

Second supplement dated 26 June 2018 to the Base Prospectus dated 5 September 2017



LA BANQUE POSTALE HOME LOAN SFH

*duly licensed French specialised credit institution (établissement de crédit spécialisé)
€10,000,000,000 Euro Medium Term Note Programme for the issue of
obligations de financement de l'habitat*

This second supplement (the “**Second Supplement**”) is prepared in connection with the base prospectus dated 5 September 2017 (the “**Base Prospectus**”) and the first supplement to the Base Prospectus dated 13 November 2017 (the “**First Supplement**”) prepared in relation to the Euro Medium Term Note Programme (the “**Programme**”), under which La Banque Postale Home Loan SFH (the “**Issuer**”), subject to compliance with all relevant laws, regulations and directives, may from time to time issue *obligations de financement de l'habitat* within the meaning of article L. 513-30- I of the *Code monétaire et financier* (the “**French Monetary and Financial Code**”), benefiting from the statutory *privilège* (priority right of payment) created by article L. 513-11 of the French Monetary and Financial Code (the “**Privilège**”), as more fully described in the Base Prospectus (the “**Notes**”).

The *Autorité des marchés financiers* (the “**AMF**”) has granted visa n°17-458 on 5 September 2017 to the Base Prospectus and the visa n°17-583 on 13 November 2017 to the First Supplement.

The Issuer has prepared this Second Supplement to its Base Prospectus, pursuant to Article 16.1 of the Prospectus Directive and Article 212-25 of the *Règlement Général* of the AMF for the following purposes:

- updating the preamble;
- updating the section “Summary of the Programme” of the Base Prospectus related to the “*information regarding consent by the Issuer to the use of the Prospectus*” (A.2), “*description of the Issuer’s Group and the Issuer’s position within the Group*” (B5), “Qualifications in the auditors’ report” (B.10), “Selected historical key financial information” (B.12) and “Key Information on the key risks that are specific to the Notes (D.3);
- updating the section “Résumé en français du Programme (French Summary of the Programme)” of the Base Prospectus related to the « *Information relative au consentement de l’Emetteur concernant l’utilisation du Prospectus* » (A.2), « *Description du Groupe de l’Emetteur et de la position de l’Emetteur au sein du Groupe* » (B5), “Réserves continues dans le rapport des Commissaires aux Comptes”(B.10), “Informations financières sélectionnées” (B.12) and « *Informations clés sur les principaux risques propres aux Titres* » (D .3);
- updating the “Risk Factors” section of the Base Prospectus;
- incorporating by reference in the Base Prospectus the financial report of the Issuer as at 31 December 2017 in the French language and the auditors’ report thereon;
- updating the “Conditions attached to the consent of the Issuer to use the Prospectus” section of the Base Prospectus;
- updating the section “Description of the Issuer” related to the “Financial Elements” and “Covered Notes”;
- updating the form of “Final Terms I” and the form of “Final Terms II” of the Base Prospectus;

- updating the section "Taxation" of the Base Prospectus;
- updating the section "Subscription and Sale" of the Base Prospectus;
- updating the sections 4, 5 and 10 and adding a section 17 of the "General Information" section of the Base Prospectus.

Terms defined in the Base Prospectus have the same meanings when used in this Second Supplement.

Application has been made to the *Autorité des marchés financiers* (the "**AMF**") in France for approval of this Second Supplement in its capacity as the competent authority pursuant to article 212-2 of its *Règlement Général* (the "**AMF General Regulations**"), which implements the Prospectus Directive.

To the extent that there is any inconsistency between (a) any statement in this Second Supplement or any statement incorporated by reference into the Base Prospectus by this Second Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Second Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which is material in the context of the Programme since the publication of the Base Prospectus.

The Second Supplement will be made available on the website of the AMF at www.amf-france.org and together with any document incorporated by reference in this Second Supplement, on the website of the Issuer at www.labanquepostale.com

To the extent applicable, and provided that the conditions of Article 212-25 I of the *Règlement Général* of the AMF are fulfilled, investors who have already agreed to purchase or subscribe for the Notes to be issued under the Programme before this Second Supplement is published, have the right, according to Article 212-25 II of the *Règlement Général* of the AMF, to withdraw their acceptances within a time limit of minimum two working days after publication of this Second Supplement. This right to withdraw shall expire by close of business on 28 June 2018.

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PREAMBLE

The preamble of the Base Prospectus is amended as follows:

-On page 4, the three following paragraphs are inserted:

“MiFID II product governance / target market – The Final Terms in respect of any Notes will include a legend entitled "MiFID II product governance" which will outline the target market assessment in respect of the Notes, taking into account the five (5) categories referred to in item 18 of the Guidelines published by the European Securities and Markets Authority (ESMA) on 5 February 2018 and which channels for distribution of the Notes are appropriate. Any person subsequently selling or recommending the Notes (a "distributor" as defined in MiFID II) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the Product Governance rules under EU Delegated Directive 2017/593 (the MiFID Product Governance Rules), any Dealer subscribing for any Notes is a manufacturer as defined in MiFID II in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

IMPORTANT - EEA RETAIL INVESTORS – If the Final Terms in respect of any Notes include a legend entitled “Prohibition of Sales to EEA Retail Investors”, the Notes are not intended, from 1 January 2018, to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (“MiFID II”); (ii) a customer within the meaning of Directive 2002/92/EC (“IMD”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.”

SUMMARY OF THE PROGRAMME

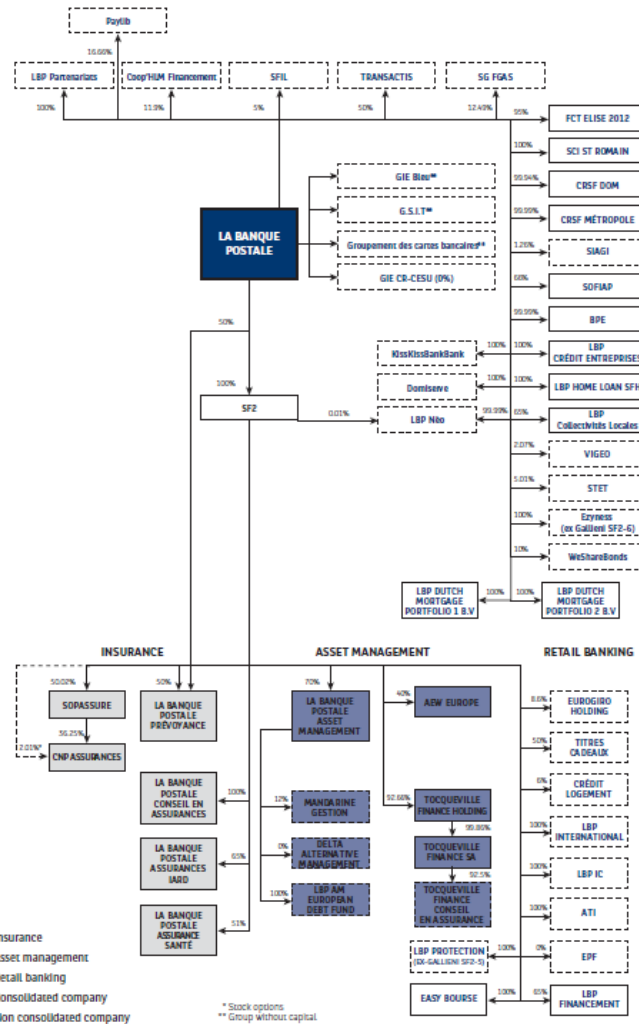
The items A.2 "Information regarding consent by the Issuer to the use of the Prospectus", B. 5 "A description of the Issuer's Group and the Issuer's position within the Group", B.10 "Qualifications in the auditors' report", B.12 "Selected historical key financial information" and D.3 "Key Information on the key risks that are specific to the Notes" on page 9 et seq. of the Base Prospectus are deleted and replaced by the following information:

A.2	Information regarding consent by the Issuer to the use of the Prospectus	<p>Certain tranches of Notes with a specified denomination of less than €100,000 (or its equivalent in any other currency at the time of issue) may be offered in circumstances where there is no exemption from the requirement to publish a prospectus (a "Non-exempt Offer") under Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended (the "Prospectus Directive").</p> <p>In the context of any offer of Notes in France and/or any jurisdiction of the European Union to which the Base Prospectus has been passported from time to time (the "Public Offer Jurisdiction") that is not within an exemption from the requirement to publish a prospectus (a "Public Offer") under the Prospectus Directive, the Issuer may, if so specified in the relevant Final Terms, consent to the use of the Prospectus in connection with a Public Offer of any Notes during the offer period specified in the relevant Final Terms (the "Offer Period") and in the Public Offer Jurisdiction(s) specified in the relevant Final Terms by :</p> <p>(1) subject to conditions set out in the relevant Final Terms, any financial intermediary authorised to make such offers pursuant to the Markets in Financial Instruments Directive 2004/39/EC dated 21 April 2004, as amended, if applicable specified in the relevant Final Terms; or</p> <p>(2) if so specified in the relevant Final Terms, any financial intermediary which satisfies the following conditions: (a) acts in accordance with all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the "Rules"), from time to time including, without limitation and in each case, Rules relating to both the appropriateness or suitability of any investment in the Notes by any person and disclosure to any potential investor; (b) complies with the restrictions set out under "<i>Subscription and Sale</i>" in the Base Prospectus which would apply as if it were a Dealer (as defined below); (c) considers the relevant manufacturer's target market assessment and distribution channels identified under the "MiFID II product governance" legend set out in the applicable Final Terms; (d) ensures that any fee (and any commissions or benefits of any kind) received or paid by that financial intermediary in relation to the offer or sale of the Notes is fully and clearly disclosed to investors or potential investors; (e) holds all licences, consents, approvals and permissions required in connection with solicitation of interest in, or offers or sales of, the Notes under the Rules; (f) retains investor identification records for at least the minimum period required under applicable Rules, and shall, if so requested, make such records available to the relevant Dealer(s) and the Issuer or directly to the appropriate authorities with jurisdiction over the Issuer and/or the relevant Dealer(s) in order to enable the Issuer and/or the relevant Dealer(s) to comply with anti-money laundering, anti-bribery and "know your client" rules applying to the Issuer and/or the relevant Dealer(s); (g) does not, directly or indirectly, cause the Issuer or the relevant Dealer(s) to breach any Rule or any requirement to obtain or make any filing, authorisation or consent in any jurisdiction; and (h) satisfies any further conditions specified in the relevant Final Terms,</p> <p>(in each case an "Authorised Offeror").</p> <p>For the avoidance of doubt, none of the Dealers or the Issuer shall have any obligation to ensure that an Authorised Offeror complies with applicable laws and regulations and shall therefore have no liability in this respect.</p> <p>The consent referred to above relates to Offer Periods (if any) ending no later than the date falling 12 months from the date of the approval of the Base Prospectus by the AMF.</p> <p>The terms and conditions of the Public Offer shall be provided to investors by that Authorised Offeror at the time of the Public Offer. Neither the Issuer nor any of La Banque Postale, Natixis or other Authorised Offerors has any responsibility or liability for such information or the consequences of its use by the relevant investors. References in this Summary to "Dealers" are to La Banque Postale, Natixis and all persons appointed as a dealer in respect of one or more Tranches.</p>
B.5	A description of the Issuer's Group and the Issuer's position within the Group	<p>100% of LBP Home Loan SFH's share capital is owned by La Banque Postale ("LBP"), with the exception of one (1) share held by SF2, a subsidiary fully owned by LBP.</p> <p>LBP is a credit institution approved by the <i>Autorité de contrôle prudentiel et de résolution</i>. Its role is to provide support for the activities of LBP Home Loan SFH as a servicer, as defined by the regulations that apply to <i>sociétés de financement de l'habitat</i>, in particular within the meaning of article L.513-15 of the French <i>Code monétaire et financier</i> (the "French Monetary and Financial Code").</p>

100% of LBP's share capital, with the exception of one-share loans to Supervisory Board members, is owned by La Poste, which is the parent company of the La Banque Postale group (the "La Banque Postale Group").

