Financial Statements, published in August 2005.

IFRS 7 requires publication in the notes of information on:

- the significance of financial instruments as regards of the financial position and financial performance of the entity;
- qualitative and quantitative information on exposure to risks relating to financial instruments, including the specified minimum information on credit risk, liquidity risk and market risk. Qualitative information describes management's aims, policy and management procedures for those risks. Quantitative information covers the scale of an entity's exposure to risk on the basis of information sent internally to the principal managers of the entity. These notes give a view of the use of financial instruments by the entity and exposure to credit, liquidity and market risks that result.

The amendment to IAS 1 requires publication in the notes of information on the entity's aims, procedures and processes to manage its equity and comply with external regulatory constraints.

2.2 Accounting policies

Financial statements are given in million euros rounded to one decimal place.

The accounts are compiled on the basis of cost, except for asset and liability items relative to insurance policies and financial instruments with discretionary participation feature, which are valued in accordance with methods already applied by the Group, and for asset and liability items listed below which are valued at fair value: financial instruments at fair at fair value through result (financial instruments held for transaction purposes and financial instruments stated when first entered as at fair at fair value through result), financial instruments available for sale, investment property held in unit-linked portfolios, and derivative instruments separated from their host contracts.

Non-current assets and groups of assets held for sale are valued at the lower of their book value and fair value, less costs to sell.

Preparing financial statements in accordance with the IFRSs requires estimates and assumptions to be made that affect the application of accounting methods and reported assets and liabilities, revenue and expenses. The underlying estimates and assumptions are made on the basis of past experience, regulatory requirements, actuarial principles generally used and other factors considered reasonable in the circumstances.

They are thus used in exercising the judgement made necessary to determine the book values of assets and liabilities, which cannot be obtained directly from other sources. Actual values may differ from estimated values. The underlying estimates and assumptions are scrutinised continuously.

The effect of changes in accounting estimates is recognised in the period of the change

The accounting policies described below have been applied consistently to all periods presented in the consolidated financial statements.

The accounting policies described below have been applied uniformly by all Group entities.

2.3 Basis of consolidation

The consolidation perimeter of the CNP Group includes subsidiaries, jointly controlled entities and associates.

2.3.1Consolidation perimeter and policies

Subsidiaries

Subsidiaries are entities controlled by the Company. Control means the direct or indirect power to manage an entity's financial and operational policies in order to gain advantages from its activities. Exclusive control results in particular where more than half the voting rights in an entity are held. To assess whether or not an entity is controlled, potential voting rights and options conversion that can be exercised in the period in question are taken into consideration. Subsidiaries are fully consolidated.

A subsidiary's accounts are incorporated into the Group's consolidated accounts from the date on which the parent company acquired control to the date on which control ceased.

Jointly controlled entities (joint ventures)

A joint venture is a contractual arrangement whereby the Group and one or more other parties undertake an economic activity that is subject to joint control. Joint control is the contractually agreed sharing of control over an economic activity, requiring the consent of all the venturers to strategic financial and operating decisions that are essential to the goals of the joint venture.

Interests in joint ventures are recognised using proportionate consolidation, which consists of combining the Group's share of each of the assets, liabilities, income and expenses of the jointly controlled entity with the similar items, line by line, in its financial statements.

Associates

Associates are entities in which the Group has a significant influence on financial and operational policies but does not have control.

Significant influence is presumed to exist when the CNP Group directly or indirectly holds at least 20% of voting rights. This threshold is only a guide however, as whether or not there is significant influence can be established independently of the percentage of the voting rights held. The representation of the investor on the Board of Directors or equivalent managing body of the company held or significant transactions between the investor and the company held are also components that enable the existence of significant influence to be demonstrated.

The consolidated accounts include the portion attributable to equity holders of the parent in the results of associated companies in accordance with the equity method, from the date on which the parent company acquired a significant influence up to the date on which it ceased to hold it.

If the portion attributable to equity holders of the parent in the losses of an associated company is greater than its holding, the book value of the consolidated investments is reduced to zero and the Group ceases to post its portion under future losses, unless the Group has a legal or constructive obligation to participate in losses or make payments on behalf of the associated company.

2.3.2Acquisitions of minority interests

When a minority interest is bought out in a subsidiary, i.e. a further holding is acquired when the Group already has control, the new goodwill, being the difference between the total acquisition cost of the additional holding and the net proportion actually bought (including changes in fair value recognised as equity) is posted deducting equity if it is positive.

2.4 Transactions between consolidated companies

All transactions between the consolidated companies and internal profits and losses are eliminated entirely. Internal profits and losses resulting from transactions with associated companies or joint ventures are eliminated up to the amount of the portion attributable to equity holders of the parent in the company in question. Losses resulting from a loss of value of an asset transferred are not eliminated.

2.5 Participation in deferred profits

Adjustments recommended by IFRS 4 result in the recognition of participation in deferred profits.

In accordance with the accounting standards to which IFRS 4 refers, deferred participation is of two kinds.

2.5.1 Unconditional participation

Which is recognised when a difference is ascertained between the calculation bases of future rights in individual accounts and consolidated accounts.

This applies in particular to policyholder rights in positive and negative fair value adjustments and positive or negative adjustments to individual accounts; the amount adjusted using a method consistent with the initial measurement and the pattern of recognition in profit of fair value adjustments and restatements.

Deferred participation reserves on fair value adjustments to securities for which gains and losses adjust the capitalisation reserve are released to profit on the sale of the underlying securities, with a corresponding adjustment to goodwill. This accounting treatment is applied whatever the period between initial recognition of the securities in the consolidated balance sheet and their sale.

2.5.2 Conditional participations

This represents the difference in rights between the separate and consolidated financial statements, whose payment depends on a management decision or the occurrence of an event.

These rights are recognized only when the event or management decision is highly probable.

Conditional participation also arises from the application of the shadow accounting technique described in *note 2.12.1*.

2.6 Conversion of foreign subsidiaries' financial statements

Subsidiaries work in their local currency, which is used for most of their transactions.

Assets and liabilities for businesses abroad (in particular foreign subsidiaries and independent branches), including goodwill and fair value adjustments resulting from consolidation, are converted to euros by applying the closing exchange rate. Revenue and charges for activities abroad, except for activities where the working currency is that of an economy with hyper-inflation, are converted at the exchange rate current on the dates of the transactions. For practical reasons, and in so far as the exchange rate does not alter excessively, the exchange rate current on the date of the transaction is used by applying an average rate for the period.

2.7 Foreign currency transactions

Foreign currency transactions are recognised and measured in accordance with IAS 21 – The Effects of Changes in Foreign Exchange Rates.

In application of this standard, transactions in foreign currencies are converted into the working currency at the rate on the day of the transaction. For practical reasons, and in so far as the exchange rate does not alter excessively, the exchange rate current on the date of the transaction is used in some instances by applying an average exchange rate.

At each balance sheet date, monetary balance sheet items are translated using the closing rate, and the resulting exchange differences are shown on the income statement.

Non-monetary assets and liabilities valued at cost are converted into euros at the exchange rate on the transaction date, while non-monetary assets and liabilities valued using the fair value method are converted at the exchange rate on the date of revaluation at fair value. When a gain or loss on a non-monetary item is recognised directly in equity, the difference arising on conversion of the item is also recognised in equity. Similarly, when a gain or loss on a non-monetary item is recognised directly in profit, the conversion difference is also recognised in profit.

Derivative instruments designated as hedges of currency risks on foreign currency transactions are recognised on the balance sheet and measured at fair value.

Gains or losses used as foreign exchange transaction hedges are recognised on the balance sheet at fair value at closure.

Revaluation differences are recognised in profit.

2.8 Intangible assets

2.8.1 Goodwill

All businesses acquired are recognised by applying the purchase accounting method.

For businesses consolidated after to the IFRS transition date, positive goodwill represents the difference between the purchase price, plus associated costs, of shares in consolidated companies and the amount attributable to equity holders of the parent in the fair net value of their assets, liabilities and any liabilities identifiable on the date the holding was acquired.

For businesses consolidated before the IFRS transition date, goodwill is recognised on the basis of presumed cost, which is book value in accordance with the accounting standards used prior to the IFRS transition date as allowed by paragraph 15 and note B of IFRS 1.

Goodwill is recognised at cost minus accrued depreciation. It is allocated to the cash-generating units (CGUs) and are not depreciated, but are subject to an annual depreciation test, or ores frequently if events or changes of circumstance result in depreciation being considered possible. As regards associated companies, the book value of goodwill is included in the book value of the investment in the associated company.

Goodwill impairment tests are applied by comparing the recoverable value of the UGT or group of UGTs it is assigned to with its book value. The recoverable value of the UGT is assessed on the basis of the assumptions of long term business continuity and, in particular, cooperation with banking partners, possibly beyond the renewal date of existing agreements.

Negative goodwill resulting from acquisition is recognised in profit.

In addition, in accordance with paragraph 47 of IAS 21, goodwill relating to foreign companies is treated as an asset of the company acquired.

2.8.2 Life assurance company policy portfolios

The fair value of portfolios of insurance policies and financial instruments with discretionary participation feature acquired through mergers or acquisitions or portfolio transfers is given as two distinct components:

- A liability valued in accordance with the accounting methods applicable to insurance policies and financial instruments with discretionary participation feature;
- the value of the portfolio of policies defined as the intangible asset representing the difference between the fair value of those policies and the amount of the liability described in the previous paragraph.

The values of portfolios are amortised actuarially until said portfolios are extinguished.

2.8.3 Software

Purchased licences are recognised at cost minus accrued depreciation and accrued impairments.

Development costs of software for in-house use, integration work necessary to set up specialist programs and development maintenance, for the part relative to directly allocated to internal or external costs, are recognised as assets if they comply with IAS 38 and in particular if the expenditure increases future advantages ensuing from the corresponding asset. Costs that cannot be recognised as assets are shown as charges for the period.

The estimated life of software is usually 5 years.

2.9 Investments

2.9.1 Property

Investment property is land or buildings held by the Group to earn rent or for capital appreciation, rather than to use in producing or providing goods or services or for office purposes or to sell as part of its normal business.

In accordance with the option offered by IAS 40 for investment property and IAS 16 for business property, the CNP Group has elected for the cost valuation system for its buildings, except for properties held in unit-linked portfolios, which are valued at fair value.

The fair value of properties (excluding those held in unit-linked portfolios) is also detailed in the notes. As fair value is the realisable value of properties and of shares in unquoted property companies, it is determined on the basis of five-yearly assessments by a valuer approved by the French Insurance Supervisor (ACAM). Between two valuations, the value is estimated annually and certified by a valuer.

In accordance with the cost system, the book value is the acquisition cost minus accrued depreciation or amortisation and accrued impairments.

Financial costs relating to the construction of buildings are posted as charges.

The CNP Group has detailed five main categories of component:

- land;
- carcasses, structures and frames;
- walls and roofs;
- fittings;
- general technical installations.

The costs subsequent to acquisition are recognised as assets, on condition that future economic advantages are expected and that they can be reliably estimated, and are included in the component concerned.

Costs directly attributable to acquiring property are included in the historic cost of the property and are allocated in full to the carcass component.

Depreciation

Depreciation is calculated in accordance with the linear method on the basis of acquisition or production cost, without deducting any residual value applicable.

Residual values are considered to be nil because of the difficulty for property of reliably determining a residual value.

The depreciation period is based on the estimated service life of the various components, except for land which cannot be depreciated:

- carcass 50 years;
- walls and roof 30 years, but 20 years for business premises, shopping centres and cinemas;
- general technical installations 20 years;
- fittings 10 years.

Impairment

Every financial year-end, the existence of any index showing a loss in value is assessed. If there is a loss, the recoverable value of the building is estimated.

The recoverable value is the higher of the going concern value and fair value minus costs of sale, determined in accordance with the annual valuation undertaken by the CNP Group for property assets.

2.9.2 Financial assets

Classification

Financial assets are allocated to one of the following four categories, according to the type of portfolio, type of financial asset, characteristics of certain financial assets and in accordance with an order of priority between those different criteria:

- financial assets at fair value through profit or loss, these assets being securities held for trading purposes and assets designated at the outset as being at fair value through profit in accordance with the fair value option. Financial assets allocated to this category include assets backing unit-linked liabilities, assets with an embedded derivative that is separable from the host contract, assets of consolidated mutual funds and derivative instruments.
- assets held to maturity which are securities that the CNP Assurances Group intends and is able to keep to maturity. This category is used marginally for certain bonds, held in particular by the Brazilian subsidiary.
- loans and receivables which are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than assets classified as held for trading or available-for-sale.
- available-for-sale financial assets which are non-derivative financial assets that are designated as available for sale or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at fair value through profit or loss.

Recognition and derecognition

The Group recognises a financial asset on the balance sheet when it becomes part of the contractual provisions of the instrument. In the case of regular purchases and sales, a financial asset is recognised on the date of the transaction.

On initial recognition, the financial assets are posted at fair value plus, in the case of financial assets that are not at fair value through profit or loss, transaction costs directly attributable to their acquisition.

Derecognition

A financial asset is derecognised when contractual rights on cash flows from that financial asset reach expiry or the asset has been transferred where the Group has also transferred all or almost all of the risks and benefits inherent in the asset.

Valuation method

Assets available for sale and assets at fair value with movement in fair value through result are valued subsequently at fair value.

The movement in fair value of assets available for sale in the period is posted directly as equity taking into account policy-holders' rights and taxation (see shadow accounting principle in paragraph 3.12.1).

The movement in fair value of assets at fair value in the period is given by the income statement taking into account policy-holders' rights and taxation (see shadow accounting principle in paragraph 3.12.1).

Loans and liabilities and assets held to maturity are recognised at amortised cost in accordance with the actual interest rate method. Commission and fees paid and received, directly attributable transaction costs and any other premiums or discounts are amortised over the expected life of the instrument.

If the market for a financial instrument is not active, the Group estimates the fair value by using a valuation technique. Valuation techniques include the use of recent transactions at arms' length between informed, willing parties, if available, reference to the current fair value of another substantially identical instrument, the analysis of updated cash flows and option valuation systems.

Impairment methods

Financial assets other than those valued at fair at fair value through result are subject to an impairment test every financial year-end.

Assets recognised at amortised cost and available-for-sale debt instruments

An impairment loss is recorded in the income statement when there is objective evidence that the asset's recoverable amount is less than its carrying amount. Indications that an asset is impaired include, but are not limited to, the following:

- Significant financial difficulty of the issuer.
- A breach of contract, such as a default or delinquency in interest or principal payments.
- Growing probability that the issuer will enter bankruptcy or other financial reorganisation.
- The disappearance of an active market for the financial asset because of financial difficulties.

Available-for-sale equity instruments

Every financial year-end, the CNP Assurances Group reviews available-for-sale equity if there is objective evidence that they are impaired, which is considered to be the case when:

- The average unit cost is greater than the maximum market price over the last six months, or
- Market price at the balance sheet date represents less than 80% of the average cost price.

The impairment loss recognised in the income statement is equal to the difference between the average carrying amount and the period-end market price.

An impairment loss is also recognised in the income statement for any other-than-temporary decline in the value in use of unlisted shares in non-consolidated companies. Value in use is determined by applying the most appropriate financial criteria, considering the specific situation of each investee. The most commonly used criteria are the Group's share of the investee's equity and the investee's earnings outlook.

Recovery of impairment losses

**** AFS assets***

Impairment losses recognised on the income statement on available-for-sale equity instruments are reversed through profit when the instrument is derecognised.

If the fair value of an available-for-sale debt instrument increases in a subsequent period due to new events, the impairment loss is reversed, with the amount of the recovery is recognised in profit for the period.

**** Loans, receivables and HTM investments***

If, in a subsequent financial year, the amount of the impairment loss decreases in a subsequent financial year because of events occurring after the impairment was recognised, it is recovered via the adjustment account provided the reversal does not result in a book value greater than the amortised cost that would have been obtained in the absence of impairment. The recovery is recognised in the result for the period.

2.9.3 Financial assets backing linked liabilities

Unit-linked policies are policies whose surrender value is equal to a number of units multiplied by the market value of each unit at the date of closure. Unit-linked insurance policies are valued in accordance with local accounting standards, at market value. The unit-linked financial instruments are valued in accordance with IAS 39, at fair value.

2.9.4 Derivative instruments

A derivative is a financial instrument or other contract within the scope of IAS 39 with all three of the following characteristics: (a) its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable (the 'underlying'); (b) it requires no initial net investment or an initial net investment that is smaller than would be required for other types of policy that would be expected to have a similar response to changes in market factors; and (c) it is settled at a future date.

Derivative instruments are classified as financial assets at fair value through profit except for instruments designated as hedges whose effectiveness can be demonstrated.

Embedded derivatives are separated from their host contract and recognised as derivative instruments when the following three conditions are met:

- The economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract.
- A separate instrument with the same terms as the embedded derivative would meet the definition of a derivative.
- The hybrid (combined) instrument is not measured at fair value with changes in fair value recognised in profit or loss

If the Group is unable to measure the embedded derivative separately either at acquisition or at a subsequent financial reporting date, the entire combined contract is treated as a financial asset or financial liability at fair value through profit..

2.9.5 Methods of assessing the fair value of financial assets

A financial instrument is considered as quoted on 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.

Of valuation methods, the IFRSs favours use of a quotation on an active market from among the ranked valuation methods listed. The CNP Assurances Group uses the stock market price of the financial instrument when available and representative of actual and regularly occurring market transactions on an arm's length basis. The fair value of the major part of assets held by the Group is determined by applying the latest quoted prices for the instruments. The active market used is the one on which each of the instruments was mot recently quoted.

The following are concerned:

- shares, valued according to the price where they are normally quoted;
- mutual funds held, on the basis of the their realisable value;
- bonds, euro and other medium term notes: for each instrument, the most recent price is ascertained at all places where they are quoted, whether official stock markets, brokers, market floors, transaction facilities or ISMA (average price ranges) or BGN (average prices excluding extremes) benchmark prices. CNP Assurances also takes liquidity aspect into account when choosing the place of quotation.
- coupon-bearing government bonds, on the basis of Bank of France centralised quotation rates.

Negotiable debt securities other than coupon-bearing government bonds are valued on the basis of a zero cash coupon curve, plus a spread of 25 bp for maturities up to one year and 50 bp thereafter.

When the price of a financial instrument is not quoted on an active market, i.e. there is no quotation or a quotation available on an inactive market (which is the case with some structured securities), the CNP Assurances Group uses, for example, for structured securities the price established by the arrangers of those structured securities, except in cases where investigations by CNP Assurances conclude that reported values are not reliable. Structured securities held by CNP Assurances are financial instruments indexed on indices, baskets of shares, alternative funds, rates, as well as credits, including incorporated derivatives that may alter the structure of revenue or repayment.

Prices established by arrangers are obtained in principle every month, subsequent to an undertaking to report them by each arranger. The valuations reported by arrangers represent the economic value of securities. CNP Assurances checks, by sampling or in the event of a significant change in valuation, the reliability of the data on the basis of an assessment (estimate of future cash flows for some shares for example) or questions the arrangers about the methods used. Arrangers' values examined to date have been confirmed by CNP Assurances which also checks the quality of ratings of issues and that there are no credit incidents.

Structured securities held by CNP Assurances Group must be considered as long term investments that will, in general, be held until full maturity.

At 31/12/2007, CNP Assurances retained the same valuation methods as those used at 31/12/2006, CNP Assurances ensuring the quality of arrangers' valuation methods and the values they publish.

Principles regarding methods of valuing structured products

Estimated values seek to approximate the economic value of a given position by using prices and rates appropriate to the underlying assets or to benchmark rates. The values reported represent the estimated amount that a counterparty would agree to pay to acquire the asset. Actual negotiated values may nonetheless be appreciable different from those indicative prices, resulting from various factors that can include the conditions prevailing for credit spreads, market liquidity, the size of the position, finance costs, and hedging costs and risks.

Arrangers' valuation techniques:

- make maximum use of market data;
- take into account factors that market participants take into consideration to set prices;
- are consistent with accepted economic methodologies for pricing financial instruments.

Note 9.2 gives quantified data on methods of assessing fair value.

2.10 Equity

2.10.1 Elements included in equity

Apart from share capital and retained earnings, equity in particular consists of revaluations of assets classified as AFS net of tax and the impact of shadow accounting, the capitalisation reserve net of tax as well as subordinate securities classified as equity instruments due to the discretionary nature of their remuneration (see 2.15).

2.10.2 Management of equity

In accordance with European directives, CNP Assurances is subject to regulation as regards solvency margin cover, both at company level for each of the European insurance companies and at Group level.

At 31 December 2007, the insurance subsidiaries of CNP Assurances, and the Group taken overall, comply with the solvency requirements that apply to them. The calculated solvency margin adjusted on the basis of the Group's consolidated accounts is sent annually to the French Insurance Supervisor (ACAM).

Solvency is periodically monitored by each of the companies, and by the Group's financial management. The CNP Assurances Group makes 5-year forecasts, using extreme scenarios on changes in stock markets and interest rates.

2.11 Own shares

Own shares held by CNP Assurances, for the purpose in particular of adjusting the price, are recognised by deduction from equity. Likewise for own shares acquired in order to grant free shares to personnel (see note 2.14).

2.12 Classification of policies

Policies subject to the IFRS 4 standard recognition and valuation principles include:

• insurance policies (see definition below) including a variable for the policy-holder. This category covers provident, pension, property damage policies and unit-linked savings policies with floor guarantee;

• financial instruments issued by the insurer including an element of discretionary participation feature (DPP): policies in euros with discretionary participation feature, unit-linked policies including supports in euros with discretionary participation feature.

Financial instruments under IAS 39 are investment policies without discretionary participation feature: unit-linked savings policies without support in euros and without floor guarantee.

Policies that do not comply with the definition on an insurance policy and are not financial instruments either come under:

- either IAS 18 if they are for provision of services,
- or IAS 19 for policies written to provide welfare benefits for CNP Group employees.

2.12.1 Insurance policies and financial instruments with discretionary DPF

Insurance policies and financial instruments with discretionary participation feature are recognised in accordance with the accounting principles applied by the Group in application of local standards, except for specific provisions introduced by IFRS 4 relative to shadow accounting (see note 2.11) and to the liabilities adequacy test. Commitments are subject to this test to confirm that insurance liabilities are adequate, compared to the estimated value of future cash flow generated by insurance policies and investment policies with discretionary participation feature.

Insurance policies

Policies under which the Company accepts a significant insurance risk on a third party (the policy-holder) by agreeing to pay the policy-holder or another beneficiary, if a specific uncertain future event (the policy-holder event) has consequences unfavourable for the holder or another beneficiary, are classed in the insurance policy category.

Insurance risk is a risk other than a financial risk. Financial risk is the risk of possible future change in one or more of the following: specified interest rate, financial instrument price, commodity price, foreign exchange rate or other variable. In the case of a non-financial variable, if the variable is not specific to a party to the policy, the risk is financial; otherwise it is an insurance risk. Surrender risk, extension risk or the risk of higher-than-expected administrative costs are not insurance risks, unless they are risks originally incurred by the insured that are transferred to the Group under an insurance policy.

For each group of policies with similar characteristics, the significance of insurance risk is assessed on the basis of a single representative policy. Under this approach, insurance risk may be considered significant although the probability of the group of policies generating a loss that has a material adverse effect on the financial statements is remote due to the pooling of risks.

Financial instruments with discretionary participation feature

Policies that do not expose the Group to an insurance risk or for which the insurance risk is not material are qualified as financial instruments when they give rise to a financial asset or liability. Policies are qualified as financial instruments with DPF when they incorporate a contractual or regulatory right, in addition to guaranteed benefits, to receive additional benefits:

- that are likely to be a significant portion of total benefits under the policy.
- whose amount or timing is contractually at the Group's discretion, and
- that are contractually based on the performance of a specified pool of policies or a specified type of policy, or realised and/or unrealised investment returns on a specified pool of assets held by the Group, or the profit or loss of the company, fund or other entity that issues the policy.

Hybrid policies

Some policies written by the Group comprise both an insurance component and a deposit component. These two components are unbundled only when the deposit component can be measured separately and, under the Group's accounting policies, the rights and obligations arising from the deposit component would not be recognised if the policy was not unbundled. The insurance component of an unbundled policy is accounted for under IFRS 4 and the deposit component under IAS 39.

In line with the policy described above, the components of combined unit-linked and non-unit-linked policies written by the Group are not unbundled.

> Life assurance and capitalisation

Premiums

Premiums on policies in force during the period are recognised in revenue after adjustment for:

- the estimated earned portion of premiums not yet written on group policies comprising whole life cover.
- estimated cancelled premiums, determined by reviewing written premiums and earned premiums not yet written. This adjustment is made for the main products based on the observed cancellation rate for policies written and cancelled during the period.

Technical and mathematical reserves

Reserves for policies including whole life cover include the portion of premiums written but not earned during the reporting period.

Mathematical reserves for non-unit-linked policies represent the difference between the present value of the respective commitments of the Group and the policyholder.

Life premium reserves are determined using a discount rate that is equal to or less than the conservatively estimated forecast yield on the assets backing the liabilities.

Insurance liabilities are discounted at a rate that is equal to or less than the contractual rate, using regulatory mortality tables or internal experience-based tables if these are more conservative. The discount rate applied to annuities takes into account the effects of a fall in interest rates when the contractual rate is considered too high compared with the expected yield from reinvested premiums.

A general reserve is set up for future policy administration costs not covered by the premium loading or by the fees levied on financial products.

When policyholders are entitled to participate in surplus underwriting profits and investment income in addition to the guaranteed minimum yield, any surplus not paid during the period is accumulated in the policyholder surplus reserve.

This reserve also includes the deferred participation resulting from the use of shadow accounting.

The Natixis Global AM dilution gain results in policy-holder participation in additional profits; after tax and additional participation, the impact of the Natixis Global AM dilution on the result is not significant.

An unexpired risks reserve is set up to cover claims and benefits outstanding at the period-end.

Mathematical reserves for unit-linked policies are determined by reference to the assets backing the linked liabilities. Gains and losses arising from the remeasurement of these assets at fair value are recognised in profit, to offset the impact of changes in the related technical reserves.

Reserves for guaranteed yields are determined using the Black & Scholes method

> Disability, accident and health insurance

Premiums are recognised net of tax and estimated cancelled premiums.

Earned premiums for the period are adjusted for:

- estimated earned premiums not yet written at the period-end.
- the change in the unearned premium reserve (corresponding to the portion of premiums written during the period that relates to the next period).

A reserve is recorded to cover timing differences between the coverage of risks and their financing in the form of insurance premiums.

Claims are recognised in the period in which they are incurred. The amount recorded covers both reported claims and estimated claims incurred but not reported (IBNRs).

Claims reserves are based on the estimated cost of settling the claims, net of any forecast recoveries.

A deferred participation reserve is recorded for participating policies, based on shadow accounting principles.

A reserve is also recorded for claims handling expenses.

> Liability adequacy test

At each period-end, the Group assesses whether its recognised insurance liabilities, less related deferred acquisition costs and related intangible assets, are adequate, based on current estimates of future cash flows under its insurance policies and financial instruments with DPF. The test is performed using asset-liability management models, by applying a stochastic approach to estimate liabilities according to a wide range of scenarios. The models take into account embedded derivatives (policyholder surrender options, guaranteed yields, etc.) and administrative costs.

The test determines the economic value of insurance liabilities corresponding to the average of the stochastic trajectories.

If the sum of the surrender value and deferred participation is less than the fair value of the recognised insurance liability, the deficiency is recognised in profit.

> Shadow accounting

When the measurement of liabilities, deferred acquisition costs or contractual customer relationships is directly affected by gains and losses realised on assets, a deferred participation reserve is recorded in insurance liabilities to offset the unrealised gain, or in assets to offset the unrealised loss to the extent that the deferred participation is recoverable. Deferred participation follows the same accounting treatment as the underlying.

The deferred participation reserve is determined by multiplying fair value adjustments to assets by the estimated participation rate corresponding to the contractual obligations associated with each portfolio. The estimated participation rate takes into account regulatory and contractual participation clauses, as well as the Group's profit-taking programme and policyholder dividend policy. Deferred participation is recognised by adjusting either profit or the revaluation reserve, depending on the accounting treatment of the related unrealised gains or losses under IAS/IFRS. Participation rates applied to unrealised gains and losses for shadow accounting purposes are the same as the rates applied to consolidation adjustments to determine deferred participation.

The portion of gains attributable to policyholders is determined based on the terms of participating policies.

Shadow accounting is not applied to non-participating policies that fall outside the scope of regulations requiring payment of a guaranteed minimum participating dividend.

The deferred participation reserve is designed to address the risk of an artificial imbalance between assets and liabilities caused by the use of different valuation models for assets and liabilities.

> Reinsurance

Outward reinsurance

Premiums, claims and technical reserves are stated before reinsurance. Ceded amounts are recognised under "Reinsurance result".

Ceded technical reserves are tested for impairment at each period-end. If there is objective evidence that these reserves are impaired, as a result of an event that occurred after initial recognition, the carrying amount of the asset is reduced by recording an impairment loss in the income statement. For reinsurance assets secured by collateral, the estimated discounted cash flows from the asset take into account cash flows from the sale of the collateral, net of the estimated cost of obtaining execution of the guarantee, regardless of whether or not such sale is considered probable.

