

Paris, November 5, 2020

**Results for Q3-20 and 9M-20****Robust business momentum and revenue growth in the Retail Banking & Insurance businesses****New value-creating trajectories in the AWM and CIB divisions****Financial strength among the highest in the European banking industry****9M-20: Net banking income of €16.2bn, reported net income<sup>1</sup> of €986m and underlying net income<sup>1</sup> of €1.5bn, including the continued pursuit of a prudent provisioning policy****Reported Q3-20 results: Net banking income of €5.5bn and net income of €674m, down 28%****Retail Banking & Insurance:** increase in revenues and profitability; very good Q3-20 performance, 4.8% growth in net banking income and a 9.9% rise in gross operating income, driven by a strong commercial momentum and good cost control

- **Loan outstandings: growth of 11% year-on-year**, driven by the **Banque Populaire and Caisse d'Epargne retail banking networks serving individual, professional and corporates**
- **Insurance:** continued business development with **revenue growth of 7.1% in Q3-20 and 8.3% in 9M-20**
- **Financial Solutions & Expertise:** net banking income up 2.5% in 9M-20 and 6.5% in Q3-20 driven by synergies with the retail networks

**Asset & Wealth Management:** €910bn in assets under management at end September 2020, good momentum in the US and in ESG expertise. **€1,060bn in assets under management in early November** following the merger between Ostrum AM and LBP AM.

- **Net inflows in Q3-20 of €2bn<sup>2</sup>**, driven in particular by the expertise of **Loomis and Mirova**
- Net banking income down by a limited 6% in Q3-20 YoY, excluding performance fees
- **Creation of a leader in insurance-related asset management, 100% SRI, with the completion of the Ostrum AM/LBP AM merger**

**Corporate & Investment Banking:** significant improvement in operating profitability vs. Q2-20

- **Q3-20 net banking income of €703m, -10% YoY**
- +28% YoY for the IB/M&A businesses in Q3-20 thanks to the development of DCM and M&A expertise in the US and to performance of the Asia-Pacific platform

**Enhanced operating efficiency:** operating expenses decreased by 3.2% in Q3-20 and by 2.7%<sup>3</sup> in 9M-20

- **2.6% decline in operating expenses in the Banque Populaire and Caisse d'Epargne networks over the 9-month period**
- **Natixis: new transformation and operational efficiency plan with the goal of costs saving by €350 million to 2024**

**Cost of risk:** continued implementation of a prudent provisioning policy

- **New forward-looking provisioning of €120m in Q3-20, representing a total of €673m in 9M-20**
- **Stability of incurred risk in 9M-20 in the Banque Populaire and Caisse d'Epargne networks compared with 9M-19**
- **Group cost of risk at 38bp in 9M-20 and at 32bp in Q3-20**

**Capital position, financial and ESG ratings at the banking industry's highest levels**

- **CET1 ratio<sup>4</sup> stood at 15.9%** at the end of September 2020, 510bps over MDA
- LT credit rating confirmed by 4 rating agencies at **A1/A+**
- Groupe BPCE's rating upgraded to **AA by the MSCI agency**

**Strategy developments: implementation of new trajectories creating sustainable value**

- **CIB – Equity Derivatives: Exit from most complex products and tightened exposure limits on low/medium risk products.** These products will essentially be offered to Groupe BPCE retail networks and Natixis' selected strategic clients
- **CIB – Oil & Gas: total withdrawal from shale oil and gas activities** in the United States within 2 years,
- **Asset Management: discussions on the possible progressive sale<sup>5</sup> of Natixis IM's stake in H2O AM** and the orderly resumption by H2O AM for the distribution of its products over a transition period until the end of 2021

**Laurent Mignon, Chairman of the Management Board of Groupe BPCE,** said: "Groupe BPCE is doing more than just weathering the current crisis and its expected continuation in the future thanks, in particular, to the very good levels of business activity in our two major Banque Populaire and Caisse d'Epargne retail banking networks. All of our people are mobilized to work with our customers as closely as possible and to identify, with them, the best financial solutions enabling them to face up to this crisis. Our financial strength, our cooperative and universal banking model very close to the territories, and the quality of our range of products and services will prove to be essential strengths to get through this difficult period. A new trajectory for creating value has been adopted by Natixis and our Group, solid, united and transformed, is actively working on the definition of its next strategic plan."

<sup>1</sup> See note on methodology, and after restating to account for the impact of IFRIC 21 <sup>2</sup> Excluding H<sub>2</sub>O AM <sup>3</sup> Excluding SRF contributions <sup>4</sup> Estimate at end-September 2020 <sup>5</sup> Such evolution would be subject to consideration and approval by relevant regulatory authorities.

The quarterly financial statements of Groupe BPCE for the period ended September 30, 2020, approved by the Management Board at a meeting convened on November 3, 2020, were verified and reviewed by the Supervisory Board, chaired by Pierre Valentin, at a meeting convened on November 5, 2020

## Groupe BPCE:

Restated figures €m	Q3-20	Q3-19	% Change	9M-20	9M-19	% Change
<b>Net banking income</b>	<b>5,511</b>	<b>5,757</b>	<b>(4.3)%</b>	<b>16,237</b>	<b>17,470</b>	<b>(7.1)%</b>
Operating expenses <i>o/w expenses excluding SRF</i>	(3,905)	(4,011)	(2.6)%	(12,288)	(12,624)	(2.7)%
<b>Gross operating income</b>	<b>1,606</b>	<b>1,746</b>	<b>(8.1)%</b>	<b>3,949</b>	<b>4,845</b>	<b>(18.5)%</b>
Cost of risk	(589)	(320)	84.2%	(2,074)	(939)	x2.2
Gains or losses on other assets	7	6	21.0%	(122)	(25)	
<b>Income before tax</b>	<b>1,083</b>	<b>1,494</b>	<b>(27.5)%</b>	<b>1,913</b>	<b>3,979</b>	<b>(51.9)%</b>
Income tax	(342)	(383)	(10.8)%	(727)	(1,366)	(46.8)%
Non-controlling interests	(39)	(179)	(78.4)%	(68)	(408)	(83.2)%
<b>Net income – Group share excl. Coface net contribution</b>	<b>703</b>	<b>931</b>	<b>(24.5)%</b>	<b>1,118</b>	<b>2,206</b>	<b>(49.3)%</b>
Coface net contribution	(29)	12		(131)	35	
<b>Net income – Group share incl. Coface net contribution</b>	<b>674</b>	<b>943</b>	<b>(28.5)%</b>	<b>986</b>	<b>2,241</b>	<b>(56.0)%</b>

### Coface: change in reporting method as at March 31, 2020

Following the divestment announced on February 25, 2020 of a 29.5% stake in Coface, the contribution made by this subsidiary is presented on a separate P&L line: 'Coface net contribution.'

## Exceptional items

€m			Q3-20	Q3-19	9M-20	9M-19
Revaluation of assets associated with DSN denominated in foreign currencies	Net banking income	Corporate center	3	14	3	15
Contribution to the insurance guarantee fund	Net banking income	Insurance & Corporate center			(16)	
Transformation and reorganization costs	Operating expenses / Cost of risk / Gains or losses on other assets / Goodwill	Business lines & Corporate center	(110)	(94)	(384)	(394)
Impact of Lebanon default on ADIR insurance	Associates	Insurance			(14)	
Disposals and impairments	Associates / Gains or losses on other assets	Business lines & Corporate center			(10)	(40)
<b>Total impact on income before tax</b>	<b>(excl. Coface net contribution)</b>		<b>(107)</b>	<b>(80)</b>	<b>(420)</b>	<b>(419)</b>
<b>Total impact on net income – Group share</b>	<b>(excl. Coface net contribution)</b>		<b>(61)</b>	<b>(64)</b>	<b>(264)</b>	<b>(378)</b>
<b>Coface</b>						
Coface capital loss	Coface net contribution		(34)		(146)	
Coface residual stake impairment	Coface net contribution		(11)		(47)	
Transformation costs / Goodwill impairment	Coface net contribution					
<b>Total impact on income before tax</b>			<b>(45)</b>		<b>(186)</b>	<b>(1)</b>
<b>Total impact on net income – Group share</b>			<b>(32)</b>		<b>(136)</b>	<b>0</b>

From an accounting standpoint, the Coface capital loss is classified under 'Gain or loss on other assets' and the Coface residual stake impairment is listed under 'Share in net income of associates.' See the annexes for the reconciliation with the accounting view.

## 1. Groupe BPCE, underlying performance

Underlying figures €m	Q3-20	Q3-19	% Change	9M-20	9M-19	% Change
<b>Net banking income</b>	<b>5,503</b>	<b>5,743</b>	<b>(4.2)%</b>	<b>16,245</b>	<b>17,455</b>	<b>(6.9)%</b>
Operating expenses	(3,801)	(3,928)	(3.2)%	(12,052)	(12,347)	(2.4)%
<i>o/w expenses excluding SRF</i>				(11,652)	(11,970)	(2.7)%
<b>Gross operating income</b>	<b>1,702</b>	<b>1,815</b>	<b>(6.2)%</b>	<b>4,193</b>	<b>5,108</b>	<b>(17.9)%</b>
Cost of risk	(585)	(320)	82.8%	(2,069)	(929)	x2.2
<b>Income before tax</b>	<b>1,190</b>	<b>1,574</b>	<b>(24.4)%</b>	<b>2,333</b>	<b>4,398</b>	<b>(46.9)%</b>
Income tax	(367)	(404)	(9.2)%	(852)	(1,390)	(38.7)%
Non-controlling interests	(59)	(174)	(66.3)%	(99)	(424)	(76.5)%
Net income – Group share excl. Coface net contribution	764	996	(23.2)%	1,382	2,584	(46.5)%
<b>Net income – Group share excl. Coface net contribution after IFRIC 21 restatement</b>	<b>646</b>	<b>892</b>	<b>(27.6)%</b>	<b>1,500</b>	<b>2,688</b>	<b>(44.2)%</b>
<i>Cost/income ratio<sup>(1)</sup></i>	<i>71.8%</i>	<i>70.7%</i>	<i>1.1pp</i>	<i>73.3%</i>	<i>70.0%</i>	<i>3.3pp</i>

Unless specified to the contrary, the following financial data and related comments refer to the underlying results, i.e. results restated to exclude exceptional items, as presented on page 2. Changes express differences between Q3-20 and Q3-19, 9M-20 and 9M-19.

