

**First update to the 2017 Registration Document
filed with the Autorité des marchés financiers (AMF)
on May 31, 2018**

The 2017 Registration Document was registered with the AMF on March 28, 2018
Under the number D.18-0197



Only the French version of the update to the Registration Document has been submitted to the AMF. It is therefore the only version legally binding.

This update to the Registration Document was filed with the AMF on May 31, 2018, in accordance with Article 212-13 of its general regulations. It may be used in support of a financial transaction only if supplemented by a Transaction Note that has received approval from the AMF. This document was prepared by the issuer and its signatories are responsible for its contents.

The English version of this report is a free translation from the original which was prepared in French. All possible care has been taken to ensure that the translation is an accurate presentation of the original. However, in matters of interpretation, views or opinion expressed in the original language version of the document in French take precedence over the translation.

Contents

1. Press release	3
1.1 Press release on April 26, 2018	3
1.2 Press release on May 17, 2018.....	5
2. Update to Chapter 2 - Report on corporate governance	6
2.1 New composition of the Management Board.....	6
2.2 New composition of the Supervisory Board	7
2.3 Information on gender equality within the Supervisory Board	10
3. Update to chapter 3 - Risk report and Pillar III	11
3.1 Regulatory capital and prudential ratios	11
3.2 Indicator data for global systemically important banks (G-SIBs).....	13
3.3 Liquidity	14
3.4 Credit risk and counterparty risk	14
3.5 Non-performing loans and impairment	15
4. Update to chapter 4 - First quarter of 2018 activities and financial information	16
4.1 Results press release on May 17, 2018.....	16
4.2 Analysts presentation	31
5. Update of the chapter 5 Financial report.....	64
5.1 Condensed consolidated balance sheet.....	65
5.2 Condensed consolidated income statement.....	66
5.3 Statement of changes in equity	67
5.4 Note: Procedures for drawing up the condensed consolidated financial statements of Groupe BPCE as at March 31, 2018	68
6. Statutory Auditors	85
6.1 Statutory Auditors	85
7. Update to Chapter 7 Legal Information.....	87
7.1 BPCE Combined General Meeting of May 25, 2018	87
7.2 Statutory Auditors' supplementary special report on related-party agreements and commitments	110
8. Additional information	118
8.1 Documents on display	118
9. Person responsible for the update to the Registration Document	119
9.1 Statement by the person responsible	119
10. Cross-reference table	120

1. Press release

1.1 Press release on April 26, 2018

Laurent Mignon appointed Chairman of the Groupe BPCE Management Board

Paris, April 26, 2018

During its meeting today under the Chairmanship of Michel Grass, the Groupe BPCE Supervisory Board decided unanimously and in line with the opinion rendered by the Appointments Committee, to designate Laurent Mignon as Chairman of the Groupe BPCE Management Board as a replacement for François Pérol as from June 1, 2018.

Prior to the decision, François Pérol had informed the Supervisory Board of his intention to pursue other professional projects, after having devoted almost 10 years to the creation, development and growth of Groupe BPCE, and considering that all factors were in place to permit a smooth transition at the head of the Group.

The Supervisory Board wished to pay tribute to François Pérol for his exceptional engagement since 2009 and the services rendered to the Group, its cooperative shareholders and clients, and all its staff. Under his impetus and authority, BPCE managed to overcome the 2008-2009 crisis, such that the Group now ranks as the second-largest banking and insurance group in France and one of the top 10 in Europe, while posting a high level of solvency and solid profitability.

Michel Grass, Chairman of the Groupe BPCE Supervisory Board, declared: *"I am very pleased that the succession at the head of our Group is to take place in such an exemplary fashion, in the interests of the 9 million cooperative shareholders of the Banques Populaires and Caisses d'Épargne, and of our 31 million clients and 106,500 staff. Without the determination and engagement shown by François Pérol for almost the last 10 years, our Group would not be what it is today. Along with all the members of the Supervisory Board, I would like to pay him the tribute he deserves. I am sure that Laurent Mignon, who has successfully transformed Natixis, knows our Group perfectly well and is acknowledged by all for his professionalism, will be able to build on the work accomplished so far and ensure the Group and its constituent companies continue to expand in the future".*

François Pérol, Chairman of the Groupe BPCE Management Board, declared: *"I took the emotional decision to leave Groupe BPCE after taking over the managerial reins in the depths of the financial crisis in 2009 and contributing everything within my power to its creation and subsequent growth. I would like to express my deep and sincere gratitude to our Group's 106,500 staff. I have been proud to be at their sides and wish them the greatest success for the future. I was able to take this decision today because I am convinced that the Group remains solid, bold and true to its values. I am also certain that Laurent Mignon possesses all the human and professional qualities needed to build on the existing momentum".*

Laurent Mignon, Natixis Chief Executive Officer, declared: *“I would like to thank the Supervisory Board for the trust and confidence placed in me. I am well aware of the responsibility I am assuming by succeeding François Pérol and taking over the helm of the second-largest banking and insurance group in France. After devoting close to 10 years to turning round and then developing Natixis, I am keen to ensure the Group continues to make progress in all its business lines, and eager to develop all our brands - the foremost of which are the Banques Populaires and Caisses d’Epargne - and to lead our teams and ensure they work cohesively for the benefit of our 31 million clients”.*

Biography of Laurent Mignon, Natixis Chief Executive Officer

Laurent Mignon, 54, has been Natixis Chief Executive Officer since May 2009. He has been a member of Groupe BPCE’s General Management Committee since 2009 and a member of its Management Board since 2013. Laurent Mignon is Chairman of Coface and Natixis Investment Managers, and lead director of PJ Solomon in New York. He also sits on the board of Arkema.

After graduating from HEC in 1986 and the Stanford Executive Program, Laurent Mignon worked for Banque Indosuez for over 10 years, initially in capital markets, then in corporate & investment banking. In 1996, he joined Banque Schroders in London, then AGF (Assurances Générales de France) in 1997 as Chief Financial Officer. He was appointed to the AGF Executive Committee in 1998, then as Deputy Chief Executive Officer in charge of Banque AGF, AGF Asset Management and AGF Immobilier in 2002, then Chief Operating Officer in charge of life insurance & financial services and credit insurance in 2003. In 2006, he was appointed Chief Executive Officer and Chairman of the Executive Committee. From 2007 to 2009, he was managing partner at Oddo & Cie.

1.2 Press release on May 17, 2018

Appointment of Nicolas Namias as Management Board member, in charge of finance, strategy and legal affairs, Supervisory Board secretary of Groupe BPCE

Paris, May 17, 2018

Groupe BPCE's Supervisory Board today approved the appointment of Nicolas Namias – currently Chief Financial Officer of Natixis – as Management Board member of Groupe BPCE, in charge of finance, strategy and legal affairs, Supervisory Board secretary.

Nicolas Namias will assume his new functions on June 1, 2018, succeeding François Riahi, following the latter's appointment as Chief Executive Officer of Natixis.

Natixis has already initiated a succession process for Nicolas Namias that should be completed shortly. The members of Natixis' Senior Management Committee will continue to move forward on the strategic commitments set out in the New Dimension plan, in each of their area of expertise. Nicolas Namias' succession will aim to cement and further reinforce the execution of the strategic and financial ambitions presented by Natixis on November 20, 2017.

For Laurent Mignon, Chairman of the Groupe BPCE Management Board as from June 1, 2018: *"Thanks to his proficiency and excellence in strategic and financial matters, his managerial and leadership skills recognized throughout the Group, together with his energy and commitment, Nicolas Namias will contribute effectively on the Management Board to the execution of our strategic ambitions to 2020."*

Nicolas Namias began his career in 2004 in the Treasury within France's Ministry for the Economy and Finance. He was initially tasked with preparing the G8 and G20 international financial summits, before being appointed as the government's substitute commissioner to the French financial market regulator AMF. In 2008, he joined Groupe BPCE in the Financial Department, then became the Group's Head of Steering for Commercial Banking and Insurance. In 2012, he was appointed technical advisor to the Prime Minister for financing the economy and companies, and for international economic affairs. On rejoining Groupe BPCE in 2014, Nicolas Namias became Head of Strategy for Natixis and a member of its Executive Committee. In this capacity, he notably coordinated all the M&A operations conducted by Natixis since 2014. In 2017, he was appointed Chief Financial Officer of Natixis and a member of its Senior Management Committee.

Nicolas Namias, 42, is a former student of France's Ecole Nationale d'Administration, and a graduate of Stanford Graduate School of Business (executive program), ESSEC Business School and Institut d'Etudes Politiques de Paris.

2. Update to Chapter 2 - Report on corporate governance

2.1 New composition of the Management Board

At its meeting on April 26, 2018, the Supervisory Board of BPCE:

- accepted the resignation of François Pérol as President and member of BPCE's Management Board effective June 1, 2018,
- decided to grant Laurent Mignon, current member of the Management Board of BPCE and Chief Executive Officer of Natixis, the status of President of BPCE's Management Board effective June 1, 2018 for the remainder of his term of office as a member of the Management Board.

At its meeting on May 17, 2018, the Supervisory Board of BPCE:

- accepted the appointment, by the Board of Directors of Natixis on April 27, 2018, of François Riahi as Chief Executive Officer of Natixis, effective June 1, 2018, to replace Laurent Mignon,
- accepted that, effective June 1, 2018, François Riahi will no longer be in charge of Group Finance, Strategy, Legal Affairs and the Secretary's Office of the Supervisory Board but will remain a member of BPCE's Management Board as Chief Executive Officer of Natixis and based on an identical scope of responsibility as his predecessor,
- appointed Nicolas Namias, member of the Management Board in charge of Group Finance, Strategy, Legal Affairs and the Secretary's Office of the Governing Bodies, effective June 1, 2018, for a term ending at the adjournment of the Annual General Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2019.

As a result, effective June 1, 2018, the composition of the Management Board is as follows:

- Laurent Mignon, President of the Management Board,
- Catherine Halberstadt, member of the Management Board in charge of Human Resources, Internal Communications and the Corporate Secretary's Office of BPCE,
- Nicolas Namias, member of the Management Board in charge of Group Finance, Strategy, Legal Affairs and the Secretary's Office of the Governing Bodies of BPCE,
- François Riahi, Chief Executive Officer of Natixis,
- Laurent Roubin, member of the Management Board in charge of Retail Banking and Insurance.

2.2 New composition of the Supervisory Board

At its meeting on March 29, 2018, the Supervisory Board of BPCE:

- accepted the resignation of Marie-Christine Lombard, member of the Supervisory Board, Chairman of the Risk Committee and member of the Audit Committee, taking effect with the adjournment of the meeting of the present Supervisory Board.
- appointed Anne-Claude Pont as a member of the Supervisory Board, for the remainder of her predecessor Marie-Christine Lombard's term of office, or until the Annual General Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2020.

At its meeting on May 17, 2018, the Supervisory Board of BPCE:

- appointed Catherine Mallet as a member of the Supervisory Board, for the remainder of her predecessor Steve Gentili's term of office, or until the Annual General Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2020.
- accepted the resignation of Alain Lacroix as Non-Voting Director on the Supervisory Board effective March 31, 2018,
- appointed Joël Chassard, Chairman of the Management Board of CEPAC, as Non-Voting Director on the Supervisory Board, for the remainder of his predecessor's term of office, or until the Annual General Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2020.

Moreover, as part of the initiation of the staggered renewal of members of the Supervisory Board, the Supervisory Board, at its meeting on May 17, 2018, accepted the resignation as members of the Supervisory Board of Catherine Amin-Garde, Françoise Lemalle, Didier Patault, Pierre Desvergnès, André Joffre, Yves Gevin, Thierry Cahn and Maryse Aulagnon, at the adjournment of the Combined General Meeting on May 25, 2018.

Subsequently, the Combined General Meeting of May 25, 2018 appointed:

- on a motion by Category B shareholders, Thierry Cahn, Pierre Desvergnès, Yves Gevin and André Joffre as members of the Supervisory Board, for a six-year term ending at the adjournment of the Ordinary General Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2023;
- on a motion by Category A shareholders, Catherine Amin-Garde, Françoise Lemalle and Didier Patault as members of the Supervisory Board, for a six-year term ending at the adjournment of the Ordinary General Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2023;
- Maryse Aulagnon as independent member of the Supervisory Board, for a six-year term ending at the adjournment of the Ordinary General Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2023.

As a result, the new composition of the Supervisory Board is as follows:

SB: Supervisory Board

BD: Board of Directors

SSB: Steering and Supervisory Board

As representatives of category A shareholders:

- Nicolas Plantrou, Chairman of the Steering and Supervisory Board of Caisse d'Épargne Normandie, Vice-Chairman of the Supervisory Board of BPCE since May 19, 2017;
- Catherine Amin-Garde, Chairman of the Steering and Supervisory Board of Caisse d'Épargne Loire Drôme Ardèche;
- Astrid Boos, Chairman of the Steering and Supervisory Board of Caisse d'Épargne Alsace;
- Françoise Lemalle, Chairman of the Steering and Supervisory Board of Caisse d'Épargne Côte d'Azur;
- Stéphanie Paix, Chairman of the Management Board of Caisse d'Épargne Rhône Alpes;
- Didier Patault, Chairman of the Management Board of Caisse d'Épargne Ile-de-France;
- Pierre Valentin, Chairman of the Steering and Supervisory Board of Caisse d'Épargne Languedoc-Roussillon.

As representatives of category B shareholders:

- Michel Grass, Chairman of the Board of Directors of Banque Populaire Bourgogne Franche-Comté, Chairman of the Supervisory Board of BPCE since May 19, 2017;
- Thierry Cahn, Chairman of the Board of Directors of Banque Populaire Alsace Lorraine Champagne;
- Alain Condaminas, Chief Executive Officer of Banque Populaire Occitane;
- Pierre Desvergues, Chairman of the Board of Directors of CASDEN Banque Populaire;
- Yves Gevin, Chief Executive Officer of Banque Populaire Rives de Paris;
- André Joffre, Chairman of the Board of Directors of Banque Populaire du Sud;
- Catherine Mallet, Chairman of the Board of Directors of Banque Populaire Occitane.

As independent members:

- Maryse Aulagnon, Chairman of the Board of Directors of Affine Group;
- Marwan Lahoud, independent member, member of the Supervisory Board of IDEMIA;
- Anne-Claude Pont, independent member, Chairman and co-founder of WILOV.

As employee representatives:

- Vincent Gontier;
- Frédéric Hassaine;

As non-voting directors:

- Dominique Martinie, non-voting director, Chairman of the Fédération Nationale des Banques Populaires;
- Jean Arondel, non-voting director, Chairman of the Fédération Nationale des Caisses d'Épargne;

- Pierre Carli, non-voting director, Chairman of the Management Board of Caisse d'Épargne Midi-Pyrénées;
- Dominique Garnier, non-voting director, Chief Executive Officer of Banque Populaire Aquitaine Centre Atlantique;
- Daniel Karyotis, non-voting director, Chief Executive Officer of Banque Populaire Auvergne Rhône Alpes;
- Joël Chassard, non-voting director, Chairman of the Management Board of CEPAC.

As such, the new composition of the Supervisory Board committees is as follows:

Supervisory Board Audit Committee

The Audit Committee is chaired by Marwan Lahoud.

The other members of the Audit Committee are:

- Thierry Cahn, Chairman of the Board of Directors of Banque Populaire Alsace Lorraine Champagne;
- Yves Gevin, Chief Executive Officer of Banque Populaire Rives de Paris;
- Anne-Claude Pont, independent member, Chairman and co-founder of WILOV;
- Didier Patault, Chairman of the Management Board of Caisse d'Épargne Ile-de-France;
- Pierre Valentin, Chairman of the Steering and Supervisory Board of Caisse d'Épargne Languedoc-Roussillon.

Supervisory Board Risk Committee

The Risk Committee is chaired by Anne-Claude Pont.

The other members of the Risk Committee are:

- Alain Condaminas, Chief Executive Officer of Banque Populaire Occitane;
- André Joffre, Chairman of the Board of Directors of Banque Populaire du Sud;
- Marwan Lahoud, independent member, member of the Supervisory Board of IDEMIA;
- Françoise Lemalle, Chairman of the Steering and Supervisory Board of Caisse d'Épargne Côte d'Azur;
- Stéphanie Paix, Chairman of the Management Board of Caisse d'Épargne Rhône Alpes;

Supervisory Board Appointments Committee

The Appointments Committee is chaired by Maryse Aulagnon.

The other members of the Appointments Committee are:

- Catherine Amin-Garde, Chairman of the Steering and Supervisory Board of Caisse d'Épargne Loire Drôme Ardèche;
- Astrid Boos, Chairman of the Steering and Supervisory Board of Caisse d'Épargne Alsace;
- Pierre Desvergues, Chairman of the Board of Directors of CASDEN Banque Populaire;
- Yves Gevin, Chief Executive Officer of Banque Populaire Rives de Paris;

- André Joffre, Chairman of the Board of Directors of Banque Populaire du Sud;
- Didier Patault, Chairman of the Management Board of Caisse d'Épargne Ile-de-France.

Supervisory Board Remuneration Committee

The Remuneration Committee is chaired by Maryse Aulagnon.

The other members of the Remuneration Committee are:

- Catherine Amin-Garde, Chairman of the Steering and Supervisory Board of Caisse d'Épargne Loire Drôme Ardèche;
- Astrid Boos, Chairman of the Steering and Supervisory Board of Caisse d'Épargne Alsace;
- Pierre Desvergnès, Chairman of the Board of Directors of CASDEN Banque Populaire;
- Yves Gevin, Chief Executive Officer of Banque Populaire Rives de Paris;
- Vincent Gontier, employee representative;
- André Joffre, Chairman of the Board of Directors of Banque Populaire du Sud;
- Didier Patault, Chairman of the Management Board of Caisse d'Épargne Ile-de-France.

Supervisory Board Cooperative and CSR Committee

The Cooperative and CSR Committee is chaired by Dominique Martinie.

The other members of the Cooperative and CSR Committee are:

- Jean Arondel, non-voting director as of right, Chairman of the Fédération Nationale des Caisses d'Épargne;
- Yves Gevin, Chief Executive Officer of Banque Populaire Rives de Paris;
- Michel Grass, Chairman of Banque Populaire Bourgogne Franche-Comté, Chairman of the Supervisory Board of BPCE;
- Didier Patault, Chairman of the Management Board of Caisse d'Épargne Ile-de-France;
- Nicolas Plantrou, Chairman of the Steering and Supervisory Board of Caisse d'Épargne Normandie, Vice-Chairman of the Supervisory Board of BPCE.

2.3 Information on gender equality within the Supervisory Board

At May 17, 2018, seven out of the total 19 members of the BPCE Supervisory Board were women (i.e. 41.17%). In accordance with Article L. 225-79 of the French Commercial Code, the members representing employees of BPCE and its direct or indirect subsidiaries that are headquartered in France are not included in this calculation. Consequently, at May 17, 2018, BPCE met the gender representation requirement for members of its Supervisory Board (a minimum of 40% for each gender) and was therefore in compliance with the provisions of Article L. 225-69-1 of the French Commercial Code, entitling Board members to receive attendance fees due in respect of fiscal year 2017.

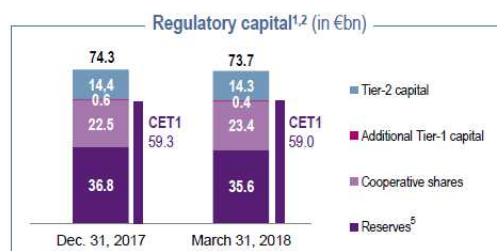
3. Update to chapter 3 - Risk report and Pillar III

3.1 Regulatory capital and prudential ratios

ANNEXES

Financial structure: changes in regulatory capital and fully-loaded ratios

in billions of euros	March 31, 2018	Dec. 31, 2017
Equity attributable to equity holders of the parent	63.5	64.0
Cancellation of hybrid securities ³ in equity attributable to equity holders of the parent	-0.7	-0.7
Non-controlling interests ⁴	4.9	4.9
Goodwill and intangibles	-4.9	-4.9
EU/Prov difference	-0.3	-1.1
Other regulatory adjustments	-3.5	-2.9
Common Equity Tier-1 capital	59.0	59.3
Additional Tier-1 capital	0.4	0.6
Tier-1 capital	59.4	59.9
Tier-2 capital	15.0	15.2
T2 regulatory adjustments	-0.7	-0.8
Total capital	73.7	74.3



¹ CRR/CRD IV without transitional measures; additional Tier-1 capital takes account of subordinated debt issues that have become ineligible and capped at the phase-out rate in force ² After deduction of the part of the contributions to the Single Resolution Fund and the Bank Deposit Guarantee Fund recognized in the form of irrevocable payment commitments (IPC) ³ BPCE deeply subordinated notes booked to equity attributable to equity holders of the parent ⁴ Non-controlling interests (prudential definition); account is only taken of the part from Natixis, excluding super-subordinated notes and after regulatory clipping ⁵ Reserves net of prudential restatements

ANNEXES

Financial structure: phased-in prudential ratios and credit ratings

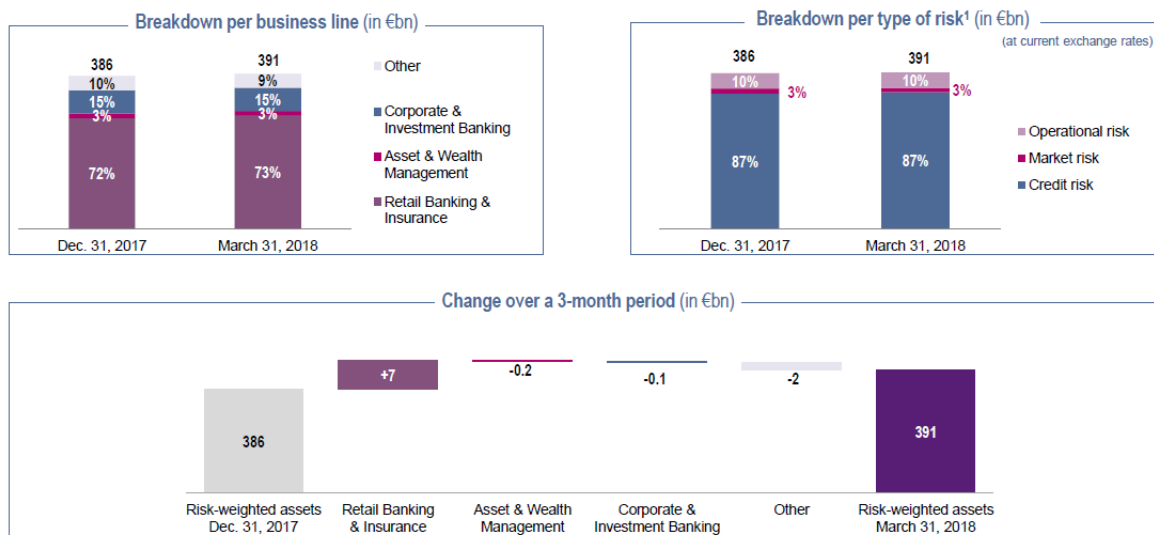
	March 31, 2018 ^{1,2}	Dec. 31, 2017	Dec. 31, 2016
Total risk-weighted assets	€391bn	€386bn	€391bn
Common Equity Tier-1 capital	€59.6bn	€59.0bn	€55.3bn
Tier-1 capital	€60.0bn	€59.5bn	€56.6bn
Total capital	€74.3bn	€74.0bn	€72.3bn
Common Equity Tier-1 ratio	15.2%	15.3%	14.1%
Tier-1 ratio	15.3%	15.4%	14.5%
Total capital adequacy ratio	19.0%	19.2%	18.5%

FitchRatings	A outlook positive
MOODY'S	A2 outlook positive
R&I	A outlook stable
STANDARD & POOR'S	A outlook positive

¹ Estimate taking account of transitional measures provided for by CRR / CRD IV; subject to the provisions of article 28.2 of regulation (EU) n° 575/2013 ² Excluding deduction of the part of the contributions to the Single Resolution Fund and the Bank Deposit Guarantee Fund recognized in the form of irrevocable payment commitments (IPC)

ANNEXES

Risk-weighted assets



¹ The CVA is included under Credit risk. It accounted for less than 1% of RWA at March 31, 2018 and at December 31, 2017.

ANNEXES

Leverage ratio¹

In billions of euros	March 31, 2018 ³	Dec. 31, 2017
Tier-1 capital	59.1	59.7
Balance sheet total	1,265.2	1,241.7
Prudential restatements	-101.1	-81.1
Prudential balance sheet total ²	1,164.1	1,160.6
Adjustments related to exposure to derivatives ⁴	-36.5	-36.6
Adjustments related to security financing operations ⁵	-17.0	-13.4
Off-balance sheet (financing and guarantee commitments)	71.9	73.1
Regulatory adjustments	-6.2	-6.4
Total leverage exposure	1,176.3	1,177.4
Leverage ratio	5.0%	5.1%

¹ Estimate calculated using the rules of the Delegated Act published by the European Commission on October 10, 2014 - CRR/CRD IV without transitional measures ² The main difference between the statutory balance sheet and the prudential balance sheet lies in the method used for consolidating insurance companies, consolidated using the equity method in the prudential scope of consolidation, irrespective of the statutory consolidation method ³ After deduction of the part of the contributions to the Single Resolution Fund and the Bank Deposit Guarantee Fund recognized in the form of irrevocable payment commitments (IPC) ⁴ Inclusion of the effects of offsetting applicable to derivatives according to the rules of the Delegated Act ⁵ Inclusion of adjustments applicable to security financing operations according to the rules of the Delegated Act

ANNEXES
Financial conglomerate

Financial conglomerate ratio

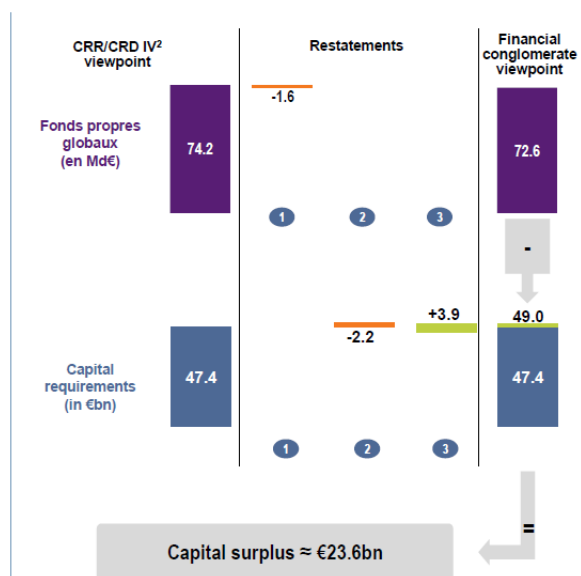


Restatements applied

- 1 shift from a prudential to a statutory scope³
- 2 cancellation of the capital requirements of insurance companies calculated under CRR/CRD IV
- 3 inclusion of the solvency margin calculated under Solvency 2

Consequences

- Restatements of no significance for total capital
- Net restatement of CR of €1.7bn, < 5% of total CR



¹ CR = capital requirements, i.e. 12.13% of risk-weighted assets according to CRR/CRD IV ² Estimate – Taking account of transitional measures; subject to the provisions of article 26.2 of regulation (EU) n° 575/2013 ³ The main difference between the two scopes lies in the method used to consolidate insurance companies, consolidated using the equity method in the prudential scope of consolidation, irrespective of the statutory consolidation method

3.2 Indicator data for global systemically important banks (G-SIBs)

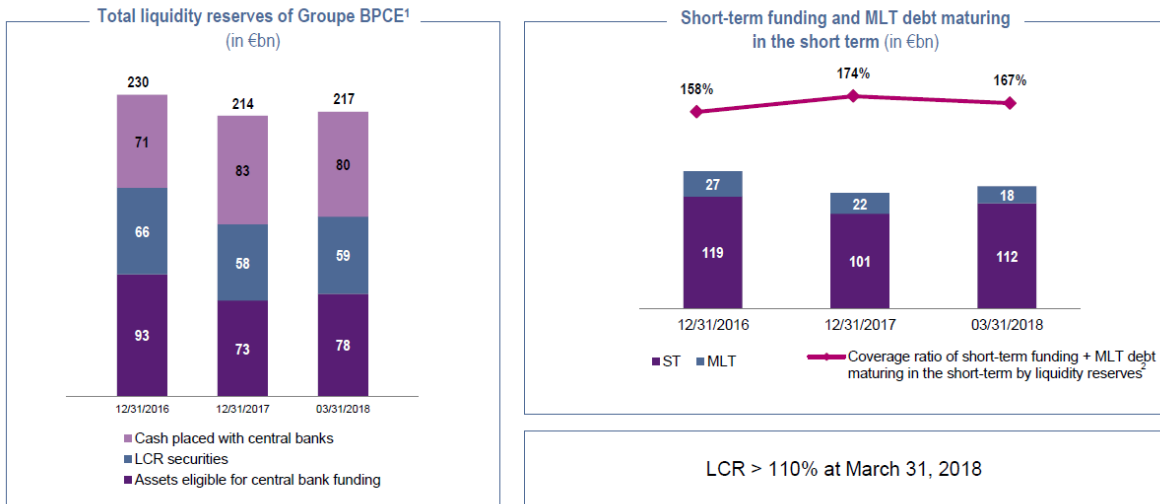
Indicators related to global systemically important banks (G-SIBs), as of December 31, 2017, have been published on the Groupe BPCE website on April 27, 2018 and are available at the following address :

<http://www.bpce.fr/en/Investors/Regulated-information/Regulatory-publication>

3.3 Liquidity

ANNEXES

Liquidity reserves and short-term funding

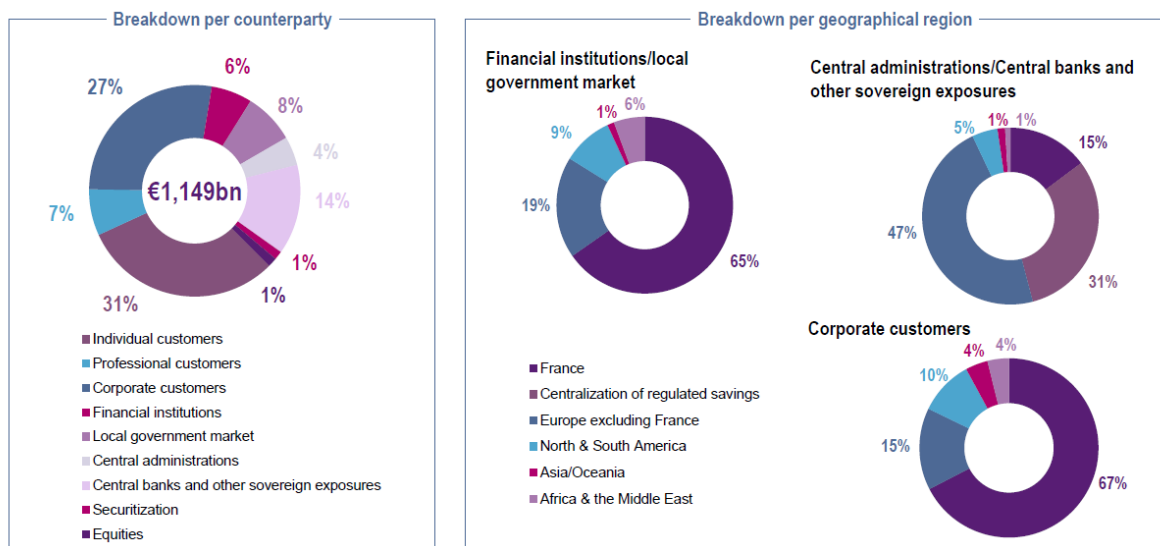


¹Excluding MMF US Natixis deposits ² Coverage ratio = Total liquidity reserves of Groupe BPCE / [Short-term funding + MLT debt maturing in the short term]
The size of the part of the reserves eligible for central bank funding was equal to €210bn at Dec. 31, 2016; the coverage ratio by these reserves was 144% at Dec. 31, 2016

3.4 Credit risk and counterparty risk

ANNEXES

Breakdown of commitments at March 31, 2018



3.5 Non-performing loans and impairment

• ANNEXES

Non-performing loans and impairment

<i>In billions of euros</i>	March 31, 2018	Jan. 1, 2018
Gross outstanding loans to customers and credit institutions	739.7	730.1
O/w S3 outstandings	22.3	23.2
Non-performing/gross outstanding loans	3.0%	3.2%
S3 impairment recognized	10.1	10.5
Impairment recognized/non-performing loans	45.1%	45.1%
Coverage rate (including guarantees related to impaired outstandings)	74.2%	71.4%

4. Update to chapter 4 - First quarter of 2018 activities and financial information

4.1 Results press release on May 17, 2018

Press Release

Paris, May 17, 2018

RESULTS FOR THE 1st QUARTER OF 2018 OF GROUPE BPCE

SLIGHT INCREASE IN NET BANKING INCOME TO €6BN ⁽¹⁾

Retail Banking & Insurance:

Limited decline in net banking income (-2.9% year-on-year) to €4.2bn, with good resilience from the commission-earning activities pursued by the Insurance and Payments business lines in particular, and despite the persistent impact of low interest rates on the net interest income generated by the Banque Populaire and Caisse d'Épargne retail banking networks

Asset & Wealth Management:

Net banking income of €777m, representing strong year-on-year growth of 20.2% at constant exchange rates

Corporate & Investment Banking:

Despite the impact of unfavorable foreign exchange rates, net banking income of €938m, up 13% year-on-year at constant exchange rates

NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT UP marginally TO €955M ⁽¹⁾

Despite the sharp increase in regulatory contributions, attributable net income rose by 0.9% year-on-year

EXTREMELY HIGH LEVELS OF CAPITAL ADEQUACY AND LOSS-ABSORBING CAPACITY

CET1^(2,3), and TLAC^(2,3) ratios of 15.1% and 21.5% respectively at March 31, 2018

Limited impact of the first-time application of IFRS 9 on the Group's CET1⁽²⁾ ratio: -17bps

On May 17, 2018, the Supervisory Board of Groupe BPCE convened a meeting chaired by Michel Grass to examine the Group's financial statements for the first quarter of 2018.