The following diagram illustrates the position of LBP Home Loan SFH within the La Banque Postale Group:

1.5 GROUP ORGANISATION



The organisational chart shown does not include entities to be divested or unconsolidated entities below a 2% holding threshold (except for SIAGI, shown historically).

B.10	Qualifications in the auditors' report	<p>Not applicable.</p> <p>The statutory auditors' reports on the financial statements of LBP Home Loan SFH for the years ended 31 December 2017 and 31 December 2016 do not contain any qualifications.</p>
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B.12	Selected historical key financial information	<p>The tables below set out summary information extracted from the free English translation of the Issuer's audited statement of financial position as at 30 June 2016, 31 December 2016, 31 June 2017 and 31 December 2017 (French GAAP presentation):</p> <p>Balance sheet</p> <table border="1"> <thead> <tr> <th data-bbox="512 383 1114 405">(€ '000s)</th> <th data-bbox="1114 383 1225 405">31/12/2017</th> <th data-bbox="1225 383 1337 405">30/06/2017</th> <th data-bbox="1337 383 1437 405">31/12/2016</th> <th data-bbox="1437 383 1549 405">30/06/2016</th> </tr> </thead> <tbody> <tr> <td colspan="5" style="text-align: center;"><u>ASSETS</u></td> </tr> <tr> <td colspan="5">CASH AND INTER-BANK TRANSACTIONS</td> </tr> <tr> <td>- Cash and central banks</td> <td style="text-align: right;">15</td> <td style="text-align: right;">15</td> <td style="text-align: right;">14</td> <td style="text-align: right;">7</td> </tr> <tr> <td>- Government paper and 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style="text-align: right;">239</td> <td style="text-align: right;">97</td> <td style="text-align: right;">216</td> <td style="text-align: right;">77</td> </tr> <tr> <td style="text-align: center;">TOTAL</td> <td style="text-align: right;">5 050 741</td> <td style="text-align: right;">5 007 525</td> <td style="text-align: right;">3 805 244</td> <td style="text-align: right;">3 798 255</td> </tr> <tr> <td colspan="5" style="text-align: center;"><u>LIABILITIES</u></td> </tr> <tr> <td colspan="5">INTER-BANK TRANSACTIONS AND SIMILAR</td> </tr> <tr> <td>- Liabilities due to credit institutions</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td colspan="5">DEBT SECURITIES</td> </tr> <tr> <td>- Bonds and similar</td> <td style="text-align: right;">4 813 380</td> <td style="text-align: right;">4 767 430</td> <td style="text-align: right;">3 565 359</td> <td style="text-align: right;">3 564 180</td> </tr> <tr> <td colspan="5">ACCRUALS AND OTHER LIABILITIES</td> </tr> <tr> <td></td> <td 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Off balance sheet statement

(€ '000s)	31/12/2017	30/06/2017	31/12/2016	30/06/2016
Financing and guarantee commitments and commitments on securities given				
Financing commitments				
to credit institutions				
to customers				
Guarantees				
to credit institutions				
to customer				
Commitments on securities				
deliverable securities				
Financing and guarantee commitments and commitments on securities received				
Financing commitments				
from credit institutions				
from customers				
Guarantees				
from credit institutions				
from customers				
Commitments on securities				
securities receivable				
Other commitments given and received				
Other commitments given				
Other commitments received	8 490 145	7 854 949	6 473 914	6 508 599

Profit and loss

(€ '000s)	31/12/2017	30/06/2017	31/12/2016	30/06/2016
INTEREST AND SIMILAR INCOME				
- Cash and inter-bank transactions	65 793	31 073	58 950	29 207
- Bonds and other fixed-income securities	1 250	676	1 244	626
INTEREST AND SIMILAR EXPENSES				
- Bonds and other fixed-income securities	(63 105)	(29 792)	(56 406)	(27 954)
COMMISSIONS (EXPENSES)	(11)	(6)	(10)	(5)
GAINS OR LOSSES ON ASSETS AVAILABLE FOR SALE	362			
OTHER BANK OPERATING INCOME			7	7
OTHER BANKING OPERATING EXPENSES	(36)	(25)	(41)	(36)
NET BANKING INCOME	4 253	1 926	3 744	1 845
GENERAL OPERATING EXPENSES				
- Other general operating expenses	(2 125)	(1 473)	(1 550)	(922)
GROSS OPERATING INCOME	2 128	453	2 194	923
COST OF RISK				
OPERATING INCOME	2 128	453	2 194	923
GAINS OR LOSSES ON DISPOSALS				
PRE-TAX INCOME	2 128	453	2 194	923
NON-RECURRING ITEMS				
INCOME TAX	(955)	(386)	(841)	(403)
NET ALLOCATION TO GBRF AND REGULATED PROVISIONS				
PARENT COMPANY NET INCOME	1 173	67	1 353	520
PARENT COMPANY NET EARNINGS PER SHARE (in K€)	0,00006	0,00000	0,00006	0,00002

Cash flow statement

(€ '000s)	31/12/2017	30/06/2017	31/12/2016	30/06/2016
Pre-tax income	2 128	453	2 194	923
+/- Net depreciation and amortisation of tangible and intangible non-current assets				
+/- Net provisions and impairment charges				
+/- Net losses or gains on investment activities				
+/- Net losses or gains on financing activities				
+/- Other movements	(7 530)	(7 785)	(818)	(384)
= Total non-cash items included in net pre-tax income and other adjustments	(7 530)	(7 785)	(818)	(384)
+/- Cash flows relating to transactions with credit institutions	(1 263 750)	(1 190 716)	(515 324)	(513 788)
+/- Cash flows relating to customer transactions				
+/- Cash flows relating to other transactions that have an impact on financial assets or liabilities	1 273 465	1 210 291	516 022	526 689
+/- Cash flows relating to other transactions that have an impact on non-financial assets or	418	266	5 136	304
- Taxes paid	(823)	(403)	(1 048)	(617)
= Net increase/decrease in assets and liabilities from operating activities	9 310	19 438	4 786	12 588
TOTAL NET CASH GENERATED BY OPERATING ACTIVITIES (A)	3 908	12 106	6 162	13 127
+/- Flows linked to financial assets and investments			8	
+/- Flows linked to tangible and intangible non-current assets				
TOTAL NET CASH GENERATED BY INVESTMENT ACTIVITIES (B)	-	-	8	-
+/- Cash flows from or to shareholders	(4 239)			
+/- Flows linked to investment properties				
+/- Other net cash flows from financing activities				
TOTAL NET CASH GENERATED BY FINANCING ACTIVITIES (C)	(4 239)	-	-	-
IMPACT OF CHANGES IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS (D)	-	-	-	-
Net increase (decrease) in cash and cash equivalents (A+B+C+D)	(331)	12 106	6 170	13 127
Net cash flows generated by operating activities (A)	3 908	12 106	6 162	13 127
Net cash flows generated by investment activities (B)			8	
Net cash flows generated by financing activities (C)	(4 239)			
Impact of changes in exchange rates on cash and cash equivalents (D)				
Opening cash and cash equivalents	26 177	26 177	20 007	20 007
Cash and central banks (assets and liabilities)	26 177	26 177	20 069	20 069
Current accounts (assets and liabilities) and overnight loans with credit institutions			(62)	(62)
Closing cash and cash equivalents	25 846	38 283	26 177	33 134
Cash and central banks (assets and liabilities)	25 846	38 283	26 177	33 127
Current accounts (assets and liabilities) and overnight loans with credit institutions				7
CHANGE IN NET CASH	(331)	12 106	6 170	13 127

There has been no material adverse change in the prospects of the Issuer since the date of its last published audited financial statements.

There has been no significant change in the financial or trading position of the Issuer since the end of the last financial period for which audited financial information has been published.

