

Press Release

A €125m funding envelope from the EIB allocated to the Caisses d'Épargne to finance social housing

Paris, September 15, 2009

On September 11, 2009, Laurent de Mautort, Director at the European Investment Bank (EIB) responsible for financing operations in Western Europe, and Alain Lemaire, Chief Executive Officer of BPCE responsible for the Caisses d'Épargne network, signed a memorandum of understanding whereby the Caisses d'Épargne will be allocated a €125m loan envelope in favor of social housing. This agreement forms part of the *France Logement Social** program launched in 2007 for which the EIB has decided to set aside an overall funding envelope worth €500 million. At this date, €125 million has already been made available to the Caisses d'Épargne out of an initial tranche of €250m.

This new agreement for a €125m funding envelope has been concluded by BPCE on behalf of the Caisses d'Épargne. The criteria determining the eligibility of social housing bodies for this funding have been expanded. As a result, the social housing bodies will be able to finance investments above and beyond the construction and renovation of social housing units. The profile of this supplementary financing will be tailored to the characteristics of the operations in question, and the financial terms and conditions will be particularly favorable.

The extension of the overall program makes it possible to support public policies at the heart of the French government's economic stimulus plan aimed at developing the stock of rental housing assets and to satisfy the financing needs of the social housing bodies. This memorandum of understanding confirms the determination of the EIB and of the Caisses d'Épargne to support the development of long-term investment in towns and cities, in the housing sector and in the urban environment and to promote social cohesion.

* The *France Logement Social* program supports the policies pursued by the French government and helps to ensure well-balanced territorial development. It also forms part of European policies pursued in favor of the urban environment, sustainable urban growth and social cohesion. This cohesion must also be facilitated by the creation of new jobs and the development of services and economic activities in urban areas in difficulty characterized by high rates of unemployment.

About BPCE

BPCE is the central body of the new banking group formed by the merger of Groupe Banque Populaire and Groupe Caisse d'Épargne, which closed on July 31, 2009 following contributions of the principal businesses of BFBP and CNCE to BPCE. BPCE became officially operational on Monday, August 3, 2009. Groupe BPCE is the 2nd-largest banking group in France and includes two independent and complementary retail-banking networks: the network of 20 Banque Populaire banks and the network of 17 Caisses d'Épargne. The new group serves approximately 37 million customers and enjoys a strong presence in France with more than 8,200 branches, 120,000 employees and more than 7 million cooperative shareholders.

About the EIB

The European Investment Bank is the financial institution of the European Union. Its purpose is to grant long-term loans in support of viable, private or public investment projects that achieve the goals of integration, cohesion, and development of the European Union, expressed in the form of six priority policies: economic and social cohesion; protection of the natural and urban environment; research and innovation; support for SMEs; the development of trans-European transport and energy networks; and the promotion of safe, competitive, and sustainable sources of energy. In 2008, the EIB granted financing for an aggregate total of €57.6 billion, €51.5 billion of which was allocated to projects completed within the European Union.

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