**Net banking income** for Groupe BPCE stood at 5.5 billion euros in Q3-20 and at 16.2 billion euros in 9M-20, down year-on-year by 4.2% and 6.9% respectively.

The Retail Banking & Insurance division enjoyed a dynamic business recovery after the lockdown period and posted a solid performance in Q3-20 with a 4.8% year-on-year increase in revenues. Loan outstandings increased by 11.1% over the first nine months of the year, driven by strong customer mobilization by the two retail banking networks, in particular with the distribution of state-guaranteed loans, as well as very good production levels in residential mortgages and consumer credit. Over the same period, on-balance sheet deposits & savings increased by 15.3%.

In the Asset Management business, after suffering from high volatility in the financial markets in H1-20, assets under management at September 30, 2020 are close to end-September 2019 level at 910 billion euros. In Q3-20, momentum was maintained in US asset inflows and ESG expertise. The margin rate (excluding performance fees) remained stable compared with Q2-20 at 28bp.

Fixed income activities within the Corporate & Investment Banking division saw a decline in FX business while Rates activities remained stable in Q3-20. The Equity segment had been strongly impacted by the cancellation of dividends in H1-20 but posted a positive contribution in Q3-20 with revenues of 34 million euros. Global Finance revenues were supported by good momentum in Infrastructure Finance, and Investment Banking/M&A recorded solid revenue growth in Q3-20 and 9M-20 year-on-year of 28% and 19% respectively.

**Operating expenses** declined by 3.2% in Q3-20 and by 2.7% in 9M-20 if the contribution to the Single Resolution Fund is excluded. This decrease in operating expenses illustrates the strict discipline imposed on costs across all business lines and the flexibility of the cost structure, particularly for the Asset & Wealth Management and Corporate & Investment Banking divisions. In 9M-20, operating expenses decreased by 2.6% for the Banque Populaire and Caisse d'Epargne retail banking networks, by 2.2% for Financial Solutions & Expertise, by 7.5% for Asset & Wealth Management, and by 4.7% for Corporate & Investment Banking. The increase in operating expenses for Insurance (+5.1% in 9M-20) and for Payments (+4.4% in 9M-20) remained below revenue growth, generating positive jaws effects in both business lines.

In Natixis, a new transformation and operational efficiency plan for 2024 has been launched with a view to achieving 350 million euros in cost reductions, involving all business lines and support functions.

The cost/income ratio (after being restated to reflect the impact of IFRIC 21) stands at 71.8% (+ 1.1pp) in Q3-20 and at 73.3% in 9M-20 (+3.3pp). Gross operating income contracted by 6.2% in Q3-20 and by 17.9% in 9M-20 to 1,702 million euros and 4,193 million euros respectively.

The **cost of risk** of Groupe BPCE stood at 585 million euros in Q3-20 (+82.8% year-on-year) and 2,069 million euros in 9M-20, more than double the figure for 9M-19.

The deterioration in the economic environment triggered a significant increase in the cost of risk managed in line with the criteria of a prudent provisioning policy. The amount of the provisioning for outstandings rated stage 1 or stage 2 has been revised to take account of both the deterioration in the economic outlook and the support measures adopted by the French government.

Accordingly, the specific IFRS 9 forward-looking global provision amounted to 673 million euros in 9M-20, including a provision of 120 million euros in Q3-20. If the "forward-looking" component is excluded, provisions amounted to 1,396 million euros in 9M-20, including 464 million euros in Q3-20, down compared with Q2-20, illustrating a level of incurred cost of risk that remains low, notably in Retail Banking & Insurance.

The cost of risk for the Corporate & Investment Banking division increased by a factor of 3.5 to 667 million euros in 9M-20, with the increase in provisions relating in particular to energy and natural resources and exposure to certain corporate customers.

The cost of risk for Groupe BPCE in 9M-20 amounted to 38bps compared with gross customer outstandings (29bps in Q1-20, 55bps in Q2-20 and 32bps in Q3-20) including 12bps for the “forward-looking” provision (8bps in Q1-20, 23bps in Q2-20 and 6bps in Q3-20). It stood at 18bps in 9M-19.

In 9M-20, the cost of risk stood at 30bps for Retail Banking & Insurance (18bps in 9M-19) including 13bps for the “forward-looking” provision and 136bps for Corporate & Investment Banking (40bps in 9M-19) including 20bps for the “forward-looking” provision.

The ratio of non-performing loans to gross loan outstandings stood at 2.7% at September 30, 2020, stable compared to end-2019.

**Reported net income (Group share)** in Q3-20 totaled 674 million euros, down 28.5% compared with Q3-19. In 9M-20, it stood at 986 million euros, representing a decline of 56.0% year-on-year.

**Underlying net income (Group share) after restating to account for the impact of IFRIC 21** and excluding the net contribution of Coface stood at 646 million euros in Q3-20 and at 1,500 million euros in 9M-20, down year-on-year by 27.6% and 44.2% respectively.

<sup>1</sup> See note on methodology and after restating to account for the impact of IFRIC 21

## 2. Capital and loss-absorbing capacity

### 2.1 CET1<sup>1</sup> level

**Groupe BPCE's CET1 ratio<sup>1,2</sup> at end-September 2020 reached a level estimated at 15.9%**, vs. 15.4% at June 30, 2020. Changes for the quarter can be broken down into:

- Retained earnings: +12bps,
- Change in risk-weighted assets: +26bps,
- Issuance of cooperative share and distribution of cooperative shares for payment of interests on cooperative shares: +6bps,
- Impact of non-deduction of IPC on regulatory capital: +17bps,
- Other changes: -6bps.

At end-September 2020, **Groupe BPCE held a buffer of 510bps** above the threshold for triggering the maximum distributable amount (MDA).

What is more, in response to the crisis and in order to support corporate lending, the relaxation of the rules on capital requirements allows a lower weighting of exposures to SMEs, representing a reduction in RWA estimated at €8.9bn. This rule, not yet taken into account, would correspond to a gain of around 34bps on the CET1 ratio.

### 2.2 TLAC ratio<sup>1</sup>: target fixed in the 2018-2020 strategic plan already achieved since June 2018

Total loss-absorbing capacity (TLAC) estimated at the end of September 2020 stands at 100.9 billion euros. The TLAC ratio, expressed as a percentage of risk-weighted assets, stood at an estimated 23.8% at end-September 2020, considerably higher than the FSB requirements of 19.51%.

### 2.3 MREL ratio

Expressed as a percentage of risk-weighted assets at September 30, 2020, Groupe BPCE's subordinated MREL ratio and total MREL ratio stand at respectively 23.8% and 30.8%, well above respective minimum SRB requirements of 20.4%<sup>2</sup> and of 25.4%<sup>2</sup>.

### 2.4 Leverage ratio

At September 30, 2020, the leverage ratio<sup>1</sup> was equal to 5.5%<sup>3,4</sup>.

### 2.5 Liquidity reserves at high levels

The Liquidity Coverage Ratio (LCR) for Groupe BPCE is well above the regulatory requirements of 100%, standing at 164% on the basis of the average of end-of-month LCRs in the 3<sup>rd</sup> quarter of 2020.

The volume of liquidity reserves reached 331 billion euros at end-September 2020, representing an extremely high coverage ratio of 255% of short-term financial debts (including short-term maturities of medium-/long-term debt).

### 2.6 Medium-/long-term funding plan for 2020 completed

The target size of the medium-/long-term funding plan for 2020 was revised marginally downward to take account of the anticipated decline in loan volumes in the current environment, i.e. an overall target set between 17 and 18 billion euros (excluding structured private placements and asset-backed securities, or ABS) with a slightly revised breakdown: 4 billion euros in senior non-preferred debt, 5 billion euros in senior preferred debt, and 8 to 9 billion euros in covered bonds. The ABS target is 1.5 billion euros.

At October 31, 2020, Groupe BPCE has raised:

- 17.8 billion euros (excluding structured private placements and ABS), including 3.7 billion euros in senior non-preferred debt, 5.6 billion euros in senior preferred debt, and 8.5 billion euros in covered bonds,
- 2.0 billion euros in ABS.

Groupe BPCE successfully issued two landmark transactions, its first callable senior non-preferred bonds:

- 7NC6 in the Euro market on Sept 9<sup>th</sup>: 1.25 billion euros, with a final order book of 2.2 billion euros,
- 6NC5 in the USD market on Sept 29<sup>th</sup>: 1.35 billion USD, with a final order book of 2.0 billion USD.

<sup>1</sup> See notes on methodology <sup>2</sup>Based on estimated TLOF and RWAs as at September 30, 2020 <sup>3</sup> The leverage ratio would stand at 5.8% after excluding the centralized outstandings of regulated savings from the calculation of the denominator of the ratio, subject to the agreement of the ECB and following the decision dated July 13, 2018 of the General Court of the European Union <sup>4</sup> Deduction of Central Bank exposures from the denominator of the leverage ratio

### 3. RESULTS OF THE BUSINESS LINES

Unless specified to the contrary, the following financial data and related comments refer to the underlying results, i.e. results restated to exclude exceptional items, as presented on page 2. Changes express differences between Q3-20 and Q3-19, 9M-20 and 9M-19.

#### 3.1 Retail Banking & Insurance

Underlying figures €m	Q3-20	% Change	9M-20	% Change
Net banking income	4,162	4.8%	12,392	2.1%
Operating expenses	(2,600)	1.9%	(7,926)	0.7%
<b>Gross operating income</b>	<b>1,562</b>	<b>9.9%</b>	<b>4,466</b>	<b>4.6%</b>
Cost of risk	(343)	41.3%	(1,296)	84.6%
<b>Income before tax after IFRIC 21 restatement</b>	<b>1,210</b>	<b>4.0%</b>	<b>3,241</b>	<b>(11.0)%</b>
<i>Cost/income ratio<sup>(1)</sup></i>	63.2%	(1.7)pp	63.7%	(0.9)pp

**Loan outstandings** enjoyed year-on-year growth of 11.1% to reach a total of 624 billion euros at end-September 2020, including a 7.6% rise in residential mortgages, an increase of 5.0%<sup>2</sup> and 7.2% respectively for consumer loans and equipment loans. At the end of September 2020, customer **deposits & savings** (excluding centralized regulated savings) stood at 523 billion euros (+15.3%) while sight deposits recorded year-on-year growth of 28.6%.

The **net banking income** generated by the Retail Banking & Insurance division in Q3-20 enjoyed 4.8% growth, rising to 4,162 million euros; in 9M-20, net banking income rose by 2.1% to 12,392 million euros.

