

RESULTS¹ AND BUSINESS ACTIVITY OF LA BANQUE POSTALE GROUP H1 2018

Dynamic sales momentum and growth in results

Higher NBI vs. H1 2017:

€2,926 million (+4.2%)
excluding the home savings provision: €2,909 million (+5.6%)

Contained operating expenses²:

€2,369 million (+1.6%)
i.e. a cost-to-income ratio of 81.4% (-2.2 points)

A cost of risk that remains very low:

Cost of risk: €49 million
of which a low Retail Banking cost of credit risk at 11bp

Growth in results:

Pre-tax income: €639 million (+18.7%)
Net income, Group share: €422 million (+15%)

A strong balance sheet:

Fully loaded CET1 ratio of 12.4%
Total capital ratio: 17.1%
Estimated leverage ratio: 4.1%³
Liquidity coverage ratio (LCR): 152.6%

Fitch confirmed La Banque Postale's short- and long-term ratings at A-/F1 in H1

Positive sales momentum for the Retail Banking activity:

Outstanding loans to individuals up by 2.5%
Outstanding loans to legal entities up by 33.8%

The contribution of the Insurance and Asset Management activities is still strong:

Insurance operating income up by 16.1%
Assets under management (including distributed funds) increased 15% to €224.3 billion

A bank committed to serving each and all:

- La Banque Postale announced, during its 2nd *Assises de la Banque Citoyenne* conference on civic banking in April 2018, the deployment of its digital banking inclusion plan in around a thousand post offices, in collaboration with WeTechCare, l'Union des PIMMS and FACE;
- La Banque Postale has committed its main asset management subsidiary, LBPAM, to becoming the first 100% SRI generalist asset manager in 2020;
- La Banque Postale was designated the leading French bank and second-best global bank in terms of CSR performance by the sustainable rating agency ISS-Oekom⁴ and No. 1 worldwide by the agency Vigeo-Eiris⁵.

¹ Unless otherwise stated, all changes are expressed as compared to 30 June 2017

² General operating expenses and net depreciation and amortisation and impairment of tangible and intangible fixed assets

³ With application of the transitional measures for taking into account savings funds centralised within the Caisse des Dépôts et Consignations (CDC), pursuant to the European Central Bank decision of 24 August 2016. Excluding outstanding savings funds centralised at the CDC in accordance with the Delegated Act of 10 October 2014, the ratio is 5%

⁴ Ranking as at 23 May 2018, out of 339 international banks

⁵ Ranking as at 5 May 2017, out of 231 international banks

La Banque Postale's Supervisory Board meeting of 31 July, chaired by Philippe Wahl, reviewed the consolidated financial statements for H1 2018, approved by the Executive Board of La Banque Postale and presented by its Chairman Rémy Weber.

Highlights of the first half of 2018

La Banque Postale accelerates the digitalisation of its products and services...

Confirming its digital transformation strategy, La Banque Postale launched several 100% digital products over H1:

- *E-micro-crédit*, an educational, financing and management solution for 100%-digital microcredit, in January 2018, in partnership with Créa-sol;
- the *Prêt Express*, a loan available online or through a bank advisor, provides an immediate and definitive response to the financing needs of its customers with proven solvency for projects of up to €30,000;
- *EasyVie*, a fully digital life insurance solution marketed by EasyBourse and developed in partnership with CNP Assurances, and which offers modular contracts with two choices of management (free or discretionary mandates);
- *E-credit pro*, an offer addressed to very small enterprises and professionals for their medium- to long-term credit financing or Equipment Leasing needs for amounts from €3,000 to €20,000.

In addition, La Banque Postale has rounded out its mobile application with three new functions: the reception of notifications, *Certicode +* (making it possible to carry out more transactions) and scanning bank account details⁶.

Multiplying its initiatives in favour of the energy transition, in April La Banque Postale also launched a digital platform to provide advice and support to individual customers for all the aspects with respect to energy-efficiency renovation in their homes. This service has been recently broadened to local authorities.

