

# Financial Report 2009

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CAISSE DES DÉPÔTS GROUP

## NOTION OF GROUP

The activities of Caisse des Dépôts derive from its original mission as the legal depository for private funds that the French legislature wished to safeguard by ensuring that they were managed in a way guaranteeing their protection.

The management of these funds, which are used to finance public interest investments and support local and regional development in France, has led Caisse des Dépôts to become a major player in the financial markets.

This entity forms a public and decentralised group, carrying out its business in France and abroad in the financial, real estate and service industries. These activities are either governed by public fiduciary obligations or exercised freely in the competitive sector:

### Public interest missions

- > management of passbook savings funds and financing of social housing;
- > fiduciary management of major public pension schemes;
- > regulated banking and financial activities;
- > support for local development, urban planning, job creation and small- and medium-sized businesses;
- > enlightened investor in French companies hosting projects that create value and boost competitiveness within the economy via the Strategic Investment Fund (SIF).

### Competitive businesses

- > **personal insurance** with CNP Assurances;
- > **services and engineering** for regional and local development with the Egis, Transdev, Compagnie des Alpes and Santoline groups;
- > **real estate activities**, through the SNI and Icade groups;
- > **private equity**.

### Presentation of the financial statements

For accounting and financial presentation purposes, Caisse des Dépôts Group's activities are divided according to its two principal missions:

- > the fiduciary management of the funds entrusted to Caisse des Dépôts according to the rules defining the nature of the services provided and the related financial conditions. These funds are managed on a completely separate basis. This concerns in particular the savings funds centralised at Caisse des Dépôts and the management of public sector pension funds;
- > the direct activities carried out by the Central Sector – Caisse des Dépôts' financial and administrative entity which is managed independently of the fiduciary operations – and by affiliated groups in France and abroad, notably CNP Assurances, the Strategic Investment Fund (SIF), Icade, SNI, Transdev, Egis and Compagnie des Alpes (CDA). Only this activity is considered to constitute a group for the purposes of preparing consolidated financial statements, drawn up in accordance with accounting standards applicable to credit institutions. The consolidating entity is the Central Sector. Subsidiaries are fully or proportionately consolidated, or accounted for by the equity method, depending on the level of control.

This distinction is evidenced by the exclusion of the Savings Funds and Pension Funds from the scope of consolidation. Their financial statements are presented separately.

## AUDIT OF THE FINANCIAL STATEMENTS

In compliance with Article L.518-15-1 of the French Monetary and Financial Code (*Code monétaire et financier*):

“Each year, Caisse des Dépôts et consignations shall present its company and consolidated financial statements, audited by two statutory auditors, to the Finance Committees of the National Assembly and the Senate.”

# Consolidated financial statements

adopted by the Chairman and Chief Executive Officer  
of Caisse des Dépôts on 26 March 2010

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# Consolidated income statement, year ended 31 December 2009

(in millions of euros)	Notes	31.12.2009	31.12.2008
Interest income	1	5,079	5,727
Interest expense	1	(1,416)	(2,264)
Fee and commission income	2	48	48
Fee and commission expense	2	(67)	(81)
Gains and losses on financial instruments at fair value through profit or loss, net	3	1,748	(1,406)
Gains and losses on available-for-sale financial assets, net	4	959	(452)
Income from other activities	5	20,463	18,216
Expenses from other activities	5	(20,348)	(14,765)
<b>Net banking income</b>		<b>6,466</b>	<b>5,023</b>
General operating expenses	6	(3,946)	(3,698)
Depreciation, amortisation and impairment of property and equipment and intangible assets		(415)	(405)
<b>Gross operating profit</b>		<b>2,105</b>	<b>920</b>
Cost of risk	7	(10)	(253)
<b>Operating profit (loss)</b>		<b>2,095</b>	<b>667</b>
Share of profit (loss) of associates	20	678	(1,915)
Gains and losses on other assets, net	8	130	39
Change in value of goodwill	22	(48)	
<b>Profit (loss) before tax</b>		<b>2,855</b>	<b>(1,209)</b>
Income tax expense	9	(380)	(87)
Net profit from discontinued operations		3	
<b>Net profit (loss)</b>		<b>2,478</b>	<b>(1,296)</b>
Non-controlling interests		(498)	(172)
<b>Net profit (loss) attributable to owners</b>		<b>1,980</b>	<b>(1,468)</b>

# Statement of comprehensive income

(in millions of euros)

	31.12.2009	31.12.2008
<b>Net profit (loss)</b>	<b>2,478</b>	<b>(1,296)</b>
Exchange differences on translation of foreign operations	108	(101)
Fair value adjustments on remeasurement of available-for-sale financial assets	3,733	(7,572)
Fair value adjustments on remeasurement of hedging instruments	(77)	(183)
Actuarial gains and losses on defined post-employment benefit obligations	(10)	(8)
Share of unrealised or deferred gains and losses on investments in associates	(476)	(513)
<b>Total changes in assets and liabilities recognised directly in equity</b>	<b>3,278</b>	<b>(8,377)</b>
<b>Net profit and total income and expense recognised directly in equity</b>	<b>5,756</b>	<b>(9,673)</b>
Attributable to owners	4,915	(9,674)
Attributable to non-controlling interests	841	1

# Consolidated statement of financial position, at 31 December 2009

(in millions of euros)	Notes	31.12.2009	31.12.2008
<b>Assets</b>			
Cash and amounts due from central banks and post office banks		17	9
Financial assets at fair value through profit or loss	11	31,651	28,425
Hedging instruments with a positive fair value	12	183	161
Available-for-sale financial assets	13	141,377	120,853
Loans and receivables due from credit institutions	14	12,578	11,646
Loans and receivables due from customers	15	24,636	15,670
Cumulative fair value adjustments to portfolios hedged against interest rate risk			
Held-to-maturity investments	16	18,009	19,482
Current and deferred tax assets	17	344	644
Prepayments, accrued income and other assets	18	7,710	6,296
Non-current assets held for sale	19	619	51
Deferred participation assets	27		472
Investments in associates	20	5,900	4,721
Investment property	21	8,064	8,011
Owner-occupied property and equipment	21	2,451	2,728
Intangible assets	21	780	575
Goodwill	22	1,272	1,217
<b>Total assets</b>		<b>255,591</b>	<b>220,961</b>
<b>Liabilities and equity</b>			
Due to central banks and post office banks			
Financial liabilities at fair value through profit or loss	11	4,927	2,936
Hedging instruments with a negative fair value	12	751	550
Due to credit institutions	23	24,559	22,665
Due to customers	24	43,316	42,321
Debt securities	25	24,738	22,386
Cumulative fair value adjustments to portfolios hedged against interest rate risk			
Current and deferred tax liabilities	17	2,003	898
Accruals, deferred income and other liabilities	26	7,538	8,583
Liabilities related to non-current assets held for sale	19	228	
Insurance company technical reserves	27	109,009	97,211
Provisions	28	957	1,118
Subordinated debt	29	600	760
<b>Equity attributable to owners</b>			
Reserves and retained earnings		17,911	19,388
Profit (loss) for the year		1,980	(1,468)
Unrealised or deferred gains and losses		3,590	644
<b>Total equity attributable to owners</b>		<b>23,481</b>	<b>18,564</b>
Non-controlling interests		13,484	2,969
<b>Total equity</b>		<b>36,965</b>	<b>21,533</b>
<b>Total liabilities and equity</b>		<b>255,591</b>	<b>220,961</b>

# Consolidated statement of changes in equity, 1 January 2008 to 31 December 2009

	Reserves and retained earnings	Net profit (loss) attributable to owners	Translation reserve	Cumulative fair value adjustments to available-for-sale financial assets	Cumulative fair value adjustments to cash flow hedges	Equity attributable to owners	Non-controlling interests in reserves	Non-controlling interests in profit (loss)	Non-controlling interests in unrealised or deferred gains and losses	Non-controlling interests	Total equity
(in millions of euros)											
<b>Equity at 1 January 2008</b>	<b>17,753</b>	<b>2,488</b>	<b>41</b>	<b>8,766</b>	<b>32</b>	<b>29,080</b>	<b>2,295</b>	<b>314</b>	<b>82</b>	<b>2,691</b>	<b>31,771</b>
Effect of changes in accounting methods											
Appropriation of 2007 profit	2,488	(2,488)					314	(314)			
2007 dividend	(829)					(829)	(115)			(115)	(944)
Transactions with non-controlling interests	(14)					(14)	(4)			(4)	(18)
Other changes	(11)			4		(7)	365		31	<b>396</b>	389
Loss for the period		(1,468)				(1,468)		172		<b>172</b>	(1,296)
<b>Unrealised or deferred gains and losses</b>											
Exchange differences on translation of foreign operations			(100)			(100)			(38)	<b>(38)</b>	(138)
Fair value adjustments to financial instruments recognised directly in equity	1			(7,294)	(337)	(7,630)			(121)	<b>(121)</b>	(7,751)
Fair value adjustments to financial instruments reclassified to the income statement				(468)		(468)			(12)	<b>(12)</b>	(480)
<b>Equity at 31 December 2008</b>	<b>19,388</b>	<b>(1,468)</b>	<b>(59)</b>	<b>1,008</b>	<b>(305)</b>	<b>18,564</b>	<b>2,855</b>	<b>172</b>	<b>(58)</b>	<b>2,969</b>	<b>21,553</b>
Effect of changes in accounting methods <sup>(1)</sup>	(20)					(20)	(28)			<b>(28)</b>	(48)
Appropriation of 2008 profit	(1,468)	1,468					172	(172)			
2008 dividend							(127)			<b>(127)</b>	(127)
Transactions with non-controlling interests	30					30	18			<b>18</b>	48
Other movements <sup>(2)</sup>	(19)		(1)	6	(3)	(17)	9,810			<b>9,810</b>	9,793
Profit for the period		1,980				1,980		498		<b>498</b>	2,478
<b>Unrealised or deferred gains and losses</b>											
Exchange differences on translation of foreign operations			64			64			49	<b>49</b>	113
Fair value adjustments to financial instruments recognised directly in equity				3,247	(6)	3,241			295	<b>295</b>	3,536
Fair value adjustments to financial instruments reclassified to the income statement				(361)		(361)					(361)
<b>Equity at 31 December 2009</b>	<b>17,911</b>	<b>1,980</b>	<b>4</b>	<b>3,900</b>	<b>(314)</b>	<b>23,481</b>	<b>12,700</b>	<b>498</b>	<b>286</b>	<b>13,484</b>	<b>36,965</b>

(1) Early adoption of IFRIC 12.

(2) Non-controlling interests: including a €9.7 billion increase in the share capital of the SIF.

# Consolidated statement of cash flows, year ended 31 December 2009

The statement of cash flows is prepared using the indirect method.

Investing activities correspond to purchases and sales of interests in consolidated companies, property and equipment and intangible assets.

Financing activities are activities that result in changes in the size and composition of equity, subordinated debt and bond debt.

Operating activities correspond to all cash flows that do not fall within the above two categories.

(in millions of euros)	31.12.2009	31.12.2008
<b>Profit (loss) before tax (excluding discontinued operations)</b>	<b>2,855</b>	<b>(1,209)</b>
Net depreciation, amortisation and impairment of property and equipment and intangible fixed assets	735	632
Impairment losses on goodwill and other non-current assets	223	28
Provision expense, net <sup>(1)</sup>	9,761	3,126
Share of profit/loss of associates <sup>(2)</sup>	(678)	1,914
Net revenues from investing activities	(309)	(115)
(Profits) losses from financing activities, net		
Other movements <sup>(3)</sup>	(4,019)	4,010
<b>Total non-monetary items included in profit (loss) before tax and other adjustments</b>	<b>5,713</b>	<b>9,595</b>
Net increase (decrease) in cash from transactions with credit institutions <sup>(4)</sup>	2,627	(3,796)
Net increase (decrease) in cash from customer transactions <sup>(5)</sup>	(8,253)	2,991
Net increase (decrease) in cash from other transactions affecting financial assets and liabilities	730	3,543
Net increase (decrease) in cash from investment property	191	(492)
Net increase (decrease) in cash from other transactions affecting non-financial assets and liabilities	640	(2,086)
Income taxes paid	(393)	(831)
<b>Net increase (decrease) in cash related to assets and liabilities from operating activities</b>	<b>(4,458)</b>	<b>(671)</b>
<b>Net cash from operating activities</b>	<b>4,110</b>	<b>7,715</b>
Net increase (decrease) in cash from financial assets <sup>(6)</sup>	(429)	(2,466)
Net increase (decrease) in cash from property and equipment and intangible assets	(611)	(524)
<b>Net cash used in investing activities</b>	<b>(1,040)</b>	<b>(2,990)</b>
Net increase (decrease) in cash from transactions with owners <sup>(7)</sup>	1,037	(949)
Net increase (decrease) in cash from other financing activities	(825)	215
<b>Net cash from (used in) financing activities</b>	<b>212</b>	<b>(734)</b>
<b>Effect of discontinued operations on cash and cash equivalents</b>	<b>13</b>	
<b>Effect of changes in exchange rates on cash and cash equivalents</b>	<b>14</b>	<b>57</b>
<b>Net increase in cash and cash equivalents</b>	<b>3,309</b>	<b>4,048</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>5,659</b>	<b>1,611</b>
Cash, central banks and post office banks, net	9	11
Net loans to (borrowings from) credit institutions repayable on demand	5,650	1,600
<b>Cash and cash equivalents at the period-end</b>	<b>8,968</b>	<b>5,659</b>
Cash, central banks and post office banks, net	17	9
Net loans to (borrowings from) credit institutions repayable on demand	8,951	5,650
<b>Net increase in cash and cash equivalents</b>	<b>3,309</b>	<b>4,048</b>

## Composition of cash and cash equivalents

Cash and cash equivalents comprise cash, advances to and from central banks and post office banks, loans to and borrowings from credit institutions repayable on demand, and short-term investments in money market instruments. These investments generally have maturities of less than three months, are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

(in millions of euros)	31.12.2009		31.12.2008	
	Assets	Liabilities	Assets	Liabilities
Cash	7		7	
Central banks and post office banks	10		2	
<b>Sub-total</b>	<b>17</b>		<b>9</b>	
Loans to (borrowings from) credit institutions repayable on demand	9,230	5,101	7,065	4,838
Money market mutual funds	4,822		3,423	
<b>Sub-total</b>	<b>14,052</b>	<b>5,101</b>	<b>10,488</b>	<b>4,838</b>
<b>Cash and cash equivalents</b>	<b>8,968</b>		<b>5,659</b>	

### Comments:

- (1) This item corresponds mainly to other-than-temporary impairment of variable-income securities and net transfers to insurance company technical reserves.
- (2) Including negative goodwill relating to Compagnie Nationale du Rhône in 2009, and impairment losses on goodwill related to the acquisition of Dexia and Eiffage shares of €1.3 billion and €0.5 billion, respectively in 2008.
- (3) This item mainly corresponds to fair value adjustments recognised by CNP Assurances on financial assets at fair value through profit or loss.
- (4) The change is attributable to the Central Sector and mainly concerns the €0.9 billion decrease in interbank loans, the €2.5 billion decrease in interbank borrowings and a €3.5 billion increase in collateralised repurchase agreements.
- (5) The net decrease primarily reflects an €8.4 billion increase in ACOSS drawdowns, a €2.5 billion rise in deposits from notaries and a €1.2 billion decrease in deposits from other financial institutions.
- (6) This item corresponds to the net effect on cash and cash equivalents of purchases and sales of long-term equity interests. In 2008, the main effects on cash and cash equivalents concerned the purchase of shares in Dexia (€1.3 billion) and Eiffage (€0.6 billion).
- (7) Including a €1.1 billion increase in the share capital of the SIF subscribed by the French State in 2009 and dividends of €0.8 billion paid to the French State in 2008.

# Notes to the consolidated financial statement

## 1. Significant events

### I - Strategic Investment Fund

The SIF shareholders' meeting of 15 July 2009 approved the asset contribution agreement signed between Caisse des Dépôts and the French State on 5 July 2009 for the purpose of constituting the SIF's share capital through in-kind contributions of assets for a total amount of €14 billion.

The assets transferred to the SIF under the contribution agreement include:

- > non-controlling interests in listed companies (mainly, Eutelsat Communications (25.7%), Eiffage (20%), Séché Environnement (20%), Assystem (14.5%), France Télécom (13.5%), Aéroports de Paris (8%), Accor (7.6%) and Nexity (5.4%));
- > non-controlling interests in unlisted companies (Tyrol Acquisition 1 & Cie S.C.A. (24%), Soprol (18.8%), Hime (38%) and STX France Cruise (33.3%));
- > equity interests in portfolio investment companies and equity funds (mainly, CDC Entreprises Portefeuille (100%) and CDC Entreprises Capital Investissement (100%)).

The SIF was able to use the initial capital increase of €1 billion in February 2009 to launch its first series of investment projects.

On 5 November 2009, Caisse des Dépôts and the French State subscribed to a second increase in the SIF's share capital of €5 billion in proportion to their respective shareholdings, taking the SIF's total capital to €20 billion.

The SIF remains 51%-owned by Caisse des Dépôts and 49%-owned by the French State. It has been fully consolidated by Caisse des Dépôts since 31 December 2008.

The SIF group began contributing to Caisse des Dépôts' income from 15 July 2009 on.

### II - Icade

Icade continued to refocus on its core businesses. It divested two of its largest property services companies, Icade Administration de Biens and Icade Eurogem, and expanded its office property portfolio through the acquisition of Compagnie la Lucette. It also sold off a major part of its housing portfolio, with a non-material portion remaining within entities that are consolidated by Caisse des Dépôts.

#### **Commitment to divest a significant portion of the housing portfolio**

On 13 November 2009, Icade signed a memorandum of understanding ratifying the definitive offer received from the consortium formed by Société Nationale Immobilière (SNI, a subsidiary of Caisse des Dépôts), major local public housing offices and social investors in the Ile-de-France (greater Paris region).

Some of the promises of sale should be signed during the first half of 2010. The promises of sale remain subject to the usual conditions precedent in matters of property and funding. The SNI vouches for the signature of these promises by members of the consortium until 31 March 2010. Disposals in 2010 covered 22,404 housing units.

This agreement also provides for the contribution of 4,745 housing units to ad hoc structures held jointly with Icade and managed by SNI. The transferred assets shall be sold over time.

Only housing units under joint ownership (1,553 units at 31 December 2009) are not concerned by this agreement. These housing units shall be retained by Icade which shall continue to dispose of them.

The consortium has also pledged to retain the staff attached to these assets as well as administrative personnel necessary for managing them.

#### **Acquisition of Compagnie la Lucette:**

On 23 December 2009, Icade and MSREF Turque S.à.r.l signed a memorandum of understanding setting out the terms and conditions for the acquisition by Icade of MSREF's 94.5% stake in Compagnie la Lucette, a French property investment company (SII/C) listed on Segment B of Euronext Paris.

On 24 December 2009, Icade acquired 35% of the capital of Compagnie la Lucette for an amount of €90.2 million.

Compagnie la Lucette is one of France's top property investment companies and its portfolio is mainly composed of premium office space in the most prestigious business districts of the Ile de France (greater Paris region). Its portfolio was valued at €1.5 billion at 30 June 2009.

#### **Sale of Icade shares**

On 28 August 2009, Caisse des Dépôts sold 1,400,000 Icade shares (2.85% of its share capital) bringing its interest in Icade to 58.62%. This transaction will allow Icade to comply with its obligations in terms of ownership structure, pursuant to the SII/C 5 tax regime set to come into force on 1 January 2010.

### **III - Transdev and Veolia Transport**

As announced in the second-half of 2009, Caisse des Dépôts and Veolia Environnement are actively studying the possibility of a merger between Transdev and Veolia Transport.

In December 2009, Caisse des Dépôts and Veolia Environnement signed a framework agreement setting out the financial structure of the new merged entity with a view to closing the transaction in 2010. Under this agreement, Veolia Environnement and Caisse des Dépôts will each have a 50% stake in the new merged entity, as operator and long-term strategic shareholder, respectively.

RATP has confirmed that it will exchange its 25.6% stake in Transdev for assets held by the mergees both in France and abroad, for a value equal to its investment.

### **IV - Compagnie Nationale du Rhône**

At 31 December 2009, Caisse des Dépôts held a 33.20% stake in Compagnie Nationale du Rhône. In view of its intention to continue to hold a significant interest in the capital of this entity and to play an active role in its governance through representation on its Supervisory Board, Caisse des Dépôts has opted to consolidate this investment by the equity method at 31 December 2009.

For the year ended 31 December 2009, an amount of €224 million in negative goodwill was recognised in income with respect to this investment.

## 2. Summary of significant accounting policies

### I - Basis of preparation of the financial statements

Caisse des Dépôts Group applies IFRS, which include International Financial Reporting Standards (IFRSs) 1 to 8 and International Accounting Standards (IASs) 1 to 41, along with the related interpretations as adopted by the European Union at 31 December 2009. The Group applies the IAS 39 carve-out provisions adopted by the European Union, which allow certain exceptions from the standard regarding macro-hedge accounting.

The consolidated financial statements for the year ended 31 December 2009 have been prepared in accordance with the recognition and measurement principles set out in the relevant IASs/IFRSs and IFRIC interpretations that were applicable when the consolidated financial statements were drawn up (March 2010).

New standards, amendments and interpretations that are effective for the first time at 1 January 2009 do not have a material impact on Caisse des Dépôts Group's consolidated financial statements.

The main regulatory changes during the period are described below:

> IFRS 8 – Operating Segments (EC Regulation 1358/2007 of 21 November 2007)

IFRS 8 replaces IAS 14 – Segment Reporting. It revises the presentation of segment information previously prescribed by IAS 14, in terms of both the definition of operating segments and the information to be disclosed in the notes to the financial statements, adopting the “management approach” as a basis for segment reporting.

> Amendment to IAS 23 – Borrowing Costs (EC Regulation 1260/2008 of 10 December 2008)

Under this amendment, borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset may no longer be recognised as expenses.

> Amendment to IFRS 2 – Vesting Conditions and Cancellations (EC Regulation 1261/2008 of 16 December 2008)

This amendment on share-based payment clarifies vesting conditions and states that all cancellations should receive the same accounting treatment.

> IAS 1 (as revised in 2007) – Presentation of Financial Statements (EC Regulation 1274/2008 of 17 December 2008)

This new standard replaces the former IAS 1 and is designed to make it easier for users to analyse and compare information in the financial statements. The revised IAS 1 is concerned solely with aspects of presentation and the contents of financial statements.

> Amendments to IAS 32 and IAS 1 – Puttable Financial Instruments and Obligations Arising on Liquidation (EC Regulation 53/2009 of 21 January 2009)

These amendments clarify the accounting classification applicable to puttable financial instruments and obligations arising on liquidation.

> Amendments to IFRS 4 and IFRS 7 on improving disclosures about financial instruments (EC Regulation 1165/2009 of 27 November 2009)

These amendments are designed to improve disclosures about fair value and liquidity risk associated with financial instruments.

IFRIC 12 – Service Concession Arrangements (EC Regulation 254/2009 of 25 March 2009) has been early adopted by those entities for which the impact of the interpretation is material.

This interpretation provides guidance for operators on accounting for public-to-private service concession arrangements. IFRIC 12 had a negative €48 million impact on consolidated equity at 1 January 2009.

The Group has decided not to early adopt other standards and interpretations that will only be effective for reporting periods beginning on or after 1 January 2010.

This concerns in particular:

> IFRS 3 (revised) – Business Combinations and IAS 27 (revised) – Consolidated and Separate Financial Statements (EC Regulation 495/2009 and EC Regulation 494/2009 of 3 June 2009)

These standards modify the accounting treatment for acquisitions and disposals of consolidated subsidiaries, and will be prospectively applied to any new acquisitions.

> Amendments to IAS 39 – Eligible Hedged Items (EC Regulation 839/2009 of 15 September 2009)

These amendments provide guidance regarding the application of hedge accounting for the inflation component of financial instruments and for options when these are used as hedges.

> IFRS 1 (revised) – First-time Adoption of International Financial Reporting Standards (EC Regulation 1136/2009 of 25 November 2009)

This revised standard replaces the former IFRS 1. It removes certain obsolete requirements concerning the first-time adoption of IFRS and introduces minor wording changes.

> Amendment to IAS 32 – Classification of Rights Issues (EC Regulation 1293/2009 of 23 December 2009)

This amendment provides guidance on how to account for certain rights when the instruments issued are denominated in a currency other than the issuer's functional currency.

> IFRIC 16 – Hedges of a Net Investment in a Foreign Operation (EC Regulation 460/2009 of 4 June 2009)

This interpretation sets out the accounting treatment for hedges of a net investment in a foreign operation.

> IFRIC 15 – Agreements for the Construction of Real Estate (EC Regulation No. 636/2009 of 22 July 2009)

This interpretation sets out how to account for revenue generated by real estate developers on sales of units, particularly if the construction contract falls within the scope of IAS 11 – Construction Contracts, or IAS 18 – Revenue.

> IFRIC 17 – Distributions of Non-cash Assets to Owners (EC Regulation 1142/2009 of 26 November 2009)

This interpretation provides guidance on the measurement and recognition of dividends distributed in kind to owners.

> IFRIC 18 – Transfers of Assets from Customers (EC Regulation 1164/2009 of 27 November 2009)

This interpretation provides guidance on how to account for transfers of items of property, plant and equipment received from customers, and for cash flows to be used to acquire or construct items of property, plant and equipment.

The above-mentioned standards and interpretations are not expected to have a material impact on the Group's consolidated financial statements.

The Group chose not to early adopt those standards and interpretations that had not yet been adopted by the European Union at 31 December 2009.

#### **Use of the CNC financial statement format for banks**

In the absence of any requisite IFRS financial statement format, the layout of these financial statements complies with Recommendation 2009-R-04 dated 2 July 2009 issued by the French National Accounting Board (*Conseil National de la Comptabilité*), which cancels and replaces Recommendation 2004-R-03 dated 27 October 2004. The new recommendation incorporates the revisions to IAS 1 as adopted by the European Union on 17 December 2008.

Accordingly, Caisse des Dépôts Group presents a consolidated income statement detailing the components of profit, alongside a new statement of comprehensive income, which starts with profit and details gains and losses recognised directly in equity.

#### **Use of estimates**

The preparation of the Group's financial statements involves making certain estimates and assumptions which affect the reported amounts of income and expenses, assets and liabilities, as well as the disclosures in the accompanying notes. To make any such estimates and assumptions, management is required to exercise judgement and consider information available when the financial statements are drawn up. The actual outcome of transactions for which estimates and assumptions are made could differ significantly from the anticipated outcome, and this may have a material impact on the financial statements.

Current market conditions and the economic crisis make it far more difficult to establish projections regarding the Group's business and financing arrangements or to make the accounting estimates needed to prepare the financial statements.

Estimates and assumptions are used to calculate:

- > The fair value of unlisted financial instruments carried in the statement of financial position under financial assets or liabilities at fair value through profit or loss, hedging instruments or available-for-sale financial assets;
- > Any impairment taken on financial assets (loans and receivables, available-for-sale financial assets, held-to-maturity investments);
- > The amount of investments in equity-accounted companies (associates);
- > The fair value of investment property disclosed in the notes;

> Any impairment taken on property, plant and equipment, intangible assets and goodwill;

> The amount to be reported in captions related to the insurance business (technical reserves and deferred participation asset or liability);

> Provisions reported in liabilities (including for employee benefits) in respect of contingencies and expenses;

> The initial amount of goodwill recognised on business combinations.

## **II - Basis of consolidation**

### **1. Scope of consolidation**

The consolidated financial statements comprise the financial statements of the Central Sector, the consolidated financial statements of the sub-groups and the financial statements of subsidiaries over which Caisse des Dépôts exercises exclusive or joint control or significant influence, whose consolidation has a material impact on the Group's financial statements.

### **2. Consolidation methods and definition of control**

Subsidiaries over which the Group exercises exclusive control are fully consolidated. Exclusive control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. It is presumed to exist when Caisse des Dépôts owns, directly or indirectly, more than half of the voting power of an entity or when it owns half or less of the voting power but has the power (i) to appoint or remove the majority of the members of the board of directors or equivalent governing body or (ii) to exercise dominant influence.

In assessing the existence and percentage of control, account is taken of the existence and effect of potential voting rights that are currently exercisable or convertible.

Jointly controlled companies are proportionately consolidated. Joint control is the contractually agreed sharing of control over an economic activity, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control.

Companies over which the Group exercises significant influence are accounted for by the equity method. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Significant influence is presumed to be exercised when the Group holds, directly or indirectly, 20% or more of the voting power of the investee.

