



Press release

The Banque Populaire Group has completed the acquisition of FONCIA, confirming its strategy of expansion in the residential property services sector

- ***The Banque Populaire Group has acquired a 60.93% stake in FONCIA for a price of €40 per share cum dividend***
- ***In accordance with applicable regulations, the Group has filed a standing market offer (garantie de cours) with the Autorité des Marchés Financiers for the remaining FONCIA for the same price per share as the acquisition price.***

Paris, April 3, 2007 – Pursuant to the agreement entered into with Jacky Lorenzetti and the family-owned holding company SEIP on January 13, 2007, the Banque Populaire Group has acquired a 60.93% stake in FONCIA, the leader in residential real estate management services in France.

In accordance with the terms of this agreement, the sale of the controlling interest of Jacky Lorenzetti and the SEIP was subject to certain conditions precedent, primarily the authorization from the relevant merger control authorities. Such authorizations were obtained from the German and French authorities on March 2 and March 26 respectively.

FONCIA's Supervisory Board has been reorganized to reflect the company's new shareholding structure. Bruno Mettling, Deputy Chief Executive Officer of Banque Fédérale des Banques Populaires, has been appointed Chairman of the Supervisory Board.

In accordance with applicable stock market regulations, Banque Fédérale des Banques Populaires has filed a standing market offer (*garantie de cours*) with the AMF for the FONCIA shares it does not own for the same price as the acquisition price of the controlling interest, i.e. €40 per share cum dividend. A tender offer prospectus (*note d'information*) setting forth the terms of the offer is available on the AMF website and the Banque Populaire Group website, as well as at the head office of Banque Fédérale des Banques Populaires.

Jacky Lorenzetti will continue to hold around 7% of the company's share capital and continue to run FONCIA as Chairman of the Board. Mr Lorenzetti and the Banque Populaire Group have entered into a shareholders' agreement setting forth the terms and the conditions of FONCIA's governance and of the transfer of Mr Lorenzetti's shares, which cannot take place before 2010. Mr Lorenzetti has undertaken in this respect no to tender his shares in the offer.

Philippe Dupont comments: "*The merger with FONCIA has progressed entirely on schedule. It is fully in line with the Banque Populaire Group's expansion strategy. Staff are already working together to achieve all of the anticipated synergies from this project, which will create value for both groups. The Banque Populaire Group will support FONCIA's growth, particularly outside France, where it has already established its presence.*"

The Banque Populaire Group is being advised by ABN AMRO and Bredin Prat. FONCIA's advisors are BNP Paribas and Jeantet Associés.

Composition of FONCIA's Supervisory Board

Supervisory Board Chairman: Bruno Mettling, Deputy Chief Executive Officer of Banque Fédérale des Banques Populaires

Supervisory Board members:

Banque Fédérale des Banques Populaires, represented by Pierre Desvergnès;
Armand Burfin, independent member;
Thierry Cahn, Chairman of Banque Populaire d'Alsace;
Jean-François Comas, Chief Executive Officer of Banque Populaire Côte d'Azur;
François-Xavier de Fornel, Chief Executive Officer of Banque Populaire Provençale et Corse;
Claude Cordel, Chairman of Banque Populaire du Sud;
Henri Moulard, independent member;
Yvan de La Porte du Theil, Chief Executive Officer of Banque Populaire Val de France;
Jacques Raynaud, Chairman of Banque Populaire Centre Atlantique.

About the Banque Populaire Group:

The Banque Populaire Group is a powerful group of cooperative banks, operating in all areas of retail banking with a network of 20 Banque Populaire regional banks. With 7 million customers and over 2,850 branches, it has one of the largest banking networks in France. It is also a key player in corporate and investment banking and services via Natixis, a listed company of which it owns 34.5%.

In 2006, the Banque Populaire Group generated net banking income of €8 billion and net income (Group share) of €1.7 billion. Its regulatory capital totaled €20.4 billion at December 31, 2006.

About Foncia:

FONCIA is France's leading provider of residential property management services. The FONCIA brand combines the proximity of a local network with the efficiency of a national group, and is now number one in property management and sales. Rental manager, joint property manager, letting agent and agent for the purchase and sale of property, FONCIA specializes in the management of Real Estate Investment Trusts (REIT) and corporate real estate advisory services.

FONCIA has a broad geographical presence in France with a network consisting of 116 property firms grouped into nearly 300 agencies, with 5,500 employees. In 2006, FONCIA generated net income of €41 million and turnover of €431 million, divided between France (92%) and its European network (8% in Switzerland, Germany and Belgium).

FONCIA has been listed on Euronext Paris (compartment A) since April 2001.

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