2018 Financial report

Caisse des Dépôts
GROUPE

2018 Financial report

CAISSE DES DÉPÔTS GROUP

Introduction

1 – Our model

"Caisse des dépôts et consignations and its subsidiaries constitute a state-owned group at the service of the public interest and of the country's economic development. The Group fulfils public interest functions in support of the policies pursued by the State and local authorities, and may engage in competitive activities. […] Caisse des dépôts et consignations is a long-term investor promoting business development in line with its own patrimonial interests."

Article L. 518-2 of the French Monetary and Financial Code *(Code monétaire et financier)* (amended by the 2008 Economic Modernisation Act).

Our one-of-a-kind model:

Trusted custodian and manager. Caisse des Dépôts manages the public mandates entrusted to it by French law or the French State, mainly comprising a portion of regulated savings (Livret A, Livret de Développement Durable (LDD) and Livret d'Epargne Populaire (LEP) passbook accounts), funds from legal professionals, such as deposits by notaries, public sector pension funds and the Personal Training Account (CPF) programme.

Long-term investor on the financial markets. Caisse des Dépôts invests a portion of the funds entrusted to it on the financial markets, with a dual objective: ensuring the security, liquidity and yield of the funds and generating regular returns to strengthen its equity and invest in public interest projects.

Lender and investor in public interest projects. Caisse des Dépôts produces two separate balance sheets, one for the Savings Funds and the other for the Central Sector.

It transforms a portion of the regulated savings carried on the Savings Funds balance sheet into long-term loans to finance social housing, regenerate disadvantaged areas and finance local public sector facilities (transport, schools, hospitals, digital development, etc.).

Caisse des Dépôts uses equity from the Central Sector balance sheet to make capital contributions to finance innovative public-private projects (semi-public companies) and ad hoc companies created for real estate projects (residential care homes for the elderly (*Établissements d'Hébergement pour Personnes Agées Dépendantes* – EHPAD), tourism, clinics, etc.).

Operator through its subsidiaries. Caisse des Dépôts holds strategic investments in such companies as Transdev, Egis, Icade, CNP Assurances, Compagnie des Alpes and RTE. Some of these subsidiaries were created by Caisse des Dépôts, for example Transdev, Egis, Icade, CNP Assurances and Compagnie des Alpes. They were first developed and thereafter became subsidiaries.

2 – Our activities

Mandates and deposits

A trusted third party, Caisse des Dépôts manages the mandates and public and private funds entrusted to it.

We safely manage the funds entrusted to us: these include escrow accounts, the assets of vulnerable populations and deposits from notaries and other legal professionals. As banker to the social security system, we deliver administrative, financial and banking management services, in the context of the mandates entrusted to us by the French State. We are also developing a fiduciary business. A trusted third-party, we manage part of the budgets of the Investments for the Future Programme (PIA) on behalf of the French State. Our main customers are the French public justice system (notaries, receivers, judicial representatives, etc.), the French social security system and public interest players (social housing bodies, local public bodies, etc.).

We centralise and manage regulated savings (Livret A, LDDS, LEP) in complete safety, and transform them into very long-term loans serving the public interest, in particular social housing, urban planning and the long-term investments of local authorities. Resources that are not dedicated to loans are invested in financial assets in order to contribute to remunerating public savings and ensuring their liquidity while funding the economy.

Companies

The Caisse des Dépôts Group is the leading institutional investor in the equity of French companies. Supporting middle-market companies and SMEs with projects that drive growth allows us to fulfil one of our founding missions: contributing to France's economic development.

We provide companies with the financial solutions required at all stages of their development, through loans and equity, in particular in the segments the least covered by the market. We also provide guarantees to allow higher-risk projects to be financed. We give them the means to grow by mobilising other private equity players and seeking capital from foreign partners. We support the industries of the future and offer solutions suited to innovative companies. As such, we are involved in the competitive cluster and technology transfer acceleration companies (SATT) scheme, which we manage on behalf of the French State in the context of the Investments for the Future Programme (PIA).

We give companies the means to develop internationally: supporting entrepreneurs and deploying a comprehensive range of export financing services (business development, trade debt, buyer and seller credit). We play a leading role in funding the social and solidarity economy (ESS) by providing our support to not-for-profit networks and supporting the creation and transfer of small businesses. We assist private and public research bodies in promoting their patent portfolios, on an international scale. We contribute to creating an ecosystem favourable to corporate development, thanks to special partnerships with local players. We support companies at the key stages in their growth: training (to allow entrepreneurs to identify growth factors and discover different learning drivers); networking between business leaders and potential investors; and consultancy services (notably advice on exports, awareness-raising and guidance on mergers and acquisitions).

Housing and property

A central player in housing and property, the Caisse des Dépôts Group actively participates in the national construction effort and the energy transition of existing properties.

We accompany public authorities and housing players in order to accelerate the creation of social and intermediate housing across France. We work towards creating conditions that will attract institutional investors to "intermediate" rental property, especially in areas lacking housing, as close as possible to employment areas. We are developing an affordable housing offer for young workers and students and contribute to the construction and renovation of specialised structures. We also cover the funding of accommodation centres and emergency accommodation for the most vulnerable populations. To respond to the needs of as many people as possible, our housing offers are suited to all stages of life. We renovate and improve the energy performance of the existing private and public property portfolio. We offer social housing landlords and local authorities solutions suited to their needs. Our loans are used to finance projects that contribute to the ecological and energy transition, as well as asbestos removal work. We support local players by investing in commercial property projects (shopping centres, business centres, offices) and act as a property developer and owner for office blocks.

Insurance

The Caisse des Dépôts Group accompanies citizens and offers them solutions adapted to their financial, personal risk, insurance and pension needs at each stage of their life.

We design and manage life insurance, pension, personal risk, health and loan insurance solutions, which are distributed by partners who are well established in their markets. We cater to the needs of companies, local authorities, mutual insurance companies, associations and banks. We respond to security needs thanks to a comprehensive range of insurance products: long-term care, death, funeral, personal accident, health and home care. We help families to confront the growing uncertainties that they are experiencing by offering a wide range of contracts such as life insurance. We also offer individuals specific pension savings products, guaranteeing lifetime income. We provide loan insurance for individual loan-seekers with various financial institutions, as well as for members of our partner mutual insurance companies.

Infrastructure and transport

We are involved in the design, funding and operation of French infrastructure and public amenities. Our solutions combine innovation, economic performance and a sense of serving the public interest.

We invest in the infrastructure of tomorrow: high-speed rail lines, tram networks, ports, motorways, airports, telecoms networks, water and waste management systems and energy transmission networks.

We support local projects by offering local authorities and local public sector companies (EPLs) our expertise in innovative legal and financial arrangements, combining public funds and private equity. We mobilise our partners to direct European and international funds into national projects. We support the local authorities in digitally equipping France's regions by providing engineering and financing assistance, in particular to roll out new high-speed networks (THD).

Ecology and energy

The Caisse des Dépôts Group is fully mobilised to take on the ecological and energy challenge that the country is facing. We develop operational solutions for companies in the regions to contribute to a society that is more efficient and restrained in terms of the consumption of natural resources and energy. We also play a leading role in preserving natural environments and biodiversity.

We invest heavily in forestry development, promote the timber industries and are committed to sustainable forest management. We manage the forest assets of French institutional investors and of a growing number of forestry groups and private owners. The leading operator in biodiversity offsetting, we provide concrete solutions for promoting and protecting natural resources by offering long-term funding for projects to restore and manage natural spaces with the agreement of local stakeholders.

We are strengthening our commitments and developing new businesses. We carry out long-term collective regional projects and encourage greater ecological consistency. We put in place specific financial measures to support emerging players in the sector and structure innovative industries. We fund low-carbon projects, the production of renewable energies, energy saving solutions and companies involved in the ecological and energy transition. The Group leverages the wide-ranging expertise of its research network to further public debate by providing innovative, environmentally friendly solutions.

Tourism and leisure

The Caisse des Dépôts Group is a long-standing and important operator in the French leisure and tourism industry. Firmly rooted in the regions, we are the preferred partner of local authorities and support them in their economic development projects.

We help local authorities define projects that enhance the appeal of the regions and spur job creation. We invest in tourist infrastructure and ensure its maintenance and operation through the tourism development fund *(Fonds développement tourisme)*, among others. We manage the main French ski resorts and develop major leisure parks in Europe. Creator of the social tourism investment (*Tourisme social investissement* – TSI) fund, we renovate lodgings and leisure facilities. Furthermore, with the hotel renovation quasi-equity loans (*Prêt participatif pour la rénovation hôtelière* – PPRH), we help refurbish the tourist property portfolio. Actively involved in the public tourism development policy, we serve the public interest and play a role in social cohesion.

Digital

The Caisse des Dépôts Group supports local authorities in digitally equipping their regions and helps develop innovative digital services and uses.

We lend our engineering and financing expertise to public sector stakeholders to accelerate digital development in the regions. We help finance and roll out high-speed networks, including in sparsely populated areas. We help innovative companies become more competitive and shape their industry in France and abroad. We fund innovation to support the investments of SMEs and middle-market companies in new digital solution integration projects. We support local authorities by helping to develop different local digital ecosystems: rollout of call centres, creation of the world's largest incubator for digital start-ups (Halle Freyssinet), and a scaling up of our higher education initiatives. We participate in innovative programmes which are shaping the cities of the future. From transport to the environment, we deploy smart technology and improve the quality of "living together". We support the deployment of e-administration, which is an important component of the French State's reform and the modernisation of the civil service. As a service provider, we are developing an array of trusted digital solutions, ranging from the digitisation of processes and flows to the preservation of the integrity of the data entrusted to us. We have put in place and manage the Personal Training Account (CPF). We also manage inactive bank accounts and unclaimed life insurance policies on behalf of the French State via a dedicated site which opened to the public on 1 January 2017.

3 – Our governance

In accordance with the French Law of 1816, Caisse des Dépôts is "closely supervised by the French Parliament and the legislative process", a special status that guarantees its independence. Parliament exercises control over its activities and guarantees its autonomy via a Supervisory Board. The Supervisory Board oversees major decisions (strategy development, shareholdings, savings funds management, account verification, etc.), monitors the prudential model and reports on the financial situation to Parliament. It comprises three members of the National Assembly, two members of the Senate, the Governor or Deputy Governor of the Banque de France, the Head of the French Treasury, a representative of the Conseil d'État (France's highest administrative court), two representatives of the Court of Auditors and three qualified officials. Under the draft PACTE law *(Plan d'Action pour la Croissance et la Transformation des Entreprises* or Action Plan for Business Growth and Transformation), the membership of the Supervisory Board would be adjusted and its powers strengthened.

4 – Sustainable policy

As its main mission is to reduce social inequality and regional divide, Caisse des Dépôts has made corporate social responsibility a cross-cutting ambition to which each of its five business lines contributes. It is included in the sustainable policy alongside three complementary components: environmental, internal and economic and financial responsibility. The sustainable policy aims to mainstream sustainable development issues into all the activities of Caisse des Dépôts, its subsidiaries and its strategic investments. In particular, this mainstreaming involves developing product and service offerings with positive social and/or environmental impacts in each sector of activity.

Rolling out sustainable financial practices constitutes a major priority for the activities. A responsible investment policy therefore governs the Group's investment practices. Caisse des Dépôts' sustainable policy also includes a section on its internal operations: a responsible human resources management policy, fair and transparent practices and managing the negative impacts of activities and operations.

Since spring 2018, Caisse des Dépôts has initiated several major projects, such as the implementation of an extra-financial risk management approach and its integration into the Group's overall risk management process and the preparation of Caisse des Dépôts' sustainable policy based on the United Nations' Sustainable Development Goals (SDG) initiative.

5 – The economic environment in 2018

5.1. Economic context

International economic conditions deteriorated during the year, particularly in the last quarter of 2018. This can be explained by the still significant geopolitical risks: ongoing trade tensions, in particular between the United States and China; the still highly uncertain environment surrounding Brexit, with no scenarios ruled out at this stage (including Bremain and a hard Brexit); and Italy's public finances, with a standoff between the governing coalition and the European Commission over the 2019 budget. The economic slowdown, which is already underway in Europe and China and is on the horizon in the United States, is not unexpected at this stage of the business cycle, but the high degree of uncertainty is weighing on business and consumer confidence and fuelling investor fears, which in turn worsens financial conditions and further depresses growth.

In France, after surging to 2.3% in 2017, growth gradually slowed to 1.5% for full-year 2018. At this stage of the economic cycle, as GDP nears equilibrium, it is natural for growth to converge towards its potential level of around 1.3% per year, with supply constraints, and recruitment difficulties in particular, becoming more intense.

5.2. Financial context

The changing conditions on the financial markets in 2018 took a toll on risky assets. Key rates increased in the United States, marking the end of "accommodative" monetary policy. Risky assets, which had in previous years benefited significantly from the lack of competition in terms of returns, were adversely impacted by these conditions, and rising uncertainty lowered visibility, reducing the appetite for risky assets.

To summarise:

Conditions on the money market continued to be characterised by low rates which were unchanged on the whole in the eurozone. The ECB did not change its key rates: the recovery is still far from generating inflationary pressures, which explains why the ECB has maintained the status quo. The three-month Euribor ended 2018 at -0.31%, close to its end-2017 level of -0.33%. The Fed continued its monetary normalisation by increasing the Fed funds rate to 2.5% in 2018, compared with 1.5% at end-2017.

On the French bond market, there was no clear and persistent trend in the yield on the 10-year OAT. It ended the year at 0.71%, close to its end-2017 level of 0.79%. Yields remained low as demand for bonds was high, in particular due to the ECB's massive bond purchases. Neither the announcement of the winding down of the purchase programme from €30 billion to €15 billion nor that of the end of its net purchases in January 2019 significantly changed the supply/demand ratio, or prices, since investor demand for sovereign bonds increased at the same time. The increase in risk perception (concerns about a hard Brexit, sovereign bond stress in Italy after the elections, higher tariffs between the United States and China, depressed equities, etc.) prompted investors to allocate their portfolios defensively and thus to purchase bonds. The most significant event, with respect to European bonds, was the sharp rise in yields on the 10-year Italian bond (+73 bp in full-year 2018 to 2.74% at end-December) due to the new government's announcement of a stimulus plan casting doubt on the previous commitments to reduce the debt/GDP ratio. The probability of the government defaulting was revised upwards.

Stock markets turned in a negative performance during the year. The CAC 40 dropped 11% in 2018. While the business cycle continued to expand and corporate profits continued to grow, stock market valuations were adversely affected by two factors. First, increased risk perception: in 2018, downside uncertainties proliferated (see above), leading to a lack of visibility that is not favourable for investments in risky assets. Second, monetary normalisation in the United States: this made it more attractive to invest in money-market and bond assets since these less risky assets were seeing higher returns. Risky assets, which investors have preferred in the past due to their higher returns, were inevitably impacted and fell victim to asset reallocations. This equity price correction is healthy: as prices are rising more slowly than future earnings, the fall in equities is easing previously high valuations (decline in P/Es), which are therefore levelling out.

6 – Key figures

6.1. Caisse des Dépôts Group

(in billions of euros)	2017	2018
Total consolidated assets	173.5	163.0
Equity attributable to owners (excluding unrealised gains and losses)	30.4*	31.6
Equity attributable to owners (including unrealised gains and losses)	37.2*	35.9
Consolidated net profit attributable to owners	1.9	1.8

* At 1 January 2018, application of IFRS 9 and 15.

6.2. Savings Funds

(in billions of euros)	2017	2018
Total loans agreed	17.0	12.8
Loans for social housing and urban planning	15.1	11.6
Loans to regional authorities	1.9	1.2
Outstanding loans	185.1	188.5

7 – Caisse des Dépôts long-term and short-term ratings

Established by the Law of 28 April 1816, Caisse des Dépôts is a state-owned institution serving France's public interest and local and regional economic development.
Caisse des Dépôts is closely supervised by the French Parliament and the legislative process.
Credit rating agencies consider Caisse des Dépôts to be a state agency and thus to carry the same rating as the Republic of France.
The following table lists Caisse des Dépôts' long-term and short-term ratings at 31 December 2018:

Ratings	Standard & Poor's	Moody's	Fitch
Caisse des Dépôts	AA/Stable/A-1+	Aa2/Positive/P-1	AA/Stable/F1+
EMTN & BMTN Programmes	AA	Aa2	AA
CD Programme	A-1+	P-1	F1+
Global CP Programme	A-1+	P-1	F1+

Investor relations:
Short-term financing: CDC.TREASURY@caissedesdepots.fr
Long-term financing: EMTN-CDC@caissedesdepots.fr

8 – Audit of the financial statements

In compliance with article L. 518-15-1 of the French Monetary and Financial Code:
"Each year, Caisse des dépôts et consignations shall present its company and consolidated financial statements, audited by two statutory auditors, to the Finance Committees of the National Assembly and the Senate."

Caisse des Dépôts Group consolidated financial statements at 31 December 2018

reviewed and adopted by the Chairman and Chief Executive Officer
of Caisse des Dépôts on 20 March 2019

Contents

Consolidated financial statements

Caisse des Dépôts Group significant events

1 – Housing Plan: Mechanism to support social housing

Caisse des Dépôts reaffirmed its full support for its social housing landlord customers with two priorities: assisting French social housing organisations (OLS) in their transformation and supporting their investments to meet the need for housing in the regions.

Caisse des Dépôts has introduced a mechanism made up of various products designed to meet the specific new requirements of social housing organisations, with two financing packages worth a total amount of €6 billion.

A first package of subsidised equity loans, worth €2 billion and committed on 5 June 2018, is intended to assist social housing landlords in their construction and renovation projects, and to encourage sector consolidation. This package will be reserved for landlords and groups involved in a restructuring plan (merger, asset takeover, backing of a major group).

The second package of fixed-rate loans, worth €4 billion and committed on 4 July 2018, is intended:
- half in support of investment by social housing landlords in the construction and renovation of social housing;
- half in the negotiation of social housing landlord debt at a fixed rate, in particular to assist restructuring in the sector.

2 – Tonus Territoires

To support the creation of social housing in high-demand areas, Banque des Territoires is deploying a new offering, called “Tonus”, as part of Caisse des Dépôts’ Housing Plan. Wholly owned by Caisse des Dépôts since the end of 2018, the vehicle will invest on a bare ownership basis in the construction of social housing in high-demand areas. The landlords will be usufructuaries for a period of 15 to 20 years.

3 – CDC International Capital

Since 2014, CDC International Capital, a wholly owned subsidiary of Caisse des Dépôts, has been developing a capital investment activity alongside international sovereign funds, chiefly in unlisted French SMEs and mid-cap companies. With a view to bringing together all the Group’s means of action and expertise in equity support for businesses, the decision was taken to transfer CDC International Capital to Bpifrance on 14 December 2018.

4 – Icade

Since the Extraordinary General Meeting held on 29 June 2018, the Board of Directors of Icade has been made up of 14 directors, of whom five are independent. Caisse des Dépôts retains control over Icade and the investment continued to be fully consolidated at 31 December 2018.

- **With regard Office Property Investment,** Icade completed the merger-absorption of ANF Immobilier on 30 June 2018. At 31 December 2018, 7.7% of Icade’s portfolio (in terms of shares held) was consequently situated in large regional cities, in particular Lyon, Bordeaux, Marseille and Toulouse.
  In line with the strategic plan announced last July, Icade signed the sale of:
  - the Paris Nord 2 and Colombes business parks and the Axe Seine building for a total amount of €434 million;
  - its head office in Issy-les-Moulineaux (the Open building) for an amount of €99 million. Icade remains the occupant of the building under a lease signed at the same time as the sale.
- **Healthcare Property Investment** is continuing to strengthen its leading position in healthcare property investment in France with the acquisition of EHPAD and the delivery of clinics resulting from development and extension operations carried out with its operating partners:
  - Acquisition for an amount of €211 million, relating primarily to a portfolio of 14 nursing homes acquired in July 2018 for €189 million from the Residalya group, which will remain the tenant and operator of these facilities under new 12-year leases with no break options.
  - In addition, in line with its new strategic plan, Icade signed its first international investment in October 2018 for €112 million to acquire, upon completion of the facilities, seven nursing homes to be built in northern Italy.

5 – Change in the shareholder base of Transdev

As part of the extension of the agreement concluded between Caisse des Dépôts and the Rethmann group on 2 October 2018, in January 2019 the Rethmann group acquired 30% of the capital of Transdev that had previously been held by the Veolia group. At the same time, the Rethmann group contributed to Transdev its public passenger transport activities in Germany via a reserved capital increase of 4%, subsequent to which its holding in the capital of Transdev increased to 34%.

As a result, the €330 million put option over non-controlling interests, recognised in liabilities by Caisse des Dépôts in 2016 with a corresponding reduction in equity, was derecognised at 31 December 2018.

Caisse des Dépôts retains exclusive control over Transdev, with more than two-thirds of its voting rights and 66% of its capital in 2019, thereby reaffirming its role as long-term majority shareholder.

6 – CNP Assurances

On 30 August 2018, CNP Assurances announced the conclusion of a binding memorandum of understanding, providing for a new long-term exclusive distribution agreement until 13 February 2041 in Brazil, in the network of Caixa Econômica Federal (CEF), one of the leading Brazilian banks and one of the five largest in Latin America.

The new agreement builds on the historic success of the partnership between CNP Assurances and CEF since 2001, through their joint subsidiary Caixa Seguros Holding (CSH), which has proven its ability to generate a combination of strong growth, high profitability and regular cash flow.

The new scope of the exclusivity in the CEF network relates to personal risk, consumer credit insurance and retirement products. Under the terms of the non-binding memorandum of understanding signed at the end of September 2017, the new distribution agreement will be implemented through a new joint insurance company to be created for this purpose by CNP Assurances and Caixa Seguridade, the CEF subsidiary bringing together its insurance activities, with CNP Assurances and Caixa Seguridade respectively holding 51% and 49% of the voting rights and 40% and 60% of the economic rights.

Once the transaction has been completed, CSH will transfer to the new joint insurance company the in-force insurance portfolios related to the products included in the agreement's scope (personal risk, consumer credit insurance and retirement).

The operation is subject to the authorisations of the supervisory authorities and the lifting of conditions precedent.

7 – Planned creation of a large public financial division serving the regions and including Caisse des Dépôts and La Poste

Caisse des Dépôts, the La Poste group and La Banque Postale announced on 31 August 2018 that, under the draft law for business growth and transformation (PACTE), the French government would be submitting to parliamentary debate a draft amendment enabling the creation of a large public financial division serving the regions and including Caisse des Dépôts (CDC) and La Poste. This ambitious plan aims to strengthen regional cohesion and address regional divide by providing every citizen with access to a full range of services, particularly digital or personal assistance services (especially older people), through La Poste, the proximity operator serving citizens. It would promote the creation of a large public financial division in the regions, representing the public interest and offering banking services which meet the needs of local communities, businesses and individuals, by combining the expertise of La Banque Postale, CDC's Banque des Territoires and Bpifrance, and enhancing their cooperation programmes and partnerships. Implementation of this plan would involve majority control in La Poste being taken by CDC, a current shareholder in La Poste alongside the French State. The operation would be achieved through the transfer by CDC and the French State to La Poste of their stakes in the capital of CNP Assurances, which La Poste would in turn transfer to La Banque Postale. The existing commercial partnership between La Banque Postale and CNP Assurances would thus be strengthened while maintaining the open and multi-partner model of CNP Assurances. This operation will have to be approved by CDC's Supervisory Board and the Boards of Directors of the institutions concerned. Measures to inform and consult the relevant staff representative bodies will be necessary before the final agreements are signed. A request for exemption from a mandatory public offering for CNP Assurances will also be submitted to the French financial markets authority (*Autorité des marchés financiers* – AMF). Subject to obtaining the required authorisations from the competent French and/or European administrative authorities, the operation is expected to be completed on expiry of the current CNP Assurances shareholders' agreement on 31 December 2019, or earlier, if all the parties agree to end it at an earlier date.

8 – Discussions between the French State and Caisse des Dépôts with a view to transferring control of SFIL to the latter

As part of the creation of a large public financial division, the French State and Caisse des Dépôts have entered into discussions with a view to transferring to CDC control of public development bank, SFIL, the seventh largest French bank and the largest issuer of covered public sector bonds in Europe.

This operation would make it possible to continue streamlining the organisation of public financial institutions serving the regions, bringing them together within the CDC Group.

As is the case today, SFIL's shareholder base would remain entirely public.

9 – First-time adoption of IFRS 9 and IFRS 15

IFRS 9 *Financial Instruments*, adopted by the European Union on 22 November 2016, became mandatory on 1 January 2018. The impacts of this standard on this date are set out in Note 2.1 and led in particular to a reduction in consolidated equity attributable to owners of €90 million.

IFRS 15 *Revenue from Contracts with Customers,* adopted by the European Union on 22 September 2016, likewise became mandatory on 1 January 2018. Adoption of this standard did not have a material impact on the financial statements of the Caisse des Dépôts Group.

Subsequent events

There were no significant subsequent events likely to have a material impact on the financial statements and results of the Caisse des Dépôts Group at 31 December 2018.

Consolidated income statement, year ended 31 December 2018

(in millions of euros)	Notes	31.12.2018	31.12.2017 Published(1)
Interest income	3.1	1,501	1,430
Interest expense	3.1	(1,081)	(1,192)
Gains and losses resulting from net position hedges, net			
Fee and commission income	3.2	19	21
Fee and commission expense	3.2	(38)	(38)
Gains and losses on financial instruments at fair value through profit or loss, net	3.3	88	(5)
Gains and losses on available-for-sale financial assets, net	3.4		922
Gains and losses on financial instruments at fair value through other comprehensive income, net	3.4	632	694
Gains and losses resulting from derecognition of financial assets at amortised cost, net	3.5	(5)	
Gains and losses resulting from reclassification of financial assets at amortised cost as financial assets at fair value through profit or loss, net			
Gains and losses resulting from reclassification of financial assets at fair value through other comprehensive income as financial assets at fair value through profit or loss, net			
Income from other activities	3.6	11,909	11,347
Expenses from other activities	3.6	(4,034)	(3,501)
Net banking income		**8,991**	**9,678**
General operating expenses	3.7	(7,597)	(7,454)
Depreciation, amortisation and impairment of property and equipment and intangible assets		(638)	(596)
Gross operating profit (loss)		**756**	**1,628**
Cost of credit risk	3.8	(15)	(1)
Operating profit (loss)		**741**	**1,627**
Share of profit (loss) of equity-accounted associates	4.10	281	(319)
Share of profit (loss) of equity-accounted joint ventures	4.10	1,167	1,296
Gains and losses on other assets, net	3.9	29	34
Change in value of goodwill	4.12	(2)	(5)
Profit (loss) before tax		**2,216**	**2,633**
Income tax expense	3.10	(307)	(531)
Net profit (loss) from discontinued operations		5	3
Net profit (loss)		**1,914**	**2,105**
Non-controlling interests	4.18	(146)	(199)
Net profit (loss) attributable to owners		**1,768**	**1,906**

(1) IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers* are described in the notes to the consolidated financial statements in the part entitled "Summary of significant accounting policies". They are applicable retrospectively with effect from periods beginning on or after 1 January 2018, without any obligation to restate the previous financial statements included for comparative purposes.
Accordingly, the financial statements for the previous period included for comparative purposes have not been restated. The impact of the adoption of these standards is set out in part 2 "Adoption of IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers*" of the notes to the consolidated financial statements.

Consolidated statement of comprehensive income, year ended 31 December 2018

(in millions of euros)	31.12.2018	31.12.2017 Published(1)
Net profit (loss)	**1,914**	**2,105**
Items not to be reclassified to the income statement		
Actuarial gains and losses on post-employment defined benefit obligations		15
Changes in credit risk for financial liabilities designated at fair value through profit of loss using the fair value option	4	(1)
Changes in fair value of equity instruments recognised at fair value through other comprehensive income	(1,054)	
Gains and losses on hedging instruments that hedge investments in equity instruments measured at fair value through other comprehensive income		
Share of other comprehensive income (loss) of equity-accounted companies	(567)	
Total items not to be reclassified to the income statement	**(1,617)**	**14**
Items to be reclassified to the income statement		
Exchange differences on translation of foreign operations	(13)	(54)
Changes in fair value of available-for-sale financial assets		1,982
Changes in fair value of financial assets at fair value through other comprehensive income	14	
Gains and losses on hedging instruments	(1)	50
Share of other comprehensive income (loss) of equity-accounted companies	(712)	48
Total items to be reclassified to the income statement	**(712)**	**2,026**
Other comprehensive income (loss)	**(2,329)**	**2,040**
Total comprehensive income (loss)	**(415)**	**4,145**
Attributable to owners	(569)	3,950
Non-controlling interests	154	195

(1) IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers* are described in the notes to the consolidated financial statements in the part entitled "Summary of significant accounting policies". They are applicable retrospectively with effect from periods beginning on or after 1 January 2018, without any obligation to restate the previous financial statements included for comparative purposes.

Accordingly, the financial statements for the previous period included for comparative purposes have not been restated. The impact of the adoption of these standards is set out in part 2 "Adoption of IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers*" of the notes to the consolidated financial statements.

Consolidated statement of financial position, at 31 December 2018

(in millions of euros)	Notes	31.12.2018	01.01.2018 IFRS 9/15(1)	31.12.2017 IAS 39
Assets				
Cash and amounts due from central banks		1,043	8,785	8,785
Financial assets at fair value through profit or loss	4.1	9,692	10,098	1,583
Hedging instruments with a positive fair value	4.2	1,220	1,449	1,449
Available-for-sale financial assets				65,589
Financial assets at fair value through other comprehensive income	4.3	34,745	23,415	
Securities at amortised cost	4.4	51,045	57,761	
Loans and receivables due from credit institutions and related entities, at amortised cost	4.5	10,813	15,883	15,897
Loans and receivables due from customers, at amortised cost	4.6	3,981	3,543	4,828
Cumulative fair value adjustments to portfolios hedged against interest rate risk				
Held-to-maturity investments				22,953
Current and deferred tax assets	4.7	484	232	235
Prepayments, accrued income and other assets	4.8	5,312	7,364	7,288
Non-current assets held for sale	4.9	64	14	14
Investments in equity-accounted associates and joint ventures	4.10	24,218	24,718	24,661
Investment property	4.11	16,003	15,912	15,912
Owner-occupied property and equipment	4.11	2,673	2,628	2,628
Intangible assets	4.11	671	717	719
Goodwill	4.12	1,038	1,002	1,002
Total assets		**163,002**	**173,521**	**173,543**

(1) IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers* are described in the notes to the consolidated financial statements in the part entitled "Summary of significant accounting policies". They are applicable retrospectively with effect from periods beginning on or after 1 January 2018, without any obligation to restate the previous financial statements included for comparative purposes.
Accordingly, the financial statements for the previous period included for comparative purposes have not been restated. The impact of the adoption of these standards is set out in part 2 "Adoption of IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers*" of the notes to the consolidated financial statements.

(in millions of euros)	Notes	31.12.2018	01.01.2018 IFRS 9/15[1]	31.12.2017 IAS 39
Liabilities and equity				
Due to central banks		1		
Financial liabilities at fair value through profit or loss	4.1	981	2,230	2,230
Hedging instruments with a negative fair value	4.2	1,318	1,562	1,562
Debt securities	4.13	33,212	39,433	39,433
Due to credit institutions	4.14	12,687	11,882	11,879
Due to customers	4.15	65,741	64,430	64,432
Cumulative fair value adjustments to portfolios hedged against interest rate risk				
Current and deferred tax liabilities	4.7	1,340	1,754	1,765
Accrued expenses, deferred income and other liabilities	4.8	6,925	10,190	10,139
Liabilities related to non-current assets held for sale	4.9	82	12	12
Provisions	4.17	1,204	1,199	1,188
Subordinated debt		1	1	1
Equity attributable to owners				
Reserves and retained earnings		29,820	28,496	23,556
Gains and losses recognised directly in equity		4,265	6,777	11,800
Profit (loss) for the period		1,768	1,906	1,906
Total equity attributable to owners		**35,853**	**37,179**	**37,262**
Non-controlling interests	4.18	3,657	3,649	3,640
Total equity		**39,510**	**40,828**	**40,902**
Total liabilities and equity		**163,002**	**173,521**	**173,543**

(1) IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers* are described in the notes to the consolidated financial statements in the part entitled "Summary of significant accounting policies". They are applicable retrospectively with effect from periods beginning on or after 1 January 2018, without any obligation to restate the previous financial statements included for comparative purposes.

Accordingly, the financial statements for the previous period included for comparative purposes have not been restated. The impact of the adoption of these standards is set out in part 2 "Adoption of IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers*" of the notes to the consolidated financial statements.

Consolidated statement of changes in equity, 1 January 2017 to 31 December 2018

(in millions of euros)	Reserves and retained earnings	Other comprehensive income to be reclassified to the income statement: Cumulative changes in fair value of available-for-sale financial assets	Cumulative changes in fair value of CNP Assurances' financial instruments under IAS 39	Cumulative changes in fair value of debt instruments at fair value through other comprehensive income	Cumulative changes in fair value of hedging instruments	Translation reserve
Equity at 01.01.2017	**22,659**	**9,403**		**833**	**(306)**	**33**
Effect of changes in accounting methods						
Appropriation of 2016 profit (loss)	1,783					
2016 dividend paid to the French State in 2017	(585)					
Interim dividend paid to the French State calculated on the basis of first-half 2017 results	(312)					
Dividend paid to non-controlling interests						
Non-controlling interest put options	(22)					
Transactions with non-controlling interests	(4)					
Other movements	37	(6)			3	(1)
Profit (loss) for the period						
Other comprehensive income						
Exchange differences on translation of foreign operations						(196)
Changes in fair value of financial instruments at fair value through other comprehensive income		3,137		(26)	5	
Changes in credit risk on financial liabilities at fair value through profit or loss						
Changes in fair value of financial instruments reclassified to the income statement		(833)		(91)	34	
Equity at 31.12.2017	**23,556**	**11,701**	**-**	**716**	**(264)**	**(164)**
Effect of changes in accounting methods						
• Reclassification of CNP Assurances contribution		(1,229)	1,814	(605)	20	
• Impact of adoption of IFRS 9	4,933	(10,472)		(17)	11	(1)
• Impact of adoption of IFRS 15	7					
Equity at 01.01.2018	**28,496**		**1,814**	**94**	**(233)**	**(165)**
Appropriation of 2017 profit (loss)	1,906					
2017 dividend paid to the French State	(441)					
Interim dividend paid to the French State calculated on the basis of first-half 2018 results	(542)					
Non-controlling interest put options	246					
Transactions with non-controlling interests	(12)					
Other movements	16		1		4	(1)
Profit (loss) for the period						
Other comprehensive income						
Exchange differences on translation of foreign operations					(1)	(104)
Changes in fair value of financial instruments at fair value through other comprehensive income	148		(492)	(104)		
Changes in credit risk on financial liabilities at fair value through profit or loss						
Changes in fair value of financial instruments reclassified to the income statement	3		(11)			
Equity at 31.12.2018	**29,820**	**-**	**1,312**	**(10)**	**(230)**	**(270)**

Other comprehensive income not to be reclassified to the income statement										
Changes in credit risk on financial liabilities at fair value through profit or loss	Changes in value of actuarial gains and losses	Cumulative changes in fair value of equity instruments at fair value through other comprehensive income	Cumulative changes in fair value of hedging instruments	Net profit (loss) attributable to owners	Equity attributable to owners	Retained earnings – Non-controlling interests	Non-controlling interests in other comprehensive income (loss)	Non-controlling interests in profit (loss)	Non-controlling interests	Total equity
(28)	**(177)**			**1,783**	**34,200**	**3,333**	**114**	**105**	**3,552**	**37,752**
				(1,783)		105		(105)		
					(585)					(585)
					(312)					(312)
						(239)			(239)	(239)
					(22)					(22)
					(4)	3			3	(1)
	19				52	129	(1)		128	180
				1,906	1,906			199	199	2,105
					(196)		(23)		(23)	(219)
					3,116		12		12	3,128
(3)					(3)					(3)
					(890)		8		8	(882)
(31)	**(158)**			**1,906**	**37,262**	**3,331**	**110**	**199**	**3,640**	**40,902**
						17	(17)			
(1)		5,457			(90)					(90)
					7	9			9	16
(32)	**(158)**	**5,457**		**1,906**	**37,179**	**3,357**	**93**	**199**	**3,649**	**40,828**
				(1,906)		199		(199)		
					(441)	(285)			(285)	(726)
					(542)					(542)
					246	103			103	349
					(12)					(12)
	26				46	14			14	60
				1,768	1,768			147	147	1,915
					(105)		(4)		(4)	(109)
		(1,835)			(2,283)		32		32	(2,251)
5					5					5
					(8)		1		1	(7)
(27)	**(132)**	**3,622**		**1,768**	**35,853**	**3,388**	**122**	**147**	**3,657**	**39,510**

Consolidated statement of cash flows, year ended 31 December 2018

The statement of cash flows is prepared using the indirect method.
Investing activities correspond to purchases and sales of interests in consolidated companies, property and equipment and intangible assets.
Financing activities are activities that result in changes in the size and composition of equity, subordinated debt and bond debt.
Operating activities correspond to all cash flows that do not fall within the above two categories.