The results of companies acquired during the period are included in the consolidated financial statements from the acquisition date, while the results of companies sold during the period are included up to the date when control is relinquished.

### Special purpose entities

Special purpose entities ("SPEs") set up specifically to manage a transaction or a group of similar transactions are consolidated when the substance of the relationship between Caisse des Dépôts and the SPE indicates that the SPE is controlled by the Group. Control over an SPE may result from any of the following circumstances:

- In substance, the activities of the SPE are being conducted on behalf of the Group so that the Group obtains benefits from the SPE's operation;
- In substance, the Group has the decision-making powers to obtain the majority of the benefits of the activities of the SPE or, by setting up an 'autopilot' mechanism, the Group has delegated these decision-making powers;
- In substance, the Group has rights to obtain the majority of the benefits of the SPE;
- In substance, the Group retains the majority of the residual or ownership risks related to the SPE or its assets.

### Financial year-end

Almost all consolidated companies have a 31 December year-end. Companies whose financial year-end is more than three months before or after the Group's year-end are consolidated based on financial statements drawn up at 31 December. In the case of companies whose financial year-end falls within three months of the Group's year-end, any material transactions occurring between their year-end and 31 December are taken into account in preparing the consolidated financial statements when this is necessary to comply with the true and fair view principle.

### 3. Companies excluded from the scope of consolidation

Investments in associates and jointly-controlled companies held by the Group's venture capital organisations are not consolidated, in line with the exclusions provided for in IFRS. These investments are classified as financial assets at fair value through profit or loss under the fair value option.

The low-cost housing companies (HLM) are excluded from the scope of consolidation because they are not controlled by the Group within the meaning of IFRS. Shares in these companies are classified as available-for-sale financial assets.

Semi-public companies (SEMs, SAIEMs) are also excluded from the scope of consolidation and classified as available-for-sale financial assets.

Shares in companies acquired with the intention of being sold in the near term are excluded from the scope of consolidation and classified as non-current assets held for sale.

### 4. Consolidation adjustments and intra-group eliminations

The financial statements of consolidated companies are restated based on Group accounting policies when the effects of the restatement are material. The accounting policies applied by associates are aligned with Group policies where necessary.

Intra-group balances, income and expenses between fully and proportionately consolidated companies are eliminated when their impact on the consolidated financial statements is material.

Gains and losses on intra-group sales of assets to associates are eliminated proportionately, based on the Group's percentage interest in the associate, except when the sold asset is considered as being other-than-temporarily impaired.

### 5. Foreign currency translation

The consolidated financial statements are presented in euros. The financial statements of entities whose functional currency is different from the Group's presentation currency are translated by the closing rate method. Under this method, all monetary and non-monetary assets and liabilities are translated at the exchange rate at the end of the reporting period, while income and expenses are translated at the average exchange rate for the year. The differences arising from translation are recognised as a separate component of equity.

Gains and losses arising from the translation of the net investment in foreign operations, borrowings and foreign exchange instruments that are effective hedges of these investments are deducted from consolidated equity.

When the foreign operation is sold, the cumulative exchange differences recorded in equity are recognised in the income statement as part of the gain or loss on the sale.

### 6. Business combinations and goodwill

In accordance with the option available under IFRS 1, the Group has chosen not to restate business combinations which occurred prior to 1 January 2006. Any goodwill existing at that date is no longer amortised but tested for impairment. Intangible assets acquired prior to 1 January 2006 that did not fulfil IFRS recognition criteria, such as market shares, were reclassified as goodwill.

Business combinations carried out since the IFRS transition date are accounted for using the purchase method. The cost of a business combination is measured as the aggregate of the fair values, at the date of exchange, of assets given, liabilities or contingent liabilities incurred or assumed, and equity instruments issued by the Group, in exchange for control of the acquiree, plus any costs directly attributable to the business combination.

The assets given and liabilities incurred or assumed that fulfil the recognition criteria under IFRS 3 are measured at fair value at the date of exchange.

If the fair values to be assigned to the acquiree's identifiable assets, liabilities or contingent liabilities can be determined only provisionally, any adjustments to those provisional values are recorded within 12 months of the acquisition date.

The excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised in assets, under goodwill. If the Group's interest in the net fair value of the

identifiable assets, liabilities and contingent liabilities is greater than the cost of the business combination, the resulting negative goodwill is recognised directly in profit or loss.

Goodwill is initially measured at cost in the currency of the acquiree and is translated at the exchange rate at the end of the reporting period.

Goodwill is tested for impairment, as explained in note III.8.

## 7. Transactions with non-controlling interests

When the Group buys out non-controlling interests in an entity that is already under exclusive control, the difference between the cost of the non-controlling interest and its carrying amount in the consolidated financial statements is recorded as a deduction from equity.

Partial sales leading to an increase in non-controlling interests are also recognised by adjusting equity.

## 8. Segment information

In accordance with IFRS 8, the segment information presented is based on internal reports that are used by Group management and reflect the Group's internal business organisation. Operating activities are organised and managed based on the type of service provided.

The six main business segments are as follows:

- Caisse des Dépôts Division;
- Strategic Investments and Enterprises Division;
- Strategic Investment Fund (SIF) Division;
- Insurance Division;
- Real Estate Division;
- Services Division.

# III - ACCOUNTING POLICIES

## 1. Financial instruments

Financial assets and liabilities are recognised and measured in accordance with IAS 39, as adopted by the European Commission on 19 November 2004 and subsequently amended, in particular by the amendment relating to the use of the fair value option published in 2005.

Financial assets and liabilities at fair value through profit or loss, hedging derivatives and available-for-sale financial assets are measured and recognised at market value on initial recognition and at subsequent reporting dates.

### 1.1. Fair value of financial instruments

IAS 39 defines fair value as the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The best estimate of fair value when the financial instrument is quoted in an active market

is the quoted price. If the market for a financial instrument is not active, fair value is established by using valuation techniques.

### ■ Instruments traded on an active market

A market is considered active if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

If there is an active market for the instrument, the prices quoted in this market are used as the basis for calculating fair value.

If no quoted price is available at the measurement date, fair value is based on prices used in recent transactions.

These financial instruments are measured according to level 1 of the fair value hierarchy set out in the amendment to IFRS 7.

### ■ Instruments traded on a market that is not active

If the market for a financial instrument is not active, fair value is established by using a valuation technique based on "observable" or "unobservable" market inputs.

These techniques and valuation models incorporate all factors that market participants would consider in setting a price. The calculation of fair value notably takes into account liquidity and counterparty risks.

### Instruments measured using models based on observable inputs

Most instruments traded over-the-counter are measured using standard models drawing on observable market inputs, i.e., inputs that can be obtained on a regular basis from several independent sources outside the Group.

For example, the fair value of interest rate swaps is generally established using yield curves based on the market interest rates observed at the end of the reporting period.

These financial instruments are measured according to level 2 of the fair value hierarchy set out in the amendment to IFRS 7.

### Instruments measured using models based largely on unobservable market inputs

The fair value of certain complex market instruments that are not traded on an active market is established using valuation techniques based on unobservable inputs, i.e., inputs that are not directly comparable to market data or valuation models not recognised by the markets.

These financial instruments are measured according to level 3 of the fair value hierarchy set out in the amendment to IFRS 7.

### No recognised valuation technique to calculate the fair value of an equity instrument

In accordance with IAS 39, in the event that valuation techniques are unsatisfactory or the resulting range of reasonable fair value estimates is significant, the instrument continues to be recorded at cost within "Available-for-sale financial assets", as its fair value cannot be determined reliably. In this case, and in accordance with the recommendations of IFRS 7, the Group does not disclose the fair value of the instrument.

## 1.2 - Securities

Securities held by the Group are classified in the four categories of financial assets defined by IAS 39, as follows:

- Financial assets at fair value through profit or loss (including financial assets designated at fair value through profit or loss upon initial recognition or under the fair value option);
- available-for-sale financial assets;
- held-to-maturity investments;
- loans and receivables.

Securities purchased and sold are recognised in the statement of financial position on the settlement/delivery date, except in certain specific cases.

### ■ Financial assets and liabilities at fair value through profit or loss

This category includes financial assets and liabilities held for trading and financial assets and liabilities designated at fair value through profit or loss under the fair value option.

Financial assets and liabilities held for trading are financial assets and liabilities acquired or incurred principally for the purpose of selling or repurchasing them in the near term.

IAS 39 also allows the fair value option to be used in place of hedge accounting (i) to avoid separately recognising and measuring derivatives embedded in hybrid contracts, or (ii) in the event that a group of financial assets and/or financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy and provided that information about this group is reported on this basis internally.

Financial assets classified at fair value through profit or loss are initially recognised at fair value, excluding directly attributable transaction costs but including accrued interest. They are subsequently measured at fair value, with changes in fair value recognised in the income statement under "Gains and losses on financial instruments at fair value through profit or loss, net". Exceptionally, on the first-time adoption of IFRS, fair value adjustments to opening financial assets at fair value through profit or loss were recognised in equity and will never be reclassified to the income statement.

Changes in fair value and disposal gains and losses are recognised in the consolidated income statement under "Gains and losses on financial instruments at fair value through profit or loss, net".

### ■ Available-for-sale financial assets

In accordance with IAS 39, this category is used by default for all financial assets not classified in any of the other three categories.

It comprises fixed and variable income securities that are initially recognised at cost, including directly attributable transaction costs (unless it can be demonstrated that these costs are not material) and accrued interest.

Changes in fair value are recognised in equity.

When the assets are sold or have suffered from other-than-temporary impairment, the cumulative unrealised gain or loss recognised in equity is reclassified to the income statement under "Gains and losses on available-for-sale financial assets, net".

An impairment loss is recognised on equity instruments when there is objective evidence of other-than-temporary impairment, defined as a significant or prolonged decline in the fair value of the investment below its cost.

In accordance with the position put forward by the IFRIC in July 2009 and the recommendation issued by the French stock markets authority (*Autorité des Marchés Financiers* – AMF), Caisse des Dépôts (Central Sector) reviewed the criteria used to identify other-than-temporary impairment. The notions of "significant" and "prolonged" were separated so that each criterion would be sufficient alone to require the recognition of impairment. These criteria span two levels.

- > Level 1: factors triggering a documented analysis
  - criteria associated with a "significant" decline in value: the closing price for the instrument at the end of the reporting period is more than 30% lower than its acquisition cost; or
  - criteria associated with a "prolonged" decline: the average price for the instrument over the previous 12 months is more than 30% lower than its acquisition cost.

These two criteria represent substantial evidence of impairment allowing the Group to identify the securities which will be subject to a documented multi-criteria analysis. Once the analysis is complete, the Group uses its "expert judgement" to determine whether impairment should be recognised against profit or loss.

- > Level 2: factors automatically triggering an impairment loss

Except in duly authorised exceptional circumstances, an impairment loss will be recognised when either of the criteria automatically triggering impairment is met:

- the closing price for the instrument at the end of the reporting period is more than 50% lower than its acquisition cost; or
- the instrument has been trading at a price below its acquisition cost for more than three years.

When either of these conditions is met, the unrealised capital loss on the investment is automatically taken to the income statement.

The criteria applied by Caisse des Dépôts (Central Sector) are also applied by Group entities, unless alternative criteria for determining other-than-temporary impairment are deemed more relevant in light of the entity's business.

Impairment taken against equity instruments is recognised in "Gains and losses on available-for-sale financial assets, net" in the income statement and can only be reversed when the instrument is sold. Any subsequent decrease in market value results in an impairment loss recognised in the income statement.

An impairment loss is recognised in the income statement on debt instruments when there is a proven counterparty risk. If, in a subsequent period, the amount of the impairment loss decreases, the previously recognised impairment loss may be reversed.

Revenue from fixed income securities classified as available-for-sale is reported in the income statement under "Interest income". Dividends received on variable income securities are reported in the income statement under "Gains and losses on available-for-sale financial assets, net".

### ■ Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that an entity has the positive intention and ability to hold to maturity.

If any financial assets classified in this category are sold before maturity, the entire portfolio must be reclassified as “*available-for-sale*” and no further financial assets may be classified as “held-to-maturity” for a period of two years, unless (i) the sale takes place at a date very close to the financial asset’s maturity, (ii) the Group has collected substantially all of the financial asset’s principal, or (iii) the sale is attributable to an isolated, unforeseeable event, such as a serious adverse change in the issuer’s credit quality.

To qualify for classification as held-to-maturity investments, the financial assets concerned may not be hedged against interest rate risks.

Held-to-maturity investments are initially recognised at cost, including directly attributable transaction costs (unless it can be demonstrated that these costs are not material) and accrued interest. They are subsequently measured at amortised cost, determined using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the net carrying amount of the financial asset or financial liability.

If there is objective evidence that an impairment loss has been incurred on held-to-maturity investments, a provision is booked for the difference between the carrying amount and the estimated recoverable amount, discounted at the original effective interest rate. If, in a subsequent period, the amount of the impairment loss decreases, the previously recognised impairment loss is reversed.

### ■ Loans and receivables

The option of classifying non-derivative financial assets with fixed or determinable payments that are not quoted in an active market as “Loans and receivables” has not been used by the Group.

#### 1.3 - Loans

Loans made by the Group are classified as “Loans and receivables” due from financial institutions or from customers, as appropriate.

They are initially recognised at fair value. The fair value of loans corresponds to the nominal amount less any fees and commissions received, less any discount and plus transaction costs.

They are subsequently measured at amortised cost, determined using the effective interest method.

The effective interest rate includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Accrued interest is recorded separately, with the contra-entry recorded in the income statement.

An impairment loss is recognised when there is objective evidence of an event that occurred after the initial recognition of the loan (a “loss event”), and that loss event has an impact on the estimated future cash flows of the loan that can be reliably estimated.

Impairment losses are identified at the level of each individual loan and then at the level of the related loan book.

The amount of the impairment loss corresponds to the difference between the carrying amount of the loans, before impairment, and the sum of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are recognised either as allowances or as discounts on loans restructured following borrower default.

There are two types of impaired loans:

- loans for which impairment losses are recognised on an individual basis: these are non-performing loans covered by allowances and loans restructured following borrower default for which the impairment is recognised as a discount;
- loans covered by general provisions: these are loans with similar credit risk characteristics for which the impairment loss is determined for all of the loans taken as a whole.

### ■ Specific allowances

Loans covered by specific allowances include non-performing loans and irrecoverable loans. These classifications, which are applicable in the individual financial statements under French GAAP in accordance with standard CRC 2002-03, have also been used in the IFRS financial statements.

In the case of non-performing loans, the “proven risk” criteria used under French GAAP are applied to determine the existence of objective evidence of impairment under IAS 39.

A proven risk exists when it is probable that all or some of the amounts due under the loan agreement will not be received, notwithstanding the existence of collateral or a guarantee.

As a general principle, loans are classified as non-performing when:

- one or more instalments are over three months past due (or six months in the case of real estate loans and nine months in the case of loans to local authorities);
- the borrower’s financial position has deteriorated, resulting in a collection risk;
- legal collection procedures have been launched.

Irrecoverable loans are non-performing loans for which the likelihood of collection is remote and that are expected to be written off.

Non-performing loans not meeting these criteria are qualified as recoverable.

When a loan is classified as non-performing, an impairment loss is booked immediately for the probable loss. The impairment loss corresponds to the present value of the aggregate probable losses on non-performing and irrecoverable loans, discounted at the original effective interest rate.

Discounts on restructured loans and allowances on non-performing loans are recognised in the income statement under “*Cost of risk*”. Discounts on restructured loans reclassified as performing are reversed over the remaining life of the loans by crediting interest income.

Reversals of allowances for credit losses due to a reduction in the underlying risk are recognised in the income statement under “*Cost of risk*”, while reductions in allowances and discounts due to the passage of time adjust the interest margin.

#### ■ General provisions

The analyses performed by the Group show that there are no material groups of loans with similar credit risk characteristics requiring the recognition of significant general provisions.

#### 1.4 - Financial liabilities

IAS 39 identifies two categories of financial liabilities:

- financial liabilities at fair value through profit or loss (including financial liabilities designated at fair value through profit or loss upon initial recognition or under the fair value option);
- other financial liabilities.

Financial liabilities in the latter category are initially recognised at fair value and are subsequently measured at amortised cost by the effective interest method.

#### 1.5 - Debt securities

Financial instruments are classified as debt securities if the issuer has a contractual obligation to deliver cash or a financial asset, or to exchange instruments on potentially unfavourable terms.

Debt securities are initially recognised at their issue value including transaction costs. They are subsequently measured at amortised cost by the effective interest method.

Perpetual subordinated notes are classified as equity instruments when the timing of interest payments is determined by the Group. All other dated and undated debt instruments are included in debt.

#### 1.6 - Derivative instruments

Derivative instruments are financial assets and liabilities initially recognised in the statement of financial position at the transaction price. They are subsequently measured at fair value, regardless of whether they are held for trading or as part of a hedging relationship.

#### ■ Derivative instruments held for trading

Derivative instruments held for trading are recognised in the statement of financial position under “Financial assets/liabilities at fair value through profit or loss”. They are recognised as assets when their fair value is positive and as liabilities when it is negative. Realised and unrealised gains are recognised in the income statement under “Gains and losses on financial instruments at fair value through profit or loss, net”.

#### ■ Derivative instruments and hedge accounting

A fair value hedge is a hedge of the exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment.

A cash flow hedge is a hedge of the exposure to variability in cash flows from financial instruments or a highly probable forecast transaction.

A net investment hedge is a hedge of the exposure to unfavourable changes in fair value attributable to the currency risk on an investment other than in euros.

A derivative instrument qualifies for hedge accounting only where there is formal designation and documentation of the hedging relationship at the inception of the hedge.

For a hedging relationship to exist, the following conditions must be met:

- the hedging instrument and the hedged item must both be eligible for hedge accounting;
- the documentation of the hedging relationship must include identification of the hedging instrument and the hedged item, the nature of the hedging relationship and the nature of the risk being hedged;
- details must be provided of the hedge’s expected effectiveness at the inception of the hedge and its actual effectiveness at the end of each reporting period.

Derivative instruments qualifying for hedge accounting are recognised in the statement of financial position under “Hedging instruments”.

The Group has chosen to recognise certain hedged items and the related hedges under “Financial assets/liabilities at fair value through profit or loss” as allowed under IAS 39. This treatment has been applied primarily to government bonds and negotiable debt securities hedged by swaps under asset swap agreements.

#### ■ Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that fulfils the definition of a derivative instrument. If the hybrid instrument is not measured at fair value through profit or loss, the embedded derivative is separated from the host contract when, at inception, the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract. In this case, the embedded derivative is recognised at fair value under “Financial assets/liabilities at fair value through profit or loss”.

#### 1.7 - Financial guarantees given

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees are initially recognised at fair value and subsequently measured at the higher of the amount of the obligation and the amount initially recognised less accumulated amortisation of the related commission.

Where appropriate, a provision is recorded in liabilities in accordance with IAS 37.

### 1.8 - Financing commitments

Financing commitments are initially recognised at fair value. They are accounted for in accordance with IAS 37 unless they meet the criteria for classification as derivative instruments.

### 1.9 - Repurchase agreements and securities lending/borrowing

Securities lent or sold under a repurchase agreement continue to be shown on the statement of financial position of the lender/seller. However, if the borrower/acquiree is free to sell, lend or enter into a repurchase agreement concerning the securities, they are reclassified in a sub-account of securities or receivables.

Securities borrowed or acquired under a repurchase agreement are not shown on the statement of financial position of the borrower/acquiree. However, if the borrower/acquiree sells, lends or enters into a repurchase agreement concerning the securities, a liability is recorded at fair value in the statement of financial position, representing the obligation to buyback these securities.

## 2 - Investments in associates

The Group's investments in associates are accounted for by the equity method.

Under this method, the investment is initially recognised at cost and subsequently adjusted to reflect any changes in the Group's equity in net assets after the acquisition date. Goodwill relating to investments in associates is included in the carrying amount of the investment and is not amortised.

The income statement reflects the Group's share of the associate's earnings.

After the investment has been accounted for by the equity method, the Group applies the provisions of IAS 39 to determine whether an impairment loss should be recognised.

If there is evidence that the investment may be impaired within the meaning of IAS 39, the full amount of the investment is tested for impairment in accordance with IAS 36. In practice, impairment is usually determined by comparing the carrying amount of the equity-accounted investment with its value in use, calculated using the discounted cash flow method.

When an impairment loss is recognised, it is charged against the value of the equity-accounted investment in the statement of financial position, and may subsequently be reversed if the value in use or market value of the investment increases.

## 3 - Non-current assets held for sale and related liabilities, discontinued operations

A non-current asset or a disposal group is classified as held for sale when its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The asset or disposal group is reported on a separate line of the statement of financial position when it is highly probable that the sale will be completed within 12 months.

An operation is considered as discontinued when the related assets fulfil the criteria for classification as held for sale or the operation has been sold. The profits or losses from discontinued operations are shown on a single line of the income statement for the periods presented. The reported amounts include the net profit or loss of the discontinued operations up to the date of sale and the after-tax disposal gains or loss.

## 4 - Foreign currency transactions

At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are converted into the Group's functional currency at the year-end exchange rate.

The resulting conversion gains and losses are recognised in the income statement. As an exception to this principle, for monetary assets classified as available-for-sale financial assets, only the portion of the conversion gain or loss calculated on these assets' amortised cost is recognised in the income statement, with the other portion recognised in equity.

Concerning non-monetary assets:

- assets measured at historical cost are converted at the exchange rate on the transaction date;
- assets measured at fair value are converted at the exchange rate at the end of the reporting period.

Conversion gains and losses on non-monetary items are recognised in the income statement if the gain or loss on the non-monetary item is also recognised in the income statement, or in equity if the gain or loss on the non-monetary item is also recognised in equity.

## 5 - Employee benefits

Benefits granted to the Group's employees fall into four categories:

- short-term benefits, such as salaries, paid annual leave, matching payments to employee savings plans, discretionary and non-discretionary profit-sharing, that are payable within 12 months of the end of the reporting period;
- post-employment benefits, corresponding to pensions, length-of-service awards payable to employees on retirement, and financial support for employees receiving reduced rate pensions;
- other long-term benefits such as jubilee and other long-service benefits, that are payable 12 months or more after the end of the reporting period;
- termination benefits.

### 5.1 - Short-term benefits

Short-term employee benefits are employee benefits which fall wholly due within 12 months after the end of the period in which the employees render the related service. A liability and an expense are recognised when the Group has a contractual obligation or constructive obligation arising from past practices.

## **5.2 - Post-employment benefits**

Post-employment benefits comprise defined contribution plans and defined benefit plans.

Obligations under defined contribution plans are generally covered by contributions paid to a pay-as-you-go pension scheme or to an insurance company that manages benefit payments or by the State for public service employees. In all cases, the contributions are in full discharge of any future liability. Contributions paid are expensed as incurred.

Defined benefit plans are plans under which the Group has an obligation to pay agreed benefits to current and former employees. These plans give rise to a medium- or long-term liability which is measured and recognised in the financial statements.

In accordance with IAS 19, the projected benefit obligation is measured by the projected unit credit method based on a range of actuarial, financial and demographic assumptions. The projected unit credit method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Units of benefit entitlement are determined based on the discounted present value of the future benefits.

The discount rate used by the Group is determined by reference to the French government bond rate or the interest rate for investment grade corporate bonds denominated in the benefit payment currency, whose maturity approximates the estimated average duration of the benefit obligation.

The provision for defined post-employment benefits is therefore equal to the present value of the defined benefit obligation at the end of the reporting period, calculated by the projected unit credit method, less the fair value of the plan assets, if any.

The provision is adjusted at the end of each reporting period to reflect changes in the projected benefit obligation.

Differences resulting from changes in actuarial assumptions or experience adjustments give rise to actuarial gains and losses.

The Group uses the option available under IAS 19 as amended in 2005, whereby all actuarial gains and losses relating to post-employment defined benefit plans are recognised in equity.

Past service cost, corresponding to the increase in the present value of the defined benefit obligation resulting from the introduction of, or changes to, post-employment benefits, is recognised as an expense over the average period until the benefits become vested.

Outside France, Group employees are covered by various compulsory contributory pension schemes. The corresponding obligations are funded by contributions to company pension funds or recognised in the financial statements of the companies concerned.

## **5.3 - Other long-term benefits**

Other long-term benefits are benefits other than post-employment benefits and termination benefits that do not fall wholly due within 12 months after the end of the period in which the employees render the related service.

They are measured and recognised on a similar basis to defined post-employment benefits, except that actuarial gains and losses and the past service cost are recognised directly in profit or loss.

## **6 - Share-based payments**

Share-based payments consist of payments based on the equity instruments of Group subsidiaries that are equity settled or cash settled for amounts that reflect the value of the underlying shares. IFRS 2 applies solely to grants made after 7 November 2002 that had not yet vested at 1 January 2005.

Most of the share-based payment plans set up by Group entities are equity-settled plans.

IFRS 2 also applies to rights issues carried out under the Group's employee savings plans.

The employee benefit corresponds to the difference, at the purchase date, between the fair value of the acquired shares, taking into account the deemed cost of the lock-up feature, and the price paid by employees, multiplied by the number of shares purchased. At the end of each reporting period, the number of options likely to vest is reviewed. Where appropriate, the estimates are revised and the effect of the revision is recognised in the income statement with a corresponding adjustment to equity.

## **7 - Fixed assets**

Fixed assets in the consolidated statement of financial position include owner-occupied property and equipment, intangible assets and investment property.

Owner-occupied property is held for use in the production of services and for administrative purposes. It corresponds to assets not leased to third parties under operating leases.

Investment property corresponds to property held to earn rentals or for capital appreciation or both.

Owner-occupied and investment property are initially recognised at cost, corresponding to their purchase price, any directly attributable expenditure and any borrowing costs.

Land is not depreciated. Other assets are depreciated from the date they are put into service by the straight-line method. This method consists of recording a constant annual charge to write off the cost of the asset less its residual value over the asset's estimated useful life.

Government grants are recorded as a deduction from the carrying amount of the assets they serve to finance.

When an asset comprises several items with different patterns of use, that may require replacement at regular intervals or generate economic benefits at differing rates, each such item is recognised separately and depreciated over its estimated useful life, when the amounts involved are material.

The main items of property and equipment recognised by the Group and the related depreciation periods are as follows:

- building shell: 30 to 100 years;
- roof/façade: 25 to 40 years;
- fixtures: 10 to 25 years;
- fittings and technical installations: 10 to 25 years;
- major maintenance work: 15 years.

The depreciable amount of each asset is determined by deducting the residual value from its cost, where said value is both material and measurable. Residual value is defined as the estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Software and development costs are recognised in intangible assets and amortised over three years.

At the end of each reporting period, an impairment test is performed if there is any internal or external indication that an asset may be impaired and the amount of the impairment may be material. Impairment tests are performed by comparing the carrying amount of the asset with its recoverable amount.

If the recoverable amount is less than the carrying amount, the carrying amount is reduced by recording an impairment loss. If the recoverable amount increases in subsequent periods, all or part of the impairment loss is reversed.

## **8 - Impairment of non-amortisable intangible assets and goodwill**

Goodwill and other intangible assets with an indefinite useful life are not amortised but are tested for impairment at annual intervals.

The impairment tests are performed at the level of cash-generating units (CGUs), representing the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Impairment tests are performed by comparing the recoverable amount of the asset or CGU to its carrying amount.

The recoverable amount of an asset or a CGU is the higher of its fair value less costs to sell and its value in use.

If the carrying amount is greater than the recoverable amount, an impairment loss is recognised in the income statement for the difference between these two amounts.

Impairment losses recognised on goodwill related to subsidiaries and intangible assets with indefinite useful lives cannot be reversed.

## **9 - Finance leases**

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.

Leases are classified as finance leases when:

- the lease transfers ownership of the asset to the lessee by the end of the lease term;
- the lessee has the option to purchase the asset at a price that is expected to be sufficiently lower than the fair value for it to be reasonably certain that the option will be exercised;
- the lease term is for the major part of the economic life of the asset;
- the present value of the minimum lease payments amounts to substantially all of the fair value of the leased asset at the inception of the lease;
- the leased assets are of such a specialised nature that only the lessee can use them without major modifications.

In the consolidated financial statements, finance leases are accounted for as follows:

- the leased asset is recognised in assets, under property and equipment, and a liability for the same amount is recognised in debt;
- the asset is depreciated over its estimated useful life, in the same way as assets owned outright, and the minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability.

