



# NATIXIS STRUCTURED ISSUANCE S.A. Société Anonyme

R.C.S. Luxembourg B 182.619

51, avenue J.F. Kennedy L-1855 LUXEMBOURG

Report of the réviseur d'entreprises agréé and financial statements as at 31 December 2017

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# Management Report -Report of 2017 Activities

The principal activity of Natixis Structured Issuance S.A. (the "**Company**" or "**NSI**") is the issue of debt financial instruments. The Company is a wholly-owned, indirect subsidiary of NATIXIS. The aim of this Company is to be an issuing vehicle for its parent company, for structured bonds, EMTN, warrants, certificates and other financial instruments (linked to indices, futures, dividends, warrants, funds, equity, commodity, credit, currency, inflation, rates, preference shares, and hybrid...).

Since inception, the following programmes were approved by the CSSF (*Commission de Surveillance du Secteur Financier*, the Luxembourg regulator) and updated from time to time:

- On 21 February 2014, the CSSF granted its approval for the EUR 10,000,000,000 Debt Issuance Programme
- On 19 March 2014, the CSSF granted its approval for the Warrant Programme
- On 15 April 2014, the CSSF granted its approval for the EUR 1,000,000,000 German law English language Certificate Programme (no longer active)
- On 18 December 2014, the CSSF granted its approval for the EUR 1,000,000,000 German law German language Certificate Programme
- On 11 June 2015, the CSSF granted its approval for the EUR 50,000,000 Debt Issuance Programme (French law governed bonds)

It is to be noted that issuance programmes have been launched and authorised by regulators outside Luxembourg (e.g. France).

Since inception, NSI's activities were in the scaled up trend with an aggregate outstanding nominal value of the notes, bonds and certificates as of 31 December 2017 at 5,387 million equivalent euros:

31 December 2017	Outstanding (Ccy)	Outstanding (EquivC)
AUD	6,144,152	4,001,628
CHF	138,730,050	118,546,912
CZK	90,064,000	3,527,653
EUR	3,029,743,000	3,029,743,000
GBP	381,433,857	429,676,824
JPY	14,192,780,600	104,918,267
MXN	47,156,000	2,008,027
NOK	15,400,000	1,567,810
NZD	3,848,000	2,279,003
RUB	2,795,607,000	40,440,987
SEK	499,270,000	50,809,965
SGD	9,596,000	5,978,755
USD	1,914,551,117	1,594,130,822
Total		5,387,629,652

As of 31 December 2017 the outstanding of Natixis Structured Issuance SA per issuance programme:

- Notes under its English law Debt Issuance Programme in an aggregate nominal amount of €3,578,380,251

- Bonds under its French law Bonds Programme in an aggregate nominal amount of €1,602,219,404

- Certificates under its English Language Certificate Programme in an aggregate nominal amount of €97,562,000

- Warrants under its Warrant Programme in an aggregate premium amount of €62,678,008

- Certificates under its German Language Certificate Programme in an aggregate nominal amount of €109,467,997

At the end of December 2017, NSI's activities have reached steady state. The outstanding debts and warrants reached 5,450 million equivalent euros as at 31 December 2017. The trend of activity remains stable, the estimated outstanding amount in the second half of 2018 should get closer to 6,000 million if market conditions are favourable.

#### **Risk management**

The market risk is fully hedged with Natixis SA: the structure of any financial product and all the corresponding flows are perfectly matched between the vehicle and Natixis SA, except for: a small interest margin and an upfront fee which are used to cover the managing and operating costs of the vehicle.

The credit risk is limited to Natixis SA, the only counterparty and guarantor of the Company.

Operational risk is managed and minimized by the Directors.

# Declaration of the persons responsible for the Annual Accounts for the year ended 31 December 2017

Pursuant to Article 4 of the amended law of 11 January 2008 on transparency requirements concerning information on issuers whose securities are admitted to trading on a regulated market, we declare that these annual accounts have been prepared in accordance with the applicable accounting standards and to the best of our knowledge, these annual accounts give a true and fair view of the financial position as at 31 December 2017, of the financial performance and of cash flows of the Company and a description of the principal risks and uncertainties faced by the Company. To the best of our knowledge, the Management Report faithfully presents the Company's evolution, results and situation.

#### Audit committee requirement

Pursuant to Article 52 of the Law of 23 July 2016 concerning the audit profession, the Company is classified as public-interest entity and required to establish an audit committee. However, in accordance with Article 52 (5), the Company is exempted to have an audit committee. Taking into consideration the activity of the Company, the board is in the opinion that an audit committee is not required.

Luxembourg, 10 April 2018

Gaëlle Attardo-Kontzler

Director

Catherine Trapani Director



To the Shareholders of, NATIXIS STRUCTURED ISSUANCE S.A. Société Anonyme

R.C.S. Luxembourg B 182.619

51, avenue J.F. Kennedy L-1855 LUXEMBOURG

# **REPORT OF THE REVISEUR D'ENTREPRISES AGREE**

# **Report on the Audit of the Financial Statements**

# Opinion

We have audited the financial statements of Natixis Structured Issuance S.A. (the "Company"), which comprise the balance sheet as at 31 December 2017, and the profit and loss account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2017, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

### **Basis for Opinion**

We conducted our audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under those Regulation, Law and standards are further described in the « Responsibilities of "Réviseur d'Entreprises Agréé" for the Audit of the Financial Statements » section of our report. We are also independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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# **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Based on our professional judgement, we have determined that there are no key audit matters to communicate in our report.

#### **Other information**

The Board of Directors is responsible for the other information. The other information comprises the information stated in the management report but does not include the financial statements and our report of the "Réviseur d'Entreprises Agréé" thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

# Responsibilities of the Board of Directors and Those Charged with Governance for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



# Responsibilities of the "Réviseur d'Entreprises Agréé" for the Audit of the Financial Statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "Réviseur d'Entreprises Agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

• Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "Réviseur d'Entreprises Agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "Réviseur d'Entreprises Agréé". However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

# **Report on Other Legal and Regulatory Requirements**

We have been appointed as "Réviseur d'Entreprises Agréé" by the General Meeting of the Shareholders on 29 November 2013 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 6 years.

The management report is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

We confirm that the prohibited non-audit services referred to in the EU Regulation No 537/2014 were not provided and that we remain independent of the Company in conducting the audit.

Luxembourg, 10 April 2018

For MAZARS LUXEMBOURG, Cabinet de révision agréé 10A, rue Henri M. Schnadt L – 2530 Luxembourg

Bernard TREINEN Réviseur d'entreprises agréé

#### Annual Accounts Helpdesk :

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#### **BALANCE SHEET**

Financial year from , 01/01/2017 to 31/12/2017 (in 03 EUR )

NATIXIS STRUCTURED ISSUANCE S.A.

51 avenue J.F. Kennedy

L-1855 Luxembourg

# ASSETS

Tel.