(in millions of euros)	31.12.2018	31.12.2017 Published
Profit (loss) before tax (excluding discontinued operations)	**2,216**	**2,633**
Net depreciation, amortisation and impairment of property and equipment and intangible assets	1,131	1,112
Impairment losses on goodwill and other non-current assets	34	(38)
Net provision expense and impairment losses	287	229
Share of profit (loss) of equity-accounted associates and joint ventures	(1,448)	(977)
Gains/losses from investing activities, net	784	101
Gains/losses from financing activities, net		
Other movements[(1)]	364	726
Total non-monetary items included in profit (loss) before tax and other adjustments	**1,153**	**1,153**
Cash flows relating to transactions with credit institutions	4,901	(2,392)
Cash flows relating to customer transactions	755	5,885
Cash flows relating to other transactions affecting financial assets and liabilities[(2)]	(14,779)	(1,462)
Cash flows relating to investment property	(404)	(623)
Cash flows relating to other transactions affecting non-financial assets and liabilities	120	432
Income taxes paid	(621)	(744)
Net increase (decrease) in cash related to assets and liabilities from operating activities	**(10,028)**	**1,096**
Net cash from (used in) operating activities	**(6,659)**	**4,882**
Cash flows relating to financial assets and investments	(1,059)	(1,504)
Cash flows relating to property and equipment and intangible assets	(511)	(532)
Net cash from (used in) investing activities	**(1,570)**	**(2,036)**
Cash flows from (used in) transactions with owners	(1,010)	(1,049)
Other net cash flows from (used in) financing activities	678	650
Net cash from (used in) financing activities	**(332)**	**(399)**
Effect of discontinued operations on cash and cash equivalents	**(5)**	**24**
Effect of changes in exchange rates on cash and cash equivalents		**(15)**
Effect of changes in accounting methods	**30**	**24**
Net increase (decrease) in cash and cash equivalents	**(8,536)**	**2,479**
Cash and cash equivalents at the beginning of the period	**11,612**	**9,131**
Cash and central banks, net	8,785	7,649
Net loans to (borrowings from) credit institutions repayable on demand	2,827	1,482
Cash and cash equivalents at the end of the period	**3,076**	**11,612**
Cash and central banks, net	1,043	8,785
Net loans to (borrowings from) credit institutions repayable on demand	2,032	2,827
Net increase (decrease) in cash and cash equivalents	**(8,536)**	**2,480**

(1) This item relates mainly to the non-monetary change in prepayments and accrued income and to changes in the fair value of assets and liabilities at fair value through profit or loss.
(2) This line mainly corresponds to the net effect on cash and cash equivalents of issues by the Central Sector.

Composition of cash and cash equivalents

Cash and cash equivalents comprise cash, advances to and from central banks and post office banks, loans to and borrowings from credit institutions repayable on demand, and short-term investments in money market instruments. These investments generally have maturities of less than three months, are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

	31.12.2018		31.12.2017 Published	
(in millions of euros)	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Cash	2		2	
Central banks	1,041		8,783	
Sub-total	**1,043**		**8,785**	
Loans to (borrowings from) credit institutions repayable on demand	3,590	1,661	3,862	1,147
Money market mutual funds	104		112	
Sub-total	**3,694**	**1,661**	**3,974**	**1,147**
Cash and cash equivalents	**3,076**		**11,612**	

2018 segment information

(in millions of euros)	Caisse des Dépôts Division 31.12.2018	Caisse des Dépôts Division 31.12.2017 Published	Bpifrance Division 31.12.2018	Bpifrance Division 31.12.2017 Published
Interest income	1,498	1,420		
Interest expense	(918)	(1,017)		
Fee and commission income	19	21		
Fee and commission expense	(38)	(38)		
Gains and losses on financial instruments at fair value through profit or loss, net	75	(7)	5	3
Gains and losses on available-for-sale financial assets, net		918		
Gains or losses on financial instruments at fair value through other comprehensive income, net	632	690		1
Gains or losses resulting from derecognition of financial assets at amortised cost, net	(4)			
Income from other activities	903	944	2	2
Expenses from other activities	(790)	(872)	(16)	
Net banking income	**1,377**	**2,059**	**(9)**	**6**
General operating expenses	(671)	(609)	(10)	(9)
Depreciation, amortisation and impairment of property and equipment and intangible assets	(136)	(136)		
Gross operating profit (loss)	**570**	**1,314**	**(19)**	**(3)**
Cost of credit risk	(10)	7		
Operating profit (loss)	**560**	**1,321**	**(19)**	**(3)**
Share of profit (loss) of equity-accounted associates	13	13		
Share of profit (loss) of equity-accounted joint ventures	30	72	408	607
Gains and losses on other assets, net	18	(2)		
Change in value of goodwill				
Profit (loss) before tax	**621**	**1,404**	**389**	**604**
Income tax expense	(232)	(500)		
Net profit (loss) from discontinued operations	2	2		
Net profit (loss)	**391**	**906**	**389**	**604**
Non-controlling interests				
Net profit (loss) attributable to owners	**391**	**906**	**389**	**604**

(in millions of euros)	Caisse des Dépôts Division 31.12.2018	Caisse des Dépôts Division 01.01.2018 Restated	Bpifrance Division 31.12.2018	Bpifrance Division 01.01.2018 Restated
Contribution to statement of financial position	**139,593**	**150,873**	**1,212**	**1,035**

	Management of Strategic Investments Division						Total	
	Banking, Insurance & La Poste		Real Estate & Tourism		Infrastructure & Transport			
	31.12.2018	31.12.2017 Published	31.12.2018	31.12.2017 Published	31.12.2018	31.12.2017 Published	31.12.2018	31.12.2017 Published
				7	3	3	1,501	1,430
			(135)	(146)	(28)	(28)	(1,081)	(1,192)
							19	21
							(38)	(38)
			4	1	4	(1)	88	(5)
						4		922
						3	632	694
			(1)				(5)	
			2,822	2,583	8,182	7,817	11,909	11,347
			(1,566)	(1,392)	(1,662)	(1,236)	(4,034)	(3,501)
			1,124	**1,053**	**6,499**	**6,562**	**8,991**	**9,678**
			(691)	(665)	(6,225)	(6,172)	(7,597)	(7,454)
			(131)	(143)	(371)	(317)	(638)	(596)
			302	**245**	**(97)**	**73**	**756**	**1,628**
			(6)	(5)	1	(3)	(15)	(1)
			296	**240**	**(96)**	**70**	**741**	**1,627**
	207	(386)	5	5	56	49	281	(319)
	534	521		11	195	85	1,167	1,296
			(2)	1	13	35	29	34
					(2)	(6)	(2)	(5)
	741	**135**	**299**	**257**	**166**	**233**	**2,216**	**2,633**
			(53)	(14)	(22)	(16)	(307)	(531)
			3				5	3
	741	**135**	**249**	**243**	**144**	**217**	**1,914**	**2,105**
			(165)	(163)	19	(36)	(146)	(199)
	741	**135**	**84**	**80**	**163**	**181**	**1,768**	**1,906**

	Management of Strategic Investments Division						Total	
	Banking, Insurance & La Poste		Real Estate & Tourism		Infrastructure & Transport			
	31.12.2018	01.01.2018 Restated	31.12.2018	01.01.2018 Restated	31.12.2018	01.01.2018 Restated	31.12.2018	01.01.2018 Restated
	4,660	**4,893**	**12,395**	**11,861**	**5,142**	**4,859**	**163,002**	**173,521**

Notes to the consolidated financial statements

1 – Summary of significant accounting policies

I. Basis of preparation of the financial statements

The Caisse des Dépôts Group applies IFRS as adopted by the European Union at 31 December 2018. These standards are available on the European Commission's website at: *https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/financial-reporting*

The consolidated financial statements at 31 December 2018 have been prepared in accordance with the recognition and measurement principles set out in the relevant IASs/IFRSs and IFRS IC (IFRIC) interpretations that were applicable at the end of the reporting period.

These standards and interpretations are identical to those used and described in the Caisse des Dépôts Group's financial statements at 31 December 2017, with the exception of the standards, amendments and interpretations described below (see section I.1).

I.1. IFRS standards, amendments and interpretations effective as from 1 January 2018

Compared with 31 December 2017, IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers* were effective for the first time and had impacts on the Caisse des Dépôts Group's financial statements at 31 December 2018.

The impact of first-time adoption of these two standards is described in detail in part 2 of this financial report ("Adoption of IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers*").

IFRS 9 *Financial Instruments* (EU Regulation No. 2016/2067 of 22 November 2016)

IFRS 9 *Financial Instruments* has replaced IAS 39 since 1 January 2018. It sets out new principles for the classification and measurement of financial instruments, impairment of credit risk and hedge accounting excluding macro hedges.

These new principles are described in detail in section III "Accounting policies".

In accordance with the option available under IFRS 9, the Caisse des Dépôts Group decided not to restate its 2017 comparative financial statements in IFRS 9 format. As a result:

- The impact of first-time adoption of IFRS 9 is recognised in equity on 1 January 2018;
- The quantitative data presented for the 2017 comparison were prepared in accordance with IAS 39 *Financial Instruments*, the accounting principles and valuation methods of which are described in the Caisse des Dépôts Group's 2017 financial report.

As a reminder, since 1 January 2016, the Caisse des Dépôts Group has early applied the provision set out in paragraph 7.1.2 of IFRS 9. Accordingly, changes in fair value of the credit risk on financial liabilities designated at fair value through profit or loss under the fair value option are already recognised in other comprehensive income not to be reclassified to profit or loss at 1 January 2018.

IFRS 15 *Revenue from Contracts with Customers* (EU Regulation No. 2016/1905 of 22 September 2016) and the amendments *Clarifications to IFRS 15* (EU Regulation No. 2017/1987 of 31 October 2017)

IFRS 15 *Revenue from Contracts with Customers* replaces IAS 11 *Construction Contracts* and IAS 18 *Revenue*, as well as all related interpretations.

This standard on revenue recognition does not affect revenue from leases, insurance contracts or financial instruments.

It introduces a single model for recognising revenue based on the transfer of control of the promised good or service, in accordance with principles broken down into five key steps. IFRS 15 has been supplemented by the amendments *Clarifications to IFRS 15*, which do not change the standard's underlying principles. These amendments do, however, provide additional clarifications on how the principles of IFRS 15 should be applied.

These new principles are described in section III "Accounting policies".

In accordance with the option available under IFRS 15, the Caisse des Dépôts Group decided not to restate its 2017 comparative financial statements in IFRS 15 format. As a result:

- The impact of first-time adoption of IFRS 15 is recognised in equity on 1 January 2018;
- The quantitative data presented for the 2017 comparison were prepared in accordance with the former IAS 11 and IAS 18 standards and the related former interpretations.

Amendments to IFRS 4 *Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts* (EU Regulation No. 2017/1988 of 3 November 2017)

The amendments to IFRS 4 are intended to align the date of first-time adoption of IFRS 9 with that of the new IFRS 17 *Insurance Contracts* (effective 1 January 2021, subject to adoption by the European Union. The effective date may be deferred by one year, to 1 January 2022, following a recent decision by the IASB which has yet to be formalised).

These amendments provide for two approaches:

- The first approach, called the "overlay approach", is an option available to insurance undertakings that have chosen to apply IFRS 9 starting on 1 January 2018. This approach provides for the reclassification in other comprehensive income of any additional volatility that arises in profit or loss as a result of the application of IFRS 9 to financial assets held in respect of an activity that is connected with insurance contracts that had previously been recognised, under IAS 39, as available-for-sale financial assets or financial assets at amortised cost. Application of this approach remains optional for the full intervening period between application of IFRS 9 and IFRS 17;
- The second approach, called the "temporary exemption from IFRS 9", is an option to defer application of IFRS 9 until 1 January 2021. This option to defer application of IFRS 9 is available, subject to conditions, to entities whose activities are predominantly connected with insurance.

These amendments also introduce a simplifying option allowing groups applying IFRS 9 not to restate in IFRS 9 format the financial statements of insurance undertakings accounted for by the equity method in the consolidated financial statements.

The CNP Assurances group, which is accounted for by the equity method in the Caisse des Dépôts Group's financial statements:

- Satisfies the eligibility criteria for temporary exemption from applying IFRS 9 in its consolidated financial statements (as the predominance ratio of insurance activities, on which eligibility for deferral of IFRS 9 depends, was greater than 90% on 31 December 2015);
- Has opted to defer application of IFRS 9.

The Caisse des Dépôts Group has therefore decided not to restate in IFRS 9 format the CNP Assurances group's financial statements as from 1 January 2018. The financial instruments held by the CNP Assurances group therefore continue to be classified and measured in accordance with the provisions of IAS 39 *Financial Instruments*.

Additional information will, however, be published as part of the annual reporting process during the 2018-2021 transition period. This information will relate to the classification of financial assets and credit risk exposure of the financial assets that meet the criteria defined by IFRS 9 (securities whose cash flows correspond to payments of principal and interest on the principal amount outstanding).

Other IFRS amendments and interpretations effective as from 1 January 2018

The other IFRS amendments and interpretations effective as from 1 January 2018 are presented below. Their application did not have a material impact on the consolidated financial statements of the Caisse des Dépôts Group at 31 December 2018. They are:

- *Annual Improvements to IFRSs – 2014-2016 cycle* (EU Regulation No. 2018/182 of 7 February 2018)
  As part of its annual IFRS improvements process, the IASB published minor amendments to IAS 28 *Investments in Associates and Joint Ventures* and IFRS 12 *Disclosure of Interests in Other Entities.*
  The amendments to IAS 28 concern the measurement by venture capital organisations and similar entities of their interests in associates and joint ventures. It is now clearly stated that venture capital organisations and similar entities are free to decide to account for these interests by the equity method or at fair value through profit or loss; this choice may be made on an investment-by-investment basis.
  The amendments to IFRS 12 specify the information to be presented in the notes on entities classified as held for sale or as discontinued operations under IFRS 5.
- Amendments to IFRS 2 *Classification and Measurement of Share-based Payment Transactions* (EU Regulation No. 2018/289 of 26 February 2018)
  These amendments clarify the methods for recognising certain types of share-based payment transactions: modelling of performance conditions regardless of the settlement method, impacts on the plans of tax withholding, and accounting treatment of changes to plan settlement.
- Amendments to IAS 40 *Transfers of Investment Property* (EU Regulation No. 2018/400 of 14 March 2018)
  The amendments specify the circumstances under which an entity may reclassify a property to (or from) investment property. Such a transfer should be made when, and only when, the property meets (or ceases to meet) the definition of investment property and when there is evidence of a change in use. A change in management's intentions for the use of a property by itself does not constitute evidence of a change in use.
- IFRIC 22 *Foreign Currency Transactions and Advance Consideration* (EU Regulation No. 2018/519 of 28 March 2018)
  This interpretation provides clarification on the date to be used to determine the exchange rate for transactions that include the receipt or payment of advance consideration in a foreign currency.

I.2. Amendments early adopted by the Caisse des Dépôts Group as from 1 January 2018

The amendments to IFRS 9 *Prepayment Features with Negative Compensation* were adopted by the European Union on 22 March 2018 (EU Regulation No. 2018/498) and will be effective as from 1 January 2019, with early adoption possible.

These amendments aim to clarify the classification of certain financial assets that have a prepayment feature when the exercise of this feature could lead to a payment that is less than the amount of principal and interest on the principal amount outstanding (i.e. negative compensation).

Before these amendments to IFRS 9, debt instruments that were managed under a hold-to-collect business model and had this type of feature could not be recognised at amortised cost since they did not meet the SPPI (solely payments of principal and interest) criterion under IFRS 9. Consequently, they had to be recognised at fair value through profit or loss.

The amendments to IFRS 9 now stipulate that a prepayment feature for a debt instrument meets the SPPI criterion, regardless of the reasons or circumstances that led to the early termination of the contract and regardless of which party to the contract is to pay or receive compensation, provided that the compensation specified in the contract is "reasonable".

Early adoption of these amendments makes certain prepayment features eligible for the SPPI criterion as from 1 January 2018. These include prepayment features in the contractual provisions of debt instruments which, without these amendments, would not meet the SPPI criterion and would therefore have to be recognised at fair value through profit or loss (and not at amortised cost for an instrument managed under a hold-to-collect business model).

To avoid having to reclassify financial assets at 1 January 2019, just one year after first-time adoption of IFRS 9, the Caisse des Dépôts Group decided to early adopt these amendments as from 1 January 2018, concurrently with first-time adoption of IFRS 9.

I.3. IFRS standards and interpretations adopted by the European Union but not yet applicable

The Caisse des Dépôts Group does not apply the following standards and interpretations that will not be effective until 1 January 2019:
- IFRS 16 *Leases* (EU Regulation No. 2017/1986 of 31 October 2017).

IFRS 16 will replace IAS 17 and all interpretations relating to lease accounting.

For lessors, the expected impact of first-time adoption of IFRS 16 will be limited because the approach is substantially unchanged from that of IAS 17.

For lessees, IFRS 16 will introduce a model requiring all leases to be recognised in the statement of financial position, with recognition of a lease liability representative of commitments over the lease term, and a right-of-use asset, which shall be amortised.

The main changes relative to IAS 17 will be as follows for lessees:
- A new definition of lease based on "the right to control the use of an identified asset for a period of time in exchange for consideration";
- All leases will be recognised on lessees' statement of financial position;
- IFRS 16 moves away from classifying leases as operating leases or finance leases and now treats all leases as finance leases;
- Leases with a term of less than one year and leases for which the assets are of low value may be exempted from the requirements of IFRS 16.

Work on analysing the standard and identifying its potential effects continued throughout 2018 and showed that the Caisse des Dépôts Group's consolidated financial statements will not be materially affected.

For first-time adoption of this standard, the Caisse des Dépôts Group has opted for the modified retrospective approach, which will involve recognising the cumulative impact of first-time adoption in equity at 1 January 2019, without restating the 2018 comparative period:

- IFRIC 23 *Uncertainty over Income Tax Treatments* (Regulation EU No. 2018/1595 of 23 October 2018).

This interpretation clarifies the procedures for recognising and measuring income tax where there is uncertainty over the tax treatment applied. The Group will use the method that better predicts the resolution of the uncertainty.

This interpretation is not expected to have a material impact on the Caisse des Dépôts Group's consolidated financial statements.

I.4. IFRS standards, amendments and interpretations not yet adopted by the European Union

The Caisse des Dépôts Group did not apply the standards, amendments and interpretations published by the IASB and not yet adopted by the European Union at 31 December 2018.

In particular, this concerns IFRS 17 *Insurance Contracts*.

Published by the IASB on 18 May 2017, this standard will replace IFRS 4 *Insurance Contracts*. It will be applicable as from 1 January 2021, subject to adoption by the European Union. The effective date may be deferred by one year, to 1 January 2022, following a recent decision by the IASB which has yet to be formalised.

The aim of this new standard is to set out the principles for the accounting treatment, measurement and presentation of insurance contracts that fall within its scope.

IFRS 17 will have implications for the CNP Assurances group, which is accounted for by the equity method in the Caisse des Dépôts Group's consolidated financial statements.

The CNP Assurances group is currently analysing the impacts of IFRS 17.

Use of the ANC financial statement format for banks

In the absence of any requisite IFRS financial statement format, the layout of these financial statements complies with Recommendation No. 2017-02 dated 2 June 2017 issued by the *Autorité des normes comptables* (French accounting standards setter – ANC).

In accordance with IAS 1 as amended, Caisse des Dépôts presents a separate consolidated income statement providing a breakdown of profit. It also presents a statement of comprehensive income which starts with profit and details gains and losses recognised directly in equity, net of tax.

Use of estimates

The preparation of the Group's financial statements involves making certain estimates and assumptions which affect the reported amounts of income and expenses, assets and liabilities, as well as the disclosures in the accompanying notes. To make any such estimates and assumptions, management is required to exercise judgement and consider information available when the financial statements are drawn up. The actual outcome of transactions for which estimates and assumptions are made could differ significantly from the anticipated outcome, particularly with respect to market conditions, and this may have a material impact on the financial statements.

Estimates and assumptions are used to calculate:

- The fair value of unlisted financial instruments carried in the statement of financial position under "Financial assets/liabilities at fair value through profit or loss", "Hedging instruments" or "Financial assets at fair value through other comprehensive income";
- Any impairment taken on financial assets (financial assets at fair value through other comprehensive income to be reclassified to profit or loss, securities at amortised cost, loans and receivables at amortised cost);
- Any impairment taken on investments in equity-accounted companies;
- The fair value of investment property disclosed in the notes;
- Any impairment taken on property and equipment, intangible assets and goodwill;
- Deferred tax;
- Provisions reported in liabilities (including for employee benefits) in respect of contingencies and expenses;
- The initial amount of goodwill recognised on business combinations;
- The carrying amount of non-current assets and related liabilities held for sale.

II. Basis of consolidation

1. Scope of consolidation

The consolidated financial statements comprise the financial statements of Caisse des Dépôts (Central Sector), the consolidated financial statements of the sub-groups and the financial statements of entities over which Caisse des Dépôts exercises control, joint control or significant influence, whose consolidation has a material impact on the Group's financial statements.

2. Consolidation methods and definition of control

Investees (and structured entities) controlled by the Group are fully consolidated. Control is exercised when the Group has the power to direct the investee's relevant activities; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to affect those returns through its power over the investee.

Potential voting rights which give the option to acquire additional voting rights in an investee are taken into account to determine control when such rights are currently exercisable in such a way as to allow the investor to direct the relevant activities of the investee.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Joint control may involve two types of arrangement: a joint venture or a joint operation.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint ventures are accounted for by the equity method.

A joint operation is an arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint operation is consolidated by recognising the Caisse des Dépôts Group's interest in said operation:

- Assets, including its share of any assets held jointly;
- Liabilities, including its share of any liabilities incurred jointly;
- Revenue from the sale of its share of the output of the joint operation and from the sale of the output by the joint operation; and
- Expenses, including its share of any expenses incurred jointly.

Entities over which the Group exercises significant influence are accounted for by the equity method. Significant influence is the power to participate in the financial and operating policy decisions of an entity but is not control or joint control over those policies. Significant influence is presumed to be exercised when the Group holds, directly or indirectly, 20% or more of the voting power of the investee.

The results of entities acquired during the period are included in the consolidated financial statements from the acquisition date, while the results of entities sold during the period are included up to the date when control, joint control or significant influence is relinquished.

Financial year-end

Almost all consolidated companies have a 31 December year-end. Companies whose financial year-end is more than three months before or after the Group's year-end are consolidated based on financial statements drawn up at 31 December. In the case of companies whose financial year-end falls within three months of the Group's year-end, any material transactions occurring between their year-end and 31 December are taken into account in preparing the consolidated financial statements when this is necessary to comply with the true and fair view principle.

3. Companies excluded from the scope of consolidation

Investments in associates and joint ventures held in connection with the Group's private equity activity may be excluded from the scope of consolidation, in accordance with the option available under IAS 28.18. These investments are then recognised as "Financial assets at fair value through profit or loss".

The low-cost housing companies (ESH) are excluded from the scope of consolidation because they are not controlled by the Group within the meaning of IFRS. Shares in ESH are therefore recognised as "Financial assets at fair value through profit or loss" or, under the option provided for, as "Financial assets at fair value through other comprehensive income not to be reclassified to profit or loss".
At 31 December 2018, shares in ESH were classified as "Financial assets at fair value through profit or loss" in the Caisse des Dépôts Group's consolidated financial statements.

Semi-public companies (SEMs, SAIEMs) not controlled by the Caisse des Dépôts Group are also excluded from the scope of consolidation. Shares in these companies are therefore recognised as "Financial assets at fair value through profit or loss" or, under the option provided for, as "Financial assets at fair value through other comprehensive income not to be reclassified to profit or loss".
At 31 December 2018, shares in semi-public companies were mainly classified as "Financial assets at fair value through profit or loss" in the Caisse des Dépôts Group's consolidated financial statements.

Shares in companies acquired with the intention of being sold in the near term are excluded from the scope of consolidation and classified as "Non-current assets held for sale".

In application of IFRS, the agreements signed with the French State concerning the Investments for the Future Programme (PIA) require the assets and liabilities covered by said agreements to be derecognised in the Group's consolidated financial statements. In the French GAAP accounts of the Central Sector, these assets and liabilities are transferred to adjustment accounts.

4. Consolidation adjustments and intra-group eliminations

The financial statements of consolidated companies are restated based on Group accounting policies when the effects of the restatement are material. The accounting policies applied by associates and joint ventures are aligned with Group policies where necessary.

However, as noted in section I.1, the CNP Assurances group, which is accounted for by the equity method in the Caisse des Dépôts Group's financial statements, has opted to defer application of IFRS 9 *Financial Instruments* until 1 January 2021, and the Caisse des Dépôts Group has decided not to restate in IFRS 9 format the CNP Assurances group's financial statements in accordance with the option available under the amendments to IFRS 4. The financial instruments held by the CNP Assurances group therefore continue to be classified and measured in accordance with the provisions of IAS 39 *Financial Instruments*.

Intra-group balances, income and expenses between fully consolidated companies are eliminated when their impact on the consolidated financial statements is material.

Gains and losses on intra-group sales of assets to associates and joint ventures are eliminated proportionately, based on the Group's percentage interest in the associate or joint venture, except when the asset sold is considered as being other-than-temporarily impaired.

5. Foreign currency translation

The consolidated financial statements are presented in euros. The financial statements of entities whose functional currency is different from the Group's presentation currency are translated by the closing rate method. Under this method, all monetary and non-monetary assets and liabilities are translated at the exchange rate at the end of the reporting period, while income and expenses are translated at the average exchange rate for the year. The differences arising from translation are recognised as a separate component of equity.

Gains and losses arising from the translation of the net investment in foreign operations, borrowings and foreign exchange instruments that are effective hedges of these investments are deducted from equity.

When the foreign operation is sold, the cumulative exchange differences recorded in equity are recognised in the income statement as part of the gain or loss on the sale.

6. Business combinations and goodwill

Business combinations are accounted for using the purchase method except for jointly controlled business combinations and a newly formed joint venture, which are excluded from the scope of IFRS 3.

Under the purchase method, the identifiable assets acquired and liabilities assumed are recognised at acquisition-date fair value.

Any contingent liabilities assumed are only recognised in the consolidated statement of financial position if they represent a current obligation at the date control is acquired, and the fair value of that obligation can be measured reliably.

The cost of a combination (consideration transferred) is equal to the fair value, at the date of exchange, of the assets transferred, liabilities incurred or assumed and any equity instruments issued by the Group, in exchange for control of the acquiree. Costs directly attributable to the business combination are treated as a separate transaction and are recognised in profit or loss.

Any contingent consideration is included in the cost of the combination as of the date control is acquired, for its fair value at the acquisition date. Any earn-out adjustments classified as financial liabilities are remeasured at fair value at the end of each reporting period and taken to profit or loss, unless these adjustments occur within 12 months of the date of the combination and relate to facts and circumstances existing at the acquisition date.

Goodwill represents the excess of the cost of the combination over the acquirer's share in the acquisition-date fair value of the identifiable assets and liabilities, and is recognised in assets in the consolidated statement of financial position, under "Goodwill". Negative goodwill is recognised directly in profit or loss.

Non-controlling interests may be carried at either their share in the net identifiable assets of the acquiree ("partial" goodwill method) or at their fair value, in which case they are allocated a percentage of the corresponding goodwill ("full" goodwill method). This decision can be renewed for each business combination.

The initial accounting for a business combination spans up to 12 months after the acquisition date.

Goodwill is initially measured in the statement of financial position at cost in the currency of the acquiree and is translated at the exchange rate at the end of the reporting period.

Goodwill is tested for impairment, as explained in section III.8.

When a business combination is carried out in stages (step acquisition), goodwill is determined by reference to the fair value at the date control is obtained. At this date, any previously-held interest in the acquiree is remeasured at fair value through profit or loss.

Similarly, a loss of control of a consolidated subsidiary requires the remaining holding to be remeasured at fair value through profit or loss.

7. Transactions with non-controlling interests

The Caisse des Dépôts Group recognises for equity any difference between the cost of the shares and its share in the acquiree's adjusted net assets for transactions involving the acquisition of non-controlling interests in an entity already controlled by the Group. Costs directly attributable to the acquisition are recognised as a deduction from equity.

Partial sales of non-controlling interests which do not result in a loss of control are recognised by adjusting equity.

8. Segment information

In accordance with IFRS 8, the segment information presented is based on internal reports that are used by Group management and reflects the Group's internal business organisation. Operating activities are organised and managed based on the type of service provided.

The Caisse des Dépôts Group's three business segments at 31 December 2018, which are unchanged relative to 31 December 2017, are:

- Caisse des Dépôts Division, consisting mainly of:
  - Caisse des Dépôts (Central Sector),
  - SCET,
  - CDC Habitat;
- Bpifrance Division, consisting of Bpifrance (including CDC International Capital);
- Management of Strategic Investments Division, consisting mainly of:
  - La Poste,
  - CNP Assurances,
  - Compagnie des Alpes,
  - Egis,
  - Transdev group,
  - Coentreprise de Transport d'Électricité.

III. Accounting policies

1. Financial instruments

Financial assets and liabilities are recognised in the financial statements at 31 December 2018 in accordance with the new provisions of IFRS 9 and with the amendments to IFRS 9 *Prepayment Features with Negative Compensation*.

However, the financial assets and liabilities of the CNP Assurances group are still recognised in accordance with the provisions of IAS 39 *Financial Instruments*, pending mandatory application of IFRS 17 *Insurance Contracts* (see section I.1).

IFRS 9 sets out the principles for the classification and measurement of financial instruments, impairment of credit risk and hedge accounting excluding macro hedges, for which a draft separate standard is currently under review by the IASB.

1.1. Measurement of financial assets and liabilities

Initial measurement

On initial recognition, financial assets and liabilities are measured at fair value as defined by IFRS 13. This is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (see section 1.7).

Subsequent measurement

After initial recognition, non-derivative financial assets and liabilities are measured based on their classification, either at amortised cost using the effective interest rate method or at fair value as defined by IFRS 13. Derivative financial instruments are always measured at fair value.

Amortised cost corresponds to the amount at which the financial asset or financial liability is measured on initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest rate method of any difference between the initial amount and the maturity amount and, for a financial asset, minus impairment for credit risk, if any.

The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability, in order to obtain the exact gross carrying amount of the financial asset (i.e. amortised cost without taking into account any impairment for credit risk) or the amortised cost of the financial liability. This calculation incorporates fees and commissions paid or received between the parties to the contract, transaction costs and all premiums and discounts.

1.2. Recognition of financial assets

Recognition of financial assets depends on the business model and the characteristics of the contractual cash flows of the instruments (see section 1.2.3).

1.2.1. Business models

Business model refers to how an entity manages its financial assets for the purpose of achieving a particular economic objective. IFRS 9 defines three types of business model:

- The "hold-to-collect model" whose objective is to hold financial assets in order to collect contractual cash flows. This model, under which the concept of holding is fairly close to that of holding to maturity, remains valid if disposals occur under the following conditions:
  - The disposals are due to an increase in credit risk;
  - The disposals occur just before maturity and at a price that reflects the contractual cash flows that are still due;
  - Other disposals are consistent with the objectives of the "hold-to-collect model" if they are infrequent (even if their value is significant) or if their value is insignificant when considered both individually and overall (even if they are frequent).
- The "mixed model" whose objective is both to collect contractual cash flows and to sell financial assets. In this model, the collection of cash flows and the sale of financial assets are both essential.
- "Other models", which are defined in opposition to the "hold-to-collect model" and the "mixed model". They concern portfolios of instruments whose objective is to collect contractual cash flows by selling financial assets or those that are managed and whose performance is evaluated based on fair value.

1.2.2. Contractual cash flow characteristics of the instruments (Solely Payments of Principal and Interest (SPPI) criterion)

A financial asset is said to be "SPPI" (or "basic") if the contractual terms of that financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding. On initial recognition, every asset should be tested to determine whether it meets the SPPI criterion (SPPI test).

Principal is defined as the acquisition-date fair value of the financial asset. Interest consists of consideration for the time value of money and the credit risk associated with the principal amount, as well as other risks such as liquidity risk, administrative costs and margin.

To assess whether contractual cash flows are solely payments of principal and interest, the contractual terms of the instrument should be taken into account. Any information that may cast doubt on whether only the time value of money and credit risk are represented must therefore be analysed. For example:

- Events that would change the amount and timing of the cash flows. Any contractual terms that generate exposure to risks or volatility in cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or a stock market index, or the introduction of leverage, would make it impossible to categorise contractual cash flows as SPPI.
- The characteristics of the applicable interest rates (for example, consistency between the rate refixing period and the interest calculation period).
  If a qualitative analysis does not provide a clear result, a quantitative analysis (benchmark test) is carried out. This involves comparing the contractual cash flows of the asset in question with the contractual cash flows of a benchmark asset. If the difference between the cash flows of the asset in question and the cash flows of the benchmark asset is deemed insignificant, the asset is considered to be a basic lending arrangement that satisfies the SPPI criterion.
- Prepayment and extension features.
  A contractual term that permits the borrower or lender to prepay the financial instrument remains consistent with the SPPI criterion for contractual cash flows if the prepayment amount substantially represents the principal amount outstanding and the related interest, as well as reasonable additional compensation, if applicable.

Furthermore, although they do not strictly meet the criteria for consideration for the time value of money, certain assets with a regulated rate are considered "basic" if that regulated interest rate provides consideration that is broadly consistent with the passage of time and does not generate exposure to risks or volatility in the contractual cash flows that are inconsistent with a basic lending arrangement.

To qualify as "basic" financial assets, the securities held in a securitisation vehicle must meet specific conditions. The contractual terms of the tranche must meet the SPPI criterion, as must the pool of underlying assets. The risk inherent in the tranche must be lower than or equal to the exposure to the underlying assets of the tranche.

1.2.3. Classification and measurement of financial assets

Financial assets are classified on the statement of financial position in the following three accounting categories: amortised cost, fair value through other comprehensive income and fair value through profit or loss, depending on the business models and the characteristics of the contractual cash flows associated with the instruments (see sections 1.2.1 and 1.2.2).

- **Debt instruments (loans, receivables, securities)**

Debt instruments (loans, receivables, securities) may be recognised at amortised cost, at fair value through other comprehensive income to be reclassified to profit or loss, or at fair value through profit or loss.

1) Debt instruments recognised at amortised cost

Debt instruments are measured at amortised cost if the business model consists in holding the instrument to collect the contractual cash flows ("hold-to-collect model") and if the cash flows are solely payments of principal and interest on the principal amount outstanding (SPPI criterion).

Financial assets measured at amortised cost are initially recognised at fair value, which includes transaction costs and accrued interest (unless it can be demonstrated that the transaction costs are not material).

These financial assets are subsequently measured at amortised cost using the effective interest rate method.

The amortisation of any premiums/discounts and transaction costs over the remaining life of these instruments is recognised in profit or loss using the effective interest rate method, under “Interest income” in the income statement.

These financial assets are impaired under the conditions described in “Impairment for credit risk” (see section 1.4).

They are reported in the statement of financial position under “Securities at amortised cost”, “Loans and receivables due from credit institutions and related entities, at amortised cost”, and “Loans and receivables due from customers, at amortised cost”, depending on the type of instrument.

2) Debt instruments recognised at fair value through other comprehensive income to be reclassified to profit or loss

Debt instruments are measured at fair value through other comprehensive income to be reclassified to profit or loss if the business model consists in holding the instrument to collect the contractual cash flows and sell the assets (“mixed model”) and if the cash flows are solely payments of principal and interest on the principal amount outstanding (SPPI criterion).

Financial assets measured at fair value through other comprehensive income to be reclassified to profit or loss are initially recognised at fair value, which includes transaction costs and accrued interest (unless it can be demonstrated that the transaction costs are not material).

These financial assets are subsequently measured at fair value, with changes in fair value recognised in other comprehensive income to be reclassified to profit or loss with a corresponding entry against the outstanding amount (excluding accrued interest, which is recognised using the effective interest rate method under “Interest income” in the income statement).

The amortisation of any premiums/discounts and transaction costs over the remaining life of these instruments is also recognised in profit or loss using the effective interest rate method, under “Interest income” in the income statement.

When the assets are sold, the unrealised gains or losses previously recognised in equity are reclassified to the income statement under “Gains and losses on financial instruments at fair value through other comprehensive income, net”.

These financial assets are impaired under the conditions described in “Impairment for credit risk” (without affecting the fair value in the statement of financial position) (see section 1.4).

They are reported in the statement of financial position under “Financial assets at fair value through other comprehensive income”.

3) Debt instruments recognised at fair value through profit or loss

Any debt instruments that are not eligible to be recognised at amortised cost or at fair value through other comprehensive income to be reclassified to profit or loss are measured at fair value through profit or loss.

This category includes:

- Debt instruments classified in portfolios made up of financial assets:
  – That are held for trading or whose primary objective is disposal; or
  – That are managed and whose performance is evaluated on a fair value basis.

