



PRESS RELEASE

Dijon, 8 November 2012

LOCAL AUTHORITIES FINANCING: La Banque Postale is extending its financing range to include medium and long-term loans

Today in Dijon, in the presence of Pierre Moscovici, the French Finance Minister, Philippe Wahl, Chairman of the Executive Committee of La Banque Postale, announced that La Banque Postale was launching a range of medium and long-term loans intended for local authorities. La Banque Postale is thus broadening its local financing range, following the launch of its overdraft facility on 20 June this year.

As from 8 November, La Banque Postale will market a range of fixed or revisable-rate medium and long-term loans with terms of up to 15 years to local authorities. A budget of around €1 billion has been provided for, in order to cover local authorities' needs up to the end of 2012.

The loans are marketed via La Banque Postale's portal at www.labanquepostale.fr/collectivites.html, in the same way as the overdraft facilities. Local authorities can contact the Bank's Local Public Sector Advisors directly, by filling in an online financing request. These experts are also available by telephone on 09 69 36 88 00¹, between 9.00 am and 5.00 pm Monday to Friday, or by mail². Furthermore, La Banque Postale will deploy its specialised local financing advisors across France in 2013.

True to its local presence and transparency values, La Banque Postale is strengthening its relationship with players in the local public sector, by setting up a local finance steering committee composed of elected representatives, former Members of Parliament, and experts. The committee will be chaired by Jean-Pierre Balligand, and will be in charge of a prospective, monitoring, and advisory mission (assessing risks, monitoring, and proposing new services, etc.).

La Banque Postale will also rely on the Dexia Crédit Local Research Department, which is responsible for monitoring the local public sector economy, and for issuing reports for reference purposes (studies on local authorities and the public sector, theme-based studies, and research on the economic environment, etc.).

La Banque Postale is broadening its range of financing for local authorities via these medium and long-term loans; since June 20 this year, the range has consisted in an overdraft facility (for a maximum period of 364 days) which was marketed remotely.

So as to address in the best way the needs of small municipalities, La Banque Postale is lowering the threshold of its loans to local authorities from 200,000 to 100,000 euros.

¹ Calls are not subject to an additional charge.

² La Banque Postale – CP S104 – 115 rue de Sèvres, 75275 Paris Cedex 06.

As a committed player in the regional development sector, alongside La Poste, La Banque Postale aims to offer a full range of financing to players in the local public sector.

A new local financing model

Authorised to engage in the local public sector financing market since 25 May 2012, La Banque Postale wishes to offer a new local financing model, based on products that are simple and easy for customers to understand, that are cash-backed, and are granted within the framework of a transparent pricing policy, and of a responsible advisory and risk-management approach.

La Banque Postale will use the Dexia Municipal Agency refinancing company once the system has been approved by the European Commission.

In the longer term, La Banque Postale will extend its financing range to all the players in the local public sector (public-private companies, local public companies, and public healthcare companies), and will offer debt-management and service ranges.

In launching this new business alongside the Caisse des Dépôts, La Banque Postale's aim is to reach a market share of around 20% in the local public sector by 2014. In the longer-term, it aims to generate around €5 billion of medium and long-terms loans per year for local authorities and other players in the local public sector.

Since launching its overdraft facilities, La Banque Postale has received financing requests amounting to over €4 billion from local authorities. The short-term lending budget, which initially amounted to €2 billion, was raised to €4 billion last July. To date, the loans that La Banque Postale has offered to the local authorities that have contacted the Bank amount to €2.5 billion.

To introduce its range, La Banque Postale is meeting the local public sector on a regular basis, by taking part in a large number of regional conferences and trade shows, and will attend the French Mayors' Trade Show. It will set out to meet local councillors throughout France in early 2013.

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In conclusion, Philippe Wahl stated that: *"La Banque Postale is there for the regions. It is fulfilling its commitment to launch its local authority financing business in 2012, in partnership with Caisse des Dépôts. Via this initial medium and long-term lending range, the Bank is boosting its involvement in local development, by offering local authorities support for their various investment projects"*.

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La Banque Postale, the banking subsidiary of the La Poste group, is a unique and special bank operating in the As an institution that is faithful to its core values: acting in the general interest, confidentiality and closeness to its customers, La Banque Postale puts welcoming all its customers at the heart of its business. It supports its retail and corporate customers by providing a sustainable banking relationship, with an accessible and reasonably-priced range of products and services. It is continually adding to its product range, specifically through relying on the expertise of its subsidiaries and partners, thus entering new areas. La Banque Postale is accessible 24/7, anywhere, any time.

La Banque Postale means:

- NBI of €5.231 billion
- 11.5 million Post Office current accounts
- 10.38 million active customers
- 450,000 customers who are Companies, Local Authorities, and Associations
- 6,300 cash and electronic payment machines in France
- €290 billion in outstanding customer deposits
- Over 6.95 million bank cards i.e. 11.5 % of the market
- 17,000 contact points

(Data at the end of 2011)

APPENDICES

Appendix 1: THE LOCAL FINANCE STEERING COMMITTEE

To become a major player in the local public sector financing market, and to gain a better understanding of the sector's requirements and expectations, La Banque Postale wanted to rely on a steering committee composed of elected representatives, and of recognised experts in the field.

This steering committee for local public sector services will be chaired by Jean-Pierre Balligand, and will be in charge of prospective, monitoring and advisory assignments (risks assessment, monitoring, and new services proposals, etc.), in close collaboration with La Banque Postale. The committee will meet at least four times per year.

The committee consists of:

- Jean-Pierre Balligand**, Mayor of Vervins, and former Member of Parliament,
- Yasmine Boudjenah**, Senior Deputy Mayor of Bagneux,
- Dominique Demangel**, budget controller and ministerial accountant at the French Ministry of Culture and Communications, and former Director of the French Public Finance Department,
- Marie-Christine Esclassan**, Professor in Public Law and Public Finance at the Paris I-Panthéon Sorbonne University,
- Bernard Hagelsteen**, former Prefect, and Advisor to the Chairman of Vinci Autoroutes,
- Anne-Marie Idrac**, former Secretary of State, former Member of Parliament, and Senior Advisor to the Chairman and CEO of [Suez Environnement](#),
- Pierre Méhaignerie**, Mayor of Vitré, former Minister, and former Member of Parliament,
- Anne d'Ornano**, First Vice-Chairwoman of the Calvados General Council,
- Marie-Françoise Pérol-Dumont**, Chairwoman of the Haute Vienne General Council, and former Member of Parliament,
- Bernard Poignant**, Mayor of Quimper, and former Member of Parliament,
- Benoît Quignon**, Chief Departmental Executive of the Lyon Urban District,
- Antoine Rufenacht**, General Commissioner for the Development of the Seine Valley, former Secretary of State, and former Member of Parliament.

Appendix 2 : La Banque Postale's offer for local authorities is available ...

- By telephone: 09 69 36 88 00. The Bank's local finance experts are available between 9.00 am and 5.00 pm, Monday to Friday (except on holidays)
- By mail : La Banque Postale CP S104, 115 rue de Sèvres – 75275 Paris Cedex 06
- Via La Banque Postale's portal at www.labanquepostale.fr/collectivites.html, where local authorities can make direct contact with the Bank's experts by filling in an application for financing online.