		Reference(s)	Current year	Previous year
Α.	Subscribed capital unpaid	1101	0.00	102 <b>0.00</b>
	l. Subscribed capital not called	1103	0.00	ici 0.00
	<li>II. Subscribed capital called but unpaid</li>	1105	105 0.00	105 0.00
8.	Formation expenses	1:07	107 0.00	108 0.00
c.	Fixed assets	1:09	5,449,498,695.32	4,382,654,711.62
	I. Intangible assets	1111	0.00	0.00
	1. Costs of development	1:13	0.00	0.00
	<ol> <li>Concessions, patents, licences, trade marks and similar rights and assets, if they were</li> <li>acquired for valuable</li> </ol>	1115	115 <u>0.00</u>	0.00
	consideration and need not be shown under C.I.3	1117	117 <b>0.00</b>	118 <b>0.00</b>
	<ul> <li>b) created by the undertaking itself</li> </ul>	1:19		0.00
	<ol> <li>Goodwill, to the extent that it was acquired for valuable consideration</li> </ol>	1121	0.00	0.00
	<ol> <li>Payments on account and intangible assets under development</li> </ol>	1123	123 0.00	124 0.00
	ll. Tangible assets		125 <b>0.00</b>	126 <b>0.00</b>
	1. Land and buildings	1:27	0.00	128 0.00
	2. Plant and machinery		129 0.00	0.00

				RCSL Nr.: B18	2619	Matricule :	2013	,2225,614
				Reference(s)		Current year		Previous year
	3.	Other fixtures and fittings, tools and equipment	1131		131	0.00	132	0.04
	4.	Payments on account and tangible assets in the course of construction				0.00		0.0
111	Cin	ancial assets	1135		133	5,449,498,695.32	134	4,382,654,711.6
111.			1135	3	135			
		Shares in affiliated undertakings				0.00		0.0
		Loans to affiliated undertakings	1139	3.1		5,387,067,968.85		4,260,693,663.7
		Participating interests	1141		141	0.00	142	0.0
	4.	Loans to undertakings with which the undertaking is linked by virtue of participating interests				0.00		0.0
	5	Investments held as fixed	1143		143	0.00	144	0.0
	J.	assets	1145	3.2	145	62,430,726.47	14ó	121,961,047.8
	6.	Other loans			_	0.00		0.00
Carr	ran	t assets						
		cks			_	16,706,197.98		36,711,273.2
		Raw materials and consumables				0.00 0.00		0.0
				······································			155	
		Work in progress	1157	1 · 0. 99,99,6 / doctro.doctro.doctro.doctro.doctro.doctro.doctro.doctro.doctro.doctro.doctro.doctro.doctro.do	157	0.00	158	0.0
	э.	Finished goods and goods for resale	1159		159	0.00	160	0.0
	4.	Payments on account				0.00		0.0
		otors		4		9,304,975.87		9,523,273.3
	1.	Trade debtors				0.00		0.0
		a) becoming due and payable within one year				0.00		0.0
		b) becoming due and payable				6.00	168	0.00
	2.	after more than one year Amounts owed by affiliated	1169		169	0.00	170	
		undertakings	1171		171	7,642,169.24	172	9,523,273.3
		<ul> <li>a) becoming due and payable within one year</li> </ul>	1173		173	7,642,169.24	174	9,523,273.3
		<ul> <li>b) becoming due and payable after more than one year</li> </ul>	1175		175	0.00	176	0.0
		Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177		177	0.00		0.00
		a) becoming due and payable within one year				0.00		0.00
		<ul> <li>b) becoming due and payable after more than one year</li> </ul>				0.00		
	4	Other debtors		ft yn 1987 y De far farfarfarf y fan de far faffeling yn aller far die 1987 y D		1,662,806.63		
-		a) becoming due and payable	1183		183	1,004,000.03	184	0.0(
		a) becoming due and payable within one year	1185		185	1,662,806.63	186	0.00
		b) becoming due and payable						

# The notes in the annex form an integral part of the annual accounts

	RCSL Nr. : <b>B182</b>	619	Matricule :	20	Page 3. 013,2225,614
	Reference(s)		Current year		Previous year
III. Investments	1189	189	0.00	90	0.00
1. Shares in affiliated undertakings	1191	191	0.00	192	0.00
2. Own shares	1209	209	0.00		0.00
3. Other investments	1195		0.00		0.00
IV. Cash at bank and in hand	1197		7,401,222.11	198	27,187,999.95
. Prepayments	1199 5	199	8,980,070.79	200	18,785,924.71
TOTAL (	ASSETS)	201	5,475,184,964.09	202	4,438,151,909.58

2013,2225,614

# CAPITAL, RESERVES AND LIABILITIES

		Reference(s)		Current year		Previous year
A. (	Capital and reserves	1301	301	4,765,455.88	302	3,108,911.85
I	Subscribed capital	1303	303	2,200,000.00	304	2,200,000.00
I	II. Share premium account	1305	305	0.00	306	0.00
ľ	II. Revaluation reserve	1307	307	0.00	308	0.00
1	V. Reserves	1309	309	908,911.85	310	727,195.47
	1. Legal reserve	1311	371	135,376.03	312	126,290.22
	2. Reserve for own shares	1313		0.00		0.00
	<ol><li>Reserves provided for by the articles of association</li></ol>	1315	315	0.00	316	0.00
	4. Other reserves, including the					
	fair value reserve	1429	429	773,535.82	430	
	a) other available reserves	1431	431	773,535.82	432	600,905.25
	b) other non available reserves	1433	433	0.00	434	0.00
	<ol> <li>Profit or loss brought forward</li> </ol>	1319		0.00	320	0.00
١	/l. Profit or loss for the financial year	1321	321	1,656,544.03	322	181,716.38
١	/II. Interim dividends	1323	323	0.00	324	0.00
١	/III. Capital investment subsidies	1325	325	0.00	326	0.00
B. F	Provisions	1331	331	809,016.35	332	174,810.81
	<ol> <li>Provisions for pensions and similar obligations</li> </ol>			0.00		0.00
	2. Provisions for taxation	1333 1335 <b>9</b>		809,016.35		174,810.81
	3. Other provisions		-			
		1337	337	0.00	336	0.00
c. c	Creditors	1435	435 _	5,460,974,266.49	436	4,415,975,283.54
	1. Debenture loans	1437 <b>7</b>	437	5,458,396,026.43	438	4,392,259,159.48
	a) Convertible loans	1439	439	0.00	440	0.00
	<ul> <li>becoming due and payable within one year</li> </ul>	1441	441	0.00	442	0.00
	ii) becoming due and payable					
	after more than one year	1443	443	0.00 5,458,396,026.43		0.00 4,392,259,159.48
	b) Non convertible loans	1445	445	5,458,396,026.43	446	4,332,203,133.40
	<ul> <li>becoming due and payable within one year</li> </ul>	1447	447	729,006,850.83	448	566,446,424.93
	<ul> <li>becoming due and payable after more than one year</li> </ul>	1449	449	4,729,389,175.60	450	3,825,812,734.55
	2. Amounts owed to credit institutions	1355	355	0.00	356	0.00
	<ul> <li>a) becoming due and payable within one year</li> </ul>	1357	357 _	0.00	358	0.00
	<ul> <li>becoming due and payable after more than one year</li> </ul>	1359	760	0.00	360	0.00