Inward reinsurance

Inward reinsurance policies give rise to a significant insurance risk and are therefore accounted for in the same way as insurance policies.

2.12.2 Investment policies (IAS 39)

Financial instruments are initially recorded at fair value. The premium loading is recognised in “Revenue from other activities”.

Unit-linked policies are subsequently measured at fair value, with changes in fair value recognised in profit.

Non-unit-linked investment policies are subsequently measured at fair value, corresponding to their surrender value.

2.12.3 Service policies

Policies that do not expose the Group to an insurance risk or for which the insurance risk is not material are qualified as service policies when they do not give rise to any financial asset or liability. In accordance with IAS 18, revenue from providing services is recognised by reference to the stage of completion of the transaction at the balance sheet date, provided that the outcome of the transaction can be reliably estimated.

2.13 Tangible assets

Tangible assets mostly consist of office equipment and miscellaneous facilities.

Estimated service life runs from 3 years for computer hardware to 10 years for fixtures, fittings and facilities.

2.14 Employee benefits

The CNP Assurances Group provides all benefits to personnel in accordance with IAS 19 as revised, except for allocations of free shares recognised in accordance with IFRS 2.

2.14.1 Employee benefit obligations

Supplementary pension scheme with specified benefits

At the beginning of July 2006, CNP Assurances implemented a supplementary pension scheme with specified benefits in accordance with article 39 of France’s General Tax Regulations. An insurance policy covers the life and financial risks from retirement for those covered.

Obligations resulting from specified benefit schemes, as well as the costs, are valued according to the projected credit units method. The value shown on the balance sheet as pension obligations represents the difference between discounted future obligations, and the assets invested at market value, intended to cover them.

The actuarial assumptions used to determine obligations vary according to the economic conditions prevailing in the country in which the scheme operates.

Retirement payments and service jubilees

Obligations as regards retirement payments and bonuses for service jubilees are valued at the discounted present value of probable future benefit payments and are fully recognised on the balance sheet.

Early retirement schemes

Obligations as regards early retirement schemes are valued at the discounted present value of probable future benefit payments and fully recognised on the balance sheet.

Business start-up support

Financial assistance that CNP Assurances gives staff to set up a new business or acquire an existing business is recognised on the balance sheet.

Determining the discount rate

The discount rate is determined in accordance with the Government bond rate or the interest rate for investment-grade corporate bonds traded in an active market with maturities that match the duration of the benefit obligation.

For early-retirement schemes, as the duration of the benefit obligation is shorter, the discount rate is based on the yield curve at 31 December.

Accounting method

The CNP Assurances Group has elected to apply the option available under IAS 19 as amended from the 2005 financial year, allowing the recognition in equity of actuarial gains and losses under defined benefit schemes.

Schemes are either funded or unfunded. Assets of funded schemes are segregated and managed separately from the Group's assets, and any funding surplus or deficit is recognised in the balance sheet. Liabilities under unfunded schemes are recognised in the balance sheet.

For funded schemes with specified benefits, the shortfall or surplus of the fair value of assets compared to the discounted bonds is recognised as a liability or asset on the balance sheet.

The CNP Assurances Group has elected not to apply the corridor method, but to recognise actuarial gains and losses directly in profit, except for gains and losses on post-employment benefit plans which are recognised in equity.

Actuarial losses recognised in current profit for defined-benefit plans comprise two elements:

- current service cost and past service cost.
- interest cost less the expected return on plan assets.

2.14.2 Share-based payments

The CNP Assurances free share allocation programme

At the Annual General Meeting of 7 June 2005 (8th resolution), the shareholders authorised the Executive Board to make share grants representing up to 0.4% of the capital to the management and employees of the Company (Article L.225-197-1 II of France's Commercial Code) and related companies (Article L.225-197-2 of the Code).

The Executive Board was authorised to issue new shares for allocation to grantees, in which case the pre-emptive right of existing shareholders to subscribe to the issue would automatically be waived.

The authorisation was given for a period of 38 months. No share grants were made in 2005. On 5 July 2006, the Executive Board used the authorisation to make the following share grants:

Terms and conditions of the 2007 share grants

On 19 June 2006, the Executive Board decided to award 52,650 free CNP shares, representing 0.035 % of the share capital of CNP Assurances at that date. The grants are subject to a two-year vesting period and a lock-up period.

Accounting treatment

Shares held for allocation when the share grants vest are recorded as a deduction from equity. The difference between the average cost of the shares and their fair value at the grant date is recognised in equity, with no impact on profit. The cost of the employee services received in exchange for the grants is measured by reference to the fair value of the shares, in accordance with IFRS 2, and is recognised in employee benefits expense over the vesting, with a corresponding adjustment to equity. The cost recognised in profit takes into account the estimated number of grantees at each balance sheet date and the cost of managing the shares.

2.15 Financing liabilities

Perpetual subordinated notes for which the Group determines the timing of interest payments are classified as equity instruments. All other dated and undated debt instruments are classified as financing liabilities.

2.16 Acquisition costs and operating expenses

Underwriting expenses are presented by function:

- claim and benefit handling expenses include the costs of the departments responsible for paying claims, endowments and periodic benefits and processing surrenders.

- acquisition costs include all selling, distribution and administrative costs incurred for the acquisition of new policies.
- policy administration expenses include all the costs of managing in-force business.
- investment management costs include all internal and external costs of managing asset portfolios and financial expenses.
- other underwriting costs correspond to overhead expenses that cannot be allocated rationally to the other functions.
- non-underwriting costs correspond to costs related to businesses that have no technical link to the insurance business.

Cost recognition and allocation:

- operating expenses are initially recognised by nature and are then reallocated by function.
- costs recognised by nature that relate to a single function are posted to the function concerned without applying any allocation key.

Other costs are analysed between:

- corporate costs, which are allocated to the operating centres using statistical cost allocation keys or actual business data.

Operating costs, as adjusted to include corporate costs, which are allocated to the functions using a specific allocation key for each business.

2.17 Tax

Group relief

CNP Assurances and its main French subsidiaries have elected to file a consolidated tax return under French group relief rules. The companies in the tax group are CNP Assurances, CNP IAM, Préviposte, Investissement Trésor Vie (ITV), CNP International, CNP Caution, Sogestop G, Carrés bleus (formerly Sogestop C), Prévimut, Cicoge SA (a property investment company), CNP A2E and Âge d'Or Expansion.

Tax due and deferred

Corporation tax expenses reported in the income statement include both current and deferred taxes.

Deferred taxes are recognised on temporary differences between the carrying amount of assets and liabilities and their tax base. However, for taxable temporary differences related to investments in subsidiaries, associates, joint ventures and branches a deferred tax liability is recognised only when the Group is able to control the period in which the temporary difference will reverse and it is probable that it will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset at the level of each taxable entity or tax group. Deferred tax assets and liabilities arising from changes in asset values and from the recognition of deferred participation are calculated and tracked separately.

Deferred tax assets are recognised for tax loss carryforwards when it is probable that sufficient taxable profit will be available to permit their realisation. Net deferred tax assets resulting from the offsetting of deferred tax assets and liabilities are recognised when sufficient taxable profit can reasonably be expected to be generated to permit their realisation. Deferred tax assets and liabilities are not discounted.

2.18 Sector reporting

The CNP Group's primary and secondary reportable sectors are the business sector and the geographic sector, respectively.

Reportable business sectors have been defined based on the internal reporting system and the technical characteristics of the products distributed by the Group. Three business sectors have been identified, that generate risks and returns which are separate from those of the other sectors.

- Savings business concerns products enabling policyholders to build up capital which they can cash in. A key feature of these products is their sensitivity to changes in interest rates.
- Pensions business concerns products designed to enable policyholders to receive an annuity or lump sum on retirement. The main risk associated with these products concerns the probable annuity payment period.
- Personal Risk business includes products enabling policyholders to insure against the risks of death, accident or illness, property damage or liability claims. The return on these products depends on the occurrence of the insured risk.

Inter-sector transfer prices are determined on an arm's length basis.

Geographic sectors have been defined based on economic conditions and local market features in the host countries. Based on these criteria, three geographic sectors have been identified: France, Europe excluding France and South America.

2.19 Contingent liabilities

A contingent liability is:

- a possible obligation that arises from past events and 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 Group; or
- a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognised in the balance sheet but are disclosed in the notes to the financial statements, except when it is not probable that they will give rise to an outflow of resources.

Contingent liabilities are regularly reviewed to determine whether an outflow of resources has become probable or can be measured with sufficient reliability. If this is the case, a provision is recognised in the financial statements for the period in which the change in probability or measurability occurs.

Note 3. Pro forma financial information – restatement of deeply subordinated notes at 31/12/2005

Assets - in € millions	31/12/2005 Reported	Adjustments	31/12/2005 Pro forma
Total intangible assets	**880,7**		**880,7**
Investment property	1 240,4		1 240,4
Held-to-maturity investments	880,3		880,3
Available-for-sale financial assets (1)	162 698,5	15,7	162 714,2
Securities held for trading	61 808,6		61 808,6
Loans and receivables	1 051,1		1 051,1
Derivative financial instruments	1 070,4		1 070,4
Insurance investments	**228 749,3**	**15,7**	**228 765,0**
Banking and other investments	**510,0**		**510,0**
Investments in associates	**346,7**		**346,7**
Reinsurers' share of insurance and financial liabilities	**5 382,7**		**5 382,7**
Other assets	**4 946,1**		**4 946,1**
Assets held for sale			
Cash and cash equivalents	**789,8**		**789,8**
TOTAL ASSETS	**241 605,3**	**15,7**	**241 621,0**

(1) The adjustment amount of €15.7M represents the cancellation of accrued interest not due.

Equity and liabilities - in € millions	31/12/2005 Reported	Adjustments	31/12/2005 Pro forma
Share capital	554,5		554,5
Share premium account	321,5		321,5
Revaluation reserve	2 529,4		2 529,4
Deeply-subordinated debt (1)		625,0	625,0
Retained earnings (2)	3 669,9	(6,9)	3 663,0
Profit for the period (3)	952,3	17,3	969,6
Translation reserve	104,0		104,0
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	**8 131,6**	**635,4**	**8 767,0**
Minority interests	1 415,4		1 415,4
TOTAL EQUITY	**9 547,0**	**635,4**	**10 182,4**
INSURANCE AND FINANCIAL LIABILITIES	**212 381,8**		**212 381,8**
Provisions	**87,7**		**87,7**
Subordinated debt (1)	2 551,0	(625,0)	1 926,0
Financing liabilities	**2 551,0**	**(625,0)**	**1 926,0**
Operating liabilities represented by securities	6 175,9		6 175,9
Operating liabilities due to banks	196,2		196,2
Liabilities arising from insurance and reinsurance transactions	1 896,0		1 896,0
Current taxes payable	115,0		115,0
Current account advances	33,2		33,2
Liabilities towards holders of units in controlled mutual funds	3 016,4		3 016,4
Derivative financial iinstruments	973,6		973,6
Deferred tax liabilities (4)	718,5	5,3	723,8
Other liabilities	3 913,0		3 913,0
Other liabilities	**17 037,8**	**5,3**	**17 043,1**
TOTAL EQUITY AND LIABILITIES	**241 605,3**	**15,7**	**241 621,0**

(1) Reclassification of deeply-subordinated notes from debt to equity.

(2) Recognition in equity of interest on deeply-subordinated notes and correction of ICNEs (-€10.6M) and corresponding deferred tax (€3.7M).

(3) Adjustment of interest payments in equity (including deferred taxes) and cancellation of accrued interest.

(4) Deferred taxes on cancellation of accrued interest from profit.

Income statement - in € millions	31/12/2005 Reported	Adjustments	31/12/2005 Pro forma
Earned premiums	**26 465,8**		**26 465,8**
Revenue from other activities	115,7		115,7
Net financial income, before finance costs	**12 430,5**		**12 430,5**
Net revenue	**39 012,0**		**39 012,0**
Other recurring operating income and expense, net	**(37 327,3)**		**(37 327,3)**
RECURRING OPERATING PROFIT	**1 684,7**		**1 684,7**
OPERATING PROFIT	**1 684,7**		**1 684,7**
Finance costs (1)	(117,7)	26,4	(91,3)
Share of profit of associates	19,3		19,3
Income tax expense (2)	(443,9)	(9,1)	(453,0)
PROFIT FOR THE PERIOD	**1 142,4**	**17,3**	**1 159,7**
Attributable to minority interests	(190,1)		(190,1)
Attributable to equity holders of the parent	952,3	17,3	969,6

(1) Cancellation of interest paid and accrued interest.

(2) Deferred tax on cancellation of interest paid and accrued interest.

Note 4. Capital

4.1 Table of deeply subordinated notes reclassified as equity

31/12/2007

(in € millions)	Issuance date	Interest rate	Currency	Amounts
Deeply-subordinated notes (attributable to equity holders)				**2 143,0**
CNP ASSURANCES	June-04	Tec 10+10bps capped at 9%	€	250,0
CNP ASSURANCES	Nov-04	Tec 10+10bps capped at 9%	€	50,0
CNP ASSURANCES	March-05	6.5% until 2008 then 3%+22.5% times 10-year EUR CMS	€	225,0
CNP ASSURANCES	March-05	6.25% until 2009 then 4 times (10-year EUR CMS - 2-year EUR CMS); cap at 9% and floor à 2,75%	€	25,0
CNP ASSURANCES	June-05	7% until 2009 then 10-year EUR CMS + 0.30%, cap at 10 timeS (10-year CMS - 2-year CMS) floor at 2%	€	75,0
CNP ASSURANCES	May-06	5.25% until 16/05/2036 then 3-month EURIBOR + 185bp	€	160,0
CNP ASSURANCES	Dec-06	4.750%	€	1 250,0
CNP ASSURANCES	Dec-06	3-month Euribor + 95 bps until 20/12/2026 then 3-month Euribor + 195 bps from 20/12/2026	€	108,0
Total				**2 143,0**

31/12/2006

(in € millions)	Issuance date	Interest rate	Currency	Amounts
Deeply-subordinated notes (attributable to equity holders)				**2 035,0**
CNP ASSURANCES	June-04	Tec 10+10bps capped at 9%	€	250,0
CNP ASSURANCES	Nov-04	Tec 10+10bps capped at 9%	€	50,0
CNP ASSURANCES	March-05	6.5% until 2008 then 3%+22.5% times 10-year EUR CMS	€	225,0
CNP ASSURANCES	March-05	6.25% until 2009 then 4 times (10-year EUR CMS - 2-year EUR CMS); cap at 9% and floor à 2,75%	€	25,0
CNP ASSURANCES	June-05	7% until 2009 then 10-year EUR CMS + 0.30%, cap at 10 timeS (10-year CMS - 2-year CMS) floor at 2%	€	75,0
CNP ASSURANCES	May-06	5.25% until 16/05/2036 then 3-month EURIBOR + 185bp	€	160,0
CNP ASSURANCES	Dec-06	4,750%	€	1 250,0
Total				**2 035,0**

31/12/2006				
(in € millions)	**Issuance date**	**Interest rate**	**Currency**	**Amounts**
Deeply-subordinated notes (minority interests)				**108,0**
ECUREUIL	Dec-06	3-month Euribor + 95 bps until 20/12/2026 then 3-month Euribor + 195 bps from 20/12/2026	€	108,0
Total				**108,0**

31/12/2005 - Pro forma				
(in € millions)	**Issuance date**	**Interest rate**	**Currency**	**Amounts**
Deeply-subordinated notes (attributable to equity holders)				**625,0**
CNP ASSURANCES	June-04	Tec 10+10bps capped at 9%	€	250,0
CNP ASSURANCES	Nov-04	Tec 10+10bps capped at 9%	€	50,0
CNP ASSURANCES	March-05	6.5% until 2008 then 3%+22.5% times 10-year EUR CMS	€	225,0
CNP ASSURANCES	March-05	6.25% until 2009 then 4 times (10-year EUR CMS - 2-year EUR CMS); cap at 9% and floor à 2,75%	€	25,0
CNP ASSURANCES	June-05	7% until 2009 then 10-year EUR CMS + 0.30%, cap at 10 timeS (10-year CMS - 2-year CMS) floor at 2%	€	75,0
Total				**625,0**

4.2 *Ownership structure*

Shareholder	**Number of shares**	**% interest**
Caisse des Dépots et Consignations	59 415 129	39,99%
Sopassure (La Poste and Groupe Caisse d'Epargne holding company)	52 705 478	35,48%
French State	1 618 841	1,09%
Total shares held in concert	**113 739 448**	**76,56%**
Public	34 798 375	23,44%
of which: CNP Assurances (treasury stock)	447 639	0,30%
Total	**148 537 823**	**100,00%**

4.3 Number of shares

Issued capital	Ordinary shares		
	31/12/2007	31/12/2006	31/12/2005
Number of shares outstanding at the beginning of the period	138 635 302	138 635 302	138 635 302
Shares issued during the period	9 902 521		
Number of shares outstanding at the end of the period	148 537 823	138 635 302	138 635 302

In 2007, CNP increased its share capital by issuing 9,902,521 shares, raising the total number of shares issued to 148,537,823.

4.4 2007 dividends

The dividend recommended by the General Meeting is XXX euros per share, which represents XXX million euros in total.

4.5 Basic and diluted earnings per share

(in € millions)	31/12/2007	31/12/2006	31/12/2005 Pro forma
Profit attributable to equity holders of the parent	1 221,8	1 145,3	969,6
Dividends on preferred shares	0,0	0,0	0,0
Profit attributable to ordinary equity holders of the parent	**1 221,8**	**1 145,3**	**969,6**

	31/12/2007	31/12/2006	31/12/2005 Pro forma
Number of ordinary shares at 1 January	148 537 823,0	138 635 302,0	138 635 302,0
Treasury shares	(402 908,6)	(278 683,3)	(235 789,0)
Ordinary shares issued during the year *	0,0	9 902 521,0	0,0
Weighted average number of shares at 31 December	**148 134 914,4**	**148 259 139,8**	**138 399 513,0**

*Capital increase by CNP Assurances as of 8th January 2007. New shares are eligible to the dividends to be paid in 2007 for the 2006 exercise.

in €	31/12/2007	31/12/2006	31/12/2005 Pro forma
Profit attributable to ordinary equity holders of the parent	8,2	7,7	7,0
After-tax effect of interest on convertible bonds	0,0	0,0	0,0
Diluted profit attributable to ordinary equity holders of the parent	**8,2**	**7,7**	**7,0**

(in € millions)	31/12/2007	31/12/2006	31/12/2005 Pro forma
Profit attributable to ordinary equity holders of the parent	**1 221,8**	**1 145,3**	**969,6**

Diluted earnings per share are calculated by dividing profit attributable to equity holders of the parent by the weighted average number of ordinary shares at the financial year-end.

4.6 Information on related parties

Parties related to CNP Assurances Group are consolidated companies, including associate companies and joint ventures, and also the main managers of the Group.

Transactions between CNP Assurances and related parties are undertaken under market conditions prevailing at the time of those transactions.

The CNP Assurances Group's consolidated companies are listed in note 5.
Significant transactions between the parent company and consolidated subsidiaries are given in note 4.6.2.
The total remuneration of key management personnel is given in note 4.7.

4.6.1 Transactions between the CNP Assurances Group and non-Group companies

4.6.1.1 Transactions between direct Group shareholders

(in € millions)	CNP Assurances	Caisse des Dépôts et Consignations	Caisse Nationale des Caisses d'Epargne	La Banque Postale
Commissions	(1 031,0)	0,0	590,2	440,8
Fees	(12,3)	12,3	0,0	0,0
Employee benefits expense	(20,6)	20,6	0,0	0,0
Dividends	(246,5)	125,3	60,5	60,7
Financial income*	20,0	0,0	(20,0)	0,0

* Put Natixis

Commission represents revenue received by the Caisse Nationale des Caisses d'Epargne and La Banque Postale for the sale of products managed by CNP Assurances.

Services provided are billed via various charges reinvoiced by the CDC to CNP Assurances.

Personnel charges represent the payment of remuneration to Caisse des Dépôts & Consignations personnel seconded to CNP Assurances.
The dividend line gives dividends paid for the 2007 financial year to the Group's direct shareholders.

The total financial revenue reflects the valuation of the purchase option granted by the CNCE to CNP Assurances.

4.6.1.2 Transactions between Group shareholders and Group subsidiaries

The following table gives significant transactions between shareholders and between Group subsidiaries that represent payments of commission, dividends or the interest charge due to a subsidiary's holding subordinate securities issued by another subsidiary of the Group.

(in € millions)	CNP Assurances	Caisse Nationale des Caisses d'Epargne
Subordinated debt	(24,1)	24,1
Commissions	(590,2)	590,2
Time accounts	(66,1)	66,1

(in € millions)	La Banque Postale Prévoyance	La Banque Postale
Commissions	(32,2)	32,2
Dividends	(7,5)	7,5

(in € millions)	Caixa	CEF*
Dividends	(55,4)	55,4

* Caixa Economica Federal

(in € millions)	CNP Capitalia	Capitalia
Dividends	(5,0)	5,0

4.6.2 Transactions between Group companies at 31/12/2007

4.6.2.1 Fully consolidated and proportionally consolidated companies

The following table gives transactions between the Group and its subsidiaries. The transactions represent payment for services, the interest charge relating to subordinate shares issued by a subsidiary and held by the Group, reinsurance-joint insurance transactions between the Group and its subsidiaries and the payment of subsidiaries' dividends to the Group.

(in € millions)	CNP Assurances	La Banque Postale Prévoyance	Caixa	CNP Capitalia	Global
Fees	(23,5)	19,6	1,1	2,2	0,6
Reinsurance/co-insurance	(0,9)	0,9	0,0	0,0	0,0
Dividends	86,5	(7,5)	(54,8)	(17,1)	(7,1)

4.6.2.2 Associate companies

CNP Assurances has assigned responsibility for financial management to Natixis Global Asset Management which is rewarded accordingly.

(in € millions)	CNP Assurances	Natixis Global Asset Management
Management mandate	(14,9)	14,9

4.7 *Management personnel compensation*

The information below gives, as totals, and for each type of category, the compensation of the Chief Executive, the four Deputy Chief Executives and directors of CNP Assurances.

In 2007:

- Short term benefits: the amount of remuneration paid to the Chief Executive, to the four Deputy Chief Executives and to the directors of CNP Assurances for the 2007 financial year amounted to €3.7 M (including fixed and variable remuneration, directors' fees and benefits in kind).

- Long term benefits: the total amount allowed for in provisions or recognised by CNP Assurances towards pension or retirement benefits to the Chief Executive, the four Deputy Chief Executives and directors of CNP Assurances amounts to €0.7 M.

- Termination benefits: there are no termination benefits for the Group's main managers except for arrangements under policies or agreements that may exist.

- Share based payments: no share based payments were made in 2007 to the Chief Executive, the four Deputy Chief Executives or directors of CNP Assurances.

In 2006:

Because of the mode of governance in 2006 (*société anonyme* (joint stock company) with Executive and Supervisory Boards), only the remuneration of members of the Executive Board has been reported in the note to the consolidated accounts at 31/12/2006. For information, the amount of remuneration for members of the Executive Board, which at 31/12/2006 amounted to 2.6 million euros, was made up as follows:

- Short term benefits: 2.4 million euros (€2 M in 2005).

- Long term benefits: 0.17 million euros (na. in 2005).

- Termination benefits: no termination benefits were made to members of the Executive Board of CNP Assurances in 2006 and 2005.

- Share based payments: no share based payments were made to members of the Executive Board of CNP Assurances in 2006 and 2005.

Note 5. Scope of consolidation

5.1 Consolidation companies and percentage of voting rights at 31/12/2007

Company	Consolidation method	Country	% voting rights	% interest	Business
1. Strategic subsidiaries					
CNP ASSURANCES	Full	France	100,00%	100,00%	Insurance
CNP IAM	Full	France	100,00%	100,00%	Insurance
PREVIPOSTE	Full	France	100,00%	100,00%	Insurance
ITV	Full	France	100,00%	100,00%	Insurance
CNP INTERNATIONAL	Full	France	100,00%	100,00%	Insurance
LA BANQUE POSTALE PREVOYANCE	Proportionate	France	50,00%	50,00%	Insurance
GLOBAL	Full	Portugal	83,52%	83,52%	Insurance
GLOBAL VIDA	Full	Portugal	83,57%	83,57%	Insurance
CNP SEGUROS DE VIDA	Full	Argentine	76,47%	76,47%	Insurance
CAIXA SEGUROS	Full	Brésil	51,75%	51,75%	Insurance
CNP CAPITALIA VITA	Full	Italie	57,50%	57,50%	Insurance
CNP VIDA	Full	Espagne	94,00%	94,00%	Insurance
2. OPCVM					
UNIVERS CNP 1 FCP	Full	France	99,99%	99,99%	Mutual fund
CNP ASSUR EURO SI	Full	France	98,97%	98,97%	Mutual fund
CNP MONTPARNASSE ACTION	Full	France	99,50%	99,50%	Mutual fund
CNP ASSUR VALEUR SI	Full	France	87,36%	87,36%	Mutual fund
ECUREUIL EQULIBRE 3DEC	Full	France	94,18%	94,18%	Mutual fund
KALEIS DYNAMIQUE D 5DEC	Full	France	85,65%	85,65%	Mutual fund
KALEIS EQUILIBRE D 5DEC	Full	France	70,57%	70,57%	Mutual fund
PLENITUDE SI 5DEC	Full	France	72,19%	72,19%	Mutual fund
CNP ACP OBLIG FCP	Full	France	49,68%	49,68%	Mutual fund
DOUBLO MONDE 4	Full	France	52,95%	52,95%	Mutual fund
BOULE DE NEIGE 3 3DEC	Full	France	57,85%	57,85%	Mutual fund
ASSUR ECUR. CROIS	Full	France	99,76%	99,76%	Mutual fund
CAPPUCCINO7 3DEC	Full	France	49,57%	49,57%	Mutual fund
CDC IONIS FCP 4DEC	Full	France	100,00%	100,00%	Mutual fund
CNP ACP 10 FCP	Full	France	49,96%	49,96%	Mutual fund
ECUR DYN 3 DEC	Full	France	54,75%	54,75%	Mutual fund
PROGRESSIO 5 DEC	Full	France	91,24%	91,24%	Mutual fund
AL DENTE 3 3 DEC	Full	France	54,01%	54,01%	Mutual fund
VIVACCIO ACT 5DEC	Full	France	82,20%	82,20%	Mutual fund
3. Property companies					
ASSURBAIL	Full	France	99,07%	99,07%	Leasing financing
AEP3 SCI	Full	France	100,00%	100,00%	Non-trading property co.
CIMO	Full	France	100,00%	100,00%	Non-trading property co.
AEP4 SCI	Full	France	100,00%	100,00%	Non-trading property co.
PB6	Proportionate	France	50,00%	50,00%	Property
SICAC	Full	France	100,00%	100,00%	Non-trading property co.
CNP IMMOBILIER	Full	France	100,00%	100,00%	Non-trading property co.
ASSURIMMEUBLE	Full	France	100,00%	100,00%	Non-trading property co.
NATIXIS GLOBAL ASSET MANAGEMENT	Equity method	France	11,34%	11,34%	Asset management

5.2 Analysis of the acquisition price of CNP VIDA

(In € millions)	100%	CNP Share 94%
Cost of the business combination	84,2	79,2
Acquisition price, before adjustment	*81,9*	*77,0*
Contractual post-acquisition price adjustment	*1,6*	*1,5*
Transaction costs	*0,7*	*0,7*
Book net assets at 31 december 2006 (Spanish GAAP)	85,5	
Fair value adjustment to assets	(0,4)	
Adjustement to insurance liabilities (alignment with CNP Group accounting policies)	(17,2)	
Other	(0,4)	
Adjusted net assets	67,5	
Value of business acquired, after tax	16,7	
Cost of business combination	84,2	79,2
Goodwill		0

5.3 Analysis of the acquisition price of Ecureuil-vie

(In € millions)	100%	CNP Share 100%
Acquisition price		1 417,5
Net assets	1 965,3	0,0
Cancellation of adjustment to deeply subordinated notes	(108,0)	0,0
Net assets acquired	1 857,3	928,5
Adjustment of profit for the périod 1 January-20 February 2007		17,4
Goodwill deducted from equity		471,6

5.4 Financial information on associated companies

Summary financial information on a 100% basis

31/12/2007	Total assets	Equity	Revenue	Profit
Natixis Global Asset Management	3 574	3 451	1 621	353

31/12/2006	Total Bilan	Equity	Chiffres d'affaires	Result
Natixis Global Asset Management	2 533	1 740	1 666	228

31/12/2005	Total assets	Equity	Revenue	Profit
Natixis Global Asset Management	2 523	739	1 487	180

Consolidated investments

	31/12/2007	31/12/2006	31/12/2005
At 1 January	**300,3**	**175,5**	**68,2**
Increase in interest	123,3	0,0	85,0
Scope entry	7,7	0,0	0,0
Participation in share issue	0,0	110,3	0,0
Share of profit	46,0	46,0	19,3
Share of amounts recongised in reserves	(18,7)	(19,6)	3,0
Dividends received	(35,8)	(11,9)	0,0
At 31 December	**422,8**	**300,3**	**175,5**

