

Quarterly indicators – First three months of 2020

Premium income of €6.9 billion
Attributable net profit of €299 million
SCR coverage ratio of 218%

Highlights

- Premium income of €6.9 billion, down 17.0%¹ (down 14.4% at constant exchange rates²)
 - Decline in Savings/Pensions business in France, reflecting a softer market and more selective underwriting policies
 - Premium income in Brazil up 7.6% in local currency, but down 6.4% as reported due to the real's weakness against the euro
 - 48% of total premium income derived from unit-linked products, with a €1.0 billion net inflow to unit-linked Savings/Pensions products and a €1.7 billion net outflow from traditional Savings/Pensions products
- EBIT of €621 million, down 3.0% as reported (up 2.6% like-for-like)
- Attributable net profit of €299 million, down 8.2% as reported (down 4.5% like-for-like)
- APE margin of 15.6%
- Consolidated SCR coverage ratio of 218%

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

"First-quarter results are solid. Any additional impact will have to be measured in the first half of the year. Overall, CNP Assurances has a very solid business model and balance sheet, as reflected in its high solvency ratio. Since the start of the Covid-19 crisis, our teams have worked tirelessly to continue to provide professional services that raise the bar in personal protection. In keeping with its corporate values, the company contributes to the outpouring of solidarity as we serve our policyholders and the populations most affected by the crisis."

¹First-quarter 2019 premium income has been restated to exclude the top line contribution of Fourgous and Eurocroissance transfers for a total of €290 million, breaking down as €149 million for the BPCE network (of which €48 million in unit-linked premiums) and €141 million for the La Banque Postale network (of which €26 million in unit-linked premiums). Fourgous and Eurocroissance transfers in the first quarter of 2020 were not material.

² Average exchange rates:

First-quarter 2020: Brazil: €1 = BRL 4.92; Argentina: €1 = ARS 67.81

First-quarter 2019: Brazil: €1 = BRL 4.28; Argentina: €1 = ARS 44.28

Covid-19 impacts

Several Covid-19 related developments affected the Group's first-quarter earnings performance:

- *Exceptional commercial measures* have been adopted that go beyond the Group's contractual obligations, such as paying daily allowances for vulnerable policyholders and for childcare costs. These measures were originally expected to have a negative impact of €23 million on first-quarter profit but the estimate has now been raised to €50 million.
- *Contribution to the solidarity fund* set up by the government to help micro-enterprises and the self-employed. The original contribution of €12 million for the first quarter has now been doubled to €24 million.
- *Financial market movements* adversely affected the investment income during the period.
- *Distribution activities* were sharply reduced following the closure in March of bank branches and post offices due to the Covid-19 lockdown.

The business has been re-organised, with nearly 98% of the workforce working from home. The various home-working initiatives deployed in recent years had already been tested during the strikes of December and January, ensuring a smooth transition to the new organisation.

The decline in first-quarter premium income, due to a combination of unfavourable financial market conditions and the Group's more selective approach to new business, cannot be attributed solely to Covid-19. Results for the quarter provide only a limited view of the epidemic's probable impact on the Group's financial metrics. The full impact will depend on how the epidemic develops, how long the lockdown lasts, and how the financial markets and the personal insurance market are affected.

1. First-quarter 2020 premium income and APE margin

Consolidated premium income for the period came to €6,852 million, down 17.0% as reported (down 14.4% at constant exchange rates).

In France, premium income declined 25.2% to €4,181 million.

Savings/Pensions premium income was down 30.4%, at €3,166 million (with €1,735 million generated by La Banque Postale and €1,038 million by BPCE). The decline in Savings/Pensions premiums generated by the two historical distribution networks reflected the market environment and application of a marketing strategy specifically designed for the low interest rate environment, with a focus on transfers and stricter underwriting policies. Unit-linked products accounted for 21.4% of total Savings/Pensions premium income. Savings/Pensions net new money reflected a €0.3 billion net inflow to unit-linked contracts, and a €1.6 billion net outflow from traditional products.

Personal Risk/Protection premium income dipped 2.4% to €1,015 million, as a result of prior year adjustments for the term creditor insurance business (which remained buoyant in the first quarter) that were partly offset by 3.4% growth in employee benefit plan premiums.

The APE margin narrowed to 8.2% from 12.3% in first-quarter 2019, due to unfavourable economic effects and a negative volume effect resulting from lower unit-linked new money in the Savings segment.

In Europe excluding France, premium income amounted to €1,224 million, an increase of 8.9%.

