



RESULTS¹ AND BUSINESS ACTIVITY OF LA BANQUE POSTALE GROUP
First Half 2019

Growing activity in all markets. Resilient results in a very unfavourable interest rates environment

Resilient results	A solid balance sheet	Strong activity
<p>NBI: €2,850 million (-2.6%) €2,822 million (-3.0%) (excl. PEL/CEL effect) €2,889 million (-1.3%) (excl. cap effect on banking incident charges)</p> <p>Operating expenses⁽²⁾: €2,353 million (-0.7%)</p> <p>Cost / income ratio: 83.2% (+ 1.8pt)</p> <p>Cost of risk: €41 million A low Retail Banking credit risk at 7bp</p> <p>Net income, Group share: €422 million (+0.1%)</p>	<p>CET1 ratio: 12.7%</p> <p>Total Capital ratio: 15.8%</p> <p>Estimated leverage ratio³: 3.8% 4.3% excl. centralised savings</p> <p>Liquidity coverage ratio (LCR): 161%</p> <p>The short- and long-term ratings of La Banque Postale remained the same over the six-month period:</p> <p>Fitch: A- / F1 Stable outlook S&P: A / A-1 Positive outlook</p>	<p>A well-oriented business dynamic in Retail Banking</p> <p>Outstandings loans- individuals: + 7% Outstandings loans- private and public corporates: +36.3% Balance sheet savings: + 2.8% Number of new customers: + 13.8%</p> <p>An increase in the Insurance contribution</p> <p>Number of contracts in the P&C portfolio: +3.8% Gross collect in life insurance: +11%</p> <p>An Asset Management Division in growth</p> <p>Assets under management: +2.6%</p>

Project of a large public financial group

The project of a large general-interest public financial group has made significant steps forward:

- 4 June 2019: Group BPCE and La Banque Postale have launched discussions to expand their industrial partnership Project confirmed on 26 July with a target date for implementation in H1 2020;
- 25 June 2019: decision by the French Financial Markets Authority (AMF) to grant a derogation from the mandatory public takeover bid on CNP Assurances shares, a decision that was not appealed;
- 17 July 2019: the Supervisory Committee of Caisse des Dépôts approved the operation with La Poste;
- 31 July 2019: signing of the binding agreement between the French State, Caisse des Dépôts, La Poste and La Banque Postale, paving the way for a full consolidation at the beginning of 2020.

A civic bank committed to serving each and all

The Banque Postale, the bank of all, reaffirmed at the 3rd "Assises de la Banque Citoyenne" its citizen commitments and in accordance with its public service mission, continues its action in favour of banking inclusion.

The Banque Postale, a player committed to financing the ecological transition, successfully issues its first "green" bond.

La Banque Postale has been ranked first in the "Retail & Specialised Banks" group by the non-financial credit rating agency Vigeo-Eiris⁴.

¹ Unless otherwise stated, all changes are expressed as compared to 30 June 2018

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

³ The Bank's leverage ratio, in application of the European Central Bank's decision of May 2019, is calculated excluding 50% of the centralised savings

⁴ 2019 ranking

La Banque Postale's Supervisory Board meeting of 30 July, chaired by Philippe Wahl, reviewed the consolidated financial statements for first half 2019, approved by the Executive Board of La Banque Postale and presented by its Chairman Rémy Weber.

Highlights of the first half of 2019

Rémy Weber: *“the economic environment in the first half of 2019 was marked by a spectacular drop in the long-term interest rates of the core eurozone countries, which are now in negative territory. In this context, our increasingly diversified model, while being socially responsible, has shown its solidity. Our project to create a large public financial entity has achieved significant milestones, opening up prospects for development to serve our customers and the general interest”.*

THE PROJECT OF A LARGE GENERAL-INTEREST PUBLIC FINANCIAL ENTITY HAS MADE SIGNIFICANT STEPS FORWARD

This project has a strong industrial ambition at the service of the country and the territories. Reinforced, La Banque Postale, in charge of the public mission of banking accessibility, will continue to guarantee access to banking services for all and will continue to provide support to financially fragile clients and to combat exclusion from banking.