“François Pérol, Chairman of the Management Board of Groupe BPCE, made the following statement: *“Today, the Group is announcing strong results for the first quarter of 2018. Against a background of very low interest rates and increased competition, the Retail Banking division has limited the decline in its revenues to 2.9% thanks to the dynamism of its lending and deposits & savings activities, and to the development of new growth drivers with Specialized Financial Services and Insurance. Natixis has reported good results, with enhanced revenues in all its business lines at constant exchange rates, including extremely vigorous growth (+20.2%) in the Asset & Wealth Management division. Thanks to our tight control over operating expenses and a moderate cost of risk, we have managed to keep the Group's net income attributable to equity holders of the parent steady at 955 million euros. The strength of our business model is also reflected in the extremely satisfactory levels of capital adequacy and loss-absorbing capacity. I am very proud to have been involved for almost a decade in the creation and development of Groupe BPCE, which now possesses all the strengths it needs to bring its TEC2020 strategic plan to a successful conclusion. I am entirely convinced that Laurent Mignon, with the support of all our people, will be able to provide the Group with the energy it requires to pursue its ongoing growth.”*”

¹ Excluding non-economic and exceptional items for the net banking income; excluding non-economic and exceptional items and after restating to reflect the impact of IFRIC 21 for net income attributable to equity holders of the parent

² Estimate at Dec. 31, 2017 - CRR/CRD IV without transitional measures; additional Tier-1 capital takes account of subordinated debt issues that have become ineligible and capped at the phase-out rate in force

³ Deduction, following the instructions of the supervisory authorities, of the part of the contributions to the Single Resolution Fund and the Bank Deposit Guarantee Fund recognized in the form of irrevocable payment commitments

Segment reporting in the first quarter of 2018

No changes have been made since the fourth quarter of 2017 to the Group's segment reporting which stands as follows:

Three business divisions:

- **Retail Banking & Insurance**, comprised of the Banque Populaire and Caisse d'Épargne retail banking networks, Specialized Financial Services (Specialized financing, Payments, and Financial services), the Insurance business of Natixis and the Other networks subdivision (Crédit Foncier, Banque Palatine, BPCE International),
- **Asset & Wealth Management**, comprised of Asset management (including Private Equity) and Natixis' Wealth Management business
- **Corporate & Investment Banking**, which comprises the Global markets, Global finance and Investment banking activities of Natixis.

A **Corporate center division**, which includes the Corporate Center (BPCE SA and the Corporate center division of Natixis), Equity interests, and Other activities (cross-functional activities, investment activities, real-estate subsidiaries, etc.).

Application of IFRS 9

The new IFRS 9 standard has been applied since January 1st, 2018. It sets out new rules for classifying and measuring financial instruments depending on their characteristics and the management model used, and a new method for calculating financial asset credit risk impairment based on expected credit losses.

Groupe BPCE has elected to use the option offered by the standard to not restate the figures for previous financial years.

1. CONSOLIDATED RESULTS⁴ OF GROUPE BPCE FOR THE FIRST QUARTER OF 2018

Groupe BPCE has announced good results for the first quarter of 2018 with net banking income equal to 6,022 million euros⁵, representing a marginal 0.8% decrease (at current exchange rates) from the same period in 2017.

On a constant exchange rate basis, revenues have increased by +0.9% thanks to strong growth achieved by the **Asset & Wealth Management** division (+20.2%) and the strong results generated by the **Specialized Financial Services** and **Insurance** divisions (+5.2% and +7.7% respectively) which, together, limit the -3.0% decline in the revenues (excluding changes in provisions for home purchase savings schemes) posted by the **Retail Banking & Insurance** division due to the negative impact of persistently low interest rates on net interest income. The **Corporate & Investment Banking** division completed a good first quarter in 2018 and enjoyed 1.3% growth (at constant exchange rates) in net banking income despite being penalized by an unfavorable foreign exchange rate and a base effect in the first quarter of 2017 (with a historically high level of revenues achieved by Global Markets).

Groupe BPCE boasts what remains a high level of capital adequacy and has again enhanced its total loss-absorbing capacity.

The Group's performance in the first quarter of 2018 makes it possible to get the TEC2020 strategic plan off to a good start.

At June 1, 2018, the membership of Groupe BPCE's senior management team will change. As of that date, Lauren Mignon will become Chairman of the Management Board of Groupe BPCE. François Riahi will succeed him as Chief Executive Officer of Natixis. This change in governance represents continuity in the Group's strategy and in the pursuit of the TEC 2020 strategic plan.

⁴ Q1-17 pro forma (cf. notes on methodology at the end of this press release); unless specified to the contrary, all changes use the same reference base of March 31, 2017

1.1 Consolidated results for first quarter of 2018: net income attributable to equity holders of the parent^{5,6} rises by 0.9% to €955m

Net banking income generated by Groupe BPCE in the first quarter of 2018 came to 6,022 million euros⁵, representing a marginal 0.8% decline compared with the same period in 2017 due to the substantial decline in the value of the USD versus the euro, a trend that weighs down on business activities denominated in the US dollar. When expressed at constant exchange rates (in order to better reflect the intrinsic performance of the Group's different business lines), net banking income has increased by 0.9%.

The Group's **operating expenses** came to 4,560 million euros⁵ in the first quarter of 2018, up 1.2% on a year-on-year basis, and up 2.5% on a constant exchange rate basis. If the Single Resolution Fund (SRF) contribution is excluded – an item that increased by 31% to 340 million euros between the first quarter of 2017 and the first quarter of 2018 – operating expenses remained steady over the period at 4,220 million euros (-0.7% at current exchange rates and +0.7% at constant exchange rates).

The Group's **gross operating income** came to a total of 1,463 million euros⁵ down 6.3% compared with the same period in 2017. If foreign exchange rates are kept constant, this decline is reduced to 3.6%.

The cost of risk at March 31, 2018 is computed following IFRS 9 standards whereas that of March 31, 2017 is expressed in accordance with IAS 39 standards.

The **cost of risk** of Groupe BPCE stood at 259 million euros for the first quarter of 2018. Compared with the first quarter of 2017, it shows a 29.2% decline in absolute value⁵ to 16 basis points⁷ for the quarter (down from 22 basis points at March 31, 2017). The ratio of non-performing loans/gross loan outstandings has also improved, falling from 3.2% at January 1, 2018 to 3.0% at March 31, 2018, while the impaired loans coverage ratio (including guarantees related to impaired outstandings) came to 74.2% at March 31, 2018 (versus 71.4% at January 1, 2018).

- For the **Retail Banking & Insurance** division, this latest decline in the cost of risk⁷ follows the reduction in this metric noted in the retail banking networks, falling to 15 basis points at March 15, 2018, down 7 basis points compared with the first quarter of 2017.
- For the **Corporate & Investment Banking** division, the cost of risk remains virtually unchanged at 21 basis points versus 20 basis points in the first quarter of 2017.

The Group's **income before tax** has grown by 0.8% to reach 1,280 million euros⁵ for the first quarter of 2018. After being restated to account for the impact of IFRIC 21, the Group's **income before tax** has risen by 3.2% to 1,686 million euros⁵

The Group's **income tax** stands at 475 million euros⁵ for first quarter of 2018, down 4.4% YoY.

Net income attributable to equity holders of the parent stands at 634 million euros⁵, representing a limited decline of 3.7% versus the first quarter of 2017 against a background of sharp rises in regulatory contributions. After restating to account for the impact of IFRIC 21, **net income attributable to equity holders** of the parent stands at 955 million euros⁵.

After restating to reflect the impact of IFRIC 21 and excluding non-economic and exceptional items:

- The cost/income ratio has increased by 0.7 percentage points to 69.0%,
- Return on equity has decreased by a 0.1 percentage point to stand at 6.1%.

After accounting for non-economic and exceptional items and without restating to account for the impact of IFRIC 21 adjustments, **published net income attributable to equity holders of the parent** stands at 605 million euros.

⁵ Excluding non-economic and exceptional items

⁶ After restating to reflect the impact of IFRIC 21

⁷ Cost of risk expressed in annualized basis points on gross customer outstandings at the beginning of the period

CONSOLIDATED RESULTS OF GROUPE BPCE FOR THE 1ST QUARTER OF 2018

<i>In millions of euros</i>	Q1-18	Impact of non-economic and exceptional items	Q1-18 underlying
Net banking income	6,010	-12	6,022
Operating expenses	-4,606	-46	-4,560
<i>Operating expenses excl. SRF</i>	-4,266		-4,220
Gross operating income	1,404	-58	1,463
Cost of risk	- 259		- 259
Income before tax	1,222	-58	1,280
<i>Income before tax restated to reflect the impact of IFRIC 21</i>	1,627		1,686
Income tax	-455	20	-475
Minority interests	-162	9	-171
Net income attributable to equity holders of the parent	605	-29	634
<i>Restatement to account for the IFRIC 21 impact</i>	321		321
Net income attributable to equity holders of the parent after restating to account for the impact of IFRIC 21	926	-29	955
Cost/income ratio			69.0%
ROE			6.1%

<i>In millions of euros</i>	Q1-17 pf underlying	Q1-18 underlying / Q1-17 pf underlying % change	Constant exchange rate % change
Net banking income	6,069	-0.8 %	+0.9%
Operating expenses	-4,507	+ 1.2%	+2.5%
<i>Operating expenses excl. SRF</i>	-4,247	-0.7%	+0.7%
Gross operating income	-1,562	-6.3%	-3.6%
Cost of risk	-366	-29.2%	
Income before tax	1,270	+0.8%	
<i>Income before tax restated to reflect the impact of IFRIC 21</i>	1,633	+3.2%	
Income tax	-497	-4.4%	
Minority interests	-115	+49.1%	
Net income attributable to equity holders of the parent	659	-3.7%	
<i>Restatement to account for the IFRIC 21 impact</i>	288		
Net income attributable to equity holders of the parent after restating to account for the impact of IFRIC 21	946	+0.9%	
Cost/income ratio	68.3%	+0.7pt	
ROE	6.2%	-0.1pt	

Pro forma (pf) figures: cf. the note on methodology at the end of this press release

Restated figures: breakdown of non-economic and exceptional items presented at the end of this press release

2. HIGH LEVELS OF CAPITAL ADEQUACY AND LOSS-ABSORBING CAPACITY

2.1 High level of Common Equity Tier 1⁸ despite the impact of one-off events

Groupe BPCE's CET1 ratio decreased marginally in the first quarter of 2018, reaching a level estimated at 15.1% at March 31, 2018, down from 15.4% at December 31, 2017. This decline can chiefly be explained by the impact of two one-off events: the first-time application of IFRS 9 (-17 basis points) and, secondly, the deduction from regulatory capital of contributions to the SRF and Deposit Guarantee and Resolution Fund (FGDR) recognized as irrevocable payment commitments (IPC) as required by the supervisory authorities (impact of -12 basis points). The other changes in the CET1 ratio cancel each other out overall: retained earnings (+13 basis points since January 1, 2018) and to the issue of cooperative shares (+14 basis points since January 1, 2018), the increase in risk-weighted asset (-17 basis points) and Other changes (-4 basis points).

2.2 TLAC ratio^{8,9}

Total Loss-Absorbing Capacity (TLAC) stood at 83.8 billion euros at the end of March 2018 (including the impact of the deduction of IPC). The TLAC ratio (expressed as a percentage of risk-weighted assets) rose from 20.8% at December 31, 2017 to an estimated 21.5% at March 31, 2018, very close to the target level fixed in the TEC 2020 strategic plan of more than 21.5% by early 2019. In order to respect this target, Groupe BPCE plans to issue senior non-preferred debt for an amount of between 4 and 5 billion euros per year, and does not anticipate having recourse to senior preferred debt.

At March 31, 2018, the leverage ratio¹⁰ stood at 5.0%, including the deduction of IPC.

2.3 66% of the 2018 wholesale medium-/long-term funding plan already completed at end-April 2018

Groupe BPCE's ability to access major debt markets allowed it to raise medium-/long-term (MLT) resources for an aggregate total of 14.5 billion euros at April 30, 2018, equal to 66% of the 2018 program (22 billion euros). The average maturity at issue stands at 7.4 years and the average cost of the liquidity is equal to mid-swap +16 basis points. During this period, 68% of MLT funding was completed in the form of public bond issues and 32% in the form of private placements.

The 14.5 billion euros raised as at April 30, 2018 can be broken down as follows:

- A total of 10.3 billion euros was raised in the form of unsecured issues (4.5 billion euros in senior non-preferred debt and 5.8 billion euros in senior preferred debt), representing 71% of the MLT funds already raised.
- A total of 4.2 billion euros was raised in the form of covered bond issues, representing 29% of the MLT funds already raised.

As already mentioned, unsecured bond issues should account for approximately 70% of this funding plan (including 4 to 5 billion euros in senior non-preferred debt); the remainder should be raised in the form of covered bond issues. The completion rate at end-April is consequently in line with these objectives.

During this period, Groupe BPCE continued to raise substantial funds thanks to the extremely broad diversification of its investor base. As a result, 46% of the bonds issued in the unsecured segment were placed in currencies other than euro (notably 29% in US dollars, 8% in Japanese yen and 8% in Australian dollars).

⁸ CRR/CRD IV without transitional measures; additional Tier-1 capital takes account of subordinated debt issues that have become ineligible and capped at the phase-out rate in force

⁹ According to the term sheet dated November 9, 2015 published by the Financial Stability Board on the "Total Loss-absorbing Capacity"

¹⁰ Estimate calculated using the rules of the Delegated Act published by the European Commission on October 10, 2014

3. RESULTS¹¹ OF THE BUSINESS LINES

Contribution of the business lines to the results of Groupe BPCE

In the first quarter of 2018, the contribution of the business lines to the results of Groupe BPCE can be broken down as follows (on a constant exchange rate basis and excluding exceptional items and the Corporate center division):

- The contribution of the **Retail Banking and Insurance** division accounted for 71% of the aggregate net banking income posted by Groupe BPCE's business lines in the first quarter of 2018 (against 73% in the first quarter of 2017). The division also accounted for 67% of the aggregate gross operating income of Groupe BPCE's business lines (against 71% in the first quarter of 2017).
- The **Asset & Wealth Management** division contributed 13% of the aggregate net banking income of Groupe BPCE's business lines in the first quarter of 2018 (against 11% in the same period in 2017) and accounted for 13% of the aggregate gross operating income of Groupe BPCE's business lines (against 9% in the first quarter of 2017).
- The **Corporate & Investment Banking** division contributed 16% of the aggregate net banking income of Groupe BPCE's business lines in the first quarter of 2018 and 20% of the gross operating income, a level of performance virtually identical to its contributions in the first quarter of 2017.

3.1 Retail Banking & Insurance: development of new growth drivers with Insurance and Payments activities

The Retail Banking & Insurance division groups together the activities pursued by the Banque Populaire and Caisse d'Épargne retail banking networks, the Specialized Financial Services and Insurance businesses of Natixis, and the activities of the Other networks comprised of the Crédit Foncier, Banque Palatine and BPCE International subsidiaries.

The Retail Banking & Insurance division maintained strong commercial momentum during the first quarter of the year.

The Retail Banking & Insurance division continues to play an active role in financing the French economy: **new loan production**, in all market segments taken together, reached almost 26 billion euros in the first quarter of 2018, showing a decline from the first quarter of 2017, which had achieved exceptional levels of new production. However, the results for the first quarter of 2018 remain in line with the average quarterly levels achieved in 2016. Retail banking **loan outstandings** rose by 4.8% year-on-year to reach a total of 548 billion euros at March 31, 2018. Home loans rose by 5.7% year-on-year while equipment loans increased by 7.4%.

Aggregate **deposits & savings** of the Retail Banking & Insurance division came to 696 billion euros at March 31, 2018, representing 3.5% growth since March 31, 2017. On-balance sheet deposits & savings inflows (excluding the centralization of regulated savings products) have risen to 24 billion euros year-on-year; they are notably derived from demand deposits whose aggregate totals enjoyed 11.0% growth.

Insurance¹², one of the new growth drivers along with Payments, continued to deliver a dynamic performance in the first quarter of the year with gross life fund inflows in unit-linked contracts enjoying 15% year-on-year growth (the unit-linked proportion of gross life fund inflows has risen by 2.8 percentage points since the same period in 2017).

Life insurance commissions from the Banque Populaire and Caisse d'Épargne retail banking networks have increased by 5.3% while the non-life portfolio saw its number of contracts rise by 8.5% year-on-year, buoyed up simultaneously by P&C and Personal Protection insurance.

¹¹ Q1-17 pro forma (cf. notes on methodology at the end of this press release); unless specified to the contrary, all changes use the same reference base of March 31, 2017

¹² Entities included: Natixis Assurances, Prépar Vie, CNP Assurances

Retail Banking & Insurance division: financial results for the first quarter of 2018

The **net banking income** posted by the Retail Banking & Insurance division for the first quarter of 2018 came to 4,180 million euros (excluding changes in the provision for home purchase savings schemes), equal to a year-on-year decline of 3.0%. This reflects a similar trend experienced by the aggregate net banking income of the Banque Populaire and Caisse d'Épargne retail banking networks, which also declined by 3.8% (if changes in provisions for home purchase savings schemes are excluded). This reduction is the result of the persistent decline in net interest income depressed by the low interest rate environment that has prevailed for the past several years. In contrast, however, the good performance of commission-earning activities should be emphasized. Indeed, commissions have remained stable compared with the first quarter of 2017 despite the fact that early loan redemption fees have declined significantly (-53.3% compared with the first quarter of 2017) owing, in particular, to the return of the volume of early loan redemptions to more normal levels in the first quarter of 2018.

Operating expenses have been kept under tight control and stand at 2,902 million euros¹³ for the first quarter of 2018, representing a marginal decrease of -0.8% compared with the first quarter of 2017. The Banque Populaire and Caisse d'Épargne retail banking networks follow the same trend with a reduction in operating expenses of 1.0%.

Gross operating income decreased by 7.5% in the first quarter of 2018 to stand at 1,272 million euros¹³.

The **cost of risk**, which came to 213 million euros¹³ in the first quarter of 2018, has declined by a significant 30.0%.

After restating to account for the impact of IFRIC 21 and excluding non-economic and exceptional items:

- **Income before tax** came to 1,197 million euros for the first quarter of 2018, down 1.9% compared with the same period last year,
- The **cost/income ratio** is equal to 66.6% in the first quarter of the year, representing a 1.7-point increase,
- **Normative ROE** is down 1 percentage point to 9%.

After accounting for exceptional items and cancelling the restatement carried out to reflect the impact of IFRIC 21, **published income before tax** stands at 1,044 million euros for the first quarter of 2018, representing a 0.7% increase compared with the first quarter of 2017.

¹³ Excluding non-economic and exceptional items (cf. notes on methodology at the end of this press release)

3.1.1 Banque Populaire

Following the merger between the Banque Populaire de l'Ouest and the Banque Populaire Atlantique, giving birth to the Banque Populaire Grand Ouest on December 7, 2017, the Banque Populaire network comprises the 14 Banque Populaire banks, including CASDEN Banque Populaire and Crédit Coopératif and their subsidiaries, Crédit Maritime Mutuel and the Mutual Guarantee Companies.

- **Customer base**

The strategy consisting in delivering banking services to the individual customers of the Banque Populaire network continued in the first quarter of 2018, leading to +2.5% growth in the number of principal active customers, i.e. 93,700 additional customers. The number of Private Banking and Wealth management customers has risen by 6.2% (22,000 new customers). In the professional customers market segment, the strategy aimed at attracting new customers and intensifying the bank's relationship with them made it possible to increase the number of active customers by 1.0% (+4,400 customers year-on-year). In the corporate customer segment, the number of active clients increased by 3.0% (+1,300 clients).

- **Loan outstandings and deposits & savings**

Loan outstandings stood at 199 billion euros at March 31, 2018, representing 6.5% growth compared with March 31, 2017.

Deposits & savings came to 259 billion euros at March 31, 2018, equal to growth of 5.3% compared with March 31, 2017.

- **Financial results**

Net banking income for the first three months of 2018 came to 1,588 million euros (excluding changes in the provision for home purchase savings schemes), down by 1.6% compared with the first quarter of 2017. This trend reflects, in particular, a 4.0% decline in net interest income (excluding changes in the provision for home purchase savings schemes) and 4.3% growth in commission income, excluding early loan redemption fees, which decreased by a total of 55.0% compared with 2017 first quarter.

Operating expenses for the first quarter of 2018 stand at 1,095 million¹³ euros equal to a 1.1% drop since the first quarter of 2017.

Gross operating income for the first quarter 2018 came to 489 million euros¹³, down 2.1% compared with same period last year.

The **cost of risk** at March 31, 2018, which stands at 107 million euros¹³, rose by 1.9% on a year-on-year basis.

After restating to account for the impact of IFRIC 21 and excluding non-economic and exceptional items:

- **Income before tax** stands at 431 million euros for the first quarter of 2018, equal to a decline of 3.9% compared with the first quarter of 2017,
- The **cost/income ratio** increased by 0.4 of a percentage point to reach 66.5% at March 31, 2018.

After accounting for exceptional items and cancelling the restatement of the impact of IFRIC 21, **published income before tax** stood at 367 million euros for the first quarter of 2018, down 6.7% compared with first quarter of 2017.

3.1.2 Caisse d'Épargne

Following the merger between the Caisse d'Épargne Picardie and the Caisse d'Épargne Nord France Europe, giving birth to the Caisse d'Épargne Hauts de France on May 1, 2017, the Caisse d'Épargne network comprises 16 individual Caisses d'Épargne along with their subsidiaries.

- **Customer base**

The strategy consisting in delivering banking services to the individual customers of the Caisse d'Épargne retail banking network continued in the first quarter of 2018, leading to 1.6% growth in the number of principal active customers, i.e. 103,400 additional customers in an increasingly competitive banking environment. The number of Private Banking and Wealth management customers has risen by 3.8% (+15,900 customers). In the professional customers market segment, the strategy aimed at attracting new customers made it possible to increase the number of active customers by 3.7% (+7,000 clients year-on-year). In the corporate customer segment, the number of active clients increased by 11.4% (+2,000 customers).

- **Loan outstandings and deposits & savings**

Loan outstandings stood at 257 billion euros at March 31, 2018, up 6.4% compared with March 31, 2017.

Deposits & savings stood at 414 billion euros at March 31, 2018, equal to an increase of 2.5% compared with March 31, 2017.

- **Financial results**

Net banking income for the first quarter of 2018 stood at 1,716 million euros (excluding changes in the provision for home purchase savings schemes), down 5.7% on a year-on-year basis. This change is the result, in particular, of a 10.5% decline in net interest income (excluding changes in the provision for home purchase savings schemes) offset by 4.1% growth in commissions, excluding early loan redemption fees, which experienced a 52.1% decline compared with same period last year.

Operating expenses for the first quarter came to 1,210 million euros¹³, reflecting a 0.9% decrease compared with the same period last year.

Gross operating income stood at 503 million euros¹³, down 15.3% compared with the first quarter of 2017.

The **cost of risk**, which stood at 63 million euros¹³ in first quarter of 2018, experienced a substantial 22.3% decline compared with the first quarter of 2017.

After restating to account for the impact of IFRIC 21 and excluding non-economic and exceptional items:

- **Income before tax** came to 486 million euros for first quarter of 2018, 13.8% down compared with first quarter of 2017,
- The **cost/income ratio** increased by 3.5 percentage points, standing at 68.0% for the first three months of 2018.

After accounting for exceptional items and cancelling the restatement of the impact of IFRIC 21, **published income before tax** stands at 434 million euros for the first quarter of 2018, down 12.2% compared with the same period last year.

3.1.3 Specialized Financial Services: faster pace of growth enjoyed by the Payments business

The Specialized Financial Services (SFS) division of Natixis includes three business lines: Specialized financing, Payments, and Financial services. It is included in the Group's Retail Banking & Insurance division.

- **Financial results**

Net revenues stand at 362 million euros for the first quarter of 2018, up 5.2% compared with the first quarter of 2017. More particularly, the net banking income generated by the Specialized financing business line achieved year-on-year growth of 2% driven by the leasing, factoring, and Consumer finance businesses. The revenues of the Financial Services activity rose by 4% year-on-year buoyed up by the Employee savings plans activity (+7%) while the revenues generated by the Payments business – 70% of which is generated by the Banque Populaire and Caisse d'Épargne retail banking networks – enjoyed 15% year-on-year growth (approximately two-thirds of which is derived from recent business acquisitions in 2017).

Operating expenses stand at 244 million euros¹³ for the first quarter of 2018, up 4.9% compared with the first quarter of 2017 (but remaining steady on a constant basis of structure).

Gross operating income rose by 5.8% in the first quarter of 2018 to stand at 118 million euros¹³.

The **cost of risk** came to 9 million euros¹³ for the first three months of 2018, dropping by a significant 55.7% compared to the first quarter of 2017.

After restating to account for the impact of IFRIC 21 and excluding non-economic and exceptional items:

- **Income before tax** came to 116 million euros for the first quarter of 2018, equal to growth of 18.3%,
- The **cost/income ratio** remained steady over the period at 65.5% (or 64.5% if the acquisitions made by the Payments business line are excluded).

After accounting for exceptional items and cancelling the restatement of the impact of IFRIC 21, **published income before tax** stands at 108 million euros for the first quarter of 2018, up 19.0% compared with the same period last year.

Figures specifying the contribution to Groupe BPCE are different from those published by Natixis. For a more detailed analysis of the business lines and results of Natixis, please refer to the press release published by Natixis that may be consulted online at www.natixis.com.

3.1.4 Insurance: good level of profitability maintained

The Insurance business line of Natixis is included in the Group's Retail Banking & Insurance division.

- **Financial results**

Net banking income stands at 204 million euros for the first quarter of 2018, up 7.7% compared with the first quarter of 2017, driven by both Life and Personal Protection insurance. This result corresponds to total premiums of 3.5 billion euros (excluding the reinsurance treaty with CNP), representing growth of 6% on a year-on-year basis.

Operating expenses amounted to 118 million euros¹³ for the first quarter of 2018, up 8.5% compared with the same period last year. This increase is due, in particular, to a 5 million euro increase in the Corporate Social Solidarity Contribution (C3S). If the payment of this tax is excluded, operating expenses only increased by 5% in line with business growth.

Gross operating income rose by 6.7% compared with the same period in 2017 to reach a total of 86 million euros¹³.

After restating to account for the impact of IFRIC 21 and excluding non-economic and exceptional items:

- **Income before tax** came to 103 million euros for the first quarter of 2018, up by 7.7%,
- The **cost/income ratio** saw a 0.8-percentage point improvement in the first quarter of 2018 to stand at 50.9%.

After accounting for exceptional items and cancelling the restatement of the impact of IFRIC 21, **published income before tax** stands at 89 million euros for the first three months of 2018, up by a significant 37.4% compared with the same period in 2017.

Figures specifying the contribution to Groupe BPCE are different from those published by Natixis. For a more detailed analysis of the business lines and results of Natixis, please refer to the press release published by Natixis that may be consulted online at www.natixis.com.

3.1.5 Other networks

The Other networks sub-division is chiefly comprised of the activities pursued by Crédit Foncier, Banque Palatine, and BPCE International.

- **Crédit Foncier**

Crédit Foncier achieved aggregate new loan production of equal to 2.2 billion euros, a decline less marked than the downturn experienced by the market overall. Home loans granted to individual customers remain the main contributor, accounting for 1.6 billion euros in new loans.

At the same time, Crédit Foncier experienced a gradual erosion in its loan outstandings position, which stood at 77.7 billion euros at March 31, 2018 versus 80.7 billion euros at March 31, 2017.

Owing to the prevailing business environment characterized by low interest rates and stiff competition, **net banking income** suffered a 15.8% decline owing, in particular, to the impact on net interest income of the high level of early loan redemptions since 2015 as well as loan renegotiations in previous quarters. Crédit Foncier is also pursuing its policy aimed at substantially cutting its costs. As a result, **operating expenses** fell by 13.8% in the first quarter of 2018. As a result, at March 31, 2018, the contribution made by Crédit Foncier to the Group's income before tax, after accounting for the impact of IFRIC 21, stands at 22 million euros, down 19.8% compared with the first quarter of 2017.

- **Banque Palatine**

The average loan outstandings position increased from 8.2 billion euros in the first quarter of 2017 to stand at 8.7 billion euros at March 31, 2018. The level of deposits & savings increased marginally during the period to reach 16.7 billion euros at March 31, 2018.

The contribution made by Banque Palatine to the Group's income before tax, after accounting for the impact of IFRIC 21, stands at 25 million euros for the first quarter of 2018, up 19.1% year-on-year.

- **BPCE International**

BPCE International represents all the international subsidiaries of Groupe BPCE, with the exception of Natixis.

Loan outstandings stood at 5.0 billion euros at March 31, 2018 (versus 5.5 billion euros at March 31, 2017). Deposits & savings came to 5.0 billion euros, a level that remained steady over the period.

The contribution of BPCE International to the Group's income before tax, after accounting for the impact of IFRIC 21, was positive in the first quarter of 2018 at 14 million euros. This represents strong growth compared with the first quarter of 2017, which included the booking of additional provisions on loan portfolios in Tunisia.

3.2 Asset & Wealth Management: strong growth dynamics with gross operating income up 34% despite an unfavorable foreign exchange effect

The Asset & Wealth Management division includes the Asset Management and Wealth Management activities of Natixis.

- **Financial results**

Net banking income came to 777 million euros in the first quarter of 2018, equal to 10.3% growth (+20.2% on a constant exchange rate basis) over the first quarter of 2017.

Operating expenses came to 528 million euros in the first quarter of 2018, equal to a 1.9% increase (+10.5% on a constant exchange rate basis) in line with growth in business activities compared with the first quarter of 2017.

Gross operating income came to 248 million euros in the first quarter of 2018, representing an increase of 33.8% (+47.8% on a constant exchange rate basis) compared with the same period in 2017.

After restating to account for the impact of IFRIC 21:

- **Income before tax** came to 253 million euros in the first quarter of 2018, up 27.4% on a year-on-year basis,
- The **cost/income ratio** saw a 5.7-percentage point improvement (6.0 points on a constant exchange rate basis) in the first quarter of 2018, to reach 67.5%,
- **Normative ROE** increased to 14%, up 2.5 percentage points.

After cancelling the restatement of the impact of IFRIC 21, **published income before tax** stands at 248 million euros in the first quarter of 2018, up by a substantial 27.2% compared with the same period last year.

Figures specifying the contribution to Groupe BPCE are different from those published by Natixis. For a more detailed analysis of the business lines and results of Natixis, please refer to the press release published by Natixis that may be consulted online at www.natixis.com.

3.3 Corporate & Investment Banking: increased pace of value creation

The Corporate & Investment Banking division includes the Global markets and Global finance & Investment banking activities of Natixis.

• Financial results

Net banking income came to 938 million euros in the first quarter of 2018, down 3.3% compared with the first quarter of 2017 but up 1.3% on a constant exchange rate basis and up 5% if CVA/DVA is excluded. These results must compete with a high basis of comparison due, in particular, to the performance of the Global Markets activity.

Operating expenses stand at 562 million euros¹⁴ in the first quarter of 2018, down 0.8% compared with the first quarter of 2017 (+2.3% on a constant exchange rate basis).

Gross operating income stands at 376 million euros¹⁴ in the first quarter of 2018, 6.9% lower than in the first quarter of 2017 (stable on a constant exchange rate basis, and up by +10% if CVA/DVA is excluded).

The **cost of risk** stood at 29 million euros in the first quarter of 2018, stable over the period.

After restating to account for the impact of IFRIC 21 and excluding non-economic and exceptional items:

- **Income before tax** in the first quarter of the year came to 376 million euros, down 7.2%,
- The **cost/income ratio** came to 57.5% in the first quarter of 2018, up 2.0 percentage points (+1.2 points on a constant exchange rate basis),
- **ROE** increased by 1 percentage point to 17%.

After accounting for exceptional items and cancelling the restatement of the impact of IFRIC 21, **published income before tax** stands at 352 million euros in the first quarter of 2018, down 6.8% compared with the same period in 2017.

¹⁴ Excluding non-economic and exceptional items (cf. notes on methodology at the end of this press release)

Figures specifying the contribution to Groupe BPCE are different from those published by Natixis. For a more detailed analysis of the business lines and results of Natixis, please refer to the press release published by Natixis that may be consulted online at www.natixis.com.

NON-ECONOMIC AND EXCEPTIONAL ITEMS FOR THE 1ST QUARTER OF 2018

In millions of euros

	Q1-18 Net income attributable to equity holders of the parent	Q1-17 pf Net income attributable to equity holders of the parent
Non-economic items of an accounting nature	-3	-7
Revaluation of assets associated with deeply subordinated notes denominated in foreign currencies (Corporate center division)	-3	-7
Disposal of non-strategic holdings and assets managed on a run-off basis (Corporate center division)		-1
Disposal of international assets managed on a run-off basis		-1
Transformation and reorganization costs (Business lines/Corporate center division)	-26	-24
Impairment of goodwill and others		-9
Impairment of goodwill and other gains or losses on other assets (Corporate center division)		-9
Total impact of non-economic and exceptional items	-29	-41

For further details about the financial results, please consult the Investors/Results section of the corporate website <http://www.groupebpce.fr/en>

The quarterly financial statements of Groupe BPCE for the period ended March 31, 2018 approved by the Management Board at a meeting convened on May 4, 2018, were verified and reviewed by the Supervisory Board at a meeting convened on May 17, 2018. The financial results contained in this press release have not been reviewed by the statutory auditors.

Notes on methodology

Presentation of pro-forma quarterly results

The segment information has been modified as of Q4-17 in accordance with the presentation of the business lines in the 2018-2020 strategic plan.

The Insurance activities of Natixis (life, personal protection, borrower's, and P&C insurance), previously included for reporting purposes in the Investment Solutions division, have now been transferred to the Retail Banking & Insurance division. The Investment Solutions division has now become the Asset & Wealth Management division.

The previous quarters have been restated accordingly.

Since January 1, 2018, Groupe BPCE has applied IFRS 9 Financial Instruments, as adopted by the European Union. The Group has elected to use the option provided by the standard to not restate the comparative figures for previous financial years. Consequently, with respect to financial instruments, the comparative figures for the 2017 financial year presented alongside the figures for 2018 shall remain drawn up in accordance with the provisions of IAS 39.

When the Q1-17 results were published, the amount recognized with respect to the Group's contribution to the Single Resolution Fund was based on an estimate. Following notification of the actual amount of the contribution in Q2-17, the amount of the SRF recognized as operating expenses in Q1-17 has been increased by a total of 3 million euros. The final amount of the SRF contribution for the 2018 fiscal period is recognized in the Q1-18 results

Non-economic and exceptional items

The non-economic and exceptional items and the reconciliation of the restated income statement to the income statement published by Groupe BPCE are included in an annex to the slideshow document available on the following website: <http://www.groupebpce.fr/en>.

