GROUPE BPCE

Press Release

Paris, May 2, 2024

Results for the first quarter of 2024

Strong increase in reported net income; financial strength at the highest level; dynamic of all our client franchises; strategic external growth operation

KEY FIGURES[1]

Q1-24: Net banking income of €5.8bn, almost stable vs. Q1-23 and up 5% vs. Q4-23; continued momentum in Retail Banking & Insurance activities and positive impact of asset repricing in the networks; robust performance for Corporate & Investment Banking and Asset Management businesses.

Reported net income of €875m, up 64% YoY and x2.3 QoQ (-22% excluding SRF contribution)

Solvency remains very high with a CET1 ratio of 15.6%[2], including organic capital creation of 14bps during the quarter

BUSINESS LINES/ACTIVITIES[1]

Retail Banking & Insurance: growth in the client base of the Banque Populaire and Caisse d'Epargne networks across all market segments; dynamic conquest with 241,000 new customers[3] despite a slowdown in mortgage lending. Net banking income down by a limited 4% vs. Q1-23 thanks to the effects of loan repricing related to the cost of liabilities

- **Local & regional financing**: **loan outstandings up 2%** YoY to **€717bn** at end-March 2024
- **Clients' deposits[4] up 2%** YoY to €675bn at end-March 2024, **up by €13bn**
- **Insurance:** sustained gross inflows of **€4.6bn in life insurance** in Q1-24. **Premiums up 39%** vs. Q1-23. **Client equipment rate[5] for P&C and personal protection insurance stood at 34.4%** at end-March 2024, **+0.3% YoY**
- **Financial Solutions & Expertise: net banking income up 4% vs. Q1-23**, driven in particular by the Leasing and Factoring businesses
- **Digital & Payments: +5% increase YoY in the number of card transactions** at end-March 2024; roll-out of ***Tap to Pay*** to all our clients

Global Financial Services: revenues up 4% vs. Q1-23; continued growth in the Corporate & Investment Banking business and solid rebound in Asset Management

- **Corporate & Investment Banking: net banking income of €1.1bn, up 3% vs. Q1-23; revenues for Global Markets stable vs. Q1-23 in a more sluggish market; 11% growth in net banking income for Global Finance and 24% for Investment Banking in Q1-24 YoY**
- **Asset & Wealth Management: 5% YTD growth in Natixis IM assets under management, reaching €1,225bn at end-March 2024; net inflows of €6bn in Q1-24** driven notably by fixed-income expertise; **strong growth in net banking income, +7% vs. Q1-23** at constant exchange rates.

P&L/CAPITAL[1]

Expenses down 10% vs. Q1-23 (up 3.7% excluding SRF contribution)

Cost of risk: €382m in Q1-24, or 18bps, including reversals of provisions and higher provisions for occurred risks, reflecting the economic environment in certain sectors and Groupe BPCE's position in its markets

Financial strength: CET1 ratio of 15.6%[3] at end-March 2024, including the full estimated dividend for 2024; liquidity reserves stand at €324bn

Strategic developments

Project[6] to acquire the activities[7] of Société Générale Equipment Finance (SGEF) in line with Groupe BPCE's strategy to develop Specialized Financing services in Europe

- **SGEF, an international player in the equipment leasing segment, is present in 25 countries with a distribution model based on a network of vendors, directly and through banking partnerships.**
- **With this project, Groupe BPCE will become the European leader in the equipment leasing market**

Natixis Corporate & Investment Banking announces the extension of Natixis Partners' participation in Clipperton, a boutique specializing in mergers & acquisitions advisory services in the tech sector.

[1] See the notes on methodology appended to this press release [2] Estimated figures at end-March 2024 [3] +17.700 additional active clients since the beginning of the year [4] On-balance sheet deposits and savings within the scope of the Retail Banking & Insurance business unit [5] Within the scope of individual clients banking with the BP and CE [6] This project is subject to applicable social procedures and the approval of the relevant regulatory and competition authorities 7 Excluding SGEF's interests in the Czech Republic and Slovakia

BANQUE POPULAIRE | CAISSE D'EPARGNE | NATIXIS INVESTMENT MANAGERS | NATIXIS CORPORATE AND INVESTMENT BANKING

Nicolas Namias, Chairman of the Management Board of BPCE, said: *"The first quarter of the year was marked by Groupe BPCE's strong performance, with a sharp rise of the reported net income. The Banques Populaires and Caisses d'Epargne played their role to the full in support of their customers and the French economy through the multiplication of initiatives, to accompany first-time buyers and condominium unit owners in the real-estate sector or the implementation of exceptional emergency measures to assist farmers. Natixis CIB and Natixis IM, our global business lines, both performed extremely well. The Group's net income also reflects our tight control over expenses, a continuing low cost of risk, even if it reflects the economic environment in certain sectors and the leading position of our regional banks in their markets; it also reflects the impact of the discontinuation of Single Resolution Fund contributions after 10 years of making significant payments into this instrument designed to ensure the stability of the banking system.*

Buoyed up by the dynamism of its business lines and the final drafting of its strategic plan – to be published on June 26 later this year – Groupe BPCE is already on the move with the announcement of a major strategic operation for its future growth with the project to acquire SGEF, making it the European leader in equipment leasing solutions. We have also announced the continuation of an international M&A franchise with the renewal of the partnership between Natixis CIB and Clipperton.

When, at this moment, the Olympic Flame is sailing across the Mediterranean on the three-masted of the Belem Caisse d'Epargne Fundation, accompanied by 16 young people from every region of France, Groupe BPCE's 100,000 employees are preparing to welcome the Olympic & Paralympic Games to France. As a premium partner of this event, we are mobilizing all our energies and expertises to ensure that the Games become an unforgettable moment of national harmony and pride."

The quarterly financial statements of Groupe BPCE for the period ended March 31, 2024, approved by the Management Board at a meeting convened on April 30, 2024, were verified and reviewed by the Supervisory Board, chaired by Thierry Cahn, at a meeting convened on May 2, 2024.

In this document, 2023 figures have been restated on a pro-forma basis *(see the annex for the reconciliation of reported data to pro-forma data).*

Groupe BPCE

€m	Q1-24	Q1-23	% Change vs. Q1-23
Net banking income	**5,753**	**5,815**	**(1)%**
Operating expenses	(4,151)	(4,587)	(10)%
o/w operating expenses excluding SRF contribution	*(4,151)*	*(4,002)*	*4%*
Gross operating income	**1,602**	**1,228**	**31%**
Cost of risk	(382)	(326)	17%
Income before tax	**1,233**	**968**	**27%**
Income tax	(343)	(425)	(19)%
Non-controlling interests	(15)	(9)	56%
Net income – Group share	**875**	**533**	**64%**
Exceptional items	(29)	(36)	(22)%
Underlying net income – Group share	**904**	**570**	**59%**
Cost to income ratio (underlying excl. SRF)	*71.5%*	*67.9%*	*3.6pp*

[1] Reported figures as far as "Net income (Group share)"
[2] "Underlying" means exclusive of exceptional items
[3] The cost/income ratio of Groupe BPCE is calculated on the basis of net banking income and operating expenses excluding exceptional items, the latter being restated to account for the contribution to the Single Resolution Fund (SRF) booked in the Corporate center business unit. The calculations are detailed in the annex on pages 18. to 21.

1. Groupe BPCE

Unless specified to the contrary, the financial data and related comments refer to the reported results of the Group and business lines, changes express differences between Q1-24 and Q1-23.

Groupe BPCE's net banking income, which stood at 5,753 million euros, is almost stable in Q1-24 vs. Q1-23.

The revenues of the **Retail Banking & Insurance** business unit (RB&I) stood at 3,763 million euros (-4%) in Q1-24. The Banques Populaires and Caisses d'Epargne reported strong sales performance. The continuing rise in the return on assets partly offset the increase in the cost of liabilities, notably regulated and non-regulated savings; net banking income from the **retail banking networks** was down 5%. The **Financial Solutions & Expertise** business unit enjoyed 4% revenue growth in Q1-24, driven by the strength of leasing and factoring services. The **Digital & Payments** business unit enjoyed an extremely dynamic business performance. The **Insurance** business unit benefited from very strong momentum in life insurance.