Several key milestones were achieved in the first half of 2019:

- on 4 June 2019, the BPCE Group and La Banque Postale began discussions to deepen and extend their industrial partnership, in particular in asset management by bringing together the euro fixed-income management activities of Ostrum AM and LBPAM within a shared platform;
- on 11 June 2019, the State, Caisse des Dépôts, La Poste and La Banque Postale signed a non-binding memorandum of understanding;
- on 25 June 2019, the AMF granted an exemption from a takeover bid on CNP Assurances shares and La Banque Postale denounced the shareholders' agreement relating to CNP Assurances and concluded with the State, Caisse des Dépôts and La Poste;
- on 17 July 2019, the Commission de Surveillance de la Caisse des Dépôts approved the operation between the French State, Caisse des Dépôts and La Poste;
- on 26 July 2019, BPCE Group and La Banque Postale confirmed that they had made progress in their discussions to extend their industrial partnership, with a target of completion first half of 2020.
- on 31 July 2019, signing of the binding agreement between the French State, Caisse des Dépôts, La Poste and La Banque Postale which paves the way for a consolidation by global integration in early 2020.

INNOVATION AND DIGITALISATION AT THE SERVICE OF EACH AND ALL

At the heart of the French fintech and assurtech ecosystem, La Banque Postale launched its platform58 incubator in the first half of 2019, whose objective is to promote innovation within the group and to design the banking insurance offers and services of tomorrow for all our customers, integrating the latest technologies.

La Banque Postale organizes a hundred Kisskissdating events in 2019 all over France, in order to make known the crowdfunding and the offer of its subsidiary Kisskissbankbank, but also to meet customers, prospects and potential project initiators.

To accelerate the digitalization of its offer, La Banque Postale has multiplied innovations in offers and banking services, in partnership with fintechs and insurance companies. La Banque Postale has launched Pass Patrimoine, a new online personalized offer dedicated to its wealthy clients, which provides them with a range of services adapted to wealth management issues (real estate, financial or tax engineering). As part

of this offer, clients can benefit from assistance in preparing for retirement, thanks to the tool deployed by fintech Sapiendo-Retraite.

In the field of insurance, La Banque Postale, associated with assurtech +Simple, has created a new complementary group health insurance offer for professionals with a digitalized customer experience.

The digitalisation process of our products and services has accelerated, with more than one billion visits p.a. to the Website and the Mobile App; new app features for individuals); creation of the app and redesign of the online bank for corporates, enhanced operational security for all clients with Certicode +. As a result of these developments, more and more customers are connecting to online banking and mobile: over the past 12 months, 9.8 million separate customers have logged on at least once in their space.

Finally, La Banque Postale has launched Ma French Bank, its 100% mobile bank, which has been available to customers throughout the country since 22 July.

Innovation is also being implemented at the operational level with the deployment of the "Excellence 2020" programme and the new banking IT base of La Banque Postale. This programme has already made it possible to achieve major efficiency gains through the automation of management operations and the robotization of certain processes.

LA BANQUE POSTALE CONFIRMS ITS CIVIC COMMITMENT

In the first half of 2019, the extra-financial rating agency Vigeo-Eiris placed La Banque Postale at the forefront of the Retail & Specialised Banks group, thereby recognizing its environmental and societal commitments.

La Banque Postale relies on a strong mobilization of employees. They are trained through the *Ecole de la Banque et du Réseau*, which delivered 150,924 training days in the first half of 2019. In addition, to accelerate the digital transformation of business lines, a digital training program has been set up for 40,000 employees.

Invested with a public mission of banking accessibility, La Banque Postale continues its efforts in favour of inclusion and social cohesion by offering essential banking services to more than 1.5 million people in a situation of banking exclusion all over the country. La Banque Postale is also continuing its efforts to promote digital and banking inclusion, by deploying a plan in several hundred post offices to detect and support people who are having difficulty with digital usage. **In addition, La Banque Postale has delivered on its commitments to the Government and introduced measures in 2019 in favour of purchasing power. There were no rate increases in 2019 for individual customers⁵, and 1.6 million customers in financial fragility have been capped in payment incident charges since January 1.**

Wishing to accompany freelance workers as well, La Banque Postale has launched an account plan for less than 10 euros, covering operating costs and a remote Internet banking service.

Firmly committed to the environment, La Banque Postale is the first bank to show carbon neutrality and not to finance fossil energy extraction projects.