Restatement of the impact of IFRIC 21

The results, cost/income ratios and ROE, after being restated to account for the impact of IFRIC 21, are calculated on the basis of 1/4 of the amount of taxes and contributions resulting from the interpretation of IFRIC 21 for a given quarter, or 1/2 of the amount of taxes and contributions resulting from the interpretation of IFRIC 21 for a 6-month period. In practice, for Groupe BPCE, the principal taxes concerned by IFRIC 21 are the company social solidarity contribution (C3S) and contributions and levies of a regulatory nature (systemic risk tax levied on banking institutions, contribution to ACPR control costs, contribution to the Single Resolution Fund and to the Single Supervisory Mechanism).

Net banking income

Customer net interest income, excluding regulated home savings schemes, is computed on the basis of interest earned from transactions with customers, excluding net interest on centralized savings products (Livret A, Livret Développement Durable, Livret Épargne Logement passbook savings accounts) in addition to changes in provisions for regulated home purchase savings schemes. Net interest on centralized savings is assimilated to commissions.

Operating expenses

The operating expenses correspond to the aggregate total of the "Operating Expenses" (as presented in the Group's registration document, note 6.6 appended to the consolidated financial statements of Groupe BPCE) and "Depreciation, amortization and impairment for property, plant and equipment and intangible assets."

Cost of risk

The cost of risk is expressed in basis points and measures the level of risk per business line as a percentage of the volume of loan outstandings; it is calculated by comparing net provisions booked with respect to credit risks of the period to gross customer loan outstandings at the beginning of the period.

Business line performance presented using Basel 3 standards

The **accounting ROE of Groupe BPCE** is the ratio between the following items:

- Net income attributable to equity holders of the parent restated to account for the interest expense related to deeply subordinated notes classified as equity and for non-economic and exceptional items.
- Equity attributable to equity holders of the parent restated to account for the deeply subordinated notes classified as equity and for unrealized gains and losses.

The **normative ROE of the business lines** is the ratio between the following items:

- Business line contributory net income attributable to equity holders of the parent, less interest (computed at the standard rate of 2%) paid on surplus equity compared with normative capital and restated to account for non-economic and exceptional items.
- Normative capital adjusted to reflect goodwill and intangible assets related to the business line.
- Normative capital is allocated to Groupe BPCE business lines on the basis of 10.5% of Basel-3 average risk-weighted assets.

Capital adequacy

Common Equity Tier 1 is determined in accordance with the applicable CRR/CRD IV rules; fully-loaded equity is presented without the application of transitional measures. **Additional Tier-1 capital** takes account of subordinated debt issues that have become non-eligible and subject to ceilings at the phase-out rate in force.

The leverage ratio is calculated using the rules of the Delegated Act published by the European Commission on October 10, 2014, without transitional measures. Securities financing operations carried out with clearing houses are offset on the basis of the criteria set forth in IAS 32, without consideration of maturity and currency criteria. Account has been taken in the total leverage exposure of savings deposits centralized with the Caisse des Dépôts et Consignations since Q1-16.

Total loss-absorbing capacity

The amount of liabilities eligible for inclusion in the numerator used to calculate the Total Loss-Absorbing Capacity (TLAC) ratio is determined on the basis of our understanding of the Term Sheet published by the FSB on November 9, 2015: "Principles on Loss-Absorbing and Recapitalization Capacity of G-SIBs in Resolution."

This amount is comprised of the following 4 items:

- Common Equity Tier 1 in accordance with the applicable CRR/CRD IV rules,
- Additional Tier-1 capital in accordance with the applicable CRR/CRD IV rules,
- Tier-2 capital in accordance with the applicable CRR/CRD IV rules,
- Subordinated liabilities not recognized in the capital mentioned above and whose residual maturity is greater than 1 year, namely: the share of additional Tier-1 capital instruments not recognized in common equity (i.e. included in the phase-out); the share of the prudential discount on Tier-2 capital instruments whose residual maturity is greater than 1 year; the nominal amount of senior non-preferred securities maturing in more than 1 year.

Eligible amounts differ slightly from the amounts adopted for the numerator of the capital adequacy ratios; these eligible amounts are determined using the principles defined in the Term Sheet published by the FSB on November 9, 2015.

Liquidity

Total liquidity reserves comprise the following:

- Central bank-eligible assets include: ECB-eligible securities not eligible for the LCR, taken for their ECB valuation (after ECB haircut), securities retained (securitization and covered bonds) that are available and ECB-eligible taken for their ECB valuation (after ECB haircut) and private receivables available and eligible for central bank funding (ECB and Federal Reserve), net of central bank funding.
- LCR eligible assets comprising the Group's LCR reserve taken for their LCR valuation.
- Liquid assets placed with central banks (ECB and the Federal Reserve), net of US Money Market Funds deposits and to which fiduciary money is added.

Short-term funding corresponds to funding with an initial maturity of less than or equal to 1 year, and the short-term maturities of medium-/long-term debt correspond to debt with an initial maturity date of more than 1 year maturing within the next 12 months.

The Group's LTD ratio (customer loan-to-deposit ratio) is the ratio between customer loans and centralized regulated passbook savings accounts in the numerator, and customer deposits in the denominator. The scope of the calculation excludes SCF (Compagnie de Financement Foncier, the Group's société de crédit foncier, a French covered bond issuer). These items are taken from the Group's accounting balance sheet after accounting for the insurance entities using the equity method. Customers' deposits are subject to the following adjustments:

- Addition of security issues placed by the Banque Populaire and Caisse d'Épargne retail banking networks with their customers, and certain operations carried out with counterparties comparable to customer deposits
- Withdrawal of short-term deposits held by certain financial customers collected by Natixis in pursuit of its intermediation activities.

Loan outstandings and deposits & savings

Restatements regarding transitions from book outstandings to outstandings under management (loans and deposits & savings) are as follows:

- Deposits & savings: the scope of outstandings under management excludes debt securities (certificates of deposit and savings bonds)
- Loan outstandings: the scope of outstandings under management excludes securities classified as customer loans and receivables and other securities classified as financial operations.

About Groupe BPCE

Groupe BPCE, the 2nd-largest banking group in France, includes two independent and complementary cooperative commercial banking networks: the network of 14 Banque Populaire banks and the network of 16 Caisses d'Épargne. It also works through Crédit Foncier in the area of real estate financing. It is a major player in Asset and Wealth management, Insurance, Corporate & Investment Banking and Specialized Financial Services with Natixis. Groupe BPCE, with its 106,500 employees, serves a total of 31 million customers and enjoys a strong local presence in France with 7,800 branches and 9 million cooperative shareholders.

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4.2 Analysts presentation



• DISCLAIMER

This presentation may contain forward-looking statements and comments relating to the objectives and strategy of Groupe BPCE. By their very nature, these forward-looking statements inherently depend on assumptions, project considerations, objectives and expectations linked to future events, transactions, products and services as well as on suppositions regarding future performance and synergies.

No guarantee can be given that such objectives will be realized; they are subject to inherent risks and uncertainties and are based on assumptions relating to the Group, its subsidiaries and associates and the business development thereof, trends in the sector, future acquisitions and investments; macroeconomic conditions and conditions in the Group's principal local markets; competition and regulation. Occurrence of such events is not certain, and outcomes may prove different from current expectations, significantly affecting expected results. Actual results may differ significantly from those anticipated or implied by the forward-looking statements. Groupe BPCE shall in no event have any obligation to publish modifications or updates of such objectives.

Information in this presentation relating to parties other than Groupe BPCE or taken from external sources has not been subject to independent verification; the Group makes no statement or commitment with respect to this third-party information and makes no warranty as to the accuracy, fairness, precision or completeness of the information or opinions contained in this presentation. Neither Groupe BPCE nor its representatives shall be held liable for any errors or omissions or for any harm resulting from the use of this presentation, the content of this presentation, or any document or information referred to in this presentation.

The financial information presented in this document relating to the fiscal period ended March 31, 2018 has been drawn up in compliance with IFRS guidelines, as adopted in the European Union. This financial information is not the equivalent of summary financial statements for an interim period as defined by IAS 34 "Interim Financial Reporting."

The new IFRS 9 standard has been applied since January 1st, 2018. Groupe BPCE has elected to use the option provided by the standard to not restate the figures for previous financial years.

This presentation includes financial data related to publicly-listed companies which, in accordance with Article L.451-1-2 of the French Monetary and Financial Code (*Code Monétaire et Financier*), publish information on a quarterly basis about their total revenues per business line. Accordingly, the quarterly financial data regarding these companies is derived from an estimate carried out by BPCE. The publication of Groupe BPCE's key financial figures based on these estimates should not be construed to engage the liability of the abovementioned companies.

The financial results contained in this presentation have not been reviewed by the statutory auditors.

The quarterly financial statements of Groupe BPCE for the period ended March 31, 2018 approved by the Management Board at a meeting convened on May 4, 2018, were verified and reviewed by the Supervisory Board at a meeting convened on May 17, 2018.

• RESULTS FOR THE 1ST QUARTER OF 2018

Thanks to the new growth drivers in the Insurance and Payments businesses that boost our commission-earning activities and despite the persistent impact of low interest rates on the net interest income of the BP and CE retail banking networks, the Retail Banking & Insurance division's contribution to net banking income shows a limited decline: €4,180m¹ in Q1-18 (-3.0%)

Strong growth enjoyed by the Asset & Wealth Management division,
contribution to net banking income equal to €777m, +20.2% at constant exchange rates

Good quarter for Corporate & Investment Banking despite an unfavorable foreign exchange rate compared with Q1-17,
contribution to net banking income of €938m, +1.3% at constant exchange rates

The Group performed well in Q1-18 with **net income attributable to equity holders of the parent² equal to €955m, representing growth of 0.9%** despite the sharp increase in regulatory contributions

Limited impact of the first-time application of IFRS 9 on the Group's CET1 ratio: -17bps

Extremely high level of capital adequacy and loss-absorbing capacity, with a TLAC ratio very close to the target fixed in the strategic plan (>21.5% in early 2019)

Unless specified to the contrary, all changes are vs. Q1-17pf ¹ Excluding provisions for home purchase savings schemes ² Excluding non non-economic and exceptional items and after restating to account for IFRIC 21

3 RESULTS FOR THE 1ST QUARTER OF 2018

GROUPE BPCE

CONTENTS

- 1** Results of Groupe BPCE
- 2** Capital adequacy and liquidity
- 3** Results of the business lines
- 4** Conclusion

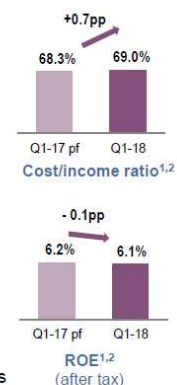
4 RESULTS FOR THE 1ST QUARTER OF 2018

GROUPE BPCE

Q1-18 RESULTS

Net income attributable to equity holders of the parent^{1,2}: €955m, +0.9%

In millions of euros	Q1-18	Impact of non economic and exceptional items	Q1-18 underlying	Q1-17 pf underlying	Q1-18 underlying / Q1-17 pf underlying % change	Constant change % change
Net banking income	6,010	-12	6,022	6,069	-0.8%	0.9%
Operating expenses	-4,606	-46	-4,560	-4,507	1.2%	2.5%
Operating expenses excluding SRF	-4,266	-	-4,220	-4,247	-0.7%	0.7%
Gross operating income	1,404	-58	1,463	1,562	-6.3%	-3.6%
Cost of risk	-259	-	-259	-366	-29.2%	-
Income before tax	1,222	-58	1,280	1,270	0.8%	0.8%
Income before tax after IFRIC 21 restatement	1,627	-58	1,666	1,633	3.2%	-
Income tax	-455	20	-475	-497	-4.4%	-
Non-controlling interests (minority interests)	-162	9	-171	-115	49.1%	-
Net income attributable to equity holders of the parents	605	-29	634	659	-3.7%	-
Restatement of IFRIC 21	321	-	321	288	-	-
Net income attributable to equity holders of the parent - after IFRIC 21 restatement	926	-29	955	946	0.9%	-



- Net banking income +0.9%^{1,3}; strong +20.2%³ growth in the Asset & Wealth Management division and fine performances achieved by our Insurance activities (+7.7%) and SFS division (+5.2%); limited -3.0%⁴ decline in the Retail Banking & Insurance division; CIB up +1.3%³ compared with the historically high level achieved by Global Markets in Q1-17
- Operating expenses: +0.7%³ excluding the Single Resolution Fund (SRF); sharp increase in the SRF contribution: +31%, to €340m
- Significant decline in the cost of risk: -29.2% in absolute value¹ and -6bps in relative value to 16bps in Q1-18
- Income before tax¹ restated to account for the impact of IFRIC 21: +3.2%, rising to €1.7bn

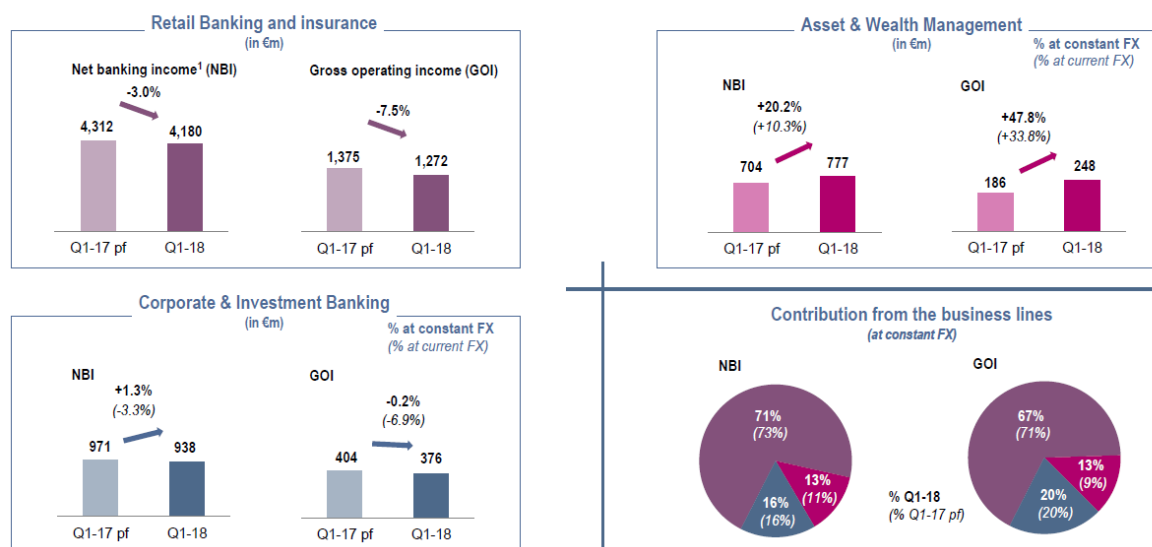
Q1-17 pf. cf. Notes on methodology ¹ Excluding non-economic and exceptional items (cf. annex p 41 and 42) ² After restating to account for the impact of IFRIC 21 ³ Changes are expressed at constant exchange rates ⁴ Excluding provisions for home purchase savings schemes

5 RESULTS FOR THE 1ST QUARTER OF 2018

GROUPE BPCE

Q1-18 RESULTS

Strong growth in the contribution from Asset & Wealth Management



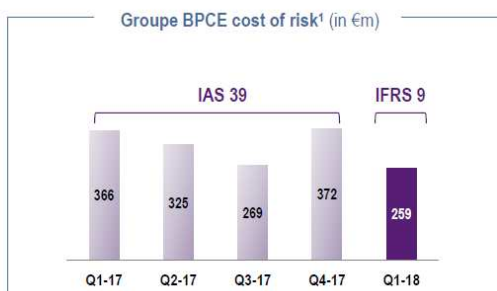
The Corporate center division is excluded from the calculation of contributions. Aggregates are calculated without exceptional items ¹ Excluding provisions for home purchase savings schemes

6 RESULTS FOR THE 1ST QUARTER OF 2018

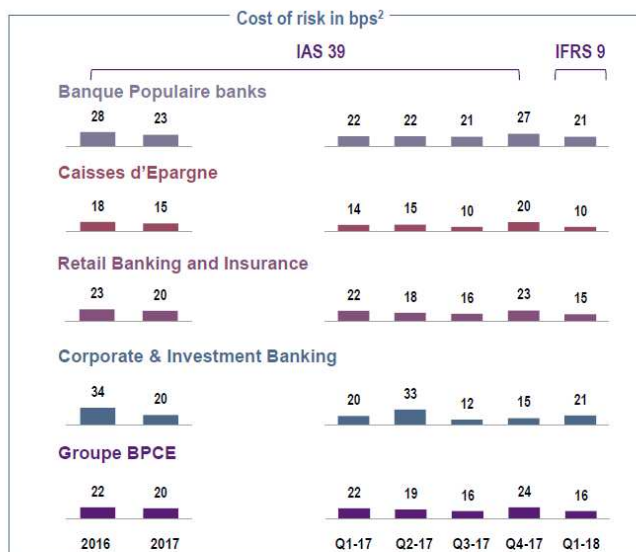
GROUPE BPCE

Q1-18 RESULTS

Significant decline in the cost of risk



Ratio of non-performing loans/gross loan outstandings	3.2%	3.0%
Impaired loans coverage ratio ³	71.4%	74.2%
	January 1 st , 2018	March 31, 2018



¹ Excluding exceptional items ² Cost of risk expressed in annualized basis points on gross customer outstandings at the beginning of the period ³ Coverage ratio, including guarantees related to impaired outstandings

CONTENTS

- 1 Results of Groupe BPCE
- 2 Capital adequacy and liquidity
- 3 Results of the business lines
- 4 Conclusion

CAPITAL ADEQUACY

Extremely high level of capital adequacy and loss-absorbing capacity

Impact in Q1-18 of 2 one-off effects on the CET1 ratio

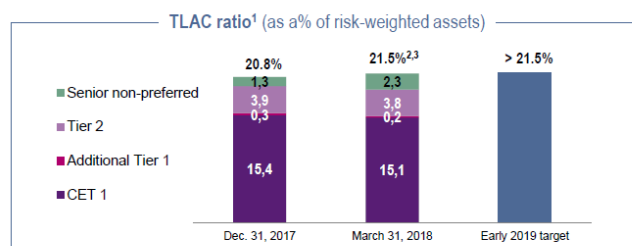
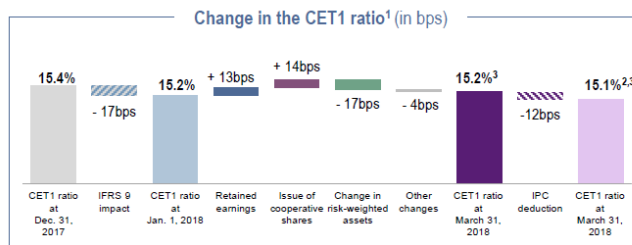
- First-time application of IFRS 9: -17bps
- Deduction from regulatory capital of irrevocable payment commitments (IPC)²: -12bps

Leverage ratio of 5.0%^{2,4} at March 31, 2018

Total loss-absorbing capacity⁵ of €83.8bn^{1,2} at end-March 2018, representing a TLAC ratio of 21.5%^{1,2,3}

TLAC trajectory of the TEC 2020 2018/2020 strategic plan

- Issuance program of senior non-preferred debt of between €4bn and €5bn per year
- No use made of senior preferred debt



¹ CRR / CRD IV without transitional measures; additional Tier-1 capital takes account of subordinated debt issues that have become ineligible and capped at the phase-out rate in force ² Deduction, following the instructions of the supervisory authorities, of the part of the contributions to the Single Resolution Fund and the Bank Deposit Guarantee Fund recognized in the form of irrevocable payment commitments ³ Estimate at March 31, 2018 ⁴ Estimate calculated using the rules of the Delegated Act published by the European Commission on October 10, 2014 ⁵ According to the term sheet dated November 9, 2015 published by the Financial Stability Board on the Total Loss-absorbing Capacity

LIQUIDITY

66%¹ of the wholesale medium-/long-term funding plan completed

€22bn wholesale MLT funding plan to be completed in 2018

- Unsecured bond segment: approximately 70%
 - Of which €4bn-5bn in senior non-preferred debt
- Covered bond segment: approximately 30%

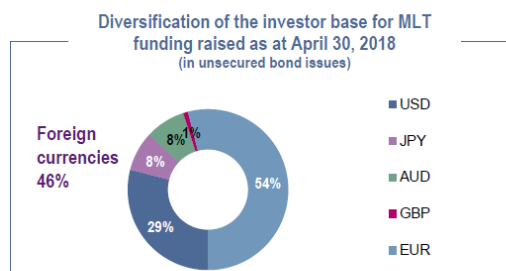
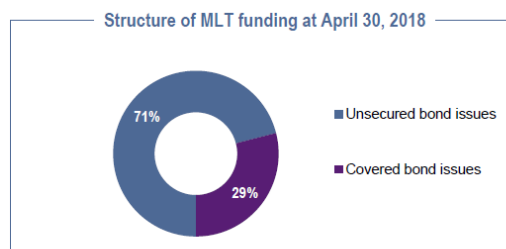
66% of the 2018 plan completed¹: €14.5bn raised

- Average maturity at issue: 7.4 years
- Average cost of the liquidity: mid-swap +16bps
- 68% in public issues and 32% in private placements

Unsecured bond segment: €10.3bn raised

- Senior non-preferred debt: €4.5bn
- Senior preferred debt: €5.8bn

Covered bond segment: €4.2bn raised



¹ At end-April 2018

CONTENTS

- 1 Results of Groupe BPCE
- 2 Capital adequacy and liquidity
- 3 Results of the business lines
- 4 Conclusion

RETAIL BANKING AND INSURANCE

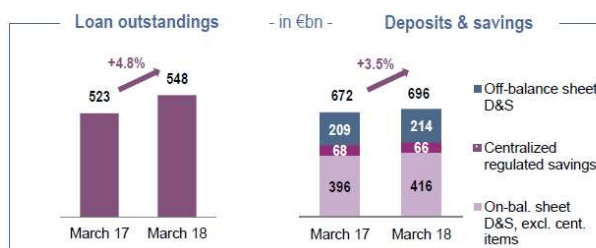
Development of new growth drivers: Insurance and Payments

Loan outstandings: +4.8% year-on-year

- Home loans +5.7%, equipment loans +7.4%
- New loan production of almost €26bn in Q1-18, -28.4% compared with the exceptional level achieved in Q1-17; in line with average quarterly new loan production in 2016

On-balance sheet deposits & savings inflows¹: €24bn year-on-year

- Chiefly demand deposits, which enjoyed 11.0% growth in deposits



Development of fee- and commission-earning activities

Insurance²

- Gross life insurance inflows in unit-linked policies: +15% YoY
- Proportion of unit-linked policies in gross inflows: +2.8pps YoY
- Life insurance commissions from the BP and CE retail banking networks: +5.3%



Payments

- Revenues from the Payments business line: +15% vs. Q1-17, to €93m
- 70% of revenues generated with the BP & CE networks
- 8.4% rise in commissions on payments from the BP & CE retail banking networks

Groupe BPCE, a pioneer in mobile payments in France, is the 1st banking group to offer the Samsung Pay solution

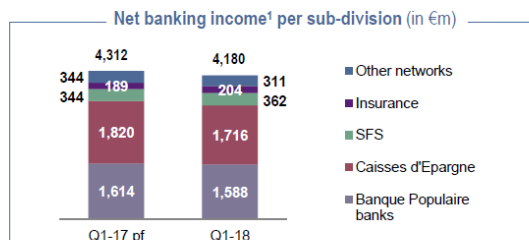
¹ Excluding centralization of regulated savings ² Entities included: Natixis Assurances, Prépar Vie, CNP Assurances

• RETAIL BANKING AND INSURANCE

Resilient results performance: limited decline in income before tax^{2,3} to €1.2bn in Q1-18

Net banking income: -3.0%¹ year-on-year

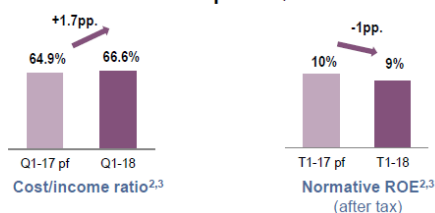
- Aggregate net banking income¹ of the BP & CE retail banking networks: -3.8% year-on-year
 - Persistent impact on interest income of the low-rate environment prevailing in recent years
 - Commissions remain stable, despite the sharp decline in early redemption fees (-53.3% vs. Q1-17; return to more normal levels after the high volumes recorded in 2017)
- Dynamic performance achieved by Specialized Financial Services (+5.2%) and Natixis' insurance activities (+7.7%) in association with the retail banking networks



Operating expenses: -0.8%² year-on-year

- Operating expenses of the BP & CE retail banking networks: -1.0%

Low cost of risk at 15bps in Q1-18



in millions of euros	Q1-18	Q1-17 pf	% Change N-1
Net banking income	4,174	4,299	-2.9%
Net banking income excl. home purchase savings schemes	4,180	4,312	-3.0%
Operating expenses ²	-2,902	-2,924	-0.8%
Gross operating income ²	1,272	1,375	-7.5%
Cost of risk ²	-213	-304	-30.0%
Income before tax after IFRIC 21 restatement ²	1,197	1,220	-1.9%
Cost/income ratio ^{2,3}	66.6%	64.9%	1.7pt
Impact of exceptional items	-31	-50	
Reinstatement of IFRIC 21	-122	-133	
Published income before tax	1,044	1,036	0.7%

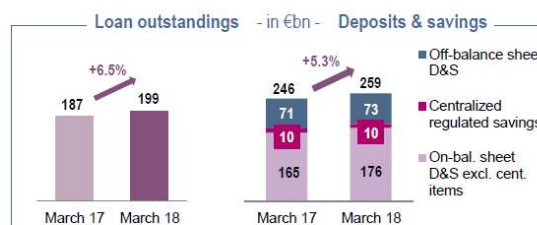
¹ Excluding provisions for home purchase savings schemes ² Excluding exceptional items ³ After restating to account for the impact of IFRIC 21

• RETAIL BANKING AND INSURANCE

Banque Populaire banks

Customer base

- Principal active customers: +93,700, +2.5%
- Private banking and Wealth Management customers: +22,000, +6.2%
- Active professional customers: +4,400, +1.0%
- Active corporate customers: +1,300, +3.0%



Contribution to the Group's results

Net banking income: -1.6%¹ vs. Q1-17

- Net interest income: -4.0%¹
- Commissions, excluding early redemption fees: +4.3%
- Early redemption fees: -55.0%

Operating expenses²: -1.1% vs. Q1-17

Income before tax^{2,3}: -3.9% year-on-year

in millions of euros	Q1-18	Q1-17	% Change N-1
Net banking income	1,584	1,606	-1.4%
Net banking income excl. home purchase savings schemes	1,588	1,614	-1.6%
Operating expenses ²	-1,095	-1,107	-1.1%
Gross operating income ²	489	499	-2.1%
Cost of risk	-107	-105	1.9%
Income before tax after IFRIC 21 restatement ²	431	449	-3.9%
Cost/income ratio ^{2,3}	66.5%	66.1%	0.4pt
Impact of exceptional items	-23	-11	
Reinstatement of IFRIC 21	-41	-45	
Published income before tax	367	393	-6.7%

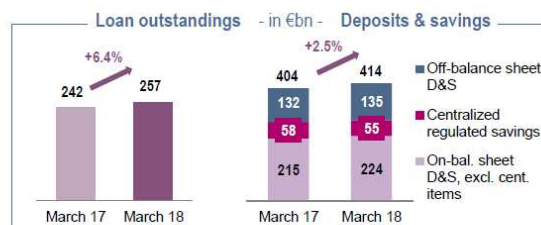
¹ Excluding provisions for home purchase savings schemes ² Excluding exceptional items ³ After restating to account for the impact of IFRIC 21

RETAIL BANKING AND INSURANCE

Caisses d'Epargne

Customer base

- Principal active individual customers: +103,400, +1.6%
- Private banking and Wealth Management customers: +15,900, +3.8%
- Active professional customers: +7,000, +3.7%
- Active corporate customers: +2,000, +11.4%



Contribution to the Group's results

Net banking income: -5.7%¹ vs. Q1-17

- Net interest income: -10.5%¹
- Commissions, excluding early redemption fees: +4.1%
- Early redemption fees: -52.1%

Operating expenses²: down by 0.9% vs. Q1-17

Income before tax^{2,3}: -13.8% year-on-year

in millions of euros	Q1-18	Q1-17	% Change N-1
Net banking income	1,713	1,815	-5.6%
Net banking income excl. home purchase savings schemes	1,716	1,820	-5.7%
Operating expenses ²	-1,210	-1,222	-0.9%
Gross operating income ²	503	594	-15.3%
Cost of risk	-63	-81	-22.3%
Income before tax after IFRIC 21 restatement ²	486	564	-13.8%
Cost/income ratio ^{2,3}	68.0%	64.5%	3.5pts
Impact of exceptional items	-6	-19	
Reinstatement of IFRIC 21	-46	-51	
Published income before tax	434	495	-12.2%

¹ Excluding provisions for home purchase savings schemes ² Excluding exceptional items ³ After restating to account for the impact of IFRIC 21

15 RESULTS FOR THE 1ST QUARTER OF 2018

GROUPE BPCE

RETAIL BANKING AND INSURANCE

SFS – Faster pace of growth enjoyed by the Payments business

Payments (Natixis Payment Solutions): year-on-year revenue growth of 15% (≈ 2/3 of which are derived from acquisitions made in 2017)

- Merchant Solutions: business volumes generated by the new acquisitions of Natixis Payment Solutions (Daleny and PayPlug) up by 40% year-on-year
- Prepaid & Managed Solutions: revenues up 26% year-on-year. Chèque de table[®] market share reached 18.2%, up 1.3pp year-on-year. Finalization of the acquisition of Comiteo
- Services & Processing: number of card transactions up by 11% year-on-year

Contribution to the Group's results

Net revenues: +5.2% vs. Q1-17

- Specialized financing: up by +2%, growth in the Leasing, Factoring and Consumer financing activities
- Financial services: revenues up by +4% year-on-year, driven by Employee saving plans (+7%)

Expenses: stable at a constant scope

- Cost/income ratio: 64.5%², excluding Payments acquisitions

Cost of risk materially improved vs. Q4-17 and year-on-year

Income before tax^{1,2}: +18.3% vs. Q1-17

in millions of euros	Q1-18	Q1-17	% Change N-1
Net banking income	362	344	5.2%
Operating expenses ¹	-244	-232	4.9%
Gross operating income ¹	118	112	5.8%
Cost of risk	-9	-21	-56.7%
Income before tax after IFRIC 21 restatement ¹	116	98	18.3%
Cost/income ratio ^{1,2}	65.5%	65.5%	-
Impact of exceptional items	-1	0	
Reinstatement of IFRIC 21	-7	-7	
Published income before tax	108	90	19.0%

¹ Excluding exceptional items ² After restating to account for the impact of IFRIC 21

16 RESULTS FOR THE 1ST QUARTER OF 2018

GROUPE BPCE

RETAIL BANKING AND INSURANCE

Scope: Natixis Insurance division

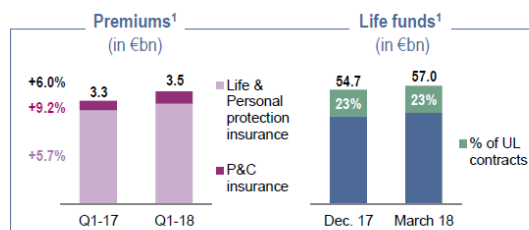
Insurance – Good level of profitability

Life¹ and Personal protection insurance

- €3.2bn in earned premiums in Q1-18, +6% year-on-year
- Total Assets under Management at €57bn as at end-March 2018; net inflows of €2bn in Q1-18, +7%
- Unit-linked AuM at €13.3bn, with net inflows up +1% at €0.9bn; UL products accounted for 45% of net inflows in Q1-18
- Personal protection: earned premiums up +9% vs. Q1-17, at €230m

P&C insurance

- €0.4bn earned premiums in Q1-18, up +9% year-on-year



Banking view

- Net revenues up +7.7% vs. Q1-17, driven both by Life and Personal protection insurance
- Expenses: up +8.5%, including a €5m increase in the Corporate Social Solidarity Contribution (C3S, calculated on the basis of the previous year's activity levels, 2017 being the 1st full year of activity with the CE)
If this effect is excluded, underlying expenses grew by 5% YoY

Insurance view

- Global turnover: €3.5bn¹, up +6% year-on-year

Contribution to the Group's results

in millions of euros ¹	Q1-18	Q1-17	% Change N-1
Net banking income	204	189	7.7%
Operating expenses ²	-118	-109	8.5%
Gross operating income ²	86	81	6.7%
Income before tax ²	89	85	5.0%
Restatement of IFRIC 21	14	11	
Income before tax after IFRIC 21 restatement ²	103	96	7.7%
Cost/income ratio ^{2,3}	50.9%	51.7%	-0.8pt
Impact of exceptional items		-20	
Reinstatement of IFRIC 21	-14	-11	
Published income before tax	89	65	37.4%

¹ Excluding reinsurance agreement with CNP ² Excluding exceptional items ³ After restating to account for the impact of IFRIC 21

17 RESULTS FOR THE 1ST QUARTER OF 2018

RETAIL BANKING AND INSURANCE

Other networks¹

Crédit Foncier

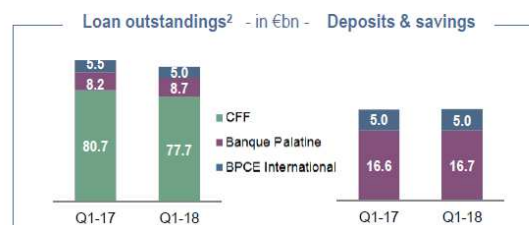
- Slower rate of new loan production against a background of persistently low interest rates and strong competition
 - Total new loan production during the quarter: €2.2bn, including €1.6bn in home loans granted to individual customers
- Net banking income down by 15.8% owing to the impact on net interest income of the high level of early loan redemption since 2015 and renegotiations in previous quarters; decline in commissions in Q1-18, following the sharp decrease in early loan redemptions
- Operating expenses down by 13.8% vs. Q1-17
- Contribution to income before tax³: €22m, down by 19.8% vs. Q1-17

Banque Palatine

- Contribution to income before tax³: €25m, up +19.1% vs. Q1-17

BPCE International

- Contribution to income before tax³ of €14m in Q1-18, showing a significant improvement vs. Q1-17, which included the booking of additional provisions on loan portfolios in Tunisia



in millions of euros ¹	Q1-18	Q1-17	% Change N-1
Net banking income	311	344	-9.7%
Operating expenses	-235	-255	-7.9%
Gross operating income	76	90	-14.9%
Cost of risk	-33	-97	-65.7%
Income before tax after IFRIC 21 restatement	60	13	ns
Cost/income ratio ³	70.9%	68.3%	2.6pts
Reinstatement of IFRIC 21	-14	-19	
Published income before tax	46	-7	ns