Global Financial Services reported revenues up 4% in Q1-24, rising to 1,933 million euros. In Q1-24, the net banking income generated by the business unit was driven by **Asset & Wealth Management**, whose net banking income rose by 6% in Q1-24, thanks to a higher base of assets under management. **Corporate & Investment Banking** was driven by the strong commercial performance achieved by the Global Markets, Global Finance and Investment Banking and M&A businesses.

Net interest income came to 1.9 billion euros in Q1-24, down 4% year-on-year. **Commissions**, which stood at 2.6 billion euros in Q1-24, were up 4% year-on-year.

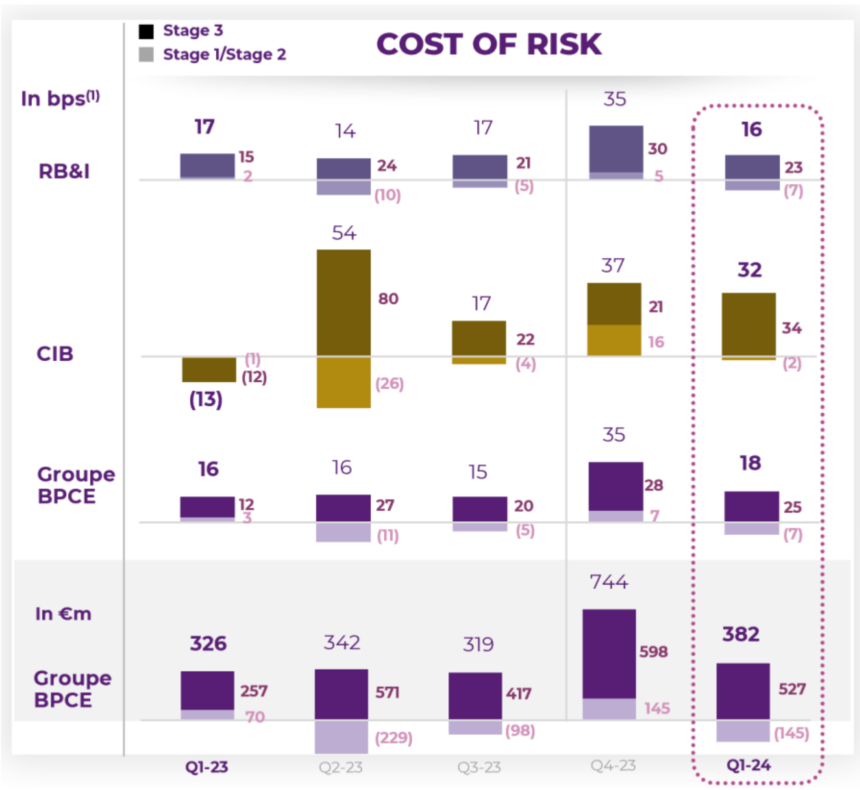
Operating expenses fell by 10% year-on-year to 4,151 million euros in Q1-24. If the SRF contribution is excluded, they rose by 4%.

The **underlying cost/income ratio, excluding the SRF[1] contribution**, came to 71.5% in Q1-24, up 3.6pps.

Gross operating income rose by 31% in Q1-24, to stand at 1,602 million euros.

Groupe BPCE's **cost of risk** stood at 382 million euros, up 17% in Q1-24, reflecting the current deterioration in certain business sectors and Groupe BPCE's position in the economy.

Performing loans are rated ‘Stage 1’ or ‘Stage 2’, while outstandings with an occurred risk are rated ‘Stage 3.’



[1] The underlying cost/income ratio of Groupe BPCE is calculated on the basis of net banking income and operating expenses excluding exceptional items and adjusted for the contribution to the SRF (Single Resolution Fund), allocated to the Corporate center division. The calculations are detailed in the annex on 18. to 21.

For Groupe BPCE **in Q1-24**, the **amount of provisions for outstanding loans** stood at 382 million euros compared with 326 million euros in Q1-23. This total can be broken down as follows:

- For **performing loans**, provisions for a total of 70 million euros were booked in Q1-23 while 145 million euros of provisions were reversed in Q1-24,

- Allocations to provisions for **loans with an occurred risk** rose from 257 million euros in Q1-23 to 527 million euros in Q1-24.

For Groupe BPCE in Q1-24, the cost of risk stood at **18bps** of gross customer outstandings (16bps in Q1-23). This figure includes a reversal of provisions on performing loans of 7bps (vs. an allocation to provisions of 3bps in Q1-23) and an allocation to provisions for loans with an occurred risk of 25bps vs. allocations of 12bps in Q1-23.
The cost of risk stood at **16bps** for the **Retail Banking & Insurance** business unit (17bps in Q1-23), including a 7bps reversal of provisions for performing loans (vs. a 2bps allocation to provisions in Q1-23) and a 23bps allocation to provisions for loans with an occurred risk (vs. a 15bps provision in Q1-23).
The cost of risk of the **Corporate & Investment Banking** business unit came to **32bps** (-13bps in Q1-23), including a 2bps reversal of provisions on performing loans (vs. a 1bp reversal in Q1-23) and a 34bps provision on loans with an occurred risk (vs. a 12bps reversal in Q1-23).

The **ratio of non-performing loans** to gross loan outstandings was **2.4%** at March 31, 2024, stable vs. end-December 2023.

Reported net income (Group share) in Q1-24 came to 875 million euros, up 64% (533 million euros in Q1-23), and down 22% compared with Q1-23 if the SRF contribution is excluded. It stands 2.3 times higher than in Q4-23.

Underlying net income (Group share)[2] stood at 904 million euros in Q1-24, up 59% on Q1-23 (570 million euros).

[2] "Underlying" means exclusive of exceptional items

2. BPCE, fully committed to all its customers, is entering a new phase of growth

Groupe BPCE has made a major commitment to supporting the French economy and meeting the needs of its customers, in particular through:

- Specific measures to facilitate home loans and energy renovation projects with:
    - The 'Starden' real-estate loan for young people and public sector employees,
    - Solutions designed to support and encourage first-time buyers throughout France to purchase their main residence,
    - 46,000 loan applications (BP and CE combined) for a total of more than 5 billion euros in Q1-24,
    - Loan solutions designed for renovating buildings.
- Support for the local economy with the launch of a new 535 million euro ISE fund to help finance the development of French intermediate-sized enterprises (ISEs) throughout the country.
- Specific support for the healthcare sector:
    - Thanks to a partnership with the European Investment Bank (EIB), a 150 million euro package of subsidized loans will be made available to support new medical facilities and the realization of projects designed to develop the activities of healthcare professionals throughout France.
- Exceptional support for the farming sector with the introduction of new initiatives for farming customers.
- The roll-out of 'Tap to Pay' to all our customers: to date ~23,400 contracts have been signed and ~6,170 customers are active users.
- The deployment since the beginning of 2023 of ESG interviews to improve the non-financial knowledge of our corporate clients in order to measure the positive impact of this clients and offer them support solutions to intensify this impact: to date, almost 22,000 ESG interviews have been carried out.

With its universal banking business model, Groupe BPCE is buoyed up by the dynamism of its 3 growth drivers:

- Retail Banking, a front-ranking player in France, which is adapting to the new interest-rate environment,
- Corporate & Investment Banking, which is pursuing sustainable growth thanks to its worldwide expertise,
- Asset Management, which is enjoying a strong rebound in all the geographical regions where it is present.

3. Strategic developments

- Groupe BPCE has set the objective of speeding up the development of its specialized financing businesses in Europe, particularly leasing. In this context, the Group has announced the signature of a memorandum of understanding[1] with Société Générale with a view to acquiring the activities of Société Générale Equipment Finance (SGEF)*.

  Groupe BPCE holds a leading position in leasing in France through BPCE LEASE and is ranked No. 1 for SME customers.
  SGEF is a leading international player in the leasing of industrial equipment with a wide range of equipment financing solutions and associated services.
  SGEF is present in 25 countries (operating directly in 16 countries), chiefly in Europe but also in the United States.
  SGEF's business model strikes a good balance between distribution via partnerships with vendors (2/3) and distribution via direct origination and partnerships with retail banking networks (1/3).
  With the acquisition of SEGF, Groupe BPCE has the opportunity to become the No.1 European player in equipment leasing.