D.3	<p>Key information on the key risks that are specific to the Notes</p>	<p>There are certain factors that may affect the Issuer's ability to fulfil its obligations under the Notes issued under the Programme, including:</p> <ul style="list-style-type: none"> • General risks relating to the Notes such as: <ul style="list-style-type: none"> • Risks related to assessment of investment suitability <p>The Notes may not be a suitable investment for all investors, each prospective investor having to determine, based on its personal assessment and with the help of any adviser depending on the circumstances, the suitability of an investment in the Notes in light of its own circumstances.</p> • Risks related to legality of purchase <p>None of the Issuer, the Dealer(s) nor any of their respective affiliates makes any representation to any prospective investor in the Notes regarding the legality of its investment under any applicable laws.</p> • Risks related to modification, waivers and substitution <p>The terms and conditions of the Notes may be modified in a general meeting by a defined majority of Noteholders, binding all Noteholders including Noteholders who did not attend and vote at the relevant general meeting and Noteholders who voted in a manner contrary to the majority.</p> • Risks related to a change of law or regulation <p>The laws and regulations applicable to the Notes may be amended.</p> • Risks related to taxation <p>The Noteholders may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions.</p> • Risks related to the draft directive on common financial transaction tax <p>Transactions in the Notes could be subject to a future European financial transaction tax.</p> • Risks related to withholding taxes - no gross-up obligation <p>If any law should require that any payments in respect of any Notes be subject to deduction or withholding in respect of any taxes or duties whatsoever, the Issuer will not pay any additional amounts. Therefore, the corresponding risk shall be borne by the Noteholders or, if applicable, the Couponholders.</p> • Risks related to the implementation of CRD IV package <p>The implementation of CRD IV package could affect the risk weighting of the Notes in respect of certain investors.</p> • Risks related to credit ratings <p>Independent rating agencies may assign a rating to the Notes issued under the Programme. Such rating does not reflect the potential impact of the risk factors that may affect the value of the Notes.</p> • Risks related to Covered Bonds <p>Covered Bonds could be subject to a future European legislation evolution.</p> <p>On 12 March 2018, the European Commission has published a proposal for a Directive and for a Regulation on the issue of covered bonds and covered bonds supervision, aiming for the establishment of a framework to enable a more harmonized covered bond market in the European Union as part of the Capital Markets Union action plan. The proposed Directive covers in particular requirements for issuing covered bonds, requirements for marketing covered bonds as “European Covered Bonds”, structural features of covered bonds (asset composition, derivatives, liquidity...) and regulatory supervision. The proposed Regulation would mainly amend Article 129 of Regulation (EU) N°575/2013 (Capital Requirements Regulation (CRR)) and would add requirements on minimum overcollateralization and substitution assets. The minimum overcollateralization would be set at 2% and 5% depending on the assets in the cover pool, based on a nominal calculation method.</p>
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		<p>These proposals remain subject to amendments by the European Parliament and Council and should be adopted in 2019. If the proposed Directive and Regulation are adopted and depending on the implementation by each of the member states of the European Union (and in particular France), the Issuer and the Covered Bonds may be impacted.</p> <ul style="list-style-type: none"> • Risks related to the structure of a particular issue of Notes: <ul style="list-style-type: none"> • Risks related to Notes subject to optional redemption by the Issuer <p>The Notes may be subject to optional redemption by the Issuer which may impact their market value.</p> • Risks related to Fixed Rate Notes <p>Investment in Notes which bear interest at a fixed rate involves the risk that subsequent changes in market interest rates may adversely affect the value of the relevant Tranche of Notes.</p> • Risks related to Floating Rate Notes <p>The market value of Notes which bear interest at a floating rate may be volatile.</p> • Risks related to Fixed/Floating Rate Notes, Fixed/Fixed Rate Notes, Floating/Floating Rate Notes <p>The Issuer's ability to convert the interest rate may affect the secondary market and the market value of the Notes.</p> • Risks related to Notes issued at a substantial discount or premium <p>The market values of Notes issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities.</p> • Risks related to Notes with soft bullet maturity <p>Notes with soft bullet maturity may be redeemed after their initial maturity date.</p> • Risks related to the market generally <ul style="list-style-type: none"> • Risks related to the market value of the Notes <p>The market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors.</p> • Risks related to the secondary market generally <p>An active market for the Notes may not develop or be sustained and investors may not be in a position to easily sell their Notes or to sell them at a price offering a yield comparable to similar products for which an active market would have otherwise developed.</p> • Exchange rate risks and exchange controls <p>The Issuer pays the principal and interest on the Notes in the currency specified in the relevant Final Terms. This presents certain currency conversion risks if the investor's financial activities are principally conducted in a different currency or monetary unit than the currency of the Notes.</p> • Legal investment considerations may restrict certain investments <p>Investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities that should be taken into account by such investors before investing in the Notes.</p> • Risks related to issuance of German Law Governed Notes under the Programme <p>All Notes and German Law Governed Notes will rank <i>pari passu</i> among themselves and that, as a result, the proceeds of the assets benefiting from the <i>Privilège</i> will be applied to the satisfaction of amounts due and payable to all Noteholders (including the holders of German Law Governed Notes) on a <i>pro rata</i> basis.</p>
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		<ul style="list-style-type: none"> • The regulation and reform of “Benchmarks” may adversely affect the value of Notes linked to or referencing such “Benchmark” <p>Interest rates and indices which are deemed to be “benchmarks” are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a “benchmark”. Regulation (EU) 2016/1011 (the “Benchmarks Regulation”) was published in the Official Journal of the EU on 29 June 2016 and applies from 1 January 2018. The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. It will, among other things, (i) require benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevent certain uses by EU supervised entities (such as the Issuer) of “benchmarks” of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).</p> <p>The Benchmarks Regulation could have a material impact on any Notes linked to or referencing a “benchmark”, in particular, if the methodology or other terms of the “benchmark” are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the “benchmark”.</p> <p>More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of “benchmarks”, could increase the costs and risks of administering or otherwise participating in the setting of a “benchmark” and complying with any such regulations or requirements. Such factors may have the following effects on certain “benchmarks”: (i) discourage market participants from continuing to administer or contribute to the “benchmark”; (ii) trigger changes in the rules or methodologies used in the “benchmark” or (iii) lead to the disappearance of the “benchmark”. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a “benchmark”.</p> <p>An investment in the Notes involves certain risks which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. While all of these risk factors are contingencies which may or may not occur, potential investors should be aware that the risks involved with investing in the Notes may lead to volatility and/or a decrease in the market value of the relevant Tranche of Notes whereby the market value falls short of the expectations (financial or otherwise) of an investor who has made an investment in such Notes.</p> <p>However, each prospective investor in Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes is fully consistent with its financial needs, objectives and conditions, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Notes.</p>
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RESUME DU PROGRAMME EN FRANCAIS (FRENCH SUMMARY OF THE PROGRAMME)

The items A.2 «Information relative au consentement de l'Emetteur concernant l'utilisation du Prospectus », B.5 « Description du Groupe de l'Emetteur et de la position de l'Emetteur au sein du Groupe », B.10 « Réserves contenues dans le rapport des Commissaires aux comptes », B.12 "Informations financières sélectionnées" and D.3 « Informations clés sur les principaux risques propres aux Titres » on page 28 et seq. of the Base Prospectus are deleted and replaced by the following information:

<p>A.2</p>	<p>Information relative au consentement de l'Emetteur concernant l'utilisation du Prospectus</p>	<p>Certaines tranches de Titres ayant une valeur nominale inférieure à 100.000 euros (ou la contre-valeur de ce montant dans toute autre devise à la date d'émission) peuvent être offertes dans des circonstances où il n'existe pas de dispense à l'obligation de publier un prospectus (une "Offre Non-Exemptée") en vertu de la Directive 2003/71/CE du Parlement Européen et du Conseil en date du 4 novembre 2003, telle que modifiée (la "Directive Prospectus").</p> <p>Dans le cadre de toute offre de Titres en France et/ou dans tout Etat membre de l'Union Européenne dans lequel le Prospectus de Base a été passeporté à tout moment (les "Pays de l'Offre au Public") qui ne bénéficie pas de l'exemption à l'obligation de publication d'un prospectus (une "Offre au Public") en vertu de la Directive 2003/71/CE du Parlement européen et du Conseil en date du 4 novembre 2003, telle que modifiée (la "Directive Prospectus"), l'Emetteur peut consentir, si cela est indiqué dans les Conditions Définitives concernées, à l'utilisation du Prospectus dans le cadre d'une Offre au Public de tout Titre durant la période d'offre indiquée dans les Conditions Définitives concernées (la "Période d'Offre") et dans le(s) Pays de l'Offre au Public indiqué(s) dans les Conditions Définitives concernées par :</p> <ol style="list-style-type: none"> (1) sous réserve des conditions mentionnées dans les Conditions Définitives, tout intermédiaire financier autorisé à faire ce type d'offre en application de la Directive 2004/39/CE sur les marchés d'instruments financiers du 21 avril 2004, tel que modifiée, si applicable dans les Conditions Définitives concernées; ou (2) tel qu'indiqué dans les Conditions Définitives concernées, tout intermédiaire financier qui satisfait aux conditions suivantes : (a) agit conformément aux lois, règles, réglementation et recommandations provenant des autorités de régulation compétentes (les "Règles"), incluant, sans limitation, les Règles relatives à la fois à la pertinence et à l'adéquation de tout investissement dans les Titres par toute personne et la divulgation à tout investisseur potentiel; (b) respecte les restrictions mentionnées dans la partie "Souscription et Vente" du Prospectus de Base qui lui serait applicable comme s'il était un Agent Placeur (tel que défini ci-après); (c) a pris connaissance du marché cible et des circuits de distribution du producteur concerné tels qu'identifiés au paragraphe « MiFID II product governance » dans les Conditions Définitives ; (d) s'assurer que tout frais (et toute commission ou bénéfices de toute sorte) reçu ou payé par cet intermédiaire financier en relation avec l'offre ou la vente de Titres est indiqué aux investisseurs ou investisseurs potentiels de façon claire et exhaustive; (e) détient toutes les licences, consentements, approbations et permis requis en lien avec la sollicitation d'intérêts dans, ou les offres ou les ventes des Titres conformément aux Règles; (f) conserve des registres d'identification des investisseurs pour au moins la période minimum requise sous les Règles applicables, et, si cela est demandé, rend ces registres disponibles au(x) Agent(s) Placeur(s) concerné(s) et à l'Emetteur ou directement aux autorités appropriées et compétentes pour l'Emetteur et/ou le(s) Agent(s) Placeur(s) concerné(s) afin de permettre à l'Emetteur et/ou au(x) Agent(s) Placeur(s) concerné(s) de se conformer aux Règles relatives à la lutte contre le blanchiment d'argent, la prévention de la corruption et à la "connaissance du client", qui s'appliquent à l'Emetteur et/ou au(x) Agent(s) Placeur(s) concerné(s); (g) n'entraîne pas, directement ou indirectement, la rupture par l'Emetteur et/ou le(s) Agent(s) Placeur(s) concerné(s) de toute Règle ou toute requête pour obtenir ou faire tout dépôt, obtenir une autorisation ou un accord dans toute juridiction; et (h) remplit toute condition supplémentaire précisée dans les Conditions Définitives, (dans chaque cas un "Offrant Autorisé"). <p>Afin d'éviter toute ambiguïté, ni les Agents Placeurs ni l'Emetteur, n'ont l'obligation de s'assurer qu'un Offrant Autorisé se conforme aux lois et réglementation applicables et n'assume aucune responsabilité à cet égard.</p>
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		<p>Le consentement mentionné ci-dessus s'applique à des Périodes d'Offre (le cas échéant) se terminant au plus tard à l'issue d'une période de 12 mois à compter de la date d'approbation du Prospectus de Base par l'AMF.</p> <p>Les Modalités de l'Offre au Public devront être communiquées aux investisseurs par l'Etablissement Autorisé au moment de l'Offre au Public. Ni l'Emetteur ni La Banque Postale, Natixis ou les autres Etablissements Autorisés ne sont responsables de cette information ou les conséquences de son utilisation par les investisseurs concernés.</p> <p>Les références du présent Résumé faites aux "Agents Placeurs" désignent La Banque Postale, Natixis ainsi que toute personne nommée comme agent placeur pour une ou plusieurs Tranches.</p>
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B.5