Becoming a regular issuer in the green, social and sustainable bond market, supporting customers in their energy renovation process and developing green financing solutions is a strong demand of La Banque Postale. This requirement was reflected in particular by the **success of its first green bond**, a senior non-preferred issue of 750 million euros and 10-year maturity, for which the order book was oversubscribed more than 3.3 times.

The Banque Postale has also signed a framework agreement with the European Investment Bank for the development of renewable energies (photovoltaic and wind power plants) in France. With this agreement, La Banque Postale strengthens its role as a key player in financing the energy transition all over the country. Its Corporate and Investment Bank **financed nearly 1.4 billion euros in the renewable energy sector in the first half of 2019**, up 26.6% compared to the first half of 2018. In addition, as part of its partnership with SFIL, La Banque Postale has launched a green loan program for local public sector to finance projects to clean up or recycle waste.

⁵ 1.6 million financially fragile people in 2019 are customers of La Banque Postale out of 3.4 million identified by OIB in 2018.

Finally, its crowdfunding subsidiary Lendopolis financed renewable energy projects for 11.2 million euros in the first half of 2019.

In asset management, La Banque Postale Asset Management (LBPAM) is continuing the transition of all its outstanding assets into SRI management, or 150 funds by the end of 2020, based on a clear and demanding public framework. 51% of assets already meet the target. Several open funds were launched in the first half of the year, including LBPAM Green Bond Flexible. Finally, LBPAM formalized its policy of exclusion from coal by choosing an innovative stance and aligned with the objective of the Paris Agreement to limit global warming to +1.5°.

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Business activity and results of the La Banque Postale Group

Consolidated income statement (in € millions):

Main items on the income statement	H1 2019	H1 2018	%
Net Banking Income	2,850	2,926	-2.6
Net Banking Income excl. PEL/CEL effect	2,822	2,910	-3.0
Operating expenses	2,353	2,369	-0.7
Gross operating income	497	558	-10.9
Cost of risk	41	49	-15.7
Operating income	455	508	-10.5
Equity method CNP Assurances and AEW Europe*	136	131	+4.1
Pre-tax income	591	639	-7.5
Income tax	162	198	-18.0
Net income, Group share	422	422	+0.1
Cost-income ratio	83.2	81.4	+1.8 point

*essentially CNP Assurances, and AEW for €1.8 million

Despite very low real rates, consolidated Net Banking Income amounted to 2,850 million euros, a limited decrease of 2.6% compared to 30 June 2018. Excluding PEL/CEL effect, the decrease was 3%. Excluding a cap on bank incident fees, NBI reached 2,889 million euros (-1.3%).

While continuing its ambitious transformation program and the development of its subsidiaries, La Banque Postale has kept **its management costs under control, which are down from 0.7% to 2,353 million euros.**

The Group's gross operating income was 497 million euros (-10.9%) and the cost-to-income ratio for the first half of the year was 83.2% (+1.8 points).

The cost of risk is down 15.7% to a very low level of EUR 41 million. Compared to Retail Banking's credit outstandings, its level is low at 7 bps⁶.

The share of income of equity-accounted companies rose by 4.1% to 136 million euros over the six-month period.

Current income before taxes was 591 million euros, down 7.5% over the period.

Net income, Group share remained stable over the six-month period and reached 422 million euros.

⁶ Annualised cost of risk

Balance sheet and financial structure of the La Banque Postale group

The consolidated balance sheet at 30 June 2019 amounted to 263 billion euros, compared with 245 billion euros at 1 January 2018, an increase of 18 billion euros

La Banque Postale has a solid financial structure. Total regulatory capital was €11.8 billion:

- La Banque Postale's CET 1 ratio stands at 12,7%, up 1 point from end-December 2018 due to the conversion into shares of the €800 million of AT1 bonds issued in 2013 and wholly owned by La Poste;
- La Banque Postale's total capital ratio reaches 15.8%, down 0.4 percentage points from December 2018;
- the estimated leverage ratio of La Banque Postale, in accordance with the May 2019 decision of the European Central Bank, amounts to 3.8%. Excluding centralized deposits at CDC, it stands at 4.3%.

La Banque Postale confirms a comfortable liquidity position:

- the LCR ratio reached 161% against 145% at 31 December 2018, up 16 points;
- the loan-to-deposit ratio is down 1.2 percentage points to 85.2% from December 2018.