  The impact is limited on the CET1 ratio and the transaction is already included in the 2024 refinancing plan. This acquisition will add variable-rate activities to Groupe BPCE's net interest income base.

- Natixis CIB has announced the extension of Natixis Partners' stake in Clipperton, a boutique specializing in mergers & acquisitions in the tech and digital sector.
  Natixis CIB is continuing to develop a successful M&A franchise that combines complementary sector expertise within a business model comprised of 7 M&A boutiques serving French and international clients.

* Excluding SGEF activities in the Czech Republic and Slovakia
[1] This project is subject to the applicable social procedures and the approval of the competent regulatory and competition authorities.

4. Capital, loss-absorbing capacity, liquidity and funding

4.1 CET1 ratio[1]

Groupe BPCE's CET1[1] ratio at the end of March 2024 reached an estimated level of 15.6%[1], stable over the quarter. This level is explained by the following impacts:

- Retained earnings: +19bps,
- Change in risk-weighted assets: -5bps,
- Net issuance of cooperative shares: +3bps,
- Estimated dividend payout related to cooperative shares in 2024: -19bps,
- Other items: +2bps.

Groupe BPCE generated organic capital equal to 14bps during the quarter.

Groupe BPCE had an estimated buffer of 16.6 billion euros above the threshold for triggering the maximum distributable amount **(MDA)** for equity capital at the end of March 2024, while taking account of the prudential requirements laid down by the ECB applicable on March 31, 2024.

4.2 TLAC ratio[1]

The Total Loss-Absorbing Capacity (TLAC) estimated at the end of March 2024 stands at 119.6 billion euros[1]. The TLAC ratio, expressed as a percentage of risk-weighted assets, stood at an estimated 26.1%[3] at end-March 2024 (without taking account of senior preferred debt for the calculation of this ratio), well above the standard requirements of 22.39%[3] laid down by the Financial Stability Board at March 31, 2024.

4.3 MREL ratio[1]

Expressed as a percentage of risk-weighted assets at March 31, 2024, Groupe BPCE's subordinated MREL ratio[2] (without taking account of senior preferred debt for the calculation of this ratio) and total MREL ratio stood at 26.1%[1] and 34.7%[1] respectively, well above the minimum requirements laid down by the SRB on March 31, 2024, of 22.39%[3] and 27.28%[3] respectively.

4.4 Leverage ratio[1]

At March 31, 2024, the estimated leverage ratio stood at 5.1%[1] , well above the leverage ratio requirement.

4.5 Liquidity reserves at a high level

The Liquidity Coverage Ratio (LCR) for Groupe BPCE is well above the regulatory requirement of 100%, standing at 152% based on the average of end-of-month LCRs in the 1st quarter of 2024.
The volume of liquidity reserves stood at 324 billion euros at the end of March 2024, representing a coverage ratio of 186% of short-term financial debts (including short-term maturities of medium-/long-term financial debt).

4.6 MLT funding plan: 60.5 % of the 2024 plan already completed by April 24, 2024

For 2024, the size of the MLT funding plan, excluding structured private placements and ABS, has been set at 28.3 billion euros, broken down by type of debt as follows:

- 8.5 billion euros in TLAC funding: 2 billion euros in Tier 2 and 6.5 billion euros in senior non-preferred debt,
- 5.5 billion euros of senior preferred debt,
- 14.3 billion euros in covered bonds.

The target for ABS is 4 billion euros.

At April 24, 2024, Groupe BPCE has raised 17.1 billion euros, excluding structured private placements and ABS (60.5% of the 28.3 billion euro program):

- 6.0 billion euros in TLAC funding: 1.6 billion euros in Tier 2 (79.8% of requirements) and 4.4 billion euros in senior non-preferred debt (68.5% of requirements),
- 3.4 billion euros in senior preferred debt (61.5% of requirements),
- 7.7 billion euros in covered bonds (53.8% of requirements).

ABS issues amounted to 2.7 billion euros as at April 24, 2024, i.e. 67.5% of the target.

Solvency, Total loss-absorbing capacity – see notes on methodology
[1] Estimated at March 31, 2024
[2] Groupe BPCE has chosen to waive the possibility offered by Article 72c (3) of the Capital Requirements Regulation (CRR) to use senior preferred debt for compliance with its TLAC/subordinated MREL requirements
[3] Requirements as at March 31, 2024

5. Results of the business lines

Unless specified to the contrary, the following financial data and related comments refer to the reported results of the business lines. Changes express differences between Q1-24 and Q1-23.

5.1 Retail Banking & Insurance

€m[1]	Q1-24	% Change
Net banking income	3,763	(4)%
Operating expenses	(2,547)	2%
Gross operating income	**1,217**	**(13)%**
Cost of risk	(296)	(4)%
Income before tax	**934**	**(16)%**
Exceptional items	(25)	(19)%
Underlying income before tax	**959**	**(17)%**
Underlying cost/income ratio	*67.0%*	*3.8pp*

Loan outstandings grew by 2% year-on-year, reaching 717 billion euros at the end of March 2024, including a 1% increase in residential mortgages to 400 billion euros, a 3% increase in equipment loans to 194 billion euros, and a 6% increase in consumer loans to 40 billion euros.

At the end of March 2024, **on-balance sheet customer deposits & savings** stood at 675 billion euros, up 13 billion euros year-on-year, with term accounts up 39% and regulated and unregulated passbook savings accounts up 1%.

Net banking income for the Retail Banking & Insurance business unit fell by 4% to 3,763 million euros in Q1-24, benefiting from the positive effects of asset repricing. This change includes 5% declines in net revenues for the **Banque Populaire** and **Caisse d'Épargne** retail banking networks in Q1-24.

The **Financial Solutions & Expertise** business lines continued to enjoy very good sales momentum, with revenues up 4% in Q1-24. In the **Insurance** business revenues rose by 5% in Q1-24, driven by strong sales momentum in life insurance. The **Digital & Payments** business unit reported a 5% growth in revenues in Q1-24.

Operating expenses remained tightly managed, rising by just 2% in Q1-24 to 2,457 million euros.

The **underlying cost/income ratio**[3] rose by 3.8pps in Q1-24, to 67.0%.

The business unit's **gross operating income** fell by 13% in Q1-24 to 1,217 million euros.

The **cost of risk** declined by 4% in Q1-24, to 296 million euros.

For the business unit as a whole, **income before tax** came to 934 million euros in Q1-24, down 16%.

The **underlying income before tax**[2] stood at 959 million euros in Q1-24, down 17%.

[1] Reported figures until "Income before tax"
[2] "Underlying" means exclusive of exceptional items
[3] The business line cost/income ratios are calculated on the basis of net banking income and underlying operating expenses

5.1.1 Banque Populaire retail banking network

The Banque Populaire retail banking network is comprised of 14 cooperative banks (12 regional Banques Populaires along with CASDEN Banque Populaire and Crédit Coopératif) and their subsidiaries, Crédit Maritime Mutuel, and the Mutual Guarantee Companies.

€m[2]	Q1-24	% Change
Net banking income	1,489	(5)%
Operating expenses	(1,043)	2%
Gross operating income	**445**	**(19)%**
Cost of risk	(125)	(5)%
Income before tax	**329**	**(24)%**
Exceptional items	(12)	(7)%
Underlying income before tax	**341**	**(24)%**
Underlying cost/income ratio	*69.3%*	*5.2pp*

Loan outstandings remained stable year-on-year at 300 billion euros at the end of March 2024.
On-balance sheet customer deposits & savings increased by 7 billion euros year-on-year at the end of March 2024 with growth in term accounts (+46% year-on-year) and stability in regulated and unregulated passbook savings accounts.

Net banking income came to 1,489 million euros, down 5% on Q1-24. This total includes:
- An 11% year-on-year drop in net interest income[4,5], to €730 million euros.
- And a 2% year-on-year decline in commissions[5] to 717 million euros.

Operating expenses, which remained under tight control, rose by 2% in Q1-24 to 1,043 million euros.

