

**March 2016**

# **INVESTOR PRESENTATION**

insuring all  
our futures



## DISCLAIMER

Some of the statements contained in this document may be forward-looking statements referring to projections, future events, trends or objectives that, by their very nature, involve inherent risks and uncertainties.

Actual results could differ materially from those currently anticipated in such statements by reason of factors such as changes in general economic conditions and conditions in the financial markets, legal or regulatory decisions or changes, changes in the frequency and amount of insured claims, particularly as a result of changes in mortality and morbidity rates, changes in surrender rates, interest rates, foreign exchange rates, the competitive environment, the policies of foreign central banks or governments, legal proceedings, the effects of acquisitions and the integration of newly acquired businesses, and general factors affecting competition. Further information regarding factors which may cause results to differ materially from those projected in forward-looking statements is included in CNP Assurances' filings with the *Autorité des Marchés Financiers*. CNP Assurances does not undertake to update any forward-looking statements presented herein to take into account any new information, future event or other factors.



## AGENDA

- 1. Company overview**
- 2. A resilient and balanced business model**
- 3. A disciplined risk management strategy**
- 4. Strategic outlook**
5. Appendices

1.

## Company overview

## **A MAJOR EUROPEAN LIFE INSURER WITH A GROWING INTERNATIONAL BUSINESS**

### **➤ Leader in France, the 4<sup>th</sup> largest life insurance market in the world**

- Since there are no pension funds *per se* in France, the French life insurance product has become the main vehicle for people to supplement the state-pay-as-you-go retirement system
- Bancassurance: 60% of the whole French Life insurance market
- French life insurance reserves (€1.6bn as of end 2015) represent more than 2/3 of French GDP (€2.1bn)

### **➤ One of the largest European insurers**

- Providing insurance for more than 160 years
- Gross premiums: €31.6bn at 31 December 2015
- Total assets: €393.7bn at 31 December 2015

### **➤ A balanced positioning in mature and growing markets**

- N°1 Life Insurer in France
- N°5 insurer overall in Brazil

### **➤ A credit rating reflecting the financial strength of the company**

- S&P: A (January 2016) ; stable outlook

## A RESILIENT AND BALANCED BUSINESS MODEL



### **A broad and stable distribution network**

- Long term product distribution agreements with banking partners
- High penetration relying on an extensive distribution network
- Loyal and diversified customer base
- Direct BtoB and brokered business channels for Group protection business
- Open-model distribution on a non-exclusive basis with private banks and financial advisers



### **Growth perspective in profitable segments**

- Objective to deliver average organic EBIT growth of at least 5% per year over the next 3 years (2016 to 2018)
- Geographical diversification between France, a mature market with stable earnings and cash flows, and Brazil, an emerging market with growth perspective and high margins



### **Low volatility of profit generation enabling a stable payout even in challenging environments**

- Since its IPO in 1998, CNP Assurances has continuously posted 17 years of positive annual and quaterly net income
- The dividend has never been cut nor reduced since listing (scrip dividend in 2011 and 2012)
- Guaranteed rate structurally low in French Life market, providing CNP Assurances with policy payout flexibility



### **A cost effective structure**

- Administrative expenses are best-in class among European peers given CNP Assurances market share and economies of scale
- Acquisition costs are mainly variable costs (commissions paid to our distributors)
- Mid-size company in terms of headcounts (5,000 employees) with high reactivity
- Low break even point in terms of revenues: excellent cost-income ratio of 26% in 2015



### **Disciplined risk management strategy**

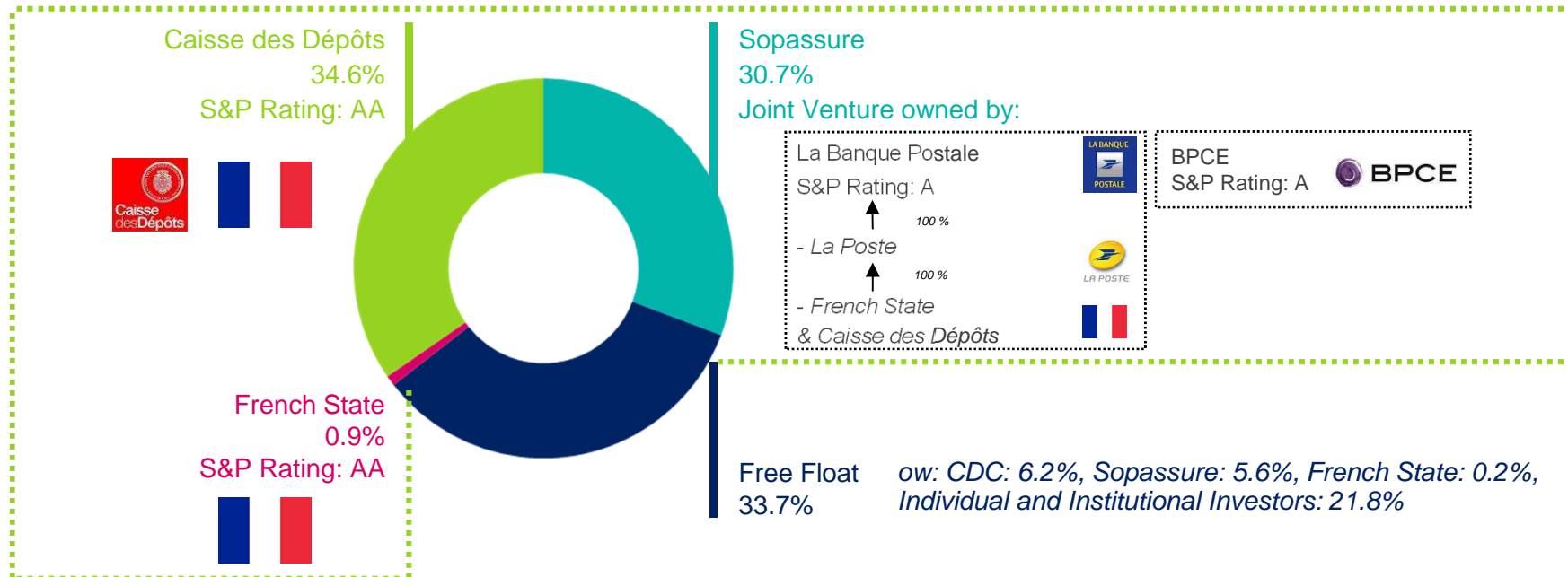
- Economic balance sheet volatility is controlled through close asset/liability management
- Quality asset portfolio with high level of diversification

**2.**

**A resilient and  
balanced business  
model**

## CNP ASSURANCES OWNERSHIP STRUCTURE

### Shareholders pact



➤ The Company's capital is comprised of 686,618,477 shares

➤ Shareholder Pact ends in December 2017



## A CORNERSTONE OF THE FRENCH PUBLIC FINANCIAL SECTOR...

### ➤ **CNP Assurances is a central pillar of the savings and pension system in France and underwrites:**

- Savings and protection guarantees of mass-market retail customers through the networks of La Banque Postale\*, BPCE \* (Caisses d'Epargne, Banques Populaires, Crédit Foncier) and Ametis (in-house network of 300 insurance advisors)
- Savings and protection guarantees of high-net worth customers through Private Banks and Financial Advisors on an open-model
- Pension funds of French civil servants (Prefon) and French local authorities' employees
- Group death, disability and health insurance of French local authorities, mutual insurers and numerous companies, from SMEs to Blue Chips

\* Please refer to p.12 for a description of the distribution agreements with La Banque Postale and BPCE

## ... AND A LEADING POSITION IN FRANCE AND BRAZIL

### ➤ Market leader in French Life insurance

- 16.5%\* market share of the French life insurance market
- Significant market share of the Term Creditor Insurance market (death and disability of the borrowers)
- Stable earnings and cash-flows
- France represents 78% of consolidated premium income, 73% of consolidated profit and 90% of consolidated SCR

### ➤ Strong track record in Brazil with Caixa Seguradora

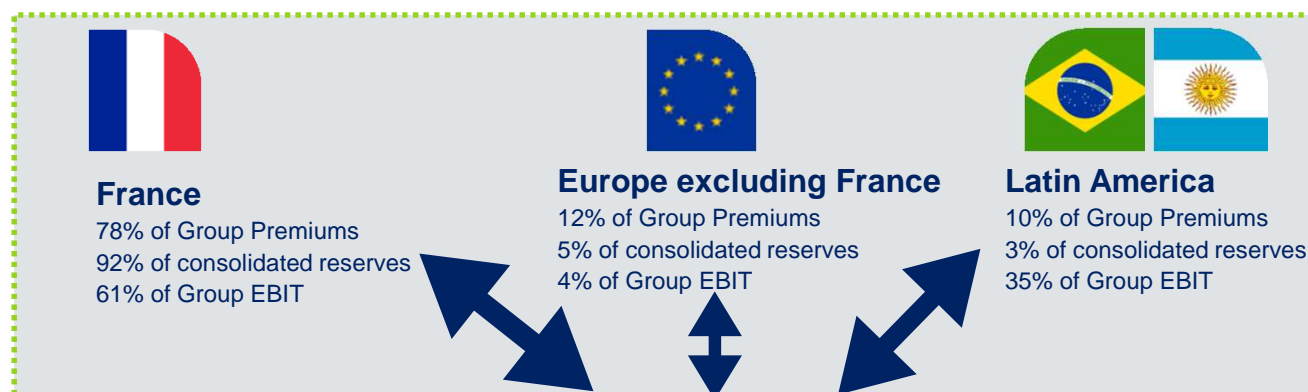
- Acquisition of Caixa Seguradora in July 2001
- Exclusive distribution agreement with the public bank Caixa Econômica Federal, 3<sup>rd</sup> Brazilian bank by assets
- 5<sup>th</sup> insurer in Brazil, market share of 5.4%\*
- Self-funded subsidiary with good cash generation (€174m upstreamed dividend in 2015 after €156m in 2014)
- Brazil represents 10% of consolidated premium income, 23% of consolidated profit and only 6% of consolidated SCR

\* Company data as of 31.12.2015

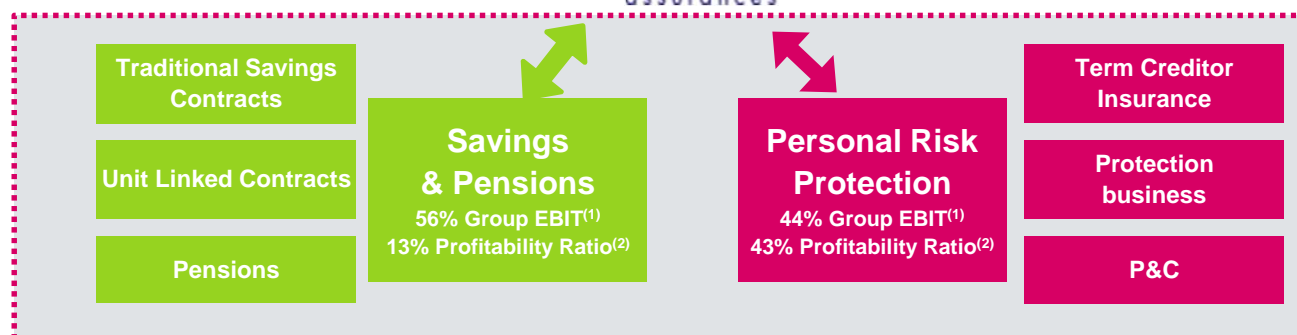
## A BALANCED MIX OF BUSINESSES

### Business dynamics (as of 31.12.2015)

### Main markets



### Main businesses






(1) EBIT generated by own funds assets has been allocated to the various segments based on their respective solvency capital requirements

(2) Profitability is computed as follow: EBIT / Solvency Capital Requirement.

## RENEWED PARTNERSHIPS ALIGNED WITH THE GROUP STRATEGY



	BPCE	La Banque Postale
 <b>Duration</b>	<ul style="list-style-type: none"> <li>▶ 7 years, renewable for successive 3-year periods</li> </ul>	<ul style="list-style-type: none"> <li>▶ 10 years</li> </ul>
 <b>Savings/ Pensions</b>	<ul style="list-style-type: none"> <li>▶ CNP Assurances to continue managing in-force savings and pension contracts distributed by the Caisses d'Epargne and future instalments on these contracts</li> <li>▶ Savings and pension contracts reinsured by Natixis Assurances under a 10% quota-share treaty</li> <li>▶ New business underwriting gradually taken over by Natixis Assurances. Full-year effect on premium income visible in 2017</li> <li>▶ CNP Assurances high-end life insurance offer marketed via the Banque Privée 1818 platform</li> </ul>	<ul style="list-style-type: none"> <li>▶ Renewal of the life insurance distribution agreement</li> <li>▶ Extension of the distribution agreement to include BPE, La Banque Postale's wealth management subsidiary, for high-end life insurance contracts</li> </ul>
 <b>Personal Risk/ Protection Insurance</b>	<ul style="list-style-type: none"> <li>▶ Expansion of the term creditor insurance business to include the Banques Populaires and Crédit Foncier networks</li> <li>▶ Partnership in group health insurance and employee benefit plans</li> <li>▶ Partnership in individual long-term care and renters' insurance</li> </ul>	<ul style="list-style-type: none"> <li>▶ Direct distribution by LBP and BPE of CNP Assurances term creditor insurance for home buyers, with 5% of the risk reinsured by La Banque Postale Prévoyance</li> <li>▶ Transfer by CNP Assurances to La Banque Postale of its 50% stake in their joint venture, La Banque Postale Prévoyance</li> </ul>

## RENEWED PARTNERSHIPS ALIGNED WITH THE GROUP STRATEGY



### MAIN EXPECTED IMPACTS FROM RENEWED PARTNERSHIP WITH BPCE AND LA BANQUE POSTALE

<b>Premium income</b>	<ul style="list-style-type: none"> <li>▶ Decline in savings premium income, because the Group will no longer receive premiums from new business generated by BPCE</li> <li>▶ Increase in term creditor insurance premiums, following extension of distribution to include Banque Populaires and Crédit Foncier networks and direct distribution by La Banque Postale and BPE of term creditor insurance for home buyers</li> </ul>
<b>New business premiums and margin</b>	<ul style="list-style-type: none"> <li>▶ Overall improvement in profitability and new business margin led by the shift in business mix towards personal risk/protection business and away from traditional savings business</li> </ul>
<b>Administrative costs</b>	<ul style="list-style-type: none"> <li>▶ Not material</li> </ul>
<b>EBIT</b>	<ul style="list-style-type: none"> <li>▶ No abrupt increase or decrease</li> </ul>
<b>Solvency II coverage rate (standard formula)</b>	<ul style="list-style-type: none"> <li>▶ Gradual reduction in capital requirement due to decrease in BPCE in-force business</li> <li>▶ Development of personal risk/protection products with lower required capital</li> </ul>

