UPDATE TO THE 2011 REGISTRATION DOCUMENT AND HALF-YEAR FINANCIAL REPORT FILED WITH THE AMF ON AUGUST 31ST 2012

Registration Document filed with the AMF (Autorité des Marchés Financiers) under N° r.12-018 on May 3rd 2012

The English language version of this report is a free translation from the original, which was prepared in French. All possible care has been taken to ensure that the translation is accurate presentation of the original. However, in all matters of interpretation, views or opinion expressed in the original language version of the document in French take precedence over the translation.

UPDATE TO THE REGISTRATION DOCUMENT BY CHAPTER

I Interim financial report

I.1 The La Banque Postale Group

La Banque Postale, a Limited Company with Executive and Supervisory Boards, is the Parent Company of the La Banque Postale Group.

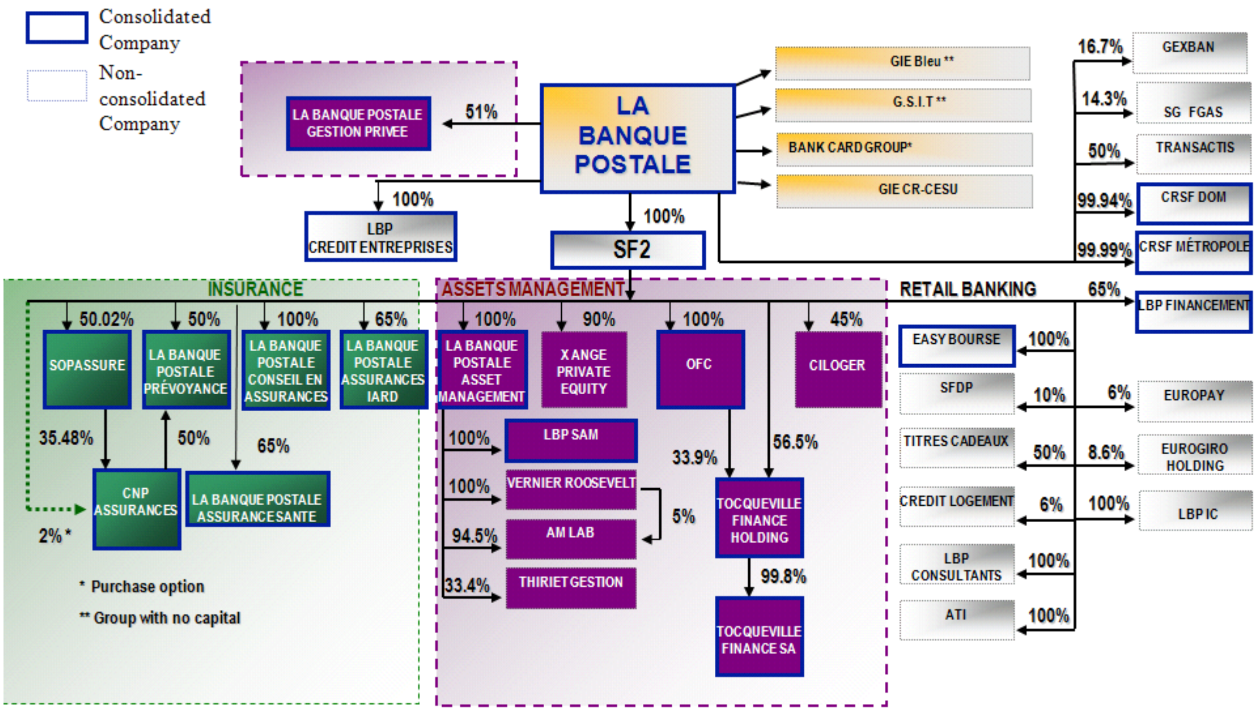
As the successor to the La Poste Financial Services, it has assumed the Group's values of trust, accessibility and local presence in this respect, which have endowed it with an unusual and unique positioning on the French market since its foundation. This policy is highlighted by an unchanging strategy, based on low service tariffs, access for all customers, and a simple product range, which focuses on the basics.

The La Banque Postale Group employs around 3,000 staff directly, who are spread throughout France. Moreover, the 18,000 employees working in La Poste's Financial Services (including 14,000 in the Financial Centres) have been placed under the responsibility of the Chairman of La Banque Postale's Executive Board, in his capacity of Deputy CEO of La Poste responsible for Financial Services. This organisational structure primarily relies on 29 Financial Centres, including 19 Financial Centres in Metropolitan France, 4 Financial Centres in the French Overseas Departments, and 6 national Financial Centres that have a specific expertise and a dedicated IT Department. It also relies on 34 subsidiaries and strategic investments.

The La Banque Postale Group's business is focused on the retail banking business in France, and specifically on retail customers. It is organised around three business segments:

- the retail banking sector in France, the Bank's core business, which focuses mainly on retail customers, and on corporate customers, to a lesser extent;
- the insurance sector (life, contingency, casualty and health insurance);
- asset management (asset management and private wealth management companies).

Organisational chart as at June 30th 2012



I.2 Business environment and significant events

I.2.1 Financial and economic environment

After the turbulence experienced in 2011, and despite hopes of a recovery in early 2012, the situation deteriorated in the first half of 2012, due to concerns over Government and European banks' debt, households' and business leader's degradation and fiscal austerity.

The debt crisis in the euro zone went into remission at the beginning of the year, with the ECB providing substantial refinancing to the banks in late December and February. However, the second quarter was characterised by renewed risk aversion and significant interest rate movements between core and peripheral countries.

The CAC 40 Index, which reached a high of 3600 points following the measures taken by the ECB, collapsed again due to concerns about the future of the euro zone. The Index hit a low of 2950 points in early June.

I.2.2 La Banque Postale Group: 1st half 2012 significant events

- The **corporate lending business**, launched in early October 2011, increased and is expected to expand before the end of the year, through the addition of lease financing products and lease-to-buy products, as well as of a factoring offering.
- In June 2012, La Banque Postale launched its local authorities financing business, which was designed in partnership with the Caisse des Dépôts. The initial offers involve short-term loans. This initial range, which is fully backed by La Banque Postale, will subsequently be extended to social landlords (mid-September 2012). A second stage will see the launch of medium and long-term loans from November 2012 onwards.
- The **roll-out of health insurance products** was reflected by the subscription of 12.000 policies by the end of June while the success of the damage insurance can be measured by the subscription of 220 000 policies.
- Despite the downturn in life insurance savings, **CNP Assurances** maintained its share of the French market, and expanded in the contingency insurance market ; CNP's contribution to the Group net income remained stable. Furthermore, CNP Assurances is reducing its exposure to peripheral sovereign debt.

I.3 The Group's first half 2012 results

La Banque Postale Group	June 30th 2012 (€ million)	June 30th 2011 (€ million)	Change (in %)
Net Banking Income	**2 668**	**2 671**	**-0.1%**
Net Banking Income excluding CIE and HL provision	***2 668***	***2 642***	***+1%***
Operating expenses	-2 234	-2 230	**+0.2%**
Gross operating Income	433	441	**-1.8%**
Cost of risk	-82	-193	**-57.6%**
Operating income	**352**	**248**	+41.6%
Income from equity associates	**100**	**101**	-0.8%
Corporate Income Tax	**-119**	**-92**	+28.4%
Net income, Group share	**334**	**259**	**+29%**

Net banking income

Despite the extremely unsettled economic and financial environment, the La Banque Postale Group's Net Banking Income, as restated for the impact of the home savings provision in 2011 and 2012[1] and for the repayment of the CIE fine in 2012[2], held up well **(**€2,668 million), up 1%. The interest margin[3] remained stable, while commissions were affected by the deterioration of the UCITS and life insurance markets and declined of 2%.

[1] A €29 million reversal was recorded on the home loan savings provision in the first half of 2011, while an additional €33 million provision was charged in the first half of 2012.

[2] The €385 million fine inflicted on 11 banks accused of forming a cartel in the cheque image exchange sector by the French Competition Authority in 2011 was cancelled by a ruling of the Paris Court of Appeal in February 2012. The portion repaid to La Banque Postale amounted to €33 million, and was recorded in net banking income, under the "Income from other activities" heading. The French Competition Authority has lodged an appeal with the Supreme Court.

[3] Including the income from financial instruments at fair value and assets available for sale.

Operating expenses

Operating expenses remained under control at €2,234 million, a slight 0.2% increase compared with June 2011, despite the increased investments in new businesses (Corporate and local authorities loans) which resulted in significant expenditure on intellectual services and IT systems.

The operating ratio increased by 0.3 point to 83.9%. This increase was the result of the significant investment expenditure on the new businesses, which have little impact on NBI as yet. However, the impact was limited by the cost control efforts made during the half year.

Gross operating profit decreased slightly, falling by €8 million to €433 million. When restated for the impact of the refund of the CIE fine and of the home loan savings provision, GOP was up 5.1%.

Cost of risk

The cost of risk, which had suffered from the impact of the Greek crisis in the first half of 2011, when an impairment charge of €158 million had been recorded, improved significantly in 2012. It amounted to €82 million in H1 2012, including €30 million in additional provisions for Greece, compared with €193 million in the first half of 2011. Meanwhile, the performance guarantee provision on the *Progressio* funds was updated, resulting in a provision of €3.9 million.

When restated for these effects, the cost of risk posted an increase of €13 million compared with the 1st half of 2011.

Operating income

Operating income was up almost 42%. Excluding the impact of the impairment charges relating to Greece and of non-recurring items, the increase was 1.3%.

Net income, Group share

Including the equity consolidation of CNP Assurances, net income Group share amounted to €334 million, an increase of €75 million compared with H1 2011.

Commercial businesses

	Deposits with La Banque Postale (€ bn)	Year-on-year growth rate
Overnight deposits	**48,0**	**+2.9%**
Regular savings accounts	**80,1**	**+5.7%**
Of which Livret A	*58,2*	*+5.1%*
Home savings	**26.5**	**+3.2%**
UCITS (La Banque Postale)	**10,6**	**-12,4%**
Life insurance	**111.5**	**+2.2%**
Mortgage	**43,0**	**+8.1%**
Consumer loans	**2,2**	**+55.5%**

Customer deposits

Savings accounts (overnight deposits, regulated savings, etc.) increased with customer's investments refocusing on banking investments vehicles.

Overnight deposits increased by 2.9% to €48 billion.

Regular savings deposits were up 5.7% year-on-year, driven by the strong inflow of funds recorded on Livret A (5.1%) and LDD (11.4%) accounts, remaining attractive with a 2.25% rate. Home savings deposits, which received a specific boost from the inflows into PEL accounts at the beginning of the first half, increased by over 5% to €28 billion.

However, financial savings suffered, as a result of the financial environment: life insurance deposits increased slightly (+2.2% to €111.5 billion) over the first half, due to competition from bank and property investments, while La Banque Postale's UCITS deposits decreased by 12.4%, in line with the downturn in the equity markets.

Loans outstanding

La Banque Postale continued to support the economy's financials requirements by developing its range of financing for corporate and local authorities, in addition to its retail banking business. Total loans outstanding rose by 6.5% to €48 billion compared with the first half of 2011.

Despite a downturn in the real estate market in the first half of 2012, which resulted in a decrease in loan generation, mortgage outstanding rose by 8.1% compared with the first half of 2011, reaching €43 billion. La Banque Postale's share of loans in this market segment increased to 5.2%.

The consumer loan business continued its expansion. Loans outstanding increased by €0.8 billion to €2.2 billion.

Customer services

La Banque Postale continued to expand its customer services in the first half of 2012:

- Over 7 million payment cards were in circulation as at June 30th 2012.
- 5.7 million customers have subscribed to bundled offers. These offers enable them to enjoy a wide range of banking services, including a current account, means of payment (bank card and cheque book), and insurance against the loss or theft of their means of payment, as well as increasingly sophisticated multimedia access.
- Since the beginning of 2012, La Banque Postale's customers can enjoy a full remote banking relationship, "*La Banque Postale at Home*".