Note 6. Segment information

6.1 Balance sheet by business segment at 31/12/2007

Assets

(in € millions)	31/12/2007 Savings	Pensions	Personal risk	Other	Total
Goodwill					659,2
Contractual customer relationships					186,4
Other intangible assets					28,1
Total intangible assets					**873,7**
Investment property	599,7	433,6	466,0		1 499,3
Held-to-maturity investments	1 021,9	70,1	20,9		1 112,9
Available-for-sale financial assets	158 122,2	15 497,3	7 291,3		180 910,8
Securities held for trading	61 409,2	8 590,7	4 920,7	60,4	74 981,0
Loans and receivables	1 870,7	129,5	88,2		2 088,4
Derivative financial instruments	1 934,0	36,3	2,4		1 972,7
Insurance investments	**224 957,7**	**24 757,5**	**12 789,5**	**60,4**	**262 565,1**
Banking and other investments	**40,0**	**22,3**	**210,1**		**272,4**
Investments in associates	**336,9**	**49,7**	**36,2**		**422,8**
Reinsurers' share of insurance and financial liabilities	**340,6**	**5 075,2**	**723,5**		**6 139,3**
Insurance and reinsurance receivables	674,5	654,2	2 171,1		3 499,8
Current tax assets					324,7
Other receivables					968,4
Property and equipment					195,6
Other non-current assets					208,7
Deferred tax assets	3,2	-0,8	22,3	1,6	26,3
Other assets	**677,7**	**653,4**	**2 193,4**	**1,6**	**5 223,5**
Cash and cash equivalents					**1 175,3**
TOTAL ASSETS	**226 352,9**	**30 558,1**	**15 952,7**	**62,0**	**276 672,1**

Liabilities

(in € millions)	Savings	Pensions	31/12/2007 Personal risk	Other	Total
Share capital					594,2
Share premium account					981,5
Revaluation reserve					1 972,6
Deeply-subordinated notes					2 143,0
Retained earnings					4 383,2
Profit for the period					1 221,8
Translation reserve					109,0
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT					**11 405,3**
Minority interests					566,9
TOTAL EQUITY					**11 972,2**
Technical reserves - non-unit-linked policies	30 501,3	16 714,5	7 131,3		54 347,1
Technical reserves - unit-linked policies	24 090,4	3 215,6			27 306,0
Insurance liabilities	**54 591,7**	**19 930,1**	**7 131,3**		**81 653,1**
Liabilities related to non-unit-linked financial instruments with DPF	134 706,5	4 422,9	19,3		139 148,7
Liabilities related to non-unit-linked financial instruments without DPF	516,3				516,3
Liabilities related to unit-linked financial instruments	12 837,5	1 362,4	0,4		14 200,3
Financial liabilities	**148 060,3**	**5 785,3**	**19,7**		**153 865,3**
Deferred participation reserve	5 910,1	1 438,8	1 326,1		8 675,0
INSURANCE AND FINANCIAL LIABILITIES	**208 562,1**	**27 154,2**	**8 477,1**		**244 193,4**
Provisions for liabilities and charges					**112,5**
Subordinated debt					1 926,4
Financing liabilities					**1 926,4**
Operating liabilities represented by securities	3 769,5	328,6	221,6		4 319,7
Operating liabilities due to banks	16,8	6,7	46,4		69,9
Liabilities arising from insurance and reinsurance transactions	1 197,2	358,9	643,0		2 199,1
Current taxes payable					251,3
Current account advances					324,6
Liabilities towards holders of units in controlled mutual funds	3 619,8	62,0	654,6		4 336,4
Derivative financial instruments	1 372,4	65,4	18,3		1 456,1
Deferred tax liabilities	786,5	327,3	528,9	-0,9	1 641,8
Other liabilities					3 868,7
Other liabilities	**10 762,2**	**1 148,9**	**2 112,8**	**-0,9**	**18 467,6**
TOTAL EQUITY AND LIABILITIES	**219 324,3**	**28 303,1**	**10 589,9**	**-0,9**	**276 672,1**

6.2 Balance sheet by business segment at 31/12/2006

Assets

(in € millions)	Savings	Pensions	31/12/2006 Personal risk	Other	Total
Goodwill					640,7
Contractual customer relationships					179,5
Other intangible assets					29,9
Total intangible assets					**850,1**
Investment property	500,2	523,1	262,3		1 285,6
Held-to-maturity investments	811,9	63,1	19,5		894,5
Available-for-sale financial assets	153 392,5	14 549,9	5 985,8	4,6	173 932,8
Securities held for trading	56 460,5	7 716,1	5 773,1	35,5	69 985,2
Loans and receivables	1 968,3	64,6	1,7		2 034,6
Derivative financial instruments	992,4	371,3	272,7		1 636,4
Insurance investments	**214 125,8**	**23 288,1**	**12 315,1**	**40,1**	**249 769,1**
Banking and other investments	**104,7**	**59,7**	**525,8**		**690,2**
Investments in associates	**162,0**	**79,7**	**58,6**		**300,3**
Reinsurers' share of insurance and financial liabilities	**470,8**	**4 737,7**	**704,1**		**5 912,6**
Insurance and reinsurance receivables	287,1	337,2	1 573,1		2 197,4
Current tax assets					424,8
Other receivables					1 629,5
Property and equipment					197,6
Other non-current assets					132,0
Deferred tax assets	9,1	2,1	29,8	0,1	41,1
Other assets	**296,2**	**339,3**	**1 602,9**	**0,1**	**4 622,4**
Cash and cash equivalents					**1 126,8**
TOTAL ASSETS	**215 159,5**	**28 504,5**	**15 206,5**	**40,2**	**263 271,5**

Liabilities

(in € millions)	31/12/2006 Savings	Pensions	Personal risk	Other	Total
Share capital					554,5
Share premium account					321,5
Revaluation reserve					2 077,4
Deeply-subordinated notes					2 035,0
Retained earnings					4 171,4
Profit for the period					1 145,3
Translation reserve					90,6
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT					**10 395,7**
Minority interests					1 513,8
TOTAL EQUITY					**11 909,5**
Technical reserves - non-unit-linked policies	23 475,5	14 098,4	7 292,2	0,3	44 866,4
Technical reserves - unit-linked policies	20 628,6	2 293,0			22 921,6
Insurance liabilities	**44 104,1**	**16 391,4**	**7 292,2**	**0,3**	**67 788,0**
Liabilities related to non-unit-linked financial instruments with DPF	129 233,3	4 350,9			133 584,2
Liabilities related to non-unit-linked financial instruments without DPF	392,6				392,6
Liabilities related to unit-linked financial instruments	14 345,6	1 433,3			15 778,9
Financial liabilities	**143 971,5**	**5 784,2**			**149 755,7**
Deferred participation reserve	9 591,4	1 678,4	863,5		12 133,3
INSURANCE AND FINANCIAL LIABILITIES	**197 667,0**	**23 854,0**	**8 155,7**	**0,3**	**229 677,0**
Provisions for liabilities and charges					**96,1**
Subordinated debt					1 926,3
Financing liabilities					**1 926,3**
Operating liabilities represented by securities	5 803,0	440,4	395,8	22,6	6 661,8
Operating liabilities due to banks				319,2	319,2
Liabilities arising from insurance and reinsurance transactions	964,5	370,1	500,0	8,2	1 842,8
Current taxes payable					167,7
Current account advances					36,5
Liabilities towards holders of units in controlled mutual funds	2 320,9	22,7	691,7		3 035,3
Derivative financial instruments	760,6	374,3	275,7		1 410,6
Deferred tax liabilities	867,5	258,0	461,1	0,8	1 587,4
Other liabilities					4 601,3
Other liabilities	**10 716,5**	**1 465,5**	**2 324,3**	**350,8**	**19 662,6**
TOTAL EQUITY AND LIABILITIES	**208 383,5**	**25 319,5**	**10 480,0**	**351,1**	**263 271,5**

6.3 Balance sheet by business segment at 31/12/2005

Assets

(in € millions)	31/12/2005 - Proforma				
	Savings	Pensions	Personal risk	Other	Total
Goodwill					654,8
Contractual customer relationships					196,2
Other immobilisations incorporelles					29,7
Total intangible assets					**880,7**
Investment property	449,3	528,8	261,5	0,8	1 240,4
Held-to-maturity investments	797,0	62,6	18,0	2,7	880,3
Available-for-sale financial assets	142 933,8	13 825,6	5 954,8		162 714,2
Securities held for trading	50 517,3	6 424,3	4 830,5	36,5	61 808,6
Loans and receivables	1 011,8	36,5	2,8		1 051,1
Derivative financial instruments	618,4	284,3	167,7		1 070,4
Insurance investments	**196 327,6**	**21 162,1**	**11 235,3**	**40,0**	**228 765,0**
Banking and other investments	**107,0**	**71,7**	**331,3**		**510,0**
Investments in associates	**225,5**	**86,9**	**34,3**		**346,7**
Reinsurers' share of insurance and financial liabilities	**436,6**	**4 291,2**	**654,9**		**5 382,7**
Insurance and reinsurance receivables	20,8	215,9	2 247,4	1,0	2 485,1
Current tax assets					211,6
Other receivables					1 836,6
Property and equipment					303,5
Other non-current assets					105,4
Deferred tax assets	3,0	0,1	0,8		3,9
Other assets	**23,8**	**216,0**	**2 248,2**	**1,0**	**4 946,1**
Cash and cash equivalents					**789,8**
TOTAL ASSETS	**197 117,5**	**25 827,8**	**14 503,2**	**41,0**	**241 621,0**

Liabilities

(in € millions)	Savings	Pensions	Personal risk	Other	Total
	31/12/2005 - Proforma				
Share capital					554,5
Share premium account					321,5
Revaluation reserve					2 529,4
Deeply-subordinated debt					625,0
Retained earnings					3 663,0
Profit for the period					969,6
Translation reserve					104,0
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT					**8 767,0**
Minority interests					1 415,4
TOTAL EQUITY					**10 182,4**
Technical reserves - non-unit-linked policies	15 143,2	14 981,6	7 204,2	0,5	37 329,5
Technical reserves - unit-linked policies	15 514,5	844,1			16 358,6
Insurance liabilities	**30 657,7**	**15 825,7**	**7 204,2**	**0,5**	**53 688,1**
Liabilities related to non-unit-linked financial instruments with DPF	123 360,0	4 271,7			127 631,7
Liabilities related to non-unit-linked financial instruments without DPF	366,5				366,5
Liabilities related to unit-linked financial instruments	14 979,2	1 183,2			16 162,4
Financial liabilities	**138 705,7**	**5 454,9**			**144 160,6**
Deferred participation reserve	12 096,9	1 760,5	675,7		14 533,1
INSURANCE AND FINANCIAL LIABILITIES	**181 460,3**	**23 041,1**	**7 879,9**	**0,5**	**212 381,8**
Provisions for liabilities and charges					**87,7**
Subordinated debt					1 926,0
Financing liabilities					**1 926,0**
Operating liabilities represented by securities	5 638,1	346,6	190,6	0,6	6 175,9
Operating liabilities due to banks				196,2	196,2
Liabilities arising from insurance and reinsurance transactions	924,1	470,5	487,9	13,5	1 896,0
Current taxes payable					115,0
Current account advances					33,2
Liabilities towards holders of units in controlled mutual funds	2 341,8	20,2	654,2	0,2	3 016,4
Derivative financial instruments	506,3	292,5	174,8		973,6
Deferred tax liabilities	312,8	74,3	300,0	36,7	723,8
Other liabilities					3 913,0
Other liabilities	**9 723,1**	**1 204,1**	**1 807,5**	**247,2**	**17 043,1**
TOTAL EQUITY AND LIABILITIES	**191 183,4**	**24 245,2**	**9 687,4**	**247,7**	**241 621,0**

6.4 Balance sheet by geographic segment at 31/12/2007

Assets

	31/12/2007				
(in € millions)	**France**	**Rest of Europe**	**Latin America**	**Asia**	**Total**
Goodwill	22,9	405,6	230,7	0,0	659,2
Contractual customer relationships	0,0	169,6	16,8	0,0	186,4
Other intangible assets	23,9	4,1	0,1	0,0	28,1
Total intangible assets	**46,8**	**579,3**	**247,6**	**0,0**	**873,7**
Investment property	1 493,9	5,4	0,0	0,0	1 499,3
Held-to-maturity investments	566,2	0,0	546,7	0,0	1 112,9
Held-to-maturity investments	179 201,8	1 692,7	16,3	0,0	180 910,8
Securities held for trading	58 205,7	13 439,3	3 336,0	0,0	74 981,0
Loans and receivables	2 082,5	5,9	0,0	0,0	2 088,4
Derivative financial instruments	1 965,6	1,6	5,5	0,0	1 972,7
Insurance investments	**243 515,7**	**15 144,9**	**3 904,5**	**0,0**	**262 565,1**
Banking and other investments	**272,4**	**0,0**	**0,0**	**0,0**	**272,4**
Investments in the associated companies	**414,9**	**7,9**	**0,0**	**0,0**	**422,8**
Reinsurers' share of insurance and financial liabilities	**5 767,4**	**371,1**	**0,8**	**0,0**	**6 139,3**
Insurance and reinsurance receivables	3 250,4	195,2	54,2	0,0	3 499,8
Current tax assets	133,4	134,6	56,7	0,0	324,7
Other receivables	946,7	17,5	4,2	0,0	968,4
Property and equipment	169,2	16,7	9,7	0,0	195,6
Other non-current assets	127,7	35,0	46,0	0,0	208,7
Deferred tax assets	2,6	1,6	22,1	0,0	26,3
Other assets	**4 630,0**	**400,6**	**192,9**	**0,0**	**5 223,5**
Cash and cash equivalents	**329,7**	**831,5**	**14,1**	**0,0**	**1 175,3**
TOTAL ASSETS	**254 976,9**	**17 335,3**	**4 359,9**	**0,0**	**276 672,1**

Liabilities

(in € millions)	31/12/2007 France	Rest of Europe	Latin America	Asia	Total
Share capital	594,2	0,0	0,0	0,0	594,2
Share premium account	981,5	0,0	0,0	0,0	981,5
Revaluation reserve	1 971,3	1,3	0,0	0,0	1 972,6
Deeply-subordinated notes	2 143,0	0,0	0,0	0,0	2 143,0
Retained earnings	3 242,8	821,2	319,2	0,0	4 383,2
Profit for the period	1 060,8	56,3	104,7	0,0	1 221,8
Translation reserve	-22,9	0,0	131,9	0,0	109,0
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	**9 970,7**	**878,8**	**555,8**	**0,0**	**11 405,3**
Minority interests	3,4	216,1	347,4	0,0	566,9
TOTAL EQUITY	**9 974,1**	**1 094,9**	**903,2**	**0,0**	**11 972,2**
Technical reserves - non-unit-linked policies	52 270,5	1 606,4	470,2	0,0	54 347,1
Technical reserves - unit-linked policies	16 970,9	8 354,0	1 981,1	0,0	27 306,0
Insurance liabilities	**69 241,4**	**9 960,4**	**2 451,3**	**0,0**	**81 653,1**
Liabilities related to non-unit-linked financial instruments with DPF	138 741,3	407,4	0,0	0,0	139 148,7
Liabilities related to non-unit-linked financial instruments without DPF	2,1	-45,1	559,3	0,0	516,3
Liabilities related to unit-linked financial instruments	9 246,2	4 954,1	0,0	0,0	14 200,3
Financial liabilities	**147 989,6**	**5 316,4**	**559,3**	**0,0**	**153 865,3**
Deferred participation reserve	8 658,0	17,0	0,0	0,0	8 675,0
INSURANCE AND FINANCIAL LIABILITIES	**225 889,0**	**15 293,8**	**3 010,6**	**0,0**	**244 193,4**
Provisions for liabilities and charges	**45,2**	**19,9**	**47,4**	**0,0**	**112,5**
Subordinated debt	1 836,0	90,4	0,0	0,0	1 926,4
Financing liabilities	**1 836,0**	**90,4**	**0,0**	**0,0**	**1 926,4**
Operating liabilities represented by securities	4 319,7	0,0	0,0	0,0	4 319,7
Operating liabilities due to banks	69,9	0,0	0,0	0,0	69,9
Liabilities arising from insurance and reinsurance transactions	1 313,2	659,6	226,3	0,0	2 199,1
Current taxes payable	90,1	79,0	82,2	0,0	251,3
Current account advances	324,5	0,1	0,0	0,0	324,6
Liabilities towards holders of units in controlled mutual funds	4 329,9	0,0	6,5	0,0	4 336,4
Derivative financial instruments	1 455,5	0,0	0,6	0,0	1 456,1
Deferred tax liabilities	1 614,1	27,1	0,6	0,0	1 641,8
Other liabilities	3 715,7	70,5	82,5	0,0	3 868,7
Other liabilities	**17 232,6**	**836,3**	**398,7**	**0,0**	**18 467,6**
TOTAL EQUITY AND LIABILITIES	**254 976,9**	**17 335,3**	**4 359,9**	**0,0**	**276 672,1**

6.5 Balance sheet by geographic segment at 31/12/2006

Assets

(in € millions)	31/12/2006 France	 Rest of Europe	 Latin America	 Asia	 Total
Goodwill	22,9	405,6	212,2	0,0	640,7
Contractual customer relationships	0,0	156,7	22,8	0,0	179,5
Other intangible assets	27,7	2,1	0,1	0,0	29,9
Total intangible assets	**50,6**	**564,4**	**235,1**	**0,0**	**850,1**
Investment property	1 284,9	0,0	0,7	0,0	1 285,6
Held-to-maturity investments	614,7	0,0	279,8	0,0	894,5
Held-to-maturity investments	172 783,9	1 137,4	11,5	0,0	173 932,8
Securities held for trading	54 201,6	13 242,5	2 541,1	0,0	69 985,2
Loans and receivables	2 029,8	4,8	0,0	0,0	2 034,6
Derivative financial instruments	1 634,2	0,1	2,1	0,0	1 636,4
Insurance investments	**232 549,1**	**14 384,8**	**2 835,2**	**0,0**	**249 769,1**
Banking and other investments	**690,2**	**0,0**	**0,0**	**0,0**	**690,2**
Investments in the associated companies	**300,3**	**0,0**	**0,0**	**0,0**	**300,3**
Reinsurers' share of insurance and financial liabilities	**5 453,5**	**449,4**	**9,7**	**0,0**	**5 912,6**
Insurance and reinsurance receivables	2 073,3	84,0	40,1	0,0	2 197,4
Current tax assets	244,3	132,6	47,9	0,0	424,8
Other receivables	1 530,1	8,2	91,2	0,0	1 629,5
Property and equipment	162,9	22,3	12,4	0,0	197,6
Other non-current assets	115,9	6,4	9,7	0,0	132,0
Deferred tax assets	25,3	1,7	14,1	0,0	41,1
Other assets	**4 151,8**	**255,2**	**215,4**	**0,0**	**4 622,4**
Cash and cash equivalents	**862,8**	**254,0**	**10,0**	**0,0**	**1 126,8**
TOTAL ASSETS	**244 058,3**	**15 907,8**	**3 305,4**	**0,0**	**263 271,5**

Liabilities

(in € millions)	31/12/2006 France	Rest of Europe	Latin America	Asia	Total
Share capital	554,5	0,0	0,0	0,0	554,5
Share premium account	321,5	0,0	0,0	0,0	321,5
Revaluation reserve	2 074,7	2,7	0,0	0,0	2 077,4
Deeply-subordinated debt	2 035,0	0,0	0,0	0,0	2 035,0
Retained earnings	4 356,2	10,9	(195,7)	0,0	4 171,4
Profit for the period	1 023,4	35,0	86,9	0,0	1 145,3
Translation reserve	(6,1)	0,0	96,7	0,0	90,6
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	**10 359,2**	**48,6**	**(12,1)**	**0,0**	**10 395,7**
Minority interests	1 041,0	201,5	271,3	0,0	1 513,8
TOTAL EQUITY	**11 400,2**	**250,1**	**259,2**	**0,0**	**11 909,5**
Technical reserves - non-unit-linked policies	43 552,7	814,3	499,4	0,0	44 866,4
Technical reserves - unit-linked policies	15 121,8	6 442,6	1 357,2	0,0	22 921,6
Insurance liabilities	**58 674,5**	**7 256,9**	**1 856,6**	**0,0**	**67 788,0**
Liabilities related to non-unit-linked financial instruments with DPF	133 412,7	171,5	0,0	0,0	133 584,2
Liabilities related to non-unit-linked financial instruments without DPF	5,3	(44,6)	431,9	0,0	392,6
Liabilities related to unit-linked financial instruments	9 131,4	6 647,5	0,0	0,0	15 778,9
Financial liabilities	**142 549,4**	**6 774,4**	**431,9**	**0,0**	**149 755,7**
Deferred participation reserve	12 125,2	8,1	0,0	0,0	12 133,3
INSURANCE AND FINANCIAL LIABILITIES	**213 349,1**	**14 039,4**	**2 288,5**	**0,0**	**229 677,0**
Provisions for liabilities and charges	**50,7**	**3,2**	**42,2**	**0,0**	**96,1**
Subordinated debt	1 836,0	90,3	0,0	0,0	1 926,3
Financing liabilities	**1 836,0**	**90,3**	**0,0**	**0,0**	**1 926,3**
Operating liabilities represented by securities	6 620,1	0,0	41,7	0,0	6 661,8
Operating liabilities due to banks	319,2	0,0	0,0	0,0	319,2
Liabilities arising from insurance and reinsurance transactions	1 107,9	679,7	55,2	0,0	1 842,8
Current taxes payable	15,3	79,9	72,5	0,0	167,7
Current account advances	36,5	0,0	0,0	0,0	36,5
Liabilities towards holders of units in controlled mutual funds	3 031,3	0,0	4,0	0,0	3 035,3
Derivative financial instruments	1 410,3	0,0	0,3	0,0	1 410,6
Deferred tax liabilities	1 555,8	30,8	0,8	0,0	1 587,4
Other liabilities	3 325,9	734,4	541,0	0,0	4 601,3
Other liabilities	**17 422,3**	**1 524,8**	**715,5**	**0,0**	**19 662,6**
TOTAL EQUITY AND LIABILITIES	**244 058,3**	**15 907,8**	**3 305,4**	**0,0**	**263 271,5**

6.6 *Balance sheet by geographic segment at 31/12/2005*

Assets

(in € millions)	France	Rest of Europe	Latin America	Asia	Total
	31/12/2005 - Proforma				
Goodwill	22,9	405,6	226,3	0,0	654,8
Contractual customer relationships	0,0	167,2	29,0	0,0	196,2
Other intangible assets	28,3	1,4	0,0	0,0	29,7
Total intangible assets	**51,2**	**574,2**	**255,3**	**0,0**	**880,7**
Investment property	1 239,6	0,0	0,8	0,0	1 240,4
Held-to-maturity investments	615,4	5,4	259,5	0,0	880,3
Held-to-maturity investments	161 553,7	1 148,7	11,8	0,0	162 714,2
Securities held for trading	47 217,8	12 608,4	1 982,4	0,0	61 808,6
Loans and receivables	1 051,1	0,0	0,0	0,0	1 051,1
Derivative financial instruments	1 070,2	0,2	0,0	0,0	1 070,4
Insurance investments	**212 747,8**	**13 762,7**	**2 254,5**	**0,0**	**228 765,0**
Banking and other investments	**510,0**	**0,0**	**0,0**	**0,0**	**510,0**
Investments in associates	**346,7**	**0,0**	**0,0**	**0,0**	**346,7**
Reinsurers' share of insurance and financial liabilities	**4 938,1**	**444,6**	**0,0**	**0,0**	**5 382,7**
Insurance and reinsurance receivables	2 411,2	26,5	47,4	0,0	2 485,1
Current tax assets	82,2	61,9	67,5	0,0	211,6
Other receivables	1 795,8	9,4	31,4	0,0	1 836,6
Property and equipment	268,0	22,5	13,0	0,0	303,5
Other non-current assets	93,8	2,2	9,4	0,0	105,4
Deferred tax assets	3,9	0,0	0,0	0,0	3,9
Other assets	**4 654,9**	**122,5**	**168,7**	**0,0**	**4 946,1**
Cash and cash equivalents	**577,4**	**204,4**	**8,0**	**0,0**	**789,8**
TOTAL ASSETS	**223 826,1**	**15 108,4**	**2 686,5**	**0,0**	**241 621,0**

Liabilities

(in € millions)	31/12/2005 - Proforma France	Rest of Europe	Latin America	Asie	Total
Share capital	554,5	0,0	0,0	0,0	554,5
Share premium account	321,5	0,0	0,0	0,0	321,5
Revaluation reserve	2 518,8	10,6	0,0	0,0	2 529,4
Deeply-subordinated notes	625,0	0,0	0,0	0,0	625,0
Retained earnings	3 858,1	2,3	(197,4)	0,0	3 663,0
Profit for the period	869,6	35,4	64,6	0,0	969,6
Translation reserve	0,0	0,0	104,0	0,0	104,0
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	**8 747,5**	**48,3**	**(28,8)**	**0,0**	**8 767,0**
Minority interests	975,7	199,4	240,3	0,0	1 415,4
TOTAL EQUITY	**9 723,2**	**247,7**	**211,5**	**0,0**	**10 182,4**
Technical reserves - non-unit-linked policies	35 192,4	740,6	1 396,5	0,0	37 329,5
Technical reserves - unit-linked policies	11 949,7	4 408,9	0,0	0,0	16 358,6
Insurance liabilities	**47 142,1**	**5 149,5**	**1 396,5**	**0,0**	**53 688,1**
Liabilities related to non-unit-linked financial instruments with DPF	127 425,1	206,6	0,0	0,0	127 631,7
Liabilities related to non-unit-linked financial instruments without DPF	10,7	9,6	346,2	0,0	366,5
Liabilities related to unit-linked financial instruments	8 068,7	8 093,7	0,0	0,0	16 162,4
Financial liabilities	**135 504,5**	**8 309,9**	**346,2**	**0,0**	**144 160,6**
Deferred participation reserve	14 503,8	29,3	0,0	0,0	14 533,1
INSURANCE AND FINANCIAL LIABILITIES	**197 150,4**	**13 488,7**	**1 742,7**	**0,0**	**212 381,8**
Provisions for liabilities and charges	**53,6**	**3,0**	**31,1**	**0,0**	**87,7**
Subordinated debt	1 836,0	90,0	0,0	0,0	1 926,0
Financing liabilities	**1 836,0**	**90,0**	**0,0**	**0,0**	**1 926,0**
Operating liabilities represented by securities	6 157,5	0,0	18,4	0,0	6 175,9
Operating liabilities due to banks	196,2	0,0	0,0	0,0	196,2
Liabilities arising from insurance and reinsurance transactions	1 353,4	496,2	46,4	0,0	1 896,0
Current taxes payable	41,1	7,1	66,8	0,0	115,0
Current account advances	33,2	0,0	0,0	0,0	33,2
Liabilities towards holders of units in controlled mutual funds	3 016,4	0,0	0,0	0,0	3 016,4
Derivative financial instruments	973,3	0,0	0,3	0,0	973,6
Deferred tax liabilities	683,2	37,9	2,7	0,0	723,8
Other liabilities	2 608,6	737,8	566,6	0,0	3 913,0
Other liabilities	**15 062,9**	**1 279,0**	**701,2**	**0,0**	**17 043,1**
TOTAL EQUITY AND LIABILITIES	**223 826,1**	**15 108,4**	**2 686,5**	**0,0**	**241 621,0**

6.7 *Income statement by business segment at 31/12/2007*

(in € millions)	Savings	Pensions	31/12/2007 Personal risk	Other	Eliminations	Total
Premiums written	24 785,2	2 157,2	4 561,9			31 504,3
Change in unearned premiums reserve			(4,9)			(4,9)
Earned premiums	**24 785,2**	**2 157,2**	**4 557,0**			**31 499,4**
Revenue from other activities	90,1	1,5	7,6	62,7		161,9
Investment income	7 980,9	1 269,1	485,4	18,3		9 753,7
Gains and losses on disposal of investments, net of reversals of impairment losses and amortisation	1 351,4	195,0	158,6	2,9		1 707,9
Change in fair value of financial assets at fair value through profit	48,0	32,9	(63,9)	(0,9)		16,1
Impairment losses on financial instruments	14,5	9,0	(5,8)			17,7
Net financial income, before finance costs	**9 394,8**	**1 506,0**	**574,3**	**20,3**		**11 495,4**
Net revenue	**34 270,1**	**3 664,7**	**5 138,9**	**83,0**		**43 156,7**
Claims and benefits expenses	(31 147,9)	(3 301,7)	(2 719,3)	0,1		(37 168,8)
Investment expenses and interest expense, excluding finance costs	(387,3)	(121,0)	(88,3)	(0,5)		(597,1)
Reinsurance result	(6,8)	(15,8)	4,6	(0,1)		(18,1)
Expenses of other businesses	(1,5)	(0,1)	(0,4)	(9,9)		(11,9)
Acquisition costs	(1 337,4)	(64,4)	(1 587,2)	(0,1)		(2 989,1)
Amortisation of value of business acquired	(12,9)	0,4	(7,1)			(19,6)
Policy administration expenses	(156,3)	(28,8)	(163,9)	(0,8)		(349,8)
Other recurring operating income and expense, net	(33,5)	45,0	(16,0)	(12,2)		(16,7)
Total recurring operating income and expense, net	**(33 083,6)**	**(3 486,4)**	**(4 577,6)**	**(23,5)**		**(41 171,1)**
RECURRING OPERATING PROFIT	**1 186,5**	**178,3**	**561,3**	**59,5**		**1 985,6**
Other operating income and expense, net	2,3		(0,7)	0,1		1,7
OPERATING PROFIT	**1 188,8**	**178,3**	**560,6**	**59,6**		**1 987,3**
Finance costs						(106,5)
Share of profit of associates						46,0
Income tax expense						(547,8)
PROFIT FOR THE PERIOD						**1 379,0**
Attributable to minority interests						(157,2)
Attributable to equity holders of the parent						**1 221,8**