  In both of the above-mentioned portfolio categories, even though contractual cash flows are collected while the entity holds the assets, the collection of those contractual cash flows is not integral but incidental.
- Debt instruments that do not meet the SPPI criterion, which is particularly the case for mutual funds (UCITS) and venture capital funds (FCPR).
- Debt instruments classified in portfolios for which the entity expressly chooses the fair value through profit or loss approach in order to eliminate or reduce an accounting treatment mismatch in the measurement or recognition that would otherwise arise from the measurement of assets or liabilities on different bases.

  In that case, the financial asset is classified under the fair value option at fair value through profit or loss on initial recognition, which classification is irrevocable.

Financial assets measured at fair value through profit or loss are initially recognised at fair value, excluding transaction costs (which are recognised directly in profit or loss) but including accrued interest.

These financial assets are subsequently measured at fair value, with changes in fair value recognised in profit or loss under “Gains and losses on financial instruments at fair value through profit or loss, net” with a corresponding entry against the outstanding amount.

These financial assets are not impaired.

They are reported in the statement of financial position under “Financial assets at fair value through profit or loss”.

- **Equity instruments (shares)**

Investments in equity instruments (such as shares) are measured at fair value through profit or loss or, under the option provided for, at fair value through other comprehensive income not to be reclassified to profit or loss.

Equity instruments are not impaired.

1) Equity instruments recognised at fair value through profit or loss

Equity instruments measured at fair value through profit or loss are initially recognised at fair value, excluding transaction costs (which are recognised directly in profit or loss).

These equity instruments are subsequently measured at fair value, with changes in fair value recognised in profit or loss under “Gains and losses on financial instruments at fair value through profit or loss, net” with a corresponding entry against the outstanding amount.

They are reported in the statement of financial position under “Financial assets at fair value through profit or loss”.

2) Equity instruments recognised at fair value through other comprehensive income not to be reclassified to profit or loss (irrevocable election)

The irrevocable election to recognise equity instruments at fair value through other comprehensive income not to be reclassified to profit or loss is evaluated at the transaction level (line by line) and must be applied on initial recognition of the instrument (or on first-time adoption of IFRS 9 at 1 January 2018). Equity instruments held for trading are not eligible for this option.

Equity instruments measured at fair value through other comprehensive income not to be reclassified to profit or loss are initially recognised at fair value, including transaction costs (unless it can be demonstrated that the transaction costs are not material).

These equity instruments are subsequently measured at fair value, with changes in fair value recognised in other comprehensive income not to be reclassified to profit or loss under "Gains and losses recognised directly in equity" in the statement of financial position.

When the equity instruments are sold, unrealised gains or losses previously recognised in other comprehensive income are not reclassified to profit or loss. The gain or loss on disposal is thus still recognised in other comprehensive income.

Only dividends are recognised in profit or loss under "Gains and losses on financial instruments at fair value through other comprehensive income, net" if they correspond to a return on investment and not to redemption of the equity instrument.

They are reported in the statement of financial position under "Financial assets at fair value through other comprehensive income".

1.2.4. Reclassification of financial assets

Reclassifications of financial assets are not permitted, except in the case of a significant change in the business model for managing financial assets.

Such changes are expected to be infrequent (mainly when the entity begins or ceases to perform an activity that is significant to its operations) and must be determined by the entity's management body.

In that case, all of the portfolio's financial assets must be reclassified. This reclassification is prospective as from the date of reclassification and no gain, loss or interest recognised prior to that date should be restated.

1.2.5. Derecognition of financial assets

A financial asset is fully or partially derecognised:

- If the contractual rights to the cash flows from the financial asset expire; or
- If the contractual rights to the cash flows and substantially all of the risks and rewards incidental to ownership of this financial asset are transferred.

In that case, the financial asset is derecognised and all the rights and obligations created or retained in the transfer are recognised separately as assets and liabilities.

If the contractual rights to the cash flows are transferred but only some of the risks and rewards incidental to ownership of the financial asset, as well as control, are retained, the entity continues to recognise the financial asset to the extent of its continuing involvement in that asset.

Financial assets renegotiated for business reasons in the absence of financial difficulty of the counterparty and with the aim of developing or maintaining a business relationship are derecognised on the renegotiation date. The new loans granted to customers are recognised on this date for their fair value at the renegotiation date. Subsequent recognition depends on the business model and on whether or not the SPPI criterion has been met (see section 1.2.3).

1.2.6. Temporary acquisitions and disposals of securities

Temporary disposals of securities (lending of securities, securities sold under repurchase agreements) generally do not meet the conditions for derecognition.

Securities lent or sold under a repurchase agreement continue to be shown on the statement of financial position of the lender/seller. For securities sold under a repurchase agreement, the amount received, representing the liability to the acquiree, is recognised on the liabilities side of the statement of financial position by the seller.

Securities borrowed or acquired under a repurchase agreement are not shown on the statement of financial position of the borrower/acquiree. For securities acquired under a repurchase agreement, a claim against the seller is recognised on the acquiree's statement of financial position as consideration for the amount paid. If the security is subsequently resold, the acquiree records a liability measured at fair value which represents its obligation to return the security acquired under a repurchase agreement.

1.3. Recognition of financial liabilities

1.3.1. Distinction between debt and equity

The distinction between debt instruments and equity instruments is based on an analysis of the economic substance of the contractual arrangements.

A financial liability is a debt instrument if it includes a contractual obligation:

- To deliver cash, another financial asset or a variable number of equity instruments to another entity; or
- To exchange financial assets or financial liabilities with another entity under potentially unfavourable conditions.

An equity instrument is a non-redeemable financial instrument which offers a discretionary payment that evidences a residual interest in a company after deducting all its financial liabilities (net assets) and which is not qualified as a debt instrument.

Perpetual subordinated notes are therefore classified as equity instruments when the timing of interest payments is determined by the Group. All other dated and undated debt instruments are included in debt.

1.3.2. Classification and measurement of financial liabilities

Financial liabilities are classified on the statement of financial position in the following two accounting categories: fair value through profit or loss (because of their nature or under the fair value option) and amortised cost.

1) Financial liabilities recognised at fair value through profit or loss because of their nature

Financial liabilities issued primarily for the purpose of repurchasing them in the near term, those forming part of a portfolio of identified financial instruments that are managed together for the purpose of generating a profit due to short-term price fluctuations, and those that meet the definition of derivatives (with the exception of designated and effective hedging instruments) are recognised at fair value through profit or loss because of their nature.

Financial liabilities measured at fair value through profit or loss because of their nature are initially recognised at fair value, excluding transaction costs (which are recognised directly in profit or loss) but including accrued interest.

These financial liabilities are subsequently measured at fair value, with changes in fair value recognised in profit or loss under "Gains and losses on financial instruments at fair value through profit or loss, net" with a corresponding entry against the outstanding amount.

They are reported in the statement of financial position under "Financial liabilities at fair value through profit or loss".

2) Financial liabilities recognised at fair value through profit or loss under the fair value option

Financial liabilities that meet one of the three following conditions may be recognised at fair value through profit or loss under the fair value option:

- Financial liability consisting of a separable embedded derivative that the entity does not want to separate or cannot separate;
- Entity's intention to eliminate or reduce an accounting treatment mismatch in the measurement or recognition that would otherwise arise from the measurement of assets or liabilities on different bases;
- Management of a group of financial liabilities (or of a group of financial assets and financial liabilities) and evaluation of performance on a fair value basis in accordance with a documented risk management or investment strategy.

This option is exercised on initial recognition of the financial liability and is irrevocable.

Financial liabilities measured at fair value through profit or loss under the fair value option are initially recognised at fair value, excluding transaction costs (which are recognised directly in profit or loss) but including accrued interest.

These financial liabilities are subsequently measured at fair value, with changes in fair value recognised:

- In profit or loss for changes in fair value not related to credit risk (in the income statement under "Gains and losses on financial instruments at fair value through profit or loss, net"); and
- In other comprehensive income not to be reclassified to profit or loss for changes in fair value related to credit risk (in the statement of financial position under "Gains and losses recognised directly in equity").

They are reported in the statement of financial position under "Financial liabilities at fair value through profit or loss".

3) Financial liabilities recognised at amortised cost

All other liabilities that meet the definition of financial liability (excluding derivatives) are measured at amortised cost.

Financial liabilities measured at amortised cost are initially recognised at fair value, which includes transaction costs and accrued interest (unless it can be demonstrated that the transaction costs are not material).

These financial liabilities are subsequently measured at amortised cost using the effective interest rate method.

They are reported in the statement of financial position under "Debt securities", "Due to credit institutions", and "Due to customers" depending on the type of instrument.

1.3.3. Reclassification of financial liabilities

The initial classification of financial liabilities is irrevocable. No subsequent reclassification is permitted.

1.3.4. Derecognition of and changes in financial liabilities

A financial liability is fully or partially derecognised:

- When it is extinguished, i.e. when the obligation specified in the contract is discharged, cancelled or expires; or
- When quantitative or qualitative analyses indicate that it has been substantially modified.

A substantial modification of an existing financial liability must be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the extinguished financial liability and the new financial liability is recognised immediately in profit or loss.

If the financial liability is not derecognised, the original effective interest rate is maintained. A discount/premium is recognised immediately in profit or loss on the date of the modification, and is then amortised at the original effective interest rate over the remaining life of the instrument.

1.4. Impairment for credit risk

Credit risk is defined as the risk of loss arising from the default by a counterparty resulting in its inability to meet its commitments to the Caisse des Dépôts Group.

IFRS 9 has introduced a new impairment model based on expected credit losses (ECL). This model represents a change from the IAS 39 provisioning model, in which impairment was recognised when there was objective evidence of value loss.

The IFRS 9 model thus aims to anticipate the recognition of credit losses at the earliest possible stage.

1.4.1. Scope of the ECL impairment model

The ECL impairment model applies to the following outstandings, if they are not measured at fair value through profit or loss:

- Financial assets qualified as debt instruments recognised at amortised cost or at fair value through other comprehensive income to be reclassified to profit or loss (loans, receivables, securities);
- Lease receivables that fall within the scope of IAS 17;
- Trade receivables and contract assets generated by transactions that fall within the scope of IFRS 15;
- Guarantee commitments that fall within the scope of IFRS 9 (see section 1.9);
- Financing commitments (see section 1.10).

Equity instruments, whether recognised at fair value through profit or loss or, under the option provided for, at fair value through other comprehensive income not to be reclassified to profit or loss, are therefore not affected by the impairment provisions.

1.4.2. Models based on expected credit losses

Credit losses correspond to the difference between all the cash flows that are due to an entity in accordance with the contractual provisions and all the cash flows that the entity expects to receive, discounted at the original effective interest rate.

The cash flows that the entity expects to receive must include flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms of the financial instrument.

Expected credit losses therefore correspond to the weighted average of credit losses based on the counterparty's default risk.

General ECL model

The general ECL model relies on a three-stage approach to risk based on the extent of the deterioration in the credit quality of a financial asset since initial recognition:

- "Stage 1": this risk level includes all financial assets on initial recognition as well as on subsequent measurement, if they have not had a significant increase in credit risk since initial recognition.
  The entity recognises 12-month expected credit losses for these financial assets. Interest income is recognised through profit or loss using the effective interest rate method applied to the gross carrying amount of the assets (i.e. amortised cost before recognition of impairment).
- "Stage 2": this risk level consists of financial assets that have had a significant increase in credit risk since their initial recognition.
  The entity recognises lifetime expected credit losses for the financial instrument. Interest income is recognised through profit or loss using the effective interest rate method applied to the gross carrying amount of the assets (i.e. amortised cost before recognition of impairment).
  Thereafter, if credit quality subsequently improves to the point that the increase in credit risk since initial recognition is no longer considered significant, impairment for credit risk is once again measured based on 12-month expected credit losses. In that case, the financial asset is reclassified to Stage 1.
- "Stage 3": this risk level comprises credit-impaired financial assets for which there is objective evidence of impairment. These are financial assets where one or more events that have a detrimental impact on their estimated future cash flows have occurred since initial recognition. This risk level therefore consists of financial assets that are in default (non-performing). They correspond to impaired financial assets under IAS 39.
  The entity recognises lifetime expected credit losses for the financial instrument. Interest income is recognised through profit or loss using the effective interest rate method applied to the net carrying amount of the assets (i.e. amortised cost after impairment).
  Thereafter, if credit quality subsequently improves, the financial asset is reclassified to Stage 2, then potentially to Stage 1. The procedures for measuring impairment for credit risk and interest income are then modified accordingly.

Simplified ECL model for trade receivables, contract assets and lease receivables

A simplified approach has been introduced under IFRS 9 for trade receivables and contract assets that fall within the scope of IFRS 15, as well as for lease receivables that fall within the scope of IAS 17. When applying this simplified approach, which allows entities to avoid monitoring changes in the credit quality of the receivable and calculating the 12-month expected loss, impairment is always equal to lifetime expected credit losses.

This simplified approach is mandatory for trade receivables and contract assets that do not contain a significant financing component. It is optional for trade receivables and contract assets that do contain a significant financing component, as well as for lease receivables.

The Caisse des Dépôts Group has decided to use this simplified approach to calculate impairment of lease receivables as well as of trade receivables and contract assets that contain a significant financing component.

Lifetime expected credit losses are therefore measured for all trade receivables, contract assets and lease receivables (which are classified to Stage 2 or Stage 3).

1.4.3. Significant increase in credit risk, definition of default (non-performing) and objective evidence of impairment

In the general ECL model (see section 1.4.2), classification to the different risk levels is based on the concepts of significant increase in credit risk, default (non-performing) and objective evidence of impairment.

Significant increase in credit risk

Significant increase in credit risk is assessed on an individual basis or, where applicable, on the basis of homogeneous portfolios of assets, if information about the significant deterioration is not identifiable on an individual financial asset level.

To make the assessment, account is taken of all reasonable and supportable information that is available without undue cost or effort, by comparing the risk of default on a financial instrument at the reporting date with the risk of default on the same instrument on initial recognition. This assessment must take account of information about past events, current conditions, and reasonable and supportable projections about future economic conditions and events (forward-looking information).

A transfer from Stage 1 to Stage 2, reflecting a significant increase in credit risk, should typically be recognised before the transaction is impaired on an individual basis due to the existence of objective evidence of impairment and before the loan is classified in Stage 3.

The Caisse des Dépôts Group also makes significant use of the rebuttable presumption provided for under IFRS 9 to consider that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due.

Conversely, IFRS 9 provides that if the default risk is considered low at the reporting date and if the borrower has a strong capacity to meet its contractual cash flow obligations in the near term without this capacity being significantly reduced by adverse changes in economic conditions in the longer term, it may be assumed that the credit risk on a financial asset has not increased significantly since initial recognition. Any collateral held on financial assets is not taken into consideration in this judgement.
This rule is applied by the Caisse des Dépôts Group to a significant extent, notably to monitor the deterioration in investment grade securities.

Default (non-performing)/Objective evidence of impairment

The definition of default (non-performing) for the purposes of measuring expected credit losses is identical to that used for the purposes of internal credit risk management. Thus, a debtor is considered to be in default (non-performing) when at least one of the following two conditions is met:

- A payment generally more than 90 days past due, unless specific circumstances show that the arrears are due to reasons unrelated to the debtor's situation;
- The entity believes that the debtor is unlikely to meet all its credit obligations without recourse to potential measures such as the enforcement of collateral.

A loan in default (non-performing) is said to be credit-impaired when one or more observable events that have a detrimental impact on this financial asset's estimated future cash flows have occurred.

These observable events, used for a Stage 3 risk classification and which reflect the existence of a known credit risk, are identical to those in IAS 39. They are:

- Significant financial difficulty of the issuer or the borrower;
- A breach of contract (past-due event);
- The lender, for reasons relating to the borrower's financial difficulty, having granted to the borrower concessions at very favourable conditions that it would not have otherwise considered (extension, lower rate, etc.);
- The borrower's bankruptcy or financial reorganisation;
- The disappearance of an active market for that financial asset because of financial difficulties.

1.4.4. Measurement of expected credit losses

The methods for calculating expected credit losses are implemented independently in each Caisse des Dépôts Group entity given the wide variety of their businesses. These calculation methods may also differ within a single entity, depending on the portfolios of financial assets held and the information available on these portfolios.

General ECL measurement model

To measure expected credit losses, the Caisse des Dépôts Group entities that conduct banking operations (mainly the Central Sector and the Bpifrance group) rely largely on concepts and procedures that already exist as part of their supervisory monitoring framework.

The general methodology for calculating expected credit losses is thus based on three parameters:

- Probability of default (PD);
- Loss given default (LGD); and
- Exposure at default (EAD).

The criteria for assigning assets to the different risk levels, which determine the method used to measure expected credit losses, are based on a comparison between the financial asset's PD on the reporting date and its initial recognition date (these PDs themselves result from the ratings assigned to counterparties from internal or external models) and on the default status (non-performing).

A financial asset is therefore generally assigned:

- To Stage 1 if its PD on the reporting date has not deteriorated significantly relative to its initial PD or if it is considered to have a low credit risk (investment grade);
- To Stage 2 if its PD on the reporting date has deteriorated significantly relative to its initial PD (use of transition matrices), if it has payments more than 30 days past due or if the counterparty is monitored as part of a watch list;
- To Stage 3 if it has been impaired due to the existence of a known credit risk. In that case, the financial asset is in default (non-performing).

Expected credit losses are calculated as the product of PD multiplied by LGD and EAD for each weighted scenario developed.

The time horizon used for the ECL calculation depends on the risk level to which the financial assets have been assigned:

- One-year PD for financial assets classified to Stage 1;
- Lifetime PD for financial assets classified to Stage 2.

The various parameters used to estimate expected credit losses (PD, EAD, LGD) rely on those used at the supervisory monitoring level (Basel parameters), which should be restated to comply with the requirements of IFRS 9.

Specific adjustments are therefore made to account for conditions on the reporting date and forward-looking macroeconomic projections:

- IFRS 9 parameters aim to estimate losses as accurately as possible for accounting provision purposes, whereas prudential parameters are generally more cautious for regulatory purposes. Several of these safety buffers are therefore restated;
- IFRS 9 parameters must allow losses to be estimated until the contract's maturity, whereas prudential parameters are defined to estimate one-year losses. One-year parameters are thus projected over long horizons;

- IFRS 9 parameters must be forward-looking and take into account the expected economic conditions over the projection horizon, whereas prudential parameters correspond to average cycle estimates. Prudential parameters are therefore also adjusted based on the expected economic conditions.

Parameters are adjusted to the economic environment by defining reasonable and supportable economic scenarios, combined with probabilities of occurrence. Three economic scenarios projected over several years (one core scenario and two alternative scenarios), provided by the Central Sector's economic research department, are used.

Once the parameters have been defined, expected credit losses can be measured for all rated exposures. For unrated exposures, prudent ECL measurement rules are applied, with historical loss information produced.

Simplified ECL measurement model for trade receivables, contract assets and lease receivables

Lifetime expected credit losses are measured for all trade receivables, contract assets and lease receivables (which are assigned to Stage 2 or Stage 3) (see section 1.4.2).

Assets are assigned to Stage 3 when they are impaired due to the existence of a known credit risk (financial assets in default). Impairment for credit risk is subsequently calculated in the same way as under IAS 39. It corresponds to the difference between all the cash flows that are due to an entity in accordance with the contractual provisions and all the cash flows that the entity expects to receive, discounted at the original effective interest rate, if applicable.

All other assets are assigned to Stage 2. Impairment for credit risk is subsequently calculated at maturity based on the available information. Entities may, in particular, use impairment calculation matrices based on how long past due the payment is.

1.4.5. Uncollectibility of financial assets

When a financial asset is deemed uncollectible, i.e. there is no hope of full or partial recovery (including through the enforcement of any collateral), it should be derecognised from the statement of financial position and the amount deemed non-recoverable should be written off.

The timing of the write-off is determined by expert opinion. Each entity must therefore establish this timing based on its knowledge of its business.

Before any write-off, the financial asset should be transferred to Stage 3 and a lifetime expected credit loss should be recognised (with the exception of financial assets recognised at fair value through profit or loss).

For financial assets recognised at amortised cost or at fair value through other comprehensive income to be reclassified to profit or loss, the amount written off is recognised in the income statement under "Cost of credit risk".

1.5. Derivative financial instruments

Derivative instruments are financial assets and liabilities initially recognised in the statement of financial position at the transaction price. They are subsequently measured at fair value, regardless of whether they are held for trading or as part of a hedging relationship.

1.5.1. Derivative instruments held for trading

Derivative instruments held for trading are recognised in the statement of financial position under "Financial assets/liabilities at fair value through profit or loss". They are recognised as assets when their market value is positive and as liabilities when it is negative. Realised and unrealised gains and losses are recognised in the income statement under "Gains and losses on financial instruments at fair value through profit or loss, net".

1.5.2. Derivative instruments and hedge accounting

The hedge accounting provisions of IFRS 9 will not be effective until the macro hedge project has been finalised. They are therefore independent of the provisions of IFRS 9 on the classification, measurement and impairment of financial instruments.

The Caisse des Dépôts Group decided to apply the new provisions of IFRS 9 for hedge accounting as from 1 January 2018.

IFRS 9 includes some significant advances relative to IAS 39, among which:
- A better translation of entities' risk management policy in the financial statements, resulting in both an expansion of the scope of transactions eligible for hedge accounting and a better reflection of hedging transactions in profit or loss; and
- An easing of effectiveness testing, with the elimination of the retrospective effectiveness test and of the 80%-125% range.

Hedge accounting can be applied to a hedging relationship only if all of the following conditions have been met:
- Eligibility of hedging instruments;
- Eligibility of hedged items;
- Existence of documentation from inception;
- Compliance with the effectiveness criteria;
- Eligibility of the types of hedging relationships.

1) Eligibility of hedging instruments

IFRS 9 does not change the conditions under which a derivative instrument may qualify as a hedging instrument.

Thus, a derivative may be designated in its entirety as a hedging instrument, with some exceptions, such as the possibility of using only a portion of the notional amount of a derivative (and not a portion of its term).

2) Eligibility of hedged items

IFRS 9 expands the scope of hedged items that may be eligible for hedge accounting relative to IAS 39. As a result:

- Financial assets qualified as debt instruments and recognised at amortised cost can now be hedged against interest rate risk even if the management intention is to hold them to maturity.
  Under IAS 39, these financial assets were recognised as "Held-to-maturity investments" and could not be hedged against interest rate risk;
- Financial assets qualified as equity instruments (shares) and recognised at fair value through other comprehensive income not to be reclassified to profit or loss under the option provided for may be hedged at fair value even though the changes in fair value never affect profit or loss.
  These methods of recognising and hedging equity instruments did not exist under IAS 39.

3) Existence of documentation from inception

To best ensure that accounting hedges align with risk management, all hedging relationships must fall within a framework defined by:

- A risk management strategy that defines the general framework by identifying the risks to which the entity is exposed and describing how these risks are managed overall (risk management policy); and
- Certain management objectives that represent the implementation of the overall strategy at the individual hedging transaction level.

The documentation required from the inception of the hedging relationship should therefore identify the hedging instrument, the hedged item and the nature of the risk being hedged and describe how the entity will assess whether the hedging relationship meets the hedge effectiveness requirements (including its analysis of the sources of hedge ineffectiveness and an explanation of how it determines the hedge ratio, where applicable).

4) Compliance with the effectiveness criteria

The effectiveness criteria which must be satisfied in order to apply hedge accounting under IFRS 9 have been changed relative to IAS 39 and are based on a less rigid approach which relies more on the use of judgement.

The criteria, which relate to expectations about hedge effectiveness, should be assessed on a prospective basis. There are three criteria:

- There is an economic relationship between the hedged item and the hedging instrument (inverse correlation);
- Changes in the value of the hedging instrument or the hedged item are not linked primarily to a change in the counterparty's credit risk;
- In the case of hedging with a derivative that approximates the risk being hedged, the hedge ratio (i.e. quantity of the hedged item/ quantity of the hedging instrument) used for accounting purposes must correspond to the ratio used by the entity for risk management purposes. There must be no obvious imbalance.

Prospective effectiveness tests must be conducted at the inception of the hedging relationship and, at a minimum, on each reporting date.

5) Eligibility of the types of hedging relationships

The three methods of hedge accounting under IAS 39 are maintained under IFRS 9.

Fair value hedges

A fair value hedge is a hedge of the exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment.

In a fair value hedging relationship, the hedging instruments are measured at fair value in the statement of financial position (under "Hedging instruments"), with an offsetting entry to:

- The income statement, together with the gains and losses that arise on the hedged item (general case) (under "Gains and losses on financial instruments at fair value through profit or loss, net" in the income statement);
- Other comprehensive income not to be reclassified to profit or loss, together with the gains and losses that arise on the hedged equity instruments when the latter are recognised at fair value through other comprehensive income not to be reclassified to profit or loss under the option provided for (under "Gains and losses recognised directly in equity" in the statement of financial position).

In the statement of financial position, the gain or loss from remeasuring the hedged item is recognised based on the classification of the hedged item in a relationship hedging identifiable assets or liabilities.

An entity should discontinue fair value hedge accounting prospectively only when the hedging relationship no longer meets the eligibility conditions. In this situation:

- The hedging instrument continues to be recognised in the statement of financial position at fair value through profit or loss but is reclassified to "Financial assets/liabilities at fair value through profit or loss". If it no longer exists, the hedging instrument is derecognised;
- The hedged item continues to be recognised in the statement of financial position in the manner in which it had been recognised before the hedging transaction, unless it no longer exists, in which case it is derecognised. The hedged item is no longer adjusted for any changes in fair value related to the risk being hedged. The gains or losses recognised in the statement of financial position for the previously-hedged risk is amortised over the remaining life of the hedged item.

Cash flow hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows from financial instruments or a highly probable forecast transaction.

In a cash flow hedging relationship, hedging instruments are measured at fair value in the statement of financial position (under "Hedging instruments"), with an offsetting entry to "Gains and losses recognised directly in equity" for the effective portion (equity) and to "Gains and losses on financial instruments at fair value through profit or loss, net" for the ineffective portion (income statement).

The amounts accumulated in equity over the life of the hedge are taken to profit or loss under “Interest income” or “Interest expense” as and when the hedged item itself affects profit or loss.

Hedged items continue to be accounted for under the rules applicable to their category.

An entity should discontinue cash flow hedge accounting prospectively only when the hedging relationship no longer meets the eligibility conditions. In this situation:

- The hedging instrument continues to be recognised in the statement of financial position at fair value through profit or loss but is reclassified to “Financial assets/liabilities at fair value through profit or loss”. If it no longer exists, the hedging instrument is derecognised;
- The cumulative gain or loss on the hedging instrument that has been recognised in equity will remain in equity until the forecast transaction affects profit or loss or until the transaction is no longer expected to occur, in which case it is reclassified to profit or loss;
- If the hedged item no longer exists, the amounts accumulated in equity are recognised immediately in profit or loss.

Net investment hedges

A net investment hedge is a hedge of the exposure to unfavourable changes in fair value attributable to the currency risk on an investment other than in euros. The recognition principles applicable to net investment hedges are identical to those for cash flow hedges.

Irrespective of the hedging strategy, hedge ineffectiveness is recognised in profit or loss under “Gains and losses on financial instruments at fair value through profit or loss, net” in the income statement (with the exception of fair value hedges of equity instruments recognised at fair value through other comprehensive income not to be reclassified to profit or loss under the option provided for, for which hedge ineffectiveness is recognised in the statement of financial position under “Gains and losses recognised directly in equity”).

The Caisse des Dépôts Group has also chosen to recognise certain hedged items and the related hedging instruments under “Financial assets/liabilities at fair value through profit or loss” as allowed under IFRS 9. This treatment has been applied primarily to government bonds and negotiable debt securities hedged by swaps under asset swap agreements. This option was already available under IAS 39.

1.6. Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that meets the definition of a derivative instrument. This designation applies only to financial liabilities and not to financial assets, for which the financial asset as a whole must be recognised in accordance with the provisions of IFRS 9 as described in section 1.2.3 (i.e. a derivative embedded in a financial asset cannot be separated).

Derivatives embedded in a financial liability must be separated from the host contract and recognised as derivatives if the following three conditions are met:

- The hybrid contract is not measured at fair value through profit or loss;
- Separated from the host contract, the embedded component has the characteristics of a derivative;
- The economic characteristics and risks of the embedded derivative are not closely related to those of the host contract.

An embedded derivative that is accordingly separated from the financial liability is recognised at fair value under “Financial liabilities at fair value through profit or loss”.

1.7. Fair value of financial instruments

Financial assets and liabilities at fair value through profit or loss, hedging instruments and financial assets at fair value through other comprehensive income (to be and not to be reclassified to profit or loss) are measured and recognised at fair value on initial recognition and at subsequent reporting dates.

Fair value as defined by IFRS 13 is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Caisse des Dépôts Group determines the fair value of financial instruments based on either prices obtained directly from external inputs or from valuation techniques. The valuation techniques applied are primarily the market approach and the income approach, which draw on several widely used techniques such as discounted cash flow and adjusted net asset value models. These approaches maximise the use of observable inputs and minimise the use of unobservable inputs. Valuation techniques are calibrated to reflect current market conditions.

Assets and liabilities recognised or shown at fair value correspond to the following levels in the fair value hierarchy:

- Level 1: fair value is determined using prices quoted in active markets (unadjusted) for identical assets or liabilities. An active market is a market in which transactions in the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2: fair value is determined using valuation techniques that chiefly rely on directly or indirectly observable market inputs. These techniques are regularly calibrated and the inputs corroborated by data from active markets (“market-corroborated data”).
- Level 3: fair value is determined using valuation techniques that chiefly rely on unobservable inputs or on inputs that cannot be corroborated by market data, for example due to a lack of liquidity for the instrument or to a significant model risk. Unobservable inputs are inputs for which no market data is available, and which therefore result from internal assumptions based on data that would be used by other market participants. Judgement is involved in determining when there is a lack of liquidity or a risk relating to the use of a model.

When several inputs are used to calculate the fair value of a financial asset or liability, the fair value obtained is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire fair value measurement.

Unlisted equity instruments

The fair value of unlisted equity instruments is generally computed using a number of different techniques (discounted cash flows, adjusted net asset value or multiples for comparable companies):

- If fair value is based on data relating to comparable listed companies or, for property investments, on a revaluation of property using observable market inputs, equity instruments are classified in level 2 of the fair value hierarchy;

- However, if fair value is calculated based on discounted cash flows or adjusted net asset value using internal company data, the equity instruments are classified in level 3 of the fair value hierarchy. This also applies to instruments measured using the multiples approach when the inputs require significant adjustments based on unobservable inputs to reflect factors specific to the entity concerned.

1.8. Offsetting of financial assets and liabilities

In accordance with IAS 32 *Financial Instruments: Presentation,* the Caisse des Dépôts Group offsets a financial asset and a financial liability and presents a net amount when, and only when:

- It has a legally enforceable right to set off the recognised amounts; and
- It intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.9. Financial guarantees given

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss that the holder suffers because a specified debtor fails to make a payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are initially measured at fair value and subsequently at the higher of:

- The amount of impairment determined using the ECL method as described in "Impairment for credit risk" (see section 1.4); or
- The amount initially recognised less, where applicable, the total income recognised in accordance with the principles of IFRS 15.

They are reported in liabilities, under "Provisions".

1.10. Financing commitments

Financing commitments that are not considered derivatives within the meaning of IFRS 9 or that are not designated as financial liabilities measured at fair value through profit or loss under the fair value option are not recognised in the statement of financial position.

However, they are covered by provisions determined using the ECL method under IFRS 9 as described in "Impairment for credit risk" (see section 1.4).

They are reported in liabilities, under "Provisions".

Financing commitments whose conditions are below market conditions must also be recognised initially at fair value. This fair value gives rise to the recognition of a discount in profit or loss as soon as the lending commitment is made (the discount represents the difference between the rate granted and the market rate on an actuarial basis), with an offsetting entry to a provision account in liabilities.

Financing commitments that have been entered into at a below-market interest rate are subsequently measured at the higher of:

- The amount of impairment determined using the ECL method as described in "Impairment for credit risk" (see section 1.4); or
- The amount initially recognised less, where applicable, the total income recognised in accordance with the principles of IFRS 15.

2. Investments in equity-accounted companies

The Group's interests in associates and joint ventures are accounted for by the equity method.

Under this method, the investment in an associate or joint venture is initially recognised at cost and subsequently adjusted to reflect any changes in the Group's share in the investee's net assets after the acquisition date. Goodwill relating to interests in associates and joint ventures is included in the carrying amount of the investment.

The Group's share of the earnings of associates and joint ventures is reflected in the income statement under "Share of profit (loss) of equity-accounted associates and joint ventures".

After the equity method is applied, the Caisse des Dépôts Group's interest in an associate or joint venture is impaired and an impairment loss is recognised if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the interest (loss event) and if that loss event (or events) has an impact on the estimated future cash flows of the interest that can be reliably estimated. The losses expected as a result of future events are, however, not recognised.

If there is objective evidence of impairment, the full amount of the interest is tested for impairment in accordance with IAS 36 *Impairment of Assets*. An impairment loss is recognised if the recoverable amount of the investment, reflecting the higher of its fair value less the costs of disposal and its value in use, is lower than its carrying amount.

When an impairment loss is recognised, it is charged against the value of the equity-accounted investment in the statement of financial position, and may subsequently be reversed if the value in use or fair value less the costs of disposal increases. The impairment loss is recognised in the income statement under "Share of profit (loss) of equity-accounted associates and joint ventures".

If the Group's share in the losses of an equity-accounted company equals or exceeds its interest in that equity-accounted company, the Group discontinues recognising its share of further losses and its interest is reduced to zero. Additional losses of the associate or joint venture are provided for only to the extent that the Group has incurred legal and constructive obligations or made payments on behalf of the associate or joint venture.

When an interest in a joint venture becomes an interest in an associate (and vice-versa), any retained interest in the investment is not revalued. This also applies to partial acquisitions and sales that do not result in a change of control.

Any gains or losses resulting from sales of investments in associates and joint ventures are recognised in the income statement under "Gains and losses on other assets, net".

3. Non-current assets held for sale and related liabilities, discontinued operations

A non-current asset or a disposal group is classified as held for sale when its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The asset or disposal group is reported on a separate line of the statement of financial position when it is highly probable that the sale will be completed within 12 months.

As soon as they are classified as held for sale, non-current assets and disposal groups are carried at the lower of their carrying amount and fair value less costs to sell and are no longer depreciated/amortised. However, financial assets classified in this category continue to be measured in accordance with the principles of IFRS 9. Any impairment of non-current assets held for sale and disposal groups is recognised in profit or loss and may be reversed in subsequent periods.

An operation is considered as discontinued when the related assets fulfil the criteria for classification as held for sale or when the operation has been sold. The profits or losses from discontinued operations are shown on a single line of the income statement for the periods presented. The reported amounts include the net profit or loss of the discontinued operations up to the date of sale and the after-tax disposal gain or loss.

4. Foreign currency transactions

At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are converted into the Group's functional currency at the year-end exchange rate.

The resulting conversion gains and losses are recognised in profit or loss. As an exception to this principle, for monetary assets classified as financial assets at fair value through other comprehensive income, only the portion of the conversion gain or loss calculated on these assets' amortised cost is recognised in profit or loss, with the other portion recognised in equity.

Concerning non-monetary assets:

- Assets measured at historical cost are converted at the exchange rate on the transaction date;
- Assets measured at fair value are converted at the exchange rate at the end of the reporting period.

Conversion gains and losses on non-monetary items are recognised in profit or loss if the gain or loss on the non-monetary item is also recognised in profit or loss, or in equity if the gain or loss on the non-monetary item is also recognised in equity.

5. Employee benefits

Benefits granted to the Group's employees fall into four categories:

- Short-term benefits, such as salaries, paid annual leave, matching payments to employee savings plans, and discretionary and non-discretionary profit-sharing;
- Post-employment benefits, corresponding to pensions, length-of-service awards payable to employees on retirement, financial support for employees receiving reduced rate pensions, and medical cover;
- Other long-term benefits such as jubilee and other long-service benefits;
- Termination benefits.

5.1. Short-term benefits

Short-term benefits are employee benefits expected to be paid within 12 months of the end of the reporting period in which the employees render the related service. A liability and an expense are recognised when the Group has a contractual obligation or constructive obligation arising from past practices.

5.2. Post-employment benefits

Post-employment benefits comprise defined contribution plans and defined benefit plans.

Obligations under defined contribution plans are generally covered by contributions paid to a pay-as-you-go pension scheme or to an insurance company that manages benefit payments or by the French State for public service employees. In all cases, the contributions are in full discharge of any future liability. Contributions paid are expensed as incurred.

Defined benefit plans are plans under which the Group has an obligation to pay agreed benefits to current and former employees. These plans give rise to a medium- or long-term liability which is measured and provisioned in the financial statements.

In accordance with IAS 19, the projected benefit obligation is measured by the projected unit credit method based on a range of actuarial, financial and demographic assumptions. The projected unit credit method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Units of benefit entitlement are determined based on the discounted present value of the future benefits.

The discount rate used by the Group is determined by reference to the yield on investment-grade corporate bonds with a similar maturity to that of the benefit obligation within the same monetary area.

The provision for defined post-employment benefits is therefore equal to the present value of the defined benefit obligation at the end of the reporting period, calculated by the projected unit credit method, less the fair value of the plan assets, if any.