I.4 Breakdown of results by business line

Retail banking remains the Group's core business. The segment posted an operating profit of €378 million, which was stable compared with the first half of 2011. The insurance sector continued its expansion, especially in the casualty insurance field, and recorded a gross operating profit of €28 million, up 40%. Despite cost control, the asset management business suffered from the unfavourable market environment. Its operating income decreased slightly, to €28 million.

Retail banking

(€ million)	**June 30th 2012**	**June 30th 2011**	**Change**
Net Banking Income	**2 555**	**2 561**	**-6**
Net Banking Income excluding CIE and HL provision	**2 555**	**2 532**	**+23**
Operating expenses	-2 178	-2 169	**-9**
Cost of risk	-80	-192	+112
Operating income	298	200	+98
Net income, Group share	**200**	**129**	**+71**

Retail Banking's net income increased by 0.9% compared with the first half of 2011 (*excluding the effect of the home savings provision and of the CIE fine*).

Retail Banking segment net banking income (€ million)	**June 30th 2012**	**June 30th 2011**	**Change**
Net interest margin	**1 312**	**1 302**	**+10**
Commission-bearing transactions	906	930	**-24**
Products transferred to the Caisse des Dépôts	344	367	**-24**
Other income and expenses[4]	**-7**	**-38**	**+31**

[4] Including the CIE fine repayment (income of €33 million in 2012)

Total net banking income	**2 555**	**2 561**	**-6**

Excluding the impact of the home savings provision, the net interest margin[5] increased by €48 million, driven by the increase in volumes and by the improvement in margins on the generation of home loans.

Commissions fell by €24 million to €906 million. Commissions on securities and UCITS decreased by 18.5% to €75 million, in line with the fall in the equity markets.

The savings funds centralized within Caisse des Dépôts were affected by the decrease in commission rates on Livret A accounts (0.7025% to 0.6525% on January 1st 2012), resulting in a €24 million drop in income.

La Banque Postale is pursuing its efforts to control operating costs, which enable the Retail Banking segment to post an increase of almost 4% in gross operating profit (excluding the HLS and CIE provision).

The cost of risk remains under control at €80 million. It is significantly down compared with the first half of 2011, which had been materially affected by the provision recorded on the Bank's exposure of Greece.

In this context, net income, Group share for the Retail Banking segment rose by €71 million, reaching €200 million as at June 30th 2012.

[5] Including transferred savings.

Asset management

(€ million)	June 30th 2012	June 30th 2011	Change
Net Banking Income	**60**	**68**	**-8**
Operating expenses	-32	-39	**+7**
Operating profit	28	29	-1
Net income, Group share	**17**	**17**	**0**

The asset management business suffered from the downturn in equity markets during the second quarter of 2012.

The segment's net banking income recorded a fall of around 12% to €60 million:

- La Banque Postale Asset Management's NBI fell by 2.8% to €45 million. The amounts invested in LBPAM's equity funds declined sharply, despite the fact that money market UCITS held up well. The funds gathered from institutional customers in this segment enabled assets under management to reach €128 billion as at the end of June 2012.
- La Banque Postale Gestion Privée's NBI fell by €2 million to €8 million, due to a decrease in discretionary management mandates.
- Tocqueville's deposits and inflows were lower than the levels expected, which resulted in Tocqueville's NBI suffering a €4 million decline to €9 million compared with June 2011. Furthermore, following the buy-back of one shareholder's units, 90% of Tocqueville's results are now consolidated, compared with 75% in 2011.

However, tight cost control (-€7 million) enabled the asset management sector to post an unchanged net income, Group share of €17 million.

Insurance

(€ million)	**June 30th 2012**	**June 30th 2011**	**Change**
Net Banking Income	**52**	**42**	**+10**
Operating expenses	-21	-22	**-2**
Operating profit	26	19	+7
Net income, Group share (*including CNP on an equity basis*)	**116**	**113**	**+3**

The Insurance segment recorded a Net Banking Income of €52 million, up sharply (24%) compared with the 1st half of 2011. The increase in the segment's operating expenses was a consequence of the investments incurred by the ramp-up of the new businesses (casualty insurance and health insurance).

The La Banque Postale Prévoyance is a joint subsidiary owned by La Banque Postale and CNP Assurances which underwrites the range of (personal and group) provident insurance products marketed by La Banque Postale. Its overall revenues increased by 4.7% compared with June 2011, driven by the growth in individual provident and borrower insurance.

The launch of the health insurance business had little impact on NBI as at June 30th 2012.

The success of the casualty insurance business was confirmed, with 230,000 new agreements entered into since the first half of 2011.

Lastly, the share of CNP Assurances' net profit consolidated on an equity basis amounted to €100 million, virtually unchanged compared with the first half of 2011.

Consequently, the Group's share of the insurance segment's net income amounted to €116 million, up 2.65 %.

I.5 Ratings

	Standard & Poor's	Fitch
Long-term rating	A+	**AA-**
Outlook	Stable	**Negative**
Date updated	April 30th 2012	**December 21st 2011**
Short-term rating	**A-1**	**F1+**

I.6 Risk factors and uncertainties

Developments in the European crisis create uncertainty for La Banque Postale, which is phasing out its exposure to peripheral European countries' sovereign risk.

La Banque Postale is also affected by uncertain French and European regulations.

The other risk factors and uncertainties have not changed significantly compared with the situation described in Section 4 of the 2011 Registration Document.

II Corporate governance

Composition of the Executive Board:

- Philippe Wahl
- Philippe Bajou

Composition of the Supervisory Board:

- Jean-Paul Bailly, Chairman of the Supervisory Board
- Marc-André Feffer, Vice-Chairman of the Supervisory Board
- Didier Brune
- Xavier Girre
- Georges Lefebvre
- Dung Pham Tran
- Sylvain Lemoyne de Forges
- Didier Ribadeau-Dumas
- Christiane Marcellier
- Jean-Robert Larangé
- Steeve Maigne
- Maryvonne Michelet
- Françoise Paget Bitsch
- Hélène Wolff

III Risk management

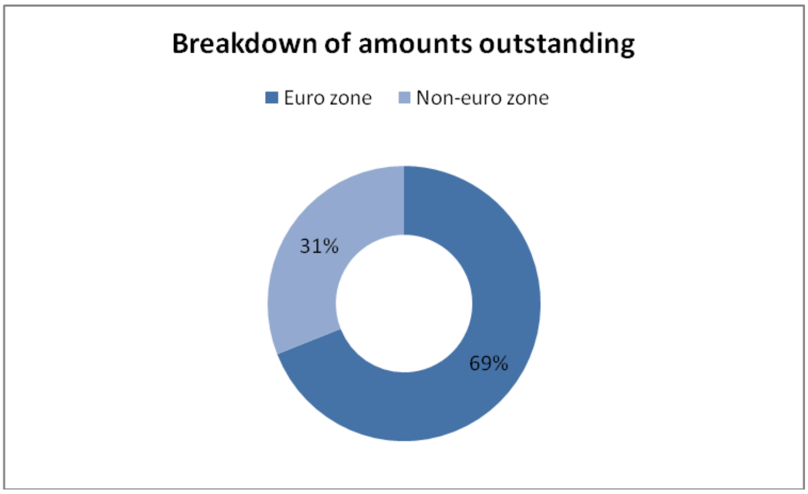
III.1 Counterparty risk

La Banque Postale is exposed to counterparty risk on its transactions in the derivatives market.

This risk is mitigated since La Banque Postale only deals with top-tier financial institutions and signs with them netting and collateral agreements. Furthermore, most of the instruments involved are "plain vanilla swaps".

As at the end of the first half of 2012, net exposure, was €96.5 million, after taking any collateral in place into account.

Geographical area	31.12.2011	30.06.2012
Euro zone	1,2	66,6
Non-euro zone	2,9	29,9
Total	4,1	96,5

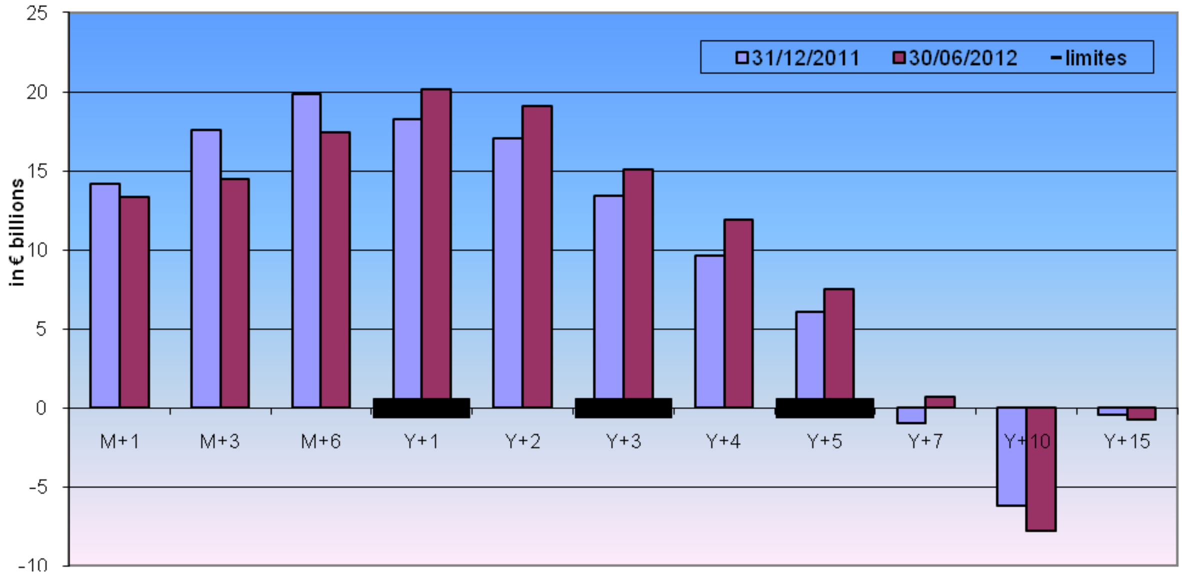


III.2 Liquidity risk

Structural liquidity risk is measured through the medium-to-long-term liquidity gap, which corresponds to stressed static outflows of liabilities (through outflow agreements) and assets.

La Banque Postale's liquidity gaps, as measured as at June 30th 2012 and December 31st 2011 were as follows:

(in € m)	1 month	3 months	6 months	1 year	2 years	3 years	4 years	5 years	7 years	10 years	15 years
30/06/2012	13 366	14 513	17 405	20 138	19 092	15 070	11 937	7 534	726	- 7 748	- 722
31/12/2011	14 211	17 612	19 818	18 241	17 066	13 408	9 606	6 111	- 973	- 6 185	- 443



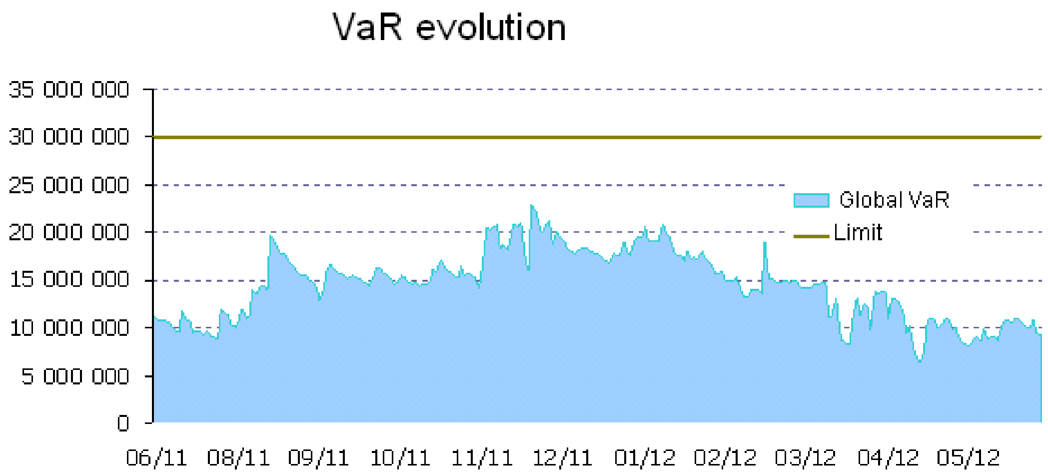
A positive gap for a given maturity means that the Bank has more inflows than outflows with this maturity date.

