

Press Release

Success of the inaugural issue from BPCE SFH

Paris, May 4, 2011

The inaugural issue from BPCE SFH has proved to be an outstanding success. It is the first benchmark issue launched on the euro market by a housing finance company. Investor demand largely outstripped the size of the issue. The 3.70% yield offered to investors represents a tight spread in the covered bond asset class.

The financial markets gave a warm reception to the inaugural issue from BPCE SFH (the new housing finance company set up by Groupe BPCE) that was completed yesterday. It was the first benchmark housing finance bond to be launched on the euro market.

Managed by a consortium of 5 bookrunners, including Natixis (a BPCE subsidiary whose core business lines are Corporate & Investment Banking, Investment Solutions and Specialized Financial Services), which assumed sole responsibility for structuring the operation, this 5-year issue rapidly attracted an extremely large number of orders of more than 2 billion euros in less than one hour. This strong demand made it possible to tighten the spread to a level very close to the spreads enjoyed by mortgage banks and consequently tighter than the spreads of previous contractual covered bond issues.

The final order book reached a total of approximately 3.6 billion euros with 136 extremely high quality investors, the majority holding medium-/long-term positions, with central banks ranking prominently among them. The outstanding geographical diversification should also be emphasized (Scandinavian countries 29%, France 25%, Germany and Austria 22%, the United Kingdom 8%, Benelux 5%, Asia 4.5%). The order book is the largest obtained so far in 2011 by a French issuer of covered bonds. This made it possible to issue 2 billion euros with a spread of 63 basis points over the 5-year mid-swap rate, thereby offering investors a yield of 3.70%.

Groupe BPCE will now be present on the covered bond market via BPCE SFH, the group's issuer of housing finance bonds, and Compagnie de Financement Foncier, the group's issuer of mortgage bonds (obligations foncières).

About Groupe BPCE:

Groupe BPCE, the 2nd-largest banking group in France, includes two independent and complementary commercial banking networks: the network of 20 Banque Populaire banks and the network of 17 Caisses d'Epargne. It also works through Crédit Foncier de France in the area of real estate financing. It is a major player in corporate & investment banking, asset management and financial services with Natixis. Groupe BPCE serves more than 36 million customers and enjoys a strong presence in France with 8,000 branches, 125,000 employees and more than 8 million cooperative shareholders.

BPCE press contacts

Terence de Cruz: 33 (0)1 40 39 64 30
Sonia Dilouya: 33 (0)1 58 40 58 57

Email: presse@bpce.fr
www.bpce.fr

BPCE investor relations

Roland Charbonnel: 33 (0)1 58 40 69 30

Email: investor.relations@bpce.fr



ANNEXE

Exceptional quality of the books:

- 136 orders out of which 8 were equal to or above €100m and 21 between €50m and €100m
- 90% of real money accounts
- Strong participation of French investors: 25%
- Strong geographical diversification: Scandies 29%, Germany & Austria 22%, United Kingdom 8%, Benelux 5%, Asia 4.5%, Southern Europe 3%
- Well balanced placement between big institutional investors and small / retail accounts