In 9M-20, the Banque Populaire and Caisse d'Épargne retail banking networks only saw a small 0.4% decline in their revenues (excluding provisions for home-purchase savings schemes) despite the prevailing health and economic crisis. Despite this depressed context, the activities pursued by the Financial Solutions & Expertise division and by the Insurance division continued their positive development in association with the retail banking networks, with year-on-year revenues up by 2.5% and 8.3% respectively in 9M-20. With regard to the Payments activities, thanks to a good recovery in Q3-20, revenues increased by 1.4%

**Operating expenses** stood at 2,600 million euros in Q3-20, up by 1.9%. They remained virtually stable in 9M-20 for the Retail Banking & Insurance division at 7,926 million euros, including a 2.6% reduction for the Banque Populaire and Caisse d'Épargne networks and a 2.2% decline for Financial Solutions & Expertise. The Insurance and Payments businesses recorded higher levels in their operating expenses of 5.1% and 4.4% respectively in 9M-20 compared with 9M-19.

The **cost/income ratio** (after restating to account for the impact of IFRIC 21) showed year-on-year improvement of 1.7pp in Q3-20, taking the ratio to 63.2%, and of 0.9pp in 9M-20, taking the ratio to 63.7%.

The good performance achieved by the business lines and tight control over costs led to a 9.9% increase in the division's **gross operating income** in Q3-20 to 1,562 million euros and 4.6% growth in 9M-20 to 4,466 million euros.

The substantial rise in the **cost of risk** reflects the prudent provisioning policy adopted in response to the deterioration in the economic environment; it stood at 343 million euros in Q3-20 (+41.3% vs. Q3-19) and 1,296 million euros in 9M-20 (+84.6% vs. 9M-19). The cost of risk in the first 9 months of the year can be broken down as follows: 520 million euros for the Banque Populaire network, 559 million euros for the Caisse d'Épargne network, 85 million euros for the activities pursued by FSE, 64 million euros for Oney Bank, and 69 million euros for Banque Palatine.

For the division as a whole, **income before tax** (after restating to account for the impact of IFRIC 21) stands at 3,241 million euros in 9M-20, representing a year-on-year decline of 11.0%. In Q3-20, income before tax rose by 4.0% to reach 1,210 million euros.

<sup>1</sup> See note on methodology and after restating to account for the impact of IFRIC 21 <sup>2</sup> Excluding consumer loans granted by Oney Bank (9.6% increase if Oney Bank is included)

### 3.1.1 Banque Populaire retail banking network

The Banque Populaire network comprises the 14 Banque Populaire banks, including CASDEN Banque Populaire and Crédit Coopératif and their subsidiaries, Crédit Maritime Mutuel and the Mutual Guarantee Companies.

Underlying figures €m	Q3-20	% Change	9M-20	% Change
Net banking income	1,618	3.2%	4,734	(1.6)%
Operating expenses	(1,045)	(0.4)%	(3,140)	(2.2)%
<b>Gross operating income</b>	<b>573</b>	<b>10.3%</b>	<b>1,594</b>	<b>(0.5)%</b>
Cost of risk	(114)	3.9%	(520)	80.3%
<b>Income before tax after IFRIC 21 restatement</b>	<b>460</b>	<b>12.1%</b>	<b>1,115</b>	<b>(17.9)%</b>
Cost/income ratio <sup>(1)</sup>	65.3%	(2.1)pp	66.1%	(0.4)pp

**Loan outstandings** rose by 14.4% year-on-year to reach a total of 252 billion euros at end-September 2020. **Customer deposits & savings** grew by 11.8% year-on-year to reach 323 billion euros at end-September 2020 (+12.3% for on-balance sheets savings & deposits excluding centralized regulated savings).

In Q3-20, **net banking income** stood at 1,618 million euros, up 3.2% compared to the same period last year. In 9M-20, net banking income equaled 4,734 million euros, down 1.6% year-on-year (-1.0% if provisions for home-purchase savings schemes are excluded); this figure includes a 0.3% decline in net interest income (excluding provisions for home-purchase savings schemes), which stood at 2,695 million euros, and a 2.6% contraction in commissions, which came to 1,867 million euros.

**Operating expenses** fell by 0.4% in Q3-20 and by 2.2% in 9M-20, leading to an improvement in the cost/income ratio (after restating to account for the impact of IFRIC 21) of 2.1pp in Q3-20 to 65.3% and by 0.4pp in 9M-20 to 66.1%.

The **cost of risk** rose by 3.9% in Q3-20 to 114 million euros and increased by 80.3% in 9M-20, reflecting a prudent provisioning policy adopted for the next few quarters (stages 1 and 2 under IFRS 9); the incurred cost of risk in Stage 3 decrease in 9M-20. **Income before tax** (after restating to account for the impact of IFRIC 21) rose by 12.1% to reach a total of 460 million euros in Q3-20 but standing at 1,115 million euros in 9M-20, reflected a decline of 17.9%.

### 3.1.2 Caisse d'Epargne retail banking network

The Caisse d'Epargne network comprises 15 individual Caisses d'Epargne along with their subsidiaries.

Underlying figures €m	Q3-20	% Change	9M-20	% Change
Net banking income	1,737	(0.4)%	5,246	(1.4)%
Operating expenses	(1,075)	(2.1)%	(3,329)	(2.9)%
<b>Gross operating income</b>	<b>662</b>	<b>2.6%</b>	<b>1,917</b>	<b>1.3%</b>
Cost of risk	(162)	44.8%	(559)	74.5%
<b>Income before tax after IFRIC 21 restatement</b>	<b>498</b>	<b>(4.5)%</b>	<b>1,380</b>	<b>(12.7)%</b>
Cost/income ratio <sup>(1)</sup>	62.6%	(1.1)pp	63.2%	(1.0)pp

**Loan outstandings** rose by 8.7% on a year-on-year basis, to reach a total of 310 billion euros at end-September 2020 while **customer deposits & savings** grew by 8.5% compared with the same period last year to reach 474 billion euros (+14.6% for on-balance sheet deposits & savings excluding centralized regulated savings).

In Q3-20, **net banking income** stood at 1,737 million euros, a marginal 0.4% year-on-year decline. In 9M-20, it stood at 5,246 million euros, reflecting a 1.4% decrease compared with the same period last year (+0.2% if provisions for home-purchase savings schemes are excluded); this figure includes a 2.5% decrease in net interest income (excluding provisions for home-purchase savings schemes), which stood at 2,812 million euros, and a 1.4% increase in commissions, which stood at 2,387 million euros.

**Operating expenses** showed a year-on-year reduction of 2.1% in Q3-20 and of 2.9% in 9M-20. The cost/income ratio (after restating to account for the impact of IFRIC 21) enjoyed an improvement of 1.1pp in Q3-20 and of 1.0pp in 9M-20 to respectively to 62.6% and 63.2%. This resulted in 2.6% growth in **gross operating income** in Q3-20, which rose to 662 million euros and growth of 1.3% in 9M-20 to 1,917 million euros.

The **cost of risk** stood at 162 million euros in Q3-20 and at 559 million euros in 9M-20, a year-on-year deterioration of 44.8% and 74.5% respectively to take account of the future impacts of the downturn in the economic environment.

**Income before tax** (after restating to account for the impact of IFRIC 21) decreased by 12.7% in 9M-20 to 1,380 million euros.

<sup>1</sup> See note on methodology and after restating to account for the impact of IFRIC 21

### 3.1.3 Financial Solutions & Expertise

Underlying figures <sup>(1)</sup> €m	Q3-20	% Change	9M-20	% Change
Net banking income	286	6.5%	840	2.5%
Operating expenses	(149)	(3.3)%	(450)	(2.2)%
<b>Gross operating income</b>	<b>137</b>	<b>19.8%</b>	<b>390</b>	<b>8.5%</b>
Cost of risk	(35)	x2.3	(85)	36.8%
<b>Income before tax after IFRIC 21 restatement</b>	<b>100</b>	<b>2.6%</b>	<b>306</b>	<b>3.0%</b>
Cost/income ratio <sup>(1)</sup>	52.6%	(5.3)pp	53.4%	(2.7)pp

The **net banking income** of the Financial Solutions & Expertise business stood at 286 million euros in the 3<sup>rd</sup> quarter of 2020 equal to 6.5% growth, and 840 million euros in 9M-20 equal to growth of 2.5%, a performance that reflects the dynamism of the division's activities pursued with the Banque Populaire and Caisse d'Épargne retail banking networks at the beginning of the year and the positive rebound in activities since the month of June.

After a sharp slowdown in business during the lockdown period, activities revived in Q3-20 in the Consumer credit segment with new loan production levels reaching high levels in September (+2% vs. September 2019).

In the Sureties & financial guarantees segment, gross premiums written enjoyed 9% year-on-year growth in 9M-20, mainly due to guarantees related to residential mortgages.

The Securities services segment enjoyed record-breaking levels of business with a major increase in the volume of equity market transactions, leading to a 113% increase in the volume of transactions handled in 9M-20 compared with 9M-19.

In Leasing, the 3<sup>rd</sup> quarter recovery led to a 14% increase in new equipment leasing business and 13% growth in long-term leasing activities in 9M-20.

In the Factoring segment, business remained buoyant in the Banque Populaire and Caisse d'Épargne retail banking networks with 10% growth in factored sales in 9M-20.

**Operating expenses** remain under tight control with a year-on-year decline of 3.3% in Q3-20 and of 2.2% in 9M-20, to reach 149 million euros and 450 million euros respectively. This has led to a 2.7pp drop in the cost/income ratio (after restating to account for the impact of IFRIC 21) to 53.4% in 9M-20. **Gross operating income** rose by a significant 19.8% in Q3-20 compared to the same quarter last year to reach a total of 137 million euros. In 9M-20, it also enjoyed strong growth of 8.5% compared with 9M-19 at 390 million euros.

The **cost of risk** rose by 36.8% in 9M-20 compared with 9M-19, to 85 million euros.

**Income before tax** (restated to account for the impact of IFRIC 21) came to 306 million euros in 9M-20, up by 3.0% on a year-on-year basis. It rose by 2.6% in Q3-20 at 100 million euros.