This led to a 5.2pp year-on-year rise in the **underlying cost/income ratio[3]**, which stood at 69.3% in Q1-24.

Gross operating income fell by 19% year-on-year to 445 million euros in Q1-24.

The **cost of risk** stood at 125 million euros in Q1-24 (-5% vs. Q1-23).

Income before tax stood at 329 million euros in Q1-24 (-24% vs. Q1-23).

Underlying income before tax[2] stood at 341 million euros in Q1-24 (-24% vs. Q1-23).

[1] Reported figures until "Income before tax"
[2] "Underlying" means exclusive of exceptional items
[3] The business line cost/income ratios have been calculated on the basis of net banking income and underlying operating expenses
[4] Excluding changes in provisions for home-purchase savings schemes
[5] Income on regulated savings has been restated to account for the net interest margin and included under commissions

5.1.2 Caisse d'Epargne retail banking network

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

€m[3]	Q1-24	% Change
Net banking income	1,454	(5)%
Operating expenses	(1,085)	2%
Gross operating income	**368**	**(22)%**
Cost of risk	(100)	(27)%
Income before tax	**270**	**(19)%**
Exceptional items	(12)	10%
Underlying income before tax	**282**	**(18)%**
Underlying cost/income ratio	*73.8%*	*5.2pp*

Loan outstandings increased by 3% year-on-year to 372 billion euros at the end of March 2024.
On-balance sheet customer deposits & savings increased by 8 billion euros year-on-year, with growth in term accounts (+29% year-on-year) and regulated and unregulated passbook accounts (+1% year-on-year).

In Q1-24, net banking income came to a total of 1,454 million euros, down 5% year-on-year. This total includes:

- An 20% year-on-year drop in net interest income[4,5], to €568 million euros.
- And a 3% year-on-year increase in commissions[5] to 816 million euros.

Operating expenses, which remained closely managed, were up 2% year-on-year in Q1-24, at 1,085 million euros.

The **underlying cost/income ratio**[3] rose by 5.2pps year-on-year to 73.8% in Q1-24.

Gross operating income fell by 22% year-on-year to 368 million euros in Q1-24.

The **cost of risk** came to 100 million euros in Q1-24, down 27% year-on-year.

Income before tax stood at 270 million euros in Q1-24 (-19% vs. Q1-23).

Underlying income before tax[2] stood at 282 million euros in Q1-24 (-18% vs. Q1-23).

[1] Reported figures until "Income before tax"
[2] "Underlying" means exclusive of exceptional items
[3] The business line cost/income ratios have been calculated on the basis of net banking income and underlying operating expenses
[4] Excluding changes in provisions for home-purchase savings schemes
[5] Income on regulated savings has been restated to account for the net interest margin and included under commissions

5.1.3 Financial Solutions & Expertise

€m[1]	Q1-24	% Change
Net banking income	327	4%
Operating expenses	(162)	3%
Gross operating income	**166**	**5%**
Cost of risk	(24)	x4
Income before tax	**141**	**(7)%**
Exceptional items	0	ns
Underlying income before tax	**141**	**(7)%**
Underlying cost/income ratio	*49.4%*	*(0.2)pp*

In **Consumer Credit**, average outstandings (personal loans and revolving credit) rose by 8% year-on-year.
Continued strong momentum in 2023 in the **Leasing** segment, notably with the retail banking networks, resulted in a sharp 11% year-on-year increase in outstandings, driven by equipment leasing (+18%).
In the **Factoring** business, demand for financing remained strong with the retail banking networks, with average factored sales stable year-on-year.

In the **Sureties & Financial Guarantees** business line, gross premiums written fell by 38% year-on-year, impacted by the severe impact of the extremely sluggish residential real-estate market.

Net banking income for the Financial Solutions & Expertise business unit rose by 4% year-on-year to 327 million euros in Q1-24.

Operating expenses were kept under control at 162 million euros, up 3% year-on-year in Q1-24, in line with growth in revenues, leading to a positive jaws effect.

The **underlying cost/income ratio**[3] fell by 0.2pps year-on-year in Q1-24 to 49.4%.

Gross operating income rose by 5% year-on-year in Q1-24 to 166 million euros.

The **cost of risk** stood at 24 million euros in Q1-24.

Income before tax came to 141 million euros in Q1-24, down 7% year-on-year.

Underlying income before tax[2] stood at 141 million euros in Q1-24, down 7% year-on-year.

[1] Reported figures until "Income before tax"
[2] "Underlying" means exclusive of exceptional items
[3] The business line cost/income ratios have been calculated on the basis of net banking income and underlying operating expenses

5.1.4 Insurance[1]

The results presented below concern the Insurance business unit held directly by BPCE since March 1, 2022.

€m[3]	Q1-24	% Change
Net banking income	188	5%
Operating expenses[4]	(42)	(3)%
Gross operating income	**146**	**7%**
Income before tax	**149**	**7%**
Exceptional items	0	ns
Underlying income before tax	**149**	**6%**
Underlying cost/income ratio	*22.3%*	*(0.7)pp*

In Q1-24, premiums[6] rose by 39% year-on-year to 5.5 billion euros, with 43% growth in Life & Personal Protection products and 7% in Property & Casualty insurance.

Life insurance **assets under management[6]** had grown to 96.6 billion euros at the end of March 2024, rising 5% since the end of December 2023. **Gross fund inflows[6]** amounted to 4.6 billion euros in Q1-24. Unit-linked funds accounted for 35% of assets under management[6] at end-March 2024, up 6pps vs. end-December 2023, and 57% of gross inflows[6] in Q1-24, up 15pps vs. end-December 2023.

In Property & Casualty Insurance, the customer equipment rate for the two retail banking networks reached 34.4%[7] at end-March 2024, up 0.3pps since end-December 2023.

Net banking income rose by 5% year-on-year in Q1-24 to 188 million euros.

Operating expenses fell by 3% year-on-year in Q1-24, to 42 million euros.

Gross operating income, benefitting from a positive jaws effect, rose by 7% to reach 146 million euros in Q1-24.

Income before tax stood at 149 million euros in Q1-24, up 7% year-on-year.

Underlying income before tax[4] stood at 149 million euros in Q1-24, up 6% year-on-year.

[1] BPCE Insurances
[2] Reported figures until "Income before tax"
[3] "Operating expenses" corresponds to "non-attributable expenses" under IFRS 17, i.e. all costs that are not directly attributable to insurance contracts
[4] "Underlying" means exclusive of exceptional items
[5] The business line cost/income ratios have been calculated on the basis of net banking income and underlying operating expenses
[6] Excluding the reinsurance treaty with CNP Assurances
[7] Scope: combined individual customers of the BP and CE networks

5.1.5 Digital & Payments

€m[1]	Q1-24	% Change
Net banking income	215	5%
o/w Payments	*120*	*4%*
o/w Oney	*94*	*6%*
Operating expenses	(160)	(1)%
o/w Payments	*(95)*	*1%*
o/w Oney	*(65)*	*(4)%*
Gross operating income	**55**	**24%**
Cost of risk	(31)	(2)%
Income before tax	**24**	**x3**
Exceptional items	(1)	ns
Underlying income before tax	**25**	**x2**
Underlying cost/income ratio	*74.2%*	*(2.3)pp*

Payments

Net banking income was up 5%, and operating expenses remained very tightly managed.

In the Payment Solutions segment, the number of card transactions rose by 5% vs. Q1-23. Mobile and instant payments continued their ongoing growth (+57% vs. Q1-23). The rollout of Android POS terminals (x2.6) is gathering pace, and the "Tap 2 pay" solution for iPhones enjoyed strong momentum in Q1-24.

Payplug recorded strong growth in business volumes, chiefly driven by SME customers (+27% vs. Q1-23).

Oney Bank

Net banking income rose 6% vs. Q1-23 thanks to improved margin rates and the impact of asset repricing.

Operating expenses remained under tight control, down 4% on Q1-23. This led to a significant 5.1pp improvement in the underlying cost/income ratio vs. Q1-23.

Business remained robust despite the tense economic environment, with Oney maintaining its leadership in the “Buy Now Pay Later” (BNPL) segment in France.

