



## PRESS RELEASE

Paris – 17 February 2016

### 2015 Annual Results

Attributable net profit up 4.7% to €1,130 million and a Solvency II coverage rate<sup>(1)</sup> of 192%

CNP Assurances, the leading personal insurer in France, with operations in the rest of Europe and in Latin America, has announced its 2015 revenue and results. These indicators were approved for publication by the Board of Directors at its meeting on 16 February 2016.

#### HIGHLIGHTS

- Premium income of €31.6 billion, up 2.5% (3.4% like-for-like<sup>(2)</sup>)
- New business margin<sup>(3)</sup> up 0.8 points to 14.5%
- Solvency II coverage rate<sup>(1)</sup> of 192%
- Attributable net profit up 4.7% (10.7% like-for-like<sup>(2)</sup>) at €1,130 million
- A cash dividend of €0.77 per share to be recommended at the Annual General Meeting on 28 April 2016

**Frédéric Lavenir, CNP Assurances' Chief Executive Officer, said:**

*"Business and earnings continued to grow steadily in 2015, in a low interest rate environment and despite the decline in the Brazilian real. The process of transforming the business continued during the year, in line with the strategy announced in 2013. In 2016, development of our multi-partner business model will move up a gear and we will assertively deploy our digital strategy."*

<sup>(1)</sup> Standard formula without applying transitional measures (except for grandfathering of subordinated debt)

<sup>(2)</sup> Based on the 2014 scope of consolidation, including CNP BVP for the first three months

<sup>(3)</sup> Marginal method

## 1. 2015 business review and new business margin

**Consolidated premium income for the year came to €31.6 billion, an increase of 2.5% as reported and 3.4% like-for-like.**

Premium income **in France** amounted to €24.8 billion in 2015, an increase of 1.1%. New business value (NBV) was up by €15 million and new business margin by 0.3 points. Growth was led by the 21.4% increase in unit-linked sales, which accounted for 15.6% of total savings/pensions premiums vs. 13.1% in 2014. Life and pensions net new money<sup>(1)</sup> in France was a positive €2.2 billion, reflecting a €2 billion net inflow to unit-linked savings/pensions contracts and a €0.2 billion net inflow to traditional savings/pension products. In personal risk/protection insurance<sup>(2)</sup>, new business value was up by 32%, thanks to higher term creditor insurance volumes and improved loss ratios for group health and death/disability insurance.

**In Latin America**, growth momentum was maintained across all business segments in a difficult economic environment, with premium income rising by 12.3% as reported and 32.0% like-for-like. New business value amounted to €138 million, down 3% as reported but up 8% like-for-like. New business margin was eroded slightly by the outperformance of savings/pensions products.

**In Europe excluding France**, premium income rose by 4.6% to €3.6 billion. The new business margin stood at 18.3% and new business value came to €54 million. With the business model undergoing rapid change, the year saw an improvement in the product mix led by 34.8% growth in unit-linked sales and a 149.1% rise in personal risk/protection premiums reflecting the contribution of newly acquired CNP Santander Insurance. Unit-linked contracts and personal risk/protection business accounted for over 70% of premium income generated in the region in 2015, vs. 48% the previous year.

The Group's **new business margin** stood at 14.5% in 2015, an increase of 0.8 points compared with 2014 that was attributable to product mix improvements in France and in Europe excluding France with the first-time consolidation of CNP Santander Insurance.

**Average technical reserves (excluding deferred participation)** increased by 3.1% to €316.9 billion in 2015.

## 2. 2015 annual results

**Net insurance revenue stood at €2,514 million for the year, up 0.4% vs. 2014<sup>(3)</sup> (7.5% like-for-like).**

In France, net insurance revenue was 4.6% higher at €1,386 million, reflecting dynamic performances across all segments.

In Latin America, net insurance revenue contracted by 4.1% to €921 million, due to unfavourable exchange rates. Excluding the currency effect, the like-for-like change was an increase of 12.6%.

In Europe excluding France, net insurance revenue fell by 5.2%, reflecting the non-recurring impact of the changes in consolidation scope that took place in 2015 (sale of CNP BVP, first-time consolidation of CNP Santander Insurance and relaunch of CNP Partners).

**Revenues from own funds portfolios** were more or less stable at €774 million (up 4.6% like-for-like).

**Total revenue for the year came to €3,288 million, an increase of 0.3% as reported and 6.8% like-for-like.**

<sup>(1)</sup> French GAAP

<sup>(2)</sup> Personal risk, health and term creditor insurance

<sup>(3)</sup> Pro forma 2014 data adjusted for the reclassification of Brazilian social integration and contribution taxes (PIS/COFINS) from administrative expenses to net insurance revenue (€59 million)

**Administrative expenses remained under control, with the 3.0% increase\* vs. 2014 mainly due to the cost of financing investments in digital solutions.**

In France, the cost/income ratio continued to improve, falling to 43.0% from 44.2% in 2014. An operational excellence programme was launched in France with the aim of achieving a €60 million reduction in the cost base on a full year basis by 2018.