6.8 Income statement by business segment at 31/12/2006

(in € millions)	Savings	Pensions	31/12/2006 Personal risk	Other	Eliminations	Total
Premiums written	25 612,5	2 145,1	4 189,6			31 947,2
Change in unearned premiums reserve			(25,2)			(25,2)
Earned premiums	**25 612,5**	**2 145,1**	**4 164,4**			**31 922,0**
Revenue from other activities	117,1	1,2	4,5	48,9		171,7
Investment income	7 067,5	1 165,6	504,9	4,2		8 742,2
Gains and losses on disposal of investments, net of reversals of impairment losses and amortisation	1 092,6	217,7	141,2			1 451,5
Change in fair value of financial assets at fair value through profit	1 815,6	166,4	57,3			2 039,3
Impairment losses on financial instruments	(19,7)	(0,5)	(4,5)			(24,7)
Net financial income, before finance costs	**9 956,0**	**1 549,2**	**698,9**	**4,2**		**12 208,3**
Net revenue	**35 685,8**	**3 695,5**	**4 867,8**	**53,1**		**44 302,2**
Claims and benefits expenses	(32 714,7)	(3 338,1)	(2 899,8)	0,1		(38 952,5)
Investment expenses and interest expense, excluding finance costs	(364,6)	(106,8)	(95,0)	(0,2)		(566,6)
Reinsurance result	11,8	0,4	(15,8)			(3,6)
Expenses of other businesses	(3,9)		(1,8)	(18,0)		(23,7)
Acquisition costs	(1 267,5)	(40,6)	(1 151,6)			(2 459,7)
Amortisation of value of business acquired	(12,8)	2,1	(5,6)			(16,3)
Policy administration expenses	(207,1)	(19,8)	(162,2)			(389,1)
Other recurring operating income and expense, net	(48,7)	12,5	(48,8)	(1,8)		(86,8)
Total recurring operating income and expense, net	**(34 607,5)**	**(3 490,3)**	**(4 380,6)**	**(19,9)**		**(42 498,3)**
RECURRING OPERATING PROFIT	**1 078,3**	**205,2**	**487,2**	**33,2**		**1 803,9**
Other operating income and expense, net						
OPERATING PROFIT	**1 078,3**	**205,2**	**487,2**	**33,2**		**1 803,9**
Finance costs						(104,9)
Share of profit of associates						46,0
Income tax expense						(314,7)
PROFIT FOR THE PERIOD						**1 430,3**
Attributable to minority interests						(285,0)
Attributable to equity holders of the parent						**1 145,3**

6.9 Income statement by business segment at 31/12/2005

(in € millions)	Savings	Pensions	Personal risk	Other	Eliminations	Total
	31/12/2005 - Proforma					
Premiums written	20 888,6	1 942,7	3 656,9			26 488,2
Change in unearned premiums reserve			(22,4)			(22,4)
Earned premiums	**20 888,6**	**1 942,7**	**3 634,5**			**26 465,8**
Revenue from other activities	66,3	(0,9)	3,7	46,6		115,7
Investment income	6 562,7	1 137,5	555,6	2,3		8 258,1
Gains and losses on disposal of investments, net of reversals of impairment losses and amortisation	534,7	172,6	48,5			755,8
Change in fair value of financial assets at fair value through profit	2 949,8	318,5	163,5	0,1		3 431,9
Impairment losses on financial instruments	(11,9)	(2,0)	(1,4)			(15,3)
Net financial income, before finance costs	**10 035,3**	**1 626,6**	**766,2**	**2,4**		**12 430,5**
Net revenue	**30 990,2**	**3 568,4**	**4 404,4**	**49,0**		**39 012,0**
Claims and benefits expenses	(28 581,5)	(3 237,9)	(2 884,6)	(0,1)		(34 704,1)
Investment expenses and interest expense, excluding finance costs	(169,8)	(70,3)	(72,2)			(312,3)
Reinsurance result	5,0	(0,1)	(9,8)			(4,9)
Expenses of other businesses	0,1	0,2	(0,4)			(0,1)
Acquisition costs	(1 100,5)	(59,7)	(803,8)	(0,1)		(1 964,1)
Amortisation of value of business acquired	(10,0)	1,2	(6,5)			(15,3)
Policy administration expenses	(231,1)	(19,0)	(137,9)			(388,0)
Other recurring operating income and expense, net	42,4	29,1	10,9	(20,9)		61,5
Total recurring operating income and expense, net	**(30 045,4)**	**(3 356,5)**	**(3 904,3)**	**(21,1)**		**(37 327,3)**
RECURRING OPERATING PROFIT	**944,8**	**211,9**	**500,1**	**27,9**		**1 684,7**
Other operating income and expense, net						
OPERATING PROFIT	**944,8**	**211,9**	**500,1**	**27,9**		**1 684,7**
Finance costs						(91,3)
Share of profit of associates						19,3
Income tax expense						(453,0)
PROFIT FOR THE PERIOD						**1 159,7**
Attributable to minority interests						(190,1)
Attributable to equity holders of the parent						**969,6**

6.10 Income statement by geographic segment at 31/12/2007

(in € millions)	France	Rest of Europe	31/12/2007 Latin America	Asia	Total
Premiums written	27 025,5	3 359,6	1 119,2	0,0	31 504,3
Change in unearned premiums reserve	1,1	(8,1)	2,1	0,0	(4,9)
Earned premiums	**27 026,6**	**3 351,5**	**1 121,3**	**0,0**	**31 499,4**
Revenue from other activities	29,3	40,5	92,1	0,0	161,9
Other operating revenue	0,0	0,0	0,0	0,0	0,0
Investment income	8 987,0	340,7	426,0	0,0	9 753,7
Gains and losses on disposal of investments, net of reversals of impairment losses and amortisation	1 712,6	(4,7)	0,0	0,0	1 707,9
Change in fair value of financial assets at fair value through profit	437,2	(417,0)	(4,1)	0,0	16,1
Impairment losses on financial instruments	17,7	0,0	0,0	0,0	17,7
Net financial income, before finance costs	**11 154,5**	**(81,0)**	**421,9**	**0,0**	**11 495,4**
Net revenue	**38 210,4**	**3 311,0**	**1 635,3**	**0,0**	**43 156,7**
Claims and benefits expenses	(33 220,2)	(2 824,1)	(1 124,5)	0,0	(37 168,8)
Investment expenses and interest expense, excluding finance costs	(518,1)	(5,2)	(73,8)	0,0	(597,1)
Reinsurance result	(16,8)	2,1	(3,4)	0,0	(18,1)
Expenses of other businesses	(0,2)	(1,8)	(9,9)	0,0	(11,9)
Acquisition costs	(2 584,0)	(326,1)	(79,0)	0,0	(2 989,1)
Amortisation of value of business acquired	(0,1)	(11,1)	(8,4)	0,0	(19,6)
Policy administration expenses	(282,1)	(28,9)	(38,8)	0,0	(349,8)
Other recurring operating income and expense, net	(41,9)	9,0	16,2	0,0	(16,7)
Total recurring operating income and expense, net	**(36 663,4)**	**(3 186,1)**	**(1 321,6)**	**0,0**	**(41 171,1)**
RECURRING OPERATING PROFIT	**1 547,0**	**124,9**	**313,7**	**0,0**	**1 985,6**
Other operating income and expense	1,2	0,5	0,0	0,0	1,7
OPERATING PROFIT	**1 548,2**	**125,4**	**313,7**	**0,0**	**1 987,3**
Finance costs	(101,7)	(4,8)	0,0	0,0	(106,5)
Share of profit of associates	45,8	0,2	0,0	0,0	46,0
Income tax expense	(411,4)	(39,3)	(97,1)	0,0	(547,8)
PROFIT FOR THE PERIOD	**1 080,9**	**81,5**	**216,6**	**0,0**	**1 379,0**
Attributable to minority interests	(17,4)	(28,1)	(111,7)	0,0	(157,2)
Attributable to equity holders of the parent	**1 063,5**	**53,4**	**104,9**	**0,0**	**1 221,8**

6.11 Income statement by geographic segment at 31/12/2006

(in € millions)	France	Rest of Europe	Latin America	Asia	Total
			31/12/2006		
Premiums written	27 888,4	3 177,7	881,1	0,0	31 947,2
Change in unearned premiums reserve	0,4	(10,6)	(15,0)	0,0	(25,2)
Earned premiums	**27 888,8**	**3 167,1**	**866,1**	**0,0**	**31 922,0**
Revenue from other activities	5,4	92,3	74,0	0,0	171,7
Other operating revenue	0,2	0,0	0,0	0,0	0,2
Investment income	8 130,6	268,0	343,6	0,0	8 742,2
Gains and losses on disposal of investments, net of reversals of impairment losses and amortisation	1 471,1	(19,6)	0,0	0,0	1 451,5
Change in fair value of financial assets at fair value through profit	2 172,6	(133,3)	0,0	0,0	2 039,3
Impairment losses on financial instruments	(24,7)	0,0	0,0	0,0	(24,7)
Net financial income, before finance costs	**11 749,6**	**115,1**	**343,6**	**0,0**	**12 208,3**
Net revenue	**39 644,0**	**3 374,5**	**1 283,7**	**0,0**	**44 302,2**
Claims and benefits expenses	(35 166,2)	(2 910,5)	(875,8)	0,0	(38 952,5)
Investment expenses and interest expense, excluding finance costs	(513,3)	(39,3)	(14,0)	0,0	(566,6)
Reinsurance result	1,7	(5,0)	(0,3)	0,0	(3,6)
Expenses of other businesses	(1,9)	(3,8)	(18,0)	0,0	(23,7)
Acquisition costs	(2 123,3)	(283,5)	(52,9)	0,0	(2 459,7)
Amortisation of value of business acquired	(0,1)	(10,5)	(5,7)	0,0	(16,3)
Policy administration expenses	(335,9)	(20,6)	(32,6)	0,0	(389,1)
Other recurring operating income and expense, net	(61,3)	1,4	(26,9)	0,0	(86,8)
Total recurring operating income and expense, net	**(38 200,3)**	**(3 271,8)**	**(1 026,2)**	**0,0**	**(42 498,3)**
RECURRING OPERATING PROFIT	**1 443,7**	**102,7**	**257,5**	**0,0**	**1 803,9**
Other operating income and expense	0,0	0,0	0,0	0,0	0,0
OPERATING PROFIT	**1 443,7**	**102,7**	**257,5**	**0,0**	**1 803,9**
Finance costs					(104,9)
Share of profit of associates					46,0
Income tax expense					(314,7)
PROFIT FOR THE PERIOD					**1 430,3**
Attributable to minority interests					(285,0)
Attributable to equity holders of the parent					**1 145,3**

6.12 Income statement by geographic segment at 31/12/2005

(in € millions)	31/12/2005 - Proforma				
	France	Rest of Europe	Latin America	Asia	Total
Premiums written	23 123,8	2 653,1	711,3	0,0	26 488,2
Change in unearned premiums reserve	0,8	(1,6)	(21,6)	0,0	(22,4)
Earned premiums	**23 124,6**	**2 651,5**	**689,7**	**0,0**	**26 465,8**
Revenue from other activities	(8,4)	77,5	46,6	0,0	115,7
Investment income	7 962,0	37,2	258,9	0,0	8 258,1
Gains and losses on disposal of investments, net of reversals of impairment losses and amortisation	746,0	9,8	0,0	0,0	755,8
Change in fair value of financial assets at fair value through profit	3 393,7	21,0	17,2	0,0	3 431,9
Impairment losses on financial instruments	(15,3)	0,0	0,0	0,0	(15,3)
Net financial income, before finance costs	**12 086,4**	**68,0**	**276,1**	**0,0**	**12 430,5**
Net revenue	**35 202,6**	**2 797,0**	**1 012,4**	**0,0**	**39 012,0**
Claims and benefits expenses	(31 517,2)	(2 474,6)	(712,3)	0,0	(34 704,1)
Investment expenses and interest expense, excluding finance costs	(297,6)	(14,7)	0,0	0,0	(312,3)
Reinsurance result	22,6	(10,2)	(17,3)	0,0	(4,9)
Expenses of other businesses	(0,1)	0,0	0,0	0,0	(0,1)
Acquisition costs	(1 664,9)	(229,4)	(69,8)	0,0	(1 964,1)
Amortisation of value of business acquired	0,0	(8,1)	(7,2)	0,0	(15,3)
Policy administration expenses	(313,5)	(42,5)	(32,0)	0,0	(388,0)
Other recurring operating income and expense, net	(33,4)	82,6	12,3	0,0	61,5
Total recurring operating income and expense, net	**(33 804,1)**	**(2 696,9)**	**(826,3)**	**0,0**	**(37 327,3)**
RECURRING OPERATING PROFIT	**1 398,5**	**100,1**	**186,1**	**0,0**	**1 684,7**
Other operating income and expense	0,0	0,0	0,0	0,0	0,0
OPERATING PROFIT	**1 398,5**	**100,1**	**186,1**	**0,0**	**1 684,7**
Finance costs					(91,3)
Share of profit of associates					19,3
Income tax expense					(453,0)
PROFIT FOR THE PERIOD					**1 159,7**
Attributable to minority interests					(190,1)
Attributable to equity holders of the parent					**969,6**

Note 7. Intangible assets

7.1 Summary of intangible assets

	31/12/2007				
(in € millions)	**Cost**	**Amortisation**	**Impairment losses**	**Reversals**	**Carrying amount**
Goodwill	**659,2**	**0,0**	**0,0**	**0,0**	**659,2**
Contractual customer relationships	**307,7**	**(121,3)**	**0,0**	**0,0**	**186,4**
Software	**179,1**	**(151,0)**	**0,0**	**0,0**	**28,1**
* Internally - developed software	73,9	(63,8)	0,0	0,0	10,1
* Other	105,2	(87,2)	0,0	0,0	18,0
TOTAL	***1 146,0***	***(272,3)***	***0,0***	***0,0***	***873,7***

	31/12/2006				
(in € millions)	**Cost**	**Amortisation**	**Impairment losses**	**Reversals**	**Carrying amount**
Goodwill	**640,7**	**0,0**	**0,0**	**0,0**	**640,7**
Contractual customer relationships	**275,0**	**(95,5)**	**0,0**	**0,0**	**179,5**
Software	**173,7**	**(143,8)**	**0,0**	**0,0**	**29,9**
* Internally - developed software	70,8	(62,4)	0,0	0,0	8,4
* Other	102,9	(81,4)	0,0	0,0	21,5
TOTAL	***1 089,4***	***(239,3)***	***0,0***	***0,0***	***850,1***

	31/12/2005				
(in € millions)	**Cost**	**Amortisation**	**Impairment losses**	**Reversals**	**Carrying amount**
Goodwill	**654,8**	**0,0**	**0,0**	**0,0**	**654,8**
Contractual customer relationships	**276,9**	**(80,7)**	**0,0**	**0,0**	**196,2**
Software	**150,4**	**(120,7)**	**0,0**	**0,0**	**29,7**
* Internally - developed software	66,5	(60,3)	0,0	0,0	6,2
* Other	83,9	(60,4)	0,0	0,0	23,5
TOTAL	***1 082,1***	***(201,4)***	***0,0***	***0,0***	***880,7***

7.2 Goodwill

7.2.1 Value of goodwill

(in € millions)	Original goodwill	Net goodwill at 31/12/2007	Net goodwill at 31/12/2006	Net goodwill at 31/12/2005
Global	34,4	25,8	25,8	25,8
Global Vida	17,8	13,3	13,3	13,3
La Banque Postale Prévoyance	45,8	22,9	22,9	22,9
Group Caixa	360,6	230,7	212,2	226,3
CNP Capitalia Vita	366,5	366,5	366,5	366,5
TOTAL	***825,0***	**659,2**	**640,7**	**654,8**

7.2.2 Opening/closing goodwill reconciliation

(in € millions)	31/12/2007	31/12/2006	31/12/2005
Carrying amount at 1 January	**640,7**	**654,8**	**234,5**
Goodwill recognised during the year	0,0	0,0	366,5
Adjustments to provisional accounting	0,0	0,0	0,0
Adjustments resulting from subsequent recognition of deferred tax assets	0,0	0,0	0,0
Translation adjustment	19,5	(5,0)	41,0
Other movements*	1,5	(9,7)	0,0
Impairment losses	0,0	0,0	0,0
Translation adjustment	(2,5)	0,6	12,8
Other movements	0,0	0,0	0,0
Carrying amount at 31 December	**659,2**	**640,7**	**654,8**

* The amount of €9.7M at 31/12/2006 reported on the line represents implementation of the liability guarantee in Brazil.

7.3 Contractual customer relationships

7.3.1 Carrying amount

(in € millions)	Original value	Carrying amount at 31/12/2007	Carrying amount at 31/12/2006	Carrying amount at 31/12/2005
Group Caixa	122,6	16,2	22,8	29,0
CNP Capitalia Vita	175,3	146,5	156,7	167,2
CNP Vida	24,0	23,1	0,0	0,0
CNP Seguros de Vida	0,9	0,6	0,0	0,0
TOTAL	**322,8**	**186,4**	**179,5**	**196,2**

7.3.2 Movements for the year

(in € millions)	31/12/2007	31/12/2006	31/12/2005
Gross at January 1	274,9	276,9	77,5
Scope entry	24,0	0,0	0,0
Translation adjustment	7,9	(2,0)	24,1
Acquisitions for the year	0,9	0,0	175,3
Disposals for the year	0,0	0,0	0,0
Gross at 31 December	307,7	274,9	276,9
Accumulated amortisation and impairment at 1 January	(95,5)	(80,7)	(49,4)
Translation adjustment	(6,2)	1,5	(16,0)
Amortisation for the year	(19,6)	(16,3)	(15,3)
Impairment losses for the year	0,0	0,0	0,0
Reversals of impairment losses	0,0	0,0	0,0
Amortisation written off on disposals	0,0	0,0	0,0
Accumulated amortisation and impairment at 31 December	(121,3)	(95,5)	(80,7)
Carrying amount at 31 December	**186,4**	**179,5**	**196,2**

7.4 Software

7.4.1 Internally – developed software

(in € millions)	31/12/2007	31/12/2006	31/12/2005
Carrying amount at the beginning of the period	8,4	6,2	7,1
Acquisitions for the period	4,0	4,3	2,4
Amortisation for the period	(1,5)	(2,1)	(3,3)
Impairment losses	(1,0)	0,0	0,0
Translation adjustment	0,0	0,0	0,0
Other movements	0,2	0,0	0,0
Carrying amount at the end of the period	10,1	8,4	6,2

7.4.2 Other software

(in € millions)	31/12/2007	31/12/2006	31/12/2005
Carrying amount at the beginning of the period	21,5	23,5	18,7
Acquisitions for the period	10,1	19,1	14,1
Amortisation for the period	(5,6)	(21,1)	(9,3)
Impairment losses	(7,8)	0,0	0,0
Translation adjustment	0,0	0,0	0,0
Other movements	(0,2)	0,0	0,0
Carrying amount at the end of the period	18,0	21,5	23,5

Note 8. Investment and owner-occupied property

The purpose of this note is to show depreciation and impairment losses recognised/reversed during the period through profit in respect of property and the headings affected by the movements.

It presents:

- the gross carrying amount and accumulated depreciation (aggregated with accumulated impairment losses) at the beginning and end of the period.
- a reconciliation of the carrying amount of investment property at the beginning and end of the period, showing (i) additions; (ii) disposals; (iii) depreciation; (iv) impairment losses recognised and reversed during the period; (v) the net exchange differences arising on the translation of the financial statements into a different presentation currency, and on translation of a foreign operation into the presentation currency of the reporting entity; (vi) transfers to and from inventories and owner-occupied property and (vii) other changes.
- the fair value of investment properties held in unit-linked portfolios.

8.1 Investment property

Carrying amount of investment property (in € millions)	31/12/2007	31/12/2006	31/12/2005
Investment property measured by the cost model			
Gross value at period-end	1 472,5	1 212,5	1 222,9
Accumulated depreciation at period-end	(406,0)	(303,6)	(307,8)
Accumulated impairment losses at period-end	(12,9)	(18,0)	(25,7)
Carrying amount at period-end	**1 053,6**	**890,9**	**889,3**
Investment property measured by the fair value model			
Fair value at period-end	445,7	394,7	351,1
Total investment property	**1 499,3**	**1 285,6**	**1 240,4**

Investment property (other than property held in unit-linked portfolios) (in € millions)	**31/12/2007**	**31/12/2006**	**31/12/2005**
Carrying amount at the beginning of the period	**890,9**	**889,3**	**978,8**
Acquisitions	0,1	116,1	0,0
Post-acquisition costs included in the carrying amount of property	7,6	14,3	6,2
Properties acquired through business combinations	0,0	0,0	0,0
Disposals	(8,4)	(19,9)	(51,2)
Depreciation for the period	(26,1)	(12,5)	(10,3)
Impairment losses recognised during the period	(0,2)	(0,2)	(1,6)
Impairment losses reversed during the period	7,3	8,0	3,2
Translation adjustment	0,0	0,0	0,0
Other movements	182,4	(104,2)	(35,7)
Carrying amount at the end of the period	**1 053,6**	**890,9**	**889,3**

* The "Other movements" amount at 31/12/2007 mainly represents reclassification of the Sicac and Assurbail buildings as investment property which previously were classified as "Banking sector and other activities investment". For Assurbail, only purely rental activity was reclassified as investment property, leasing activity continues to reported on the "Banking sector and other activities investment" line.

Investment properties held in unit-linked portfolios (in € millions)	**31/12/2007**	**31/12/2006**	**31/12/2005**
Carrying amount at the beginning of the period	**394,7**	**351,1**	**295,6**
Acquisitions	0,3	4,2	0,0
Post-acquisition costs included in the carrying amount of property	11,5	10,0	1,6
Properties acquired through business combinations	0,0	0,0	0,0
Disposals	0,0	0,0	(7,1)
Gains arising from remeasurement at fair value	24,5	32,8	25,2
Translation adjustment	0,0	0,0	0,0
Transfers to inventory or owner-occuped property	0,0	0,0	0,0
Transfers from inventory or owner-occupied property	0,0	0,0	0,0
Other movements	14,7	(3,4)	35,7
Carrying amount at the end of the period	**445,7**	**394,7**	**351,1**

As explained in the accounting policies, investment properties held in unit-linked portfolios are measured at fair value, while other investment properties are measured using the amortised cost model.

8.2 Owner-occupied property

Owner-occupied property (in € millions)	31/12/2007	31/12/2006	31/12/2005
Carrying amount at the beginning of the period	**137,6**	**159,5**	**171,6**
Acquisitions	0,1	0,4	0,5
Post-acquisition costs included in the carrying amount of property	2,1	1,5	2,2
Properties acquired through business combinations	0,0	0,0	0,0
Disposals	0,3	(0,1)	(9,3)
Depreciation for the period	(5,3)	(5,4)	(5,5)
Impairment losses for the period recognised in profit	0,0	(6,3)	0,0
Impairment losses reversed through profit	6,8	11,7	0,0
Translation adjustment	0,3	(0,1)	0,0
Transfers	(5,8)	(23,6)	0,0
Carrying amount at the end of the period	**136,1**	**137,6**	**159,5**

Note 9 Investments

9.1 Investments by category

The following tables show the fair value of securities held by the CNP Assurances Group, by category and intended holding period.

9.1.1 Investments at 31/12/2007

(in € millions)		31/12/2007 Cost	Redemptions	Impairment	Fair value adjustments	Carrying amount	Unrealised gains and losses
Assets at fair value through profit	Fixed rate bonds					16 048,2	
	Variable rate bonds					13 003,2	
	TCNs (money market securities)					1 359,6	
	Equities					12 107,7	
	Mutual fund units					30 322,0	
	Shares in non-trading property companies					2 140,0	
	Other (including lent securities and repos)					0,3	
	Total					**74 981,0**	
Derivative instruments	Derivative instruments (positive fair value)					1 972,7	
	Derivative instruments (negative fair value)					(1 456,1)	
	Total					**516,6**	
Available-for-sale financial assets	Fixed rate bonds	131 825,1	900,7	0,0	(1 172,7)	131 553,1	
	Variable rate bonds	8 087,8	390,9	0,0	(105,2)	8 373,5	
	negotiable debt securitiess (money market securities)	4 744,4	(6,9)	0,0	(9,5)	4 728,0	
	Equities	14 520,0		(2 414,8)	9 344,4	21 449,6	
	Mutual fund units	6 274,4		(28,7)	402,0	6 647,7	
	Shares in non-trading property companies	1 758,3		(26,8)	1 187,2	2 918,7	
	Loan stock	59,0		(0,5)	35,3	93,8	
	Other (including lent securities and repos)	4 896,1	(23.9)	(66,6)	340,8	5 146,4	
	Total	**172 165,1**	**1 260,8**	**(2 537,4)**	**10 022,3**	**180 910,8**	
Held-to-maturity investments	Fixed rate bonds	1 112,9		0,0	0,0	1 112,9	21,8
	Total	**1 112,9**		**0,0**	**0,0**	**1 112,9**	**21,8**
Loans and receivables	Loans and receivables	2 088,4		0,0	0,0	2 088,4	
	Total	**2 088,4**		**0,0**	**0,0**	**2 088,4**	
Investment property	Investment property at amortised cost	1 472,5	(406,0)	(12,9)		1 053,6	1 333,9
	Investment property at fair value	445,7		**0,0**		445,7	
	Total	**1 918,2**	**(406,0)**	**(12,9)**		**1 499,3**	**1 333,9**
TOTAL				**(2 550,3)**	**10 022,3**	**261 109,0**	**1 355,7**

The classification of assets as unit-linked was detailed in the category of assets at fair value through result.

9.1.2 Investments at 31/12/2006

(in € millions)		31/12/2006 Cost	Redemptions	Impairment	Fair value adjustments	Carrying amount	Unrealised gains and losses
Assets at fair value through profit	Fixed rate bonds					12 667,4	
	Obligations TV					3 488,5	
	TCNs (money market securities)					13 446,7	
	Equities					8 857,4	
	Mutual fund units					29 744,3	
	Shares in non-trading property companies					1 753,4	
	Other (including lent securities and repos)					27,5	
	Total					**69 985,2**	
Derivative instruments	Derivative instruments (positive fair value)					1 636,4	
	Derivative instruments (negative fair value)					(1 410,6)	
	Total					**225,8**	
Available-for-sale financial assets (1)	Fixed rate bonds	120 498,3	(686,9)	0,0	2 592,1	122 403,5	
	Variable rate bonds	8 454,1	(299,9)	0,0	309,1	8 463,3	
	negotiable debt securitiess (money market securities)	4 545,2	7,3	0,0	(6,8)	4 545,7	
	Equities	13 328,4		(2 478,9)	9 666,0	20 515,4	
	Mutual fund units	8 152,2		(25,1)	349,8	8 476,9	
	Shares in non-trading property companies	1 539,9		(27,7)	877,5	2 389,8	
	Loan stock	59,0		(13,8)	43,2	88,4	
	Other (including lent securities and repos)	6 990,3		0,0	59,6	7 049,9	
	Total	**163 567,4**	**(979,5)**	**(2 545,5)**	**13 890,4**	**173 932,8**	
Held-to-maturity investments	Fixed rate bonds	894,5		0,0		894,5	21,8
	Total	**894,5**		**0,0**		**894,5**	**21,8**
Loans and receivables	Loans and receivables	2 034,6		0,0		2 034,6	
	Total	**2 034,6**		**0,0**		**2 034,6**	
Investment property	Investment property at amortised cost	1 230,0	(308,2)	(30,9)		890,9	791,3
	Investment property at fair value	394,7	0,0	**0,0**		394,7	
	Total	**1 624,7**	**(308,2)**	**(30,9)**		**1 285,6**	**791,3**
TOTAL				**(2 576,4)**	**13 890,4**	**248 358,5**	**813,1**

(1) Reclassification of amounts between cost and revaluation reserve subsequent to work performed for the French Securities Regulator (AMF).