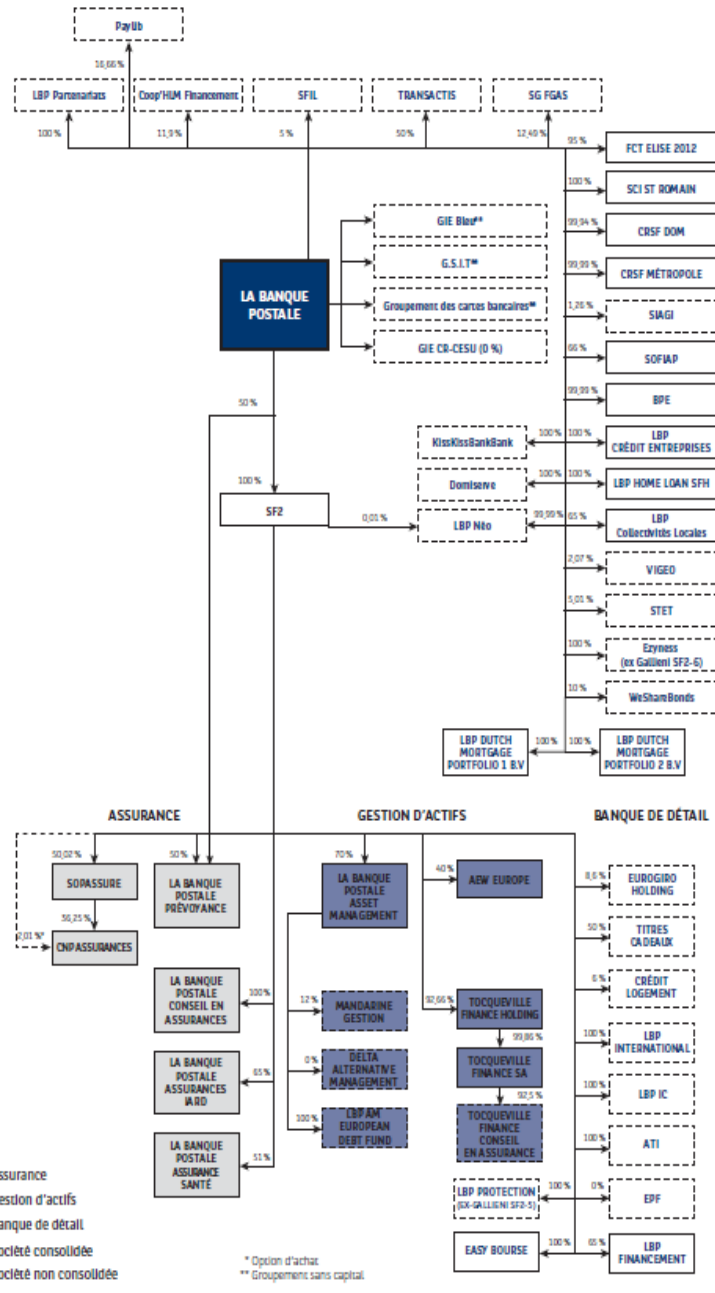
Description du Groupe de l'Emetteur et de la position de l'Emetteur au sein du Groupe

100% du capital de LBP Home Loan SFH est détenu par La Banque Postale ("LBP"), à l'exception d'une (1) action détenue par SF2, filiale à 100 % de LBP.

LBP est un établissement de crédit agréé par l'Autorité de Contrôle Prudentiel et de Résolution. Son rôle consiste à assister LBP Home Loan SFH dans ses activités en qualité d'établissement support, tel que défini par la réglementation applicable aux sociétés de financement de l'habitat, notamment au sens de l'article L. 513-15 du Code monétaire et financier.

LBP est une filiale détenue à 100%, à l'exception de prêts d'une (1) action aux membres du Conseil de Surveillance, par La Poste, qui est l'entité mère du groupe La Banque Postale (le "Groupe La Banque Postale").

L'organigramme suivant illustre la position de LBP Home Loan SFH au sein du Groupe La Banque Postale :



L'organigramme présenté n'inclut pas les entités destinées à être cédées ni les entités non consolidées en-dessous d'un seuil de détention de 2% (à l'exception de SIAGI, historiquement présenté).

B.10	Réserves contenues dans le rapport des Commissaires aux comptes	Sans objet. Les rapports des commissaires aux comptes sur les états financiers de LBP Home Loan SFH pour les années s'achevant le 31 décembre 2017 et le 31 décembre 2016 ne contiennent aucune réserve.
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B.12	Informations financières sélectionnées	Les tableaux ci-après présentent un résumé des informations extraites du bilan audité de l'Émetteur, au 30 juin 2016, 31 décembre 2016, 30 juin 2017, 31 décembre 2017 (présentation aux normes françaises):																																																																																																																											
		<p style="text-align: center;">Bilan social</p> <table border="1"> <thead> <tr> <th>en K€</th> <th>31/12/2017</th> <th>30/06/2017</th> <th>31/12/2016</th> <th>30/06/2016</th> </tr> </thead> <tbody> <tr> <td colspan="5" style="text-align: center;">ACTIF</td> </tr> <tr> <td colspan="5">OPERATIONS INTERBANCAIRES ET ASSIMILEES</td> </tr> <tr> <td>- Caisse, banques centrales</td> <td>15</td> <td>15</td> <td>14</td> <td>7</td> </tr> <tr> <td>- Effets publics et valeurs assimilées</td> <td>68 724</td> <td>90 822</td> <td>92 472</td> <td>80 483</td> </tr> <tr> <td>- Créances sur les établissements de crédit</td> <td>4 981 753</td> <td>4 916 540</td> <td>3 712 502</td> <td>3 717 639</td> </tr> <tr> <td colspan="5">PARTICIPATIONS, PARTS DANS LES ENTREPRISES LIEES, ET AUTRES TITRES DETENUS A LONG TERME</td> </tr> <tr> <td>- Participations et autres titres détenus à long terme</td> <td></td> <td></td> <td></td> <td>8</td> </tr> <tr> <td colspan="5">COMPTES DE REGULARISATION ET ACTIFS DIVERS</td> </tr> <tr> <td>- Autres actifs</td> <td>10</td> <td>51</td> <td>40</td> <td>41</td> </tr> <tr> <td>- Comptes de régularisation</td> <td>239</td> <td>97</td> <td>216</td> <td>77</td> </tr> <tr> <td style="text-align: right;">TOTAL</td> <td>5 050 741</td> <td>5 007 525</td> <td>3 805 244</td> <td>3 798 255</td> </tr> <tr> <td colspan="5" style="text-align: center;">PASSIF</td> </tr> <tr> <td colspan="5">OPERATIONS INTERBANCAIRES ET ASSIMILEES</td> </tr> <tr> <td>- Dettes envers les établissements de crédit</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td colspan="5">DETTES REPRESENTEES PAR UN TITRE</td> </tr> <tr> <td>- Emprunts obligataires et assimilés</td> <td>4 813 380</td> <td>4 767 430</td> <td>3 565 359</td> <td>3 564 180</td> </tr> <tr> <td colspan="5">COMPTES DE REGULARISATION ET PASSIFS DIVERS</td> </tr> <tr> <td>- Capital souscrit</td> <td>25 965</td> <td>29 805</td> <td>25 423</td> <td>20 446</td> </tr> <tr> <td colspan="5">CAPITAUX PROPRES PART DU GROUPE (HORS FRBG)</td> </tr> <tr> <td>- Capital souscrit</td> <td>210 000</td> <td>210 000</td> <td>210 000</td> <td>210 000</td> </tr> <tr> <td>- Réserves</td> <td>223</td> <td>223</td> <td>155</td> <td>155</td> </tr> <tr> <td>- Report à nouveau</td> <td></td> <td></td> <td>2 954</td> <td>2 954</td> </tr> <tr> <td>- Résultat de l'exercice</td> <td>1 173</td> <td>67</td> <td>1 353</td> <td>520</td> </tr> <tr> <td style="text-align: right;">TOTAL</td> <td>5 050 741</td> <td>5 007 525</td> <td>3 805 244</td> <td>3 798 255</td> </tr> </tbody> </table>	en K€	31/12/2017	30/06/2017	31/12/2016	30/06/2016	ACTIF					OPERATIONS INTERBANCAIRES ET ASSIMILEES					- Caisse, banques centrales	15	15	14	7	- Effets publics et valeurs assimilées	68 724	90 822	92 472	80 483	- Créances sur les établissements de crédit	4 981 753	4 916 540	3 712 502	3 717 639	PARTICIPATIONS, PARTS DANS LES ENTREPRISES LIEES, ET AUTRES TITRES DETENUS A LONG TERME					- Participations et autres titres détenus à long terme				8	COMPTES DE REGULARISATION ET ACTIFS DIVERS					- Autres actifs	10	51	40	41	- Comptes de régularisation	239	97	216	77	TOTAL	5 050 741	5 007 525	3 805 244	3 798 255	PASSIF					OPERATIONS INTERBANCAIRES ET ASSIMILEES					- Dettes envers les établissements de crédit					DETTES REPRESENTEES PAR UN TITRE					- Emprunts obligataires et assimilés	4 813 380	4 767 430	3 565 359	3 564 180	COMPTES DE REGULARISATION ET PASSIFS DIVERS					- Capital souscrit	25 965	29 805	25 423	20 446	CAPITAUX PROPRES PART DU GROUPE (HORS FRBG)					- Capital souscrit	210 000	210 000	210 000	210 000	- Réserves	223	223	155	155	- Report à nouveau			2 954	2 954	- Résultat de l'exercice	1 173	67	1 353	520	TOTAL	5 050 741	5 007 525
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Hors bilan social

en K€	31/12/2017	30/06/2017	31/12/2016	30/06/2016
ENGAGEMENTS DE FINANCEMENT, DE GARANTIE ET ENGAGEMENTS DONNES SUR TITRES				
Engagements de financement en faveur d'établissements de crédit en faveur de la clientèle				
Engagements de garantie en faveur d'établissements de crédit en faveur de la clientèle				
Engagements sur titres titres à livrer				
ENGAGEMENTS DE FINANCEMENT, DE GARANTIE ET ENGAGEMENTS RECUS SUR TITRES				
Engagements de financement reçus d'établissements de crédit reçus de la clientèle				
Engagements de garantie reçus d'établissements de crédit reçus de la clientèle				
Engagements sur titres titres à recevoir				
AUTRES ENGAGEMENTS DONNES ET RECUS				
Autres engagements donnés				
Autres engagements reçus	8 490 145	7 854 949	6 473 914	6 508 599