Leases that do not transfer substantially all the risks and rewards incidental to ownership are classified as operating leases. Lease payments under operating leases (net of benefits obtained from the lessor) are recognised in the income statement on a straight-line basis over the duration of the lease.

## **10 - Service concession arrangements**

IFRIC 12 – Service Concession Arrangements has been early adopted by all Group entities for which the impact of the interpretation is material.

## **11 - Provisions recorded under liabilities**

Provisions recorded under liabilities include provisions for losses on financial instruments, provisions for employee benefit obligations, insurance company technical reserves and provisions for claims and litigation, fines and tax risks.

A provision is recorded when the Group has a present obligation arising from past events, the settlement of which is expected to result in an outflow of resources embodying economic benefits without there being any expectation that economic benefits with at least an equivalent value will be received. The obligation may

be legal, regulatory, contractual or constructive. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are discounted when the effects of discounting are material, using a discount rate that reflects current market assessments of the time value of money and the risks specific to the liability. Increases in the provision to reflect the passage of time are recognised in "Interest expense".

## 12 - Current and deferred taxes

Deferred taxes are recognised using the liability method for temporary differences between the carrying amount of assets and liabilities and their tax base. Under this method, deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The effects of changes in tax rates are recognised in the period in which the change is enacted or substantively enacted.

Deferred taxes are calculated at the level of each tax entity. Deferred tax assets are recognised only when it is probable that sufficient taxable profits will be available to permit their recovery.

Certain directly or indirectly held Group entities form part of a tax group.

Income tax expense is recognised in the income statement, except for tax on items recognised directly in equity, which is also recorded in equity.

Deferred tax rates in France at 31 December 2009 were:

- 34.43% for the full statutory tax rate (including the additional social contribution), unchanged from 31 December 2008;
- 15.5% for the reduced rate (including the additional social contribution), applicable to sales and certain distributions by tax-efficient venture capital funds (FCPR fiscaux), unchanged from 31 December 2008;
- 19.63% (including the additional social contribution) for long-term capital gains on sales of shares in listed property companies ("TSPIs") held for more than two years, unchanged from 31 December 2008;
- 1.72% for long-term capital gains on sales of participating interests (*titres de participation* as defined in French accounting and tax rules) other than unlisted TSPIs, unchanged from 31 December 2008.

Since 1 January 2006, the full tax rate applies to gains and losses on sales of marketable securities held in a long-term sub-account and representing less than 5% of the issuer's capital, that were acquired at a cost of more than €22.8 million. For securities held for more than two years that represent more than 5% of the issuer's capital, the applicable rate is 1.72%.

Deferred taxes are not discounted.

## 13 - Insurance operations

Insurance and financial liabilities arising from insurance policies and financial instruments with a discretionary participation feature are accounted for in accordance with IFRS 4, in the same way as in the insurance companies' financial statements.

Other insurance company assets and liabilities are accounted for in accordance with the IFRSs applied to the Group's other assets and liabilities. They are presented in the statement of financial position under the captions corresponding to their characteristics, and in the income statement under "*Income/Expenses from other activities*", with additional information disclosed in the notes to the consolidated financial statements.

For example, the insurance companies' financial assets are allocated to the four categories provided for in IAS 39 and measured on the basis prescribed by this standard.

Insurance liabilities are mostly measured in accordance with French GAAP, pending publication of IFRS 4 Phase II.

Under the current version of IFRS 4, contracts fall into three categories:

- > insurance contracts, corresponding to contracts with a significant insurance risk as defined in IFRS 4 (such as personal risk, pension, property and casualty contracts and unit-linked savings contracts with a guaranteed yield);
- > financial instruments with a discretionary participation feature (DPF) issued by an insurer (such as non-unit-linked contracts with DPF and unit-linked contracts comprising a non-unit-linked component with DPF);
- > investment contracts without DPF (such as unit-linked savings contracts without a non-unit-linked component and without a guaranteed yield).

Contracts in the first two categories fall within the scope of IFRS 4 and are recognised and measured in accordance with this standard. Technical reserves recognised in respect of these contracts continue to be measured in accordance with French GAAP. Shadow accounting is applied to contracts with DPF.

Shadow accounting is an accounting technique used to eliminate any artificial asset/liability mismatches that result from the different methods used to value assets and liabilities. In shadow accounting, valuation gains or losses on financial assets which may be applicable to policyholders are recognised in a deferred participation account. This reflects policyholders' potential interests in unrealised gains on financial instruments carried at fair value, or their share of losses if unrealised losses are reported.

The net deferred participation resulting from shadow accounting is recognised in liabilities under "Insurance company technical reserves" or in assets under "Deferred participation assets", as applicable.

The recoverability of the deferred participation asset is tested to determine whether, assuming that the Group continues as a going concern, it can be deducted from policyholders' share in future

or unrealised profits and does not result in the Group booking inadequate liabilities compared with its liabilities for economic purposes.

At the end of each reporting period, the Group assesses whether its recognised insurance liabilities, net of its insurance assets (deferred participation asset plus insurance-related intangible assets) are adequate based on current estimates of future cash flows under its insurance contracts and financial instruments with DPF. The test is performed using asset-liability management models, by applying a stochastic approach to estimate liabilities according to a wide range of scenarios. The models take into account embedded derivatives (policyholder surrender options, guaranteed yields, etc.) and administrative costs. The test determines the economic value of insurance liabilities corresponding to the average of the stochastic trajectories. Similar-type contracts are grouped together when performing the test and the results are analysed

at entity level: if the sum of the surrender value and deferred participation, less related deferred acquisition costs and intangible assets, is less than the fair value of the recognised insurance liability, the shortfall is recognised in the income statement.

Contracts in the third category fall within the scope of IAS 39 and are recognised and measured in accordance with this standard.

## **14 - Capital**

In light of its status, Caisse des Dépôts does not have any share capital.

# 3. Notes to the consolidated income statement

## Note 1 - Interest income and expense

(in millions of euros)	31.12.2009			31.12.2008		
	Income	Expense	Net	Income	Expense	Net
Ordinary accounts in debit/credit	26		26	129		129
Accounts and loans/borrowings with fixed maturities	18	(282)	(264)	83	(818)	(735)
Repurchase and resale agreements	9		9	26		26
Other, including hedging instruments	15	(2)	13	12		12
<b>Interbank transactions</b>	<b>68</b>	<b>(284)</b>	<b>(216)</b>	<b>250</b>	<b>(818)</b>	<b>(568)</b>
Ordinary accounts in debit/credit	17		17	27		27
Accounts and loans/borrowings with fixed maturities	182	(513)	(331)	856	(769)	87
Other, including hedging instruments	38		38	54		54
<b>Customer transactions</b>	<b>237</b>	<b>(513)</b>	<b>(276)</b>	<b>937</b>	<b>(769)</b>	<b>168</b>
Available-for-sale financial assets	3,814	(113)	3,701	3,662	(89)	3,573
Held-to-maturity financial assets	845	(44)	801	878	(58)	820
Other, including hedging instruments	115	(129)	(14)			
<b>Financial instruments</b>	<b>4,774</b>	<b>(286)</b>	<b>4,488</b>	<b>4,540</b>	<b>(147)</b>	<b>4,393</b>
Debt securities		(301)	(301)		(488)	(488)
Subordinated debt		(32)	(32)		(42)	(42)
<b>Borrowings</b>		<b>(333)</b>	<b>(333)</b>		<b>(530)</b>	<b>(530)</b>
<b>Total interest income and expense</b>	<b>5,079</b>	<b>(1,416)</b>	<b>3,663</b>	<b>5,727</b>	<b>(2,264)</b>	<b>3,463</b>

## Note 2 - Fee and commission income and expense

(in millions of euros)	31.12.2009		31.12.2008	
	Income	Expense	Income	Expense
Interbank transactions				
Customer transactions	7		13	
Securities and derivatives transactions		(26)		(25)
Financial services transactions	41	(41)	35	(56)
Other fees and commissions				
<b>Fee and commission income and expense</b>	<b>48</b>	<b>(67)</b>	<b>48</b>	<b>(81)</b>

### Note 3 - Gains and losses on financial instruments at fair value through profit or loss, net

(in millions of euros)	31.12.2009		31.12.2008	
	Total	Of which fair value option	Total	Of which fair value option
Disposal gains and losses, net	116	(1)	215	
Fair value adjustments, interest income or expense	2,195	60	(4,301)	(3)
Dividend income	211		162	
Other income and expense, net	(317)		2,768	
<b>Securities</b>	<b>2,205</b>	<b>59</b>	<b>(1,156)</b>	<b>(3)</b>
Disposal gains and losses, net	6		(3)	
Fair value adjustments, interest income or expense	(229)		(16)	
<b>Futures and options (excluding hedging instruments)</b>	<b>(223)</b>		<b>(19)</b>	
Disposal gains and losses, net				
Fair value adjustments, interest income or expense			3	
Other income and expense, net				
<b>Loans</b>			<b>3</b>	
Disposal gains and losses, net				
Fair value adjustments, interest income or expense	(80)	(80)	(166)	(166)
Other income and expense, net				
<b>Borrowings</b>	<b>(80)</b>	<b>(80)</b>	<b>(166)</b>	<b>(166)</b>
Disposal gains and losses, net				
Fair value adjustments, interest income or expense				
Other income and expense, net				
<b>Commitments</b>				
Fair value hedges	(162)		3	
Ineffective portion of cash flow hedges	(7)		(2)	
<b>Hedging instruments</b>	<b>(169)</b>		<b>1</b>	
<b>Portfolios hedged against interest rate risk</b>				
Currency instruments	15		(69)	
<b>Currency instruments</b>	<b>15</b>		<b>(69)</b>	
<b>Total gains and losses on financial instruments at fair value through profit or loss, net</b>	<b>1,748</b>	<b>(21)</b>	<b>(1,406)</b>	<b>(169)</b>

## Note 4 - Gains and losses on available-for-sale financial assets, net

(in millions of euros)	31.12.2009	31.12.2008
Disposal gains and losses, net	227	49
<b>Fixed-income securities</b>	<b>227</b>	<b>49</b>
Disposal gains and losses, net	625	1,023
Other-than-temporary impairment	(1,000)	(2,634)
Dividend income	1,105	1,111
<b>Variable-income securities</b>	<b>730</b>	<b>(500)</b>
<b>Loans</b>		
<b>Other</b>	<b>2</b>	<b>(1)</b>
<b>Total gains and losses on available-for-sale financial assets, net</b>	<b>959</b>	<b>(452)</b>

## Note 5 - Income and expense from other activities

(in millions of euros)	31.12.2009		31.12.2008	
	Income	Expense	Income	Expense
Investment property transactions	2,064	(705)	1,538	(510)
Income and expenses from other activities	5,668	(2,214)	5,547	(2,481)
Income and expenses from insurance activities	12,731	(17,429)	11,131	(11,774)
<b>Total income and expenses from other activities, net</b>	<b>20,463</b>	<b>(20,348)</b>	<b>18,216</b>	<b>(14,765)</b>

## Note 6 - General operating expenses

(in millions of euros)	31.12.2009	31.12.2008
<b>Employee benefits expense</b>	<b>(2,946)</b>	<b>(2,773)</b>
Other expenses and external services	(999)	(937)
Provision (charges)/reversals	(1)	12
<b>Other general operating expenses</b>	<b>(1,000)</b>	<b>(925)</b>
<b>Total general operating expenses</b>	<b>(3,946)</b>	<b>(3,698)</b>

## Note 7 - Cost of risk

(in millions of euros)	31.12.2009		31.12.2008	
	Income	Expense	Income	Expense
Impairment of loans and receivables due from credit institutions			2	
Impairment of loans and receivables due from customers	13	(38)	20	(16)
Other-than-temporary impairment in value of available-for-sale financial assets	4	(50)	2	(159)
Impairment of held-to-maturity financial assets				
Impairment of signature commitments and other commitments				
<b>Impairment losses</b>	<b>17</b>	<b>(88)</b>	<b>24</b>	<b>(175)</b>
Other provisions for counterparty risk	89	(8)	4	(91)
<b>Other provisions for counterparty risk</b>	<b>89</b>	<b>(8)</b>	<b>4</b>	<b>(91)</b>
Loan losses and bad debts		(20)	1	(16)
Recoveries on loans and receivables written off in prior years				
<b>Losses and recoveries</b>		<b>(20)</b>	<b>1</b>	<b>(16)</b>
<b>Cost of risk</b>	<b>106</b>	<b>(116)</b>	<b>29</b>	<b>(282)</b>

## Note 8 - Gains and losses on other assets, net

(in millions of euros)	31.12.2009	31.12.2008
Gains and losses on disposals of property and equipment and intangible assets	9	21
<b>Gains and losses on disposals of property and equipment and intangible assets</b>	<b>9</b>	<b>21</b>
Gains or losses on disposals of securities	134	17
Dilution gains and losses	(1)	4
Other gains and losses on long-term equity interests	(12)	(3)
<b>Gains and losses on long-term equity interests</b>	<b>121</b>	<b>18</b>
<b>Other gains and losses</b>		
<b>Total gains and losses on other assets, net</b>	<b>130</b>	<b>39</b>

## Note 9 - Income tax expense

### 9.1 - Analysis of income tax expense

(in millions of euros)	31.12.2009	31.12.2008
Current taxes	(735)	(722)
Exit tax		5
Deferred taxes	355	630
<b>Income tax expense</b>	<b>(380)</b>	<b>(87)</b>

## 9.2 - Reconciliation of theoretical and effective tax rates

(in millions of euros)	31.12.2009	31.12.2008
Net profit (loss) attributable to owners	1,980	(1,468)
Non-controlling interests	498	172
Share of profit (loss) of associates	(678)	1,915
Change in value of goodwill	48	
Net profit from discontinued operations	(3)	
Income tax expense	380	87
<b>Profit before tax, change in value of goodwill and share of profit (loss) of associates</b>	<b>2,225</b>	<b>706</b>
Standard French tax rate <sup>(1)</sup>	34.43%	34.43%
<b>Theoretical tax expense</b>	<b>(766)</b>	<b>(243)</b>
Effect of tax-exempt transactions and transactions taxed at reduced rate	(138)	89
Effect of permanent differences	488	(8)
Utilisation of tax loss carryforwards	(12)	(12)
Exit tax		5
Tax credits	30	34
Other	18	48
<b>Income tax expense</b>	<b>(380)</b>	<b>(87)</b>
<b>Effective tax rate</b>	<b>17.08%</b>	<b>12.33%</b>

(1) Corresponding to the rate of tax payable on corporate income in France in 2009, including the additional social contribution.

**Note 10 - Segment information**

(in millions of euros)	Caisse des Dépôts and Direct Subsidiaries Division		Strategic Investments and Enterprises Division	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
Interest income	2,035	2,681		
Interest expense	(1,012)	(1,861)		
Fee and commission income	48	48		
Fee and commission expense	(38)	(46)		
Gains and losses on financial instruments at fair value through profit or loss, net	(231)	(339)		
Gains and losses on available-for-sale financial assets, net	340	(208)		
Income from other activities	601	636		
Expenses from other activities	(669)	(682)		
<b>Net banking income</b>	<b>1,074</b>	<b>229</b>		
General operating expenses	(371)	(375)		
Depreciation, amortisation and impairment of property and equipment and intangible assets	(108)	(107)		
<b>Gross operating profit</b>	<b>595</b>	<b>(253)</b>		
Cost of risk	(41)	(26)		
<b>Operating profit (loss)</b>	<b>554</b>	<b>(279)</b>		
Share of profit (loss) of associates	305	(522)	271	(1,466)
Gains and losses on other assets, net	(22)	10		
Change in value of goodwill	(10)	(1)		
<b>Profit (loss) before tax</b>	<b>827</b>	<b>(792)</b>	<b>271</b>	<b>(1,466)</b>
Income tax expense	(93)	93		
Net profit from discontinued operations				
<b>Net profit (loss)</b>	<b>734</b>	<b>(699)</b>	<b>271</b>	<b>(1,466)</b>
Non-controlling interests	(4)	43	(15)	(6)
<b>Net profit (loss) attributable to owners</b>	<b>730</b>	<b>(656)</b>	<b>256</b>	<b>(1,472)</b>

SIF Division		Insurance Division		Real Estate Division		Services Division		Total	
31.12.2009	31.12.2008	31.12.2009	31.12.2008	31.12.2009	31.12.2008	31.12.2009	31.12.2008	31.12.2009	31.12.2008
14		3,014	3,026	9	14	7	6	5,079	5,727
3		(144)	(143)	(207)	(196)	(56)	(64)	(1,416)	(2,264)
		(29)	(35)					48	48
								(67)	(81)
3		1,977	(1,082)	(1)	16		(1)	1,748	(1,406)
188		428	(250)	2	6	1		959	(452)
		13,281	11,382	2,812	2,702	3,769	3,496	20,463	18,216
		(17,654)	(11,977)	(1,318)	(1,423)	(707)	(683)	(20,348)	(14,765)
<b>208</b>		<b>873</b>	<b>921</b>	<b>1,297</b>	<b>1,119</b>	<b>3,014</b>	<b>2,754</b>	<b>6,466</b>	<b>5,023</b>
(26)		(338)	(306)	(591)	(598)	(2,620)	(2,419)	(3,946)	(3,698)
		(17)	(13)	(35)	(27)	(255)	(258)	(415)	(405)
<b>182</b>		<b>518</b>	<b>602</b>	<b>671</b>	<b>494</b>	<b>139</b>	<b>77</b>	<b>2,105</b>	<b>920</b>
		40	(220)	(7)	(6)	(2)	(1)	(10)	(253)
<b>182</b>		<b>558</b>	<b>382</b>	<b>664</b>	<b>488</b>	<b>137</b>	<b>76</b>	<b>2,095</b>	<b>667</b>
68		13	12	5	1	16	60	678	(1,915)
(1)		100	8	44		9	21	130	39
		(36)			(1)	(2)	2	(48)	
<b>249</b>		<b>635</b>	<b>402</b>	<b>713</b>	<b>488</b>	<b>160</b>	<b>159</b>	<b>2,855</b>	<b>(1,209)</b>
(2)		(178)	(75)	(58)	(62)	(49)	(43)	(380)	(87)
						3		3	
<b>247</b>		<b>457</b>	<b>327</b>	<b>655</b>	<b>426</b>	<b>114</b>	<b>116</b>	<b>2,478</b>	<b>(1,296)</b>
(130)		(72)	(61)	(230)	(124)	(47)	(24)	(498)	(172)
<b>117</b>		<b>385</b>	<b>266</b>	<b>425</b>	<b>302</b>	<b>67</b>	<b>92</b>	<b>1,980</b>	<b>(1,468)</b>

# 4. Notes to the consolidated statement of financial position

## Note 11 - Financial assets and liabilities at fair value through profit or loss

(in millions of euros)	31.12.2009		31.12.2008	
	Held for trading	Fair value option	Held for trading	Fair value option
Government bonds		242	361	118
Treasury bills				
Other bonds	11,066	307	10,476	39
Negotiable debt securities	587	213	831	219
Mutual funds	12,359		10,338	
Other securities	5		5	
<b>Fixed-income securities</b>	<b>24,017</b>	<b>762</b>	<b>22,011</b>	<b>376</b>
Equities	2,550		2,307	
Venture capital funds	3			
Other securities	2,954	4	2,303	339
<b>Equities and other variable-income securities</b>	<b>5,507</b>	<b>4</b>	<b>4,610</b>	<b>339</b>
Derivative instruments held for trading	1,361		1,089	
<b>Derivative instruments held for trading</b>	<b>1,361</b>		<b>1,089</b>	
<b>Total financial assets at fair value through profit or loss</b>	<b>30,885</b>	<b>766</b>	<b>27,710</b>	<b>715</b>

(in millions of euros)	31.12.2009		31.12.2008	
	Held for trading	Fair value option	Held for trading	Fair value option
<b>Accounts and borrowings with fixed maturities</b>				
Bonds				
Negotiable debt securities		3,972		2,156
Other				
<b>Debt securities</b>		<b>3,972</b>		<b>2,156</b>
<b>Borrowed securities and short sales</b>				
Derivative instruments held for trading	955		780	
<b>Derivative instruments held for trading</b>	<b>955</b>		<b>780</b>	
<b>Total financial liabilities at fair value through profit or loss</b>	<b>955</b>	<b>3,972</b>	<b>780</b>	<b>2,156</b>

## Note 12 - Hedging instruments

(in millions of euros)	31.12.2009	31.12.2008
Interest rate derivatives	28	15
Currency derivatives		
Equity derivatives		
Other derivatives		
<b>Fair value hedges</b>	<b>28</b>	<b>15</b>
Interest rate derivatives	155	146
Currency derivatives		
Equity derivatives		
Other derivatives		
<b>Cash flow hedges</b>	<b>155</b>	<b>146</b>
<b>Hedges of net investments in foreign operations</b>		
<b>Total hedging instruments with a positive fair value</b>	<b>183</b>	<b>161</b>

(in millions of euros)	31.12.2009	31.12.2008
Interest rate derivatives	429	240
Currency derivatives		
Equity derivatives		
Other derivatives		
<b>Fair value hedges</b>	<b>429</b>	<b>240</b>
Interest rate derivatives	320	304
Currency derivatives		
Equity derivatives		
Other derivatives	2	6
<b>Cash flow hedges</b>	<b>322</b>	<b>310</b>
<b>Hedges of net investments in foreign operations</b>		
<b>Total hedging instruments with a negative fair value</b>	<b>751</b>	<b>550</b>

### Note 13 - Available-for-sale financial assets

	31.12.2009			31.12.2008		
	Fair value	o/w hedged portion (fair value hedge)	o/w unrealised gains and losses	Fair value	o/w hedged portion (fair value hedge)	o/w unrealised gains and losses
(in millions of euros)						
Government bonds	15,210			13,744		3
Treasury bills	1,320		20	365		
Other bonds	53,036	47	2,320	46,359	15	467
Negotiable debt securities	26,380	308	3	27,528	22	47
Mutual funds	5,855		81	4,620		(384)
Other securities	460		(34)	650		(70)
Accrued interest	1,707			1,521		
<b>Fixed-income securities</b>	<b>103,968</b>	<b>355</b>	<b>2,390</b>	<b>94,787</b>	<b>37</b>	<b>63</b>
Equities	31,189		6,726	23,100		3,100
Venture capital funds	692		7	788		44
Other securities	5,528		1,110	2,178		(179)
<b>Equities and other variable-income securities</b>	<b>37,409</b>		<b>7,843</b>	<b>26,066</b>		<b>2,965</b>
<b>Total available-for-sale financial assets</b>	<b>141,377</b>	<b>355</b>	<b>10,233</b>	<b>120,853</b>	<b>37</b>	<b>3,028</b>

### ■ Available-for-sale financial assets: impairment losses

(in millions of euros)	31.12.2009	31.12.2008
Fixed-income securities	(302)	(256)
Equities and other variable-income securities	(6,389)	(5,841)
<b>Total impairment losses</b>	<b>(6,691)</b>	<b>(6,097)</b>

## Note 14 - Loans and receivables due from credit institutions

(in millions of euros)	31.12.2009	31.12.2008
Ordinary accounts in debit and overnight loans	9,230	7,065
Savings fund current accounts		
Securities and other assets purchased under collateralised fixed resale agreements		
Accrued interest	2	21
Non-performing items		
Impairment losses		
<b>Loans to credit institutions repayable on demand</b>	<b>9,232</b>	<b>7,086</b>
Accounts and loans with fixed maturities	3,152	4,068
Term loans in respect of the Savings Funds		
Securities and other assets purchased under collateralised fixed resale agreements	5	341
Participating loans		
Subordinated loans		
Advances on securities transactions		
Other receivables		
Accrued interest		3
Non-performing items	199	156
Impairment losses	(10)	(8)
<b>Loans and receivables due from credit institutions with fixed maturities</b>	<b>3,346</b>	<b>4,560</b>
<b>Total loans and receivables due from credit institutions</b>	<b>12,578</b>	<b>11,646</b>

## Note 15 - Loans and receivables due from customers

(in millions of euros)	31.12.2009	31.12.2008
Ordinary accounts in debit	1,371	1,399
Accrued interest		1
Non-performing items	6	6
Impairment losses	(4)	(6)
<b>Ordinary accounts in debit</b>	<b>1,373</b>	<b>1,400</b>
Loans to financial sector customers	5	1
Cash facilities	15,163	6,473
Equipment financing	473	478
Housing loans	484	493
Advances on securities transactions	670	624
Participating loans		
Subordinated loans	26	31
Finance lease receivables	29	34
Securities and other assets purchased under uncollateralised resale agreements		
Other loans	2,006	1,849
Accrued interest	74	73
Non-performing items	449	449
Impairment losses	(141)	(119)
<b>Other loans and receivables due from customers</b>	<b>19,238</b>	<b>10,386</b>
Reinsurers' share of insurance and financial liabilities	2,761	2,534
Other insurance assets	1,264	1,350
<b>Insurance and reinsurance receivables</b>	<b>4,025</b>	<b>3,884</b>
<b>Total loans and receivables due from customers</b>	<b>24,636</b>	<b>15,670</b>

## Note 16 - Held-to-maturity investments

(in millions of euros)	31.12.2009	31.12.2008
Government bonds	1,158	1,134
Treasury bills	500	497
Other bonds	11,072	12,441
Negotiable debt securities	4,886	4,962
Other securities	3	5
Accrued interest	410	455
Impairment losses	(20)	(12)
<b>Fixed-income securities</b>	<b>18,009</b>	<b>19,482</b>
<b>Other held-to-maturity investments</b>		
<b>Held-to-maturity investments</b>	<b>18,009</b>	<b>19,482</b>

## Note 17 - Income taxes

(in millions of euros)	31.12.2009	31.12.2008
Deferred tax assets (liabilities), net	(1,189)	(126)
Current tax assets (liabilities), net	(470)	(128)
<b>Total</b>	<b>(1,659)</b>	<b>(254)</b>

### ■ Analysis of deferred taxes

(in millions of euros)	31.12.2009	31.12.2008
Fair value adjustments to financial instruments and securities	(1,752)	(325)
Rollover relief	(347)	(513)
Capitalisation reserves (insurance companies)	(222)	(217)
Fair value adjustments to financial assets at fair value through profit or loss	150	(52)
Temporary differences - securities	943	885
Temporary differences - other	39	96
<b>Total recognised deferred tax assets and liabilities, net</b>	<b>(1,189)</b>	<b>(126)</b>
<i>of which</i>		
- deferred tax assets	151	428
- deferred tax liabilities	(1,340)	(554)

On 14 January 2010, the French National Accounting Board (*Conseil National de la Comptabilité*, CNC) published a memorandum concerning the accounting treatment of the new national economic levy (*contribution économique territoriale*) for entities who prepare their consolidated financial statements under IFRS. In particular, the CNC notes that each entity should determine whether the component relating to the entity's value added is a tax or an operating expense. Based on an analysis of current legislation, no deferred tax liability has been recognised on the contribution to the entity's value added and the Group intends to continue to recognise this charge as an operating expense.

## Note 18 - Prepayments, accrued income and other assets

(in millions of euros)	31.12.2009	31.12.2008
Prepaid expenses	113	107
Accrued income	241	243
Other accruals	972	951
<b>Prepayments and accrued income</b>	<b>1,326</b>	<b>1,301</b>
Miscellaneous receivables	2,523	3,028
Settlement accounts for securities transactions		
Inventories	687	586
Guarantee deposits	133	110
Accounts receivable	1,189	1,120
Other <sup>(1)</sup>	2,163	421
Impairment losses	(311)	(270)
<b>Other assets</b>	<b>6,384</b>	<b>4,995</b>
<b>Total prepayments, accrued income and other assets</b>	<b>7,710</b>	<b>6,296</b>

(1) Including the French State's share in the SIF's uncalled subscribed share capital for an amount of €1.78 billion.

## Note 19 - Non-current assets and liabilities classified as held for sale

### ■ Assets

(in millions of euros)	31.12.2009	31.12.2008
Loan portfolios		
Securities and derivatives portfolios		
Investment property (*)	312	26
Owner-occupied property	31	25
Other assets held for sale	227	
<b>Assets held for sale</b>	<b>570</b>	<b>51</b>
Loan portfolios		
Securities and derivatives portfolios	2	
Investment property		
Owner-occupied property	46	
Assets of discontinued operations	1	
<b>Assets of discontinued operations</b>	<b>49</b>	
<b>Total non-current assets held for sale</b>	<b>619</b>	<b>51</b>

(\*) The estimated market value of investment property held for sale and measured at amortised cost amounts to €1.5 billion at 31 December 2009.