Savings/Pensions premiums increased by 11.3%. CNP UniCredit Vita enjoyed strong growth, with Savings premiums up 42.4%. This performance was attributable to the sales drive focused on 100% unit-linked products and the late-January launch of a new traditional savings product with a unit-linked formula (Mixa Protection). In the first quarter of 2020, unit-linked contracts accounted for 78.1% of total Savings/Pensions business.

Premium income from **Personal Risk/Protection** business rose 1.0% to €261 million. CNP Santander's solid momentum (with premiums up 3.5%) offset lower term creditor insurance premiums in Italy.

The APE margin was stable at 21.4%.

The contribution of **Latin America** to consolidated premium income was adversely affected by the real's weakness against the euro. Premium income for the period was down 6.4% as reported, at €1,447 million, but was up 7.7% in local currency.

Savings/Pensions premium income amounted to €1,092 million, down 5.0% as reported but up 9.2% at constant exchange rates. Caixa Seguradora continued to enjoy strong momentum in the Pensions segment, helped by a favourable market environment and Caixa Econômica Federal's marketing focus on insurance products in the period to mid-March when the country went into lockdown. Caixa Seguradora is still the third largest pensions provider in Brazil, with 18% of the market at end-February. The proportion of Savings/Pensions premiums represented by unit-linked contracts remained very high, at 98.7%.

Personal Risk/Protection premiums came in at €355 million, down 10.4% as reported, but up 3.3% at constant exchange rates reflecting growth in term creditor insurance business (*Prestamista*).

The APE margin improved slightly, rising to 31.5% from 29.7% at end-2019 thanks to a positive contribution from operations.

The **Value of New Business (VNB)** written by the Group³ was €100 million in first-quarter 2020.

³ The Value of New Business is calculated on a group share basis.

Average consolidated net technical reserves for the quarter totalled €322.8 billion, compared with €316.1 billion for the year-earlier period, an increase of 2.1%.

2. Quarterly indicators – First three months of 2020

Net insurance revenue (NIR) came to €701 million, down 2.2% as reported and up 3.3% at constant exchange rates.

In France, net insurance revenue declined by 4.8% to €374 million, after taking into account the €23 million in reserves set aside to cover the effects of the current health crisis.

In Europe excluding France, net insurance revenue was up a strong 10.1% at €72 million, driven by excellent momentum in CNP UniCredit Vita's unit-linked business.

In Latin America, net insurance revenue came to €255 million, down 1.2% as reported. Excluding the negative currency effect, the period-on-period change was an increase of 13.9%, reflecting an improved loss experience and increased term creditor insurance volumes.

Revenue from own-funds portfolios of €140 million was down 5.1% as reported (down 2.6% at constant exchange rates), due to lower yields on proprietary bond portfolios in France.

Total revenue came to €841 million, down 2.7% as reported and up 2.3% at constant exchange rates.

Administrative costs of €220 million were down 1.8% as reported and up 1.2% at constant exchange rates. In France, administrative costs dipped by 0.2% to €147 million.

The cost/income ratio was just 0.1-point higher at 31.3%.

At €621 million, **EBIT** was down 3.0% as reported (up 2.6% at constant exchange rates).

Attributable net profit came in at €299 million, down 8.2% as reported and down 4.5% at constant exchange rates.

IFRS book value was €15.9 billion, representing €23.2 per share compared to €24.6 per share at 31 March 2019.

The consolidated SCR coverage ratio was 218% at 31 March 2020 versus 227% at end-2019. The decline was due to unfavourable financial market trends – with interest rates and stock prices both down on the previous period –, the effect of which was partly offset by the adoption of the simplified economic method of calculating the portion of the policyholders' surplus reserve included in surplus own funds. The change of the ratio between 31 December 2019 and 31 March 2020 breaks down as follows: 1-point increase due to the creation of capital net of dividends, 20-point decrease due to changes in the financial markets and 10-point increase due to the change in the method of including the policyholders' surplus reserve in Tier 1 capital.

The first-quarter 2020 results indicators, on which CNP Assurances' Statutory Auditors do not provide an opinion, were reviewed by the Board of Directors at its meeting on 14 May 2020. This press release includes a certain number of alternative performance measures (APMs). These APMs and their calculation method are presented in the Investors section of the CNP Assurances website at <https://www.cnp.fr/en/the-cnp-assurances-group/investors/results/results-presentation/2020-results>.