9.1.3 Investments at 31/12/2005

(in € millions)		31/12/2005 Cost	Redemptions	Impairment	Fair value adjustments	Carrying amount	Unrealised gains and losses
Assets at fair value through profit	Fixed rate bonds					11 026,0	
	Variable rate bonds					2 931,3	
	negotiable debt securitiess (money market securities)					12 231,2	
	Equities					62,0	
	Mutual fund units					33 858,4	
	Shares in non-trading property companies					1 493,4	
	Other (including lent securities and repos)					206,3	
	Total					**61 808,6**	
Derivative instruments	Derivative instruments (positive fair value)					1 070,4	
	Derivative instruments (negative fair value)					(973,6)	
	Total					**96,8**	
Available-for-sale financial assets	Fixed rate bonds	108 693,2	928,6	0,0	8 150,8	117 772,6	
	Variable rate bonds	8 550,1	232,6	0,0	866,7	9 649,4	
	negotiable debt securitiess (money market securities)	127,9	(17,7)	0,0	9,1	119,3	
	Equities	13 161,6		(2 471,7)	6 717,3	17 407,2	
	Mutual fund units	6 249,4		(4,0)	201,5	6 446,9	
	Shares in non-trading property companies	1 606,3		(2,9)	603,5	2 206,9	
	Loan stock	59,0		(0,5)	44,9	103,4	
	Other (including lent securities and repos)	8 769,3		0,0	239,1	9 008,4	
	Total	**147 216,8**	**1 143,5**	**(2 479,0)**	**16 832,7**	**162 714,2**	
Held-to-maturity investments	Fixed rate bonds	880,3		0,0		880,3	31,8
	Total	**880,3**		**0,0**		**880,3**	**31,8**
Loans and receivables	Loans and receivables	1 051,1		0,0		1 051,1	
	Total	**1 051,1**		**0,0**		**1 051,1**	
Investment property	Investment property at amortised cost	1 189,7	(274,4)	(25,9)		889,3	849,8
	Investment property at fair value	351,1				351,1	
	Total	**1 540,8**	**(274,4)**	**(25,9)**		**1 240,4**	**849,8**
TOTAL				**(2 504,9)**	**16 832,7**	**227 791,4**	**881,6**

9.1.4 Reconciliation of Insurance investments in the balance sheet with Investments analysed in notes 9.1.1, 9.1.2 & 9.1.3

(in € millions)	**31/12/2007**	**31/12/2006**	**31/12/2005 - Proforma**
Note on investments	261 109,0	248 358,5	227 791,4
Balance sheet - Liabilities - Derivative instruments (negative fair value)	(1 456,1)	(1 410,6)	(973,6)
Balance sheet - Assets - Insurance investments	262 565,1	249 769,1	228 765,0
Total	**0,0**	**0,0**	**0,0**

9.2 Valuation of assets recognised at fair value

The following tables give financial instruments classified at fair value through result whose price is estimated using a valuation technique.

9.2.1 Method of assessing fair value at 31/12/2007

€ millions	**31/12/2007** Securities traded on a market: valued according to their last quoted price[1]	Structured securities: valued according to the last price provided by the arranger	Total
Trading	68 299,4	7 198,2	**75 497,6**
Change in fair value through profit or loss[2]	*-58,1*	*-24,8*	***-82,9***
AFS	175 474,2	5 436,6	**180 910,8**
Change in fair value through equity[2]	*-160,2*	*-6,5*	***-166,7***
Total	**243 773,6**	**12 634,8**	**256 408,4**
Total	***-218,3***	***-31,3***	***-249,6***

(1) Includes derivatives (see note 9.1.1): swaps valued according to commonly shared market practice.
(2) Net of deferred proft share and deferred taxes

9.2.2 Method of assessing fair value at 31/12/2006

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€ millions	**31/12/2006** Securities traded on a market: valued according to their last quoted price[1]	Structured securities: valued according to the last price provided by the arranger	Total
Trading	62 468,1	7 742,9	**70 211,0**
Change in fair value through profit or loss[2]	*47,2*	*24,2*	***71,4***
AFS	168 994,6	4 938,2	**173 932,8**
Change in fair value through equity[2]	*-445,1*	*-6,9*	***-452,0***
Total	**231 462,7**	**12 681,1**	**244 143,8**
Total	***-397,9***	***17,3***	***-380,6***

(1) Includes derivatives (see note 9.1.1): swaps valued according to commonly shared market practice.
(2) Net of deferred proft share and deferred taxes

9.3 Repurchase agreements

The following table analyses the carrying amount of securities sold under repurchase agreements, by asset category and intended holding period:

(in € millions)		Carrying amount 31/12/2007	31/12/2006	31/12/2005
Available-for-sale financial assets	Fixed rate bonds	3 560,4	5 868,2	4 746,6
	Equities	411,1	413,2	827,0
	Total	**3 971,5**	**6 281,4**	**5 573,6**

9.4 Lent securities

The following table analyses the carrying amount of securities sold under repurchase agreements, by asset category and intended holding period:

(in € millions)		Carrying amount 31/12/2007	31/12/2006	31/12/2005
Available-for-sale financial assets	Equities	156,0	222,6	36,0
	Total	**156,0**	**222,6**	**36,0**

9.5 Opening closing reconciliation of investments for the 2007 financial year

(in € millions) - Pro forma	Opening carrying amount	Additions	Disposals	Fair value adjustments	Provisions for impairment	Reversals of provisions for impairment	Changes in scope	Other	Closing carrying amount
Securities held for trading	69 985,2	101 360,4	(97 354,0)	(447,5)	0,0	0,0	550,5	886,5	74 981,0
Derivative instruments	225,8	20,7	(9,9)	278,9	0,0	0,0	2,8	(1,6)	516,6
Available-for-sale financial assets	173 932,8	86 355,7	(75 861,8)	24 710,7	(120,5)	138,2	(28 124,8)	(119,6)	180 910,8
Held-to-maturity investments	894,5	307,4	(118,0)	0,0	0,0	0,0	0,0	28,9	1 112,9
Loans and receivables	2 034,6	328,9	(275,1)	0,0	0,0	0,0	0,0	0,0	2 088,4
Investment property	1 285,6	304,0	(0,9)	1,8	0,0	0,0	(312,4)	221,3	1 499,3
TOTAL	**248 358,5**	**188 677,1**	**(173 619,7)**	**24 543,9**	**(120,5)**	**138,2**	**(27 883,9)**	**1 015,5**	**261 109,0**

9.6 Derivative financial instruments

Positive fair values and negative fair values of derivative instruments, by due date, break down as follows:

(in € millions)	Due within 1 year		Due in 1 to 5 years		Due in 6 to 10 years		Due in 11 to 15 years		Due beyond 15 years		Total	
31/12/2007	FV+	FV-	FV+	FV-	FV+	FV-	FV+	FV-	FV+	FV-	FV+	FV-
SWAP	74,9	(66,5)	267,6	(242,9)	101,1	(97,1)	23,4	(22,5)	928,5	(975,4)	1 395,5	(1 404,4)
SWAPTION	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
CAP / FLOOR	0,4	0,0	89,4	0,0	454,6	(17,3)	17,7	0,0	0,0	0,0	562,1	(17,3)
EQUITY	0,6	(18,2)	6,5	(16,2)	8,0	0,0	0,0	0,0	0,0	0,0	15,1	(34,4)
Total	**75,9**	**(84,7)**	**363,5**	**(259,1)**	**563,7**	**(114,4)**	**41,1**	**(22,5)**	**928,5**	**(975,4)**	**1 972,7**	**(1 456,1)**

(in € millions)	Due within 1 year		Due in 1 to 5 years		Due in 6 to 10 years		Due in 11 to 15 years		Due beyond 15 years		Total	
31/12/2006	FV+	FV-	FV+	FV-	FV+	FV-	FV+	FV-	FV+	FV-	FV+	FV-
SWAP	26,2	(29,0)	317,2	(308,4)	81,8	(74,9)	22,4	(24,6)	867,6	(920,6)	1 315,1	(1 358,5)
SWAPTION	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
CAP / FLOOR	0,0	0,0	16,8	(0,4)	291,4	(16,7)	0,0	0,0	0,0	0,0	308,2	(17,1)
EQUITY	7,7	(17,4)	2,3	(17,6)	3,1	0,0	0,0	0,0	0,0	0,0	13,1	(35,0)
Total	**33,9**	**(46,4)**	**336,3**	**(326,4)**	**376,3**	**(91,6)**	**22,4**	**(24,6)**	**867,6**	**(920,6)**	**1 636,4**	**(1 410,6)**

(in € millions)	Due within 1 year		Due in 1 to 5 years		Due in 6 to 10 years		Due in 11 to 15 years		Due beyond 15 years		Total	
31/12/2005	FV+	FV-	FV+	FV-	FV+	FV-	FV+	FV-	FV+	FV-	FV+	FV-
SWAP	14,6	(19,9)	277,7	(227,8)	41,9	(49,2)	18,7	(22,8)	561,1	(653,9)	914,0	(973,6)
SWAPTION	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
CAP / FLOOR	0,0	0,0	8,8	0,0	147,6	0,0	0,0	0,0	0,0	0,0	156,4	0,0
EQUITY	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
Total	**14,6**	**(19,9)**	**286,5**	**(227,8)**	**189,5**	**(49,2)**	**18,7**	**(22,8)**	**561,1**	**(653,9)**	**1 070,4**	**(973,6)**

9.7 Credit risk

9.7.1 Bond portfolio broken down by issuer's rating at 31/12/2007

Notation	Bond portfolio in market value 31/12/2007	%
AAA	87 635,9	49,7%
AA	49 487,7	28,1%
A	31 396,8	17,8%
BBB	4 328,8	2,5%
< BBB	3 156,7	1,8%
NR	194,4	0,1%
TOTAL	**176 200,3**	**100,0%**

9.7.2 Bond portfolio broken down by issuer's rating at 31/12/2006

Notation	31/12/2006 Bond portfolio in market value	%
AAA	84 323,0	50,8%
AA	43 927,5	26,5%
A	31 886,5	19,2%
BBB	3 014,1	1,8%
< BBB	2 499,2	1,5%
NR	281,0	0,2%
TOTAL	**165 931,4**	**100,0%**

9.8 Classification of assets by category and geographic zone

This note breaks down financial assets exposed to credit risk by geographic zone.

9.8.1 Classification of assets by geographic zone at 31/12/2007

(in € millions)		Geographic area of the issuer at 31/12/2007 France	Germany	Italy	Rest of Europe	USA	Japan	Other	Total
Available-for-sale	Debt securities	49 107	12 141	8 822	52 555	9 749	260	12 020	**144 655**
	Mutual funds	5 920	30	37	642	0	0	18	**6 648**
	Equities	13 300	2 709	1 501	3 605	14	0	320	**21 450**
	Other	8 139	0	0	19	0	0	1	**8 159**
Held-for-trading	Debt securities	7 087	758	3 088	6 067	6 527	31	6 854	**30 411**
	Mutual funds	25 356	13	1 172	3 212	38	3	529	**30 322**
	Equities	6 079	1 089	367	1 499	1 710	328	1 036	**12 108**
	Other	2 140	0	0	0	0	0	0	**2 140**
Held-to-maturity	Debt securities	243	10	42	209	47	0	562	**1 113**
Loans and receivables		2 088	0	0	0	0	0	0	**2 088**
Derivative instruments		509	1	0	0	0	0	6	**517**
Investment property		1 494	0	0	5	0	0	0	**1 499**
TOTAL		**121 463**	**16 752**	**15 029**	**67 813**	**18 086**	**621**	**21 346**	**261 109**

9.8.2 Classification of assets by geographic zone at 31/12/2006

(in € millions)		Geographic area of the issuer at 31/12/2006 France	Germany	Italy	Rest of Europe	USA	Japan	Other	Total
Available-for-sale	Debt securities	48 931	11 306	9 185	46 633	7 895	186	11 276	**135 412**
	Mutual funds	8 013	19	42	391	0	0	12	**8 477**
	Equities	13 402	2 085	1 247	3 480	0	0	303	**20 516**
	Other	9 523	0	0	4	0	0	1	**9 528**
Held-for-trading	Debt securities	8 925	751	4 298	4 451	5 199	10	5 970	**29 603**
	Mutual funds	27 051	4	2 019	594	4	0	72	**29 744**
	Equities	8 760	0	0	0	0	0	96	**8 857**
	Other	1 754	0	27	0	0	0	0	**1 781**
Held-to-maturity	Debt securities	242	16	86	208	47	0	295	**895**
Loans and receivables		2 030	0	0	5	0	0	0	**2 035**
Derivative instruments		224	0	0	0	0	0	2	**226**
Investment property		1 285	0	0	0	0	0	1	**1 286**
TOTAL		**130 141**	**14 180**	**16 903**	**55 765**	**13 146**	**196**	**18 027**	**248 358**

9.8.3 Classification of assets by geographic zone at 31/12/2005

(in € millions)		Geographic area of the issuer at 31/12/2005 - Pro forma							
		France	Germany	Italy	Rest of Europe	USA	Japan	Other	Total
Available-for-sale	Debt securities	46 694	10 630	9 534	41 057	7 399	302	11 925	**127 541**
	Mutual funds	6 208	0	37	201	0	0	1	**6 447**
	Equities	11 852	1 590	1 003	2 676	0	0	287	**17 408**
	Other	10 999	47	0	212	15	2	43	**11 318**
Held-for-trading	Debt securities	9 377	667	2 313	4 180	5 543	13	4 096	**26 189**
	Mutual funds	31 384	0	2 161	224	1	0	90	**33 859**
	Equities	0	0	0	0	0	0	62	**62**
	Other	1 624	4	0	11	6	0	53	**1 699**
Held-to-maturity	Debt securities	615	0	0	6	0	0	259	**880**
Loans and receivables		1 051	0	0	0	0	0	0	**1 051**
Derivative instruments		97	0	0	0	0	0	0	**97**
Investment property		1 240	0	0	0	0	0	1	**1 241**
TOTAL		**121 141**	**12 938**	**15 048**	**48 567**	**12 964**	**317**	**16 817**	**227 792**

9.9 Foreign currency transactions

This note details financial assets and liabilities by currency.

9.9.1 Foreign currency transactions at 31/12/2007

(in € millions)	Assets	Liabilities	31/12/2007 Currency to be received	Currency to be delivered
USD	59	0	0	149
GBP	54	0	0	98
YEN	0	0	0	16
BRL	4 102	4 102	0	0
Other	23	22	0	0
Total	**4 239**	**4 124**	**0**	**263**

9.9.2 Foreign currency transactions at 31/12/2006

(in € millions)	Assets	Liabilities	31/12/2006 Currency to be received	Currency to be delivered
USD	283	0	0	166
GBP	165	0	0	92
YEN	27	0	0	27
BRL	3 289	3 289	0	0
Other	18	16	0	0
Total	**3 782**	**3 305**	**0**	**285**

9.9.3 Foreign currency transactions at 31/12/2005

(in € millions)	Assets	Liabilities	31/12/2005 Currency to be received	Currency to be delivered
USD	260	0	0	156
GBP	57	0	0	0
YEN	11	0	0	11
BRL	2 667	2 640	0	0
Other	23	15	0	4
Total	**3 018**	**2 655**	**0**	**171**

9.10 Commitments given and received

Commitments given

(in € millions)	31/12/2007	31/12/2006	31/12/2005
Financing commitments	5,7	5,4	0,0
Guarantees	27,0	27,2	26,6
Securities commitments	2 174,2	1 975,6	2 511,9

Commitments received

(in € millions)	31/12/2007	31/12/2006	31/12/2005
Financing commitments	113,7	167,8	4,7
Guarantees	527,4	533,8	527,4
Securities commitments	5 859,6	5 581,7	5 174,9

Commitments received are mainly to securities pledged to the Group by reinsurers, covering the theoretical commitments accepted by reinsurers under existing treaties.

Note 10. Insurance and financial liabilities

10.1 Analysis of insurance liabilities

The following tables show the sub-classifications of insurance liabilities that must be disclosed separately under IFRS:

10.1.1 Analysis of liabilities at 31/12/2007

(in € millions)	31/12/2007 Before reinsurance	Net of reinsurance	Reinsurance
Non-life technical reserves	**5 307,2**	**4 673,2**	**634,0**
- Unearned premium reserves	168,3	161,4	6,9
- Outstanding claims reserves	678,5	608,7	69,8
- Bonuses and rebates (including claims equalisation	33,6	32,7	0,9
reserve on group business maintained in liabilities)	0,0	0,0	0,0
- Other technical reserves	4 426,3	3 869,9	556,4
- Liability adequacy test reserves	0,5	0,5	0,0
Life technical reserves	**76 346,0**	**71 172,8**	**5 173,2**
- Unearned premium reserves	74 972,4	69 845,7	5 126,7
- Outstanding claims reserves	1 054,0	1 006,7	47,3
- Policyholder surplus reserves	289,0	289,8	(0,8)
- Other mathematical reserves	30,6	30,6	0,0
- Liability adequacy test reserves	0,0	0,0	0,0
Financial instruments with DPF	**145 984,0**	**145 979,3**	**4,7**
- Unearned premium reserves	141 862,6	141 857,9	4,7
- Outstanding claims reserves	1 736,7	1 736,7	0,0
- Policyholder surplus reserves	2 384,7	2 384,7	0,0
- Other mathematical reserves	0,0	0,0	0,0
- Liability adequacy test reserves	0,0	0,0	0,0
Financial instruments without DPF	**7 881,2**	**7 553,8**	**327,4**
Derivative instruments embedded in financial instruments with or without DPF	**0,0**	**0,0**	**0,0**
Deferred participation reserve	**8 675,0**	**8 675,0**	**0,0**
Total insurance and financial liabilities	**244 193,4**	**238 054,1**	**6 139,3**

10.1.2 Analysis of liabilities at 31/12/2006

(in € millions)	31/12/2006 Before reinsurance	Net of reinsurance	Reinsurance
Non-life technical reserves	**5 066,2**	**4 377,7**	**688,5**
- Unearned premium reserves	124,4	117,8	6,6
- Outstanding claims reserves	439,2	391,3	47,9
- Bonuses and rebates (including claims equalisation	137,2	122,9	14,3
reserve on group business maintained in liabilities)	0,0	0,0	0,0
- Other technical reserves	4 365,4	3 745,7	619,7
- Liability adequacy test reserves	0,0	0,0	0,0
Life technical reserves	**62 721,8**	**57 909,1**	**4 812,7**
- Unearned premium reserves	61 031,2	56 260,1	4 771,1
- Outstanding claims reserves	862,5	836,2	26,3
- Policyholder surplus reserves	652,1	645,1	7,0
- Other mathematical reserves	176,0	167,7	8,3
- Liability adequacy test reserves	0,0	0,0	0,0
Financial instruments with DPF	**140 365,8**	**140 365,8**	**0,0**
- Unearned premium reserves	136 723,5	136 723,5	0,0
- Outstanding claims reserves	1 607,5	1 607,5	0,0
- Policyholder surplus reserves	2 033,6	2 033,6	0,0
- Other mathematical reserves	1,2	1,2	0,0
- Liability adequacy test reserves	0,0	0,0	0,0
Financial instruments without DPF	**9 389,9**	**8 978,5**	**411,4**
Derivative instruments embedded in financial instruments with or without DPF	**0,0**	**0,0**	**0,0**
Deferred participation reserve	**12 133,3**	**12 133,3**	**0,0**
Total insurance and financial liabilities	**229 677,0**	**223 764,4**	**5 912,6**

10.1.3 Analysis of liabilities at 31/12/2005

(in € millions)	31/12/2005 Before reinsurance	Net of reinsurance	Reinsurance
Non-life technical reserves	**4 813,2**	**4 197,7**	**615,5**
- Unearned premium reserves	105,3	104,2	1,1
- Outstanding claims reserves	411,0	358,9	52,1
- Bonuses and rebates (including claims equalisation	0,0	0,0	0,0
reserve on group business maintained in liabilities)	152,1	110,5	41,6
- Other technical reserves	4 144,8	3 624,1	520,7
- Liability adequacy test reserves	0,0	0,0	0,0
Life technical reserves	**48 875,1**	**44 533,2**	**4 341,9**
- Unearned premium reserves	47 087,2	42 778,0	4 309,2
- Outstanding claims reserves	781,4	760,3	21,1
- Policyholder surplus reserves	884,8	873,2	11,6
- Other mathematical reserves	121,7	121,7	0,0
- Liability adequacy test reserves	0,0	0,0	0,0
Financial instruments with DPF	**133 576,9**	**133 576,9**	**0,0**
- Unearned premium reserves	130 303,7	130 303,7	0,0
- Outstanding claims reserves	1 358,8	1 358,8	0,0
- Policyholder surplus reserves	1 912,9	1 912,9	0,0
- Other mathematical reserves	1,5	1,5	0,0
- Liability adequacy test reserves	0,0	0,0	0,0
Financial instruments without DPF	**10 583,5**	**10 158,2**	**425,3**
Derivative instruments embedded in financial instruments with or without DPF	**0,0**	**0,0**	**0,0**
Deferred participation reserve	**14 533,1**	**14 533,1**	**0,0**
Total insurance and financial liabilities	**212 381,8**	**206 999,1**	**5 382,7**

10.2 Change in technical reserves

This note gives changes in insurance liabilities as uniform categories, identifying, for example, movements due to changes in assumptions used to value insurance liabilities and, more broadly, distinguishing the effect of each movement significant affecting financial statements. These movements are given before and after reinsurance.

10.2.1 Changes in mathematical reserves – life insurance policies

10.2.1.1 Changes in mathematical reserves – life insurance policies at 31/12/2007

(in € millions)	31/12/2007 Before reinsurance	Net of reinsurance	Reinsurance
Mathematical reserves at the beginning of the period	**197 754,7**	**192 983,5**	**4 771,2**
Premiums	27 371,6	26 973,4	398,2
Extinguished liabilities (benefit payments)	(17 347,8)	(17 172,7)	(175,1)
Locked-in gains	7 545,5	7 342,9	202,6
Change in value of unit-linked portfolios	272,7	272,7	0,0
Changes in scope (entries in/exits from the portfolio)	(490,9)	(490,9)	0,0
Asset loading	(22,0)	(22,0)	0,0
Surpluses/deficits	0,0	0,0	0,0
Currency effect	116,4	116,4	0,0
Changes in assumptions	(2,2)	(2,2)	0,0
Consolidation of CNP Vida	1 477,9	1 477,9	0,0
Others	159,1	224,6	(65,5)
Mathematical reserves at the end of the period	**216 835,0**	**211 703,6**	**5 131,4**

10.2.1.2 Changes in mathematical reserves - life insurance policies at 31/12/2006

(in € millions)	31/12/2006 Before reinsurance	Net of reinsurance	Reinsurance
Mathematical reserves at the beginning of the period	**177 390,9**	**173 081,7**	**4 309,2**
Premiums	28 422,5	28 085,0	337,5
Extinguished liabilities (benefit payments)	(15 293,3)	(15 153,8)	(139,5)
Locked-in gains	6 666,5	6 406,9	259,6
Change in value of unit-linked portfolios	1 601,0	1 601,0	0,0
Changes in scope (entries in/exits from the portfolio)	(592,9)	(598,7)	5,8
Asset loading	(149,7)	(149,7)	0,0
Surpluses/deficits	0,6	0,6	0,0
Currency effect	(20,7)	(20,7)	0,0
Changes in assumptions	(212,0)	(212,0)	0,0
Changes in scope of consolidation	0,0	0,0	0,0
Other	(58,2)	(56,8)	(1,4)
Mathematical reserves at the end of the period	**197 754,7**	**192 983,5**	**4 771,2**

10.2.1.3 Changes in mathematical reserves - life insurance policies at 31/12/2005

(in € millions)	31/12/2005 Before reinsurance	 Net of reinsurance	 Reinsurance
Mathematical reserves at the beginning of the period	**156 034,0**	**152 185,8**	**3 848,2**
Premiums	23 619,1	23 309,4	309,7
Extinguished liabilities (benefit payments)	(12 559,3)	(12 445,5)	(113,8)
Locked-in gains	5 901,1	5 625,3	275,8
Change in value of unit-linked portfolios	2 103,9	2 103,9	0,0
Changes in scope (entries in/exits from the portfolio)	(320,4)	(310,2)	(10,2)
Asset loading	(43,6)	(43,6)	0,0
Surpluses/deficits	0,2	0,2	0,0
Currency effect	184,2	184,2	0,0
Changes in assumptions	(212,0)	(212,0)	0,0
Consolidation of FINECO VITA	2 918,0	2 913,6	4,4
Others	(234,3)	(229,4)	(4,9)
Mathematical reserves at the end of the period	**177 390,9**	**173 081,7**	**4 309,2**

10.2.2 Changes in mathematical reserves - non-life insurance policies

10.2.2.1 Changes in mathematical reserves - non-life policies at 31/12/2007

(in € millions)	31/12/2007 Before reinsurance	 Net of reinsurance	 Reinsurance
Outstanding claims reserves at the beginning of the period	**439,2**	**391,3**	**47,9**
Claims expenses for the period	1 257,9	977,9	280,0
Prior period surpluses/deficits	(14,8)	(12,8)	(2,0)
Total claims expenses	***1 243,1***	***965,1***	***278,0***
Current period claims settled during the period	(703,0)	(450,3)	(252,7)
Prior period claims settled during the period	(303,4)	(300,0)	(3,4)
Total paid claims	***(1 006,4)***	***(750,3)***	***(256,1)***
Changes in scope of consolidation and changes of method	0,0	0,0	0,0
Translation adjustment	2,6	2,6	0,0
Consolidation of CNP Vida	0,0	0,0	0,0
Outstanding claims reserves at the end of the period	**678,5**	**608,7**	**69,8**

10.2.2.2 *Changes in mathematical reserves - non-life policies at 31/12/2006*

(in € millions)	31/12/2006 Before reinsurance	Net of reinsurance	Reinsurance
Outstanding claims reserves at the beginning of the period	**411,0**	**358,9**	**52,1**
Claims expenses for the period	1 185,0	1 128,1	56,9
Prior period surpluses/deficits	52,2	51,6	0,6
Total claims expenses	***1 237,2***	***1 179,7***	***57,5***
Current period claims settled during the period	(1 223,8)	(1 165,2)	(58,6)
Prior period claims settled during the period	13,6	16,7	(3,1)
Total paid claims	***(1 210,2)***	***(1 148,5)***	***(61,7)***
Changes in scope of consolidation and changes of method	1,6	1,6	0,0
Translation adjustment	(0,4)	(0,4)	0,0
Changes in scope of consolidation	0,0	0,0	0,0
Outstanding claims reserves at the end of the period	**439,2**	**391,3**	**47,9**

10.2.2.3 *Changes in mathematical reserves - non-life policies at 31/12/2005*

(in € millions)	31/12/2005 Before reinsurance	Net of reinsurance	Reinsurance
Outstanding claims reserves at the beginning of the period	**308,6**	**269,7**	**38,9**
Claims expenses for the period	1 247,9	1 191,1	56,8
Prior period surpluses/deficits	(5,6)	(7,1)	1,5
Total claims expenses	***1 242,3***	***1 184,0***	***58,3***
Current period claims settled during the period	(837,5)	(795,0)	(42,5)
Prior period claims settled during the period	(305,9)	(302,7)	(3,2)
Total paid claims	***(1 143,4)***	***(1 097,7)***	***(45,7)***
Changes in scope of consolidation and changes of method	(4,1)	(4,1)	0,0
Translation adjustment	6,6	6,6	0,0
Consolidation of FINECO VITA	1,0	0,4	0,6
Outstanding claims reserves at the end of the period	**411,0**	**358,9**	**52,1**

10.2.3 Changes in mathematical reserves - financial instruments

(in € millions)	31/12/2007 Before reinsurance	Net of reinsurance	Reinsurance
Mathematical reserves at the beginning of the period	**9 389,9**	**8 978,5**	**411,4**
Premiums	647,7	612,7	35,0
Extinguished liabilities (benefit payments)	(2 201,4)	(2 104,2)	(97,2)
Locked-in gains	85,8	85,8	0,0
Change in value of unit-linked portfolios	(1,2)	20,5	(21,7)
Changes in scope (entries in/exits from the portfolio)	10,3	10,3	0,0
Currency effect	34,5	34,5	0,0
Consolidation of CNP Vida	0,0	0,0	0,0
Others	(84,4)	(84,3)	(0,1)
Mathematical reserves at the end of the period*	**7 881,2**	**7 553,8**	**327,4**

(in € millions)	31/12/2006 Before reinsurance	Net of reinsurance	Reinsurance
Mathematical reserves at the beginning of the period	**10 583,5**	**10 158,2**	**425,3**
Premiums	551,0	510,5	40,5
Extinguished liabilities (benefit payments)	(1 854,7)	(1 801,9)	(52,8)
Locked-in gains	35,5	35,5	0,0
Change in value of unit-linked portfolios	56,5	58,1	(1,6)
Changes in scope (entries in/exits from the portfolio)	16,0	16,0	0,0
Currency effect	(6,1)	(6,1)	0,0
Changes in scope of consolidation	0,0	0,0	0,0
Others	8,2	8,2	0,0
Mathematical reserves at the end of the period	**9 389,9**	**8 978,5**	**411,4**

(in € millions)	31/12/2005 Before reinsurance	Net of reinsurance	Reinsurance
Mathematical reserves at the beginning of the period	**2 250,9**	**2 250,9**	**0,0**
Premiums	466,8	423,0	43,8
Extinguished liabilities (benefit payments)	(2 073,7)	(2 046,2)	(27,5)
Locked-in gains	60,4	60,4	0,0
Change in value of unit-linked portfolios	1 122,9	1 082,2	40,7
Changes in scope (entries in/exits from the portfolio)	(187,8)	(187,8)	0,0
Currency effect	81,1	81,1	0,0
Consolidation of FINECO VITA	8 935,5	8 567,2	368,3
Others	(72,6)	(72,6)	0,0
Mathematical reserves at the end of the period	**10 583,5**	**10 158,2**	**425,3**

* Including, at 31 December 2006, €8,997.5 millions for unit-linked policies, at 31 December 2005, €10,217 millions and €1,979.3 millions at 31 December 2004.