### 3.1.4 Insurance

*The results presented below concern the Insurance division of Natixis. Figures specifying the contribution to Groupe BPCE are different from those reported by Natixis. For a more detailed analysis of the business lines and results of Natixis, please refer to the press release published by Natixis that may be consulted online at [www.natixis.com](http://www.natixis.com)*

Underlying figures <sup>(2)</sup> €m	Q3-20	% Change	9M-20	% Change
Net banking income	220	7.1%	683	8.3%
Operating expenses	(117)	5.7%	(367)	5.1%
<b>Gross operating income</b>	<b>103</b>	<b>8.7%</b>	<b>316</b>	<b>12.3%</b>
<b>Income before tax after IFRIC 21 restatement</b>	<b>97</b>	<b>6.3%</b>	<b>322</b>	<b>10.4%</b>
Cost/income ratio <sup>(1)</sup>	55.4%	(0.5)pp	53.0%	(1.7)pp

**Net banking income** rose by 7.1% in Q3-20 to 220 million euros and by 8.3% in 9M-20 to 683 million euros.

**Premiums<sup>2</sup>** were down overall in 9M-20 to 7.9 billion euros, with a marked decline in life and personal protection insurance (-20%) vs. a good rate of growth in P&C insurance (+6%).

Life insurance **assets under management<sup>2</sup>** totaled 70.7 billion euros at end-September 2020. They grew by 3% in 9M-20 with net inflows of 0.9 billion euros in euro funds and 1.7 billion euros in unit-linked products.

Unit-linked funds represented 25% of assets under management at September 30, 2020 and 35% of 9M-20 gross inflows (29% in 9M-19).

In P&C insurance, the client equipment rate for the Banque Populaire network reached 27.8% (+0.2pp vs. Q2-20) and for the Caisse d'Epargne network 30.7% (+0.1pp vs. Q2-20).

**Operating expenses** increased by 5.7% in Q3-20 and by 5.1% in 9M-20 overall. As a result, the cost/income ratio improved by 0.5pp in Q3-20 to 55.4% and by 1.7pp in 9M-20 to 53.0%. **Gross operating income** grew by 8.7% in Q3-20 and by 12.3% in 9M-20.

**Income before tax** (restated for the impact of IFRIC 21) amounted to 97 million euros in Q3-20 (+6.3%) and 322 million euros in 9M-20 (+10.4%).

<sup>1</sup> See notes on methodology and after restating to account for IFRIC 21 <sup>2</sup> Excluding the reinsurance agreement with CNP

### 3.1.5 Payments

Figures specifying the contribution to Groupe BPCE are different from those reported by Natixis. For a more detailed analysis of the business lines and results of Natixis, please refer to the press release published by Natixis that may be consulted online at [www.natixis.com](http://www.natixis.com)

Underlying figures €m	Q3-20	% Change	9M-20	% Change
Net banking income	117	13.6%	316	1.4%
Operating expenses	(97)	7.2%	(284)	4.4%
<b>Gross operating income</b>	<b>20</b>	<b>59.6%</b>	<b>32</b>	<b>(18.8)%</b>
<b>Income before tax after IFRIC 21 restatement</b>	<b>20</b>	<b>77.5%</b>	<b>34</b>	<b>(9.7)%</b>

**Net banking income** rose by 13.6% in Q3-20 to 117 million euros, positively impacted by a recovery in consumption during the summer months as well as a post-lockdown catch-up effect. In 9M-20, it was up 1.4% vs. 9M-19.

In the Payment Processing & Services business, the number of card transactions picked up again, rising at the rate of +4% year-on-year in Q3-20 following a sharp decline in Q2-20 related to the lockdown measures.

In Merchant Solutions, PayPlug benefited from its positioning with customers seeking to diversify their distribution channels towards digital solutions and increased its business volume by a factor of 2.1 year-on-year in Q3-20 and by 2.3 in 9M-20. **Dalenys** continued to exhibit good business volume growth at +13% YoY in both Q3-20 and 9M-20, despite certain sectors still exhibiting subdued volumes (e.g. travel).

**Operating expenses** increased by 4.4% in 9M-20 compared with 9M-19 and by 7.2% in Q3-20 vs. the same period last year. **Gross operating income** grew by 59.6% in Q3-20 and decreased by 18.8% in 9M-20.

**Income before tax** stood at 34 million euros in 9M-20 (down by 9.7% year-on-year) and at 20 million euros in Q3-20, up 77.5%.

### 3.1.6 Oney Bank

Underlying figures €m	Q3-20	9M-20
Net banking income	105	329
Operating expenses	(71)	(215)
<b>Gross operating income</b>	<b>34</b>	<b>114</b>
Cost of risk	(18)	(64)
<b>Income before tax after IFRIC 21 restatement</b>	<b>15</b>	<b>49</b>
<i>Cost/income ratio</i> <sup>(1)</sup>	67.7%	65.3%

Despite the lockdown, Oney bank maintained a stable level of new loan production compared with 9M-19 at 2,116 million euros. This result can be broken down as follows: 45% in split payment solutions (up by 42% year-on-year), 33% in assigned credit, 15% in revolving credit, and 7% in personal loans.

<sup>1</sup> See note on methodology and after restating to account for the impact of IFRIC 21

### 3.1.7 Banque Palatine

**Loan outstandings** rose by 14.3% on a year-on-year basis, at end-September 2020, reflecting support to the real economy.

In 9M-20, **net banking income** stood at 246 million euros, slightly down year-on-year (-0.5%).

**Operating expenses** showed a year-on-year reduction of 6.2% in 9M-20. This positive jaws effect resulted in 8.4% growth in **gross operating income** in 9M-20.

The **cost of risk** stood at 69 million euros in 9M-20, the result of a year-on-year increase of 138.3% due to the economic crisis and a forward-looking provisioning to reflect the downturn in the economic environment.

**Income before tax** (after restating to account for the impact of IFRIC 21) decreased by 53.3% in 9M-20 to reach 35 million euros.

## 3.2 Asset & Wealth Management

The Asset & Wealth Management business line includes the Asset Management and Wealth Management activities of Natixis. Figures specifying the contribution to Groupe BPCE are different from those reported by Natixis. For a more detailed analysis of the business lines and results of Natixis, please refer to the press release published by Natixis that may be consulted online at [www.natixis.com](http://www.natixis.com)

Underlying figures €m	Q3-20	% Change	9M-20	% Change	Constant FX % Change
Net banking income	744	(21.3)%	2,222	(16.2)%	(16.1)%
Operating expenses	(559)	(13.4)%	(1,669)	(7.5)%	(7.5)%
<b>Gross operating income</b>	<b>185</b>	<b>(38.2)%</b>	<b>554</b>	<b>(34.6)%</b>	<b>(34.5)%</b>
<b>Income before tax after IFRIC 21 restatement</b>	<b>175</b>	<b>(41.6)%</b>	<b>538</b>	<b>(36.5)%</b>	
Cost/income ratio <sup>(1)</sup>	75.3%	6.8pp	75.0%	7.0pp	

In Asset Management, **net inflows**<sup>2</sup> reached approximately 2 billion euros in Q3-20, including a dynamic performance by North American affiliates on fixed income and growth equity strategies with net inflows of 2 billion euros. In Europe, Mirova continued to attract positive inflows on its equity strategies, partially offsetting the fixed income withdrawals noted by other affiliates.

At September 30, 2020, **Assets under Management**<sup>2</sup> totaled 910 billion euros in the Asset Management business (excluding employee savings plans), up in the 3<sup>rd</sup> quarter thanks to net inflows, a positive market effect of 24 billion euros, and a negative foreign exchange and perimeter effect of 20 billion euros.

**In Q3-20, the division's net banking income** came to a total of 744 million euros, down 21.3% compared with Q3-19, including 704 million euros in Asset Management revenues, down 22% year-on-year, and 40 million euros in Wealth Management revenues, up 7% year-on-year.

If performance fees are excluded, revenues posted by the Asset Management business decreased by 6% year-on-year while operating expenses fell by 14% over the same period, illustrating the flexibility of the cost structure inherent in the multi-boutique business model. In Asset Management, performance fees came to 33 million euros in Q3-20 compared with 192 million euros (including 125 million euros generated by H2O) in Q3-19. After creating a negative impact of 51 million euros in H1-20, the valuation of the seed money portfolio generated a positive impact of 18 million euros in Q3-20, higher than the Q3-19 contribution of 12 million euros.

In Asset Management, the fee rate (excluding performance fees) was approximately 28bps overall, stable compared with Q2-20. The fee rate reached approximately 15bps for European affiliates (about 26bps excluding general life insurance funds) and approximately 35bps for US affiliates, with lower average assets under management for Harris Associates.

**In 9M-20, the division's net banking income** stood at 2,222 million euros, down 16.2% year-on-year (-16.1% at constant exchange rates). Asset Management posted a 17% decline in revenues (-17% at constant exchange rates) at 2,105 million euros. In contrast, Wealth Management revenues were up 17% year-on-year to 117 million euros.

**Operating expenses** for the division were down 13.4% in Q3-20 and down 7.5% in 9M-20 (-7.5% at constant exchange rates). The cost/income ratio (after restating to account for the impact of IFRIC 21) stood at 75.3% in Q3-20 and at 75.0% in 9M-20, up respectively 6.8pp and 7.0pp year-on-year.

**Gross operating income** amounted to 185 million euros in Q3-20 (down -38.2% vs. Q3-19) and totaled 554 million euros in 9M-20 (down -34.6% vs. 9M-19, -34.5% at constant exchange rates).

**Income before tax** (after restating to account for the impact of IFRIC 21) amounted to 175 million euros in Q3-20 (-41.6%) and 538 million euros in 9M-20 (-36.5%).

<sup>1</sup> See notes on methodology and after restating to account for the impact of IFRIC 21 <sup>2</sup> Europe notably includes Dynamic Solutions and the assets under management of Vega IM, and excludes H2O in Q3-20; North America notably includes WCM IM

### 3.3 Corporate & Investment Banking

The Corporate & Investment Banking business line (CIB) includes the Global markets, Global finance, Investment banking and M&A activities of Natixis. Figures specifying the contribution to Groupe BPCE are different from those reported by Natixis. For a more detailed analysis of the business lines and results of Natixis, please refer to the press release published by Natixis that may be consulted online at [www.natixis.com](http://www.natixis.com)

Underlying figures €m	Q3-20	% Change	9M-20	% Change	Constant FX % Change
Net banking income	703	(10.3)%	1,910	(21.6)%	(21.6)%
Operating expenses	(508)	(1.9)%	(1,542)	(4.7)%	(4.6)%
<b>Gross operating income</b>	<b>195</b>	<b>(26.5)%</b>	<b>368</b>	<b>(55.1)%</b>	<b>(55.2)%</b>
Cost of risk	(199)	x3.4	(667)	x3.5	
<b>Income before tax after IFRIC 21 restatement</b>	<b>(11)</b>	<b>ns</b>	<b>(283)</b>	<b>ns</b>	
Cost/income ratio <sup>(1)</sup>	73.6%	6.4pp	80.3%	14.2pp	

In Q3-20, the **net banking income** posted by the Corporate & Investment Banking division grew compared with the 1<sup>st</sup> and 2<sup>nd</sup> quarters of the year but, standing at an aggregate 703 million euros, was down 10.3% on a year-on-year basis. It stood at 1,910 million euros in 9M-20, down 21.6% compared with 9M-19 (-21.6% at constant exchange rates).