Digital & AI

At the end of March 2024, 11.5 million customers were active on mobile apps (+8% compared with end-March 2023).

For business customers, 4 million sales opportunities were generated for retail banking by AI in Q1-24, as many as during the entire year in 2023.
With AI for Efficiency, 1.5 million supporting documents were reviewed automatically (+40% vs. Q1-23).
As far as our employees are concerned, 10,000 are active users of the internal AI generation tool with over 700,000 messages generated this quarter.

Net banking income for the Digital & Payments business unit rose by 5% in Q1-24 to 215 million euros.

The business unit's tightly managed **operating expenses** came to 160 million euros in Q1-24, down 1% year-on-year.

This led to a 2.3pp improvement in the **underlying cost/income ratio**[2] which stood at 74.2% in Q1-24.

Gross operating income rose by 24% year-on-year in Q1-24 to 55 million euros, thanks to a positive jaws effect.

The **cost of risk** fell by 2% year-on-year to 31 million euros in Q1-24.

Income before tax enjoyed 3-fold year-on-year growth to 24 million euros in Q1-24.

Underlying income before tax[3] increased year-on-year by a factor of 2 to reach 25 million euros in Q1-24.

[1] Reported figures until "Income before tax"
[2] The business line cost/income ratios have been calculated on the basis of net banking income and underlying operating expenses
[3] "Underlying" means exclusive of exceptional items

5.2. Global Financial Services

The GFS business unit includes the Asset & Wealth Management activities and the Corporate & Investment Banking activities of Natixis.

€m[1]	Q1-24	% Change	Constant Fx % change
Net banking income	1,933	4%	5%
o/w AWM	*830*	*6%*	*7%*
o/w CIB	*1,102*	*3%*	*3%*
Operating expenses	(1,368)	5%	5%
o/w AWM	*(662)*	*3%*	*3%*
o/w CIB	*(706)*	*7%*	*7%*
Gross operating income	**564**	**3%**	**4%**
Cost of risk	(58)	ns	
Income before tax	**510**	**(18)%**	
Exceptional items	0	ns	
Underlying income before tax	**510**	**(19)%**	
Underlying cost/income ratio	*70.8%*	*0.9pp*	

GFS revenues rose by 4% year-on-year in Q1-24 to 1,933 million euros (+5% at constant exchange rates).

Corporate & Investment Banking revenues rose by 3% in Q1-24 to 1,102 million euros, thanks to good diversification and the strong performance of the Global Finance business lines (+11% year-on-year) and the Investment Banking and M&A activities (+14% year-on-year).
Revenues generated by the Asset & Wealth Management business were up 7% year-on-year, at constant exchange rates, in Q1-24, rising to 830 million euros, thanks to a higher assets under management base year-on-year.

Operating expenses rose by 5% year-on-year in Q1-24 to 1,368 million euros (+5% at constant exchange rates).
In Q1-24, Corporate & Investment Banking's operating expenses rose by 7%, including investments in personnel and certain tax payments. In Q1-24, **Asset & Wealth Management** operating expenses rose by 3%, in line with growth in revenues.

The **underlying cost/income ratio**[2] increased by 0.9pps year-on-year to 70.8% in Q1-24.

Gross operating income rose by 3% year-on-year in Q1-24 to 564 million euros (+4% at constant exchange rates).

The **cost of risk** stood at 58 million euros in Q1-24.

Income before tax fell by 18% year-on-year to 510 million euros in Q1-24.

Underlying income before tax[3] stood at 510 million euros in Q1-24, down 19% year-on-year.

[1] Reported figures until "Income before tax"
[2] The business line cost/income ratios have been calculated on the basis of net banking income and underlying operating expenses
[3] "Underlying" means exclusive of exceptional items

5.2.1 Corporate & Investment Banking

The Corporate & Investment Banking (CIB) business unit includes the Global Markets, Global Finance, Investment Banking and M&A activities of Natixis.

€m[1]	Q1-24	% Change
Net banking income	1,102	3%
Operating expenses	(706)	7%
Gross operating income	**396**	**(4)%**
Cost of risk	(54)	ns
Income before tax	**346**	**(21)%**
Exceptional items	0	ns
Underlying income before tax	**346**	**(21)%**
Underlying cost/income ratio	*64.0%*	*2.4pp*

Global Markets revenues were stable year-on-year at 537 million euros. Revenues generated by the Equity business stood at 145 million euros in Q1-24, despite a resilient customer business activities. FIC-T revenues remained stable overall, at 379 million euros in Q1-24, with a strong performance from the FI business, which saw revenues grow by 6% thanks, in particular, to the Credit and Fixed Income activities.

Global Finance revenues rose by 11% year-on-year to 406 million euros, thanks to the sustained dynamism of the Real Assets and Global Trade businesses.

Investment Banking activities posted revenues of 77 million euros, up 24% year-on-year in Q1-24, driven by growth achieved in three businesses: Acquisition & Strategic, Debt Capital Market, and Strategic Equity Capital Markets.

The **M&A** business continued to perform well, with revenues up 3% in Q1-24 to 54 million euros.

Net banking income posted by the Corporate & Investment Banking business unit was up 3% year-on-year in Q1-24, at 1,102 million euros.

Operating expenses, which include investments in personnel and certain tax payments, were up 7% year-on-year in Q1-24, at 706 million euros.

The **underlying cost/income ratio**[3] rose by 2.4pps year-on-year to 64.0% in Q1-24.

Gross operating income fell by 4% year-on-year in Q1-24 to 396 million euros.

The **cost of risk** stood at 54 million euros in Q1-24, impacted by provisions for certain specific cases, reflecting the deterioration observed in certain sectors.

Income before tax fell by 21% year-on-year to 346 million euros in Q1-24.

Underlying income before tax[2] was down 21% year-on-year at 346 million euros in Q1-24.

[1] Reported figures until “Income before tax”
[2] “Underlying” means exclusive of exceptional items
[3] The business line cost/income ratios have been calculated on the basis of net banking income and underlying operating expenses

5.2.2 Asset & Wealth Management

The business unit includes the Asset & Wealth Management activities of Natixis.

€m[3]	**Q1-24**	**% Change**
Net banking income	830	6%
Operating expenses	(662)	3%
Gross operating income	**168**	**23%**
Income before tax	**163**	**(11)%**
Exceptional items	0	ns
Underlying income before tax	**163**	**(15)%**
Underlying cost/income ratio	*79.8%*	*(1.5)pp*

In Asset Management, **assets under management[4]** stood at 1,225 billion euros at the end of March 2024, up 5% thanks to positive market and currency impacts.

Net inflows into Asset Management[4] in Q1-24 reached a total of 6.0 billion euros, chiefly thanks to Fixed-income products with 8 billion euros of net inflows.

At the end of March 2024, Asset Management achieved **robust performances in its investment funds**. At end-March 2024, 83% of rated funds were ranked in the 1st and 2nd quartiles over a 5-year horizon compared with 74% at end-March 2023 (source: Morningstar).

In Asset Management[4], the **total fee rate** (excluding performance fees) in Q1-24 stood at 25.0bps (-0.1bp year-on-year), or 36.6bps if insurance-driven asset management is excluded (-1.5bps year-on-year).

Net banking income posted by the Asset & Wealth Management business unit rose by 6% year-on-year in Q1-24, to 830 million euros.

Operating expenses stood at 662 million euros, up 3% year-on-year in Q1-24, in line with revenue growth.
The **underlying cost/income ratio[3]** improved by 1.5pps year-on-year in Q1-24, to 79.8%.

Gross operating income came to 168 million euros in Q1-24, up 23% year-on-year.

Income before tax stood at 163 million euros in Q1-24 (-11% vs. Q1-23).

Underlying income before tax[2] was down 15% year-on-year, at 163 million euros in Q1-24.

[1] Reported figures until "Income before tax"
[2] "Underlying" means exclusive of exceptional items
[3] The business line cost/income ratios have been calculated on the basis of net banking income and underlying operating expenses
[4] Asset Management: Europe includes Dynamic Solutions and Vega IM; North America includes WCM IM; excluding Wealth Management

ANNEXES

Notes on methodology

Presentation of the pro-forma quarterly results

The 2023 quarterly series are presented pro forma with changes in standards and organization:

- Sectoral reallocation of the results of the private equity activities of the entities BP Développement & CE Développement from Corporate center to RB&I and GFS divisions;
- New management standards adopted by Natixis (including the normative allocation of capital to the business lines) within the GFS division.