10.3 Deferred participation – shadow accounting adjustments

Deferred participation	31/12/2007 Amount	31/12/2007 Average rate	31/12/2006 Amount	31/12/2006 Average rate	31/12/2005 Amount	31/12/2005 Average rate
Deferred participation on gains and losses from remeasurement at fair value of assets at fair value through profit	1 368,4	ns	802,1	ns	208,1	ns
Deferred participation on gains and losses from remeasurement at fair value recognised in equity	7 086,2	70,7%	10 967,8	79,0%	14 196,9	86,3%
Deferred participation on adjustment of capitalisation reserve	0,0	0,0%	0,0	0,0%	0,0	0,0%
Deferred participation on adjustment of claims equalisation reserves	177,6	100,0%	158,0	100,0%	128,1	100,0%
Deferred participation on other consolidation adjustments	42,8	0,0%	205,4	0,0	0,0	0,0
Total	**8 675,0**		**12 133,3**		**14 533,1**	

Deferred participation	31/12/2007	31/12/2006	31/12/2005
Deferred participation at the beginning of the period	**12 133,3**	**14 533,1**	**10 170,5**
Deferred participation on gains and losses from remeasurement at fair value of assets at fair value through profit	566,3	594,0	1 404,9
Deferred participation on gains and losses from remeasurement at fair value recognised in equity	(3 809,7)	(3 229,1)	2 967,2
Realised capital gains and losses	0,0	0,0	0,0
Effect of change in gross deferred participation rate	0,0	0,0	0,0
Effect of change in recoverability rate	0,0	0,0	0,0
Other movements*	(214,9)	235,3	(9,6)
Deferred participation at the end of the period	**8 675,0**	**12 133,3**	**14 533,1**

10.4 Main assumptions

The insurer's commitments differ according to the type of policy, as follows:

Savings products: mainly a financial commitment

Savings policies fall into two broad categories:

- non-unit-linked policies, where the insurer pays a guaranteed yield plus a share of the investment yield over and above the guaranteed minimum. The yield guarantee may be for a fixed period (generally 8 years) or for the entire duration of the policy. The insurer has an obligation to pay the guaranteed capital when requested to do so by the customer, whatever the prevailing market conditions at the time. Commitments under savings policies are managed primarily by matching asset and liability maturities.
- unit-linked policies, where the policyholder bears the entire investment risk and the insurer's commitment is limited to any additional guarantees, such as a capital guarantee in the case of death.

Pension products: technical and financial commitments

Commitments associated with annuity-based pension products depend on:

- the benefit payment period, which is not known in advance

- the interest rate corresponding to the return on the policyholder's savings managed by the insurer.

Underwriting profits on these policies are determined by the long-term portfolio management policy and differences between actual and estimated mortality rates.

Personal risk products: primarily technical commitments

The risk associated with these policies is determined primarily by the insured's age, gender, socio-professional category and job.

The Group implements risk selection and reinsurance policies, as well as monitoring statistical data concerning the policyholder base and related loss ratios.

The components of technical reserves are defined in Article R.331-3 of the Insurance Code for life insurance business and R.331-6 for non-life business.

Measurement of insurance and financial liabilities

Insurance and financial liabilities are measured as follows:

insurance policies are measured using the same policies as under French GAAP (based on local GAAP in the case of foreign subsidiaries).

financial instruments with DPF are measured in accordance with local GAAP

financial instruments without DPF are measured at fair value.

10.5 Changes in financial liabilities – unit-linked contract

The following table shows changes in financial liabilities related to unit-linked contract.

10.5.1 Changes in 2007

(in € millions)	**31/12/2007** **Before reinsurance**	**Net of reinsurance**
Technical reserves at the beginning of the period	**29 703,1**	**29 682,6**
(+) Entries (new policies, transfers between policies, replacements)	7 033,9	7 033,9
(+/-) Revaluation (fair value adjustments, incorporation of policyholder surplus)	579,3	579,3
(-) Exits (paid benefits and expenses)	(2 154,5)	(2 134,0)
(+/-) Entries / exits related to portfolio transfers	(1 582,9)	(1 582,9)
(-) Loading deducted from assets	(17,4)	(17,4)
(+/-) Surplus/deficit	0,0	0,0
(+/-) Effect of changes in assumptions	0,0	0,0
(+/-) Translation adjustment	108,4	108,4
(+/-) Changes in scope of consolidation	507,3	507,3
Others	(35,4)	(35,4)
Technical reserves at the end of the period	**34 141,8**	**34 141,8**

10.5.2 Changes in 2006

(in € millions)	31/12/2006 Before reinsurance	Net of reinsurance
Technical reserves at the beginning of the period	**22 304,0**	**22 304,0**
(+) Entries (new policies, transfers between policies, replacements)	8 044,6	8 004,0
(+/-) Revaluation (fair value adjustments, incorporation of policyholder surplus)	1 830,4	1 831,9
(-) Exits (paid benefits and expenses)	(1 642,7)	(1 589,9)
(+/-) Entries / exits related to portfolio transfers	(585,0)	(585,0)
(-) Loading deducted from assets	(72,0)	(72,0)
(+/-) Surplus/deficit	0,1	0,1
(+/-) Effect of changes in assumptions	0,0	0,0
(+/-) Translation adjustment	0,0	0,0
(+/-) Consolidation of CNP Capitalia Vita	0,0	0,0
Others	(176,3)	(210,5)
Technical reserves at the end of the period *	**29 703,1**	**29 682,6**

10.5.3 Changes in 2005

(in € millions)	31/12/2005 Before reinsurance	Net of reinsurance
Technical reserves at the beginning of the period	**14 089,4**	**14 089,4**
(+) Entries (new policies, transfers between policies, replacements)	5 199,9	5 199,9
(+/-) Revaluation (fair value adjustments, incorporation of policyholder surplus)	1 438,6	1 438,6
(-) Exits (paid benefits and expenses)	(549,3)	(549,3)
(+/-) Entries / exits related to portfolio transfers	(141,6)	(141,6)
(-) Loading deducted from assets	(8,0)	(8,0)
(+/-) Surplus/deficit	0,0	0,0
(+/-) Effect of changes in assumptions	0,0	0,0
(+/-) Translation adjustment	0,0	0,0
(+/-) Changes in scope of consolidation	2 272,8	2 272,8
Others	2,1	2,1
Technical reserves at the end of the period *	**22 304,0**	**22 304,0**

* IAS 39 unit-linked policies without discretionary participation feature are not included in this note. Changes in reconciliation are given below.

(in € millions)	31/12/2007	31/12/2006	31/12/2005
Financial liabilities - unit-linked financial instruments - Balance sheet	**41 506,3**	**38 700,5**	**32 521,0**
Changes in financial liabilities - unit-linked other than IAS 39 (note 11.5)	34 141,8	29 703,0	22 304,0
Changes in financial liabilities - unit-linked - IAS 39	7 364,5	8 997,5	10 217,0
Reconciliation to financial liabilities - unit-linked	**0,0**	**0,0**	**0,0**

10.6 Credit risk on reinsurance business

This note analyses credit risk on reinsurance policies written by reinsurers for CNP France and larger subsidiaries.

a) Excess-of-loss policies have been placed with reinsurers rated between A- and AAA.

b) For quota-share treaties where the asset is not held by CNP, the breakdown of ceded insurance liabilities by reinsurer is as follows:

10.6.1 Credit risk on reinsurance business at 31/12/2007

31/12/2007		**Ceded technical reserves**	
(in € millions)	**Credit rating**	**Amount**	**%**
First reinsurer	AA-	2 578,8	42,0%
Second reinsurer	A	1 692,3	27,6%
Third reinsurer	AA	805,9	13,1%
Fourth reinsurer	AA-	454,5	7,4%
Other reinsurers	-	607,8	9,9%
Total		**6 139,3**	

10.6.2 Credit risk on reinsurance business at 31/12/2006

31/12/2006		**Ceded technical reserves**	
(in € millions)	**Credit rating**	**Amount**	**%**
First reinsurer	A	2 347,4	39,7%
Second reinsurer	A	1 571,5	26,6%
Third reinsurer	AA-	800,7	13,5%
Fourth reinsurer	AA-	400,6	6,8%
Other reinsurers	-	792,4	13,4%
Total		**5 912,6**	

10.6.3 Credit risk on reinsurance business at 31/12/2005

31/12/2005		**Ceded technical reserves**	
(in € millions)	**Credit rating**	**Amount**	**%**
First reinsurer	A	2 139,2	39,7%
Second reinsurer	A	1 428,9	26,5%
Third reinsurer	AA-	720,6	13,4%
Fourth reinsurer	AA-	388,0	7,2%
Other reinsurers	-	706,0	13,1%
Total		**5 382,7**	

10.7 Subordinated debt

Subordinated debt is recognised at amortised cost.

10.7.1 Subordinated debt at 31/12/2007

					31/12/2007						
(in € millions)	**Issuance date**	**Interest rate**	**Currency**	**Amounts**	**Within 1 year**	**In 1 to 5 years**	**In 5 to 10 years**	**In 10 to 15 years**	**Beyond 15 years**	**Undated**	**Fair value**
Subordinated notes				**1 881,4**	**0,0**	**448,4**	**0,0**	**0,0**	**1 250,0**	**183,0**	**2 078,5**
CNP ASSURANCES	May-99	4,63%	€	403,0		403,0					400,5
CNP ASSURANCES	Apr-01	5,75% until 2011 then euribor +1,57% from 11/07/2011	€	150,0					150,0		152,1
	May-01		€	50,0					50,0		50,7
	Jul-01		€	50,0					50,0		50,7
	Dec-01		€	150,0					150,0		152,1
	Feb-02		€	100,0					100,0		101,4
	Apr-02		€	250,0					250,0		253,5
CNP ASSURANCES	Apr-03	5.25% until 2013 and Euribor + 200 bps from 11/07/2013	€	300,0					300,0		296,7
CNP ASSURANCES	June-03	4,7825% until 2013 and Euribor + 160 bps from 15/11/2016	€	200,0					200,0		296,7
CNP ASSURANCES	Nov-04	4.93% until 2016 and Euibor + 160 bps from 15/11/2016	€	90,0						90,0	193,5
CNP ASSURANCES	Nov-04	3-month Euribor + 70bps until 2016	€	93,0						93,0	85,6
CNP CAPITALIA VITA	Nov-03	6-month Euribor + 90 bps	€	45,4		45,4					45,0
Perpetual subordinated notes				**45,0**	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**45,0**	**45,1**
CNP CAPITALIA VITA	Oct-03	6-month Euribor + 150 bps	€	45,0						45,0	45,1
Total				**1 926,4**	**0,0**	**448,4**	**0,0**	**0,0**	**1 250,0**	**228,0**	**2 123,6**

*Under IFRS 7, the fair value of financiers liabilities (IAS 39) is given. Financial liabilities representing unit-linked policies are given at fair value in Note 10.5. Financial instruments without PP (note 10.1) are not significant and do not justify analysis. Lastly, IFRS 7 does not require this information to be reported on financial instruments with PP under certain conditions that CNP considers are fulfilled, in particular in view of work in hand on Phase 2 of IFRS 4 on the fair value of these policies.

10.7.2 Subordinated debt at 31/12/2006

(in € millions)	Issuance date	Interest rate	Currency	Amounts	Within 1 year	In 1 to 5 years	In 5 to 10 years	In 10 to 15 years	Beyond 15 years	Undated	Fair value
				31/12/2006							
Subordinated notes				**1 881,3**	**0,0**	**448,0**	**0,0**	**0,0**	**1 250,3**	**183,0**	**1938,8**
CNP ASSURANCES	May-99	4,63%	€	403,0		403,0			0		406,1
CNP ASSURANCES	Apr.-01	5,75% until 2011 then euribor +1,57% from 11/07/20111	€	150,0					150,0		157,7
	May-01		€	50,0					50,0		52,6
	July-01		€	50,0					50,0		52,6
	Dec.-01		€	150,0					150,0		157,7
	Feb.-02		€	100,0					100,0		105,2
	Apr.-02		€	250,0					250,0		262,9
CNP ASSURANCES	Apr.-03	5.25% until 2013 and Euribor + 200 bps from 11/07/2013	€	300,0					300,0		313,2
CNP CAPITALIA VITA	Nov.-03	6-month Euribor + 90 bps	€	45,0		45,0					45,0
ECUREUIL-VIE	June-03	4,7825% until 2013 and Euribor + 160 bps from 15/11/2016	€	200,0					200,0		203,8
ECUREUIL-VIE	Nov.-04	4.93% until 2016 and Euibor + 160 bps from 15/11/2016	€	90,0						90,0	93,1
ECUREUIL-VIE	Nov.-04	3-month Euribor + 70bps until 2016	€	93,0						93,0	88,9
Perpetual subordinated notes				**45,0**	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**45,0**	**45,5**
CNP CAPITALIA VITA	oct-03	6-month Euribor + 150 bps	€	45,0						45,0	45,5
Total				**1 926,3**	**0,0**	**448,0**	**0,0**	**0,0**	**1 250,3**	**228,0**	**1984,3**

*Under IFRS 7, the fair value of financiers liabilities (IAS 39) is given. Financial liabilities representing unit-linked policies are given at fair value in Note 10.5. Financial instruments without PP (note 10.1) are not significant and do not justify analysis. Lastly, IFRS 7 does not require this information to be reported on financial instruments with PP under certain conditions that CNP considers are fulfilled, in particular in view of work in hand on Phase 2 of IFRS 4 on the fair value of these policies.

10.7.3 *Subordinated debt at 31/12/2005*

(in € millions)	Issuance date	Interest rate	Currency	Amounts	31/12/2005 Within 1 year	In 1 to 5 years	In 5 to 10 years	In 10 to 15 years	Beyond 15 years	Undated
Subordinated notes				**1 881,0**	**0,0**	**448,0**	**0,0**	**0,0**	**1 250,0**	**183,0**
CNP ASSURANCES	May-99	4,63%	€	403,0		403,0				
CNP ASSURANCES	Apr.-01	5,75% until 2011 then euribor +1,57% from 11/07/20111	€	150,0					150,0	
	May-01		€	50,0					50,0	
	July-01		€	50,0					50,0	
	Dec.-01		€	150,0					150,0	
	Feb.-02		€	100,0					100,0	
	Apr.-02		€	250,0					250,0	
CNP ASSURANCES	Apr.-03	5.25% until 2013 and Euribor + 200 bps from 11/07/2013	€	300,0					300,0	
ECUREUIL-VIE	June-03	4,7825% until 2013 and Euribor + 160 bps from 15/11/2016	€	200,0					200,0	
CNP CAPITALIA VITA	Nov.-03	6-month Euribor + 90 bps	€	45,4		45,0				
ECUREUIL-VIE	Nov.-04	4.93% until 2016 and Euibor + 160 bps from 15/11/2016	€	90,0						90,0
ECUREUIL-VIE	Nov.-04	3-month Euribor + 70bps until 2016	€	93,0						93,0
Perpetual subordinated notes				**45,0**	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**45,0**
CNP CAPITALIA VITA	Oct.-03	6-month Euribor + 150 bps	€	45,0						45,0
Total				**1 926,0**	**0,0**	**448,0**	**0,0**	**0,0**	**1 250,0**	**228,0**

Note 11. Insurance and reinsurance receivables

11.1 Insurance and reinsurance receivables

This note gives details of receivables arising from insurance and reinsurance transactions, with analysis of three financial years.

(in € millions)	31/12/2007	31/12/2006	31/12/2005
Earned premiums not yet written	2 717,7	1 783,3	1 799,8
Other insurance receivables	666,7	267,4	599,0
Reinsurance receivables	115,4	146,7	86,3
Total	***3 499,8***	***2 197,4***	***2 485,1***
Doubtful receivables	2,5	2,0	2,0

		31/12/2007	
(in € millions)	Within 1 year	In 1 to 5 years	Beyond 5 years
Earned premiums not yet written	2 717,7	0,0	0,0
Other insurance receivables	662,2	4,5	0,0
Reinsurance receivables	115,4	0,0	0,0
Total	***3 495,3***	***4,5***	***0,0***

		31/12/2006	
(in € millions)	Within 1 year	In 1 to 5 years	Beyond 5 years
Earned premiums not yet written	1 783,3	0,0	0,0
Other insurance receivables	262,6	4,8	0,0
Reinsurance receivables	146,7	0,0	0,0
Total	***2 192,6***	***4,8***	***0,0***

		31/12/2005	
(in € millions)	Within 1 year	In 1 to 5 years	Beyond 5 years
Earned premiums not yet written	1 799,8	0,0	0,0
Other insurance receivables	595,4	3,6	0,0
Reinsurance receivables	86,3	0,0	0,0
Total	***2 481,5***	***3,6***	***0,0***

11.2 Other receivables

(in € millions)	**31/12/2007**	**31/12/2006**	**31/12/2005**
Employee advances	0,8	0,7	31,7
Prepaid payroll and other taxes	268,5	197,8	139,9
Sundry receivables	699,1	1 431,0	1 665,0
Total	***968,4***	***1 629,5***	***1 836,6***

Note 12. Deferred tax

This note gives the total amount of deferred tax assets and liabilities by type of temporary difference.

(in € millions) **Sources of temporary differences**	**31/12/2007** Assets	Liabilities	Net
Goodwill	45,2	0,0	45,2
Contractual customer relationships	0,0	(66,5)	(66,5)
Other intangible assets	0,0	0,0	0,0
Investment property	17,8	(65,5)	(47,7)
Financial assets	0,5	(3 931,3)	(3 930,8)
Investments in associates	0,1	0,0	0,1
Reinsurers' share of insurance and financial liabilities	10,9	0,0	10,9
Owner-occupied property and other tangible assets	0,0	(1,2)	(1,2)
Deferred acquisition costs	0,0	0,0	0,0
Other assets	147,5	0,0	147,5
Capitalisation reserve	0,0	(523,5)	(523,5)
Subordinated debt	0,0	(7,1)	(7,1)
Provisions	32,1	0,0	32,1
Financing liabilities	0,0	0,0	0,0
Insurance and financial liabilities	0,0	(18,6)	(18,6)
Deferred participation reserve	2 746,0	(0,5)	2 745,5
Other liabilities	0,0	(1,4)	(1,4)
Extraordinary credit from tax loss carryforwards	0,0	0,0	0,0
Asset-liability netting	(2 973,8)	2 973,8	0,0
Net deferred tax asset or liability	**26,3**	**(1 641,8)**	**(1 615,5)**

(in € millions) ***Sources of temporary differences***	**31/12/2006** Assets	Liabilities	Net
Goodwill	25,5	0,0	25,5
Contractual customer relationships	0,0	(67,7)	(67,7)
Other intangible assets	0,0	0,0	0,0
Investment property	25,2	(55,3)	(30,1)
Financial assets	0,7	(5 197,2)	(5 196,5)
Investments in associates	0,0	0,0	0,0
Reinsurers' share of insurance and financial liabilities	0,0	0,0	0,0
Owner-occupied property Equipment	0,0	(1,3)	(1,3)
Deferred acquisition costs	0,0	0,0	0,0
Other assets	4,7	0,0	4,7
Capitalisation reserve	0,0	(520,8)	(520,8)
Subordinated debt	0,0	(7,9)	(7,9)
Provisions	34,0	0,0	34,0
Financing liabilities	0,0	0,0	0,0
Insurance and financial liabilities	1,1	(1,5)	(0,4)
Deferred participation reserve	4 060,8	0,0	4 060,8
Other liabilities	153,3	0,0	153,3
Extraordinary credit from tax loss carryforwards	0,0	0,0	0,0
Asset-liability netting	(4 264,3)	4 264,3	0,0
Net deferred tax asset or liability	**41,1**	**(1 587,4)**	**(1 546,3)**

(in € millions) *Sources of temporary differences*	31/12/2005 Assets	Liabilities	Net
Goodwill	52,5	0,0	52,5
Contractual customer relationships	0,0	(73,8)	(73,8)
Other intangible assets	0,1	(10,1)	(10,0)
Investment property	61,8	(40,8)	21,0
Financial assets	0,4	(5 215,6)	(5 215,2)
Investments in associates	0,0	0,0	0,0
Reinsurers' share of insurance and financial liabilities	0,0	0,0	0,0
Owner-occupied property Equipment	0,1	(1,4)	(1,3)
Deferred acquisition costs	0,4	0,0	0,4
Other assets	6,1	(40,9)	(34,8)
Capitalisation reserve	0,0	(501,4)	(501,4)
Subordinated debt	0,0	(5,3)	(5,3)
Provisions	27,7	0,0	27,7
Financing liabilities	0,0	0,0	0,0
Insurance and financial liabilities	2,2	(34,0)	(31,8)
Deferred participation reserve	4 958,7	0,1	4 958,8
Other liabilities	90,5	(0,2)	90,3
Extraordinary credit from tax loss carryforwards	(117,2)	120,2	3,0
Asset-liability netting	(5 079,4)	5 079,4	0,0
Net deferred tax asset or liability	**3,9**	**(723,8)**	**(719,9)**

Note 13. Provisions

This note analyses provisions for claims and litigation.

13.1 Provisions – 2007

(in € millions)	Provisions for claims and litigation	Other provisions	Total
Carrying amount at 1 January 2007	**52,0**	**44,1**	**96,1**
New provisions set up during the period and increases in existing provisions	5,3	2,7	**8,0**
Amounts utilised during the year	(0,1)	(8,5)	**(8,6)**
Surplus provisions released during the period	0,0	(0,6)	**(0,6)**
Change due to the passage of time and/or a change in the discount rate	0,0	0,0	**0,0**
Translation adjustment	2,7	0,7	**3,4**
Changes in scope of consolidation	0,0	16,6	**16,6**
Reclassification	(41,0)	38,6	**(2,4)**
Carrying amount at 31 December 2007	**18,9**	**93,6**	**112,5**

13.2 Provisions – 2006

(in € millions)	Provisions for claims and litigation	Other provisions	Total
Carrying amount at 1 January 2006	**42,4**	**45,3**	**87,7**
New provisions set up during the period and increases in existing provisions	11,5	0,2	**11,7**
Amounts utilised during the year	0,0	(1,2)	**(1,2)**
Surplus provisions released during the period	0,0	0,0	**0,0**
Change due to the passage of time and/or a change in the discount rate	(1,1)	(0,2)	**(1,3)**
Translation adjustment	(0,8)	0,0	**(0,8)**
Changes in scope of consolidation	0,0	0,0	**0,0**
Carrying amount at 31 December 2006	**52,0**	**44,1**	**96,1**

13.3 Provisions – 2005

	Provisions for pensions and other post-employment benefits	Provisions for claims and litigation	Other provisions	Total
Carrying amount at 1 January 2005	**85,5**	**18,0**	**27,3**	**130,8**
New provisions set up during the period and increases in existing provisions	0,0	56,3	18,2	**74,5**
Amounts utilised during the year	(85,5)	(1,4)	0,0	**(86,9)**
Surplus provisions released during the period	0,0	(12,2)	(0,7)	**(12,9)**
Change due to the passage of time and/or a change in the discount rate	0,0	(18,4)	0,0	**(18,4)**
Translation adjustment	0,0	0,0	0,0	**0,0**
Changes in scope of consolidation	0,0	0,1	0,5	**0,6**
Carrying amount at 31 December 2005	**0,0**	**42,4**	**45,3**	**87,7**

Comment: provisions for pensions and other post-employment benefits reclassified in 2005 as "Employee benefits expense payable" in the Company accounts.

Note 14. Liabilities from insurance and reinsurance transactions

14.1 Liabilities from insurance and reinsurance transactions

This note gives details of liabilities arising from insurance and reinsurance transactions with a comparison of three financial years.

Liabilities analysed by maturity

(in € millions)	31/12/2007	31/12/2006	31/12/2005
Cash deposits received from reinsurers	340,9	423,2	468,9
Liabilities arising from insurance transactions	1 371,1	1 071,9	1 060,6
Other liabilities arising from reinsurance transactions	487,1	347,7	366,5
Total	***2 199,1***	***1 842,8***	***1 896,0***

	31/12/2007		
(in € millions)	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years
Cash deposits received from reinsurers	8,6	332,3	0,0
Liabilities arising from insurance transactions	1 371,1	0,0	0,0
Other liabilities arising from reinsurance transactions	487,1	0,0	0,0
Total	***1 866,8***	***332,3***	***0,0***

	31/12/2006		
(in € millions)	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years
Cash deposits received from reinsurers	423,2	0,0	0,0
Liabilities arising from insurance transactions	1 069,8	0,5	1,6
Other liabilities arising from reinsurance transactions	347,7	0,0	0,0
Total	***1 840,7***	***0,5***	***1,6***

	31/12/2005		
(in € millions)	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years
Cash deposits received from reinsurers	468,9	0,0	0,0
Liabilities arising from insurance transactions	1 059,0	0,1	1,5
Other liabilities arising from reinsurance transactions	366,5	0,0	0,0
Total	***1 894,4***	***0,1***	***1,5***

14.2 Other liabilities

(in € millions)	31/12/2007	31/12/2006	31/12/2005
Employee benefits expense payable	313,0	140,7	125,3
Accrued payroll and other taxes	279,1	208,4	214,5
Sundry payables	3 276,6	4 252,2	3 573,2
Total	***3 868,7***	***4 601,3***	***3 913,0***

14.3 Employee benefits – IAS 19

14.3.1 Main assumptions

Discount rate

The reference index is the French government bond OAT rate.

Plan	Duration (years)	Discount rate
Length-of-service awards	15,1	4,49%
Jubilees	12,1	4,40%
EPI plan	10,0	4,34%

Mortality table

The INSEE 98 mortality table has been used.

14.3.2 Recognised benefits obligations

(in € millions)	31/12/2007 Post-employment plans	31/12/2006 Post-employment plans	31/12/2005 Post-employment plans
Projected benefit obligation	**49,2**	**41,4**	**23,1**
Unrecognised past service cost	(17,7)	(15,9)	0,0
Unrecognised actuarial gains and losses	0,0	0,0	0,0
Liability recognised on the balance sheet - defined benefit plans	**31,5**	**25,5**	**23,1**
Liability recognised on the balance sheet - defined contribution plans	**0,0**	**0,0**	**0,0**
Total liability recognised on the balance sheet for pension and other post-employment benefit plans	**31,5**	**25,5**	**23,1**

14.3.3 Analysis of pensions and other post-employment benefit costs

(in € millions)	31/12/2007 Post-employment plans	31/12/2006 Post-employment plans	31/12/2005 Post-employment plans
Current service cost (net of employee contributions)	**4,2**	**2,8**	**2,1**
Interest cost	1,6	1,2	0,8
Amortisation of actuarial gains and losses	0,3	(0,5)	1,3
Curtailments and settlements	0,0	0,0	0,0
Amortisation of past service cost	2,3	1,1	0,0
Post-employment benefit expense - defined benefit plans	**8,4**	**4,6**	**4,2**
Post-employment benefit expense - defined contribution plans	0,0	0,0	0,0
Total post-employment benefit expense	**8,4**	**4,6**	**4,2**

14.3.4 Reconciliation of the amounts recorded in the balance sheet for defined benefit schemes

(in € millions)	31/12/2007 Post-employment plans	31/12/2006 Post-employment plans	31/12/2005 Post-employment plans
At 1 January	**25,5**	**23,1**	**20,3**
Translation adjustment	8,4	4,6	4,2
Post-employment benefit expense	(1,4)	(1,4)	0,0
Benefits paid directly by the employer	(1,0)	(0,8)	(1,3)
Changes in scope of consolidation	0,0	0,0	0,0
At 31 December	**31,5**	**25,5**	**23,1**

Note 15. Revenue

Revenue consists of:

- premiums earned,
- premium loadings for IAS 39 policies reported on the "revenue from other activities" line on the income statement.