### ■ Liabilities

(in millions of euros)	31.12.2009	31.12.2008
Liabilities related to non-current assets held for sale	200	
<b>Liabilities related to non-current assets held for sale</b>	<b>200</b>	
Due to credit institutions and customers	26	
Derivative instruments		
Debt securities		
Subordinated debt		
Other liabilities	2	
<b>Liabilities related to assets of discontinued operations</b>	<b>28</b>	
<b>Total non-current liabilities related to assets classified as held for sale</b>	<b>228</b>	

## Note 20 - Investments in associates

### 20.1 - Statement of financial position

	31.12.2009		31.12.2008	
	Carrying amount	o/w goodwill	Carrying amount	o/w goodwill
(in millions of euros)				
<b>Caisse des Dépôts Division</b>	<b>680</b>	<b>63</b>	<b>2,605</b>	<b>761</b>
AEW EUROPE	84	63	85	63
LOGISTIS	38		38	
VERDUN PARTICIPATIONS 1	98		104	
COMPAGNIE NATIONALE DU RHÔNE	460			
EIFPAGE <sup>(1)</sup>			781	53
SOPROL <sup>(1)</sup>			350	53
EUTELSAT COMMUNICATIONS <sup>(1)</sup>			929	592
SÉCHÉ ENVIRONNEMENT <sup>(1)</sup>			71	
HIME <sup>(1)</sup>			109	
TYROL ACQUISITION 1 & CIE SCA <sup>(1)</sup>			138	
<b>Strategic Investments and Enterprises Division</b>	<b>2,649</b>	<b>477</b>	<b>1,809</b>	<b>477</b>
OSEO FINANCEMENT	610		600	
DEXIA	2,039	477	1,209	477
<b>SIF Division</b>	<b>2,399</b>	<b>788</b>		
EIFPAGE <sup>(1)</sup>	803	101		
SOPROL <sup>(1)</sup>	318	53		
EUTELSAT COMMUNICATIONS <sup>(1)</sup>	947	592		
SÉCHÉ ENVIRONNEMENT <sup>(1)</sup>	72			
HIME <sup>(1)</sup>	77			
TYROL ACQUISITION 1 & CIE SCA <sup>(1)</sup>	114			
DAHER SA	68	42		
<b>Insurance Division</b>			<b>167</b>	
CNP ASSURANCES GROUP			167	
<b>Real Estate Division</b>	<b>6</b>		<b>1</b>	
ICADE GROUP	6		1	
<b>Services Division</b>	<b>166</b>	<b>38</b>	<b>140</b>	<b>21</b>
COMPAGNIE DES ALPES GROUP	58	20	70	21
SANTOLINE GROUP	71		61	
EGIS GROUP	32	18	7	
TRANSDEV GROUP	5		2	
<b>Investments in associates</b>	<b>5,900</b>	<b>1,366</b>	<b>4,721</b>	<b>1,259</b>

(1) Entities that formed part of the in-kind contribution to the Strategic Investment Fund on 15 July 2009.

## 20.2 - Income statement

	31.12.2009		31.12.2008	
	Share of profit (loss) of associates	o/w adjustments to the value of goodwill	Share of profit (loss) of associates	o/w adjustments to the value of goodwill
(in millions of euros)				
<b>Caisse des Dépôts Division</b>	<b>304</b>	<b>52</b>	<b>(522)</b>	<b>(601)</b>
AEW EUROPE	5		5	
LOGISTIS	2		2	
VERDUN PARTICIPATIONS 1	(2)		(7)	
COMPAGNIE NATIONALE DU RHÔNE	224			
EIFFAGE <sup>(1)</sup>	67	52	(437)	(476)
SOPROL <sup>(1)</sup>	4		9	
EUTELSAT COMMUNICATIONS <sup>(1)</sup>	30		59	
SÉCHÉ ENVIRONNEMENT <sup>(1)</sup>	2		(119)	(125)
HIME <sup>(1)</sup>	(11)		(11)	
TYROL ACQUISITION 1 & CIE SCA <sup>(1)</sup>	(17)		(23)	
<b>Strategic Investments and Enterprises Division</b>	<b>271</b>		<b>(1,466)</b>	<b>(1,268)</b>
OSEO FINANCEMENT	14		15	
DEXIA	257		(1,481)	(1,268)
<b>SIF Division</b>	<b>69</b>			
EIFFAGE <sup>(1)</sup>	41			
SOPROL <sup>(1)</sup>	13			
EUTELSAT COMMUNICATIONS <sup>(1)</sup>	37			
SECHE ENVIRONNEMENT <sup>(1)</sup>	3			
HIME <sup>(1)</sup>	(14)			
TYROL ACQUISITION 1 & CIE SCA <sup>(1)</sup>	(10)			
DAHER SA	(1)			
<b>Insurance Division</b>	<b>13</b>		<b>12</b>	
CNP ASSURANCES GROUP	13		12	
<b>Real Estate Division</b>	<b>5</b>		<b>1</b>	
ICADE GROUP	5		1	
<b>Services Division</b>	<b>16</b>	<b>(1)</b>	<b>60</b>	<b>(1)</b>
SANTOLINE GROUP	10		49	
EGIS GROUP	5		9	(1)
COMPAGNIE DES ALPES GROUP	1	(1)	4	
TRANSDEV GROUP			(2)	
<b>Share of profit (loss) of associates</b>	<b>678</b>	<b>51</b>	<b>(1,915)</b>	<b>(1,870)</b>

(1) Entities that formed part of the in-kind contribution to the Strategic Investment Fund on 15 July 2009.

## Note 21- Investment property, owner-occupied property and equipment and intangible assets

### 21.1 - Gross value

(in millions of euros)	31.12.2008	Additions	Disposals	Other movements	31.12.2009
Land	2,612	64	(42)	(166)	2,468
Buildings	7,098	145	(593)	(201)	6,449
Technical installations and fixtures	245		(34)	14	225
Woodland and land banks	200				200
Prepayments		7		23	30
Government grants	(299)	(37)		69	(267)
Assets under construction	397	726		(220)	903
Intangible assets related to investment property	10				10
Other	1		(116)	116	1
<b>Investment property</b>	<b>10,264</b>	<b>905</b>	<b>(785)</b>	<b>(365)</b>	<b>10,019</b>
Land	319	40		(126)	233
Buildings	947	60	(7)	(46)	954
Technical installations and fixtures	1,479	65	(34)	(19)	1,491
Prepayments	26	3		(26)	3
Government grants	(72)	(10)	13	5	(64)
Assets under construction	277	75	(1)	(256)	95
Other	2,070	153	(115)	70	2,178
<b>Owner-occupied property and equipment</b>	<b>5,046</b>	<b>386</b>	<b>(144)</b>	<b>(398)</b>	<b>4,890</b>
Software	608	19	(3)	63	687
Concessions, licences and patents	135	2		36	173
Intangible assets in progress	65	64	(1)	(62)	66
Other intangible assets	331	254	(35)	41	591
In-force life insurance business	116	18		9	143
<b>Intangible assets</b>	<b>1,255</b>	<b>357</b>	<b>(39)</b>	<b>87</b>	<b>1,660</b>

## 21.2 - Depreciation, amortisation and impairment

(in millions of euros)	31.12.2008	Increases	Decreases	Other movements	31.12.2009
Land	(21)	(69)			(90)
Buildings	(2,125)	(233)	134	602	(1,622)
Technical installations and fixtures	(186)	(9)	31		(164)
Woodland and land banks	(37)	(4)			(41)
Government grants	151		2	(57)	96
Intangible assets related to investment property	(7)	(2)			(9)
Other	(28)	(46)	(53)	2	(125)
<b>Investment property</b>	<b>(2,253)</b>	<b>(363)</b>	<b>114</b>	<b>547</b>	<b>(1,955)</b>
Land	(1)			1	
Buildings	(354)	(39)	4	28	(361)
Technical installations and fixtures	(806)	(88)	27	60	(807)
Other	(1,157)	(186)	90	(18)	(1,271)
<b>Owner-occupied property and equipment</b>	<b>(2,318)</b>	<b>(313)</b>	<b>121</b>	<b>71</b>	<b>(2,439)</b>
Software	(512)	(79)	3		(588)
Concessions, licences and patents	(59)	(12)			(71)
Intangible assets in progress					
Other intangible assets	(61)	(48)		4	(105)
In-force life insurance business	(48)	(60)		(8)	(116)
<b>Intangible assets</b>	<b>(680)</b>	<b>(199)</b>	<b>3</b>	<b>(4)</b>	<b>(880)</b>

(in millions of euros)	Carrying amount 31.12.2008	Carrying amount 31.12.2009
<b>Investment property (*)</b>	<b>8,011</b>	<b>8,064</b>
<b>Owner-occupied property and equipment</b>	<b>2,728</b>	<b>2,451</b>
<b>Intangible assets</b>	<b>575</b>	<b>780</b>
<b>Total</b>	<b>11,314</b>	<b>11,295</b>

(\*) The estimated market value of investment property excluding held for sale and measured at amortised cost is €12,710 million at 31 December 2009, versus €15,098 million at 31 December 2008.

## Note 22 - Goodwill

### 22.1 - Change in value of goodwill

	31.12.2008	Increases (Acquisitions)	Decreases (Disposals)	Impairment losses for the period	Other movements	31.12.2009
<i>(in millions of euros)</i>						
<b>Caisse des Dépôts Division</b>	9			(9)		
<b>Insurance Division</b>						
CNP ASSURANCES GROUP	473	66		(36)	2	505
<b>Real Estate Division</b>						
ICADE GROUP	131		(28)		(26)	77
<b>Services Division</b>						
EGIS GROUP	11	2				13
TRANSDEV GROUP	299	92		(2)	(6)	383
COMPAGNIE DES ALPES GROUP	294			(1)	1	294
<b>Total goodwill</b>	<b>1,217</b>	<b>160</b>	<b>(28)</b>	<b>(48)</b>	<b>(29)</b>	<b>1,272</b>

## 22.2 - Goodwill by company

(in millions of euros)	31.12.2009	31.12.2008
<b>Caisse des Dépôts Division</b>		
SCI ATHOS		9
<b>Insurance Division</b>		
CNP ASSURANCES	208	208
CNP UNICREDIT VITA	105	142
CAIXA SEGUROS	86	64
BARCLAYS VIDA Y PENSIONES	66	
OTHER	40	59
<b>Real Estate Division</b>		
Property investment companies	8	34
Property development companies	39	39
Property services companies	30	58
<b>Services Division</b>		
<b>EGIS GROUP</b>		
EGIS SA	3	3
ATELIER DU PAYSAGE	4	4
SOFREAVIA	2	2
EAZY PASS LTD	1	2
BIPROGEO-PROJEKT	3	
<b>TRANSDEV GROUP</b>		
CONNEXION	107	107
LONDON UNITED	35	33
JOALTO GROUP	102	31
BLAZEFIELD HOLDINGS LIMITED	23	30
LIMOCAR	17	17
SZVB	16	16
ESPACES SA	14	14
BOURNEMOUTH TRANSPORT	9	12
TRANSDEV PARIS SUD	11	11
CAIMA	10	11
AUGER	5	
VWS	5	
OTHER	29	17
<b>COMPAGNIE DES ALPES GROUP</b>		
STVI	96	96
BELPARK BV	60	60
WALIBI WORLD BV	33	33
DOLFINARIUM	18	18
GREVIN & CIE SA	14	14
MERIBEL ALPINA	12	12
AVENIR LAND SAS	12	12
STGM	11	11
OTHER	38	38
<b>Total goodwill</b>	<b>1,272</b>	<b>1,217</b>

## Note 23 - Amounts due to credit institutions

(in millions of euros)	31.12.2009	31.12.2008
Ordinary accounts in credit and overnight borrowings	4,646	3,026
Demand deposits from savings funds	455	1,812
Securities and other assets sold under collateralised fixed repurchase agreements		
Accrued interest	2	5
<b>Amounts due to credit institutions repayable on demand</b>	<b>5,103</b>	<b>4,843</b>
Accounts and borrowings with fixed maturities	9,694	11,561
Securities and other assets sold under collateralised fixed repurchase agreements	9,675	6,138
Accrued interest	87	123
<b>Amounts due to credit institutions with fixed maturities</b>	<b>19,456</b>	<b>17,822</b>
<b>Total amounts due to credit institutions</b>	<b>24,559</b>	<b>22,665</b>

## Note 24 - Amounts due to customers

(in millions of euros)	31.12.2009	31.12.2008
Ordinary accounts in credit	34,108	31,482
Accrued interest		1
<b>Ordinary accounts in credit</b>	<b>34,108</b>	<b>31,483</b>
Escrow accounts	3,572	3,366
Time deposits	3,526	4,736
Securities and other assets sold under collateralised fixed repurchase agreements	650	1,315
Other amounts due to customers with fixed maturities	4	11
Accrued interest	525	565
<b>Other amounts due to customers</b>	<b>8,277</b>	<b>9,993</b>
Insurance payables	674	590
Other payables arising from insurance operations	257	255
<b>Insurance and reinsurance payables</b>	<b>931</b>	<b>845</b>
<b>Total amounts due to customers</b>	<b>43,316</b>	<b>42,321</b>

## Note 25 - Debt securities

(in millions of euros)	31.12.2009	31.12.2008
Medium-term notes and other negotiable debt securities	23,340	20,346
Accrued interest	7	20
<b>Interbank and negotiable debt securities</b>	<b>23,347</b>	<b>20,366</b>
Bonds and similar debt securities	1,391	2,020
Accrued interest		
<b>Bonds and similar debt securities</b>	<b>1,391</b>	<b>2,020</b>
<b>Total debt securities</b>	<b>24,738</b>	<b>22,386</b>

## Note 26 - Accruals, deferred income and other liabilities

(in millions of euros)	31.12.2009	31.12.2008
Deferred income	319	789
Accrued expenses	27	27
Other accruals	1,549	2,433
<b>Accruals and deferred income</b>	<b>1,895</b>	<b>3,249</b>
Miscellaneous payables	1,001	949
Guarantee deposits	90	94
Accounts payable	940	977
Other	3,612	3,314
<b>Other liabilities</b>	<b>5,643</b>	<b>5,334</b>
<b>Total accruals, deferred income and other liabilities</b>	<b>7,538</b>	<b>8,583</b>

## Note 27 - Insurance company technical reserves

(in millions of euros)	31.12.2009	31.12.2008
Insurance liabilities:		
Unit-linked liabilities	10,891	9,282
Other insurance liabilities (excluding unit linked)	32,092	25,401
<b>Total insurance liabilities</b>	<b>42,983</b>	<b>34,683</b>
Financial liabilities – financial instruments with discretionary participation feature (excluding unit linked)	59,149	57,905
Financial liabilities – financial instruments without discretionary participation feature (excluding unit linked)	316	187
Financial liabilities – unit linked financial instruments	3,795	4,292
<b>Total financial liabilities</b>	<b>63,260</b>	<b>62,384</b>
Deferred participation reserve	2,766	144
Derivative financial instruments separated from the host contract		
<b>Total other technical reserves</b>	<b>2,766</b>	<b>144</b>
<b>Total insurance company technical reserves</b>	<b>109,009</b>	<b>97,211</b>
<b>Net deferred participation asset <sup>(1)</sup></b>		<b>472</b>

(1) A net deferred participation asset was booked in 2008 to reflect the unrealised losses recognised over the period in application of shadow accounting principles. The recoverability test conducted on 31 December 2008 demonstrated the CNP Assurances Group's capacity to recover this amount over time from future or unrealised profits.

## Note 28 - Provisions

	31.12.2008	Increases	Reversals (utilisations)	Reversals (surplus provisions)	Other movements	31.12.2009
(in millions of euros)						
Provisions for employee benefit obligations	361	47	(28)	(14)	23	389
Provisions for real estate risks	24	8	(7)		(6)	19
Provisions for counterparty risks	90	33	(38)	(4)	22	103
Other provisions	643	136	(194)	(121)	(18)	446
<b>Total provisions</b>	<b>1,118</b>	<b>224</b>	<b>(267)</b>	<b>(139)</b>	<b>21</b>	<b>957</b>

## Note 29 - Subordinated debt

(in millions of euros)	31.12.2009	31.12.2008
Mutual guarantee deposits		4
Dated subordinated notes	508	664
Undated subordinated notes	92	92
<b>Total subordinated debt</b>	<b>600</b>	<b>760</b>

### ■ Breakdown of subordinated debt

(in millions of euros)	Issue date	Maturity	Interest rate	31.12.2009
<b>Dated subordinated notes</b>				<b>508</b>
CNP Assurances Group				
	Apr-01			60
	May-01			20
	Jul-01	Between 11 April 2011 and 2021	5.75% until 2011 and Euribor +1.57% from 11 July 2011	20
	Dec-01			60
	Feb-02			40
	Apr-02			101
	Apr-03	Between 16 May 2013 and 2023	5.25% until 2013 and Euribor +2% from 11 July 2013	121
	Jun-03	Between 24 June 2013 and 2023	4.7825% until 2013 and Euribor +1.60% from 15 November 2016	80
	Jun-09	Between 23 June 2010 and 2014	6-month Euribor +3.25%	6
<b>Undated subordinated notes</b>				<b>92</b>
CNP Assurances Group				
	Oct-03	Perpetual	6-month Euribor +1.5%	18
	Nov-04	Perpetual	4.93% until 2016 and Euribor +1.60% from 15 November 2016	36
	Nov-04	Perpetual	3-month Euribor +0.70% until 2016	38
<b>Total subordinated debt</b>				<b>600</b>

## Note 30 - Commitments given and received

### 30.1 - Commitments given and received

(in millions of euros)	31.12.2009	31.12.2008
<b>Commitments given</b>	<b>47,218</b>	<b>47,120</b>
<b>Financing commitments</b>		
To credit institutions	26	372
To customers	24,464	26,424
<b>Guarantee commitments</b>		
To credit institutions	243	805
To customers	1,746	1,822
<b>Securities-related commitments</b>		
Securities to be delivered	187	403
Commitment to subscribe to venture capital funds	474	468
<b>Other commitments given</b>		
To credit institutions	16,445	15,097
To customers	3,633	1,729
<b>Commitments received</b>	<b>5,563</b>	<b>25,189</b>
<b>Financing commitments</b>		
From credit institutions	5	10,082
From customers		
<b>Guarantee commitments</b>		
From credit institutions	22	24
From customers	2,749	1,917
<b>Securities-related commitments</b>		
Securities to be received	541	654
<b>Other commitments received</b>		
From credit institutions	1,594	2,404
From customers	652	308
Other <sup>(1)</sup>		9,800

(1) Commitment received from the French State with regard to the SIF.

## 30.2 - Other commitments

On 27 May 2008, Caisse des Dépôts unilaterally granted a call option to Séché Environnement for 18% of HIME's share capital valid through 26 May 2012, and subject to the agreement of HIME's lending banks. Following the in-kind contributions to the Strategic Investment Fund on 15 July 2009, the SIF is now liable for this call option. The option exercise price has been fixed at the higher of €130 million and an amount corresponding to the market value assessed by an independent expert and including a value-sharing arrangement for SIF and Séché Environnement.

### Guarantee given by Caisse des Dépôts to Natixis

Under an agreement approved on 1 December 2000, Caisse des Dépôts provided CDC Ixis - which was taken over by Natixis in 2007 - with a joint and several guarantee. This guarantee applies to certain financial instruments used by Natixis for refinancing purposes (issuance transactions other than subordinated debt issues, interbank and treasury transactions) and to signature commitments. According to the terms of the agreement, Natixis may in turn grant its guarantee to some of its subsidiaries under specific conditions.

The European Commission reviewed the terms of this agreement and the related fee arrangements in May 2003. Pursuant to the favourable decision handed down by the Commission, from 23 January 2007 the guarantee was not extended to any new transactions.

Since 1 April 2003, new balance sheet transactions maturing after 23 January 2017 may no longer be guaranteed, and since 23 January 2004, this restriction has also applied to new off-balance sheet transactions maturing after 23 January 2017.

Under the terms of the Restructuring Agreement signed when CDC Ixis was sold to the Caisse d'Épargne group, since 30 June 2004 (the sale date) CNCE has counter-guaranteed Caisse des Dépôts' commitment to CDC Ixis in exchange for 50% of Caisse des Dépôts' fee from CDC Ixis. At 31 December 2009, this commitment is carried in the books

of BPCE. Caisse des Dépôts pays over 50% of its fee from Natixis to BPCE.

The initial guarantee provided by Caisse des Dépôts prompted an upgrade in CDC Ixis' credit rating, thereby laying the foundation for a transitional plan, approved by the European Commission's Competition Directorate. The purpose of the two commitments (given and received) was to support the withdrawal of CDC Ixis (now Natixis) from the activities managed directly by Caisse des Dépôts.

Under generally accepted accounting principles, the two commitments would normally have been disclosed as off-balance sheet commitments. However, this accounting treatment was not applied as it would not reflect the substance of this exceptional, complex operation to support the divestment of a former subsidiary and the phased extinguishment of Caisse des Dépôts' obligations.

Effective from 1 April 2003, the annual fee for the guarantee is the higher of:

- An amount based on the consolidated ratio of capital at risk to Tier 1 capital, as defined for capital adequacy purposes;
- A percentage of the proceeds from financial instruments issued by Natixis corresponding to the difference, on the issue date, between (i) the interest rate on financial instruments with the same maturity issued by financial institutions with the same inherent credit rating as Natixis (before taking into account the guarantee) and (ii) the interest rate on financial instruments with the same maturity issued by financial institutions with the same enhanced credit rating as Natixis (after taking into account the guarantee);
- €8 million.

On this basis, the fee due by Natixis to Caisse des Dépôts for 2009 amounted to €8 million, of which BPCE's share was €4 million.

### Note 31 - Fair value of financial assets and liabilities measured at amortised cost

(in millions of euros)	Carrying amount 31.12.2009	Estimated market value 31.12.2009
<b>Assets</b>		
Loans and receivables due from credit institutions	12,578	12,578
Loans and receivables due from customers	24,636	24,636
Held-to-maturity investments	18,009	18,855
<b>Total financial assets measured at amortised cost</b>	<b>55,223</b>	<b>56,069</b>
<b>Liabilities</b>		
Due to credit institutions	24,559	24,601
Due to customers	43,316	43,316
Debt securities	24,738	24,738
Subordinated debt	600	556
<b>Total financial liabilities measured at amortised cost</b>	<b>93,213</b>	<b>93,211</b>

## Note 32 - Fair value hierarchy

(in millions of euros)	Quoted on an active market	Measured using observable inputs	Measured using unobservable inputs	Carrying amount 31.12.2009
<b>Assets</b>				
Financial assets at fair value through profit or loss - trading	22,928	7,945	12	30,885
Financial assets at fair value through profit or loss - FV option	766			766
Hedging instruments with a positive fair value	56	126	1	183
Available-for-sale financial assets	129,968	11,014	395	141,377
<b>Total financial assets based on the fair value hierarchy</b>	<b>153,718</b>	<b>19,085</b>	<b>408</b>	<b>173,211</b>
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss - trading	161	794		955
Financial liabilities at fair value through profit or loss - FV option	3,972			3,972
Hedging instruments with a negative fair value	576	161	15	751
<b>Total financial liabilities based on the fair value hierarchy</b>	<b>4,709</b>	<b>955</b>	<b>15</b>	<b>5,678</b>

The vast majority of the Group's financial instruments are measured using prices "quoted on an active market" (Level 1 of the hierarchy).

These include:

- equities, measured on the basis of quoted prices on their reference market;
- bonds, EMTNs, BMTNs: for each instrument, the value is determined based on the most recent of the quoted prices available – on the stock exchange, from brokers, trading rooms or trading platforms;
- units in mutual funds and other funds, measured at their net asset value;
- BTAN treasury notes, at the prices quoted under the Banque de France's centralised quotation system;
- derivative instruments traded on an organised market.

Financial instruments "Measured using observable inputs" (Level 2 of the hierarchy) concern: (i) instruments that are measured using the prices of similar-type instruments quoted on an active market; (ii) identical or similar-type instruments quoted on a non-active market on which regular, observable transactions take place; or (iii) financial instruments measured using inputs other than quoted prices that are observable.

They include:

- structured products valued by the Group, arrangers or external valuers;
- investments in unlisted securities;
- OTC derivative contracts;
- money market securities other than BTANs measured based on the zero coupon price curve plus a spread;
- units in mutual funds and other funds whose net asset value is not calculated on a regular basis.

Financial instruments "Measured using unobservable inputs" (Level 3 of the hierarchy) concern financial instruments measured using inputs not based on observable market data. These are defined as inputs based neither on observable market transactions involving the same instrument at the measurement date, nor on observable market data available at the same date.

Very few financial instruments used by the Group fall into this category and it mainly includes asset-backed securities.

## 5. Employee benefits

### Note 33 - Employee benefits expense

(in millions of euros)	31.12.2009	31.12.2008
Payroll costs	(2,867)	(2,680)
Post-employment benefit plan costs	(10)	18
Cost of other long-term benefits	(9)	(44)
Discretionary and non-discretionary profit-sharing	(60)	(67)
<b>Total employee benefits expense</b>	<b>(2,946)</b>	<b>(2,773)</b>

### Note 34 - Average number of employees

	31.12.2009	31.12.2008
France	31,741	31,676
International	22,700	22,068
<b>Average number of employees</b>	<b>54,441</b>	<b>53,744</b>

## Note 35 - Employee benefit obligations

### 35.1 - Change in actuarial liability

(in millions of euros)	31.12.2009	31.12.2008
<b>Opening actuarial liability</b>	<b>355</b>	<b>317</b>
Current service cost	27	48
Interest cost	9	12
Benefits paid	(29)	(18)
Plan amendments/curtailments	(6)	(36)
Actuarial gains and losses for the period	10	10
Translation adjustment	2	(6)
Effect of changes in scope of consolidation	12	28
<b>Closing actuarial liability</b>	<b>380</b>	<b>355</b>

### 35.2 - Employee benefit plan expense recognised in the income statement

(in millions of euros)	31.12.2009	31.12.2008
Current service cost	(27)	(48)
Interest cost	(9)	(12)
Expected return on plan assets for the period		
Amortisation of past service cost	29	18
Amortisation of actuarial gains and losses		
Losses on curtailments and settlements	6	36
<b>Total net expense recognised in the income statement</b>	<b>(1)</b>	<b>(6)</b>

# 6. Related-party transactions

Related-parties include consolidated companies, savings funds and pension funds managed by Caisse des Dépôts and post-employment benefit plan managers.

## 1- Relations between consolidated companies

Transactions and balances between fully consolidated companies are eliminated in consolidation. The following information therefore only concerns intra-group transactions with jointly-controlled companies (proportionately consolidated), for the portion not eliminated in consolidation, and associates (accounted for by the equity method).

	31.12.2009		31.12.2008	
	Jointly-controlled companies	Associates	Jointly-controlled companies	Associates
(in millions of euros)				
Loans		75		1,033
Other financial assets		953		993
Other assets	16		17	
<b>Total related-party assets</b>	<b>16</b>	<b>1,028</b>	<b>17</b>	<b>2,026</b>
Borrowings		487		262
Other financial liabilities				
Other liabilities	4	1	4	
<b>Total related-party liabilities</b>	<b>4</b>	<b>488</b>	<b>4</b>	<b>262</b>
Commitments given	507	24	495	10
Commitments received	8		11	1
<b>Total related-party commitments</b>	<b>515</b>	<b>24</b>	<b>506</b>	<b>11</b>
Interest income, net		41		47
Fee and commission income, net				
Income from financial transactions				
Net income (loss) from other activities		(9)	1	(1)
General operating expenses, net of rebillings	44		43	(1)
<b>Gross operating profit from related-party transactions</b>	<b>44</b>	<b>32</b>	<b>43</b>	<b>45</b>

## 2 - Related parties not controlled by the Group

### a) Savings funds

(in millions of euros)	31.12.2009	31.12.2008
Loans		152
Other financial assets	25	22
Other assets	24	27
<b>Total assets</b>	<b>49</b>	<b>201</b>
Borrowings	454	1,814
Other financial liabilities	4	4
Other liabilities	273	365
<b>Total liabilities</b>	<b>731</b>	<b>2,183</b>
Commitments given		
Commitments received		
<b>Total commitments</b>		
Interest income, net	(3)	(9)
Fee and commission income, net		
Net income from financial transactions	4	14
Net income (loss) from other activities	6	(36)
General operating expenses, net of rebillings	93	93
<b>Gross operating profit</b>	<b>100</b>	<b>62</b>

### b) Pension funds

(in millions of euros)	31.12.2009	31.12.2008
Loans	152	9
Other financial assets		
Other assets	81	81
<b>Total assets</b>	<b>233</b>	<b>90</b>
Borrowings	2,416	2,953
Other financial liabilities		
Other liabilities	22	23
<b>Total liabilities</b>	<b>2,438</b>	<b>2,976</b>
Commitments given	21	82
Commitments received		
<b>Total commitments</b>	<b>21</b>	<b>82</b>
Interest income, net	(15)	(99)
Fee and commission income, net		
Net income from financial transactions		
Net income from other activities	1	1
General operating expenses, net of rebillings	272	262
<b>Gross operating profit</b>	<b>258</b>	<b>164</b>

## 3 - Post-employment benefit plan managers

Caisse de Dépôts has entered into several agreements with group pension fund managers.