The main evolutions impact RB&I, GFS and the Corporate center.

Data for 2023 has been recalculated to obtain a like-for-like basis of comparison.

The tables showing the transition from reported 2023 to pro-forma 2023 are presented on annexes

Exceptional items

Exceptional items and the reconciliation of the reported income statement to the underlying income statement of Groupe BPCE are detailed in the annexes.

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 Épargne 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

Operating expenses correspond to the aggregate total of the “Operating Expenses” (as presented in the Group’s 2022 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/income ratio

Groupe BPCE's cost/income ratio is calculated on the basis of net banking income and operating expenses excluding exceptional items, the latter being restated to account for the contribution to the Single Resolution Fund (SRF) booked in the Corporate center division. The calculations are detailed in the annexes.

Business line cost/income ratios are calculated on the basis of underlying net banking income and operating expenses.

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 are as follows:

- Loan outstandings: the scope of outstandings under management does not include securities classified as customer loans and receivables and other securities classified as financial operations,
- Deposits & savings: the scope of outstandings under management does not include debt securities (certificates of deposit and savings bonds).

Capital adequacy

Common Equity Tier 1 is determined in accordance with the applicable CRR II/CRD V rules, after deductions.

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 in accordance with the applicable CRR II/CRD V rules. Centralized outstandings of regulated savings are excluded from the leverage exposures as are Central Bank exposures for a limited period of time (pursuant to ECB decision 2021/27 of June 18, 2021).

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 by article 92a of CRR. Please note that a quantum of Senior Preferred securities has not been included in our calculation of TLAC.

This amount is consequently comprised of the 4 following items:

- Common Equity Tier 1 in accordance with the applicable CRR II/CRD IV rules,
- Additional Tier-1 capital in accordance with the applicable CRR II/CRD IV rules,
- Tier-2 capital in accordance with the applicable CRR II/CRD IV rules,

- Subordinated liabilities not recognized in the capital mentioned above and whose residual maturity is greater than 1 year, namely:
  - The share of additional Tier-1 capital instruments not recognized in common equity (i.e. included in the phase-out),
  - The share of the prudential discount on Tier-2 capital instruments whose residual maturity is greater than 1 year,
  - The nominal amount of Senior Non-Preferred securities maturing in more than 1 year.

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 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.

Digital indicators

The number of active customers using mobile apps or websites corresponds to the number of customers who have made at least one visit via one of the digital channels (mobile apps or website) over the last 12 months.

The number of commercial opportunities generated is the total of customers' key life moments and events detected via data with a view to being handled for commercial purposes. For individual customers: entry into working life, birth of a child, pre-retirement preparation, retirement, etc.; for professional and corporate customers: international development, new capital spending, etc.

The number of documents checked automatically corresponds to the number of documents transmitted by customers through their digital spaces or in a physical branch and checked automatically: eligibility for the LEP popular passbook savings account and customer intelligence documents (KYC) for consumer loans, mortgages (digital) and new business relationships (digital and physical branches).

Reconciliation of 2023 data to pro forma data

Retail banking and Insurance	**Q1-23**					**Q2-23**				
In millions of euros	**Net banking income**	**Operating expenses**	**Income before tax**	**Income tax**	**Net income**	**Net banking income**	**Operating expenses**	**Income before tax**	**Income tax**	**Net income**
Reported figures	**3,891**	**(2,496)**	**1,107**	**(269)**	**840**	**3,655**	**(2,459)**	**952**	**(224)**	**729**
Sectoral reallocation	12	(1)	11	0	11	(15)	(1)	(15)	(0)	(15)
Pro forma figures	**3,903**	**(2,497)**	**1,118**	**(269)**	**851**	**3,640**	**(2,460)**	**936**	**(224)**	**713**

Global financial services	**Q1-23**					**Q2-23**				
In millions of euros	**Net banking income**	**Operating expenses**	**Income before tax**	**Income tax**	**Net income**	**Net banking income**	**Operating expenses**	**Income before tax**	**Income tax**	**Net income**
Reported figures	**1,822**	**(1,303)**	**590**	**(146)**	**432**	**1,798**	**(1,282)**	**429**	**(115)**	**300**
Sectoral reallocation	0	0	0	0	0	(0)	(0)	(0)	(0)	(0)
New rules	32	(2)	30	(4)	26	31	(5)	26	(3)	22
Pro forma figures	**1,854**	**(1,305)**	**621**	**(151)**	**458**	**1,829**	**(1,287)**	**455**	**(118)**	**322**

Corporate center	**Q1-23**					**Q2-23**				
In millions of euros	**Net banking income**	**Operating expenses**	**Income before tax**	**Income tax**	**Net income**	**Net banking income**	**Operating expenses**	**Income before tax**	**Income tax**	**Net income**
Reported figures	**102**	**(788)**	**(729)**	**(10)**	**(739)**	**13**	**(58)**	**(44)**	**(14)**	**(56)**
Sectoral reallocation	(12)	1	(11)	0	(11)	15	1	16	0	16
New rules	(32)	2	(30)	4	(26)	(31)	5	(26)	3	(22)
Pro forma figures	**57**	**(785)**	**(771)**	**(5)**	**(776)**	**(3)**	**(52)**	**(54)**	**(10)**	**(63)**

Retail banking and Insurance	**Q3-23**					**Q4-23**				
In millions of euros	**Net banking income**	**Operating expenses**	**Income before tax**	**Income tax**	**Net income**	**Net banking income**	**Operating expenses**	**Income before tax**	**Income tax**	**Net income**
Reported figures	**3,721**	**(2,358)**	**1,072**	**(268)**	**799**	**3,557**	**(2,497)**	**395**	**(122)**	**294**
Sectoral reallocation	(13)	(1)	(14)	0	(14)	19	(1)	18	(0)	18
Pro forma figures	**3,709**	**(2,359)**	**1,058**	**(268)**	**785**	**3,576**	**(2,499)**	**413**	**(122)**	**312**

Global financial services	**Q3-23**					**Q4-23**				
In millions of euros	**Net banking income**	**Operating expenses**	**Income before tax**	**Income tax**	**Net income**	**Net banking income**	**Operating expenses**	**Income before tax**	**Income tax**	**Net income**
Reported figures	**1,736**	**(1,279)**	**444**	**(114)**	**319**	**1,874**	**(1,389)**	**391**	**(118)**	**255**
Sectoral reallocation	(0)	(0)	(0)	0	(0)	0	(1)	(0)	(0)	(0)
New rules	31	(4)	27	(4)	23	33	(4)	29	(3)	26
Pro forma figures	**1,767**	**(1,283)**	**470**	**(118)**	**341**	**1,908**	**(1,394)**	**420**	**(121)**	**280**

Corporate center	**Q3-23**					**Q4-23**				
In millions of euros	**Net banking income**	**Operating expenses**	**Income before tax**	**Income tax**	**Net income**	**Net banking income**	**Operating expenses**	**Income before tax**	**Income tax**	**Net income**
Reported figures	**(3)**	**(175)**	**(176)**	**(23)**	**(200)**	**31**	**(243)**	**(249)**	**81**	**(168)**
Sectoral reallocation	13	1	14	0	14	(20)	2	(18)	0	(18)
New rules	(31)	4	(27)	4	(23)	(33)	4	(29)	3	(26)
Pro forma figures	**(21)**	**(170)**	**(189)**	**(19)**	**(210)**	**(22)**	**(237)**	**(296)**	**84**	**(211)**

Q1-24 & Q1-23 results: reconciliation of reported data to alternative performance measures

€m		Net banking income	Operating expenses	Cost of risk	Gains or losses on other assets	Income before tax	Net income Group share
Reported Q1-24 results		**5,753**	**(4,151)**	**(382)**	**0**	**1,233**	**875**
Transformation and reorganization costs	*Business lines/Corporate center*	1	(38)			(37)	(28)
Disposals	*Corporate center*				(1)	(1)	(1)
Q1-24 results excluding exceptional items		**5,752**	**(4,113)**	**382**	**1**	**1,272**	**904**