# CAIXA SEGURADORA THE BRAZILIAN SUCCESS STORY



## Ownership structure



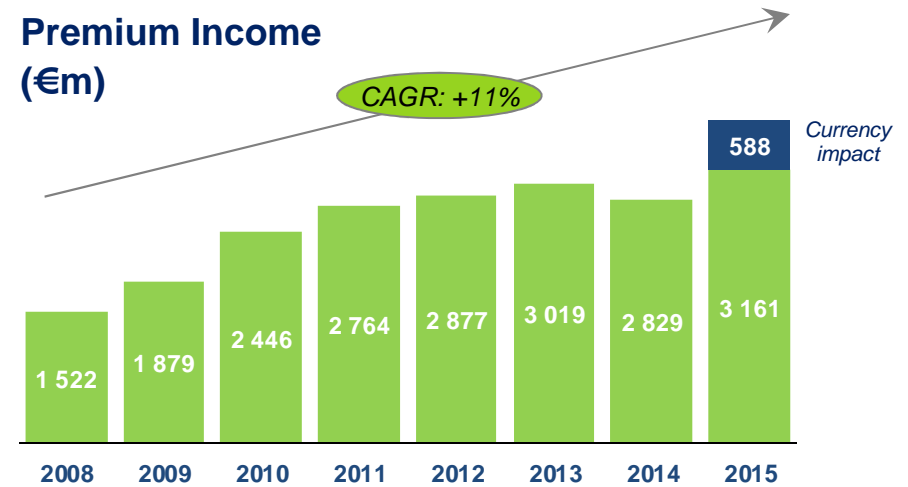
### Policyholders

- 2.9 million Savings/Pensions policyholders
- 7.3 million Personal Risk/Protection policyholders

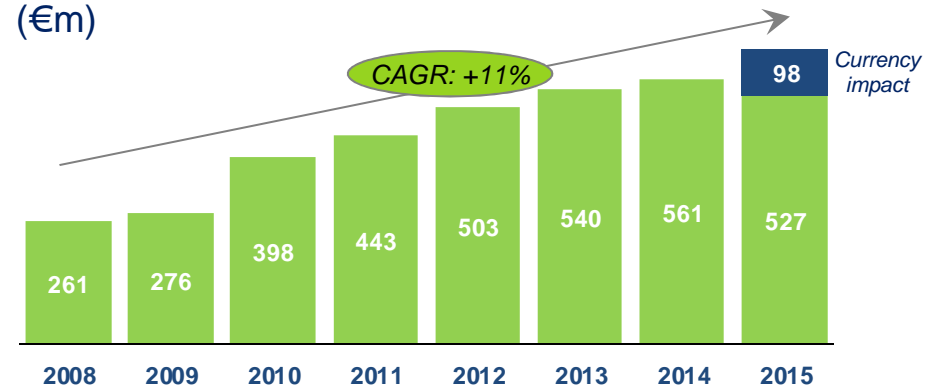
### Distribution partners

- 55,000 points of sales
- More than 4,000 bank agencies
- 13,000 points of sales of lottery tickets
- 15,000 banking correspondents

## Premium Income (€m)

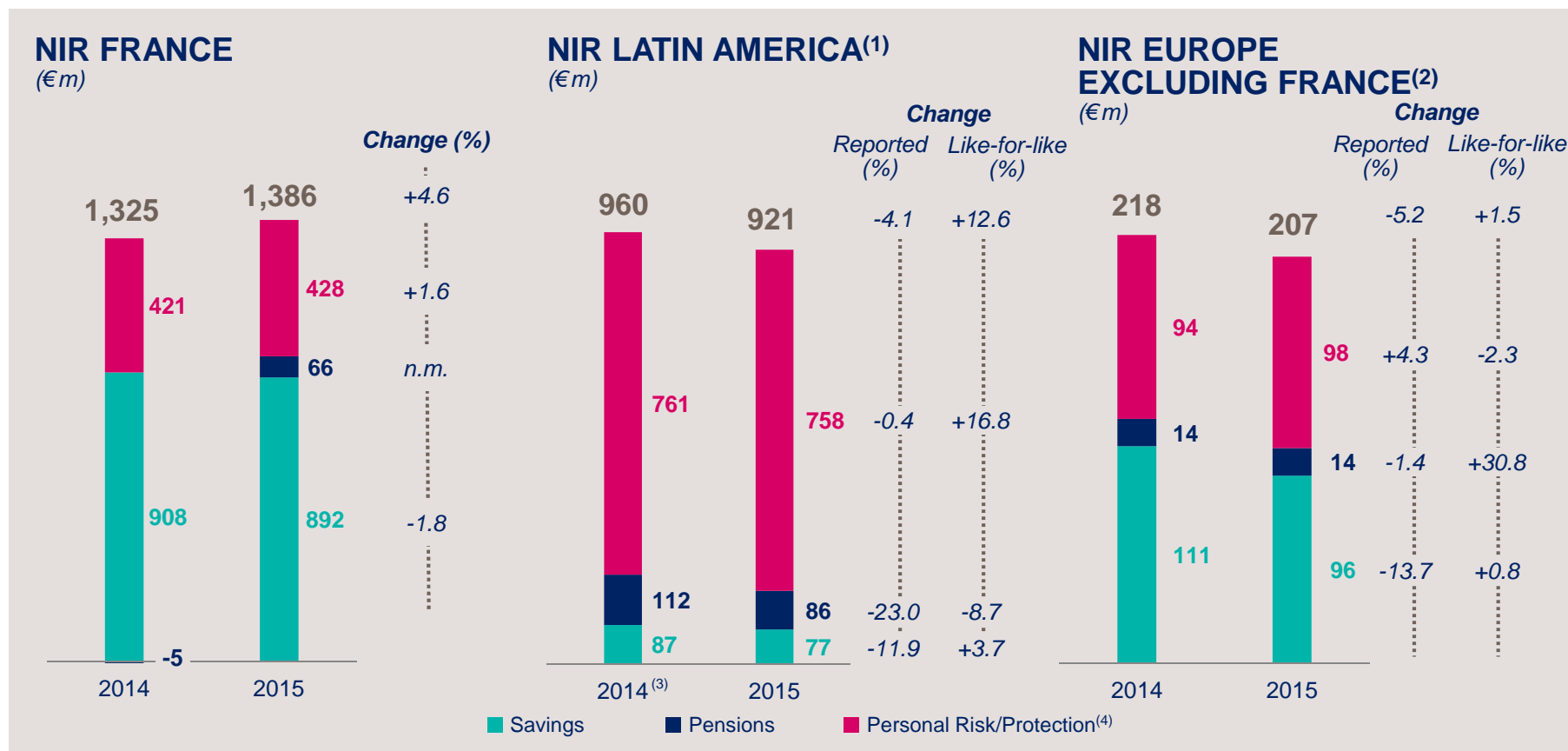


## Recurring profit before minority interest (€m)



# NET INSURANCE REVENUE

## DIVERSIFICATION BY BOTH PRODUCT AND GEOGRAPHY



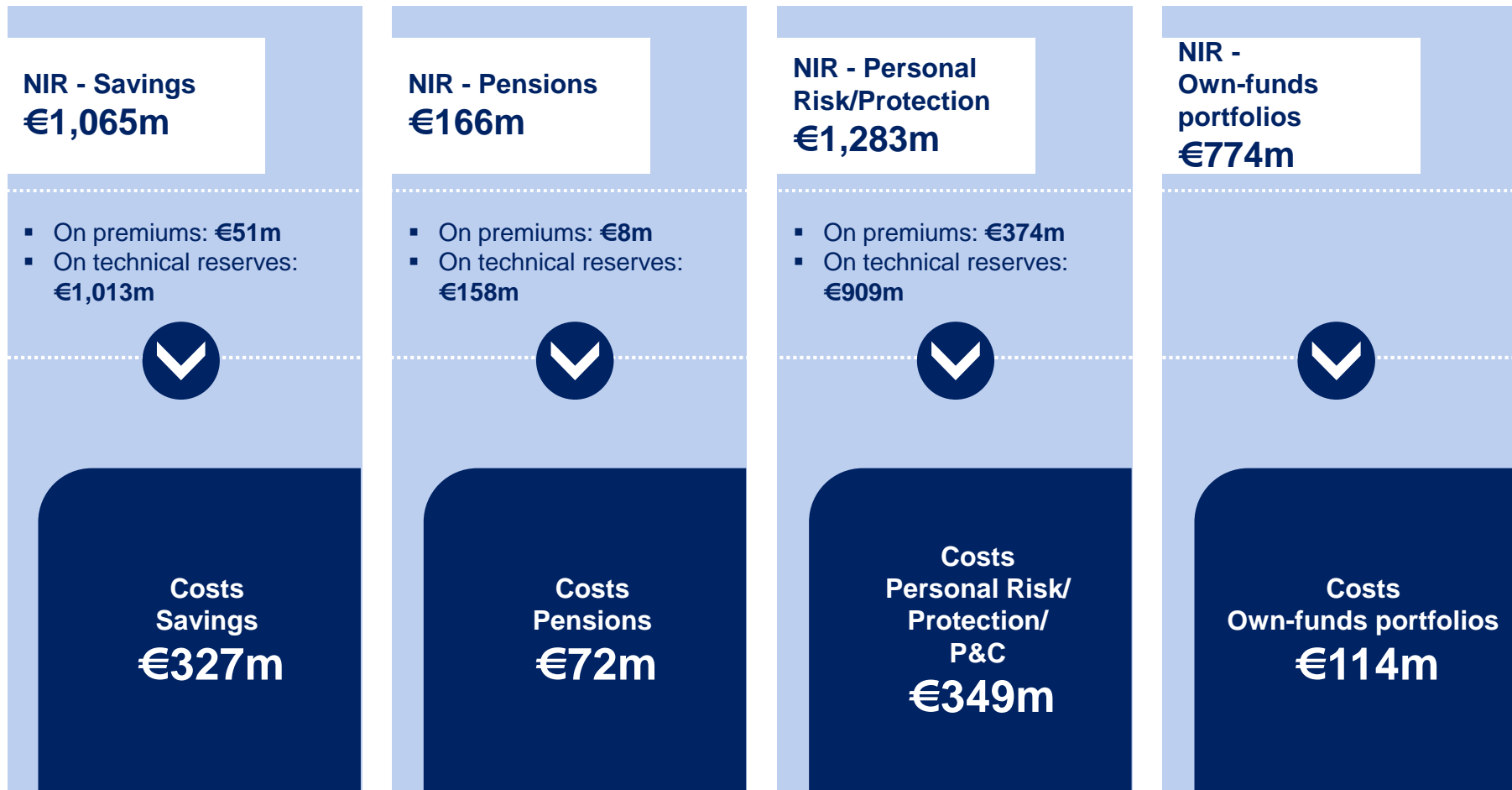
(1) Brazil and Argentina

(2) Italy, Spain, Portugal, Ireland and Cyprus

(3) Pro forma data adjusted for the reclassification in 2015 of Brazilian social integration and contribution taxes (PIS/COFINS) from administrative expenses to net insurance revenue (€59 million)

(4) Personal risk, health, term creditor and property & casualty insurance

## NET INSURANCE REVENUE (NIR) IS A MORE MEANINGFUL METRIC THAN PREMIUMS



➤ Net insurance revenue on premiums: 13% of total net insurance revenue

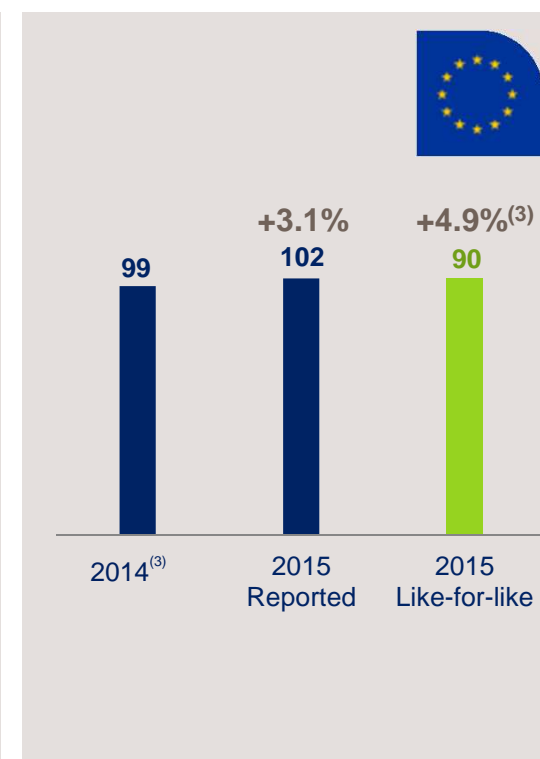
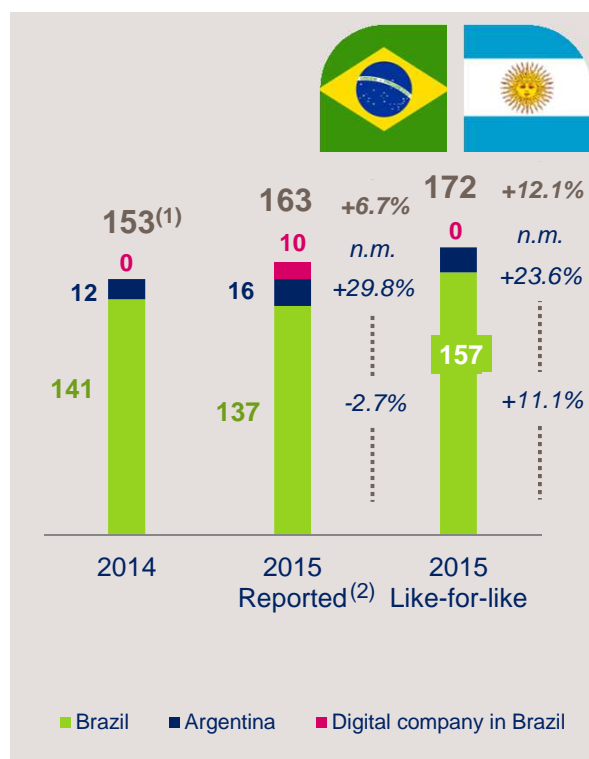
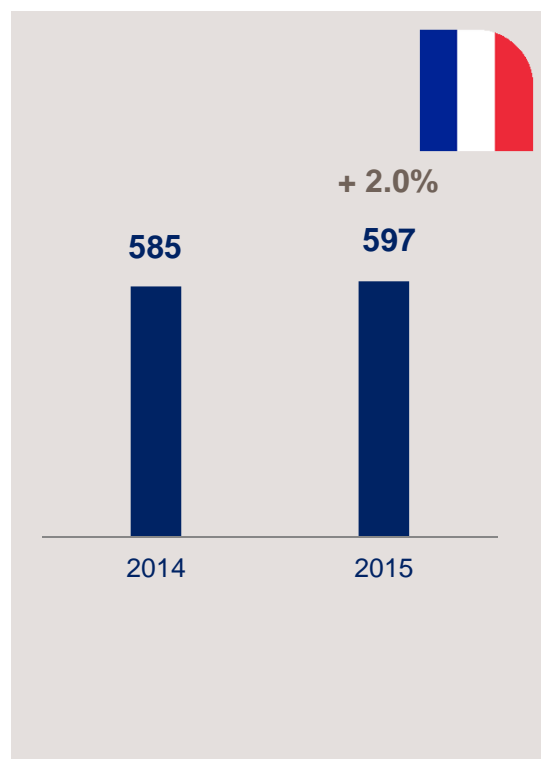
➤ Net insurance revenue on technical reserves and own funds portfolio: 87 % of total net insurance revenue