# The notes in the annex form an integral part of the annual accounts

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				RCSL Nr. :	B182619	Matricule :	2013,222	25,614
				Reference(	s)	Current year		Previous year
3.	of ord show	ents received on account ers in so far as they are 1 separately as deductions						
	from ≤		1301		361	0.00	362	0.0
	a)	within one year	1363		. 363	0.00	361	0.0
	b)	becoming due and payable after more than one year	1365		365	0.00	366	0.0
4.	Trade	creditors	1367		367	0.00	368	0.0
	a)	becoming due and payable within one year	1369		369	0.00	370	0.4
	b)	becoming due and payable after more than one year	1371		371	0.00	372	0.0
5.	Bills of	fexchange payable	1373			0.00	374	0.0
	a)	becoming due and payable within one year	1375	. 1		0.00	3/6	0.0
	b)	becoming due and payable after more than one year	1377		377	0.00	378	0.(
6.		nts owed to affiliated takings	1379		379	0.00	380	0.0
	a)	becoming due and payable within one year	1381		381 .	0.00	382	0.0
	b)	becoming due and payable after more than one year	1383			0.00	384	0.0
7.	with w	nts owed to undertakings hich the undertaking is by virtue of participating ts				0.00		
		becoming due and payable	1385			0.00	386	0.0
		within one year	1387		387	0.00	388	
	(0	becoming due and payable after more than one year	1389		389	0.00	390	0.0
8.	Other	creditors				2,578,240.06		23,716,124.0
	a)	Tax authorities				0.00		245,818.3
	b)	Social security authorities				0.00		0.0
	c)	Other creditors		0		2,578,240.06		23,470,305.7
		<ul> <li>becoming due and payable within one year</li> </ul>	1399		399	2,578,240.06		23,470,305.7
		ii) becoming due and payable after more than						
		one year	1401			0.00	402	0.0
rre	ed inco	me	1403 <u>1</u>	1	403	8,636,225.37	404	18,892,903.3

TOTAL (CAPITAL, RESERVES AND LIABILITIES)

D.

<u>5,475,184,964.09</u> 406 <u>4,438,151,909.58</u>

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#### Annual Accounts Helpdesk :

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RCSL Nr.: B182619

**PROFIT AND LOSS ACCOUNT** 

Financial year from  $_{01} 01/01/2017$  to  $_{02} 31/12/2017$  (in  $_{03} EUR$  )

NATIXIS STRUCTURED ISSUANCE S.A.

51 avenue J.F. Kennedy

L-1855 Luxembourg

#### **PROFIT AND LOSS ACCOUNT**

		Reference(s)		Current year		Previous year
1.	Net turnover	1701	701	0.00	702	0.00
2.	Variation in stocks of finished goods and in work in progress	170)	703	0.00	704	0.00
3.	Work performed by the undertaking for its own purposes and capitalised	1705	705	0.00	706	0.00
4.	Other operating income	1713	/13	564,527.27	714	0.00
5.	Raw materials and consumables and other external expenses	1671	671	-1,770,133.93	67 <b>2</b>	-1,586,406.51
	a) Raw materials and consumables	1601		0.00	602	0.00
	b) Other external expenses	1603		-1,770,133.93	604	-1,586,406.51
6.	Staff costs	1605 <b>13</b>	605	0.00	666	0.00
	a) Wages and salaries	1607	607	0.00	608	0.00
	b) Social security costs	1609	609	0.00	610	0.00
	i) relating to pensions	1653	653	0.00	654	0.00
	ii) other social security costs	1655	655	0.00	656	0.00
	c) Other staff costs	1613	613	0.00	614	0.00
7.	Value adjustments	1657	657	0.00	658	0.00
	<ul> <li>a) in respect of formation expenses and of tangible and intangible fixed assets</li> </ul>			0.00		0.00
	b) in respect of current assets	1659				
	b) intropector cutent assets	1661	001	0.00	657	0.00
8.	Other operating expenses	1621	621	0.00	622	0.00

The notes in the annex form an integral part of the annual accounts

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	RCSL Nr. : B182	619	Matricule :	2013,2225,6	14
	Reference(s)		Current year		Previous year
9. Income from participating interests	1715	715	0.00	716	0.00
a) derived from affiliated undertakings	1717	717	0.00	718	0.00
<ul> <li>b) other income from participating interests</li> </ul>	1719	719	0.00	720	0.00
10. Income from other investments and loans forming part of the fixed assets	1721 3	721	501,151,646.18		142,693,915.85
a) derived from affiliated undertakings	1723	723	501,151,646.18	724	142,693,915.85
b) other income not included under a)	1725		0.00	726	
11. Other interest receivable and similar income	1727	727	0.00	728	0.00
a) derived from affiliated undertakings	1729		0.00		0.00
b) other interest and similar income	1731		0.00		0.00
12. Share of profit or loss of undertakings accounted for under the equity method	1663	663	0.00	. 664 <u></u>	0.00
13. Value adjustments in respect of financial assets and of investments held as current assets	1665	665	0.00	666	0.00
14. Interest payable and similar expenses	1627 <b>7</b>	627	-497,655,289.95	628	-140,505,163.81
a) concerning affiliated undertakings	1629	679	0.00		0.00
b) other interest and similar expenses	1631	631	-497,655,289.95		-140,505,163.81
15. Tax on profit or loss	1635	635	-618,665.54	636	-384,936.15
16. Profit or loss after taxation	1667	667	1,672,084.03	668	217,409.38
17. Other taxes not shown under items 1 to 16	1637 9	637	-15,540.00	638	-35,693.00
18. Profit or loss for the financial year	1669	669	1,656,544.03	670	181,716.38

#### NOTE 1 -- GENERAL

Natixis Structured Issuance S.A., *société anonyme* (the "**Company**"), having its registered office at 51, avenue J.F. Kennedy, L-1855 Luxembourg, R.C.S. Luxembourg B 182619 was incorporated on 29 November 2013 under the law of the Luxembourg Companies Act (August 10, 1915 as subsequently amended) for an unlimited period.

The Company's corporate objects are to (i) obtain funding by the issue of bonds, notes, warrants, certificates or other financial instruments of any term or duration and in any currency, including under one or more issue programmes or by means of standalone issuances, or any other indebtedness, or by any other means, (ii) enter into, execute and deliver and perform any swaps (including any credit support annexes), futures, forwards, foreign exchange agreements, derivatives, options, repurchase agreements, securities lending transactions and transactions having similar effect in connection with or ancillary to the activities mentioned above and (iii) enter into loan agreements as lender with a view to complying with any payment or other obligation the Company has under any of the financial instruments issued by it or any agreement entered into within the context of its activities.

The Company may borrow in any form. It may enter into any type of loan agreement. The Company may also give guarantees and grant security in favour of third parties to secure its obligations or the obligations of its subsidiaries, affiliated companies or any other company. The Company may further pledge, transfer, encumber or otherwise create security over some or all its assets.

The descriptions above are to be understood in their broadest sense and their enumeration is not limiting. The corporate objects shall include any transaction or agreement which is entered into by the Company, provided it is not inconsistent with the foregoing enumerated objects and to the extent permitted under applicable law.

In general, the Company may take any controlling and supervisory measures and carry out any operation or transaction which it considers necessary or useful in the accomplishment and development of its corporate objects.

The Company's financial year starts on 1 January and ends on 31 December of each year.

The Company is included in the consolidated accounts of Natixis S.A., a *société anonyme*, incorporated under the French law, having its registered office at 50, avenue Pierre Mendès France, 75201 Paris Cedex 13 - France, RCS Paris 542 044 524 ("**Natixis S.A**.") forming the intermediary body of undertakings included in the body of undertakings referred in the abovementioned paragraph of which the Company forms part as a subsidiary undertaking. The consolidated accounts are available at the registered office of Natixis S.A.

Furthermore, the Company is also included in the consolidated accounts of Natixis Trust, *société anonyme*, incorporated under the Luxembourg law registered seat office at L-1855 Luxembourg, 51, avenue J.F. Kennedy, R.C.S. Luxembourg B 35.141 ("Natixis Trust"), forming the smallest body of undertakings included in the body of undertakings referred in the above-mentioned paragraph of which the Company forms part as a subsidiary undertaking. The consolidated accounts are available at the registered office of Natixis Trust.