¹ Crédit Foncier, Banque Palatine, BPCE International ² Banque Palatine: average positions ³ After restating to account for the impact of IFRIC 21

18 RESULTS FOR THE 1ST QUARTER OF 2018

ASSET & WEALTH MANAGEMENT

Asset management: good activity levels amidst market volatility

Assets under management: €818bn at end-March 2018

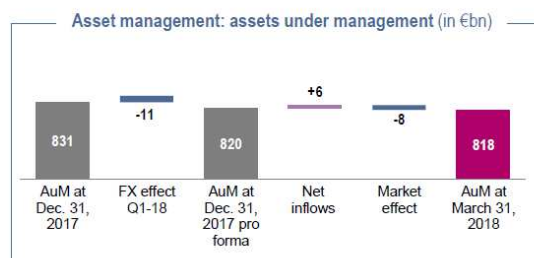
Average Q1-18 positions at constant exchange rates:

- +10% in Europe (excluding Life insurance)
- +14% in the United States

Net inflows of €6bn in Q1-18

- Retail and wholesale customers: a strong quarter with net inflows of €8.1bn of long-term products, with a good geographical spread:
 - United States: €3.4bn
 - Europe and Asia: €4.7bn

Average fee rate on net inflows of long-term products: >60bps¹
- Institutional customers: net outflows of -€2.1bn of long-term products, following the redemption of 3 mandates for a total of €5.4bn, with an average fee rate of ≈ 6bps



¹ Only for +€7.1bn raised by the platforms out of the +€8.1bn of R&W, the rest being raised by the affiliates directly (mainly DNCA in France & Italy and H2O)

ASSET & WEALTH MANAGEMENT

Strong growth momentum with gross operating income up +34%, despite an unfavorable FX effect

Net revenues: up +20.2% vs. Q1-17 (at constant exchange rates)

Asset Management

- Overall fee rate, excluding performance fees, at 31bps in Q1-18 (+3.6bps year-on-year). Q1-18 fee rate in line with the New Dimension targets: > 30bps
 - Europe: 26bps (excl. life insurance), i.e. +2.7bps YoY
 - United States: 40bps, i.e. +1.5bp YoY
- Performance fees reached €65m in Q1-18 (equal to ≈ 9% of AM revenues), driven by H2O

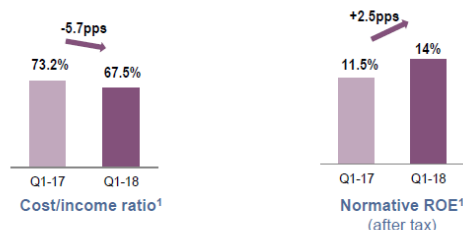
Wealth Management

- Net revenues up by +12% year-on-year

Gross operating income: +47.8% in Q1-18 (at constant exchange rates)

Significant improvement in the cost/income ratio of 6.0pps to reach 67.5%¹ (at constant exchange rates)

in millions of euros	Q1-18	Q1-17 pf	% Change N-1	Constant change % change N-1
Net banking income	777	704	10.3%	20.2%
Operating expenses	-528	-519	1.9%	10.5%
Gross operating income	248	186	33.8%	47.8%
Income before tax after IFRIC 21 restatement	253	198	27.4%	
Cost/income ratio ¹	67.5%	73.2%	-5.7pts	-6.0pts
Restatement of IFRIC 21	-4	-3		
Published income before tax	248	195	27.2%	



¹ After restating to account for the impact of IFRIC 21

CORPORATE & INVESTMENT BANKING

Solid growth in Global Finance, resilient Global Markets activity

Global Markets

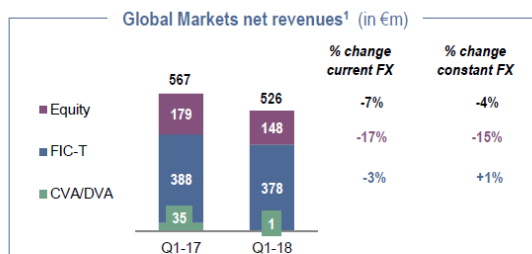
4% year-on-year decline in net revenues (excluding CVA/DVA), down from a historically high Q1-17, especially in Equity

FIC-T

- Solid performance with net revenues up +1% year-on-year driven by the Fixed Income business, which offset lower customer activity in Credit and FX

Equity

- 15% decline in net revenues YoY from a very high level in Q1-17
- Q1-18 marked by a sound commercial dynamism and the acquisition of new customers



Global Finance and Investment Banking

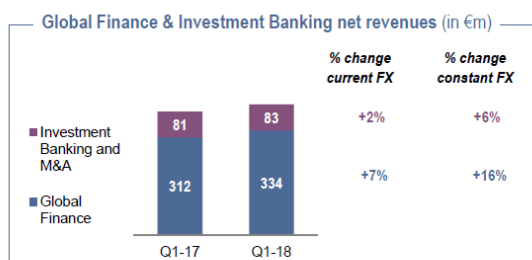
Global Finance

- Revenue growth with dynamic new loan production (+25% year-on-year) especially for US real estate finance and Infrastructure

Investment Banking and M&A

- M&A revenues up by +85.0% year-on-year

Proportion of revenues generated from service fees² equal to 38% in Q1-18 vs. 31% in Q1-17



¹ Revenues of Global markets: total excluding the CVA/DVA desk ² ENR, Real Assets, ASF

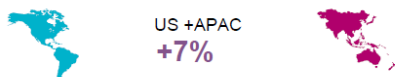
CORPORATE & INVESTMENT BANKING

Increased pace of value creation

Net revenues: up +5% building on a high level in Q1-17 (excluding CVA/DVA, at constant exchange rates)

- Global Finance: +16%
- Investment Banking and M&A: +6%
- Contribution from the US and APAC platforms: 40% of the revenues generated by the CIB division

Q1-17/Q1-18 revenue growth of the international platforms

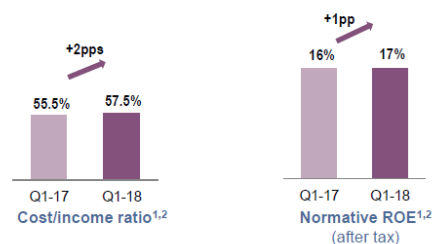


Gross operating income stable in Q1-18 and up +10% if CVA/DVA is excluded (at constant exchange rates)

Acquisitions in M&A Advisory

Acquisitions of Fenchurch Advisory Partners (Financial services), Vermilion Partners (China cross-border M&A) and Clipperton (Technology) are expected to close in Q2-18

in millions of euros	Q1-18	Q1-17	% Change N-1	Constant change % change N-1
Net banking income	938	971	-3.3%	1.3%
Operating expenses ¹	-562	-566	-0.8%	2.3%
Gross operating income ¹	376	404	-6.9%	-0.2%
Cost of risk	-29	-29		
Income before tax after IFRIC 21 restatement ¹	376	405	-7.2%	
Cost/income ratio ^{1,2}	57.5%	55.5%	2.0pts	1.2pt
Impact of exceptional items	-2			
Reinstatement of IFRIC 21	-22	-28		
Published income before tax	352	378	-6.8%	



¹ Excluding exceptional items ² After restating to account for the impact of IFRIC 21

CONTENTS

- 1** Results of Groupe BPCE
- 2** Capital adequacy and liquidity
- 3** Results of the business lines
- 4** Conclusion

• **RESULTS FOR THE 1ST QUARTER OF 2018**

Conclusion

Q1-18: good start to the 2018/2020 strategic plan

June 1st, 2018: Change in governance
Laurent Mignon to become Chairman of Groupe BPCE's Management Board
François Riahi to become CEO of Natixis

Continuity in the Group's strategy and in the pursuit of the TEC 2020 strategic plan



RESULTS FOR THE 1ST QUARTER OF 2018

ANNEXES

MAY 17, 2018

ANNEXES

Contents

Organizational structure of Groupe BPCE

IFRS 9 – First-time application

- Summary of impacts
- Application of IFRS 9 by Groupe BPCE
- IFRS 9: Summary of classification principles
- Balance sheet: principal reclassifications
- Impact of the 1st-time application of IFRS 9: shareholders' equity
- Impact of the 1st-time application of IFRS 9: provisions

Consolidated results of Groupe BPCE

- Notes on methodology
- Reminder: new segment information starting in Q4-17
- Income statement: reconciliation of data (excluding non-economic and exceptional items) to published data
- Quarterly income statements per business line and quarterly series

Financial structure

- Statement of changes in shareholders' equity
- Financial structure: changes in regulatory capital and fully-loaded ratios
- Phased-in prudential ratios and credit ratings
- SREP
- Risk-weighted assets
- Leverage ratio
- Financial conglomerate
- Liquidity

Retail Banking & Insurance

- Income statement and quarterly series
- Banque Populaire and Caisse d'Epargne – quarterly series
- Quarterly change in net banking income
- Banque Populaire network – Deposits & savings and loan outstandings
- Caisse d'Epargne network – Deposits & savings and loan outstandings
- SFS – quarterly series
- Insurance – quarterly series
- Other networks – quarterly series

Asset and Wealth Management

- Quarterly series

Corporate & Investment Banking

- Quarterly series

Corporate center

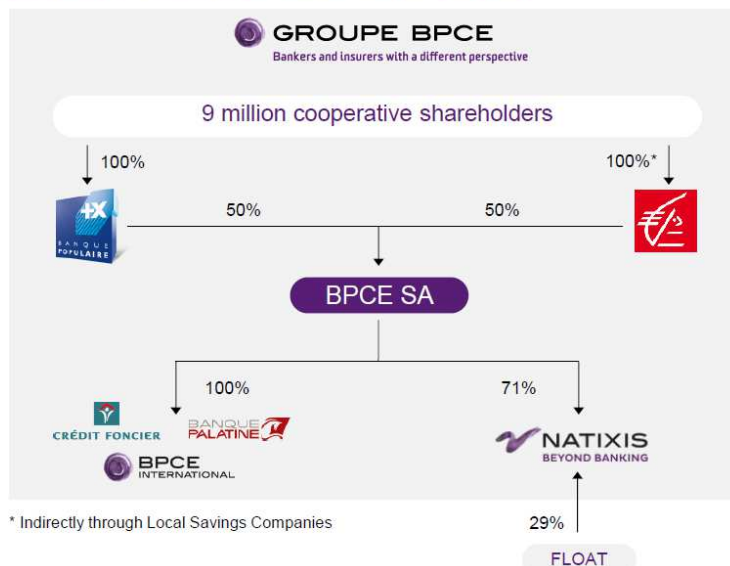
- Quarterly series

Risks

- Non-performing loans and impairment
- Breakdown of commitments

ANNEXES

Organizational structure of Groupe BPCE at March 31, 2018



ANNEXES

IFRS 9: Summary of impacts

- The principal impacts of the first-time application of IFRS 9 *Financial Instruments* concern the new financial assets impairment model
- The application of this standard results in a €2.1bn increase in impairment for credit risk, raising this item to €14.4bn from the €12.3bn recognized at December 31, 2017 in accordance with IAS 39 and IAS 37
- The effect of reclassification between categories of financial assets has had no material impact on Groupe BPCE's opening equity on January 1, 2018
 - Most of the financial assets measured at amortized cost under IAS 39 will continue to meet the conditions for measurement at amortized cost under IFRS 9. Similarly, most financial assets measured at fair value under IAS 39 (available-for-sale financial assets and financial assets at fair value through profit or loss) will continue to be measured at fair value under IFRS 9
- The estimated impact of the first-time application of IFRS 9 on regulatory capital is -€587m as the impact on equity attributable to equity holders of the parent of -€1.6bn (net of deferred taxation) is offset from a prudential point of view by the reduction in the regulatory adjustment related to the gap between provisions and the amount of expected losses (EL/prov. difference)
- The effects of the first-time application of IFRS 9 on the fully-loaded CET1 ratio are limited to -17bps
- In view of the moderate impact when applying the standard, the Group has decided to forgo the option to neutralize IFRS 9 transitional impacts at the prudential level

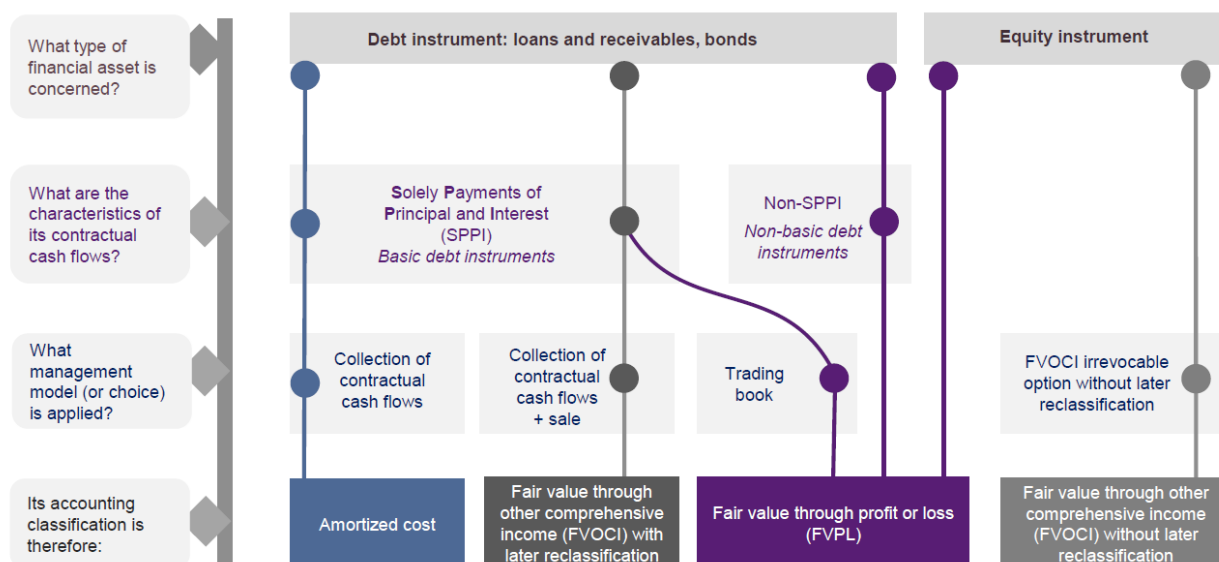
ANNEXES

Application of IFRS 9 by Groupe BPCE

- As of January 1, 2018, Groupe BPCE began to apply IFRS 9 *Financial Instruments*, as adopted by the European Union.
- The Group has elected to use the option provided by the standard to not restate the comparative figures for previous financial years. Consequently, with respect to financial instruments, the comparative figures for the 2017 financial year presented alongside the figures for 2018 shall remain drawn up in accordance with the provisions of IAS 39.
- IFRS 9 sets out new rules for classifying and measuring financial instruments, depending on their characteristics and the management model used, and a new method for calculating financial asset credit risk impairment based on expected credit losses.
A summary of the classification and measurement principles under the new standard is provided in the following annexes.
- Differences in the measurement of financial assets and liabilities arising from the first-time application of IFRS 9 are recognized directly in equity as at January 1, 2018.
- Groupe BPCE has decided to use the option to not apply the provisions of the standard relative to hedge accounting, and to continue to apply IAS 39 for the recognition of these transactions.
- The Group also elected to apply in advance, as of fiscal 2016, the recognition in other comprehensive income of revaluation adjustments related to changes in own credit risk on liabilities measured at fair value through profit or loss.
- The Group has decided to forgo the option to neutralize IFRS 9 transitional impacts at the prudential level permitted by regulation (EU) 2017/2395 dated December 12, 2017, owing to the limited impact expected when applying the standard.
- Insurance activities will continue to be covered by IAS 39:
 - The entities affected by this measure are chiefly CEGC, the insurance subsidiaries of COFACE, Natixis Assurances, BPCE Vie and its consolidated funds, Natixis Life, ADIR, BPCE Prévoyance, BPCE Assurances, BPCE IARD, Muracef, Surassur, Prépar Vie and Prépar Iard.
- Groupe BPCE has also decided to adopt the option provided by recommendation No. 2017-02 dated June 2, 2017 of the French accounting standards setter (ANC) regarding the layout of the consolidated accounts of banking industry entities in accordance with international accounting standards, to present insurance activities distinctly on the balance sheet and income statement.
- Again pursuant to this recommendation, collateral calls and guarantee deposits paid and recognized in accrual accounts have been reclassified as Loans and receivables due from credit institutions or as Assets at fair value through profit or loss depending on the related management model. Similarly, collateral calls and guarantee deposits received and recognized in accrual accounts have been reclassified as Amortized cost debt securities or liabilities at fair value through profit or loss depending on the related management model.

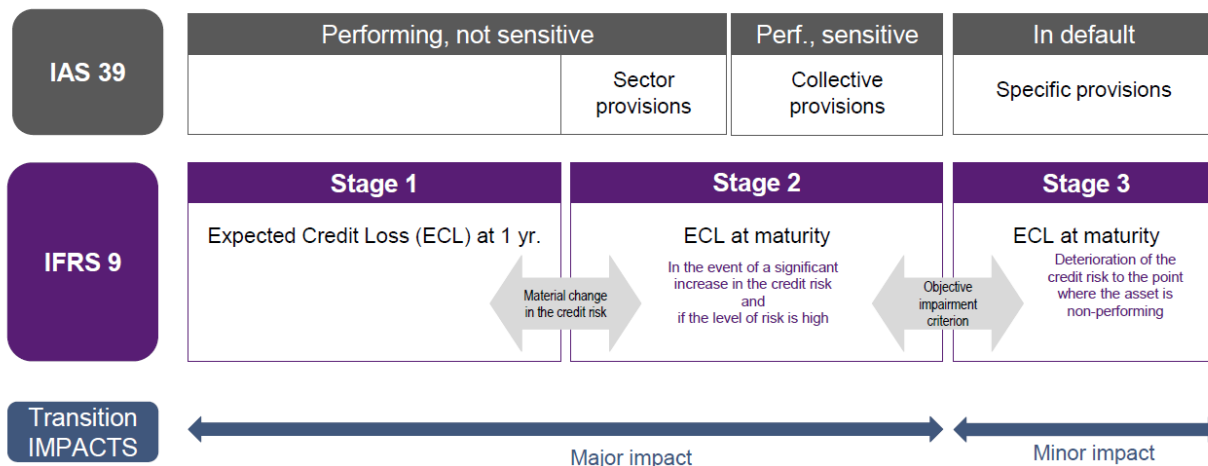
ANNEXES

IFRS 9: summary of classification principles



ANNEXES

Comparison between the IAS 39 / IFRS 9 impairment principles



ANNEXES

Balance sheet assets: principal reclassifications

Insurance activity investments

- Grouping together of insurance assets on a dedicated line

Available-for-sale financial assets and held-to-maturity financial assets

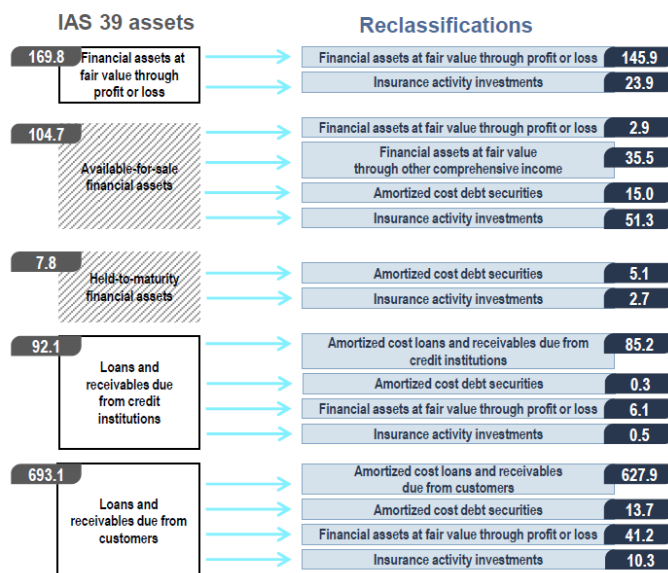
- Debt securities, which are chiefly held for the purpose of managing the liquidity reserve, have principally been reclassified as amortized cost debt securities or as financial assets at fair value through other comprehensive income.
- Shares held in UCITS or Venture Capital Funds are now required to be classified as financial assets at fair value through profit or loss

Loans and receivables

- The vast majority of this category concerns SPPI assets that remain carried at amortized cost
- The debt securities (chiefly residual portfolios of securitization assets) have been classified in the amortized cost debt securities portfolio
- Repurchase agreements, considered part of a trading business model, have been reclassified as Financial assets at fair value through profit or loss

Accrual accounts

- Reclassification of collateral calls and guarantee deposits paid as (for the most part) instruments at fair value through profit or loss for collateral calls on assets at fair value through profit or loss (derivatives, repos, etc.) and Loans and receivables due from credit institutions for the other collateral calls



ANNEXES

Balance sheet liabilities: principal reclassifications

Insurance activity liabilities

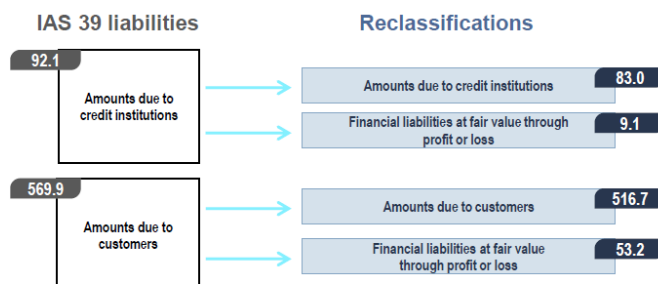
- Grouping together of insurance liabilities on a dedicated line; this chiefly concerns the technical provisions of insurance companies

Amounts due to credit institutions and to customers

- Repo transactions have been reclassified as Financial liabilities at fair value through profit or loss

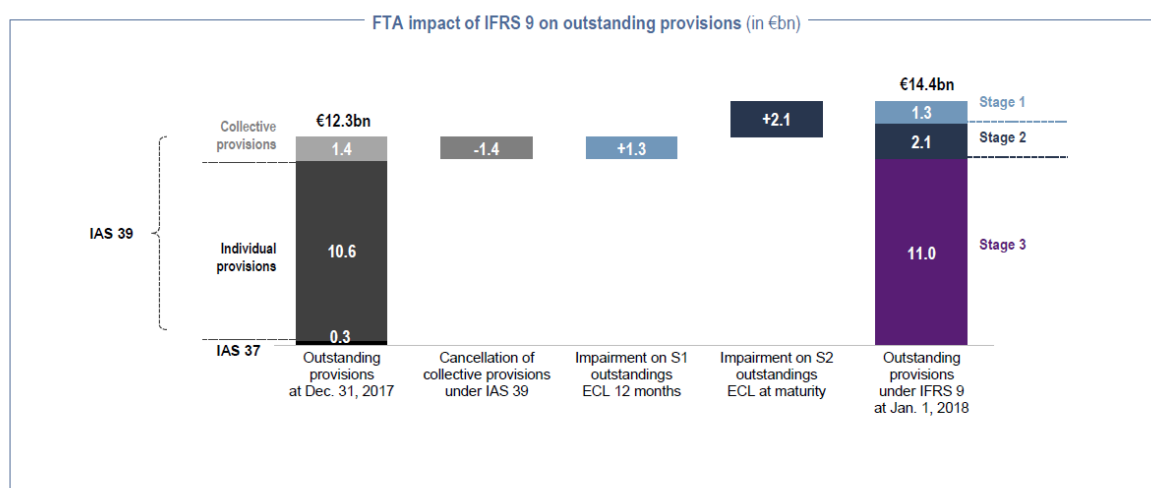
Accrual accounts

- Reclassification of collateral calls and guarantee deposits received as (for the most part) instruments at fair value through profit or loss for collateral calls on liabilities at fair value through profit or loss (derivatives, repos, etc.) and Amounts due to credit institutions for the other collateral calls on repos



ANNEXES

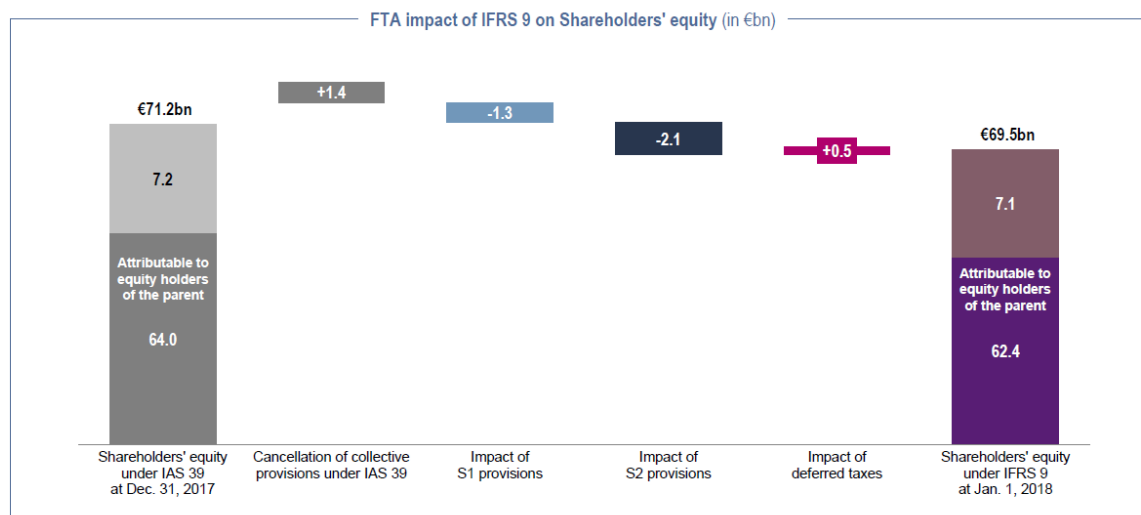
Impact of the first-time application of IFRS 9: provisions



¹ IAS 37 Provisions, Contingent Liabilities and Contingent Assets applies to all loan commitments that do not fall under the scope of IAS 39

ANNEXES

Impact of the first-time application of IFRS 9: shareholders' equity



ANNEXES

Notes on methodology (1/4)

Presentation of the pro-forma quarterly results

- The segment information has been modified as of Q4-17 in accordance with the presentation of the business lines in the 2018-2020 strategic plan.

The Insurance activities of Natixis (life, personal protection, borrower's, and P&C insurance), previously included for reporting purposes in the Investment Solutions division, have now been transferred to the Retail Banking division. The Investment Solutions division has now become the Asset Management division.

The previous quarters have been restated accordingly.

- Since January 1, 2018, Groupe BPCE has applied IFRS 9 *Financial Instruments*, as adopted by the European Union. The Group has elected to use the option provided by the standard to not restate the comparative figures for previous financial years. Consequently, with respect to financial instruments, the comparative figures for the 2017 financial year presented alongside the figures for 2018 shall remain drawn up in accordance with the provisions of IAS 39.
- When the Q1-17 results were published, the amount recognized with respect to the Group's contribution to the Single Resolution Fund was based on an estimate. Following notification of the actual amount of the contribution in Q2-17, the amount of the SRF recognized as operating expenses in Q1-17 has been increased by a total of 3 million euros. The final amount of the SRF contribution for the 2018 fiscal period is recognized in the Q1-18 results.

Non-economic and exceptional items

- The non-economic and exceptional items and the reconciliation of the restated income statement to the income statement published by Groupe BPCE are included in an annex to this document.

Restatement of the impact of IFRIC 21

- The results, cost/income ratios and ROE, after being restated to account for the impact of IFRIC 21, are calculated on the basis of $\frac{1}{4}$ of the amount of taxes and contributions resulting from the interpretation of IFRIC 21 for a given quarter, or $\frac{1}{2}$ of the amount of taxes and contributions resulting from the interpretation of IFRIC 21 for a 6-month period. In practice, for Groupe BPCE, the principal taxes concerned by IFRIC 21 are the company social solidarity contribution (C3S) and contributions and levies of a regulatory nature (systemic risk tax levied on banking institutions, contribution to ACPR control costs, contribution to the Single Resolution Fund and to the Single Supervisory Mechanism).

• ANNEXES

Notes on methodology (2/4)

Net banking income

- Customer net interest income, excluding regulated home savings schemes, is computed on the basis of interest earned from transactions with customers, excluding net interest on centralized savings products (*Livret A, Livret Développement Durable, Livret Epargne Logement* passbook savings accounts) in addition to changes in provisions for regulated home purchase savings schemes. Net interest on centralized savings are assimilated to commissions.

Operating expenses

- The operating expenses correspond to the aggregate total of the "Operating Expenses" (as presented in the Group's registration document, note 6.6 appended to the consolidated financial statements of Groupe BPCE) and "Depreciation, amortization and impairment for property, plant and equipment and intangible assets."

Cost of risk

- The cost of risk is expressed in basis points and measures the level of risk per business line as a percentage of the volume of loan outstandings; it is calculated by comparing net provisions booked with respect to credit risks of the period to gross customer loan outstandings at the beginning of the period.

Business line performance presented using Basel 3 standards

- The **accounting ROE of Groupe BPCE** is the ratio between the following items:
 - Net income attributable to equity holders of the parent restated to account for the interest expense related to deeply subordinated notes classified as equity and for non-economic and exceptional items.
 - Equity attributable to equity holders of the parent restated to account for the deeply subordinated notes classified as equity and for unrealized gains and losses.
- The **normative ROE of the business lines** is the ratio between the following items:
 - Business line contributory net income attributable to equity holders of the parent, less interest (computed at the standard rate of 2%) paid on surplus equity compared with normative capital and restated to account for non-economic and exceptional items.
 - Normative capital adjusted to reflect goodwill and intangible assets related to the business line.
 - Normative capital is allocated to Groupe BPCE business lines on the basis of 10.5% of Basel-3 average risk-weighted assets.

• ANNEXES

Notes on methodology (3/4)

Capital adequacy

- **Common Equity Tier 1** is determined in accordance with the applicable CRR/CRD IV rules; fully-loaded equity is presented without the application of transitional measures.
- **Additional Tier-1 capital** takes account of subordinated debt issues that have become non-eligible and subject to ceilings at the phase-out rate in force.
- **The leverage ratio** is calculated using the rules of the Delegated Act published by the European Commission on October 10, 2014, without transitional measures. Securities financing operations carried out with clearing houses are offset on the basis of the criteria set forth in IAS 32, without consideration of maturity and currency criteria.

Total loss-absorbing capacity

- **The amount of liabilities eligible for inclusion in the numerator used to calculate the Total Loss-Absorbing Capacity (TLAC) ratio** is determined on the basis of our understanding of the Term Sheet published by the FSB on November 9, 2015: "Principles on Loss-Absorbing and Recapitalization Capacity of G-SIBs in Resolution."

- This amount is comprised of the following 4 items:
 - Common Equity Tier 1 in accordance with the applicable CRR/CRD IV rules,
 - Additional Tier-1 capital in accordance with the applicable CRR/CRD IV rules,
 - Tier-2 capital in accordance with the applicable CRR/CRD IV rules,
 - Subordinated liabilities not recognized in the capital mentioned above and whose residual maturity is greater than 1 year, namely:
 - The share of additional Tier-1 capital instruments not recognized in common equity (i.e. included in the phase-out),
 - The share of the prudential discount on Tier-2 capital instruments whose residual maturity is greater than 1 year,
 - The nominal amount of senior non-preferred securities maturing in more than 1 year.
- Eligible amounts differ slightly from the amounts adopted for the numerator of the capital adequacy ratios; these eligible amounts are determined using the principles defined in the Term Sheet published by the FSB on November 9, 2015.

ANNEXES

Notes on methodology (4/4)

Liquidity

- Total liquidity reserves comprise the following:
 - Central bank-eligible assets include: ECB-eligible securities not eligible for the LCR, taken for their ECB valuation (after ECB haircut), securities retained (securitization and covered bonds) that are available and ECB-eligible taken for their ECB valuation (after ECB haircut) and private receivables available and eligible for central bank funding (ECB and the Federal Reserve), net of central bank funding.
 - LCR eligible assets comprising the Group's LCR reserve taken for their LCR valuation.
 - Liquid assets placed with central banks (ECB and the Federal Reserve), net of US Money Market Funds deposits and to which fiduciary money is added.
- Short-term funding corresponds to funding with an initial maturity of less than, or equal to, 1 year and the short-term maturities of medium-/long-term debt correspond to debt with an initial maturity date of more than 1 year maturing within the next 12 months.
- The Group's LTD ratio (customer loan-to-deposit ratio) is the ratio between customer loans and centralized regulated passbook savings accounts in the numerator, and customer deposits in the denominator. The scope of the calculation excludes SCF (Compagnie de Financement Foncier, the Group's *société de crédit foncier*, a French covered bond issuer). These items are taken from the Group's accounting balance sheet after accounting for the insurance entities using the equity method.

Customers' deposits are subject to the following adjustments:

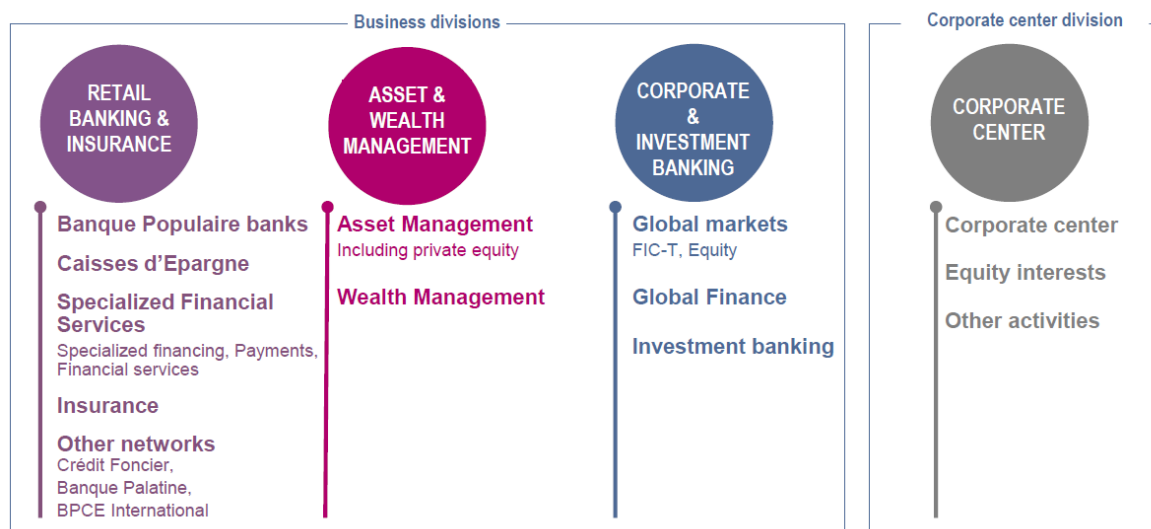
- Addition of security issues placed by the Banque Populaire and Caisse d'Epargne retail banking networks with their customers, and certain operations carried out with counterparties comparable to customer deposits
- Withdrawal of short-term deposits held by certain financial customers collected by Natixis in pursuit of its intermediation activities.