## CONTROLLED GROWTH IN ADMINISTRATIVE EXPENSES

### ADMINISTRATIVE EXPENSES

(€m)



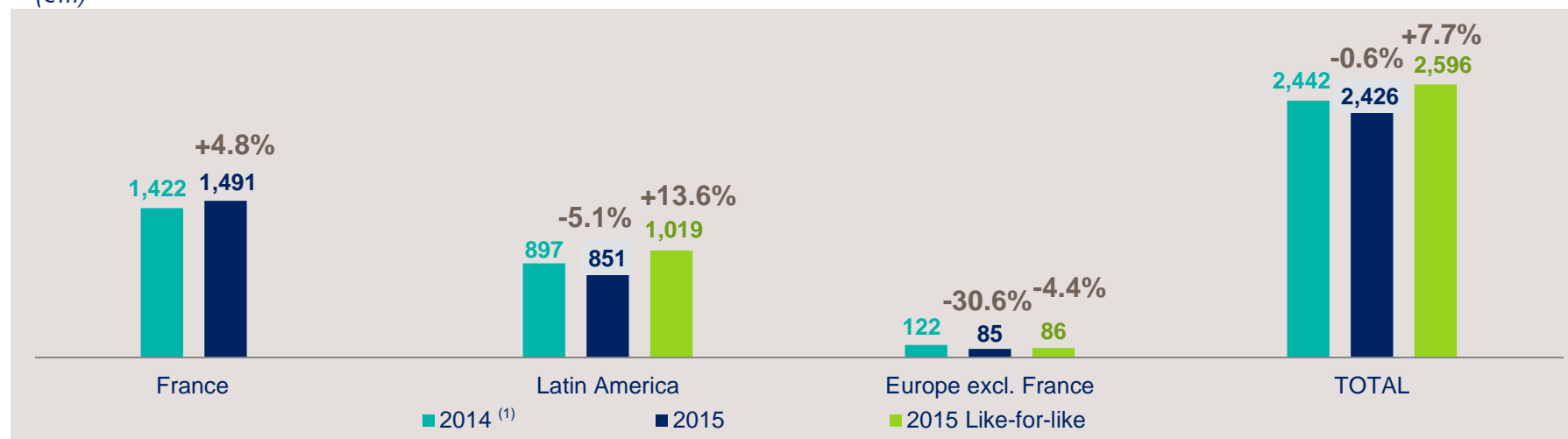
(1) Pro forma 2014 data adjusted for the reclassification in 2015 of Brazilian social integration and contribution taxes (PIS/COFINS) from administrative expenses to net insurance revenue (€59 million)

(2) 2014 exchange rate Brazil: 3.12; 2015 exchange rate Brazil: 3.70

(3) 2014 scope of consolidation including CNP BVP for the first three months

## EBIT BY GEOGRAPHIC REGION AND BY SEGMENT

(€m)



(1) 2014 scope of consolidation including CNP BVP for the first three months

(2) Personal risk, health, term creditor and property & casualty insurance

## FINANCIAL OVERVIEW

### Premium income

(€bn)



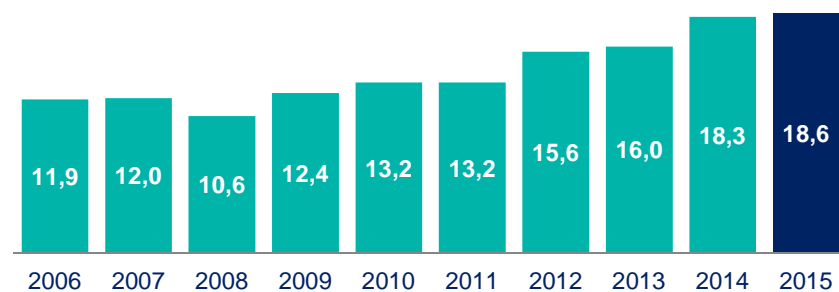
### Net income

(€m)



### Total IFRS equity

(€bn)



### Dividend per share

(€)

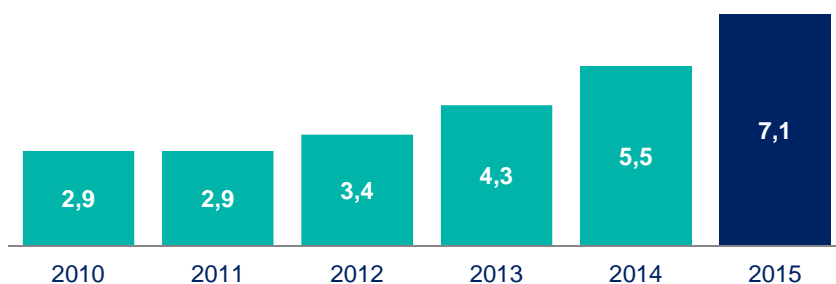


(1) Scrip dividend

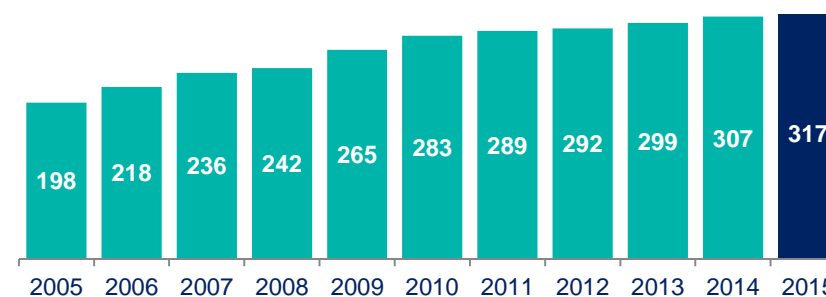
(2) Recommended at the Annual General Meeting of 28 April 2016

## A STRONG BALANCE SHEET DESPITE THE RECENT CRISIS

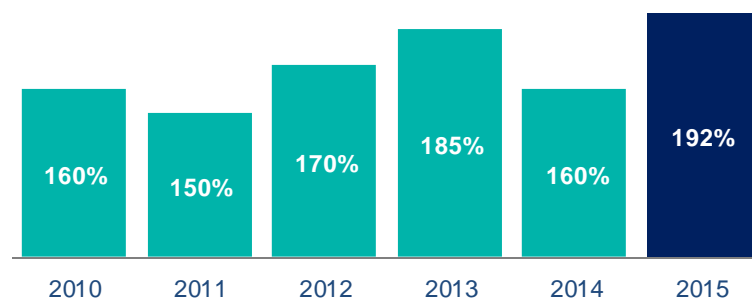
**Policyholder's surplus reserve**  
**Buffer included in the TAC by S&P**  
(€bn)



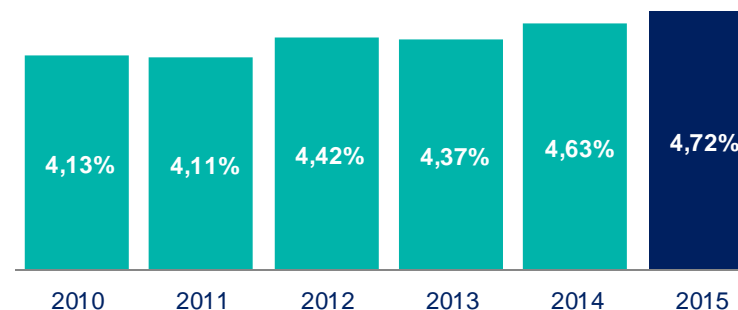
**Average technical reserve**  
(€bn)



**Solvency II Ratio\***  
(%)



**IFRS Equity**  
(as % of total assets)



\* Standard Formula. No transitional measures except for grandfathering of subordinated debt.  
31 Dec 2015 is the 1<sup>st</sup> time application of the new regulatory framework

**3.**

**A disciplined risk  
management  
strategy**

## **CNP ASSURANCES HAS THE FLEXIBILITY TO MANAGE FINANCIAL MARKET IMPACT ON ITS SHAREHOLDER'S EQUITY**

**A number of buffers available to protect CNP Assurances shareholder's equity against market volatility**

### **➤ Low contractually guaranteed rates**

- Current French savings production has no contractually guaranteed yield and the overall average guaranteed yield across all policy liabilities is 0.48%
- CNP Assurances' French policyholders base is resilient and withdrawals/technical reserves are traditionally lower than the market ratio

### **➤ Unrealized gains**

- If necessary, gains can be realized to offset the impact on equity of asset impairments
- By construction, at least 85% of market movements are “pass-through” to policyholders, with equity impact to shareholders being of second order
- IFRS unrealized gains represented €37.9bn at December 31<sup>st</sup>, 2015

### **➤ Policyholder Surplus Reserve**

- In France these reserves totalled €7.1bn at December 31<sup>st</sup>, 2015
- If necessary, amounts in the surplus reserve can be used to absorb investment losses

### **➤ Tax impact**

- Losses retained by CNP Assurances would benefit from a tax shield, reducing the impact on the Group

## INVESTMENT STRATEGY ALIGNED WITH ECONOMIC ENVIRONMENT

### ➤ Increased investment in equities

- Traditional equities and defensive stocks  
(convertible bonds, low-volatility funds, funds hedged against a fall of equity market)
- With a strong geographic focus on Europe

### ➤ Fixed income investment strategy

- Corporate bonds, with focus on 5 to 8-year maturities
- Sovereign debt, with focus on 10 to 15-year maturities

### ➤ Increased investment in private equity and private debt

- Real estate funds: €1.9bn in equity and €260m in debt
- Infrastructure funds: €400m in equity (Meridiam Transition, GéoSud, etc.) and €290m in debt
- Private equity: €900m in equity

## **EXPANDED HEDGING STRATEGY IN 2015**

### **➤ BRL hedging strategy**

- Use of puts to limit impact of a fall in the real on net profit and on dividends received from the local subsidiary

### **➤ Equity portfolio hedging strategy**

- Purchases of out-of-the-money long puts to protect the equity portfolio against the risk of a fall in stock market prices and reduce the solvency capital requirement generated by the portfolio

### **➤ Fixed income portfolio hedging strategy**

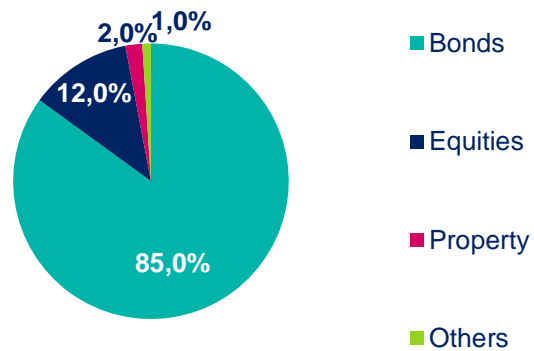
- Ongoing purchases of long caps to limit the risk in the event of a future increase in interest rates



## OPTIMAL ASSET ALLOCATION

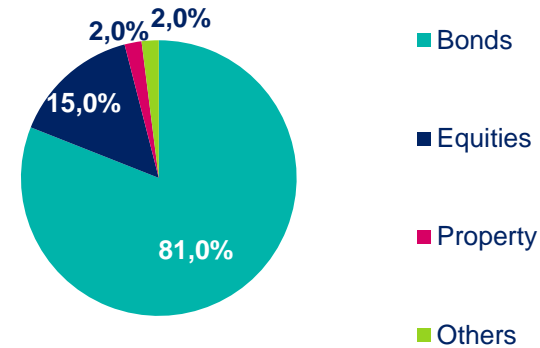
€323bn of AUM excluding UL

FY 2014



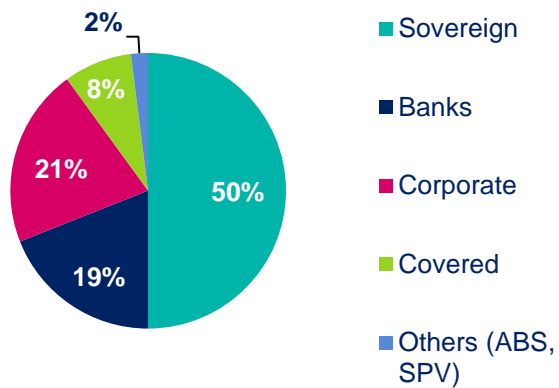
€326bn of AUM excluding UL

FY 2015



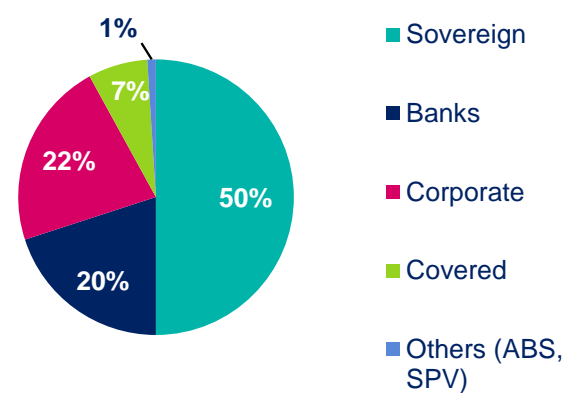
Bond portfolio by type of issuer

FY 2014



Bond portfolio by type of issuer

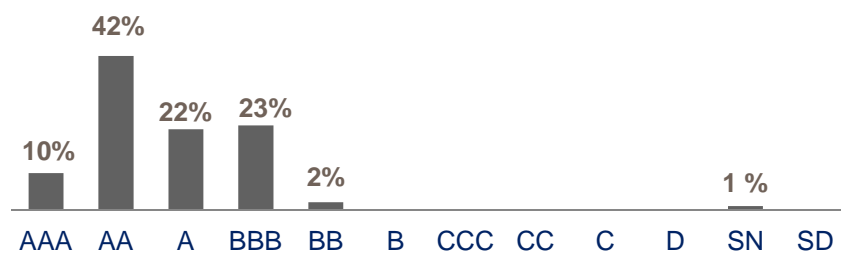
FY 2015



## DEFENSIVE BOND PORTFOLIO

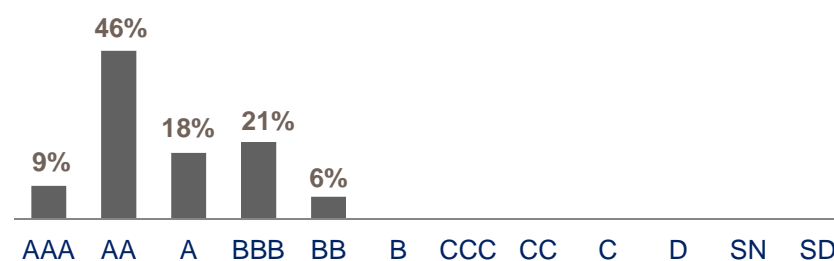
### Bond portfolio by credit rating\*

FY 2014



### Bond portfolio by credit rating \*

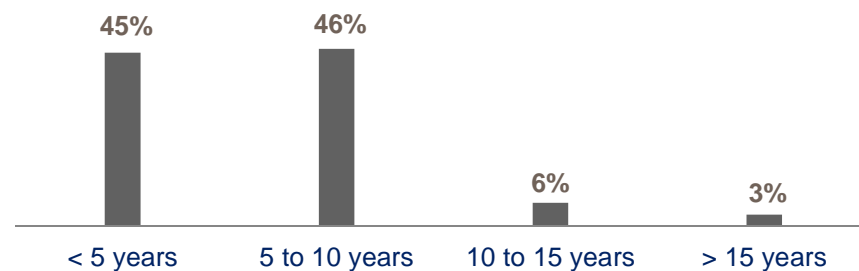
FY 2015



\*Second best rating: method consisting of using the second best rating awarded to an issue by the three leading agencies, S&P, Moody's and Fitch