In Latin America, costs remained stable in euros, excluding the investment in the digital company.

In Europe excluding France, the 3.1% rise in administrative expenses reflected changes in scope of consolidation and marketing investments relating to the CNP Partners brand.

At €2,426 million, **EBIT** was down by a slight 0.6% as reported but was up 7.7% like-for-like.

**Attributable net profit** came to €1,130 million, an increase of 4.7% as reported and 10.7% like-for-like.

**A cash dividend** of €0.77 per share will be recommended at the Annual General Meeting to be held on 28 April 2016.

**Operating free cash flow (excluding subordinated debt)** amounted to €955 million or €1.39 per share, up 84%.

**Attributable equity** at 31 December 2015 stood at €17,113 million.

**MCEV<sup>®</sup> totalled €19,243 million at end-2015, or €28.0 pershare**, up 13.2% compared with the value at end-2014 after dividend. The increase reflected the 13% rise in adjusted net asset value and the 14% gain in the value of in-force business.

**The Solvency II coverage ratio** was 192% at 31 December 2015.

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During its meeting on 16 February 2016, the Board of Directors also authorised the signature of the final agreements covering implementation of the renewed partnership with La Banque Postale for a period of ten years, in accordance with the terms of the preliminary memorandum of understanding announced on 10 December 2015.

On the basis of the information provided above and 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.

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

	2015	2014	% change
<i>(in € millions)</i>			
<b>Premium income (IFRS)</b>	<b>31,585</b>	<b>30,802</b>	<b>+2.5</b>
Average technical reserves excl. deferred participation	316,939	307,408	+3.1
<b>Total revenue</b>	<b>3,288</b>	<b>3,278</b>	<b>+0.3</b>
<b>Net insurance revenue*, of which:</b>	<b>2,514</b>	<b>2,503</b>	<b>+0.4</b>
France	1,386	1,325	+4.6
Latin America	921	960	-4.1
Europe excluding France	207	218	-5.2
<b>Revenue from own-funds portfolios</b>	<b>774</b>	<b>775</b>	<b>-0.2</b>
- Administrative expenses*, of which:	(862)	(837)	+3.0
France	(597)	(585)	+2.0
Latin America	(153)	(153)	-0.1
Latin America – digital company	(10)	0	N.M.
Europe excluding France	(102)	(99)	+3.1
<b>EBIT</b>	<b>2,426</b>	<b>2,442</b>	<b>-0.6</b>
- 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>	<b>1,121</b>	<b>+0.2</b>
Net gains on equities, investment property and AFS, and fair value adjustments	319	160	n.m.
Non-recurring items	(312)	(201)	n.m.
<b>Attributable net profit</b>	<b>1,130</b>	<b>1,080</b>	<b>+4.7</b>

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

## INVESTOR CALENDAR

- Annual General Meeting: Thursday, 28 April 2016 at 2:30 p.m. (Palais Brongniart - Paris)
- First-quarter 2016 results indicators: Wednesday, 11 May 2016 at 7:30 a.m.
- First-half 2016 premium income and profit: Thursday, 28 July 2016 at 7.30 a.m.
- Nine-month 2016 results indicators: Wednesday, 9 November 2016 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: <http://www.cnp.fr/en/Investor-Analyst>.*

## About CNP Assurances

CNP Assurances is France's leading personal insurer with net profit of €1,130 million in 2015. The Group also has operations in other European countries and in Latin America, with a significant presence in Brazil. It has more than 28 million personal risk/protection insureds worldwide and more than 13 million savings and pensions policyholders. For 160 years, CNP Assurances has been protecting people against the risks of everyday life. The Group designs and manages life insurance, pension, personal risk insurance and protection products (term creditor insurance and health insurance).

- In France, CNP Assurances distributes its individual insurance products through La Banque Postale and the Caisses d'Epargne, as well as through its own network: Amétis. In Brazil, its second largest market, the Group's partner is Caixa Econômica Federal, the country's second-biggest state-owned bank.
- In group insurance, CNP Assurances crafts tailor-made personal risk, pension and term creditor insurance products that are aligned with the needs of companies, local authorities, mutual insurers, non-profit organisations and banks, in Europe and Latin America.

CNP Assurances has been listed on the Paris Stock Exchange since October 1998 (the first market) and has a stable shareholder structure thanks to the signing of an agreement between its major shareholders (Caisse des Dépôts, La Banque Postale, Groupe BPCE and the French State).