Loan outstandings and deposits & savings

- Restatements regarding transitions from book outstandings to outstandings under management (loans and deposits & savings) are as follows:
 - Deposits & savings: the scope of outstandings under management excludes debt securities (certificates of deposit and savings bonds)
 - Loan outstandings: the scope of outstandings under management excludes securities classified as customer loans and receivables and other securities classified as financial operations.

ANNEXES

Reminder: new segment information starting in Q4-17



ANNEXES

Q1-18 results: reconciliation of data (excluding non-economic and exceptional items) to published data

	Net banking income	Operating expenses	Cost of risk	Income before tax	Net income attributable to equity holders of the parent
<i>in millions of euros</i>					
Q1-18 results	6,010	-4,696	-259	1,222	693
Non-economic items of accounting nature	-12			-12	-3
Revaluation of assets associated with deeply subordinated notes denominated in foreign currencies					
	Corporate center division			-12	-3
Transformation and reorganization costs					
	Business lines/ Corporate center division	-46		-46	-26
Q1-18 results excluding non-economic and exceptional items	6,022	-4,569	-259	1,280	634
Total impact	-12	-46		-58	-29

41 RESULTS FOR THE 1ST QUARTER OF 2018

GROUPE BPCE

ANNEXES

Q1-17 pf results: reconciliation of data (excluding non-economic and exceptional items) to published data

	Net banking income	Operating expenses	Cost of risk	Income before tax	Net income attributable to equity holders of the parent
<i>in millions of euros</i>					
Q1-17 pf results	6,062	-4,564	-375	1,198	618
Non-economic items of accounting nature	-13			-13	-7
Revaluation of assets associated with deeply subordinated notes denominated in foreign currencies					
	Corporate center division			-13	-7
Disposal of non-strategic holdings and assets managed on a run-off basis	7		-9	-2	-1
Disposal of international assets managed on a run-off basis					
	Corporate center division		-9	-2	-1
Transformation and reorganization costs					
	Business lines/ Corporate center division	-38		-38	-24
Impairment of goodwill and others		-19		-19	-9
Impairment of goodwill and other gains or losses on other assets					
	Corporate center division	-19		-19	-9
Q1-17 pf results excluding non-economic and exceptional items	6,069	-4,507	-366	1,270	639
Total impact	-6	-57	-9	-73	-41

42 RESULTS FOR THE 1ST QUARTER OF 2018

GROUPE BPCE

ANNEXES

Quarterly income statement per business line

<i>in millions of euros</i>	Retail Banking and Insurance		Asset & Wealth Management		Corporate & Investment Banking		Corporate center		Groupe BPCE		
	Q1-18	Q1-17 pf	Q1-18	Q1-17 pf	Q1-18	Q1-17 pf	Q1-18	Q1-17 pf	Q1-18	Q1-17 pf	%
Net banking income	4,174	4,299	777	704	938	971	121	88	6,010	6,062	-0.9%
Operating expenses	-2,933	-2,974	-529	-519	-563	-566	-581	-505	-4,606	-4,564	0.9%
Gross operating income	1,241	1,325	248	186	375	404	-459	-417	1,404	1,498	-6.3%
Cost / income ratio	70.3%	69.2%	68.1%	73.6%	60.1%	58.3%	ns	ns	76.6%	75.3%	1.3 pt
Cost of risk	-213	-304	0	0	-29	-29	-17	-41	-259	-375	-30.9%
Income before tax	1,044	1,036	248	195	352	378	-422	-412	1,222	1,198	2.0%
Income tax	-357	-362	-69	-68	-95	-116	66	74	-455	-473	-3.7%
Non-controlling interests	-43	-25	-79	-49	-75	-76	35	42	-162	-107	51.0%
Net income attributable to equity holders of the parent	644	650	100	78	182	186	-321	-296	605	618	-2.1%

ANNEXES

Quarterly series

<i>in millions of euros</i>	Groupe BPCE					
	Q1-17 pf	Q2-17 pf	Q3-17	Q4-17	2017	Q1-18
Net banking income	6,062	6,052	5,688	5,918	23,720	6,010
Operating expenses	-4,564	-4,136	-3,980	-4,418	-17,098	-4,606
Gross operating income	1,498	1,916	1,707	1,500	6,621	1,404
Cost / income ratio	75.3%	68.3%	70.0%	74.7%	72.1%	76.6%
Cost of risk	-375	-324	-269	-416	-1,384	-259
Income before tax	1,198	1,690	1,569	1,059	5,516	1,222
Net income attributable to equity holders of the parent	618	978	931	497	3,024	605

ANNEXES

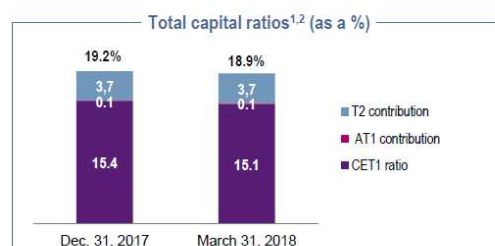
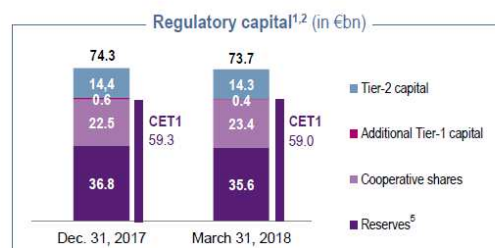
Statement of changes in shareholders' equity

<i>En millions d'euros</i>	Equity attributable to equity holders of the parent
December 31, 2017	64,029
IFRS 9 impact	-1,553
January 1 st , 2018	62,476
Capital increase (cooperative shares)	591
Income	605
Remuneration of super-subordinated notes (TSSDI)	-15
Issue and redemption of super-subordinated notes (TSSDI)	-15
Changes in gains & losses directly recognized in equity	-87
Impact of acquisitions and disposals on non-controlling interests (minority interests)	1
Other	-4
March 31, 2018	63,552

ANNEXES

Financial structure: changes in regulatory capital and fully-loaded ratios

<i>in billions of euros</i>	March 31, 2018	Dec. 31, 2017
Equity attributable to equity holders of the parent	63.5	64.0
Cancellation of hybrid securities ³ in equity attributable to equity holders of the parent	-0.7	-0.7
Non-controlling interests ⁴	4.9	4.9
Goodwill and intangibles	-4.9	-4.9
EU/Prov difference	-0.3	-1.1
Other regulatory adjustments	-3.5	-2.9
Common Equity Tier-1 capital	59.0	59.3
Additional Tier-1 capital	0.4	0.6
Tier-1 capital	59.4	59.9
Tier-2 capital	15.0	15.2
T2 regulatory adjustments	-0.7	-0.8
Total capital	73.7	74.3



¹ CRR/CRD IV without transitional measures; additional Tier-1 capital takes account of subordinated debt issues that have become ineligible and capped at the phase-out rate in force ² After deduction of the part of the contributions to the Single Resolution Fund and the Bank Deposit Guarantee Fund recognized in the form of irrevocable payment commitments (PC) ³ BPCE deeply subordinated notes booked to equity holders of the parent ⁴ Non-controlling interests (prudential definition); account is only taken of the part from Natixis, excluding super-subordinated notes and after regulatory clipping ⁵ Reserves net of prudential restatements

ANNEXES

Financial structure: phased-in prudential ratios and credit ratings

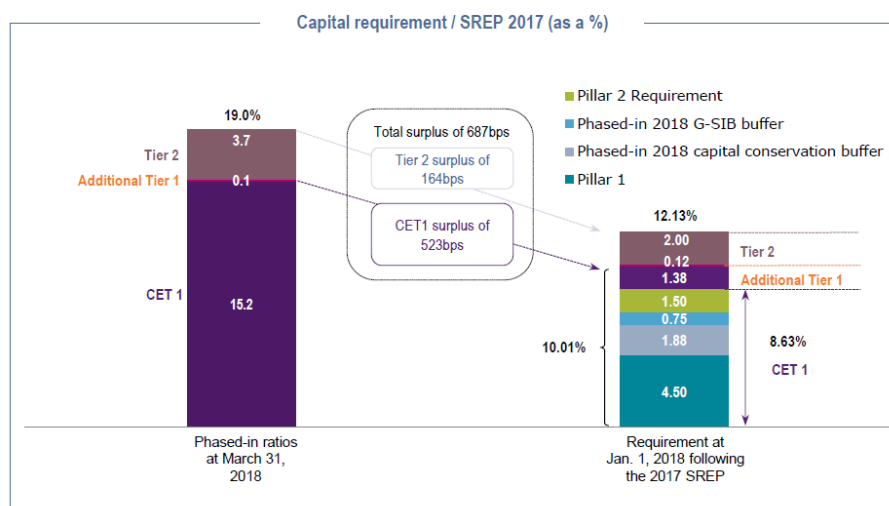
	March 31, 2018 ^{1,2}	Dec. 31, 2017	Dec. 31, 2016
Total risk-weighted assets	€391bn	€386bn	€391bn
Common Equity Tier-1 capital	€59.6bn	€59.0bn	€55.3bn
Tier-1 capital	€60.0bn	€59.5bn	€56.6bn
Total capital	€74.3bn	€74.0bn	€72.3bn
Common Equity Tier-1 ratio	15.2%	15.3%	14.1%
Tier-1 ratio	15.3%	15.4%	14.5%
Total capital adequacy ratio	19.0%	19.2%	18.5%

LONG-TERM CREDIT RATINGS (MAY 17, 2018)	
FitchRatings	A outlook positive
Moody's	A2 outlook positive
R&I	A outlook stable
STANDARD & POOR'S	A outlook positive

¹ Estimate taking account of transitional measures provided for by CRR / CRD IV, subject to the provisions of article 26.2 of regulation (EU) n° 575/2013 - Excluding deduction of the part of the contributions to the Single Resolution Fund and the Bank Deposit Guarantee Fund recognized in the form of irrevocable payment commitments (IPC)

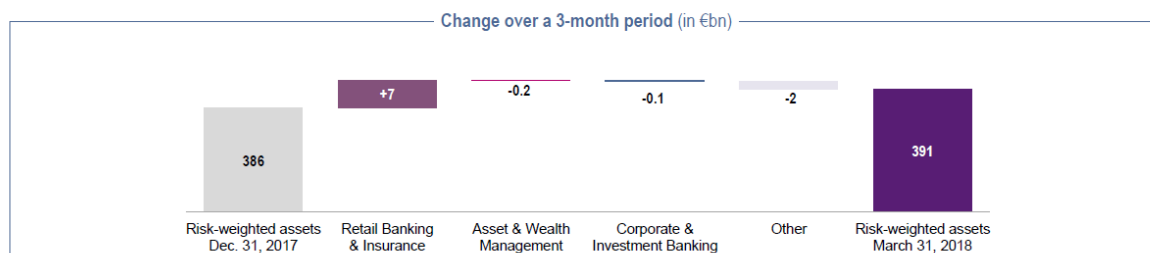
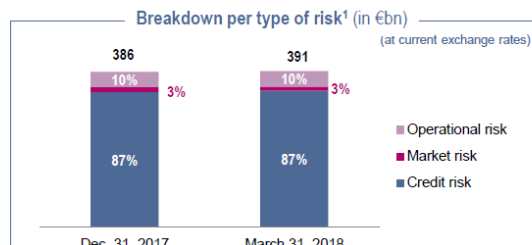
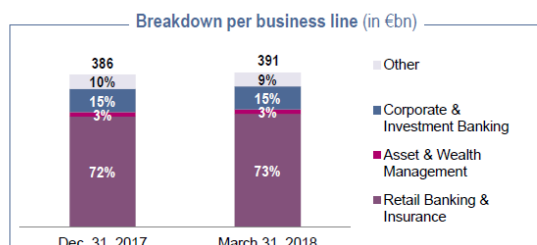
ANNEXES

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ANNEXES

Risk-weighted assets



¹ The CVA is included under Credit risk. It accounted for less than 1% of RWA at March 31, 2018 and at December 31, 2017.

ANNEXES

Leverage ratio¹

In billions of euros	March 31, 2018 ³	Dec. 31, 2017
Tier-1 capital	59.1	59.7
Balance sheet total	1,265.2	1,241.7
Prudential restatements	-101.1	-81.1
Prudential balance sheet total ²	1,164.1	1,160.6
Adjustments related to exposure to derivatives ⁴	-36.5	-36.6
Adjustments related to security financing operations ⁵	-17.0	-13.4
Off-balance sheet (financing and guarantee commitments)	71.9	73.1
Regulatory adjustments	-6.2	-6.4
Total leverage exposure	1,176.3	1,177.4
Leverage ratio	5.0%	5.1%

¹ Estimate calculated using the rules of the Delegated Act published by the European Commission on October 10, 2014 - CRR/ICRD IV without transitional measures ² The main difference between the statutory balance sheet and the prudential balance sheet lies in the method used for consolidating insurance companies, consolidated using the equity method in the prudential scope of consolidation, irrespective of the statutory consolidation method ³ After deduction of the part of the contributions to the Single Resolution Fund and the Bank Deposit Guarantee Fund recognized in the form of irrevocable payment commitments (IPC) ⁴ Inclusion of the effects of offsetting applicable to derivatives according to the rules of the Delegated Act ⁵ Inclusion of adjustments applicable to security financing operations according to the rules of the Delegated Act

ANNEXES
Financial conglomerate

Financial conglomerate ratio

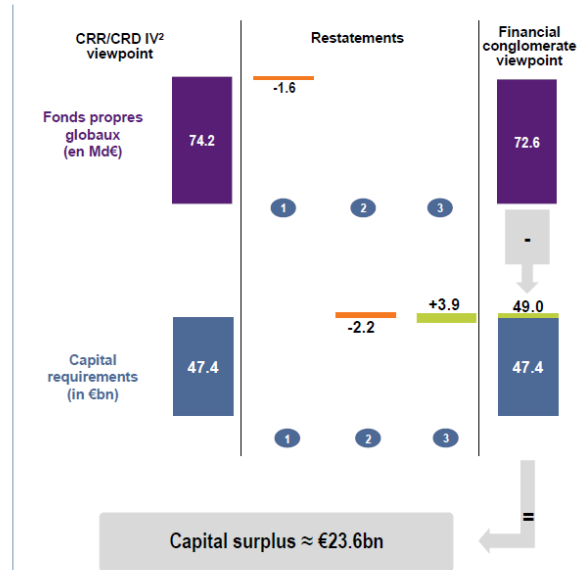


Restatements applied

- 1 shift from a prudential to a statutory scope³
- 2 cancellation of the capital requirements of insurance companies calculated under CRR/CRD IV
- 3 inclusion of the solvency margin calculated under Solvency 2

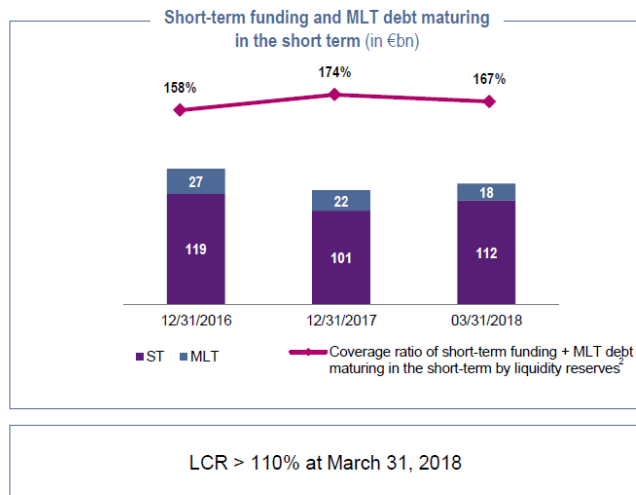
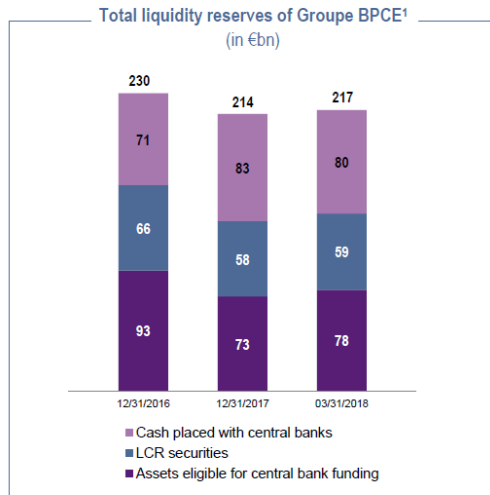
Consequences

- Restatements of no significance for total capital
- Net restatement of CR of €1.7bn, < 5% of total CR



¹ CR = capital requirements, i.e. 12.13% of risk-weighted assets according to CRR/CRD IV ² Estimate – Taking account of transitional measures; subject to the provisions of article 26.2 of regulation (EU) n° 575/2013 ³ The main difference between the two scopes lies in the method used to consolidate insurance companies, consolidated using the equity method in the prudential scope of consolidation, irrespective of the statutory consolidation method

ANNEXES
Liquidity reserves and short-term funding



¹ Excluding MMF US Natixis deposits ² Coverage ratio = Total liquidity reserves of Groupe BPCE / [Short-term funding + MLT debt maturing in the short term]
The size of the part of the reserves eligible for central bank funding was equal to €210bn at Dec. 31, 2016; the coverage ratio by these reserves was 144% at Dec. 31, 2016

• **ANNEXES**

Retail Banking & Insurance: quarterly income statement

<i>in millions of euros</i>	Banque Populaire banks			Caisses d'Epargne			Specialized Financial Services			Insurance			Other networks			Retail Banking and Insurance		
	Q1-18	Q1-17 pf	%	Q1-18	Q1-17 pf	%	Q1-18	Q1-17 pf	%	Q1-18	Q1-17 pf	%	Q1-18	Q1-17 pf	%	Q1-18	Q1-17 pf	%
Net banking income	1,584	1,606	-1.4%	1,713	1,815	-5.6%	362	344	5.2%	204	189	7.7%	311	344	-9.7%	4,174	4,299	-2.9%
Operating expenses	-1,118	-1,118	0.0%	-1,217	-1,240	-1.9%	-245	-233	5.4%	-118	-129	-8.3%	-235	-255	-7.9%	-2,933	-2,974	-1.4%
Gross operating income	466	488	-4.6%	497	575	-13.6%	117	112	4.8%	86	60	41.9%	76	90	-14.9%	1,241	1,325	-6.3%
Cost / income ratio	70.6%	69.6%	1.0 pt	71.0%	68.3%	2.7 pts	67.7%	67.6%	0.1 pt	58.0%	68.1%	-10.1 pts	75.5%	74.0%	1.5 pt	70.3%	69.2%	1.1 pt
Cost of risk	-107	-105	1.9%	-63	-81	-22.3%	-9	-21	-55.7%		0	ns	-33	-97	-65.7%	-213	-304	-30.0%
Income before tax	367	393	-6.7%	434	495	-12.2%	108	90	19.0%	89	65	37.4%	46	-7	ns	1,044	1,036	0.7%
Income tax	-121	-136	-11.1%	-154	-169	-8.7%	-35	-29	19.0%	-28	-20	41.9%	-19	-8	ns	-357	-362	-1.4%
Non-controlling interests	1	-1	ns	-2	-1	ns	-21	-17	21.9%	-18	-18	-2.2%	-3	12	ns	-43	-25	71.6%
Net income attributable to equity holders of the parent	247	257	-4.0%	278	325	-14.4%	52	44	17.8%	43	27	60.5%	24	-3	ns	644	650	-0.8%

• **ANNEXES**

Retail Banking & Insurance: quarterly series

<i>in millions of euros</i>	Retail Banking and Insurance					
	Q1-17 pf	Q2-17 pf	Q3-17 pf	Q4-17	2017	Q1-18
Net banking income	4,299	4,258	4,077	4,039	16,673	4,174
Operating expenses	-2,974	-2,822	-2,717	-2,977	-11,491	-2,933
Gross operating income	1,325	1,436	1,360	1,062	5,183	1,241
Cost / income ratio	69.2%	66.3%	66.6%	73.7%	68.9%	70.3%
Cost of risk	-304	-251	-230	-321	-1,106	-213
Income before tax	1,036	1,198	1,145	717	4,096	1,044
Net income attributable to equity holders of the parent	650	740	731	506	2,626	644

ANNEXES

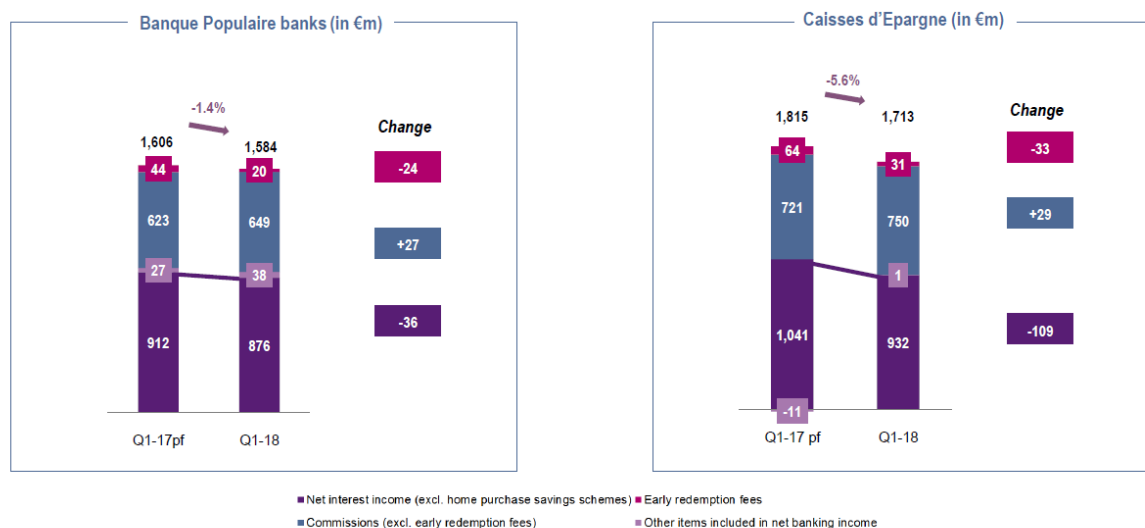
Retail Banking & Insurance: Banque Populaire banks and Caisses d'Epargne quarterly series

Banque Populaire banks						
<i>in millions of euros</i>	Q1-17 pf	Q2-17 pf	Q3-17	Q4-17	2017	Q1-18
Net banking income	1,606	1,597	1,562	1,519	6,284	1,584
Operating expenses	-1,118	-1,077	-1,074	-1,149	-4,418	-1,118
Gross operating income	488	520	488	370	1,866	466
Cost / income ratio	69.6%	67.4%	68.8%	75.6%	70.3%	70.6%
Cost of risk	-105	-105	-102	-137	-449	-107
Income before tax	393	423	397	229	1,443	367
Net income attributable to equity holders of the parent	257	291	271	149	967	247

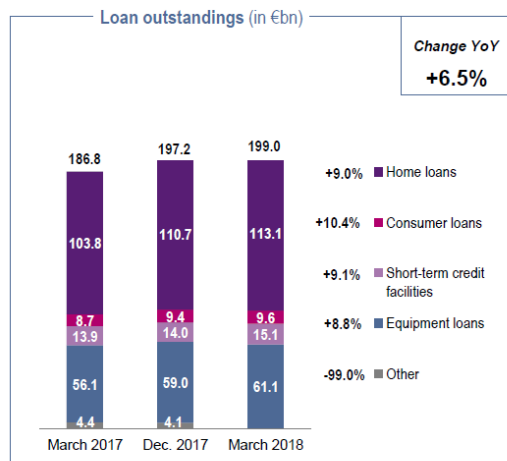
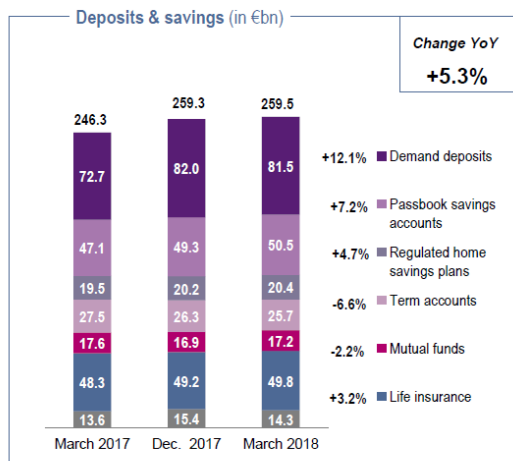
Caisses d'Epargne						
<i>in millions of euros</i>	Q1-17 pf	Q2-17 pf	Q3-17	Q4-17	2017	Q1-18
Net banking income	1,815	1,800	1,719	1,752	7,086	1,713
Operating expenses	-1,240	-1,188	-1,133	-1,227	-4,788	-1,217
Gross operating income	575	612	587	524	2,298	497
Cost / income ratio	68.3%	66.0%	65.9%	70.1%	67.6%	71.0%
Cost of risk	-81	-91	-64	-128	-365	-63
Income before tax	495	521	523	392	1,930	434
Net income attributable to equity holders of the parent	325	344	347	281	1,297	278

ANNEXES

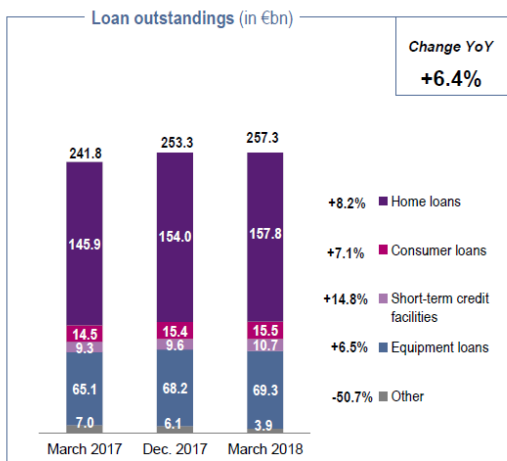
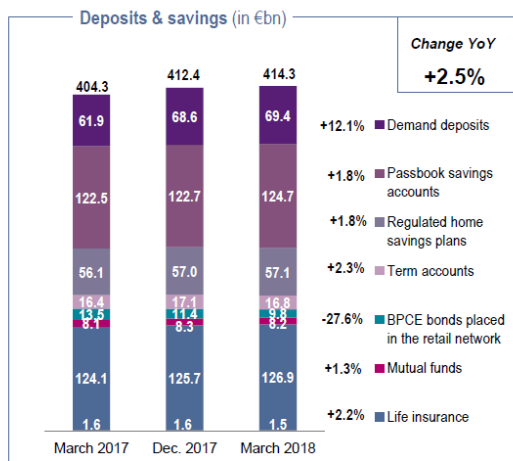
Retail Banking & Insurance: change in net banking income



ANNEXES
Retail Banking & Insurance: Banque Populaire network



ANNEXES
Retail Banking & Insurance: Caisse d'Epargne network



ANNEXES

Retail Banking & Insurance: SFS quarterly series

<i>in millions of euros</i>	Specialized Financial Services					
	Q1-17 pf	Q2-17 pf	Q3-17 pf	Q4-17	2017	Q1-18
Net banking income	344	347	341	350	1,382	362
Operating expenses	-233	-228	-229	-249	-939	-245
Gross operating income	112	118	112	101	443	117
Cost / income ratio	67.6%	65.8%	67.1%	71.2%	67.9%	67.7%
Cost of risk	-21	-14	-13	-24	-73	-9
Income before tax	90	104	99	77	371	108
Net income attributable to equity holders of the parent	44	50	47	37	179	52

ANNEXES

Retail Banking & Insurance: Insurance quarterly series

<i>in millions of euros</i>	Insurance					
	Q1-17 pf	Q2-17 pf	Q3-17 pf	Q4-17	2017	Q1-18
Net banking income	189	179	176	190	734	204
Operating expenses	-129	-102	-99	-109	-439	-118
Gross operating income	60	77	77	80	295	86
Cost / income ratio	68.1%	56.9%	56.2%	57.5%	59.8%	58.0%
Cost of risk	0	0	0	0	0	0
Income before tax	65	80	79	85	308	89
Net income attributable to equity holders of the parent	27	33	34	42	135	43

ANNEXES

Retail Banking & Insurance: Other networks quarterly series

<i>in millions of euros</i>	Other networks					
	Q1-17 pf	Q2-17 pf	Q3-17	Q4-17	2017	Q1-18
Net banking income	344	335	279	229	1,187	311
Operating expenses	-255	-227	-182	-242	-907	-235
Gross operating income	90	108	97	-14	280	76
Cost / income ratio	74.0%	67.8%	65.4%	ns	76.4%	75.5%
Cost of risk	-97	-40	-51	-32	-220	-33
Income before tax	-7	70	47	-65	44	46
Net income attributable to equity holders of the parent	-3	21	32	-2	48	24

ANNEXES

Asset & Wealth Management: quarterly series

<i>in millions of euros</i>	Asset & Wealth Management					
	Q1-17 pf	Q2-17 pf	Q3-17 pf	Q4-17	2017	Q1-18
Net banking income	704	743	766	899	3,113	777
Operating expenses	-519	-521	-528	-610	-2,178	-529
Gross operating income	186	222	239	289	936	248
Cost / income ratio	73.6%	70.1%	68.8%	67.9%	69.9%	68.1%
Cost of risk	0	0	0	0	0	0
Income before tax	195	223	239	293	950	248
Net income attributable to equity holders of the parent	78	85	89	92	345	100

ANNEXES

Corporate & Investment Banking: quarterly series

<i>in millions of euros</i>	Corporate & Investment Banking					
	Q1-17 pf	Q2-17 pf	Q3-17 pf	Q4-17	2017	Q1-18
Net banking income	971	1,019	775	817	3,581	938
Operating expenses	-566	-555	-506	-567	-2,194	-563
Gross operating income	404	464	269	249	1,387	375
Cost / income ratio	58.3%	54.4%	65.3%	69.5%	61.3%	60.1%
Cost of risk	-29	-48	-16	-21	-115	-29
Income before tax	378	418	255	249	1,300	352
Net income attributable to equity holders of the parent	186	204	124	137	651	182

ANNEXES

Corporate center: quarterly series

<i>in millions of euros</i>	Corporate center					
	Q1-17 pf	Q2-17 pf	Q3-17 pf	Q4-17	2017	Q1-18
Net banking income	88	31	69	163	352	121
Operating expenses	-505	-238	-230	-263	-1,236	-581
Gross operating income	-417	-206	-161	-100	-884	-459
Cost of risk	-41	-25	-23	-74	-163	-17
Income before tax	-412	-149	-70	-199	-830	-422
Net income attributable to equity holders of the parent	-296	-51	-13	-238	-598	-321

Impact of the principal non-economic and exceptional items

- Net income attributable to equity holders of the parent in Q1-18: main items for a total impact of -€3m
 - Revaluation of assets associated with super-subordinated notes denominated in foreign currencies: -€3m
- Net income attributable to equity holders of the parent in Q1-17: main items for a total impact of -€7m
 - Revaluation of assets associated with super-subordinated notes denominated in foreign currencies: -€7m

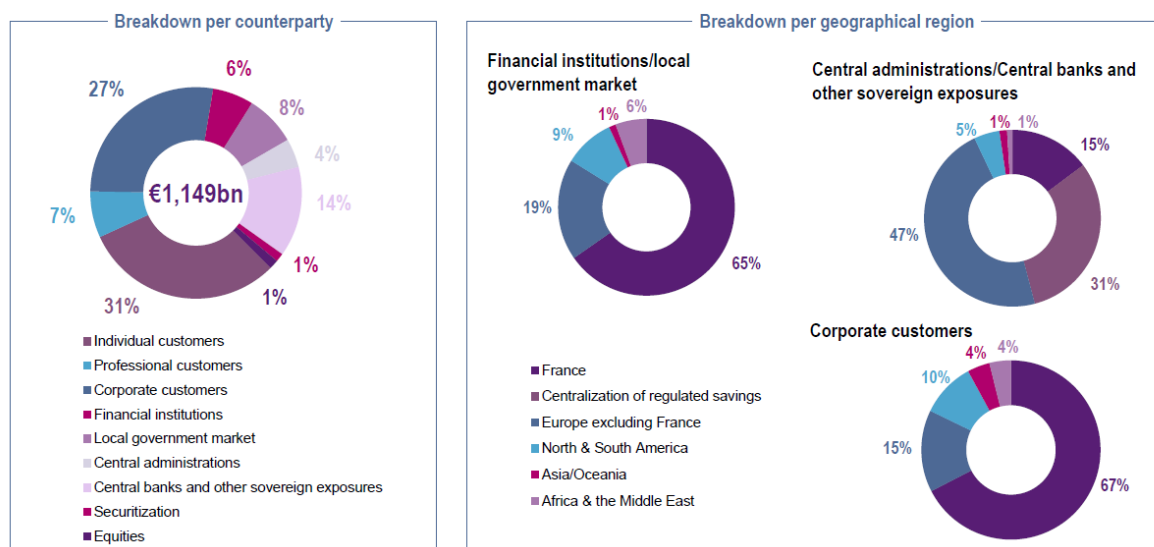
ANNEXES

Non-performing loans and impairment

<i>In billions of euros</i>	March 31, 2018	Jan. 1, 2018
Gross outstanding loans to customers and credit institutions	739.7	730.1
O/w S3 outstandings	22.3	23.2
Non-performing/gross outstanding loans	3.0%	3.2%
S3 impairment recognized	10.1	10.5
Impairment recognized/non-performing loans	45.1%	45.1%
Coverage rate (including guarantees related to impaired outstandings)	74.2%	71.4%

ANNEXES

Breakdown of commitments at March 31, 2018



5. Update of the chapter 5 Financial report

The (unaudited) condensed consolidated financial statements of Groupe BPCE as at March 31, 2018 presented herein contain initial information on the estimated impacts of the first-time application of IFRS 9.

They are not complete financial statements and, as such, do not provide all of the detailed information required under the first-time application of IFRS 9 as adopted by the European Union.