In the Global markets segment, FICT revenues in Q3-20, at 216 million euros, including a smaller contribution from the foreign exchange business but a stable level for rates activities. For the Equity business, the first half of the year was marked by the cancellation of dividends, which had a negative impact on the valuation of derivatives, and revenues were positive in the 3<sup>rd</sup> quarter at 34 million euros. A strategic review of the Equity Derivatives business has been conducted, resulting in an exit from most complex products and tightening exposure limits on low/medium risk products. These products will essentially be offered to Groupe BPCE retail networks and Natixis' selected strategic clients.

Global Finance revenues, at 325 million euros, remained stable in Q3-20 vs. Q2-20 but showed a decline from the high baseline established in Q3-19. Revenues from the loan portfolio have increased, partially offsetting lower syndication fees. Commercial momentum continued in Infrastructure activities while the revenues generated by the Aviation, Real Estate and Energy segments were down.

Investment banking and M&A revenues, amounting to 94 million euros, were up 28% in Q3-20 year-on-year (+19% in 9M-20), reflecting the good momentum of DCM activities and the fine performance achieved by the APAC platform and the recovery in M&A activities, notably for PJ Solomon and Fenchurch.

**Operating expenses** decreased by 1.9% in Q3-20 and by 4.7% in 9M-20 (-4.6% at constant exchange rates) thanks to strict discipline on costs.

**Gross operating income** decreased to 195 million euros (-26.5% year-on-year) in Q3-20 and to 368 million euros in 9M-20 (down -55.1% at current exchange rates, -55.2% at constant exchange rates).

The **cost of risk** amounted to 199 million euros in Q3-20 and 667 million euros in 9M-20, a significant year-on-year increase resulting from an increase in provisions notably for the energy sector and a forward-looking IFRS 9 provision related to the worsening of the economic environment.

As a result, **income before tax** (after restating to account for the impact of IFRIC 21) was -11 million euros in Q3-20 and -283 million euros in 9M-20.

<sup>1</sup> See notes on methodology and after restating to account for IFRIC 21

## ANNEXES

### Notes on methodology

#### Restatement of the impact of IFRIC 21

The results, cost/income ratios and ROE, after being restated to account for the impact of IFRIC 21, are calculated on the basis of  $\frac{1}{4}$  of the amount of taxes and contributions resulting from the interpretation of IFRIC 21 for a given quarter, or  $\frac{1}{2}$  of the amount of taxes and contributions resulting from the interpretation of IFRIC 21 for a 6-month period. In practice, for Groupe BPCE, the principal taxes concerned by IFRIC 21 are the company social solidarity contribution (C3S) and contributions and levies of a regulatory nature (systemic risk tax levied on banking institutions, contribution to ACPR control costs, contribution to the Single Resolution Fund and to the Single Supervisory Mechanism).

#### Net banking income

Customer net interest income, excluding regulated home savings schemes, is computed on the basis of interest earned from transactions with customers, excluding net interest on centralized savings products (*Livret A*, *Livret Développement Durable*, *Livret Epargne Logement* passbook savings accounts) in addition to changes in provisions for regulated home purchase savings schemes. Net interest on centralized savings is assimilated to commissions.

#### Operating expenses

The operating expenses correspond to the aggregate total of the "Operating Expenses" (as presented in the Group's universal registration document, note 4.7 appended to the consolidated financial statements of Groupe BPCE) and "Depreciation, amortization and impairment for property, plant and equipment and intangible assets."

#### Cost of risk

The cost of risk is expressed in basis points and measures the level of risk per business line as a percentage of the volume of loan outstandings; it is calculated by comparing net provisions booked with respect to credit risks of the period to gross customer loan outstandings at the beginning of the period.

#### Loan outstandings and Deposits & Savings

Restatements regarding transitions from book outstandings to outstandings under management (Loans and Deposits & Savings) are as follows:

- Deposits & Savings: the scope of outstandings under management excludes debt securities (certificates of deposit and savings bonds)
- Loan outstandings: the scope of outstandings under management excludes securities classified as customer loans and receivables and other securities classified as financial operations.

#### Capital adequacy & deduction of IPC

- **Common Equity Tier 1** is determined in accordance with the applicable CRR/CRD IV rules and after deduction of irrevocable payment commitments
- **Additional Tier-1 capital** takes account of subordinated debt issues that have become non-eligible and subject to ceilings at the phase-out rate in force.
- The **leverage ratio** is calculated using the rules of the Delegated Act published by the European Commission on October 10, 2014, without transitional measures. Securities financing operations carried out with clearing houses are offset on the basis of the criteria set forth in IAS 32, without consideration of maturity and currency criteria.  
Following the decision of July 13, 2018 handed down by the General Court of the European Union, Groupe BPCE again requested the agreement of the ECB to exclude the centralized outstandings of regulated savings from the calculation of the denominator of the ratio.

#### Total loss-absorbing capacity

The amount of liabilities eligible for inclusion in the numerator used to calculate the Total Loss-Absorbing Capacity (TLAC) ratio is determined on the basis of our understanding of the Term Sheet published by the FSB on November 9, 2015: "Principles on Loss-Absorbing and Recapitalization Capacity of G-SIBs in Resolution."

This amount is comprised of the following 4 items:

- Common Equity Tier 1 in accordance with the applicable CRR/CRD IV rules,
- Additional Tier-1 capital in accordance with the applicable CRR/CRD IV rules,
- Tier-2 capital in accordance with the applicable CRR/CRD IV rules,
- Subordinated liabilities not recognized in the capital mentioned above and whose residual maturity is greater than 1 year, namely:
  - o The share of additional Tier-1 capital instruments not recognized in common equity (i.e. included in the phase-out),
  - o The share of the prudential discount on Tier-2 capital instruments whose residual maturity is greater than 1 year,
  - o The nominal amount of senior non-preferred securities maturing in more than 1 year.

Eligible amounts differ slightly from the amounts adopted for the numerator of the capital adequacy ratios; these eligible amounts are determined using the principles defined in the Term Sheet published by the FSB on November 9, 2015.

#### Liquidity

Total liquidity reserves comprise the following:

- Central bank-eligible assets include: ECB-eligible securities not eligible for the LCR, taken for their ECB valuation (after the ECB haircut), securities retained (securitization and covered bonds) that are available and ECB-eligible taken for their ECB valuation (after ECB haircut) and private receivables available and eligible for central bank funding (ECB and the Federal Reserve), net of central bank funding.
- LCR eligible assets comprising the Group's LCR reserve taken for their LCR valuation.
- Liquid assets placed with central banks (ECB and the Federal Reserve), net of US Money Market Funds deposits and to which fiduciary money is added.

Short-term funding corresponds to funding with an initial maturity of less than, or equal to, 1 year and the short-term maturities of medium-/long-term debt correspond to debt with an initial maturity date of more than 1 year maturing within the next 12 months. Customer deposits are subject to the following adjustments:

- Addition of security issues placed by the Banque Populaire and Caisse d'Epargne retail banking networks with their customers, and certain operations carried out with counterparties comparable to customer deposits
- Withdrawal of short-term deposits held by certain financial customers collected by Natixis in pursuit of its intermediation activities.

## Reconciliation of restated data to reported data

### Q3-20

In millions of euros	GROUPE BPCE		
	Q3-20 reported	Coface	Q3-20 restated
Net banking income	5,511		5,511
Operating expenses	(3,905)		(3,905)
<b>Gross operating income</b>	<b>1,606</b>		<b>1,606</b>
Cost of risk	(589)		(589)
Share in net income of associates	52	8	60
Gains or losses on other assets	(26)	33	7
<b>Income before tax</b>	<b>1042</b>	<b>41</b>	<b>1083</b>
Income tax	(342)		(342)
Non-controlling interests	(27)	(12)	(39)
<b>Net income – excl. Coface net contribution</b>		<b>29</b>	<b>703</b>
Coface – Net contribution			(29)
<b>Net income – Group share</b>	<b>674</b>		<b>674</b>

In millions of euros	GROUPE BPCE		
	Q3-19 reported	Coface	Q3-19 restated
Net banking income	5,935	(178)	5,757
Operating expenses	(4,136)	126	(4,011)
<b>Gross operating income</b>	<b>1,799</b>	<b>(52)</b>	<b>1,746</b>
Cost of risk	(321)	1	(320)
Share in net income of associates	61		61
Gains or losses on other assets	6		6
<b>Income before tax</b>	<b>1,545</b>	<b>(51)</b>	<b>1,494</b>
Income tax	(396)	12	(383)
Non-controlling interests	(206)	27	(179)
<b>Net income – excl. Coface net contribution</b>		<b>(12)</b>	<b>931</b>
Coface – Net contribution			12
<b>Net income – Group share</b>	<b>943</b>		<b>943</b>

### 9M-20

In millions of euros	GROUPE BPCE		
	9M-20 reported	Coface	9M-20 restated
Net banking income	16,237		16,237
Operating expenses	(12,288)		(12,288)
<b>Gross operating income</b>	<b>3,949</b>		<b>3,949</b>
Cost of risk	(2,074)		(2,074)
Share in net income of associates	120	40	160
Gains or losses on other assets	(268)	146	(122)
Impairment of goodwill			
<b>Income before tax</b>	<b>1,727</b>	<b>186</b>	<b>1,913</b>
Income tax	(727)		(727)
Non-controlling interests	(14)	(54)	(68)
<b>Net income – excl. Coface net contribution</b>		<b>131</b>	<b>1,118</b>
Coface – Net contribution			(131)
<b>Net income – Group share</b>	<b>986</b>		<b>986</b>