Moreover, La Banque Postale and the French association of notaries (*Conseil Supérieur du Notariat*) signed a partnership in June to secure exchanges and accelerate inheritance and mortgage transactions, thanks to paperless documents.

Lastly, eight months after the integration of KissKissBankBank & Co, La Banque Postale reinforced its growth strategy in innovative and civic-minded digital services with the acquisition of Goodeed, a digital platform for individual donations to NGOs and solidarity associations. In order to seize new opportunities to develop its business and reinforce its commitment in favour of crowdfunding, La Banque Postale will promote, as of this summer, KissKissBankBank's offer to its customers in the post offices: 200 meetings will thus be organised throughout the Network across the entire territory.

... and its commitment to develop the territories

In a context of strong development, La Banque Postale has reinforced its teams dedicated to Corporate, Business and Professional customers, specialised credit and means of payment. It also launched the Business Platinum and Realys Pro cards (cards requiring systematic authorisation), rounding out the range of standard and gold cards offered to business, professional and very small enterprise customers.

The expansion of the territorial network continues, with the opening of two business centres dedicated to businesses and local public sectors, bringing their total number to 33. Furthermore, La Banque Postale has launched an ambitious recruitment plan to reinforce the Network (1,150 salespeople in 2018).

⁶ Free service awarded Profideo's *Trophée de l'innovation* in April 2018

La Banque Postale takes action to support local communities, in particular those affected by the recent floods at the start of 2018, offering them emergency financing at zero interest.

La Banque Postale continues to innovate for all its customers... ..

In Insurance, La Banque Postale has made innovation a significant growth driver by launching several important products in H1, notably:

- a property resale guarantee included in home insurance, making it the first bank insurer to include this type of guarantee in a house insurance contract for home-owners;
- a new Accident insurance, marketed since January, that has already convinced more than 80,000 clients⁷ by its excellent value for money;
- and for the under 25 age bracket, single-rate home and health insurance adapted to the budget of these customers.

For its customers' children, La Banque Postale has enriched its *Famille Comprise* family offer, with 12 months free tutoring by its partner Maxicours.com.

For its wealth management customers, La Banque Postale continues to open BPE private banking corners inside post offices. There are now 39 BPE corners throughout the post office network, 17 of which were opened in H1 alone, and which round out the 30 agencies dedicated exclusively to private banking.

In Asset Management, La Banque Postale announced at the start of the year a new proactive measure, by committing LPBAM, its main asset management subsidiary, to transferring all of its assets under management to SRI by 2020. The launch of the new "Conviction ISR" SRI range on 4 June is the first concrete action of this commitment. To better serve its institutional customers, La Banque Postale also decided to merge LBPAM and Tocqueville Finance, its asset management subsidiary specialised in management based on a stock-picking approach.

New programmes to improve the operating efficiency and quality of service of La Banque Postale also demonstrate innovation, with the deployment in H1 of the Cap Client 3.0 portal, which adds investment consulting tools to customer relationship management and business monitoring. 100% of the banking line of the Bank and the Network is equipped at present.

... with civic values as the foundation of its development.

As a bank whose mission is to work in the best interest of the community, La Banque Postale announced in 2017 the creation of a digital banking inclusion plan. During its second conference focused on civic banking, "2^{ème} Assises de la Banque Citoyenne" in 2018, it announced its deployment in around a thousand post offices, in collaboration with the partner associations (WeTechCare, l'Union des PIMMS and FACE).

Lastly, La Banque Postale's commitment to environmental and social issues was recognised by the extra-financial rating agency ISS-Oekom, which has given La Banque Postale a rating of B-. This makes La Banque Postale the second bank in the world to be so highly rated, highlighting the constant efforts of its teams with respect to these themes.