In addition to issuing a green bond in a non-preferred senior format, La Banque Postale also issued a debt in senior preferred format for 750 million euros at 2026 maturity. The success of this issuance resulted in a 2.2x oversubscription rate, reflecting investors' confidence in La Banque Postale's signature and confirming the strength of its access to capital markets.

Retail banking⁷

(€ millions)	H1 2019	H1 2018	%
Net Banking Income	2,596	2,707	-4.1
Operating expenses	2,242	2,257	-0.6
Gross operating income	354	450	-21.4
Cost of risk	41	49	-15.7
Operating income	312	401	-22.1

Retail banking results

A 1.9% increase in outstanding savings

In a context of historically low interest rates, the *Livret A* regulated savings account, whose rate of pay has been set at 0.75% since August 2015, remains very attractive. As a result, *Livret A*'s outstandings increased by 1 billion euros (+1.6%) to 62 billion euros. Overall, regulated savings outstandings (*Livret A*, *Livret d'Épargne Populaire* and *Livret Développement Durable et Solidaire*) increased by 1.5% to 83.6 billion euros at 30 June 2019.

Demand deposits showed a clear increase over the six-month period (+7.5%) to reach 69.5 billion euros. Both retail deposits (up 5.5%) and corporate deposits (+24.2%) rose to respectively €60.9 billion and €8.6 billion.

The increase in life insurance outstandings was 0.9%, reaching €126.5 billion. The commercial dynamic is good with gross inflows up 11% to 4.6 billion euros.

BPE's managed savings outstandings increased by 9.6% to reach the €9 billion mark. Overall, customer savings outstandings increased by 6 billion euros to 322.5 billion euros at 30 June 2019, an increase of 1.9% over the period.

A 7% increase in outstanding loans to individuals

Outstanding loans to individuals rose by a total of 7% to EUR 68.8 billion, including EUR 61.8 billion for real estate loans (+ 4.7% over the period) and EUR 5 billion for consumer loans (+ 3.2%).

The production of real estate loans reached 5.6 billion euros over the six-month period in a context of market stabilization.

The production of consumer loans, at 1.3 billion euros, continued its growth (+ 3.8%). Personal loans via the internet or remote platform remain high and now account for 38% of total production.

With regard to BPE, the trend in total outstanding loans remained well oriented to reach 3.2 billion euros (+9.3%).

A sustained Business financing activity

Credit production continued to rise over the period, reaching 16 billion euros (+73.9%), with a very good increase in factoring (€6.3 billion in sales purchased versus €0.9 billion in the first half of 2018).

Outstanding loans continued to increase to 29.9 billion euros, an increase of 36.3% compared to 30 June 2018. They are broken down as follows: €20.2 billion in loans to businesses, very small businesses and professionals (an increase of +49%) and €9.7 billion in loans to the local public sector and social lessors (up +15.8%).

⁷ Changes are expressed as compared to 30 June 2018

Retail Banking's financial results

Retail Banking's Net Banking Income was 2,596 million euros, down 4.1%. Restated for PEL/CEL effect, the decrease was 4.6%. Excluding a cap on bank incident fees, Net Banking Income reached 2,635 million euros (down 2.7%). The net interest margin (NIM), restated for PEL/CEL effect) decreased by 6% over the period, and commissions by 2.1% to 1,148 million euros.

Retail Banking's operating expenses decreased slightly from 0.6% to 2,242 million euros.

The cost of risk was at a very low level of 41 million euros (7 bps compared to the credit outstandings of Retail Banking), and down 8 million euros compared to the first half of 2018.

Retail Banking's operating income amounted to 312 million euros.

Asset management

Asset management (€ millions)*	H1 2019	H1 2018	%
Net Banking Income	74	74	-0.7
Operating expenses	46	46	+1.2
Gross operating income	28	29	-3.8
Cost of risk	0	0	N/S
Operating income	28	29	-3.8

The assets under management of La Banque Postale Asset Management amounted to 228 billion euros (including Kames distributed funds), up 2.7% over the period.

This growth in outstandings was driven jointly by the new money effect (+0.4 billion euros) and the market effect (+5.4 billion euros) over the period. New money inflows came mainly from CNP Assurances and the strong return of monetary funds.

