

Paris, 16 November 2018

Quarterly indicators – First nine months of 2018

**Attributable net profit up 3.1% to €955 million
Consolidated SCR coverage ratio¹ of 193%**

HIGHLIGHTS

- Premium income up 3.1% (up 6.6% like-for-like) reflecting a positive momentum in unit-linked sales (+19.5%) and very strong growth in high net worth distribution channels for CNP Patrimoine and CNP Luxembourg
- Proportion of savings/pensions premiums represented by unit-linked contracts up to 23.1% in France (versus 20.4% in the year-earlier period) and up to 42.2% at the Group level (versus 37.6% in the year-earlier period)
- APE margin¹ that remaining at a high level (22.7% versus 23.6% in 2017)
- EBIT up 1.9% (up 8.9% like-for-like) to €2,169 million²
- Attributable net profit of €955 million, up 3.1% (up 5.1% like-for-like²)
- Consolidated SCR coverage ratio¹ of 193% (versus 198% at 30 June 2018)

Antoine Lissowski, CNP Assurances' Chief Executive Officer, said:

"CNP Assurances delivered a very good performance over the first nine months of the year, thanks to our steadily improving product mix in France and the measures taken to enhance our efficiency for the benefit of our customers. We therefore confirm our 2018 EBIT growth objective."

The results indicators for the first nine months of 2018, on which CNP Assurances' Statutory Auditors do not provide an opinion, were reviewed by the Board of Directors at its meeting on 15 November 2018. This press release includes a certain number of alternative performance measures (APMs). These APMs and their calculation method are presented in the Investor/Analyst section of the CNP Assurances website www.cnp.fr/en/Investor-Analyst (2018 Results).

¹ Including the impacts of the new exclusive distribution agreement in Brazil.

² Average exchange rates:

First nine months of 2018: Brazil: €1 = BRL 4.30; Argentina: €1 = ARS 29.85

First nine months of 2017: Brazil: €1 = BRL 3.54; Argentina: €1 = ARS 18.13

In the like-for-like comparatives, the contributions of CNP Luxembourg (Luxembourg) and Holding d'Infrastructures Gazières (the vehicle for the investment in GRTgaz) have been excluded from the 2018 figures.

1. Premium income and APE margin for the first nine months of 2018

On 30 August 2018, CNP Assurances announced the signing of a framework agreement providing for the establishment of a new long-term exclusive distribution agreement until 13 February 2041 in Brazil in the network of Caixa Econômica Federal (CEF). This new agreement will be taken into account in the Group's **IFRS indicators** as from the date the transaction is completed, which should occur in 2019 once the various conditions precedent have been met. However, in the interests of prudence and transparency, CNP Assurances has decided to recognise the impacts of the new agreement in its **Solvency II and MCEV indicators** with immediate effect.

Consolidated premium income for the period totalled €24.6 billion, up 3.1% (up 6.6% like-for-like) versus the first nine months of 2017.

In **France**, premium income declined 3.4% to €16.6 billion.

Savings/pensions premium income contracted by 2.8% to €13.3 billion. The period saw a favourable shift in the product mix, with very strong growth of 10.2% in unit-linked premiums and a 6.2% decline in premium income from traditional products. The shift drove a sharp rise in the proportion of savings and pensions premiums represented by unit-linked contracts, to 23.1% in the first nine months of 2018 from 20.4% in the year-earlier period. In the high net worth (HNW) customers savings segment, CNP Patrimoine is now the Group's third distribution channel in France³, with premium income of €1.7 billion (versus €0.7 billion in the year-earlier period) and an excellent 44% unit-linked proportion. All told, savings/pensions for the period reflected a €1.9 billion net inflow to unit-linked contracts and a €4.2 billion net outflow from traditional savings and pensions products.

Personal risk/protection premium income contracted by 5.7% to €3.2 billion. Protection and health insurance premiums were up 2.2% at €1.3 billion. Term creditor insurance premiums were down 10.2% at €2.0 billion, due to the impact of the new agreements with Crédit Agricole under which CNP Assurances has given up its role as ceding insurer in favour of that of ceding co-insurer (accounting impact not affecting economic exposure). Excluding this impact, term creditor insurance premiums remained virtually stable compared with the first nine months of 2017.

The APE margin rose to 23.2% from 21.5% in 2017, thanks to an improved savings/pensions product mix and the more favourable economic environment.

In **Latin America**, premium income totalled €4.0 billion, up 2.5%. At constant exchange rates, the period-on-period increase was 24.9%, reflecting the Brazilian subsidiary's continued robust business performance. Pending fulfilment of the various conditions precedent in the new distribution agreement, the current agreement remains in effect, without any impact on premium income.

