

CNP Assurances announces the finalisation of its new exclusive long-term distribution agreement with Caixa Econômica Federal in Brazil

CNP Assurances announces the finalisation of its new exclusive long-term distribution agreement, through to 13 February 2046, with the Caixa Econômica Federal (CEF) network – Brazil's public bank and one of the top five banks in Latin America.

CNP Assurances announces that the closing operations set out in the agreement signed with Caixa Econômica Federal and Caixa Seguridade on 29 August 2018 (amended on 19 September 2019), concerning their new exclusive long-term distribution agreement for personal risk insurance, consumer loan insurance and retirement products (vida, prestamista, previdência), were finalised today.

CNP Assurances has paid an initial amount of R\$7.0 billion under the agreement. A performance incentive mechanism covering the first five years allows for additional payments, capped at R\$0.8 billion (Group share) in value terms at 31 December 2020. The impact of the operation has been fully integrated in the Group's SCR coverage ratio since 30 September 2019.

A new insurance joint venture has been created. This entity will be fully consolidated by the CNP Assurances Group, which will hold 51% of voting rights and 40% of economic rights, while Caixa Seguridade will hold 49% of voting rights and 60% of economic rights. Caixa Seguros Holding (CSH) has transferred the insurance portfolios relating to the products covered by the agreement to this new jointly owned insurance company.

For the new partnership signed by CNP Assurances and Caixa Seguridade on 13 August 2020 for the distribution of *consorcios* products in the CEF network, the parties have agreed to postpone the deadline for finalising this partnership, initially scheduled for 4 January 2021, to 30 March 2021.

Antoine Lissowski

Chief Executive Officer of CNP Assurances



"CNP Assurances is delighted to have closed this new agreement, which strengthens the Group's activity in the Caixa Economica Federal (CEF) network in Brazil, including exclusive access to its 78 million customers, over the very long term and for a new scope. It draws on the success of the partnership between CNP Assurances and CEF since 2001 through their joint subsidiary, Caixa Seguros Holding (CSH), and was the result of outstanding work by its teams, led by Laurent Jumelle for the past three years."

APPENDIX

Operating and financial performance of Caixa Seguros Holding

CNP Assurances' share	2008	2019	Q3 2020	CAGR 2008-2019 (in R\$)	CAGR 2008-2019 (in €)
Premium income (R\$ bn)	2.2	15.4	11.3	19%	14%
Value of new business* (R\$ m)	209	907	680	14%	11%
Net profit (R\$ m)	332	1,100	1,214	12%	7%

*The value of new business in Latin America includes a marginal contribution from Argentina. The value of new business for 2019 and Q3 2020 includes a reduction in CNP Assurances' share of economic rights on the scope included in the new distribution agreement (from 51.75% to 40%).

Breakdown of premium income of Caixa Seguros Holding

100% of premium income of Caixa Seguros Holding (R\$ bn)	2018	2019	Q3 2020	Change 2018-2019 (%, reported)
Scope of new exclusive distribution agreement	19.8	25.8	18.9	30%
Products distributed in the CEF network not included in the scope of the new agreement	2.9	3.3	2.5	13%
Products sold by other distribution channels besides CEF (brokers, digital)	0.8	0.6	0.4	-18%
Total	23.5	29.7	21.8	26%

New economic scope¹

Q3 2020 (Group share)	Premium income	Value of new business
New economic scope (across Brazil)	69%	72%

¹ Taking into account the new scope of the exclusive distribution agreement and CNP Assurances' reduced economic rights compared to the current situation and including products distributed by channels other than CEF.

About CNP Assurances

A leading player in the French personal insurance market, CNP Assurances operates in 19 countries in Europe and Latin America, where it is very active in Brazil, its second largest market. As an insurance, coinsurance, and reinsurance provider, CNP Assurances designs innovative personal risk/protection and savings/retirement solutions. The company has more than 38 million insured in personal risk/protection insurance worldwide and more than 12 million in savings/retirement. In accordance with its business model, its solutions are distributed by multiple partners and adapt to their physical or digital distribution method as well as to the needs of customers in each country. CNP Assurances has been listed on the Paris Stock Exchange since October 1998. The Group declared a net income of €1,412 million in 2019.

Contacts

Press

Florence de Montmarin +33 (0)1 42 18 86 51
Tamara Bernard +33 (0)1 42 18 86 19
Caroline Ceintrey +33 (0)1 42 18 85 73

servicepresse@cnp.fr

Follow us on:    

Investors and analysts

Nicolas Legrand +33 (0)1 42 18 65 95
Jean-Yves Icole +33 (0)1 42 18 86 70
Typhaine Lissot +33 (0)1 42 18 83 66
Julien Rouch +33 (0)1 42 18 94 93

