

FINANCIAL STATEMENTS OF

BNP PARIBAS HOME LOAN SFH

Dated 30 June 2021

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CORPORATE FINANCIAL STATEMENTS

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INCOME STATEMENT AT 30/06/2021

In euros	Notes	30/06/2021	30/06/2020
Interest and similar income	2.a	150 678 909	202 090 139
Interest and similar expenses	2.a	(150 153 115)	(201 738 892)
Revenues from variable-income securities			
Commissions (income)	2.b	625 000	625 000
Commissions (expenses)	2.b	(307 916)	(218 478)
Gains or losses on transactions on trading portfolios		0	1
Gains or losses on transactions on investment portfolios and similar		-	-
Other income from banking operations - Single Resolution Fund	2.c	1 718 161	1 582 784
Other expenses on banking operations		-	-
NET BANKING INCOME		2 561 040	2 340 554
Labour costs		-	-
Other administrative expenses	2.c	(467 839)	(408 287)
<i>Including (S)ingle (R)esolution (F)und (I)</i>			
Various Bank Operating Charges		(1 718 161)	(1 582 784)
Amortisation and impairment charge on tangible and intangible fixed assets		-	-
GROSS OPERATING PROFIT		375 039	349 483
Cost of risk		-	-
OPERATING PROFIT		375 039	349 483
Gains or losses on capitalised assets			
Net transfers to regulated provisions			
PROFIT ON ORDINARY ACTIVITIES BEFORE TAX		375 039	349 483
Net exceptional income/expense			
Corporate income tax	2.d	(88 223)	(94 228)
NET PROFIT		286 816	255 255

BALANCE SHEET AT 30/06/2021

In euros	Notes	30/06/2021	31/12/2020
ASSETS			
Cash, Central Banks, PO accounts		3 506	4 606 *
Treasury bills and similar securities		-	-
Loans and advances to banks	3.a	34 737 220 661	32 849 542 315
Transactions with clients		-	-
Bonds and other fixed-income securities		-	-
Equities and other variable-income securities		-	-
Equity investments and other long-term securities	3.c	-	-
Interests in group companies		-	-
Lease financing with purchase option		-	-
Intangible fixed assets		-	-
Tangible fixed assets		-	-
Treasury shares		-	-
Other assets	3.b	1 943 583	1 581 383
Adjustment accounts	3.d	140 248 240	78 825 179
TOTAL ASSETS		34 879 415 990	32 929 953 483
LIABILITIES			
DEBTS			
Central Banks, PO accounts	3.a	-	-
Amounts due to banks	3.a	2 180 000 000	1 980 000 000
Transactions with clients		-	-
Debt securities	3.e	32 269 842 658	30 580 574 031
Other liabilities	3.b	37 769	153 875
Adjustment accounts	3.d	102851564.85	42 257 743
Provisions for contingencies and charges		-	-
Subordinated debt	3.f	40 031 591	40 032 243
TOTAL DEBTS		34 592 763 582	32 643 017 892
SHAREHOLDERS' EQUITY			
	4.b		
Share capital subscribed		285 000 000	285 000 000
Premium on shares			
Reserves		1 180 280	1 144 136
Retained earnings		185 311	68 582
Profit for the period		286 816	722 873
TOTAL SHAREHOLDERS' EQUITY		286 652 407	286 935 591
TOTAL LIABILITIES		34 879 415 990	32 929 953 483
OFF-BALANCE-SHEET ITEMS			
COMMITMENTS GIVEN			
Finance commitments		-	-
Guarantee commitments		1 884 588	1 581 383
Commitments on securities		-	-
COMMITMENTS RECEIVED			
Finance commitments		-	-
Guarantee commitments		-	-
Commitments on securities		-	-

* Banque de France Bank Account

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

The COVID-19 outbreak, recognized as a pandemic by the World Health Organization on 11 March 2020, and the various measures implemented by governments and regulatory bodies to curb its spread have affected supply chains and the demand for goods and services, and are therefore having a significant impact on global growth. Concurrently, fiscal and monetary policies have been eased to bolster the economy.