5.1 Condensed consolidated balance sheet

ASSETS

<i>in millions of euros</i>	March 31, 2018	January 1, 2018
Cash and amounts due from central banks	87,367	94,698
Financial assets at fair value through profit or loss	208,368	212,497
Hedging derivatives	8,743	9,793
Financial assets at fair value through OCI	36,530	35,446
Financial assets at amortized cost	760,458	750,154
Revaluation differences on interest rate risk-hedged portfolios	5,133	5,798
Insurance activity investments	104,720	103,182
Current and deferred tax assets	4,582	5,224
Accrued income and other assets	30,705	26,061
Non-current assets held for sale	3,987	1,195
Investments in associates	4,128	4,105
Property, plant and equipment and intangible assets, and goodwill	10,508	10,721
Total Assets	1,265,229	1,258,873

LIABILITIES

<i>in millions of euros</i>	March 31, 2018	January 1, 2018
Financial liabilities at fair value through profit or loss	198,768	206,938
Hedging derivatives	13,798	14,726
Financial liabilities at amortized cost	841,858	835,871
Revaluation differences on interest rate risk-hedged portfolios	241	367
Current and deferred tax liabilities	733	1,191
Accrued expenses and other liabilities	33,776	28,958
Liabilities associated with non-current assets held for sale	3,273	717
Liabilities relating to insurance activity contracts	95,557	93,728
Provisions	6,589	6,796
Equity	70,634	69,582
<i>o/w non-controlling interests</i>	7,082	7,106
Total Liabilities	1,265,229	1,258,873

5.2 Condensed consolidated income statement

in millions of euros	1st quarter 2018
Net interest income	2,194
Net commissions	2,300
Net gains or losses on financial instruments at fair value through profit or loss	683
Net gains or losses on instruments at fair value through OCI	12
Net gains or losses from the derecognition of financial assets at amortized cost	11
Net income from insurance activities	776
Income and expenses from other activities	33
Net banking income	6,010
Operating expenses	-4,404
Depreciation, amortization and impairment for property, plant and equipment, and intangible assets	-201
Gross operating income	1,404
Cost of credit risk	-259
Operating income	1,145
Share in net income of associates and joint ventures	65
Gains or losses on other assets	11
Income before tax	1,222
Income tax	-455
Net income	767
Non-controlling interests	-162
NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	605

5.3 Statement of changes in equity

	<i>in millions of euros</i>	Equity attributable to equity holders of the parent	Non-controlling interests	Total consolidated equity
December 31, 2017		64,029	7,172	71,201
IFRS 9 impact		-1,553	-66	-1,619
January 1 st , 2018		62,476	7,106	69,582
Distribution			-17	-17
Capital increase (cooperative shares)		591		591
Issue and redemption of super-subordinated notes (TSSDI)		-15	-135	-150
Remuneration of super-subordinated notes (TSSDI)		-15		-15
Impact of acquisitions and disposals on non-controlling interests (minority interests)		1	-20	-19
Income		605	162	767
Changes in gains & losses directly recognized in equity		-87	-11	-98
Other		-4	-3	-7
March 31, 2018		63,552	7,082	70,634

5.4 Note: Procedures for drawing up the condensed consolidated financial statements of Groupe BPCE as at March 31, 2018

The consolidated financial statements of Groupe BPCE as at March 31, 2018 (consolidated balance sheet, consolidated income statement and statement of changes in consolidated equity) have been prepared using the measurement and recognition principles as set out in the notes to the consolidated financial statements of Groupe BPCE as at December 31, 2017 with the exception of the new provisions introduced by IFRS 9 "Financial Instruments" and by IFRS 15 "Revenue from contracts with customers", both applicable as of January 1, 2018 and described below.

Groupe BPCE's consolidated financial statements have been prepared under International Financial Reporting Standards (IFRS) as adopted for use by the European Union and applicable at that date, excluding certain provisions of IAS 39 relating to hedge accounting.

These financial statements at March 31, 2018 should be read in conjunction with Groupe BPCE's consolidated financial statements at December 31, 2017. The standards and interpretations used and detailed in the annual financial statements as at December 31, 2017 were complemented by standards, amendments and interpretations whose application is mandatory for reporting periods starting from January 1, 2018.

The new IFRS 9 "Financial instruments" was adopted by the European Commission on November 22, 2016 and applies retrospectively from January 1, 2018.

IFRS 9 replaces IAS 39 and sets out new rules for classifying and measuring financial assets and liabilities, the new impairment methodology for credit risk on financial assets, and hedge accounting, except for macro-hedging, which is currently under review by the IASB in a separate draft standard.

Groupe BPCE used the option available in IFRS 9 not to apply the provisions of the standard relative to hedge accounting, and to continue to apply IAS 39 for the recognition of these transactions, as adopted by the European Union, i.e. excluding certain provisions concerning macro-hedging. In view of the limited volume of asset reclassifications, most transactions recognized using hedge accounting under IAS 39 continue to be disclosed in the same way from January 1, 2018.

Moreover, on November 3, 2017, the European Commission adopted the amendment to IFRS 4 applying IFRS 9 "Financial Instruments" with IFRS 4 "Insurance Contracts" with specific provisions for financial conglomerates, applicable as of January 1, 2018. The European regulation will allow insurance sectors within European financial conglomerates to defer application of IFRS 9 until January 1, 2021 (effective date of the new IFRS 17 standard "Insurance Contracts") as long as they:

- do not transfer financial instruments between the insurance sector and other sectors of the conglomerate (with the exception of financial instruments designated at fair value through profit or loss for the two sectors affected by the transfer);
- communicate the insurance entities which apply IAS 39;
- disclose specific additional information in the notes to the financial statements.

As Groupe BPCE is a financial conglomerate, it plans to apply this provision to its insurance activities, which continue to be covered by IAS 39. The main entities affected by this measure are CEGC, the insurance subsidiaries of COFACE, Natixis Assurances, BPCE Vie and its consolidated funds, Natixis Life, ADIR, BPCE Prévoyance, BPCE Assurances, BPCE IARD, Muracef, Surassur, Prépar Vie and Prépar Iard.

The main impacts of the first-time application of IFRS 9 "Financial Instruments" concern the new provisioning model.

The application of the new IFRS 9 provisioning model points to an increase in the amount of impairment on loans and securities measured at amortized cost or at fair value through recyclable OCI, and on off-balance sheet commitments as well as on lease receivables and business loans.

The impact of the first-time application of IFRS 9 on opening equity due to the implementation of the new impairment model was -€2.1 billion before tax (-€1.6 billion after tax).

With regard to the classification of financial assets, most financial assets that were measured at amortized cost under IAS 39 continue to meet the conditions for measurement at amortized cost under IFRS 9. Similarly, most financial assets measured at fair value under IAS 39 (available-for-sale financial assets and financial assets at fair value through profit or loss) continue to be measured at fair value under IFRS 9.

The main reclassifications are as follows:

- for the retail banking loan book, the impact is limited and primarily concerns certain instruments that were measured at amortized cost and classified as loans and receivables under IAS 39, but which are recognized at fair value through profit or loss under IFRS 9 because their contractual cash flows do not represent solely payments of principal and interest;

Structured loans granted to local authorities which were classified at fair value through profit or loss under IAS 39 and are still classified in assets at fair value through profit or loss since they are considered as non-basic under IFRS 9. Since these assets are already measured at fair value through profit or loss under IAS 39, this reclassification has no impact on the Group's capital.

- for other loan books:
 - repurchase agreements classified as financial assets at fair value through profit or loss under IAS 39 (fair value option) and considered part of a trading business model under IFRS 9 are still recognized as assets at fair value through profit or loss,
 - repurchase agreements classified as loans and receivables and measured at amortized cost under IAS 39, and considered part of a trading business model under IFRS 9 are now recognized as assets at fair value through profit or loss with no material impact on opening equity,

- for securities portfolios:
 - under IAS 39, liquidity reserve securities were either carried at amortized cost because they were classified as loans and receivables or held-to-maturity financial assets, or they were measured at fair value because they were classified as available-for-sale securities, depending on their characteristics, how they were managed and whether or not they were hedged against interest rate risk.

The breakdown of these debt securities is different under IFRS 9, with a choice between measurement at amortized cost or at fair value through other comprehensive income, depending on whether they are managed with the objective of collecting cash flows or with the objective of collecting cash flows and selling the assets,
 - units of UCITS and private equity investment funds qualified as equity and classified as available-for-sale financial assets under IAS 39 are measured at fair value through profit or loss under IFRS 9, as they are considered debt instruments under the IFRS 9 definition, and as their contractual cash flows do not represent solely payments of principal and interest,
 - investments in associates classified as available-for-sale financial assets under IAS 39 are classified at fair value through profit or loss under IFRS 9. Once Groupe BPCE companies have individually made a final decision, future changes in the fair value of securities are presented in non-recyclable OCI,
 - securitization fund units measured at amortized cost and classified as loans and receivables under IAS 39 (i) are measured at fair value through profit or loss under IFRS 9 if their contractual cash flows are not solely payments of principal and interest, (ii) are measured at fair value through other comprehensive income if they are managed under a business model with the objective of collecting cash flows and selling the assets, and (iii) continue to be recognized at amortized cost in all other cases.

Reclassifications between categories of financial assets measured at amortized cost and fair value have a net impact on consolidated equity owing to the different calculation methods applicable to these assets and to the retrospective application of the standard. Nevertheless, as these reclassifications are limited or affect assets whose fair value does not vary significantly from their value at cost due notably to the residual maturity of the transactions in question, the impact of these reclassifications on Groupe BPCE's opening equity at January 1, 2018 represents an insignificant amount.

Groupe BPCE has also decided to apply the option offered by ANC recommendation No. 2017-02 of June 2, 2017, relating to the format of consolidated financial statements for banking sector institutions using international accounting standards, of presenting insurance activities separately in the balance sheet and income statement.

The item "Insurance activity investments" under balance sheet assets now includes insurance activity assets representing:

- financial investments (i.e. in financial instruments) including advances made to policyholders;
- unit-linked financial investments;
- derivative instruments;
- revaluation differences on interest rate risk-hedged portfolios.

The other balances relating to the insurance activity are grouped together with the balances relating to other balance sheet items according to type.

Under balance sheet liabilities, "liabilities relating to insurance activity contracts" comprise:

- technical reserves related to insurance contracts (as specified in Appendix A of IFRS 4);
- liabilities arising from insurance and reinsurance transactions, including amounts due to policyholders;
- derivative instruments related to insurance activities;
- revaluation differences on interest rate risk-hedged portfolios;
- deferred profit-sharing liability.

In the income statement, "Net income for insurance activities" includes:

- the revenue of insurance activities comprises issued premiums and changes in the provision for unearned premium in respect of insurance contracts and investment contracts containing a discretionary profit-sharing feature within the meaning of IFRS 4
- investment income net of expenses:
 - . investment income including income on investment property;
 - . investment expenses, and other financial expenses excluding financing expense;
 - . gains and losses on the disposal of investments including on investment property;
 - . depreciation, amortization, impairment and impairment reversals on investments (including investment property) and other assets (including assets provided under operating leases), recognized at amortized cost;
 - . the change in the fair value of investments (including investment property) recognized at fair value through profit or loss.
- the amortization of acquisition costs;
- external benefit expenses on contracts which include the expense related to benefits in respect of insurance contracts and investment contracts containing a discretionary profit sharing feature (expenses related to the benefits paid, technical liability charges and reversals), including the remuneration of policyholders (deferred profit-sharing), as well as changes in the value of investment contracts, in particular with regard to unit-linked contracts;
- income from reinsurance assignments defined as the sum of ceded premiums, net of expenses related to ceded benefits and commissions;
- where appropriate:
 - . gains or losses resulting from the derecognition of financial assets at amortized cost;

- . net gains or losses resulting from the reclassification of financial assets at fair value through other comprehensive income in financial assets at fair value through profit or loss.

Still in accordance with the recommendation, margin calls and security deposits paid recorded in accruals at December 31, 2017 (€20.9 billion) were reclassified at January 1, 2018 in loans and receivables due from credit institutions or assets at fair value through profit or loss based on the associated business model. Similarly, margin calls and security deposits received recorded in accruals at December 31, 2017 (€11 billion) were reclassified at January 1, 2018 in amounts due to credit institutions or liabilities at fair value through profit or loss based on the associated business model.

Under the option available in IFRS 9, the Group has also decided not to restate previous fiscal years published as comparative information for its financial statements.

Groupe BPCE holds some fixed-rate loans with symmetrical prepayment clauses in its loan book. In an amendment to IFRS 9 published in October 2017, the IASB stated that negative prepayment compensation is not in itself incompatible with the notion of SPPI. The application of this amendment is mandatory as of January 1, 2019 and early application is possible. The amendment "Prepayment features with negative compensation" was adopted by the European Commission on March 22, 2018. Groupe BPCE applied this amendment early, as of January 1, 2018.

Regulation (EU) 2017/2395 dated December 12, 2017 relating to transitional arrangements for mitigating the impact of the introduction of IFRS 9 on capital and for the large exposures treatment of certain public sector exposures was published in the OJ on December 27, 2017. Groupe BPCE has decided not to opt to neutralize IFRS 9 transitional impacts at the prudential level due to the limited impact when applying the standard.

IFRS 15 "Revenue from contracts with customers" replaces the current standards and interpretations related to the recognition of income. IFRS 15 was adopted by the European Union and published in the OJ on October 29, 2016. It is applicable retrospectively as of January 1, 2018. The amendment "Clarifications on IFRS 15" published by the IASB on April 12, 2016 was adopted by the European Commission on October 31, 2017 and is also applicable retrospectively as of January 1, 2018.

Under this standard, recognition of revenue from ordinary activities now reflects the transfer of control of goods and services promised to customers in an amount corresponding to the consideration that the entity expects to receive in exchange for these goods and services. IFRS 15 thus introduces a new five-stage general approach for the recognition of income:

- . identification of contracts with customers;
- . identification of specific performance obligations (or items) to be recognized separately from one another;
- . determination of overall transaction price;
- . allocation of transaction price to the various specific performance obligations;
- . recognition of revenue when performance obligations are met.

IFRS 15 applies to contracts entered into by an entity with its customers, with the exception of leases (covered by IAS 17), insurance contracts (covered by IFRS 4) and financial instruments (covered by IFRS 9). If specific stipulations relating to revenue or contract costs are given under a different standard, these will first be applied.

The work related to the first-time application of IFRS 15 notably drew on self-assessments carried out by certain pilot institutions and subsidiaries, which were then transposed by all the Group's significant institutions and subsidiaries. This work helped identify the main items concerned, in particular:

- fee and commission income, notably that relating to banking services when this income is not included in the effective interest rate, or that relating to asset management or financial engineering services;
- income from other activities, in particular for services included in leases;
- banking services provided with the participation of Group partners.

This work also confirmed that the Group is either only slightly or not affected by certain first-time application of IFRS 15 issues such as real estate development, loyalty programs and telephony.

Based on the work performed, the Group does not expect any material impact upon the application of IFRS 15, on either opening equity at January 1, 2018 or on income and expense items in fiscal 2018.

Under the option available in IFRS 15, the Group has decided not to restate previous fiscal years published as comparative information for its financial statements.

The new provisions relating to accounting principles and measurement methods under IFRS 9 “Financial Instruments” are as follows:

IFRS 9 applies to Groupe BPCE excluding insurance subsidiaries which apply IAS 39.

1 Principles for the classification of financial assets

Classification and measurement

On initial recognition, financial assets are classified at amortized cost, at fair value through other comprehensive income, or at fair value through profit or loss according to the type of instrument (debt or equity), the characteristics of their contractual cash flows and how the entity manages its financial instruments (its business model).

Business model

The business model represents the way in which financial assets are managed in order to produce cash flow. It is necessary to exercise judgment to assess the business model.

The choice of business model must take into account all information regarding the manner in which cash flows were generated in the past, along with all other relevant information.

For example:

- the way in which the performance of financial assets is assessed and presented to the main company directors;
- risks which have an impact on the business model’s performance, in particular the way in which these risks are managed;
- the way in which directors are paid (for example, if pay is based on the fair value of assets under management or on the contractual cash flows received);
- the frequency, volume and motivation of sales.

Moreover, the choice of business model must be made at a level which reflects the way in which groups of financial assets are managed collectively with a view to achieve a given economic objective. The business model is therefore not decided on an instrument by instrument basis, but rather at a higher level of aggregation, by portfolio.

The standard provides for three business models:

- a business model in which financial assets are held in order to receive contractual cash flows (collection model). However, this model where the notion of holding an asset is relatively close to holding an asset until maturity is not called into question if disposals occur in the following situations:
 - o the disposals result from the increase in credit risk;
 - o the disposals occur shortly before maturity and at a price that reflects the contractual cash flows remaining due;
 - o the other disposals may also be compatible with the objectives of the contractual cash flow collection model if they are not frequent (even if they are of significant value) or if they are not of significant value considered both individually and overall (even if they are frequent).

For Groupe BPCE, the collection model applies in particular to the financing activities (excluding syndication activity) carried out in the Retail Banking, Corporate & Investment Banking and Specialized Financial Services divisions;

- a mixed-business model under which assets are managed with the objective of both receiving contractual cash flows and disposing of financial assets (collection and sale model).
Groupe BPCE applies the collection and sale model mainly to the portion of liquidity reserve securities portfolio management activities that is not managed exclusively using a collection model;
- a model specific to other financial assets, in particular trading assets, in which the collection of contractual cash flows is incidental. This business model applies to syndication activity (for the portion of outstandings to be disposed of identified at the time of commitment) and capital market activities mainly implemented by Corporate & Investment Banking.

Types of contractual cash flows: the "basic" or SPPI (Solely Payments of Principal and Interest) test

A financial asset is classified as generating solely payments of principal and interest if, on specific dates, it gives rise to cash flows that are solely payments of principal and interest on the outstanding amount due. The SPPI test is to be carried out for each financial asset at the time of initial recognition.

The principal amount is defined as the financial asset's fair value at its acquisition date. Interest is the consideration for the time value of money and the credit risk incurred on the principal amount, as well as other risks such as liquidity risk, administrative costs and the profit margin.

The instrument's contractual terms must be taken into account to assess whether contractual cash flows are solely payments of principal and interest. All elements that may cast doubts as to whether only the time value of money and credit risk is represented must therefore be analyzed. For example:

- events that would change the amount and date of the cash flows;
Any contractual procedure that would generate exposure to risk or to flow volatility unrelated to a basic loan contract, such as for example, exposure to changes in equity prices or a stock market index, or the introduction of a leverage effect would not allow contractual cash flows to be considered as having a basic character.
- the applicable interest rate features (for example, consistency between the rate refixing period and the interest calculation period);
In cases where a qualitative analysis would not produce an accurate result, a quantitative analysis (*benchmark test*) consisting of comparing the contractual cash flows of the asset in question with the contractual cash flows of a benchmark asset, is carried out.
- early redemption and extension conditions.

The contractual procedure, for the borrower or the lender, of redeeming the financial instrument early remains compatible with the basic character of the contractual cash flows if the prepayment amount represents mainly principal and interest on the outstanding amount due and, if applicable, a reasonable compensation payment.

Moreover, although not strictly fulfilling the time value of money remuneration criteria, certain assets including a regulated rate are considered as basic if this regulated interest rate provides a consideration that corresponds to a large extent to the passage of time and with no exposure to a risk that is inconsistent with a basic loan. This is true in particular of the financial assets representing the portion of the inflow on "livret A" passbook savings accounts which is centralized with the CDC savings fund.

Basic financial assets are therefore debt instruments which include in particular: fixed-rate loans, variable-rate loans with no rate mismatch or no indexation to a security or a stock market index and fixed-rate or variable-rate debt securities.

Any contractual procedure that would generate exposure to risk or to flow volatility unrelated to a basic loan contract, such as for example, exposure to changes in equity prices or a stock market index, or the introduction of a leverage effect would not allow contractual cash flows to be considered as having a basic character.

Non-basic financial assets include in particular: units of UCITS and debt instruments that are convertible or redeemable for a fixed number of shares.

To be classified as basic assets, securities held in a securitization vehicle must meet specific conditions. The contractual terms of the tranche must fulfill the basic criteria. The pool of underlying assets must fulfill the basic conditions. The risk inherent in the tranche must be equal to or lower than the exposure to the tranche's underlying assets.

A non-recourse loan (example: project financing such as infrastructure financing) is a loan secured solely by collateral. In the absence of possible recourse on the borrower, in order to be classified as a basic asset, it is necessary to examine the structure of the other possible recourse or the protection mechanisms of the lender in the event of default: recovery of the underlying asset, collateral provided (security deposit, margin call, etc.), enhancements provided.

Accounting categories

Debt instruments (loans, receivables or debt securities) may be valued at amortized cost or at fair value through recyclable other comprehensive income or at fair value through profit or loss.

A debt instrument is valued at amortized cost if it meets the following two conditions:

- the asset is held in a business model where the objective is to collect contractual cash flows, and
- the contractual terms of the financial asset define it as basic (SPPI) within the meaning of the standard.

A debt instrument is valued at fair value through other comprehensive income if it meets the following two conditions:

- the asset is held in a business model where the objective is both to collect contractual cash flows and to sell financial assets, and
- the contractual terms of the financial asset define it as basic (SPPI) within the meaning of the standard.

Equity instruments are, by default, recorded at fair value through profit or loss unless they qualify for an irrevocable option for valuation at fair value through non-recyclable other comprehensive income (provided they are not held for trading purposes and accordingly classified as financial assets at fair value through profit or loss), without subsequently being reclassified through profit or loss. However, if opting for the latter category, dividends continue to be recognized in income.

All other financial assets are recorded at fair value through profit or loss. These financial assets include financial assets held for trading purposes, financial assets at fair value through profit or loss and non-basic assets (non-SPPI). Recognition at fair value through profit or loss as an option for financial assets only applies in the case of the elimination or significant reduction of an accounting mismatch. This enables the elimination of accounting mismatches stemming from the application of different valuation rules to instruments managed in accordance with a single strategy.

Embedded derivatives are no longer recognized separately to their host contract when these are financial assets, such that the entire hybrid instrument must be recognized at fair value through profit or loss.

For financial liabilities, the classification and measurement rules set out in IAS 39 are carried forward to IFRS 9 unchanged, with the exception of those applicable to financial liabilities that the entity chooses to record at fair value through profit or loss (fair value option), for which revaluation adjustments related to changes in own credit risk are recorded under gains and losses recognized directly in equity, without being subsequently reclassified through profit or loss.

The provisions of IAS 39 on the derecognition of financial assets and liabilities remain unchanged in IFRS 9. The IFRS 9 amendment of October 12, 2017 clarified the treatment under IFRS 9 of modifications to liabilities recognized at amortized cost, where the modification does not result in derecognition: the gain or loss resulting from the difference between original cash flows and modified cash flows discounted at the original effective interest rate must be recognized in income.

1.1 Financial assets at amortized cost

Financial assets at amortized cost include amounts due from credit institutions and customers as well as securities at amortized cost such as treasury bills or bonds.

Loans and receivables are initially recorded at fair value plus any costs directly related to their issuance, less any proceeds directly attributable to issuance. On subsequent balance sheet dates, they are measured at amortized cost using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash flows (payments or receipts) to the carrying amount of the loan at inception. This rate includes any discounts recorded in respect of loans granted at below-market rates, as well as any external transaction income or costs directly related to the issue of the loans, which are treated as an adjustment to the effective yield on the loan. No internal cost is included in the calculation of amortized cost.

When loans are extended under conditions that are less favorable than market conditions, a discount corresponding to the difference between the nominal value of the loan and the sum of future cash flows discounted at the market interest rate is deducted from the nominal value of the loan. The market interest rate is the rate applied by the vast majority of local financial institutions at a given time for instruments and counterparties with similar characteristics.

IFRS 9 requires that modified contracts for financial assets that are renegotiated, restructured or adjusted whether due to financial hardships or not and which are not subject to derecognition are identified. Any profit or loss must be recognized as income in the event of amendment. The gross carrying amount of the financial asset must be recalculated so that it is equal to the renegotiated or amended present value of contractual cash flows at the original effective interest rate. However, an analysis of the substantial nature of amendments must be carried out on a case by case basis.

The processing of restructuring due to financial hardships remains the same as that under IAS 39: a discount is applied to loans restructured following a loss event as defined by IFRS 9, to reflect the difference between the present value of the contractual cash flows at inception and the present value of expected principal and interest repayments after restructuring. The discount rate used is the original effective interest rate. This discount is expensed to "Cost of credit risk" in the income statement and offset against the corresponding outstanding on the balance sheet. It is written back to net interest income in the income statement over the life of the loan using an actuarial method. The restructured loan is reclassified as performing based on expert opinion when no uncertainty remains as to the borrower's capacity to honor the commitment.

External costs consist primarily of commission paid to third parties in connection with the arrangement of loans. They essentially comprise commission paid to business partners.

Income directly attributable to the issuance of new loans principally comprises set-up fees charged to customers, rebilled costs and commitment fees (if it is more probable than improbable that the loan will be drawn down). Commitment fees received that will not result in any drawdowns are apportioned on a straight-line basis over the life of the commitment.

Expenses and income arising on loans with a term of less than one year at inception are deferred on a pro rata basis with no recalculation of the effective interest rate. For floating or adjustable rate loans, the effective interest rate is adjusted at each rate refixing date.

1.2 Financial assets at fair value through profit or loss

This asset category includes:

- financial assets held for trading, i.e. securities acquired or issued principally for the purpose of selling them in the near term;
- financial assets that the Group has chosen to recognize at fair value through profit or loss at inception using the fair value option available under IFRS 9. The qualifying criteria used when applying this option are described in Note 4.1.7 "Financial assets and liabilities at fair value through profit or loss"; and
- non-basic debt instruments;
- equity instruments measured at fair value through profit or loss by default (which are not held for trading purposes).

These assets are measured at fair value at the date of initial recognition and at each balance sheet date. Changes in fair value over the period, interest, dividends, gains or losses on disposals on these instruments are recognized in "Net gains or losses on financial instruments at fair value through profit or loss" with the exception of financial assets in respect of non-basic debt whose interest is recognized in "Interest income".

1.3 Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are initially recognized at fair value, plus any transaction costs.

This asset category includes:

- debt instruments measured at fair value through recyclable other comprehensive income

On the balance sheet date, they are carried at their fair value and changes in fair value (excluding accrued interest) are recorded under "Gains and losses recognized directly in recyclable other comprehensive income" (since foreign currency assets are money market assets, the changes in the fair value of the foreign currency component affect net income). The principles used to determine fair value are described in Note 4.1.9.

These instruments are subject to IFRS 9 impairment requirements. If they are sold, these changes in fair value are taken to income.

Interest income accrued or received on debt instruments is recognized in "Interest or similar income" using the effective interest rate method.

- Equity instruments measured at fair value through non-recyclable other comprehensive income

On the balance sheet date, they are carried at their fair value and changes in fair value are recorded under "Gains and losses recognized directly in non-recyclable other comprehensive income" (since foreign currency assets are money market assets, the changes in the fair value of the foreign currency component do not affect net income).

Recognition at fair value through non-recyclable other comprehensive income is an irrevocable option that applies on an instrument by instrument basis only to equity instruments not held for trading purposes. Unrealized and realized impairment losses remain in equity without ever affecting income. These financial assets are not subject to impairment.

If they are sold, these changes in fair value are not taken to income but directly transferred to consolidated reserves under equity.

Only dividends affect income if they correspond to a return on investment. They are recognized in "Net gains or losses on financial instruments at fair value through other comprehensive income".

2. Impairment of financial instruments

Debt instruments classified as financial assets at amortized cost or at fair value through other comprehensive income, loan commitments and financial guarantee contracts that are not recognized at fair value through profit or loss, as well as lease receivables and business loans, must be systematically impaired or covered by a provision for expected credit losses (ECL).

For financial instruments which have not been individually subject to objective evidence of loss, impairment or a provision for expected credit losses are recorded based on observed past losses but also on reasonable and justifiable discounted future cash flow forecasts. These financial assets are divided into three categories depending on the gradual increase in credit risk observed since their initial recognition. Impairment is recognized on outstanding amounts in each category, as follows:

Stage 1

- there is no significant increase in credit risk since the initial recognition;
- the impairment or the provision for credit risk are recorded in the amount of 12-month expected credit losses;
- interest income is recognized through profit or loss using the effective interest rate method applied to the gross carrying amount of the instrument before impairment.

Stage 2

- in the event of a significant increase in credit risk since initial recognition, the financial instrument is transferred to this category;
- impairment or the provision for credit risk are determined on the basis of the instrument's lifetime expected credit losses;
- interest income is recognized through profit or loss using the effective interest rate method applied to the gross carrying amount of the instrument before impairment.

Stage 3

- there is objective evidence of impairment loss due to an event which represents a counterparty risk occurring after the initial recognition of the instrument in question. This category corresponds to the individually impaired outstandings scope under IAS 39;
- impairment or the provision for credit risk are calculated based on the instrument's lifetime expected credit losses, according to the recoverable amount of the receivable, i.e. the present value of estimated recoverable future cash flows taking into account the impact of any collateral;
- interest income is recognized through profit or loss based on the effective interest method applied to the net carrying amount of the instrument after impairment.

Moreover, the standard makes the distinction between purchased or originated credit impaired (POCI) assets, which correspond to financial assets purchased or created and already impaired for credit risk at their initial recognition and for which the entity does not expect to recover the entire contractual cash flows at the date of initial recognition. At initial recognition, an effective interest rate must be adjusted according to credit quality: estimated recoverable cash flows take into account expected credit losses. Subsequent impairment will be calculated by re-estimating recoverable cash flows, as the restated effective interest rate is fixed. Any change in relation to the level of estimated recoverable cash flows at the date of initial recognition will result in an impairment charge or reversal being recorded in profit or loss and will not impact the effective interest rate.

For operating lease or finance lease receivables – under IAS 17 – and for accounts receivable or assets in a contract with a significant financing component – under IFRS 15 – and which are not impaired, the Group has decided not to use the option of applying the simplified approach proposed by IFRS 9 paragraph 5.5.15 which consists in assessing the lifetime expected credit losses so as not to have to identify the significant deterioration in credit risk from inception.

A set of qualitative and quantitative criteria is used to assess an increase in risk.

The significant increase in credit risk is valued on an individual basis by taking into account all reasonable and justifiable information and by comparing the default risk on the financial instrument at the end of the fiscal year with the default risk on the financial instrument at the date of its initial recognition. This deterioration must be recognized before the transaction is impaired on an individual basis (Stage 3).

In order to assess the significant increase in credit risk, the Group applies a process based on rules and criteria which apply to all Group entities. For Individual Customer, Professional Customer and Small and Medium-Sized Enterprise portfolios, the deterioration is measured using quantitative criteria based on the change in the 12-month probability of default since underwriting (probability of default measured on average over a business cycle). For Large corporates, Banks and Specialized Financing portfolios, it is based on the change in rating since underwriting. These quantitative criteria are accompanied by a set of qualitative criteria, including the existence of a payment more than 30 days past due, the classification of the contract as at-risk, the identification of forbearance exposure or the inclusion of the portfolio on a Watch List. Exposures rated by the tool dedicated to Large corporates, Banks and Specialized Financing are also downgraded to Stage 2 according to the sector rating and the level of country risk.

The standard provides that the credit risk of a financial instrument has not increased materially since its initial recognition if this risk is considered to be low at the end of the fiscal year. This provision is applied for investment grade debt securities held by Corporate & Investment Banking.

Financial assets where there is objective evidence of impairment loss due to an event which represents a counterparty risk and which occurs after their initial recognition are considered as impaired and are classed as Stage 3. Identification criteria for impaired assets are similar to those under IAS 39 and are aligned with the default criterion in prudential terms.

Therefore, loans and receivables in Stage S3 are impaired if the following two conditions are met:

- there is objective evidence of impairment on an individual or portfolio basis: there are “triggering events” or “loss events” identifying counterparty risk occurring after the initial recognition of the loans in question. At the individual level, probable credit risk arises from default events defined in Article 178 of European regulation 575-2013 dated June 26, 2013 relating to prudential requirements applicable to credit institutions. Objective evidence of impairment includes any payments that are past due by at least three months, or regardless of whether any payment has been missed, the observation of difficulties experienced by the counterparty leading to the expectation that some or all of the amounts owed may not be recovered or the implementation of litigious proceedings;
- these events are liable to lead to the recognition of incurred losses.

Impairment losses are recognized on debt securities such as bonds or securitized transactions (ABS, CMBS, RMBS, cash CDOs) when there is a known counterparty risk.

The Group uses the same impairment indicators for debt securities in Stage S3 as those used for individually assessing the impairment risk on loans and receivables, irrespective of the portfolio to which the debt securities are ultimately designated. For perpetual deeply subordinated notes, particular attention is also paid if, under certain conditions, the issuer may be unable to pay the coupon or extend the issue beyond the scheduled redemption date.

The impairment of financial assets in Stage S3 is determined as the difference between the amortized cost and the recoverable amount of the receivable, i.e. the present value of estimated recoverable future cash flows, whether these cash flows are derived from the activity of the counterparty or from the potential activation of guarantees. For short-term assets (maturity of less than one year), there is no discounting of future cash flows. Impairment is determined globally, without distinguishing between interest and principal. Incurred losses arising from off-balance sheet commitments are taken into account through provisions recognized on the liability side of the balance sheet. Specific impairment is calculated for each receivable on the basis of the maturity schedules determined based on historic recoveries for each category of receivable. Collateral is taken into account, in addition to cash flows derived from the activity of the counterparty, when determining the amount of impairment, and when collateral fully covers the risk of default, the receivable is no longer impaired.

For Stage 1 and Stage 2 assets, expected credit losses (ECL) are calculated as the result of three inputs:

- probability of default (PD);
- loss given default (LGD);
- exposure at default (EAD) - this depends on contractual cash flows, the contract's effective interest rate and the expected prepayment rate.

To define this input, the Group draws on existing concepts and mechanisms used for internal models developed to calculate regulatory capital requirements and on projection models used for stress tests. Specific adjustments are made to factor in current conditions and macro-economic forward-looking projections:

- IFRS 9 parameters nonetheless aim to provide the most accurate estimate of losses possible for accounting provision purposes, whereas prudential parameters are more cautious for regulatory framework purposes. Several of these safety buffers are therefore restated;
- IFRS 9 parameters must allow losses to be estimated until the contract's maturity, whereas prudential parameters are defined to estimate 12-month losses. 12-month parameters are thus projected over long timescales;
- IFRS 9 parameters must be forward-looking and take into account the expected economic environment over the projection timescale, whereas prudential parameters correspond to the cycle's average estimates (for PD) or bottom-of-the-cycle estimates (for LGD and EAD). Prudential parameters are therefore also adjusted based on this expected economic environment.