The provision is adjusted at the end of each reporting period to reflect changes in the projected benefit obligation.

All gains or losses on remeasuring the net defined benefit obligation (asset) are recognised immediately in equity under "Gains and losses recognised directly in equity" and are not reclassified to profit or loss in subsequent periods. These include actuarial gains and losses arising on changes in actuarial assumptions and experience adjustments, as well as the return on plan assets and the change in any asset ceiling (excluding amounts taken into account in calculating the net interest cost on the defined benefit obligation (asset)).

The annual cost of defined benefit plans recognised in personnel expenses reflects:

- The cost of services rendered by employees during the period (service cost);
- The cost of services rendered by employees in previous periods (past service cost), resulting from plan amendments or curtailments, as well as gains and losses on any plan settlements;
- The net interest cost related to discounting the net defined benefit obligation (asset). The interest rate used to calculate the expected return on plan assets is the same as the discount rate applied to the provision.

Outside France, Group employees are covered by various compulsory contributory pension schemes. The corresponding obligations are funded by contributions to company pension funds or recognised in the financial statements of the companies concerned.

5.3. Other long-term benefits

Other long-term benefits are benefits other than short-term benefits, post-employment benefits and termination benefits, that are not expected to be paid in the 12 months after the end of the period in which the employees render the related service.

They are measured and recognised on a similar basis to defined post-employment benefits, except that actuarial gains and losses are recognised directly in profit or loss.

6. Share-based payments

Share-based payments consist of payments based on the equity instruments of Group subsidiaries that are equity settled or cash settled for amounts that reflect the value of the underlying shares.

Most of the share-based payment plans set up by Group entities are equity-settled plans.

IFRS 2 also applies to rights issues carried out under the Group's employee savings plans.

The employee benefit corresponds to the difference, at the purchase date, between the fair value of the acquired shares, taking into account the deemed cost of the lock-up feature, and the price paid by employees, multiplied by the number of shares purchased. At the end of each reporting period, the number of options likely to vest is reviewed. Where appropriate, the estimates are revised and the effect of the revision is recognised in the income statement with a corresponding adjustment to equity.

7. Fixed assets

Fixed assets in the consolidated statement of financial position include owner-occupied property and equipment, intangible assets and investment property.

Owner-occupied property is held for use in the production or supply of goods or services and for administrative purposes. It corresponds to assets not leased to third parties under operating leases.

Investment property corresponds to property held to earn rentals or for capital appreciation or both.

Owner-occupied and investment properties are initially recognised at cost, corresponding to their purchase price, any directly attributable expenditure and any borrowing costs.

Land is not depreciated. Other assets are depreciated from the date they are put into service by the straight-line method. This method consists of recording a constant annual charge to write off the cost of the asset less its residual value over the asset's estimated useful life.

Government grants are recorded as a deduction from the carrying amount of the assets they serve to finance.

When an asset comprises several items with different patterns of use that may require replacement at regular intervals or generate economic benefits at differing rates, each such item is recognised separately and depreciated over its estimated useful life when the amounts involved are material.

The main items of property and equipment recognised by the Group and the related depreciation periods are as follows:

- Building shell: 30 to 100 years;
- Roof/facade: 25 to 40 years;
- Fixtures: 10 to 25 years;
- Fittings and technical installations: 10 to 25 years;
- Major maintenance work: 15 years.

The depreciable amount of each asset is determined by deducting the residual value from its cost, where said value is both material and measurable. Residual value is defined as the estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Software and development costs are recognised in assets and amortised over periods of between three and seven years.

At the end of each reporting period, an impairment test is performed if there is any internal or external indication that an asset may be impaired and the amount of the impairment may be material. Impairment tests are performed by comparing the carrying amount of the asset with its recoverable amount.

If the recoverable amount is less than the carrying amount, the carrying amount is reduced by recording an impairment loss. If the recoverable amount increases in subsequent periods, all or part of the impairment loss is reversed.

8. Impairment of non-amortisable intangible assets and goodwill

Goodwill and other intangible assets with an indefinite useful life are not amortised but are tested for impairment at annual intervals.

The impairment tests are performed at the level of cash-generating units (CGUs), representing the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Impairment tests are performed by comparing the recoverable amount of the asset or CGU to its carrying amount.

The recoverable amount of an asset or a CGU is the higher of its fair value less the costs of disposal and its value in use.

If the carrying amount is greater than the recoverable amount, an impairment loss is recognised in the income statement for the difference between these two amounts.

Impairment losses recognised on goodwill related to subsidiaries and intangible assets with indefinite useful lives cannot be reversed.

9. Finance leases

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.

Leases are classified as finance leases when:

- The lease transfers ownership of the asset to the lessee by the end of the lease term;
- The lessee has the option to purchase the asset at a price that is expected to be sufficiently lower than the fair value for it to be reasonably certain that the option will be exercised;
- The lease term is for the major part of the economic life of the asset;
- The present value of the minimum lease payments amounts to substantially all of the fair value of the leased asset at the inception of the lease;
- The leased assets are of such a specialised nature that only the lessee can use them without major modifications.

In the lessee’s financial statements, finance leases are accounted for as follows:

- The leased asset is recognised in assets, under property and equipment, and a liability for the same amount is recognised in debt;
- The asset is depreciated over its estimated useful life, in the same way as assets owned outright, and the minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability.

The depreciation period corresponds to those of goods of the same nature acquired by the company.

Leases that do not transfer substantially all the risks and rewards incidental to ownership are classified as operating leases. Lease payments under operating leases (net of benefits obtained from the lessor) are recognised in the income statement on a straight-line basis over the duration of the lease.

10. Provisions

Provisions recorded under liabilities, other than those relating to losses on financial instruments and employee benefits, are mainly provisions for claims and litigation, fines and tax risks.

A provision is recorded when the Group has a present obligation arising from past events, the settlement of which is expected to result in an outflow of resources embodying economic benefits without there being any expectation that economic benefits with at least an equivalent value will be received. The obligation may be legal, regulatory, contractual or constructive. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are discounted when the effects of discounting are material, using a discount rate that reflects current market assessments of the time value of money and the risks specific to the liability. Increases in the provision to reflect the passage of time are recognised in “Interest expense”.

11. Current and deferred taxes

Deferred taxes are recognised using the liability method for temporary differences between the carrying amount of assets and liabilities and their tax base. Under this method, deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The effects of changes in tax rates are recognised in the period in which the change is enacted or substantively enacted.

Deferred taxes are calculated at the level of each tax entity. Deferred tax assets are recognised only when it is probable that sufficient taxable profits will be available to permit their recovery.

Certain directly or indirectly held Group entities form part of a tax group.

Income tax expense is recognised in the income statement, except for tax on items recognised directly in equity, which is also recorded in equity.

Deferred taxes are not discounted.

12. Capital

In light of its status, Caisse des Dépôts does not have any share capital.

13. Revenue from contracts with customers

Revenue from contracts with customers has been recognised in accordance with IFRS 15 since 1 January 2018.

This standard covers the recognition of revenue applicable to all contracts with customers regardless of business sector, with the exception of leases, insurance contracts and financial instruments, which fall within the scope of IAS 17, IFRS 4 and IFRS 9, respectively.

How revenue is recognised in the income statement must reflect the pattern of transfer to the customer of control of the good or service sold, for the amount to which the seller expects to be entitled in exchange for that good or service. This recognition method applies to sales of goods and merchandise, the provision of services and long-term contracts.

The approach developed in IFRS 15 consists of a series of five steps, from identifying the contract with the customer to recognising revenue in profit or loss:
- Identifying the contract;
- Identifying performance obligations;
- Determining the transaction price;
- Allocating the transaction price to performance obligations; and
- Recognise revenue when performance obligations have been satisfied.

Depending on the conditions for the transfer of control of the goods and services promised to the customer, revenue is recognised:
- At a point in time, when control of the goods and services is transferred to the customer on a given date; or
- Over time, reflecting how the performance obligation is satisfied by the seller.

These provisions mainly concern the Caisse des Dépôts Group entities that conduct an industrial or commercial activity.

Revenue from contracts with customers is reported in the income statement under "Income from other activities".

2 – Adoption of IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers*

2.1 – Main impacts of first-time adoption of IFRS 9 and IFRS 15

The Caisse des Dépôts Group has decided not to restate its 2017 comparative financial statements on first-time adoption of IFRS 9 as permitted by the standard. The effect of first-time adoption of IFRS 9 and IFRS 15 is recognised in equity as from 1 January 2018. The figures presented in comparison with 2017 were prepared in accordance with IAS 39 on financial instruments.

The Caisse des Dépôts Group has decided to apply the new provisions of IFRS 9 for hedge accounting to better reflect the entities' risk management policy in the consolidated financial statements. These provisions had no impact at the time of their first-time adoption.

The first-time adoption of IFRS 9 and IFRS 15 had a negative impact of €90 million and a positive impact of €7 million on total consolidated equity, respectively.

Equity attributable to owners at 1 January 2018 after adoption of IFRS 9 and IFRS 15 came to €37,179 million, including €30,402 million of core equity, €5,267 million of other comprehensive income not to be reclassified to profit or loss and €1,510 million of other comprehensive income to be reclassified to profit or loss.

2.2 – Specific case of the CNP Assurances group

Amendments to IFRS 4 *Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts* were adopted by the European Union on 3 November 2017 (EU Regulation No. 2017/1988) and apply as from 1 January 2018. These amendments clarify the procedures for insurance undertakings to apply IFRS 9 with IFRS 4 *Insurance Contracts*. They provide for a temporary exemption, subject to conditions, from IFRS 9 for insurance undertakings, to enable them to apply said standard at the same time as IFRS 17 *Insurance Contracts*.

The CNP Assurances group, which is accounted for by the equity method in the Caisse des Dépôts Group's financial statements, satisfies the eligibility criteria for this provision (as the predominance ratio of insurance activities, on which eligibility for deferral depends, is greater than 90%) and has opted to defer adoption of IFRS 9 for three years, i.e. until 1 January 2021.

These amendments also introduce a simplifying option allowing groups applying IFRS 9 not to restate in IFRS 9 format the financial statements of insurance undertakings accounted for by the equity method in the consolidated financial statements.

The Caisse des Dépôts Group has therefore decided not to restate in IFRS 9 format the CNP Assurances group's financial statements as from 1 January 2018.

2.3 – Impact of adoption of IFRS 9 and IFRS 15 on equity

(in millions of euros)	Unrealised or deferred gains and losses: To be reclassified	Unrealised or deferred gains and losses: Not to be reclassified	Other reserves	Equity attributable to owners	Unrealised or deferred gains and losses	Other reserves	Equity attributable to non-controlling interests
Equity at 31.12.2017	**11,989**	**(190)**	**25,463**	**37,262**	**93**	**3,547**	**3,640**
Impact of classification:							
Reclassification of impairment of unrealised losses on available-for-sale financial assets	(574)	(3,282)	3,856				
Reclassification of available-for-sale equity instruments as assets at fair value through profit or loss	(1,206)		1,206				
Reclassification of available-for-sale equity instruments as financial assets through OCI not to be reclassified	(8,567)	8,567					
Reclassification of equity instruments at fair value through profit or loss as financial assets through OCI not to be reclassified		123	(123)				
Impact of measurement:							
Provisions for expected losses			(62)	(62)			
Remeasurement of financial assets or liabilities ensuing from adoption of IFRS 9	(132)	49	55	(28)			
Impact of adoption of IFRS 9	**(10,479)**	**5,457**	**4,932**	**(90)**			
Impact of adoption of IFRS 15			**7**	**7**		**9**	**9**
Equity at 01.01.2018	**1,510**	**5,267**	**30,402**	**37,179**	**93**	**3,556**	**3,649**

2.4 – Reconciliation of the consolidated statement of financial position at 1 January 2018

(in millions of euros)	Notes	31.12.2017 Published	IFRS 15	Financial instruments – Classification	Financial instruments – Measurement	01.01.2018 Restated
Assets						
Cash and amounts due from central banks		8,785				8,785
Financial assets at fair value through profit or loss	4.1	1,583		8,509	6	10,098
Hedging instruments with a positive fair value	4.2	1,449				1,449
Available-for-sale financial assets		65,589		(65,454)	(135)	
Financial assets at fair value through OCI	4.3			23,415		23,415
Securities at amortised cost	4.4			57,776	(15)	57,761
Loans and receivables due from credit institutions and related entities, at amortised cost	4.5	15,897		(13)	(1)	15,883
Loans and receivables due from customers, at amortised cost	4.6	4,828		(1,279)	(6)	3,543
Cumulative fair value adjustments to portfolios hedged against interest rate risk						
Held-to-maturity investments		22,953		(22,953)		
Current and deferred tax assets	4.7	235	(2)	(1)		232
Prepayments, accrued income and other assets	4.8	7,288	76	2	(2)	7,364
Non-current assets held for sale	4.9	14				14
Investments in equity-accounted companies	4.10	24,661	1		56	24,718
Investment property	4.11	15,912				15,912
Owner-occupied property and equipment	4.11	2,628				2,628
Intangible assets	4.11	719		(2)		717
Goodwill	4.12	1,002				1,002
Total assets		**173,543**	**75**	**–**	**(97)**	**173,521**

(in millions of euros)	Notes	31.12.2017 Published	IFRS 15	Financial instruments Classification	Financial instruments Measurement	01.01.2018 Restated
Liabilities and equity						
Due to central banks						
Financial liabilities at fair value through profit or loss	4.1	2,230		-		2,230
Hedging instruments with a negative fair value	4.2	1,562				1,562
Debt securities	4.13	39,433				39,433
Due to credit institutions and related entities	4.14	11,879			3	11,882
Due to customers	4.15	64,432		(2)		64,430
Cumulative fair value adjustments to portfolios hedged against interest rate risk						
Current and deferred tax liabilities	4.7	1,765	7	(1)	(17)	1,754
Accrued expenses, deferred income and other liabilities	4.8	10,139	51	3	(3)	10,190
Liabilities related to non-current assets held for sale	4.9	12				12
Provisions	4.17	1,188			11	1,199
Subordinated debt		1				1
Equity attributable to owners						
Reserves and retained earnings		23,556	7	4,937	(4)	28,496
Gains and losses recognised directly in equity		11,800		(4,937)	(86)	6,777
Profit (loss) for the period		1,906				1,906
Total equity attributable to owners		**37,262**	**7**		**(90)**	**37,179**
Non-controlling interests	4.18	3,640	10		(1)	3,649
Total equity		**40,902**	**17**		**(91)**	**40,828**
Total liabilities and equity		**173,543**	**75**	**-**	**(97)**	**173,521**

2.5 – Reconciliation of financial assets and liabilities from IAS 39 to IFRS 9

(in millions of euros)	IAS 39		IFRS 9	
Note	**Accounting class**	**Carrying amount at 31.12.2017**	**Accounting class**	**Carrying amount at 01.01.2018**
4.1	Fair value through profit or loss	1,230	Fair value through profit or loss	1,230
4.1	Fair value through profit or loss	114	Assets at fair value through OCI not to be reclassified	114
4.1	Fair value through profit or loss	86	Securities at amortised cost	84
4.3	Available-for-sale financial assets(1)	7,319	Fair value through profit or loss	7,319
4.3	Available-for-sale financial assets	3,865	Assets at fair value through OCI to be reclassified	3,865
4.3	Available-for-sale financial assets(2)	19,429	Assets at fair value through OCI not to be reclassified	19,429
4.3	Available-for-sale financial assets(3)	34,974	Securities at amortised cost	34,839
4.4	Held-to-maturity investments	100	Fair value through profit or loss	108
4.4	Held-to-maturity financial investments(4)	22,853	Securities at amortised cost	22,838
4.1	Derivative instruments held for trading at fair value through profit or loss	155	Fair value through profit or loss	155
4.2	Hedging derivatives at fair value through profit or loss	1,449	Fair value through profit or loss	1,449
4.5	Loans and receivables due from credit institutions and related entities, at amortised cost	15,883	Amortised cost	15,882
4.5	Loans and receivables due from credit institutions and related entities, at amortised cost	14	Fair value through profit or loss	14
4.6	Loans and receivables due from customers at amortised cost	3,549	Amortised cost	3,543
4.6	Loans and receivables due from customers at amortised cost	7	Assets at fair value through OCI not to be reclassified	7
4.6	Loans and receivables due from customers at amortised cost	1,272	Fair value through profit or loss	1,272
	Total financial assets	**112,299**	**Total financial assets**	**112,148**

No impact under IFRS 9 on financial liabilities.

Adoption of the provisions of IFRS 9 on the classification and measurement of financial instruments led to the following main effects at 1 January 2018:

– Securities recognised at 31 December 2017 as available-for-sale financial assets through other comprehensive income:

(1) Investments in equity instruments (equities and fund units) were reclassified as equity instruments at fair value through profit or loss for an amount of €7.3 billion. This reclassification led to a transfer of €1.8 billion from unrealised gains and losses recognised in other comprehensive income attributable to owners to be reclassified to consolidated core reserves.

(2) The option to recognise equity instruments at fair value through other comprehensive income not to be reclassified to profit or loss was used for equity instruments totalling an amount of €19.4 billion. This option led, at Group level, to the transfer of €8.6 billion from unrealised gains or losses recognised in other comprehensive income attributable to owners to be reclassified to unrealised gains and losses recognised in other comprehensive income not to be reclassified for an amount of €5.3 billion and to consolidated core reserves for an amount of €3.3 billion.

(3) Debt instruments recognised at 31 December 2017 as available-for-sale financial assets through other comprehensive income for an amount of €35 billion which are managed under the "hold-to-collect" business model were recognised at amortised cost. Cumulative changes in the fair value of these securities recognised in other comprehensive income at 31 December 2017 for a net amount of €84 million (gross amount of €135 million gross less €51 million relating to deferred taxes) were cancelled.

Available-for-sale financial assets which were reclassified so as to be measured at amortised cost under IFRS 9:

(in millions of euros)	**31.12.2018**
Fair value of financial assets at the reporting date	25,917
Gain or loss on fair value which would have been recognised in profit or loss or in OCI during the period of presentation of the financial information had the financial assets not been reclassified	(10)

– Securities recognised at 31 December 2017 as held-to-maturity financial assets:

(4) Debt instruments classified in this category were recognised at amortised cost for an amount of €22.8 billion.

2.6 – Reconciliation of IAS 39 and IAS 37 impairment to impairment for expected losses under IFRS 9

(in millions of euros)	31.12.2017 Published	Financial instruments Classification[1]	Measurement[2]	01.01.2018 Restated
Loans and receivables due from credit institutions and related entities, at amortised cost	(3)	3	(1)	(1)
Loans and receivables due from customers, at amortised cost	(587)	465	(6)	(128)
Securities at amortised cost			(15)	(15)
Available-for-sale financial assets	(3,634)	3,634		
Held-to-maturity investments				
Financial assets at fair value through OCI to be reclassified			(1)	(1)
Accounts receivable and contract assets	(144)			(144)
Commitments given in respect of financing and guarantees	(3)		(11)	(14)
Total impairment losses	**(4,371)**	**4,102**	**(34)**	**(303)**

(1) This concerns mainly the reclassification of impairment of unrealised losses on available-for-sale assets and reclassification of impairment of loans and receivables due from customers at amortised cost recognised at fair value through profit or loss under IFRS 9.
(2) The measurement impact corresponds to the amount of provisions linked to adoption of the expected loss model.

3 – Notes to the consolidated income statement

3.1 – Interest income and expense

(in millions of euros)	31.12.2018 Income	31.12.2018 Expense	31.12.2018 Net	31.12.2017 Published Income	31.12.2017 Published Expense	31.12.2017 Published Net
Ordinary accounts in debit/credit	1		1	1		1
Accounts and loans/borrowings with fixed maturities	90	(277)	(187)	61	(274)	(213)
Repurchase and resale agreements						
Other, including hedging instruments	2	(10)	(8)	238	(1)	237
Interbank transactions at amortised cost	**92**	**(287)**	**(195)**	**300**	**(275)**	**25**
Ordinary accounts in debit/credit	4		4	4		4
Accounts and loans/borrowings with fixed maturities	67	(381)	(314)	77	(376)	(299)
Repurchase and resale agreements	9		9	11		11
Other, including hedging instruments	15		15	65		65
Customer transactions at amortised cost	**95**	**(381)**	**(286)**	**157**	**(376)**	**(219)**
Available-for-sale financial assets				222		222
Financial assets measured at fair value through OCI to be reclassified	35		35			
Held-to-maturity investments				618		618
Securities at amortised cost	701		701			
Other, including hedging instruments	578		578	133		133
Financial instruments	**1,314**		**1,314**	**973**		**973**
Debt securities		(413)	(413)		(541)	(541)
Subordinated debt						
Borrowings		**(413)**	**(413)**		**(541)**	**(541)**
Total interest income and expense	**1,501**	**(1,081)**	**420**	**1,430**	**(1,192)**	**238**

3.2 – Fee and commission income and expense

	31.12.2018		31.12.2017 Published	
(in millions of euros)	**Income**	**Expense**	**Income**	**Expense**
Interbank and similar transactions				
Customer transactions	4		4	
Securities and derivatives transactions		(16)		(17)
Financial services transactions	15	(22)	17	(21)
Other fees and commissions				
Fee and commission income and expense	**19**	**(38)**	**21**	**(38)**

3.3 – Gains and losses on financial instruments at fair value through profit or loss, net

(in millions of euros)	31.12.2018 Total	31.12.2018 o/w fair value option	31.12.2017 Published Total	31.12.2017 Published o/w fair value option
Disposal gains and losses, net	110	(6)	15	15
Fair value adjustments, interest income or expense	100	(1)	13	13
Other income and expense, net				
Debt instruments	**210**	**(7)**	**28**	**28**
Disposal gains and losses, net	298		15	15
Fair value adjustments, interest income or expense	(342)		(12)	(12)
Dividend income	88		16	1
Other income and expense, net				
Equity instruments	**44**		**19**	**4**
Disposal gains and losses, net				
Fair value adjustments, interest income or expense	20		(21)	
Other income and expense, net				
Futures and options (excluding hedging instruments)	**20**		**(21)**	
Disposal gains and losses, net				
Fair value adjustments, interest income or expense	63			
Other income and expense, net				
Loans	**63**			
Disposal gains and losses, net				
Fair value adjustments, interest income or expense	44	44	95	95
Other income and expense, net	(340)	(62)	(117)	(117)
Debt securities, borrowings and securities issued	**(296)**	**(18)**	**(22)**	**(22)**
Disposal gains and losses, net				
Fair value adjustments, interest income or expense				
Other income and expense, net				
Commitments				
Ineffective portion of fair value hedges	32		24	
• change in fair value of hedged items	(58)		112	
• change in fair value of hedging derivatives	89		(88)	
Ineffective portion of cash flow hedges	2		4	
Hedging instruments	**34**		**28**	
Discontinuation of cash flow hedges	2			
Discontinuation of cash flow hedges	**2**			
Currency instruments	11		(37)	
Currency instruments	**11**		**(37)**	
Total gains and losses on financial instruments at fair value through profit or loss, net	**88**	**(25)**	**(5)**	**10**

3.4 – Gains and losses on financial instruments at fair value through other comprehensive income, net

(in millions of euros)	31.12.2018	31.12.2017 Published
Disposal gains and losses, net		46
Debt instruments		**46**
Disposal gains and losses, net (not applicable in 2018)		1,010
Other-than-temporary impairment (not applicable in 2018)		(88)
Dividend income	632	648
Equity instruments	**632**	**1,570**
Total gains and losses on financial instruments at fair value through OCI, net	**632**	**1,616**

3.5 – Gains and losses resulting from derecognition of financial assets at amortised cost, net

(in millions of euros)	31.12.2018
Gains resulting from derecognition	3
Losses resulting from derecognition	(8)
Total net gains or losses resulting from derecognition of financial assets at amortised cost	**(5)**

The carrying amounts of financial assets at amortised cost derecognised during the period are as follows:

(in millions of euros)	31.12.2018
Securities at amortised cost	1,007
Loans and advances to credit institutions and related entities, at amortised cost	
Loans and receivables to customers, at amortised cost	
Total carrying amounts of financial assets at amortised cost derecognised	**1,007**

3.6 – Income and expense from other activities

	31.12.2018		31.12.2017 Published	
(in millions of euros)	Income	Expense	Income	Expense
Income and expenses from investment property	1,591	(763)	1,568	(715)
Income and expenses from other activities	10,318	(3,271)	9,779	(2,786)
Total income and expense from other activities, net	**11,909**	**(4,034)**	**11,347**	**(3,501)**

3.7 – General operating expenses

(in millions of euros)	31.12.2018	31.12.2017 Published
Employee benefits expense	**(5,630)**	**(5,345)**
Other expenses and external services	(1,988)	(2,108)
Provision (charges)/reversals	21	(1)
Other general operating expenses	**(1,967)**	**(2,109)**
Total general operating expenses	**(7,597)**	**(7,454)**

3.8 – Cost of credit risk

	31.12.2018		31.12.2017 Published	
(in millions of euros)	Income	Expense	Income	Expense
Impairment of loans and receivables due from credit institutions at amortised cost	1			
Impairment of loans and receivables due from customers at amortised cost	12	(14)	43	(44)
Impairment of debt instruments measured at fair value through OCI	1			
Impairment of securities at amortised cost				
Impairment of off-balance sheet commitments	3	(2)		
Impairment for expected credit losses	**17**	**(16)**	**43**	**(44)**
Other provisions for counterparty risk	11	(12)	20	(10)
Other provisions for counterparty risk	**11**	**(12)**	**20**	**(10)**
Loan losses and bad debts		(15)		(10)
Recoveries on loans and receivables written off in prior years				
Losses and recoveries		**(15)**		**(10)**
Cost of credit risk	**28**	**(43)**	**63**	**(64)**

3.9 – Gains and losses on other assets, net

(in millions of euros)	31.12.2018	31.12.2017 Published
Gains and losses on disposals of property and equipment and intangible assets	11	7
Gains and losses on disposals of property and equipment and intangible assets	**11**	**7**
Gains and losses on disposals of securities	19	31
Dilution gains and losses		
Other gains and losses on long-term equity interests	(1)	(5)
Gains and losses on long-term equity interests	**18**	**26**
Other gains and losses		1
Other gains and losses		**1**
Total gains and losses on other assets, net	**29**	**34**

3.10 – Income tax expense

3.10.1 – Analysis of income tax expense

(in millions of euros)	31.12.2018	31.12.2017 Published
Current taxes	(245)	(725)
Deferred taxes	(62)	194
Income tax expense	**(307)**	**(531)**

3.10.2 – Reconciliation of theoretical and effective tax rates

(in millions of euros)	31.12.2018	31.12.2017 Published
Net profit (loss) attributable to owners	1,768	1,906
Non-controlling interests	146	199
Share of profit (loss) of equity-accounted companies	(1,448)	(977)
Change in value of goodwill	2	5
Net profit (loss) from discontinued operations	(5)	(3)
Income tax expense	307	531
Profit (loss) before tax, change in value of goodwill and share of profit (loss) of equity-accounted companies	**770**	**1,661**
Theoretical tax rate(1)	34.43%	34.43%
Theoretical tax expense	**(265)**	**(572)**
Effect of differences in tax rates	15	(136)
Effect of permanent differences	(163)	35
Effect of the SIIC regime and other exempt operations	127	52
Net effect of deferred tax recognition	(51)	48
Tax credits	43	72
Other	(14)	(29)
Consolidated income tax expense	**(307)**	**(531)**
Effective tax rate	**39.9%**	**31.9%**

(1) Including the 3.3% social solidarity contribution.

4 – Notes to the consolidated statement of financial position

4.1 – Financial assets and liabilities at fair value through profit or loss

	31.12.2018		01.01.2018 Restated	
(in millions of euros)	Mandatory classification	Fair value option	Mandatory classification	Fair value option
Government bonds and treasury bills	127	206	110	211
Negotiable debt securities	281		265	
Mutual funds	103		112	
Venture capital funds	1,976		1,824	
Other securities	809		685	
Debt instruments	**3,296**	**206**	**2,996**	**211**
Equities	3,440		3,574	
Other securities	1,181		1,875	
Equity instruments	**4,621**		**5,449**	
Derivative instruments held for trading	95		157	
Derivative instruments held for trading	**95**		**157**	
Loans	**1,474**		**1,285**	
Total financial assets at fair value through profit or loss	**9,486**	**206**	**9,887**	**211**

	31.12.2018		01.01.2018 Restated	
(in millions of euros)	Mandatory classification	Fair value option	Mandatory classification	Fair value option
Credit institutions				
Customers				
Accounts and borrowings with fixed maturities				
Bonds				
Negotiable debt securities[1]		943		2,180
Other				
Debt securities		**943**		**2,180**
Borrowed securities and short sales				
Borrowed securities and short sales				
Derivative instruments held for trading	38		50	
Derivative instruments held for trading	**38**		**50**	
Total financial liabilities at fair value through profit or loss	**38**	**943**	**50**	**2,180**

(in millions of euros)	31.12.2018 Fair value option	01.01.2018 Restated Fair value option
Difference between carrying amount and contractual amount due at maturity	195	248
Contractual amount due at maturity on financial liabilities at fair value through profit or loss under the fair value option	**748**	**1,932**
Cumulative change in fair value of financial liabilities designated at fair value through profit or loss under the fair value option attributable to changes in credit risk (not to be reclassified)	*42*	*51*
Change in fair value over the period of financial liabilities designated at fair value through profit or loss under the fair value option attributable to changes in credit risk (not to be reclassified)	*(9)*	

(1) Concerns the Central Sector on private placements. At 31 December 2018, there were no benchmark bond issues recognised at fair value through profit or loss under the fair value option.

4.2 – Hedging instruments

	31.12.2018			
(in millions of euros)	Positive fair value	Negative fair value	Notional amount	Change in fair value used to calculate ineffectiveness
Interest rate derivatives	392	241	37,084	73
Currency derivatives	356	304	56,844	13
Equity derivatives				
Other derivatives				3
Fair value hedges	**748**	**545**	**93,928**	**89**
Interest rate derivatives	471	768	3,641	1
Currency derivatives	1	3	8	
Equity derivatives				
Other derivatives		2	12	
Cash flow hedges	**472**	**773**	**3,661**	**1**
Hedges of net investments in foreign operations				
Total hedging instruments	**1,220**	**1,318**	**97,589**	**90**

Breakdown of items covered by fair value hedges:

(in millions of euros)	31.12.2018		
	Carrying amount of hedged items	**o/w accumulated adjustment of fair value hedge**	**Change over the period in fair value used to calculate ineffectiveness**
Securities at amortised cost	51,045	100	(17)
Loans and advances to credit institutions at amortised cost	9,072		
Loans and receivables to customers at amortised cost	3,369		
Financial assets measured at fair value through OCI to be reclassified	15,887		
Financial assets measured at fair value through OCI not to be reclassified	18,387		
Assets – items covered by fair value hedges	**97,760**	**100**	**(17)**
Debt securities	28,981	379	32
Due to credit institutions	5,024		
Due to customers	67,728		
Liabilities – items covered by fair value hedges	**101,733**	**379**	**32**

Contractual maturities of the notional amount of hedging instruments:

(in millions of euros)	31.12.2018						
	< 1 month	**1-3 months**	**3-12 months**	**1-5 years**	**> 5 years**	**No fixed maturity**	**Total notional amount**
Interest rate derivatives	4,344	4,846	4,354	8,242	15,298		37,084
Currency derivatives	4,005	9,996	36,079	4,099	2,665		56,844
Other derivatives							
Fair value hedges	**8,349**	**14,842**	**40,433**	**12,341**	**17,963**		**93,928**
Interest rate derivatives			391	926	2,324		3,641
Currency derivatives			8				8
Other derivatives			12				12
Cash flow hedges			**411**	**926**	**2,324**		**3,661**
Hedges of net investments in foreign operations							
Total notional amount of hedging instruments	**8,349**	**14,842**	**40,844**	**13,267**	**20,287**		**97,589**

4.3 – Financial assets at fair value through other comprehensive income

4.3.1 – Financial assets at fair value through other comprehensive income to be reclassified

(in millions of euros)	31.12.2018			01.01.2018 Restated		
	Fair value	o/w hedged portion (fair value hedge)	o/w unrealised gains and losses	Fair value	o/w hedged portion (fair value hedge)	o/w unrealised gains and losses
Government bonds	5,509			3,066		
Negotiable debt securities	10,358		19	793		1
Other securities						
Accrued interest				6		
Debt instruments	**15,867**		**19**	**3,865**		**1**
Total financial assets at fair value through OCI to be reclassifed	**15,867**		**19**	**3,865**		**1**

Impairment for expected credit losses recognised in other comprehensive income to be reclassified:

(in millions of euros)	31.12.2018	01.01.2018 Restated
Debt instruments	(5)	(1)
Loans		
Total impairment losses	**(5)**	**(1)**

Exposure to credit risk[2] on gross carrying amounts of financial assets measured at fair value through other comprehensive income to be reclassified:

(in millions of euros)	Level 1 – Expected losses at 12 months	Level 2 – Expected losses at maturity	Level 3 – Expected losses at maturity on impaired assets	Total gross carrying amounts[1]
Opening position at 01.01.2018	**3,865**			**3,865**
Additions	11,987			11,987
Disposals				
Transfers between levels				
Other movements				
Closing position at 31.12.2018	**15,852**			**15,852**

(1) The gross carrying amount of financial assets measured at fair value through other comprehensive income to be reclassified is calculated excluding unrealised gains and losses.
(2) See the section entitled “Concentration risk” in note 7.1 of the part entitled “Risk factors”.

Breakdown of impairment for expected credit losses recognised in other comprehensive income to be reclassified:

(in millions of euros)	Level 1 – Expected losses at 12 months	Level 2 – Expected losses at maturity	Level 3 – Expected losses at maturity on impaired assets	Total impairment for expected losses
Opening position at 01.01.2018	**(1)**			**(1)**
Allocations on acquisitions during the period	(5)			(5)
Other allocations				
Reversals used with write-off	1			1
Reversals linked to asset removals				
Other unused reversals				
Transfers between levels				
Other movements				
Closing position at 31.12.2018	**(5)**			**(5)**

4.3.2 – Financial assets at fair value through other comprehensive income not to be reclassified

	31.12.2018			01.01.2018 Restated		
(in millions of euros)	Fair value	o/w hedged portion (fair value hedge)	o/w unrealised gains and losses	Fair value	o/w hedged portion (fair value hedge)	o/w unrealised gains and losses
Equities	18,750		5,348	19,421		6,953
Other equity instruments	128		57	129		55
Total financial assets measured at fair value through OCI not to be reclassified	**18,878**		**5,405**	**19,550**		**7,008**

Assets measured at fair value through other comprehensive income not to be reclassified sold during the period:

(in millions of euros)	31.12.2018		
	Fair value on date of sale	Gain or loss at time of sale(1)	Dividends received during the period
Equities	**2,420**	**222**	**67**
Credit institutions			
Other financial firms			
Non-financial firms	*2,420*	*222*	*67*
Other equity instruments	**16**	**(10)**	
Credit institutions			
Other financial firms			
Non-financial firms	*16*	*(10)*	
Total	**2,436**	**212**	**67**

(1) Before tax.

4.4 – Securities at amortised cost

(in millions of euros)	31.12.2018	01.01.2018 Restated
Government bonds	26,045	23,929
Negotiable debt securities	24,491	33,287
Other securities	96	103
Accrued interest	428	457
Provisions for expected losses	(15)	(15)
Total securities at amortised cost	**51,045**	**57,761**

Exposure to credit risk(2) on gross carrying amounts of securities at amortised cost:

(in millions of euros)	Level 1 – Expected losses at 12 months	Level 2 – Expected losses at maturity	Level 3 – Expected losses at maturity on impaired assets	Total gross carrying amounts(1)
Opening position at 01.01.2018	**57,660**			**57,660**
Additions	1,816	310		2,126
Disposals	(8,826)			(8,826)
Transfers between levels				
Other movements				
Closing position at 31.12.2018	**50,650**	**310**		**50,960**

(1) The gross carrying amount of securities at amortised cost is calculated excluding unrealised gains and losses.
(2) See the section entitled “Concentration risk” in note 7.1 of the part entitled “Risk factors”.

Breakdown of impairment for expected losses:

(in millions of euros)	Level 1 – Expected losses at 12 months	Level 2 – Expected losses at maturity	Level 3 – Expected losses at maturity on impaired assets	Total impairment for expected losses
Opening position at 01.01.2018	**(12)**	**(3)**		**(15)**
Allocations on acquisitions during the period				
Other allocations	(6)	(4)		(10)
Reversals used with write-off	9	1		10
Reversals linked to asset removals				
Other unused reversals				
Transfers between levels				
Other movements				
Closing position at 31.12.2018	**(9)**	**(6)**		**(15)**

4.5 – Loans and receivables due from credit institutions and related entities, at amortised cost

(in millions of euros)	31.12.2018	01.01.2018 Restated
Ordinary accounts in debit and overnight loans	3,590	3,861
Savings Funds current accounts		
Securities and other assets purchased under collateralised fixed resale agreements		
Accrued interest	6	4
Guarantee deposits		
Impairment for expected credit losses		
Loans to credit institutions repayable on demand	**3,596**	**3,865**
Accounts and loans with fixed maturities	7,199	12,001
Accrued interest	19	18
Guarantee deposits		
Impairment for expected credit losses	(1)	(1)
Loans and receivables due from credit institutions with fixed maturities	**7,217**	**12,018**
Total loans and receivables due from credit institutions and related entities, at amortised cost	**10,813**	**15,883**

Exposure to credit risk[1] on gross carrying amounts of loans and receivables due from credit institutions and related entities, at amortised cost:

(in millions of euros)	Level 1 – Expected losses at 12 months	Level 2 – Expected losses at maturity	Level 3 – Expected losses at maturity on impaired assets	Total gross carrying amounts
Opening position at 01.01.2018	**15,882**	**1**		**15,883**
Payments	96			96
Repayments	(5,054)			(5,054)
Transfers between levels				
Other movements	(111)	(1)		(112)
Closing position at 31.12.2018	**10,813**			**10,813**

(1) See the section entitled "Concentration risk" in note 7.1 of the part entitled "Risk factors".