Assets and liabilities from transactions with post-employment benefit plan managers were not material at 31 December 2009 or 31 December 2008.

# 7. Information about financial instrument risks

## I - FINANCIAL INSTRUMENT RISK MANAGEMENT SYSTEM

### 1 - Risk control organisation

#### a) Role of the Risk Management and Internal Control department (DRCI)

Controlling financial and operational risks is a key aspect of any system of internal control. Within Caisse des Dépôts Group, the internal control process is driven, coordinated and monitored by the head of the Risk Management and Internal Control department, who is a member of the Group Management Committee.

The system comprises both periodic controls performed by the internal auditors reporting to the Chairman and Chief Executive Officer of the Group, and recurring controls that are the responsibility of DRCI.

DRCI is also responsible for ethical compliance and anti-money laundering measures across the entire Group.

#### b) Positioning

The organisation of internal control is based on the principle of segregating responsibility for execution from responsibility for control, and on a multi-tier system. The first tier consists of controls performed directly by line personnel. Responsibility for second-tier controls depends on the type of risk:

- second-tier controls over financial risks are performed by dedicated teams reporting directly to DRCI;
- second-tier controls over operational risks are also performed by dedicated teams that are independent from the line units. The teams report to the highest level of management within the business line concerned and have a dotted-line reporting relationship with DRCI. In keeping with this organisation, each unit is required to set up risk measurement, monitoring and prevention systems geared to the nature of the business and the magnitude of the risks incurred.

#### c) Scope

The system described above applies to Caisse des Dépôts and also to its subsidiaries, as regards operational risks and internal control. Financial risks are managed directly by the subsidiaries, which report to DRCI.

DRCI monitors the Group's compliance with its legal and regulatory obligations.

Pursuant to decree 2009-268 of 9 March 2009, implementing the August 2008 Law on Modernisation of the Economy (LME), CRBF 97-02 will apply to Caisse des Dépôts as of 1 January 2010, subject to certain adaptations. Beginning from 1 January 2011, Caisse des Dépôts will have to comply with a number of capital adequacy requirements in accordance with the amendments to decree 2009-268 of 9 March 2009 currently awaiting parliamentary approval.

The Supervisory Committee will entrust the Banking Commission with compliance oversight for the application of this standard to its banking and financial activities and the resulting capital adequacy ratios will reflect the specific nature of the Group's activities.

### 2 - Risk control policies, objectives and procedures

The Group's strategy, formulated in the Élan 2020 strategic plan, leverages its core strengths of reliability and security.

"Caisse des Dépôts' strategy, formulated in the Élan 2020 strategic plan, leverages the core strengths represented by its unique status as a public institution supervised by the French Parliament, its stable sources of funds, its financial strength, the confidence of savers and its inherent reliability."

"Caisse des Dépôts maintains a constant commitment to controlling risks through asset allocation strategies aligned with the business model and the application of best management practices. Application of market standards (Basel II) and implementation of strict control and monitoring procedures guarantee a strong risk management culture that underpins the institution's robustness and credibility."

"Élan 2020" Strategic Plan, Investor Principles.

Risk controls are described in the internal control charter named "Internal Control Organisation Principles". This charter, which applies to the entire Group, also deals with issues relating to compliance risk management and the organisation of ethical compliance and anti-money laundering procedures. It was last updated in December 2009.

DRCI performs ex-ante controls on the business lines' commitments, as well as monitoring credit and market risks on financial portfolios.

It also performs independent back-up reviews of financial risks on a basis geared to the nature of the investment and the amount involved.

Lastly, in the area of operational risk monitoring, DRCI works with the business lines to ensure that all appropriate control measures are implemented to obtain reasonable assurance that the risks inherent in each process are properly managed. Various tools are deployed at the level of the business lines within Caisse des Dépôts, including:

- the event database, detailing risk events and the corresponding action plans;
- operational risk maps;
- warning flags;
- the compliance enforcement plan, which takes the form of a contract between DRCI and the business lines and subsidiaries specifying various levels of controls, the methods to be used to perform those controls, and monitoring arrangements;
- the business continuity plan.

DRCI reviews each business' internal control and operational risk management procedures at half-yearly intervals.

### 3 - Ex-ante reviews of commitments

The business lines are assigned annual operating targets that are determined jointly with the Finance and Strategy department and validated by the Chairman and Chief Executive Officer.

DRCI intervenes in the pre-commitment phase, as a member of:

- the Group Commitments Committee chaired by the Chairman and Chief Executive Officer, which examines all commitments above a certain amount;
- the department-level Commitments Committees – representing the ultimate decision-making body within the department concerned – and the Real Estate Investment Committee;
- the Asset/Liability Committee, which meets monthly, and the Asset/Liability Monitoring and Portfolio Management Committee, which meets at quarterly intervals to present management strategies to the Chairman and Chief Executive Officer.

### 4 - Credit and market risk monitoring

The Counterparty Risk Committee (CRC) meets every month to review the updated counterparty risk assessments prepared by DRCI for the bond and money market portfolios and related derivatives portfolios. These assessments cover:

- the breakdown by credit rating, geographical area and issuer category;
- the level of risk concentration;
- changes in counterparty ratings since the last report.

The management reporting schedules prepared by the lender business lines include information to monitor their credit risks.

Market and liquidity risks are monitored during monthly presentations to the Asset/Liability Committee on the management of these risks and of financial (market and ALM) risks.

The monthly management reports submitted to the Chairman and Chief Executive Officer and the Management Committee include input from DRCI on financial risks.

DRCI also prepares half-yearly risk reports for the Supervisory Committee. These reports, which are reviewed at meetings of the Financial Statement and Risk Review Committee, include detailed information about credit risks, market risks and concentration risks.

## II - IDENTIFYING RISKS

### 1 - Definitions

#### a) Credit and counterparty risk

Credit risk is the current or prospective risk of a loss on a receivable, due to a deterioration in the borrower's credit standing that may result in an inability to meet payments when they fall due.

#### b) Concentration risk

Concentration risk is the risk that results from a large exposure to a given counterparty, or from a high probability that certain groups of counterparties will default.

#### c) Liquidity risk

Liquidity risk is the risk that the entity will be unable to meet the commitments associated with its financial liabilities when they fall due, or to access the funds needed on the market.

#### d) Market risk

Market risk is the risk of losses on balance sheet or off-balance sheet items resulting from an unfavourable change in market factors such as interest rates, equities, credit spreads, exchange rates or volatility, or from price fluctuations in general.

#### e) Currency risk

Currency risk is the risk that changes in exchange rates will affect the entity's profitability.

#### f) Interest rate risk

Interest rate risk is the impact on an entity's annual earnings and net assets of an adverse change in interest rates.

#### g) Operational risk

Operational risk is the risk of losses resulting from inadequate or failed internal processes or from external events which may be caused naturally, intentionally or accidentally.

Internal processes mainly involve people and systems. External events include floods, fire, earthquakes and terrorist attacks.

#### h) Compliance risk

Compliance risk arises from a failure to respect laws and regulations applicable to banking and financial activities,

professional and ethical standards, or management instructions given in line with decisions taken by the governing body. Compliance risk exposes the entity to legal, administrative or disciplinary sanctions, as well as to significant losses.

## 2 - Risk acceptance process

### a) Decision-making process

Investments (other than capital markets transactions) are reviewed during meetings of the Commitments Committee. The committee is chaired by the Group's Chairman and Chief Executive Officer when investments involve over €30 million, and by the head of its Finance and Strategy department when they concern amounts between €10 million and €30 million.

#### a.1) Commitments other than as an institutional investor

The business lines are responsible for their commitments, which must comply with the annual objectives approved by the Chairman and Chief Executive Officer.

Commitments (other than capital markets transactions) are decided by committees at different levels within the business lines. DRCI participates in all meetings of Commitments Committees representing the ultimate decision-making body within a department, expressing an opinion on the project before the final decision is made and requesting additional information about the related risk when appropriate. It checks that the project is in line with the Group's strategy, that risks have been properly identified and – if necessary – hedged, and that the expected return on investment is reasonable for the class of assets concerned. If DRCI opposes a project, it may be overruled only by the business line's executive management and, in this case, the Group Management Committee must be informed.

#### a.2) Commitments as an institutional investor

Portfolios of financial assets are managed within the framework of authorised investment criteria and defined management processes. To efficiently manage this type of portfolio, it is important to be able to respond quickly to changing market conditions. For this reason, the commitment process for these portfolios is different to that for other activities.

For these portfolio transactions, DRCI's independent risk review is organised around its participation in monthly meetings of the Asset/Liability Committee and quarterly meetings of the Portfolio Review Committee, chaired by the Chairman and Chief Executive Officer, during which management strategies for the coming period are discussed.

The Portfolio Review Committee reviews management activities for the previous quarter. At the end of each year, it determines the management strategy for the coming year, based on an assessment of balance sheet financial risks and objectives over the medium term (typically five years). These exercises are based on detailed analyses of forecast asset/liability ratios performed by a dedicated team. The broad asset allocation strategies are then rolled down to each individual asset class.

Real estate and private equity investments are examined by specific Investment Committees.

### b) Oversight procedure

Concerning credit risks on financial portfolios, the Counterparty Risk Committee referred to above meets every month to set exposure limits by counterparty, based on DRCI's recommendations, and to review compliance with these limits during the previous month. The exposure limits recommended by DRCI are determined using methods that aim to diversify risks within each portfolio. DRCI also performs daily checks to ensure that the limits are complied with. Specific market risk exposure limits are set for each portfolio.

The monthly reporting schedules submitted to the Financial Management Committees include risk measurements for each of these limits.

### c) Risk mitigation procedure

For fixed income portfolios, issuer, issue or transaction guarantees are taken into account by the information systems in calculating credit risk exposures at the level of the guarantors.

Caisse des Dépôts is exposed to counterparty risk on its capital markets transactions which it manages through standard contractual arrangements requiring counterparties to put up collateral or to offset trades. Offsetting is used to mitigate counterparty risk on derivative instruments and Caisse des Dépôts mainly uses the technique of close-out netting which works as follows: in the event of counterparty default, all positions are unwound at their current market value and aggregated to a net payable or receivable with the counterparty. This close-out netting balance may be secured by collateral in the form of pledges on liquidities, securities or cash deposits. All such transactions are executed in accordance with bilateral master agreements that comply with the general provisions of French or international master agreements. The main bilateral agreement models used are those of the *Fédération Bancaire Française* (FBF) and the Master agreement of the International Swaps and Derivatives Association ("ISDA") for international agreements.

The Group does not use securitisation techniques to attenuate its risk exposures.

## **d) Impairment procedure**

### **d.1) Business line and central Impairment Committees**

A procedure exists within Caisse des Dépôts for recording or reversing impairment losses.

According to this procedure, impairment decisions are made by Impairment Committees set up at the level of the business lines, or by a central Impairment Committee, depending on the amounts involved in each transaction.

In addition to provisions for impairment of assets (such as non-performing loans and fixed assets), these committees also review untaxed provisions and provisions for contingencies and charges. Impairment losses are recorded in particular for non-performing or irrecoverable loans and receivables. Previously handled by the Impairment Committees, the Proprietary Investment Valuation Committee is now responsible for deciding on any impairment to be recognised against equity investments, with the exception of public-interest investments which are managed by the Regional Development department (see section II d.2). Investments subject to legal proceedings (e.g., disputes, litigation, liquidations) continue to be dealt with by the business line and central Impairment Committees.

The committees meet at quarterly intervals and decisions are made based on a file containing all information needed to understand and validate the proposed write-downs. The business line committees are competent to decide impairment losses ranging from €50,000 to €300,000. They review commitments of between €1.5 million and €4 million related to a given third party or file.

The central committee vets impairment losses in excess of €300,000 and reviews commitments in excess of €4 million.

The Legal and Tax department and DRCI are permanent members of the central Impairment Committee.

### **d.2) The Proprietary Investment Valuation Committee**

This committee is tasked with using available information to determine the value of proprietary investments in the financial statements of the Central Sector and the consolidated financial statements of the Group, along with any necessary impairment losses. Chaired by the head of the Group's Finance, Strategy and Sustainable Development department, the committee meets at half-yearly intervals in the month following the end of the reporting period as fixed in the bylaws. Its permanent members are the head of the Risk Management and Internal Control department, the head of the Legal and Tax department, the managers of the Accounts & Management Control, Investments & Development and Finance departments, and the investment portfolio manager of the Central Sector.

The committee assesses proposed impairment losses based on IFRS and in line with the procedure set out in the accounting policies section.

The basis for determining impairment relating to goodwill and investments in associates is also described in the section on significant accounting policies.

## **3 - Risk measurement methods**

Given the ongoing economic turmoil affecting the financial markets and the business environment generally, Caisse des Dépôts has stepped up its oversight of financial risks (especially market and credit risks).

The Group currently has exposure to fixed income assets in four categories of counterparty:

- sovereign issuers in the European Union. Caisse des Dépôts may also contract with issuers in the US, Canada, Switzerland and Japan and no exposure was recorded on investments with issuers from these countries at 31 December 2009;
- financial institutions in OECD countries rated investment grade;
- corporate issuers in OECD countries rated investment grade;
- senior asset-backed securities, mainly exposed to risk in the European residential housing sector.

**a) Credit risk**
**■ Maximum exposure to credit risk**

(in millions of euros)	<b>31.12.2009</b>	<b>31.12.2008</b>
Financial assets at fair value through profit or loss (excl. variable-income securities)	26,139	23,476
Hedging instruments with a positive fair value	183	161
Available-for-sale financial assets (excl. variable-income securities)	103,968	94,787
Loans and receivables due from credit institutions	12,578	11,646
Loans and receivables due from customers	24,636	15,670
Held-to-maturity investments	18,009	19,482
<b>On-balance sheet exposure, net of impairment losses</b>	<b>185,513</b>	<b>165,222</b>
Financing commitments given	24,490	26,796
Commitments given in respect of securities	1,989	2,629
Other commitments given	20,078	16,585
Provisions for commitments given		
<b>Off-balance sheet exposure, net of provisions</b>	<b>46,557</b>	<b>46,010</b>
<b>Total net exposure</b>	<b>232,070</b>	<b>211,232</b>

The Group's total net exposure corresponds mainly to the exposures of the Central Sector and CNP Assurances:

- at 31 December 2008, the Central Sector represented 52% of the total and CNP Assurances 44%;
- at 31 December 2009, the Central Sector represented 50% of the total and CNP Assurances 47%.

The net exposure of other subsidiaries is not material to the Group as a whole.

Credit risks on fixed-income portfolios are measured on the basis of the sum of commitments by consistent credit rating category.

A team of DRCI analysts assigns internal ratings to issuers (other than structured finance) on a scale that is consistent with that used by the rating agencies. The commitment towards a given issuer is measured by reference to the fair value of the

underlying securities and their nature. For derivative instruments, the commitment includes an add-on to reflect the potential future exposure.

The internal rating system for structured finance issues comprises detailed quality gradations. The Group invests only in structured products rated AAA by at least one agency.

The business lines engaged in lending activities have set up dedicated counterparty rating teams.

The securities portfolios – other than the held-to-maturity portfolio – have been measured at fair value, in accordance with IFRS. For most of these securities, fair value corresponds to their market price at 31 December.

## ■ Financial assets by type

	31.12.2009					
(in millions of euros)	Gross financial assets <sup>(*)</sup>	o/w financial assets neither past due nor impaired	o/w financial assets past due but not impaired	o/w impaired financial assets	Impairment losses on financial assets	On-balance sheet exposure, net of impairment losses
Debt instruments not measured at fair value through profit or loss	123,284	122,961		323	(323)	122,961
Loans and prepayments	36,385	35,859	27	499	(155)	36,230
Derivative financial instruments						1,544
<b>Total financial assets by type</b>	<b>159,669</b>	<b>158,820</b>	<b>27</b>	<b>822</b>	<b>(478)</b>	<b>160,735</b>
Debt instruments at fair value through profit or loss						24,778
<b>Total financial assets</b>						<b>185,513</b>

(\*) No financial assets were renegotiated at the balance sheet date.

	31.12.2008					
(in millions of euros)	Gross financial assets <sup>(*)</sup>	o/w financial assets neither past due nor impaired	o/w financial assets past due but not impaired	o/w impaired financial assets	Impairment losses on financial assets	On-balance sheet exposure, net of impairment losses
Debt instruments not measured at fair value through profit or loss	114,537	114,251		286	(268)	114,269
Loans and prepayments	27,449	26,795	15	639	(133)	27,316
Derivative financial instruments						1,250
<b>Total financial assets by type</b>	<b>141,986</b>	<b>141,046</b>	<b>15</b>	<b>925</b>	<b>(401)</b>	<b>142,835</b>
Debt instruments at fair value through profit or loss						22,387
<b>Total financial assets</b>						<b>165,222</b>

(\*) No financial assets were renegotiated at the balance sheet date.

### b) Concentration risk

Concentration risk is measured as described below:

- > For fixed income portfolios, based on the sum of commitments:
  - by geographic area;
  - by industry;
  - by credit rating category;
  - for the 50 largest exposures.

- > For equity portfolios:
  - industry concentration: based on the portfolio's Value-at-Risk by industry;
  - individual concentration: based on the Gini and Herfindahl indices.
- > For aggregate commitments: based on the sum of the Group's largest exposures – according to the Basel II definition of credit risk – and the Herfindahl index calculated on these exposures.

**■ Performing debt instruments (not measured at fair value through profit or loss) and derivative financial instruments by rating**

(in millions of euros)	31.12.2009
AAA	46,700
AA	31,688
A	32,660
BBB	4,274
BB	613
< B	87
Not rated	8,483
<b>Total</b>	<b>124,505</b>

**■ Performing debt instruments (not measured at fair value through profit or loss), loans and advances by counterparty category and geographic area**

(in millions of euros)	31.12.2009
Central government agencies	15,424
Credit institutions	39,129
Institutions other than credit institutions	92,480
Large corporations	10,771
Retail banking customers	854
Other	162
<b>Total by counterparty category</b>	<b>158,820</b>
France	77,289
Other European countries	68,974
North America	5,561
Central and South America	900
Africa and the Middle East	4
Asia-Pacific	1,044
Other	5,048
<b>Total by geographic area</b>	<b>158,820</b>

## c) Liquidity risk

### ■ Financial assets by maturity

	31.12.2009						Total financial assets
(in millions of euros)	< 1 month	1-3 months	3-12 months	1-5 years	> 5 years	No fixed maturity	
Cash and amounts due from central banks	17						17
Financial assets at fair value through profit or loss	622	345	1,027	1,538	2,599	25,520	31,651
Hedging instruments with a positive fair value			3		2	178	183
Available-for-sale financial assets	12,759	6,476	8,943	37,162	46,887	29,150	141,377
Loans and receivables	29,376	56	5,560	771	1,443	8	37,214
Cumulative fair value adjustments to portfolios hedged against interest rate risk							
Held-to-maturity investments	225	460	1,640	9,425	6,257	2	18,009
<b>Total financial assets</b>	<b>42,999</b>	<b>7,337</b>	<b>17,173</b>	<b>48,896</b>	<b>57,188</b>	<b>54,858</b>	<b>228,451</b>

### ■ Financial liabilities by maturity

	31.12.2009						Total financial liabilities
(in millions of euros)	< 1 month	1-3 months	3-12 months	1-5 years	> 5 years	No fixed maturity	
Due to central banks and post office banks							
Financial liabilities at fair value through profit or loss	1		153	2,450	2,323		4,927
Hedging instruments with a negative fair value	2	7	7	247	324	164	751
Due to credit institutions	5,041	297	13,202	2,747	3,213	59	24,559
Due to customers	37,402	3	1,618	106	63	4,124	43,316
Debt securities	5,533	9,116	7,089	550	2,450		24,738
Subordinated debt				6	502	92	600
<b>Total financial liabilities</b>	<b>47,979</b>	<b>9,423</b>	<b>22,069</b>	<b>6,106</b>	<b>8,875</b>	<b>4,439</b>	<b>98,891</b>

The **Central Sector's** exposure to liquidity risk is tracked based on the asset/liability gap and changes in the gap over time as assets and liabilities fall due. Deposits are taken into account based on the same maturity assumptions as for the calculation of interest rate mismatches.

The exposure of the **CNP Assurances Group** to liquidity risk is determined by analysing future cash flows from assets and projected benefit payments by maturity.

The following figures correspond to the CNP Assurances Group on a 100% basis. In the consolidated financial statements, the CNP Assurances Group is proportionally consolidated by Caisse des Dépôts based on 40%.

### ■ Future cash flows from assets (CNP Assurances Group)

	31.12.2009			
(in millions of euros)	< 1 year	1-5 years	5-10 years	10-15 years
Available-for-sale financial assets	20,909	76,667	78,664	44,629
Financial assets at fair value through profit or loss	3,106	13,837	5,671	1,838
Held-to-maturity investments	179	607	472	136
Loans and receivables	14			38

	31.12.2008			
(in millions of euros)	< 1 year	1-5 years	5-10 years	10-15 years
Available-for-sale financial assets	21,151	70,335	65,343	43,602
Financial assets at fair value through profit or loss	5,849	12,190	6,225	2,305
Held-to-maturity investments	124	660	194	104
Loans and receivables	16	1	1	2

### ■ Projected benefit payments by maturity (CNP Assurances Group)

	31.12.2009				
(in millions of euros)	< 1 year	1-5 years	5-10 years	10-15 years	> 15 years
Insurance and financial liabilities (including linked liabilities)	16,481	70,623	61,239	45,392	158,919

	31.12.2008				
(in millions of euros)	< 1 year	1-5 years	5-10 years	10-15 years	> 15 years
Insurance and financial liabilities (including linked liabilities)	13,437	69,584	57,367	46,097	137,639

> At the present time, the **SIF** does not have any material liquidity risk exposure.

### d) Market risk

#### d.1) Market risks

The **Central Sector** performs the following Value-at-Risk calculations:  
 > for equity portfolios: VaR (1 year, 99%) is calculated by DRCI using the Monte Carlo method and Riskdata software. This indicator is reported to Caisse des Dépôts senior management;  
 > for the interest rate arbitrage portfolio: VaR (10 days, 99%) is calculated using Bloomberg software.

The VaR calculation uses normal (Gaussian) distribution assumptions for the underlyings. This provides an estimate of the maximum risk for the chosen holding period and confidence interval under normal market conditions, assuming the Group will continue as a going concern.

Riskdata processes approximately 20,000 "primary" risk factors - based around equities, interest rates, foreign currencies and implicit volatility - to calculate VaR.

In order to measure risk (including VaR), Riskdata uses a high dimension Monte Carlo model that analyses 1,000 different scenarios by choosing from among 20,000 risk factors in the light of historical volatilities and correlations.

If the price of an instrument does not vary in line with the primary risk factor - as is the case with options - Riskdata remeasures it under each of the 1,000 scenarios using integrated pricing formulae.

Riskdata's historical database goes back to 1 January 2000. It uses exponential weighting for events (one half-life weighting is approximately eight months) that assigns a higher weighting to more recent events.

Caisse des Dépôts's equity portfolio risk is broken down by industry using the Industry Classification Benchmark (ICB) which makes it possible to break out marginal VaR and to analyse the contribution of each industry to overall VaR.

Since models based on a Gaussian distribution cannot properly capture extreme movements in markets, DRCI has devised other methods to calculate risk. These methods take the form of stress tests, and are based on extreme distribution patterns which give a more accurate estimate of extreme events and how often they occur.

The current model used to calculate VaR does not factor in the impact of drift (risk-free yield under a risk-neutral probability) which tends to drive down VaR. Consequently, current VaR calculations overestimate risk by approximately 1.25% on an annualised basis (i.e., the annual average risk-free yield at end-2009).

### ■ VaR at 31 December 2009

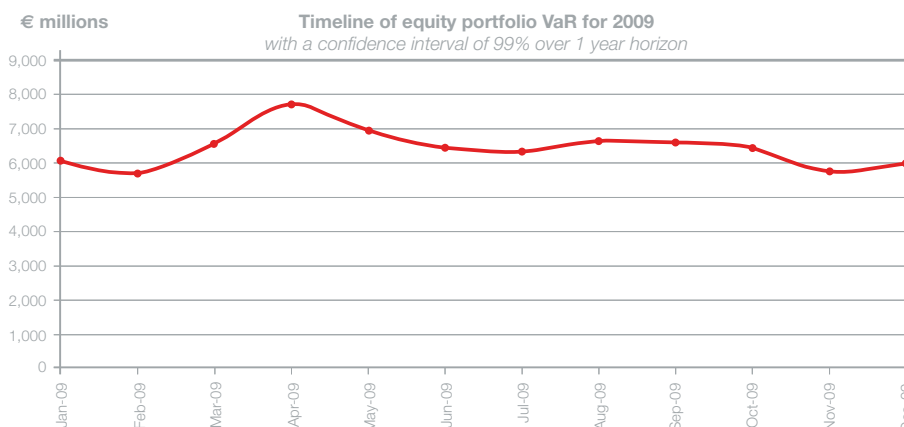
(in millions of euros)	VaR (1 year, 99%)	VaR (10 days, 99%)
Equities portfolio	5,926	
Interest rate arbitrage portfolio		1.27

### ■ VaR at 31 December 2008

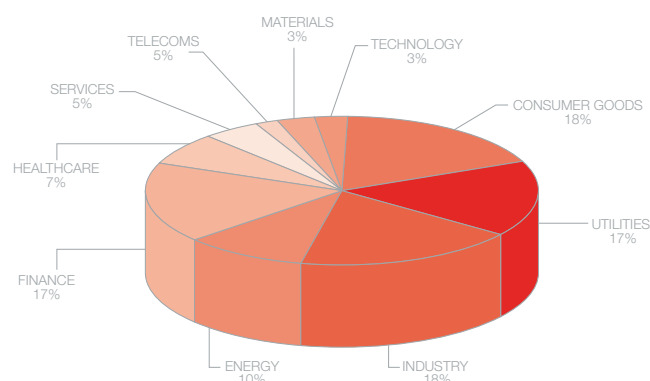
(in millions of euros)	VaR (1 year, 99%)	VaR (10 days, 99%)
Equities portfolio	7,319	
Interest rate arbitrage portfolio		0.21

### ■ Timeline of equity portfolio VaR for 2009

Backtesting of VaR revealed that VaR values did not exceed the monthly amounts recorded in 2009 (based on a one month horizon for risk and performance).



■ Breakdown of equity portfolio VaR by industry at end-2009



The **CNP Assurances Group** performs sensitivity tests to assess its exposure to changes in stock market prices. CNP Assurances management uses Market Consistent European Embedded Value tests (MCEV) to measure sensitivity to market and insurance risks. The tests cover CNP Assurances

SA, its main subsidiaries in France, the Brazilian subsidiary and the Italian subsidiary. They measure the impact of a 10% fall in equity and property markets, representing an immediate 10% drop in equity and property prices.

■ MCEV sensitivity to equity risk

(in millions of euros)	31.12.2009	31.12.2008
	10% decrease in stock market prices	10% decrease in stock market prices
MCEV impact	(383)	(354)

> In 2009, the **SIF** invested €530 million in listed companies. The rest of its listed equities portfolio comprises the in-kind contribution of assets from its two shareholders – Caisse des

Dépôts and the French State – of 15 July 2009. These assets were valued at €11.5 billion in the consolidated financial statements of the SIF prepared under IFRS at 31 December 2009.

■ VaR of the SIF's listed equity portfolio

(in millions of euros)	VaR (1 month, 99%)	VaR (1 year, 99%)
Portfolio of listed equities at 31 December 2009	1,281	4,439

d.2) Currency risk

> The **Central Sector's** exposure to currency risks on the carrying amount of foreign currency items is fully hedged by financing asset positions with borrowings in the same currency. Unrealised gains and losses on these positions are not hedged, but are taken into account in Value-at-Risk calculations.