€m		Net banking income	Operating expenses	Cost of risk	Gains or losses on other assets	Income before tax	Net income Group share
Pro forma reported Q1-23 results		**5,815**	**(4,587)**	**(326)**	**49**	**968**	**533**
Transformation and reorganization costs	*Business lines/Corporate center*	4	(56)	2		(49)	(36)
Disposals	*Corporate center*		0		(1)	(1)	0
Pro forma Q1-23 results excluding exceptional items		**5,810**	**(4,531)**	**(329)**	**49**	**1,018**	**570**

Groupe BPCE: underlying cost to income ratio excluding SRF

€m	Net banking income	Operating expenses	Underlying cost income ratio excluding SRF
Q1-24 reported figures	**5,753**	**(4,151)**	
Impact of exceptional items	1	(38)	
Q1-24 underlying figures excluding SRF	**5 752**	**(4 113)**	**71,5%**

€m	Net banking income	Operating expenses	Underlying cost income ratio excluding SRF
Q1-23 Pro forma reported figures	**5,815**	**(4,587)**	
Impact of exceptional items	4	(56)	
SRF contribution		(585)	
Q1-23 Pro forma underlying figures excluding SRF	**5,810**	**(3,946)**	**67.9%**

Groupe BPCE: quarterly income statement per business line

	RETAIL BANKING & INSURANCE		GLOBAL FINANCIAL SERVICES		CORPORATE CENTER		GROUPE BPCE		
€m	Q1-24	Q1-23	Q1-24	Q1-23	Q1-24	Q1-23	Q1-24	Q1-23	%
Net banking income	3,763	3,903	1,933	1,854	57	57	5,753	5,815	(1)%
Operating expenses	(2,547)	(2,497)	(1,368)	(1,305)	(236)	(785)	(4,151)	(4,587)	(10)%
Gross operating income	**1,217**	**1,406**	**564**	**549**	**(179)**	**(728)**	**1,602**	**1,228**	**31%**
Cost of risk	(296)	(308)	(58)	27	(28)	(46)	(382)	(326)	17%
Income before tax	**934**	**1,118**	**510**	**621**	**(210)**	**(771)**	**1,233**	**968**	**27%**
Income tax	(223)	(269)	(133)	(151)	12	(5)	(343)	(425)	(19)%
Non-controlling interests	(2)	2	(13)	(12)	0	0	(15)	(10)	43%
Net income – Group share	**709**	**851**	**364**	**458**	**(198)**	**(776)**	**875**	**533**	**64%**

Groupe BPCE: quarterly series

GROUPE BPCE					
€m	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24
Net banking income	5,815	5,467	5,455	5,462	5,753
Operating expenses	(4,587)	(3,799)	(3,812)	(4,129)	(4,151)
Gross operating income	**1,228**	**1,667**	**1,642**	**1,332**	**1,602**
Cost of risk	(326)	(342)	(319)	(744)	(382)
Income before tax	**968**	**1,337**	**1,339**	**537**	**1,233**
Net income – Group share	**533**	**973**	**917**	**381**	**875**

Consolidated balance sheet

ASSETS €m	March 31, 2024	Dec. 31, 2023
Cash and amounts due from central banks	135,637	152,669
Financial assets at fair value through profit or loss	221,280	214,782
Hedging derivatives	8,830	8,855
Financial assets at fair value through shareholders' equity	52,494	48,073
Financial assets at amortized cost	26,111	26,373
Loans and receivables due from credit institutions and similar at amortized cost	112,487	108,631
Loans and receivables due from customers at amortized cost	838,812	839,457
Revaluation difference on interest rate risk-hedged portfolios	(3,189)	(2,626)
Financial investments of insurance activities	107,472	103,615
Insurance contracts written - Assets	1,151	1,124
Reinsurance contracts ceded - Assets	9,442	9,564
Current tax assets	932	829
Deferred tax assets	4,516	4,575
Accrued income and other assets	15,392	14,528
Investments in associates	1,624	1,616
Investment property	721	717
Property, plant and equipment	6,043	6,023
Intangible assets	1,138	1,110
Goodwill	4,258	4,224
TOTAL ASSETS	**1,545,151**	**1,544,139**

LIABILITIES €m	March 31, 2024	Dec. 31, 2023
Amounts due to central banks	4	2
Financial liabilities at fair value through profit or loss	207,175	204,064
Hedging derivatives	14,532	14,973
Debt securities	299,225	292,598
Amounts due to credit institutions	66,830	79,634
Amounts due to customers	707,196	711,658
Revaluation difference on interest rate risk-hedged portfolios	126	159
Insurance contracts written - Liabilities	110,001	106,137
Reinsurance contracts ceded - Liabilities	167	149
Current tax liabilities	2,100	2,026
Deferred tax liabilities	1,742	1,660
Accrued expenses and other liabilities	24,824	22,492
Provisions	4,708	4,825
Subordinated debt	20,314	18,801
Shareholders' equity	86,207	84,961
Equity attributable to equity holders of the parent	*85,658*	*84,407*
Non-controlling interests	*549*	*553*
TOTAL LIABILITIES	**1,545,151**	**1,544,139**

Statement of changes in shareholders' equity

€m	Equity attributable to shareholders' equity
December 31, 2023	**84,407**
Distributions	0
Change in capital (cooperative shares)	303
Impact of acquisitions and disposals on non-controlling interests (minority interests)	8
Income	875
Changes in gains & losses directly recognized in equity	3
Others	60
March 31, 2024	**85,658**

Retail Banking & Insurance: quarterly income statement

	BANQUE POPULAIRE NETWORK			CAISSE D'EPARGNE NETWORK			FINANCIAL SOLUTIONS & EXPERTISE			INSURANCE			DIGITAL & PAYMENTS			OTHER NETWORK			RETAIL BANKING & INSURANCE		
€m	Q1-24	Q1-23	%	Q1-24	Q1-23	%	Q1-24	Q1-23	%	Q1-24	Q1-23	%	Q1-24	Q1-23	%	Q1-24	Q1-23	%	Q1-24	Q1-23	%
Net banking income	1,489	1,569	(5)%	1,454	1,537	(5)%	327	315	4%	188	180	5%	215	205	5%	91	97	(6)%	3,763	3,903	(4)%
Operating expenses	(1,043)	(1,018)	2%	(1,085)	(1,066)	2%	(162)	(157)	3%	(42)	(43)	(3)%	(160)	(161)	(1)%	(55)	(51)	8%	(2,547)	(2,497)	2%
Gross operating income	**445**	**551**	**(19)%**	**368**	**470**	**(22)%**	**166**	**158**	**5%**	**146**	**137**	**7%**	**55**	**44**	**25%**	**37**	**46**	**(21)%**	**1,217**	**1,406**	**(13)%**
Cost of risk	(125)	(132)	(5)%	(100)	(136)	(27)%	(24)	(6)	X4	0	0	0	(31)	(32)	(2)%	(16)	(2)	0	(296)	(308)	(4)%
Income before tax	**329**	**434**	**(24)%**	**270**	**334**	**(19)%**	**141**	**151**	**(7)%**	**149**	**139**	**7%**	**24**	**8**	**X3**	**20**	**52**	**(61)%**	**934**	**1,118**	**(16)%**
Income tax	(74)	(98)	(25)%	(62)	(80)	(23)%	(38)	(40)	(5)%	(36)	(30)	22%	(9)	(8)	17%	(5)	(13)	(63)%	(223)	(269)	(17)%
Non-controlling interests	(3)	(4)	(14)%	(1)	(1)	12%	0	0	(9)%	0	0	Ns	2	7	(65)%	0	0	0	(2)	2	Ns
Net income - Group share	**252**	**332**	**(24%)**	**208**	**253**	**(18)%**	**104**	**112**	**(7)%**	**113**	**109**	**3%**	**17**	**7**	**X2.4**	**16**	**39**	**(60)%**	**709**	**851**	**(17)%**