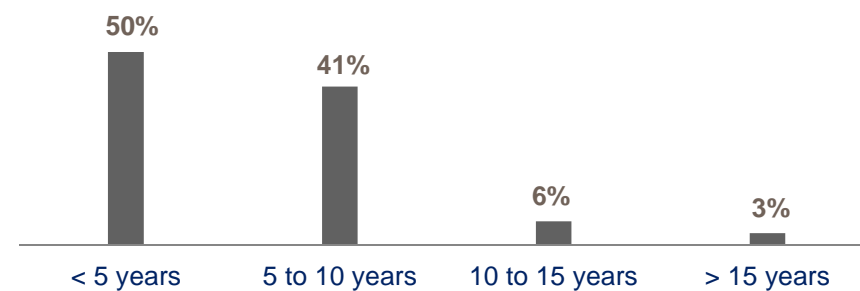
### Bond portfolio by maturity band

FY 2014



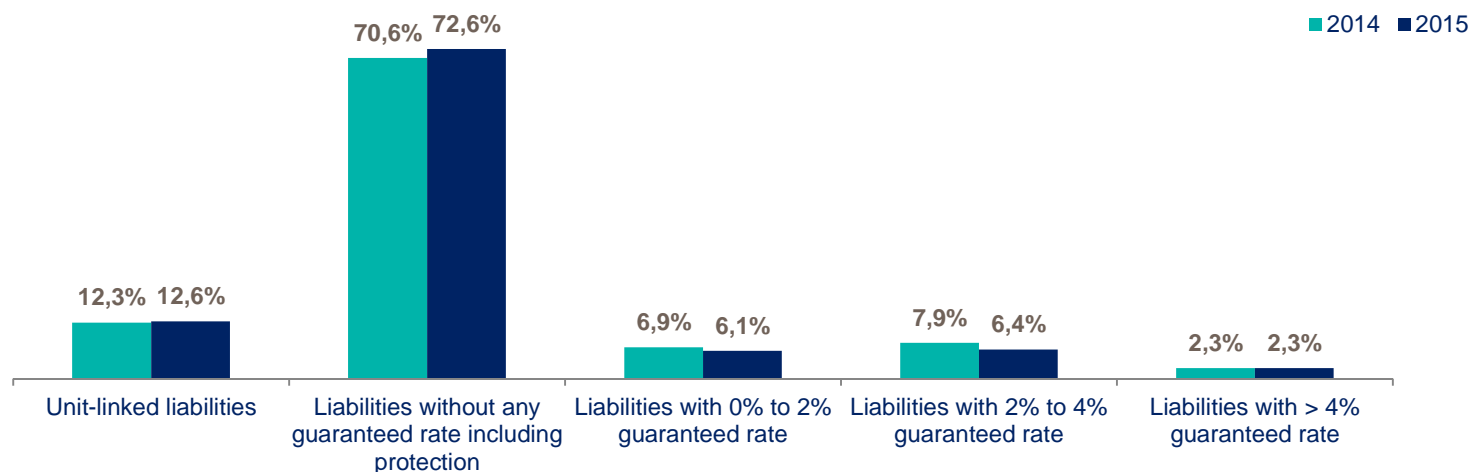
### Bond portfolio by maturity band

FY 2015

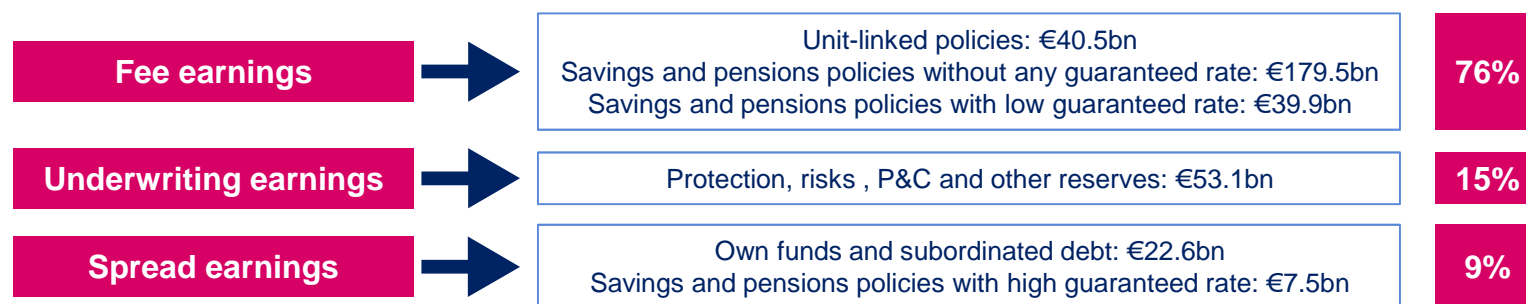


## LOW GUARANTEED RATE ON LIABILITIES

### ➤ Breakdown of CNP Assurances liabilities by guaranteed rate:



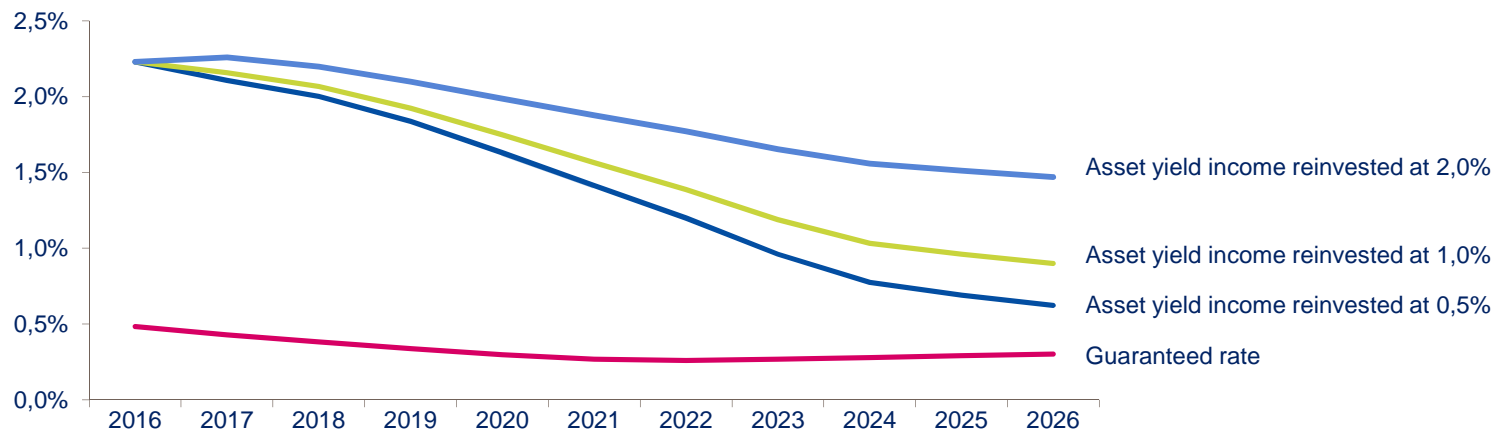
### ➤ CNP Assurances business model is mainly based on fee and underwriting earnings, as reflected by the breakdown of liabilities as of December 2015:



## ACTIVE RATE MANAGEMENT PROVIDES A PROTECTION AGAINST ADVERSE RATE MOVEMENTS

### ► Managing a sharp rate fall

- A high quality fixed income portfolio
  - Asset yield projected over 10 years with income reinvested in 0,5% or 1% fixed rate bonds from 2016, assuming flat stock prices
  - Equity and real estate assumptions: 0% revenue and flat prices
  - Under this stressed scenario, the asset portfolio yield would be 2.23% in 2016 vs current average guaranteed rate of 0.48%

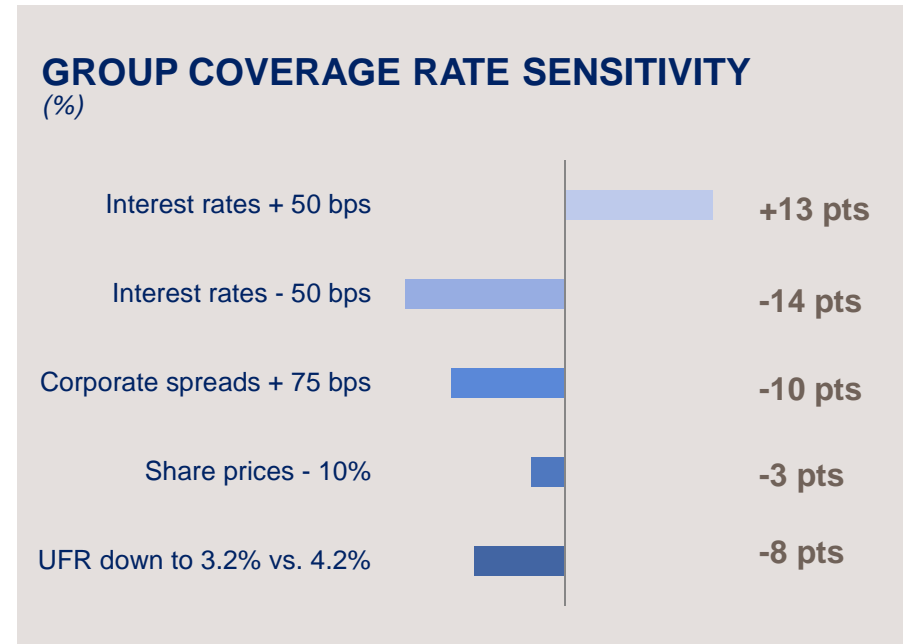
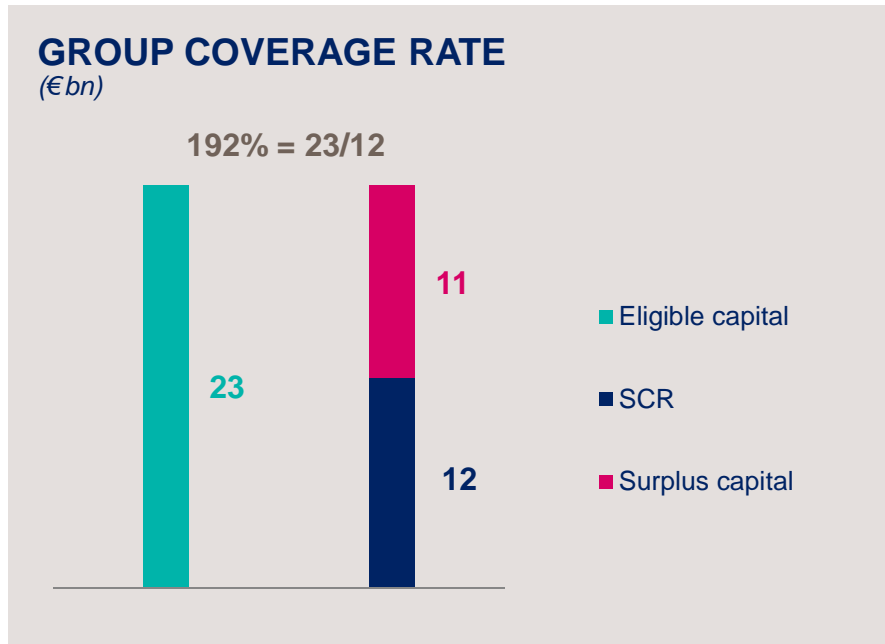


Notes: Based on CNP Assurances full perimeter. In-force business as of end-2015, surrenders and payments taken into account

### ► Protection against rising interest rates

- At end of 2015, CNP Assurances has a portfolio of €54bn nominal long-term interest rate derivatives (caps) to protect the balance sheet against rising interest rates

## SOLVENCY II COVERAGE RATE OF 192% AT END-2015



### ➤ CNP Assurances calculates its Solvency II coverage rate as follows:

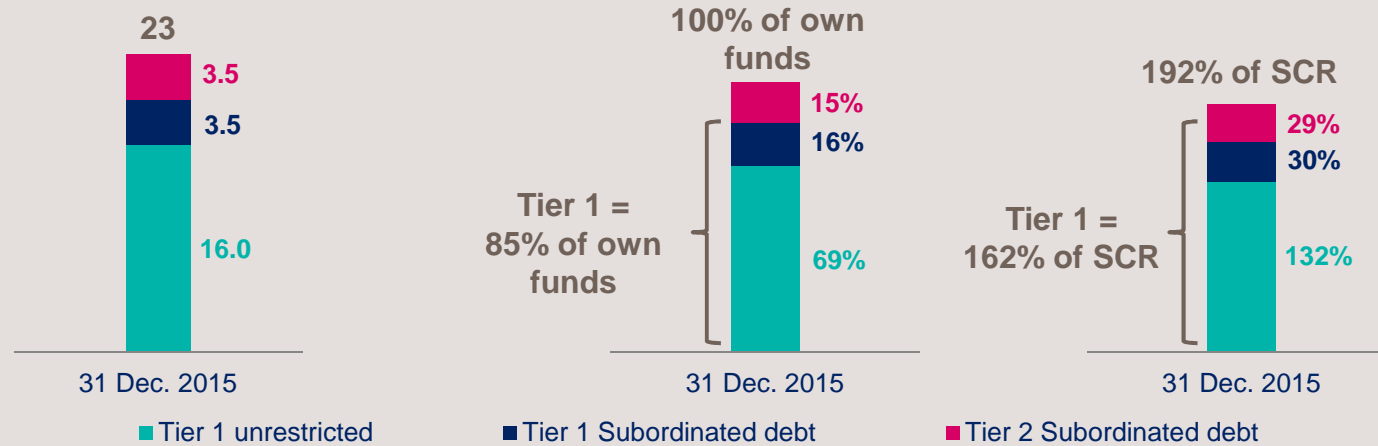
- Standard formula
- No transitional measures\*

\* Except for grandfathering of subordinated debt

## GROUP CAPITAL STRUCTURE UNDER SOLVENCY II

### ELIGIBLE CAPITAL

(€bn)