The positive liquidity gap on maturities of less than five years reflects La Banque Postale's excess liquidity, which is boosted by the quality of the financial assets held, and by the accounting classification applied to manage the Bank's structural liquidity.

III.3 Market risk

The Bank applies a Value at Risk indicator (1-day, 99%) to all its marked-to-market positions as a cautionary measure. The limit of the indicator is reviewed by the Risk Committee on a monthly basis.

La Banque Postale's VaR indicator covers not only the transaction portfolio (impact on fair value profit and loss), but also covers positions recognised as assets available for sale (impact on equity capital).



(in € m)	12/31/2010	12/31/2011	06/30/2012
Global VaR	9,3	17,0	9,2
VaR of trading portfolio transactions	9,6	2,4	3,2

Contributions of Risk Factors to global VaR

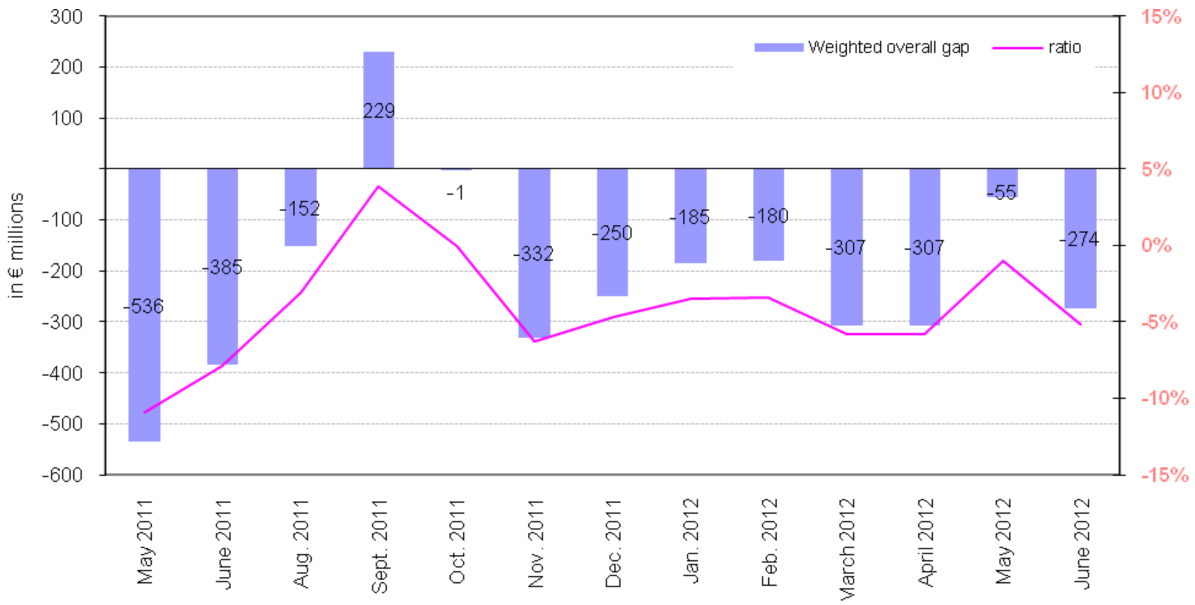
	12/31/2010	12/31/2011	06/30/2012
Interest rates	6,0	10,6	8,2
Credit spread	2,2	3,0	1,0
Exchange rate	-0,2	-0,1	-0,2
Equity markets	1,4	3,4	0,1
Volatility	0,0	0,0	0,2
TOTAL	9,3	17,0	9,2

Statistics for the first half of 2012

	Average	Minimum	Maximum
Global VaR	13,4	6,4	20,9
VaR of trading portfolio transactions	3,6	2,2	7,0

In terms of market risk management, La Banque Postale is first and foremost exposed to interest rate risk. Its credit spread and equity market risk is lower, and its exchange rate risk, primarily the risk linked to international mandates and financial activities, and commodities risk, is modest.

III.4 Global interest rate risk



Assets and liabilities with no contractual maturity date are liquidated in accordance with the scenarios approved by the Bank's ALM Committee.

III.5 Prudential ratios

The level of La Banque Postale's ratios was solid as at June 30th 2012 with a *Core Tier 1* ratio of 12.6% and a solvency ratio of 14.9%

	June 30th 2012	***Dec 31st 2011***
Total equity capital requirement (€ m)	**2 989**	*2840*
Prudential equity capital (€ m)	**5 576**	*5 401*
Solvency ratio	**14.9%**	***15.2%***
Tier 1 prudential equity capital (€ m)	**4 690**	*4 516*
Core Tier 1 ratio	**12.6%**	***12.7%***

<u>Equity capital requirements:</u>

The credit risk had increased as at June 30th 2012, due to the momentum of the lending business, while operational risk was stable and market risk remained very limited.

(in € m)		**Credit risk**	**Market risk**	**Operational risk**
2012	**June**	**2 244**	**91**	**653**
2011	December	2 052	129	653

III.6 Statement of changes in sovereign exposure

La Banque Postale reduced sharply its sovereign exposure, mainly through the repayment of some credit lines that had reached maturity. A breakdown of direct and indirect sovereign exposure is provided in Note 2.6 in the interim financial information (Section 4).

Change in direct exposure [1] *(€ million)*	**dec-2011 Nominal value**	**Impairment**	**Maturity**	**Disposals**	**Acquisitions**	**June 2012 Nominal value**	**June 2012 Balance sheet value**
SPAIN	5	-	-	(3)	-	3	2
GREECE	2	(84)	-	(2)	112	28	17
IRELAND	1	-	-	-	-	1	1
ITALY	184	-	(150)	(7)	-	27	24
PORTUGAL	9	-	-	(9)	-	-	-
Financial assets available for sale	**201**	**(84)**	**(150)**	**(20)**	**112**	**59**	**43**
SPAIN	1 571	-	(57)	-	-	1 514	1 550
GREECE	42	-	-	(42)	-	-	-
IRELAND	-	-	-	-	-	-	-
ITALY (2)	2 481	-	(688)	-	-	1 793	1 857
PORTUGAL	1 144	-	-	-	-	1 144	1 172
Financial assets held to maturity	**5 238**	**-**	**(745)**	**(42)**	**-**	**4 450**	**4 578**
SPAIN	-	-	-	-	-	-	-
GREECE	-	-	-	-	-	-	-
IRELAND	-	-	-	-	-	-	-
ITALY	-	-	-	-	-	-	-
PORTUGAL	-	-	-	-	-	-	-
Loans & receivables	**-**	**-**	**-**	**-**	**-**	**-**	**-**
SPAIN	-	-	-	-	-	-	-
GREECE	-	-	-	-	-	-	-
IRELAND	-	-	-	-	-	-	-
ITALY (3)	50	-	-	(50)	-	-	-
PORTUGAL	-	-	-	-	-	-	-
Financial assets at fair value through profit and loss [2]	**50**	**-**	**-**	**(50)**	**-**	**-**	**-**

[1] Direct exposure: amount of exposure on own account (including impairment charges), not including indirect exposure represented by the guarantees granted to Group UCITS.

III.7 Legal risk

Legal risk is one of the risk categories covered by Regulation CRBF 97-02 (amended). This risk concerns the banking, insurance and financial services.

The Legal Department plays a dual role in terms of controlling legal risk. One the one hand, it provides the Departments that consult it with legal information that enables them to assess the legal risk inherent to their business, and ensures that the Bank's interests are defended on the other.

The Legal Department also contributes to the work performed by the Bank's various committees:

- the Legal Department defines and circulates the key stances on legal and regulatory texts that affect the Bank's business as part of the Regulatory Oversight Committee;
- the Legal Department reviews, and issues opinions on the cases put forward at the Risks Committee, the Operational Risks Committee, and the New Product Committee;
- the Legal Department discusses litigations cases and their provision charges as part of the Litigations & Provisions Committee;
- the Legal Department is involved in the reviews performed on audit and internal control tasks via the Internal Control Coordination Committee.

Where interbank commissions are concerned, the situation is as follows:

- Cheque Image Exchange commissions

On September 20th 2010, the French Competition Authority imposed a fine of €384.9 million for anti-competitive practices for Cheque Image Exchange commissions on 11 retail banks and the Bank of France. La Banque Postale's share of the fine amounted to 32,870,000 euros.

On February 23rd 2012, the Paris Appeal Court overturned the Competition Authority's decision, as it took the view that the anti-competitive practices had not been proved. The amount of the fine was returned to La Banque Postale.

On March 23rd 2012, the Chairman of the Competition Authority took the case to appeal before the High Court (The Court of Cassation). The proceedings are ongoing.

- Commissions on other means of payment (primarily withdrawals).

On February 27th 2009, the French Trade and Retail Federation, followed by the European Means of Payment Users Defence Association on July 28th 2011, opposed the introduction of commissions on other means of payment by 11 banks, including La Banque Postale and the Bank of France, before the French Competition Authority.

On July 5th 2012, the Competition Authority issued a decision accepting the undertakings made by the 11 banks.

To the Company's knowledge, there are no other governmental, court or arbitration proceedings, including any proceedings that are pending or threatened, likely to have or having had any significant effect on the Company and/or Group's Financial Position or profitability over the last 12 months.

IV Financial information as at June 30th 2012

Profit and loss statement as at June 30th 2012

(in € '000s)	Notes	06.30.12	06.30.11
Interest and similar income	3.1	3 298 316	2 877 777
Interest and similar expense	3.1	(1 865 027)	(1 296 392)
Commissions (income)	3.2	1 042 326	1 082 702
Commissions (expense)	3.2	(117 414)	(136 037)
Net gains and losses on financial instruments at fair value through profit and loss	3.3	147 665	11 812
Net gains and losses on financial assets available for sale	3.4	89 056	79 508
Income from other activities		343 745	418 499
Expenses from other activities		(271 081)	(366 491)
NET BANKING INCOME		**2 667 586**	**2 671 377**
General operating expenses	3.5	(2 146 637)	(2 159 723)
Depreciation, amortisation and impairments to tangible and intangible fixed assets		(87 538)	(70 318)
GROSS OPERATING PROFIT		**433 411**	**441 337**
Cost of risk	3.6	(81 822)	(192 962)
OPERATING PROFIT		**351 589**	**248 375**
Share in profit of equity associates	2.7	100 447	101 278
Net gains or losses on other assets		(648)	(433)
PRE-TAX PROFIT		**451 388**	**349 219**
Income tax	3.7	(118 834)	(92 515)
CONSOLIDATED NET PROFIT		**332 554**	**256 704**
Minority interests		(1 048)	(1 887)
NET PROFIT, ATTRIBUTABLE TO EQUITY HOLDERS OF PARENT		**333 603**	**258 590**
NET EARNINGS PER SHARE, GROUP SHARE (in euros)		*12.04*	*12.70*

Statement of net profit and gains and losses recognised directly in equity capital

The amounts shown here are net of tax.

in € '000s)	Notes	06.30.12	06.30.11
NET PROFIT, GROUP SHARE		**333 603**	**258 590**
Translation differences		0	
Revaluation of financial assets available for sale		114 061	13 958
Revaluation of derivative hedging instruments		5 891	(14 494)
Revaluation of fixed assets		0	
Share in gains and losses recognised directly in equity capital for equity associates		48 594	(27 717)
TOTAL GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY CAPITAL NET OF TAX, GROUP SHARE		**168 546**	**(28 252)**
Net profit and gains and losses recognised directly in equity capital, Group share		502 149	230 338
Net profit and gains and losses recognised directly in equity capital, minority interests		(860)	(1 921)
NET PROFIT AND GAINS AND LOSSES RECOGNISED DIRECTLY IN EQUITY CAPITAL		**501 289**	**228 418**

