
FINANCIAL STATEMENTS OF
BNP PARIBAS HOME LOAN SFH

Dated 30 June 2014

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INCOME STATEMENT AT 30/06/2014

In euros	Notes	30/06/2014	30/06/2013
Interest and similar income	2.a	1 393 219 797	1 966 834 374
Interest and similar expenses	2.a	(1 392 813 864)	(1 966 158 080)
Revenues from variable-income securities			-
Commissions (income)	2.b	625 000	625 000
Commissions (expenses)	2.b	(176 490)	(160 768)
Gains or losses on transactions on trading portfolios		(109)	(611)
Gains or losses on transactions on investment portfolios and similar		-	-
Other income from banking operations		-	-
Other expenses on banking operations		-	-
NET BANKING INCOME		854 333	1 139 915
Labour costs		-	-
Other administrative expenses	2.c	(416 121)	(489 407)
Amortisation and impairment charge on tangible and intangible fixed assets		-	-
GROSS OPERATING PROFIT		438 213	650 508
Cost of risk		-	-
OPERATING PROFIT		438 213	650 508
Gains or losses on capitalised assets			
Net transfers to regulated provisions			
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX		438 213	650 508
Net exceptional income/expense			
Corporate income tax	2.d	(153 391)	(223 312)
NET PROFIT		284 822	427 196

BALANCE SHEET AT 30 JUNE 2014

In euros at 30 June	Notes	30/06/2014	31/12/2013
ASSETS			
Cash, Central Banks, PO accounts			
Treasury bills and similar securities			
Loans and advances to banks	3.a	25 928 827 115	30 264 089 712
Transactions with clients			
Bonds and other fixed-income securities			
Equities and other variable-income securities			
Equity investments and other long-term securities		4 000	4 000
Interests in group companies			
Lease financing with purchase option			
Intangible fixed assets			
Tangible fixed assets			
Treasury shares			
Other assets	3.b	138 411	20 000
Adjustment accounts	3.c	500 395 382	706 085 672
TOTAL ASSETS		26 429 364 908	30 970 199 384
LIABILITIES			
DEBTS			
Central Banks, PO accounts			
Amounts due to banks	3.a	3 210 058 850	4 270 234 750
Transactions with clients		-	-
Debt securities	3.d	22 605 856 203	25 882 275 125
Other liabilities	3.b	13 669	251 703
Adjustment accounts	3.c	286 857 644	490 000 694
Provisions for contingencies and charges		-	-
Subordinated debt	3.e	40 041 533	40 044 924
TOTAL DEBTS		26 142 827 899	30 682 807 197
SHAREHOLDERS' EQUITY			
	4.b		
Share capital subscribed		285 000 000	285 000 000
Premium on shares			
Reserves		989 360	939 445
Retained earnings		262 827	454 445
Profit for the period		284 822	998 297
TOTAL SHAREHOLDERS' EQUITY		286 537 009	287 392 187
TOTAL LIABILITIES		26 429 364 908	30 970 199 384

OFF-BALANCE-SHEET ITEMS

Notes

30/06/2014

31/12/2013

COMMITMENTS GIVEN

Finance commitments

3.f

Guarantee commitments

Commitments on securities

COMMITMENTS RECEIVED

Finance commitments

Guarantee commitments

Commitments on securities

1. SUMMARY OF THE ACCOUNTING PRINCIPLES APPLIED BY BNP PARIBAS HOME LOAN SFH

The financial statements of BNP Paribas Home Loan SFH have been prepared in accordance with general accounting principles applicable in France to banks.

The income statement dated 30 June 2014 and the related notes to the Financial Statements provide comparative information for 30 June 2013.

The method adopted for valuing items recorded in the accounting records is historical cost.

The main methods applied are as follows:

Loans and advances to banks and clients

Loans and advances to banks cover all loans and advances, including the subordinated type, made within the context of banking transactions to banks with the exception of those represented by certificates. They also include repo securities in any transaction medium and loans and advances relating to delivered repurchases. These are broken down into on-demand and term loans.

Loans and advances to banks and clients are stated in the balance sheet at face value plus accrued interest not yet due.

Debt Securities

Debt securities are recorded at amortized cost.

Premiums on shares or redemption of bond borrowings are amortised on an actuarial basis over the term of the borrowing.

Derivative financial instruments held for hedging purposes

Following modification of the BNP Paribas rating and in accordance with the issue program documentation, on 13 January 2012 BNP Paribas Home Loan SFH installed rate risk hedging contracts with BNP Paribas SA within the framework of the "Hedging Strategy," after having obtained approval from the rating agencies.