The financial statements of BNP Paribas Home Loan SFH have been prepared on a going-concern basis. The impacts of this epidemic, mitigated by countercyclical measures such as government support measures and economic stimulus plans from which our clients benefit, mainly concern the provisioning policies and valuation of assets. Those impacts have been estimated against a backdrop of uncertainty regarding the extent of the consequences of this epidemic on local and global economies.

The financial statements of BNP Paribas Home Loan SFH have been prepared in accordance with general accounting principles applicable in France to banks, as appearing in ANC Regulation No. 2014-07 dated 26 November 2014.

The income statement dated 30 June 2021 and the related notes to the Financial Statements provide comparative information for 30 June 2020.

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, the costs related to their issuance amortized on a straight-line basis over the same duration

Recognition of income and charges

Interest and related commissions are recognised as they arise, on a pro rata 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 or on a pro rata basis for the duration of the service rendered when that service is continuous.

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 parties

In the light of the company's business and of its capital link (subsidiary 99.99% held by BNP Paribas SA), the obligations of ANC No. 2014-07 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 housing bonds, BNP Paribas has collateralised, for BNP Paribas Home Loan SFH, a pool of real estate loans totalling 36 577 958 403 € as of 30 June 2021.

This pool is used to an extent of 33 601 203 838 € in connection with the existing issues.

The company has its registered office in France and, in accordance with the provisions of Article L. 513-29 of the French Monetary and Financial Code does not have any branch or subsidiary established abroad, including in non-cooperative countries.

2. NOTES ON THE INCOME STATEMENT AT 30/06/2021

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.

In euros	30/06/2021		30/06/2020	
	Income	Expenses	Expenses	Charges
Banks	145 451 159	(12 428 066)	202 090 139	(8 614 024)
Demand accounts, loans and borrowings	145 451 159	(12 428 066)	202 090 139	(8 614 024)
Debt securities	5 227 751	(137 725 049)		(193 124 868)
Bonds	5 227 751	(137 380 405)		(192 758 592)
Term subordinated debt		(344 643)		(366 276)
Interest income and expenses	150 678 909	(150 153 115)	202 090 139	(201 738 892)

Interest income and expenses on hedging derivatives are shown with the income from the items for which they contribute to hedging the risks.

2.b COMMISSIONS

In euros	30/06/2021		30/06/2020	
	Income	Expenses	Expenses	Charges
Banking and financial transactions	625 000	(307 916)	625 000	(218 478)
Securities trading	625 000	(307 916)	625 000	(218 478)
Commission income and expenses	625 000	(307 916)	625 000	(218 478)

In euros	30/06/2021		30/06/2020	
	Income	Expenses	Expenses	Charges
Gains or losses on trade portfolio transactions	0	-	1	-
Commission income and expenses	0	-	1	-

2.c OPERATING GENERAL EXPENSES & VARIOUS OPERATING INCOME

In euros	30/06/2021	30/06/2020
Other administrative expenses	(467 839)	(408 287)
<i>Remuneration of intermediaries</i>	<i>(462 205)</i>	<i>(377 251)</i>
<i>Taxes and duties</i>	<i>(5 634)</i>	<i>(31 036)</i>
<i>Guarantee fund and (S)ingle (R)esolution (F)und</i>		
Total general operating expenses	(467 839)	(408 287)
<i>Guarantee fund and (S)ingle (R)esolution (F)und (1)</i>	<i>(1 718 161)</i>	<i>(1 582 784)</i>
Total Various Bank Operating Charges	(1 718 161)	(1 582 784)

(1) Reallocation of the contribution to the (S)ingle (R)esolution (F)und to miscellaneous bank operating charges

In euros	30/06/2021	30/06/2020
Various operating income	1 718 161	1 582 784
Other various operating income (1)	1 718 161	1 582 784

(1) European Regulation No. 806/2014 of the Single Resolution Fund.