15.1 Premiums earned and revenue from other activities

Business segment and policy type (in € millions)	31/12/2007	31/12/2006	31/12/2005
Insurance policies	**19 224,6**	**18 676,0**	**12 739,8**
Life	**16 928,4**	**16 428,2**	**10 744,7**
Pure premiums	15 795,4	15 398,5	10 006,3
Loading	1 133,0	1 029,7	738,4
Non-life	**2 296,2**	**2 247,8**	**1 995,1**
Pure premiums	1 671,7	1 652,0	1 543,4
Loading	624,5	595,8	451,7
Financial instruments with DPF	**12 274,8**	**13 246,0**	**13 726,0**
Pure premiums	12 058,2	12 986,7	13 382,9
Loading	216,6	259,3	343,1
Earned premiums	**31 499,4**	**31 922,0**	**26 465,8**

Revenue from other activities (in € millions)	31/12/2007	31/12/2006	31/12/2005
Investment policies without DPF	***70,3***	***93,6***	***89,3***
Loading	70,3	93,6	89,3
On premiums	30,1	67,5	61,1
On net assets	40,2	26,1	28,2
Services (IAS 18)	**62,5**	**48,9**	**25,9**
Other activities	**29,1**	**29,2**	**0,5**
Total	**161,9**	**171,7**	**115,7**

15.2 Reconciliation with reported revenue

(in € millions)	31/12/2007	31/12/2006	31/12/2005
Earned premiums	31 499,4	31 922,0	26 465,8
Premium loading on financial instruments without DPF (IAS 39)	30,1	67,5	61,1
Total	**31 529,5**	**31 989,5**	**26 526,9**

15.3 Revenue by partnership centre

(in € millions)

	31/12/2007	31/12/2006	31/12/2005
French Post Office	12 015,4	12 101,5	8 865,4
Savings Banks	10 200,1	10 741,3	9 774,5
CNP Trésor	862,8	982,5	790,8
Financial institutions	1 396,3	1 278,1	1 143,9
Mutual insurers	1 616,0	1 684,7	1 722,2
Companies and local authorities	855,1	961,1	687,8
Foreign subsidiaries	4 501,7	4 100,5	3 401,6
Other	82,2	139,8	140,7
Total premium income	**31 529,5**	**31 989,5**	**26 526,9**

15.4 Revenue by market segment

(in € millions)

	31/12/2007	31/12/2006	31/12/2005
Savings	**24 819,0**	**25 687,0**	**20 935,6**
Pensions	**2 155,5**	**2 148,1**	**1 954,8**
Personal risk	1 520,5	1 449,5	1 282,2
Loan insurance	2 399,8	2 112,3	1 840,9
Health insurance	288,7	271,9	253,1
Property & Casualty	346,1	320,7	260,3
Sub-total Personal Risk and Other	**4 555,1**	**4 154,4**	**3 636,5**
Total premium income	**31 529,5**	**31 989,5**	**26 526,9**

15.5 Revenue by company

(in € millions)

	31/12/2007	31/12/2006	31/12/2005
CNP Assurances	24 835,5	15 299,2	11 611,6
CNP IAM	1 861,9	1 857,0	1 662,0
Préviposte	318,7	402,3	408,0
Ecureuil Vie	0,0	10 350,5	9 420,1
ITV	6,6	7,3	12,4
CNP International	0,1	0,1	0,3
Assurposte	149,8	95,0	75,8
Global	144,2	145,4	138,3
Global Vida	30,4	39,9	42,3
CNP Seguros de Vida	5,2	3,7	3,4
Caixa Seguros	1 145,6	887,5	707,3
CNP Capitalia Vita	2 918,6	2 901,6	2 445,4
CNP Vida	112,9	0,0	0,0
Total premium income	**31 529,5**	**31 989,5**	**26 526,9**

15.6 Direct and inward reinsurance premiums

(in € millions)

	31/12/2007	31/12/2006	31/12/2005
Insurance premiums	30 867,7	31 129,9	26 021,0
Inward reinsurance premiums	661,8	859,6	505,9
Total premium income	**31 529,5**	**31 989,5**	**26 526,9**

Note 16. Claim and benefit expenses

This note gives assets, liabilities, income and expenditure generated by insurance policies.

Insurance policies and financial instruments with DPF (IFRS 4) (in € millions)	**31/12/2007**	**31/12/2006**	**31/12/2005**
Incurred claims	6 411,2	5 511,0	4 681,4
Endowments due	347,5	410,7	456,4
Benefits due	1 328,7	1 517,6	1 549,4
Surrenders	10 581,8	9 228,6	6 593,3
Credited interest and policyholder dividends included in paid benefits	4,2	(105,7)	(71,3)
Benefit and claim handling expenses	91,6	134,9	134,8
Claims and benefits	**18 765,0**	**16 697,1**	**13 344,0**
Change in technical reserves - insurance policies	10 503,2	11 862,5	7 355,0
Change in technical reserves - financial instruments with DPF	(345,5)	1 537,9	4 896,1
Change in other technical reserves	90,3	599,8	454,8
Change in technical reserves	**10 248,0**	**14 000,2**	**12 705,9**
Credited interest	1 936,3	1 938,8	2 067,4
Policyholder dividends	6 219,5	6 316,4	6 586,8
Credited interest and policyholder dividends	**8 155,8**	**8 255,2**	**8 654,2**
Claims and benefits expenses	**37 168,8**	**38 952,5**	**34 704,1**

Note 17. Management charges and commissions

17.1 Expenses analysed by function

(in € millions)	31/12/2007	31/12/2006	31/12/2005
Commissions	(2 745,9)	(2 277,7)	(1 725,1)
Expenses analysed by function	(243,2)	(182,0)	(239,0)
Business acquisition costs	**(2 989,1)**	**(2 459,7)**	**(1 964,1)**
Policy administration costs	**(349,8)**	**(389,1)**	**(388,0)**
Other underwriting income and expenses	17,1	(34,0)	23,7
Other income and expenses	(17,7)	(37,8)	50,5
Employee profit-sharing	(16,1)	(15,0)	(12,7)
Other recurring operating income and expense	**(16,7)**	**(86,8)**	**61,5**
TOTAL	***(3 355,6)***	***(2 935,6)***	***(2 290,6)***

17.2 Expenses analysed by nature

(in € millions)	31/12/2007	31/12/2006	31/12/2005
Depreciation and amortisation expense and impairment losses	28,2	28,2	33,6
Employee benefits expense	314,9	286,9	297,8
Taxes other than on income	98,1	82,1	96,3
Other	335,2	329,9	246,1
TOTAL	***776,4***	***727,1***	***673,8***

17.3 Management charges, net

(in € millions)	31/12/2007	31/12/2006	31/12/2005
Policy administration costs, net*			
- Excluding foreign subsidiaries	550,8	529,5	498,2
- Including foreign subsidiaries and other businesses	735,1	695,1	644,1
RATIO * ***Management charges*** / *Technical reserves ***			
- Excluding foreign subsidiaries and other businesses	0,25%	0,26%	0,27%
- Including foreign subsidiaries and other businesses	0,31%	0,32%	0,33%
* Excluding CNP Trésor costs	36,4	32	29,7
** Insurance policies and financial instruments, excluding deferred participation			

17.4 Details of commissions

(in € millions)	**31/12/2007**	**31/12/2006**	**31/12/2005**
Caisse d'Epargne	590,2	719,0	615,0
La Banque Postale	440,8	487,1	421,3
Other	1 714,9	1 071,6	688,8
TOTAL	***2 745,9***	***2 277,7***	***1 725,1***

Note 18. Reinsurance result

(in € millions)	**31/12/2007**	**31/12/2006**	**31/12/2005**
Ceded premiums	(685,0)	(624,6)	(591,9)
Change in ceded technical reserves	670,6	771,0	746,4
Reinsurance commissions	205,0	125,8	131,9
Investment income	(208,7)	(275,8)	(291,3)
Total	***(18,1)***	***(3,6)***	***(4,9)***

* Provisional accounts pending certification by the Auditors

Note 19. Investment income

19.1 Investment revenue and expenditure

This note gives the main revenue, expenditure, profits or losses generated by financial assets and liabilities, whether or not included in profit or under a separate heading under equity, for three consecutive financial years.

(in € millions)		31/12/2007	31/12/2006	31/12/2005 - Proforma
Available-for-sale financial assets	- Interest on debt securities	6 854,2	6 101,0	6 094,7
	Interest on loans	0,0	0,0	0,0
	Income from other financial assets	915,8	792,3	1 095,5
	Capital gains and losses on disposals	968,6	1 216,8	602,1
	Impairments	17,7	(24,7)	(15,3)
	Net income from available-for-sale financial assets	**8 756,3**	**8 085,4**	**7 777,2**
Held-to-maturity investments	- Interest on debt securities	71,7	54,6	25,2
	Interest on loans	0,0	0,0	0,0
	Other	(2,7)	0,0	0,0
	Impairments	0,0	0,0	0,0
	Net income from held-to-maturity investments	**69,0**	**54,6**	**25,2**
Financial assets at fair value through profit	- Profit (loss) on securities held for trading	1 355,1	3 558,5	4 293,6
	Profit (loss) on derivative instruments held for trading and hedging	213,8	(86,3)	(125,4)
	Capital gains and losses on disposals	594,1	98,2	102,7
	Net income from financial assets at fair value through profit	**2 163,0**	**3 570,4**	**4 270,9**
Investment property	Revenue from investment property	188,1	294,2	249,5
	Capital gains and losses on disposals	26,1	34,7	51,0
	Net income from investment property	**214,2**	**328,9**	**300,5**
Other investment expenses		**(426,0)**	**(499,7)**	**(255,6)**
Dilution gain		**121,8**	**102,0**	**0,0**
TOTAL INVESTMENT INCOME		**10 898,3**	**11 641,7**	**12 118,2**
	Subordinated debt	(106,5)	(104,9)	(91,3)
	Total finance costs	**(106,5)**	**(104,9)**	**(91,3)**
TOTAL INVESTMENT INCOME NET OF FINANCE COSTS		**10 791,8**	**11 536,8**	**12 026,9**

Table of financial revenue and expenditure reconciliation with income statement:

(in € millions)	**31/12/2007**	**31/12/2006**	**31/12/2005**
Net financial income, before finance costs	11 495,4	12 208,3	12 430,5
Investment expenses and interest expense, excluding finance costs	(597,1)	(566,6)	(312,3)
Finance costs	(106,5)	(104,9)	(91,3)
Total	***10 791,8***	***11 536,8***	***12 026,9***

19.2 Fair value adjustment to assets

This note gives the fair value adjustment to assets at each financial year-end.

19.2.1 Fair value adjustment to assets – 2007 financial year

(in € millions)		**Investments held at 31/12/2007**	**Investments held at 31/12/2006**	**Movement N /N-1**
Assets at fair value through profit (*)	Fixed rate bonds	16 048,2	12 667,4	3 380,8
	Variable rate bonds	13 003,2	3 488,5	9 514,7
	negotiable debt securitiess (money market securities)	1 359,6	13 446,7	(12 087,1)
	Equities	12 107,7	8 857,4	3 250,3
	Mutual fund units	30 322,0	29 744,3	577,7
	Shares in non-trading property companies	2 140,0	1 753,4	386,6
	Other (including lent securities and repos)	0,3	27,5	(27,2)
	Total	**74 981,0**	**69 985,2**	**4 995,8**
Derivative instruments	Derivative instruments (positive fair value)	1 972,7	1 636,4	336,3
	Derivative instruments (negative fair value)	(1 456,1)	(1 410,6)	(45,5)
	Total	**516,6**	**225,8**	**290,8**
Available-for-sale financial assets	Fixed rate bonds	131 553,1	122 403,5	9 149,6
	Variable rate bonds	8 373,5	8 463,3	(89,8)
	negotiable debt securitiess (money market securities)	4 728,0	4 545,7	182,3
	Equities	21 449,6	20 515,4	934,2
	Mutual fund units	6 647,7	8 476,9	(1 829,2)
	Shares in non-trading property companies	2 918,7	2 389,8	528,9
	Loan stock	93,8	88,4	5,4
	Other (including lent securities and repos)	5 146,4	7 049,9	(1 903,5)
	Total	**180 910,8**	**173 932,9**	**6 977,9**
Held-for-maturity investments	Fixed rate bonds	1 134,7	916,3	218,4
	Total	**1 134,7**	**916,3**	**218,4**
Loans and receivables	Loans and receivables	2 088,4	2 034,6	53,8
	Total	**2 088,4**	**2 034,6**	**53,8**
Investment property	Investment property at amortised cost	2 387,5	1 682,2	705,3
	Investment property at fair value	445,7	394,7	51,0
	Total	**2 833,2**	**2 076,9**	**756,3**
TOTAL		**262 464,7**	**249 171,6**	**13 293,1**

19.2.2 *Fair value adjustment to assets – 2006 financial year*

(in € millions) - Pro forma		Investments held at 31/12/2006	Investments held at 31/12/2005	Movement N /N-1
Assets at fair value through profit	Fixed rate bonds	12 667,4	11 026,0	1 641,4
	Variable rate bonds	3 488,5	2 931,3	557,2
	negotiable debt securitiess (money market securities)	13 446,7	12 231,2	1 215,5
	Equities	8 857,4	62,0	8 795,4
	Mutual fund units	29 744,3	33 858,4	(4 114,1)
	Shares in non-trading property companies	1 753,4	1 493,4	260,0
	Other (including lent securities and repos)	27,5	206,3	(178,8)
	Total	**69 985,2**	**61 808,6**	**8 176,6**
Derivative instruments	Derivative instruments (positive fair value)	1 636,4	1 070,4	566,0
	Derivative instruments (negative fair value)	(1 410,6)	(973,6)	(437,0)
	Total	**225,8**	**96,8**	**129,0**
Available-for-sale financial assets	Fixed rate bonds	122 403,5	117 772,6	4 630,9
	Variable rate bonds	8 463,3	9 649,4	(1 186,1)
	negotiable debt securitiess (money market securities)	4 545,7	119,3	4 426,4
	Equities	20 515,4	17 407,2	3 108,2
	Mutual fund units	8 476,9	6 446,9	2 030,0
	Shares in non-trading property companies	2 389,8	2 206,9	182,8
	Loan stock	88,4	103,4	(15,0)
	Other (including lent securities and repos)	7 049,9	9 008,3	(1 958,4)
	Total	**173 932,8**	**162 714,2**	**11 218,7**
Held-for-maturity investments	Fixed rate bonds	916,3	912,1	4,2
	Total	**916,3**	**912,1**	**4,2**
Loans and receivables	Loans and receivables	2 034,6	1 051,1	983,4
	Total	**2 034,6**	**1 051,1**	**983,4**
Investment property	Investment property at amortised cost	1 682,2	1 739,1	(56,9)
	Investment property at fair value	394,7	351,1	43,6
	Total	**2 076,9**	**2 090,2**	**(13,3)**
TOTAL		**249 171,6**	**228 673,1**	**20 498,5**

19.2.3 Fair value adjustment to assets – 2005 financial year

(in € millions)		Investments held at 31/12/2005	Investments held at 31/12/2004	Movement N /N-1
Assets at fair value through profit	Fixed rate bonds	11 026,0	7 898,6	3 127,4
	Variable rate bonds	2 931,3	1 139,7	1 791,6
	negotiable debt securitiess (money market securities)	12 231,2	677,9	11 553,3
	Equities	62,0	0,0	62,0
	Mutual fund units	33 858,4	24 844,1	9 014,3
	Shares in non-trading property companies	1 493,4	418,5	1 074,9
	Other (including lent securities and repos)	206,3	2 223,6	(2 017,3)
	Total	**61 808,6**	**37 202,4**	**24 606,2**
Derivative instruments	Derivative instruments (positive fair value)	1 070,4	519,7	550,7
	Derivative instruments (negative fair value)	(973,6)	(441,8)	(531,8)
	Total	**96,8**	**77,9**	**18,9**
Available-for-sale financial assets	Fixed rate bonds	117 772,6	113 072,0	4 700,6
	Variable rate bonds	9 649,4	8 395,7	1 253,7
	negotiable debt securitiess (money market securities)	119,3	312,9	(193,6)
	Equities	17 407,2	13 040,1	4 367,1
	Mutual fund units	6 446,9	6 778,5	(331,6)
	Shares in non-trading property companies	2 206,9	2 438,9	(232,0)
	Loan stock	103,4	97,7	5,7
	Other (including lent securities and repos)	9 008,3	4 231,5	4 776,8
	Total	**162 714,2**	**148 367,3**	**14 346,7**
Held-for-maturity investments	Fixed rate bonds	912,1	692,8	219,4
	Total	**912,1**	**692,8**	**219,4**
Loans and receivables	Loans and receivables	1 051,1	1 234,3	(183,2)
	Total	**1 051,1**	**1 234,3**	**(183,2)**
Investment property	Investment property at amortised cost	1 739,1	1 703,0	36,2
	Investment property at fair value	351,1	295,6	55,4
	Total	**2 090,2**	**1 998,6**	**91,6**
TOTAL		**228 673,1**	**189 573,3**	**39 099,8**

19.2.4 Reconciliation of "Fair value adjustment" with amounts reported in the "Investments" note

(in € millions)	31/12/2007	31/12/2006	31/12/2005
Fair value of investments	262 464,7	249 171,6	228 673,1
Unrealised gains and losses, net	-1 355,7	-813,1	-881,6
Carrying amount of investments	261 109,0	248 358,5	227 791,4

19.3 Impairment

This note discloses the nature and amount of impairment losses on financial assets recognised in profit, by significant category of financial assets.

(in € millions)	**31/12/2007**	**31/12/2006**	**31/12/2005**
Available-for-sale financial assets	(120,5)	(80,0)	(15,3)
Fixed rate bonds	0,0	0,0	0,0
Variable rate bonds	0,0	0,0	0,0
negotiable debt securities	0,0	0,0	0,0
Equities	(87,4)	0,0	0,0
Equity funds	0,0	(52,6)	(15,3)
Non-voting loan stock	0,0	0,0	0,0
Other (including funds)	(33,1)	(27,4)	0,0
Held-to-maturity investments	0,0	0,0	0,0
Loans and receivables	0,0	0,0	0,0
Total impairment charges	**(120,5)**	**(80,0)**	**(15,3)**
Available-for-sale financial assets	138,2	55,3	134,2
Fixed rate bonds	0,0	0,0	0,0
Variable rate bonds	0,0	0,0	0,0
negotiable debt securities	0,0	0,0	0,0
Equities	126,6	0,0	0,0
Equity funds	0,3	49,6	134,2
Non-voting loan stock	0,0	0,0	0,0
Other (including funds)	11,3	5,7	0,0
Held-to-maturity investments	0,0	0,0	0,0
Loans and receivables	0,0	0,0	0,0
Total reversals	**138,2**	**55,3**	**134,2**
Net change in impairment provisions	**17,7**	**(24,7)**	**118,9**

At 31/12/2005 only charges appear on the “Movement in investment impairments” line of the income statement.

Note 20. Income tax expense

The purpose of the table below is to disclose the main components of income tax expense (benefit).

(in € millions)	31/12/2007	31/12/2006	31/12/2005 - Pro forma
Current taxes	544,4	533,6	429,5
Deferred taxes	3,4	(218,9)	23,5
Income tax expense	**547,8**	**314,7**	**453,0**

(in € millions)	31/12/2007	31/12/2006	31/12/2005 - Pro forma
Profit for the period	1 379,0	1 430,3	1 159,7
Tax rate	28,43%	18,03%	28,09%
Income tax expense	**547,8**	**314,7**	**453,0**

(in € millions)	31/12/2007		31/12/2006		31/12/2005 - Proforma	
Tax proof	**Rate**	**Amount**	**Rate**	**Amount**	**Rate**	**Amount**
Profit before tax		1 926,8		1 744,9		1 586,3
Income tax at the standard French tax rate	34,43%	663,4	34,43%	600,8	34,93%	554,1
Permanent differences	-1,45%	(27,9)	-1,37%	(23,9)	-1,64%	(26,0)
Capital gains and losses taxed at reduced rate	-3,57%	(68,8)	-3,29%	(57,4)	-3,09%	(49,1)
Income tax receivables and loss carry forward	-1,72%	(33,1)	-2,30%	(40,1)	-1,89%	(30,0)
Effect of changes in tax rates	0,00%	0,0	-10,49%	(183,0)	0,00%	0,0
Other	0,74%	14,3	1,06%	18,5	-0,22%	3,9
Total	**28,43%**	**547,8**	**18,04%**	**314,7**	**28,09%**	**453,0**

(in € millions) **Deferred taxes on:**	31/12/2007	31/12/2006	31/12/2005 - Pro forma
Fair value adjustments to financial assets held for trading	(117,7)	189,9	518,3
Deferred participation reserve	71,7	(137,9)	(419,9)
Fair value adjustments to other financial assets	43,6	(255,3)	(27,1)
Other	5,9	(15,6)	(47,9)
Total	**3,5**	**(218,9)**	**23,5**

Note 21. Interest rate risk on financial assets and liabilities

This note gives various information on exposure to interest rate risk on financial asset and liability, by category.

21.1 Caps and floors

The following tables give the nominal amounts of caps and floors by strike price and residual life, at 31 December 2005, 31 December 2006 and 31 December 2007.

21.1.1 Caps and floors at 31/12/2007

Strike price

	Residual life										
(in € millions)	**1 year**	**2 years**	**3 years**	**4 years**	**5 years**	**6 years**	**7 years**	**8 years**	**9 years**	**10 years**	**Total**
>= 4% <5%	0,0	80,0	330,0	550,0	2 405,0	5 065,0	2 285,0	1 060,0	750,0	5,0	**12 530,0**
>= 5% <6%	2 720,0	1 417,0	1 130,0	1 895,0	1 400,0	2 345,0	2 100,0	550,0	640,0	1 036,0	**15 233,0**
>= 6% <7%	495,0	1 930,0	100,0	810,0	1 115,0	400,2	0,0	0,0	0,0	0,0	**4 850,2**
>= 7% <8%	0,0	76,0	656,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	**732,0**
>= 8% <9%	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	**0,0**
>= 9% <10%	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	**0,0**
Total	**3 215,0**	**3 503,0**	**2 216,0**	**3 255,0**	**4 920,0**	**7 810,2**	**4 385,0**	**1 610,0**	**1 390,0**	**1 041,0**	**33 345,2**

21.1.2 Caps and floors at 31/12/2006

Strike price

	Residual life										
(in € millions)	**1 year**	**2 years**	**3 years**	**4 years**	**5 years**	**6 years**	**7 years**	**8 years**	**9 years**	**10 years**	**Total**
>= 4% <5%	0,0	0,0	80,0	30,0	550,0	2 405,0	5 065,0	2 075,0	675,0	700,0	**11 580,0**
>= 5% <6%	1 362,0	2 872,0	1 418,0	1 130,0	1 895,0	1 400,0	245,0	100,0	350,0	0,0	**10 772,0**
>= 6% <7%	656,0	495,0	1 930,0	100,0	810,0	1 258,0	400,0	0,0	0,0	0,0	**5 649,0**
>= 7% <8%	76,0	0,0	76,0	656,0	0,0	0,0	0,0	0,0	0,0	0,0	**808,0**
>= 8% <9%	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	**0,0**
>= 9% <10%	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	**0,0**
Total	**2 094,0**	**3 367,0**	**3 504,0**	**1 916,0**	**3 255,0**	**5 063,0**	**5 710,0**	**2 175,0**	**1 025,0**	**700,0**	**28 809,0**

21.1.3 Caps and floors at 31/12/2005

Strike price

	Residual life										
(in € millions)	**1 year**	**2 years**	**3 years**	**4 years**	**5 years**	**6 years**	**7 years**	**8 years**	**9 years**	**10 years**	**Total**
>= 4% <5%	0	0,0	0,0	80,0	30,0	550,0	2 355,0	1 765,0	325,0	385,0	**5 490,0**
>= 5% <6%	100	1 361,0	2 872,0	1 417,0	1 130,0	1 895,0	1 400,0	1 295,0	1 100,0	350,0	**12 921,0**
>= 6% <7%	0	656,0	495,0	1 930,0	100,0	810,0	1 115,0	400,0	0,0	0,0	**5 506,0**
>= 7% <8%	152	76,0	0,0	76,0	656,0	0,0	0,0	0,0	0,0	0,0	**961,0**
>= 8% <9%	305	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	**305,0**
>= 9% <10%	152	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	**152,0**
Total	**710**	**2 094,0**	**3 367,0**	**3 504,0**	**1 916,0**	**3 255,0**	**4 870,0**	**3 460,0**	**1 425,0**	**735,0**	**25 335,0**

21.2 Effective interest rate

Note 23.2 gives effective interest rates on fixed rate bonds and zero coupon bonds at the year-end and at purchase date. Effective interest rates are given for the CNP Assurances Group's main insurance subsidiaries:

- France
- Italy – CNP Capitalia Vita
- Brazil - Caixa
- Portugal – Global and Global Vida
- Spain – CNP Vida

21.2.1 Effective rate at purchase

31/12/2007

	France	Italy	Brazil	Portugal	Spain
Fixed rate debt securities	**Euro**	**Euro**	**Real**	**Euro**	**Euro**
Fixed rate bullet bonds	4,65	3,96	12,53	4,40	5,20

31/12/2006

	France	Italy	Brazil	Portugal
Fixed rate debt securities	**Euro**	**Euro**	**Real**	**Euro**
Fixed rate bullet bonds	4,71%	3,79%	14,90%	4,45%

31/12/2005

	France	Italy	Brazil	Portugal
Fixed rate debt securities	**Euro**	**Euro**	**Real**	**Euro**
Fixed rate bullet bonds	4,96%	3,70%	17,48%	4,50%

21.2.2 Effective rate at year-end

31/12/2007

	France	Italy	Brazil	Portugal	Spain
Fixed rate debt securities	**Euro**	**Euro**	**Real**	**Euro**	**Euro**
Fixed rate bullet bonds	4,64	4,30	12,25	4,43	4,74

31/12/2006

	France	Italy	Brazil	Portugal
Fixed rate debt securities	**Euro**	**Euro**	**Real**	**Euro**
Fixed rate bullet bonds	4,08%	3,85%	12,57%	4,06%

31/12/2005

	France	Italy	Brazil	Portugal
Fixed rate debt securities	**Euro**	**Euro**	**Real**	**Euro**
Fixed rate bullet bonds	3,25%	3,44%	18,12%	3,31%

21.3 Book values by maturity at 31 December 2007

(in € millions) Type of instrument	Due within 1 year	Due in 1 to 2 years	Due in 2 to 3 years	31/12/2007 Due in 3 to 4 years	Due in 4 to 5 years	Due beyond 5 years	Total
Fixed rate bonds	13 361,1	9 973,1	10 781,0	11 039,5	10 016,3	68 079,7	**123 250,7**
Zero coupon bonds	4 033,6	146,1	184,0	57,0	314,7	3 366,0	**8 101,4**
Adjustable rate bonds	499,5	2 449,0	299,3	68,4	160,8	1 161,1	**4 638,1**
Variable rate bonds	746,9	299,8	239,9	337,9	139,9	664,6	**2 429,0**
Inflation-linked fixed rate bonds	1,6	1,4	2,2	0,1	0,0	41,2	**46,5**
Other bonds	2 368,8	4 949,0	3 259,3	3 143,0	3 285,3	23 154,8	**40 160,2**
Total	**21 011,5**	**17 818,4**	**14 765,7**	**14 645,9**	**13 917,0**	**96 467,4**	**178 625,9**

21.3.1 Book values by maturity at 31 December 2006

(in € millions) Type of instrument	Due within 1 year	Due in 1 to 2 years	Due in 2 to 3 years	31/12/2006 Due in 3 to 4 years	Due in 4 to 5 years	Due beyond 5 years	Total
Fixed rate bonds	9 230,2	10 409,7	9 850,6	10 039,8	10 830,8	68 225,7	**118 586,8**
Zero coupon bonds	1 131,8	262,6	133,3	161,9	55,7	3 663,8	**5 409,1**
Adjustable rate bonds	297,0	348,1	2 284,6	153,8	80,0	1 171,9	**4 335,4**
Variable rate bonds	4 364,1	435,2	236,7	94,9	192,5	244,1	**5 567,5**
Inflation-linked fixed rate bonds	1 018,7	319,8	3 626,3	1 827,3	2 250,0	9 015,0	**18 057,1**
Other bonds	2 762,3	898,5	830,3	413,5	792,1	13 230,6	**18 927,3**
Total	**18 804,1**	**12 673,9**	**16 961,8**	**12 691,2**	**14 201,1**	**95 551,1**	**170 883,2**

21.3.2 Book values by maturity at 31 December 2005

(in € millions) Type of instrument	Due within 1 year	Due in 1 to 2 years	Due in 2 to 3 years	31/12/2005 Due in 3 to 4 years	Due in 4 to 5 years	Due beyond 5 years	Total
Fixed rate bonds	8 205,9	7 174,1	10 928,8	10 507,5	10 241,5	63 208,0	**110 265,8**
Zero coupon bonds	1 075,1	380,6	455,4	243,3	161,8	3 802,0	**6 118,2**
Adjustable rate bonds	1 659,9	256,0	229,8	2 157,4	111,7	708,1	**5 123,0**
Variable rate bonds	3 371,2	301,3	264,7	85,5	47,0	215,8	**4 285,5**
Inflation-linked fixed rate bonds	131,5	13,6	12,4	1 006,5	40,7	6 211,5	**7 416,2**
Other bonds	2 109,1	2 124,8	1 259,7	3 334,8	2 907,5	13 551,8	**25 287,7**
Total	**16 552,7**	**10 250,3**	**13 150,7**	**17 335,0**	**13 510,3**	**87 697,3**	**158 496,4**

21.4 Book values by maturity - held-to-maturity investments

21.4.1 Book value at 31 December 2007

Carrying amount of financial instruments measured at amortised cost	31/12/2007 Within 1 year	Due in 1 to 2 years	Due in 2 to 3 years	Due in 3 to 4 years	Due to 4 to 5 years	Beyond 5 years	Total
Held-to-maturity investments	132,0	101,6	149,4	206,2	132,0	391,7	1 112,9
Total	**132,0**	**101,6**	**149,4**	**206,2**	**132,0**	**391,7**	**1 112,9**

21.4.2 Book value at 31 December 2006

Carrying amount of financial instruments measured at amortised cost	31/12/2006 Within 1 year	Due in 1 to 2 years	Due in 2 to 3 years	Due in 3 to 4 years	Due to 4 to 5 years	Beyond 5 years	Total
Held-to-maturity investments	60,1	109,7	100,9	83,1	161,2	379,5	894,5
Total	**60,1**	**109,7**	**100,9**	**83,1**	**161,2**	**379,5**	**894,5**

21.4.3 Book value at 31 December 2005

Carrying amount of financial instruments measured at amortised cost	31/12/2005 Within 1 year	Due in 1 to 2 years	Due in 2 to 3 years	Due in 3 to 4 years	Due to 4 to 5 years	Beyond 5 years	Total
Held-to-maturity investments	136,4	64,6	79,8	63,9	57,5	477,9	880,1
Total	**136,4**	**64,6**	**79,8**	**63,9**	**57,5**	**477,9**	**880,1**

21.5 Average life of securities

This note a gives the average remaining life of debt securities weighted by book value, in years.