> The **CNP Assurances Group's** asset portfolios are invested primarily in eurozone securities. Currency risk on investment portfolios is therefore very low, with less than 1% of the French companies' investments denominated in a currency other than the euro.

> The **SIF** has no currency risk exposure at 31 December 2009.

d.3) General interest rate risk

> The **Central Sector** analyses assets and liabilities based on three types of interest rates: contractual, variable and fixed. The fixed rate position is monitored based on the fixed rate gap – corresponding to the excess of fixed rate liabilities over fixed rate assets – and changes in the gap over time as assets and liabilities fall due. Deposits are taken into account at a discount that increases over time.

The sensitivity of annual interest margins to an unfavourable change in interest rates is calculated according to four scenarios: (i) an immediate increase in short-term rates followed by stabilisation (scenario 1); (ii) a steady, prolonged increase in short-term rates (scenario 2); (iii) a general volatility in short-term rates with no

distinct trend (scenario 3); and a forward movement in short-term rates (scenario 4):

- Scenario 1: impact on refinancing costs of a 100 basis points increase in short-term rates.

- Scenario 2: impact on refinancing costs if short-term rates increase by 100 basis points a year for three years running.

- Scenario 3: impact on refinancing costs if short-term rates increase by 100 basis points over six months, then decrease by 100 basis points over six months (i.e., a return to the initial situation) for three years running.

- Scenario 4: impact on refinancing costs of a forward movement in short-term rates.

Deposits from notaries are adjusted for seasonal variations when calculating sensitivities.

## ■ Sensitivity of general interest margin to changes in short-term rates

(in millions of euros)

31.12.2009

Year	Scenario 1	Scenario 2	Scenario 3	Scenario 4
2010	(43.21)	(27.05)	(23.75)	(40.82)
2011	(46.88)	(54.8)	(15.92)	(73.02)
2012	(15.66)	(32.48)	(2.25)	(30.91)

(in millions of euros)

31.12.2008

Year	Scenario 1	Scenario 2	Scenario 3	Scenario 4
2009	(84.64)	(43.58)	(46.89)	36.8
2010	(86.15)	(123.42)	(42.48)	7.61
2011	(62.81)	(152.48)	(30.73)	(37.21)

> The **CNP Assurances Group** performs sensitivity tests to assess its exposure to changes in interest rates. The tests cover CNP Assurances SA, its main subsidiaries in France, the Brazilian subsidiary and the Italian subsidiary. They measure the impact of

an immediate 100-basis point increase or decrease in the yield curve. Sensitivity adjusts the market value of fixed income products and discount rates applied to risk.

## ■ MCEV sensitivity to interest rate risk

(in millions of euros)

31.12.2009

	100 bps increase in interest rates	100 bps fall in interest rates
MCEV impact	54	(222)

(in millions of euros)

31.12.2008

	100 bps increase in interest rates	100 bps fall in interest rates
MCEV impact	(101)	(54)

> The **SIF** has no direct sensitivity to interest rate risk.

## e) Insurance risk

### e.1) Contract terms and conditions

> Type of insured risk by class of business and overview of the business lines

The insurer's commitments differ according to the class of business. CNP Assurances writes three main types of business: savings, pensions and personal risk insurance.

#### Savings contracts: mainly a financial commitment

Savings contracts include:

- non-unit-linked contracts, for which the insurer commits to paying a capital sum and – in some cases – a guaranteed yield, plus a share of the investment yield over and above the guaranteed minimum in the event of death or when the contract is surrendered or matures;
- unit-linked contracts, where the policyholder bears the entire investment risk and the insurer's commitment is limited to any additional cover sold with the contract, such as a capital guarantee in the event of death.

#### Pension products: technical and financial commitments

Pension commitments depend on:

- the period of benefit payments, which cannot be determined in advance; and
- the interest rate, which reflects the return on the capital managed by the insurer.

#### Personal risk insurance contracts: mainly a technical commitment

For personal risk contracts, the main risk assessment factors are the insured's age, gender and socio-professional category.

> Description of the main policyholder guarantees

Non-unit-linked savings contracts – which give rise to a commitment to pay a capital sum – fall into four broad categories:

- deferred capital insurance with counter-insurance of premiums, giving rise to the payment of a lump sum or annuities;
- term life insurance, giving rise to the payment of a capital sum when the contract matures, regardless of whether the insured is still alive or not;
- endowment insurance, giving rise to the payment of a capital sum to the insured when the contract matures or to a named beneficiary if the insured dies before the maturity date;
- investment certificates, giving rise to the payment of a capital sum.

These contracts generally pay a minimum yield (credited interest) plus policyholder dividends.

Unit-linked savings contracts do not involve any capital guarantee for the insurer, except for contracts that also include death and/or disability cover. For these latter contracts, the insurer's commitment is limited to any positive difference between cumulative gross or net premiums and the value of the units.

Pension contracts – which give rise to a commitment to pay a life annuity – fall into the following categories:

- voluntary individual pension accounts ("Article 82" accounts) giving rise to the payment of a life annuity from retirement. Retirement age is decided by the insured and a reversionary pension may be paid to a named beneficiary. The contract includes an option to convert the annuity into a lump sum.
- compulsory individual pension accounts ("Article 83" accounts) giving rise to the payment of a life annuity. The total annuities paid to the insured are based directly on the insured's salary during the contribution period and a reversionary pension may be paid to a named beneficiary;
- defined benefit plans ("Article 39" plans) funded by contributions based on total payroll. The contributions are paid into a mutual fund. When each plan participant retires, the total amount of future pension benefits is transferred from the mutual fund to the pension fund. Benefits are paid in the form of annuities;
- points-based pay-as-you-go group pension plans ("Article L.441-1" plans) giving rise to the payment of annuities corresponding to the number of points earned during the contribution period multiplied by the value of one point. Annuities are adjusted based on changes in the value of a point;
- immediate and deferred annuity contracts, giving rise to the payment of annuities immediately or at the end of a specified period.

Contracts to fund length-of-service awards payable to employees in France on retirement are also qualified as pension contracts. Under these contracts, the insurer's liability for the payment of benefits is limited to the amount held in the related fund.

Personal risk contracts cover various types of death, disability, long-term care, health and unemployment risks. The main types of contracts are as follows:

- term life insurance, renewable term insurance, long-term insurance and whole life insurance contracts, which pay a lump sum in the case of death or permanent disability of the insured. Most of them include an accidental death option whereby the death benefit provided for under the primary guarantee is doubled or tripled;
- contracts paying a temporary or life annuity to dependent children or the spouse on the death of the insured;
- death/disability contracts providing for the payment of a lump sum in the case of death of the insured or a per diem allowance for temporary disability or a lump sum or annuities for permanent disability. Temporary disability benefits are payable on a monthly basis, in some cases after a waiting period;
- loan insurance contracts, which cover all or part of an outstanding loan in the case of death of the insured, or monthly repayments – less a specified deductible – during a period of temporary disability or until the insured is recognised as being permanently disabled, or all or part of the monthly repayments in the case of permanent disability, or all or part of the monthly repayments after a waiting period in the case of unemployment. Death cover is compulsory and the loan will not be paid out until evidence of cover is provided;
- long-term care insurance contracts, providing for the payment of a fixed annuity covering part of the cost of long-term care. The amount of the annuity depends on the option selected by the insured;

- supplementary health insurance contracts, which cover all or part of the healthcare costs incurred by the insured, the insured's spouse and dependent children, that are not reimbursed by the social security authorities.

In addition to these main types of contracts, CNP Assurances' subsidiaries in Portugal (Global Nao Vida) and Brazil (Caixa Seguros) write property and casualty insurance. The main property and casualty policies marketed by these subsidiaries consist of construction and auto insurance. The cover provided under these contracts is determined in accordance with local insurance regulations. Commitments under property and casualty insurance are marginal in relation to those arising from the personal insurance written by CNP Assurances.

#### > Participation clauses

Non-unit-linked savings contracts, certain group personal risk contracts and certain pension contracts include participation clauses. Under the terms of these clauses, the parties agree to share – on the basis defined in the contract – part of the income generated by the investment of the funds corresponding to the contract's technical reserves and, in the case of pension and personal risk contracts, part of the underwriting result.

#### > Participation policy

Most contracts contain a discretionary participation feature, whereby the participation allocated to the insured is determined by the insurer as part of its marketing policy subject to compliance with the contract terms and the applicable laws. Participation is determined based on investment income for the year and the insurer has full discretion over the volume of capital gains realised during the period. The insured does not have individual rights to the participation until it is allocated to benefits or mathematical reserves. Participation that has been attributed but not yet allocated is accumulated in deferred participation liabilities.

#### > Basis for determining participation rates

Participation rates are determined based on the local accounts.

### **e.2) Valuation of insurance liabilities (assumptions and sensitivities)**

#### > Technical reserve models

Technical reserves are defined as follows:

- mathematical reserves correspond to the difference between the present values of the respective commitments of the insurer and the insured;
- deferred participation liabilities correspond to the participation attributed to the contract beneficiaries that is not payable in bonuses in the year following the one in which the surplus was generated;
- administrative expense reserves are intended to cover future contract administration costs that are not otherwise covered;
- escalating risks reserves correspond to the difference between the present values of the respective commitments of the insurer and the insured under temporary and permanent disability and long-term care contracts;

- unearned premium reserves cover the portion of written and accrued premiums for the period between the reporting date and the next premium payment date or the contract expiry date. They are recorded for all types of contracts;

- premium deficiency reserves cover the portion of claims and benefits and the related handling costs for the period between the reporting date and the earliest possible premium adjustment date or the contract expiry date that is not covered by the unearned premium reserve;

- outstanding claims reserves cover the estimated principal amounts and internal and external expenses payable to settle all outstanding claims, including total future annuity payments.

#### > Modelling objectives

The approach used to ensure that technical reserves are adequate focuses on:

- managing the risks associated with a fall in interest rates;
- taking swift action to adjust technical reserves following a change in mortality tables;
- using experience-based data concerning annuities in payment when observed losses appear unusually low compared with expected mortality rates.

#### > Procedure for determining the main assumptions

The assessment of technical reserves is supported by:

- detailed knowledge of effective dates and the timing of accounting recognition and processing of the various technical and management events, as well as of the exact specifications of period-end processing operations and their scheduling, in order to accurately determine the underwriting and loss years;
- the creation of files at each period-end to check the consistency of reserves with technical flows;
- recurring audits of management system calculations, based on random tests and detailed repeat calculations;
- detailed risk assessments, based on prospective guaranteed yield calculations taking into account commitments in excess of regulatory limits, and on detailed statistical and other analyses of personal risk contracts, including loss monitoring (by contract/underwriting year/loss year) and tracking of the utilisation of reserves.

### **e.3) Insurance risk concentration**

#### > Risk reduction through reinsurance

CNP Assurances' reinsurance programmes are designed to avoid earnings fluctuations and increase its underwriting capacity. The objectives of the reinsurance policy defined by the Board of Directors are as follows:

- to implement a reinsurance programme covering direct business and inward reinsurance written for provident institutions and subsidiaries;
- to protect underwriting results by entering into non-proportional treaties which are geared to the size of CNP Assurances' business and provide excess-of-loss cover per risk and per occurrence: (catastrophe risk);
- to share risks on large-scale new business.

> Loss exposure per risk and per occurrence

All portfolios are protected against catastrophe risks by excess of loss reinsurance obtained from professional reinsurers.

- Individual policies: CNP Assurances reinsures all of its policies for death and permanent and total disability risks on the market.
- Group policies: all group policies are covered for death and permanent disability risks through the *Bureau Commun des Assurances Collectives* reinsurance pool.

All of CNP Assurances' portfolios are also covered after 40 times the ceiling per loss year for high capital payouts in the case of permanent disability or death of an insured. Reinsured portfolios are analysed annually.

The property and casualty insurance portfolios of CNP Assurances' Portuguese subsidiary, Global Nao Vida, are also reinsured on the market via 13 reinsurers. These programmes are reviewed annually.

**e.4) Options, guarantees and embedded derivatives not separated from the host contract**

> Exposure to interest rate and market risks associated with embedded derivatives not measured at fair value.

Non-unit-linked savings contracts with a guaranteed yield have been classified by declining levels of commitment, as follows:

- contracts offering a guaranteed rate of return and a guaranteed profit share when the contract matures;
- contracts offering a higher fixed rate of return (generally 75% of the TME<sup>(1)</sup> rate) over a maximum of eight years;
- contracts offering a guaranteed rate of return representing less than 60% of the TME rate at the time of payment.

(1) Average government borrowing rate.

**e.5) Credit risk arising from insurance business**

> Credit risk arising from outward reinsurance – terms and conditions of guarantees received or given

CNP Assurances regularly checks the solvency of its reinsurance partners. The discriminating criteria applied for the selection of these partners include their credit rating.

Excess-of-loss contracts have been placed with reinsurers who are rated between A- and AAA.

> Risks associated with credit insurance policies and financial guarantees and with intermediate current accounts.

Certain specific risks are associated with insurance contracts, including the risk of disputes with the insured or beneficiaries.

The number of new lawsuits concerning CNP Assurances' interpretation of policy terms dropped 11% in 2009, while the number of outstanding lawsuits fell by 3% to 1,620 at the year-end. This was less than the corresponding fall in 2008 (5%) because the number of claims dismissed fell 12% year-on-year.

The contested policies represent only a minute proportion of the total number of individual and group policies managed by CNP Assurances.

Two-thirds of lawsuits concern temporary disability clauses and a smaller number concern death benefits.

There is also evidence of certain emerging insurance risks. Certain issues raised in connection with lawsuits go beyond a simple dispute between CNP Assurances and the insured. These issues could have serious consequences for the entire insurance industry if the courts all ruled against the insurer.

# 8. Subsequent events

## **I - Icade's acquisition of Compagnie la Lucette**

In view of the Competition Authority's approval of the transaction, the Icade shareholders' meeting of 16 February 2010 approved the following operations:

- in-kind contribution by Morgan Stanley Real Estate Fund (MSREF) of 59.50% of the share capital of Compagnie la Lucette in exchange for 1,759,289 new Icade shares, equivalent to an amount of €149 million;
- on the same date, MSREF reinvested €49.5 million in 584,971 new Icade shares as part of a reserved capital increase.

Once these two transactions had been completed, MSREF held approximately 4.5% of Icade's capital.

Since the memorandum of understanding was signed on 24 December 2009, Icade has paid a total of €239.2 million, including fees, to acquire 94.50% of the share capital of Compagnie la Lucette.

Icade did not have to pay out under an earn out arrangement as the earn out criteria were not met.

Under the terms of the memorandum of understanding, Icade will launch a simplified alternative public offer for the remaining shares in Compagnie la Lucette held by the public.

Once the in-kind contribution and the reserved capital increase have been completed, Caisse des Dépôts will own 56% of Icade's share capital.

# 9. Scope of consolidation

GROUPS/COMPANIES	31 December 2009			31 December 2008		
	Method	% control	% interest	Method	% control	% interest
<b>Caisse des Dépôts Division</b>						
<b>Caisse des Dépôts</b>						
<b>CDC (CENTRAL SECTOR)</b>	FULL	100.00	100.00	FULL	100.00	100.00
AEW EUROPE	EQUITY	40.00	40.00	EQUITY	40.00	40.00
ALTEAU SA	FULL	100.00	51.00	FULL	100.00	51.00
BAC PARTICIPATIONS <sup>(1)</sup>				FULL	100.00	100.00
EIFFAGE <sup>(2)</sup>				EQUITY	20.37	20.37
FINANCIÈRE TRANSDEV SA	FULL	100.00	50.11	FULL	100.00	50.11
BETURE GROUP/CAP ATRIUM SASU	FULL	100.00	99.96	FULL	100.00	99.96
INFORMATIQUE CDC	FULL	100.00	40.00	FULL	100.00	40.00
SCI SARIHV	FULL	100.00	100.00	FULL	100.00	100.00
SOPROL <sup>(2)</sup>				EQUITY	18.75	18.75
COMPAGNIE NATIONALE DU RHÔNE	EQUITY	33.20	33.20			
CDC INFRASTRUCTURE	FULL	100.00	100.00	FULL	100.00	100.00
EUTELSAT COMMUNICATIONS <sup>(2)</sup>				EQUITY	25.68	25.68
TYROL ACQUISITION 1 & CIE SCA <sup>(2)</sup>				EQUITY	23.99	23.99
SÉCHÉ ENVIRONNEMENT <sup>(2)</sup>				EQUITY	20.14	20.14
HIME <sup>(2) (3)</sup>				EQUITY	38.00	38.00
VERDUN PARTICIPATIONS 1	EQUITY	49.00	49.00	EQUITY	49.00	49.00
QUAI ANATOLE FRANCE SCI <sup>(4)</sup>				FULL	100.00	100.00
SCI ATHOS	FULL	100.00	100.00	FULL	100.00	100.00
SCI AUSTERLITZ <sup>(4)</sup>				FULL	100.00	100.00
SCI RIVE GAUCHE	FULL	100.00	100.00	FULL	100.00	100.00
URBA CLUB	FULL	100.00	100.00	FULL	100.00	100.00
CDC ENTREPRISES VALEURS MOYENNES	FULL	100.00	100.00	FULL	100.00	100.00
CDC PME CROISSANCE	FULL	100.00	61.16	FULL	100.00	61.15
QUALIUM INVESTISSEMENT (FORMERLY CDC CAPITAL INVESTISSEMENT)	FULL	100.00	100.00	FULL	100.00	100.00
CDC ENTREPRISES I	FULL	100.00	89.90	FULL	100.00	89.90
CDC ENTREPRISES II	FULL	100.00	37.30	FULL	100.00	52.10
CDC ENTREPRISES CAPITAL INVESTISSEMENT <sup>(2)</sup>				FULL	100.00	100.00
CDC INNOVATION	FULL	100.00	100.00	FULL	100.00	100.00
FCPR PART*COM <sup>(2)</sup>				FULL	100.00	100.00

GROUPS/COMPANIES	31 December 2009			31 December 2008		
	Method	% control	% interest	Method	% control	% interest
PART'COM <sup>(2)</sup>				FULL	100.00	100.00
UNIVERS 12	FULL	100.00	100.00			
CDC ELAN PME	FULL	100.00	100.00			
AVENIR ENTREPRISES GESTION	FULL	100.00	60.48	FULL	100.00	60.48
CDC ENTREPRISES	FULL	100.00	100.00	FULL	100.00	100.00
CDC ENTREPRISES PORTEFEUILLE <sup>(2)</sup>				FULL	100.00	100.00
FFI PARTS A <sup>(2)</sup>				FULL	100.00	100.00
FFI PARTS B <sup>(2)</sup>				FULL	100.00	100.00
FPMEI <sup>(2)</sup>				FULL	100.00	100.00
LOGISTIS	EQUITY	33.33	33.33	EQUITY	33.33	33.33
<b>Anatol Invest Group</b>						
ANATOL INVEST HOLDING FRANCE	FULL	100.00	100.00	FULL	100.00	100.00
ANATOL INVEST HOLDING BV (Netherlands)	FULL	100.00	100.00	FULL	100.00	100.00
PBW REAL ESTATE FUND (Netherlands)	FULL	100.00	100.00	FULL	100.00	100.00
ATRIUM TOWER (Poland)	FULL	100.00	100.00	FULL	100.00	100.00
BRISTOL (Hungary)	FULL	100.00	100.00	FULL	100.00	100.00
IBC (Czech Republic)	FULL	100.00	100.00	FULL	100.00	100.00
MOMPARK MFC (Hungary)	FULL	100.00	100.00	FULL	100.00	100.00
MYSLBEK (Czech Republic)	FULL	100.00	100.00	FULL	100.00	100.00
PAIGE INVESTMENTS (Poland)	FULL	100.00	100.00	FULL	100.00	100.00
WEBC (Hungary)	FULL	100.00	100.00	FULL	100.00	100.00
<b>Strategic Investments and Enterprises Division</b>						
DEXIA	EQUITY	13.03	13.03	EQUITY	13.03	13.03
OSEO FINANCEMENT	EQUITY	43.23	43.23	EQUITY	43.23	43.23
<b>Strategic Investment Fund Division</b>						
<b>Strategic Investment Fund Group</b>						
<b>STRATEGIC INVESTMENT FUND (SIF)</b>	FULL	100.00	51.00	FULL	100.00	51.00
EIFPAGE <sup>(2)</sup>	EQUITY	20.75	10.58			
SOPROL <sup>(2)</sup>	EQUITY	18.75	9.56			
HIME <sup>(2) (3)</sup>	EQUITY	38.00	19.38			
SÉCHÉ ENVIRONNEMENT <sup>(2)</sup>	EQUITY	20.14	10.27			
TYROL ACQUISITION 1 & CIE SCA <sup>(2)</sup>	EQUITY	23.99	12.23			
EUTELSAT COMMUNICATIONS <sup>(2)</sup>	EQUITY	25.63	13.07			
DAHER	EQUITY	17.13	8.73			

GROUPS/COMPANIES	31 December 2009			31 December 2008		
	Method	% control	% interest	Method	% control	% interest
CDC ENTREPRISES CAPITAL INVESTISSEMENT <sup>(2)</sup>	FULL	100.00	51.00			
FCPR PART'COM <sup>(2)</sup>	FULL	100.00	51.00			
PART'COM <sup>(2)</sup>	FULL	100.00	51.00			
FSI PME PORTEFEUILLE (formerly CDC ENTREPRISES PORTEFEUILLE) <sup>(2)</sup>	FULL	100.00	51.00			
FFI PARTS A <sup>(2)</sup>	FULL	100.00	51.00			
FFI PARTS B <sup>(2)</sup>	FULL	100.00	51.00			
FPMEI <sup>(2)</sup>	FULL	100.00	51.00			
<b>Insurance Division</b>						
<b>CNP Assurances Group</b>						
<b>CNP ASSURANCES <sup>(5)</sup></b>	PROP	40.14	40.14	PROP	40.19	40.19
AEP3 SCI	PROP	40.14	40.14	PROP	40.19	40.19
AEP4 SCI	PROP	40.14	40.14	PROP	40.19	40.19
AL DENTE 3 3DEC	PROP	40.14	22.34	PROP	40.19	21.86
ASSURBAIL	PROP	40.14	39.76	PROP	40.19	39.82
ASSURIMMEUBLE	PROP	40.14	40.14	PROP	40.19	40.19
BOULE DE NEIGE 3 3DEC	PROP	40.14	24.29	PROP	40.19	24.15
CAIXA SEGUROS (Brazil)	PROP	40.14	20.77	PROP	40.19	20.80
CDC IONIS FCP 4DEC	PROP	40.14	40.14	PROP	40.19	40.19
CIMO	PROP	40.14	40.14	PROP	40.19	40.19
CNP ACP 10 FCP	PROP	40.14	19.96	PROP	40.19	20.08
CNP ACP OBLIG FCP	PROP	40.14	19.95	PROP	40.19	19.96
CNP ASSUR ALT. 3DEC	PROP	40.14	39.79			
CNP ASSUR EURO SI	PROP	40.14	38.94	PROP	40.19	39.82
CNP HOLDING BRASIL (Brazil)	PROP	40.14	40.14	PROP	40.19	40.19
CNP EUROPE (Ireland)	PROP	40.14	40.14			
CNP IAM	PROP	40.14	40.14	PROP	40.19	40.19
CNP IMMOBILIER	PROP	40.14	40.14	PROP	40.19	40.19
CNP INTERNATIONAL	PROP	40.14	40.14	PROP	40.19	40.19
CNP SEGUROS DE VIDA (Argentina)	PROP	40.14	30.69	PROP	40.19	30.73
CNP UNICREDIT VITA (Italy)	PROP	40.14	23.08	PROP	40.19	23.11
CNP VIDA (Spain)	PROP	40.14	37.73	PROP	40.19	37.78

GROUPS/COMPANIES	31 December 2009			31 December 2008		
	Method	% control	% interest	Method	% control	% interest
ÉCUREUIL PROFIL 30	PROP	40.14	38.05	PROP	40.19	39.38
ÉCUREUIL PROFIL 90	PROP	40.14	21.89	PROP	40.19	22.19
ÉCUREUIL VIE DÉVELOPPEMENT	PROP	40.14	20.47	PROP	40.19	20.50
GLOBAL (Portugal)	PROP	40.14	33.52	PROP	40.19	33.57
GLOBAL VIDA (Portugal)	PROP	40.14	33.54	PROP	40.19	33.59
ITV	PROP	40.14	40.14	PROP	40.19	40.19
LA BANQUE POSTALE PRÉVOYANCE	PROP	20.07	20.07	PROP	20.10	20.10
LBPAM ACT. DIVERSIF 5DEC	PROP	40.14	29.67	PROP	40.19	29.54
LBPAM PROFIL 50 D 5DEC	PROP	40.14	28.59	PROP	40.19	32.50
LBPAM PROFIL 80 D 5DEC				PROP	40.19	36.29
MARFIN INSURANCE HOLDINGS LTD (Cyprus)	PROP	40.14	20.11	PROP	40.19	20.14
NATIXIS GLOBAL ASSET MANAGEMENT				EQUITY	4.56	4.56
PB6	PROP	20.07	20.07	PROP	20.10	20.10
PREVIPOSTE	PROP	40.14	40.14	PROP	40.19	40.19
PROGRESSIO 5DEC	PROP	40.14	36.93	PROP	40.19	36.57
SICAC	PROP	40.14	40.14	PROP	40.19	40.19
UNIVERS CNP 1 FCP	PROP	40.14	40.05	PROP	40.19	40.19
VIVACCIO ACT 5DEC	PROP	40.14	32.29	PROP	40.19	39.56
BARCLAYS VIDA Y PENSIONNES (Spain)	PROP	40.14	20.07			
<b>Real Estate Division</b>						
<b>Icade Group</b>						
<b>ICADE SA<sup>(6)</sup></b>	FULL	100.00	59.17	FULL	100.00	62.15
ICADE FINANCES	FULL	100.00	59.17	FULL	100.00	62.15
<b>PROPERTY INVESTMENT COMPANIES</b>						
<b>HOUSING</b>						
ICADE COMMERCES SAS	FULL	100.00	59.17	FULL	100.00	62.15
SCI LOCATIVES (property rental companies- 6 entities)	FULL	100.00	59.17	FULL	100.00	62.15
<b>BUSINESS PARKS</b>						
CFI	FULL	100.00	59.17	FULL	100.00	62.15
SCI 68 VICTOR HUGO	FULL	100.00	59.17	FULL	100.00	62.15
SCI BASSIN NORD	PROP	50.00	29.58	PROP	50.00	31.07
SCI BATI GAUTIER	FULL	100.00	59.17	FULL	100.00	62.15

GROUPS/COMPANIES	31 December 2009			31 December 2008		
	Method	% control	% interest	Method	% control	% interest
SCI LE PARC DU MILLÉNAIRE	FULL	100.00	59.17	FULL	100.00	62.15
SCI PDM 1	FULL	100.00	59.17	FULL	100.00	62.15
SCI PDM 2	FULL	100.00	59.17	FULL	100.00	62.15
SCI PDM 3	FULL	100.00	59.17	FULL	100.00	62.15
SCI SEVERINE	FULL	100.00	35.50	FULL	100.00	37.29
SERAEL SA				FULL	100.00	61.81
SNC ICADE CBI	FULL	100.00	59.17	FULL	100.00	62.15
SNC LE PARC DU MILLÉNAIRE				FULL	100.00	62.15
<b>OFFICES - France</b>						
ICADE TOUR DESCARTES	FULL	100.00	59.17	FULL	100.00	62.15
SCI CAMILLE DESMOULINS	FULL	100.00	59.17	FULL	100.00	62.15
SCI DU 1 TERRASSE BELLINI	PROP	33.33	19.72	PROP	33.33	20.71
SCI DU 114 AV. DES CHAMPS ELYSEES				FULL	100.00	62.15
SCI DU 3/5 AV. DE FRIEDLAND				FULL	100.00	62.15
SCI DU 31-33 RUE DE MOGADOR	FULL	100.00	59.17	FULL	100.00	62.15
SCI DU 69 BLD HAUSSMANN	FULL	100.00	59.17	FULL	100.00	62.15
SCI ICADE LEO LAGRANGE (formerly VILLEJUIF)	FULL	100.00	59.17	FULL	100.00	62.15
SCI ICADE RUE DES MARTINETS	FULL	100.00	59.17	FULL	100.00	62.15
SCI LE TOLBIAC	FULL	100.00	59.17	FULL	100.00	62.15
SCI MESSINE PARTICIPATIONS	FULL	100.00	59.17	FULL	100.00	62.15
SCI MORIZET	FULL	100.00	59.17	FULL	100.00	62.15
<b>SIICinvest</b>						
SIIC INVEST				FULL	100.00	55.71
HC INVESTISSEMENT	FULL	100.00	59.17	FULL	100.00	55.71
SCI MARIGNANE LA PALUN	FULL	100.00	59.17	FULL	100.00	55.71
SCI XM CLERMONT FERRAND	FULL	100.00	59.17	FULL	100.00	55.71
SCI ZEUGMA	FULL	100.00	59.17	FULL	100.00	55.71
<b>OFFICES - Germany</b>						
ICADE REIT	FULL	100.00	59.17	FULL	100.00	62.15
ICADE REIM GERMANY GMBH	FULL	100.00	59.17	FULL	100.00	62.15
ICADE REIM AHRENSDORF GMBH	FULL	100.00	59.17	FULL	100.00	62.15
ICADE REIM ARNULFSTRASSE MK8 GMBH	FULL	100.00	59.17	FULL	100.00	62.15
ICADE REIM ARNULFSTRASSE MK9 GMBH	FULL	100.00	59.17	FULL	100.00	62.15