#### NOTE 1 – GENERAL (CONT)

Additionally, the Company is also included in the consolidated accounts of BPCE, société anonyme, incorporated under the French law, having its registered office at 50, avenue Pierre Mendès France, 75201 Paris Cedex 13 – France, R.C.S. Paris 493 455 042 forming the largest body of the undertakings included in the body of undertakings referred in the above-mentioned paragraph of which the Company forms part as a subsidiary undertaking. The consolidated accounts are available at the registered office of BPCE.

#### **NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES**

#### 2.1 Basis of preparation

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements on a going concern basis and under the historical cost convention.

Accounting policies and valuation rules are, besides the ones laid down by the amended Law of 19 December 2002, determined and applied by the Board of Directors.

The preparation of the annual accounts might require the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the year in which the assumptions changed. The Board of Directors believed that the underlying assumptions might be appropriate and that the annual accounts therefore present the financial position and results fairly.

It is the role of the Board of Directors to ensure that, to the best of their knowledge, the financial statements are prepared in accordance with the applicable set of accounting standards and give a true and fair view of the assets and liabilities, financial position and profit or loss and that the management report represents the information required under Article 3 (5) of the Transparency Law dated 11 January 2008, as amended from time to time.

The figures for the financial year ended 31 December 2016, related to the profit and loss account item under Interest Payable and similar expenses "14.a) Concerning affiliated undertakings" has been reclassified under "14.b) Other interest and similar expenses" to ensure proper disclosure and comparability with the figures for the financial year ended 31 December 2017. Furthermore, some figures from the balance sheet together with the notes for the financial year ended 31 December 2016 have been reclassified in order to ensure comparability with the figures for the financial year ended 31 December 2017.

The books and records are maintained in EUR and the annual accounts have been prepared in accordance with the valuation rules and accounting policies described below:

#### 2.2 Accounting policies and valuation rules

#### 2.2.1 Financial assets

Financial assets, including loans to undertakings, are valued at nominal value including the expenses incidental thereto.

#### NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONT)

#### 2.2.1 Financial assets (cont.)

In case of durable depreciation in value according to the opinion of the Board of Directors, value adjustments are made in respect of financial assets so that they are valued at the lower figure to be attributed to them at the balance sheet date. These value adjustments are not continued if the reasons for which they were made have ceased to apply.

#### 2.2.2 Derivative financial instruments

The Company may enter into derivative financial instruments such as options, swaps, futures, foreign exchange contracts, warrants, among others. The Company initially records derivative financial instruments at cost.

At each balance sheet date, unrealised losses are recognised in the profit and loss account whereas gains are accounted for when realised. Where there is an economic link between a derivative financial asset and a derivative financial liability, these are valued at their initial cost, the unrealized losses and unrealised gains are not recorded.

Commitment relating to options, swaps, futures, foreign exchange contracts, warrants, among other transactions is disclosed in note 17.

#### 2.2.3 Premiums on notes and certificates

The premiums resulting from the issuance of fixed-income transferable securities having the characteristics of financial assets, at a price exceeding the amount repayable at maturity is included in the profit and loss account on an amortised basis.

#### 2.2.4 Debtors

Debtors are valued at their nominal value. They are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which they were made have ceased to apply. The Board of Directors assesses specific value adjustments on a debt or by debtor basis throughout the year.

#### 2.2.5 Debts

Debts are recorded under debenture non-convertible loans at their reimbursement value.

#### 2.2.6 Premiums or discounts on loans

Premiums or discounts on loans are accounted for in deferred charges and income, independently of the loans to which they are associated and are amortised *prorata temporis* over the life of the loans to which they are related.

#### 2.2.7 Foreign currency translation

Transactions expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction.

#### NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONT)

#### 2.2.7 Foreign currency translation (cont.)

Assets and liabilities expressed in currencies other than EUR are translated into EUR at the year-end rate. The unrealized foreign exchange gains resulting from the application of this principle are reflected in the balance sheet as "deferred income" whilst the unrealized foreign exchange losses are included in the profit and loss account.

Where there is an economic link between an asset and a liability, these are valued in total according to the method described above and the net unrealized losses are recorded in the profit and loss account. The exchange gains are recorded in the profit and loss account at the moment of their realization.

Cash and cash equivalents expressed in currencies other than EUR are translated into EUR at the exchange rate applicable at the balance sheet date, considering all related exchange gains and losses as realized.

#### 2.2.8 Prepayments

This asset item includes expenditures incurred during the year but relating to a subsequent financial year.

#### 2.2.9 Deferred income

This liability item includes income received during the financial year but relating to a subsequent financial year

#### NOTE 3 – FINANCIAL ASSETS

The financial assets are composed of loans and derivative financial instruments. The movements of financial assets during the year are as follows:

	Loans to affiliated undertakings	Investments held as fixed assets	Total as at December 31, 2017
	EUR	EUR	EUR
Gross book value - opening balance	4,260,693,663.77	121,961,047.85	4,382,654,711.62
Additions for the year	4,362,627,685.81	58,630,396.54	4,421,258,082.35
Reimbursements for the year	(3,236,253,380.73)	(118,160,717.92)	(3,354,414,098.65)
Gross book value - closing balance	5,387,067,968.85	62,430,726.47	5,449,498,695.32
Accumulated value adjustment - opening balance	-	-	-
Movement in value adjustment	-	-	-
Accumulated value adjustment - closing balance	-	-	-
Net book value - closing balance	5,387,067,968.85	62,430,726.47	5,449,498,695.32
Net book value - opening balance	4,260,693,663.77	121,961,047.85	4,382,654,711.62

#### NOTE 3 - FINANCIAL ASSETS (CONT)

#### 3.1 Loans to affiliated undertakings

In relation with the Debt Issuance Programme launched by the Company (Note 7), the Company entered into an intra-group loan agreement on 23 January, 2014. The characteristics of the loans granted to the affiliated undertaking as per this intra-group loan agreement are closely related to the characteristics of the Notes issued by the Company.

As at 31 December 2017, the accrued interests for EUR 7,642,169.24 [2016: EUR 9,523,273.30] are included in the current assets as an amount owed by affiliated undertakings becoming due and payable within 1 year. An interest income of EUR 317,503,924.89 [2016: EUR 108,933,341.99] has been recorded in the profit and loss account for the year ended 31 December 2017.

#### 3.2 Investments held as fixed assets

Investments held as fixed assets consist of derivative financial instruments entered by the Company to cover interest and market risks derived from the financing activities of the Company (Note 8).

The maturity details of the above mentioned intra-group loans and derivative financial instruments are as follows:

	Within one year	After one year and within five years EUR	After more than five years EUR	Total as at December 31, 2017 EUR
Intra-group loans				
- Principal	633,563,576.25	2,466,130,723.18	2,287,373,669.42	5,387,067,968.85
- Interest (Note 4)	7,642,169.24	-	-	7,642,169.24
Derivative financial instruments	362,319.36	14,929,040.40	47,139,366.71	62,430,726.47
Closing balance as at 31/12/17	641,568,064.85	2,481,059,763.58	2,334,513,036.13	5,457,140,864.56
Opening balance as at 01/01/17	631,210,012.08	2,132,046,327.99	1,628,921,644.85	4,392,177,984.92

#### NOTE 4 -- DEBTORS

As at 31 December 2017 the caption "Debtors" consists of accrued interests on loans amounting to EUR 7,642,169.24 (EUR 9,523,273.30 as at 31 December 2016) and other miscellaneous receivables amounting to EUR 1,662,806.63 (EUR nil as at 31 December 2016).