Résultat social

en K€	31/12/2017	30/06/2017	31/12/2016	30/06/2016
INTEREIS ET PRODUITS ASSIMILES :				
- Opérations de trésorerie et interbancaires	65 793	31 073	58 950	29 207
- Obligations et autres titres à revenu fixe	1 250	676	1 244	626
INTEREIS ET CHARGES ASSIMILEES :				
- Obligations et autres titres à revenu fixe	(63 105)	(29 792)	(56 406)	(27 954)
COMMISSIONS (CHARGES)	(11)	(6)	(10)	(5)
GAINS OU PERTES SUR OPERATIONS DES PORTEFEUILLES DE PLACEMENTS ET ASSIMILES	362			
AUTRES PRODUITS D'EXPLOITATION BANCAIRE NETS			7	7
AUTRES CHARGES D'EXPLOITATION BANCAIRE NETTES	(36)	(25)	(41)	(36)
PRODUIT NET BANCAIRE	4 253	1 926	3 744	1 845
CHARGES GENERALES D'EXPLOITATION :				
- Autres charges générales d'exploitation	(2 125)	(1 473)	(1 550)	(922)
RESULTAT BRUT D'EXPLOITATION	2 128	453	2 194	923
COÛT DU RISQUE				
RESULTAT D'EXPLOITATION	2 128	453	2 194	923
GAINS OU PERTES SUR ACTIFS IMMOBILISES				
RESULTAT COURANT AVANT IMPÔT	2 128	453	2 194	923
RESULTAT EXCEPTIONNEL				
IMPOTS SUR LES BENEFICES	(955)	(386)	(841)	(403)
DOTATIONS NETTES AU FRBG ET AUX PROVISIONS REGLEMENTEES				
RESULTAT NET	1 173	67	1 353	520
RESULTAT NET SOCIAL PAR ACTION (en K€)	0,00006	0,00000	0,00006	0,00002

Tableau flux de trésorerie

En K€	31/12/2017	30/06/2017	31/12/2016	30/06/2016
Résultat avant impôts	2 128	453	2 194	923
+/- Dotations nettes aux amortissements sur immobilisations corporelles et incorporelles				
+/- Dotations nettes aux provisions et dépréciations				
+/- Pertes nettes / gains des activités d'investissement				
+/- Pertes nettes / gains des activités de financement				
+/- Autres mouvements	(7 530)	(7 785)	(818)	(384)
= Total des éléments non monétaires inclus dans le résultat net avant impôts et des autres ajustements	(7 530)	(7 785)	(818)	(384)
+/- Flux liés aux opérations avec les établissements de crédit	(1 263 750)	(1 190 716)	(515 324)	(513 788)
+/- Flux liés aux opérations avec la clientèle				
+/- Flux liés aux autres opérations affectant des actifs ou passifs financiers	1 273 465	1 210 291	516 022	526 689
+/- Flux liés aux autres opérations affectant des actifs ou passifs non financiers	418	266	5 136	304
- Impôts versés	(823)	(403)	(1 048)	(617)
= Diminution / augmentation nette des actifs et passifs provenant des activités opérationnelles	9 310	19 438	4 786	12 588
TOTAL FLUX NETS DE TRESORERIE GENERES PAR L'ACTIVITE OPERATIONNELLE (A)	3 908	12 106	6 162	13 127
+/- Flux liés aux actifs financiers et participations			8	
+/- Flux liés aux immeubles de placement				
+/- Flux liés aux immobilisations corporelles et incorporelles				
TOTAL FLUX NETS DE TRESORERIE LIES AUX OPERATIONS D'INVESTISSEMENT (B)	-	-	8	-
+/- Flux de trésorerie provenant ou à destination des actionnaires	(4 239)			
+/- Autres flux nets de trésorerie provenant des activités de financement				
TOTAL FLUX NETS DE TRESORERIE LIES AUX OPERATIONS DE FINANCEMENT (C)	(4 239)	-	-	-
EFFET DE LA VARIATION DES TAUX DE CHANGE SUR LA TRESORERIE ET EQUIVALENT DE TRESORERIE (D)	-	-	-	-
Augmentation (diminution) nette de la trésorerie et des équivalents de trésorerie (A+B+C+D)	(331)	12 106	6 170	13 127
Flux net de trésorerie généré par l'activité opérationnelle (A)	3 908	12 106	6 162	13 127
Flux net de trésorerie lié aux opérations d'investissement (B)			8	
Flux net de trésorerie lié aux opérations de financement (C)	(4 239)			
Effet de la variation des taux de change sur la trésorerie et équivalent de trésorerie (D)				
Trésorerie et équivalent de trésorerie à l'ouverture	26 177	26 177	20 007	20 007
Caisse, banques centrales (actif et passif)	26 177	26 177	20 069	20 069
Comptes (actif et passif) et prêts/emprunts à vue auprès des établissements de crédit			(62)	(62)
Trésorerie et équivalent de trésorerie à la clôture	25 846	38 283	26 177	33 134
Caisse, banques centrales (actif et passif)	25 846	38 283	26 177	33 127
Comptes (actif et passif) et prêts/emprunts à vue auprès des établissements de crédit				7
VARIATION DE LA TRESORERIE NETTE	(331)	12 106	6 170	13 127

Aucune détérioration significative n'a eu de répercussions sur les perspectives de l'Émetteur depuis la date de ses derniers états financiers vérifiés et publiés.

		Aucun changement significatif de la situation financière ou commerciale de l'Émetteur n'est survenu depuis la fin de la dernière période financière au titre de laquelle des informations financières vérifiées ont été publiées.
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D. 3	Informations clés sur les principaux risques propres aux Titres	<p>Certains facteurs sont susceptibles d'affecter la capacité de l'Emetteur à remplir ses obligations relatives aux Titres devant être émis en vertu du Programme, notamment :</p> <ul style="list-style-type: none"> • Risques généraux relatifs aux Titres tels que : <ul style="list-style-type: none"> • Risques relatifs à l'évaluation de la pertinence d'un investissement <p>Les Titres peuvent ne pas être un investissement approprié pour tous les investisseurs, chaque investisseur potentiel devant déterminer, sur la base de son propre examen et avec l'intervention de tout conseiller selon les circonstances, l'opportunité d'un investissement dans les Titres au regard de sa situation personnelle.</p> • Risques relatifs à la légalité d'un achat <p>Ni l'Emetteur, ni le (les) Agents(s) Placeur(s), ni aucune de leurs sociétés affiliées respectives n'ont ou n'assument la responsabilité de la légalité de l'acquisition des Titres par un investisseur potentiel en vertu de toute loi qui lui serait applicable.</p> • Risques relatifs à des modifications, renoncations (<i>waivers</i>) et substitutions <p>Les modalités des Titres peuvent être modifiées en assemblée générale par une majorité définie de Porteurs s'imposant à tous les Porteurs y compris les Porteurs qui n'auraient pas participé et voté à l'assemblée générale et les Porteurs qui auraient voté dans un sens contraire à la majorité.</p> • Risques relatifs à un changement de loi ou de régulation <p>Les lois et règlements applicables aux Titres peuvent faire l'objet de modifications.</p> • Risques relatifs à la fiscalité <p>Les Porteurs peuvent devoir payer des impôts ou autres taxes ou droits selon la loi ou les lois et pratiques en vigueur dans le pays où les Titres seront transférés ou dans d'autres juridictions.</p> • Risques relatifs à la proposition de directive sur la taxe commune sur les transactions financières <p>Les transactions sur les Titres pourraient être soumises à la future taxe européenne sur les transactions financières.</p> • Risques relatifs aux retenues à la source – absence d'obligation de majoration <p>Si en vertu de toute loi, les paiements en principal ou en intérêts afférents à tout Titre devaient être soumis à un prélèvement ou à une retenue au titre de tout impôt ou taxe, l'Emetteur n'effectuerait aucun paiement additionnel. Par conséquent, le risque correspondant sera supporté par les Porteurs ou, lorsque cela est applicable, les porteurs de Coupons.</p> • Risques relatifs à la transposition de CRD IV <p>La transposition du dispositif CRD IV pourrait affecter la pondération des risques relatifs aux Titres pour certains investisseurs.</p> • Risques relatifs aux notations de crédit <p>Des agences de notation indépendantes peuvent attribuer une notation aux Titres émis dans le cadre du Programme. Une telle notation ne reflète pas l'impact potentiel des facteurs de risques qui peuvent affecter la valeur des Titres.</p> • Risques relatifs aux obligations garanties <p>Les obligations garanties pourraient faire l'objet d'une évolution future de la législation européenne.</p> <p>Le 12 mars 2018, la Commission Européenne a publié une proposition de directive et de règlement relatif à l'émission d'obligations garanties et la supervision des obligations garanties visant l'établissement d'un cadre de référence pour les obligations garanties dans l'Union Européenne dans le cadre du plan d'action de l'Union des Marchés de Capitaux. La directive proposée couvre en particulier les exigences pour l'émission des obligations garanties, les exigences pour la commercialisation des obligations garanties en tant qu' « obligations garanties européennes », les caractéristiques structurelles des</p>
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		<p>obligations garanties (composition des actifs, les dérivés, la liquidité...) et la supervision réglementaire. La réglementation proposée modifierait principalement l'article 129 du Règlement de l'Union Européenne N°575/2013 (Règlement sur les exigences de capital (CRR)) et ajouterait des exigences sur le niveau minimum de sur-collatéralisation et les actifs de substitution. Le niveau minimum de sur-collatéralisation serait fixé à 2% et 5% en fonction des actifs dans le <i>cover pool</i>, basé sur une méthode de calcul de l'encours nominal.</p> <p>Ces propositions continuent à faire l'objet de modifications par le Parlement Européen et le Conseil et devraient être adoptés en 2019. Si la directive proposée et le Règlement sont adoptés et sous réserve de leur mise en œuvre par chacun des Etats Membres de l'Union Européenne (et en particulier la France), l'émetteur et les obligations garanties pourront être impactés.</p> <ul style="list-style-type: none"> • Risques relatifs à la structure d'une émission particulière de Titres : <ul style="list-style-type: none"> • Risque relatifs aux Titres soumis à une option de remboursement exerçable par l'Emetteur <p>Les Titres peuvent faire l'objet d'un remboursement optionnel par l'Emetteur, ce qui pourrait impacter leur valeur de marché.</p> • Risques relatifs aux Titres à Taux Fixe <p>L'investissement dans des Titres portant intérêt à taux fixe comprend le risque que les changements postérieurs des taux d'intérêts sur le marché aient un impact défavorable significatif sur la valeur de tels Titres.</p> • Risques relatifs aux Titres à Taux Variable <p>La valeur de marché des Titres portant intérêt à taux variable peut être volatile.</p> • Risques relatifs aux Titres à Taux Fixe/Variable, aux Titres à Taux Fixe/Fixe et aux Titres à Taux Variable/Variable <p>La possibilité pour l'Emetteur de convertir le taux d'intérêt peut affecter le marché secondaire et la valeur de marché des Titres.</p> • Risques relatifs aux Titres émis assortis d'un escompte ou d'une prime substantiels <p>La valeur de marché de telles Titres émises significativement en dessous du pair ou assortis d'une prime d'émission significative a tendance à être plus sensible aux fluctuations des taux d'intérêts que des titres classiques.</p> • Risques relatifs aux Titres ayant une maturité <i>soft bullet</i> <p>Les Titres ayant une date de maturité extensible peuvent être remboursés après leur date d'échéance initiale.</p> • Risques relatifs au marché en général <ul style="list-style-type: none"> • Risques relatifs à la valeur de marché des Titres <p>La valeur de marché des Titres pourra être affectée par la qualité de crédit de l'Emetteur et par d'autres facteurs additionnels.</p> • Risques relatifs au marché secondaire en général <p>Un marché actif des Titres pourrait ne pas se développer ou se maintenir et les investisseurs pourraient ne pas être en mesure de céder facilement leurs Titres ou de les céder à un prix offrant un rendement comparable à des produits similaires pour lesquels un marché actif se serait développé.</p> • Risques de taux de change et contrôle des changes <p>L'Emetteur paie le principal et les intérêts des Titres dans la devise prévue dans les Conditions Définitives concernées. Cela présente certains risques relatifs à la conversion des devises si les activités financières d'un investisseur sont effectuées principalement dans une monnaie ou une unité monétaire différente de la devise des Titres.</p>
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		<ul style="list-style-type: none"> • Des considérations juridiques concernant les investissements pourront restreindre certains investissements Les activités d'investissement de certains investisseurs sont soumises aux lois et règlements sur les critères d'investissement, ou au contrôle ou à la supervision par certaines autorités qui doivent être pris en compte par de tels investisseurs avant d'investir dans les Titres. • Risques relatifs à l'émission d'obligations sécurisées de droit allemand en vertu du Programme Tous les Titres et toutes les obligations sécurisées de droit allemand viendront au même rang entre eux et, par conséquent, les produits des ressources bénéficiant du Privilège, seront affectées au pro rata au désintéressement de toutes sommes dues et exigibles à l'ensemble des Porteurs (en ce compris les porteurs d'obligations sécurisées de droit allemand). • Le règlement et la réforme des « indices de référence » peuvent affecter défavorablement la valeur des Titres liés à ou utilisant, de tels « indices de référence » ; Les taux d'intérêt et les indices qui sont réputés être des « indices de référence » font l'objet de récentes instructions et propositions réglementaires nationales et internationales en vue de leur réforme. Quelques-unes de ces réformes sont d'ores et déjà effectives alors que d'autres doivent encore être mises en œuvre. Ces réformes peuvent conduire les indices de référence à avoir une performance différente de celle qu'ils avaient par le passé, à disparaître entièrement ou avoir d'autres conséquences non prévisibles. L'une de ces conséquences pourrait avoir un effet matériel défavorable sur un Titre lié à, ou utilisant, de tels « indices de référence ». Le règlement (EU) 2016/1011 (le « Règlement Indices de référence ») a été publié au Journal officiel de l'Union Européenne le 29 juin 2016 et est entré en vigueur le 1^{er} janvier 2018. Le Règlement Indices de référence s'applique à la fourniture d'indices de référence, à la contribution de données sous-jacentes à un « indice de référence » et à son utilisation dans l'Union Européenne. Cela nécessitera, entre autres choses, (i) l'autorisation et l'enregistrement des administrateurs de l' « indice de référence » (ou s'ils ne sont pas basés dans l'Union Européenne leur soumission à un régime équivalent reconnu et approuvé) (ii) empêchera l'utilisation par des entités supervisées au sein de l'Union Européenne (tel que l'émetteur) d' « indices de référence » provenant d'administrateurs qui ne sont pas autorisés ou enregistrés (ou, s'ils ne sont pas basés dans l'Union Européenne, qui ne sont pas soumis à un régime équivalent ou reconnus ou approuvés). <p>Le Règlement Indices de référence pourrait avoir un impact matériel sur des Titres liés ou utilisant un « indice de référence », en particulier, si la méthodologie ou tout autre terme de l' « indice de référence » sont modifiés pour se conformer aux dispositions du Règlement Indices de référence. De telles modifications pourraient entraîner, entre autres choses, un effet de réduction, d'augmentation ou affecter la volatilité d'un taux publié ou du niveau de l' « indice de référence ».</p> <p>Plus généralement, les réformes nationales ou internationales, ou la surveillance réglementaire accrue des « indices de référence » pourrait accroître les coûts et risques de gestion ou de contribution à un « indice de référence » et de mise en conformité avec ces règles ou exigences. De tels facteurs peuvent avoir les effets suivants sur certains « indices de référence » : (i) dissuader les intervenants de marché de continuer à administrer ou à contribuer aux « indices de référence » ; (ii) engendrer des modifications dans les règles ou les méthodologies utilisés pour l' « indice de référence » ou (iii) conduire à la disparition de l' « indice de référence ». L'un quelconque de ces effets ou tout autre changement significatif résultant des réformes nationales ou internationales ou de toute autre initiative, pourrait avoir un effet matériel défavorable sur la valeur et le rendement des Titres liés à ou utilisant un « indice de référence ».</p> <p>Un investissement dans les Titres comporte certains risques qui sont importants dans l'évaluation des risques de marché associés aux Titres émis dans le cadre du Programme. Si tous ces risques constituent des éventualités susceptibles ou non de se produire, les investisseurs potentiels doivent savoir que les risques encourus en matière d'investissement dans les Titres peuvent aboutir à une volatilité et/ou une diminution de la valeur de marché de la Tranche des Titres concernée qui ne correspond plus aux attentes (financières ou autres) d'un investisseur qui a souscrit à ces Titres.</p> <p>Toutefois, chaque investisseur potentiel de Titres doit déterminer en se fondant sur son propre jugement et en faisant appel aux conseils de spécialistes s'il le juge nécessaire, si son acquisition de Titres correspond parfaitement à ses besoins financiers, ses objectifs et ses conditions, si cette acquisition est conforme et compatible avec toutes les politiques d'investissement, les directives et</p>
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		restrictions qui lui sont applicables et s'il s'agit d'un investissement qui lui convient, malgré les risques évidents et importants inhérents à l'investissement et à la détention de Titres.

