

## Fitch Rates BPCE's Deeply Subordinated Notes 'BB+'; on Rating Watch Negative

Fitch Ratings-London/Paris-04 August 2009: Fitch Ratings has assigned BPCE's four issues of deeply subordinated notes a 'BB+' rating. The rating is on Rating Watch Negative (RWN).

These instruments are issued in exchange of existing tier 1 securities of Natixis, NBP Capital Trust I and NBP Capital Trust III (see details below). The proceeds of these issues constitute tier 1 capital for BPCE.

BPCE is the central body of Groupe BPCE, which was created on 31 July 2009 from the merger of Groupe Caisse d'Epargne and Groupe Banque Populaire.

The rating reflects the risk that the coupons on these instruments could be forfeited given Groupe BPCE's Individual rating 'C/D', and is in line with Fitch's methodology on the rating of hybrid capital. Under Fitch's criteria, banks whose ratings are driven by support have their hybrid ratings determined by the level of their Individual rating. Unlike Issuer Default Ratings, Fitch has consistently stated that hybrid instruments cannot reliably be considered as benefiting from sovereign support.

These four issues, which are assigned a 100% equity credit by Fitch, are as follows:

EUR52.4m (ISIN Code: FR0010777516) issued in exchange for tier 1 securities issued by Natixis on 25 January 2005 (ISIN Code: FR0010154278). After this issue, there remain in the market EUR184.7m of such securities issued by Natixis (down from EUR300m).

EUR374.5m (ISIN Code: FR0010777524) issued in exchange for tier 1 securities issued by NBP Capital Trust I on 28 June 2000 (ISIN Code: XS0113462609) and in exchange for tier 1 securities issued by Natixis on 18 October 2007 (ISIN Code: FR0010531012) and 31 March 2008 (ISIN Code: FR0010600163). After this issue, there remain in the market EUR31.8m of such securities issued by NBP Capital Trust I (down from EUR200m), EUR371.6m of such securities issued by Natixis on 18 October 2007 (down from EUR750m) and EUR150m of such securities issued by Natixis on 31 March 2008 (unchanged).

USD133.6m (ISIN Code: FR0010777532) issued in exchange for tier 1 securities issued by NBP Capital Trust III on 27 October 2003 (ISIN Code: XS0176710068) and in exchange for tier 1 securities issued by Natixis on 16 April 2008 (ISIN Code: FR0010607747). After this issue, there remain in the market USD142.4m of such securities issued by NBP Capital Trust III (down from USD200m) and USD170.5m of such securities issued by Natixis (down from USD300m).

USD443.7m (ISIN Code: US05571AAA34 for Rule 144A notes and ISIN Code: USF11494AA36 for Regulation S notes) issued in exchange for tier 1 securities issued by Natixis on 30 April 2008 (ISIN Code: US63872AAA88 for Rule 144A notes and ISIN Code: USF6483LHM57 for Regulation S notes). After this issue, there remain in the market USD185.9m of such securities issued by Natixis (down from USD750m).

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