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⁷ Figure at end-July 2018

La Banque Postale Group business activity and results

Consolidated income statement (in € millions):

Main items on the income statement*	H1 2018	H1 2017	%
Net Banking Income	2,926	2,808	+4.2
Operating expenses	(2,369)	(2,331)	+1.6
Gross operating income	558	477	+16.8
Cost of risk	(49)	(71)	-31
Operating income	508	406	+25.2
Equity method CNP Assurances and AEW Europe**	131	133	-1.5
Pre-tax income	639	538	+18.7
Income tax	(198)	(155)	+27.3
Net income, Group share	422	367	+15
Cost-to-income ratio	81.4%	83.6%	-2.2 points

*reported figures

**essentially CNP Assurances, and AEW for €1.9 million

Consolidated Net Banking Income was €2,926 million, i.e. a 4.2% increase over 30 June 2017. Excluding the effect of the home savings provision, it increased 5.6 %. Restated for the delay in the payment of the compensation for the general interest mission⁸ in 2017 by €65 million, growth in underlying NBI works out at 3.2% in H1 2018 compared to H1 2017.

In a context of strong development, growth in the Group's operating expenses was contained (+1.6% at €2,369 million).

The group's gross operating income totalled €558 million (+16.8%) and the cost-to-income ratio in H1 came in at 81.4% (-2.2 points).

The cost of risk was maintained at a low level at €49 million, under the effect of a controlled lending policy and two provision reversals. Compared to the retail bank's outstanding loans, it is low at 11bp⁹.

The share of profits of equity associates did not change significantly, at €131 million (-1.5%).

Pre-tax income reached €639 million, up 18.7% over the period.

Net income, Group share was up significantly by 15% to €422 million.

La Banque Postale Group' balance sheet and financial structure

The consolidated balance sheet at 30 June 2018 stood at €237 billion, versus €231 billion at 1 January 2018¹⁰, i.e. an increase of €6 billion.

La Banque Postale has a sound financial structure. Regulatory capital was €11.6 billion:

- the Common Equity Tier 1 ratio of La Banque Postale stood at 12.4%¹¹, down 1 point compared to end-December 2017. This figure includes a negative impact on equity of 140 million euros, resulting from the first-time application of IFRS 9 on 1 January 2018;

- the total capital ratio of La Banque Postale was 17.1%, down 1.1 point compared to December 2017;

- the Bank's estimated leverage ratio, taking account of the transitional measures relating to savings funds centralised within the CDC, pursuant to the European Central Bank decision of 24 August 2016,

⁸ Remuneration of €130 million received in November 2017 for the full year

⁹ Annualised cost of risk

¹⁰ Balances at 1 January 2018 after the first-time application of IFRS 9

¹¹ Figure now reported on a fully-loaded basis

works out to 4.1%. Excluding savings outstandings centralised at the CDC in accordance with the Delegated Act of 10 October 2014, it was stable at 5%.

La Banque Postale confirmed its comfortable liquidity position:

- the LCR was 152.6% compared to 157.4% at 31 December 2017, down 4.8 points;
- the loan-to-deposit ratio increased by 1.7 points from December 2017 to 79.6%.

At 30 June 2018, LBP's short- and long-term credit ratings were:

	Standard & Poor's	Fitch
Long-term rating	A	A-
Short-term rating	A-1	F1
Outlook	Stable	Stable
Ratings updated on:	5 October 2017	12 April 2018

Lastly, La Banque Postale carried out a second issue of Non-Preferred Senior Debt, a new debt class eligible for the MREL, for €750 million euros maturing in 2028. The success of the issue resulted in an order book of over €1 billion, reflecting the high level of investor confidence in La Banque Postale and its strong ability to access capital markets.

Retail banking¹²

(€ millions)	H1 2018	H1 2017	%
Net Banking Income	2,707	2,617	+3.5
Operating expenses	(2,257)	(2,236)	+0.9
Gross operating income	450	381	+18.2
Cost of risk	(49)	(71)	-31
Operating income¹³	401	309	+29.6

*reported figures

Commercial results of retail banking customers:

Growth in savings outstandings of 1%

In an environment in which interest rates remain very low, the *Livret A* regulated savings account, which since August 2015 pays a fixed rate of 0.75%, is still attractive despite the low returns. Its outstandings thus increased by €0.9 billion (+1.4%) to a total €61 billion over the period. Overall, ordinary savings outstandings (the *Livret A*, *Livret d'Epargne Populaire* and *Livret Développement Durable et Solidaire* accounts) rose 1.5% to €82.4 billion at 30 June.