#### NOTE 5 - PREPAYMENTS

Prepayments are mainly composed of amortised discount on EMTN.

#### NOTE 6 - CAPITAL AND RESERVES

#### a) Movements

Movements in the capital and reserves during the year are as follows:

	Subscribed capital	Legal reserve	Other reserves	Result for the financial year	Total
<u> </u>	EUR	EUR		EUR	EUR
As at 1 January 2017	2,200,000.00	126,290.22	600,905.25	181,716.38	3,108,911.85
Allocation of previous year	-	9,085.81	172,630.57	(181,716.38)	-
Result for the financial year ended 31 December 2017	-		-	1,656,544.03	1,656,544.03
As at 31 December 2017	2,200,000.00	135,376.03	773,535.82	1,656,544.03	4,765,455.88

#### b) Subscribed capital

As at 31 December 2017 and 31 December 2016, the subscribed and fully paid-up capital amounted to EUR 2,200,000 and was represented by 22,000 ordinary shares with a par value of EUR 100 each.

During the financial year, the Company has not acquired any of its own shares.

#### c) Legal reserve

Luxembourg companies are required to appropriate to a legal reserve a minimum of 5% of the net profit for the year, until this reserve equals 10% of the subscribed capital. This reserve may not be distributed in the form of cash dividends, or otherwise, during the life of the Company.

#### NOTE 6 - CAPITAL AND RESERVES (CONT)

#### d) Other reserves

As at 31 December 2017, other reserves amount to EUR 750,345.82 compared to EUR 600,905.25 for the year ended 31 December 2016. As at 31 December 2017, net wealth tax reserve, which forms part of other reserves, amount to EUR 23,190 [2016: 0] that represent 5 times the deducted net wealth tax for the year 2016. This reserve is not available for distribution for a period of five years. Other reserves are available for distributions.

#### NOTE 7- DEBENTURE LOANS

The debenture loans are detailed as follows:

	Within one year EUR	After one year and within five years EUR	After more than five years EUR	Total as at December 31, 2017 EUR
Non convertible debenture loans				
- Principal - Interest	682,368,675.13 8,088,365.80	2,497,498,581.85 -	2,207,762,395.69 -	5,387,629,652.67 8,088,365.80
Derivative financial instruments	38,549,809.90	12,953,103.31	11,175,094.75	62,678,007.96
Closing balance as at 31/12/17	729,006,850.83	2,510,451,685.16	2,218,937,490.44	5,458,396,026.43
Opening balance as at 01/01/17	566,446,424.93	2,172,211,215.18	1,653,601,519.37	4,392,259,159.48

(i) Early 2014, the Company launched a Debt Issuance Programme according to which the Company is entitled to issue an aggregate principal amount of Notes outstanding up to EUR 10,000,000,000.

The Notes may be issued at their principal amount or at a discount or premium to their principal amount in any currency including, among others, Euro, U.S. Dollars, Hong Kong Dollars, Sterling or Swiss francs.

The Notes may be zero coupons, fixed interest or floating rate Notes or Structured Notes, for which the basis for calculating the amounts of interest payable may be by reference to shares, stock indices, commodities, funds, dividend or as otherwise provided in the relevant Final Terms.

At the beginning of the second quarter 2014, the Company also launched a German Language Certificate Programme according to which the Company is entitled to issue an aggregate principal amount of Certificates outstanding up to EUR 1,000,000,000.

#### NOTE 7- DEBENTURE LOANS (CONT)

The Certificates may be issued on any currency including, among others, Euro, U.S. Dollars, Hong Kong Dollars, Sterling or Swiss francs.

The Certificates may be zero coupon, fixed interest or floating rate Certificates or Structured Certificates, for which the basis for calculating the amounts of interest payable may be by reference to a share, an index, a fund, a commodity, a basket of shares, a basket of indices, a basket of funds or a basket of commodities.

As at 31 December 2017, the maturity dates of the outstanding Notes and Certificates range from 1 January 2018 to 22 February 2047.

As at 31 December 2017 the total amount of the notes amounted to EUR 5,387,629,652.67 [2016: EUR 4,260,743,921.37] (excl. interests).

An interest expense of EUR 231,861,414.79 [2016: EUR 106,650,314.90] has been recorded in the profit and loss account for the year ended 31 December 2017.

(ii) Early 2014, the Company launched a Warrant Programme. According to this programme the Company may issue warrants of any kind including, but not limited to, Warrants relating to a specified index or a basket of indices, a specified share or a basket of shares, a specified debt instrument or a basket of debt instruments, a specified currency or a basket of currencies, a specified commodity or a basket of commodities, a specified fund or a basket of funds (note 8).

The total premium of the warrants issued amounted to EUR 62,678,007.96 as at 31 December 2017 and EUR 122,071,179.18 as at 31 December 2016.

Natixis S.A. granted on 23 January 2014 an irrevocable and unconditional guarantee in favour of the holders of financial instruments issued by the Company.

# NOTE 8- DERIVATIVE FINANCIAL INSTRUMENTS

As at 31 December 2017, the options held by the Company are detailed below:

	Number of					
Type of option	<u> </u>	Issue Price			Premium Eur	Maturity
call europeen	25	4,000	U\$D	100,000	83,264	05/02/2018
call europeen	31	150,000	RUB	4,650,000	67,266	19/03/2018
call europeen	10	3,900	USD	39,000	32,473	02/04/2018
call europeen	1,633	40	USD	65,320	54,388	03/05/2018
call europeen	10	3,780	USD	37,800	31,474	07/05/2018
call europeen	10	3,900	USD	39,000	32,473	01/06/2018
call europeen	10	3,950	USD	39,500	32,889	20/07/2018
call europeen	10	3,690	USD	36,900	30,724	05/10/2018
call europeen	56	14,000	\$EK	784,000	79,787	30/10/2018
call europeen	30,000	7	USD	198,000	164,863	11/12/2018
call europeen	170	3,300	USD	561,000	467,111	31/12/2018
call europeen	10	3,900	USD	39,000	32,473	18/01/2019
call spread europeen	2,740	47	USD	129,876	108,140	18/03/2019
Range Digital europeen	2,927	39	USD	113,568	94,561	28/03/2019
call europeen	10	3,380	USD	33,800	28,143	25/06/2019
call europeen	53	11,240	SEK	595,720	60,626	28/06/2019
Put europeen	1,000	50	EUR	50,000	50,000	20/08/2019
Put europeen	1,000	45	EUR	45,000	45,000	27/08/2019
call europeen	67	14,000	SEK	938,000	95,459	23/10/2019
call europeen	100	231	USD	23,100	19,234	25/11/2019
call europeen	457	11,300	SEK	5,164,100	525,543	17/02/2020
call europeen	214	12,300	SEK	2,632,200	267,875	23/03/2020
call europeen	291	11,550	SEK	3,361,050	342,049	05/05/2020
call europeen	330	11,550	SEK	3,811,500	387,891	15/06/2020
call europeen	10	3,580	SGD	35,800	22,305	21/07/2020
call europeen	399	11,700	SEK	4,668,300	475,086	27/07/2020
call europeen	20	3,220	USD	64,400	53,622	02/09/2020
call europeen	55	3,230	USD	177,650	147,918	02/09/2020
call europeen	25	3,200	USD	80,000	66,611	04/09/2020
call europeen	50	3,150	USD	157,500	131,141	04/09/2020
call europeen	100	340	USD	34,000	28,310	08/09/2020
call europeen	200	311	USD	62,200	51,790	08/09/2020
call europeen	300	310	USD	93,000	77,435	08/09/2020
call europeen	300	313	USD	93,900	78,185	08/09/2020
call europeen	300	348	USD	104,400	86,928	08/09/2020
call europeen	100	416	SGD	41,600	25,919	14/09/2020
call europeen	150	500	SGD	75,000	46,728	14/09/2020
call europeen	300	332	\$GD	99,600	62,055	14/09/2020
call europeen	50	321	USD	16,050	13,364	14/09/2020
call europeen	50	358	USD	17,900	14,904	14/09/2020
call europeen	100	324	USD	32,400	26,978	14/09/2020
call europeen	200	320	USD	64,000	53,289	14/09/2020
call europeen	236	13,950	SEK	3,292,200	335,042	21/09/2020