Breakdown of impairment for expected losses:

(in millions of euros)	Level 1 – Expected losses at 12 months	Level 2 – Expected losses at maturity	Level 3 – Expected losses at maturity on impaired assets	Total impairment for expected credit losses
Opening position at 01.01.2018	**(1)**			**(1)**
Allocations on acquisitions during the period				
Other allocations				
Reversals used with write-off				
Reversals linked to asset removals				
Other unused reversals				
Transfers between levels				
Other movements				
Closing position at 31.12.2018	**(1)**			**(1)**

4.6 – Loans and receivables due from customers, at amortised cost

(in millions of euros)	31.12.2018	01.01.2018 Restated
Ordinary accounts in debit	393	343
Accrued interest	2	3
Guarantee deposits		
Impairment for expected credit losses	(6)	(5)
Ordinary accounts in debit	**389**	**341**
Loans to financial sector customers	43	45
Cash facilities	280	306
Equipment financing	953	845
Housing loans	356	308
Advances on securities transactions	298	268
Subordinated loans		
Finance lease receivables	79	80
Securities and other assets purchased under resale agreements		
Other loans	1,813	1,443
Accrued interest	31	30
Guarantee deposits		
Impairment for expected credit losses	(261)	(123)
Other loans and receivables due from customers	**3,592**	**3,202**
Total loans and receivables due from customers, at amortised cost	**3,981**	**3,543**

Exposure to credit risk[1] on gross carrying amounts of loans and receivables due from customers, at amortised cost:

(in millions of euros)	Level 1 – Expected losses at 12 months	Level 2 – Expected losses at maturity	Level 3 – Expected losses at maturity on impaired assets	Total gross carrying amounts
Opening position at 01.01.2018	**2,674**	**728**	**269**	**3,671**
Payments	574	105	6	685
Repayments	(101)	(89)		(190)
Transfers between levels	72	(72)		
Other movements	63	20		83
Closing position at 31.12.2018	**3,282**	**692**	**275**	**4,249**

(1) See the section entitled “Concentration risk” in note 7.1 of the part entitled “Risk factors”.

Breakdown of impairment for expected losses:

(in millions of euros)	Level 1 – Expected losses at 12 months	Level 2 – Expected losses at maturity	Level 3 – Expected losses at maturity on impaired assets	Total impairment for expected credit losses
Opening position at 01.01.2018	**(5)**	**(19)**	**(104)**	**(128)**
Allocations on acquisitions during the period		(2)	(2)	(4)
Other allocations	(4)	(1)	(5)	(10)
Reversals used with write-off	2	6	3	11
Reversals linked to asset removals				
Other unused reversals				
Transfers between levels				
Other movements			(136)	(136)
Closing position at 31.12.2018	**(7)**	**(16)**	**(244)**	**(267)**

4.7 – Current and deferred taxes

4.7.1 – Breakdown of income taxes in the statement of financial position

(in millions of euros)	31.12.2018
Current taxes	377
Deferred taxes	107
Total current and deferred assets	**484**
Current taxes	52
Deferred taxes	1,288
Total current and deferred liabilities	**1,340**

4.7.2 – Deferred taxes by sources of assets and liabilities

(in millions of euros)	31.12.2018
Assets and liabilities recognised at fair value through OCI not to be reclassified	(1,402)
Assets and liabilities recognised at fair value through OCI to be reclassified	63
Temporary differences – other	158
Total recognised deferred tax assets and liabilities, net[(1)]	**(1,181)**

(1) Tax assets are positive amounts, while tax liabilities are negative amounts.

4.8 – Prepayment and deferred income, accruals and other assets and liabilities

(in millions of euros)	31.12.2018	01.01.2018 Restated
Prepaid expenses	193	170
Accrued income	148	162
Other accruals	789	3,063
Prepayments and accrued income	**1,130**	**3,395**
Miscellaneous receivables	544	676
Settlement accounts for securities transactions		
Inventories	658	622
Guarantee deposits paid	133	130
Costs of contracts	3	2
Contract assets	498	391
Accounts receivable	1,929	1,787
Impairment for expected credit losses	(157)	(144)
Other	611	546
Other impairment	(37)	(41)
Other assets	**4,182**	**3,969**
Total prepayments, accrued income and other assets	**5,312**	**7,364**

(in millions of euros)	31.12.2018	01.01.2018 Restated
Deferred income	497	402
Accrued expenses	10	9
Other accruals	880	3,384
Accrued expenses and deferred income	**1,387**	**3,795**
Miscellaneous payables	516	482
Guarantee deposits received	112	110
Accounts payable	1,829	1,626
Other	3,081	4,177
Other liabilities	**5,538**	**6,395**
Total accrued expenses, deferred income and other liabilities	**6,925**	**10,190**

Exposure to credit risk on gross carrying amounts of accounts receivable and contract assets(1):

(in millions of euros)	Level 2 – Expected losses at maturity	Level 3 – Expected losses at maturity on impaired assets	Total gross carrying amounts
Opening position at 01.01.2018	**1,824**	**354**	**2,178**
Increase	225	40	265
Decrease			
Transfers between levels			
Other movements	(14)	(2)	(16)
Closing position at 31.12.2018	**2,035**	**392**	**2,427**

(1) In accordance with adoption of the simplified method, credit risk on accounts receivable and contract assets is estimated at maturity.

Breakdown of impairment for expected losses:

(in millions of euros)	Level 2 – Expected losses at maturity	Level 3 – Expected losses at maturity on impaired assets	Total impairment for expected credit losses
Opening position at 01.01.2018	**(2)**	**(142)**	**(144)**
Allocations on acquisitions during the period	(10)	(42)	(52)
Other allocations		(2)	(2)
Reversal used with write-off	2	34	36
Reversals linked to asset removals		5	5
Other unused reversals			
Transfers between levels			
Other movements			
Closing position at 31.12.2018	**(10)**	**(147)**	**(157)**

Breakdown by period overdue:

	31.12.2018				
(in millions of euros)	Unpaid outstandings: less than 30 days	Unpaid outstandings: more than 30 days	Unpaid outstandings: more than 60 days	Unpaid outstandings: more than 90 days	Total outstandings
Accounts receivable and contract assets	2,038	75	54	260	2,427
Provisions for expected losses	(54)	(3)	(2)	(100)	(157)
Rate of estimated expected losses in relation to total gross carrying amount by due date	**-3%**	**-4%**	**-4%**	**-38%**	**-6%**

4.9 – Non-current assets and liabilities held for sale

Assets

(in millions of euros)	31.12.2018	01.01.2018 Restated
Loan portfolios at amortised cost		
Securities and derivatives portfolios		
Investment property[(1)]	33	13
Owner-occupied property	31	
Other assets held for sale		
Assets held for sale	**64**	**13**
Loan and receivables portfolios at amortised cost		
Securities and derivatives portfolios		
Investment property		
Owner-occupied property		
Other assets		1
Assets of discontinued operations		**1**
Total non-current assets held for sale	**64**	**14**

(1) The estimated market value of investment property held for sale and recognised at amortised cost was €34 million at 31 December 2018 and €24 million at 31 December 2017. The method used to calculate the fair value of investment property corresponds to Level 3 in the fair value hierarchy.

Liabilities

(in millions of euros)	31.12.2018	01.01.2018 Restated
Liabilities related to non-current assets held for sale	72	3
Liabilities related to non-current assets held for sale	**72**	**3**
Due to credit institutions and customers		
Derivative instruments		
Debt securities		
Subordinated debt		
Other liabilities	10	9
Liabilities related to assets of discontinued operations	**10**	**9**
Total non-current liabilities related to assets held for sale	**82**	**12**

4.10 – Investments in equity-accounted companies

4.10.1 – Associates

4.10.1.1 – Statement of financial position – Associates

(in millions of euros)	31.12.2018		01.01.2018 Restated	
	Carrying amount	o/w goodwill net of adjustment	Carrying amount	o/w goodwill net of adjustment
Caisse des Dépôts Division	**494**		**474**	
CDC HABITAT GROUP entities	400		389	
LE MARQUIS	52		52	
FONCIÈRE DÉVELOPPEMENT TOURISME	35		33	
SAS DÉFENSE CB3	7			
Management of Strategic Investments Division	**2,424**	**20**	**2,150**	**21**
LA POSTE	1,616		1,605	
COMPAGNIE DES ALPES GROUP entities	76	19	74	20
COMPAGNIE NATIONALE DU RHÔNE	254		249	
HIG – GRT GAZ	253			
ADL PARTICIPATIONS	93		97	
VERDUN PARTICIPATIONS 1	83		83	
EGIS GROUP entities	20	1	15	1
TRANSDEV GROUP entities	29		27	
Investments in equity-accounted associates	**2,918**	**20**	**2,624**	**21**

4.10.1.2 – Income statement – Associates

(in millions of euros)	31.12.2018 Share of profit (loss) of equity-accounted associates	31.12.2018 o/w adjustments to the value of goodwill	31.12.2017 Published Share of profit (loss) of equity-accounted associates	31.12.2017 Published o/w adjustments to the value of goodwill
Caisse des Dépôts Division	**13**		**13**	
CDC HABITAT GROUP entities	13		13	
LE MARQUIS			(1)	
FONCIÈRE DÉVELOPPEMENT TOURISME	2		1	
SAS DÉFENSE CB3	(2)			
Management of Strategic Investments Division	**268**		**(332)**	
LA POSTE	207		(386)	
COMPAGNIE DES ALPES GROUP entities	5		5	
VERDUN PARTICIPATIONS 1			23	
COMPAGNIE NATIONALE DU RHÔNE	21		13	
HIG – GRT GAZ	24			
ADL PARTICIPATIONS			1	
EGIS GROUP entities	7		7	
TRANSDEV GROUP entities	4		5	
Share of profit (loss) of equity-accounted associates	**281**		**(319)**	

4.10.1.3 – Statement of comprehensive income – Associates

	Caisse des Dépôts Division		Management of Strategic Investments Division: Banking, Insurance & La Poste		Management of Strategic Investments Division: Real Estate & Tourism		Management of Strategic Investments Division: Infrastructure & Transport		Total	
(in millions of euros)	31.12.2018	31.12.2017 Published	31.12.2018	31.12.2017 Published	31.12.2018	31.12.2017 Published	31.12.2018	31.12.2017 Published	31.12.2018	31.12.2017 Published
Net profit (loss)	**13**	**13**	**207**	**(386)**		**5**	**56**	**49**	**276**	**(319)**
Items not to be reclassified to the income statement			5	19			2	(2)	7	17
Items to be reclassified to the income statement			(173)	(26)			(12)	(2)	(185)	(28)
Other comprehensive income (loss)			**(168)**	**(7)**			**(10)**	**(4)**	**(178)**	**(11)**
Total comprehensive income (loss)	**13**	**13**	**39**	**(393)**	**5**	**5**	**46**	**45**	**103**	**(330)**

4.10.2 – Joint ventures

4.10.2.1 – Statement of financial position – Joint ventures

(in millions of euros)	31.12.2018		01.01.2018 Restated	
	Carrying amount	o/w goodwill net of adjustment	Carrying amount	o/w goodwill net of adjustment
Caisse des Dépôts Division	**1,238**		**1,360**	
SCI Alpha Park	12		12	
SCI Printemps La Valette	4		4	
SAS Richelieu Vivienne	32		31	
OPCI River Ouest	50		49	
SAS Printemps La Valette II	16		16	
SCI Farman	85		85	
SCI Tour Merle	28		28	
SCI Batignoles Lot 09	27			
SCI PB10	32		33	
SCI EVI-DANCE	26		14	
SAS Malthazar			50	
Tonus Territoires			60	
CDC PME Croissance	784		978	
CDC EURO Croissance	142			
Bpifrance Division	**11,438**		**11,977**	
Bpifrance	11,438		11,977	
Management of Strategic Investments Division	**8,624**	**208**	**8,757**	**208**
CNP Assurances(1)	6,683	208	6,926	208
Icade GROUP entities	140		150	
Coentreprise de Transport d'Électricité	1,742		1,630	
TRANSDEV GROUP entities	39		29	
EGIS GROUP entities	20		22	
Investments in equity-accounted joint ventures	**21,300**	**208**	**22,094**	**208**

(1) Based on the quoted price for a CNP Assurances share at 31 December 2018 (€18.52), Caisse des Dépôts' stake in the company represents €5,197 million. The Market Consistent Embedded Value (MCEV) of a CNP Assurances share was €31.80 at 31 December 2018. Caisse des Dépôts' stake in the company therefore represents €8,924 million.

4.10.2.2 – Income statement – Joint ventures

(in millions of euros)	31.12.2018 Share of profit (loss) of equity-accounted joint ventures	31.12.2018 o/w adjustments to the value of goodwill	31.12.2017 Published Share of profit (loss) of equity-accounted joint ventures	31.12.2017 Published o/w adjustments to the value of goodwill
Caisse des Dépôts Division	**29**		**72**	
SCI Alpha Park	2		2	
SCI Printemps La Valette	4		4	
SAS Richelieu Vivienne	2		1	
OPCI River Ouest	1		(15)	
SAS Malthazar	1		3	
SAS Printemps La Valette II	1			
SCI Farman	4		4	
SCI Tour Merle	2		2	
SCI PB10	(1)		(1)	
CDC PME Croissance	14		71	
CDC EURO Croissance	(1)			
Bpifrance Division	**408**		**607**	
Bpifrance	408		607	
Management of Strategic Investments Division	**730**		**617**	
CNP Assurances	534		521	
Icade GROUP entities			11	
Coentreprise de Transport d'Électricité	183		77	
TRANSDEV GROUP entities	2		(3)	
EGIS GROUP entities	11		11	
Share of profit (loss) of equity-accounted joint ventures	**1,167**		**1,296**	

4.10.2.3 – Statement of comprehensive income – Joint ventures

					Management of Strategic Investments Division							
	Caisse des Dépôts Division		Bpifrance Division		Banking, Insurance & La Poste		Real Estate & Tourism		Infrastructure & Transport		Total	
(in millions of euros)	31.12.2018	31.12.2017 Published	31.12.2018	31.12.2017 Published	31.12.2018	31.12.2017 Published	31.12.2018	31.12.2017 Published	31.12.2018	31.12.2017 Published	31.12.2018	31.12.2017 Published
Net profit (loss)	**29**	**72**	**408**	**607**	**534**	**521**		**11**	**196**	**85**	**1,167**	**1,296**
Total items not to be reclassified to the income statement	(199)		(400)	(10)	(5)	(3)			23	(2)	(581)	(15)
Total items to be reclassified to the income statement		160	(6)	(101)	(520)	16					(526)	75
Other comprehensive income (loss)		**160**	**(406)**	**(111)**	**(525)**	**13**			**23**	**(2)**	**(908)**	**60**
Total comprehensive income (loss)	**(170)**	**232**	**2**	**496**	**9**	**534**		**11**	**219**	**83**	**60**	**1,356**

4.11 – Investment property, owner-occupied property and equipment and intangible assets

4.11.1 - Gross value

(in millions of euros)	01.01.2018 Restated	Additions	Disposals	Other movements	31.12.2018
Land	4,674	13	(191)	94	4,590
Buildings	14,415	38	(493)	564	14,524
Technical installations and fixtures	144			6	150
Woodland and land banks	70				70
Prepayments					
Government grants	(302)	(7)			(309)
Assets under construction	1,000	965	(22)	(688)	1,255
Intangible assets related to investment property	10				10
Other					
Investment property	**20,011**	**1,009**	**(706)**	**(24)**	**20,290**
Land	261	3	(27)	(4)	233
Buildings	950	21	(42)	43	972
Technical installations and fixtures	2,247	60	(32)	97	2,372
Prepayments	3	1	(2)		2
Government grants	(3)	(5)			(8)
Assets under construction	194	225	(1)	(198)	220
Other	2,606	210	(264)	20	2,572
Owner-occupied property and equipment	**6,258**	**515**	**(368)**	**(42)**	**6,363**
Software	909	10	(4)	148	1,063
Concessions, licences and patents	150	5	(4)	4	155
Intangible assets in progress	126	142	(2)	(125)	141
Other intangible assets	743	19		(171)	591
Intangible assets	**1,928**	**176**	**(10)**	**(144)**	**1,950**

4.11.2 – Depreciation, amortisation and impairment

(in millions of euros)	01.01.2018 Restated	Increases	Decreases	Other movements	31.12.2018
Land	(275)	(6)	49	91	(141)
Buildings	(3,777)	(579)	208	17	(4,131)
Technical installations and fixtures	(116)	(7)			(123)
Woodland and land banks	(1)				(1)
Government grants	126		8		134
Intangible assets related to investment property	(10)				(10)
Other	(46)	(2)	13	20	(15)
Investment property	**(4,099)**	**(594)**	**278**	**128**	**(4,287)**
Land	(1)		1		
Buildings	(489)	(39)	15	4	(509)
Technical installations and fixtures	(1,430)	(110)	30	4	(1,506)
Other	(1,710)	(255)	227	63	(1,675)
Owner-occupied property and equipment	**(3,630)**	**(404)**	**273**	**71**	**(3,690)**
Software	(677)	(128)	4	(4)	(805)
Concessions, licences and patents	(101)	(6)	4		(103)
Other intangible assets	(433)	(104)	2	164	(371)
Intangible assets	**(1,211)**	**(238)**	**10**	**160**	**(1,279)**

(in millions of euros)	Carrying amount 01.01.2018 Restated	Carrying amount 31.12.2018
Investment property(1)	15,912	16,003
Owner-occupied property and equipment	2,628	2,673
Intangible assets	717	671
Total	**19,257**	**19,347**

(1) The estimated market value of investment property excluding held-for-sale investment property recognised at amortised cost was €24,571 million at 31 December 2018 and €23,502 million at 31 December 2017.
The method used to calculate the fair value of investment property corresponds to Level 3 in the fair value hierarchy.

4.11.3 – Breakdown of commitments received on non-cancellable operating leases

(in millions of euros)	31.12.2017 Published	31.12.2018
Maturing in less than one year	887	870
Maturing in one to five years	2,464	2,710
Maturing in more than five years	1,573	1,772
Total	**4,924**	**5,352**

4.12 – Goodwill

(in millions of euros)	01.01.2018 Restated	Increases (acquisitions)	Decreases (disposals)	Impairment losses for the period	Other movements	31.12.2018
ICADE GROUP	**40**					**40**
Property investment	4					4
Property development	36					36
COMPAGNIE DES ALPES GROUP	**279**	**11**				**290**
Ski resorts	135					135
Amusement parks	144					144
Holding companies and support functions		11				11
TRANSDEV GROUP	**528**	**20**			**2**	**550**
France	353	16				369
United States	77				3	80
Australia	44				(3)	41
Other	54	4			1	59
EGIS GROUP	**155**	**8**	**(3)**	**(2)**		**158**
Engineering services	142	8	(3)			147
Project development and operation	13			(2)		11
Total goodwill	**1,002**	**39**	**(3)**	**(2)**	**2**	**1,038**

4.13 – Debt securities

(in millions of euros)	31.12.2018	01.01.2018 Restated
Medium- and long-term issues(1)	15,189	15,554
Short-term issues	13,648	20,186
Accrued interest	144	136
Interbank and negotiable debt securities	**28,981**	**35,876**
o/w amount of remeasurement of fixed-maturity issues covered by fair value hedges	*379*	*347*
Bonds and similar debt securities	4,195	3,521
Accrued interest	36	36
Bonds and similar debt securities	**4,231**	**3,557**
Total debt securities	**33,212**	**39,433**

(1) Concerns the Central Sector: medium- and long-term issues with a nominal value of €14,863 million comprising €7,681 million in private placements under the EMTN programme and €7,182 million in benchmark bond issues at 31 December 2018.

The benchmark bond issues break down as follows:

Issue month	Rate	Currency	Nominal value in € millions	ISIN	Maturity
February 2009	Fixed rate 4.125%	EUR	750	FR0010725549	20 February 2019
March 2009	Fixed rate 4.125%	EUR	250	FR0010725549	20 February 2019
February 2017	Fixed rate 0.200%	EUR	500	FR0013239985	1 March 2022
September 2018	Fixed rate 0.750%	EUR	1,000	FR0013365269	18 September 2028
May 2016	Fixed rate 1.250%	USD	873	FR0013171006	17 May 2019
November 2016	Fixed rate 1.375%	USD	873	FR0013216959	7 November 2019
November 2017	Fixed rate 2.000%	USD	873	FR0013295912	14 November 2020
November 2013	Fixed rate 1.250%	CHF	222	CH0229001000	16 December 2020
November 2017	Fixed rate 0.300%	CHF	222	CH0386949348	12 November 2027
May 2018	Fixed rate 0.250%	CHF	155	CH0414510062	30 May 2025
September 2018	Fixed rate 0.250%	CHF	22	CH0414510062	30 May 2025
March 2015	Fixed rate 1.500%	GBP	279	FR0012616886	23 December 2019
June 2017	Fixed rate 0.500%	GBP	335	FR0013260734	12 June 2020
January 2018	Fixed rate 1.000%	GBP	279	FR0013311743	25 January 2021
November 2013	Fixed rate 1.302%	JPY	70	FR0011643766	29 November 2028
July 2014	Fixed rate 0.293%	JPY	159	JP525023AE76	30 July 2019
July 2014	Fixed rate 0.327%	JPY	39	JP525023BE75	30 January 2020
July 2015	Fixed rate 0.320%	JPY	80	JP525023AF75	23 July 2020
July 2014	Fixed rate 0.454%	JPY	34	JP525023CE74	30 July 2021
July 2015	Fixed rate 0.465%	JPY	79	JP525023BF74	22 July 2022
July 2014	Fixed rate 0.725%	JPY	86	JP525023DE73	30 July 2024
Total benchmark bond issues			**7,182**		

4.14 – Amounts due to credit institutions

(in millions of euros)	31.12.2018	01.01.2018 Restated
Ordinary accounts in credit and overnight borrowings	507	405
Demand deposits from Savings Funds	1,154	743
Securities and other assets sold under collateralised fixed repurchase agreements		
Accrued interest	4	3
Guarantee deposits		
Amounts due to credit institutions repayable on demand	**1,665**	**1,151**
Accounts and borrowings with fixed maturities	9,836	10,076
Securities and other assets sold under collateralised fixed repurchase agreements	1,107	584
Accrued interest	79	71
Guarantee deposits		
Amounts due to credit institutions with fixed maturities	**11,022**	**10,731**
Total amounts due to credit institutions	**12,687**	**11,882**

4.15 – Amounts due to customers

(in millions of euros)	31.12.2018	01.01.2018 Restated
Ordinary accounts in credit	52,093	51,104
Securities and other assets sold under collateralised fixed repurchase agreements		
Accrued interest	266	233
Guarantee deposits		
Ordinary accounts in credit	**52,359**	**51,337**
Borrowings from customer financial institutions		
Escrow accounts(1)	12,118	11,240
Time deposits	533	1,118
Securities and other assets sold under collateralised fixed repurchase agreements		
Other amounts due to customers with fixed maturities	44	68
Accrued interest	661	642
Guarantee deposits	26	25
Other amounts due to customers	**13,382**	**13,093**
Total amounts due to customers	**65,741**	**64,430**

(1) Of which €5.1 billion at 31 December 2018 under law 2014-617 of 13 June 2014 on inactive bank accounts and unclaimed life insurance policies (€4.5 billion at 31 December 2017).

4.16 – Offsetting of financial assets and liabilities

(in millions of euros)	31.12.2018					
	Gross amount of financial assets/ liabilities	Amounts offset in the statement of financial position	Closing balance	Impact of master netting agreements and similar arrangements	Financial instruments given/ received as collateral	Net
Assets						
Derivative financial instruments	1,315		1,315		335	980
Reverse repurchase agreements, securities borrowing agreements and similar						
Liabilities						
Derivative financial instruments	1,356		1,356		87	1,269
Repurchase agreements, securities lending agreements and similar	1,107		1,107		47	1,060

4.17 – Provisions

(in millions of euros)	01.01.2018 Restated	Increases	Reversals (utilisations)	Reversals (surplus provisions)	Other movements	31.12.2018
Provisions for employee benefit obligations	581	76	(49)	(10)	(3)	595
Provisions for real estate risks	7	1				8
Provisions on commitments and guarantees	14	2		(3)	8	21
Provisions for counterparty risks	27	10	(8)		7	36
Other provisions[(1)]	570	341	(166)	(45)	(156)	544
Total provisions	**1,199**	**430**	**(223)**	**(58)**	**(144)**	**1,204**

(1) Other movements: following the payment of funds to the Savings Funds, reversal of €114 million in provisions due to the transfer of subsidies on zero-interest loans as a discount on the Savings Funds loans.

4.18 – Non-controlling interests

(in millions of euros)	31.12.2018		01.01.2018 Restated	
	Equity attributable to non-controlling interests	o/w net profit (loss) attributable to non-controlling interests	Equity attributable to non-controlling interests	o/w net profit (loss) attributable to non-controlling interests
Icade	2,690	125	2,811	137
COMPAGNIE DES ALPES	556	41	527	27
TRANSDEV GROUP	123	(32)	67	20
Other	288	12	244	15
Total	**3,657**	**146**	**3,649**	**199**

5 – Commitments given and received

5.1 – Commitments given and received

(in millions of euros)	31.12.2018	01.01.2018 Restated
Commitments given	**49,570**	**44,452**
Financing commitments		
To credit institutions(1)	17,212	9,730
To customers	4,357	4,203
Guarantee commitments		
To credit institutions(2)	1,765	1,890
To customers	3,453	3,878
Securities-related commitments		
Securities to be delivered		53
Other commitments given		
To credit institutions(3)	16,349	17,159
To customers	6,434	7,539
Commitments received	**40,603**	**42,597**
Financing commitments		
From credit institutions(4)	21,856	23,611
From customers		
Guarantee commitments		
From credit institutions(1)(2)	11,406	11,055
From customers	4,800	4,628
Securities-related commitments		
Securities to be received	1,483	2,528
Other commitments received		
From credit institutions		
From customers	1,058	775

Aside from financing or guarantee commitments, commitments given to or received from customers notably involve securities-related commitments and commitments relating to the Group's real estate operations.

(1) Including:

– A financing commitment given to SFIL (Société de Financement Local) for €8.9 billion (€6.8 billion in 2017) in connection with the €10.0 billion lending agreement and a guarantee commitment received on behalf of SFIL under the Dailly law (receivables assignment) for €5.0 billion (€4.8 billion in 2017);

– A financing commitment given to the Savings Funds for €8.2 billion (€2.9 billion in 2017) and a guarantee commitment received from the Savings Funds for €4.8 billion (€4.5 billion in 2017) for the zero-interest and EIB loans.

(2) Including a decrease of €0.1 billion in the guarantee commitment granted to Natixis (residual balance: €1.6 billion) and a decrease of €0.1 billion in the counter-guarantee commitment received from BPCE (residual balance: €1.6 billion).

(3) Including €16.3 billion in securities pledged to the Banque de France.

(4) Including €17.9 billion in credit lines to the Banque de France.

5.2 – Exposure to credit risk on financing commitments and guarantees given

Exposure to credit risk(1) on financing commitments and guarantees given:

(in millions of euros)	Level 1 – Expected losses at 12 months	Level 2 – Expected losses at maturity	Level 3 – Expected losses on impaired loans	Total commitments given
Opening position at 01.01.2018	**17,969**	**1,723**	**9**	**19,701**
Increase	7,671	835	2	8,508
Decrease	(1,010)	(426)		(1,436)
Transfers between buckets				
Other movements	17	(3)		14
Closing position at 31.12.2018	**24,647**	**2,129**	**11**	**26,787**

(1) See the section entitled "Concentration risk" in note 7.1 of the part entitled "Risk factors".

Breakdown of provisions for expected losses:

(in millions of euros)	Level 1 – Expected losses at 12 months	Level 2 – Expected losses at maturity	Level 3 – Expected losses on impaired loans	Total provisions for expected losses
Opening position at 01.01.2018	**(11)**		**(3)**	**(14)**
Allocations on movements during the period				
Other allocations			(1)	(1)
Reversals used with write-off				
Reversals linked to commitment removals				
Other unused reversals			2	2
Transfers between buckets				
Other movements			(8)	(8)
Closing position at 31.12.2018	**(11)**		**(10)**	**(21)**

6 – Fair value of financial instruments

6.1 – Fair value of financial assets and liabilities measured at amortised cost

(in millions of euros)	31.12.2018 Carrying amount	31.12.2018 Estimated market value
Assets		
Securities at amortised cost	51,045	53,830
Loans and receivables due from credit institutions and related entities, at amortised cost	10,813	10,813
Loans and receivables due from customers, at amortised cost	3,981	3,981
Total financial assets measured at amortised cost	**65,839**	**68,624**
Liabilities		
Debt securities	33,212	33,212
Due to credit institutions	12,687	12,687
Due to customers	65,741	65,741
Subordinated debt	1	1
Total financial liabilities measured at amortised cost	**111,641**	**111,641**

6.2 – Financial instruments measured at fair value

(in millions of euros)	Quoted on an active market: Level 1	Measured using observable inputs: Level 2	Measured using unobservable inputs: Level 3	Total 31.12.2018
Financial assets at fair value				
Financial assets at fair value through profit or loss – Mandatory classification	2,383	2,946	4,062	9,391
Financial assets at fair value through profit or loss – Fair value option	206			206
Derivative instruments held for trading		95		95
Hedging instruments with a positive fair value		1,220		1,220
Financial assets at fair value through OCI to be reclassified	222	15,639	6	15,867
Financial assets at fair value through OCI not to be reclassified	17,081	1,723	74	18,878
Total financial assets at fair value	**19,892**	**21,623**	**4,142**	**45,657**
Financial liabilities at fair value				
Financial liabilities at fair value through profit or loss	479	464		943
Derivative instruments held for trading		38		38
Hedging instruments with a negative fair value	32	1,286		1318
Total financial liabilities at fair value	**511**	**1,788**		**2,299**

The Group’s financial instruments are partly measured using prices “quoted on an active market” (Level 1 of the fair value hierarchy).
These include:
– equities, measured on the basis of quoted prices on their reference market;
– bonds, EMTNs, BMTNs: for each instrument, the value is determined based on the most recent of the quoted prices available – on the stock exchange, from brokers, trading rooms or trading platforms;
– units in mutual funds and other funds, measured at net asset value;
– BTAN treasury notes, at the prices quoted under the Banque de France’s centralised quotation system;
– derivative instruments traded on an organised market.

Financial instruments “measured using observable inputs” (Level 2 of the hierarchy) concern: (i) instruments that are measured using the prices of similar-type instruments quoted on an active market; (ii) identical or similar-type instruments quoted on a non-active market on which regular, observable transactions take place; or (iii) financial instruments measured using inputs other than quoted prices that are observable.
These include:
– structured products valued by the Group, arrangers or external valuers;
– OTC derivatives contracts;
– money market securities other than BTANs measured based on the zero coupon price curve plus a spread.

Financial instruments “measured using unobservable inputs” (Level 3 of the hierarchy) concern financial instruments measured using inputs not based on observable market data. These are defined as inputs based neither on observable market transactions involving the same instrument at the measurement date, nor on observable market data available at the same date. Very few financial instruments used by the Group fall into this category, which mainly includes asset-backed securities.

6.3 – Change in value of financial instruments measured at fair value using a technique based on unobservable inputs (Level 3)

(in millions of euros)	Financial assets designated at fair value through profit or loss	Financial assets measured at fair value through OCI to be reclassified	Financial assets measured at fair value through OCI not to be reclassified	Derivative financial instruments used for hedging	Total
Balance at 01.01.2018	**4,782**	**6**	**437**		**5,225**
Additions	315		2		317
Disposals	(851)		(374)		(1,225)
Transfers to Level 3 (incoming)	30				30
Transfers from Level 3 (outgoing)					
Gains and losses in the period recognised in OCI			9		9
Gains and losses in the period recognised in profit or loss	10				10
Translation adjustment					
Effect of changes in scope of consolidation[1]	(224)				(224)
At 31.12.2018	**4,062**	**6**	**74**		**4,142**

(1) CDC International Capital derecognised at 31 December 2018.

7 – Risk factors

7.1 – Financial instrument risk

I – Financial instrument risk management system

1. Risk control organisation in Caisse des Dépôts

a) Scope

The French Monetary and Financial Code *(Code monétaire et financier)* establishes the principle that a decree issued by the *Conseil d'État* (France's highest administrative court) lays down the provisions applicable to CDC with respect to internal control, standards and risk management systems. Within this legislative framework, two decrees define these provisions for Caisse des Dépôts.

Decree No. 2016-1983 of 30 December 2016 on the external control of Caisse des Dépôts, in force since 1 January 2017, makes applicable the prudential provisions with the necessary adjustments resulting from Regulation (EU) No. 575/2013 on prudential requirements for credit institutions and investment firms (primarily solvency, large exposures and liquidity).

Pursuant to decree No. 2009-268 of 9 March 2009 on the external control of Caisse des Dépôts, the Public Institution applies CRBF 97-02 guidelines (issued by the French Banking and Financial Regulation Committee), as amended on 1 January 2010, which require it to organise its internal control system on a number of different levels covering all of its subsidiaries.

The internal control system must also comply with the General Regulations of the French financial markets authority (*Autorité des marchés financiers* – AMF) as well as with specific regulations applicable to the Group's different entities (in particular, the decree of 3 November 2014 on internal control) and to specialised businesses (portfolio management, insurance, etc.).

On 1 September 2018, the Risk Management and Internal Control division was restructured as two separate units. The Group Risk Management division and the Permanent Control and Compliance division are responsible for monitoring changes in the regulations applicable to CDC and their implementation within the Group.

The Caisse des Dépôts' "Internal Control Organisation Principles" reference document, approved by the Executive Committee, was replaced in December 2018 by a Group Permanent Control Charter.

The document applies to all Caisse des Dépôts divisions (hereinafter the "divisions") and to the subsidiaries over which CDC exercises "exclusive" or "joint" control.

Each division applies these principles within its scope and within the subsidiaries or other entities within its operational reporting scope, ensures compliance with the processes implemented and, where applicable, provides any additional information needed to factor in the specific features of its businesses.

Regardless of whether or not they are subject to CRBF 97-02 guidelines, all subsidiaries must deploy risk management and prevention systems adapted to their businesses and the degree of inherent risk, in compliance with the Group's overall risk management framework. They must be organised in line with the approach set out in the Internal Control Organisation Principles and, since the end of 2018, in the Group Permanent Control Charter.

The processes cover all risks incurred, a classification of which is provided in the risk mapping management procedure and in the Public Institution's risk management system.

b) Key players

The Chairman and Chief Executive Officer of Caisse des Dépôts is responsible for the Group's internal control and risk management system. The Chairman and Chief Executive Officer defines the risk management and compliance policies for the Group, as well as the internal control principles, which consist of permanent controls and periodic controls. He receives key internal control and risk management reports.

The directors of the Public Institution and the heads of the subsidiaries are responsible for rolling out the Group's permanent control principles within their own reporting scope. They are responsible for operational implementation of the Group Risk Management and compliance policies.

Line managers set up effective risk management processes within their own divisions, particularly with regard to segregation of tasks and procedures. They ensure that their operations comply with entityspecific provisions, including the applicable law and regulations, professional standards and management instructions, applied in line with the policies defined by the Chairman and Chief Executive Officer.

The Group's Chief Risk Officer is responsible for the risk management function. She develops and implements the risk management framework, taking into account the risk appetite defined at the Group level.

The Group's Permanent Control and Compliance Officer is responsible for the operational and compliance risk management system through the second-tier control process, which combines the principle of completeness of permanent controls with a risk-based approach. He is also responsible for the framework for preventing compliance risk, as defined in the banking and financial laws applicable to Caisse des Dépôts.

The heads of the subsidiaries' risk management, permanent control and compliance functions implement the risk management (including compliance risk) and permanent control systems in their subsidiaries under the authority of the heads of these entities.

The Group Director of Internal Control is responsible for periodic controls within the internal control system.

c) Internal Control Organisation Principles

Permanent and periodic controls

The permanent control system covers all the activities of the divisions, subsidiaries and other entities within their operational reporting scope, including activities deemed critical or important, within the meaning of banking and financial regulations, that have been outsourced to a service provider.