Demand deposits increased significantly over the half year, by 5.5% to total €64.6 billion. This increase concerned both deposits by individuals (€57.7 billion, up 5.2%) and legal entities, which have reached €6.9 billion (up 7.8%).

Growth in life insurance outstandings was limited at 0.4%, to €125.4 million, with a continual increase in the share of unit-linked accounts to 11.3% (up +0.9 point). UCITS outstandings were down a slight 17.2% at €10.5 billion and continued to be impacted by lower returns.

At BPE, total private banking savings outstandings grew by 19.8%, totalling €3.4 billion.

In all, customer savings outstandings added €3.1 billion to reach €315.8 billion at 30 June 2018, i.e. a 1% increase over the period.

¹² Changes are expressed as compared to 30 June 2017

¹³ Restated by €65 million for the deferral of payment of the compensation for the general interest mission from 2016 to 2017 and the impact of two provision reversals, underlying operating income is stable

An increase in personal loan outstandings, up 2.5%

Home loan production totalled €4.5 billion in a context of a normalisation of the market in terms of repurchases and renegotiations.

Consumer credit production, at €1.25 billion, continued to grow (+ 5.1% on H1 2017). For personal loans, sales via the Internet and the remote platform continued to grow, now representing 39% of total production (vs. 35% in 2017).

Outstanding loans to individuals rose by 2.5% overall to €65 billion, including €59.2 billion in home loans (up 2.6% over the period) and €5.1 billion in consumer loans (+2.5%).

Regarding BPE Private Banking, total loan outstandings continued on a positive trend, up 7.8% at €3 billion.

Positive momentum in the financing of Legal Entities

Loan production posted a strong increase, reaching €11.3 billion over the period, i.e. a 55% increase compared to 30 June 2017.

The amount of loans outstanding reached €21.4 billion, i.e. up 33.8% from 30 June 2017, and break down as follows: €10.4 billion in loans to businesses, very small enterprises and professionals (i.e. a 32.8% increase) and €10.9 billion in loans to the local public sector and social landlords (up 34.8%).

In 2017, outstandings transferred to CAFFIL, which refinances medium- and long-term loans granted by La Banque Postale to local authorities and public health institutions, reached €1.9 billion, thus underpinning La Banque Postale's position as the No. 1 lender to the local public sector.

Retail Banking financial results

Net Banking Income for Retail Banking was up 3.5 % in reported data and reached €2,707 million. Restated for the home savings provision, growth was 4.9%. NBI excluding the home savings provision and excluding the delayed payment from 2016 to 2017 of the compensation for the general interest mission works out at €2,690 million, up 2.3%. The Net Interest Margin (NIM, restated for the home savings provision) increased by €149 million over the period, while commissions were virtually stable at €1,172 million.

The increase in the operating expenses of the Retail Banking activity was contained, +0.9% at €2,257 million.

The cost of risk decreased by €22 million to €49 million. This figure notably includes €24 million for two provision reversals. The cost of risk compared to loan outstandings was very low at 11bp.

The operating income of the Retail Banking activity totalled €401 million. Restated by €65 million for the delay in the payment from 2016 to 2017 of the compensation for the general interest mission¹⁴ and for the impact of the above-mentioned reversals, underlying operating income was stable.

¹⁴ Remuneration of €130 million received in November 2017 for the full year

Asset management

Asset management (€ millions)*	H1 2018	H1 2017	%
Net Banking Income	74	71	+4.9
Operating expenses	(46)	(42)	+8.3
Gross operating income	29	29	+0
Cost of risk	(0)	(0)	N/S
Operating income	29	29	+0

*reported figures

The assets under management of the Asset Management unit consist of the assets of La Banque Postale Asset Management (LBPAM) and of Tocqueville Finance. They totalled €224.3 billion (figure including the distributed Kames funds), up 15% over the period.