In millions of euros	GROUPE BPCE		
	9M-19 reported	Coface	9M-19 restated
Net banking income	18,004	(534)	17,470
Operating expenses	(13,002)	378	(12,624)
<b>Gross operating income</b>	<b>5,002</b>	<b>(156)</b>	<b>4,845</b>
Cost of risk	(941)	2	(939)
Share in net income of associates	186		186
Gains or losses on other assets	(23)	(2)	(25)
Impairment of goodwill	(85)	(3)	(88)
<b>Income before tax</b>	<b>4,139</b>	<b>(160)</b>	<b>3,979</b>
Income tax	(1,408)	42	(1,366)
Non-controlling interests	(490)	82	(408)
<b>Net income – excl. Coface net contribution</b>		<b>(35)</b>	<b>2,206</b>
Coface – Net contribution			35
<b>Net income – Group share</b>	<b>2,241</b>		<b>2,241</b>

## Restated results excluding Coface: reconciliation of alternative performance measures to reported data

### Q3-20

	Net banking income	Operating expenses	Cost of risk	Gains or losses on other assets	Income before tax	Net income - Group share excluding Coface	Coface net income	Net income - Group share including Coface
In millions of euros								
<b>Restated Q3-20 results</b>	<b>5,511</b>	<b>(3,905)</b>	<b>(589)</b>	<b>7</b>	<b>1,083</b>	<b>703</b>	<b>(29)</b>	<b>674</b>
Revaluation of assets associated with deeply subordinated notes denominated in foreign currencies	3				3	10		
Transformation and reorganization costs	5	(104)	(5)	(6)	(110)	(72)		
<b>Restated Q3-20 results excluding exceptional items</b>	<b>5,503</b>	<b>(3,801)</b>	<b>(585)</b>	<b>13</b>	<b>1,190</b>	<b>764</b>	<b>3</b>	<b>767</b>
<b>Total impact</b>	<b>8</b>	<b>(104)</b>	<b>(5)</b>	<b>(6)</b>	<b>(107)</b>	<b>(61)</b>	<b>(32)</b>	<b>(93)</b>

### Q3-19

	Net banking income	Operating expenses	Gains or losses on other assets	Income before tax	Net income - Group share excluding Coface	Coface net income	Net income - Group share including Coface
In millions of euros							
<b>Restated Q3-19 results</b>	<b>5,757</b>	<b>(4,011)</b>	<b>6</b>	<b>1,494</b>	<b>931</b>	<b>12</b>	<b>943</b>
Revaluation of assets associated with deeply subordinated notes denominated in foreign currencies	14			14	1		
Transformation and reorganization costs		(82)	(12)	(94)	(65)		
<b>Restated Q3-19 results excluding exceptional items</b>	<b>5,743</b>	<b>(3,928)</b>	<b>18</b>	<b>1,574</b>	<b>996</b>	<b>12</b>	<b>1,007</b>
<b>Total impact</b>	<b>14</b>	<b>(82)</b>	<b>(12)</b>	<b>(80)</b>	<b>(64)</b>		<b>(64)</b>

## 9M-20

		Net banking income	Operating expenses	Cost of risk	Share in net income of associates	Gains or losses on other assets	Income before tax	Net income - Group share excluding Coface	Coface net income	Net income - Group share including Coface
In millions of euros										
<b>Restated 9M-20 results</b>		<b>16,237</b>	<b>(12,288)</b>	<b>(2,074)</b>	<b>160</b>	<b>(122)</b>	<b>1,913</b>	<b>1,118</b>	<b>(131)</b>	<b>986</b>
Revaluation of assets associated with deeply subordinated notes denominated in foreign currencies	<i>Corporate center</i>	3					3	11		
Transformation and reorganization costs	<i>Business lines/ Corporate center</i>	5	(237)	(5)		(147)	(384)	(246)		
Contribution to the insurance guarantee fund	<i>Insurance</i>	(16)					(16)	(8)		
Disposals and impairment	<i>Business lines/ Corporate center</i>				(10)		(10)	(10)		
Impact of Lebanon default on ADIR insurance	<i>Insurance</i>				(14)		(14)	(10)		
<b>Restated 9M-20 results excluding exceptional items</b>		<b>16,245</b>	<b>(12,052)</b>	<b>(2,069)</b>	<b>185</b>	<b>25</b>	<b>2,333</b>	<b>1,382</b>	<b>5</b>	<b>1,387</b>
<b>Total impact</b>		<b>(8)</b>	<b>(237)</b>	<b>(5)</b>	<b>(24)</b>	<b>(147)</b>	<b>(420)</b>	<b>(264)</b>	<b>(136)</b>	<b>(400)</b>

## 9M-19

		Net banking income	Operating expenses	Cost of risk	Share in income of equity-accounted associates	Gains or losses on other assets	Goodwill	Income before tax	Net income - Group share excluding Coface	Coface net income	Net income - Group share including Coface
In millions of euros											
<b>Restated 9M-19 results</b>		<b>17,470</b>	<b>(12,624)</b>	<b>(939)</b>	<b>186</b>	<b>(25)</b>	<b>(88)</b>	<b>3,979</b>	<b>2,206</b>	<b>35</b>	<b>2,241</b>
Revaluation of assets associated with deeply subordinated notes denominated in foreign currencies	<i>Corporate center</i>	15						15	1		
Transformation and reorganization costs	<i>Business lines/ Corporate center</i>		(278)	(10)		(18)	(88)	(394)	(344)		
Disposals and impairments	<i>Business lines/ Corporate center</i>				(25)	(15)		(40)	(35)		
<b>Restated 9M-19 results excluding exceptional items</b>		<b>17,455</b>	<b>(12,347)</b>	<b>(929)</b>	<b>211</b>	<b>8</b>	<b>0</b>	<b>4,398</b>	<b>2,584</b>	<b>34</b>	<b>2,618</b>
<b>Total impact</b>		<b>15</b>	<b>(278)</b>	<b>(10)</b>	<b>(25)</b>	<b>(33)</b>	<b>(88)</b>	<b>(419)</b>	<b>(378)</b>	<b>2</b>	<b>(377)</b>

**Groupe BPCE: restated income statement per business line**
**Q3-20**

In millions of euros	RETAIL BANKING & INSURANCE		ASSET & WEALTH MANAGEMENT		CORPORATE & INVESTMENT BANKING		CORPORATE CENTER		GROUPE BPCE		
	Q3-20	Q3-19	Q3-20	Q3-19	Q3-20	Q3-19	Q3-20	Q3-19	Q3-20	Q3-19	%
Restated figures In millions of euros											
Net banking income	4,162	3,972	744	945	703	784	(98)	56	5,511	5,757	(4.3)%
Operating expenses	(2,629)	(2,596)	(575)	(648)	(510)	(527)	(191)	(239)	(3,905)	(4,011)	(2.6)%
<b>Gross operating income</b>	<b>1,533</b>	<b>1,376</b>	<b>169</b>	<b>297</b>	<b>193</b>	<b>256</b>	<b>(289)</b>	<b>(183)</b>	<b>1,606</b>	<b>1,746</b>	<b>(8.1)%</b>
Cost of risk	(343)	(243)	(10)	(8)	(199)	(59)	(38)	(9)	(589)	(320)	x1.8
<b>Income before tax</b>	<b>1,211</b>	<b>1,143</b>	<b>139</b>	<b>299</b>	<b>(4)</b>	<b>200</b>	<b>(263)</b>	<b>(148)</b>	<b>1,083</b>	<b>1,494</b>	<b>(27.5)%</b>
Income tax	(363)	(370)	(44)	(83)	2	(54)	64	124	(342)	(383)	(10.8)%
Non-controlling interests	(30)	(22)	(38)	(108)	(1)	(44)	30	(4)	(39)	(179)	(78.4)%
<b>Net income – excl. Coface net contribution</b>	<b>818</b>	<b>751</b>	<b>57</b>	<b>107</b>	<b>(3)</b>	<b>101</b>	<b>(169)</b>	<b>(28)</b>	<b>703</b>	<b>931</b>	<b>(24.5)%</b>
Coface – Net contribution							(29)	12	(29)	12	
<b>Net income – Group share</b>	<b>818</b>	<b>751</b>	<b>57</b>	<b>107</b>	<b>(3)</b>	<b>101</b>	<b>(198)</b>	<b>(16)</b>	<b>674</b>	<b>943</b>	<b>(28.5)%</b>

**9M-20**

In millions of euros	RETAIL BANKING & INSURANCE		ASSET & WEALTH MANAGEMENT		CORPORATE & INVESTMENT BANKING		CORPORATE CENTER		GROUPE BPCE		
	9M-20	9M-19	9M-20	9M-19	9M-20	9M-19	9M-20	9M-19	9M-20	9M-19	%
Restated figures In millions of euros											
Net banking income	12,376	12,141	2,222	2,651	1,910	2,438	(271)	240	16,237	17,470	(7.1)%
Operating expenses	(8,017)	(7,981)	(1,691)	(1,811)	(1,544)	(1,633)	(1,036)	(1,200)	(12,288)	(12,624)	(2.7)%
<b>Gross operating income</b>	<b>4,359</b>	<b>4,160</b>	<b>531</b>	<b>840</b>	<b>365</b>	<b>805</b>	<b>(1,307)</b>	<b>(959)</b>	<b>3,949</b>	<b>4,845</b>	<b>(18.5)%</b>
Cost of risk	(1,296)	(712)	(20)	(10)	(667)	(193)	(90)	(25)	(2,074)	(939)	x2.2
<b>Income before tax</b>	<b>3,088</b>	<b>3,496</b>	<b>493</b>	<b>840</b>	<b>(295)</b>	<b>605</b>	<b>(1,373)</b>	<b>(962)</b>	<b>1,913</b>	<b>3,979</b>	<b>(51.9)%</b>
Income tax	(967)	(1,169)	(141)	(235)	80	(168)	300	206	(727)	(1,366)	(46.8)%
Non-controlling interests	(82)	(71)	(147)	(289)	59	(133)	101	85	(68)	(408)	(83.2)%
<b>Net income – excl. Coface net contribution</b>	<b>2,039</b>	<b>2,256</b>	<b>205</b>	<b>316</b>	<b>(156)</b>	<b>304</b>	<b>(972)</b>	<b>(670)</b>	<b>1,118</b>	<b>2,206</b>	<b>(49.3)%</b>
Coface – Net contribution							(131)	35	(131)	35	
<b>Net income – Group share</b>	<b>2,039</b>	<b>2,256</b>	<b>205</b>	<b>316</b>	<b>(156)</b>	<b>304</b>	<b>(1,103)</b>	<b>(635)</b>	<b>986</b>	<b>2,241</b>	<b>(56.0)%</b>