There are two levels of controls: operational controls (first tier) and work by control function staff (second tier):

- The first tier consists of controls designed to ensure that all operations processed are conducted properly. They are performed by line personnel and the managers of these units, who ensure that the activities for which they are responsible are properly conducted. First-tier controls are designed around the principles of segregation of functions, delegation of power and approval limits, and the accuracy and completeness of all entries and data flows processed. First-tier controls also include controls carried out by automated transaction processing systems;
- The second-tier controls are the responsibility of the Group's Permanent Control and Compliance division and the subsidiaries' Permanent Control and Compliance Officers. This second tier contributes to the control of the compliance, security and approval of the operations carried out. It also aims to ensure that the first-tier control systems are appropriate to the risks involved and activities carried out. The controls are defined in reference to the risk maps, warning flags and events.

Periodic controls provide a third level of control and are performed by Group Internal Audit and the Audit network in accordance with the action principles and methodology set out in the Caisse des Dépôts Group Internal Audit Charter.

Independence and reporting relationship of risk officers

The subsidiaries' Risk, Permanent Control and Compliance Officers report back to the Group Risk Management division on the risk management system and back to the Group Permanent Control and Compliance division on operational and compliance risks. They may ask the divisions to intervene directly.

Documented procedures and traceability of permanent control

Permanent control is based on written procedures and formally documented control processes.

The Permanent Control and Compliance division and the subsidiaries' Risk, Permanent Control and Compliance Officers define the permanent control standards and ensure they are complied with.

The Permanent Control and Compliance division implements second-tier controls and regularly submits reports to Caisse des Dépôts' governance and executive bodies.

All second-tier control plans, control results, control events and corresponding action plans for the Public Institution are archived in a Group-wide application. The subsidiaries have developed applications for ensuring the reliability of the internal control audit trail as well as the traceability of any events identified.

2. Risk control policies, objectives, procedures and reporting

The Charter sets out the Caisse des Dépôts Group's risk policy in the following terms:

"The Group has three joint strategic financial objectives: security, a satisfactory long-term return on its portfolio of assets, and recurring profits. The Public Institution finances general-interest investments in accordance with the law. As it does not have any shareholders, it relies solely on its own performance to build its equity capital."

"The Group's objectives are set out in a medium-term strategy plan. Based on a common macroeconomic framework, this plan establishes the strategic objectives of the Group and the associated target indicators, the main guidelines in terms of capital allocation, and the prospects for creating value."

In accordance with this framework, the Group primarily uses its capital adequacy ratios for steering purposes.

The Group's capital adequacy ratios were adopted by the Supervisory Board, based on the recommendation of the Chairman and Chief Executive Officer and following approval by the French Prudential Supervisory and Resolution Authority (*Autorité de contrôle prudentiel et de resolution* – ACPR). The Supervisory Board also fixed the amount of Caisse des Dépôts' equity.

In accordance with legal and regulatory provisions, these new ratios reflect the specific nature of Caisse des Dépôts, and in particular its role as long-term investor. Consequently, the prudential model adopted by Caisse des Dépôts has been specifically tailored to the Central Sector to take account of its business model and management objectives.

It covers all the main risks: liquidity risk, interest rate risk, credit risk on portfolio securities and on loans granted, real estate risk, foreign exchange risk, operational risk, equity risk and risks related to subsidiaries and equity interests.

The risk modelling and resulting working capital requirements are designed primarily to ensure a very high level of financial security, consistent with the missions entrusted to Caisse des Dépôts. The model is intended to cover all Caisse des Dépôts Group entities in line with their various different businesses.

Caisse des Dépôts is a long-term investor and, as such, the capital adequacy ratios adopted by the Supervisory Board measure the financial strength of Caisse des Dépôts over a time horizon of several years.

Depending on the business cycle and market fluctuations, the ratios applicable to the Central Sector allow for variations in available equity within a solvency "corridor" bracketed between a target amount, a surveillance threshold and a minimum amount. The minimum solvency threshold, calculated as per the prudential model, is always higher than the regulatory baseline.

As stated in the Group Charter, "the Group Risk Management is based primarily on the participation of the Public Institution in the governing bodies of the subsidiaries, especially their audit committees. Secondly, the Public Institution has an internal control and risk management system, which covers both financial and non-financial risk and encompasses all of the Group's activities. This system is adjusted to the nature and volume of an activity, and to the legal status of the organisations exercising it."

The Group Risk Management division performs ex-ante controls on the business lines' commitments and also monitors credit and market risks on financial portfolios.

It also performs independent back-up reviews of financial risks on a basis geared to the nature of the investment and the amount involved.

The Group Risk Management division and the Permanent Control and Compliance division provide information on the status of the risks incurred by the Public Institution and its main subsidiaries at a predefined frequency and in the appropriate formats.

Senior management therefore receives regular reports from the Group Risk Management division and from the Permanent Control and Compliance division, which twice a year convene the Risk, Permanent Control and Compliance Committee – the governing body tasked with managing all types of risk – under the chairmanship of the Chairman and Chief Executive Officer.

The Group Risk Management division and the Permanent Control and Compliance division also report to the Supervisory Board, in particular through half-yearly reports on risk management and on permanent controls and compliance, respectively, that cover the assessment, control and management of risks – especially financial risks – throughout the Group. These are rounded out by annual disclosures to the Supervisory Board concerning internal control pursuant to Article 42-43 of CRBF 97-02 guidelines, and are also submitted to the ACPR.

3. Ex-ante reviews of commitments

The business lines are assigned annual operating targets that are determined jointly with the Corporate Secretary's Office and the Finance divisions and that are validated by the Chairman and Chief Executive Officer.

The Group Risk Management division intervenes in the pre-commitment phase, as a member of:

- the Group Commitments Committee, chaired by the Chairman and Chief Executive Officer or by any person delegated to do so, which examines all commitments above a certain amount;
- the division-level Commitments Committees – representing the ultimate decision-making body within the division concerned – and the Real Estate Investment Committee;
- the Asset/Portfolio Management Committees, which are organised around monthly and quarterly meetings to present management strategies to the Chairman and Chief Executive Officer.

4. Credit and market risk monitoring

The Group Risk Management division chairs the Counterparty Risk Committee (CRC), which meets every month to review the updated counterparty risk assessments prepared by the Risk Management division for the bond and money market portfolios and related derivatives portfolios. These assessments cover:

- the breakdown by credit rating, geographical area and issuer category;
- the level of risk concentration;
- changes in counterparty ratings since the last report.

The management reporting schedules prepared by the lender business lines include information to monitor their credit risks. Market and liquidity risks are monitored during monthly presentations to the Asset/Portfolio Management Committees on the management of these risks and of financial (market and ALM) risks.

The monthly management reports submitted to the Chairman and Chief Executive Officer include input from the Group Risk Management division on financial risks.

The half-yearly risk reports prepared by the Group Risk Management division for the Supervisory Board, which are reviewed at meetings of the Financial Statement and Risk Review Committee, include detailed information about credit risks, market risks and concentration risks.

II – Identifying financial risks

1. Definitions

a) Credit and counterparty risk

Credit risk is the current or prospective risk of a loss on a receivable, due to a deterioration in the borrower's credit standing that may result in an inability to meet payments when they fall due.

b) Concentration risk

Concentration risk is the risk that results from a large exposure to a given counterparty, or from a high probability that certain groups of counterparties will default.

c) Liquidity risk

Liquidity risk is the risk that the entity will be unable to meet the commitments associated with its financial liabilities when they fall due, or to access the funds needed on the market.

d) Market risk

Market risk is the risk of losses on balance sheet or off-balance sheet items resulting from an unfavourable change in market factors such as interest rates, equities, credit spreads, exchange rates or volatility, or from price fluctuations in general.

e) Currency risk

Currency risk is the risk that changes in exchange rates will affect the entity's profitability.

f) Interest rate risk

Interest rate risk is the impact on an entity's annual earnings and net assets of an adverse change in interest rates.

2. Risk acceptance process

a) Decision-making process

Investments (other than capital markets transactions) are reviewed during meetings of the Commitments Committee. The Committee is chaired by the Group's Chairman and Chief Executive Officer when investments involve over €100 million, and by the Deputy Chief Executive Officer when they concern amounts between €10 million and €100 million.

Committee meetings focused on investments of less than €10 million are chaired by the Chief Investment Officer pursuant to delegations of signature authority granted by the Chairman and Chief Executive Officer.

Lastly, committee meetings that concern investments involving the City Planning, Tourism and Real Estate sectors are chaired by the Regional Director when the cumulative amount is less than €1 million.

a.1) Commitments other than as an institutional investor

The business lines are responsible for their commitments, which must comply with the annual objectives approved by the Chairman and Chief Executive Officer.

Commitments (other than capital markets transactions) are decided by committees at different levels within the business lines, namely:

- the Group Commitments Committee, which reviews investments or expenses greater than or equal to €50 million;
- the Banque des Territoires Commitments Committee, which decides on investments or expenses greater than or equal to €10 million and less than €50 million;
- the National Commitments Committee of the Banque des Territoires' Investments division, which is responsible for all investment projects of less than €10 million, the corresponding engineering loans and other non-decentralised expense-related financing;
- the Regional Commitments Committee, which has authority over investments and engineering loans relating to the City Planning, Tourism and Real Estate sectors when the cumulative amount is less than €1 million.

The Group Risk Management division may participate in all meetings of Commitments Committees representing the ultimate decision-making body within a division, expressing an opinion on the project before the final decision is made and requesting additional information about the related risk when appropriate. It checks that the project is in line with the Group's strategy, that risks have been properly identified and – if necessary – hedged, and that the expected return on investment is reasonable for the class of assets concerned. If it opposes a project, it may be overruled only by the business line's executive management and, in this case, the Group Executive Committee must be informed.

a.2) Commitments as an institutional investor

Portfolios of financial assets are managed within the framework of authorised investment criteria and defined management processes. To efficiently manage this type of portfolio, it is important to be able to respond quickly to changing market conditions. For this reason, the commitment process for these portfolios is different to that for other activities.

For these portfolio transactions, the Group Risk Management division's independent risk review is organised around its participation in monthly meetings of the Portfolio Management Committee and quarterly meetings of the Portfolio Management and Balance Sheet Committee, chaired by the Chairman and Chief Executive Officer, during which management strategies for the coming period are discussed.

These quarterly committee meetings review management activities for the previous quarter. At the end of each year, they determine the management strategy for the coming year, based on an assessment of balance sheet financial risks and objectives over the medium term (five years). These exercises are based on detailed analyses of forecast asset/liability ratios performed by a dedicated team. The broad asset allocation strategies are then detailed by asset class.

Real estate and private equity investments are examined by specific Investment Committees.

b) Oversight procedure

Concerning credit risks on financial portfolios, the Counterparty Risk Committee meets every month to set exposure limits by counterparty, based on the Group Risk Management division's recommendations, and to review compliance with these limits during the previous month. The exposure limits recommended by the Group Risk Management division are determined using methods that aim to diversify risks within each portfolio. The Group Risk Management division also performs daily checks to ensure that the limits are complied with. Specific market risk exposure limits are set for each portfolio.

The monthly reporting schedules submitted to the Financial Management Committees include risk measurements for each of these limits.

c) Risk mitigation procedure

For fixed income portfolios, issuer, issue or transaction guarantees are taken into account by the information systems in calculating credit risk exposures at the level of the guarantors.

Caisse des Dépôts is exposed to counterparty risk on its over-the-counter capital markets transactions, which it manages through the systematic use of standard contractual arrangements requiring counterparties to put up collateral or to offset trades.

Offsetting is used to mitigate counterparty risk on derivative instruments.

Caisse des Dépôts mainly uses the technique of close-out netting, which works as follows: in the event of counterparty default, all positions are unwound at their current market value and aggregated to a net amount payable or receivable with the counterparty.

This close-out netting balance is secured by collateral in the form of pledges on liquidities, securities or cash deposits. All such transactions are executed in accordance with bilateral master agreements that comply with the general provisions of French or international master agreements.

The main bilateral agreement models used are those of the Fédération Bancaire Française (FBF) and the Master agreement of the International Swaps and Derivatives Association (ISDA) for international agreements.

Caisse des Dépôts clears qualifying derivatives through clearing houses.

The Group does not use securitisation techniques to attenuate its risk exposures.

d) Impairment procedure

The process used by Caisse des Dépôts for measuring and booking provisions for financial instruments is based around three levels of decision-making bodies:

- Business Line Valuation and Impairment Committees;
- the Central Valuation and Impairment Committee;
- the Accounts Committee.

The procedure in force comprises internal guidelines setting out the roles and workings of the different committees. Operational deployment is based around a formally documented methodology specific to each type of financial instrument. As of the reporting date, controls are in place to ensure the completeness of the list of financial assets covered in a given review, the appropriateness of the measurement basis used, compliance with accounting standards (as set out in Note 1 – Summary of significant accounting policies) as well as substantiation of calculations and any resulting provisions for impairment.

The brief of the business line and Central committees covers all of the Public Institution's outstandings (loans and receivables from customer financial institutions, accounts in debit, special financing operations, etc.) and securities transactions.

d.1) Business Line Valuation and Impairment committees

Business line committees are chaired by a business line head who sits on the Public Institution's Management Committee and are tasked with:

- setting out or proposing methods for measuring and booking provisions for financial instrument risk by type of financial instrument;
- fixing valuations and provisions within their designated threshold of responsibility;
- setting out or proposing valuations and provisions outside of their designated threshold of responsibility.

Business line committees meet at least half-yearly and decisions are made based on a file containing all information needed to understand and determine the valuations.

The Legal and Tax division, the Group Risk Management division and the Group Finance division participate in all of the business line committees.

A summary of the decisions and proposals of each business line committee is submitted for validation by the Central Valuation and Impairment Committee as part of the annual and interim accounts closing process.

d.2) The Central Valuation and Impairment Committee

The Central Valuation and Impairment Committee is authorised to act on behalf of the Accounts Committee by the Chairman and Chief Executive Officer.

Chaired by the Group Finance Director, the committee meets at half-yearly intervals in the month following the end of the annual and interim reporting periods. Its permanent members are the Group Chief Risk Officer, the Head of the Legal and Tax division, the business line heads, the Head of the Regulatory and Accounting Management division, and the Group Finance division's Senior Financial Advisor.

The committee validates the valuation and impairment guidelines and methods submitted to it by the business line committees and uses the information provided to decide which valuations should actually be applied together with any related impairment charges to be booked in the accounts of the Central Sector and in the Group's consolidated financial statements.

A summary of the decisions taken by the Central Committee is submitted to the Accounts Committee as part of the Central Sector and Group accounts closing processes.

3. Risk measurement methods

a) Credit risk

Maximum exposure to credit risk

Maximum exposure to credit risk corresponds to the carrying amount of loans and receivables, debt instruments and derivative financial instruments, net of any offsets and impairment losses.

(in millions of euros)	31.12.2018
Financial assets at fair value through profit or loss – debt instruments	3,502
Financial assets at fair value through profit or loss – loans and commitments	1,474
Hedging instruments	1,220
Debt instruments at fair value through OCI to be reclassified	15,867
Securities at amortised cost	51,045
Loans and receivables due from credit institutions and related entities, at amortised cost	5,982
Loans and receivables due from customers, at amortised cost	2,464
On-balance sheet exposure, net of impairment losses	**81,554**
Financing commitments	21,018
Guarantee commitments given	5,218
Off-balance sheet exposure, net of provisions	**26,236**
Total net exposure	**107,790**

The Group's total net exposure corresponds mainly to the exposures of the Central Sector, which represented 95% of the total at 31 December 2018.

A team of analysts from the Group Risk Management division assigns internal ratings to issuers on a scale that is consistent with that used by the rating agencies. The commitment towards a given issuer is measured by reference to the fair value of the underlying securities and their nature.

For derivative instruments, the commitment includes an add-on to reflect the potential future exposure.

The internal rating system for structured finance issues comprises detailed quality gradations (not consistent with those used by the rating agencies).

Caisse des Dépôts' sovereign debt risk exposure

Sovereign debt comprises all receivables and debt securities for which the counterparty is a given country, i.e. a national government or one of its agencies.

Gross sovereign debt exposure comprises all such amounts carried on the balance sheet (marked to market and less any impairment losses). Net exposure corresponds to gross exposure less any guarantees received.

The Group's sovereign debt exposure corresponds mainly to the exposures of the Central Sector.

Central Sector sovereign debt exposure

	31.12.2018	
(in millions of euros)	Gross exposure	Net exposure
France	25,702	25,701
Japan	5,510	5,510
Austria	337	337
Germany	249	249
Ireland	226	226
EIB (Supranational)	225	225
Chile	224	224
Mexico	209	209
Poland	187	187
Indonesia	170	170
Finland	140	140
Peru	134	134
Colombia	122	122
Israel	110	110
Romania	109	109
Brazil	91	91
South Africa	88	88
Venezuela	79	79
South Korea	77	77
Slovenia	57	57
Lithuania	43	43
Croatia	31	31
Spain	26	26
Bulgaria	19	19
Greece	0	0
Total Central Sector sovereign debt exposure	**34,165**	**34,164**

The Central Sector's sovereign debt exposure is on "Securities at amortised cost", "Financial assets at fair value through other comprehensive income to be reclassified" and "Loans and receivables at amortised cost".

Concentration risk

Concentration risk is measured as described below:

- For fixed income portfolios, based on the sum of commitments:
  - by geographic area;
  - by industry;
  - by credit rating category;
  - for the 50 largest exposures.
- For equity portfolios:
  - industry concentration: based on the portfolio's Value-at-Risk by industry;
- For aggregate commitments:
  - based on the sum of the Group's largest exposures, according to the Basel III definition of credit risk.

Breakdown of gross carrying amounts of loans and receivables and of securities recognised at amortised cost[1] by credit rating and by counterparty category

(in millions of euros)	31.12.2018								
	Assets recognised at amortised cost								
	Loans and receivables due from credit institutions and related entities, at amortised cost			Loans and receivables due from customers, at amortised cost			Securities at amortised cost		
	Level 1: Expected losses at 12 months	Level 2: Expected losses at maturity	Level 3: Expected losses at maturity on impaired assets	Level 1: Expected losses at 12 months	Level 2: Expected losses at maturity	Level 3: Expected losses at maturity on impaired assets	Level 1: Expected losses at 12 months	Level 2: Expected losses at maturity	Level 3: Expected losses at maturity on impaired assets
AAA	104			30		3	1,854		
AA	1,874			84			24,164		
A	2,161			629			19,628	48	
BBB							3,599	40	
BB							248	192	
< B							15	30	
Not rated[2]	6,674			2,539	692	272	1,142		
Total breakdown by credit rating	**10,813**			**3,282**	**692**	**275**	**50,650**	**310**	
Central banks	71			6					
Public-sector administrations	6			350	330		23,677	181	
Credit institutions	10,680			114	1	3	20,044	88	
Other financial firms	36			94		7	2,382		
Non-financial firms	11			1,809	346	238	4,547	41	
Other	9			909	15	27			
Total by counterparty category	**10,813**			**3,282**	**692**	**275**	**50,650**	**310**	
France	10,532			3,206	393	249	36,209	28	

(1) Accounts receivable are not recognised in this category – see Note 4.8 Prepayments and deferred income, accruals and other assets and liabilities;

(2) Including mainly loans and receivables due from credit institutions in Level 1 on the Central Sector for €6,230 million whose counterparty is chiefly the Savings Funds for €4,652 million.

Breakdown of gross carrying amounts of debt instruments recognised at fair value through other comprehensive income[(1)] by credit rating and by counterparty category

	31.12.2018		
	Debt instruments recognised at fair value through equity		
(in millions of euros)	Level 1: Expected losses at 12 months	Level 2: Expected losses at maturity	Level 3: Expected losses at maturity on impaired assets
AAA			
AA	35		
A	15,080		
BBB	300		
BB			
< B			
Not rated[(2)]	437		
Total breakdown by credit rating	**15,852**		
Central banks			
Public-sector administrations	5,509		
Credit institutions	10,184		
Other financial firms	159		
Non-financial firms			
Total by counterparty category	**15,852**		
France	5,223		

(1) Gross carrying amounts comprise the nominal value, premium/discount and related receivables;
(2) Concerns solely the Central Sector on over-the-counter contracts.

Breakdown of gross carrying amounts of off-balance sheet commitments given by credit rating and by counterparty category

	31.12.2018		
	Off-balance sheet commitments given		
(in millions of euros)	Level 1: Expected losses at 12 months	Level 2: Expected losses at maturity	Level 3: Expected losses on impaired loans
AAA	41	22	
AA	12,589	745	
A	2,505		
BBB			
BB			
< B			
Not rated(1)	9,512	1,362	11
Total breakdown by credit rating	**24,647**	**2,129**	**11**
Central banks	244		
Public-sector administrations	3,712	746	
Credit institutions	18,866	771	
Other financial firms	916	3	1
Non-financial firms	909	609	10
Total by counterparty category	**24,647**	**2,129**	**11**
France	24,568	1,199	10

(1) Including mainly the Central Sector for €9,344 million whose counterparty is chiefly the Savings Funds for €8,323 million.

b) Liquidity risk

Given the importance of managing balance sheet liquidity throughout the Caisse des Dépôts Group, a number of mechanisms have been set up that are designed to:

- limit the need for market-based financing;
- match sources to uses of funds as effectively as possible by controlling maturity mismatch risk on the balance sheet and therefore by limiting the need to refinance long-term investments with short-term liabilities;
- maintain conservative amounts of liquid assets to cover upcoming repayment obligations.

Liquidity is managed in accordance with the **Liquidity Charter,** which forms the liquidity component of the prudential model reference document, which is updated every year. This charter contains the documentation relating to Caisse des Dépôts' liquidity policy as well as its operational deployment, governance and risk management.

The **investor balance account**, calculated as the difference between long-term investor assets and liabilities, measures the transformation or short-term financing impact on the investor balance sheet.

Investor assets comprise stable uses, which include financial asset portfolios with a long-term management aim, net of provisions. Stable sources include equity, medium- and long-term issues and the stable portion of outstanding deposits originating from the legal professions. At end-2018, the investor balance account showed a €4 billion deficit.

Liquidity gap analysis measures differences in maturities of liabilities and assets on a monthly basis over the next five years, beginning in the month following the reporting date. Gaps are calculated on a static and dynamic basis. Static gap analysis measures the difference between the natural maturities of liabilities (including contractual deposit maturities) and assets, excluding new lending. Dynamic gap analysis measures the risks related to reinvestment and new lending. Deposits are taken into account based on the same maturity assumptions as for the calculation of interest rate mismatches. Warning thresholds and limits are set in relation to the basic liquidity reserve and its outflows. On average, they stand at around €30 billion.

The thresholds and limits are approved every year by the governing body. If the thresholds are reached, the contingency plan described in the Liquidity Charter is activated, in order to generate the necessary liquidity, mainly through market transactions and investment reductions. Maximum liquidity gaps calculated at end-December 2018 were well below the Group's warning threshold or overall risk limit.

Financial assets by maturity

(in millions of euros)	31.12.2018								
	< 1 month	**1-3 months**	**3-12 months**	**1-5 years**	**> 5 years**	**No fixed maturity**	**Total financial assets**	**Total financial assets recognised**	**Impact of discounting**
Cash and amounts due from central banks	1,043						1,043	1,043	
Financial assets at fair value through profit or loss	88	132	210	649	2,481	5,335	8,895	9,692	(798)
Hedging instruments with a positive fair value	33	129	101	31	919	8	1,221	1,220	
Financial assets at fair value through OCI to be reclassified	66	2,830	12,946		7	-	15,849	15,867	(18)
Financial assets at fair value through OCI not to be reclassified	2	-	10	1	90	13,672	13,775	18,878	(5,102)
Securities at amortised cost	2,826	2,146	14,643	8,636	22,694		50,945	51,045	(100)
Loans and receivables at amortised cost	4,670	539	616	2,570	6,253	146	14,794	14,794	
Cumulative fair value adjustments to portfolios hedged against interest rate risk							-		
Total financial assets	**8,728**	**5,776**	**28,526**	**11,887**	**32,444**	**19,161**	**106,522**	**112,539**	**(6,018)**

Financial liabilities by maturity

(in millions of euros)	31.12.2018								
	< 1 month	**1-3 months**	**3-12 months**	**1-5 years**	**> 5 years**	**No fixed maturity**	**Total financial liabilities**	**Total financial liabilities recognised**	**Impact of discounting**
Due to central banks	1						1	1	
Financial liabilities at fair value through profit or loss	91	1	63	20	609	2	786	981	(197)
Hedging instruments with a negative fair value	4	50	247	181	808	28	1,318	1,318	
Debt securities	2,395	6,112	9,564	4,484	10,657		33,212	33,212	
Due to credit institutions and related entities	2,202	380	1,243	2,337	6,361	162	12,685	12,687	
Due to customers	52,917	135	415	503	11,727	44	65,741	65,741	
Subordinated debt						1	1	1	
Cumulative fair value adjustments to portfolios hedged against interest rate risk							-		
Total financial liabilities	**57,610**	**6,678**	**11,532**	**7,525**	**30,162**	**237**	**113,744**	**113,941**	**(197)**

Maturities of commitments given in respect of financing and guarantees

(in millions of euros)	31.12.2018						
	< 1 month	**1-3 months**	**3-12 months**	**1-5 years**	**> 5 years**	**No fixed maturity**	**Total commitments given**
Financing commitments given	3,137	89	3,765	5,650	8,928		21,569
Guarantee commitments given	1,667	1	520	885	2,125	20	5,218
Total commitments given	**4,804**	**90**	**4,285**	**6,535**	**11,053**	**20**	**26,787**

c) Market risk

c.1) Market risks

The Group Risk Management division performs Value-at-Risk calculations for the equity portfolios managed by the Central Sector: VaR (1 month, 99%) is calculated using the Monte Carlo method based on an annualised horizon and multiplication by root (12). This indicator is reported to Caisse des Dépôts senior management.

The VaR calculation uses normal (Gaussian) distribution assumptions for the underlyings. This provides an estimate of the maximum risk for the chosen holding period and confidence interval under normal market conditions, assuming the Group will continue as a going concern.

The VaR calculation method uses a large number of risk factors and a high-dimension Monte Carlo model by choosing from among these risk factors in the light of historical volatilities and correlations.

The historical depth of the data is high, and an exponential weighting is used for events (one half-life weighting is approximately one year) that assigns a higher weighting to more recent events.

If the price of an instrument does not vary in line with the primary risk factor – as is the case with options – the calculation tool remeasures it under each of the scenarios using integrated pricing formulas. At end-2018, the portfolios analysed did not contain any non-linear products.

Caisse des Dépôts' equity portfolio risk is broken down by industry using the Industry Classification Benchmark (ICB), which makes it possible to break out marginal VaR and to analyse the contribution of each industry to overall VaR.

Equity fund risk is calculated in the local currency, but does not factor in currency risk, and is then revalued at the equivalent euro amount. As explained in paragraph c.2, Caisse des Dépôts' currency risk is measured for the Group as a whole and not at individual portfolio level.

Since models based on a Gaussian distribution cannot properly capture extreme movements in markets, the Group Risk Management division has devised other methods to calculate risk. These methods take the form of stress tests, and are based on extreme distribution patterns which give a more accurate estimate of extreme events and how often they occur.

VaR at 31.12.2018

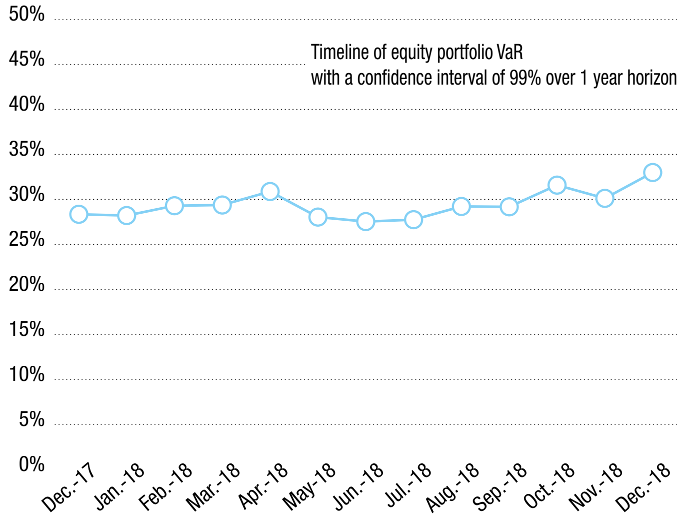
	VaR (1 year, 99%)
Equities portfolio	€5,642 million
International equities:	
• US equities	€130 million
• Japanese equities	€86 million
• emerging market equities	€119 million
• tactical allocation	€21 million
European small-caps portfolio	€76 million

VaR at 31.12.2017

	VaR (1 year, 99%)
Equites portfolio	€5,360 million
Multi-manager equity funds:	
• US equities	€146 million
• Japanese equities	€108 million
• emerging market equities	€81 million
• tactical allocation	€22 million
European small-caps portfolio	€62 million

The change in VaR for the Equity Portfolio relates to the increase in market volatility in the last quarter.

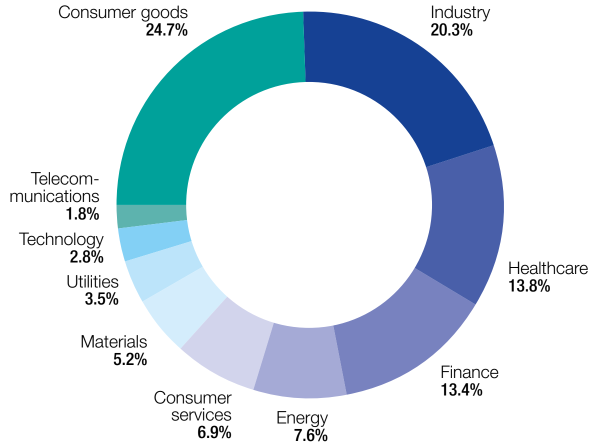
Timeline of equity portfolio VaR levels for 2018



During 2018, volatility on the equity markets led to an increase in the VaR levels calculated by the Group Risk Management division for European equity portfolios.

Backtesting of VaR revealed that VaR values did not exceed the monthly amounts recorded in 2018 (based on a one-month horizon for risk and performance).

Breakdown of equity portfolio VaR by industry at end-2018



c.2) Currency risk

The Central Sector's exposure to currency risks on the carrying amount of foreign currency items is fully hedged by financing asset positions with borrowings in the same currency. Unrealised gains and losses on these positions are not hedged.

The Central Sector's currency positions chiefly concern the USD, GBP, CHF and JPY.

This differential is taken into account in Value-at-Risk calculations. Currency VaR (1 year, 99%) at 31 December 2018 was valued at €127 million, down on the end-2017 figure of €250 million.

c.3) General interest rate risk

The Central Sector analyses assets and liabilities based on three types of interest rates: contractual, variable and fixed. The fixed rate position is monitored based on the fixed rate gap – corresponding to the excess of fixed rate liabilities over fixed rate assets – and changes in the gap over time as assets and liabilities fall due. The fixed rate position mainly comprises deposits originating from the legal professions on the liabilities side and fixed rate medium-term and long-term bond portfolios on the assets side. Deposits are taken into account applying a run-off assumption over time.

The sensitivity of annual interest margins to an unfavourable change in interest rates is calculated according to a downside scenario in which rates are maintained at their current level for five years. The sensitivity of annual margins is calculated in terms of variance with the results obtained under baseline interest rate forecasts using macro-economic data.

A prolonged situation of low interest rates results in a gradual reduction in the net banking income generated on fixed rate positions. This is because fixed rate liabilities exceed fixed rate assets, while the remuneration conditions for fixed rate investments deteriorate progressively as the portfolio is amortised. This effect is partly offset by the margin generated on the contractual rate position, which is higher when rates are low.

Deposits from notaries are adjusted for seasonal variations when calculating sensitivities.

Sensitivity of annual margins ***generated on fixed rate positions to interest rates remaining at their current level.***

(in millions of euros)	**31.12.2018**
Year	Margin sensitivity
2019	(13)
2020	(26)
2021	(9)
	31.12.2017
2018	3
2019	(2)
2020	(11)

These sensitivity analyses are rounded out by a VaR calculation of the fixed rate position that factors in the risk of a decrease in the market value of the fixed rate position.

4. Hedging activities

The Caisse des Dépôts Group's hedging activities are carried out mainly by the Central Sector and CDC Habitat.

4.1. Central Sector

The Central Sector applies fair value hedge accounting to reduce the impact of earnings volatility caused by fluctuations in interest rates (interest rate risk) and currencies (currency risk).

4.1.a) Risk management strategy

The Caisse des Dépôts Group's multi-annual financial planning process defines the group's five-year hedging and investment policy by major asset class and by business line (Central Sector and subsidiaries), with a view to managing the resulting changes in the financial ratios (solvency, liquidity, earnings). The multi-annual financial planning process is approved every year by a committee chaired by the Chairman and Chief Executive Officer of Caisse des Dépôts.

For the Central Sector, the following strategies are implemented as part of the multi-annual financial planning process:

- **Short-term balance sheet management** involves managing the Central Sector's investor balance sheet balance by investing cash surpluses in short-term maturities while maintaining the short-term issuance programmes.
  - Surplus cash management: investments may be hedged by derivatives that have the same characteristics to neutralise interest rate and/or currency risks;
  - Short-term issuance programme management: foreign currency issuances must be translated into euros at the time of issuance with the exception of those aimed at reducing liquidity gaps through currencies (i.e. refinancing of foreign currency asset positions).
- **Medium/long-term issuance management** concerns bond issues that cover the Central Sector's medium/long-term financing needs. To avoid increasing the Central Sector's balance sheet's exposure to a fall in interest rates, these issuances, most of which are fixed-rate euro issues, are hedged with interest rate derivatives, returning them to variable rates. Bonds issued in foreign currencies must be translated into euros at the time of issuance with the exception of those aimed at reducing liquidity gaps through currencies (i.e. refinancing of foreign currency asset positions).
- **Fixed-income asset class management** is guided by the investment amounts set out in the multiannual financial planning process, broken down into investment programmes, for fixed-rate assets and variable-rate assets.

For variable-rate assets, the investment programme describes the authorised assets, the return objective and the risk constraints. The management team may invest in fixed-rate assets then return to variable rates using interest rate and currency derivatives.

4.1.b) Risk management objectives

4.1.b.1) Hedging instruments used

The hedging instruments used to hedge exposures to interest rate and currency risks are:

- **Interest-rate swaps,** which are used to reduce interest-rate risks in a single currency;
- **Cross-currency swaps,** which are used to reduce interest-rate and currency risks when an investment or issuance is in a non-euro currency and has a long maturity;
- **Foreign exchange swaps,** which are used to reduce currency risks when an investment or issuance is in a non-euro currency and has a short maturity.

4.1.b.2) Economic relationship between the hedged item and the hedging instrument

The economic relationship between the hedged item and the hedging instrument, to ensure the effectiveness of the hedging relationship that has been established, is created on inception of the hedging transaction. This relationship is inherently fulfilled insofar as one of the two legs of the swap accurately reflects the hedged item in terms of amount, maturity and interest rate.

4.1.b.3) Hedge ratio and sources of ineffectiveness

Only interest-rate and currency risks are hedged in hedge accounting and the risk is routinely fully hedged.

Accordingly, sources of ineffectiveness are therefore limited. These concern:

- the establishment of adjustable rates at the beginning of each period (when there is an interest-rate swap or a cross-currency swap);
- the change in the basis swap (when there is a cross-currency swap);
- the change in the premium/discount (when there is a foreign exchange swap);
- the dual-curve discounting of the hedging instrument.

4.2. CDC Habitat

The CDC Habitat group uses derivatives to hedge its exposure to market risk arising from fluctuations in interest rates (interest-rate risk). The CDC Habitat group applies hedge accounting when the documentation and effectiveness (ex ante and ex post) conditions have been met.

4.2.a) Risk management strategy

Interest rates and the volume of financing are key components of the equilibrium of CDC Habitat's real estate transactions. To address this interest-rate risk, the CDC Habitat group uses derivatives in accordance with the Group risk management policy. Particularly close attention is therefore paid to the management of this risk and to the impact of a change in interest rates on the income statement. The Group's strategy can be summarised as follows:

- hedge 100% of outstanding loans indexed to Euribor;
- hedge at most 50% of Livret A (regulated savings account) outstandings.

The hedging policy is centralised and implemented for the entire Group within the same division. Where applicable for medium-term loans contracted on a short-term basis, the decision may be made to implement forward hedges. This strategy is approved by the Supervisory Board.

4.2.b) Risk management objectives

4.2.b.1) Hedging instruments used

The hedging instruments used to hedge exposures to interest-rate risk in a single currency are long-term interest-rate swaps and interest-rate options.

4.2.b.2) Economic relationship between the hedged item and the hedging instrument

Because the hedges are matched to the financing lines at inception, the derivatives are managed under hedge accounting.

4.2.b.3) Hedge ratio and sources of ineffectiveness

The percentage of the risk hedged is 100% for Euribor and 45% for Livret A. The main source of ineffectiveness relates to the Livret A hedges since the rate administered by Banque de France (interest expense paid) may differ from the market rate of the hedged Livret A (interest received).

4.3. Impact of hedging transactions on the amount and timing of cash flows

The contractual maturities of the notional amount of the hedging instruments have been included in Note 4.2 – Hedging instruments.