La Banque Postale Asset Management assets under management increased by 15.1% over the period to €222.5 billion, driven by the CNP mandates (which grew 18.4% to total €139.8 billion at 30 June).

Tocqueville Finance AUM (excluding the LBPAM management delegation) increased by 8.6% over the period to reach €1.8 billion.

The NBI of the Asset Management unit rose 4.9% to €74 million.

Operating expenses increased by 8.3% to €46 million, due notably to a reinforcement of the LBPAM teams.

Operating income was stable at €29 million.

Insurance

Insurance (€ millions)*	H1 2018	H1 2017	%
Net Banking Income	145	120	+20.2
Operating expenses	(66)	(53)	+25.5
Gross operating income	79	68	+16.1
Cost of risk	(0)	(0)	N/S
Operating income	79	68	+16.1

*reported figures

The non-life insurance business continued to grow, with the portfolio now at nearly 4.611 million contracts (+2.1%). In particular:

- La Banque Postale Prévoyance's personal protection insurance portfolio (59.1% of the total portfolio) was stable at more than 2,723,000 contracts, with the success of the Accident insurance (up 9%) offsetting the decline observed in the sales of other products;
- the portfolio of Property & Casualty insurance contracts (36.8% of the total portfolio) increased by 5.4% over the period to reach 1,695,000 contracts, driven notably by the rise in sales of Legal Protection products (up +7.9%);
- the Health insurance portfolio (4.2% of the portfolio in volume terms) increased by 8.2% to reach 192,000 contracts.

The NBI of the Insurance activity grew by 20.2% to €145 million over the period, driven by the strong contribution of LBP Prévoyance (56.8% of Insurance NBI, up 27.4%) and P&C (20.9% of Insurance NBI, up 18.6%).

The operating expenses of the Insurance unit increased 25.5% to €66 million, which is explained by the opening of a second customer relations centre in Poitiers.

Lastly, the Insurance unit's operating income came in at €79 million for the period, up significantly by 16.1%.

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Outlook

In Insurance, La Banque Postale will continue its digital transformation strategy in the second half of 2018, with the launch of several digital applications addressed to all of its customers:

- the launch of a new range of personal insurance products (group health insurance and key person coverage), with a fully paperless application process. It is developed in partnership with a specialist in digital insurance for very small enterprises and professionals;
- in the area of e-health, La Banque Postale will launch a medical teleconsultation service (via video-conferencing or telephone) and a second medical opinion service, notably for critical illnesses;
- a mobile application for customers with auto and multi-risk home insurance contracts.

Always innovative, La Banque Postale will round out its payment solutions to facilitate the daily life of its customers while guaranteeing them an optimal level of security. They will thus benefit from a *PayLib* package (including the *PayLib en ligne* (on-line), *PayLib sans contact* (contactless) and *PayLib entre amis* (among friends) services) and from the *Instant Payment* service, which will be launched in autumn 2018.

In Asset Management, the new digital strategy of La Banque Postale Asset Management will notably take the form of an Internet site aimed at professional investors and that will be put on line on 15 December 2018.

LBPAM will continue its action in favour of SRI by participating in two renowned think tanks: Finance for Tomorrow and CISL-ILG (Cambridge University).

In addition, LBPAM is preparing the future application of Blockchain technology to the asset management businesses, thereby improving the security and rapidity of its services for its customers.

Lastly, Ma French Bank, La Banque Postale's future 100% digital bank, will be launched for an initial circle of employees of the Group at the end of 2018, before being offered to the general public in spring 2019.