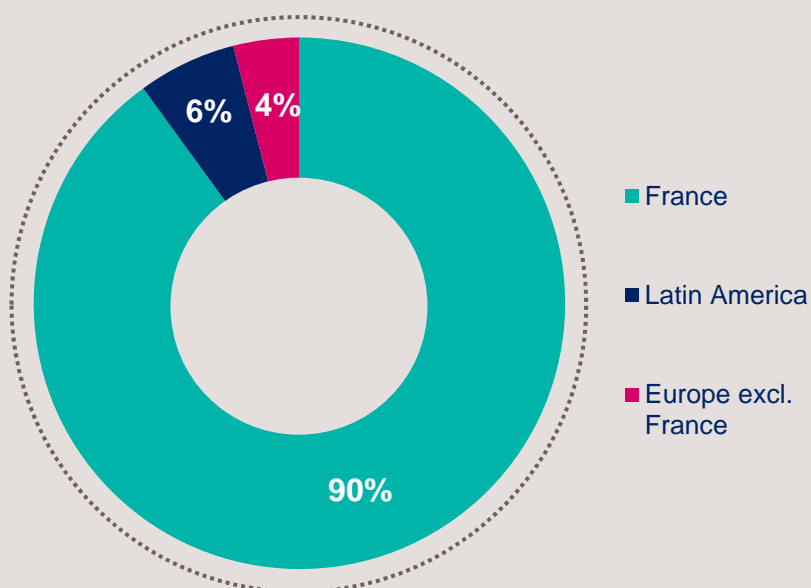
### ➤ The Group's financial flexibility is based on:

- high quality eligible capital (85% of own funds are Tier 1, no Tier 3, no ancillary own funds)
- subordinated debt issuance capacity: €2.4bn Tier 2 and €0.3bn Tier 1 at end-December 2015

## BREAKDOWN OF GROUP SCR

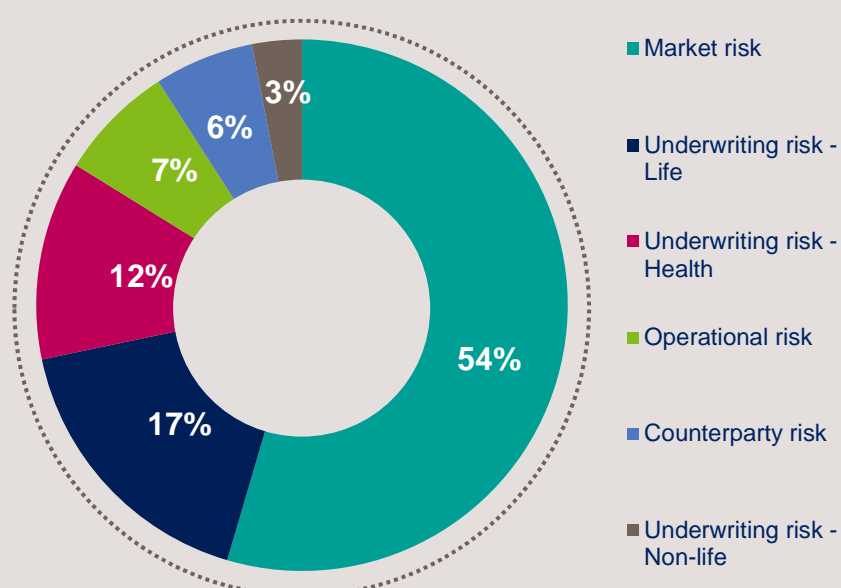
### SCR BY GEOGRAPHIC AREA

(%)



### SCR BY RISK<sup>(1)</sup>

(%)

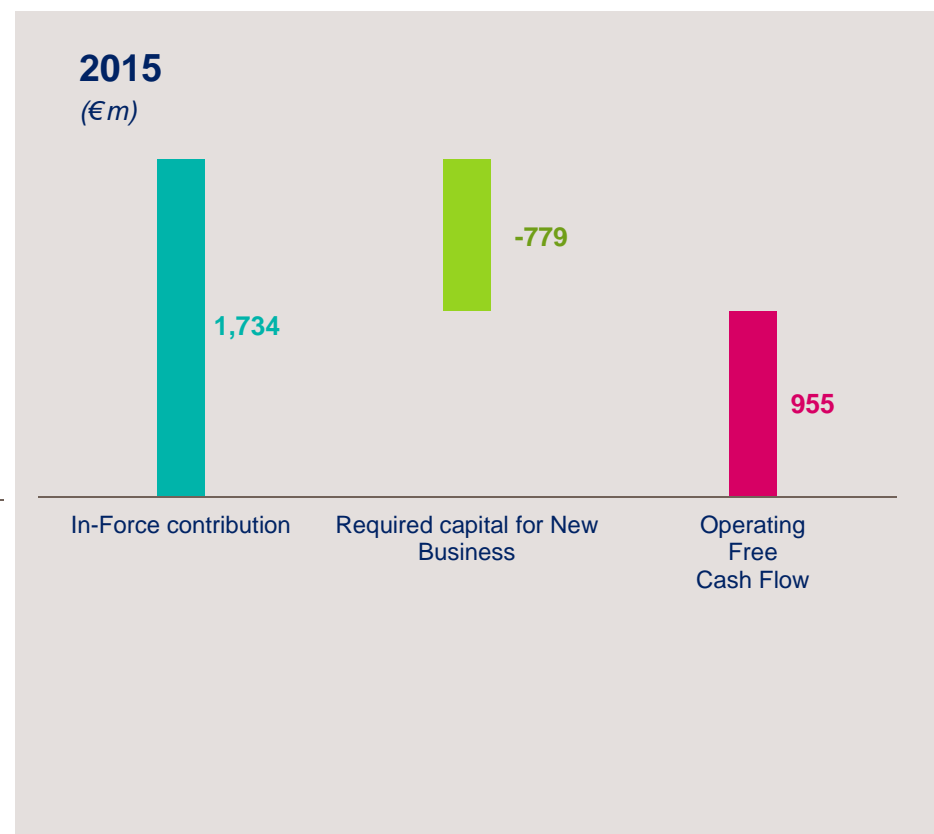
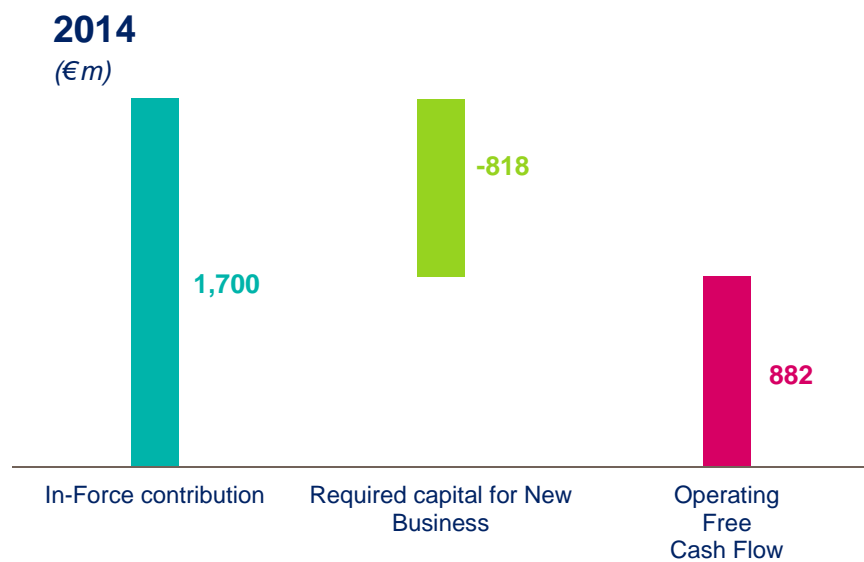


**26% diversification benefit<sup>(2)</sup>**

(1) Breakdown presented before diversification

(2) Diversification benefit = [sum of net SCR excluding Operational Risk SCR - net BSCR]/sum of net SCR excluding Operational Risk SCR

## OPERATING FREE CASH FLOW\*



\* Excluding subordinated debt



**4.**

## **Strategic Outlook**

## **ONGOING TRANSFORMATION OF THE GROUP IN LINE WITH THE STRATEGY ANNOUNCED IN EARLY 2013**

**Distribution  
agreements with  
BPCE and  
La Banque Postale**

**First year of  
Santander Consumer  
Finance partnership**

**Agreement with AG2R  
La Mondiale to create  
leader in group  
pensions**

**Expansion of  
unit-linked  
business in France,  
Italy and Brazil**

**Ongoing strong growth  
dynamic in Brazil**

**Improved  
underwriting results  
in group health and  
death/disability  
insurance**

**2016:**

## **FASTER CHANGE IN MULTI-PARTNER BUSINESS MODEL**

### **➤ Development of personal risk/protection insurance business**

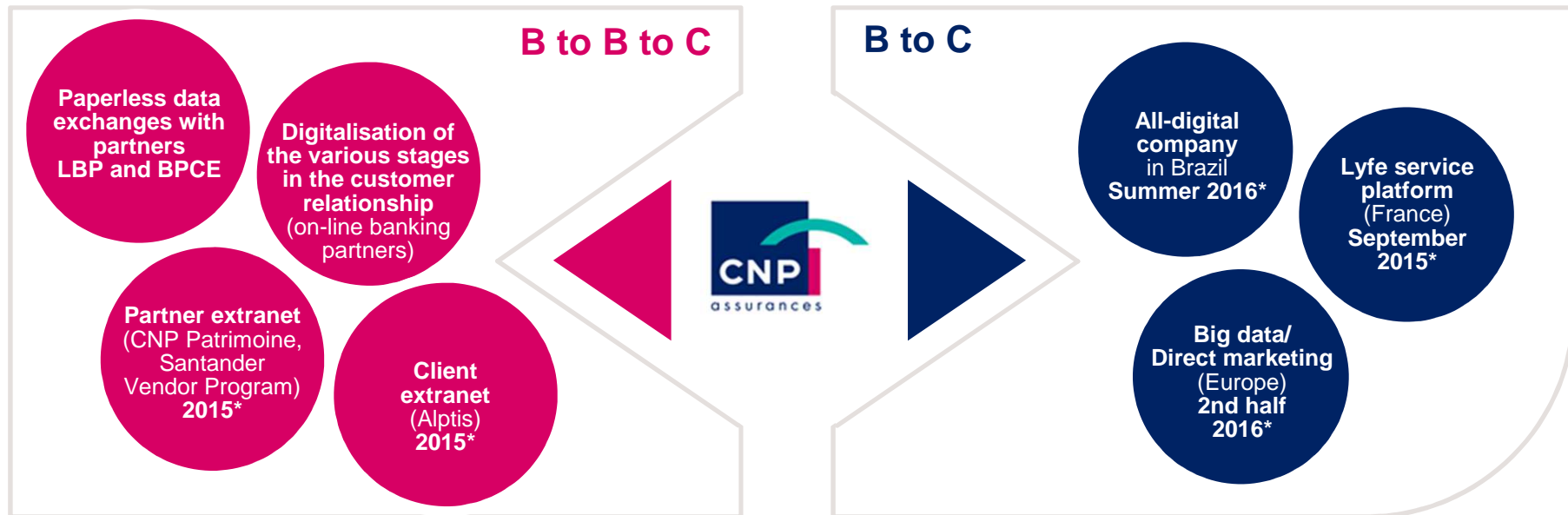
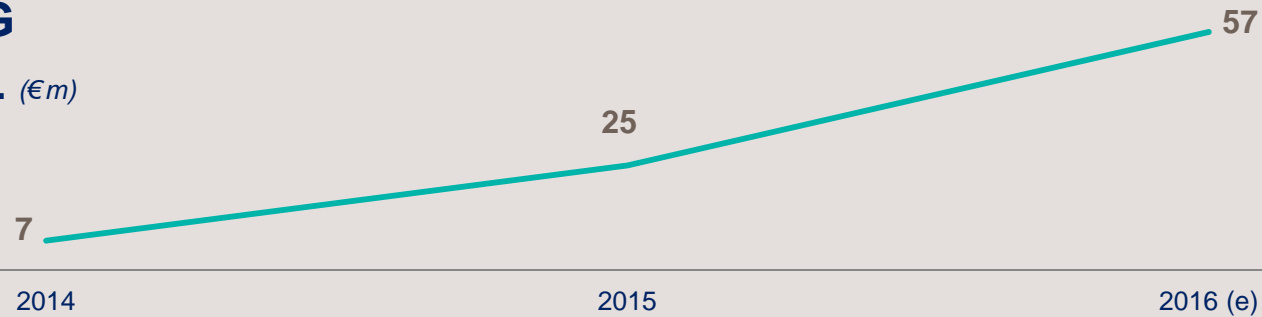
- Deployment in 2016 of renewed term creditor insurance partnerships with BPCE and La Banque Postale
- Ramp-up of all-channel employee benefit plan distribution system (Amétis in-house network, Alptis multi-channel platform) in operation since last autumn
- Launch of employee benefit plan partnership with BPCE in late 2015, earlier than scheduled
- Ramp-up of partnership with Santander Consumer Finance in Europe (10 countries) and open model distribution in Southern Europe (CNP Partners)

### **➤ Development of high-end savings business**

- Deployment in 2016 of enhanced partnerships with BPCE and La Banque Postale in high-end savings
- New CNP Patrimoine multi-partner distribution system fully up and running with launch of Luxembourg subsidiary on 1 January 2016

## AN AMBITIOUS DIGITAL STRATEGY OPENING UP NEW GROWTH OPPORTUNITIES

### INVESTING IN DIGITAL (€m)



\* Launch date

## **ROADMAP: AGILITY, INNOVATION, OPERATIONAL PERFORMANCE AND GROWTH**

- **With its 5,000 employees, the Company is undergoing a process of change driven by the Cap Digital\* internal transformation programme (launched in May 2015)**
- **With its partners and the Open CNP\* programme start-ups (launched in September 2015), the Company is inventing new digital services and customer experiences**
- **An Operational Excellence Programme has been launched to improve customer and employee satisfaction rates, and reduce the cost base in France by €60m over a full year by 2018**
- **In line with the Group's strategy, CNP Assurances' objective is to deliver average organic EBIT growth of at least 5% per year over three years**

\* Refer to p.58 in the Appendix

## 2016 INVESTOR AGENDA AND CONTACT DETAILS

	January 2016	February 2016	March 2016	April 2016	May 2016	June 2016	July 2016	August 2016	September 2016	October 2016	November 2016	December 2016
Annual General Meeting				28 April 2:30 pm								
First-quarter 2016 results indicators					11 May 7:30 am							
First-half 2016 premium income and profit							28 July 7:30 am					
Nine-month 2016 results indicators											09 Nov. 7:30 am	