Savings/pensions premium income grew 13.6% (up 38.2% at constant exchange rates) to €2.9 billion, primarily led by the pensions business. Caixa Seguradora continued to outperform the Brazilian insurance market, lifting its market share to 10.2% from 8.1% at end-2017. The proportion of savings and pensions premiums represented by unit-linked contracts remained stable at 98.7%. Savings/pensions net inflows rose sharply to €1.7 billion, virtually all of which came from unit-linked contracts.

Personal risk/protection premium income amounted to €1.1 billion, down 18.8% (down 0.7% at constant exchange rates). The dip in term creditor insurance premiums (down 1.5% at constant exchange rates) was mainly due to a one-off premium adjustment in the mortgage term creditor insurance segment (*hipotecario*) and Caixa Econômica Federal's decision to apply stricter lending criteria.

The APE margin remained high, at 25.6%. This was nonetheless below the 31 December 2017 rate of 32.6%, reflecting a less favourable product mix and the advance recognition of the reduction in CNP Assurances' economic rights from 51.75% to 40% in the business lines included in the new distribution agreement (*vida, prestamista, previdência*⁴).

³ See table in the appendix, p.7.

⁴ Life insurance, consumer credit life insurance, private pension plans.

In Europe excluding France, premium income totalled €4.0 billion, an increase of 44.8% (up 29.4% like-for-like).

Savings/pensions premium income was 57.3% higher (up 36.7% like-for-like) at €3.2 billion. Growth was led by sales under the new distribution agreements with UniCredit, which added 32% to the Italian subsidiary's unit-linked premiums. CNP Luxembourg's HNW savings business also enjoyed very strong growth, generating premiums of €423 million over the nine-month period – of which 47% in unit-linked– and putting the subsidiary on track to meet its target of annual premium income of more than €600 million. Net inflows were positive at €1.3 billion (€1.2 billion to unit-linked contracts and €0.1 billion to traditional products).

Personal risk/protection premium income rose 7.7% to €0.7 billion, with growth led by the 8.1% increase in business written by CNP Santander and the 17.8% surge in CNP UniCredit Vita's personal risk/protection business.

The APE margin for the first nine months of 2018 was 15.8% versus 19.1% for the whole of 2017, with the decline attributable to the strong relative growth of the savings business.

Average net technical reserves for the Group totalled €313.7 billion at the period-end compared with €309.7 billion at 30 September 2017, an increase of €4.0 billion or 1.3%.

2. Nine-month 2018 results indicators

Net insurance revenue (NIR) for the first nine months of 2018 came to €2,245 million, up 2.2% (up 10.1% like-for-like).

In **France**, net insurance revenue grew 5.5% to €1,283 million. The increase was attributable to improved prior year loss ratios in personal risk insurance, higher unit-linked liabilities in the savings business, and stronger underwriting margins in the group pensions business.

In **Latin America**, net insurance revenue came to €787 million, a slight increase of 0.3% (up 22.5% at constant exchange rates). Growth factors included sharply higher technical reserves in the pensions business, improved loss ratios in the personal risk/protection business, and a one-off term creditor insurance reserve release following a change in local regulations concerning the calculation of insurance liabilities for mortgage insurance.

In **Europe excluding France**, net insurance revenue contracted by 10.8% to €175 million. As explained previously, during the initial three-year term of the new distribution agreement with UniCredit, which came into effect on 1 January 2018, the joint subsidiary CNP UniCredit Vita will pay UniCredit higher commissions than under the previous agreement. CNP Santander continued to enjoy strong growth in net insurance revenue, which rose 21.8% on the back of ongoing business expansion in Poland, Spain, Italy and Scandinavia.

Revenue from own-funds portfolios amounted to €592 million, down 1.6% (down 0.5% like-for-like). The slight decrease observed in the third quarter of 2018 reflected lower interest rates in Europe and Brazil⁵ and exceptional amortization of capitalised IT development costs, partly offset by profit-taking on bond portfolios in France.

Total revenue came to €2,837 million, an increase of 1.4% (up 7.8% like-for-like).

Administrative costs amounted to €668 million, down 0.1% (up 4.4% like-for-like). In light of this performance, the Group confirms its objective of a €60 million recurring annual reduction in the cost base by end-2018.

The **cost/income ratio** remained at a very healthy level (29.8% versus 30.5% for the year-earlier period).

⁵ The Brazilian central bank cut its base rate from 8.25% at 30 September 2017 to 6.50% at 30 September 2018.

At €2,169 million, **EBIT** was up 1.9% (up 8.9% like-for-like).

Attributable net profit came to €955 million, an increase of 3.1% (up 5.1% like-for-like).

IFRS book value was €16.2 billion at 30 September 2018, representing €23.55 per share (versus €24.02 per share at 31 December 2017).