Within that framework,

- the derivative financial instruments designated as hedging instruments for the company's assets and liabilities represent 15,018,439,656 € and they are classified in category b), micro-hedging, in application of CRBF rule 90-15.

- the derivative financial instrument for hedging the underlying assets in terms of collateral and its mirror swap, representing 32,023,863,053 €, have been classified in category a), isolated open positions, in application of CRBF rule 90-15 and constitute a uniform whole.

The swaps held are held only for hedging purposes

The income and charges relative to the forward derivative financial instruments used for hedging purposes, originally assigned to an identified element or to an identified uniform set of elements, are posted to earnings in a way symmetrical with the posting of the income and charges on the hedged elements and under the same accounting heading.

The charges and income relative to the forward financial instruments having the purpose of hedging and managing a global interest rate risk are entered prorata temporis under earnings.

Recognition of income and charges

Interest and related commissions are recognised as they arise, on a prorata basis.

Commissions not similar in nature to interest and corresponding to the provision of services are recognised as of the date on which the services are provided.

Income and charges in foreign currencies are stated at the converted value as of the date of the transaction.

Foreign currency transactions

Receivables and liabilities denominated in foreign currencies are valued at the spot exchange rate as of the balance sheet date.

The conversion of these transactions denominated in foreign currencies as of the balance sheet date gives rise to a difference recognised through profit or loss.

Income and charges denominated in foreign currencies and relating to loans or borrowings are recorded in the income and charges accounts opened in each of the foreign currencies concerned, with the conversion being made at the monthly closeout dates.

Information concerning transactions between affiliated companies

In the light of the company's business and of its capital link (subsidiary 99.99% held by BNP Paribas SA), the CRC 2010-04 obligations concerning presentation of the information about affiliated parties are inapplicable.

Tax consolidation rules

BNP Paribas Home Loan SFH is consolidated by the "Groupe Fiscal France", the group head of which is BNP Paribas since 01/01/2005.

With respect to corporation tax, pursuant to the terms of the tax consolidation agreement, the tax is determined by the subsidiary as if there were no tax consolidation.

The amount calculated in this way, after deduction of the tax credits if any, is due to the parent company, BNP PARIBAS SA.

Consolidation

The accounts of BNP Paribas Home Loan SFH are included on the basis of the full consolidation method in the consolidated accounts of BNP PARIBAS SA.

General information

- Within the context of the issuance of covered bonds, BNP Paribas has collateralised, for BNP Paribas Home Loan SFH, a pool of real estate loans totalling 32,023,863,052.94 € (thirty-two billion twenty-three million eight hundred sixty three thousand and fifty-two euros and ninety-four cents) as at 30 June 2014.

This pool is used to an extent of **22,007,451,425.88 € (euros)** in connection with the existing issues.

- Following modification of the BNP Paribas rating and in accordance with the issue program documentation, on 13 January 2012 BNP Paribas Home Loan SFH installed hedging contracts with BNP Paribas SA within the framework of the “Hedging Strategy”, after having obtained approval from the rating agencies.

2. NOTES ON THE INCOME STATEMENT AT 30 JUNE 2014.

2.a INTEREST MARGIN

Under the headings "Interest and similar income" and "Interest and similar expenses" BNP Paribas Home Loan SFH shows the calculated income on financial instruments carried at amortised cost.

En euros	30/06/2014		30/06/2013	
	Produits	Charges	Produits	Charges
Etablissements de crédit	1 393 219 797	(1 064 837 539)	1 966 834 374	(1 564 895 020)
Comptes à vue, prêts et emprunts	1 393 219 797	(1 064 837 539)	1 966 834 374	(1 564 895 020)
Dettes représentées par un titre		(327 976 325)		(401 263 060)
Obligations		(327 465 971)		(400 771 264)
Dettes subordonnées à terme		(510 354)		(491 797)
Produits et charges d'intérêts	1 393 219 797	(1 392 813 864)	1 966 834 374	(1 966 158 080)

Les produits et charges d'intérêts sur les dérivés de couverture sont présentés avec les revenus des éléments dont ils contribuent à la couverture des risques

2.b COMMISSIONS

En euros	30/06/2014		30/06/2013	
	Produits	Charges	Produits	Charges
Opérations bancaires et financières	625 000	(176 490)	625 000	(160 768)
Opérations sur titres	625 000	(176 490)	625 000	(160 768)
Produits et charges de commissions	625 000	(176 490)	625 000	(160 768)