### Investor and Analyst Relations

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**5.**

## **Appendices**

## OVERVIEW OF CNP ASSURANCES' BALANCE SHEET

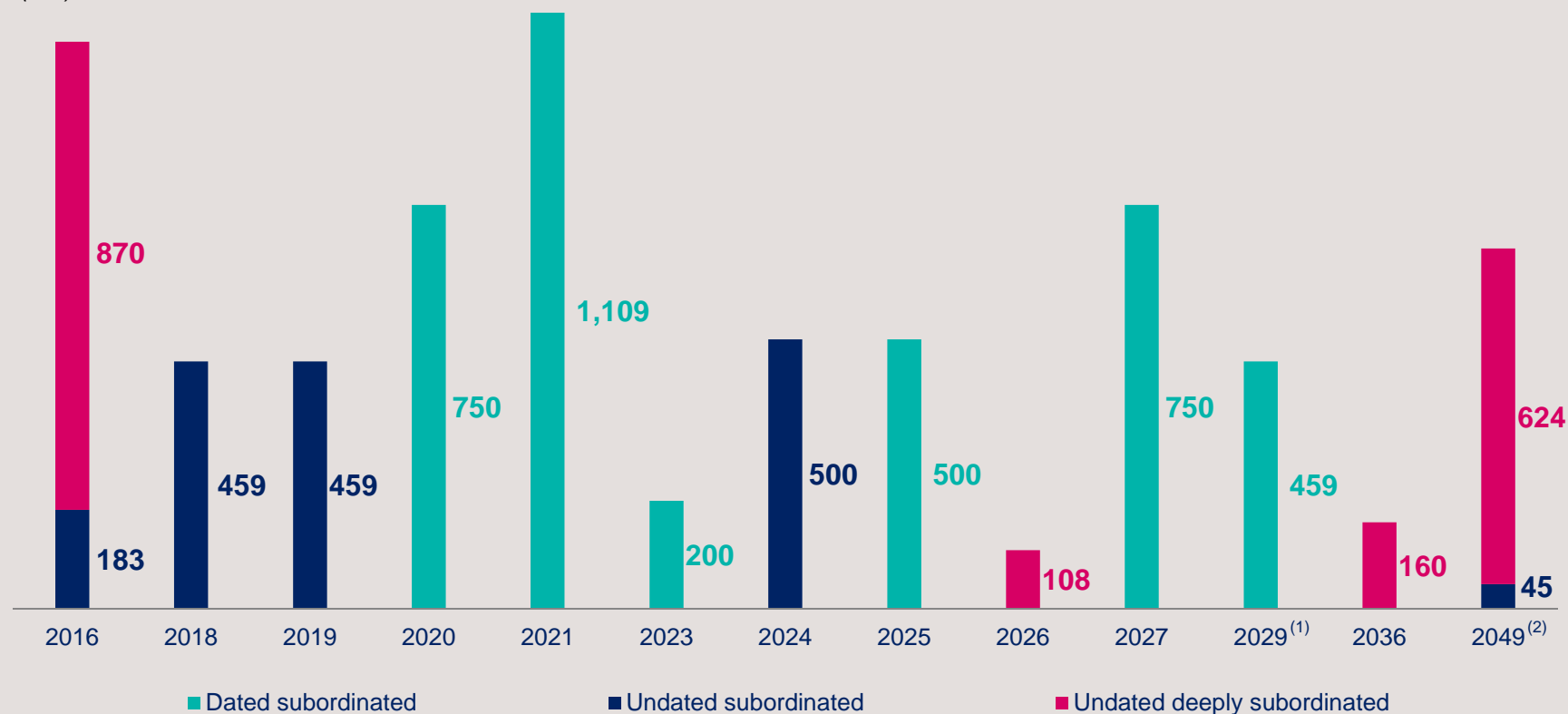
(€m)	2015	2014	2013*	2012	2011
<b>Assets</b>	<b>393,732</b>	395,401	365,429	353,216	321,011
Intangibles assets	789	618	518	647	923
Insurance investments	370,904	367,141	344,840	333,470	302,903
Reinsurers' share of insurance and financial liabilities	11,291	10,951	9,795	8,927	8,258
Cash and cash equivalent	1,328	796	1,069	955	703
Non current assets held for sale	178	3,041	0	0	0
Other assets	9,242	12,854	9,208	9,217	8,224
<b>Liabilities</b>	<b>393,732</b>	395,401	365,429	353,216	321,011
Equity	18,570	18,299	15,994	15,558	13,217
Subordinated debt	3,996	3,175	2,614	2,560	2,551
Insurance and financial liabilities	349,807	344,354	320,086	314,856	289,304
Liabilities related to assets held for sales	0	2,658	0	0	0
Other liabilities	21,115	26,915	26,735	20,212	15,938

\* Restated under IFRS 10, IFRS 11 and IFRS 12



## MATURITIES OF CNP ASSURANCES SUBORDINATED DEBT

Nominal Amount as of end January 2016 - Exchange rate as of end 2015  
(€m)

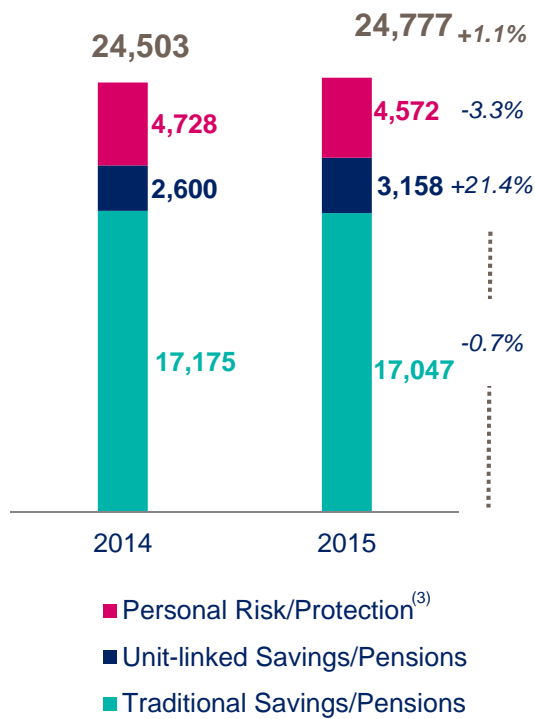


(1) January 2016 issue

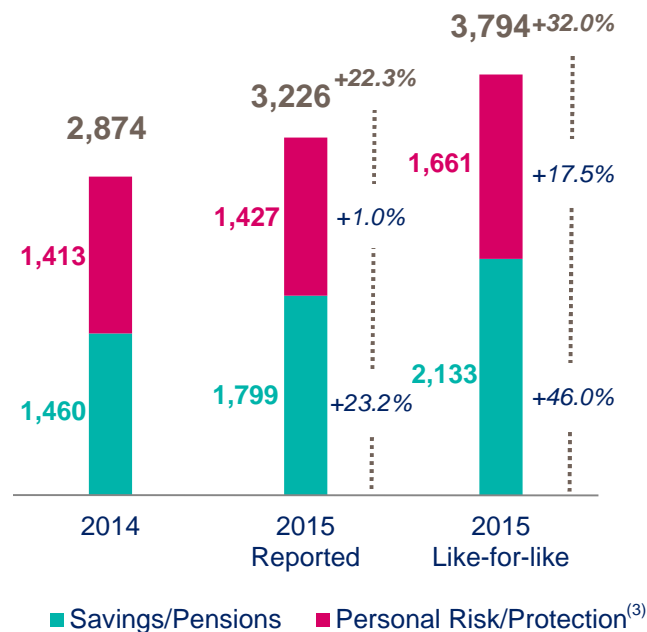
(2) First call date already passed

# PREMIUM INCOME

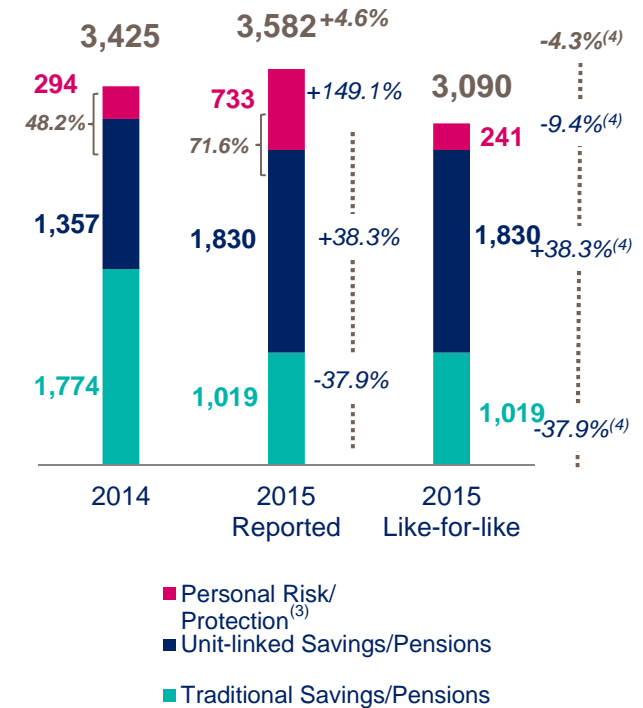
## PREMIUM INCOME FRANCE (€bn)



## PREMIUM INCOME LATIN AMERICA<sup>(1)</sup> (€bn)



## PREMIUM INCOME EUROPE EXCLUDING FRANCE<sup>(2)</sup> (€bn)



(1) Brazil and Argentina

(2) Italy, Spain, Portugal, Ireland and Cyprus

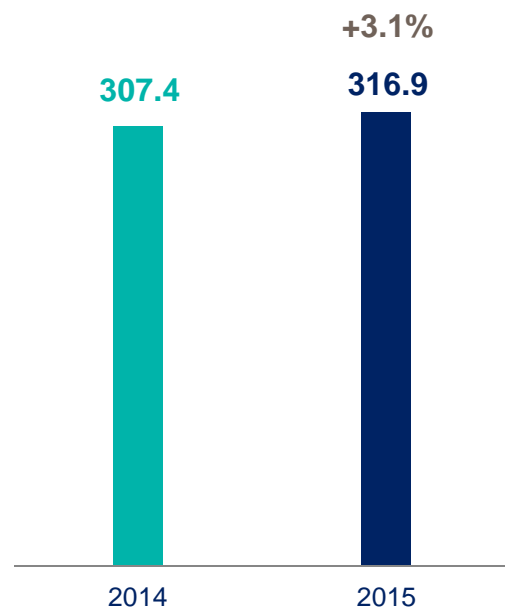
(3) Personal risk, health, term creditor and P&C insurance

(4) 2014 scope of consolidation including CNP BVP for the first three months

## TECHNICAL RESERVES

### AVERAGE TECHNICAL RESERVES<sup>(1)</sup>

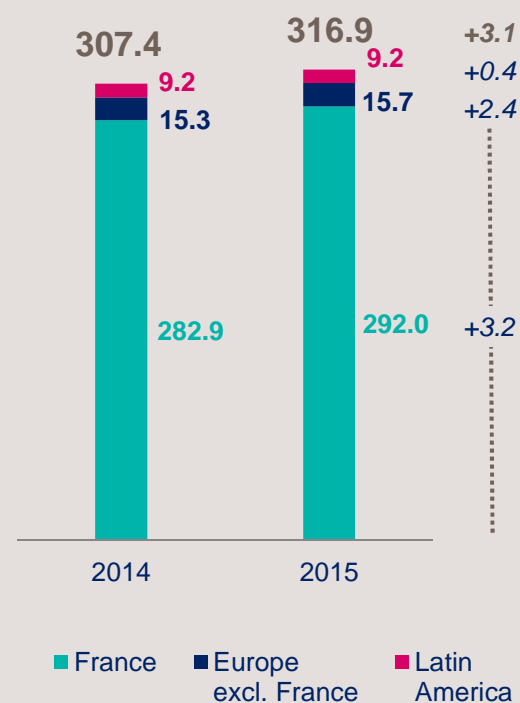
(€bn)



### AVERAGE TECHNICAL RESERVES<sup>(1)</sup>

BY ORIGIN (€bn)

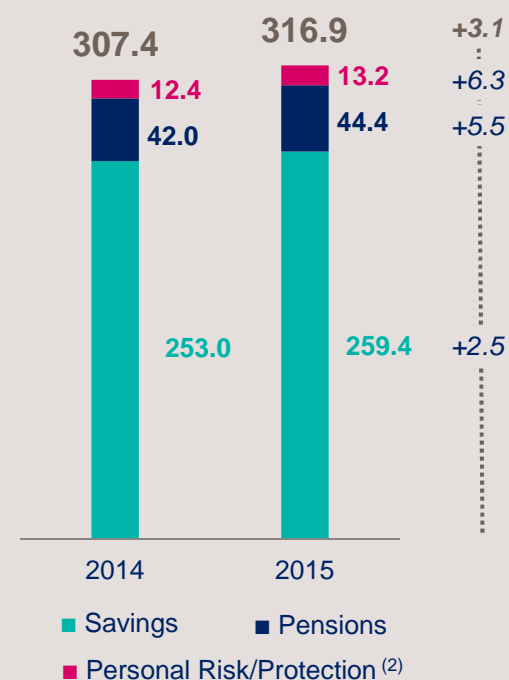
Change (%)



### AVERAGE TECHNICAL RESERVES<sup>(1)</sup>

BY SEGMENT (€bn)

Change (%)



(1) Excluding the deferred participation reserve

(2) Personal risk, health, term creditor and property & casualty insurance

# FRENCH LIFE INSURANCE SAVINGS DESCRIPTION

## ➤ The basics

- A long-term savings vehicle for French households
- Key benefit: the attractive tax treatment to insurance-based savings that increase over time
  - Cash in before Year 4: 35% Tax
  - Cash in Year 4 to 8: 15% Tax
  - Cash in after Year 8: 7.5% Tax

## ➤ CNP Assurances' obligations extend to

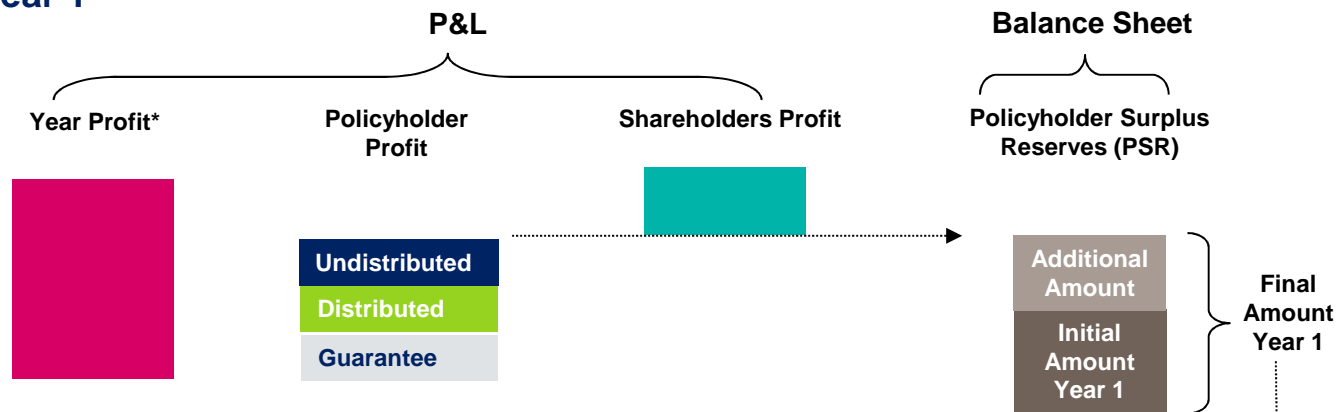
- Guaranteeing the principal + declared policyholder bonus
- Passing through most of the portfolio yield