GROUPS/COMPANIES	31 December 2009			31 December 2008		
	Method	% control	% interest	Method	% control	% interest
ICADE REIM DACHAUER STRASSE GMBH	FULL	100.00	59.17	FULL	100.00	62.15
ICADE REIM FRANKENALLEE GMBH	FULL	100.00	59.17	FULL	100.00	62.15
ICADE REIM FRIESENSTRASSE HAUS 3 GMBH	FULL	100.00	59.17	FULL	100.00	62.15
ICADE REIM FRIESENSTRASSE HAUS 4 GMBH	FULL	100.00	59.17	FULL	100.00	62.15
ICADE REIM GOLDSTEINSTRASSE GMBH	FULL	100.00	59.17	FULL	100.00	62.15
ICADE REIM HOHENZOLLERNDAMM GMBH	FULL	100.00	59.17	FULL	100.00	62.15
ICADE REIM INDUSTRIESTRASSE (PRO 1) GMBH	FULL	100.00	59.17	FULL	100.00	62.15
ICADE REIM INDUSTRIESTRASSE (PRO 2) GMBH				FULL	100.00	62.15
ICADE REIM INDUSTRIESTRASSE (PRO 3) GMBH	FULL	100.00	59.17	FULL	100.00	62.15
ICADE REIM INDUSTRIESTRASSE (PRO 4) GMBH				FULL	100.00	62.15
ICADE REIM KOCHSTRASSE GMBH	FULL	100.00	59.17	FULL	100.00	62.15
ICADE REIM MERCEDESSTRASSE GMBH	FULL	100.00	59.17	FULL	100.00	62.15
ICADE REIM RHINSTRASSE GMBH	FULL	100.00	59.17	FULL	100.00	62.15
ICADE REIM SALZUFERSTRASSE GMBH	FULL	100.00	59.17	FULL	100.00	62.15
ICADE REIM TURLLENSTRASSE GMBH	FULL	100.00	59.17	FULL	100.00	62.15
KABALO GRUNDSTÜCKS VERWALTUNGSGESELLSCHAFT GMBH	FULL	100.00	59.17	FULL	100.00	62.15
KABALO GRUNDSTÜCKS VERWALTUNGSGESELLSCHAFT & Co KG	FULL	100.00	59.17	FULL	100.00	62.15
<b>SHOPPING CENTRES</b>						
ICADE BRICOLAGE	FULL	100.00	56.21	FULL	100.00	59.04
ICADE BRICOLAGE CBI	FULL	100.00	56.21	FULL	100.00	59.04
SAS ODYSSEUM	PROP	50.00	29.58	PROP	50.00	31.07
<b>PUBLIC AND HEALTH SECTOR REAL ESTATE</b>						
SAS ICADE SANTÉ	FULL	100.00	59.17	FULL	100.00	62.15
SCI DU LARRY				FULL	100.00	62.15
SCI 2 RUE ROLAND BUTHIER				FULL	100.00	62.15
SCI BATIMENT SUD CENTRE HOSPITALIER PONTOISE	FULL	100.00	59.17	FULL	100.00	62.15
SCI BSM DU CHU DE NANCY	FULL	100.00	59.17	FULL	100.00	62.15
SCI CHARLES MOREAU				FULL	100.00	62.15
SCI DES CLINIQUES CHIRURGICALES REUNIES				FULL	100.00	62.15

GROUPS/COMPANIES	31 December 2009			31 December 2008		
	Method	% control	% interest	Method	% control	% interest
SCI LES TOVETS	FULL	100.00	59.17	FULL	100.00	62.15
SCI POLICE DE MEAUX	FULL	100.00	59.17	FULL	100.00	62.15
SCI SOCRATE	FULL	100.00	59.17			
<b>PROPERTY DEVELOPMENT COMPANIES</b>						
<b>HOUSING</b>						
124 fully-consolidated companies	FULL			FULL		
75 proportionally-consolidated companies	PROP			PROP		
18 companies accounted for by the equity method	EQUITY			EQUITY		
<b>BUSINESS</b>						
ICADE PROMOTION (formerly ICADE G3A)	FULL	100.00	59.17	FULL	100.00	62.15
AMÉNAGEMENT CROIX DE BERNY	FULL	100.00	37.10	FULL	100.00	38.97
ANTONY PARC II SCI	FULL	100.00	59.17	FULL	100.00	62.15
ARKADEA SAS	PROP	50.00	29.58			
CITÉ SANITAIRE NAZAIRIENNE	FULL	100.00	35.50	FULL	100.00	37.29
CLAUDE BERNARD LOT T	PROP	50.00	29.58	PROP	50.00	31.07
FRANCE OUEST PROMOTION	FULL	100.00	59.17	FULL	100.00	62.15
ICADE DOCKS DE PARIS	FULL	100.00	59.17	FULL	100.00	62.15
ICADE G3A PROMOTION	FULL	100.00	59.17	FULL	100.00	62.15
ICADE TERTIAL				FULL	100.00	62.15
ICADE TERTIAL RÉGIONS				FULL	100.00	62.15
ICADLEO	FULL	100.00	39.45	FULL	100.00	41.43
LES BUREAUX DE L' ÎLE DE NANTES	FULL	100.00	59.17	FULL	100.00	62.15
LES PORTES D'ARCUEIL A SNC	FULL	100.00	59.17	FULL	100.00	62.15
LES PORTES D'ARCUEIL B SNC	FULL	100.00	59.17	FULL	100.00	62.15
LES PORTES D'ARCUEIL C SNC	FULL	100.00	59.17	FULL	100.00	62.15
NERUDA FONTANOTS SCI	FULL	100.00	59.17	FULL	100.00	62.15
ODYSSEUM 2 SCI	FULL	100.00	45.56	FULL	100.00	47.85
PB31 PROMOTION SNC	PROP	50.00	29.58	PROP	50.00	31.07
SAS PARIS NORD-EST <sup>(7)</sup>	PROP	80.00	67.75	PROP	80.00	68.64
SCCV LE PERREUX CANAL	FULL	100.00	42.90			
SCCV SAINT DENIS LANDY 3	PROP	50.00	29.58	PROP	50.00	31.07
SCI 22/24 RUE DE LAGNY	PROP	51.00	30.17	PROP	51.00	31.69
SCI CAP EST LOISIRS	PROP	50.00	29.58	PROP	50.00	31.07
SCI ESPACE MARCEAU	PROP	51.00	30.17	PROP	51.00	31.69
SCI HELENA PARC	FULL	100.00	30.17	FULL	100.00	31.69

GROUPS/COMPANIES	31 December 2009			31 December 2008		
	Method	% control	% interest	Method	% control	% interest
SCI MONTRouGE CAP SUD	PROP	50.00	29.58	PROP	50.00	31.07
SCI PARIS BERTHELOT	PROP	50.00	29.58	PROP	50.00	31.07
SCI PORTES DE CLICHY	PROP	50.00	29.58	PROP	50.00	31.07
SCI VILLEJUIF GUIPONS	FULL	100.00	59.17	FULL	100.00	62.15
SNC DU CANAL ST LOUIS	FULL	100.00	59.17	FULL	100.00	62.15
SNC DU PLESSIS BOTANIQUE	FULL	100.00	59.17	FULL	100.00	62.15
SNC GERLAND 1	PROP	50.00	29.58	PROP	50.00	31.07
SNC GERLAND 2	PROP	50.00	29.58	PROP	50.00	31.07
SNC ICAPROM (formerly SNC TECHNICAMPUS)	PROP	45.00	26.62			
SNC ÎLE SEGUIN 6	PROP	50.00	29.58	PROP	50.00	31.07
SNC ROBINI	PROP	50.00	29.58	PROP	50.00	31.07
SNC SAMICADE	PROP	50.00	29.58	PROP	50.00	31.07
SORIF ICADE LES PORTES D'ESPAGNE	PROP	50.00	29.58	PROP	50.00	31.07
TOULOUSE CANCEROPOLE	PROP	50.00	29.58	PROP	50.00	31.07
RETAIL PARK DES VIGNOBLES	FULL	100.00	59.17			
SAMICADE GUADELOUPE	PROP	50.00	29.58			
<b>ICADE ARCOBA</b>						
ICADE ARCOBA	FULL	100.00	59.17	FULL	100.00	62.15
<b>ICADE SETRHI - SETAE</b>						
ICADE SETRHI - SETAE	FULL	100.00	59.17	FULL	100.00	62.15
ICADE FONCIER DÉVELOPPEMENT				FULL	100.00	62.15
<b>PROPERTY SERVICES COMPANIES</b>						
ICADE SERVICES	FULL	100.00	59.17			
<b>FACILITY MANAGEMENT</b>						
FACIMALP SAS				FULL	100.00	52.82
ICADE EUROGEM				FULL	100.00	62.15
IMOP				FULL	100.00	62.15
ISIS FM				FULL	100.00	34.18
KLEBER FM				FULL	100.00	62.15
<b>MANAGING PROPERTY FOR INDIVIDUALS</b>						
ICADE ADB				FULL	100.00	62.15
<b>CONSULTING AND EXPERTISE</b>						
ICADE CONSEIL	FULL	100.00	59.17	FULL	100.00	62.15
ICADE EXPERTISE	FULL	100.00	59.17	FULL	100.00	62.15
ICADE GESTEC RS	FULL	100.00	59.17	FULL	100.00	62.15

GROUPS/COMPANIES	31 December 2009			31 December 2008		
	Method	% control	% interest	Method	% control	% interest
ICADE SURETIS	FULL	100.00	59.17	FULL	100.00	62.15
ICADE TRANSACTIONS	FULL	100.00	59.17	FULL	100.00	62.15
IMMOBILIARIA DE LA CDC ESPANA	FULL	100.00	59.17	FULL	100.00	62.15
IPORTA SAS	FULL	100.00	59.17	FULL	100.00	62.15
<b>RESIDENTIAL SERVICES</b>						
RESIDENCES SERVICES (formerly ICADE EUROSTUDIOMES)	FULL	100.00	59.17	FULL	100.00	62.15
EUROCAMPUS	FULL	100.00	35.50	FULL	100.00	37.29
FINCAS ANZIZU	FULL	100.00	56.21	FULL	100.00	59.04
RESA	FULL	100.00	39.64	FULL	100.00	41.64
<b>PROPERTY MANAGEMENT</b>						
ICADE PROPERTY MANAGEMENT (formerly IGT)	FULL	100.00	59.17	FULL	100.00	62.15
ICADE ADVISORY (formerly NEWREAL)				FULL	100.00	62.15
ICADE BENELUX	FULL	100.00	59.17	FULL	100.00	62.15
ICADE ITALIA	FULL	100.00	59.17	FULL	100.00	62.15
ICADE ITALIA AGENCY	FULL	100.00	59.17	FULL	100.00	62.15
<b>Société Nationale Immobilière Group</b>						
SOCIÉTÉ NATIONALE IMMOBILIÈRE	FULL	100.00	100.00	FULL	100.00	100.00
S2AI	FULL	100.00	100.00	FULL	100.00	100.00
SAGI	FULL	100.00	100.00	FULL	100.00	100.00
SAINTE BARBE	FULL	100.00	100.00	FULL	100.00	100.00
SAS DES CASERTS	FULL	100.00	97.00			
SCET	FULL	100.00	100.00	FULL	100.00	100.00
SCI DES RÉGIONS <sup>(8)</sup>	FULL	100.00	100.00	FULL	100.00	100.00
<b>Services Division</b>						
<b>Transdev Group</b>						
<b>TRANSDEV SA</b>	FULL	100.00	74.41	FULL	100.00	69.62
<b>FRANCE</b>						
AEROPASS	FULL	100.00	74.41	FULL	100.00	69.62
AIRCAR	FULL	100.00	74.41	FULL	100.00	69.61
ALPBUS FOURNIER	FULL	100.00	74.41	FULL	100.00	69.62
ALTIBUS.COM	FULL	100.00	49.09	FULL	100.00	45.92
AMV	FULL	100.00	74.41	FULL	100.00	69.62
AUTOCARS BONNAFOUX BREMOND	FULL	100.00	74.41	FULL	100.00	28.89

GROUPS/COMPANIES	31 December 2009			31 December 2008		
	Method	% control	% interest	Method	% control	% interest
AUTOCARS CHAMBON-GROS	FULL	100.00	74.41	FULL	100.00	69.62
AUTOCARS DARCHE-GROS	FULL	100.00	74.41	FULL	100.00	69.62
AUTOCARS MARTIN	FULL	100.00	74.41	FULL	100.00	69.62
BIEVRE BUS MOBILITÉS	FULL	100.00	74.41	FULL	100.00	69.62
C.E.A.T.	FULL	100.00	74.41	FULL	100.00	69.62
C.T.C.	FULL	100.00	59.53	FULL	100.00	55.69
CAISSE COMMUNE	FULL	100.00	74.41	FULL	100.00	69.62
CAP	FULL	100.00	74.41	FULL	100.00	69.62
CARS DE CHÂTEAU-THIERRY	FULL	100.00	74.41	FULL	100.00	69.62
CARS D'ORSAY	FULL	100.00	74.41	FULL	100.00	69.62
CARS DU PAYS DE VALOIS	FULL	100.00	74.41	FULL	100.00	69.62
CHAMPAGNE MOBILITÉS	FULL	100.00	74.41	FULL	100.00	69.62
CHARTRES MOBILITÉ	FULL	100.00	74.41	FULL	100.00	69.62
CITÉBUS 2 RIVES	FULL	100.00	74.41	FULL	100.00	69.62
COURRIERS DE L'AUBE	FULL	100.00	68.06	FULL	100.00	63.68
DRYADE	FULL	100.00	53.24	FULL	100.00	49.81
EQUIVAL	PROP	50.00	37.21	PROP	50.00	34.81
TRANSDEV ESPACES	FULL	100.00	74.41	FULL	100.00	69.62
EURAILCO	PROP	50.00	37.21	PROP	50.00	34.81
EUROPE AUTOCARS	FULL	100.00	74.41	FULL	100.00	69.60
HANDILIB	FULL	100.00	74.41	FULL	100.00	69.62
IBEROLINES	PROP	50.00	18.74			
INTERVAL	FULL	100.00	74.41	FULL	100.00	69.56
LAON MOBILITÉ	FULL	100.00	74.41	FULL	100.00	69.62
LES CARS MARIETTE	FULL	100.00	74.41	FULL	100.00	69.62
LOPES VOYAGES	FULL	100.00	37.76			
MACON BUS	FULL	100.00	74.41	FULL	100.00	69.62
MONTBLANC BUS	FULL	100.00	55.73	FULL	100.00	52.14
MOULINS MOBILITÉ	FULL	100.00	74.41	FULL	100.00	69.62
N°4 MOBILITÉS	FULL	100.00	71.93	FULL	100.00	67.30
ODULYS	FULL	100.00	40.92			
TRANSDEV AEROPORT TRANSIT	FULL	100.00	74.41	FULL	100.00	69.62
PAYS D'OC MOBILITÉS	FULL	100.00	74.41	FULL	100.00	69.62
POLE ILE DE FRANCE IMMOBILIER AND FACILITIES	FULL	100.00	74.41	FULL	100.00	69.62
PROGETOURS	FULL	100.00	74.41	FULL	100.00	69.62

GROUPS/COMPANIES	31 December 2009			31 December 2008		
	Method	% control	% interest	Method	% control	% interest
R'ORLY	FULL	100.00	74.41	FULL	100.00	69.62
RAPIDES DE BOURGOGNE	FULL	100.00	74.41	FULL	100.00	69.62
RAPIDES DE SAÔNE ET LOIRE	FULL	100.00	74.41	FULL	100.00	69.62
RAPIDES DU VAL DE LOIRE	FULL	100.00	74.41	FULL	100.00	69.62
S.E.G.A.R	FULL	100.00	74.41	FULL	100.00	69.62
S.T.A.B.	FULL	100.00	74.41	FULL	100.00	69.62
S.T.B.C.	FULL	100.00	63.26	FULL	100.00	59.24
SAINT QUENTIN MOBILITÉ	FULL	100.00	74.41	FULL	100.00	69.62
SCI LA TRENTAINE	FULL	100.00	74.41	FULL	100.00	69.62
SCI 19 RUE DES SOURCES	FULL	100.00	74.41	FULL	100.00	69.62
SCI LA MARE MOUREUSE	FULL	100.00	74.41	FULL	100.00	69.62
SCI LE LUREAU	FULL	100.00	74.41	FULL	100.00	69.62
SCI LE PRÉ BOUDROT	PROP	49.00	36.46	PROP	49.00	34.11
SCI MARAIS DE BELLÈNE	FULL	100.00	74.41	FULL	100.00	69.62
SETAO	FULL	100.00	74.40	FULL	100.00	69.61
SNA AJACCIENS	FULL	100.00	74.41	FULL	100.00	69.62
SOCIETE DES TRANSPORTS DU BRIANCONNAIS	FULL	100.00	37.95	FULL	100.00	35.50
HOTELIERE MELDOISE	FULL	100.00	74.41	FULL	100.00	69.62
SOLEA	FULL	100.00	50.45			
SAINT BRIEUC MOBILITES	FULL	100.00	74.41	FULL	100.00	69.62
STA CHALONS	FULL	100.00	59.53	FULL	100.00	55.69
SUD EST MOBILITÉS	FULL	100.00	74.41	FULL	100.00	69.62
T.C.R.M.	EQUITY	39.84	29.65	EQUITY	39.84	27.73
T.C.V.O.	FULL	100.00	37.95	FULL	100.00	35.50
T.I.P.S.	FULL	100.00	67.71	FULL	100.00	63.36
TCR AVIGNON	FULL	100.00	74.41	FULL	100.00	69.62
TRANSAMO	FULL	100.00	66.82	FULL	100.00	62.51
TRANSAVOIE	FULL	100.00	74.04	FULL	100.00	69.27
TRANSDATA	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV AÉROPORT SERVICES	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV ALLIER	FULL	100.00	74.41			
TRANSDEV ALPES	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV ALSACE	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV DAUPHINE	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV EST	FULL	100.00	74.41	FULL	100.00	69.62

GROUPS/COMPANIES	31 December 2009			31 December 2008		
	Method	% control	% interest	Method	% control	% interest
TRANSDEV FINANCE (formerly COFITREC)	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV FORMATION	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV MONTPELLIER	FULL	100.00	74.41			
TRANSDEV NORD EST	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV OCÉAN INDIEN	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV ORLÉANS	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV PARIS EST	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV PARIS SUD	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV PAYS D'OR	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV REIMS	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV SUD	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV SUD OUEST	FULL	100.00	74.41	FULL	100.00	69.62
TRANS'L	FULL	100.00	74.40	FULL	100.00	69.61
TRANSPART	FULL	100.00	74.41	FULL	100.00	69.62
TRANSPORT BÉRARD	FULL	100.00	74.41	FULL	100.00	69.62
TRANSPORTS MARNE ET MORIN	FULL	100.00	74.41	FULL	100.00	69.62
VAL D'EUROPE AIRPORT	FULL	100.00	74.41	FULL	100.00	69.62
VIENNE MOBILITÉS	FULL	100.00	74.41	FULL	100.00	69.62
VILLENEUVE MOBILITÉS	FULL	100.00	74.41	FULL	100.00	69.62
VISUAL	FULL	100.00	74.41	FULL	100.00	69.62
VOYAGES CROLARD	FULL	100.00	74.41	FULL	100.00	69.62
VOYAGES DUNAND	FULL	100.00	74.41	FULL	100.00	69.62
VOYAGES GUICHARD	FULL	100.00	74.41	FULL	100.00	69.62
<b>INTERNATIONAL</b>						
<b>Germany</b>						
AWV	FULL	100.00	74.41	FULL	100.00	69.62
DEUTSCHE TOURING GMBH	FULL	100.00	16.56			
DILLS REISEN	FULL	100.00	74.41	FULL	100.00	69.62
EURAILCO GMBH	PROP	50.00	37.21	PROP	50.00	34.81
EUROLINES VERKEHRSGESELLSCHAFT	EQUITY	100.00	15.43			
MVB	FULL	100.00	66.97	FULL	100.00	62.65
NZM	FULL	100.00	74.41			
RMVB	PROP	50.00	37.21	PROP	50.00	34.81
SUERLANNER	FULL	100.00	74.41			
TRANSDEV SZ	FULL	100.00	74.41	FULL	100.00	69.62

GROUPS/COMPANIES	31 December 2009			31 December 2008		
	Method	% control	% interest	Method	% control	% interest
TRANSREGIO GMBH	PROP	50.00	27.90	PROP	50.00	26.11
VLD	FULL	100.00	74.41	FULL	100.00	69.62
VREM	FULL	100.00	74.41	FULL	100.00	69.62
VRL	FULL	100.00	74.41	FULL	100.00	69.62
VRW	FULL	100.00	74.41	FULL	100.00	69.62
VERKEHRSBETRIEBE WESTFALEN-SUD (VWS SIEGEN)	FULL	100.00	74.41			
<b>Australia</b>						
METROLINK QUEENSLAND	PROP	50.00	37.31			
METROLINK VICTORIA	PROP	50.00	37.21	PROP	50.00	34.81
TRANSDEV AUSTRALIA	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV NEW SOUTH WALES	PROP	50.00	37.21	PROP	50.00	34.81
TRANSDEV QUEENSLAND	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV TSL PTY	PROP	50.00	37.21	PROP	50.00	34.81
TRANSDEV VICTORIA	FULL	100.00	74.41	FULL	100.00	69.62
<b>Canada</b>						
2755 4609 QUEBEC INC.	FULL	100.00	74.41	FULL	100.00	69.62
4345240 CANADA (AUTOCAR METROPOLITAIN)	FULL	100.00	74.41			
4369645 CANADA (AUTOCAR METROPOLITAIN)	FULL	100.00	74.41			
9200-0314 QUEBEC (LES INVESTISSEMENTS RICHARD AUGER)	FULL	100.00	74.41			
9078-9975 QUEBEC (MEDICAR)	FULL	100.00	74.41			
LIMOCAR ESTRIE INC.	FULL	100.00	74.41	FULL	100.00	69.62
LIMOCAR INC.	FULL	100.00	74.41	FULL	100.00	69.62
LIMOCAR ROUSSILLON INC.	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV CANADA INC.	FULL	100.00	74.41	FULL	100.00	69.62
<b>Spain</b>						
TENEMETRO	FULL	100.00	44.65	FULL	100.00	41.77
TRANSDEV ESPANA SL	FULL	100.00	74.41	FULL	100.00	69.62
IBERO EUROSUR	FULL	100.00	20.00			
<b>United Kingdom</b>						
BLACKBURN WITH DARWEN TRANSPORT LTD	FULL	100.00	74.41	FULL	100.00	69.62
BLAZEFIELD BUSES LTD	FULL	100.00	74.41	FULL	100.00	69.62
BLAZEFIELD TRAVEL GROUP LTD	FULL	100.00	74.41	FULL	100.00	69.62
BOURNEMOUTH TRANSPORT	FULL	100.00	66.96	FULL	100.00	69.62

GROUPS/COMPANIES	31 December 2009			31 December 2008		
	Method	% control	% interest	Method	% control	% interest
BURNLEY & PENDLE TRANSPORT COMPANY LTD	FULL	100.00	74.41	FULL	100.00	69.62
EURAILCO UK PLC	PROP	50.00	37.21	PROP	50.00	34.81
HARROGATE & DISTRICT TRAVEL	FULL	100.00	74.41	FULL	100.00	69.62
HEATHROW COACH SERVICES LTD	FULL	100.00	74.41	FULL	100.00	69.62
KEIGHLEY & DISTRICT TRAVEL	FULL	100.00	74.41	FULL	100.00	69.62
LANCASHIRE COUNTY TRANSPORT LTD	FULL	100.00	74.41	FULL	100.00	69.62
LANCASHIRE UNITED	FULL	100.00	74.41	FULL	100.00	69.62
LONDON UNITED	FULL	100.00	74.41	FULL	100.00	69.62
LONDON UNITED BUSWAYS	FULL	100.00	74.41	FULL	100.00	69.62
LONDON SOVEREIGN	FULL	100.00	74.41	FULL	100.00	69.62
NOTTINGHAM TRAM CONSORTIUM	PROP	50.00	37.21	PROP	50.00	34.81
RATP PROJECT UK	PROP	50.00	37.21	PROP	50.00	34.81
STANWELL BUSES				FULL	100.00	69.62
TRANSDEV BLAZEFIELD	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV CLAIMS INVESTIGATIONS	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV NORTHERN BLUE	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV RATP IRELAND	PROP	50.00	37.21			
TRANSDEV SCOTLAND LIMITED (formerly TRANSDEV EDINBURGH TRAM)	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV PLC	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV TRAM UK	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV YORK LTD	FULL	100.00	74.41	FULL	100.00	69.62
YORKSHIRE COASTLINER	FULL	100.00	74.41	FULL	100.00	69.62
<b>Italy</b>						
AMT	PROP	41.00	30.51	PROP	41.00	28.54
DOLOMITI BUS SPA	PROP	39.50	29.39	PROP	39.50	27.50
TRANSDEV GENOVA	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV ITALIA	FULL	100.00	74.41	FULL	100.00	69.62
<b>Netherlands</b>						
ACM OPLEIDINGEN	FULL	100.00	37.21			
FOUNDATION AMBULANCEZORG NOORD OOST GELDERLAND	FULL	100.00	37.21			
AUTOMOBIELBEDERSZOET	FULL	100.00	37.21			
TBC HOLDING BV	FULL	100.00	55.81	FULL	100.00	52.21
CONNEXION HOLDING	FULL	100.00	37.21	FULL	100.00	34.81
BESLOTEN VERVOER UTRECHT	FULL	100.00	37.21	FULL	100.00	34.81

GROUPS/COMPANIES	31 December 2009			31 December 2008		
	Method	% control	% interest	Method	% control	% interest
CONNEXION AMBULANCEDIENSTEN	FULL	100.00	37.21	FULL	100.00	34.81
CONNEXION AMBULANCE SERVICES	FULL	100.00	37.21			
CONNEXION AMBULANCEZORG	FULL	100.00	37.21			
CONNEXION FACILITAIR BEDRIJF	FULL	100.00	37.21	FULL	100.00	34.81
CONNEXION FINANCE	FULL	100.00	37.21	FULL	100.00	34.81
CONNEXION INTERNATIONAL	FULL	100.00	37.21	FULL	100.00	34.81
CONNEXION NEDERLAND	FULL	100.00	37.21	FULL	100.00	34.81
CONNEXION OPENBAARVERVOER (PT)	FULL	100.00	37.21	FULL	100.00	34.81
CONNEXION PARTICIPATIES	FULL	100.00	37.21	FULL	100.00	34.81
CONNEXION PERSONENVERVOER	FULL	100.00	37.21	FULL	100.00	34.81
CONNEXION TAXI SERVICES	FULL	100.00	37.21	FULL	100.00	34.81
CONNEXION TOURS	FULL	100.00	37.21	FULL	100.00	34.81
CONNEXION VASTGOED	FULL	100.00	37.21	FULL	100.00	34.81
CONNEXION VLOOT	FULL	100.00	37.21	FULL	100.00	34.81
CV ACTIVA WEERT	FULL	100.00	36.83	FULL	100.00	34.46
DELFTLAND BEDRIJFSDIENSTEN	FULL	100.00	37.21	FULL	100.00	34.81
FUTURE TECHNOLOGY NEDERLAND	FULL	100.00	37.21	FULL	100.00	34.81
GEBR. ZOET AMBULANCE	FULL	100.00	37.21	FULL	100.00	34.81
GEBROEDERS ZOET PERSONENVERVOER	FULL	100.00	37.21			
GELUBEWI VASTGOED	FULL	100.00	37.21			
GVU	FULL	100.00	37.21	FULL	100.00	34.81
HERMES GROEP	FULL	100.00	37.21	FULL	100.00	34.81
HERMES OPENBAAR VERVOER	FULL	100.00	37.21	FULL	100.00	34.81
LIMLINK	FULL	100.00	37.21	FULL	100.00	34.81
MOBINET UTRECHT	FULL	100.00	37.21	FULL	100.00	34.81
NEDERLANDSE BUURTBUSVERVOER MAATSCHAPPIJ	FULL	100.00	37.21	FULL	100.00	34.81
NEDERLANDSE SAMENWERKENDE TAXIBEDRIJVEN	FULL	100.00	37.21	FULL	100.00	34.81
NOVIO	FULL	100.00	37.21	FULL	100.00	34.81
NOVIO EXPRESS	FULL	100.00	37.21	FULL	100.00	34.81
NOVIO NET	FULL	100.00	37.21	FULL	100.00	34.81
NOVIO STEBO	FULL	100.00	37.21	FULL	100.00	34.81
CONJNEXION WATER	FULL	100.00	37.21	FULL	100.00	34.81
P.G.W. JANSSEN HOLDING	FULL	100.00	37.21	FULL	100.00	34.81
ROLINE	FULL	100.00	37.21	FULL	100.00	34.81
SCHIPHOL TRAVEL TAXI BV	EQUITY	50.00	18.60	EQUITY	50.00	17.40