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**Disclaimer:** Some of the statements contained in this press release 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.

## Appendix

### Premium Income by Country

	Premium income by country (IFRS)			
(in € millions)	2015	2014	% change	% change (like-for-like <sup>(1)</sup> )
<b>France</b>	<b>24,776.7</b>	<b>24,503.2</b>	<b>+1.1</b>	<b>+1.1</b>
Brazil	3,161.1	2,828.7	+11.8	+31.9
Argentina	65.0	45.0	+44.4	+37.5
Italy <sup>(2)</sup>	2,729.4	2,922.8	-6.6	-3.3
Portugal <sup>(3)</sup>	36.7	90.9	-59.6	-19.2
Spain <sup>(4)</sup>	182.0	265.3	-31.4	-14.9
Cyprus	137.0	137.1	-0.1	-0.1
Ireland <sup>(5)</sup>	493.1	0.9	n.m.	+0.0
Other	3.8	7.9	-51.4	-51.4
<b>Sub-total International</b>	<b>6,808.1</b>	<b>6,298.6</b>	<b>+8.1</b>	<b>+9.6</b>
<b>TOTAL</b>	<b>31,584.8</b>	<b>30,801.8</b>	<b>+2.5</b>	<b>+3.4</b>

(1) Average exchange rates

At 31 December 2015: Brazil: €1 = BRL 3.70; Argentina: €1 = ARS 10.25

At 31 December 2014: Brazil: €1 = BRL 3.12; Argentina: €1 = ARS 10.77

(2) CNP UniCredit Vita, CNP BVP Italia, CNP Europe Life business written under the EU freedom of services directive, and CNP Italia branch

(3) CNP BVP Portugal

(4) CNP Partners, CNP BVP Spain and CNP España branch

(5) CNP Santander Insurance

### Premium Income by Segment

	Premium income by segment (IFRS)			
(in € millions)	2015	2014	% change	% change (like-for-like <sup>(1)</sup> )
Savings	21,493.0	21,459.5	+0.2	+1.0
Pensions	3,358.7	2,906.9	+15.5	+26.8
Personal Risk	2,056.3	2,103.7	-2.3	+2.7
Term Creditor Insurance	3,806.7	3,390.2	+12.3	+1.0
Health Insurance	531.8	593.7	-10.4	-11.0
Property & Casualty	338.2	347.8	-2.8	+12.6
<b>TOTAL</b>	<b>31,584.8</b>	<b>30,801.8</b>	<b>+2.5</b>	<b>+3.4</b>

(1) Average exchange rates

At 31 December 2015: Brazil: €1 = BRL 3.70; Argentina: €1 = ARS 10.25

At 31 December 2014: Brazil: €1 = BRL 3.12; Argentina: €1 = ARS 10.77

## Appendix

### Premium Income by Country and by Partnership/Cientele/Subsidiary

<i>(in € millions)</i>	Premium income (IFRS)		
	2015	2014	% change
La Banque Postale	8,981.7	9,702.3	-7.4
Caisses d'Epargne	10,705.2	9,792.5	+9.3
Amétis	460.3	530.5	-13.2
Financial institutions (France)	1,449.0	1,498.0	-3.3
Mutual insurers	808.0	911.4	-11.4
Companies and local authorities	1,896.8	1,796.7	+5.6
Other networks (France)	475.6	271.7	+75.0
<b>TOTAL FRANCE</b>	<b>24,776.7</b>	<b>24,503.2</b>	<b>+1.1</b>
Caixa Seguradora (Brazil) <sup>(1)</sup>	3,161.1	2,828.7	+11.8
CNP Seguros de Vida (Argentina) <sup>(1)</sup>	65.0	45.0	+44.4
CNP Santander Insurance	492.1	-	N.A.
CNP Partners (Spain)	243.2	208.8	+16.5
CNP UniCredit Vita (Italy)	2,555.9	2,692.4	-5.1
CNP Cyprus Insurance Holdings (Cyprus)	139.9	142.6	-1.9
CNP Europe Life (Ireland)	1.9	7.8	-76.0
CNP BVP (Portugal-Spain-Italy)	99.5	312.6	-68.2
Branches	49.5	60.8	-18.5
<b>TOTAL INTERNATIONAL</b>	<b>6,808.1</b>	<b>6,298.6</b>	<b>+8.1</b>
<b>TOTAL</b>	<b>31,584.8</b>	<b>30,801.8</b>	<b>+2.5</b>

<sup>(1)</sup> Average exchange rates

At 31 December 2015: Brazil: €1 = BRL 3.70; Argentina: €1 = ARS 10.25

At 31 December 2014: Brazil: €1 = BRL 3.12; Argentina: €1 = ARS 10.77