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Press Release

Attributable net profit under IFRS up 46.2% or 18.2% before fair value adjustments to securities

Summary

CNP Assurances is releasing today its 2005 balance sheet and results under IFRS. In a very good year for the French life insurance industry, buoyed by robust financial markets, the Group turned in a highly satisfactory performance, leading to increases in all of its financial indicators. Operating profit rose by over 24%, after taking into account €275 million in fair value adjustments to securities, while attributable net profit was up by more than 46%, including fair value adjustments of €200 million. Embedded Value after dividends at 31 December 2005 came to €54.9 per share. Calculated according to the principles recommended by the CFO Forum, European Embedded Value stood at €59.4.

Key figures

- **Consolidated premium income: €26,527 million, up 25.5% on a reported basis and 13.3% like-for-like.**
- **Operating profit: €1,685 million, up 24.3% (€1,409.7 million before fair value adjustments to securities, up 9.6%).**
- **Profit attributable to equity holders of the parent: €952,3 million, up 46.2% (€752 million before fair value adjustments to securities, up 18.2%).**
- **Insurance and financial liabilities at 31 December 2005: €212.4 billion, up 19.9% on a reported basis and 12.2% like-for-like.**
- **Estimated Embedded Value per share after dividends: up 9.6% to €54.9 based on the method used in prior years. Estimated European Embedded Value: €59.4 (based on CFO Forum principles).**
- **2006 target: Revenue growth of at least 10%.**

Note: CNP Assurances has adopted IFRS as its primary basis of accounting.

The acquisition of Fineco Vita (Italy) was completed on 17 February 2005 and this company has therefore been consolidated from 18 February.

I. Revenue (IFRS)

As announced in the 8 February press release, **consolidated premium income** for 2005 totalled **€26,527 million**, up 25.5% over the previous year on a reported basis and 13.3% like-for-like.

II. Results (IFRS)

At 31 December 2005, **insurance and financial liabilities** stood at **€212.4 billion**, an increase of **19.9%** compared with year-end 2004 on a reported basis and 12.2% like-for-like.

The deferred participation reserve increased to €14.5 billion from €10.2 billion at end-2004.

Operating profit rose 24.3% to €1,685 million. Excluding Fineco Vita and the currency effect, the increase was 15%. The Savings business contributed 56.1%, Pensions business 12.6% and Personal Risk business (health, personal risk, loan and property & casualty insurance) 29.7%.

Excluding fair value adjustments to securities recognised in profit, operating profit amounted to €1,409.7 million, an increase of 9.6%.

Net profit attributable to equity holders of the parent came in at €952.3 million, up 46.2% over 2004. The total **includes the €200 million after-tax impact of fair value adjustments to securities and other assets.** Growth in **net profit before the impact of fair value adjustments was higher, at 18.2%**, because fair value adjustments in 2004 amounted to just €15 million.

Fineco Vita's contribution to profit under IFRS, excluding financing cost, was €29.6 million.

Estimated unrealised gains at 31 December 2005 amounted to €17.8 billion, virtually unchanged from €17.9 billion at 30 June 2005. Unrealised gains on equities rose from €4.2 to 6.55 billion, while unrealised gains on bonds contracted from €12.2 to €9.7 billion.

III. Embedded Value

CNP Assurances now publishes its Embedded Value calculated according to the principles recommended by the CFO Forum of which it is a member. At 31 December 2005, its European Embedded Value (calculated by the CFO Forum method) amounted to **€59.4 per share** after dividends and the cost of holding the minimum solvency margin and non-financial risks. NAV was unchanged at €45.8 per share and in-force business amounted to €13.6 per share.

Based on the new method, the value of new business comes to **€231 million or €1.7 per share.**

The methodology and related calculations have been validated by B&W Deloitte.

Embedded Value calculated by the method used since 1998 (after dividends and the cost of holding the minimum solvency margin) increased by **9.6%** over the year to **€54.9 per share**, after deducting Fineco Vita goodwill (€2.3 per share). Adjusted NAV amounted to €45.8 per share and in-force business after the cost of holding the minimum solvency margin stood at €9.1. The value of new business totalled **€154 million** (€1.11 per share), an increase of **40%** compared with €110 million or €0.79 per share at 31 December 2004.

IV. Solvency capital

The solvency capital requirement at 31 December 2005 after dividends was covered **33.5 times** in total and **11.1 times** before taking into account unrealised capital gains. During the year, the Group issued €325 million worth of subordinated debt.

V. Dividend

At the Annual General Meeting on 30 May 2006, the Executive Board will recommend raising the dividend by 15% to €1.91 per share, an increase in line with the like-for-like growth in operating profit. The dividend will be paid as from 1 June 2006.

VI. Targets and outlook for 2006

Considering the strong dynamic in the French life insurance market, CNP Assurances has set a target of achieving at least 10% growth in premium income in 2006.

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Appendix I

IFRS (in €m)	2005	2004	Change	Like-for-like change
Premium income	26,527	21,140	+25.5%	+13.3%
Operating profit	1,685	1,356	+24.3%	+15.0%
Operating profit before impact of fair value adjustments	1,410	1,286	+9.6%	n.m.
Profit attributable to equity holders of the parent	952	651.5	+46.2%	+39.8%
Profit attributable to equity holders of the parent before impact of fair value adjustments	752	636	+18.2%	+13.6%
Earnings per share (in €)	6.87	4.70	+46.2%	-
Earnings per share before impact of fair value adjustments (in €)	5.29	4.59	+18.2%	-
Number of shares	138,492,902 ⁽¹⁾	138,635,302	-	-

⁽¹⁾ Number of shares at 31 December 2005 excluding treasury stock.

Embedded Value

In € per share ⁽¹⁾	31/12/2005	31/12/2004	Change
Adjusted NAV ⁽²⁾	45.8	42.3	+ 8.3 %
Embedded Value after dividends and cost of solvency capital (EV) (method applied since 1998)	54.9	50.1	+ 9.6 %
European Embedded Value (EEV) (CFO Forum method)	59.4	-	-

⁽¹⁾ Embedded Value is calculated on the basis of total shares outstanding, i.e. 138,635,302.

⁽²⁾ Adjusted NAV corresponds to the NAV used to calculate Embedded Value under the method applied since 1998.

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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."

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