The parameters thus defined allow credit losses for all rated exposures to be valued, regardless of whether they belong to a scope approved using an internal method or they are processed using the standard method for the calculation of risk weighted assets. Conservative default rules are applied to non-rated exposures. The stakes are not material for the Group.

The adjustment of parameters to the economic backdrop is carried out through the definition of reasonable and justifiable economic scenarios, coupled with the probability of occurrence and the calculation of a probable average credit loss. This adjustment mechanism requires the definition of models which link IFRS 9 parameters to a set of economic variables. These models are based on those developed for stress tests. The projection mechanism also draws on the budget process. Three economic scenarios (the budget scenario, along with optimistic and pessimistic views of this scenario), coupled with probabilities, are therefore defined over a three-year time line to value the probable economic loss. The scenarios and weightings are defined using analysis produced by Natixis' Economic Research department and management's expert judgment.

Although the majority of the parameters are drawn up by BPCE and Natixis' Risk departments, other entities including Natixis Financement, BPCE International and certain regional institutions for their subsidiaries also contribute to the Group IFRS 9 provision mechanism. Moreover, regional entities are responsible for assessing the consistency of provisions determined for the Group with the local and sector characteristics of their portfolio and for defining additional sector provisions if necessary.

The mechanism for validating IFRS 9 provisions is fully integrated in the validation mechanism for existing models within the Group. The validation of parameters follows a review process by the independent internal validation of models cell, the review of this work by the Group model committee and monitoring of recommendations issued by the validation cell. Validation work has been structured so that the main calculation parameters are reviewed upstream of the first-time application of IFRS 9.

6. Statutory Auditors

6.1 Statutory Auditors

BPCE's Statutory Auditors are responsible for auditing the individual financial statements of BPCE and the consolidated financial statements of Groupe BPCE and BPCE SA group. At March 31, 2018, the Statutory Auditors were:

PricewaterhouseCoopers Audit	Deloitte & Associés	Mazars
63, rue de Villiers 92208 Neuilly-sur-Seine Cedex	185, avenue Charles- de-Gaulle 92524 Neuilly-sur-seine Cedex	61, rue Henri-Regnault 92075 Paris-La Défense Cedex

PricewaterhouseCoopers Audit (672006483 RCS Nanterre), Deloitte et Associés (572028041 RCS Nanterre) and Mazars (784824153 RCS Nanterre) are registered as Statutory Auditors, members of the Compagnie Régionale des Commissaires aux Comptes de Versailles and under the authority of the Haut Conseil du Commissariat aux Comptes.

PRICEWATERHOUSECOOPERS AUDIT

The Annual General Shareholders' Meeting of BPCE of May 22, 2015, voting under the conditions of quorum and majority applicable to Ordinary General Shareholders' Meetings, resolved to renew the term of PricewaterhouseCoopers Audit for a period of six fiscal years, i.e. until the Ordinary General Shareholders' Meeting to be held in 2021, convened to approve the financial statements for the year ending December 31, 2020.

PricewaterhouseCoopers Audit is represented by Agnès Hussherr and Nicolas Montillot.

Substitute: Jean-Baptiste Deschryver, residing at 63, rue de Villiers, 92208 Neuilly-sur-Seine Cedex, for a period of six fiscal years, i.e. until the Ordinary General Shareholders' Meeting to be held in 2021, convened to approve the financial statements for the year ending December 31, 2020.

DELOITTE & ASSOCIÉS

The Annual General Shareholders' Meeting of BPCE of May 22, 2015, voting under the conditions of quorum and majority applicable to Ordinary General Shareholders' Meetings, resolved to appoint Deloitte & Associés for a period of six fiscal years, i.e. until the Ordinary General Shareholders' Meeting to be held in 2021, convened to approve the financial statements for the year ending December 31, 2020.

Deloitte & Associés is represented by Jean-Marc Mickeler and Sylvie Bourguignon.

Substitute: BEAS, represented by Mireille Berthelot, located at 195, avenue Charles de Gaulle, 92524 Neuilly-sur-Seine Cedex, for a period of six fiscal years, i.e. until the Ordinary General Shareholders' Meeting to be held in 2021, convened to approve the financial statements for the year ending December 31, 2020.

MAZARS

The Annual General Shareholders' Meeting of BPCE of May 24, 2013, voting under the conditions of quorum and majority applicable to Ordinary General Shareholders' Meetings, resolved to appoint Mazars for a period of six fiscal years, i.e. until the Ordinary General Shareholders' Meeting to be held in 2019, convened to approve the financial statements for the year ending December 31, 2018.

Mazars is represented by Charles de Boisriou.

Substitute: Anne Veaute, residing at 61, rue Henri-Regnault, 92075 Paris-La Défense Cedex, for a period of six fiscal years, i.e. until the Ordinary General Shareholders' Meeting to be held in 2019, convened to approve the financial statements for the year ending December 31, 2018.

7. Update to Chapter 7 Legal Information

7.1 BPCE Combined General Meeting of May 25, 2018

The Combined General Meeting of BPCE, chaired by the Chairman of the Supervisory Board, was held on May 25, 2018. The Management Board put forward 36 resolutions.

The shareholders and the various other persons entitled to the same rights under the law were able to exercise their right of information by the deadlines and within the conditions established by law.

The Works Council received the documents and information submitted to the Shareholders' Meeting in a timely manner, pursuant to the provisions of Article L. 2323-8 of the French Labor Code.

After presenting the Group's activity and results for the fiscal year, the Chairman successively put the following resolutions on the agenda to a vote.

On the authority of the Extraordinary Shareholders' Meeting

First resolution: Amendments to the articles of association

The Annual General Shareholders' Meeting, voting under the conditions of quorum and majority applicable to Ordinary General Shareholders' Meetings, after reading the Management Board's report, resolved to amend "Definitions" Articles 10.2.5, 12.2, 15, 17.1, 17.2, 18, 21, 23.1, 24, 25.2, 27.1, 27.2, 27.3, 27.4, 28.2, 30, and 31.

This resolution was unanimously approved by shareholders present and represented.

Second resolution: Periodic consultation with shareholders pursuant to Article L225-129-6 of the French Commercial Code

The Annual General Shareholders' Meeting, voting under the conditions of quorum and majority applicable to Extraordinary Shareholders' Meetings, after reading the Management Board's report, resolved to delegate its authority to the Management Board, pursuant to Article L 225-129-6 of the French Commercial Code, to carry out a share capital increase reserved for employees of the Company who are enrolled in the company savings plan, in one or more increments, per the conditions set out in Article L 3332-18 of the French Labor Code.

This authorization is granted for a period of 26 months from this date. The total number of shares that each employee may subscribe to cannot exceed a maximum amount of €100,000.

The share subscription price will be set in keeping with Article L 3332-20 of the French Labor Code.

The Annual General Shareholders' Meeting confers all powers to the Management Board to implement this delegation of authority, for the purpose of:

- setting the number of new shares to be issued and their dividend entitlement date;
- setting the issuance date for new shares as well as the deadlines given to employees for exercising their rights;
- setting the deadlines and procedures for paying up new shares;
- recognizing the capital increase(s) conducted and making the consequential amendments to the articles of association;
- and carrying out all transactions and formalities required by the capital increase(s) conducted.

For the employees mentioned above, this authorization is an express waiver of the shareholders' preemptive rights to the shares that will be issued.

This resolution was unanimously rejected by shareholders present and represented.

On the authority of the Ordinary Shareholders' Meeting

Third resolution: Approval of the annual financial statements of BPCE SA for the fiscal year ended December 31, 2017

The Annual General Shareholders' Meeting, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, having read the Management Board's report on the company's management, the Supervisory Board's report on corporate governance, and the Statutory Auditors' report on the annual financial statements of BPCE for the fiscal year ended December 31, 2017, approves the annual financial statements showing a profit of €728,462,840.04.

The Annual General Shareholders' Meeting duly notes that the financial statements for the fiscal year ended do not include expenses not deductible from taxable income, as referred to in Article 39-4 of the French General Tax Code.

This resolution was unanimously approved by shareholders present and represented.

Fourth resolution: Approval of the annual financial statements of the BPCE SA group for the fiscal year ended December 31, 2017

The Annual General Shareholders' Meeting, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, having read the Management Board's report on the group's management, the Supervisory Board's report on corporate governance, and the Statutory Auditors' report on the consolidated financial statements of the BPCE SA group for the fiscal year ended December 31, 2017, approves the consolidated financial statements showing net income attributable to equity holders of the parent of €845 million.

This resolution was unanimously approved by shareholders present and represented.

Fifth resolution: Approval of the annual financial statements of Groupe BPCE for the fiscal year ended December 31, 2017

The Annual General Shareholders' Meeting, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, having read the Management Board's report on the Group's management, the Supervisory Board's report on corporate governance, and the Statutory Auditors' report on the consolidated financial statements of Groupe BPCE for the fiscal year ended December 31, 2017, approves the consolidated financial statements showing net income attributable to equity holders of the parent of €3,024 million.

This resolution was unanimously approved by shareholders present and represented.

Sixth resolution: Allocation of net income for 2017 and dividend paid

The Annual General Shareholders' Meeting, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, approves the Management Board's proposal and decides to allocate the positive net income for the period of €728,462,840.04 as follows:

- dividend payment of €403,005,056.92 to the shareholders, i.e. €12.9382 per share.
- an allocation of €325,457,783.12 to "Retained earnings."

Given the payment on December 22, 2017 of an interim dividend of €201,502,528.46, a decision taken by the Management Board at its meeting of December 21, 2017, a residual dividend of €201,502,528.46 remains to be paid to the shareholders, i.e. €6.4691 per share.

Subsequent to this distribution, the balance of "Retained earnings" is €3,511,490,238.01.

The cash dividend will be paid at the registered office as from June 27, 2018.

For individuals having their tax residence in France, this dividend is eligible for the tax reduction provided for in Article 158, Paragraph 3, Point 2 of the French General Tax Code.

The Annual General Shareholders' Meeting duly notes that the dividends received by individuals having their tax residence in France, eligible for Article 158, Paragraph 3, Point 2 of the French General Tax Code, are subject (barring a request for exemption submitted under the conditions provided for by law) to a mandatory withholding not exempting the balance from income tax, as provided for in Article 117 quater of the French General Tax Code, at a rate of 12.8% (plus social security charges).

In accordance with the provisions of Article 243 bis of the French General Tax Code, the table below shows the dividends paid out in respect of the three previous fiscal years:

Year ended	Dividend/Earnings per share	Fraction of the dividend eligible for the 40% tax deduction	Fraction of the dividend ineligible for the 40% tax deduction
December 31, 2014	A shares: €16.052 B shares: €16.052	€499,995,144.11*	/
December 31, 2015	A shares: €11.2364 B shares: €11.2364	€349,996,600.88	/
December 31, 2016	A shares: €12.312 B shares: €12.312	€383,499,888.77	/

* The exceptional pay-outs charged against "additional paid-in capital", decided by the General Shareholders' Meetings of May 16, 2014 and December 17, 2014, are equivalent for tax purposes to dividend pay-outs.

This resolution was unanimously approved by shareholders present and represented.

Seventh resolution: Optional payment of the balance of the dividend of fiscal year 2017 in equity

The Annual General Shareholders' Meeting, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, having read the Management Board's report and the Statutory Auditors' special report, and applying Articles L. 232-18 to L. 232-20 of the French Commercial Code as well as Article 33 of the articles of association, and recognizing that the capital is fully paid up,

resolves to grant each shareholder an option of payment of the balance of the dividend either in cash or in shares for the full amount of the balance of the dividend owed to him/her, which is the subject of the sixth resolution.

The issuance price of new shares that will be remitted in payment for the balance of the dividend is set at €515.1994, inclusive of €510.1994 in additional paid-in capital. This price is calculated by dividing the amount of shareholders' equity, shown on the balance sheet for the fiscal year ended December 31, 2017 as approved by this General Meeting, by the number of existing shares.

Shareholders who wish to opt for payment of the dividend balance in shares may exercise their option from May 28, 2018 until June 15, 2018 inclusive by submitting their request to the Company. Consequently, any shareholder who has not exercised his or her option by the deadline set herein shall receive the dividend balance due to him/her only in cash. The dividend balance will be paid out on June 27, 2018; on that same date, the shares will be delivered to those who have opted for payment in shares of the entire amount of the dividend balance due to them.

Subscription notices will be provided to shareholders.

Each shareholder may opt for either method of payment, but this option will involve the total dividend balance for which the option is offered.

Subscriptions must be for a whole number of shares. If the amount of the dividend balance for which the option is exercised is not a whole number of shares, then each shareholder may receive a number of shares that is rounded up to the nearest whole number, paying the difference in cash on the date on which he or she exercises the option, or rounded down to the nearest whole number along with the balance in cash.

All powers are hereby given to the Management Board, with the option of delegation as set out by law, for the purpose of implementing this resolution, recognizing the capital increase conducted resulting from the exercise of the option of dividend payment in shares, making the consequential amendments to the articles of association, and completing the disclosure formalities.

This resolution was unanimously approved by shareholders present and represented.

Eighth resolution: Authorization of the Management Board for the purpose of proposing an option for payment of interim dividends in equity for fiscal year 2018

The Annual General Shareholders' Meeting, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, having read the Management Board's report and applying Articles L. 232-18 to L. 232-20 of the French Commercial Code as well as Article 33 of the articles of association, and recognizing that the share capital is fully paid up,

authorizes the Management Board, assuming the latter decides to make one or more interim payments for fiscal year 2018, to propose for each of these interim payments the option of paying either in cash or in new shares, per the shareholder's choice.

For every interim dividend that may be approved, each shareholder may opt for payment in cash or payment in shares, with either choice excluding the other.

Consequently, the Annual General Shareholders' Meeting authorizes the Management Board to set, as appropriate:

- the issuance price of each share remitted in payment of the interim dividend(s) by dividing the amount of shareholder's equity shown on the current year's balance sheet by the number of existing shares.

Subscriptions must be for a whole number of shares. If the amount of the interim dividend for which the option is exercised is not a whole number of shares, then each shareholder may receive a number of shares that is rounded up to the nearest whole number, paying the difference in cash on the date on which he or she exercises the option, or rounded down to the nearest whole number along with a balance compensation in cash.

- the period during which, as from its decision to distribute an interim dividend, shareholders may request payment of this dividend in shares, with the clarification that this period cannot exceed three months.

All powers are hereby given to the Management Board, with the option of delegation as set out by law, for the purpose of recognizing, as appropriate, the capital increase conducted resulting from the exercise of the option of dividend payment in shares, charge the costs of said capital increase against the amount of the related premium, making the consequential amendments to the articles of association, and completing the disclosure formalities.

This resolution was unanimously approved by shareholders present and represented.

Ninth resolution: Approval of the agreements referred to in Article L. 225-86 of the French Commercial Code

The Annual General Shareholders' Meeting, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, having read the Statutory Auditors' special report on the agreements referred to in Article L. 225-86 of the French Commercial Code, hereby successively approves each of the new, amended, or terminated agreements referred to therein, which were authorized beforehand by the Supervisory Board during the fiscal year ended December 31, 2017 and subsequent to this date, through to the date of establishment of the special report.

This resolution was unanimously approved by shareholders present and represented.

Tenth resolution: Approval of the commitments mentioned in Articles L.225-86 and L.225-90-1 of the French Commercial Code relating to François Pérol

The Annual General Shareholders' Meeting, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, after having read the Statutory Auditors' supplementary special report, hereby approves the commitment mentioned in Article L. 225-90-1 of the French Commercial Code made in favor of François Pérol and reiterated below.

I. Involuntary-termination severance pay

In his capacity as President of the Management Board of BPCE SA, François Pérol will receive involuntary-termination severance pay under the following conditions.

a. Conditions for receiving involuntary-termination severance pay

The severance can only be paid if termination of his role as President of the BPCE SA Management Board is involuntary (involuntary end to term of office due to removal by the Annual General Shareholders' Meeting, withdrawal of approval, involuntary resignation, or non-renewal by the Supervisory Board), other than serious misconduct or a change of position within Groupe BPCE. This severance is not paid if the François Pérol leaves the Group at his or her own initiative.

Payment of involuntary-termination severance causes François Pérol to lose all rights to the retirement bonus he or she would otherwise be entitled to (it is specified that he does not receive benefits from a defined-benefit pension plan)

For persons re-assigned to another position with Groupe BPCE under an employment contract, the termination of said employment contract, with notification given more than 12 months after they are forcibly removed from their corporate office, entitles them – barring gross negligence or willful misconduct – to receive the severance pay provided for in the applicable collective bargaining agreement. Conversely, if the employment contract is terminated with notification given less than 12 months after they are forcibly removed from corporate office, they are entitled – barring gross negligence or willful misconduct – to receive involuntary-termination severance pay, minus any legal or contractual indemnity liable to be paid in respect of the termination of the employment contract.

b. Performance conditions

Involuntary-termination severance pay is only due if the Group generated positive net income over the last financial year preceding the termination of the corporate office.

Moreover, in compliance with c., payment of the involuntary-termination severance pay is subject to the condition of François Pérol having obtained at least 33.33% of the maximum variable portion, on average, over the last three years of the current term of office.

c. Determination of involuntary-termination severance pay

The monthly benchmark pay used in the calculation is equal to one-twelfth of the sum of the fixed pay (excluding any special increase and benefits) granted for the calendar year of work preceding the termination of office and the average of the variable pay (whether paid immediately or deferred) for the three calendar years of work preceding the termination of office. Amounts paid in respect of the relevant corporate office are taken into account.

The amount of involuntary-termination severance pay is equal to:

Monthly benchmark pay x (12 months + 1 month per year of seniority with the Group)

Seniority is calculated in years and fractions of a year.

The amount of involuntary-termination severance pay is capped at 24 times the monthly benchmark pay, which corresponds to a period of 12 years' seniority with the Group.

Where at least 50% of the maximum variable component is awarded on average during the last three years of the corporate office in progress (or during the term of office served, plus the previous term of office served if the term was renewed), the involuntary-termination severance pay will be paid in full.

Where at least 33.33% of the maximum variable component is not awarded on average over this period, no involuntary-termination severance pay is granted. Between 33.33% and 50%, the amount of involuntary-termination

severance pay is calculated on a straight-line basis, at the discretion of the company's governing body.

Regardless, any compensation paid under an employment contract is deducted from the amount of involuntary-termination severance pay.

II. Retirement bonus

Moreover, per a decision of the Supervisory Board, François Pérol may receive a retirement bonus under the following conditions.

a. Conditions for receiving a retirement bonus

Payment of a retirement bonus is subject to the same performance conditions as those applicable to involuntary-termination severance pay mentioned above, i.e.:

- the Group must have generated positive net income in the fiscal year preceding the termination of the corporate office, and
- beneficiaries must have been awarded a minimum percentage of variable pay on average during the last three years of the current term of office.

The retirement bonus may only be paid when the social security pension is drawn, provided that the beneficiary falls within the applicable scope (defined below) at the time the pension is drawn.

Payment of the retirement bonus is at the discretion of the Supervisory Board after consultation of the Appointments and Remuneration Committee.

Payment of a retirement bonus is excluded from payment of any other severance pay. As such, if involuntary-termination severance is paid, the company director will not be entitled to the retirement bonus.

b. Amount of the retirement bonus

The monthly benchmark pay used in the calculation is equal to one-twelfth of the sum of the fixed pay (excluding benefits and any special increase) granted for the last calendar year of work and the average of the variable pay (whether paid immediately or deferred) for the last three calendar years of work.

The amount of involuntary-termination severance pay is equal to:

Monthly benchmark pay x (6 + 0.6 A)

where A is the number, which may be a fraction, of years served in a corporate office within the relevant scope (i.e. terms of office served as Chief Executive Officers of the Banque Populaire banks, Chairmen of the Management Boards of Caisses d'Épargne, Chief Executive Officer of CFF, Chief Executive Officer of BPCE International, Chairman of the Management Board of Banque Palatine, and members of the Management Board of BPCE SA).

The amount is capped at 12 times the monthly benchmark pay corresponding to a total term of office of 10 years.

Regardless, any compensation paid for termination of an employment contract is deducted from the retirement bonus.

This resolution was unanimously approved by shareholders present and represented.

Eleventh resolution: Approval of the commitments mentioned in Articles L.225-86 and L.225-90-1 of the French Commercial Code relating to Catherine Halberstadt

The Annual General Shareholders' Meeting, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, after having read the Statutory Auditors' supplementary special report, hereby approves the commitment mentioned in Article L. 225-90-1 of the French Commercial Code made in favor of Catherine Halberstadt and reiterated below.

I. Involuntary-termination severance pay

In her capacity as a member of the Management Board of BPCE SA, Catherine Halberstadt will receive involuntary-termination severance pay under the following conditions.

a. Conditions for receiving involuntary-termination severance pay

The severance cannot be paid unless termination is involuntary (involuntary end to term of office due to removal by the Annual General Shareholders' Meeting, withdrawal of approval, involuntary resignation, or non-renewal by the Supervisory Board), other than serious misconduct or a change of position within Groupe BPCE. This severance is not paid if Catherine Halberstadt leaves the Group at her own initiative.

Persons receiving involuntary-termination severance pay lose any entitlement under the defined-benefit plan, subject to employment by the company at the time of retirement, provided for under Article L. 137-11 of the French Social Security Code, and/or to any retirement bonus they may claim.

The termination of said employment contract, with notification given more than 12 months after they are forcibly removed from their corporate office, entitles them – barring gross negligence or willful misconduct – to severance pay as provided for in the applicable collective bargaining agreement. Conversely, if the employment contract is terminated with notification given less than 12 months after they are forcibly removed from corporate office, they are entitled – barring gross negligence or willful misconduct – to receive involuntary-termination severance pay, minus any indemnity liable to be paid in respect of the termination of the employment contract.

b. Performance conditions

Involuntary-termination severance pay is only due if the Group generated positive net income over the last financial year preceding the termination of the corporate office.

Moreover, in compliance with c., payment of the involuntary-termination severance pay is subject to the condition of Catherine Halberstadt having obtained at least 33.33% of the maximum variable portion, on average, over the last three years of the current term of office. This variable portion is the one that Catherine Halberstadt may receive for her corporate office but also for her employment contract.

c. Determination of involuntary-termination severance pay

The monthly benchmark pay used in the calculation is equal to one-twelfth of the sum of the fixed pay (excluding any special increase and benefits) granted for the calendar year of work preceding the termination of the corporate office or employment contract and the average of the variable pay (whether paid immediately or deferred) for the three

calendar years of work preceding the termination of the corporate office or employment contract. Amounts paid in respect of the relevant corporate office and employment contract are taken into account.

The amount of involuntary-termination severance pay is equal to:

Monthly benchmark pay x (12 months + 1 month per year of seniority with the Group)

Seniority is calculated in years and fractions of a year.

The amount of involuntary-termination severance pay is capped at 24 times the monthly benchmark pay, which corresponds to a period of 12 years' seniority with the Group.

Where at least 50% of the maximum variable component is awarded on average during the last three years of the corporate office in progress (or during the term of office served, plus the previous term of office served if the term was renewed), the involuntary-termination severance pay will be paid in full.

Where at least 33.33% of the maximum variable component is not awarded on average over this period, no involuntary-termination severance pay is granted. Between 33.33% and 50%, the amount of involuntary-termination

severance pay is calculated on a straight-line basis, at the discretion of the company's governing body.

This variable portion is the one that Catherine Halberstadt may receive for her corporate office but also for her employment contract.

Regardless, any compensation paid for termination of an employment contract is deducted from the amount of involuntary-termination severance pay.

II. Retirement bonus

Moreover, per a decision of the Supervisory Board, Catherine Halberstadt may receive a retirement bonus under the following conditions.

a. Conditions for receiving a retirement bonus

Payment of a retirement bonus is subject to the same performance conditions as those applicable to involuntary-termination severance pay mentioned above, i.e.:

- the Group must have generated positive net income in the fiscal year preceding the termination of the corporate office, and
- beneficiaries must have been awarded a minimum percentage of variable pay on average during the last three years of the current term of office.

The retirement bonus may only be paid when the social security pension is drawn, provided that the beneficiary falls within the applicable scope (defined below) at the time the pension is drawn.

Payment of the retirement bonus is at the discretion of the Supervisory Board after consultation of the Appointments and Remuneration Committee.

If involuntary-termination severance is paid, the company director will not be entitled to the retirement bonus.

b. Amount of the retirement bonus

The monthly benchmark pay used in calculating the bonus is equal to one-twelfth of the sum of the fixed pay (excluding benefits and any special increase) granted for the calendar year of work preceding the termination of the corporate office or employment contract and the average of the variable pay (whether paid immediately or deferred) for the three calendar years of work preceding the termination of the corporate office or employment contract. Amounts paid in respect of the relevant corporate office and employment contract are taken into account.

The amount of involuntary-termination severance pay is equal to:

Monthly benchmark pay x (6 + 0.6 A)

where A is the number, which may be a fraction, of years served in a corporate office within the relevant scope (i.e. terms of office served as Chief Executive Officers of the Banque Populaire banks, Chairmen of the Management Boards of Caisses d'Épargne, Chief Executive Officer of CFF, Chief Executive Officer of BPCE International, Chairman of the Management Board of Banque Palatine, and members of the Management Board of BPCE SA).

The amount is capped at 12 times the monthly benchmark pay corresponding to a total term of office of 10 years.

Regardless, any compensation paid for termination of an employment contract is deducted from the retirement bonus.

This resolution was unanimously approved by shareholders present and represented.

Twelfth resolution: Approval of the commitments mentioned in Articles L.225-86 and L.225-90-1 of the French Commercial Code relating to François Riahi

The Annual General Shareholders' Meeting, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, after having read the Statutory Auditors' supplementary special report, hereby approves the commitment mentioned in Article L. 225-90-1 of the French Commercial Code made in favor of François Riahi and reiterated below.

I. Involuntary-termination severance pay

In his capacity as a member of the Management Board of BPCE SA, François Riahi will receive involuntary-termination severance pay under the following conditions.

a. Conditions for receiving involuntary-termination severance pay

The severance cannot be paid unless termination is involuntary (involuntary end to term of office due to removal by the Annual General Shareholders' Meeting, withdrawal of approval, involuntary resignation, or non-renewal by the Supervisory Board), other than serious misconduct or a change of position within Groupe BPCE. This severance is not paid if the François Riahi leaves the Group at his own initiative.

Persons receiving involuntary-termination severance pay lose any entitlement under the defined-benefit plan, subject to employment by the company at the time of retirement, provided for under Article L. 137-11 of the French Social Security Code, and/or to any retirement bonus they may claim.

The termination of said employment contract, with notification given more than 12 months after they are forcibly removed from their corporate office, entitles them – barring gross negligence or willful misconduct – to severance pay as provided for in the applicable collective bargaining agreement. Conversely, if the employment contract is terminated with notification given less than 12 months after they are forcibly removed from corporate office, they are entitled – barring gross negligence or willful misconduct – to receive involuntary-termination severance pay, minus any indemnity liable to be paid in respect of the termination of the employment contract.

b. Performance conditions

Involuntary-termination severance pay is only due if the Group generated positive net income over the last financial year preceding the termination of the corporate office.

Moreover, in compliance with c., payment of the involuntary-termination severance pay is subject to the condition of François Riahi having obtained at least 33.33% of the maximum variable portion, on average, over the last three years of the current term of office. This variable portion is the one that François Riahi may receive for his corporate office but also for his employment contract.

c. Determination of involuntary-termination severance pay

The monthly benchmark pay used in the calculation is equal to one-twelfth of the sum of the fixed pay (excluding any special increase and benefits) granted for the calendar year of work preceding the termination of the corporate office or employment contract and the average of the variable pay (whether paid immediately or deferred) for the three calendar years of work preceding the termination of the corporate office or employment contract. Amounts paid in respect of the relevant corporate office and employment contract are taken into account.

The amount of involuntary-termination severance pay is equal to:

Monthly benchmark pay x (12 months + 1 month per year of seniority with the Group)

Seniority is calculated in years and fractions of a year.

The amount of involuntary-termination severance pay is capped at 24 times the monthly benchmark pay, which corresponds to a period of 12 years' seniority with the Group.

Where at least 50% of the maximum variable component is awarded on average during the last three years of the corporate office in progress (or during the term of office served, plus the previous term of office served if the term was renewed), the involuntary-termination severance pay will be paid in full.

Where at least 33.33% of the maximum variable component is not awarded on average over this period, no involuntary-termination severance pay is granted. Between 33.33% and 50%, the amount of involuntary-termination

severance pay is calculated on a straight-line basis, at the discretion of the company's governing body.

This variable portion is the one that François Riahi may receive for his corporate office but also for his employment contract.

Regardless, any compensation paid for termination of an employment contract is deducted from the amount of involuntary-termination severance pay.

II. Retirement bonus

Moreover, per a decision of the Supervisory Board, François Riahi may receive a retirement bonus under the following conditions.

a. Conditions for receiving a retirement bonus

Payment of a retirement bonus is subject to the same performance conditions as those applicable to involuntary-termination severance pay mentioned above, i.e.:

- the Group must have generated positive net income in the fiscal year preceding the termination of the corporate office, and
- beneficiaries must have been awarded a minimum percentage of variable pay on average during the last three years of the current term of office.

The retirement bonus may only be paid when the social security pension is drawn, provided that the beneficiary falls within the applicable scope (defined below) at the time the pension is drawn.

Payment of the retirement bonus is at the discretion of the Supervisory Board after consultation of the Appointments and Remuneration Committee.

If involuntary-termination severance is paid, the company director will not be entitled to the retirement bonus.

b. Amount of the retirement bonus

The monthly benchmark pay used in calculating the bonus is equal to one-twelfth of the sum of the fixed pay (excluding benefits and any special increase) granted for the calendar year of work preceding the termination of the corporate office or employment contract and the average of the variable pay (whether paid immediately or deferred) for the three calendar years of work preceding the termination of the corporate office or employment contract. Amounts paid in respect of the relevant corporate office and employment contract are taken into account.

The amount of involuntary-termination severance pay is equal to:

Monthly benchmark pay x (6 + 0.6 A)

where A is the number, which may be a fraction, of years served in a corporate office within the relevant scope (i.e. terms of office served as Chief Executive Officers of the Banque Populaire banks, Chairmen of the Management Boards of Caisses d'Épargne, Chief Executive Officer of CFF, Chief Executive Officer of BPCE International, Chairman of the Management Board of Banque Palatine, and members of the Management Board of BPCE SA).

The amount is capped at 12 times the monthly benchmark pay corresponding to a total term of office of 10 years.

Regardless, any compensation paid for termination of an employment contract is deducted from the retirement bonus.

This resolution was unanimously approved by shareholders present and represented.

Thirteenth resolution: Approval of the commitments mentioned in Articles L.225-86 and L.225-90-1 of the French Commercial Code relating to Laurent Roubin

The Annual General Shareholders' Meeting, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, after having read the Statutory Auditors' supplementary special report, hereby approves the commitment mentioned in Article L. 225-90-1 of the French Commercial Code made in favor of Laurent Roubin and reiterated below.

I. Involuntary-termination severance pay

In his capacity as a member of the Management Board of BPCE SA, Laurent Roubin will receive involuntary-termination severance pay under the following conditions.

a. Conditions for receiving involuntary-termination severance pay

The severance cannot be paid unless termination is involuntary (involuntary end to term of office due to removal by the Annual General Shareholders' Meeting, withdrawal of approval, involuntary resignation, or non-renewal by the Supervisory Board), other than serious misconduct or a change of position within Groupe BPCE. This severance is not paid if Laurent Roubin leaves the Group at his own initiative.

Persons receiving involuntary-termination severance pay lose any entitlement under the defined-benefit plan, subject to employment by the company at the time of retirement, provided for under Article L. 137-11 of the French Social Security Code, and/or to any retirement bonus they may claim.

The termination of said employment contract, with notification given more than 12 months after they are forcibly removed from their corporate office, entitles them – barring gross negligence or willful misconduct – to severance pay as provided for in the applicable collective bargaining agreement. Conversely, if the employment contract is terminated with notification given less than 12 months after they are forcibly removed from corporate office, they are entitled – barring gross negligence or willful misconduct – to receive involuntary-termination severance pay, minus any indemnity liable to be paid in respect of the termination of the employment contract.

b. Performance conditions

Involuntary-termination severance pay is only due if the Group generated positive net income over the last financial year preceding the termination of the corporate office.

Moreover, in compliance with c., payment of the involuntary-termination severance pay is subject to the condition of Laurent Roubin having obtained at least 33.33% of the maximum variable portion, on average, over the last three years of the current term of office. This variable portion is the one that Laurent Roubin may receive for his corporate office but also for his employment contract.

c. Determination of involuntary-termination severance pay

The monthly benchmark pay used in the calculation is equal to one-twelfth of the sum of the fixed pay (excluding any special increase and benefits) granted for the calendar year of work preceding the termination of the corporate office or employment contract and the average of the variable pay (whether paid immediately or deferred) for the three calendar years of work preceding the termination of the corporate office or employment

contract. Amounts paid in respect of the relevant corporate office and employment contract are taken into account.

The amount of involuntary-termination severance pay is equal to:

Monthly benchmark pay x (12 months + 1 month per year of seniority with the Group)

Seniority is calculated in years and fractions of a year.

The amount of involuntary-termination severance pay is capped at 24 times the monthly benchmark pay, which corresponds to a period of 12 years' seniority with the Group.

Where at least 50% of the maximum variable component is awarded on average during the last three years of the corporate office in progress (or during the term of office served, plus the previous term of office served if the term was renewed), the involuntary-termination severance pay will be paid in full.

Where at least 33.33% of the maximum variable component is not awarded on average over this period, no involuntary-termination severance pay is granted. Between 33.33% and 50%, the amount of involuntary-termination

severance pay is calculated on a straight-line basis, at the discretion of the company's governing body.

This variable portion is the one that Laurent Roubin may receive for his corporate office but also for his employment contract.

Regardless, any compensation paid for termination of an employment contract is deducted from the amount of involuntary-termination severance pay.

II. Retirement bonus

Moreover, per a decision of the Supervisory Board, Laurent Roubin may receive a retirement bonus under the following conditions.

a. Conditions for receiving a retirement bonus

Payment of a retirement bonus is subject to the same performance conditions as those applicable to involuntary-termination severance pay mentioned above, i.e.:

- the Group must have generated positive net income in the fiscal year preceding the termination of the corporate office, and
- beneficiaries must have been awarded a minimum percentage of variable pay on average during the last three years of the current term of office.