<i>(in € millions)</i>	Q1 2020	Q1 2019	% change (reported)	% change (like-for-like)
Premium income	6,852	8,259⁴	-17.0	-14.4
Average net technical reserves	322,770	316,063	+2.1	-
Total revenue	841	863	-2.7	+2.3
Net insurance revenue (NIR), of which:	701	716	-2.2	+3.3
France	374	393	-4.8	-4.8
Latin America	255	258	-1.2	+13.9
Europe excluding France	72	66	+10.1	+10.1
Revenue from own-funds portfolios	140	147	-5.1	-2.6
Administrative costs, of which:	220	223	-1.8	+1.2
France	147	148	-0.2	-0.2
Latin America	38	45	-14.5	+0.1
Europe excluding France	34	31	+9.3	+9.3
Earnings before interest and taxes (EBIT)	621	640	-3.0	+2.6
Finance costs	(64)	(63)	+1.6	+1.6
Non-controlling and net equity accounted interests	(124)	(126)	-2.0	+11.3
Attributable recurring profit	434	451	-3.9	+0.4
Income tax expense	(143)	(146)	-2.2	+2.9
Fair value adjustments and net gains (losses)	43	91	-52.8	-52.3
Non-recurring items	(34)	(69)	-51.1	-50.8
Attributable net profit	299	326	-8.2	-4.5

⁴First-quarter 2019 premium income has been restated to exclude the top line contribution of Fourgous and Eurocroissance transfers for a total of €290 million, breaking down as €149 million for the BPCE network (of which €48 million in unit-linked premiums) and €141 million for the La Banque Postale network (of which €26 million in unit-linked premiums). Fourgous and Eurocroissance transfers in the first quarter of 2020 were not material.

APPENDICES

Premium income by country

<i>(in € millions)</i>	Q1 2020	Q1 2019	% change	% change (like-for-like)
France	4,181	5,589	-25.2	-25.2
Brazil	1,442	1,540	-6.4	+7.6
Italy	949	675	+40.5	+40.5
Germany	117	116	+0.4	+0.4
Cyprus	43	39	+10.1	+10.1
Spain	35	82	-56.9	-56.9
Luxembourg	32	167	-80.6	-80.6
Poland	23	22	+4.1	+4.1
Austria	6	5	+17.4	+17.4
Norway	6	5	+8.1	+8.1
Denmark	5	5	+6.4	+6.4
Argentina	5	6	-19.2	+23.7
Portugal	1	2	-41.9	-41.9
Other International	6	5	+19.6	+19.6
Total International	2,671	2,670	0.0	+8.2
Total	6,852	8,259	-17.0	-14.4

Premium income by segment

<i>(in € millions)</i>	Q1 2020	Q1 2019	% change	% change (like-for-like)
Savings	3,905	5,168	-24.4	-24.4
Pensions	1,316	1,397	-5.8	+5.7
Personal Risk Insurance	398	400	-0.6	+4.1
Term Creditor Insurance	1,049	1,097	-4.4	-2.3
Health Insurance	92	99	-6.9	-6.2
Property & Casualty	92	98	-6.5	+5.4
Total	6,852	8,259	-17.0	-14.4

Premium income by country and by segment

Q1 2020							
<i>(in € millions)</i>	Savings	Pensions	Personal Risk	Term Creditor Insurance	Health Insurance	Property & Casualty	Total
France	2,933	233	263	674	78	0	4,181
Brazil	12	1,079	114	155	4	79	1,442
Italy	899	4	7	39	0	0	949
Germany	0	0	3	114	0	0	117
Cyprus	16	0	4	0	10	13	43
Spain	10	0	1	24	0	0	35
Luxembourg	32	0	0	0	0	0	32
Poland	0	0	3	21	0	0	23
Austria	0	0	0	6	0	0	6
Norway	0	0	0	6	0	0	6
Denmark	0	0	0	5	0	0	5
Argentina	1	0	3	1	0	0	5
Portugal	0	0	0	1	0	0	1
Other International	1	0	0	5	0	0	6
Total International	972	1,083	134	376	14	92	2,671
Total	3,905	1,316	398	1,049	92	92	6,852

Premium income by region and by partner/subsidiary

<i>(in € millions)</i>	Q1 2020	Q1 2019	% change
La Banque Postale	1,793	2,039	-12.1
BPCE	1,340	1,804	-25.8
CNP Patrimoine	233	908	-74.4
Social protection partners (France)	471	459	+2.5
Financial institutions (France)	287	300	-4.4
Amétis	50	70	-29.0
Other France	8	8	-6.5
Total France	4,181	5,589	-25.2
Caixa Seguradora (Brazil)	1,442	1,540	-6.4
CNP UniCredit Vita (Italy)	902	645	+39.8
CNP Luxembourg (Luxembourg)	32	167	-80.6
CNP Santander Insurance (Ireland)	193	187	+3.5
CNP Partners (Spain)	39	72	-45.5
CNP Cyprus Insurance Holdings (Cyprus)	44	40	+10.1
CNP Assurances Compañía de Seguros (Argentina)	5	6	-19.2
Other International	13	13	-3.1
Total International	2,671	2,670	n.m.
Total	6,852	8,259	-17.0