# NOTE 8- DERIVATIVE FINANCIAL INSTRUMENTS (CONT)

	Number of					
Type of option				Premium Ccy		Maturity
call europeen	50	345	USD	17,250	14,363	22/09/2020
call europeen	100	310	USD	31,000	25,812	22/09/2020
call europeen	100	313	USD	31,300	26,062	22/09/2020
calleuropeen	100	318	USD	31,800	26,478	22/09/2020
call europeen	100	338	USD	33,800	28,143	22/09/2020
call europeen	100	340	USD	34,000	28,310	22/09/2020
call europeen	470	310	USD	145,700	121,316	22/09/2020
calleuropeen	500	313	USD	156,500	130,308	22/09/2020
call europeen	700	350	USD	245,000	203,997	22/09/2020
call europeen	300	352	USD	105,600	87,927	28/09/2020
call europeen	210	355	USD	74,550	62,073	29/09/2020
calleuropeen	250	326	USD	81,400	67,777	29/09/2020
call europeen	100	363	USD	36,300	30,225	05/10/2020
call europeen	200	360	USD	72,000	59,950	05/10/2020
call europeen	250	368	USD	92,100	76,686	05/10/2020
calleuropeen	100	389	USD	38,900	32,390	06/10/2020
call europeen	100	308	USD	30,800	25,645	27/11/2020
call europeen	559	10,000	SEK	5,590,000	568,886	02/02/2021
call europeen	142	10,000	SEK	1,420,000	144,511	29/04/2021
Put europeen	6,333	60	EUR	379,980	379,980	24/08/2021
Puteuropeen	2,363	64	EUR	150,051	150,051	05/10/2021
call europeen	3,401	1,390	SEK	4,727,390	481,099	03/01/2022
call europeen	75	1,300	USD	97,500	81,182	17/05/2022
call europeen	3,467	620	EUR	2,149,540	2,149,540	11/07/2022
call europeen	2,762	650	USD	1,795,300	1,494,838	11/07/2022
cal <b>i eur</b> opeen	4,486	675	CHF	3,028,050	2,587,514	06/09/2022
call europeen	169	1,300	USD	219,700	182,931	31/10/2022
call europeen	1,160	625	CHF	725,000	619,523	21/11/2022
call europeen	719,810	1	EUR	719,810	719,810	20/12/2022
call europeen	1,925	1,000	EUR	1,925,000	1,925,000	20/11/2023
call europeen	66,531	60	EUR	3,986,538	3,986,538	03/02/2034
call europeen	249,188	60	EUR	14,931,345	14,931,345	12/02/2035
call europeen	240,944	60	EUR	14,444,593	14,444,593	12/03/2035
call europeen	15,654	60	EUR	935,327	935,327	28/03/2036
calleuropeen	19,747	60	EUR	1,179,883	1,179,883	28/03/2036
call europeen	49,062	60	EUR	2,931,455	2,931,455	28/03/2036
call europeen	110,265	60	EUR	6,588,334	6,588,334	28/03/2036
call europeen	3,630	60	EUR	216,893	216,893	06/06/2036
Grand Total	1,549,512				62,678,008	

# NOTE 8 - DERIVATIVE FINANCIAL INSTRUMENTS (CONT)

As at 31 December 2017, the warrants issued by the Company are detailed below:

	Number of					
Identifler	option	Issue Price	Ccy	Premium Ccy	Premium Eur	Maturity
LU1215602084	25	4,000	USĐ	100,000	83,264	05/02/2018
LU1062455842	31	150,000	RUB	4,650,000	67,266	19/03/2018
LU1215602167	10	3,900	USD	39,000	32,473	02/04/2018
LU1215606234	1,633	40	USD	65,320	54,388	03/05/2018
LU1215602241	10	3,780	USD	37,800	31,474	07/05/2018
LU1215602324	10	3,900	USD	39,000	32,473	01/06/2018
LU1215602597	10	3,950	USD	39,500	32,889	20/07/2018
LU1215602670	10	3,690	USD	36,900	30,724	05/10/2018
LU1062457897	56	14,000	SEK	784,000	79,787	30/10/2018
LU1397432375	30,000	7	USD	198,000	164,863	11/12/2018
LU1397428001	170	3,300	USD	561,000	467,111	31/12/2018
LU1215602753	10	3,900	USD	39,000	32,473	18/01/2019
LU1215606317	2,740	47	USD	129,876	108,140	18/03/2019
LU1215606408	2,927	39	USD	113,568	94,561	28/03/2019
LU1215602910	10	3,380	USD	33,800	28,143	25/06/2019
LU1215605186	53	11,240	SEK	595,720	60,626	28/06/2019
LU1062456659	1,000	50	EUR	50,000	50,000	20/08/2019
LU1062456907	1,000	45	EUR	45,000	45,000	27/08/2019
LU1215604536	67	14,000	SEK	938,000	95,459	23/10/2019
LU1397432029	100	231	USD	23,100	19,234	25/11/2019
LU1062457038	457	11,300	SEK	5,164,100	525,543	17/02/2020
LU1062457111	214	12,300	SEK	2,632,200	267,875	23/03/2020
LU1062457541	291	11,550	SEK	3,361,050	342,049	05/05/2020
LU1062456816	330	11,550	SEK	3,811,500	387,891	15/06/2020
LU1215603058	10	3,580	SGD	35,800	22,305	21/07/2020
LU1215604379	399	11,700	SEK	4,668,300	475,086	27/07/2020
LU1215603132	20	3,220	USD	64,400	53,622	02/09/2020
LU1215603215	55	3,230	USD	177,650	147,918	02/09/2020
LU1215603488	25	3,200	USD	80,000	66,611	04/09/2020
LU1215603306	50	3,150	USD	157,500	131,141	04/09/2020
LU1215603728	100	340	USD	34,000	28,310	08/09/2020
LU1215603645	200	311	USD	62,200	51,790	08/09/2020
LU1215604023	300	310	USD	93,000	77,435	08/09/2020
LU1215603561	300	313	USD	93,900	78,185	08/09/2020
LU1215603991	300	348	USD	104,400	86,928	08/09/2020
LU1397429587	100	416	SGD	41,600	25,919	14/09/2020
LU1397429314	150	500	SGD	75,000	46,728	14/09/2020
LU1397429827	300	332	SGD	99,600	62,055	14/09/2020
LU1397429744	50	321	USD	16,050	13,364	14/09/2020
LU1397429660	50	358	USD	17,900	14,904	14/09/2020
LU1397429405	100	324	USD	32,400	26,978	14/09/2020
LU1215604296	200	320	USD	64,000	53,289	14/09/2020
LU1215604452	236	13,950	SEK	3,292,200	335,042	21/09/2020

