

La Banque Postale Group

Impacts of applying the new IFRS 17 for insurance contracts on the 2022 financial statements already published under IFRS 4, for purposes of comparison with the 2023 financial statements

Increase in **attributable equity**⁽¹⁾:

- 1 January 2022 (transition date): **€22.5bn**, up €1bn vs. IFRS 4;
- 31 December 2022: **€20.8bn**, up €3.7bn vs. IFRS 4;

Improved **CETI ratio**⁽¹⁾ at 31 December 2022: **18.0%**, up 3.3 pp vs. IFRS 4;

Impact on attributable net profit⁽¹⁾ at 31 December 2022: **€731m** under IFRS 17 vs. €1,060m under IFRS 4 (down €329m).

Transition to IFRS 17 favourable for equity and the CETI ratio, with greater resilience to financial market volatility

- **Attributable equity** under IFRS 17 amounts to **€20.8 billion** compared with €17.1 billion under IFRS 4. The impact of rising interest rates is more moderate, reflecting a better match between the measurement of assets and liabilities under IFRS 17, with Savings/Pensions liabilities now measured at market value.
- The **CETI ratio** under IFRS 17 comes out at **18.0%**, up 3.3 percentage points vs. IFRS 4.
- **Net banking income** (NBI) under IFRS 17 amounts to **€6.2 billion** compared to €8.3 billion under IFRS 4. The difference is primarily due to two effects:
 - The impacts of CNP Assurances' own investments for a negative €453 million:
 - Realised gains on equities, previously recognised in the income statement, are now recognised in equity under IFRS 17;
 - Unrealised losses on mutual funds in 2022, previously recognised in equity, are now recognised in the income statement under IFRS 17;
 - The reclassification of expenses attributable to insurance contracts for €822 million as well as those incurred by La Banque Postale in the distribution of insurance contracts for €683 million.
- **Operating expenses**⁽¹⁾ under IFRS 17 amount to **€4.8 billion** vs. €6.4 billion under IFRS 4, i.e., a reduction of 24.4% (€1.5 billion) due to the two abovementioned reclassifications in NBI.
- **Attributable net profit**⁽¹⁾ under IFRS 17, more sensitive to market conditions than under IFRS 4, totals **€731 million**, compared to €1,060 million under IFRS 4.

(1) Unaudited data, which may be supplemented or adjusted in future publications.



IFRS 17 vs. IFRS 4 income statement:

2022 income statement In € millions	Total Group IFRS 4	Total Group IFRS 17	IFRS 4/IFRS 17
NET BANKING INCOME	8,319	6,217	-2,102
Operating expenses	(5,764)	(4,316)	-1,448
Net depreciation, amortisation and impairment of property, plant and equipment and intangible assets	(642)	(525)	-117
GROSS OPERATING PROFIT	1,913	1,376	-537
Cost of risk	(216)	(219)	+3
OPERATING PROFIT	1,697	1,157	-540
Share of profits of equity-accounted companies	28	30	-2
Net gain or loss on other assets	29	13	+16
Changes in the value of goodwill	23	6	+17
PRE-TAX PROFIT	1,777	1,206	-571
Income tax	(427)	(218)	-210
Net profit from discontinued operations, after tax	-	-	-
NET PROFIT	1,350	988	-362
Non-controlling interests	(290)	(253)	-33
ATTRIBUTABLE NET PROFIT	1,060	731	-329

ABOUT LA BANQUE POSTALE

La Banque Postale, together with its subsidiaries including CNP Assurances, is a major international bancassurance group, ranked 11th in the euro zone based on total assets. With its diversified business model and wide range of affordable products, the Group partners with 20 million individuals, businesses and local authorities in France. A subsidiary of La Poste Groupe, La Banque Postale offers local banking services through 17,000 contact points, including 7,000 post offices, throughout France.

The new strategic plan, "La Banque Postale 2030", is designed to support La Banque Postale's ambition to become France's favourite bank, thanks to an integrated, multi-channel bancassurance offer organised around its three brands: La Banque Postale, for routine banking, Ma French Bank, for fully-mobile banking, and Louvre Banque Privée, for private banking.

La Banque Postale is stepping up its diversification strategy and developing its areas of expertise, especially in asset management, insurance, consumer finance and corporate and investment banking.

As a community bank, La Banque Postale is committed to shaping a "just transition" by embedding environmental and social impact objectives in its governance system. A mission-led company since March 2022 and a leader in impact finance, La Banque Postale aims to achieve zero net emissions by 2040. It is also among the leaders for its non-financial ratings.

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