Consolidated balance sheet as at June 30th 2012

(in € '000s)	Notes	06.30.12	12.31.11
ASSETS			
Cash and central banks		484 388	2 643 973
Financial assets at fair value through profit and loss	2.1	9 580 680	11 016 356
Hedging derivatives		299 191	272 515
Financial assets available for sale	2.2	9 532 806	9 474 603
Loans & receivables – credit institutions	2.3	82 256 094	74 882 171
Loans & receivables – customers	2.4	47 992 961	45 082 910
Revaluation differences on interest rate risk hedged portfolios		129 602	145 129
Financial assets held to maturity	2.5	37 869 537	35 376 985
Current and deferred tax assets		255 739	377 125
Accruals ad other assets		3 894 950	3 613 519
Deferred profit sharing		-	-
Investments in associates	2.7	2 097 212	1 952 180
Tangible fixed assets		476 410	487 511
Intangible fixed assets		335 935	333 294
Goodwill	2.8	53 655	53 655
TOTAL		**195 259 159**	**185 711 926**
LIABILITIES			
Financial liabilities at fair value through profit and loss	2.1	108 125	249 710
Hedging derivatives		476 263	234 123
Due to credit institutions	2.9	12 938 673	10 865 606
Due to customers	2.10	162 714 410	156 749 470
Debt securities		6 424 472	5 463 758
Current and deferred tax liabilities		48 994	8 833
Accruals and other liabilities		4 803 280	4 793 838
Technical reserves of insurance companies	2.11	601 226	530 496
Provisions	2.12	435 913	399 199
Subordinated debt		834 997	796 475
SHAREHOLDERS' EQUITY, ATTRIBUTABLE TO EQUITY HOLDERS OF PARENT		**5 897 801**	**5 637 618**
Share capital		3 185 735	3 185 735
Consolidated and other retained earnings		2 037 768	1 867 577
Unrealised or deferred gains/losses		340 695	172 149
Net profit for the period		333 603	412 157
MINORITY INTERESTS		**(24 995)**	**(17 200)**
CONSOLIDATED EQUITY		**5 872 806**	**5 620 418**
TOTAL		**195 259 159**	**185 711 926**

Statement of changes in equity capital

(in € '000s)	SHAREHOLDERS' EQUITY, ATTRIBUTABLE TO EQUITY HOLDERS OF PARENT							**Equity Capital, minority interests**	**Total consolidated equity capital**
	Capital (1)	Issue premium	Legal reserves, retained earnings and other reserves	Consolidated reserves	Unrealised or deferred gains or losses net of income tax, attributable to equity holders of parent (2) and (3)	Net profit, attributable to equity holders of parent	**Equity Capital - Group Share**		
IFRS equity capital as at 12.31.2010	**2 342 454**		**771 333**	**663 111**	**365 548**	**651 317**	**4 793 763**	**(9 836)**	**4 783 927**
Allocation of 2010 net income			534 483	116 834		(651 317)			
2011 dividends paid on 2010 net profit			(292 909)				(292 909)	(2 822)	(295 731)
Sub-total of movements linked to relations with shareholders			241 574	116 834		(651 317)	(292 909)	(2 822)	(295 731)
Movements in gains and losses recognised directly in equity				1 398	(536)		862	(33)	829
Results as at June 30th 2012						258 590	258 590	(1 887)	256 703
Sub-total				1 398	(536)	258 590	259 452	(1 920)	257 532
Share in movements in the equity capital of associates consolidated via the equity method				3 641	(27 716)		(24 075)		(24 075)
Other movements[4]				(36 530)			(36 530)	(1 673)	(38 203)
IFRS equity capital as at 06.30.2011	**2 342 454**		**1 012 907**	**748 454**	**337 296**	**258 590**	**4 699 701**	**(16 251)**	**4 683 450**
Movements in gains and losses recognised directly in equity				(1 398)	(112 605)		(114 003)	24	(113 979)
Results for the second half of 2011						153 567	153 567	(209)	153 358
Sub-total	0			(1 398)	(112 605)	153 567	39 564	(185)	39 379
Capital increase	843 281	16 719					860 000		860 000
Share in movements in the equity capital of associates consolidated via the equity method				(2 994)	(52 540)		(55 534)		(55 534)
Other movements				93 888			93 888	(764)	93 124
IFRS equity capital as at 12.31.2011	**3 185 735**	**16 719**	**1 012 907**	**837 950**	**172 151**	**412 157**	**5 637 619**	**(17 200)**	**5 620 419**
Allocation of 2011 net income			308 318	103 839		(412 157)	0		
2012 dividends paid on 2011 net profit			(185 604)	1			(185 603)	(3 129)	(188 732)
Sub-total of movements linked to relations with shareholders	0	0	122 714	103 840	0	(412 157)	(185 603)	(3 129)	(188 732)
Movements in gains and losses recognised directly in equity					119 952		119 952	189	120 141
Results as at June 30th 2012						333 603	333 603	(1 048)	332 554
Sub-total	0		0	0	119 952	333 603	453 554	(859)	452 695
Share in movements in the equity capital of associates consolidated via the equity method				(4 009)	48 594		44 585		44 585
Other movements[4]				(52 355)			(52 355)	(3 806)	(56 161)

(1) As at June 30th 2012, the share capital of La Banque Postale consisted of 27,702,042 shares with a par value of €115.

(2) Unrealised or deferred gains and losses include translation reserves; those reserves originate from the foreign subsidiaries consolidated by the CNP Assurances Group.

(3) As at June 30th 2012, unrealised or deferred gains or losses included €232 million in net unrealised gains on assets available for sale recorded by the CNP Assurances Group, compared with €170 million as at December 31st 2011.

(4) The other movements are mainly the result of changes in the value of minorities' put options.

First half 2012 cash flow statement

The cash flow statement is presented according to the indirect method model.

Investment activities represent cash flows relating to acquisitions and disposals of investments in consolidated companies, of financial assets held to maturity, and of tangible and intangible fixed assets.

Financing activities represent changes linked to structural financial transactions involving equity capital and subordinated debt.

Operating activities include those cash flows that fall outside the two previous categories. More specifically, securities relating to strategic investments included in the “Financial assets available for sale” portfolio are assigned to operating activities.

The concept of net cash includes cash, receivables and payables to central banks, as well as overnight deposits (assets and liabilities) at credit institutions.

(in € '000s)	06.30.12	06.30.11
Pre-tax profit	**451 388**	**349 219**
+/- Depreciation and amortisation on tangible and intangible fixed assets	87 531	70 318
- Impairment of goodw ill and other fixed assets	0	
+/- Provisions	3 053	12 572
+/- Net gains/losses on investment activities	648	453
+/- Net gains/losses on funding activities		
+/- Share of profits from equity associates	(100 447)	(101 278)
+/- Other movements	191 364	1 087 395
= Total non-cash items included in net pre-tax profit and other adjustments	**182 149**	**1 069 460**
+/- Cash flow s relating to transactions w ith credit insti	(4 399 894)	2 724 082
+/- Cash flow s relating to customer transactions	2 042 213	(1 577 918)
+/- Cash flow s relating to other transactions that have an impact on financial assets or liabilities	2 619 485	(2 166 083)
+/- Cash flow s relating to other transactions that have an impact on non-financial assets or liabilities	(383 362)	(246 601)
- Taxes paid	42 714	(153 360)
= Net increase/decrease in assets and liabilities from operating activities	**(78 844)**	**(1 419 880)**
TOTAL NET CASH FLOWS GENERATED BY OPERATING ACTIVITIES (A)	**554 693**	**(1 201)**
+/- Flow s linked to financial assets and investments	(2 339 282)	605 830
+/- Cash flow s relating to investment properties		
+/- Flow s linked to tangible and intangible fixed assets	(79 257)	(92 364)
TOTAL NET CASH FLOWS GENERATED BY INVESTMENT ACTIVITIES (B)	**(2 418 539)**	**513 466**
+/- Cash flow s from or to shareholders	(188 733)	(289 071)
+/- Other net cash flow s from financing activities	22 206	978
TOTAL NET CASH FLOWS GENERATED BY FINANCING ACTIVITIES(C)	**(166 527)**	**(288 093)**
IMPACT OF CHANGES IN EXCHANGE RATES AND METHODS ON CASH (D)		
Net increase (decrease) in cash and cash equivalents (A+B+C+D)	**(2 030 373)**	**224 173**
Opening cash and cash equivalents	**2 569 173**	**2 098 685**
Cash and central banks	2 643 973	2 149 998
Current accounts and overnight loans w ith credit institutions	(74 800)	(51 313)
Closing cash and cash equivalents	**538 802**	**2 322 854**
Cash and central banks	484 388	1 990 455
Current accounts and overnight loans w ith credit institutions	54 414	332 399
CHANGE IN NET CASH	**(2 030 371)**	**224 169**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Legal and financial framework

1. Significant events of the period

1.1 Changes in scope of consolidation

There were no changes in the scope of consolidation during the 1st half of 2012.

1.2 Other significant events

Exposure to Greek sovereign debt

The La Banque Postale Group participated in the support plan for Greece approved by the Eurogroup in 2012. La Banque Postale provided a nominal value of €363 million on March 9th 2012, which mainly related to the debt held until maturity carried on the Bank's balance sheet, and to the exposure purchased from Group UCITS.

Pursuant to the exchange conditions, La Banque Postale

- recorded a debt waiver, amounting to 53.5% of the nominal value of the debt contributed to the support plan;
- received 15% of the nominal value of the debt contributed to the plan in the form of new shares issued by the European Financial Stability Fund (EFSF);
- received 31.5 % of the nominal value of the debt contributed to the plan in the form of new shares issued by Republic of Greece, which can be amortised on a straight-line basis between the 11th and the 30th year;
- received a certificate for the same nominal amount as the nominal amount of the Greek securities received, which is indexed to the performance of Greece's Gross Domestic Product.

The new securities were recorded under the category of assets available for sale.

The financial impact had been estimated at 71.9% of the nominal amount contributed when the 2011 financial statements were closed.

The new Greek securities were listed on an active market in the days following the exchange. The Bank therefore recorded these securities at the fair value observed on the markets on the day of the exchange, i.e. at their value on March 12th 2012.

As this value was lower than the value estimated on the previous closing date, an additional impairment charge of €18 million was recorded under cost of risk.

Since the exchange, the recorded price based on market transactions has registered a sharp fall. Where debt instruments are concerned, a sharp fall in a price amounts to evidence of impairment, which must lead to an assessment of the credit risk. According to risk assessments, the current post-exchange economic and political uncertainty creates significant uncertainty regarding the outcome of a 30-year plan. As a cautionary measure, La Banque Postale has taken the view that, given the high level of uncertainty, a fall in value was indeed an impairment factor where credit risk was concerned. An additional impairment charge of €12 million was therefore recorded against the cost of risk.

Following these impairment charges, the Group's residual exposure to Greek sovereign securities is no longer material (€17 million).

Company financing

After rolling-out the first offerings in late 2011 (property leasing and cash facilities), the distribution of these offerings was extended across all the Business Area in the first half of 2012.

Insurance

La Banque Postale Assurances IARD continued to roll out its range across all the channels. Over 370,000 policies had been subscribed as at June 30th, an increase of 85% compared with December 31st 2011.

After launching its initial health insurance range in late 2011, La Banque Postale Assurance Santé launched its insurance range in early 2012, and has gradually extended its distribution scope: four pilot financial centres were incorporated between February and April 2012, while the *La Banque Postale* at Home advisors were included in March. The range has also been extended to Post Offices since April. The net policy generation level is high, and ahead of forecasts.

Local authorities financing

On February 10th 2012, La Banque Postale's Supervisory Board and the Board of Directors of the La Poste Group approved the local authorities financing model drawn up in the context of the negotiations between La Banque Postale, the Caisse des Dépôts et Consignations, Dexia SA, Dexia Crédit Local, and the French Government.

La Banque Postale received the approval of the Board of the French Prudential Control Authority to launch a new local authorities financing business on May 25th 2012.