The **consolidated SCR coverage ratio** was 193% at 30 September 2018 versus 198% at 30 June 2018. The decrease already takes into account the BRL 4.65 billion payment to be made by CNP Assurances upon fulfilment of the various conditions precedent included in the new distribution agreement in Brazil, the effect of which was eased slightly by the favourable impact of market conditions in the third quarter. The ratio at 30 September does not include the effect of redeeming the \$500 million Tier 1 subordinated notes issue on 18 October 2018.

CNP Assurances confirms its objective of achieving organic EBIT growth of at least 5% in 2018 compared to the 2017 baseline.

(in € millions)	9 months 2018	9 months 2017	% change (reported)	% change (like-for-like)
Premium income	24,581	23,834	+3.1	+6.6
Average net technical reserves	313,662	309,670	+1.3	-
Total revenue	2,837	2,798	+1.4	+7.8
Net insurance revenue (NIR), of which:	2,245	2,196	+2.2	+10.1
France	1,283	1,217	+5.5	+5.5
Latin America	787	784	+0.3	+22.5
Europe excluding France	175	196	-10.8	-11.2
Revenue from own-funds portfolios	592	602	-1.6	-0.5
Administrative costs, of which:	668	669	-0.1	+4.4
France	443	434	+2.1	+2.1
Latin America excluding Youse	113	127	-10.7	+10.7
Youse	24	27	-8.1	+11.7
Europe excluding France	87	82	+6.7	+4.1
Earnings before interest and taxes (EBIT)	2,169	2,129	+1.9	+8.9
Finance costs	(184)	(194)	-5.0	-5.0
Income tax expense	(719)	(691)	+4.1	+14.9
Non-controlling and equity-accounted interests	(195)	(250)	-22.3	+1.6
Fair value adjustments and net gains (losses)	136	158	-13.6	-11.3
Non-recurring items	(253)	(226)	+11.8	+11.8
Attributable net profit	955	926	+3.1	+5.1

APPENDICES

Premium income by country

<i>(in € millions)</i>	9 months 2018	9 months 2017	% change (reported)	% change (like-for-like)
France	16,564	17,148	-3.4	-1.3
Brazil	4,016	3,906	+2.8	+25.0
Italy	2,775	2,044	+35.8	+35.8
Luxembourg ⁽¹⁾	423	0	n.m.	n.m.
Germany	361	346	+4.3	+4.3
Spain	193	153	+26.2	+26.2
Cyprus	111	104	+6.3	+6.3
Poland	61	50	+22.6	+22.6
Scandinavia	39	36	+9.3	+9.3
Argentina	22	31	-29.8	+15.6
Other International	16	15	+5.2	+5.2
Total International	8,017	6,685	+19.9	+32.2
Total	24,581	23,834	+3.1	+6.6

(1) CNP Luxembourg was consolidated for the first time at 31 December 2017.

Premium income by segment

<i>(in € millions)</i>	9 months 2018	9 months 2017	% change (reported)	% change (like-for-like)
Savings	15,724	14,916	+5.4	+5.1
Pensions	3,772	3,436	+9.8	+28.0
Personal Risk Insurance	1,391	1,407	-1.1	+5.3
Term Creditor Insurance	3,055	3,333	-8.4	-5.5
Health Insurance	382	448	-14.8	-12.3
Property & Casualty	258	293	-11.9	+4.4
Total	24,581	23,834	+3.1	+6.6

Premium income by country and by segment

9 months 2018							
(in € millions)	Savings	Pensions	Personal Risk	Term Creditor Insurance	Health Insurance	Property & Casualty	Total
France	12,463	855	965	1,976	305	0	16,564
Brazil	33	2,907	390	413	52	220	4,016
Italy	2,636	8	15	116	0	0	2,775
Luxembourg ⁽¹⁾	423	0	0	0	0	0	423
Germany	0	0	0	361	0	0	361
Spain	122	1	0	70	0	0	193
Cyprus	41	0	9	0	24	37	111
Poland	0	0	1	60	0	0	61
Scandinavia	0	0	0	39	0	0	39
Argentina	4	0	10	7	0	1	22
Other International	2	0	0	13	0	0	16
Total International	3,261	2,917	426	1,079	77	258	8,017
Total	15,724	3,772	1,391	3,055	382	258	24,581

(1) CNP Luxembourg was consolidated for the first time at 31 December 2017.