4.4. Impact of hedge accounting in the Group's consolidated financial statements

The impacts of hedge accounting are presented in the consolidated financial statements as well as in Notes 3.1 – Interest income and expense, 3.3 – Gains and losses on financial instruments at fair value through profit or loss, net and 4.2 – Hedging instruments.

7.2 – Operational and compliance risk

The Permanent Control and Compliance division oversees compliance control processes at Group level and reports back to senior Group management and the Supervisory Board.

The Permanent Control division is tasked with managing operational risk and enhancing permanent control processes (defining standards, reporting and implementing compliance controls) in liaison with the Caisse des Dépôts divisions and the subsidiaries. Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

The Permanent Control and Compliance division is also in charge of the programme to combat money laundering and the sponsoring of terrorism (*lutte contre le blanchiment de capital et de financement du terrorisme* – LCB-FT) programme, as well as the anti-corruption programme, and monitors compliance with the principles set out in the Group's Code of Ethics.

Applications for monitoring operational and compliance risk

The Permanent Control and Compliance division works with the Caisse des Dépôts divisions to ensure that all appropriate control measures are implemented to obtain reasonable assurance that the risks inherent in each process are properly managed. A number of different tools have been developed:

An integrated risk management application

PRISM, which has been deployed across all the divisions, handles risk mapping, control processes, control events, business continuity plans and follow-up of audit recommendations.

Risk maps

The Permanent Control and Compliance division maps operational and compliance risks, in coordination with the Caisse des Dépôts divisions.

The resulting risk maps highlight major risks and are used to identify action plans to reduce their probability and potential impact. A consolidated risk map for the Public Institution is drawn up and presented to the Group Management Committee. The map integrates strategic, financial, business, operational and compliance risks.

The "event" database

All control events reported within the Public Institution are recorded in a centralised database and monitored by the Permanent Control and Compliance division.

Control events in the subsidiaries are reported to the Group Risk Management division and to the Permanent Control and Compliance division. The aim is to consolidate all types of events impacting the Caisse des Dépôts Group, to highlight identified system failures, assess the potential or actual related losses and draw up appropriate corrective action plans.

The second-tier control plan

The Permanent Control and Compliance division implements a second-level control plan, which uses a risk-based approach, applied across the Caisse des Dépôts scope and, in conjunction with the Risk, Permanent Control and Compliance Officer network, in the subsidiaries.

This control plan is designed to test the appropriateness of permanent control and compliance processes in terms of the risks involved and activities performed.

These processes are evaluated based on the tests performed by the Permanent Control and Compliance division and the results are presented to the Caisse des Dépôts Management Committee and Supervisory Board.

Warning flags

The Public Institution entities and Group subsidiaries have devised a series of indicators, including warning thresholds, to anticipate any deterioration in the quality of permanent controls or operational risk monitoring and control.

Coordinating the LCB-FT compliance programme

In accordance with the French Monetary and Financial Code, Caisse des Dépôts is responsible for setting up a programme to combat money laundering and the sponsoring of terrorism (LCB-FT).

The Permanent Control and Compliance division coordinates and supervises the Group's LCB-FT programme. It has devised the guidelines that must be applied throughout the Group. Caisse des Dépôts has a zero-tolerance policy with respect to LCB-FT compliance risk.

The Permanent Control and Compliance division is in charge of making declarations to, and liaising with TRACFIN, the French government anti-money laundering agency, on behalf of the Public Institution. The Permanent Control and Compliance division carries out anti-money laundering and terrorist financing compliance checks throughout the Public Institution and the subsidiaries, at least once a year.

Working with the Human Resources division, it organises the legally required regulatory training for employees and coordinates its network on a Group-wide basis through committees and working groups.

Caisse des Dépôts has drawn up a country classification of LCB-FT risk based on a series of objective criteria and a pre-determined methodology. Accordingly, more stringent controls are applied to any files relating to high-risk countries.

It has also compiled a blacklist to prohibit investments in Non-Cooperative Countries and Territories (*Éats et territoires non coopératifs* – ETNC) (cf. French Government blacklist) or countries on the Financial Action Task Force's (FATF) List No. 1 and subject to counter-measures (Iran and North Korea). To control its image-related risk by defining its country risk appetite, Caisse des Dépôts has bolstered its investment policy by introducing a "do not invest" list comprising countries named in FATF List numbers 2 and 3 and low-tax offshore financial centres outside Europe.

Coordinating ethical compliance standards

The ethical guidelines consist of the Group's Ethics Charter and the Public Institution's Code of Ethics. The guidelines have been revised and are accompanied by implementation procedures contained in the ethical standards compendium available on the Caisse des Dépôts intranet.

The Permanent Control and Compliance division supervises and coordinates the Public Institution's ethical standards, providing guidance and running its network.

The Permanent Control and Compliance division carries out annual ethical compliance checks throughout the Public Institution.

Caisse des Dépôts has also adopted an anti-corruption policy for the Group and a whistleblowing facility for the Public Institution, in accordance with law no. 2016-1691 of 9 December 2016 on transparency, anti-corruption and economic modernisation (the "Sapin II" law).

The business continuity plan

Continuity planning at Caisse des Dépôts is led by:

- The Permanent Control and Compliance division, which develops the Public Institution's policies to ensure business continuity and maintain operational readiness, sets continuity standards and makes sure they are properly implemented;
- The Corporate Secretary's Office, which is responsible for the operational management of the company-wide business continuity plan;
- The divisions, which develop, implement and test their business continuity plans.

Information systems security

The Group Risk Management division defines the Group information systems security policy, rolls the policy out to the Public Institution and liaises with the divisions and Informatique CDC over its implementation. Information systems security is focused on system availability, data integrity and confidentiality, and proof (or non-repudiation) of transmission, represented by the acronym AICP (i.e. Availability, Integrity, Confidentiality, Proof).

Information systems security deployment is overseen by the Information Systems Strategy Committee, which meets twice a year.

The Group Risk Management division systematically issues an opinion on information systems security risk for each IS project conducted in the Public Institution.

7.3 – Tax and legal risks

Legal and tax risk comprises all risks related to ignorance, to non-complian ce or to misinterpretation of current legislation and may result in lawsuits arising from erroneous application of procedures or regulations.

This division issues legal and tax guidelines to streamline processes and tighten up management practices in all Group operating activities. The Legal, Tax and Related Services division is also involved in designing key Public Institution projects to boost Group-wide legal compliance. It helps the operating divisions and subsidiaries with legal and tax matters in all aspects of their businesses as well as with cross-disciplinary issues such as secure IT development.

8 – Related-party transactions

Related parties include consolidated companies, savings funds, pension funds and funds managed by Caisse des Dépôts in connection with the national loan, and post-employment benefit plan managers.

8.1 – Relations between consolidated companies

Transactions and balances existing at year-end between fully consolidated companies are eliminated in consolidation. The following information therefore only concerns intragroup transactions with jointly controlled companies (accounted for by the equity method), and with associates over which the Group exercises significant influence (accounted for by the equity method).

	31.12.2018		31.12.2017	
(in millions of euros)	Equity-accounted joint ventures	Equity-accounted associates	Equity-accounted joint ventures	Equity-accounted associates
Loans	454	117	202	110
Other financial assets(1)		217		1
Other assets	4		7	2
Total related-party assets	**458**	**334**	**209**	**113**
Borrowings(2)	813	95	1,152	96
Other financial liabilities				
Other liabilities(3)		21	950	22
Total related-party liabilities	**813**	**116**	**2,102**	**118**
Commitments given(4)	813		1,528	
Commitments received	2	75	3	
Total related-party commitments	**815**	**75**	**1,531**	
Interest income (expense), net	2	3	5	(2)
Fee and commission income (expense), net		(2)	6	(2)
Net income (loss) from financial transactions	2			
Net income (loss) from other activities	(2)		7	5
General operating expenses, net of rebillings	12	(3)	17	(7)
Gross operating profit (loss) from related-party transactions	**14**	**(2)**	**35**	**(6)**

(1) Including €0.2 million in subscriptions to SIG (Société d'Infrastructures Gazières) issues.
(2) Including €0.5 billion in ordinary accounts in credit with Bpifrance at 31 December 2018 (€1.0 billion in 2017).
(3) Decline in Bpifrance unpaid share capital of €1.0 billion following call for funds for €0.7 billion and reduction in Bpifrance share capital for €0.3 billion in 2018.
(4) Including €0.8 billion in guarantees given to CNP (€1.5 billion in 2017).

8.2 – Related parties not controlled by the Group

a) Savings funds

Caisse des Dépôts manages the centralised savings funds entrusted to it by the French State.

(in millions of euros)	31.12.2018	31.12.2017
Loans(1)	4,652	4,491
Other financial assets		
Other assets	59	49
Total assets	**4,711**	**4,540**
Borrowings	1,655	1,280
Other financial liabilities		
Other liabilities	10	
Total liabilities	**1,665**	**1,280**
Commitments given(2)	8,343	3,070
Commitments received(3)	4,975	4,491
Total commitments	**13,318**	**7,561**
Interest income (expense), net	83	40
Fee and commission income (expense), net		
Net income (loss) from financial transactions		
Net income (loss) from other activities	(19)	(249)
General operating expenses, net of rebillings	157	140
Gross operating profit (loss)	**221**	**(69)**

(1) Including €3.1 billion in zero-interest loans and €1.6 billion in EIB loans;
(2) Increase in commitments given of €5.3 billion including:
€3.8 billion related to the new Housing Plan financed by the Central Sector, started in the second half of 2018;
€2.0 billion related to the new Housing Plan package intended to finance social housing landlords;
(3) Guarantee commitments received from the Savings Funds for zero-interest and EIB loans.

b) Pension funds

(in millions of euros)	31.12.2018	31.12.2017
Loans		
Other financial assets		
Other assets	49	64
Total assets	**49**	**64**
Borrowings	1,327	1,411
Other financial liabilities		
Other liabilities	50	50
Total liabilities	**1,377**	**1,461**
Commitments given		
Commitments received		
Total commitments		
Interest income (expense), net	(1)	2
Fee and commission income (expense), net		
Net income (loss) from financial transactions		
Net income (loss) from other activities	4	4
General operating expenses, net of rebillings	290	311
Gross operating profit (loss)	**294**	**317**

c) Funds managed in connection with the Investments for the Future programme

In 2010, Caisse des Dépôts was entrusted with managing eight programmes and twelve actions within the scope of the Investments for the Future Programme, also known as the national loan.

The Group was entrusted with managing a package of €7.4 billion, of which €6.5 billion was paid into a specific Caisse des Dépôts account with the French Treasury.

As part of the second Investments for the Future Programme (PIA 2), Caisse des Dépôts was asked to manage seven new programmes and eight actions in 2014 totalling €936 million, four new programmes and four actions in 2015 worth a total of €623 million, and one new programme and one new action in 2016 worth a total of €50 million.

As part of the third Investments for the Future Programme (PIA 3), Caisse des Dépôts was asked to manage five new programmes and five actions in 2018 worth a total of €208 million.

At 31 December 2018, these packages break down as follows after payments and after deducting management fees:

	Assets		Liabilities and equity	
	Amounts receivable in respect of current or future cash investments		Amounts payable to the French State in respect of the national loan	
(in millions of euros)	31.12.2018	31.12.2017	31.12.2018	31.12.2017
France Brevets	117	135	117	135
Technological development	719	794	719	794
Social economy and solidarity	54	64	54	64
Work-study programmes – Housing and Modernisation	150	179	150	179
National seed capital fund	252	318	252	318
Innovation platforms and competitive clusters	13	19	13	19
Fonds Ecotechnologies (Eco-technologies fund)	214	132	214	132
Firms to accelerate technology transfer (SATTs)	402	386	402	386
Fonds pour la société numérique (Digital society funds) – Infrastructure and Services	923	1,403	923	1,403
Tomorrow's cities	420	447	420	447
National fund for innovation and entrepreneurial culture	7	9	7	9
Regional integrated energy transition projects	20	20	20	20
Transition Numérique de l'État et Modernisation de l'Action Publique (Digital transition for government and modernisation of public action)	21	35	21	35
French Tech Accélération	195	200	195	200
French Tech Attractivité	0	1	0	1
Partenariat pour la Formation Professionnelle et l'Emploi (Alliance for vocational training and employment)	92	100	92	100
Health biotech acceleration fund	332	340	332	340
Fund of turnaround funds	74	75	74	75
Digital innovation for education excellence	57	68	57	68
Thematic institutions of excellence in decarbonised energies	43	43	43	43
Fund of funds – priority urban areas	50	50	50	50
Territoires d'innovation de grande ambition (Regional schemes for ambitious innovation)	16		16	
Regional schemes for innovation in education	30		30	
Fonds à l'internationalisation des PME (Fund for SME international expansion)	100		100	
Adaptation et qualification main d'œuvre (Maintain and develop employment in all geographical areas)	17		17	
Academic and research companies	50		50	
	4,367	**4,818**	**4,367**	**4,818**

In accordance with IFRS, the agreements signed with the French State concerning the national loan require the assets and liabilities covered by the investment programmes to be derecognised in the Group's consolidated financial statements. In the French GAAP accounts of the Central Sector, these assets and liabilities are transferred to adjustment accounts.

8.3 – Post-employment benefit plan managers

Caisse de Dépôts has entered into several agreements with group pension fund managers.

Assets and liabilities from transactions with post-employment benefit plan managers were not material at 31 December 2018.

9 – Employee benefits

9.1 – Employee benefits expense

(in millions of euros)	31.12.2018	31.12.2017 Published
Payroll costs	(5,467)	(5,191)
Post-employment benefit plan costs	(65)	(62)
Discretionary and non-discretionary profit-sharing	(98)	(92)
Total employee benefits expense	**(5,630)**	**(5,345)**

9.2 – Average number of employees at controlled companies

	31.12.2018	31.12.2017 Published
France	50,759	50,722
International	49,842	48,950
Average number of employees	**100,601**	**99,672**

9.3 – Employee benefit obligations

9.3.1 – Net employee benefit obligations recognised

(in millions of euros)	31.12.2018	31.12.2017 Published
Assets and liabilities recognised in the statement of financial position		
Present value of funded employee benefit obligation	188	197
Present value of unfunded employee benefit obligation	539	528
Present value of employee benefit obligation	**727**	**725**
Market value of plan assets	**(132)**	**(144)**
Provision for employee benefit obligations	**595**	**581**
Actuarial liability – current	75	58
Actuarial liability – non-current	520	523

9.3.2 – Change in employee benefit obligations in the income statement

(in millions of euros)	31.12.2018	31.12.2017 Published
Current service cost – post-employment plans	(21)	(25)
Current service cost – long-term benefits	(18)	(18)
Past service cost (including plan amendments and curtailments)	(23)	(75)
Gains and losses on plan settlements	8	75
Service cost	**(54)**	**(43)**
Net interest cost	**(8)**	**(8)**
Actuarial gains and losses on long-term benefits	**(4)**	**(11)**
Post-employment plan and long-term benefit expense	**(66)**	**(62)**

9.3.3 – Change in provision for employee benefit obligations

(in millions of euros)	31.12.2018	31.12.2017 Published
Opening balance	**581**	**610**
Post-employment plan and long-term benefit expense	66	62
Benefits paid	(50)	(60)
Actuarial gains and losses on post-employment plans resulting from:		
• changes in demographic assumptions	6	2
• changes in financial assumptions	(9)	4
• experience adjustments	(8)	(23)
Actuarial gains and losses on plan assets	8	(7)
Changes in scope of consolidation		
Other movements	1	(7)
Closing balance	**595**	**581**

9.3.4 – Analysis of the provision for employee benefit obligations

Breakdown of obligations by type

(in millions of euros)	31.12.2018	31.12.2017 Published
Retirement benefits	278	282
Other pension plans	70	67
Other post-employment benefit plans	60	64
Long-term benefits	187	168
Provision for employee benefit obligations	**595**	**581**

Breakdown of obligations by consolidated entity

(in millions of euros)	31.12.2018	31.12.2017 Published
Caisse des Dépôts (Central Sector)	254	245
Transdev group	164	158
Egis group	49	49
Compagnie des Alpes group	48	48
Icade group	23	23
Informatique CDC	26	24
CDC Habitat group	26	26
Other entities	5	8
Provision for employee benefit obligations	**595**	**581**

9.3.5 – Breakdown of plan assets by type

(in millions of euros)	31.12.2018	31.12.2017
Equities	70	47
Bonds	11	32
Other assets	51	65
Total plan assets	**132**	**144**

9.3.6 – Other information on employee benefit obligations

Weighted average discount rates used to measure retirement benefits

Average discount rate for each consolidated entity	31.12.2018	31.12.2017
Caisse des Dépôts (Central Sector)	1.58%	1.17%
Transdev group	1.30%	1.40%
Egis group	1.60%	1.28%
Compagnie des Alpes group	1.55%	1.45%
Icade group	1.45%	1.45%
Informatique CDC	1.55%	1.45%
CDC Habitat group	1.42%	1.80%

The discount rate is determined by reference to the iBoxx € Corporates AA 10+ index, which essentially represents the rate of return on bonds issued by companies rated investment grade.

Transdev group multi-employer pension plan

Transdev group participates in a multi-employer defined benefit plan through its Dutch subsidiaries. The plan in question is an optional SPOV pension fund, which is open to transport sector companies.

At end-2018, 23 companies participated in this plan. Eligible employees at the participating Transdev group companies acquire rights from the age of 21 based on 1.74% of the reference pay per year of employment (2018 rate).

At 31 December 2018:

- plan assets (100% coverage) amounted to €3.9 billion. At 31 December 2018, they consisted primarily of equities (28%), government bonds (31%) and securities (11%);
- the discounted value of obligations under local accounting principles was estimated at €3.6 billion (100% coverage). Accordingly, the plan is in surplus. Because Transdev group has no rights to this surplus, no asset is recognised in the consolidated statement of financial position (asset ceiling).

Analysis of sensitivity of the provision for employee benefit obligations to a rise or fall in the discount rate

	31.12.2018	31.12.2017
Sensitivity of actuarial liability	***+/–50 bps***	***+/–50 bps***
Amount of provision in the event of a rise in the discount rate	560	543
Provision for employee benefit obligations at year-end	**595**	**581**
Amount of provision in the event of a fall in the discount rate	635	625

10 – Information on material associates, joint ventures and non-controlling interests

The table below sets out data relating to material associates and joint ventures based on a 100% holding prior to the elimination of intragroup balances and transactions, using the Group's IFRS publication format.

10.1 – Material associates

La Poste is the only material associate, accounting for 55% of the Group's investments in equity-accounted associates.

La Poste

	31.12.2018	01.01.2018 Restated
Percent control and percent interest held by the entity	26.32%	26.32%
Nature of relationship	Strategic interest	Strategic interest
Dividends received	€45 million	€45 million

Summarised financial information

Statement of financial position – La Poste group

(in millions of euros)	31.12.2018	31.12.2017 Published
Assets		
Goodwill	2,478	2,332
Intangible assets	1,359	1,102
Owner-occupied property and equipment	5,989	5,771
Investments in joint ventures and associates	3,982	4,098
Other non-current financial assets	500	599
Deferred tax assets	412	192
Non-current assets	**14,721**	**14,092**
Current banking assets		
Customer loans and receiveables	95,671	88,048
Credit institutions loans and receivables	87,352	84,088
Securities portfolio	51,052	46,953
Other current financial assets	1,608	1,493
Accrual accounts	1,513	1,815
Cash and central bank deposits	2,007	3,325
Other current assets		
Inventories and work-in-progress	132	121
Trade and other accounts receivable	4,156	3,930
Other current financial assets	532	712
Income tax credit	368	212
Other accruals – Assets	95	84
Cash and cash equivalents	**2,286**	**1,735**
Assets held for sale	**17**	**55**
Current assets	**246,788**	**232,570**
Total assets	**261,509**	**246,662**

(in millions of euros)	31.12.2018	31.12.2017 Published
Equity and liabilities		
Share capital	3,800	3,800
Issue premium	900	900
Reserves	5,432	4,790
Unrealised gains and losses on financial instruments	590	1,207
Translation reserve	(250)	(184)
Net profit (loss), group share	798	851
Equity, group share	**12,014**	**11,364**
Non-controlling interests	197	169
Consolidated equity	**12,210**	**11,534**
Medium- and long-term bonds and other financial debt	5,004	5,313
Employee benefits – non-current liabilities	2,388	2,463
Non-current provisions for contingencies and losses	124	207
Deferred tax liabilities	188	188
Non-current liabilities	**7,703**	**8,171**
Current provisions for contingencies and losses		
Specific provisions for the Banking and Insurance activities	2,732	2,669
Current provisions for contingencies and losses	491	459
Short-term bonds and other financial debt	**1,225**	**984**
Current banking liabilities		
Liabilities due to credit institutions	18,877	14,154
Liabilities due to customers	185,802	182,556
Debt evidenced by a certificate and other financial liabilities	23,759	17,875
Accrual accounts – Liabilities	2,360	2,099
Other current liabilities		
Trade and other payables	5,432	5,154
Government – income tax	49	42
Employee benefits – current liabilities	679	743
Other accrual accounts – Liabilities	189	222
Current liabilities	**241,596**	**226,958**
Total equity and liabilities	**261,509**	**246,662**

(in millions of euros)	31.12.2018	31.12.2017 Published
Revenues from commercial activities	**19,154**	**18,463**
Net banking income	5,545	5,647
Operating revenue	24,699	24,110
Net operating expenses	(23,793)	(23,106)
Operating profit (loss)	892	1,012
Financial profit (loss)	(186)	(168)
Profit (loss) before tax of consolidated companies	706	844
Net profit (loss)	**837**	**893**
Attributable to non-controlling interests	39	42
Net profit (loss), group share	**798**	**851**

Other comprehensive income – La Poste group

(in millions of euros)	31.12.2018	31.12.2017 Published
Net profit (loss)	**837**	**893**
Other comprehensive income recognised in equity		
Recyclable items		
Translation adjustments	(26)	(28)
Change in unrealised gains and losses on financial instruments	(358)	(62)
Share in other comprehensive income of associates and joint ventures	(259)	1
Impact of the overlay approach	(10)	
Non-recyclable items		
Actuarial adjustments on employee benefits	18	74
Change in credit risk of liabilities designated at fair value through profit or loss	(5)	(8)
Total other comprehensive income recognised in equity (after tax)	**(639)**	**(21)**
Total comprehensive income (loss)	**198**	**871**
Total comprehensive income (loss), group share	159	827
Total comprehensive income (loss) attributable to non-controlling interests	39	44

Reconciliation of financial information with the equity-accounted carrying amount of La Poste group

(in millions of euros)	31.12.2018	01.01.2018 Restated
Equity attributable to owners at 31 December 2017		11,364
Effect of adoption of IFRS 9		(144)
Equity attributable to owners	**12,014**	**11,220**
Restatement (chiefly purchase price allocation)	(1,998)	(1,244)
Equity based on Caisse des Dépôts' percent interest	2,636	2,625
Goodwill, net		
Impairment loss on La Poste shares	(1,020)	(1,020)
Equity-accounted carrying amount on Caisse des Dépôts' statement of financial position	**1,616**	**1,605**

10.2 – Material joint ventures

The Group's material joint ventures are CNP Assurances, Bpifrance and Coentreprise de Transport d'Électricité, which account for 93% of investments in equity-accounted joint ventures.

CNP Assurances group

	31.12.2018	31.12.2017 Published
Percent control and percent interest held by the entity	40.90%	40.88%
Nature of relationship	Insurance subsidiary	Insurance subsidiary
Dividends received	€236 million	€224 million

Summarised financial information

Statement of financial position – CNP Assurances group

(in millions of euros)	31.12.2018	31.12.2017 Published
Assets		
Goodwill	254	273
Value of In-Force business	19	24
Other intangible assets	459	502
Total intangible assets	**732**	**799**
Investment property	2,540	2,568
Held-to-maturity investments	396	549
Available-for-sale financial assets	289,343	296,481
Securities held for trading	81,603	81,722
Loans and receivables	4,891	4,970
Derivative financial instruments	1,288	798
Insurance investments	**380,061**	**387,088**
Banking and other investments	**8**	**9**
Investments in equity-accounted companies	**517**	**66**
Reinsurers' share of insurance and financial liabilities	**21,556**	**22,735**
Insurance or reinsurance receivables	2,991	3,334
Current tax assets	341	533
Other receivables	5,192	4,647
Owner-occupied property and other property and equipment	311	292
Other non-current assets	2,276	2,280
Deferred participation asset		
Deferred tax assets	252	284
Other assets	**11,363**	**11,370**
Non-current assets held for sale and discontinued operations		
Cash and cash equivalents	**1,287**	**1,231**
Total assets	**415,524**	**423,298**

(in millions of euros)	31.12.2018	31.12.2017 Published
Equity and liabilities		
Share capital	687	687
Share premium account	1,736	1,736
Revaluation reserve	3,016	4,132
Cash flow hedge reserve	(18)	(48)
Deeply-subordinated notes	1,881	1,765
Retained earnings	9,653	9,060
Profit (loss) for the period	1,367	1,284
Translation reserve	(541)	(359)
Equity attributable to owners of the parent	**17,781**	**18,257**
Non-controlling interests	1,740	1,766
Total equity	**19,521**	**20,023**
Insurance liabilities (excluding unit-linked)	162,501	158,654
Insurance liabilities (unit-linked)	48,223	45,822
Insurance liabilities	**210,724**	**204,476**
Financial liabilities – financial instruments with DPF (excluding unit-linked)	116,227	121,580
Financial liabilities – financial instruments without DPF (excluding unit-linked)	595	625
Financial liabilities – unit-linked financial instruments	7,945	8,188
Financial liabilities	**124,767**	**130,393**
Derivative financial instruments separated from the host contract		
Deferred participation reserve	22,107	30,335
Insurance and financial liabilities	**357,598**	**365,204**
Provisions	**174**	**210**
Subordinated debt	5,337	5,300
Other borrowings and similar debts	5	
Financing liabilities	**5,342**	**5,300**
Operating liabilities represented by securities	11,409	10,310
Operating liabilities due to banks	183	470
Liabilities arising from insurance and reinsurance transactions	14,331	14,262
Current taxes payable	264	299
Current account advances	70	50
Liabilities towards holders of units in controlled mutual funds	613	728
Derivative instruments	1,193	1,110
Deferred tax liabilities	490	915
Miscellaneous payables	4,336	4,417
Other liabilities	**32,889**	**32,561**
Liabilities relating to assets held for sale and discontinued operations		
Total equity and liabilities	**415,524**	**423,298**

Income statement – CNP Assurances group

(in millions of euros)	31.12.2018	31.12.2017 Published
Premiums written	32,534	32,460
Change in unearned premiums reserve	(219)	(383)
Earned premiums	**32,315**	**32,077**
Revenue from other activities	**148**	**160**
Other operating revenue		
Investment income	7,689	8,372
Gains and losses on disposal of investments	195	379
Change in fair value of financial assets at fair value through profit or loss	(2,958)	3,294
Impairment losses on financial instruments	1,132	729
Investment income before finance costs	**6,058**	**12,774**
Income from ordinary activities	**38,521**	**45,011**
Claims and benefits expenses	(31,140)	(37,538)
Reinsurance result	(14)	106
Expenses of other businesses	6	18
Acquisition costs	(3,954)	(3,982)
Amortisation of value of In-Force business and distribution agreements	(25)	(25)
Contract administration expenses	(202)	(199)
Other recurring operating income and expense, net	(576)	(617)
Total other recurring operating income and expense, net	**(35,905)**	**(42,237)**
Recurring operating profit (loss)	**2,616**	**2,774**
Other non-recurring operating income and expense, net	(35)	(18)
Operating profit (loss)	**2,581**	**2,756**
Finance costs	(249)	(247)
Change in fair value of intangible assets	2	2
Share of profit (loss) of equity-accounted companies	129	7
Income tax expense	(793)	(895)
Net profit (loss) for the period	**1,670**	**1,623**
Non-controlling interests	(303)	(338)
Net profit (loss) attributable to owners of the parent	**1,367**	**1,285**

Other comprehensive income – CNP Assurances group

(in millions of euros)	31.12.2018	31.12.2017 Published
Net profit (loss) for the period	**1,670**	**1,623**
Income and expense recognised directly in equity		
Amounts recycled through profit or loss	**(1,355)**	**(107)**
Available-for-sale financial assets		
Change in revaluation reserve during the period	(8,467)	(508)
Reclassification of proceeds from disposals to profit or less	(1,316)	(1,354)
Reclassification of impairment losses to profit or loss	169	240
Sub-total including deferred participation and deferred taxes	**(9,614)**	**(1,622)**
Deferred participation including deferred taxes	8,088	1,581
Deferred taxes	393	328
Sub-total net of deferred participation and deferred taxes	**(1,133)**	**287**
Cash flow hedge reserve	**31**	**(7)**
Change in cash flow hedge reserve during the period	90	(137)
Cash flow hedge reserve recycled through profit or loss during the period	(37)	127
Deferred taxes	(23)	3
Translation differences	**(252)**	**(388)**
Amounts not recycled through profit or loss	**(13)**	**(7)**
Actuarial gains and losses	**(13)**	**(7)**
Total income and expense recognised directly in equity	**(1,368)**	**(114)**
Net income and expense recognised directly in equity	**302**	**1,509**
Attributable to owners	86	1,315
Non-controlling interests	216	194

Reconciliation of financial information with the equity-accounted carrying amount of the CNP Assurances group

(in millions of euros)	31.12.2018	31.12.2017 Published
Equity attributable to owners	17,781	18,257
Restatements (chiefly CNP Assurances deeply-subordinated notes)	(1,952)	(1,824)
Equity based on Caisse des Dépôts' percent interest	6,475	6,718
Goodwill, net	208	208
Equity-accounted carrying amount on Caisse des Dépôts' statement of financial position	**6,683**	**6,926**

Amendments to IFRS 4 Applying IFRS 9 *Financial Instruments* with IFRS 4 *Insurance Contracts* were adopted by the European Union on 3 November 2017 (EU Regulation No. 2017/1988) and apply from 1 January 2018. These amendments clarify the procedures for insurance undertakings to apply IFRS 9 with IFRS 4 *Insurance Contracts*. They provide for a temporary exemption, subject to conditions, from IFRS 9 for insurance undertakings, to enable them to apply said standard at the same time as IFRS 17 *Insurance Contracts*.

The CNP Assurances group, which is accounted for by the equity method in the Caisse des Dépôts Group's financial statements, satisfies the eligibility criteria for this provision (as the predominance ratio of insurance activities, on which eligibility for deferral depends, is greater than 90%) and has opted to defer adoption of IFRS 9 for three years, i.e. until 1 January 2021.

These amendments also introduce a simplifying option allowing groups applying IFRS 9 not to restate in IFRS 9 format the financial statements of insurance undertakings accounted for by the equity method in the consolidated financial statements.

In this respect, additional information will be published during the 2018-2021 transition period on the classification of assets and credit risk exposure of the scope of assets that meet the criteria defined by IFRS 9 (securities whose cash flows correspond to repayment of principal and payments of interest on the principal amount outstanding).

Information to be provided on temporary exemption from adoption of IFRS 9 for insurance business

	31.12.2018
(in millions of euros)	**Fair value**
Fixed-rate bonds	173,492
Variable-rate bonds	19,344
TCNs (money market securities)	2,838
Other	20,819
Total assets meeting the SPPI criterion	**216,493**
Equities	19,893
Shares in non-trading property companies	10,700
Investment funds	87,075
Fixed-rate bonds	10,242
Variable-rate bonds	24,871
TCNs (money market securities)	414
Other	1,690
Derivative financial instruments – assets	1,288
Derivative financial instruments – liabilities	(1,193)
Total other financial assets	**154,980**
Total	**371,473**

Exposure to credit risk on assets respecting the SPPI criterion for which the credit risk is low

(in millions of euros)	Gross carrying amount	Fair value
AAA	15,482	16,969
AA	103,343	114,505
A	34,363	35,660
BBB	41,905	43,518
Total	**195,093**	**210,652**

Exposure to credit risk on assets respecting the SPPI criterion for which the credit risk is not low

(in millions of euros)	Gross carrying amount	Fair value
< BBB	4,739	4,837
NR	988	1,006
Total	**5,727**	**5,843**

Bpifrance

	31.12.2018	31.12.2017 Published
Percent control and percent interest held by the entity	50%	50%
Nature of relationship	Corporate financing and investment partner	Corporate financing and investment partner
Dividends received	€280 million	€127 million

Summarised financial information

Statement of financial position – Bpifrance

(in millions of euros)	31.12.2018	01.01.2018 Restated
Assets		
Cash and amounts due from central banks	1,688	357
Financial assets at fair value through profit or loss	5,021	4,419
Hedging instruments with a positive fair value	6	11
Financial assets at fair value through equity	8,726	9,048
Securities at amortised cost	8,361	8,771
Loans and receivables due from credit institutions	1,332	1,493
Loans and receivables due from customers	38,799	35,392
Finance lease and equivalent operations	6,077	6,032
Innovation financing aids	1,073	1,116
Cumulative fair value adjustments to portfolios hedged against interest rate risk	289	264
Current and deferred tax assets	218	63
Prepayments, accrued income and other assets	521	2,405
Investments in equity-accounted companies	4,388	3,993
Investment property		
Owner-occupied property and equipment	126	123
Intangible assets	126	114
Goodwill	2	
Total assets	**76,753**	**73,601**

(in millions of euros)	31.12.2018	01.01.2018 Restated
Liabilities and equity		
Financial liabilities at fair value through profit or loss	3	4
Hedging instruments with a negative fair value	5	8
Due to credit institutions	12,461	12,365
Due to customers	3,503	3,470
Debt securities	27,877	24,786
Cumulative fair value adjustments to portfolios hedged against interest rate risk	296	211
Current and deferred tax liabilities	210	229
Accruals, deferred income and other liabilities	1,407	1,064
Provisions	90	61
Net innovation intervention resources	1,993	1,923
Public guarantee funds	5,990	5,702
Subordinated debt	7	7
Equity attributable to owners	**22,557**	**23,424**
Share capital and related reserves	20,451	20,981
Reserves and retained earnings	1,126	558
Gains and losses recognised directly in equity	(40)	522
Profit (loss) for the period	1,020	1,363
Non-controlling interests	**354**	**347**
Total liabilities and equity	**76,753**	**73,601**

Income statement – Bpifrance

(in millions of euros)	31.12.2018	31.12.2017 Published
Interest income	1,729	1,585
Interest expense	(1,007)	(860)
Fee and commission income	52	52
Fee and commission expense	(3)	(3)
Gains and losses on financial instruments at fair value through profit or loss, net	368	432
Gains and losses on financial instruments at fair value through OCI, net	225	
Gains and losses on available-for-sale financial assets, net		777
Income from other activities	186	196
Expenses from other activities	(106)	(113)
Net banking income	**1,444**	**2,066**
General operating expenses	(606)	(554)
Depreciation, amortisation and impairment of property and equipment and intangible assets	(42)	(39)
Gross operating profit (loss)	**796**	**1,473**
Cost of risk	(40)	(54)
Operating profit (loss)	**756**	**1,419**
Share of profit (loss) of equity-accounted companies	385	240
Gains and losses on other assets, net		13
Change in value of goodwill	(4)	
Income tax	(102)	(292)
Net profit (loss)	**1,035**	**1,380**
Non-controlling interests	15	17
Net profit (loss) attributable to owners	**1,020**	**1,363**

Other comprehensive income – Bpifrance

(in millions of euros)	31.12.2018	31.12.2017 Published
Net profit (loss)	**1,035**	**1,380**
Items to be reclassified to the income statement	**(12)**	**(584)**
Change in fair value of available-for-sale financial assets		(498)
Exchange differences on translation of foreign operations		(99)
Share of other comprehensive income (loss) of equity-accounted companies	(12)	13
Items not to be reclassified to the income statement	**(783)**	**(19)**
Actuarial gains and losses on post-employment defined benefit obligations	(3)	(19)
Change in fair value of equity instruments recognised at fair value through OCI	(836)	
Share of other comprehensive income (loss) of equity-accounted companies	30	
Associated taxes	26	
Other comprehensive income (loss)	**(795)**	**(603)**
Total comprehensive income (loss)	**240**	**777**
Attributable to owners	224	760
Non-controlling interests	16	17

Reconciliation of financial information with the equity-accounted carrying amount of Bpifrance

(in millions of euros)	31.12.2018	01.01.2018 Restated
Equity attributable to owners	22,557	23,424
Restatements (mainly fair value adjustments)	319	530
Equity based on Caisse des Dépôts' percent interest	11,438	11,977
Equity-accounted carrying amount on Caisse des Dépôts' statement of financial position	**11,438**	**11,977**

Coentreprise de Transport d'Électricité

	31.12.2018	31.12.2017 Published
Percent control and percent interest held by the entity	29.9%	29.9%
Nature of relationship	Strategic interest	Strategic interest
Dividends received	€94 million	€59 million

Summarised financial information

(in millions of euros)	31.12.2018	01.01.2018 Restated
Assets		
Non-current assets	17,738	17,163
Current assets	2,838	2,793
Assets	**20,576**	**19,956**
Equity and liabilities		
Total equity	**2,791**	**2,476**
Non-current liabilities	13,225	12,870
Current liabilities	4,560	4,610
Equity and liabilities	**20,576**	**19,956**

	31.12.2018	31.12.2017 Published
Income statement		
Total revenue	**4,817**	**3,143**
Gross operating surplus	**2,058**	**1,288**
Net profit (loss)	**549**	**178**

Reconciliation of financial information with the equity-accounted carrying amount of CTE

(in millions of euros)	31.12.2018	31.12.2017 Published
Equity attributable to owners	2,791	2,476
Restatements (chiefly purchase price allocation)	3,036	2,974
Equity based on Caisse des Dépôts' percent interest	1,742	1,630
Equity-accounted carrying amount on Caisse des Dépôts' statement of financial position	**1,742**	**1,630**

10.3 – Material non-controlling interests

COMPAGNIE DES ALPES

	COMPAGNIE DES ALPES	
(in millions of euros)	**30.09.2018**	**30.09.2017**
Percent interest held by the entity	39.4%	39.5%
Percent control held by the entity	39.4%	39.5%
Percent interest held by non-controlling interests	60.6%	60.5%
Percent control held by non-controlling interests	60.6%	60.5%
Dividends paid to non-controlling interests	€7 million	€6 million

Summarised financial information

Assets	**30.09.2018**	**30.09.2017**
Non-current assets	1,515	1,431
Current assets	146	149
Assets	**1,661**	**1,580**
Equity and liabilities		
Equity attributable to owners	823	777
Non-controlling interests	56	55
Total equity	**879**	**832**
Non-current liabilities	382	276
Current liabilities	400	472
Equity and liabilities	**1,661**	**1,580**

Income statement

(in millions of euros)	30.09.2018	30.09.2017 Published
Total revenue	**803**	**765**
Gross operating profit (loss)	218	203
Operating profit (loss)	**97**	**93**
Cost of net debt	(8)	(16)
Impairment losses on goodwill and other assets		
Net profit (loss)	**63**	**40**
Non-controlling interests	(6)	(9)
Net profit (loss) attributable to owners	**57**	**31**

Other comprehensive income	30.09.2018	30.09.2017 Published
Net profit (loss)	**63**	**40**
Actuarial gains and losses on post-employment defined benefit obligations	1	1
Other comprehensive income (loss)	**1**	**1**
Total comprehensive income (loss)	**64**	**41**
Attributable to the CDA group	58	32
Non-controlling interests	6	9

Statement of cash flows	30.09.2018	30.09.2017 Published
Net profit (loss) attributable to owners	57	31
Non-controlling interests	6	9
Net profit (loss)	**63**	**40**
Cash flows related to operating activities	195	182
Cash flows related to investing activities	(194)	(163)
Cash flows related to financing activities	(107)	32
Impact of discontinued operations	3	
Net increase (decrease) in cash and cash equivalents	**(103)**	**51**
Cash and cash equivalents at the beginning of the period	34	(17)
Cash and cash equivalents at the end of the period	(69)	34

The Compagnie des Alpes group's financial statements adopted at 30 September are included in the consolidated financial statements of Caisse des Dépôts Group at 31 December. Material transactions having taken place in the last quarter of the year are taken into account when preparing Caisse des Dépôts' consolidated financial statements.