**Groupe BPCE: restated quarterly series**

<b>GROUPE BPCE</b>							
Restated figures In millions of euros	<b>Q1-19</b>	<b>Q2-19</b>	<b>Q3-19</b>	<b>Q4-19</b>	<b>Q1-20</b>	<b>Q2-20</b>	<b>Q3-20</b>
Net banking income	5,778	5,935	5,757	6,123	5,543	5,183	5,511
Operating expenses	(4,563)	(4,051)	(4,011)	(4,441)	(4,546)	(3,837)	(3,905)
<b>Gross operating income</b>	<b>1,215</b>	<b>1,884</b>	<b>1,746</b>	<b>1,682</b>	<b>997</b>	<b>1,346</b>	<b>1,606</b>
Cost of risk	(293)	(326)	(320)	(426)	(504)	(981)	(589)
<b>Income before tax</b>	<b>850</b>	<b>1,636</b>	<b>1,494</b>	<b>1,359</b>	<b>548</b>	<b>282</b>	<b>1,083</b>
<b>Net income – excl. Coface net contribution</b>	<b>329</b>	<b>945</b>	<b>931</b>	<b>780</b>	<b>264</b>	<b>150</b>	<b>703</b>
Coface – Net contribution	11	13	12	9	(83)	(19)	(29)
<b>Net income – Group share</b>	<b>340</b>	<b>958</b>	<b>943</b>	<b>789</b>	<b>181</b>	<b>131</b>	<b>674</b>

## Consolidated balance sheet

<b>ASSETS</b> (in millions of euros)	<b>Sept. 30, 2020</b>	<b>Dec. 31, 2019</b>
Cash and amounts due from central banks	167,237	80,244
Financial assets at fair value through profit or loss	193,246	218,767
Hedging derivatives	10,484	9,286
Financial assets at fair value through shareholders' equity	51,534	44,630
Financial assets at amortized cost	27,026	28,922
Loans and receivables due from credit institutions and similar at amortized cost	94,298	89,656
Loans and receivables due from customers at amortized cost	737,525	693,257
Revaluation difference on interest rate risk-hedged portfolios	9,227	7,673
Insurance activity investments	119,900	119,046
Current tax assets	1,011	864
Deferred tax assets	3,586	3,597
Accrued income and other assets	21,453	24,326
Non-current assets held for sale	2,061	578
Investments in associates	4,369	4,247
Investment property	787	769
Property, plant and equipment	6,149	6,448
Intangible assets	1,014	1,089
Goodwill	4,312	4,665
<b>TOTAL ASSETS</b>	<b>1,455,217</b>	<b>1,338,064</b>

<b>LIABILITIES</b> (in millions of euros)	<b>Sept. 30, 2020</b>	<b>Dec. 31, 2019</b>
Amounts due to central banks	47	
Financial liabilities at fair value through profit or loss	187,380	201,776
Hedging derivatives	15,924	15,068
Debt securities	234,144	239,341
Amounts due to credit institutions	139,042	76,653
Amounts due to customers	634,550	559,713
Revaluation difference on interest rate risk-hedged portfolios	274	238
Current tax liabilities	1,043	788
Deferred tax liabilities	1,211	1,400
Accrued expenses and other liabilities	28,726	30,877
Liabilities associated with non-current assets held for sale	1,674	528
Insurance-related liabilities	111,201	110,697
Provisions	6,016	6,156
Subordinated debt	16,998	17,487
<b>Shareholders' equity</b>	<b>76,988</b>	<b>77,341</b>
<i>Equity attributable to equity holders of the parent</i>	71,122	69,909
Non-controlling interests	5,866	7,431
<b>TOTAL LIABILITIES</b>	<b>1,455,217</b>	<b>1,338,064</b>

## Retail Banking & Insurance

### Quarterly income statement

	BANQUE POPULAIRE NETWORK			CAISSE D'EPARGNE NETWORK			FINANCIAL SOLUTIONS & EXPERTISE			INSURANCE			PAYMENTS			OTHER NETWORKS			RETAIL BANKING & INSURANCE		
	Q3-20	Q3-19	%	Q3-20	Q3-19	%	Q3-20	Q3-19	%	Q3-20	Q3-19	%	Q3-20	Q3-19	%	Q3-20	Q3-19	%	Q3-20	Q3-19	%
In millions of euros																					
Net banking income	1,618	1,568	3.2%	1,737	1,743	(0.4)%	286	268	6.5%	220	205	7.1%	117	103	13.6%	185	84	x2.2	4,162	3,972	4.8%
Operating expenses	(1,053)	(1,065)	(1.1)%	(1,081)	(1,112)	(2.8)%	(151)	(155)	(2.1)%	(117)	(112)	4.2%	(98)	(93)	5.8%	(128)	(60)	x2.1	(2,629)	(2,596)	1.3%
Gross operating income	564	503	12.1%	656	631	3.9%	134	113	18.3%	103	93	10.5%	19	10	84.0%	57	25	x2.3	1,533	1,376	11.4%
Cost/income ratio	65.1%	67.9%	(2.8)pp	62.3%	63.8%	(1.5)pp	53.0%	57.7%	(4.7)pp	53.1%	54.6%	(1.5)pp	83.9%	90.1%	(6.2)pp	69.1%	70.8%	(1.7)pp	63.2%	65.4%	(2.2)pp
Cost of risk	(114)	(109)	3.9%	(162)	(112)	44.8%	(35)	(15)	x2.3				0	(1)	ns	(32)	(5)	x6.4	(343)	(243)	41.3%
Income before tax	463	403	14.9%	504	519	(2.9)%	99	98	0.8%	102	94	8.6%	19	9	x2.1	24	20	23.9%	1,211	1,143	6.0%
Income tax	(131)	(123)	6.6%	(159)	(178)	(11.0)%	(30)	(28)	5.1%	(31)	(30)	2.0%	(6)	(3)	x2	(8)	(8)	(0.6)%	(363)	(370)	(1.8)%
Non-controlling interests	0	(1)	ns	0	(1)	ns	0	0	ns	(21)	(19)	11.6%	(4)	(2)	x2	(5)	0	ns	(30)	(22)	35.4%
Net income - Group share	332	279	19.0%	345	340	1.4%	69	70	(0.9)%	51	45	11.8%	9	4	113.8%	11	12	(5.5)%	818	751	8.9%

### Half-yearly income statement

	BANQUE POPULAIRE NETWORK			CAISSE D'EPARGNE NETWORK			FINANCIAL SOLUTIONS & EXPERTISE			INSURANCE			PAYMENTS			OTHER NETWORKS			RETAIL BANKING & INSURANCE		
	9M-20	9M-19	%	9M-20	9M-19	%	9M-20	9M-19	%	9M-20	9M-19	%	9M-20	9M-19	%	9M-20	9M-19	%	9M-20	9M-19	%
In millions of euros																					
Net banking income	4,733	4,813	(1.7)%	5,246	5,321	(1.4)%	839	819	2.4%	669	630	6.1%	316	311	1.4%	574	247	x2.3	12,376	12,141	1.9%
Operating expenses	(3,163)	(3,250)	(2.7)%	(3,350)	(3,460)	(3.2)%	(454)	(462)	(1.7)%	(367)	(353)	4.0%	(289)	(274)	5.2%	(395)	(182)	x2.2	(8,017)	(7,981)	0.5%
Gross operating income	1,570	1,563	0.4%	1,895	1,861	1.9%	385	357	7.7%	302	277	8.8%	27	37	(26.3)%	180	65	x2.8	4,359	4,160	4.8%
Cost/income ratio	68.8%	67.5%	(0.7)pp	63.9%	65.0%	(1.2)pp	54.1%	56.4%	(2.3)pp	54.9%	56.0%	(1.1)pp	91.4%	88.1%	3.2pp	68.7%	73.7%	(5.0)pp	64.8%	65.7%	(1.0)pp
Cost of risk	(520)	(288)	80.3%	(559)	(330)	69.4%	(85)	(62)	36.8%				2	(2)	ns	(134)	(29)	X4.6	(1,296)	(712)	X1.8
Income before tax	1,079	1,309	(17.6)%	1,346	1,529	(12.0)%	300	295	1.5%	289	284	1.7%	29	35	(16.9)%	45	44	3.8%	3,088	3,496	(11.7)%
Income tax	(331)	(422)	(21.6)%	(437)	(527)	(17.1)%	(90)	(103)	(12.2)%	(90)	(90)	0.4%	(9)	(11)	(23.3)%	(10)	(16)	(39.6)%	(967)	(1,169)	(17.3)%
Non-controlling interests	(1)	(2)	(39.1)%	1	(5)	ns	0	0	(16.9)%	(58)	(57)	2.3%	(6)	(7)	(16.6)%	(18)	0	ns	(82)	(71)	15.9%
Net income - Group share	747	886	(15.6)%	910	997	(8.7)%	210	193	8.8%	140	137	2.3%	15	17	(12.8)%	18	28	(36.3)%	2,039	2,256	(9.6)%

## Retail Banking & Insurance

### Quarterly series

RETAIL BANKING & INSURANCE							
In millions of euros	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20	Q3-20
Net banking income	4,070	4,099	3,972	4,176	4,140	4,074	4,162
Operating expenses	(2,694)	(2,690)	(2,596)	(2,863)	(2,803)	(2,585)	(2,629)
<b>Gross operating income</b>	<b>1,376</b>	<b>1,408</b>	<b>1,376</b>	<b>1,313</b>	<b>1,337</b>	<b>1,489</b>	<b>1,533</b>
Cost/income ratio	66.2%	65.6%	65.4%	68.6%	67.7%	63.5%	63.2%
Cost of risk	(257)	(212)	(243)	(316)	(302)	(651)	(343)
<b>Income before tax</b>	<b>1,131</b>	<b>1,222</b>	<b>1,143</b>	<b>1,003</b>	<b>1,032</b>	<b>844</b>	<b>1,211</b>
<b>Net income - Group share</b>	<b>739</b>	<b>766</b>	<b>751</b>	<b>679</b>	<b>685</b>	<b>537</b>	<b>818</b>

### Banque Populaire and Caisse d'Épargne networks: quarterly series

BANQUE POPULAIRE NETWORK							
In millions of euros	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20	Q3-20
Net banking income	1,618	1,626	1,568	1,622	1,602	1,513	1,618
Operating expenses	(1,086)	(1,099)	(1,065)	(1,106)	(1,093)	(1,017)	(1,053)
<b>Gross operating income</b>	<b>532</b>	<b>527</b>	<b>503</b>	<b>516</b>	<b>509</b>	<b>497</b>	<b>564</b>
Cost of risk	(94)	(85)	(109)	(128)	(117)	(289)	(114)
<b>Income before tax</b>	<b>449</b>	<b>457</b>	<b>403</b>	<b>390</b>	<b>401</b>	<b>216</b>	<b>463</b>
<b>Net income - Group share</b>	<b>308</b>	<b>298</b>	<b>279</b>	<b>273</b>	<b>275</b>	<b>140</b>	<b>332</b>