Premium income by region and by partner/subsidiary

(in € millions)	9 months 2018	9 months 2017	% change (reported)
La Banque Postale	6,176	7,010	-11.9
BPCE	5,763	6,259	-7.9
CNP Patrimoine	1,656	661	+150.4
Companies and local authorities	1,379	1,297	+6.3
Financial institutions	942	1,137	-17.2
Mutual insurers	390	427	-8.6
Amétis	234	250	-6.4
Other France	24	106	n.m.
Total France	16,564	17,148	-3.4
Caixa Seguradora (Brazil)	4,016	3,906	+2.8
CNP UniCredit Vita (Italy)	2,574	1,892	+36.1
CNP Santander Insurance (Ireland)	548	507	+8.1
CNP Luxembourg (Luxembourg) ⁽¹⁾	423	0	n.m.
CNP Partners (Spain)	280	206	+35.9
CNP Cyprus Insurance Holdings (Cyprus)	114	106	+7.3
CNP Assurances Compañía de Seguros (Argentina)	22	31	-29.8
Other International	39	36	+6.6
Total International	8,017	6,685	+19.9
Total	24,581	23,834	+3.1

(1) CNP Luxembourg was consolidated for the first time at 31 December 2017.

**Unit-linked sales
by region and by partner/subsidiary**

(in € millions)	9 months 2018	9 months 2017	% change (reported)
La Banque Postale	1,013	1,075	-5.8
BPCE	1,224	1,354	-9.6
CNP Patrimoine	735	267	+175.7
Amétis	78	73	+7.2
Other France	26	22	+19.1
Total Unit-linked France	3,076	2,790	+10.2
Caixa Seguradora (Brazil)	2,906	2,547	+14.1
CNP UniCredit Vita (Italy)	1,890	1,436	+31.6
CNP Luxembourg (Luxembourg) ⁽¹⁾	201	0	n.m.
CNP Partners (Spain)	124	84	+48.3
CNP Cyprus Insurance Holdings (Cyprus)	40	36	+12.7
Total Unit-linked International	5,161	4,102	+25.8
Total Unit-linked	8,237	6,892	+19.5

(1) CNP Luxembourg was consolidated for the first time at 31 December 2017.

**Unit-linked sales as a proportion of savings/pensions premiums
by region**

9 months 2018				
(in € millions)	Savings/Pensions	o/w Unit-linked	o/w Traditional	% Unit-linked
France	13,318	3,076	10,242	23.1
Latin America	2,944	2,906	38	98.7
Europe excluding France	3,233	2,255	978	69.7
Total	19,495	8,237	11,259	42.2

Caixa Seguradora premium income by segment in BRL

<i>(in BRL millions)</i>	9 months 2018	9 months 2017	% change (reported)
Savings	143	137	+4.0
Pensions	12,493	9,013	+38.6
Personal Risk Insurance	1,676	1,628	+3.0
Term Creditor Insurance	1,774	1,798	-1.3
Health Insurance	223	339	-34.1
Property & Casualty	946	901	+5.0
Total	17,255	13,816	+25.0

CNP UniCredit Vita premium income by segment

<i>(in € millions)</i>	9 months 2018	9 months 2017	% change (reported)
Savings	2,492	1,820	+37.0
Pensions	8	10	-18.0
Personal Risk Insurance	14	12	+23.2
Term Creditor Insurance	60	51	+16.6
Total	2,574	1,892	+36.1

CNP Santander Insurance premium income by country

<i>(in € millions)</i>	9 months 2018	9 months 2017	% change (reported)
Germany	361	346	+4.2
Poland	61	50	+22.6
Spain	53	44	+20.2
Scandinavia	39	36	+9.3
Italy	26	23	+10.7
Other International	9	8	+7.6
Total	548	507	+8.1

INVESTOR CALENDAR

- 2018 premium income and profit: Thursday, 21 February 2019 at 7:30 a.m.
- Annual General Meeting: Thursday, 18 April 2019
- First-quarter 2019 results indicators: Thursday, 16 May 2019 at 7:30 a.m.
- First-half 2019 premium income and profit: Monday, 29 July 2019 at 7:30 a.m.
- Nine-month 2019 results indicators: Friday, 15 November 2019 at 7:30 a.m.

This press release, along with all of CNP Assurances' regulated information published in accordance with Article L.451-1-2 of the French Monetary and Financial Code and Articles 222-1 et seq. of the Autorité des Marchés Financiers' General Regulations, is available on the Group's investor information website www.cnp.fr/en/investor-analyst.

ABOUT CNP ASSURANCES

CNP Assurances is France's leading personal insurer, with net profit of €1,285 million in 2017. The Group has operations in other European countries and in Latin America, with a significant presence in Brazil, its second largest market.

It has more than 38 million personal risk/protection insureds worldwide and over 14 million savings/pensions policyholders. Acting as an insurer, co-insurer and reinsurer, CNP Assurances develops innovative personal risk insurance and savings solutions. These solutions are distributed by many partners and are tailored to their distribution methods, ranging from physical networks to full online, and to policyholders' needs in each country.

CNP Assurances has been listed on the Paris Stock Exchange since October 1998 and has a stable core shareholder base (Caisse des Dépôts, La Banque Postale, Groupe BPCE and the French State).

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