Retail Banking & Insurance: quarterly series

RETAIL BANKING & INSURANCE					
€m	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24
Net banking income	3,903	3,640	3,709	3,576	3,763
Operating expenses	(2,497)	(2,460)	(2,359)	(2,499)	(2,547)
Gross operating income	**1,406**	**1,180**	**1,350**	**1,077**	**1,217**
Cost of risk	(308)	(252)	(302)	(643)	(296)
Income before tax	**1,118**	**936**	**1,058**	**413**	**934**
Net income – Group share	**851**	**713**	**785**	**312**	**709**

Retail Banking & Insurance: Banque Populaire and Caisse d'Epargne networks quarterly series

BANQUE POPULAIRE NETWORK

€m	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24
Net banking income	1,569	1,442	1,469	1,382	1,489
Operating expenses	(1,018)	(1,015)	(961)	(975)	(1,043)
Gross operating income	**551**	**427**	**508**	**407**	**445**
Cost of risk	(132)	(110)	(127)	(282)	(125)
Income before tax	**434**	**328**	**398**	**149**	**329**
Net income – Group share	**332**	**240**	**284**	**98**	**252**

CAISSE D'EPARGNE NETWORK

€m	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24
Net banking income	1,537	1,465	1,432	1,423	1,454
Operating expenses	(1,066)	(1,041)	(993)	(1,081)	(1,085)
Gross operating income	**470**	**424**	**440**	**343**	**368**
Cost of risk	**(136)**	**(84)**	**(115)**	**(218)**	**(100)**
Income before tax	334	340	325	126	270
Net income – Group share	**253**	**256**	**253**	**103**	**208**

Retail Banking & Insurance: FSE quarterly series

FINANCIAL SOLUTIONS & EXPERTISE					
€m	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24
Net banking income	315	306	318	335	327
Operating expenses	(157)	(151)	(154)	(167)	(162)
Gross operating income	**158**	**155**	**164**	**168**	**166**
Cost of risk	(6)	(19)	(18)	(54)	(24)
Income before tax	**151**	**136**	**146**	**112**	**141**
Net income – Group share	**112**	**102**	**107**	**85**	**104**

Retail Banking & Insurance: Insurance quarterly series

INSURANCE					
€m	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24
Net banking income	180	126	181	146	188
Operating expenses	(43)	(37)	(42)	(41)	(42)
Gross operating income	**137**	**89**	**139**	**105**	**146**
Income before tax	139	93	137	107	149
Net income – Group share	**109**	**83**	**103**	**81**	**113**

Retail Banking & Insurance: Digital & Payments quarterly series

€m	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24
Net banking income	205	203	209	199	215
Operating expenses	(161)	(163)	(157)	(171)	(160)
Gross operating income	**44**	**40**	**52**	**27**	**55**
Cost of risk	(32)	(41)	(29)	(69)	(31)
Income before tax	**8**	**(6)**	**19**	**(89)**	**24**
Net income – Group share	**7**	**(3)**	**13**	**(61)**	**17**

Retail Banking & Insurance: Other network quarterly series

€m	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24
Net banking income	97	97	99	91	91
Operating expenses	(51)	(52)	(52)	(63)	(55)
Gross operating income	**46**	**45**	**47**	**28**	**37**
Cost of risk	(2)	2	(14)	(19)	(16)
Income before tax	**52**	**47**	**33**	**9**	**20**
Net income – Group share	**39**	**36**	**25**	**7**	**16**

Global Financial Services: quarterly income statement per business line

	ASSET AND WEALTH MANAGEMENT		CORPORATE & INVESTMENT BANKING		GLOBAL FINANCIAL SERVICES		
€m	Q1-24	Q1-23	Q1-24	Q1-23	Q1-24	Q1-23	%
Net banking income	830	781	1,102	1,074	1,933	1,854	4%
Operating expenses	(662)	(644)	(706)	(661)	(1,368)	(1,305)	5%
Gross operating income	**168**	**137**	**396**	**412**	**564**	**549**	**3%**
Cost of risk	(5)	6	(54)	21	(58)	27	Ns
Share in net income of associates	0	0	4	3	4	3	13%
Income before tax	**163**	**184**	**346**	**437**	**510**	**621**	**(18)%**
Net income – Group share	**109**	**137**	**255**	**321**	**364**	**458**	**(21)%**

Global Financial Services: quarterly series

GLOBAL FINANCIAL SERVICES					
€m	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24
Net banking income	1,854	1,829	1,767	1,908	1,933
Operating expenses	(1,305)	(1,287)	(1,283)	(1,394)	(1,368)
Gross operating income	**549**	**542**	**483**	**514**	**564**
Cost of risk	27	(91)	(17)	(73)	(58)
Income before tax	**621**	**455**	**470**	**420**	**510**
Net income – Group share	**458**	**322**	**341**	**280**	**364**

Asset & Wealth Management: quarterly series

ASSET & WEALTH MANAGEMENT					
€m	**Q1-23**	**Q2-23**	**Q3-23**	**Q4-23**	**Q1-24**
Net banking income	781	773	764	874	830
Operating expenses	(644)	(636)	(633)	(691)	(662)
Gross operating income	**137**	**137**	**131**	**183**	**168**
Cost of risk	6	(1)	11	(12)	(5)
Income before tax	**184**	**136**	**143**	**165**	**163**
Net income – Group share	**137**	**89**	**94**	**105**	**109**

Corporate & Investment Banking: quarterly series

CORPORATE & INVESTMENT BANKING					
€m	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24
Net banking income	1,074	1,056	1,002	1,034	1,102
Operating expenses	(661)	(651)	(650)	(703)	(706)
Gross operating income	**412**	**405**	**352**	**331**	**396**
Cost of risk	21	(90)	(28)	(62)	(54)
Income before tax	**437**	**318**	**328**	**255**	**346**
Net income – Group share	**321**	**233**	**247**	**176**	**255**

Corporate center: quarterly series

CORPORATE CENTER					
€m	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24
Net banking income	57	(3)	(21)	(22)	57
Operating expenses	(785)	(52)	(170)	(237)	(236)
Gross operating income	**(728)**	**(55)**	**(191)**	**(259)**	**(179)**
Cost of risk	(46)	1	0	(28)	(28)
Share in income of associates	2	0	1	(9)	3
Gains or losses on other assets	0	0	0	0	(6)
Income before tax	**(771)**	**(54)**	**(189)**	**(296)**	**(210)**
Net income – Group share	**(776)**	**(63)**	**(210)**	**(211)**	**(198)**

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This document 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 March 31, 2024, has been drawn up in compliance with IFRS standards, as adopted in the European Union.
Preparation of the financial information requires Management to make estimates and assumptions in certain areas regarding uncertain future events.
These estimates are based on the judgment of the individuals preparing this financial information and the information available at the date of the balance sheet. Actual future results may differ from these estimates.
The transition from IFRS 4 to IFRS 17 may create differences due to different recognition rates in revenues.
With respect to the financial information of Groupe BPCE for the year ended March 31, 2024, and in view of the context mentioned above, attention should be drawn to the fact that the estimated increase in credit risk and the calculation of expected credit losses (IFRS 9 provisions) are largely based on assumptions that depend on the macroeconomic context.
The financial results contained in this document have not been reviewed by the statutory auditors. The quarterly financial information of Groupe BPCE for the period ended March 31, 2024, approved by the Management Board at a meeting convened on April 30, 2024, were verified and reviewed by the Supervisory Board at a meeting convened on May 2, 2024.

About Groupe BPCE

Groupe BPCE is the second-largest banking group in France. Through its 100,000 staff, the group serves 36 million customers – individuals, professionals, companies, investors and local government bodies – around the world. It operates in the retail banking and insurance fields in France via its two major networks, Banque Populaire and Caisse d'Epargne, along with Banque Palatine and Oney. It also pursues its activities worldwide with the asset & wealth management services provided by Natixis Investment Managers and the wholesale banking expertise of Natixis Corporate & Investment Banking. The Group's financial strength is recognized by four financial rating agencies: Moody's (A1, stable outlook), Standard & Poor's (A, stable outlook), Fitch (A+, stable outlook) and R&I (A+, stable outlook).

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