RISK FACTORS

On top of page 58, the following risk factors are inserted above “B. Risks related to the structure of a particular issue of Notes”:

Covered Bonds could be subject to a future European legislation evolution

On 12 March 2018, the European Commission has published a proposal for a Directive and for a Regulation on the issue of covered bonds and covered bonds supervision, aiming for the establishment of a framework to enable a more harmonized covered bond market in the European Union as part of the Capital Markets Union action plan. The proposed Directive covers in particular requirements for issuing covered bonds, requirements for marketing covered bonds as “European Covered Bonds”, structural features of covered bonds (asset composition, derivatives, liquidity...) and regulatory supervision. The proposed Regulation would mainly amend Article 129 of Regulation (EU) N°575/2013 (Capital Requirements Regulation (CRR)) and would add requirements on minimum overcollateralization and substitution assets. The minimum overcollateralization would be set at 2% and 5% depending on the assets in the cover pool, based on a nominal calculation method.

These proposals remain subject to amendments by the European Parliament and Council and should be adopted in 2019. If the proposed Directive and Regulation are adopted and depending on the implementation by each of the member states of the European Union (and in particular France), the Issuer and the Covered Bonds may be impacted.

On top of page 59, the following risk factors are inserted above “C. Risks related to the market generally” :

The regulation and reform of “benchmarks” may adversely affect the value of Notes linked to or referencing such “benchmarks”

Interest rates and indices which are deemed to be “benchmarks” are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a “benchmark”. Regulation (EU) 2016/1011 (the “Benchmarks Regulation”) was published in the Official Journal of the EU on 29 June 2016 and applies from 1 January 2018. The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. It will, among other things, (i) require benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevent certain uses by EU supervised entities (such as the Issuer) of “benchmarks” of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmarks Regulation could have a material impact on any Notes linked to or referencing a “benchmark”, in particular, if the methodology or other terms of the “benchmark” are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the “benchmark”.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of “benchmarks”, could increase the costs and risks of administering or otherwise participating in the setting of a “benchmark” and complying with any such regulations or requirements. Such factors may have the following effects on certain “benchmarks”: (i) discourage market participants from continuing to administer or contribute to the “benchmark”; (ii) trigger changes in the rules or methodologies used in the “benchmark” or (iii) lead to the disappearance of the “benchmark”. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing a “benchmark”.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms in making any investment decision with respect to any Notes linked to or referencing a “benchmark”.

DOCUMENTS INCORPORATED BY REFERENCE

Section “Documents Incorporated by Reference” on page 62 of the Base Prospectus shall be entirely deleted and replaced by the following:

This Base Prospectus shall be read and construed in conjunction with the following documents which have been previously or simultaneously published and filed with the AMF and which are incorporated in, and shall be deemed to form part of, this Base Prospectus:

- a) the annual financial report of the Issuer for the year ended 31 December 2016 in the French language and prepared in accordance with French GAAP (together the “**2016 Annual Financial Report**”)
- b) the annual financial report of the Issuer for the year ended 31 December 2017 in the French language and prepared in accordance with French GAAP (together the “**2017 Annual Financial Report**”)
- c) the terms and conditions of the Notes contained (i) in the base prospectus of La Banque Postale Home Loan SFH dated 2 August 2013 from page 49 to page 73 (the “**2013 EMTN Conditions**”), (ii) in the base prospectus of La Banque Postale Home Loan SFH dated 10 June 2014 from page 92 to page 116 (the “**2014 EMTN Conditions**”), (iii) in the base prospectus of La Banque Postale Home Loan SFH dated 2 April 2015 from page 93 to page 118 (the “**2015 EMTN Conditions**”) and (iv) in the base prospectus of La Banque Postale Home Loan SFH dated 29 July 2016 from page 95 to 121 (the “**2016 EMTN Conditions**” and together with the 2013 EMTN Conditions, the 2014 EMTN Conditions and the 2015 EMTN Conditions, the “**EMTN Previous Conditions**”).

Any document incorporated by reference in this Base Prospectus may be obtained, without charge and upon request, at the principal office of the Issuer and the Paying Agent(s) as set out at the end of this Base Prospectus during normal business hours for so long as any of the Notes are outstanding. Such document will be published on the websites of (a) the AMF (www.amf-france.org) and (b) La Banque Postale Home Loan SFH (www.labanquepostale.com).

The information incorporated by reference in this Base Prospectus shall be read in connection with the cross reference list below, it being specified that the items “Off balance sheet statement” listed in the cross reference list below are considered as additional information which are not required by the relevant schedules of Regulation (EC) No 809/2004 of 29 April 2004 as amended. For the avoidance of doubt, the sections of the documents listed in paragraphs (a) to (b) which are not included in the cross-reference list below are not incorporated by reference in this Base Prospectus. The documents listed in paragraphs (c) are incorporated by reference in this Base Prospectus for the purpose only of further issues of Notes to be assimilated (*assimilées*) and form a single series with Notes already issued with the relevant EMTN Previous Conditions.

