

Paris, 29th February 2008

Groupe Banque Populaire enters into exclusive talks with HSBC Group for the acquisition of HSBC France's seven Regional Banks

Groupe Banque Populaire and HSBC have entered into exclusive discussions for the acquisition by Groupe Banque Populaire of seven Regional Banks held by HSBC France: Banque Chaix, Banque Dupuy, de Parseval, Banque Marze, Banque Pelletier, Banque de Savoie, Crédit Commercial du Sud-Ouest and Société Marseillaise de Crédit.

The seven Regional Banks operate through a network of 400¹ branches based in the South of France, in particular in Aquitaine, Languedoc Roussillon, Rhône-Alpes and Provence-Alpes-Côte d'Azur. They have approximately 425,000 individual customers and 62,000 small businesses and SME customers.

This acquisition is an important step in Groupe Banque Populaire's strategy of attracting new customers, focused on the development of a multi-brand retail banking model and the strengthening of its domestic distribution network.

The seven Regional Banks, strongly established locally and dedicated to customers with high potential, will help strengthen the Group's presence in the dynamic Southern regions of France and will also reinforce its leading positions in the small businesses and SME markets.

This industrial project, based on the respect of the seven Regional Banks' identity and brands, fits in Groupe Banque Populaire's decentralised model and lies on an efficient resource sharing.

The Regional Banques Populaires and the seven Regional Banks' management and employees will be fully associated with the implementation of this project.

The social project relies on Groupe Banque Populaire's values. Its execution will require talent mobilisation, energy, and expertise today already in place within the seven Regional Banks.

Transaction execution

On the basis of these exclusive negotiations, Banque Fédérale des Banques Populaires, the Group's central body, will acquire 100% of the seven Regional Banks' shares for an amount of €2,100m, taking into consideration the on-going disposal of 9 Société Marseillaise de Crédit branches to HSBC France.

The operation is expected to take place within the next 6 months.

Philippe Dupont, Chairman and Chief Executive Officer of Groupe Banque Populaire said: "The seven Regional Banks of HSBC France are a unique opportunity in France, given the location of their branch networks and their client bases. This acquisition allows Groupe Banque Populaire to improve its growth prospects in retail banking and is fully in line with the Group's strategic objectives."

Groupe Banque Populaire is advised by Citi and Bredin Prat on this project.

¹ Post on-going disposal of 9 Société Marseillaise de Crédit branches to HSBC France.

About Groupe Banque Populaire

Groupe Banque Populaire is a universal multi-brand mutual banking group. It comprises 20 Banques Populaires (18 Banque Populaire regional banks, Casden Banque Populaire and Crédit Coopératif), as well as the Crédit Maritime Mutuel and the mutual guarantee companies. With over 7,000,000 customers and approximately 2,900 branches, Groupe Banque Populaire is one of the major retail banking groups in France: it holds strong positions on the personal banking, small businesses and SMEs markets. As one of the two strategic shareholders of Natixis (of which Groupe Banque Populaire owns 34.6%), the Group is also a major player in corporate and investment banking and financial services. In addition, Groupe Banque Populaire is active in the field of real estate services through its subsidiary Foncia.

In 2006, Groupe Banque Populaire generated €8.1bn net banking income and €1.7bn net profit after tax. On 30 June 2007, the Group's total regulatory capital amounted to €20.1bn.

About HSBC France's Regional Banks

HSBC France's Regional Banks (Banque Chaix, Banque Dupuy, Parseval, Banque Marze, Banque Pelletier, Banque de Savoie, Crédit Commercial du Sud-Ouest and Société Marseillaise de Crédit) operate its retail banking activity through a network of 400 branches.

Representing a c.1% aggregated national market share, the Regional Banks are strongly anchored in the South of France and in particular in the South-East regions. They enjoy a c.3% aggregated market share in Provence-Alpes-Côte d'Azur, c.3% in Languedoc Roussillon, and c.8% in the Savoie region. Furthermore, they hold strong positions locally on the small businesses and SME markets.

In 2007¹, the Regional Banks generated €440m net banking income and €100m net profit after tax. On 31st December 2007¹, shareholders' equity amounted to €564m and total assets amounted to €8,380m.

Contacts

Groupe Banque Populaire

Annie de Paillette
Head of corporate communication
+33(0)1.40.39.68.27
annie.depaillette@bfbp.banquepopulaire.fr

Virginie de la Serraz
Press relations
+33(0)1.40.39.65.21
virginie.delaserraz@bfbp.banquepopulaire.fr

www.banquepopulaire.fr

Euro RSCG C&O

Marie-Carole de Groc
+33(0)1.58.47.95.07

Benjamin Perret
+33(0)1.58.47.95.39

¹ Aggregated 2007 financials (IFRS). Before adjustment for the disposal of 9 Société Marseillaise de Crédit branches to HSBC France.