



PRESS RELEASE

RESULTS AT DECEMBER 31, 2011

Resilient operating performance confirms strength of BNP Paribas Cardif business model

- **Gross written premiums for 2011** totalled 23.3 billion euros, a decline of 8%¹ compared with 2010, a year that experienced strong business levels. The decline in business, despite good trends in international markets and the protection segment, reflected greater aversion to risks among policyholders, who preferred short-term investments during periods of uncertainty.
- **Positive net savings assets** amounted to 2.4 billion euros.
- **Assets under management during 2011** totalled 151 billion euros, an increase of 2% year-on-year.
- **Net Banking Income (NBI)**² was stable versus 2010 at 1.6 billion euros. This performance amidst a financial crisis demonstrates the resilience of BNP Paribas Cardif's business model, based on diversification and future growth potential from international markets and protection insurance.
- **Pre-tax net profit** was 476 million euros, a decline of 41%, reflecting a complex economic environment and impairment charges on Greek bonds representing a 75% haircut on book value, impacting subsidiaries AG Insurance in Belgium and BNL Vita in Italy in particular. Excluding these factors, the operating performance of BNP Paribas Cardif stable compared with 2010 as **Gross operating income reached 716 million euros**.
- In January 2012, **Standard & Poor's confirmed the AA- rating** for operating entities Cardif Assurance Vie and Cardif Assurances Risques Divers, **one of the best ratings among European insurance companies**. This rating further confirms **the solid financial foundations of BNP Paribas Cardif**.

Eric Lombard, Chairman and Chief Executive Officer of BNP Paribas Cardif, said: "Amidst a significant slowdown of the global economy in 2011 linked to the sovereign debt crisis, BNP Paribas Cardif delivered stable operating results. This performance reflects our sound business model anchored in diversification and balance, coupled with the general resilience of the insurance sector. BNP Paribas Cardif is a solid, efficiently structured enterprise that is currently Europe's tenth-largest insurer. We continue to work towards becoming the global benchmark in insurance partnerships."

¹ **Pro forma basis:** since 2009, BNP Paribas Cardif gross written premiums include 100% of gross written premiums from BNL Vita, as well as 100% of gross written premiums from the TCoB joint venture in Taiwan and from Assurance Epargne Pension (AEP) in France.

² Technical and financial margin before general and administrative expenses for companies owned directly by BNP Paribas Cardif.



1- **Business in France: solid performance in a challenging economic environment and good asset inflows to unit-linked products**

In France, BNP Paribas Cardif had **gross written premiums of 11 billion euros**, a decline of 16% compared with 2010, with net new cash of nearly 1 billion euros (Savings and Protection in France).

Savings

Gross written premiums from Savings in France totalled **9.6 billion euros**, a decline of 18% compared with 2010, reflecting a complex environment for savings. BNP Paribas retail and Private Banking networks accounted for 7 billion euros in gross written premiums, while Cardif and Assurance Epargne Pension (AEP) networks represented 1.5 billion euros.

During the final months of 2011, policyholders turned to short-term investments and drew on savings to finance consumption.

BNP Paribas Cardif retained a good position in the French life insurance sector with a market share that remained virtually stable at 8.3%³.

The Savings business of BNP Paribas Cardif showed **a high proportion of unit-linked products in gross assets gathered**, reaching **20%** compared with 19% in 2010 (14% for the overall market). This segment also benefited from growing appetite for the diversified life insurance product "BNP Paribas Avenir Retraite", with over 58,000 policies sold since the launch.

Protection

Protection gross written premiums in France were **1.4 billion euros**, edging up 1% versus 2010. The company actively pursued diversification of its range of Protection insurance products. Insurance other than creditor insurance in gross written premiums rose from 26% of the total to 36% in 2011.

In property and casualty insurance, gross written premiums from Natio Assurance⁴ (mainly car and home insurance) **rose 8% to 140 million euros**.

³ Life insurance and capitalization scope.

⁴ Natio Assurance is 50% owned and fully consolidated in BNP Paribas Cardif gross written premiums.



2- International business: gross assets gathered represented 53% of BNP Paribas Cardif gross written premiums

Outside France, BNP Paribas Cardif had gross written premiums of **12.3 billion euros**, an **increase of 1%** over 2010 thanks to the rise in Protection insurance business.

BNP Paribas Cardif has a diversified geographic footprint with strong positions in Europe, Latin America and Asia. It is currently the **tenth-largest European insurer**⁵.