The retirement bonus may only be paid when the social security pension is drawn, provided that the beneficiary falls within the applicable scope (defined below) at the time the pension is drawn.

Payment of the retirement bonus is at the discretion of the Supervisory Board after consultation of the Appointments and Remuneration Committee.

If involuntary-termination severance is paid, the company director will not be entitled to the retirement bonus.

b. Amount of the retirement bonus

The monthly benchmark pay used in calculating the bonus is equal to one-twelfth of the sum of the fixed pay (excluding benefits and any special increase) granted for the calendar year of work preceding the termination of the corporate office or employment contract and the average of the variable pay (whether paid immediately or deferred) for the three calendar years of work preceding the termination of the corporate office or employment contract. Amounts paid in respect of the relevant corporate office and employment contract are taken into account.

The amount of involuntary-termination severance pay is equal to:

Monthly benchmark pay x (6 + 0.6 A)

where A is the number, which may be a fraction, of years served in a corporate office within the relevant scope (i.e. terms of office served as Chief Executive Officers of the Banque Populaire banks, Chairmen of the Management Boards of Caisses d'Épargne, Chief Executive Officer of CFF, Chief Executive Officer of BPCE International, Chairman of the Management Board of Banque Palatine, and members of the Management Board of BPCE SA).

The amount is capped at 12 times the monthly benchmark pay corresponding to a total term of office of 10 years.

Regardless, any compensation paid for termination of an employment contract is deducted from the retirement bonus.

This resolution was unanimously approved by shareholders present and represented.

Fourteenth resolution: Approval of the fixed, variable, and non-recurring items included in the total pay and benefits of all kinds owed, paid, or allocated for the fiscal year ended December 31, 2017 to François Pérol, in his capacity as President of the Management Board

The Annual General Shareholders' Meeting, in application of Article L. 225-100 of the French Commercial Code, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, hereby approves the fixed, variable, and non-recurring items included in the total pay and benefits of all kinds owed, paid, or allocated for the fiscal year ended December 31, 2017 to François Pérol, in his capacity as President of the Management Board, as presented in the corporate governance report prepared in accordance with Article L. 225-68 of the French Commercial Code.

This resolution was unanimously approved by shareholders present and represented.

Fifteenth resolution: Approval of the fixed, variable, and non-recurring items included in the total pay and benefits of all kinds owed, paid, or allocated for the fiscal year ended December 31, 2017 to Marguerite Bérard-Andrieu, in her capacity as a member of the Management Board

The Annual General Shareholders' Meeting, in application of Article L. 225-100 of the French Commercial Code, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, hereby approves the fixed, variable, and non-recurring items included in the total pay and benefits of all kinds owed, paid, or allocated for the fiscal year ended December 31, 2017 to Marguerite Bérard-Andrieu, in her capacity as a member of the Management Board, as presented in the corporate governance report prepared in accordance with Article L. 225-68 of the French Commercial Code, with the specification that Marguerite Bérard-Andrieu has waived the benefit of the deferred items of her variable portion owed for the 2017 fiscal year.

This resolution was unanimously approved by shareholders present and represented.

Sixteenth resolution: Approval of the fixed, variable, and non-recurring items included in the total pay and benefits of all kinds owed, paid, or allocated for the fiscal year ended December 31, 2017 to Catherine Halberstadt, in her capacity as a member of the Management Board

The Annual General Shareholders' Meeting, in application of Article L. 225-100 of the French Commercial Code, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, hereby approves the fixed, variable, and non-recurring items included in the total pay and benefits of all kinds owed, paid, or allocated for the fiscal year ended December 31, 2017 to Catherine Halberstadt, in her capacity as a member of the Management Board, as presented in the corporate governance report prepared in accordance with Article L. 225-68 of the French Commercial Code.

This resolution was unanimously approved by shareholders present and represented.

Seventeenth resolution: Approval of the fixed, variable, and non-recurring items included in the total pay and benefits of all kinds owed, paid, or allocated for the fiscal year ended December 31, 2017 to Laurent Roubin, in his capacity as a member of the Management Board

The Annual General Shareholders' Meeting, in application of Article L. 225-100 of the French Commercial Code, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, hereby approves the fixed, variable, and non-recurring items included in the total pay and benefits of all kinds owed, paid, or allocated for the fiscal year ended December 31, 2017 to Laurent Roubin, in his capacity as a member of the Management Board, as presented in the corporate governance report prepared in accordance with Article L. 225-68 of the French Commercial Code.

This resolution was unanimously approved by shareholders present and represented.

Eighteenth resolution: Approval of the fixed, variable, and non-recurring items included in the total pay and benefits of all kinds owed, paid, or allocated for the fiscal year ended December 31, 2017 to Pierre Valentin, in his capacity as Chairman of the Supervisory Board until May 19, 2017

The Annual General Shareholders' Meeting, in application of Article L. 225-100 of the French Commercial Code, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, hereby approves the fixed, variable, and non-recurring items included in the total pay and benefits of all kinds owed, paid, or allocated for the fiscal year ended December 31, 2017 to Pierre Valentin, in his capacity as Chairman of the Supervisory Board until May 19, 2017, as presented in the corporate governance report prepared in accordance with Article L. 225-68 of the French Commercial Code.

This resolution was unanimously approved by shareholders present and represented.

Nineteenth resolution: Approval of the fixed, variable, and non-recurring items included in the total pay and benefits of all kinds owed, paid, or allocated for the fiscal year ended December 31, 2017 to Michel Grass, in his capacity as Chairman of the Supervisory Board as from May 19, 2017

The Annual General Shareholders' Meeting, in application of Article L. 225-100 of the French Commercial Code, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, hereby approves the fixed, variable, and non-recurring items included in the total pay and benefits of all kinds owed, paid, or allocated for the fiscal year ended December 31, 2017 to Michel Grass, in his capacity as Chairman of the Supervisory Board as from May 19, 2017, as presented in the corporate governance report prepared in accordance with Article L. 225-68 of the French Commercial Code.

This resolution was unanimously approved by shareholders present and represented.

Twentieth resolution: Approval of the principles and criteria for determining, dividing, and allocating the fixed, variable, and non-recurring items included in the total pay and benefits of all kinds payable to the President of the Management Board

The Annual General Shareholders' Meeting, after having read the corporate governance report prepared pursuant to Article L. 225-68 of the French Commercial Code, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, hereby approves the principles and criteria for determining, dividing, and allocating the fixed, variable, and non-recurring items included in the total pay and benefits of all kinds payable to the President of the Management Board for his term of office, as presented in this report.

This resolution was unanimously approved by shareholders present and represented.

Twenty-first resolution: Approval of the principles and criteria for determining, dividing, and allocating the fixed, variable, and non-recurring items included in

the total pay and benefits of all kinds payable to the other members of the Management Board

The Annual General Shareholders' Meeting, after having read the corporate governance report prepared pursuant to Article L. 225-68 of the French Commercial Code, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, hereby approves the principles and criteria for determining, dividing, and allocating the fixed, variable, and non-recurring items included in the total pay and benefits of all kinds payable to members of the Management Board, as presented in this report.

This resolution was unanimously approved by shareholders present and represented.

Twenty-second resolution: Approval of the principles and criteria for determining, dividing, and allocating the fixed, variable, and non-recurring items included in the total pay and benefits of all kinds payable to the Chairman of the Supervisory Board

The Annual General Shareholders' Meeting, after having read the corporate governance report prepared pursuant to Article L. 225-68 of the French Commercial Code, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, hereby approves the principles and criteria for determining, dividing, and allocating the fixed, variable, and non-recurring items included in the total pay and benefits of all kinds payable to the Chairman of the Supervisory Board for his term of office, as presented in this report.

This resolution was unanimously approved by shareholders present and represented.

Twenty-third resolution: Approval of the principles and criteria for determining, dividing, and allocating the fixed, variable, and non-recurring items included in the total pay and benefits of all kinds payable to the other members of the Supervisory Board

The Annual General Shareholders' Meeting, after having read the corporate governance report prepared pursuant to Article L. 225-68 of the French Commercial Code, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, hereby approves the principles and criteria for determining, dividing, and allocating the fixed, variable, and non-recurring items included in the total pay and benefits of all kinds payable to members of the Supervisory Board, as presented in this report.

This resolution was unanimously approved by shareholders present and represented.

Twenty-fourth resolution: Consultation on the total budget for all types of remuneration paid to company directors and to the categories of staff referred to in Article L. 511-71 of the French Monetary and Financial Code, during the fiscal year ended December 31, 2017

The Annual General Shareholders' Meeting, consulted in accordance with Article L. 511-73 of the French Monetary and Financial Code, having read the Management Board's report, hereby issues a favorable opinion on the total budget for remuneration of any kind paid during the fiscal year ended December 31, 2017 to the personnel categories referred to in Article L. 511-71 of the French Monetary and Financial Code, amounting to €17,223,924.

This resolution was unanimously approved by shareholders present and represented.

Twenty-fifth resolution: Ratification of the appointment of Anne-Claude Pont as an independent member of the Supervisory Board

The Annual General Shareholders' Meeting, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, hereby ratifies the appointment of Anne-Claude Pont as an independent member of the Supervisory Board, carried out temporarily by the Supervisory Board on March 29, 2018, to replace Christine Lombard, who resigned from office, for the remainder of her term of office, i.e. ending at the adjournment of the Annual General Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2020.

This resolution was unanimously approved by shareholders present and represented.

Twenty-sixth resolution: Ratification, on a motion by Category B shareholders, of the appointment of Catherine Mallet to the Supervisory Board

The Annual General Shareholders' Meeting, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, hereby ratifies the appointment of Catherine Mallet as a member of the Supervisory Board, carried out temporarily by the Supervisory Board on May 17, 2018, to replace Stève Gentili, who resigned from office, for the remainder of his term of office, i.e. until the Annual General Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2020.

This resolution was unanimously approved by shareholders present and represented.

Twenty-seventh resolution: Appointment, on a motion by Category B shareholders, of Pierre Desvergnès as a member of the Supervisory Board

The Annual General Shareholders' Meeting, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, hereby resolves to appoint, on a motion by Category B shareholders, Pierre Desvergnès as a member of the

Supervisory Board, for a term of six years ending at the adjournment of the Ordinary General Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2023.

Pierre Desvergnès has stated in advance that he accepted the duties of a member of the Supervisory Board entrusted to him, and that no measures or provisions have been taken that may prohibit him from exercising said duties within the Company.

This resolution was unanimously approved by shareholders present and represented.

Twenty-eighth resolution: Appointment, on a motion by Category B shareholders, of André Joffre as a member of the Supervisory Board

The Annual General Shareholders' Meeting, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, hereby resolves to appoint, on a motion by Category B shareholders, André Joffre as a member of the Supervisory Board, for a term of six years ending at the adjournment of the Ordinary General Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2023.

André Joffre has stated in advance that he accepted the duties of a member of the Supervisory Board entrusted to him, and that no measures or provisions have been taken that may prohibit him from exercising said duties within the Company.

This resolution was unanimously approved by shareholders present and represented.

Twenty-ninth resolution: Appointment, on a motion by Category B shareholders, of Thierry Cahn as a member of the Supervisory Board

The Annual General Shareholders' Meeting, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, hereby resolves to appoint, on a motion by Category B shareholders, Thierry Cahn as a member of the Supervisory Board, for a term of six years ending at the adjournment of the Ordinary General Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2023.

Thierry Cahn has stated in advance that he accepted the duties of a member of the Supervisory Board entrusted to him, and that no measures or provisions have been taken that may prohibit him from exercising said duties within the Company.

This resolution was unanimously approved by shareholders present and represented.

Thirtieth resolution: Appointment, on a motion by Category B shareholders, of Yves Gevin as a member of the Supervisory Board

The Annual General Shareholders' Meeting, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, hereby resolves to appoint, on a motion by Category B shareholders, Yves Gevin as a member of the Supervisory Board, for a term of six years ending at the adjournment of the Ordinary

General Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2023.

Yves Gevin has stated in advance that he accepted the duties of a member of the Supervisory Board entrusted to him, and that no measures or provisions have been taken that may prohibit him from exercising said duties within the Company.

This resolution was unanimously approved by shareholders present and represented.

Thirty-first resolution: Appointment, on a motion by Category A shareholders, of Catherine Amin-Garde as a member of the Supervisory Board

The Annual General Shareholders' Meeting, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, hereby resolves to appoint, on a motion by Category A shareholders, Catherine Amin-Garde as a member of the Supervisory Board, for a term of six years ending at the adjournment of the Ordinary General Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2023.

Catherine Amin-Garde has stated in advance that she accepted the duties of a member of the Supervisory Board entrusted to her, and that no measures or provisions have been taken that may prohibit her from exercising said duties within the Company.

This resolution was unanimously approved by shareholders present and represented.

Thirty-second resolution: Appointment, on a motion by Category A shareholders, of Françoise Lemalle as a member of the Supervisory Board

The Annual General Shareholders' Meeting, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, hereby resolves to appoint, on a motion by Category A shareholders, Françoise Lemalle as a member of the Supervisory Board, for a term of six years ending at the adjournment of the Ordinary General Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2023.

Françoise Lemalle has stated in advance that she accepted the duties of a member of the Supervisory Board entrusted to her, and that no measures or provisions have been taken that may prohibit her from exercising said duties within the Company.

This resolution was unanimously approved by shareholders present and represented.

Thirty-third resolution: Appointment, on a motion by Category A shareholders, of Didier Patault as a member of the Supervisory Board

The Annual General Shareholders' Meeting, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, hereby resolves to appoint, on a motion by Category A shareholders, Didier Patault as a member of the Supervisory Board, for a term of six years ending at the adjournment of the Ordinary General Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2023.

Didier Patault has stated in advance that he accepted the duties of a member of the Supervisory Board entrusted to him, and that no measures or provisions have been taken that may prohibit him from exercising said duties within the Company.

This resolution was unanimously approved by shareholders present and represented.

Thirty-fourth resolution: Appointment of Maryse Aulagnon as an independent member of the Supervisory Board

The Annual General Shareholders' Meeting, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, hereby resolves to appoint Maryse Aulagnon as a member of the Supervisory Board, for a term of six years ending at the adjournment of the Ordinary General Shareholders' Meeting convened to approve the financial statements for the year ending December 31, 2023.

Maryse Aulagnon has stated in advance that she accepted the duties of a member of the Supervisory Board entrusted to her, and that no measures or provisions have been taken that may prohibit her from exercising said duties within the Company.

This resolution was unanimously approved by shareholders present and represented.

Thirty-fifth resolution: Ratification, on a motion by Category A shareholders, of the appointment of Joël Chassard a non-voting director

The Annual General Shareholders' Meeting, voting under the conditions required by Ordinary General Shareholders' Meetings as to quorum and majority, hereby ratifies the appointment of Joël Chassard as a non-voting director on the Supervisory Board on May 17, 2018, to replace Alain Lacroix, who resigned from office, for the remainder of his term of office, i.e. until the Annual General Shareholders' Meeting called to approve the financial statements for the fiscal year ending December 31, 2020.

This resolution was unanimously approved by shareholders present and represented.

Thirty-sixth resolution: Powers to conduct formalities

The Annual General Shareholders' Meeting hereby grants all powers to the holder of an extract or a copy of this document to conduct legal formalities.

7.2 Statutory Auditors' supplementary special report on related-party agreements and commitments

Annual General Shareholders' Meeting called to approve the financial statements for the fiscal year ended December 31, 2017

BPCE

Registered office: 50, avenue Pierre Mendès-France 75013 Paris

Paris Trade and Companies Register N°493 455 042

Share capital: €155,742,320

To BPCE's Annual General Shareholders' Meeting,

In our capacity as Statutory Auditors of your company, we hereby present a supplementary report to our special report on related-party agreements and commitments issued on March 28, 2018 on related-party commitments that were subject to prior authorization by the Supervisory Board on March 29, 2018 and indicated to us on April 25, 2018 in accordance with Article L. 225-88 of the French Commercial Code.

We are required to inform you, on the basis of the information provided to us, of the key features, terms and conditions and purpose of the contractual agreements and commitments indicated to us or that we may have identified in the performance of our assignment. It is not our role to comment as to whether they are beneficial or to ascertain whether any other agreements or commitments exist. It is your responsibility, in accordance with Article R.225-58 of the French Commercial Code, to assess the benefits resulting from these agreements and commitments prior to their approval.

We performed the procedures we considered necessary to comply with the professional code of the Compagnie nationale des commissaires aux comptes (France's National Association of Statutory Auditors) relating to this assignment. Our work consisted in verifying that the information provided to us is consistent with the underlying documents from which it was extracted.

For the purposes of this report:

- “BPCE” designates the central institution resulting from the combination of the networks of Caisse d’Épargne and Banque Populaire, a French limited liability company (société anonyme) with a Management Board and a Supervisory Board since July 31, 2009;
- “CE Participations” designates the former Caisse Nationale des Caisses d’Épargne (CNCE), a French limited liability company (société anonyme) with a Management Board and a Supervisory Board, renamed CE Participations on July 31, 2009 in the modified form of a French limited liability company (société anonyme) with a Board of Directors, as the holding company for all of the Caisse d’Épargne network’s equity interests and operations not transferred to BPCE in 2009, and which was merged with BPCE through absorption on August 5, 2010;
- “BP Participations” designates the former Banque Fédérale des Banques Populaires (BFBP), a French limited liability company (société anonyme) with a Board of Directors, renamed BP Participations on July 31, 2009 as the holding company for all of the Banque Populaire network’s equity interests not transferred to BPCE in 2009 and which was merged with BPCE through absorption on August 5, 2010.

Commitments to be submitted for the approval of the Annual General Shareholders’ Meeting

Commitments since the fiscal year-end

We have been informed of the following commitments since the end of the fiscal year, that were subject to prior authorization by the Supervisory Board on March 29, 2018 in order to ensure deferred commitments comply with the 2018 pay policy included in the corporate governance report, the terms of which were approved by the Supervisory Board on February 13, 2018.

Involuntary-termination severance pay and the retirement bonus have been modified for certain members of the Management Board.

Commitments maturing or likely to mature as a result of the termination of or a change in the duties of the President of the Management Board

Director concerned on the applicable date (March 29, 2018): François Pérol, President of the Management Board of BPCE

Involuntary-termination severance pay

As President of the BPCE SA Management Board, François Pérol will benefit from an involuntary-termination severance pay in accordance with the following terms and conditions.

Conditions for receiving involuntary-termination severance pay

The severance can only be paid if termination of his role as President of the BPCE SA Management Board is involuntary (involuntary end to term of office due to removal by the Annual General Shareholders' Meeting, withdrawal of approval, involuntary resignation, or non-renewal by the Supervisory Board), other than serious misconduct or a change of position within Groupe BPCE.

This severance is not paid if the President of the Management Board leaves the Group at his own initiative.

Payment of involuntary-termination severance causes the President of the Management Board to lose all rights to the retirement bonus he would otherwise be entitled to (it is specified that he does not receive benefits from a defined-benefit pension plan).

For persons re-assigned to another position with Groupe BPCE under an employment contract, the termination of said employment contract, with notification given more than 12 months after they are forcibly removed from their corporate office, entitles them – barring gross negligence or willful misconduct – to receive the severance pay provided for in the applicable collective bargaining agreement. Conversely, if the employment contract is terminated with notification given less than 12 months after they are forcibly removed from corporate office, they are entitled – barring gross negligence or willful misconduct – to receive involuntary-termination severance pay, minus any legal or contractual indemnity liable to be paid in respect of the termination of the employment contract.

Performance conditions

Involuntary-termination severance pay is only due if the Group generated positive net income over the last financial year preceding the termination of the corporate office.

Moreover, in accordance with the rules relating to the determination of involuntary-termination severance pay, this is subject to the condition of the President of the Management Board having been awarded at least 33.33% of the maximum variable component on average during the last three years of the corporate office in progress.

Determination of involuntary-termination severance pay

The monthly benchmark pay used in the calculation is equal to one-twelfth of the sum of the fixed pay (excluding any special increase and benefits) granted for the calendar year of work preceding the termination of office and the average of the variable pay (whether paid immediately or deferred) for the three calendar years of work preceding the termination of office. Amounts paid in respect of the relevant corporate office are taken into account.

The amount of the indemnity is equal to the monthly benchmark pay x (12 months + 1 month per year of seniority within the Group):

- Seniority is calculated in years and fractions of a year.
- The amount of involuntary-termination severance pay is capped at 24 times the monthly benchmark pay, which corresponds to a period of 12 years' seniority with the Group.
- Where at least 50% of the maximum variable component is awarded on average during the last three years of the corporate office in progress (or during the term of office served, plus the previous term of office served if the term was renewed), the involuntary-termination severance pay will be paid in full.
- Where at least 33.33% of the maximum variable component is not awarded on average over this period, no involuntary-termination severance pay is granted. Between 33.33% and 50%, the amount of involuntary-termination severance pay is calculated on a straight-line basis, at the discretion of the Supervisory Board.
- Regardless, any compensation paid under an employment contract is deducted from the amount of involuntary-termination severance pay.

Retirement bonus

Moreover, upon a decision made by the Supervisory Board, François Pérol may receive a retirement bonus in accordance with the following terms and conditions.

Conditions for receiving a retirement bonus

Payment of a retirement bonus is subject to the same performance conditions as those applicable to involuntary-termination severance pay mentioned above, i.e.:

- the Group must have generated positive net income in the fiscal year preceding the termination of the corporate office, and
- beneficiaries must have been awarded a minimum percentage of variable pay on average during the last three years of the current term of office.

The retirement bonus may only be paid when the social security pension is drawn, provided that the beneficiary falls within the applicable scope (defined below) at the time the pension is drawn.

Payment of the retirement bonus is at the discretion of the Supervisory Board after consultation of the Remuneration Committee.

Payment of any other severance pay excludes the payment of the retirement bonus. As such, if involuntary-termination severance is paid, the company director will not be entitled to the retirement bonus.

Amount of the retirement bonus

The monthly benchmark pay used in the calculation is equal to one-twelfth of the sum of the fixed pay (excluding benefits and any special increase) granted for the last calendar

year of work and the average of the variable pay (whether paid immediately or deferred) for the last three calendar years of work.

The amount of the indemnity is equal to the monthly benchmark pay x (6 + 0.6 A)

- where A is the number, which may be a fraction, of years served in a corporate office within the relevant scope (i.e. terms of office served as Chief Executive Officers of the Banque Populaire banks, Chairmen of the Management Boards of Caisses d'Épargne, Chief Executive Officer of CFF, Chief Executive Officer of BPCE International, Chairman of the Management Board of Banque Palatine, and members of the Management Board of BPCE SA).
- The amount is capped at 12 times the monthly benchmark pay corresponding to a total term of office of 10 years.
- Regardless, any compensation paid for termination of an employment contract is deducted from the retirement bonus.

The Supervisory Board has justified the involuntary-termination severance pay and the retirement bonus as follows: the implementation of these commitments is of genuine interest for BPCE since it is a means of involving the President of the Management Board in the company's performance by requiring him to meet certain performance conditions.

Commitments maturing or likely to mature because of the termination or change of position of members of the Management Board

Directors concerned on the applicable date (March 29, 2018): Catherine Halberstadt, François Riahi and Laurent Roubin, members of the Management Board of BPCE.

Involuntary-termination severance pay

As members of the BPCE SA Management Board, Catherine Halberstadt, François Riahi and Laurent Roubin will benefit from an involuntary-termination severance pay in accordance with the following terms and conditions.

Conditions for receiving involuntary-termination severance pay

The severance cannot be paid unless termination is involuntary (involuntary end to term of office due to removal by the Annual General Shareholders' Meeting, withdrawal of approval, involuntary resignation, or non-renewal by the Supervisory Board), other than serious misconduct or a change of position within Groupe BPCE.

This severance is not paid if the member of the Management Board concerned leaves the Group at his or her own initiative.

Persons receiving involuntary-termination severance pay lose any entitlement under the defined-benefit plan, subject to employment by the company at the time of retirement,

provided for under Article L. 137-11 of the French Social Security Code, and/or to any retirement bonus they may claim.

The termination of the employment contract, with notification given more than 12 months after they are forcibly removed from their corporate office, entitles them – barring gross negligence or willful misconduct – to receive the severance pay provided for in the applicable collective bargaining agreement. Conversely, if the employment contract is terminated with notification given less than 12 months after they are forcibly removed from corporate office, they are entitled – barring gross negligence or willful misconduct – to receive involuntary-termination severance pay, minus any indemnity liable to be paid in respect of the termination of the employment contract.

Performance conditions

Involuntary-termination severance pay is only due if the Group generated positive net income over the last financial year preceding the termination of the corporate office.

Moreover, in accordance with the rules relating to the determination of involuntary-termination severance pay, this is subject to the condition of the member of the Management Board concerned having been awarded at least 33.33% of the maximum variable component on average during the last three years of the corporate office in progress. This variable component is the amount that may be received by the member of the Management Board concerned in respect of his or her corporate office and employment contract.

Determination of involuntary-termination severance pay

The monthly benchmark pay used in the calculation is equal to one-twelfth of the sum of the fixed pay (excluding any special increase and benefits) granted for the calendar year of work preceding the termination of the corporate office or employment contract and the average of the variable pay (whether paid immediately or deferred) for the three calendar years of work preceding the termination of the corporate office or employment contract. Amounts paid in respect of the relevant corporate office and employment contract are taken into account.

The amount of the indemnity is equal to the monthly benchmark pay x (12 months + 1 month per year of seniority within the Group)

- Seniority is calculated in years and fractions of a year.
- The amount of involuntary-termination severance pay is capped at 24 times the monthly benchmark pay, which corresponds to a period of 12 years' seniority with the Group.
- Where at least 50% of the maximum variable component is awarded on average during the last three years of the corporate office in progress (or during the term of office served, plus the previous term of office served if the term was renewed), the involuntary-termination severance pay will be paid in full.
- Where at least 33.33% of the maximum variable component is not awarded on average over this period, no involuntary-termination severance pay is granted.

Between 33.33% and 50%, the amount of involuntary-termination severance pay is calculated on a straight-line basis, at the discretion of the Supervisory Board.

- This variable component is the amount that may be received by the member of the Management Board concerned in respect of his or her corporate office and employment contract.
- Regardless, any compensation paid for termination of an employment contract is deducted from the amount of involuntary-termination severance pay.

Retirement bonus

Moreover, upon a decision made by the Supervisory Board, Catherine Halberstadt, François Riahi and Laurent Roubin may receive a retirement bonus in accordance with the following terms and conditions.

Conditions for receiving a retirement bonus

Payment of a retirement bonus is subject to the same performance conditions as those applicable to involuntary-termination severance pay mentioned above, i.e.:

- the Group must have generated positive net income in the fiscal year preceding the termination of the corporate office, and
- beneficiaries must have been awarded a minimum percentage of variable pay on average during the last three years of the current term of office.

The retirement bonus may only be paid when the social security pension is drawn, provided that the beneficiary falls within the applicable scope (defined below) at the time the pension is drawn.

Payment of the retirement bonus is at the discretion of the Supervisory Board after consultation of the Remuneration Committee.

If involuntary-termination severance is paid, the company director will not be entitled to the retirement bonus.

Amount of the retirement bonus

The monthly benchmark pay used in the calculation is equal to one-twelfth of the sum of the fixed pay (excluding benefits and any special increase) granted for the calendar year of work preceding the termination of the corporate office or employment contract and the average of the variable pay (whether paid immediately or deferred) for the three calendar years of work preceding the termination of the corporate office or employment contract. Amounts paid in respect of the relevant corporate office and employment contract are taken into account.

The amount of the indemnity is equal to the monthly benchmark pay x (6 + 0.6 A)

- where A is the number, which may be a fraction, of years served in a corporate office within the relevant scope (i.e. terms of office served as Chief Executive Officers of the Banque Populaire banks, Chairmen of the Management Boards of

Caisses d'Épargne, Chief Executive Officer of CFF, Chief Executive Officer of BPCE International, Chairman of the Management Board of Banque Palatine, and members of the Management Board of BPCE SA).

- The amount is capped at 12 times the monthly benchmark pay corresponding to a total term of office of 10 years.
- Regardless, any compensation paid for termination of an employment contract is deducted from the retirement bonus.

The Supervisory Board has justified the involuntary-termination severance pay and the retirement bonus as follows: the implementation of these commitments is of genuine interest for BPCE since it is a means of involving the members of the Management Board in the company's performance by requiring them to meet certain performance conditions.

Neuilly-sur-Seine and Paris La Défense, May 23, 2018

The Statutory Auditors

Deloitte & Associés

Jean-Marc Mickeler
Sylvie Bourguignon

**PricewaterhouseCoopers
Audit**

Agnès Hussherr
Nicolas Montillot

Mazars

Michel Barbet-Massin
Charles de Boisriou

8. Additional information

8.1 Documents on display

This document is available from the “Investors” section of the Group's website www.groupebpce.fr or from the AMF website www.amf-france.org.

Any person wanting further information about Groupe BPCE may, with no commitment and free of charge, request documents by post at the following address:

BPCE

Département Émissions et Communication Financière

50, avenue Pierre Mendès-France

75013 Paris

9. Person responsible for the update to the Registration Document

François Pérol

President of the BPCE Management Board

9.1 Statement by the person responsible

I hereby declare that, to the best of my knowledge after having taken all reasonable measure to this end, the information contained in the present update to the 2017 Registration Document is in accordance with the facts and contains no omission likely to affect its import.

I have obtained a letter from the Statutory Auditors certifying the completion of their work, in which they state that they have verified the information on the financial position and the consolidated accounts as set out in this update, and that they have read the 2017 Registration Document and its update in their entirety.

Paris, May 31, 2018

François Pérol

President of the BPCE Management Board

10. Cross-reference table

Items in Appendix 1 pursuant to EC regulation No. 809/2004		2017 Registration Document filed with the AMF on March 28, 2018	First update filed with the AMF on May 31, 2018
1	Persons responsible	610	119
2	Statutory Auditors	349; 449; 502; 513-514	85-86
3	Selected financial information		
3.1	Historical financial information selected by the issuer for each financial year	10-11	16-63
3.2	Selected financial information for interim periods	NA	16-63
4	Risk factors	122-129	
5	Information about the issuer		
5.1	History and development of the issuer	5-6	
5.2	Investments	233	
6	Business overview		
6.1	Principal activities	16-30; 211-234; 315-317; 433-435	
6.2	Principal markets	16-30; 211-234; 315-317; 433-435	
6.3	Exceptional events	NA	NA
6.4	Dependence of the issuer on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes	193	
6.5	Basis of statements made by the issuer regarding its competitive position	16-30	
7	Organizational structure		44
7.1	Description of the Group	4-9	
7.2	List of significant subsidiaries	4; 330-349; 446-448; 484-488	44
8	Property, plant and equipment		
8.1	Existing or planned material tangible fixed assets	287-288; 408; 489	
8.2	Environmental issues that may affect the issuer's utilization of tangible fixed assets	516-563	
9	Operating and financial review		
9.1	Financial condition	211-234; 238-241; 358-361; 458-465	
9.2	Operating income	240; 360; 464; 468	19; 33; 66
10	Cash flow and capital resources		
10.1	Information on the issuer's capital resources	131-141; 242-243; 362-363; 493-494	230; 295; 414;
10.2	Sources and amounts of issuer's cash flows	244; 364	11; 35; 67
10.3	Information on the issuer's borrowing requirements and funding structure	187; 217; 294; 413; 493	35

	2017 Registration Document filed with the AMF on March 28, 2018	First update filed with the AMF on May 31, 2018
Items in Appendix 1 pursuant to EC regulation No. 809/2004		
10.4 Information regarding any restrictions on the use of capital resources that have affected or could affect the issuer's operations	NA	NA
10.5 Information regarding the expected sources of funds needed to fulfill commitments referred to in points 5.2 and 8.1	NA	NA
11 Research and development, patents and licenses	193; 463	
12 Trend information	234; 463	
13 Profit forecasts and estimates	NA	NA
14 Administrative, management and supervisory bodies and senior management		
14.1 Administrative bodies	34-85	6-10
14.2 Conflicts of interest involving the administrative, management and supervisory bodies and senior management	36-37; 108-109	
15 Remuneration and benefits		
15.1 Amount of remuneration paid and benefits in kind	86-96; 100-107; 318; 436; 462; 502	
15.2 Total amount set aside or accrued by the issuer to provide pension, retirement or similar benefits	97-99; 100-107; 318; 436; 462; 502; 599-602	
16 Board practices		
16.1 Date of expiration of the current term of office	38; 40	6-10
16.2 Service contracts with members of the administrative bodies	36-37; 108-109; 599	
16.3 Information about the issuer's Audit Committee and Remuneration Committee	39-40; 78-83	9-10
16.4 Compliance with the country of incorporation's corporate governance regime	32-33	
17 Employees		
17.1 Number of employees	571	
17.2 Shareholdings and stock options	95-96	
17.3 Arrangements allowing employees to purchase shares in the issuer	596	
18 Major shareholders		
18.1 Shareholders with over 5% of the issuer's capital or voting rights	596	
18.2 Different types of shareholder voting rights	595-596	
18.3 Control of the issuer	595-596	
18.4 Any arrangement, known to the issuer, which may at a subsequent date result in a change in control of the issuer	596	
19 Related-party transactions		
Financial information concerning the issuer's assets and liabilities, financial position and profits and losses		
20.1 Historical financial information	10-11	
20.2 Pro forma financial information	219-231; 315-316; 433-435	33; 48
20.3 Financial statements	237-506	64-84

	2017 Registration Document filed with the AMF on March 28, 2018	First update filed with the AMF on May 31, 2018
Items in Appendix 1 pursuant to EC regulation No. 809/2004		
20.4 Auditing of historical annual financial information	350-357; 450-457; 503-506	
20.5 Age of latest financial information	237	
20.6 Interim financial information	NA	16-63; 64-84
20.7 Dividend policy	8; 461; 464; 493-494; 590	
20.8 Legal and arbitration proceedings	190-192	
20.9 Significant change in the issuer's financial or trading position	597	
21 Additional information		
21.1 Share capital	592-596	
21.2 Memorandum and articles of association	590-591	87
22 Material contracts	597	
23 Information from third parties, expert statements and declaration of any interest	NA	NA
24 Documents on display	612	118
25 Information on holdings	326-349; 443-448; 483-488	462;



BPCE

A French limited company (*Société Anonyme*)
governed by a Management and Supervisory Board
with a capital of €155,742,320

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