2.c OPERATING GENERAL EXPENSES

En euros	30/06/2014	30/06/2013
Autres frais administratifs	(416 121)	(489 407)
Rémunération d'intermédiaires	(390 208)	(344 864)
Impôts et taxes	(25 913)	(144 543)
Total frais généraux	(416 121)	(489 407)

2.d CORPORATE INCOME TAX

En euros	30/06/2014	30/06/2013
Impôts courants de l'exercice	(153 391)	(223 312)
Impôt sur les bénéfices	(153 391)	(223 312)

3. NOTES ON THE BALANCE SHEET AT 30 JUNE 2014

3.a AMOUNTS DUE TO AND FROM BANKS

En euros	30/06/2014	31/12/2013
Prêts et créances	25 928 827 115	30 264 089 712
Comptes ordinaires débiteurs	8 818 120	10 028 328
Comptes à terme et prêts	25 920 008 995	30 254 061 384
Prêts et créances sur les établissements de crédit	25 928 827 115	30 264 089 712
<i>Dont créances rattachées</i>	<i>224 830 918</i>	<i>429 053 781</i>

En euros	30/06/2014	31/12/2013
Dettes et emprunts	3 210 058 850	4 270 234 750
Dettes envers les établissements de crédit	3 210 058 850	4 270 234 750
<i>Dont dettes rattachées</i>	<i>58 850</i>	<i>234 750</i>
<i>Correspond au compte Cash Collateral</i>		

3.b OTHER ASSETS AND LIABILITIES

En euros	30/06/2014	31/12/2013
Débiteurs divers	138 411	20 000
Autres actifs	138 411	20 000
Créditeurs divers	13 669	251 703
Autres Passifs	13 669	251 703

Au 30/06/2014, aucune dette fournisseur ne figurait dans les comptes de la société BNP Paribas Home Loan SFH

3.c ADJUSTMENT ACCOUNTS

En euros	30/06/2014	31/12/2013
Produits à recevoir	215 750 294	419 015 292
Autres comptes de régularisation débiteurs	284 645 088	287 070 380
<i>Charges constatées d'avance</i>	284 645 088	287 070 380
Comptes de régularisation - actif	500 395 382	706 085 672
Charges à payer	215 431 548	419 177 246
Autres comptes de régularisation créditeurs	71 426 096	70 823 449
<i>produits constatés d'avance</i>	71 426 096	70 823 449
Comptes de régularisation - passif	286 857 644	490 000 694

Les comptes de régularisation à l'actif incluent les primes de remboursements restant à étaler sur les obligations zéro coupon pour 221 M€ en 2014 (224 M€ en 2013).

3.d DEBT SECURITIES

En euros	30/06/2014	31/12/2013
Obligations	22 400 240 673	25 470 071 099
<i>dettes rattachées</i>	205 615 530	412 204 026
Dettes représentées par un titre	22 605 856 203	25 882 275 125

3.e SUBORDINATED DEBT

En euros	30/06/2014	31/12/2013
Dettes subordonnées remboursables	40 000 000	40 000 000
<i>dettes rattachées</i>	41 533	44 924
Dettes subordonnées	40 041 533	40 044 924

4. ADDITIONAL INFORMATION

4.a CHANGES IN SHARE CAPITAL IN EUROS

	Nombre de titres				Valeur nominale
	à l'ouverture de l'exercice	créés pendant l'exercice	remboursés pendant l'exercice	à la clôture de l'exercice	
Actions ordinaires	28 500 000			28 500 000	10 euros
Actions amorties					
Actions à dividendes prioritaire sans droit de vote					
Actions préférentielles					
Parts sociales					
Certificats d'investissement					

4.b CHANGES IN SHAREHOLDERS' EQUITY

En euros	31/12/2013	Augmentations de postes	Diminutions de postes	30/06/2014
Capital	285 000 000	-		285 000 000
- Réserve légale	939 445	49 915		989 360
- Report à nouveau	454 445	(191 618)		262 827
- Résultat de l'exercice	998 297	284 822	(998 297)	284 822
Capitaux propres	287 392 187	143 119	(998 297)	286 537 009

4.c NOTIONAL ON FINANCIAL INSTRUMENTS

En euros	30/06/2014	31/12/2013
Instruments dérivés de cours de change	3 626 171 084	3 626 171 084
Instruments dérivés de taux d'intérêt	90 458 434 334	98 376 114 159
Instruments financiers à terme sur marché de gré à gré	94 084 605 418	102 002 285 243