# NOTE 8 – DERIVATIVE FINANCIAL INSTRUMENTS (CONT)

	Number of					
Identifier	option	Issue Price	Ccy	Premium Ccy	Premium Eur	Maturity
LU1397430676	50	345	USD	17,250	14,363	22/09/2020
LU1397430320	100	310	USD	31,000	25,812	22/09/2020
LU1397430916	100	313	USD	31,300	26,062	22/09/2020
LU1397430163	100	318	USD	31,800	26,478	22/09/2020
LU1397430833	100	338	USD	33,800	28,143	22/09/2020
LU1397430247	100	340	USD	34,000	28,310	22/09/2020
LU1397430759	470	310	USD	145,700	121,316	22/09/2020
LU1397430593	500	313	USD	156,500	130,308	22/09/2020
LU1397430080	700	350	USÐ	245,000	203,997	22/09/2020
LU1397431054	300	352	USD	105,600	87,927	28/09/2020
LU1397431211	210	355	USD	74,550	62,073	29/09/2020
LU1397431138	250	326	USD	81,400	67,777	29/09/2020
LU1397431567	100	363	USD	36,300	30,225	05/10/2020
LU1397431302	200	360	USD	72,000	59,950	05/10/2020
LU1397431484	250	368	USD	92,100	76,686	05/10/2020
LU1397431641	100	389	USD	38,900	32,390	06/10/2020
LU1397433266	100	308	USD	30,800	25,645	27/11/2020
LU1062458192	559	10,000	SEK	5,590,000	568,886	02/02/2021
LU1062456576	142	10,000	SEK	1,420,000	144,511	29/04/2021
LU1215604619	6,333	60	EUR	379,980	379,980	24/08/2021
LU1215604700	2,363	64	EUR	150,051	150,051	05/10/2021
LU1397428696	3,401	1,390	SEK	4,727,390	481,099	03/01/2022
LU1215605343	75	1,300	USD	97,500	81,182	17/05/2022
LU1215607638	3,467	620	EUR	2,149,540	2,149,540	11/07/2022
LU1397427706	2,762	650	USÐ	1,795,300	1,494,838	11/07/2022
LU1397428183	4,486	675	CHF	3,028,050	2,587,514	06/09/2022
LU1397428340	169	1,300	USD	219,700	182,931	31/10/2022
LU1397428936	1,160	625	CHF	725,000	619,523	21/11/2022
LU1397435048	719,810	1	EUR	719,810	719,810	20/12/2022
LU1397428852	1,925	1,000	EUR	1,925,000	1,925,000	20/11/2023
LU1397427888	66,531	60	EUR	3,986,538	3,986,538	03/02/2034
LU1397429231	249,188	60	EUR	14,931,345	14,931,345	12/02/2035
LU1397432532	240,944	60	EUR	14,444,593	14,444,593	12/03/2035
LU1215607125	15,654	60	EUR	935,327	935,327	28/03/2036
LU1397427961	19,747	60	EUR	1,179,883	1,179,883	28/03/2036
LU1397428266	49,062	60	EUR	2,931,455	2,931,455	28/03/2036
LU1397432458	110,265	60	EUR	6,588,334	6,588,334	28/03/2036
LU1215607554	3,630	60	EUR	216,893	216,893	06/06/2036
	1,549,512				62,678,008	

#### NOTE 9 - TAXES

Since 1 January 2016, the Company is no longer part of the fiscal unity of Natixis Trust S.A., its parent company and is therefore been assessed on a retroactive basis for the tax years 2014, 2015 and 2016. Accordingly the Company has submitted individual corporate income and municipal business tax returns and is subject to those taxes on an individual basis.

The estimated tax provision for Luxembourg taxes for the year ended 31 December 2017 is as follows: CIT EUR 465,343.54, MBT EUR 153,322.00, and NWT 15,540.00.

Based on the 2014, 2015 and 2016 audited accounts, the tax charges (CIT-MBT-NWT) amounted to EUR 37,428.09; EUR 194,920.25 and EUR 188,280.81 respectively.

Given the fact that the Company is part of the Luxembourg horizontal tax consolidation since 1 January 2016 and the immunization capacity for the tax consolidation of the net wealth tax, the company made on 6 July 2017 an allocation of EUR 23,189.10 from other reserves to the net wealth tax 2017 reserve.

#### NOTE 10 - OTHER CREDITORS

As of 31 December 2017 this item consists of accruals for miscellaneous expenses. The total amount as at 31 December 2017 is EUR 2,578,240.06 compared to EUR 23,470,305.72 for the year ended 31 December 2016, where the item also included amounts payable relating to two loans issued prior to the end of 2016.

#### NOTE 11 - DEFERRED INCOME

Deferred income is mainly composed of amortised premiums on EMTN and amortised discounts on loans.

#### NOTE 12 - AUDIT FEES

The total fees expensed by the Company and due for the current financial year to the audit firm are presented as follows:

		December 2017 (in EUR)
Audit fees		58,163.63
Audit-related fees		-
Tax related fees		
Other fees		-
	Total	58,163.63

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# NOTE 13 - STAFF

The Company does not employ any staff.

#### NOTE 14 – ADVANCES AND LOANS GRANTED TO THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BODIES

As at 31 December 2017 there were neither advances, nor loans granted to the Board of Directors acting as sole management body of the Company.

#### NOTE 15 – EMOLUMENTS GRANTED TO THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BODIES

As at 31 December 2017 there were no emoluments granted to the Board of Directors acting as sole management body of the Company.

### NOTE 16 - CASH-FLOW STATEMENT

The cash flows statement of the company is prepared in accordance with the prescriptions of the International Accounting Standard 7 "Statement of cash flows".

	Notes	31/12/2017 EUR	31/12/2016 EUR
Cash flows from operating activities			
Profit / (Loss ) for the year		1,656,544.03	181,716.38
Adjustments for:			
Income tax expense recognised in profit or loss Net foreign exchange loss	9	634,205.54 154,970.85	420,629.15
Finance costs recognised in profit or loss	7	231,861,414.79	- 106,650,314.90
Investment income recognised in profit or loss	3	(317,503,924.89)	(108,933,341.99)
involution, income recognided in prent of reco	° <b>-</b>	(83,196,789.68)	(1,680,681.56)
Movements in working capital:		(03,130,183.00)	(1,000,001.00)
Decrease/ (Increase) in receivables	4	(1,662,806.63)	(3,968,172.96)
(Decrease)/Increase in payables	10	(20,892,065.66)	29,717,103.23
Decrease/(Increase) in prepayments	5	9,805,853.92	780,624.35
(Decrease)/Increase in other payables	10	(156,113.78)	-
Increase in deferred income	11 _	(10,256,678.01)	12,245.79
Cash generated from operations		(106,358,599.84)	24,861,118.85
Interest paid		(233,217,107.93)	(106,650,314.90)
Income taxes paid	9	(244,067.34)	-
Net cash generated by operating activities		(339,819,775.11)	(81,789,196.05)
Cash flows from investing activities			
(Payments for) / Proceeds on sale of derivative instruments	3	59,529,712.16	(43,214,887.29)
(Payments for) / Proceeds on sale of financial assets	3	(1,126,374,304.93)	(1,656,214,548.67)
Interest received		319,385,028.95	108,933,341.99
Net cash (used in) / generated by investing activities	_	(747,459,563.82)	(1,590,496,093.97)
Cash flows from financing activities			
(Repayment of EMTN) / Proceeds from issuance of EMTN	7	1,126,885,732.30	1,656,209,442.58
(Repayment of warrants) / Proceeds from issuance of warrants	7	(59,393,171.21)	43,325,607.85
Net cash (used in) / generated by financing activities		1,067,492,561.09	1,699,535,050.43
Net increase/(decrease) in cash and cash equivalents		(19,786,777.84)	27,249,760.41
Cash and cash equivalents at the beginning of the year		27,187,999.95	(61,760.46)
Net cash and cash equivalents at the end of the year		7,401,222.11	27,187,999.95