CAISSE D'EPARGNE NETWORK							
In millions of euros	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20	Q3-20
Net banking income	1,778	1,800	1,743	1,727	1,716	1,793	1,737
Operating expenses	(1,183)	(1,166)	(1,112)	(1,217)	(1,179)	(1,090)	(1,081)
<b>Gross operating income</b>	<b>595</b>	<b>635</b>	<b>631</b>	<b>510</b>	<b>537</b>	<b>703</b>	<b>656</b>
Cost of risk	(126)	(92)	(112)	(89)	(121)	(276)	(162)
<b>Income before tax</b>	<b>470</b>	<b>540</b>	<b>519</b>	<b>420</b>	<b>416</b>	<b>426</b>	<b>504</b>
<b>Net income - Group share</b>	<b>309</b>	<b>348</b>	<b>340</b>	<b>286</b>	<b>283</b>	<b>282</b>	<b>345</b>

### Financial Solutions & Expertise: quarterly series

FINANCIAL SOLUTIONS & EXPERTISE							
In millions of euros	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20	Q3-20
Net banking income	272	279	268	298	290	263	286
Operating expenses	(155)	(152)	(155)	(172)	(160)	(142)	(151)
<b>Gross operating income</b>	<b>117</b>	<b>127</b>	<b>113</b>	<b>126</b>	<b>130</b>	<b>121</b>	<b>134</b>
Cost/income ratio	57.0%	54.5%	57.7%	57.8%	55.2%	54.1%	53.0%
Cost of risk	(25)	(22)	(15)	(17)	(24)	(26)	(35)
<b>Income before tax</b>	<b>92</b>	<b>106</b>	<b>98</b>	<b>109</b>	<b>106</b>	<b>95</b>	<b>99</b>
<b>Net income - Group share</b>	<b>62</b>	<b>60</b>	<b>70</b>	<b>74</b>	<b>73</b>	<b>67</b>	<b>69</b>

## Insurance: quarterly series

INSURANCE							
In millions of euros	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20	Q3-20
Net banking income	218	207	205	216	221	228	220
Operating expenses	(125)	(116)	(112)	(125)	(134)	(117)	(117)
<b>Gross operating income</b>	<b>93</b>	<b>92</b>	<b>93</b>	<b>90</b>	<b>87</b>	<b>112</b>	<b>103</b>
Cost/income ratio	57.5%	55.8%	54.6%	58.1%	60.6%	51.1%	53.1%
<b>Income before tax</b>	<b>93</b>	<b>96</b>	<b>94</b>	<b>94</b>	<b>76</b>	<b>110</b>	<b>102</b>
<b>Net income - Group share</b>	<b>45</b>	<b>47</b>	<b>45</b>	<b>46</b>	<b>35</b>	<b>54</b>	<b>51</b>

## Payments: quarterly series

PAYMENTS							
In millions of euros	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20	Q3-20
Net banking income	103	105	103	111	113	86	117
Operating expenses	(88)	(94)	(93)	(96)	(94)	(96)	(98)
<b>Gross operating income</b>	<b>16</b>	<b>11</b>	<b>10</b>	<b>15</b>	<b>18</b>	<b>(10)</b>	<b>19</b>
Cost/income ratio	84.8%	89.6%	90.1%	86.1%	83.8%	111.7%	83.9%
<b>Income before tax</b>	<b>16</b>	<b>10</b>	<b>9</b>	<b>15</b>	<b>20</b>	<b>(10)</b>	<b>19</b>
<b>Net income - Group share</b>	<b>8</b>	<b>5</b>	<b>4</b>	<b>7</b>	<b>10</b>	<b>(5)</b>	<b>9</b>

## Other networks: quarterly series

OTHER NETWORKS							
In millions of euros	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20	Q3-20
Net banking income	81	81	84	203	199	191	185
Operating expenses	(58)	(64)	(60)	(147)	(143)	(124)	(128)
<b>Gross operating income</b>	<b>24</b>	<b>17</b>	<b>25</b>	<b>56</b>	<b>56</b>	<b>67</b>	<b>57</b>
Cost/income ratio	70.9%	79.3%	70.8%	72.4%	71.8%	65.0%	69.1%
Cost of risk	(11)	(13)	(5)	(82)	(42)	(60)	(32)
<b>Income before tax</b>	<b>12</b>	<b>12</b>	<b>20</b>	<b>(25)</b>	<b>14</b>	<b>7</b>	<b>24</b>
<b>Net income - Group share</b>	<b>8</b>	<b>8</b>	<b>12</b>	<b>(7)</b>	<b>8</b>	<b>(2)</b>	<b>11</b>

## Asset & Wealth Management: quarterly series

ASSET & WEALTH MANAGEMENT							
	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20	Q3-20
In millions of euros							
Net banking income	773	932	945	1,109	774	704	744
Operating expenses	(558)	(605)	(648)	(681)	(579)	(537)	(575)
<b>Gross operating income</b>	<b>216</b>	<b>327</b>	<b>297</b>	<b>428</b>	<b>195</b>	<b>167</b>	<b>169</b>
Cost/income ratio	72.1%	64.9%	68.5%	61.4%	74.8%	76.3%	77.3%
Cost of risk	1	(2)	(8)	2	1	(11)	(10)
<b>Income before tax</b>	<b>216</b>	<b>325</b>	<b>299</b>	<b>434</b>	<b>196</b>	<b>159</b>	<b>139</b>
<b>Net income - Group share</b>	<b>90</b>	<b>119</b>	<b>107</b>	<b>157</b>	<b>75</b>	<b>74</b>	<b>57</b>

## Corporate & Investment Banking: quarterly series

CORPORATE & INVESTMENT BANKING							
	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20	Q3-20
In millions of euros							
Net banking income	807	847	784	899	688	519	703
Operating expenses	(582)	(523)	(527)	(602)	(557)	(477)	(510)
<b>Gross operating income</b>	<b>225</b>	<b>324</b>	<b>256</b>	<b>297</b>	<b>130</b>	<b>42</b>	<b>193</b>
Cost/income ratio	72.2%	61.8%	67.3%	67.0%	81.1%	91.8%	72.6%
Cost of risk	(30)	(104)	(59)	(118)	(194)	(275)	(199)
<b>Income before tax</b>	<b>183</b>	<b>223</b>	<b>200</b>	<b>181</b>	<b>(61)</b>	<b>(230)</b>	<b>(4)</b>
<b>Net income - Group share</b>	<b>89</b>	<b>114</b>	<b>102</b>	<b>93</b>	<b>(33)</b>	<b>(120)</b>	<b>(3)</b>

## Corporate center: restated quarterly series

CORPORATE CENTER							
	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20	Q3-20
Restated figures							
In millions of euros							
Net banking income	127	57	56	(61)	(58)	(115)	(98)
Operating expenses	(729)	(232)	(239)	(295)	(606)	(238)	(191)
<b>Gross operating income</b>	<b>(601)</b>	<b>(175)</b>	<b>(183)</b>	<b>(356)</b>	<b>(665)</b>	<b>(353)</b>	<b>(289)</b>
Cost of risk	(8)	(7)	(9)	7	(8)	(44)	(38)
Change in the value of goodwill	(88)						
<b>Income before tax</b>	<b>(680)</b>	<b>(134)</b>	<b>(148)</b>	<b>(258)</b>	<b>(619)</b>	<b>(491)</b>	<b>(263)</b>
<b>Net income - Group share</b>	<b>(589)</b>	<b>(54)</b>	<b>(28)</b>	<b>(150)</b>	<b>(461)</b>	<b>(341)</b>	<b>(169)</b>

## DISCLAIMER

This press release may contain forward-looking statements and comments relating to the objectives and strategy of Groupe BPCE. By their very nature, these forward-looking statements inherently depend on assumptions, project considerations, objectives and expectations linked to future events, transactions, products and services as well as on suppositions regarding future performance and synergies.

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The financial information presented in this document relating to the fiscal period ended September 30, 2020 has been drawn up in compliance with IFRS standards, as adopted in the European Union. This financial information is not the equivalent of summary financial statements for an interim period as defined by IAS 34 "Interim Financial Reporting".

Preparation of the financial information requires Management to make estimates and assumptions in certain areas with regard to uncertain future events. These estimates are based on the judgment of the individuals preparing these financial information and the information available at the balance sheet date. Actual future results may differ from these estimates.

The extent and duration of the waves of infection caused by the new coronavirus behind the Covid-19 pandemic have already affected, and are likely to affect with even greater severity, the economic situation of many business sectors and lead to considerable disruption in the financial markets. The countries affected by the pandemic are also being forced to adopt containment measures ranging from localized restrictions on mobility or activity to strict stay-at-home orders for the population, greatly reducing the activities of many operators. The future development of the Covid-19 situation is a major source of uncertainty.

In view of this particular context, it should be specified that the expected credit losses (IFRS 9 provisions) and the substantial increase in credit risk have been appraised in the light of forward-looking information based on a macroeconomic scenario updated in September this year, combined with expert assessments of the impact of specific downturns in certain sectors of the economy.

Readers must take all these risk factors and uncertainties into consideration before making their own judgement.

The financial results contained in this press release have not been reviewed by the statutory auditors.

### About Groupe BPCE

*Groupe BPCE, with its business model as a universal cooperative bank represented by 9 million cooperative shareholders, is currently the 2<sup>nd</sup>-largest banking group in France. With its 105,000 employees, it serves a total of 36 million customers – individuals, professionals, corporates, investors, and local government bodies – around the world. It operates in the retail banking and insurance sectors in France via its two major Banque Populaire and Caisse d'Epargne banking networks, along with Banque Palatine. With Natixis, it also runs global business lines specializing in Asset & Wealth management, Corporate & Investment Banking, Insurance and Payments. Through this structure, it is able to offer its customers a comprehensive, diversified range of products and services: solutions in savings, investment, cash management, financing, and insurance. The Group's financial strength is recognized by four financial rating agencies: Moody's (A1, outlook stable), Standard & Poor's (A+, outlook negative), Fitch (A+, outlook negative) and R&I (A+, outlook stable).*

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