Unit-linked sales
by region and by partner/subsidiary

Unit-linked sales			
<i>(in € millions)</i>	Q1 2020	Q1 2019	% change
La Banque Postale	329	293	+12.1
BPCE	202	240	-15.8
CNP Patrimoine	133	396	-66.4
Amétis	14	19	-29.4
Other France	(1)	4	-115.8
Total Unit-linked France	677	953	-29.0
Caixa Seguradora (Brazil)	1,078	1,133	-4.9
CNP UniCredit Vita (Italy)	691	411	+67.9
CNP Partners (Spain)	24	11	+125.3
CNP Luxembourg (Luxembourg)	21	71	-70.5
CNP Cyprus Insurance Holdings (Cyprus)	16	13	+21.0
Total Unit-linked International	1,830	1,640	+11.6
Total Unit-linked	2,507	2,593	-3.3

Unit-linked sales as a proportion of Savings/Pensions premiums
by region

Q1 2020				
<i>(in € millions)</i>	Savings/Pensions	o/w Unit-linked	o/w Traditional	% Unit-linked
France	3,166	677	2,489	21.4
Latin America	1,092	1,078	14	98.7
Europe excluding France	963	752	211	78.1
Total	5,221	2,507	2,714	48.0

Premium income from partnership with La Banque Postale

<i>(in € millions)</i>	Q1 2020	Q1 2019	% change
Savings	1,646	1,889	-12.8
Pensions	89	100	-10.8
Personal Risk Insurance	6	6	+3.2
Term Creditor Insurance	52	45	+15.4
Total	1,793	2,039	-12.1

Premium income from partnership with BPCE

<i>(in € millions)</i>	Q1 2020	Q1 2019	% change
Savings	1,010	1,429	-29.3
Pensions	27	30	-7.6
Personal Risk Insurance	26	28	-7.3
Term Creditor Insurance	276	317	-13.1
Total	1,340	1,804	-25.8

Caixa Seguradora premium income by segment in BRL

<i>(in BRL millions)</i>	Q1 2020	Q1 2019	% change
Savings	57	63	-10.7
Pensions	5,305	4,850	+9.4
Personal Risk Insurance	560	572	-2.2
Term Creditor Insurance	760	696	+9.2
Health Insurance	22	40	-44.7
Property & Casualty	386	365	+5.8
Total	7,089	6,586	7.6

CNP UniCredit Vita premium income by segment

Quarterly indicators – First quarter 2020

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CNP Assurances | Headquarters: 4, place Raoul Dautry 75716 Paris cedex 15 – 00 33 1 42 18 88 88 | www.cnp.fr | French *société anonyme* with paid-up share capital of €686,618,477 | Registered in Paris, RCS 341 737 062 – Company governed by the French Insurance Code (*Code des assurances*)

<i>(in € millions)</i>	Q1 2020	Q1 2019	% change
Savings	875	614	+42.4
Pensions	4	3	+20.3
Personal Risk Insurance	7	6	+17.6
Term Creditor Insurance	17	22	-22.8
Total	902	645	+39.8

CNP Santander Insurance premium income by country

<i>(in € millions)</i>	Q1 2020	Q1 2019	% change
Germany	116.9	116.5	+0.3
Poland	23.2	22.3	+4.1
Spain	21.2	19.3	+9.6
Italy	9.8	9.1	+8.3
Norway	5.9	5.4	+8.1
Denmark	5.5	5.2	+6.4
Austria	6.0	5.1	+17.4
Sweden	2.9	2.4	+21.7
Finland	1.3	1.1	+9.8
Belgium	0.7	0.5	n.m.
Netherlands	0.1	0.0	n.m.
Total	193	187	+3.5

Investor Calendar

- First-half 2020 premium income and profit: Monday, 3 August 2020 at 7:30 a.m.
- Nine-month 2020 results indicators: Thursday, 19 November 2020 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 at www.cnp.fr/en/investor-analyst.

About CNP Assurances

A benchmark player in the French personal insurance market, CNP Assurances is active in 19 countries in Europe and Latin America, with a significant presence in Brazil, its second largest market. Acting as an insurer, co-insurer and reinsurer, CNP Assurances develops innovative personal risk/protection and savings/pensions solutions. It has more than 37 million personal risk/protection insureds worldwide and more than 14 million savings/pensions policyholders. In line with its business model, the Group's solutions are distributed by multiple partners. The solutions are aligned with each partner's physical or digital distribution model, while also being tailored to local clients' needs in each country.

CNP Assurances has been listed on the Paris Stock Exchange since October 1998. The Group reported net profit of €1,412 million in 2019.

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