# NOTE 17 - OFF BALANCE SHEET COMMITMENTS

As at 31 December 2017, as part of the Programmes launched by the Company (Note 7), the Company issued the following Notes, Warrants and Certificates having an effective date on or after 31 December 2017:

<u></u>					······		
lsin	SecType	Trade Date	EffDate	MatDate	Nominal Ccy	Nominal Eur	Ссу
XS1636946383	EMTN	01/12/2017	08/02/2018	08/02/2024	500,000	563,208	GBP
XS1667711961	EMTN	05/12/2017	08/01/2018	08/01/2020	1,070,000	1,070,000	EUR
XS1524854335	EMTN	11/12/2017	08/01/2018	08/01/2020	500,000	416,667	USD
FR0013304813	EURO	11/12/2017	28/02/2018	12/01/2028	300,000	300,000	EUR
XS1636937127	EMTN	13/12/2017	09/01/2018	10/01/2019	39,456,000	291,748	JPY
XS1636937390	EMTN	13/12/2017	09/01/2018	10/01/2019	30,010,950	221,909	JPY
XS1636937473	EMTN	13/12/2017	09/01/2018	10/01/2019	51,590,000	381,470	JPY
XS1667714395	EMTN	13/12/2017	14/02/2018	07/02/2024	100,000	112,642	GBP
XS1667714122	EMTN	13/12/2017	14/02/2018	07/02/2024	100,000	112,642	GBP
XS1667714478	EMTN	13/12/2017	14/02/2018	07/02/2028	100,000	112,642	GBP
XS1667714551	EMTN	13/12/2017	14/02/2018	07/02/2028	100,000	112,642	GBP
XS1667715285	EMTN	14/12/2017	04/01/2018	28/12/2018	1,500,000	1,500,000	EUR
XS1667715103	EMTN	14/12/2017	09/01/2018	29/12/2022	250,000	250,000	EUR
XS1524857353	EMTN	14/12/2017	30/01/2018	07/02/2028	6,500,000	6,500,000	EUR
XS1524857437	EMTN	14/12/2017	04/01/2018	28/03/2019	2,000,000	1,666,667	USD
XS1636937713	EMTN	15/12/2017	09/01/2018	10/01/2019	40,143,600	296,832	JPY
XS1667715442	EMTN	15/12/2017	04/01/2018	03/01/2023	2,500,000	2,083,333	USD
XS1524858245	EMTN	18/12/2017	04/01/2018	25/06/2021	600,000	675,850	GBP
XS1524859052	EMTN	19/12/2017	02/01/2018	02/01/2020	1,600,000	1,333,333	USD
XS1667716259	EMTN	19/12/2017	02/01/2018	04/01/2021	2,800,000	2,800,000	EUR
XS1636937804	EMTN	20/12/2017	10/01/2018	11/01/2019	50,196,000	371,162	JPY
XS1677433234	EMTN	20/12/2017	03/01/2018	03/01/2020	650,000	541,667	USD
XS1524859649	EMTN	20/12/2017	03/01/2018	27/12/2019	1,000,000	833,333	USD
XS1667716333	EMTN	20/12/2017	08/01/2018	08/01/2021	515,000	515,000	EUR
XS1667716416	EMTN	20/12/2017	08/01/2018	05/01/2023	1,000,000	833,333	USD
XS1667716507	EMTN	20/12/2017	08/01/2018	09/01/2023	1,000,000	833,333	USD
FR0013307840	EURO	20/12/2017	10/01/2018	03/01/2028	4,000,000	4,000,000	EUR
x51524859722	EMTN	20/12/2017	03/01/2018	23/12/2021	3,000,000	1,868,879	SGD
XS1667716929	EMTN	21/12/2017	04/01/2018	04/01/2023	1,140,000	1,140,000	EUR
XS1667716846	EMTN	21/12/2017	04/01/2018	04/01/2023	840,000	840,000	EUR
XS1667717067	EMTN	21/12/2017	04/01/2018	02/01/2020	700,000	700,000	EUR
XS1667717141	EMTN	21/12/2017	04/01/2018	02/01/2020	700,000	700,000	EUR
XS1667717224	EMTN	21/12/2017	04/01/2018	02/01/2020	700,000	700,000	EUR
XS1667716762	EMTN	21/12/2017	08/01/2018	09/01/2023	1,000,000	833,333	USD
XS1677433747	εμτν	21/12/2017	05/01/2018	06/01/2020	1,000,000	833,333	USD
XS1667716689	EMTN	21/12/2017	08/01/2018	08/01/2021	520,000	520,000	EUR
XS1677433663	EMTN	21/12/2017	09/01/2018	09/01/2019	200,000	166,667	USD

# NOTE 17 - OFF BALANCE SHEET COMMITMENTS (CONT)

lsin	SecType	Trade Date	EffDate	MatDate	Nominal Ccy	Nominal Eur	Ссу
XS1667715368	EMTN	21/12/2017	11/01/2018	08/08/2023	4,450,000	3,708,333	USD
XS1636943794	EMTN	22/12/2017	02/01/2018	01/07/2019	500,000	416,667	USD
XS1636943364	EMTN	22/12/2017	02/01/2018	29/12/2021	1,600,000	1,333,333	USD
XS1636943448	EMTN	22/12/2017	04/01/2018	03/07/2023	600,000	500,000	USD
XS1667717497	EMTN	22/12/2017	05/01/2018	07/01/2019	800,000	666,667	USD
XS1677434042	EMTN	22/12/2017	05/01/2018	06/01/2020	500,000	416,667	USD
XS1677433820	EMTN	22/12/2017	05/01/2018	05/01/2023	2,000,000	1,666,667	USD
XS1667719352	EMTN	26/12/2017	16/01/2018	17/01/2020	152,880,000	1,130,435	JPY
XS1667719279	EMTN	22/12/2017	16/01/2018	17/07/2018	70,308,000	519,876	JPY
FR0013308491	EURO	26/12/2017	08/01/2018	13/03/2028	30,000,000	30,000,000	EUR
XS1677434398	EMTN	27/12/2017	10/01/2018	11/01/2021	485,000	404,167	USD
XS1677434125	EMTN	27/12/2017	11/01/2018	04/07/2019	500,000	500,000	EUR
XS1667717570	EMTN	28/12/2017	05/01/2018	04/01/2019	500,000	500,000	EUR
XS1667717653	EMTN	28/12/2017	05/01/2018	04/01/2019	500,000	500,000	EUR
XS1677434554	EMTN	28/12/2017	05/01/2018	06/01/2020	500,000	416,667	USD
XS1636937556	EMTN	12/12/2017	04/01/2018	05/01/2038	1,000,000,000	7,394,262	JPY
Grand total						87,105,365	

#### Note 18 – SUBSEQUENT EVENTS

No event has occurred subsequent to the year-end which would have a material impact on the annual accounts as at 31 December 2017.