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NOTES

Consolidated income statement for H1 2018

(in € thousands)	30.06.2018
Interest and similar income	2,029,585
Interest and similar expenses	(908,338)
Commissions (income)	1,316,976
Commissions (expenses)	(109,696)
Net gains and losses on financial instruments at fair value through profit or loss	30,526
Net gains and losses on financial instruments at fair value through other comprehensive income	321,704
Net gains or losses resulting from the derecognition of financial assets at amortised cost	-
Net gains or losses resulting from the reclassification of financial assets from amortised cost to fair value through profit or loss	-
Gains or losses resulting from the reclassification of financial assets from fair value through other comprehensive income to fair value through profit or loss	-
Net income from insurance activities	218,967
Impacts of the overlay approach (gross impact)	5,418
Income from other activities	131,792
Expenses from other activities	(110,726)
Net banking income	2,926,208
General operating expenses	(2,271,445)
Net depreciation and amortisation and impairment of tangible and intangible fixed assets	(97,125)
Gross operating income	557,638
Cost of risk	(49,183)
Operating income	508,455
Share of profits of equity associates	130,551
Net gains and losses on other assets	(315)
Changes in the value of goodwill	-
Pre-tax income	638,691
Income tax	(197,619)
Net income	441,073
Non-controlling interests	19,565
NET INCOME, GROUP SHARE	421,508
<i>Undiluted earnings per ordinary share (in euros)</i>	11.98
<i>Diluted earnings per ordinary share (in euros)</i>	10.50

Consolidated income statement for H1 2017

<i>(in € thousands)</i>	30.06.2017
Interest and similar income	2,181,951
Interest and similar expenses	(880,216)
Commissions (income)	1,392,904
Commissions (expenses)	(138,253)
Net gains and losses on financial instruments at fair value through profit or loss	7,542
Net gains and losses on assets available for sale	124,714
Income from other activities	542,526
Expenses from other activities	(423,070)
Net banking income	2,808,098
General operating expenses	(2,241,596)
Net depreciation and amortisation and impairment of tangible and intangible fixed assets	(89,214)
Gross operating income	477,288
Cost of risk	(71,271)
Operating income	406,017
Share of profits of equity associates	132,503
Net gains and losses on other assets	(594)
Changes in the value of goodwill	-
Pre-tax income	537,927
Income tax	(155,253)
Net income	382,673
Non-controlling interests	16,124
NET INCOME, GROUP SHARE	366,549
<i>Undiluted earnings per ordinary share (in euros)</i>	10.42
<i>Diluted earnings per ordinary share (in euros)</i>	9.20

Consolidated balance sheet for H1 2018

(in € thousands)	30.06.2018	01.01.2018 (*)
ASSETS		
Cash, central banks	2,832,523	3,324,831
Financial assets at fair value through profit or loss	11,985,531	10,088,503
Hedging derivatives	1,159,203	1,135,974
Financial assets at fair value through other comprehensive income	11,276,731	14,619,940
Securities valued at amortised cost	20,735,391	23,079,999
Loans and receivables due from credit institutions and similar at amortised cost	89,899,586	83,611,312
Loans and receivables due from customers at amortised cost	88,276,229	84,359,455
Revaluation differences on rate hedged portfolios	78,430	75,517
Investments of the insurance activities and reinsurers' share of technical provisions	2,817,174	2,768,064
Current tax assets	267,189	204,121
Deferred tax assets	198,749	176,095
Accruals and other assets	3,138,471	3,149,216
Equity associates	3,268,657	3,383,358
Property, plant and equipment	628,497	644,776
Intangible fixed assets	659,807	618,398
Goodwill	160,227	160,227
TOTAL	237,382,394	231,399,786
LIABILITIES		
Central banks	-	-
Financial liabilities at fair value through profit or loss	588,319	534,132
Hedging derivatives	201,943	236,419
Liabilities due to credit institutions and similar	15,235,577	14,154,290
Liabilities to customers	186,704,703	182,563,774
Debt securities	12,539,464	11,373,236
Revaluation differences on rate hedged portfolios	746,047	720,758
Current tax liabilities	16,972	6,870
Deferred tax liabilities	108,617	111,395
Accruals and other liabilities	4,747,406	4,938,507
Insurance company technical provisions and shadow accounting	2,465,632	2,375,657
Provisions	512,544	541,158
Subordinated debt	3,893,797	3,888,976
EQUITY	9,621,373	9,954,615
Non-controlling interests	107,410	109,843
Equity, Group share	9,513,963	9,844,772
Share capital	4,046,408	4,046,408
Consolidated and other reserves	4,356,987	4,695,631
Gains and losses recognised directly in equity	689,060	1,102,733
Profit (loss) for the period	421,508	-
TOTAL	237,382,394	231,399,786