CROSS-REFERENCE LIST

Section "Cross-Reference List" on page 63 of the Base Prospectus shall be entirely deleted and replaced by the following:

INFORMATION INCORPORATED BY REFERENCE (Annex XI of the European Regulation 809/2004/EC as amended)	REFERENCE
11.FINANCIAL INFORMATION CONCERNING LA BANQUE POSTALE HOME LOAN SFH'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES	
2016 Annual Financial Report	
11.1 Management report	Page 3 to 20
11.1 Balance sheet	Page 21
11.1 Off balance sheet statement	Page 22
11.1 Profit and Loss Account	Page 23
11.1 Cash Flow Statement	Page 25
11.1 Accounting policies and explanatory notes	Page 26 to 44
11.3 Statutory auditor's Report	Pages 45 and 46
2017 Annual Financial Report	
11.1 Management report	Page 3 to 22
11.1 Balance sheet	Page 26
11.1 Off balance sheet statement	Page 27
11.1 Profit and Loss Account	Page 28
11.1 Cash Flow Statement	Page 29
11.1 Accounting policies and explanatory notes	Page 30 to 44
11.3 Statutory auditor's Report	Page 45 to 46

CONDITIONS ATTACHED TO THE CONSENT OF THE ISSUER TO USE THE PROSPECTUS

The section entitled "Conditions attached to the consent of the Issuer to use the Prospectus " on page 64 to 65 of the Base Prospectus is amended as follows:

- Paragraph 2(b) of the section "Conditions attached to the consent of the Issuer to use the Prospectus " on page 64 of the Base Prospectus is deleted and replaced by the following:

"(b) complies with the restrictions set out under "*Subscription and Sale*" in this Base Prospectus which would apply as if it were a Dealer and takes into account the relevant manufacturer's target market assessment and distribution channels identified under the "MiFID II product governance" legend set out in the relevant Final Terms;"

DESCRIPTION OF THE ISSUER

The sub-section "Financial Elements" of the section "Description of the Issuer" on pages 75 and seq. of the Base Prospectus shall be entirely deleted and replaced by the following:

Financial Elements

The financial year of the Issuer runs from 1 January to 31 December. The annual results of the Issuer shown in the documents incorporated by reference are the non-consolidated accounts. The Issuer prepares non-consolidated accounts and does not produce consolidated financial statements.

The Issuer produces investor reports which are available on its website (www.labanquepostale.com).

The tables below set out summary information extracted from the free English translation of the Issuer's audited statement of financial position as at 30 June 2016, 31 December 2016, 30 June 2017 and 31 December 2017 (French GAAP presentation):

Balance sheet

(€ '000s)	31/12/2017	30/06/2017	31/12/2016	30/06/2016
<u>ASSETS</u>				
CASH AND INTER-BANK TRANSACTIONS				
- Cash and central banks	15	15	14	7
- Government paper and similar securities	68 724	90 822	92 472	80 483
- Receivables from credit institutions and similar	4 981 753	4 916 540	3 712 502	3 717 639
EQUITY INVESTMENTS, HOLDINGS IN RELATED COMPANIES AND OTHER LONG-TERM SECURITIES				
- Equity investments and other long-term holdings in securities				8
ACCRUALS AND OTHER ASSETS				
- Other Assets	10	51	40	41
- Accruals	239	97	216	77
TOTAL	5 050 741	5 007 525	3 805 244	3 798 255
<u>LIABILITIES</u>				
INTER-BANK TRANSACTIONS AND SIMILAR				
- Liabilities due to credit institutions				
DEBT SECURITIES				
- Bonds and similar	4 813 380	4 767 430	3 565 359	3 564 180
ACCRUALS AND OTHER LIABILITIES				
	25 965	29 805	25 423	20 446
PARENT COMPANY SHAREHOLDERS' EQUITY (EXCLUDING GBRF)				
- Subscribed capital	210 000	210 000	210 000	210 000
- Reserves	223	223	155	155
- Retained earnings			2 954	2 954
- Profit (loss) for the period	1 173	67	1 353	520
TOTAL	5 050 741	5 007 525	3 805 244	3 798 255

Off balance sheet statement				
(€ '000s)	31/12/2017	30/06/2017	31/12/2016	30/06/2016
Financing and guarantee commitments and commitments on securities given				
Financing commitments				
to credit institutions				
to customers				
Guarantees				
to credit institutions				
to customer				
Commitments on securities				
deliverable securities				
Financing and guarantee commitments and commitments on securities received				
Financing commitments				
from credit institutions				
from customers				
Guarantees				
from credit institutions				
from customers				
Commitments on securities				
securities receivable				
Other commitments given and received				
Other commitments given				
Other commitments received	8 490 145	7 854 949	6 473 914	6 508 599

Profit and loss				
(€ '000s)	31/12/2017	30/06/2017	31/12/2016	30/06/2016
INTEREST AND SIMILAR INCOME				
- Cash and inter-bank transactions	65 793	31 073	58 950	29 207
- Bonds and other fixed-income securities	1 250	676	1 244	626
INTEREST AND SIMILAR EXPENSES				
- Bonds and other fixed-income securities	(63 105)	(29 792)	(56 406)	(27 954)
COMMISSIONS (EXPENSES)	(11)	(6)	(10)	(5)
GAINS OR LOSSES ON ASSETS AVAILABLE FOR SALE	362			
OTHER BANK OPERATING INCOME			7	7
OTHER BANKING OPERATING EXPENSES	(36)	(25)	(41)	(36)
NET BANKING INCOME	4 253	1 926	3 744	1 845
GENERAL OPERATING EXPENSES				
- Other general operating expenses	(2 125)	(1 473)	(1 550)	(922)
GROSS OPERATING INCOME	2 128	453	2 194	923
COST OF RISK				
OPERATING INCOME	2 128	453	2 194	923
GAINS OR LOSSES ON DISPOSALS				
PRE-TAX INCOME	2 128	453	2 194	923
NON-RECURRING ITEMS				
INCOME TAX	(955)	(386)	(841)	(403)
NET ALLOCATION TO GBRF AND REGULATED PROVISIONS				
PARENT COMPANY NET INCOME	1 173	67	1 353	520
PARENT COMPANY NET EARNINGS PER SHARE (in K€)	0,00006	0,00000	0,00006	0,00002

Cash flow statement				
(€ '000s)	31/12/2017	30/06/2017	31/12/2016	30/06/2016
Pre-tax income	2 128	453	2 194	923
+/- Net depreciation and amortisation of tangible and intangible non-current assets				
+/- Net provisions and impairment charges				
+/- Net losses or gains on investment activities				
+/- Net losses or gains on financing activities				
+/- Other movements	(7 530)	(7 785)	(818)	(384)
= Total non-cash items included in net pre-tax income and other adjustments	(7 530)	(7 785)	(818)	(384)
+/- Cash flows relating to transactions with credit institutions	(1 263 750)	(1 190 716)	(515 324)	(513 788)
+/- Cash flows relating to customer transactions				
+/- Cash flows relating to other transactions that have an impact on financial assets or liabilities	1 273 465	1 210 291	516 022	526 689
+/- Cash flows relating to other transactions that have an impact on non-financial assets or	418	266	5 136	304
- Taxes paid	(823)	(403)	(1 048)	(617)
= Net increase/decrease in assets and liabilities from operating activities	9 310	19 438	4 786	12 588
TOTAL NET CASH GENERATED BY OPERATING ACTIVITIES (A)	3 908	12 106	6 162	13 127
+/- Flows linked to financial assets and investments			8	
+/- Flows linked to tangible and intangible non-current assets				
TOTAL NET CASH GENERATED BY INVESTMENT ACTIVITIES (B)	-	-	8	-
+/- Cash flows from or to shareholders	(4 239)			
+/- Flows linked to investment properties				
+/- Other net cash flows from financing activities				
TOTAL NET CASH GENERATED BY FINANCING ACTIVITIES (C)	(4 239)	-	-	-
IMPACT OF CHANGES IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS (D)	-	-	-	-
Net increase (decrease) in cash and cash equivalents (A+B+C+D)	(331)	12 106	6 170	13 127
Net cash flows generated by operating activities (A)	3 908	12 106	6 162	13 127
Net cash flows generated by investment activities (B)			8	
Net cash flows generated by financing activities (C)	(4 239)			
Impact of changes in exchange rates on cash and cash equivalents (D)				
Opening cash and cash equivalents	26 177	26 177	20 007	20 007
Cash and central banks (assets and liabilities)	26 177	26 177	20 069	20 069
Current accounts (assets and liabilities) and overnight loans with credit institutions			(62)	(62)
Closing cash and cash equivalents	25 846	38 283	26 177	33 134
Cash and central banks (assets and liabilities)	25 846	38 283	26 177	33 127
Current accounts (assets and liabilities) and overnight loans with credit institutions				7
CHANGE IN NET CASH	(331)	12 106	6 170	13 127

The sub-section "Covered notes" of the section "Description of the Issuer" on pages 78 of the Base Prospectus shall be entirely deleted and replaced by the following:

Covered notes

Since 1st January 2018, the Issuer has issued 1 001 million euros of covered notes, bringing the total amount of outstanding covered notes to 5.8 billion euros as 18.06.2018.

FORM OF FINAL TERMS 1

The Section "Form of Final Terms 1" on pages 110 to 123 of the Base Prospectus is amended as follows:

- On pages 110 of the Base Prospectus, the following paragraphs (along with the footnotes included below) are inserted under the title Form of Final Terms:

¹[**MIFID II product governance / Retail investors, professional investors and ECPs** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes, taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018, has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, professional clients and retail clients, each as defined in [Directive 2014/65/EU (as amended, "**MiFID II**")][MiFID II]; **EITHER**² [and (ii) all channels for distribution of the Notes are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services] **OR**³ [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate - investment advice[, / and] portfolio management[, / and][non-advised sales][and pure execution services][, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]]. [**Consider any negative target market**⁴] Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer[']s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[']s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]⁵.]"

On page 121, part B, item 9 of the "Form of Final Terms I" is deleted and replaced by:

"9 [FLOATING RATE NOTES ONLY – HISTORIC INTEREST RATES, DESCRIPTION OF THE UNDERLYING, MARKET OR SETTLEMENT DISRUPTION AND ADJUSTMENT RULES

(i) Historic interest rates : Details of historic [LIBOR/EURIBOR/EONIA/CMS Rate/TEC10] rates can be obtained from [Reuters].]

(ii) [Benchmarks: Amounts payable under the Notes will be calculated by reference to [EURIBOR/EONIA] which is provided by [●]. As at [●],[●] [appears/does not appear] on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) 2016/2011) (the "**Benchmarks Regulation**"). [As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmarks

¹ Legend to be included on front of the Final Terms if following the ICMA 2 approach.

² Include for bonds that are not ESMA complex.

³ Include for certain ESMA complex bonds. This list may need to be amended, for example, if advised sales are deemed necessary. If there are advised sales, a determination of suitability will be necessary. In addition, if the Notes constitute "complex" products, pure execution services are not permitted to retail without the need to make the determination of appropriateness required under Article 25(3) of MiFID II.