2021 call for funds for €2 021 366 of which 85% was recognized as expenses and invoiced to BNP PARIBAS pursuant to the 2021 Fee Letter

2.d CORPORATE INCOME TAX

In euros	30/06/2021	30/06/2020
Current tax for the period	(88 223)	(94 228)
Corporate income tax	(88 223)	(94 228)

3. NOTES ON THE BALANCE SHEET AT 30/06/2021

3.a AMOUNTS DUE TO AND FROM BANKS

In euros	30/06/2021	31/12/2020
Loans and receivables	34 737 224 167	32 849 546 921
Ordinary debit accounts	14 374 710	16 632 106
Term accounts and loans	34 722 849 457	32 832 914 815
Loans and amounts due from banks	34 737 224 167	32 849 546 921
<i>Including associated receivables</i>	<i>177 849 456</i>	<i>216 914 814</i>

In euros	30/06/2021	31/12/2020
Ordinary credit accounts	-	-
Debts and borrowings	2 180 000 000	1 980 000 000
Amounts due to banks	2 180 000 000	1 980 000 000
<i>Including associated liabilities (1)</i>	<i>0</i>	<i>0</i>

(1) Interest rates on collateral being negative, the interest was attached to assets in 2021 as in 2020

3.b OTHER ASSETS AND LIABILITIES

In euros	30/06/2021	31/12/2020
Miscellaneous payables	1 943 583	1 581 383
<i>Including (S)ingle (R)esolution (F)und</i>	<i>1 884 588</i>	<i>1 581 383</i>
Other assets	1 943 583	1 581 383
Miscellaneous creditors	37 769	153 875
Other liabilities	37 769	153 875

As at 30/06/2021, no trade payables appeared in the BNP Paribas Home Loan SFH accounts

3.c ADJUSTMENT ACCOUNTS

In euros	30/06/2021	31/12/2020
Accrued income	2 343 162	0,23
Other debit adjustment accounts	137 905 078	78 825 179
<i>Prepaid charges</i>	137 905 078	78 825 179
Adjustment accounts – assets	140 248 240	78 825 179
Accrued expenses	332 796	132 402
Other credit adjustment accounts	102 518 769	42 125 341
<i>prepaid income</i>	102 518 769	42 125 341
<i>Other adjustment accounts</i>	-	-
Adjustment accounts – liabilities	102 851 565	42 257 743

The adjustment accounts on the assets side include the zero-coupon bond redemption premiums still remaining to be amortized for 51,7 M€ in 2021 (52,5 M€ in 2020).

3.d DEBT SECURITIES

In euros	30/06/2021	31/12/2020
Bonds	32 105 844 363	30 376 844 363
Associated liabilities	163 998 295	203 729 669
Debt securities	32 269 842 658	30 580 574 031

3.e SUBORDINATED DEBT

In euros	30/06/2021	31/12/2020
Repayable subordinated debt	40 000 000	40 000 000
Associated liabilities	31 591	32 243
Subordinated debt	40 031 591	40 032 243

4. ADDITIONAL INFORMATION

4a POST CLOSING EVENTS

None

4.b CHANGES IN SHAREHOLDERS' EQUITY

	Number of shares				Nominal value
	at the beginning of the accounting period	created during the accounting period	redeemed during the accounting period	at the end of the accounting period	
Ordinary shares	28 500 000			28 500 000	10 euros
Redeemed shares					
Preferred shares without voting rights					
Preferred shares					
Partnership shares					
Investment certificates					

4.c CHANGES IN SHAREHOLDERS' EQUITY

In euros	31/12/2020	Augmentations de postes	Diminutions de postes	30/06/2021
Equity	285 000 000	-	-	285 000 000
Premium on shares				
- Legal reserve	1 144 136	36 144		1 180 280
Retained earnings	68 582	116 729		185 311
Profit for the period	722 873	286 816	(722 873)	286 816
Shareholders' equity	286 935 591	439 689	(722 873)	286 652 407

4.d NOTIONAL ON FINANCIAL INSTRUMENTS

In euros	30/06/2021	31/12/2020
Exchange rate derivatives	-	-
Interest-rate derivatives	-	-
OTC financial forward instruments	-	-

The net valuation of the swaps as of 30/06/2021 is zero,

4.e AGING OF APPLICATIONS AND SOURCES FUNDS

In euros	Remaining term				
	Up to 3 months	3 months - 1 year	1 year - 5 years	Over 5 years	Total
APPLICATIONS					
<i>demand receivables</i>	14 371 205	-	-	-	14 371 205
<i>t receivables</i>	5 255 000 000	1 150 000 000	12 311 000 000	15 829 000 001	34 545 000 001
SOURCES					
Amounts due to banks	2 179 996 494	-	-	-	2 179 996 494
Debt securities	2 750 000 000	1 150 000 000	12 311 000 000	15 894 844 363	32 105 844 363
Transactions with clients					-
Subordinated debt	25 000 000	-	-	15 000 000	40 000 000