Savings

Savings gross written premiums for the international segment declined 5% compared with 2010 to **8.2 billion euros**, broken down as follows:

- 2.8 billion euros (up 13%) in Italy, BNP Paribas Cardif's second domestic market.
- 2.6 billion euros in Asia (down 10%), mainly from Taiwan (1.6 billion euros) and South Korea (0.4 billion euros).
- 1 billion euros (down 12%) in Belgium, corresponding to the 25% interest held by BNP Paribas Cardif in AG Insurance.
- 1.8 billion euros from Cardif Lux Vie in Luxembourg (down 16%).

The share of unit-linked assets rose sharply to 40%, which is 7% over 2010 levels.

Protection

Protection gross written premiums rose 14% to 4.1 billion euros for the international segment, broken down as follows:

- Latin America, representing **1 billion euros in protection gross written premiums**, thanks to Brazil (0.4 billion in gross written premiums, up 62%), Chile (0.3 billion euros in gross written premiums, up 17%) and Mexico (0.1 billion euros in gross written premiums, up 67%). Latin America sold **over 13 million individual protection policies in 2011**.
- In Asia, where BNP Paribas Cardif has been present for over 10 years, the company is a leader in creditor insurance in Japan (0.3 billion euros in gross written premiums, up 25%) and in Taiwan (79 million euros in gross written premiums, up 41%).

International acquisitions and development

- Culminating a process that began in 2009, the BNP Paribas Cardif subsidiary in Italy completed its acquisition of 100% of BNL Vita.
- Cardif Lux International and Fortis Luxembourg Vie merged to form a single entity in Luxembourg branded Cardif Lux Vie within the framework of a partnership agreement between Ageas and BGL BNP Paribas.
- Significant development of bancassurance in Turkey following a partnership with "New TEB" and the acquisition of 100% of Fortis Emeklilik ve Hayat (FEH).

⁵ Source: BNP Paribas Cardif, ranking at December 31, 2010.



3- BNP Paribas Cardif 2011 business review by distribution channel

Since 2009 BNP Paribas Cardif has pursued its objective of being a global leader in providing insurance cover through partnerships with distributors. The company's organization in three distribution channels puts distribution at the core of this vision.

- The Retail Banking channel covers all BNP Paribas retail banking networks in France and worldwide.

This channel accounted for **2011 gross written premiums of 12.1 billion euros**, a decrease of 12% versus 2010. This represents **52% of total BNP Paribas Cardif gross written premiums**. Of this, 11.1 billion euros came from the Savings segment (down 14%) and 1 billion euros from Protection (up 10%).

- The Partnerships channel works with banks other than the BNP Paribas group, financial institutions (consumer credit companies including BNP Paribas Personal Finance, credit subsidiaries of automobile manufacturers) and large retail chains with which BNP Paribas Cardif has partnership agreements.

This channel accounted for **2011 gross written premiums of 6.6 billion euros**, an increase of 1% over 2010. Of this 2.9 billion euros came from Savings (down 10%) and 3.7 billion euros from Protection (up 12%). Protection gross written premiums for the Partnerships channel came mainly from international business (3.2 billion euros), reflecting robust growth in Latin America, Germany, Taiwan and Russia.

- The Digital & Brokers channel covers large brokers, independent financial advisors and sales of insurance via the Web.

This channel recorded **2011 gross written premiums of 4.6 billion euros**, a decline of 8% compared with 2010, of which 3.9 billion euros from Savings (down 10%) and 0.7 billion euros from Protection (up 4%). The network of independent financial advisors and brokers in France accounted for 27% of Savings inflows and 45% of protection gross written premiums.

About BNP Paribas Cardif

BNP Paribas Cardif (www.bnpparibascardif.com) is the Life, Property & Casualty insurance subsidiary of BNP Paribas. It develops savings and protection products and services which are distributed via diverse channels. Present in 36 countries, and with a diversified geographic footprint, BNP Paribas Cardif has strong positions in Europe, Latin America and Asia.

BNP Paribas Cardif is one of the top 10 European insurers. Its life and non-life insurance units have received an AA-rating from Standard & Poor's.

In 2011, it had gross written premiums of 23.3 billion euros and 53% of its gross written premiums are generated outside France. It counts nearly 10,000 employees, 70% of which outside France.

In its commitment in Corporate Social Responsibility, BNP Paribas Cardif develops responsible products and services, supports diversity in the company, puts in place an internal environmental policy and commits itself into the economic and financial education.

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