In order to meet local authorities' initial requirements, La Banque Postale has been marketing a new short-term loan range, which consists of a drawdown overdraft facility (for a maximum period of 364 days) since June 20th.

La Banque Postale is offering a financing model for local authorities based on a range of simple, liquidity-backed loans. To launch this new business, La Banque Postale is marketing its short-term loan offering mainly on a remote basis. This initial offering, which is fully backed by La Banque Postale, will subsequently to be extended to social landlords (mid-September 2012) and to all the actors in the local public sector.

In the meanwhile, La Banque Postale aims to offer a medium-term loan offering (with a likely term of between 10 and 15 years) before the end of the year.

Commissions d'échanges d'images chèques

The €385 million fine inflicted on 11 banks accused of forming a cartel in the cheque image exchange sector by the French Competition Authority in 2010, was cancelled by a ruling of the Paris Court of Appeal in February 2012. The portion repaid to La Banque Postale amounts to €33 million, and was recorded in net banking income, under the "Income from other activities" heading. The French Competition Authority has lodged an appeal with the Supreme Court.

Inter-bank commissions on withdrawals and payments

Following a commitment process governed by the French Competition Authority, French banks have committed to abolish the inter-bank commissions that primarily relate to withdrawals and payments as from September 1st 2013. This abolition will involve a 50% reduction in the rate of these commissions on September 1st 2012. The process has no impact on the 1st half 2012 financial statements.

1.3 CNP Assurances highlights

1.3.1 Greek sovereign debt exchange plan

CNP Assurances took part in the Greek sovereign debt exchange plan offered by the Greek Finance Ministry. In exchange for each of the securities held, the Group received a basket of new Greek debt securities, securities issued by the EFSF (European Financial Stability Facility), and warrants where the return is indexed to Greek growth outperforming a defined GDP target.

As the IAS 39 derecognition criteria were met, the old securities were derecognised: the exchange transaction resulted in the recognition of a gross loss including tax of €125 million in the first half, which was recognised through profit and loss.

This loss reflects the difference between the value of the securities, net of the impairment charge that was recorded as at December 31st 2011 on the basis of an internal valuation model, given the market illiquidity observed at the time, and the market value of the new securities received in exchange.

The new securities were classified according to the following categories under IAS 39:

- New Greek sovereign debt securities and EFSF securities: classified as AFS and recognised at fair value through equity capital;
- GDP-linked securities (warrants): classified as derivatives and recognised at fair value through profit and loss.

The Group disposed of the new Greek sovereign debt securities received as part of the exchange during the second quarter, which generated an additional net loss of €34.2 million in the consolidated financial statements.

1.3.2 Financial policy aimed at reducing exposure to the sovereign debt of peripheral European countries

In order to reduce the credit risk of the investment portfolios backing the French and Italian insurance policies, the CNP Assurances Group has implemented a proactive policy to reduce its exposure to Italian, Spanish, Greek, Portuguese, and Irish sovereign debt.

The CNP Assurances group suspended new investments in peripheral debt and sold Italian (-€1.7 billion at book cost), Spanish (-€1.1 billion), Greek (-€0.6 billion), Portuguese (-€0.5 billion) and Irish (€-0.03 billion) sovereign debt.

The losses generated by these sales were offset by gains generated on the sale of other European countries' sovereign debt, primarily Germany, the Netherlands, and Finland.

1.3.3 Share-based payment option for the 2011 dividend

The Ordinary and Extraordinary General Meeting of Shareholders in the Company, which took place on June 29th 2012, approved the dividend proposed in respect of the 2011 financial year, i.e. €0.77 per share, and decided that every shareholder could opt to receive their dividend either in cash, or in the form of new shares in the Company.

Shareholders were able to exercise the option to receive their dividend in the form of new shares in the Company between July 3rd and July 17th 2012 inclusive, for payment in cash or in shares on July 24th 2012.

The maximum total number of ordinary shares in the Company likely to be issued for the purpose of paying the dividend in shares is 57,812,705 shares, which amounted to 9.73% of the Company's share capital as at the date of the General Meeting of Shareholders.

The issue price for the new shares in the Company delivered as payment for the dividend was €7.88, i.e. 100% of the average opening prices on the NYSE Euronext Paris regulated market during the 20 trading sessions prior to June 29th 2012, which was the day of the Ordinary and Extraordinary General Meeting, less the amount of the dividend, and rounded up to the nearest euro centime.

In the consolidated financial statements as at June 30th 2012, the desire of shareholders in the shareholders' agreement to choose the option to receive their dividend in shares, as expressed at the General Meeting of June 29th, led the Group to record a dividend payable only for the amount of the cash dividend payable to minority shareholders. This amount was estimated at €106 million, based on the assumption that none of the minority shareholders would opt for payment in the form of dividends.

The final amount of the share-based dividend payment will result in the recognition of an adjustment in the second half. The capital increase to reflect the share-based dividend payment will also be recognised in the second half.

1.3.4 Material post-balance sheet events at CNP

Dividend distribution

No significant changes in the Group's financial or commercial position have occurred since the end of the first half of 2012, other than the dividend payment in cash via a capital increase on July 24th; 86.2% of the dividend rights were exercised on a shares option basis. The number of shares issued as a result of the share-based dividend payment was 49,348,883.

Decision of the French Council of State:

On July 23rd 2012, the French Council of State issued a ruling sanctioning the wording of Article A 331-3 of the French Insurance Code prior to April 2007. This wording specified that "the minimum amount of the policyholders' share in underwriting and financial profits should be determined on an overall basis for individual and group policies of all kinds (…) except for group policies in the event of death". As the Council of State took the view that this exception amounted to an addition to the law, the article was ruled to be unlawful.

This decision needs to be compared with the decision taken by the Council of State on May 5th 2010, when it specifically stated that each policyholder is not individually entitled to the award of a determined amount in respect of their share.

In view of the current state of the analysis, the Council of State's decision, which does not give rise to an individual entitlement to a determined amount in respect of profit-sharing, had no impact on CNP's interim financial statements.

2. Post-balance sheet events

2012 Amending Finance Act

On July 31st 2012, the French National Assembly adopted the 2012 Amending Finance Act on its final reading. This Act specifically affects the tax paid by La Banque Postale in two areas, namely:

- the tax on systemic banking risk: the Act doubles the rate of the tax with effect from 2012 and perpetuates the new rate;
- the increase in the fixed-rate social contribution from 8 to 20%.

The entry into force of these new measures has an annualised impact of around €8 million on the operating expenses in the financial statements.

The other measures (taxation of overtime, and the additional contribution of 3%) have a marginal impact.

NOTE 1 LA BANQUE POSTALE'S MAIN VALUATION AND FINANCIAL STATEMENT PRESENTATION RULES

1.1 Regulatory framework

EC Regulation 1606/2002 of July 19th 2002 requires companies whose debt securities are listed on a regulated market to apply the benchmark guidelines drawn up by the International Accounting Standards Board (IASB). Pursuant to that regulation, La Banque Postale has prepared its consolidated financial statements in accordance with IFRS (International Financial Reporting Standards) as approved by the European Union, since January 1st 2007. More specifically, the Group has chosen to apply the provisions of European Commission Regulation 2086/2004 by adopting IAS 39, with the exception of certain provisions. This European regulation therefore allows certain macro-hedging transactions performed as part of asset & liability management (including customer overnight deposits) to be treated as fair value hedges.

The full guidelines for the standards adopted within the European Union can be consulted on the European Commission's website, at the following address: http://ec.europa.eu/internal_market/accounting/ias/index_fr.htm.

Statement of compliance

The summary interim financial statements have been drawn up in compliance with IAS 34 – Interim financial information. The statements include a selection of notes explaining material events and transactions, in order to understand the changes that have occurred in the Group's financial position and performance since the last annual consolidated financial statements for the financial year ended December 31st 2011. The summary interim financial statements do not include all the information required for the full annual financial statements, which are prepared in compliance with IFRS.

These summary consolidated financial statements were prepared under the responsibility of the Executive Board Meeting of August 28th 2012.

Judgements and estimates

The preparation of consolidated interim financial statements requires Management to exercise their judgement, and to make estimates and assumptions that have an impact on the application of accounting policies and on the asset and liability, and income and expense amounts. The actual amounts may be different from the estimated amounts.

As part of the preparation of the consolidated summary interim financial statements, the significant judgements made by Management so as to apply the Group's accounting policies, and the main grounds for uncertainty in relation to those estimates are identical to those that affected the consolidated financial statements for the financial year ended December 31st 2011.

Main accounting policies

The accounting policies used by the Group in the summary interim financial statements are identical to those used in the consolidated financial statements for the financial year ended December 31st 2011.

The consolidated financial statements are presented in thousands of euros.

Presentation of the financial statements

In the absence of any model imposed by IFRS guidelines, the Group has used the summary statement format suggested in Recommendation 2009 R04 of July 2nd 2009 issued by the French National Accounting Council.

1.2 Standards and interpretations applicable by the Group as from January 1st 2012

Standards or Interpretations	Date of adoption by the European Union
IFRS 7* – Disclosures – transfers of financial assets	November 23rd 2011

The Group is not concerned by these standards and interpretations, or their application had no significant impact on the period in question.

*Mandatory for financial years beginning from July 1st 2012 onwards

1.3 Standards and interpretations not yet applied

The IASB and IFRIC have issued standards and interpretations that were not compulsory as at June 30th 2012. Standards or interpretations published by the IASB, but which have not yet been adopted by the European Union, will only be compulsory once they have been adopted, and were not applied by the Group as at June 30th 2012.

Standards or Interpretations	Date of entry into force according to the IASB	Application as at June 30th 2012
IFRS 9 - Financial instruments - classification and measurement"	January 1st 2015	not authorised
Amendments to IAS 12 - Recovery of underlying assets	January 1st 2012	may be anticipated
IFRS 10 - Consolidated financial statements	January 1st 2013	may be anticipated
IFRS 11 - Partnerships	January 1st 2013	may be anticipated
IFRS 12 – Disclosure of interests in other entities	January 1st 2013	may be anticipated
IFRS 13 - Fair value measurement	January 1st 2013	may be anticipated
IAS 27R - Separate financial statements	January 1st 2013	not authorised
IAS 28R - Investments in associates and joint ventures	January 1st 2013	may be anticipated
Amendments to IAS 19 - Employee benefits	January 1st 2013	may be anticipated
Amendments to IAS 1 - Presentation of items of other comprehensive income	July 1st 2012	may be anticipated
Amendments to IFRS 1 - Severe hyperinflation and removal of fixed dates for first-time adopters	July 1st 2011	may be anticipated
Amendments to IFRS1 - Public subsidies	January 1st 2013	may be anticipated
Amendments to IFRS7 - Disclosures: offsetting financial assets and liabilities	January 1st 2013	may be anticipated
Amendments to IAS 32 - Offsetting financial assets and liabilities	January 1st 2014	may be anticipated

The Group had not anticipated the application of any standards as at June 30th 2012. The Group is currently reviewing the potential impact of these texts on its financial statements.