La valorisation nette des swaps au 30/06/2014 est nulle

La PV des issuers swaps avant prise en compte des borrowers swaps sur les actifs clientèle est au 30/06/2014 de : - 2 039 348 816

La PV des issuers swaps avant prise en compte des borrowers swaps sur les émissions est au 30/06/2014 de : 1 469 476 445

4.d AGING OF APPLICATIONS AND SOURCES OF FUNDS

En euros	Durée restant à courir				Total
	Jusqu'à 3 mois	De 3 mois à 1 an	De 1 an à 5 ans	Plus de 5 ans	
EMPLOIS					
<i>créances à vue</i>	8 817 516	0	0	0	8 817 516
<i>créances à terme</i>	3 761 500 737	2 500 000 000	7 819 132 088	11 614 545 857	25 695 178 682
RESSOURCES					
Dettes envers les établissements de crédit	3 210 000 000	-			3 210 000 000
dettes représentées par un titre	226 500 736	2 500 000 000	7 819 132 086	11 854 607 851	22 400 240 673
Opérations avec la clientèle					-
dettes subordonnées	-	-	-	40 000 000	40 000 000

Table of earnings for the last five financial years

Nature des indications	31/12/2010	31/12/2011	31/12/2012	31/12/2013	30/06/2014
Situation financière en fin d'exercice					
Capital social	175 000 000	225 000 000	285 000 000	285 000 000	285 000 000
Nombre d'actions ordinaires existantes	17 500 000	22 500 000	28 500 000	28 500 000	28 500 000
Nombre d'obligations convertibles en actions	Néant	Néant	Néant	Néant	Néant
Résultat global des opérations effectives					
Produit Net Bancaire	2 307 425	2 716 052	2 098 909	2 441 122	854 333
Bénéfice avant impôts, amortissements et provisions	493 389	1 505 255	1 110 841	1 585 288	438 213
Impôt sur les bénéfices	(195 208)	(130 052)	(384 259)	(586 991)	(153 391)
Bénéfice après impôts, amortissements et provisions	298 181	1 375 203	726 582	998 297	284 822
Montant des bénéfices distribués	-	-	1 995 000	1 140 000	
Résultat des opérations réduit à une seule action					
Bénéfice après impôts, mais avant amortissements et provisions	0.02	0.06	0.03	0.04	0.01
Bénéfice après impôts, amortissements et provisions	0.02	0.06	0.03	0.04	0.01
Dividende versé à chaque action	0	0	0.07	0.04	0
Personnel					
Nombre de salariés	Néant	Néant	Néant	Néant	Néant
Montant de la masse salariale	Néant	Néant	Néant	Néant	Néant
Montant des sommes versées au titre des avantages sociaux (Sécu.Soc. (Euvres sociales)	Néant	Néant	Néant	Néant	Néant

BNP PARIBAS HOME LOAN SFH

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**STATUTORY AUDITORS' REVIEW REPORT
ON THE 2014 INTERIM FINANCIAL INFORMATION**

BNP PARIBAS HOME LOAN SFH
Société Anonyme
1, boulevard Haussmann
75009 Paris

**STATUTORY AUDITORS' REVIEW REPORT
ON THE 2014 INTERIM FINANCIAL INFORMATION**

To the Management,

In our capacity as Statutory Auditors of BNP Paribas Home Loan SFH and pursuant to your request, we have performed a review of the accompanying interim financial statements for the six months ended 30 June 2014.

These interim financial statements are the responsibility of management. Our role is to express a conclusion on these financial statements based on our review.

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view of the assets and liabilities and of the financial position of the Company at 30 June 2014, and of the results of its operations for the six months then ended in accordance with French accounting principles.

This report has been prepared for your attention in the above-described context and may not be used, distributed or cited for any other purposes. We accept no liability with regard to any third party to whom this report is distributed or into whose hands it may fall.

This report is governed by French law. The French courts have exclusive jurisdiction over any dispute, claim or disagreement that may arise from our letter of engagement, this report or any question relating thereto. Each party irrevocably waives its rights to oppose any action brought before the abovementioned courts, to claim that the action has been brought before a court that lacks jurisdiction, or that those courts do not have jurisdiction.

Neuilly-sur-Seine, 5 August 2014

The Statutory Auditors

PricewaterhouseCoopers Audit

Deloitte & Associés

Laurent Tavernier

Sylvie Bourguignon