## ➤ Policyholder Surplus Reserves (PSR)

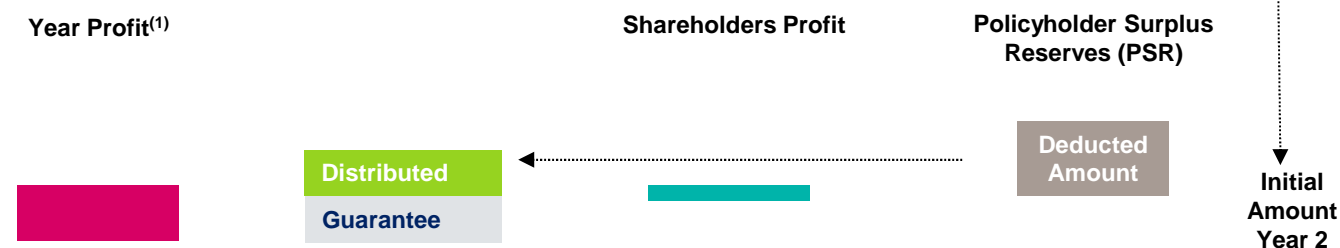
- This balance sheet reserve reflects policyholders' share of surplus underwriting profits and investment income generated by CNP Assurances over and above guarantees
- Amounts have been realised and attributed to policyholders but have not yet been paid over to them via bonuses (at which point they become guaranteed by CNP Assurances)
- If necessary, amounts in the surplus reserves can be 'clawed back' by CNP Assurances and used to absorb investment losses

# FRENCH LIFE INSURANCE SAVINGS LOSS ABSORPTION MECHANISM

## ➤ Year 1



## ➤ Year 2

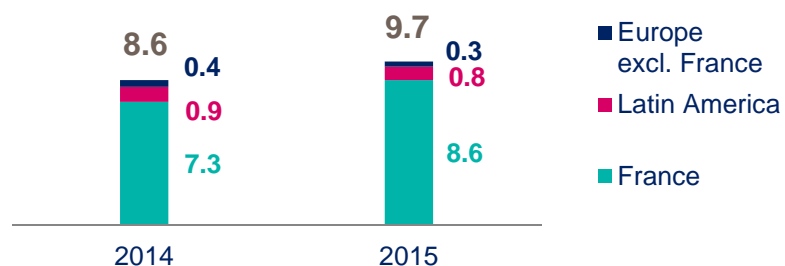


➤ French life insurance savings loss absorption mechanism gives flexibility to manage policyholders yield through the cycle without impacting dividend yield

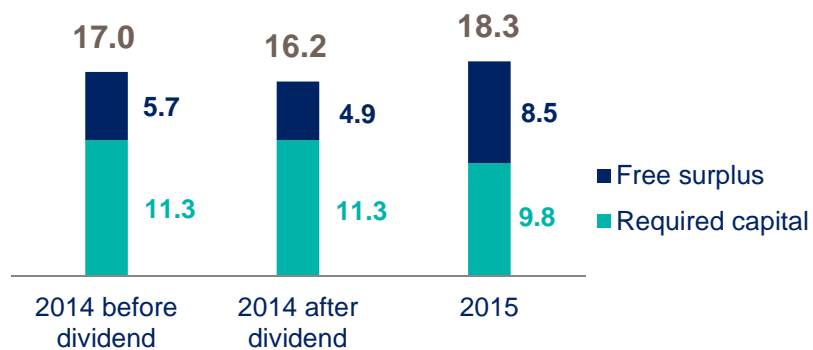
(1) Underwriting profits and investment income generated by CNP Assurances

# MCEV<sup>©</sup> AT €28.0/SHARE

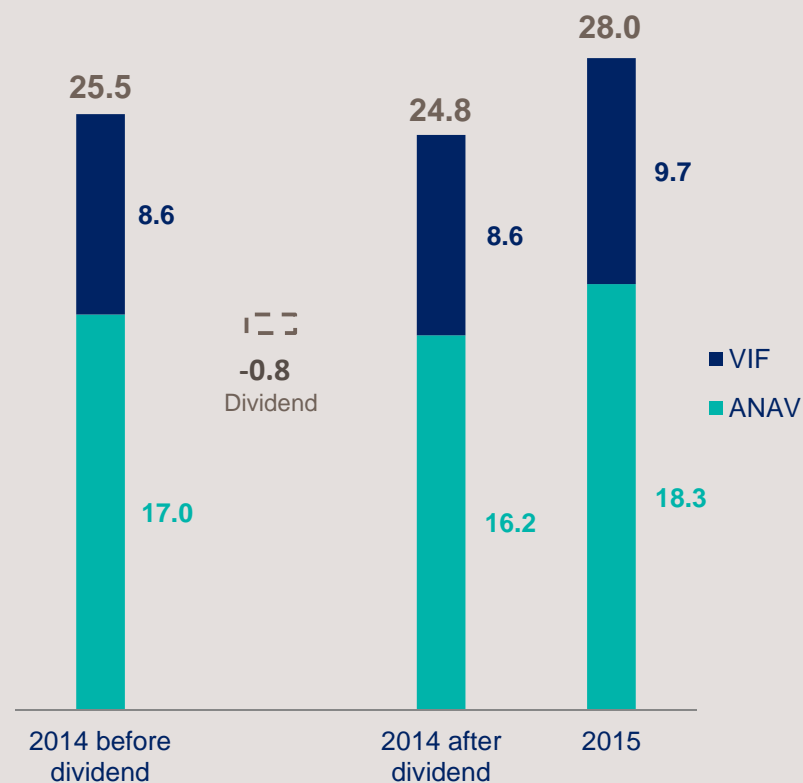
## VALUE OF IN-FORCE BUSINESS\* (€/share)



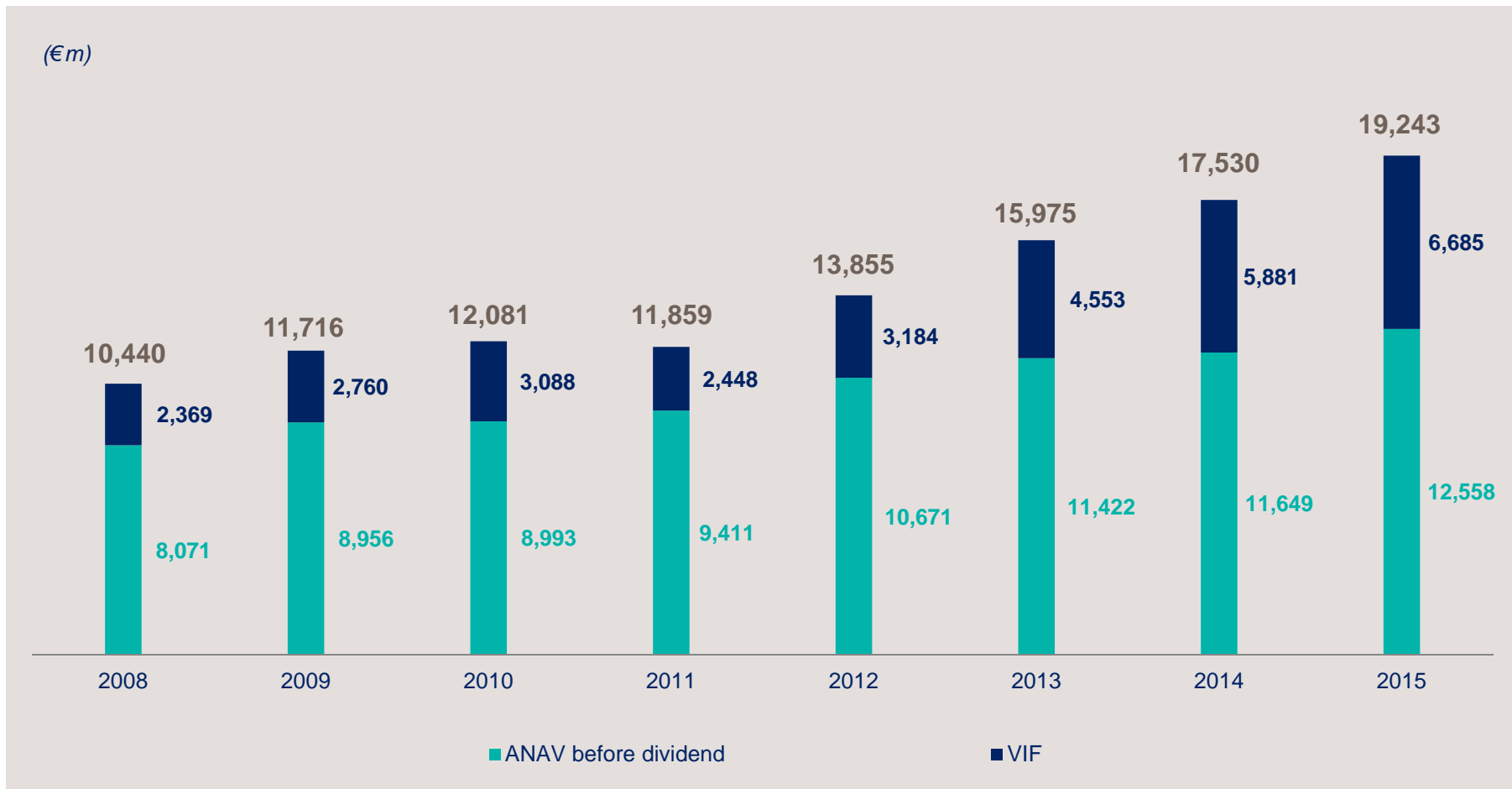
## ADJUSTED NET ASSET VALUE\* (€/share)



## MCEV<sup>©</sup> \* (€/share)



\* Calculated based on the weighted average number of shares at 31 December 2015 (686,618,477)



## TRANSITION FROM EBIT TO NET PROFIT

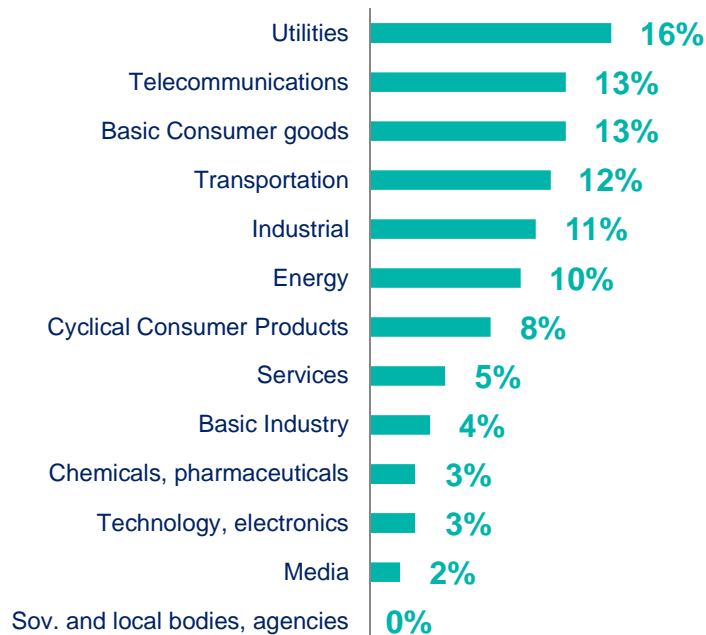
(€m)	2015	2014	CHANGE (%)
<b>EBIT</b>	<b>2,426</b>	2,442	-0.6
Finance costs	(192)	(178)	+8.1
Share of profit of associates	3	3	+0.1
Income tax expense	(811)	(824)	-1.5
Non-controlling interests	(303)	(323)	-6.0
<b>Recurring profit</b>	<b>1,124</b>	1,121	+0.2
Net realised gains on equities and invest. property, AFS, impairment	295	83	n.m.
Fair value adjustments to trading securities	24	77	n.m.
Non-recurring items	(312)	(201)	n.m.
<b>Attributable net profit</b>	<b>1,130</b>	1,080	+4.7



# CORPORATE EXPOSURES (excluding banks)

## CORPORATE EXPOSURES (EXCL. BANKS) BY INDUSTRY

(% of Group portfolio)



## CORPORATE EXPOSURES (EXCL. BANKS) BY RATING\*

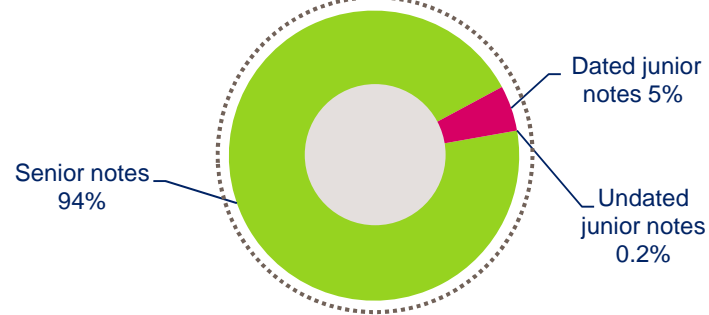
(% of Group portfolio)



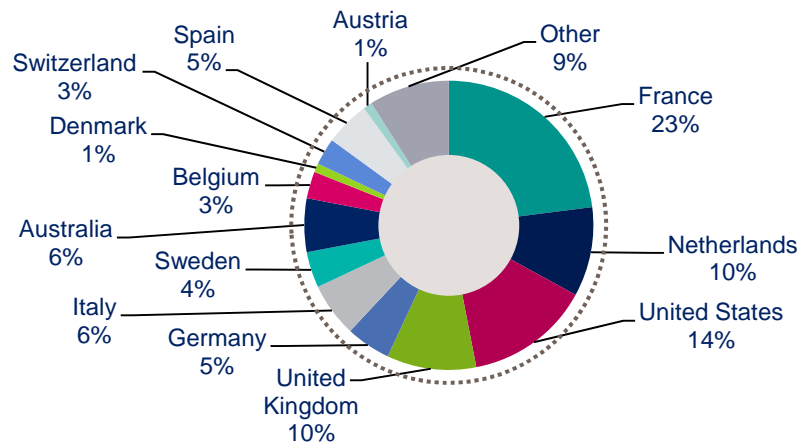
\* Second-best rating: method consisting of using the second-best rating awarded to an issue by the three leading agencies, S&P, Moody's and Fitch