The Asset Management division's NBI reached 74 million euros, down slightly by 0.7% due to the impact of the negative market effect at the end of 2018 and a drop in inflow in the second half of 2018 compared to the objectives.

LBPAM is continuing its investments to finance its development and operating costs rose by 1.2% to 46 million euros.

Operating profit was €28 million, down 3.8%.

Insurance

Insurance (€ millions)	H1 2019	H1 2018	%
Net Banking Income	180	145	+24.2
Operating expenses	64	66	-2.2
Gross operating income	115	79	+46.2
Cost of risk	0	0	N/S
Operating income	115	79	+46.2

Non-life insurance activity showed good momentum in the first half of 2019. In particular:

- the portfolio of P&C insurance contracts (38% of the portfolio) increased by 3.8% over the period to more than 1,760,000 contracts;
- the portfolio of health insurance contracts (4.3% of the portfolio in volumes) increased by 3.4% to over 198,000 contracts;
- the personal protection insurance contracts (57.7% of the total portfolio) of La Banque Postale Prévoyance decreased slightly from 2% to 2,669 million contracts.

The Insurance division's NBI increased from 24.2% to 180 million euros over the period.

Insurance subsidiaries' operating expenses were down 2.2% at €64 million.

Finally, the operating income of the Insurance division amounted to 115 million euros for the period, a strong increase (+ 46.2%).



Outlook

In the short and medium term, the optimisation of management processes under the Excellence 2020 programme continues with the objective of controlling costs and improving the quality of service.

Increasingly innovative and digital, La Banque Postale will accompany the growth of Ma French Bank in the second half of 2019 with distribution in more than 2,000 post offices.

Always anchored in its civic bank values, La Banque Postale will aim to continue developing socially responsible finance for its employees, customers and partners.

Preparations for the operational implementation of the major project to create a large public financial entity continue in the second half of the year, with the obtention of regulatory authorizations. In addition, work will be undertaken to clarify the contours of the new project for a common platform for euro rates management, between LBPAM and Ostrum AM. In order to support its employees during this period of transformation, La Banque Postale will increase its training efforts.



NOTES

Consolidated income statement for H1 2019

(in € thousands)	30.06.2019	30.06.2018 adjusted*	30.06.2018 reported
Interest and similar income	2,131,182	2,060,880	2,029,585
Interest and similar expenses	(1,015,278)	(908,338)	(908,338)
Commissions (income)	1,320,509	1,339,021	1,316,976
Commissions (expenses)	(143,925)	(138,391)	(109,696)
Net gains and losses on financial instruments at fair value through profit or loss	52,537	29,517	30,526
Net gains and losses on financial instruments at fair value through other comprehensive income	87,784	322,143	321,704
Net gains or losses resulting from the derecognition of financial assets at amortised cost	163,828	-	-
Net income from insurance activities			218,967
Impacts of the overlay approach (gross impact)	(15,449)	5,418	5,418
Income from other activities	681,010	616,880	131,792
Expenses from other activities	(412,397)	(400,922)	(110,726)
Net banking income	2,849,801	2,926,208	2,926,208
General operating expenses	(2,232,331)	(2,271,445)	(2,271,445)
Net depreciation and amortisation and impairment of tangible and intangible fixed assets	(120,747)	(97,125)	(97,125)
Gross operating income	496,723	557,638	557,638
Cost of risk	(41,441)	(49,183)	(49,183)
Operating income	455,282	508,455	508,455
Share of profits of equity associates	135,881	130,551	130,551
Net gains and losses on other assets	(358)	(315)	(315)
Pre-tax income	590,805	638,691	638,691
Income tax	(162,003)	(197,619)	(197,619)
Net income	428,803	441,073	441,073
Non-controlling interests	7,014	19,565	19,565
NET INCOME, GROUP SHARE	421,789	421,508	421,508
<i>Undiluted earnings per ordinary share (in euros)</i>	11.71	11.98	11.98
<i>Diluted earnings per ordinary share (in euros)</i>	10.96	10.50	10.50

*In application of ANC recommendation No. 2017.02 of 2 June 2017, La Banque Postale opted to no longer present its insurance activities as separate items on the balance sheet and income statement