NOTE 2 NOTES TO THE BALANCE SHEET

2.1 Financial assets and liabilities at fair value through profit and loss

Transaction portfolio and assets and liabilities at fair value option through profit and loss

(in € '000s)	06.30.12			12.31.11		
	Transaction	Fair value option	TOTAL	Transaction	Fair value option	TOTAL
Treasury notes and similar securities	490 377		490 377	264 268		264 268
Bonds and other fixed-income securities	8 920 037		8 920 037	10 538 659		10 538 659
Equities and other floating-rate securities	73 778		73 778	63 339		63 339
Financial assets at fair value through profit and loss	**9 484 192**		**9 484 192**	**10 866 266**		**10 866 266**
Debt securities		5 506	5 506		5 603	5 603
Financial liabilities at fair value through profit and loss		**5 506**	**5 506**		**5 603**	**5 603**

Derivatives held for transaction purposes

(in € '000s)	06.30.12		12.31.11	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Interest rate derivatives	89 436	77 837	135 305	219 782
Exchange rate derivatives	3 150	7 164	13 643	9 870
Other derivative instruments	3 902	17 618	1 142	14 455
Financial assets at fair value through profit and loss	**96 488**	**102 619**	**150 090**	**244 107**

(in € '000s)	06.30.12		12.31.11	
	Positive fair value	**Negative fair value**	**Positive fair value**	**Negative fair value**
Conditional transactions	**3 902**	**17 618**	**1 142**	**14 455**
Interest rate options	3 902	17 618	1 142	14 455
Other derivatives	**92 586**	**85 001**	**148 948**	**229 652**
Exchange rate contracts	3 150	7 164	13 643	9 870
Interest rate swaps	89 436	77 837	135 305	219 782

2.2 Financial assets available for sale

(in € '000s)	06.30.12	12.31.11
Treasury notes and similar securities	2 013 777	1 560 288
Bonds and other fixed-income securities	6 412 772	6 819 894
Equities and other floating-rate securities	968 813	957 925
Non-consolidated equity investments	137 444	136 496
Financial assets available for sale	**9 532 806**	**9 474 603**
Including net unrealised gains and losses on fixed-income securities	3 653	(105 076)
Including net unrealised gains and losses on floating-rate securities	1 892	(3 440)

Details of non-consolidated equity investments

(IN € '000s)	06.30.12					12.31.11
	Book value of securities	Related advances & receivables	Impairment	Net value	% interest held	Net value of securities
Crédit Logement	108 269			108 269	6.00%	108 269
AM Lab	5 070			5 070	100.00%	5 070
Thiriet Gestion	4 259		(210)	4 049	33.40%	4 259
Ciloger	3 055			3 055	45.00%	3 055
Oséo	3 785			3 785	0.15%	3 000
Transactis	2 474			2 474	50.00%	2 474
Titres Cadeaux	2 200			2 200	50.00%	2 200
Europay	1 339			1 339	6.00%	1 339
X Ange Private Equity	1 237			1 237	90.00%	1 237
Vernier Roosevelt	1 016			1 016	90.00%	1 016
Other	6 973		(2 023)	4 950	-	4 577
Total equity investments and advances	**139 677**	**0**	**(2 233)**	**137 444**		**136 496**

Non-consolidated equity investments that are not listed on an active market and for which fair value cannot be assessed on a reliable basis are valued at cost. These investments amounted to €23.089 K€ as at June 30th 2012.

2.3 Loans and receivables - credit institutions

(in € '000s)	06.30.12	12.31.11
Overdrafts	95 269	87 480
Deposits and loans	78 693 536	71 749 102
Securities received under resale agreements	1 190 710	680 930
Subordinated and participating loans	183 717	183 980
Doubtful receivables	6	22
Accounts and loans – credit institutions	**80 163 238**	**72 701 514**
Securities equivalent to loans and receivables	2 092 856	2 180 657
Securities equivalent to loans and receivables	**2 092 856**	**2 180 657**
Loans and receivables – credit institutions	**82 256 094**	**74 882 171**

Securities equivalent to loans and receivables are fixed or determinable-rate non-derivative financial assets that are not traded on an active market. Following the reclassifications carried out on July 1st 2008 under the October 2008 amendment to IAS 39, securities equivalent €18 million are held in "Assets available for sale".

The Livret A and Sustainable Development account Funds transferred to the Caisse des Dépôts et Consignations and shown on the "Accounts and Loans" line amounted to €62,926 million as at June 30th 2012 compared with €61,586 million as at December 31st 2011.

2.4 Loans and receivables - customers

(in € '000s)	06.30.12	12.31.11
Overdrafts	466 447	391 202
Trade receivables	464	
Short-term loans	2 719 073	2 492 126
Home loans	43 014 789	41 839 766
Other corporate loans	615 822	139 805
Other customer loans	47 861	54 911
Securities received under resale agreements	286 724	
Doubtful receivables	343 830	309 097
Impairment	(175 678)	(156 573)
Loans and receivables – customers	**47 319 332**	**45 070 334**
Capital lease transactions	32 745	1 180
Capital lease transactions	**32 745**	**1 180**
Securities equivalent to loans and receivables	640 884	11 396
Securities equivalent to loans and receivables	**640 884**	**11 396**
Loans and receivables – customers	**47 992 961**	**45 082 910**

Securities equivalent to loans and receivables are fixed or determinable-rate non-derivative financial assets that are not traded on an active market. Pursuant to the reclassifications carried out on July 1st 2008 and authorised under the October 2008 amendment to IAS 39, only €8 million of these securities were held in "Assets available for sale", compared with €11 million as at December 31st 2011.

2.5 Financial assets held to maturity

(in € '000s)	06.30.12	12.31.11
Treasury notes and similar securities	33 762 564	31 233 423
Bonds and other fixed-income securities	4 106 973	4 143 562
Financial assets held to maturity	**37 869 537**	**35 376 985**

2.6 Sovereign risk exposure to countries that have been the subject of a European Union support plan or are benefiting from assistance for their banking sector

Sovereign exposure has been identified in accordance with the scope defined by the European Banking Authority (EBA), i.e. by selecting exposure to regional authorities, central authorities and to companies that benefit from a Government guarantee among the data. The exposure shown below summarises the exposure for subsidiaries in which La Banque Postale owns an interest of 50% or more. The information regarding CNP's exposure is specifically shown in the *Highlights* section and in the financial information issued by that company.

Based on this survey, the La Banque Postale Group has no exposure to Cyprus.

Identification by category

		Banking portfolio [1]						
In € '000s	Loans and receivable	Assets available for sale	Assets held to maturity	Banking portfolio	Financial assets at fair value trough profit and loss	Balance Sheet Total after impairment charges	Off-balance sheet [2]	Net Total
GREECE	-	16 579	-	**16 579**	-	**16 579**	-	**16 579**
IRELAND	-	951	-	**951**	-	**951**	90 476	**91 428**
PORTUGAL	-	-	1 171 556	**1 171 556**	-	**1 171 556**	154 877	**1 326 433**
SPAIN	-	2 013	1 549 980	**1 551 993**	-	**1 551 993**	31 669	**1 583 662**
TOTAL	**-**	**19 543**	**2 721 536**	**2 741 079**	**-**	**2 741 079**	**277 023**	**3 018 102**

Impact of impairment charges

In € '000s	Total	Including impairment charges	Total before impairment charges
GREECE	16 579	12 356	28 935
IRELAND	91 428	-	91 428
PORTUGAL	1 326 433	-	1 326 433
SPAIN	1 583 662	-	1 583 662

Aside from the assessment performed on exposure to Greek sovereign debt, the La Banque Postale Group has found no objective evidence of impairment on its exposure to other countries that have benefited from a Government or banking sector support plan.

Breakdown by maturity

In € '000s	Total	Residual maturity						
		1	2	3	4	5	<10	≥10
GREECE	**16 579**							16 579
IRELAND	**91 428**	-	90 476	-	951	-	-	-
PORTUGAL	**1 326 433**	-	345 457	-	557 800	423 175	-	-
SPAIN	**1 583 662**	379 556	36 817	10 413	528 714	287 585	338 563	2 013

Breakdown of unrealised gains and losses recorded in reserves

In€'000	Assets available for sale	Unrealised gains and losses recorded in reserves	JV Ranking N1 /N2 / N3
GREECE	16 579	-	N1
IRELAND	951	(68)	N1
PORTUGAL	-		
SPAIN	2 013	(590)	N1

Sovereign exposure

in euro thousands	Assets available for sale	Loans and receivable	Assets held to maturity	Banking portfolio	Financial assets at fair value trhough profit and loss	Total directand indirect exposure (1)	Garantees	Total direct and indirect exposure (2)	Exposure as a %
GREECE	16 579	0	0	16 579		16 579	0	16 579	0.04%
IRELAND	951	0	0	951		951	90 476	91 428	0.23%
ITALY	23 568	0	1 856 593	1 880 161		1 880 161	184 809	2 064 970	5.12%
PORTUGAL	0	0	1 171 556	1 171 556		1 171 556	154 877	1 326 433	3.29%
SPAIN	2 013	0	1 549 980	1 551 993		1 551 993	31 669	1 583 662	3.92%
TOTAL PIIGs	**43 111**	**0**	**4 578 129**	**4 621 240**	**0**	**4 621 240**	**461 832**	**5 083 072**	**12.59%**
GERMANY	80 027	0	3 397 555	3 477 582	0	3 477 582		3 477 582	8.62%
AUSTRIA	8 463	0	234 695	243 158	0	243 158		243 158	0.60%
BELGIUM	268 481	0	1 232 160	1 500 641	0	1 500 641		1 500 641	3.72%
FRANCE	1 883 456	0	24 751 545	26 635 001	772 865	27 407 866		27 407 866	67.91%
UNITED-KINGDOM	0	0	0		0	0			0.00%
LUXEMBOURG	0	0	18 054	18 054	0	18 054		18 054	0.04%
NETHERLANDS	0	0	0		0	0			0.00%
POLAND	7 748	0	0	7 748	0	7 748		7 748	0.02%
SLOVAKIA	537	0	0	537	0	537		537	0.00%
SLOVENIA	2 343	0	0	2 343	0	2 343		2 343	0.01%
SWEDEN	0								
TOTAL EUROPE	**2 251 055**	**0**	**29 634 009**	**31 885 065**	**772 865**	**32 657 930**	**0**	**32 657 930**	**80.92%**
AUSTRALIA	0		0		0	0	0	0	
CANADA	1		860		0	861	0	861	
JAPAN	2		81		0	83	0	83	
REST OF THE WORLD	3 921	0	940 247	944 168	0	944 168		944 168	2.34%
SUPRA-NATIONAL	608 923	197 367	750 551	1 556 842	117 572	1 674 414		1 674 414	4.15%
TOTAL	**2 907**	**197**	**35 903**	**39 007 315**	**890 437**	**39 897 752**	**461 832**	**40 359 584**	**100%**

(1) Direct exposure: net book value (including impairment) of the exposure on the Bank's own account.

(2) Direct and indirect exposure: direct exposure, plus indirect exposure through the guarantees granted to some of the Group's UCITS.

Identification across the scope defined by the EBA and including local and regional authorities or bodies that benefit from a Government guarantee.

2.7 Investments in subsidiaries accounted for via the equity method

(in € '000s)	06.30.12		12.31.11	
	Equity value	Of which profit	Equity value	Of which profit
CNP Assurances Group	2 097 212	100 447	1 952 180	160 365
Investments in associates	**2 097 212**	**100 447**	**1 952 180**	**160 365**

The data published by the CNP Assurances Group show a balance sheet total of €332,354 million, revenues of €13,271 million and a net profit of €540 million as at June 30th 2012. The market value of CNP Assurances was €5,722 million as at June 30th 2012.

The equity-accounted amount takes into account the treatment chosen by CNP for the option exercised by the shareholders in the shareholders' agreement, whose number includes Sopassure. This treatment does not include the effect of changes in the percentage held on net income, while still awaiting the final changes to minority shareholders.