GROUPS/COMPANIES	31 December 2009			31 December 2008		
	Method	% control	% interest	Method	% control	% interest
REGIONALE AMBULANCEDIENST NOORD-WEST VELUWE	FULL	100.00	37.21			
REGIONALE AMBULANCE VOORZIENING ZEELAND	FULL	100.00	37.21			
SPEEDWELL REISBUREAUX	FULL	100.00	37.21	FULL	100.00	34.81
TAXI HARDERWIJK	FULL	100.00	37.21	FULL	100.00	34.81
TECHNO SERVICE NEDERLAND	FULL	100.00	37.21	FULL	100.00	34.81
TSN DEUTSCHLAND	FULL	100.00	37.21	FULL	100.00	34.81
WATERBUS	FULL	100.00	24.37	FULL	100.00	22.80
<b>Portugal</b>						
ALPENDURADA, VIAGENS E TURISMO	FULL	100.00	74.16	PROP	50.00	34.81
ANTONIO DA CRUZ E JOAO DIAS NEVES	FULL	100.00	74.16	PROP	50.00	34.81
ASDOURO - TRANSPORTES RODOVIARIOS DO DOURO	FULL	100.00	74.16	PROP	50.00	34.81
AUTO MONDINENSE	FULL	100.00	74.41	PROP	50.00	34.81
AUTO-PENAFIEL - ROCALCAS	EQUITY	25.31	18.83			
AUTO VIACA ALMEIDA E FILHOS	FULL	100.00	74.16	PROP	50.00	34.81
AUTO VIACA AVEIRENSE	FULL	100.00	74.16	PROP	50.00	34.81
CAIMA	FULL	100.00	74.41	PROP	50.00	34.81
CALCADA	FULL	100.00	74.41	PROP	50.00	34.81
CHARLINE	FULL	100.00	74.41	PROP	50.00	34.81
MINHOS BUS (formerly DOMINGOS)	FULL	100.00	74.41	PROP	50.00	34.81
EMPRESA AUTOMOBILISTICA DE VIACAO E TURISMO	FULL	100.00	74.41	PROP	50.00	34.81
EMPRESA DE TRANSPORTES ANTONIO CUNHA	FULL	100.00	74.41	PROP	50.00	34.81
EMPRESA DE VIACAO BEIRA DOURO	FULL	100.00	74.41	PROP	50.00	34.81
HOLDING JOALTO TRANSDEV, SGPS	FULL	100.00	74.41	PROP	50.00	34.81
TRANSPORTES INTERNACIONAIS RODOVIARIOS DO NORTE	FULL	100.00	37.48			
INTERCENTRO - TRANSPORTES RODOVIARIOS DO CENTRO	FULL	100.00	32.63			
INTERSUL - TRANSPORTES RODOVIARIOS DO SUL	FULL	100.00	31.13			
INTERGALIZA - PARTICIPACOES E TRANSPORTES	PROP	50.00	17.39			
JOALGEST, PRESTACAO DE SERVICOS, GESTAO E PARTICIPACOES				PROP	50.00	34.81
JOALTO PARTICIPACOES, SGPS				PROP	50.00	34.81
JOALTO, RODOVIARIA DAS BEIRAS	FULL	100.00	74.41	PROP	50.00	34.81
JOAQUIM GUEDES, FILHO E GENROS	FULL	100.00	74.16	PROP	50.00	34.81

GROUPS/COMPANIES	31 December 2009			31 December 2008		
	Method	% control	% interest	Method	% control	% interest
JOSE RODRIGUES FONTES E LOURENCO SILVA GRANJA	FULL	100.00	74.16	PROP	50.00	34.81
JOSE VIEIRA PINTO. MENDES. PAIVA E CORREIA	FULL	100.00	74.16	PROP	50.00	34.81
RODOVIARIA D' ENTRE DOURO E MINHO (REDM)	FULL	100.00	74.41	PROP	50.00	34.81
RODOVIARIA DA BEIRA INTERIOR	FULL	100.00	74.16	PROP	50.00	34.81
RODOVIARIA DA BEIRA LITORAL (RBL)	FULL	100.00	74.41	PROP	50.00	34.81
RODOVIARIA DO TEJO	EQUITY	25.31	18.83			
S2M	FULL	100.00	44.65	FULL	100.00	41.77
SOARES OLIVEIRA	FULL	100.00	74.16	PROP	50.00	34.81
SOCIEDADE DE TRANSPORTES DO CARAMULO	FULL	100.00	74.41	PROP	50.00	34.81
TRANSCOVILHA - EMPRESA DE TRANSPORTES URBANOS DA COVILHA	FULL	100.00	37.20	PROP	50.00	34.81
TRANSCOVIZELA. TRANSPORTES PUBLICOS	FULL	100.00	74.41	PROP	50.00	34.81
TRANSDEV MOBILIDADE (formerly TMP)	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV PARTICIPACOES SGPS (ex TPT-SGPS)	FULL	100.00	74.41	FULL	100.00	69.62
TRANSDEV PORTUGAL TRANSPORTES	FULL	100.00	74.41	FULL	100.00	69.62
TRANSPORTES RODOVARIOS POTUGUESES DO NORTE	FULL	100.00	74.41			
UNIDADE MECANICA JOALTO	FULL	100.00	74.32	PROP	50.00	34.81
VIUVA CARNEIRO E FILHOS	FULL	100.00	74.41	PROP	50.00	34.81
<b>Eastern Europe</b>						
TOURING CROATIA	FULL	100.00	16.56			
TOURING BOHEMIA	FULL	100.00	16.56			
TOURING POLSKA	FULL	100.00	16.56			
TOURING SERBIA	EQUITY	100.00	15.43			
EUROLINES POLSKA	FULL	100.00	16.56			
BOSNIA TOURS	FULL	100.00	16.56			
TOURING SCANDINAVIA	FULL	100.00	16.56			
KOSMET TOURS INTERNACIONAL	FULL	100.00	16.56			
<b>Compagnie des Alpes Group</b>						
<b>COMPAGNIE DES AIPES SA</b>	<b>FULL</b>	<b>100.00</b>	<b>39.61</b>	<b>FULL</b>	<b>100.00</b>	<b>39.14</b>
COMPAGNIE DES ALPES FINANCEMENT SNC	FULL	100.00	39.61	FULL	100.00	39.14
<b>SKI RESORTS</b>						
CDA DS SAS	FULL	100.00	39.61	FULL	100.00	39.14

GROUPS/COMPANIES	31 December 2009			31 December 2008		
	Method	% control	% interest	Method	% control	% interest
CDA SKI DIFFUSION SAS	FULL	100.00	39.61	FULL	100.00	39.14
CIEL SAS	FULL	100.00	39.61	FULL	100.00	39.14
CMBF (COURMAYEUR MT BLANC) SPA (Italy)	EQUITY	29.81	15.41	EQUITY	29.81	11.67
DOMAINE SKIABLE DE FLAINE (DSF) SA	FULL	100.00	32.07	FULL	100.00	31.69
DOMAINE SKIABLE DE LA ROSIÈRE SAS (DSR)	EQUITY	20.00	7.92	EQUITY	20.00	7.83
DOMAINE SKIABLE DE VALMOREL SAS (DSV)	EQUITY	20.00	7.92	EQUITY	20.00	7.83
DOMAINE SKIABLE DU GIFFRE (DSG) SA	FULL	100.00	32.06	FULL	100.00	31.68
GROUPE COMPAGNIE DU MONT-BLANC SA	EQUITY	33.47	13.26	EQUITY	33.47	13.10
MERIBEL ALPINA SNC	FULL	100.00	39.61	FULL	100.00	39.14
MONTAVAL SAS	FULL	100.00	39.61	FULL	100.00	39.14
SAAS - FEE BERGBAHNEN AG (Switzerland)	FULL	100.00	16.49	FULL	100.00	16.30
SELALP SAS				FULL	100.00	39.14
SERRE CHEVALIER 1350 SAS				FULL	100.00	39.14
SERRE CHEVALIER VALLEY	FULL	100.00	39.61	FULL	100.00	39.14
SOCIETE DES MONTAGNES DE L'ARC SA (SMA)	FULL	100.00	38.48	FULL	100.00	38.01
STÉ AMÉNAGEMENT ARVES GIFFRE SA (SAG)	FULL	100.00	32.06	FULL	100.00	31.68
STÉ AMÉNAGEMENT LA PLAGNE SA (SAP)	FULL	100.00	38.84	FULL	100.00	38.28
STE CONSTRUCTION IMMOBILIERE VALLEE DE BELLEVILLE SCI (SCIVABEL)	FULL	100.00	32.34	FULL	100.00	31.95
STE EXPLOIT RM MORZINE AVORIAZ SAS (SERMA)	EQUITY	20.00	7.92	EQUITY	20.00	7.83
STE EXPLOITATION VALLEE DE BELLEVILLE SAS (SEVABEL)	FULL	100.00	32.33	FULL	100.00	31.95
STE TELEPHERIQUES DE LA GRANDE MOTTE SA (STGM)	FULL	100.00	30.81	FULL	100.00	30.44
STE TELEPHERIQUES DE L'AIGUILLE GRIVE SAS (STAG)	FULL	100.00	38.48	FULL	100.00	38.01
STE TELEPHERIQUES DE VAL D'ISERE SAS (STVI)	FULL	100.00	39.61	FULL	100.00	39.14
SWISSALP SA (Switzerland)	FULL	100.00	39.61	FULL	100.00	39.14
SWISSALP SERVICES SA (Switzerland)	FULL	100.00	39.61	FULL	100.00	39.14
TÉLÉVERBIER SA (Switzerland)				EQUITY	20.30	7.94
VALBUS SAS	FULL	100.00	39.61	FULL	100.00	39.14
<b>AMUSEMENT PARKS</b>						
AQUARIUM GÉANT DE SAINT-MALO SNC	FULL	100.00	39.61	FULL	100.00	39.14
AVENIR LAND SAS	FULL	100.00	39.61	FULL	100.00	39.14
BAGATELLE SAS	FULL	100.00	39.61	FULL	100.00	39.14

GROUPS/COMPANIES	31 December 2009			31 December 2008		
	Method	% control	% interest	Method	% control	% interest
BELPARK BV (Belgium)	FULL	100.00	39.61	FULL	100.00	39.14
BICI ENTERTAINMENT SA (Switzerland)	FULL	100.00	39.61	FULL	100.00	39.14
BOIS DE BAGATELLE SCI	FULL	100.00	39.61	FULL	100.00	39.14
CENTRES ATTRACTIFS JEAN RICHARD SAS -LA MER DE SABLE SAS	FULL	100.00	39.61	FULL	100.00	39.14
COFILO SAS	FULL	100.00	39.61	FULL	100.00	39.14
DOLFINARIUM HARDEWIJK BV (Netherlands)	FULL	100.00	39.61	FULL	100.00	39.14
ECOBIOGESTION SAS	FULL	100.00	39.61	FULL	100.00	40.97
ECOPARCS SA (9)	EQUITY	51.02	35.27	EQUITY	51.02	35.15
FRANCE MINIATURE SAS	FULL	100.00	39.61	FULL	100.00	39.14
GREVIN & CIE SA	FULL	100.00	39.61	FULL	100.00	39.14
GREVIN & CIE TOURAINE SNC	FULL	100.00	39.61	FULL	100.00	39.14
GRÉVIN AVONTURENPARK BV (Netherlands)	FULL	100.00	39.61	FULL	100.00	39.14
GRÉVIN DEUTSCHLAND GMBH (Germany)	FULL	100.00	39.61	FULL	100.00	39.14
HARDERWIJK HELLEDOORN HOLDING BV (Netherlands)	FULL	100.00	39.61	FULL	100.00	39.14
IMMOFLOR NV (Belgium)	FULL	100.00	39.61	FULL	100.00	39.14
LES PRODUCTIONS DU PARC SAS	FULL	100.00	39.61	FULL	100.00	39.14
MUSÉE GRÉVIN SA	FULL	100.00	37.98	FULL	100.00	37.53
P2P WEB SAS	FULL	100.00	39.61	FULL	100.00	39.14
PARC AGEN SAS	FULL	100.00	39.61	FULL	100.00	39.14
PARC DE LOISIRS DE BAGATELLE SCI	FULL	100.00	39.61	FULL	100.00	39.14
PLEASUREWOOD HILLS LTD (United Kingdom)	FULL	100.00	39.61	FULL	100.00	39.14
PREMIER FINANCIAL SERVICES BV (Belgium)	FULL	100.00	39.61	FULL	100.00	39.14
SAFARI AFRICAÏN DE PORT SAINT-PERE SA	FULL	100.00	39.61	FULL	100.00	39.14
SOCIETE DE MISE EN VALEUR DU PATRIMOINE SAS				FULL	100.00	68.96
WALIBI WORLD BV (Netherlands)	FULL	100.00	39.61	FULL	100.00	39.14
<b>EGIS Group</b>						
EGIS SA	FULL	100.00	100.00	FULL	100.00	100.00
<b>FRANCE</b>						
A.C.I.				FULL	100.00	99.96
ACOUSTB	FULL	100.00	59.41	FULL	100.00	59.41
AIRPORT AERONAUTICAL EQUIPMENT	PROP	45.00	45.00	PROP	45.00	45.00
ATELIER VILLES ET PAYSAGES	FULL	100.00	100.00	FULL	100.00	99.99

GROUPS/COMPANIES	31 December 2009			31 December 2008		
	Method	% control	% interest	Method	% control	% interest
BETEREM INFRASTRUCTURE	FULL	100.00	100.00	FULL	100.00	100.00
BETURE INFRASTRUCTURE	FULL	100.00	100.00	FULL	100.00	100.00
EGIS AMÉNAGEMENT	FULL	100.00	100.00	FULL	100.00	99.99
EGIS AVIA	FULL	100.00	100.00	FULL	100.00	100.00
EGIS BCEOM INTERNATIONAL	FULL	100.00	100.00	FULL	100.00	99.99
EGIS BDPA	FULL	100.00	100.00	FULL	100.00	100.00
EGIS CONSEIL	FULL	100.00	100.00	FULL	100.00	100.00
EGIS EAU	FULL	100.00	100.00	FULL	100.00	100.00
EGIS INGÉNIERIE	FULL	100.00	100.00	FULL	100.00	100.00
EGIS ENGINEERING	FULL	100.00	100.00			
EGIS MOBILITÉ	FULL	100.00	100.00	FULL	100.00	100.00
EGIS PROJECTS	FULL	100.00	100.00	FULL	100.00	100.00
EGIS RAIL	FULL	100.00	86.04	FULL	100.00	86.04
EGIS ROAD OPERATION SA	FULL	100.00	100.00	FULL	100.00	100.00
EGIS ROUTE	FULL	100.00	100.00	FULL	100.00	100.00
EGIS STRUCTURE ET ENVIRONNEMENT	FULL	100.00	100.00	FULL	100.00	100.00
EST INFRA INGÉNIERIE				FULL	100.00	100.00
IOSIS	EQUITY	34.00	34.00			
JEAN MULLER INTERNATIONAL	FULL	100.00	99.99	FULL	100.00	99.99
MFI SAS	EQUITY	33.34	33.34	EQUITY	33.34	33.34
MUTATIONS	FULL	100.00	69.98	FULL	100.00	70.00
OUEST INFRA				FULL	100.00	100.00
PARK + PARKINGS SECURISES POIDS LOURDS	PROP	40.00	40.00	PROP	40.00	40.00
ROUTALIS SAS	FULL	100.00	70.00	FULL	100.00	70.00
SATEC	FULL	100.00	100.00	FULL	100.00	99.98
SEGAP SA	EQUITY	50.00	50.00	EQUITY	50.00	50.00
SEP A88	PROP	70.00	70.00	PROP	70.00	70.00
SERALP INFRASTRUCTURE				FULL	100.00	99.99
SINTRA	FULL	100.00	86.04			
SLI	FULL	100.00	100.00	FULL	100.00	100.00
SOCIÉTÉ DU MÉTRO DE MARSEILLE	FULL	100.00	86.04	FULL	100.00	86.04
SOCIÉTÉ NOUVELLE INGEROUTE	FULL	100.00	99.99	FULL	100.00	99.99
SOFREAVIA - SERVICE SA	FULL	100.00	99.97	FULL	100.00	99.97

GROUPS/COMPANIES	31 December 2009			31 December 2008		
	Method	% control	% interest	Method	% control	% interest
SUD OUEST INFRA				FULL	100.00	99.98
URBANISME ET ACOUSTIQUE	FULL	100.00	99.98	FULL	100.00	99.99
<b>INTERNATIONAL</b>						
ARGE PPP FOE (Austria)	PROP	40.00	40.00	PROP	40.00	40.00
ATTIKES DIADROMES LTD (Greece)	EQUITY	20.00	20.00	EQUITY	20.00	20.00
AUTOBAHN + A8 GMBH (Germany)	EQUITY	19.00	19.00	EQUITY	19.00	19.00
AUTOBAHN + SERVICES (Germany)	PROP	56.00	56.00	PROP	56.00	56.00
AUTOSTRADA EXPLO EKSPLOATACJA (AESA) (Poland)	PROP	34.71	34.71	PROP	45.00	45.00
BIPROGEO-PROJEKT (Poland)	FULL	100.00	100.00			
BHEGIS (Australia)	PROP	50.00	50.00	PROP	50.00	50.00
BONAVENTURA STRASSENERHALTUNG GMBH (Austria)	PROP	50.00	50.00	PROP	50.00	50.00
CAOG (Cyprus)	PROP	36.00	36.00	PROP	36.00	36.00
CEL TRAK (Ireland)	EQUITY	22.22	22.22	EQUITY	22.22	22.22
CGM PROJEKT (Poland)	FULL	100.00	100.00			
EASYTRIP SERVICES CORPORATION (Philippines)	FULL	100.00	100.00	FULL	100.00	100.00
EASYTRIP SERVICES IRELAND LTD (Ireland)	PROP	50.00	50.00	PROP	50.00	50.00
EAZY PASS LTD (Ireland)	PROP	50.00	50.00	PROP	50.00	50.00
EGIS ALGERIE (Algeria)	FULL	100.00	100.00			
EGIS BULGARIE (Bulgaria)	FULL	100.00	100.00			
EGIS CAMEROUN (Cameroon)	FULL	100.00	99.93	FULL	100.00	99.93
EGIS EYSER (Spain)	FULL	100.00	100.00	FULL	100.00	100.00
EGIS INDIA (India)	FULL	100.00	100.00	FULL	100.00	99.99
EGIS INVESTMENT PARTNERS (Luxembourg)	FULL	100.00	100.00	FULL	100.00	100.00
EGIS INVESTMENT SARL (Luxembourg)	FULL	100.00	100.00	FULL	100.00	100.00
EGIS MOBILITÉ UK (United Kingdom)	FULL	100.00	100.00	FULL	100.00	100.00
EGIS POLAND (Poland)	FULL	100.00	100.00	FULL	100.00	100.00
EGIS PROJECTS ASIA PACIFIC (Australia)	FULL	100.00	100.00	FULL	100.00	100.00
EGIS PROJECTS PHILIPPINES (Philippines)	FULL	100.00	100.00	FULL	100.00	100.00
EGIS PROJECTS IRELAND (Ireland)	FULL	100.00	100.00	FULL	100.00	100.00
EGIS RAIL ISRAËL (Israel)	FULL	100.00	86.04	FULL	100.00	86.04
EGIS ROAD OPERATION CROATIA (Croatia)	FULL	100.00	100.00	FULL	100.00	100.00
EGIS ROAD OPERATION PHILIPPINES (Philippines)	FULL	100.00	100.00	FULL	100.00	100.00
EGIS ROAD OPERATION UK (United Kingdom)	FULL	100.00	100.00			

GROUPS/COMPANIES	31 December 2009			31 December 2008		
	Method	% control	% interest	Method	% control	% interest
EGIS ROMANIA (Romania)	FULL	100.00	100.00	FULL	100.00	100.00
EP INFRASTRUKTURPROJEKTENTWICKLUNG (Austria)	FULL	100.00	100.00	FULL	100.00	100.00
EP POLSKA (Poland)	FULL	100.00	100.00	FULL	100.00	100.00
HERMES AIRPORTS LTD (Cyprus)	EQUITY	20.00	20.00	EQUITY	20.00	20.00
ISIS BELGIQUE (Belgium)	FULL	100.00	100.00	FULL	100.00	100.00
ITS ROAD SERVICES LTD (Ireland)	PROP	49.50	49.50	PROP	49.50	49.50
JMI PACIFIC (Thailand)	FULL	100.00	100.00			
M6 TOLNA EXPLOITATION HONGRIE (Hungary)	PROP	52.00	52.00			
OPERSCUT (Portugal)	FULL	100.00	70.00	FULL	100.00	70.00
SEMALY IRELAND (Ireland)	FULL	100.00	86.04	FULL	100.00	86.04
SEMALY PORTUGAL (Portugal)	FULL	100.00	86.04	FULL	100.00	86.04
SEMALY SINGAPOUR (Singapore)	FULL	100.00	86.04	FULL	100.00	86.04
SEMALY UK (United Kingdom)	FULL	100.00	86.04	FULL	100.00	86.04
STALEXPORT TRANSROUTE (Poland)	PROP	45.00	45.00	PROP	45.00	45.00
TMC (Philippines)	PROP	34.00	34.00	PROP	34.00	34.00
TRANSLINK INVESTMENT (Australia)	PROP	50.00	50.00	PROP	50.00	50.00
TRANSROUTE AUSTRALIA (Australia)	FULL	100.00	100.00	FULL	100.00	100.00
TRANSROUTE INTERNATIONAL CANADA (Canada)	FULL	100.00	100.00	FULL	100.00	100.00
TRANSROUTE TUNNEL OPERATIONS LTD (Ireland)	FULL	100.00	100.00	FULL	100.00	100.00
TRANSROUTE UK (United Kingdom)	FULL	100.00	100.00	FULL	100.00	100.00
<b>Santoline Group</b>						
SANTOLINE GROUP	EQUITY	39.87	39.87	EQUITY	39.87	39.87

(1) Bac Participations: all of its assets and liabilities were transferred to Caisse des Dépôts on 29 November 2009.

(2) Entities that formed part of the in-kind contribution to the Strategic Investment Fund on 15 July 2009.

(3) HIME: also 33%-owned by the Sèche Environnement group.

(4) All of its assets and liabilities were transferred to Caisse des Dépôts on 12 March 2009.

(5) CNP Assurances: 40% interest before adjustment for CNP treasury stock.

(6) Icade SA: 58.62% interest before adjustment for Icade treasury stock.

(7) SAS Paris Nord Est is 50%-owned by Caisse des Dépôts and 30%-owned by Icade Foncier Développement.

(8) SCI des Régions: percent interest calculated by taking into account 50/50 co-ownership with Caisse des Dépôts.

(9) ECOPARCS SA is also 24.94%-owned by Caisse des Dépôts.

Consolidation methods - FULL: full consolidation - PROP: proportional consolidation - EQUITY: equity method.

# Statutory Auditors' report on the consolidated financial statements

## Year ended 31 December 2009

*This is a free translation into English of the Statutory Auditor's report issued in French and is provided solely for the convenience of English speaking readers. The Statutory Auditor's report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the Auditor's assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the Shareholders,

In compliance with the assignment entrusted to us, we hereby report to you, for the year ended 31 December 2009, on:

- the audit of the accompanying consolidated financial statements of Caisse des dépôts et consignations;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Chief Executive Officer. Our role is to express an opinion on these consolidated financial statements based on our audit.

### I - Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group at 31 December 2009 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

### II - Justification of our assessments

The estimates made during the preparation of the financial statements for the year ended 31 December 2009 were performed against the backdrop of the economic and financial crisis which began in 2008. These circumstances are described in section I "Basis of preparation of the financial statements" of Note 2 "Summary of significant accounting policies" to the consolidated financial statements. Consequently, in accordance with the requirements of article L.823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

#### ■ Accounting estimates

- > Impairment of investments in associates, goodwill and indefinite-lived intangible assets.

Caisse des Dépôts Group tests investments in associates, goodwill and indefinite-lived intangible assets for impairment. These tests are performed as described in sections III.2 and III.8 of Note 2 "Summary of significant accounting policies" to the consolidated financial statements. These impairment tests resulted in the recognition of impairments losses (Notes 20 and 22).

We have assessed the Group's impairment testing procedures as well as the related assumptions.

- > Insurance business

Certain technical items specific to the insurance business carried on both the asset and liability sides of the balance sheet, notably technical reserves and the deferred participation reserve are estimated based on statistical and actuarial considerations, as set out in section III.13 of Note 2 "Summary of significant accounting policies" and Note 27 to the consolidated financial statements.

We have assessed the methods applied and the consistency of the assumptions used.

> Impairment of available-for-sale financial assets

As set out in section III.1.2 of Note 2 “Summary of significant accounting policies” and Notes 4 and 13 to the consolidated financial statements, the Group recognises impairment losses on available-for-sale financial assets:

- for equity instruments when there is objective evidence of a significant or prolonged decline in the fair value of the investment;
- for debt securities when there is a proven counterparty risk.

We have assessed the processes used for identifying indications of impairment, measuring the most material portfolios, and estimating impairment losses recognised to bring carrying amounts back into line with fair value.

■ **Accounting policies – Contribution of securities to the Strategic Investment Fund**

As indicated in the first paragraph of Note 1 “Significant events” to the consolidated financial statements, Caisse des dépôts et consignations contributed assets – as listed in the asset contribution agreement entered into with the French State on

5 July 2009 – to the Strategic Investment Fund. We verified that the accounting treatment of the asset contributions in the consolidated financial statements was appropriate.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

**III - Specific verification**

As required by law and in accordance with professional standards applicable in France, we have also verified the information presented in the Group’s management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Courbevoie, 22 April 2010

The Statutory Auditors

PricewaterhouseCoopers Audit

Mazars

Catherine Pariset

Bruno Tesnière

Guillaume Potel

Denis Grison

Caisse des Dépôts' business review and corporate social responsibility report, as well as the financial statements and the savings funds report, are all available on the corporate website at [www.caissedesdepots.fr](http://www.caissedesdepots.fr)

The annual report may be obtained on request from Caisse des Dépôts' Corporate Communications Department at the following address:

**Caisse des Dépôts**  
**Corporate Communications Department**  
**56, rue de Lille**  
**75356 Paris 07 SP**  
**France**

## Published by

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## Note to the reader

The French version of the 2009 financial report includes the audited consolidated financial statements of Caisse des Dépôts Group, the audited financial statements of Caisse des Dépôts Central Sector, and the audited financial statements of the savings funds centralised by Caisse des Dépôts. The English version of the report includes solely the audited consolidated financial statements of Caisse des Dépôts Group.

The detailed financial statements for the subsidiaries and for other organisations and establishments managed by Caisse des Dépôts are not presented in this report, but in specific reports prepared by those entities.

## Paper

The paper used in this report is FSC-certified (Forest Stewardship Council). The FSC Logo indicates that the wood used to make the paper for the report comes from a forest which is well managed according to strict environmental, social and economic standards.



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