# BANK EXPOSURES (excluding covered bonds)

## BANK EXPOSURES BY TYPE OF SECURITY (% of Group portfolio)

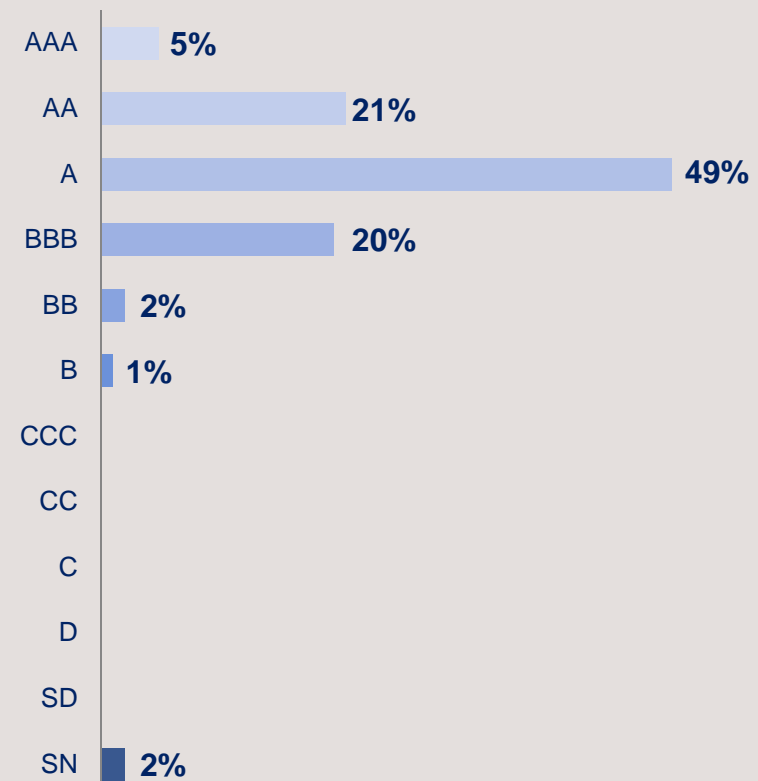


## BANK EXPOSURES BY COUNTRY (%)



## BANK EXPOSURES BY RATING\*

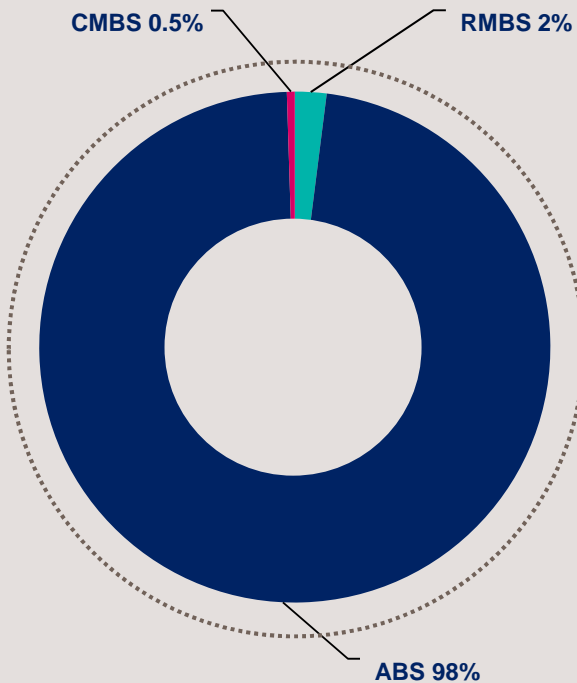
(% of Group portfolio)



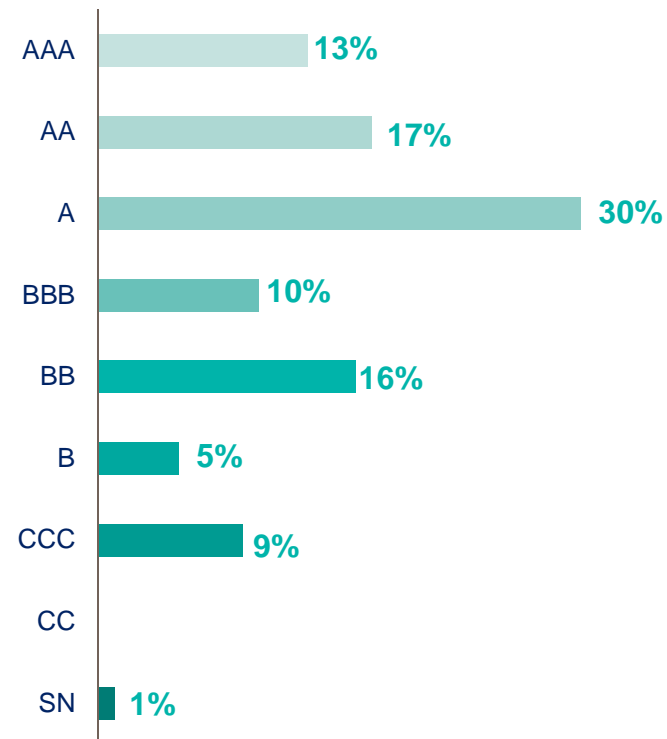
\* Second-best rating: method consisting of using the second-best rating awarded to an issue by the three leading agencies, S&P, Moody's and Fitch

## ASSET-BACKED SECURITIES PORTFOLIO

### ASSET-BACKED SECURITIES BY TYPE (% of Group portfolio)



### ASSET-BACKED SECURITIES BY RATING\* (% of Group portfolio)



\* Second-best rating: method consisting of using the second-best rating awarded to an issue by the three leading agencies, S&P, Moody's and Fitch

## LIMITED ENERGY SECTOR EXPOSURE (AS OF 31.12.2015)

### ➤ Direct energy sector exposure – bonds

- 9.7% of the corporate bond portfolio (excluding banks)
- 2.1% of the total bond portfolio
- Maximum exposure to a single issuer: €682m (BP)

### ➤ Direct energy sector exposure – equities

- 5.7% of the total equity portfolio
- Maximum exposure to a single issuer: €530m (Total)

### ➤ Direct energy sector exposure - infrastructure

- Total exposure: €700m
- Maximum exposure to a single issuer: €408m (GRT Gaz)

### ➤ Direct energy sector exposure - private equity

- Total exposure: €65m spread between several funds

## LIMITED MINING AND METALS SECTOR EXPOSURE (AS OF 31.12.2015)

### ➤ Direct mining and metals sector exposure – bonds

- 2.3% of the corporate bond portfolio (excluding banks)
- 0.5% of the total bond portfolio
- Maximum exposure to a single issuer: €340m (BHP Billiton)

### ➤ Direct mining and metals sector exposure – equities

- 0.3% of the total equity portfolio
- Maximum exposure to a single issuer: €33m (ArcelorMittal)

## SOVEREIGN EXPOSURES (AS OF 31.12.2015)

(€m)	31 December 2015			31 December 2014			31 December 2013		
	Gross exposure Cost*	Gross exposure Fair value	Net exposure Fair value	Gross exposure Cost*	Gross exposure Fair value	Net exposure Fair value	Gross exposure Cost*	Gross exposure Fair value	Net exposure Fair value
France	66,951.5	77,735.6	4,941.1	67,676.2	81,013.0	4,344.1	67,575.7	74,204.3	3,719.2
Italy	9,134.8	10,708.0	1,234.7	9,644.9	11,117.8	1,093.0	9,801.7	10,187.0	1,026.2
Belgium	7,402.4	8,621.0	494.4	8,201.0	9,617.8	417.3	8,411.4	9,292.5	342.9
Spain	3,751.0	4,390.8	344.9	3,695.8	4,378.1	304.9	4,462.5	4,604.1	261.4
Austria	4,434.0	5,197.8	219.3	4,793.8	5,739.5	202.1	4,913.9	5,553.6	173.0
Brazil	1,448.8	1,265.6	759.5	1,628.0	1,528.5	917.7	1,885.5	1,720.4	1,032.9
Portugal	271.4	310.8	7.6	431.7	468.5	11.7	766.4	734.8	18.4
Netherlands	179.5	204.2	15.5	124.8	154.0	10.4	133.5	152.3	14.0
Ireland	617.1	724.3	31.8	608.5	724.4	18.2	661.4	717.4	15.4
Germany	2,481.7	2,823.0	240.8	2,637.4	3,031.1	217.7	2,995.1	3,298.9	216.0
Greece	3.9	2.2	0.1	4.3	4.6	0.2	4.3	6.8	0.3
Finland	16.3	19.7	3.2	34.4	38.6	4.3	32.7	35.5	3.0
Poland	346.7	391.9	43.1	337.2	391.1	31.4	374.8	413.4	19.7
Luxembourg	50.4	56.3	20.8	34.1	39.0	15.4	34.4	37.2	14.6
Sweden	11.4	12.4	0.3	1.2	2.4	1.1	3.2	4.4	2.4
Denmark	45.2	60.1	4.5	45.2	49.2	3.3	204.6	210.6	7.8
Slovenia	140.6	158.7	3.5	237.9	269.4	14.2	250.3	252.0	4.4
United Kingdom	78.1	233.0	0.0	78.1	213.6	0.0	78.1	158.1	0.0
Canada	649.0	710.8	85.9	548.1	625.7	61.9	496.9	555.9	58.2
Cyprus	16.6	18.5	6.1	15.7	16.2	4.0	23.9	22.2	11.0
Other <sup>(1)</sup>	6,401.8	7,459.8	735.2	6,414.2	7,617.0	650.0	6,463.2	7,108.0	561.2
<b>TOTAL</b>	<b>104,072.3</b>	<b>121,104.4</b>	<b>9,192.0</b>	<b>107,192.3</b>	<b>127,039.4</b>	<b>8,322.9</b>	<b>109,573.6</b>	<b>119,269.3</b>	<b>7,502.0</b>
<i>(1) Of which supra</i>	<i>6,003.5</i>	<i>7,042.0</i>		<i>6,095.5</i>	<i>7,265.6</i>		<i>6,257.4</i>	<i>6,877.4</i>	

\* Carrying amount, including accrued coupon

## SENSITIVITY OF NET PROFIT AND EQUITY (AFTER HEDGING)

### SENSITIVITY TO A CHANGE IN VALUE OF ASSETS

(€m)	INTEREST RATES + 100 BPS	INTEREST RATES - 100 BPS	SHARE PRICES + 10%	SHARE PRICES - 10%
Impact on attributable net profit	(28.4)	56.8	+34.7	(47.5)
Impact on equity	(913.5)	904.3	383.2	(370.5)

## STANDARD & POOR'S RATING

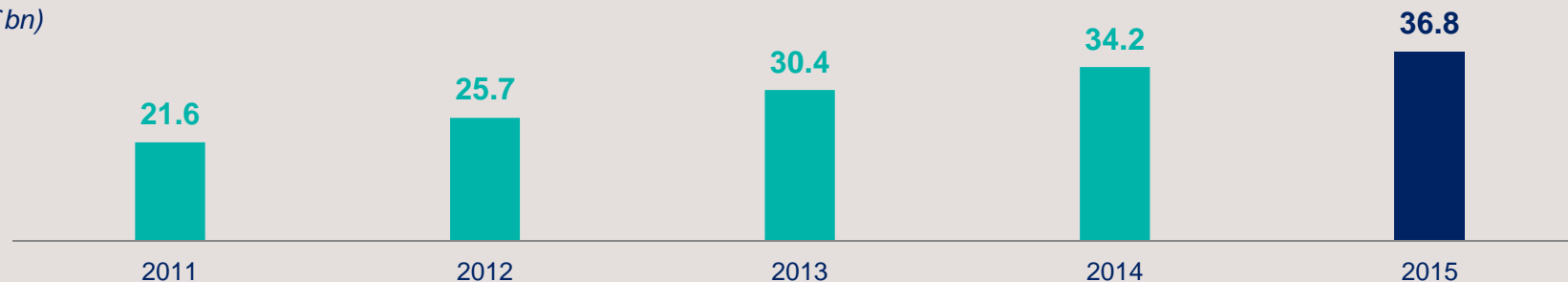
➤ **CNP Assurances is rated A, with a stable outlook, by Standard & Poor's:**

	June 2013	February 2014	February 2015	January 2016
Standard & Poor's Rating	A+ / Negative	A / Stable	A / Stable	A / Stable
Business Risk Profile	Very Strong	Strong	Strong	Strong
Financial Risk Profile	Moderately Strong	Strong	Strong	Strong

➤ **At 31 December 2015, Total Adjusted Capital (TAC) amounted to €36.8 billion, up 8% from end-2014.**

### TOTAL ADJUSTED CAPITAL

(€bn)





## WE ARE NOT IN THE SAME SITUATION AS JAPANESE LIFE INSURERS IN THE 1990s

<b>Scenario that led to the bankruptcy of 7 Japanese life insurers in the 1990s</b>	<ul style="list-style-type: none"> <li>Decline in interest rates</li> </ul>	=	<ul style="list-style-type: none"> <li>Decline in interest rates</li> </ul>	<b>CNP Assurances environment</b>
	<ul style="list-style-type: none"> <li>Large duration mismatch</li> </ul>	≠	<ul style="list-style-type: none"> <li>Duration gap is less than one year</li> </ul>	
	<ul style="list-style-type: none"> <li>High guaranteed rate on savings portfolio, even higher than JGB<sup>(1)</sup> yields until the mid 1990s, leading to negative spreads</li> </ul>	≠	<ul style="list-style-type: none"> <li>Since 1995, the French supervisor has prohibited guaranteed rate higher than 60% or 75% of FGB<sup>(1)</sup> yield</li> <li>0.48% average guaranteed rate on the back book</li> <li>No guaranteed rate on the new business</li> </ul>	
	<ul style="list-style-type: none"> <li>Decline in Japanese equity markets</li> <li>Large exposure to equities (&gt;20% of portfolio)</li> </ul>	≠	<ul style="list-style-type: none"> <li>European equities do not seem overvalued<sup>(2)</sup></li> <li>Exposure to equities is limited to 15% of portfolio (excluding unit-linked)</li> <li>Increased equity portfolio hedging</li> </ul>	
	<ul style="list-style-type: none"> <li>Yen appreciation</li> <li>Large exposure to unhedged foreign assets (up to 10% of portfolio)</li> </ul>	≠	<ul style="list-style-type: none"> <li>Euro is below 10 year average vs. main developed markets currencies</li> <li>No material exposure to unhedged foreign assets (less than 5% of portfolio)</li> </ul>	
	<ul style="list-style-type: none"> <li>Low profitability as large part of the business was savings and not protection</li> </ul>	≠	<ul style="list-style-type: none"> <li>44% of group EBIT comes from underwriting earnings (mortality, morbidity) of protection business</li> </ul>	

Sources : JP Morgan « European and Japanese Life insurance » Feb 2015 / ACPR « Bankruptcies in the life insurance industry in Japan in the 1990s and 2000s » May 2014

(1) JGB: Japanese Government Bond. FGB: French Government Bond

(2) Japanese equities average PER was 54.3 in 1988 (source K.R. French and J.M. Poterba « Are Japanese Stock Prices Too High? »). French equities average PER was 13.0 in February 2016

## THE CAP #DIGITAL PROGRAMME

1

**CUSTOMER CENTRE**  
THE CUSTOMER EXPERIENCE  
INTEGRATED INTO THE COMPANY

➔ **Giving customers a voice throughout the organisation**

- Gathering data on customer interactions across all channels
- Defining a unified vision that allows for comprehensive knowledge of the customer
- Recommending actions to achieve an improved, coherent customer journey
- Supporting the creation and management of a customer community
- Committing to ethical use of personal data

2

**DIGITAL ACCELERATOR**  
CONCEPTION & PROTOTYPING

➔ **Experimenting to rapidly transition from ideas to action**

- Developing and testing ideas each month and providing the means to implement them within the Company
- Setting up an area with a team and resources (equipment/methods) for collaborative teamwork during projects
- Promoting agile methods and open, shared developments

3

**#DIGITAL AMBITION**  
TRANSFORMATION & CULTURE  
TO CREATE A DIGITAL COMPANY

➔ **Raising awareness of the digital culture to promote cooperation and accelerate the transformation process**

- Supporting changes in management practices and the sharing of information, skills and behaviours
- Developing new knowledge and skills (conferences, MOOCs, reverse mentoring)
- Promoting cross-functional practices (crowdfunding, crowdsourcing, coworking)

4

**OPEN CNP**  
NEW GROWTH  
DRIVERS

➔ **Creating an open enterprise to stimulate innovation and develop new growth drivers**

- Investing in start-ups by combining business development and financing
- Organising open innovation drives: hackathon, schools/universities
- Entering into contact with potential partners with a culture of innovation in the area of digital solutions