2.8 Goodwill

Movements during the period:

(in € '000s)	06.30.12	12.31.11
Net value as at January 1st	**53 655**	**53 439**
Goodwill arising on investments		
Disposals		
Impairments during the period		(4 722)
Other movements		4 938
Net value as at June 30	**53 655**	**53 655**

Breakdown of Goodwill

(in € '000s)	06.30.12	12.31.11
Tocqueville Finance Group	27 498	27 498
La Banque Postale Asset Management	24 810	24 810
La Banque Postale Prévoyance	1 347	1 347
Easybourse	4 722	4 722
Total goodwill (gross)	**58 377**	**58 377**
Impairment of goodwill	(4 722)	(4 722)
Total goodwill (net)	**53 655**	**53 655**

2.9 Payables - credit institutions

(in € '000s)	06.30.12	12.31.11
Current accounts in credit	85 894	83 956
Accounts and loans	760 375	401 513
Securities delivered under repo agreements	12 083 590	10 371 561
Other amounts payable	8 814	8 576
Payables – credit institutions	**12 938 673**	**10 865 606**

2.10 Payables - customers

(in € '000s)	06.30.12	12.31.11
Regulated Livret A accounts	58 660 594	56 989 529
Home loan savings scheme and accounts	26 815 647	26 250 565
Other special savings accounts	22 635 928	22 685 305
Special savings accounts	**108 112 169**	**105 925 399**
Current accounts in credit	48 010 251	46 840 505
Securities and shares loaned under buyback agreements	5 057 740	2 230 788
Term deposits	1 232 715	1 123 263
Customer borrow ings	0	320 004
Other amounts payable	301 535	309 511
Payables – customers	**54 602 241**	**50 824 071**
Customer transactions	**162 714 410**	**156 749 470**

2.11 Underwriting reserves of insurance companies

(in € '000s)	12.31.11	Provisions	Reversals	Other	06.30.12
Life insurance technical reserves	262 062	277 184	(262 062)	0	277 184
Non-fife insurance technical reserves	140 882	135 230	(125 183)	0	150 930
Equalisation reserves	7 338	7 460	(7 338)	0	7 460
Other reserves	118 284	149 122	(114 378)	0	153 027
Technical reserves	**528 566**	**568 994**	**(508 961)**	**0**	**588 600**

(in € '000s)	06.30.12	12.31.11
"Shadow accounting" insurance accounts	12 626	1 930
Shadow	**12 626**	**1 930**

These reserves were mainly built up by La Banque Postale Prévoyance.

2.12 Provisions

(in € '000s)	12.31.11	Provisions	Write-backs	Other	06.30.12
Provisions for employee benefits	7 770	404	0	0	8 174
Provisions for risk on home loan savings accounts	194 000	33 500	0	0	227 500
Provisions for employee litigation and expenses	3 068	1 480	(2 716)	0	1 832
Other provisions	194 361	10 368	(6 322)	0	198 407
Provisions	**399 199**	**45 752**	**(9 038)**	**0**	**435 913**

The other provisions consist mainly of a provision for a commitment arising from signature for guarantees issued to Group UCITS (€132 million).

NOTE 3 NOTES TO THE INCOME STATEMENT

3.1 Interest income and expense, and similar items

Interest income received in respect of the transfer of the Livret A and Sustainable Development account funds amounted to 1,016.618 million as at June 30th 2012.

	06.30.12		06.30.11	
(in € '000s)	Income	Expenses	Income	Expenses
Interest expense and similar on cash and inter-bank transactions	1 211 917	(17 487)	1 103 863	(40 035)
Interest interest/(expense) and similar on customer transactions	899 623	(1 360 360)	823 798	(1 111 352)
Interest income/(expense) on hedging transactions	262 694	(278 449)	116 781	(35 352)
Interest income/(expense) on assets available for sale and held to maturity	847 065	0	833 330	(409)
Interest expense on securitised debt	0	(131 714)	6	(112 244)
Interest income and expense	**3 221 299**	**(1 788 010)**	**2 877 777**	**(1 299 392)**
Net interest income and expense	**1 433 289**		**1 578 385**	

3.2 Commissions

	06.30.12		06.30.11	
(in € '000s)	Income	Expenses	Income	Expenses
Commissions on cash and inter-bank transactions	1 866	(871)	161	(864)
Commissions on customer transactions	625 221	(27 421)	651 820	(32 633)
Commissions on financial services supplied	261 760	(84 918)	270 796	(98 372)
Commissions on securities transactions	121 347	(616)	135 380	(1 092)
Commissions on insurance services supplied	24 992	(2 877)	17 857	(2 469)
Commissions on financial instruments	0	(711)	343	(607)
Other commissions	7 140	0	6 346	0
Commission income and expenses	**1 042 326**	**(117 414)**	**1 082 702**	**(136 037)**
Net commissions	**924 912**		**946 665**	

3.3 Net gains and losses on financial instruments at fair value through profit and loss

(in € '000s)	06.30.12	06.30.11
Net income from financial instrument held for trading (excluding derivatives)	92 375	54 924
Net income from trading derivatives	54 375	(25 952)
Net income from the revaluation of hedged items and hedge derivatives	279	2 698
Net income from financial assets designated at fair value through profit and loss	813	(448)
Net income from financial liabilities designated at fair value through profit and loss	(177)	(19 412)
Net gains and losses on financial instruments at fair value through profit and loss	**147 665**	**11 812**

3.4 Net gains and losses on assets available for sale

(in € '000s)	06.30.12	06.30.11
Gains on disposals of fixed-income securities	75 991	74 214
Losses on disposals of fixed-income securities	(9 804)	(11 931)
Dividends and similar income	21 410	19 439
Gains on disposals of floating-rate securities	2 492	4 873
Losses on disposals of floating-rate securities and loss of value	(1 093)	(5 231)
Net gains and losses on disposals of loans and receivables	60	(1 856)
Net gains and losses on assets available for sale	**89 056**	**79 508**

3.5 General operating expenses

(in € '000s)	06.30.12	06.30.11
Personnel expense	**(161 423)**	**(148 230)**
Taxes and duties	(30 730)	(21 900)
External services	(1 881 347)	(1 912 974)
Other expenses	(73 137)	(76 619)
Other general operating expenses	**(1 985 214)**	**(2 011 493)**
General operating expenses	**(2 146 637)**	**(2 159 723)**

General sub-contracting expenses mainly include expenses of €1,586 million relating to the service agreements between La Poste and La Banque Postale as at June 30th 2012. These expenses amounted to €1,618 million as at June 30th 2011.

3.6 Cost of risk

(in € '000s)	06.30.12	06.30.11
Impairments on customer accounts and credit institutions	(192 799)	(43 580)
Reversal of impairments on customer accounts and credit institutions	171 676	28 736
Losses on unrecoverable impaired provisions (1)	(149 574)	(24 930)
Losses on unrecoverable non-provisioned receivables	(10 591)	(8 473)
Recovery of amortised receivables	2 704	2 270
Impairment on past-due financial assets and other assets (1)	(12 356)	(158 445)
Reversal of impairment on past-due financial assets and other assets (1)	112 997	12 530
Other impairment charges and reversals	(3 878)	(1 070)
Cost of risk	**(81 822)**	**(192 962)**

(1) As at June 30th 2012, this total included €30 million for the cost of risk on Greek securities, which corresponds to the additional loss at the time of the exchange, and to the loss of value recorded at the closing date.

3.7 Income tax and deferred taxes

(in € '000s)	06.30.12	06.30.11
Current taxes	(133 891)	(98 789)
Deferred tax	15 057	6 274
Income tax	**(118 834)**	**(92 515)**

Breakdown of the tax charge:

(in € '000s)	06.30.2012		06.30.2011	
Net profit, Group share	**333 603**		**258 590**	
Minority interests	(1 048)		(1 887)	
Income from equity associates	100 447		101 278	
Tax charge	(118 834)		(92 515)	
Accounting income before tax	**350 942**		**247 940**	
Theoretical tax charge	**(126 690)**	**-36.10%**	**(85 366)**	**-34.43%**
Impact of permanent timing diff	**11 498**	3.28%	**(320)**	-0.13%
Impact of unrecorded deferred taxes	**(3 085)**	-0.88%	**(4 570)**	-1.84%
Impact of dividend taxation	**(1 235)**	-0.35%	**(1 381)**	-0.56%
Tax credits, and impact of reduced-rate taxation	**240**	0.07%	**(1 140)**	-0.46%
Other impacts	**438**	0.12%	**261**	0.11%
Recognised tax charge	**(118 834)**	**-33.86%**	**(92 516)**	**-37.31%**

The impact of permanent timing differences as at June 30th was mainly due to the tax-exempt nature of the repayment of the fine for cheque image exchange commissions.

NOTE 4 SEGMENT INFORMATION

The La Banque Postale Group is structured around the following divisions:

Retail Banking, which includes La Banque Postale's business activities, SCI CRSF Métropole and CRSF Dom, the limited property investment partnerships that own the Bank's business premises, La Banque Postale Financement, La Banque Postale Crédit aux Entreprises, the SF2 holding company, and Easy Bourse.

- The insurance division consists of the CNP Assurances Group, La Banque Postale Prévoyance, La Banque Postale Assurances Santé, La Banque Postale Assurances IARD, La Banque Postale Conseil en Assurances, and Sopassure.

-The asset management division, which includes the La Banque Postale Asset Management Group, La Banque Postale Structured Asset Management, OFC Finance, Tocqueville Finance Holding, Tocqueville Finance SA and La Banque Postale Gestion Privée.

Except for CNP Assurances' foreign subsidiaries, the Group conducts its business activities in France.

Inter-segment and intra-segment transactions are performed under commercial market conditions.

4.1 Breakdown of results by business segment

Net profit by business segment as at June 30th 2012 (excluding the remuneration cost of equity capital for each segment)

(in € '000s)	Retail banking	Insurance	Asset management	Consolidated net profit
Net banking income	**2 555 224**	**52 191**	**60 171**	**2 667 586**
General operating expenses	(2 091 485)	(23 615)	(31 537)	(2 146 637)
Net depreciation, amortisation and impairments to tangible and intangible fixed assets	(86 092)	(545)	(901)	(87 538)
Gross operating profit	**377 647**	**28 031**	**27 733**	**433 411**
Cost of risk	(79 855)	(1 967)	0	(81 822)
Operating profit	**297 792**	**26 064**	**27 733**	**351 589**
Share profits in associates	0	100 447	0	100 447
Gains and losses on other assets	(648)	0	0	(648)
Pre-tax current profit	**297 144**	**126 511**	**27 733**	**451 388**
Income tax	(94 960)	(14 495)	(9 379)	(118 834)
Group net profit	**202 184**	**112 016**	**18 354**	**332 554**
Minority interests	(1 707)	4 102	(1 346)	1 048
Net profit, attributable to equity holders of parent	**200 477**	**116 118**	**17 008**	**333 602**

Net profit by business segment as at June 30th 2011 (excluding the remuneration cost of equity capital for each segment)

(in € '000s)	Retail banking	Insurance	Asset management	Consolidated net profit
Net banking income	**2 561 040**	**42 138**	**68 199**	**2 671 377**
General operating expenses Net depreciation, amortisation and impairments to tangible and intangible fixed assets	(2 099 982) (69 242)	(21 341) (432)	(38 400) (644)	(2 159 723) (70 318)
Gross operating profit	**391 816**	**20 366**	**29 155**	**441 337**
Cost of risk	(192 006)	(904)	(52)	(192 962)
Operating profit	**199 810**	**19 462**	**29 103**	**248 375**
Share profits in associates Gains and losses on other assets	0 (408)	101 278 (3)	0 (22)	101 278 (433)
Pre-tax current profit	**199 402**	**120 736**	**29 081**	**349 220**
Income tax	(71 208)	(11 928)	(9 379)	(92 515)
Group net profit	**128 194**	**108 808**	**19 702**	**256 705**
Minority interests	424	3 940	(2 478)	1 886
Net profit, attributable to equity holders of parent	**128 618**	**112 748**	**17 224**	**258 591**

NOTE 5 SCOPE OF CONSOLIDATION

	COMPANIES	Nationality	Method [1]	Movements	% Control 06.30.12	% Interest 06.30.12	% Control 2011	% Interest 2011
Retail banking								
	LA BANQUE POSTALE	French	PARENT		100.00	100.00	100.00	100.00
	SCI CRSF DOM [2]	French	FULL		99.94	99.94	99.94	99.94
	SCI CRSF METROPOLE [2]	French	FULL		100.00	100.00	100.00	100.00
	SF2	French	FULL		100.00	100.00	100.00	100.00
	LA BANQUE POSTALE FINANCEMENT	French	FULL		65.00	65.00	65.00	65.00
	LA BANQUE POSTALE CREDIT ENTREPRISES	French	FULL		100.00	100.00	100.00	100.00
	EASY BOURSE	French	FULL		100.00	100.00	100.00	100.00
Insurance								
	GROUPE CNP ASSURANCES	French	EQ. METH.		35.48	19.71	35.48	19.71
	LA BANQUE POSTALE PREVOYANCE	French	PROP.		50.00	50.00	50.00	50.00
	LA BANQUE POSTALE CONSEIL EN ASSURANCES (Ex. Sogerco)	French	FULL		100.00	100.00	100.00	100.00
	SOPASSURE	French	PROP.		50.02	50.02	50.02	50.02
	LA BANQUE POSTALE ASSURANCES IARD	French	FULL		65.00	65.00	65.00	65.00
	LA BANQUE POSTALE ASSURANCES SANTÉ	French	FULL		65.00	65.00	65.00	65.00
Asset management								
	LA BANQUE POSTALE GESTION PRIVEE	French	FULL		51.00	51.00	51.00	51.00
	LA BANQUE POSTALE ASSET MANAGEMENT	French	FULL		100.00	100.00	100.00	100.00
	LA BANQUE POSTALE STRUCTURED ASSET MANAGEMENT	French	FULL		100.00	100.00	100.00	100.00
	OFC FINANCE	French	FULL		100.00	100.00	100.00	100.00
	TOCQUEVILLE FINANCE HOLDING	French	FULL		90.43	90.43	90.43	90.43
	TOCQUEVILLE FINANCE SA	French	FULL		99.84	90.28	99.84	90.28

[1] Consolidation methods:
FULL: Full consolidation
PROP: Proportional consolidation
EQ. METH.: Equity Accounted

[2] Limited Property Investment Partnerships that own the Bank's business premises.