(*) balances at 1 January 2018 after application of IFRS 9

Net income by business segment for H1 2018

Net income by business segment as at 30 June 2018 (excluding the cost of equity for each segment)

(in € thousands)	Retail banking	Insurance	Asset management	TOTAL
Net banking income	2,707,084	144,770	74,354	2,926,208
General operating expenses	(2,163,397)	(64,109)	(43,939)	(2,271,445)
Net depreciation and amortisation and impairment of tangible and intangible fixed assets	(93,625)	(1,770)	(1,730)	(97,125)
Gross operating income	450,062	78,891	28,685	557,638
Cost of credit risk	(49,189)	6	-	(49,183)
Operating income	400,873	78,897	28,685	508,455
Share of profits of equity associates	-	128,693	1,859	130,551
Net gains and losses on other assets	(315)	-	-	(315)
Changes in the value of goodwill	-	-	-	-
Pre-tax income	400,558	207,590	30,544	638,691
Income tax	(165,330)	(22,049)	(10,240)	(197,619)
Consolidated net income	235,228	185,541	20,304	441,073
Non-controlling interests	13,717	666	5,181	19,565
NET INCOME, GROUP SHARE	221,511	184,875	15,123	421,508

Net income by business segment as at 30 June 2017 (excluding the cost of equity for each segment)

(in € thousands)	Retail banking	Insurance	Asset management	TOTAL
Net banking income	2,616,755	120,491	70,852	2,808,098
General operating expenses	(2,149,725)	(50,263)	(41,608)	(2,241,596)
Net depreciation and amortisation and impairment of tangible and intangible fixed assets	(86,417)	(2,248)	(549)	(89,214)
Gross operating income	380,613	67,980	28,695	477,288
Cost of risk	(71,271)	-	-	(71,271)
Operating income	309,342	67,980	28,695	406,017
Share of profits of equity associates	-	130,994	1,509	132,503
Gains and losses on other assets	(594)	-	-	(594)
Goodwill	-	-	-	-
Pre-tax income	308,748	198,975	30,204	537,927
Income tax	(116,764)	(28,124)	(10,365)	(155,253)
Consolidated net income	191,984	170,850	19,839	382,673
Non-controlling interests	11,529	(502)	5,098	16,124
NET INCOME, GROUP SHARE	180,455	171,352	14,741	366,549

Alternative performance indicators – Article 223-1 of the AMF General Regulation

API	DEFINITION/CALCULATION METHOD
NBI excluding the home savings effect	NBI restated for provisions or reversals of provisions for commitments related to home loan savings accounts and plans (PEL and CEL)
Operating expenses	Sum of general operating expenses, net depreciation and amortisation, and impairment of tangible and intangible fixed assets
Cost of risk (in basis points)	Average cost of commercial banking credit risk for the quarter divided by outstanding loans at the beginning of each quarter
Cost-to-income ratio	Operating expenses divided by NBI corrected for doubtful interest

La Banque Postale's financial information for 2018 is presented in this press release. It will be supplemented by the Registration Document, which will be published on the company website www.labanquepostale.com.

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About La Banque Postale

La Banque Postale, a subsidiary of the La Poste group, operates in the retail banking, insurance and asset management markets. As a bank whose mission is to work in the best interest of the community, it supports its customers by offering a sustainable banking relationship with a comprehensive range of reasonably priced and accessible products and services. As a local bank providing a public service, La Banque Postale meets the needs of each and all: private individuals, businesses, professionals and the local public sector. It serves its customers through the Post Office network, on-line and over the telephone as part of a fully multi-channel relationship.

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