

Joint press release

The CDC Group and SANPAOLO IMI are pleased to announce a new step in their strategic co-operation.

Having successfully built a strong relationship in private equity and project finance (TGV Lyon-Turin) in the recent past, the CDC Group and SANPAOLO IMI have now decided to extend their cooperation through CDC Ixis primarily in the fields of asset management, capital markets and financing and to explore further opportunities in insurance, financial guaranty, custody, electronic banking and real estate asset management.

Consequently, the CDC Group and SANPAOLO IMI have set up a framework agreement laying out the general principles of their future strategic co-operation.

In order to cement the operational co-operation, the framework agreement contains provisions on the establishment of a cross-shareholding between SANPAOLO IMI and the CDC Group.

Upon the finalisation of these substantial co-operation agreements expected before the end of the year, the CDC Group intends to enter into the shareholder agreement of SANPAOLO IMI for 2% of its capital and SANPAOLO IMI agrees to acquire a stake in CDC Ixis in the order of around 5% and sign consequently a shareholder pact. (At the current market prices the two stakes will be of essentially equal amounts.)

SANPAOLO IMI, one of Italy's leading financial institutions, is a multi-specialist player with core expertise in a wide range of financial services segments. The Group offers a full range of banking services to around 6 million customers at home and abroad. Domestically, the Group's franchise comprises a network of more than 2000 branches and direct/virtual distribution channels, while internationally the Group operates through almost 80 foreign branches and representative offices.

CDC Ixis (AAA) is the investment banking arm of the CDC Group, involved in global asset management, capital markets and financing, banking and custody services. At the end of June, CDC announced, in the context of its far-reaching alliance with the French Savings banks (Groupe Caisse d'épargne), its intention to float CDC Ixis in the coming years.

SANPAOLO IMI



Groupe Caisse d'épargne is the third largest retail banking group in France and has a 26 million domestic customer base.

The alliance between the CDC group and the Group Caisse d'épargne consists in joining forces and having a common strategic leadership in the fields of investment banking, retail banking, insurance and real estate activities.

CDC is being advised by Deutsche Bank, while SANPAOLO IMI is being advised by JPMorgan.