Statutory Auditors' report on the first half 2012 financial information

LA BANQUE POSTALE S.A.

Registered office: 115, rue de Sèvres - 75275 Paris Cedex 06

Registered share capital: €3,185,734,830

This is a free translation into English of the Statutory Auditors' review report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Period between January 1st and June 30th 2012

Dear shareholders,

Under the terms of the assignment entrusted to us by your General Meeting, and pursuant to Article L. 451-1-2 III of the French Monetary and Financial Code, we have:

- performed a limited review of La Banque Postale S.A's consolidated summary financial statements for the period between January 1st and June 30th 2012, as appended to this report;
- checked the information provided in the interim business report.

These summary consolidated financial statements were prepared under the responsibility of the Executive Board. Our role is to form a conclusion on these financial statements, based on our limited audit.

I – Conclusion on the financial statements

We have carried out our limited review in accordance with the professional standards applicable in France. A limited review mainly consists in meeting with the members of the Management Team responsible for accounting and financial issues, and in implementing analytical procedures. This work is less extensive than that required for an audit performed according to the professional standards applicable in France. As a result the assurance that the financial statements, taken as a whole, do not include any significant misstatements that is obtained as part of a limited review is a moderate assurance, which is not as certain as the assurance obtained as part of an audit.

Based on our limited review, we did not observe any material misstatements of a nature that would call into question the compliance of the summary consolidated financial statements with IAS 34 - the IFRS standard for interim financial information as adopted by the European Union.

II - Specific verification

We also verified the information provided in the interim business report on the summary consolidated financial statements that were the subject of our limited review. We have no comments to make on the fair presentation of that information, or on its consistency with the consolidated financial statements.

Paris La Défense, August 30th 2012

KPMG Audit
A Division of KPMG S.A.

Isabelle Goalec
Partner

Neuilly-sur-Seine, August 30th 2012

PricewaterhouseCoopers Audit

Agnès Hussherr
Partner

V Additional Information

V.1 Articles of Association

No changes have been made to the Articles of Association since September 9th 2011.

V.2 Material changes

There have been no material changes in the Group's financial or commercial position since the close of the last financial year for which audited financial statements have been published, and specifically since the signing of the Statutory Auditors' report on the consolidated financial statements on March 8th 2012.

V.3 Availability of the Registration Document to the public

All documents made available to the public under legal conditions may be consulted at La Banque Postale's registered offices at 115, rue de Sèvres, 75275 Paris Cedex 06. La Banque Postale's registration documents are also available on the www.labanquepostale.fr website.

V.4 Trends

The second half of 2012 will see the roll-out of La Banque Postale's new offerings. The continuation of the corporate lending business should be boosted by the addition of financial leasing and lease-to-buy products, and then of a factoring offering.

The local authority lending business, which was launched in June, will gradually be extended to social landlords (mid-September 2012), while a second phase will see the marketing of medium and long-term loans as from November 2012.

La Banque Postale has been part of the review process open to all players in the sector, so as to enable them to review Crédit Immobilier de France's business model and its compatibility with the Bank's 2011-2015 strategic plan, entitled "Putting the customer first: Let's show that we are different!" since June 22nd 2012.

The Bank's Supervisory Board and the Board of Directors of La Poste have authorised La Banque Postale to continue working on this case in accordance with La Banque Postale's values and the interests of its employees in terms of growth, profitability, liquidity and solvency.

VI Persons responsible for auditing the financial statements

PricewaterhouseCoopers
Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

KPMG Audit
A Division of KPMG S.A.
1 cours Valmy
92923 Paris - La Défense Cedex

PriceWaterhouseCoopers Audit (642010045 RCS Nanterre) and **KPMG Audit** (775726417 RCS Nanterre) are registered as Statutory Auditors and members of the Versailles Regional Chamber of Statutory Auditors, and are subject to the authority of the High Council of Statutory Auditors.

VII Statement by the person responsible for the registration document

Philippe Wahl, Chairman of the Executive Board,

I hereby certify that I have taken all reasonable steps to ensure that the information contained in this updated registration document is, to my knowledge, consistent with reality, and does not contain any omission likely to affect its import.

I certify that, to my knowledge, the summary financial statements for the half-year just ended have been drawn up in accordance with applicable accounting standards, and give a true and fair view of the assets, financial position, and results of the Company and of all companies included in the scope of consolidation, and that the interim business report that consists of the sections of this update listed in the correlation table in Section VIII herein provides a true picture of the significant events that occurred during the first six months of the financial year, of their impact on the financial statements, and of the main transactions between related parties, together with a description of the main risks and uncertainties for the remaining six months of the year.

I have received a letter from the legal auditors, KPMG Audit and PricewaterhouseCoopers Audit, stating that they have completed their assignment, and in which they mention that they have verified the information relating to the financial position and financial statements provided in this update, and have read the Registration Document and this update from end to end.

Drawn up in Paris, on August 31st 2012
The Chairman of the Executive Board
Philippe Wahl

VIII Updated correlation table

Correlation table (Appendix 1 of European regulation 8009/2004)		Correlation table (Items in Appendix 1 of European regulation 8009/2004)	2011 Registration Document
Updated Registration Document	**Page**		**Page**
Persons Responsible	52	1	250
Statutory auditors	51	2	69
Selected financial information			
Historical financial information		3.1	5
Interim financial information	21-49	3.2	NA
Risk factors	14-20	4	71-88; 114-131
Information about the issuer		5	
History and development of the issuer	1	5.1	6-7
Investments	36-38	5.2	120
Business overview		6	
Main business activities	1	6.1	9
Main markets	-	6.2	11-12
Exceptional events	-	6.3	65-68
Potential dependency	-	6.4	NA

Key elements of any statement made by the issuer regarding their competitive position	-	6.5	6
Organisational Structure		7	
Summary description	2	7.1	10
List of major subsidiaries	-	7.2	9; 200-201
Property, plant and equipment		8	
Major existing or planned tangible fixed asset	21	8.1	137
Environmental issue that may affect the use of the tangible fixed assets	-	8.2	210
Review of the financial position and results		9	
Financial position	21-49	9.1	90; 164
Operating profit	21-49	9.2	90; 164
Cash and equity capital		10	
Issuer's equity capital	21-49	10.1	4 -90; 164-185
Origin and amount of cash flows	24	10.2	76-114
Borrowing conditions and financial structure	21-49	10.3	NA

Information regarding any restriction on the use of capital that has had, or may have a material impact on the issuer's operations	NA La Banque Postale is not exposed to any covenants	10.4	NA La Banque Postale is not exposed to any covenants
Expected source of financing	-	10.5	134-186
Research and development, patents and licenses	-	11	NA
Information about trends	50	12	68
Profit forecasts or estimates	Nil.	13	Nil.
Administrative, supervisory management, and general management bodies		14	14
Administrative and management bodies	-	14.1	60-62
Conflict of interest at the level of the administrative and management bodies	-	14.2	25
Remuneration and benefits		15	
Remuneration amount paid and benefits in kind	-	15.1	49-54
Total amounts provisioned or recorded for the purpose of paying pension and retirement, or other benefits	-	15.2	54
Operation of the management bodies		16	
Current mandate end-date	-	16.1	82-85
Service agreement binding the members of the administrative bodies	-	16.2	NA

Information on the audit committee and on the remuneration committee		-	16.3	31-33
Current corporate governance rules in the issuer's country of origin		-	16.4	
Employees			17	
	Number of employees	1	17.1	213
Profit sharing and stock options		-	17.2	194-214
Agreement providing for employee participation in the issuer's capital		-	17.3	NA
Major Shareholders			18	18
Shareholders with over 5% of the equity capital		-	18.1	20
Existence of voting rights		-	18.2	20
Control of the issuer		-	18.3	20
Agreement known to the issuer, where the implementation could subsequently result in its control changing hands		-	18.4	NA
Transaction with related parties		-	19	158-159
Financial information on the issuer's assets, financial position, and results			20	
Historical financial information		21-49	20.1	90-204
Pro forma financial information		NA	20.2	NA
Financial statements		21-49	20.3	90-204

Verification of the annual financial information	-	20.4	162 ; 202 ;218
Date of the latest information available	June 30th 2012	20.5	December 31st 2011
Interim and other financial information	21-49	20.6	NA
Dividend distribution policy	-	20.7	20
Legal and arbitrage proceedings	18	20.8	83
Significant change in the issuer's financial or trading position	50	20.9	222
Additional information		21	
Share capital	-	21.1	4
Memorandum and Articles of Association	50	21.2	225-236
Material contracts	-	22	222
Information from third parties, expert statements, and declarations of interest		23	
Procedures for drawing up employee-related and environmental information	-	23.2	211
Documents available to the public	50	24	222
Information on investments	-	25	9-10. 200-201
Significant events that have occurred between the year-end and the date on which the management report was drawn up (Paragraph 2 of Article L. 232-1 of the French Commercial Code)	50		68
Tables featuring key financial data for the past five years	-		199
Information on non-financial employee-related and environmental	-		

data			205-220
Management report			
Review of the results, financial position, risks, and list of delegations of authority relating to increasing the share capital of the Parent Company and of the consolidated entity	3-12		59-60.71-88
Required information likely to have an impact in the event of a public offering (Article L. 225-100-3 of the French Commercial Code)	-		34-35
Expenses not deductible for tax purposes	-		67
Statutory Auditors' fees	-		160
Information regarding share buybacks (Paragraph 2 of Article L. 225-211 of the French Commercial Code)	-		NA
Chairman's report on the work performed by the Supervisory Board and on internal control procedures	-		24-42
Equity investments made over the year (Article L. 233-6)	-		17
Significant events that have occurred between the year-end and the date on which the management report was drawn up (Paragraph 2 of Article L. 232-1 of the French Commercial Code)	50		68
Tables featuring key financial data for the past five years	-		199
Information on non-financial employee-related and environmental data	-		205-220

IX Interim financial report correlation table

“Pursuant to Article 212-13 of the French Financial Markets Authority’s General Regulations, this update includes the information in the interim financial report mentioned in Article L. 451-1-2 of the French Monetary and Financial Code and in Article 222-4 of the Financial Markets Authority’s General Regulations”.

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STATEMENT BY THE PERSON RESPONSIBLE FOR THE DOCUMENT	**52**
BUSINESS REPORT	**1-12**
• The main events that occurred during the first six months of the financial year	3
• Main risks and uncertainties	12
• Main related-party transactions	-
CONSOLIDATED FINANCIAL STATEMENTS	**21-48**
STATUTORY AUDITORS’ REPORT ON THE 2012 FIRST HALF FINANCIAL INFORMATION	**49**