4f. STATUTORY AUDITOR'S FEES

The total amount paid to the Auditor in connection with his audit assignment for fiscal 2021 amounted to € 45,960 (exclusive of tax) in accordance with the engagement letter as approved and signed. The sum including all taxes thus amounts to € 55,152

In euros	Remaining term				
	Up to 3 months	3 months - 1 year	1 year - 5 years	Over 5 years	Total
APPLICATIONS					
<i>demand receivables</i>	14 371 205	-	-	-	14 371 205
<i>t receivables</i>	5 255 000 000	1 150 000 000	12 311 000 000	15 829 000 001	34 545 000 001
SOURCES					
Amounts due to banks	2 179 996 494	-	-	-	2 179 996 494
Debt securities	2 750 000 000	1 150 000 000	12 311 000 000	15 894 844 363	32 105 844 363
Transactions with clients					-
Subordinated debt	25 000 000	-	-	15 000 000	40 000 000

Table of earnings for the last five financial years

Indicator	31/12/2017	31/12/2018	31/12/2019	31/12/2020	30/06/2021
Financial position at the end of the year					
Share capital	285 000 000	285 000 000	285 000 000	285 000 000	285 000 000
Number of existing ordinary shares	28 500 000	28 500 000	28 500 000	28 500 000	28 500 000
Number of convertible bonds	None	None	None	None	None
Actual operating earnings					
Net banking income	2 703 795	3 248 254	2 987 989	3 417 820	2 561 040
Earnings before taxes, depreciation and amortisation	1 097 269	1 237 857	816 741	1 039 782	375 039
Corporate income tax	(368 059)	(381 591)	(243 818)	(316 909)	(88 223)
Earnings after taxes, depreciation and amortisation	729 210	856 266	572 923	722 873	286 816
Distributed earnings	1 140 000	855 000	570 000	570 000	
Earnings per share					
Earnings after taxes, but before depreciation and amortisation	0,03	0,03	0,02	0,03	0,01
Earnings after taxes, depreciation and amortisation	0,03	0,03	0,02	0,03	0,01
Dividend paid per share	0,04	0,03	0,02	0,02	0
Personnel					
Number of employees	None	None	None	None	None
Payroll costs	None	None	None	None	None
Total fringe benefits paid (social security, welfare initiatives, etc.)	None	None	None	None	None

BNP PARIBAS HOME LOAN SFH

French joint-stock company (*société anonyme*)

1 boulevard Haussmann, 75009 Paris

Statutory Auditors' review report on the half-year financial information

For the six months ended 30 June 2021

BNP PARIBAS HOME LOAN SFH

French joint-stock company (*société anonyme*)

1 boulevard Haussmann, 75009 Paris

Statutory Auditors' review report on the half-year financial information

For the six months ended 30 June 2021

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

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting and in accordance with the requirements of article L.451-1-2 III of the French Monetary and Financial Code (*Code monétaire et financier*), we hereby report to you on:

- the review of the accompanying half-year financial statements of BNP Paribas Home Loan SFH for the six months ended 30 June 2021;
- the verification of the information contained in the half-year management report.

Due to the global crisis related to the Covid-19 pandemic, the half-year financial statements of this period have been prepared and reviewed under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on companies' internal organisation and the performance of our work.

These half-year financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of half-year 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 half-year 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 2021, and of the results of its operations for the six-month period then ended, in accordance with French accounting principles.

Specific verification

We have also verified the information given in the half-year management report on the half-year financial statements subject to our review.

We have no matters to report as to its fair presentation and its consistency with the half-year financial statements.

Neuilly-sur-Seine and Paris-La Défense, 27 September 2021

The Statutory Auditors

PricewaterhouseCoopers Audit Deloitte & Associés

Ridha Ben Chamek

Laurence Dubois