⁴ A programme which only envisages vanilla issuance is unlikely to require a negative target market placeholder. If a negative target market is deemed necessary, wording along the following lines could be included: "The target market assessment indicates that Notes are incompatible with the needs, characteristic and objectives of clients which are [fully risk averse/have no risk tolerance or are seeking on-demand full repayment of the amounts invested]."

⁵ If the Notes constitute "complex" products, pure execution services are not permitted to retail without the need to make the determination of appropriateness required under Article 25(3) of MiFID II. If there are advised sales, a determination of suitability will be necessary.

Regulation apply, such that [●] is not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).]]”

FORM OF FINAL TERMS 2

The Section "Form of Final Terms 2" on pages 124 to 135 of the Base Prospectus is amended as follows:

- On pages 125 of the Base Prospectus, the following paragraphs (along with the footnotes included below) are inserted under the title Form of Final Terms:

PROHIBITION OF SALES TO EEA RETAIL INVESTORS - The Notes are not intended to be offered, sold or otherwise made available to and, with effect from such date, should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); (ii) a customer within the meaning of Directive 2002/92/EC ("**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC, as amended (the "**Prospectus Directive**"). Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

"**[⁶MIFID II product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes, taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018, has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, "**MiFID II**")] [MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [**Consider any negative target market**⁷] Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer[s/s] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[s/s] target market assessment) and determining appropriate distribution channels.]

- On page 134, part B, item 7 of the "Form of Final Terms II" is deleted and replaced by:

"7 [FLOATING RATE NOTES ONLY – HISTORIC INTEREST RATES, DESCRIPTION OF THE UNDERLYING, MARKET OR SETTLEMENT DISRUPTION AND ADJUSTMENT RULES

(i) Historic interest rates : Details of historic [LIBOR/EURIBOR/EONIA/CMS Rate/TEC10] rates can be obtained from [Reuters].]

(ii) [Benchmarks: Amounts payable under the Notes will be calculated by reference to [EURIBOR /EONIA] which is provided by [●]. As at [●], [●] [appears/does not appear] on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the Benchmarks Regulation (Regulation (EU) 2016/2011) (the "**Benchmarks Regulation**"). [As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that [●] is not currently required to obtain

⁶

Legend to be included on front of the Final Terms if following the ICMA 1 "all bonds to all professionals" target market approach.

⁷ A programme which only envisages vanilla issuance is unlikely to require a negative target market placeholder. If a negative target market is deemed necessary, wording along the following lines could be included: "The target market assessment indicates that Notes are incompatible with the needs, characteristic and objectives of clients which are [fully risk averse/have no risk tolerance or are seeking on-demand full repayment of the amounts invested]."

authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).]]]"

TAXATION

The paragraph "French Taxation" set out in section "Taxation" on page 136 of the Base Prospectus shall be entirely deleted and replaced by the following:

The following is an overview of certain tax considerations that may be relevant to Noteholders who do not concurrently hold shares of the Issuer.

- (a) Payments of interest and other revenues made by the Issuer with respect to the Notes will not be subject to the withholding tax set out under article 125 A III of the French General Tax Code (*Code général des impôts*) unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of article 238-0 A of the French General Tax Code (*Code général des impôts*) (a "**Non-Cooperative State**"). If such payments under the Notes are made in a Non-Cooperative State, a 75% withholding tax will be applicable (subject to certain exceptions and to the more favourable provisions of any applicable double tax treaty) by virtue of article 125 A III of the French General Tax Code (*Code général des impôts*).

Notwithstanding the foregoing, the 75% withholding will not apply in respect of the issue of the Notes if the Issuer can prove that the principal purpose and effect of such issue of Notes were not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the "**Exception**"). Pursuant to official guidelines issued by the French tax authorities (*Bulletin Officiel des Finances Publiques*) under the references BOI-INT-DG-20-50-20140211, no. 990, BOI-RPPM-RCM-30-10-20-40-20140211, no. 70, BOI-IR-DOMIC-10-20-20-60-20140211, no. 10 and, an issue of Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of the issue of the Notes if such Notes are:

- (i) offered by means of a public offer within the meaning of article L.411-1 of the French Monetary and Financial Code (*Code monétaire et financier*) or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or
- (ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or
- (iii) admitted, at the time of their issue, to the clearing operations of a central depository or of a securities clearing and delivery and payments systems operator within the meaning of article L.561-2 of the French Monetary and Financial Code (*Code monétaire et financier*), or of one or more similar foreign depositories or operators provided that such depository or operator is not located in a Non-Cooperative State.

Furthermore, pursuant to article 238 A of the French General Tax Code (*Code général des impôts*), interest and other revenues on such Notes are, *inter alia*, not deductible from the Issuer's taxable income, if they are paid or accrued to persons domiciled or established in such a Non-Cooperative State or paid to such a Non-Cooperative State. Under certain conditions, any such non-deductible interest and other revenues may be recharacterised as constructive dividends pursuant to article 109 *et seq.* of the French General Tax Code (*Code général des impôts*), in which case such non-deductible interest and other revenues may be subject to the withholding tax set out under article 119 *bis* 2 of the French General Tax Code (*Code général des impôts*), at a rate of (i) 12.8% for payments benefitting to individuals who are not fiscally domiciled (*domiciliés fiscalement*) in France, (ii) 30% until 31 December 2019, 28% as from 1 January 2020, 26.5% as from 1 January 2021, 25% as from 1 January 2022 for payments benefitting to legal persons which are not fiscally domiciled (*domiciliés fiscalement*) in France, (iii) 75% for payments made in a Non-Cooperative State, subject in any case to the more favourable provisions of any applicable double tax treaty.

However, neither the non-deductibility set out under article 238 A of French General Tax Code (*Code général des impôts*), nor the withholding tax set out under article 119 *bis* 2 of the French General Tax Code (*Code général des impôts*) will apply in respect of the Notes if the Issuer can prove that it can benefit from the Exception and that the relevant interest or revenues relate to genuine transactions and are not in an abnormal or exaggerated amount. Pursuant to the official regulation issued by French tax authorities (*Bulletin Officiel des Finances Publiques*) under the references BOI-INT-DG-20-50-20140211, no. 550, the issue of the Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of the issue of the Notes since the Notes qualify to one of the three above-mentioned conditions.

- (b) Pursuant to 125 A of the French General Tax Code (*Code général des impôts*) and subject to certain exceptions, interest and other revenues received as from 1 January 2018 under the Notes by individuals who are fiscally

domiciled (*domiciliés fiscalement*) in France are subject to a 12.8% withholding tax. This withholding tax is an advance payment made in respect of the personal income tax of the individual receiving the interest or revenue, which is deductible from his personal income tax liability in respect of the year during which this withholding has been made; if the amount of this withholding exceeds the amount of personal income tax due, the excess is refundable. Social contributions (CSG, CRDS and other related contributions) are also levied by way of withholding at an aggregate rate of 17.2% on interest and similar revenues paid by the Issuer under the Notes, to individuals who are fiscally domiciled (*domiciliés fiscalement*) in France.

SUBSCRIPTION AND SALE

The following paragraph "Prohibition of Sales to EEA Retail Investors" shall be inserted on the top of page 139 of the Base Prospectus before paragraph "United States of America":

Prohibition of Sales to EEA Retail Investors

Unless the Final Terms in respect of any Notes include a legend entitled "Prohibition of Sales to EEA Retail Investors", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
 - (ii) a customer within the meaning of IMD, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined the Prospectus Directive; and
- (b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

GENERAL INFORMATION

The Section "General Information" on pages 145 and seq of the Base Prospectus is amended as follows:

- (a) The paragraph (4) of General Information on page 145 of the Base Prospectus is deleted in its entirety and replaced by the following:

"Except as disclosed in this Base Prospectus, there has been no significant change in the financial or trading position of the Issuer or in the results of operations of the Issuer since 31 December 2017."

- (b) The paragraph (5) of General Information on page 145 of the Base Prospectus is deleted in its entirety and replaced by the following:

"Except as disclosed in this Base Prospectus, there has been no material adverse change in the prospects of the Issuer since the 31 December 2017".

- (c) The paragraph (10) of General Information on page 146 of the Base Prospectus is deleted in its entirety and replaced by the following:

PriceWaterhouseCoopers Audit (represented by Jacques Lévi, 63 rue de Villiers, 92208 Neuilly sur Seine Cedex) and KPMG Audit FS I (represented by Marie-Christine Jolys – Tour Eqho – 2, avenue Gambetta – CS 60055 – 92200 Neuilly sur Seine), the Issuer's statutory auditors are registered with the Compagnie Nationale des Commissaires aux Comptes (National Association of Statutory Auditors) and subject to the authority of the Haut Conseil du Commissariat aux Comptes (French High Council of Statutory Auditors). PriceWaterhouseCoopers Audit and KPMG Audit FS I have audited and rendered unqualified audit reports on the non-consolidated financial statements of the Issuer for the fiscal years ended 31 December 2016 and 31 December 2017

- (d) The following paragraph 17 is added at the end of page 147 of the Base Prospectus :

"14. Amounts payable under the Notes may be calculated by reference to EURIBOR or EONIA which are respectively provided by the European Money Markets Institute ("**EMMI**") and European Banking Federation ("**EBF**"). As at the date of this Base Prospectus, EMMI and EBF do not appear on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of Regulation (EU) 2016/1011 dated 8 June 2016 (the "**Benchmark Regulation**"). As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmark Regulation apply, such that EMMI and EBF are not currently required to obtain authorisation or registration.

A statement will be included in the applicable Final Terms as to whether or not EMMI or EBF, as the case may be, is included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority under Article 36 of the Benchmarks Regulation.

PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE SECOND SUPPLEMENT

In the name of the Issuer

After having taken all reasonable measures in this regard, I hereby certify that the information contained or incorporated by reference in this Second Supplement is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

Paris, 26 June 2018

LA BANQUE POSTALE HOME LOAN SFH

115, rue de Sèvres
75275 Paris Cedex 06
France

Duly represented by Stéphane Magnan
in its capacity as Chief Executive Officer of the Issuer



In accordance with Articles L.412-1 and L.621-8 of the French *Code monétaire et financier* and with the Regulations (*Règlement général*) of the *Autorité des marchés financiers* ("AMF"), in particular Articles 212-31 to 212-33, the AMF has granted to this Second Supplement the visa no. 18- 264 on 26 June 2018. This Second Supplement was prepared by the issuer and its signatories assume responsibility for it.

In accordance with Article L.621-8-1-I of the French *Code monétaire et financier*, the visa was granted following an examination by the AMF of "whether the document is exhaustive and comprehensible, and whether the information it contains is consistent. It does not imply that the AMF has approved the appropriateness of the transaction or authenticated the accounting and financial information presented herein.

Pursuant to Article 212-32 of the General Regulations (*Règlement général*) of the AMF, this document may only be used for the purposes of a financial transaction if completed by Final Terms.