21.5.1 Average life of securities at 31 December 2007

France	Italy	Brazil	Portugal	Spain
6,5	3,4	2,9	5,4	4,7

21.5.2 Average life of securities at 31 December 2006

France	Italy	Brazil	Portugal
6,6	3,5	0,8	6,0

21.5.3 Average life of securities at 31 December 2005

France	Italy	Brazil	Portugal
7,0	4,1	2,0	7,1

Note 22. Interest rate risk on financial liabilities

This note gives an analysis of technical reserves by rate commitment.

31/12/2007		
Minimum guaranteed rate e	**Technical reserves (€ M)**	**%**
0%[1]	98 825,2	42,0%
]0%-2%]	8 477,7	3,6%
]2%-3%]	46 416,1	19,7%
]3%-4%]	4 401,9	1,9%
]4%-4,5%]	5 515,7	2,3%
>4,5%[2]	911,4	0,4%
UC	41 506,3	17,6%
Other[3]	29 464,0	12,5%
TOTAL	**235 518,4**	**100,0%**

(1) Represents life insurance technical reserves for policies without rate commitment.

(2) Reserves with a commitment over 4.5% mainly relate to the Caixa subsidiary operating in Brazil where bond rates are greatest than 10% (see Note 21.2).

(3) Includes all reserves excluding mathematical reserves and liabilities on unit-linked policies, i.e. non-life insurance technical reserves, profit-sharing reserves and claims reserves.

31/12/2006		
Minimum guaranteed rate	**Technical reserves (€ M)**	**%**
0%[1]	85 556,7	39,3%
]0%-2%]	8 940,1	4,1%
]2%-3%]	40 817,1	18,8%
]3%-4%]	7 891,3	3,6%
]4%-4,5%]	5 440,1	2,5%
>4,5%[2]	532,1	0,2%
UC	38 700,5	17,8%
Other[3]	29 665,8	13,6%
TOTAL	**217 543,7**	**100,0%**

(1) Represents life insurance technical reserves for policies without rate commitment.

(2) Reserves with a commitment over 4.5% mainly relate to the Caixa subsidiary operating in Brazil where bond rates are greatest than 10% (see Note 21.2).

(3) Includes all reserves excluding mathematical reserves and liabilities on unit-linked policies, i.e. non-life insurance technical reserves, profit-sharing reserves and claims reserves.

Note 23. Liquidity risk

This note discloses future cash flows from assets (redemptions, interest payments, etc.) by period.

23.1 Future cash flows from assets

23.1.1 Future cash flows from assets at 31 December 2007

	Within 1 year	In 1 to 5 years	In 5 to 10 years	In 10 to 15 years
Available-for-sale financial assets	20 999	65 387	65 372	41 017
Assets held for trading	3 060	13 927	9 421	3 103
Held-to-maturity investments	161	726	277	103

23.1.2 Future cash flows from assets at 31 December 2006

	Within 1 year	In 1 to 5 years	In 5 to 10 years	In 10 to 15 years
Available-for-sale financial assets	16 360	62 388	60 313	30 074
Assets held for trading	4 019	11 882	8 456	2 458
Held-to-maturity investments	91	553	333	96

23.1.3 Future cash flows from assets at 31 December 2005

	Within 1 year	In 1 to 5 years	In 5 to 10 years	In 10 to 15 years
Available-for-sale financial assets	18 994	58 222	54 930	23 851
Assets held for trading	3 513	13 799	4 372	2 233
Held-to-maturity investments	139	372	395	146

23.2 Forecast payments by period

This note gives estimates of payments, redemptions and partial redemptions for life assurance and investment policies, savings, pensions and insurance policies.

The total forecast is greater than the balance sheet figures reported because it relates to outward capitalised cash flows.

23.2.1 Forecast payments by period at 31/12/2007

	31/12/2007				
(in € millions)	Within 1 year	In 1 to 5 years	In 5 to 10 years	In 10 to 15 years	Due beyond 15 years
Liabilities linked to insurance and investments policies (including unit linked)	14 349,0	72 657,1	56 077,0	51 159,5	166 695,3

23.2.2 Forecast payments by period at 31/12/2006

	31/12/2006				
(in € millions)	**Within 1 year**	**In 1 to 5 years**	**In 5 to 10 years**	**In 10 to 15 years**	**Due beyond 15 years**
Liabilities linked to insurance and investments policies (including unit linked)	13 361,3	64 696,3	50 321,7	43 276,4	130 827,3

23.3 Immediately redeemable liabilities

The amount of immediately redeemable liabilities at 31/12/2007 is 208 Bn euros (€197 Bn at 31/12/2006). This amount represents the liabilities on life insurance policies and investment policies reported on the balance sheet which can be redeemed or transferred by policy-holders, as stipulated in their policy.
Borrower policies, group provident policies, certain policies with annuity payments and "Madelin law" policies cannot be redeemed under those terms.
It should be noted that this maximum amount for policies that can be redeemed does not take account of the behaviour of policy-holders who tend to significantly extend the effective duration of liabilities as reported in the payment forecasts in Note 23.2.

Note 24. Asset/liability adequacy of unit-linked policies

(in € millions)	**31/12/2007**	**31/12/2006**	**31/12/2005**
Investment properties held to cover linked liabilities	1 117,1	892,1	730,9
Financial assets held to cover linked liabilities	40 392,4	37 811,3	31 791,5
Other assets held to cover linked liabilities (e.g. non financial assets held by a consolidated non-trading property company)	0,0	0,0	0,0
Total assets held to cover linked liabilities - carrying amount	**41 509,5**	**38 703,4**	**32 522,4**
Linked liabilities - financial instruments without DPF	14 200,3	15 778,9	16 162,4
Linked liabilities - insurance policies and financial instruments with DPF (other than guaranteed capital reserves)	27 306,0	22 921,6	16 358,6
Total linked liabilities (other than guaranteed capital reserves)	**41 506,3**	**38 700,5**	**32 521,0**
Guaranteed capital reserves	10,3	8,5	8,3
Total linked liabilities	**41 516,6**	**38 709,0**	**32 529,3**

Note 25. Risk management

25.1 Credit risk

The policy for managing issuer risk, confirmed by the Executive Board, is designed to maintain a high standard of quality in ratings and diversification in the choice of regulatory investments to prevent concentrations per issuer, or by geographic zone.

A counterparty risk committee meets periodically to fixer commitment limits.

There are monthly reports on credit risk management detailed per issuer and categorising the different types of security held (capital, subordinate, secured, other, etc.). The quality approach (scrutiny of each issuer by the CNP credit analysts) is based in particular on the work of ratings agencies, and on research by investment banks and management companies.

CNP Assurances has developed an in-house system to control issuer and counterparty risk. It is based on a quantitative model used by investment banks.

The model is designed to measure the risks of losses on bond portfolios in the short, medium and long term for CNP Group companies. It covers all sectors of the CNP Group and can be used by financial strategists for risk allocation. Simulations can be made to test risk for a credit portfolio.

At 31 December 2007, 95.6% of the Group's consolidated bond portfolio consists of bonds rated A to AAA by the main rating agencies, including 49% top rated bonds (AAA).

Note 9.7 gives the Group's consolidated bond portfolio by issuers' rating.

25.2 Exchange risk

Asset portfolios are mainly invested in euro zone securities.

The exposure to exchange risk on investment portfolios is thus very limited, with less than 1 % of the Group's French companies' investments in a currency other than euros.

25.3 Sensitivity of equity and profit to market risks

The CNP Assurances Group employs sensitivity tests to understand and effectively manage volatility of profit and equity. Management particularly uses analyses of sensitivity of the EEV to market and insurance risks.

As regards analyses of sensitivity to interest rate variations and changes on stock and foreign exchange markets, the CNP Assurances Group employs two broad types of sensitivity analysis:

- European Embedded Value (EEV) for Life business;
- profit and equity;

The second type of analyse is intended to assess the Group's exposure to fluctuations in interest rates, stock market prices and exchange rates. The perimeter covered by these analyses, apart from CNP Assurances SA, includes its most important subsidiaries in France, the subsidiary in Brazil and the subsidiary in Italy. The sensitivity factors taken into account are detailed in the table below:

Sensitivity factor	Description of sensitivity factor
Interest rate	Impact of a change in interest rates of ± 100 bp (for example, if the current interest rate is 5%, the impact of a change to 6% or 4%).
Shares	Impact of a change in the value of shares of ± 10%.
Exchange	Impact of a change in the value of €/$ and €/£ exchange rate of ± 10%.

Sensitivity analysis at 31/12/2007:

En M€	Interest rates +100bp*	Interest rates -100bp	Shares +10%	Shares -10%	Exchange €/$ +10%	Exchange €/£ +10%
Impact on the result	-13,3	33,1	97,8	-111,7	-48,1	-10,7
Impact on the equity	-343,4	343,5	366,0	-352,1	-8,1	-3,2

The portfolio above corresponds to the following scope : France, Italy, Brazil.

* The impact on profit or loss of a change in interest rates takes into account hedging..

At 31/12/2007, because of CNP Assurances' 51.75% holding in the Brazilian insurance company Caixa, a change of +10% in the euro in relation to the Brazilian real means a loss of €10.4 M on profit and €44.8 M on equity for CNP Assurances.

Sensitivity analysis at 31/12/2006:

En M€	Interest rates +100bp*	Interest rates -100bp	Shares +10%	Shares -10%	Exchange €/$ +10%	Exchange €/£ +10%
Impact on the result	4,7	65,1	115,8	-123,8	-52,8	-11,1
Impact on the equity	-233,5	233,7	284,8	-276,7	-1,8	-1,1

The portfolio above corresponds to the following scope : France, Italy, Brazil.

* The impact on profit or loss of a change in interest rates takes into account hedging..

At 31/12/2006, because of CNP Assurances' 51.75% holding in the Brazilian insurance company Caixa, a change of +10% in the euro in relation to the Brazilian real means a loss of €8.6 M on profit and €38 M on equity for CNP Assurances.

Limits of analysis of sensitivity to market risks.

The results of sensitivity analyses must be viewed with care because of the following aspects:

- "instant" analyses do not take account of the fact that the asset – liability management techniques employed by the various Group entities to minimise their exposure are dynamic strategies. Depending on changes in the market, these strategies result in sales, purchases and reallocations of assets and alterations of rates credited to clients;
- analyses do not measure the impact of changes in markets on future policies. CNP Assurances passes on changes in markets through the prices of its new products;
- the three risk factors (rates, shares, exchange) can be inter-related;
- each sensitivity does not increase in a linear manner;
- assumptions used to calculate life assurance liabilities are fixed.

25.4 Asset/liability management

The following asset/liability management techniques applied/renewal and purchase assumptions employed/effects of a change in redemption assumptions are used:

The CNP Group makes regular simulations in order to test the performance of its different portfolios using contrasted interest rate and financial market scenarios.

Asset/liability simulations are performed by a program developed by CNP Assurances which incorporates the special features of life assurance. They are based on a number of typical scenarios for rises or falls in interest rates. Simulations also cover a very large number of scenarios, generated at random, in order to measure the statistical spread of results (stochastic simulations).

Exposure to a fall in interest rates

The CNP Group regularly analyses the impact of a fall in interest rates on its ability to service commitments to policy-holders.

Asset/liability simulations have confirmed that portfolios perform correctly in the rate decrease scenarios.

This results from application, for some years, of the following measures:

- revision of general policy terms to limit the duration and level of yield guarantees.
- extension and annuitisation at 0% of single premium policies with a guaranteed rate of return.
- conservative approach to determining technical reserves for annuity products.
- matching of interest rate commitments with fixed rate bonds that have an at least equivalent life.

Exposure to an increase in interest rates

The Group pays close attention to the risk associated with an increase in interest rates and this is a key focus of its asset/liability management.

Liabilities

- combined unit-linked/non-unit-linked policies include contractual clauses limiting or banning transfers between portfolios in the case of an unfavourable change in market conditions.
- the duration and level of yield guarantees is limited through the development of products offering guaranteed yields adjusted at annual intervals, thereby allowing asset managers to reduce the weighting of long-dated bonds in the managed portfolios.

Assets

- floating rate and index bonds represent around 10% of portfolios;
- a part of the CNP Group's fixed rate portfolio is covered by caps type options.

In the case of a sharp rise in interest rates to above certain trigger points, the hedges acquired by CNP would generate additional revenues corresponding to the difference between the trigger rate and actual long-term interest rates on the financial markets, thereby improving the return on the hedged assets in a period of rising interest rates. In this way, the hedges improve returns on the underlying assets in periods of rising interest rates. The hedging programme is extended each year, to keep pace with the growth in assets under management.

25.5 Insurance risks

25.5.1 Policy terms and conditions

25.5.1.1 Types of insured risks by class of business and overview of business lines

Three classes of business have been identified – savings, pensions and personal risk – according to the nature of the Group's commitment.

Savings policies: mainly a financial commitment

Savings policies fall into two broad categories:

- non-unit-linked policies, where the insurer is committed to paying a capital sum plus any guaranteed yield and a share of the investment yield over and above the guaranteed minimum in the case of death or when the policy is surrendered or matures.
- unit-linked policies, where the policyholder bears the entire investment risk and the insurer's commitment is limited to any additional guarantees, such as a capital guarantee in the case of death.

Pension products: technical and financial commitments

Commitments associated with annuity-based pension products depend on:

- the benefit payment period, which is not known in advance
- the interest rate corresponding to the return on the policyholder's savings managed by the insurer.

Personal risk policies, giving rise to a technical commitment

The risk associated with these policies is determined primarily by the insured's age, gender and socio-professional category.

27.5.1.1 Description of main policyholder cover

Non-unit-linked savings policies – which give rise to a commitment to pay a capital sum – fall into four broad categories:

- deferred capital insurance with counter-insurance of premiums, giving rise to the payment of a lump sum or annuities.
- fixed term life insurance, giving rise to the payment of a capital sum when the policy matures, regardless of whether the insured is still alive or not.
- endowment insurance, giving rise to the payment of a capital sum to the insured when the policy matures or to a named beneficiary if the insured dies before the maturity date.
- investment certificates, giving rise to the payment of a capital sum.

These policies generally pay a minimum yield (credited interest) plus policyholder dividends.

Unit-linked savings policies do not involve any capital guarantee for the insurer, except for policies that also include death and/or disability cover. For the latter policies, the insurer's commitment is limited to any positive difference between cumulative gross or net premiums and the value of the units.

Pension policies – which give rise to a commitment to pay a life annuity – fall into the following categories:

- voluntary individual pension accounts ("Article 82" accounts) giving rise to the payment of a life annuity from retirement. Retirement age is decided by the insured and a reversionary pension may be paid to a named beneficiary. The policy includes an option to convert the annuity into a lump sum.
- compulsory individual pension accounts ("Article 83" accounts) giving rise to the payment of a life annuity. The total annuities payable to the insured are based directly on the insured's salary during the contribution period and a reversionary pension may be paid to a named beneficiary.
- defined benefit plans ("Article 39" plans) funded by contributions based on total payroll. The contributions are paid into a mutual fund. When each plan participant retires, the total amount of future pension benefits is transferred from the mutual fund to the pension fund. Benefits are paid in the form of annuities.
- points-based pay-as-you-go group pension plans ("Article L.441-1" plans) giving rise to the payment of annuities corresponding to the number of points earned during the contribution period multiplied by the value of the point. Annuities are adjusted based on changes in the value of the point.
- immediate and deferred annuity policies, giving rise to the payment of annuities immediately or at the end of a specified period.

Policies to fund length-of-service awards payable to employees in France on retirement are also qualified as pension policies. Under these policies, the insurer's liability for the payment of benefits is limited to the amount held in the related fund.

Personal risk policies comprise various types of primary guarantees covering such risks as death, temporary or permanent disability, long-term care, health and unemployment. The main types of policy are as follows:

- term life insurance, renewable term insurance, long-term insurance and whole life insurance policies, which pay a lump sum in the case of death or permanent disability of the insured. Most of them include an accidental death option whereby the death benefit provided for under the primary guarantee is doubled or tripled.
- policies paying a temporary or life annuity to dependent children or the spouse on the death of the insured.
- death/disability policies providing for the payment of a lump sum in the case of death of the insured or a per diem allowance for temporary disability or a lump sum or annuities for permanent disability. Temporary disability benefits are payable on a monthly basis, in some cases after a waiting period.
- loan insurance policies, which cover all or part of an outstanding loan in the case of death of the insured, or monthly repayments – less a specified deductible – during a period of temporary disability or until the insured is recognised as being permanently disabled, or all or part of the monthly repayments in the case of permanent disability, or all or part of the monthly repayments after a waiting period in the case of unemployment. Death cover is compulsory and the loan will not be paid out until evidence of cover is provided.
- long-term care insurance policies, providing for the payment of a fixed annuity covering part of the cost of long-term care. The amount of the annuity depends on the option selected by the insured.
- supplementary health insurance policies, which cover all or part of the healthcare costs incurred by the insured, the insured's spouse and dependent children, that are not reimbursed by the social security authorities.

In addition, the Group's subsidiaries in Portugal (Global Nao Vida) and Brazil (Caixa Seguros) write property and casualty and liability insurance. They include building insurance and auto insurance. The cover provided under these policies is determined in accordance with local insurance regulations. Commitments under property and casualty and liability insurance are marginal in relation to those arising from the personal insurance written by the CNP Assurances Group.

25.5.1.2 General features of participation clauses

Non-unit-linked savings policies, certain group personal risk policies and certain pension policies include participation clauses. Under the terms of these clauses, the parties agree to share – on the basis defined in the policy – part of the income generated by the investment of the funds corresponding to the policy's technical reserves and, in the case of pension and personal risk policies, part of the underwriting result.

25.5.1.3 Participation policy

Most policies contain a discretionary participation feature, whereby the participation allocated to the insured is determined by the insurer as part of its marketing policy subject to compliance with the policy terms and the applicable laws. Participation is determined based on investment income for the year and the insurer has full discretion over the volume of capital gains realised during the period. The insured do not have individual rights to the participation until it is allocated to benefits or mathematical reserves. Participation that has been attributed but not yet allocated is accumulated in the policyholders' surplus reserve.

25.5.1.4 Basis for determining participation rates

Participation rates are determined based on the local accounts.

25.5.2 Valuation of insurance liabilities (assumptions and sensitivities)

25.5.2.1 Technical reserve models

Technical reserves are defined as follows:

- mathematical reserves correspond to the difference between the present values of the respective commitments of the insurer and the insured.
- policyholder surplus reserves correspond to the participation attributed to the policy beneficiaries that is not payable in bonuses in the year following the one in which the surplus was generated.
- administrative expense reserves are intended to cover future policy administration costs that are not otherwise covered.
- escalating risks reserves correspond to the difference between the present values of the respective commitments of the insurer and the insured under temporary and permanent disability and long-term care policies.
- unearned premium reserves cover the portion of written and accrued premiums for the period between the balance sheet date and the next premium payment date or the policy expiry date. They are recorded for all types of policy.
- premium deficiency reserves cover the portion of claims and benefits and the related handling costs for the period between the balance sheet date and the earliest possible premium adjustment date or the policy expiry date that is not covered by the unearned premium reserve.
- outstanding claims reserves cover the estimated principal amounts and internal and external expenses payable to settle all outstanding claims, including total future annuity payments.

25.5.2.2 Modelling objectives

The approach used to ensure that technical reserves are adequate focuses on:

- managing the risks associated with a fall in interest rates.
- taking swift action to adjust technical reserves following a change in mortality tables.
- using experience-based data concerning annuities in payment when observed losses appear unusually low compared with expected mortality rates.

25.5.2.3 Procedure for determining the main assumptions

The assessment of technical reserves is supported by:

- detailed knowledge of effective dates and the timing of accounting recognition and processing of the various technical and management events, as well as of the exact specifications of period-end processing operations and their scheduling, in order to accurately determine the underwriting and loss years.
- the creation of files at each period-end to check the consistency of reserves with technical flows.
- recurring audits of management system calculations, based on random tests and detailed repeat calculations.
- detailed risk assessments, based on prospective guaranteed yield calculations taking into account commitments in excess of regulatory limits, and on detailed statistical and other analyses of personal risk policies, including loss

monitoring (by policy/underwriting year/loss year) and tracking of the utilisation of reserves.

25.5.2.4 Assumptions based on market or company-specific variables

Discount rates for savings and life insurance policies are capped at a level corresponding to a conservative estimate of the expected return on the corresponding assets. Non-life technical reserves are discounted at market interest rates. All other assumptions are determined by reference to internal experience-based data.

25.5.2.5 Use of assumptions that do not reflect historical experience

Assumptions are generally based on past experience and do not differ from those that would be expected to be used based on observed historical data. However, for liability adequacy testing purposes, the Group uses dynamic surrender rates which factor in possible increases in surrender rates that are not supported by past experience. In addition, the allocation keys used to allocate unrealised capital gains are based on embedded value calculations. As such, they do not reflect observed historical data but consist of a reasonable projection of future unrealised gain allocations, determined according to the principles applied to calculate the Group's embedded value published each year.

25.5.2.6 Assumption correlations

Apart from the use dynamic surrender rates reflecting the correlation between surrender rates and the level of guaranteed yields for liability adequacy testing purposes, correlations among the various assumptions are not taken into account.

25.5.2.7 Uncertainty concerning insurance cash flows

Uncertainties concerning insurance cash flows mainly relate to the timing of surrenders and the payment of death and other benefits.

25.5.2.8 Sensitivity of earnings and equity to changes in variables

Earnings are sensitive to changes in loss ratios (impact on reserves discounted at 60% or 75% of the TME rate, depending on the risk).

25.5.3 Concentration of insurance risk

25.5.3.1 Use of reinsurance to reduce concentrations of insurance risk

The Group's reinsurance programmes are designed to avoid earnings fluctuations and increase its underwriting capacity. The objectives of the reinsurance policy defined by the Executive Board are as follows:

- to implement a reinsurance programme covering direct business and inward reinsurance written for provident institutions and subsidiaries.
- to protect underwriting results by entering into non-proportional treaties that are geared to the size of the Group and provide excess-of-loss cover per risk and per occurrence (catastrophe risk).
- to share risks on large-scale new business.

25.5.3.2 Loss exposure per risk and per occurrence

All portfolios are covered by catastrophe excess-of-loss reinsurance obtained from professional reinsurers.

• **Individual policies**: death, and permanent and total disability risks for all portfolios of individual policies (direct business and inward reinsurance written by CNP for its Assurposte, Ecureuil Vie and Global Vida subsidiaries) are reinsured on the market as follows: for each loss event – defined as an event involving at least five victims – the Group retains five times the annual social security ceiling (€31,068 in 2006) and the reinsurers cover 1,000 times this ceiling per event and 2,000 times the ceiling per loss year.

• **Group policies**: death and disability risks on all group policies (direct business net of risks ceded to co-insurers, and all quota-share reinsurance purchased from CNP by provident institutions and mutual insurers) are covered through the Bureau Commun des Assurances Collectives pool. The system provides successively for the retention of the two largest claims per insurer, €20 million in co-insurance cover (of which CNP's share is 26%) and reinsurance cover purchased by the pool from external reinsurers. There are three levels of reinsurance cover, as follows: level 1: 30 XS €20 million; level 2: 100 XS €50 million and level 3: 150 XS €150 million with total reconstitution except for nuclear and nuclear, biological and chemical terrorism risks. A loss event is defined as involving three or more victims. Catastrophe risks insured by CNP Assurances for provident institutions and mutual insurers are reinsured on the market. A loss event is defined as involving three or more victims. The Group retains €1 million per loss event and the reinsurers cover €30 million per loss event and €60 million per loss year, except for nuclear and nuclear, biological and chemical terrorism risks for which the ceiling is €30 million per loss year.

All portfolios are also covered for high capital payouts in the case of IPA3 death of an insured.

Reinsured portfolios are analysed each year, covering:

- the age pyramid, risk dispersion and concentration of insured populations.
- the number, size and cause of paid claims, including a detailed analysis of the largest claims.
- underwriting and reinsurance results.
- reinsurance balances are net settled at quarterly, half-yearly or annual intervals depending on the treaty. There are currently no disputed balances.

The property and casualty and liability insurance portfolios of the Group's Portuguese subsidiary, Global Nao Vida, are also reinsured on the market.

25.5.4 Financial options, guarantees and embedded derivatives not separated from the host contract

Information on the exposure to interest rate risk or market risk caused by embedded derivatives (if not derivatives of the JV).
Non-unit-linked savings policies with a guaranteed yield have been classified by level of commitment, as follows (in decreasing order):

- policies offering a guaranteed rate of return and a guaranteed profit share when the policy matures.
- policies offering a higher fixed rate of return (generally 75% of the TME rate) over a maximum of 8 years.
- policies offering a guaranteed rate of return representing less than 60% of the TME rate at the time of payment.

A breakdown of technical reserves detailing commitments on savings policy rates in euros is given in Note 22.

25.5.5 Credit risk arising from insurance business

25.5.5.1 Credit risk arising from outward reinsurance – Terms and conditions of guarantees received and given

The Group regularly checks the solvency of its reinsurance partners. The discriminating criteria applied for the selection of these partners include their credit rating.

Excess-of-loss policies have been placed with reinsurers rated between A- and AAA.

25.5.5.2 Risks associated with financial guarantees and information about risks associated with intermediate current accounts

Certain specific risks are associated with insurance policies, including the risk of disputes with the insured or beneficiaries.

The number of new lawsuits concerning the interpretation of policy terms declined by 3 % compared to the 2006 financial year. Likewise, the number of lawsuits in progress this year is down 11%, so there were 1,874 cases in hand at 31/12/07. The decline reflects the increased amount of classified business (2.5 % classified business in 2007 compared to 2006.

This figure should be compared to the number of policies managed by the CNP for both individual and group insurance.

Two-thirds of lawsuits concern temporary disability clauses and a smaller number concern death benefits.

There is also evidence of certain emerging insurance risks. Certain issues raised in connection with lawsuits go beyond a simple dispute between CNP Assurances and the insured. These issues could have serious consequences for the entire insurance industry if the courts all found against the insurer.

25.6 Risk management

Risk management objectives and methods, underwriting and risk selection policy, pricing policy, risk assessment methods.

The Group has management information systems designed to ensure that it fulfils its commitments to shareholders. Its management information systems:

- roll down Group objectives to the level of the individual businesses.
- track the progress made by each business in meeting these objectives, in order to allow corrective action to be taken on a timely basis.
- analyse the profit and value creation components.

They are used to support underwriting and pricing decisions, based on specific analyses performed for each individual insurance application.

In particular:

- budgets and business plans provide the basis for analysing the components of profit, assessing forecast profitability and measuring the impact of product decisions on future profits.

  Embedded value and new business calculations reflect the business's current resources and its ability to create value. Each year, differences between forecast and actual value creation are analysed and presented at the same time as the financial statements.

General forecasting system:

Asset and liability projections are produced annually, in the fourth quarter, and used to calculate policyholder dividend rates for the year, as well as to produce budgets and business plans.

Medium and long-term projections are used to produce financial trajectories and perform in-force and new business calculations, in connection with the annual business valuation exercise.

Forecasting models are tailored to the types of products concerned. They include:

- asset/liability models for savings and pension products.
- specific loan insurance models which break down the insurance book by underwriting year.
- models tailored to individual and group personal risk products, incorporating risk measurement factors and statistical data.
- models designed to simulate future annuity commitments.

The results of the detailed analyses are consolidated by type of risk according to a central scenario based on the assumption that conditions in the financial markets will remain stable and that the Group will hold onto its market shares. Alternative scenarios are also used, to assess the sensitivity of earnings to changes in premium income, conditions on the financial markets and policyholder behaviour.