Consolidated balance sheet for H1 2019

(in € thousands)	30.06.2019	31.12.2018 adjusted*	31.12.2018 reported
ASSETS			
Cash, central banks	3,341,505	2,006,794	2,006,794
Financial assets at fair value through profit or loss	11,019,356	10,618,753	10,238,167
Hedging derivatives	1,693,267	1,159,300	1,159,300
Financial assets at fair value through equity	15,683,132	15,996,897	13,864,449
Securities at amortised cost	30,848,344	23,581,891	23,581,891
Loans and receivables due from credit institutions and similar at amortised cost	88,946,034	87,351,923	87,351,923
Loans and receivables due from customers at amortised cost	101,910,627	95,735,985	95,735,985
Revaluation differences on rate hedged portfolios	279,720	81,915	81,915
Investments of the insurance activities and reinsurers' share of technical provisions			2,810,350
Current tax assets	178,027	343,672	343,672
Deferred tax assets	237,365	234,580	234,580
Accruals and other assets	3,803,836	3,278,561	2,981,245
Equity associates	3,503,959	3,266,820	3,266,820
Property, plant and equipment	794,718	638,447	638,447
Intangible fixed assets	792,272	745,188	745,188
Goodwill	160,227	160,227	160,227
TOTAL	263,192,390	245,200,953	245,200,953
LIABILITIES			
Financial liabilities at fair value through profit or loss	1,438,940	809,214	809,214
Hedging derivatives	754,381	347,654	347,654
Liabilities due to credit institutions and similar	24,404,024	18,877,248	18,877,248
Liabilities to customers	191,379,403	185,810,952	185,810,952
Debt securities	22,088,414	16,933,918	16,933,918
Revaluation differences on interest rate risk hedged portfolios	996,640	742,855	742,855
Current tax liabilities	37,465	17,758	17,758
Deferred tax liabilities	127,348	105,564	105,564
Accruals and other liabilities	4,997,065	5,059,790	5,059,790
Insurance company underwriting provisions and shadow accounting	2,548,597	2,479,619	2,479,619
Provisions	372,046	468,767	468,767
Subordinated debt	3,126,359	3,879,757	3,879,757
EQUITY	10,921,710	9,667,857	9,667,857
Non-controlling interests	120,545	119,112	119,112
Equity, Group share	10,801,164	9,548,745	9,548,745
Share capital	4,631,654	4,046,408	4,046,408
Consolidated and other reserves	4,901,231	4,305,756	4,305,756
Gains and losses recognised directly in equity	846,491	470,672	470,672
Profit (loss) for the period	421,789	725,908	725,908
TOTAL	263,192,390	245,200,953	245,200,953

* In application of ANC recommendation No. 2017.02 of 2 June 2017, La Banque Postale opted to no longer present its insurance activities as separate items on the balance sheet and income statement

Net income by business segment for H1 2019

Net income by business segment as at 30 June 2019 (excluding the cost of equity for each segment)

(in € thousands)	Retail banking	Insurance	Asset management	Total
Net banking income	2,596,234	179,760	73,807	2,849,801
General operating expenses	(2,127,399)	(60,896)	(44,036)	(2,232,331)
Net depreciation and amortisation and impairment of tangible and intangible fixed assets	(115,044)	(3,513)	(2,190)	(120,747)
Gross operating income	353,791	115,351	27,581	496,723
Cost of credit risk	(41,442)	1	-	(41,441)
Operating income	312,349	115,352	27,581	455,282
Share of profits of equity associates	-	134,061	1,820	135,881
Net gains and losses on other assets	(358)	-	-	(358)
Changes in the value of goodwill	-	-	-	-
Pre-tax income	311,991	249,413	29,401	590,805
Income tax	(112,022)	(41,162)	(8,819)	(162,003)
Consolidated net income	199,969	208,252	20,582	428,803
Non-controlling interests	444	940	5,630	7,014
NET INCOME, GROUP SHARE	199,525	207,312	14,952	421,789

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

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

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

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

La Banque Postale's financial information for 2019 is presented in this press release. It will be supplemented by the Registration Document, which will be published on the company website www.labanquepostale.com.

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About La Banque Postale

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

Press contact:

Florian Pontarollo
florian.pontarollo@laposte.fr
01 55 44 22 38

Investor contact:

Estelle Maturell Andino
estelle.maturell-andino@labanquepostale.fr
01 57 75 61 79