Icade

(in millions of euros)	Icade 31.12.2018	01.01.2018 Restated
Percent interest held by the entity	39.0%	39.1%
Percent control held by the entity	39.0%	39.1%
Percent interest held by non-controlling interests	61.0%	60.9%
Percent control held by non-controlling interests	61.0%	60.9%
Dividends paid to non-controlling interests	€194 million	€180 million
Summarised financial information		
Assets		
Non-current assets	9,494	9,501
Current assets	2,263	1,797
Assets held for sale	2	11
Assets	**11,759**	**11,309**
Equity and liabilities		
Equity attributable to owners	3,185	3,353
Non-controlling interests	751	774
Total equity	**3,936**	**4,127**
Non-current liabilities	5,383	5,039
Current liabilities	2,430	2,134
Liabilities related to assets held for sale	10	9
Equity and liabilities	**11,759**	**11,309**

Income statement

	31.12.2018	31.12.2017 Published
Total revenue	**1,775**	**1,658**
EBITDA	590	535
Operating profit (loss)	**341**	**324**
Cost of net debt	(99)	(84)
Finance income (expense)	**(124)**	**(127)**
Tax expense	(31)	6
Profit (loss) from discontinued operations		
Net profit (loss)	**185**	**203**
Net profit (loss) attributable to non-controlling interests	(30)	(33)
Net profit (loss) attributable to the group	**155**	**170**

Other comprehensive income	31.12.2018	31.12.2017 Published
Net profit (loss)	**185**	**203**
Changes in fair value of available-for-sale financial assets		2
Other comprehensive income recyclable to the income statement	(8)	24
Other comprehensive income not recyclable to the income statement	-	1
Total comprehensinve income (loss) recognised in equity	**(8)**	**27**
Comprehensive income (loss) for the period	**177**	**230**
Attributable to the group	149	196
Attributable to non-controlling interests	28	34

Statement of cash flows	31.12.2018	31.12.2017 Published
Net profit (loss) attributable to owners	155	170
Non-controlling interests	30	33
Net profit (loss)	**185**	**203**
Cash flows from operating activities	356	337
Cash flows from investing activities	-	(239)
Cash flows from financing activities	(146)	29
Discontinued operations		
Net change in cash	**210**	**127**
Opening net cash	362	235
Closing net cash	572	362

Icade Santé

The non-controlling interests at the level of the Icade sub-group relate mainly to Icade Santé, which was 56.8%-owned by Icade at 31 December 2018 (56.5% at 31 December 2017). The company's statement of financial position and income statement are presented below.

	Icade Santé	
(in millions of euros)	**31.12.2018**	**01.01.2018 Restated**
Assets		
Non-current assets	3,157	2,963
Current assets	87	25
Assets	**3,244**	**2,988**
Liabilities and equity		
Equity attributable to owners	956	902
Non-controlling interests	728	694
Total equity	**1,684**	**1,596**
Non-current liabilities	1,455	1,210
Current liabilities	105	182
Liabilities and equity	**3,244**	**2,988**

Income statement	**31.12.2018**	**31.12.2017 Published**
Total revenue	**241**	**214**
Gross operating profit (loss)	223	197
Operating profit (loss)	**107**	**99**
Cost of net debt	(30)	(28)
Financial income (loss)	**(40)**	**(29)**
Comprehensive income (loss)	**65**	**71**

11 – Statutory Auditors' fees

	Mazars		PwC	
(in millions of euros)	**2018**	**2017**	**2018**	**2017**
Audit				
Statutory audit, certification, review of the individual and consolidated financial statements				
Central Sector	1.2	1.3	1.2	1.3
Fully consolidated subsidiaries	5.0	5.2	2.6	2.7
Other audit services				
Central Sector	0.4	0.3	0.3	0.2
Fully consolidated subsidiaries	0.6	0.6	0.2	0.4
Total	**7.2**	**7.5**	**4.3**	**4.7**

12 – Scope of consolidation

Caisse des Dépôts prepares separate annual financial statements under French GAAP for each of its constituent sectors: Central Sector and the Savings Funds.

Caisse des Dépôts Group is unique as a public institution with subsidiaries and affiliates that operate in the competitive sector. It publishes consolidated financial statements under IFRS. These combine the financial statements of the Central Sector and those of the entities over which Caisse des Dépôts exercises exclusive or joint control to form the consolidated financial statements of Caisse des Dépôts Group.

Presentation of the Group's scope of consolidation is organised on the basis of the Group's three business segments. Entities, sub-groups and subsidiaries are thus presented by segment.

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
Caisse des Dépôts Division						
Caisse des Dépôts						
CDC (CENTRAL SECTOR)	FULL	100.00	100.00	FULL	100.00	100.00
Registered office: 56, rue de Lille – 75356 Paris 07 SP – France						
SCET	FULL	100.00	100.00	FULL	100.00	100.00
Registered office: 52, rue Jacques Hilairet – 75612 Paris Cedex 12 – France						
CDC HABITAT GROUP						
CDC Habitat	FULL	100.00	100.00	FULL	100.00	100.00
Registered office: 100, avenue de France – 75013 Paris – France						
SAINTE BARBE	FULL	100.00	100.00	FULL	100.00	100.00
AMPERE GESTION	FULL	100.00	100.00	FULL	100.00	100.00
ADOMA	EQUITY (JV)	56.44	56.44	EQUITY (JV)	56.44	56.44
FONDS DE LOGEMENT INTERMÉDIAIRE	EQUITY (Ass.)	19.14	19.14	EQUITY (Ass.)	19.14	19.14
ADESTIA	FULL	100.00	100.00	FULL	100.00	100.00
CAISSE DES DÉPÔTS DIVISION – OTHER ENTITIES						
INFORMATIQUE CDC	FULL	100.00	99.95	FULL	100.00	99.90
CDC ELAN PME	FULL	100.00	100.00	FULL	100.00	100.00
UNIVERS 12*				FULL	100.00	100.00
CDC ENTREPRISES VALEURS MOYENNES	FULL	100.00	100.00	FULL	100.00	100.00
CDC PME CROISSANCE	EQUITY (JV)	49.53	49.53	EQUITY (JV)	49.53	49.53
CDC EURO CROISSANCE	EQUITY (JV)	50.02	50.02			
CDC GPI – GESTION DES PLACEMENTS IMMOBILIERS	FULL	100.00	100.00	FULL	100.00	100.00

GROUPS/COMPANIES	31.12.2018			31.12.2017		
	Method	% control	% interest	Method	% control	% interest
CDC GPII – GESTION DES PLACEMENTS IMMOBILIERS INTERNES	FULL	100.00	100.00	FULL	100.00	100.00
ACEP INV 3	FULL	100.00	100.00	FULL	100.00	100.00
FONCIÈRE DÉVELOPPEMENT TOURISME	EQUITY (Ass.)	49.90	49.90	EQUITY (Ass.)	49.90	49.90
FONCIÈRE FRANKLIN	FULL	100.00	100.00	FULL	100.00	100.00
TONUS TERRITOIRES	FULL	100.00	100.00	EQUITY (JV)	50.00	50.00
GPI REUILLY	FULL	100.00	99.90	FULL	100.00	99.90
GPI rue Petit	FULL	100.00	99.99	FULL	100.00	99.99
GPINVEST PB10	FULL	100.00	100.00			
LE MARQUIS	EQUITY (Ass.)	40.00	40.00	EQUITY (Ass.)	40.00	40.00
OPCI RIVER OUEST	EQUITY (JV)	40.01	40.01	EQUITY (JV)	40.01	40.01
PARIS RIVE GAUCHE A9	FULL	100.00	100.00	FULL	100.00	100.00
PBEM – PARIS BATIGNOLLES ÉMERGENCE	FULL	100.00	99.90	FULL	100.00	99.90
SAS CHATEAUDUN	FULL	100.00	100.00	FULL	100.00	100.00
SAS DÉFENSE CB3	EQUITY (Ass.)	25.00	25.00			
SAS LA NEF LUMIÈRE	FULL	100.00	87.50	FULL	100.00	87.50
SAS LAFAYETTE	FULL	100.00	100.00	FULL	100.00	100.00
SAS MALTHAZAR (sale)				EQUITY (JV)	50.00	50.00
SAS PARIS NORD EST	FULL	100.00	79.00	FULL	100.00	79.00
SAS PRINTEMPS LA VALETTE II	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
SAS RICHELIEU VIVIENNE	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
SCI 182 RUE DE RIVOLI	FULL	100.00	99.00	FULL	100.00	99.00
SCI 43 45 RUE DE COURCELLES	FULL	100.00	99.00	FULL	100.00	99.00
SCI ALPHA PARK	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
SCI BATIGNOLLES LOT 09	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
SCI BAUDELIQUE	FULL	100.00	99.66	FULL	100.00	99.66
SCI BOULOGNE ILOT V	FULL	100.00	99.00	FULL	100.00	99.00
SCI CUVIER MONTREUIL II	FULL	100.00	100.00	FULL	100.00	100.00
SCI DES RÉGIONS	FULL	100.00	100.00	FULL	100.00	100.00
SCI EVI-DANCE	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
SCI FARMAN	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
SCI INNOVATIS II	FULL	100.00	100.00	FULL	100.00	100.00
SCI MAC DONALD	FULL	100.00	100.00	FULL	100.00	100.00
SCI MMV 2013	FULL	100.00	100.00	FULL	100.00	100.00

GROUPS/COMPANIES	31.12.2018 Method	% control	% interest	31.12.2017 Method	% control	% interest
SCI PB10	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
SCI PRINTEMPS LA VALETTE	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
SCI SARIHV	FULL	100.00	100.00	FULL	100.00	100.00
SCI SILOGI	FULL	100.00	99.00	FULL	100.00	99.00
SCI TOUR MERLE	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
ANATOL INVEST GROUP						
ANATOL INVEST HOLDING FRANCE	FULL	100.00	100.00	FULL	100.00	100.00
Registered office: 56, rue de Lille – 75007 Paris – France						
ANATOL INVEST HOLDING BV (Netherlands)	FULL	100.00	100.00	FULL	100.00	100.00
ATRIUM TOWER (Poland)	FULL	100.00	100.00	FULL	100.00	100.00
IBC (Czech Republic)				FULL	100.00	100.00
MYSLBEK (Czech Republic)	FULL	100.00	100.00	FULL	100.00	100.00
PAIGE INVESTMENTS (Poland)	FULL	100.00	100.00	FULL	100.00	100.00
PBW REAL ESTATE FUND (Netherlands)	FULL	100.00	100.00	FULL	100.00	100.00
BPIFRANCE DIVISION						
BPIFRANCE GROUP						
BPIFRANCE	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
Registered office: 27-31, avenue du Général-Leclerc – 94710 Maisons-Alfort Cedex – France						
ALSABAIL	EQUITY (Ass.)	18.47	18.47	EQUITY (Ass.)	18.47	18.47
AUXI-FINANCES	EQUITY (JV)	45.38	45.38	EQUITY (JV)	45.38	45.38
AVENIR ENT DVLP C1	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
AVENIR ENT DVLP C2	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
AVENIR ENT DVLP C3	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
AVENIR ENT DVLP C4	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
AVENIR ENT MEZZANINE	EQUITY (JV)	33.42	33.42	EQUITY (JV)	33.42	33.42
AVENIR ENTREPRISE INVESTISSEMENT	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
AVENIR TOURISME	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
BPIFRANCE ASSURANCE EXPORT	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
BPIFRANCE CAPITAL 1	EQUITY (JV)	50.00	50.00			
BPIFRANCE COURTAGE	EQUITY (JV)	45.39	45.39			
BPIFRANCE FINANCEMENT	EQUITY (JV)	45.39	45.39	EQUITY (JV)	45.38	45.38
BPIFRANCE IC INVESTMENT HOLDING	EQUITY (JV)	50.00	50.00			

GROUPS/COMPANIES	31.12.2018			31.12.2017		
	Method	% control	% interest	Method	% control	% interest
BPIFRANCE INTERNATIONAL CAPITAL (formerly CDC International Capital)	EQUITY (JV)	50.00	50.00			
BPIFRANCE INVESTISSEMENT	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
BPIFRANCE MEZZANINE 1	EQUITY (JV)	50.00	50.00			
BPIFRANCE PARTICIPATIONS	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
BPIFRANCE REGIONS	EQUITY (JV)	45.38	45.38	EQUITY (JV)	45.38	45.38
CDC ENTREPRISES CAPITAL INVESTISSEMENT	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
ETI 2020	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
EUTELSAT COMMUNICATIONS	EQUITY (Ass.)	13.23	13.23	EQUITY (Ass.)	13.23	13.23
FCPR PART'COM	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
FFI 2	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
FFI 3	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
FFI 4	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
FFI PARTS A	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
FFI PARTS B	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
FFI PARTS B PRIME	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
FI2E	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
FPMEI	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
France INVESTISSEMENT CROISSANCE 1	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
France INVESTISSEMENT CROISSANCE 2	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
France INVESTISSEMENT CROISSANCE 3	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
France INVESTISSEMENT CROISSANCE 4	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
France INVESTISSEMENT CROISSANCE 5	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
France INVESTISSEMENT CROISSANCE 6	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
France INVESTISSEMENT REGIONS 1	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
France INVESTISSEMENT REGIONS 2	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
France INVESTISSEMENT REGIONS 3	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
France INVESTISSEMENT REGIONS 4	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
FRANCE INVESTISSEMENT TOURISME	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
FRENCH EMIRATI FUND CAPITAL	EQUITY (JV)	50.00	50.00			
FRENCH FUTURE CHAMPIONS	EQUITY (Ass.)	25.00	25.00			
FSI PME PORTEFEUILLE	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
FT1CI	EQUITY (JV)	50.00	50.00	EQUITY (JV)	47.56	47.56
GRAS SAVOYE BPIFRANCE				EQUITY (Ass.)	15.43	15.43
PSA GROUP	EQUITY (Ass.)	6.16	6.16	EQUITY (Ass.)	6.16	6.16
LION PARTICIPATIONS	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
PATRIMOINE ET CRÉATION 3	EQUITY (JV)	50.00	50.00	EQUITY (JV)	50.00	50.00
SCI BPIFRANCE	EQUITY (JV)	45.39	45.39	EQUITY (JV)	45.38	45.38
SOPROL	EQUITY (Ass.)	9.37	9.37	EQUITY (Ass.)	9.37	9.37
STConso (STM consolidation subgroup consolidated at 27.91%)	EQUITY (Ass.)	25.00	25.00	EQUITY (Ass.)	23.78	23.78
TYROL ACQUISITION – TDF Group	EQUITY (Ass.)	11.99	11.99	EQUITY (Ass.)	11.99	11.99
CDC INTERNATIONAL CAPITAL (sale to Bpifrance in December 2018)				FULL	100.00	100.00
STRATEGIC EQUITY INTERESTS MANAGEMENT DIVISION						
LA POSTE	EQUITY (Ass.)	26.32	26.32	EQUITY (Ass.)	26.32	26.32
Registered office: 9, rue du Colonel-Pierre-Avia – 75015 Paris – France						
CNP Assurances	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88
Registered office: 4, place Raoul-Dautry – 75716 Paris Cedex 15 – France						
STRATEGIC SUBSIDIARIES						
ARIAL CNP ASSURANCES	EQUITY (JV)	16.36	16.36	EQUITY (JV)	16.35	16.35
CAIXA ASSESSORIA E CONSULTÓRIA (Brazil)	EQUITY (JV)	21.17	21.17	EQUITY (JV)	21.15	21.15
CAIXA CAPITALIZAÇÃO (Brazil)	EQUITY (JV)	10.79	10.79	EQUITY (JV)	10.79	10.79
CAIXA CONSÓRCIOS (Brazil)	EQUITY (JV)	21.17	21.17	EQUITY (JV)	21.15	21.15
CAIXA SAUDE (Brazil)	EQUITY (JV)	21.17	21.17	EQUITY (JV)	21.15	21.15
CAIXA SEGURADORA (Brazil)	EQUITY (JV)	21.17	21.17	EQUITY (JV)	21.15	21.15
CAIXA SEGUROS HOLDING SA (Brazil)	EQUITY (JV)	21.17	21.17	EQUITY (JV)	21.15	21.15
CAIXA SEGUROS PARTICIPAÇÕES SECURITARIAS LTDA (Brazil)	EQUITY (JV)	21.17	21.17	EQUITY (JV)	21.15	21.15
CAIXA VIDA E PREVIDENCIA (Brazil)	EQUITY (JV)	21.17	21.17	EQUITY (JV)	21.15	21.15
CNP ASFALISTIKI (Cyprus)	EQUITY (JV)	20.49	20.49	EQUITY (JV)	20.48	20.48
CNP ASSURANCES COMPAÑÍA DE SEGUROS (formerly CNP SEGUROS DE VIDA) (Argentina)	EQUITY (JV)	31.28	31.28	EQUITY (JV)	31.26	31.26
CNP ASSURANCES PARTICIPAÇÕES LTDA (formerly VORONEZH EMPREEDIMENTOS E PARTICIPAÇÕES) (Brazil)	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
CNP CAUTION	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88
CNP CYPRIALIFE (Cyprus)	EQUITY (JV)	20.49	20.49	EQUITY (JV)	20.48	20.48
CNP CYPRUS INSURANCE HOLDINGS (Cyprus)	EQUITY (JV)	20.49	20.49	EQUITY (JV)	20.48	20.48
CNP CYPRUS PROPERTIES	EQUITY (JV)	20.49	20.49			
CNP CYPRUS TOWER LTD	EQUITY (JV)	20.49	20.49	EQUITY (JV)	20.48	20.48
CNP EUROPE LIFE (Ireland)	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88
CNP HOLDING BRASIL (Brazil)	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88
CNP LUXEMBOURG (Luxembourg)	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88
CNP PARTNERS (formerly VIDA DE SEGUROS Y REASEGUROS) (Spain)	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88
CNP PARTNERS SOLUTION (Spain)	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88
CNP PRAKTORIAKI (Greece)	EQUITY (JV)	20.49	20.49	EQUITY (JV)	20.48	20.48
CNP SA DE CAPITALIZACIÓN Y AHORRO P/ FINES DETERMINADOS (Argentina)	EQUITY (JV)	20.45	20.45	EQUITY (JV)	20.44	20.44
CNP UNICREDIT VITA (Italy)	EQUITY (JV)	23.52	23.52	EQUITY (JV)	23.51	23.51
CNP ZOIS (Greece)	EQUITY (JV)	20.49	20.49	EQUITY (JV)	20.48	20.48
HOLDING CAIXA SEGUROS PARTICIPAÇÕES EM SAUDE LTDA (Brazil)	EQUITY (JV)	21.17	21.17	EQUITY (JV)	21.15	21.15
MFPREVOYANCE SA	EQUITY (JV)	26.59	26.59	EQUITY (JV)	26.57	26.57
ODONTO EMPRESAS CONVENIOS DENTARIOS LTDA (Brazil)	EQUITY (JV)	21.17	21.17	EQUITY (JV)	21.15	21.15
PREVISUL (Brazil)	EQUITY (JV)	21.17	21.17	EQUITY (JV)	21.15	21.15
SANTANDER INSURANCE EUROPE LTD (Ireland)	EQUITY (JV)	20.86	20.86	EQUITY (JV)	20.85	20.85
SANTANDER INSURANCE LIFE LTD (Ireland)	EQUITY (JV)	20.86	20.86	EQUITY (JV)	20.85	20.85
SANTANDER INSURANCE SERVICES IRELAND LTD (Ireland)	EQUITY (JV)	20.86	20.86	EQUITY (JV)	20.85	20.85
WIZ SOLUÇÕES E CORRETAGEM DE SEGUROS SA (formerly FPC PAR CORRETORA DE SEGUROS SA) (Brazil)	EQUITY (Ass.)	5.29	5.29	EQUITY (Ass.)	5.29	5.29
MUTUAL FUNDS						
CNP ACP 10 FCP	EQUITY (JV)	17.65	17.65	EQUITY (JV)	20.37	20.37
CNP ACP OBLIG FCP	EQUITY (JV)	22.09	22.09	EQUITY (JV)	20.33	20.33
ÉCUREUIL PROFIL 30				EQUITY (JV)	39.29	39.29

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
ÉCUREUIL PROFIL 90	EQUITY (JV)	23.18	23.18	EQUITY (JV)	23.16	23.16
LBAM COURT TERME	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88
NATIXIS IONIS	EQUITY (JV)	40.30	40.30	EQUITY (JV)	40.88	40.88
OPCVM CAIXA CAPITALIZAÇÃO SA (Brazil)	EQUITY (JV)	10.79	10.79	EQUITY (JV)	10.79	10.79
OPCVM CAIXA CONSÓRCIOS (Brazil)	EQUITY (JV)	21.17	21.17	EQUITY (JV)	21.15	21.15
OPCVM CAIXA SEGURADORA SA (Brazil)	EQUITY (JV)	21.17	21.17	EQUITY (JV)	21.15	21.15
OPCVM CAIXA VIDA E PREVIDENCIA (Brazil)	EQUITY (JV)	21.17	21.17	EQUITY (JV)	21.15	21.15
OPCVM HOLDING CAIXA SEGUROS HOLDING SA (Brazil)	EQUITY (JV)	21.17	21.17	EQUITY (JV)	21.15	21.15
UNIVERS CNP 1 FCP	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88
VIVACCIO ACT 5DEC	EQUITY (JV)	33.69	33.69	EQUITY (JV)	33.31	33.31
REAL ESTATE AND OTHER						
AEP 3 SCI	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88
AEP 4 SCI	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88
ASSURBAIL PATRIMOINE	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88
ASSUR-IMMEUBLE	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88
ASSURISTANCE	EQUITY (JV)	27.00	27.00			
CIMO	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88
CNP IMMOBILIER	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88
ÉCUREUIL VIE DÉVELOPPEMENT	EQUITY (JV)	20.04	20.04	EQUITY (JV)	20.03	20.03
FILASSISTANCE INTERNATIONAL	EQUITY (JV)	27.00	27.00			
HOLDING D'INFRASTRUCTURES GAZIÈRES (HELD BY CNP)	EQUITY (JV)	22.26	22.26			
LBP ACTIFS IMMO	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88
OPCI AEP247	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88
OPCI AEW IMCOM 1	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88
OPCI AEW IMCOM 6	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88
OPCI MTP INVEST	EQUITY (JV)	40.43	40.43	EQUITY (JV)	40.67	40.67
OPCI RASPAIL	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88
OUTLET INVEST	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.86	40.86
SAS ALLERAY	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88
SICAC	EQUITY (JV)	40.90	40.90	EQUITY (JV)	40.88	40.88

GROUPS/COMPANIES	31.12.2018 Method	31.12.2018 % control	31.12.2018 % interest	31.12.2017 Method	31.12.2017 % control	31.12.2017 % interest
ICADE GROUP						
BUSINESS PROPERTY INVESTMENT						
Icade SA	FULL	100.00	39.02	FULL	100.00	39.10
Registered office: 27, rue Camille-Desmoulins – CS 10166 – 92445 Issy-les-Moulineaux Cedex						
GIE ICADE MANAGEMENT	FULL	100.00	39.02	FULL	100.00	39.10
SCI 68 VICTOR HUGO	FULL	100.00	39.02	FULL	100.00	39.10
SCI BASSIN NORD	EQUITY (JV)	50.00	19.51	EQUITY (JV)	50.00	19.54
SCI BATI GAUTIER	FULL	100.00	39.02	FULL	100.00	39.10
SCI LE PARC DU MILLÉNAIRE	FULL	100.00	39.02	FULL	100.00	39.10
SCI PDM 1	FULL	100.00	39.02	FULL	100.00	39.10
SCI PDM 2	FULL	100.00	39.02	FULL	100.00	39.10
ICADE TOUR EQHO	FULL	100.00	39.02	FULL	100.00	39.10
SAS ICADE TMM	FULL	100.00	39.02	FULL	100.00	39.10
SCI BÂTIMENT SUD CENTRE HOSPITALIER PONTOISE	FULL	100.00	39.02	FULL	100.00	39.10
SCI BSM DU CHU DE NANCY	FULL	100.00	39.02	FULL	100.00	39.10
SCI CAMILLE DESMOULINS	FULL	100.00	39.02	FULL	100.00	39.10
SCI DU 1 TERRASSE BELLINI	EQUITY (JV)	33.33	13.01	EQUITY (JV)	33.33	13.03
SCI ÉVRY MOZART	FULL	100.00	39.02	FULL	100.00	39.10
SCI ICADE LEO LAGRANGE	FULL	100.00	39.02	FULL	100.00	39.10
SCI ICADE RUE DES MARTINETS	FULL	100.00	39.02	FULL	100.00	39.10
SCI ISSY HOLDING CŒUR DE VILLE	EQUITY (Ass.)	49.00	19.12	EQUITY (Ass.)	49.00	19.16
SCI LE TOLBIAC	FULL	100.00	39.02	FULL	100.00	39.10
SCI MESSINE PARTICIPATIONS	FULL	100.00	39.02	FULL	100.00	39.10
SCI MORIZET	FULL	100.00	39.02	FULL	100.00	39.10
SA ANF IMMOBILIER				FULL	85.17	34.80
SAS FINANCIÈRE DES BROTTEUX				EQUITY (Ass.)	20.00	6.96
SCI FACTOR E.	FULL	100.00	25.49	FULL	65.31	22.73
SCI FUTURE WAY	FULL	100.00	19.73	FULL	50.54	17.60

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
SCI LAFAYETTE	FULL	100.00	21.45	FULL	54.00	18.79
SCI NEW WAY	FULL	100.00	39.02	FULL	50.26	17.50
SCI ORIANZ	FULL	100.00	25.49	FULL	65.31	22.73
SCI SILKY WAY	FULL	100.00	27.32	FULL	65.00	22.62
SCI STRATÈGE	FULL	100.00	21.45	FULL	53.98	18.79
SNC LES BASSINS A FLOTS	FULL	100.00	39.02	FULL	100.00	34.80
SAS SARVILEP	FULL	100.00	39.02	FULL	100.00	39.10
SCI ANF IMMOBILIER HOTELS	FULL	100.00	30.05	FULL	77.00	26.80
CYCLE-UP	EQUITY (JV)	50.00	19.51	EQUITY (JV)	50.00	19.54
ICADE 3.0	FULL	100.00	39.02	FULL	100.00	39.10
HEALTH PROPERTY INVESTMENT						
OPPCI ICADE HEALTHCARE EUROPE	FULL	100.00	39.02			
SAS FONCIÈRE MSR				FULL	100.00	22.09
SAS ICADE SANTÉ	FULL	100.00	22.15	FULL	100.00	22.09
SCI BONNET INVEST	FULL	100.00	22.15			
SCI CHAZAL INVEST	FULL	100.00	22.15			
SCI COURCHELETTES INVEST	FULL	100.00	22.15			
SCI DIJON INVEST	FULL	100.00	22.15			
SCI GOULAINE INVEST	FULL	100.00	22.15			
SCI GRAND BATAILLER INVEST	FULL	100.00	22.15			
SCI MARSEILLE LE ROVE INVEST	FULL	100.00	22.15			
SCI ORLÉANS INVEST	FULL	100.00	22.15			
SCI PONT DU CHÂTEAU INVEST	FULL	100.00	22.15			
SCI SAINT AUGUSTINVEST	FULL	100.00	22.15			
SCI SAINT CIERS INVEST	FULL	100.00	22.15			
SCI SAINT SAVEST	FULL	100.00	22.15			
SCI TONNAY INVEST	FULL	100.00	22.15			
SNC SEOLANES INVEST	FULL	100.00	22.15			

GROUPS/COMPANIES	31.12.2018 Method	% control	% interest	31.12.2017 Method	% control	% interest
PROPERTY DEVELOPMENT COMPANIES						
	HOUSING DEVELOPMENT			HOUSING DEVELOPMENT		
	135 controlled companies			113 controlled companies		
	81 joint ventures			75 joint ventures		
	22 associates			21 associates		
	COMMERCIAL PROPERTY DEVELOPMENT			COMMERCIAL PROPERTY DEVELOPMENT		
	18 controlled companies			14 controlled companies		
	25 joint ventures			26 joint ventures		
	1 associate			1 associate		
COMPAGNIE DES ALPES GROUP						
COMPAGNIE DES ALPES SA	FULL	100.00	39.43	FULL	100.00	39.49
Registered office: 50-52, boulevard Haussmann – 75009 Paris – France						
HOLDING COMPANIES & SUPPORT SUBSIDIARIES						
CDA Financement	FULL	100.00	39.43	FULL	100.00	39.49
CDA DS	FULL	100.00	39.43	FULL	100.00	39.49
INGELO	FULL	100.00	39.43	FULL	100.00	39.49
LOISIRS RE (Luxembourg)	FULL	100.00	39.43	FULL	100.00	39.49
INTERNATIONAL DEVELOPMENT						
BY GRÉVIN (Switzerland)	FULL	100.00	39.43	FULL	100.00	39.49
CDA MANAGEMENT	FULL	100.00	39.43	FULL	100.00	39.49
CDA PRODUCTIONS	FULL	100.00	39.43	FULL	100.00	39.49
GRÉVIN MONTREAL INC. (Canada)	FULL	100.00	39.43	FULL	100.00	39.49
CDA BEIJING (China)	FULL	100.00	39.43	FULL	100.00	39.49
MUSÉE GRÉVIN PRAGUE (Czech Republic)				FULL	100.00	39.49
MUSÉE GRÉVIN SEOUL (South Korea)				FULL	100.00	36.52
TRAVELFACTORY SAS	FULL	100.00	28.90			
SIMPLY TO SKI SAS	FULL	100.00	18.78			
TFI	FULL	100.00	28.90			
DJAY SAS	FULL	100.00	28.90			
SKILINE SPRL	FULL	100.00	22.65			
SAS MOUNTAIN OUTDOOR COMPANY	FULL	100.00	28.90			

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
DOMAINES SKIABLES						
CDA SKI DIFFUSION SAS	FULL	100.00	39.43	FULL	100.00	39.49
DEUX ALPES LOISIRS SA (DAL)	FULL	100.00	38.74	FULL	100.00	38.81
SC2A	FULL	100.00	38.74	FULL	100.00	38.81
DOMAINE SKIABLE DE FLAINE SA (DSF) / GRAND MASSIF DS	FULL	100.00	31.92	FULL	100.00	31.97
DOMAINE SKIABLE DE LA ROSIÈRE SAS (DSR)	EQUITY (Ass.)	20.00	7.89	EQUITY (Ass.)	20.00	7.90
DOMAINE SKIABLE DE VALMOREL SAS (DSV)	EQUITY (Ass.)	20.00	7.89	EQUITY (Ass.)	20.00	7.90
GROUPE COMPAGNIE DU MONT-BLANC SA	EQUITY (Ass.)	37.49	14.78	EQUITY (Ass.)	37.49	14.80
MÉRIBEL ALPINA SAS	FULL	100.00	39.43	FULL	100.00	39.49
PIERRE ET NEIGE SA	FULL	100.00	38.74	FULL	100.00	38.81
SERRE CHEVALIER VALLEY SA (SCV)	FULL	100.00	39.43	FULL	100.00	39.49
ADS	FULL	100.00	38.38	FULL	100.00	38.42
STÉ AMÉNAGEMENT ARVES GIFFRE SA (SAG)	FULL	100.00	31.91	FULL	100.00	31.96
STÉ AMÉNAGEMENT LA PLAGNE SA (SAP)	FULL	100.00	38.66	FULL	100.00	38.72
STE CONSTRUCTION IMMOBILIÈRE VALLÉE DE BELLEVILLE SCI (SCIVABEL)	FULL	100.00	32.19	FULL	100.00	32.23
STE EXPLOIT RM MORZINE AVORIAZ SAS (SERMA)	EQUITY (Ass.)	20.00	7.89	EQUITY (Ass.)	20.00	7.90
STE EXPLOITATION VALLÉE DE BELLEVILLE SAS (SEVABEL)	FULL	100.00	32.18	FULL	100.00	32.23
STE TÉLÉPHÉRIQUES DE LA GRANDE MOTTE SA (STGM)	FULL	100.00	30.67	FULL	100.00	30.72
STE TÉLÉPHÉRIQUES DE VAL D'ISÈRE SAS (STVI)	FULL	100.00	39.43	FULL	100.00	39.49
VALBUS SAS	FULL	100.00	39.43	FULL	100.00	39.49
LEISURE DESTINATIONS						
AVENIR LAND	FULL	100.00	39.43	FULL	100.00	39.49
BELPARK BV (Belgium) / WALIBI BELGIUM	FULL	100.00	39.43	FULL	100.00	39.49
CDA BRANDS	FULL	100.00	39.43	FULL	100.00	39.49
FRANCE MINIATURE	FULL	100.00	39.43	FULL	100.00	39.49
FUTUROSCOPE DESTINATION	FULL	100.00	32.23	FULL	100.00	32.26
PARC FUTUROSCOPE	FULL	100.00	32.23	FULL	100.00	32.26

GROUPS/COMPANIES	31.12.2018 Method	31.12.2018 % control	31.12.2018 % interest	31.12.2017 Method	31.12.2017 % control	31.12.2017 % interest
FUTUROSCOPE MAINTENANCE & DÉVELOPPEMENT	FULL	100.00	32.23			
GRÉVIN & CIE	FULL	100.00	39.43	FULL	100.00	39.49
HARDERWIJK HELLENDORN HOLDING (Netherlands)	FULL	100.00	39.43	FULL	100.00	39.49
IMMOFLOR NV (Belgium)	FULL	100.00	39.43	FULL	100.00	39.49
MUSÉE GRÉVIN	FULL	100.00	37.81	FULL	100.00	37.86
CDA DL	FULL	100.00	39.43	FULL	100.00	39.49
PREMIER FINANCIAL SERVICES (Belgium)	FULL	100.00	39.43	FULL	100.00	39.49
WALIBI WORLD (Netherlands)	FULL	100.00	39.43	FULL	100.00	39.49
WALIBI HOLLAND (Netherlands)	FULL	100.00	39.43	FULL	100.00	39.49
WALIBI HOLIDAY PARK (Netherlands)	FULL	100.00	39.43	FULL	100.00	39.49
EGIS GROUP						
EGIS SA *Registered office: 11, avenue du Centre – CS 30530 – Saint-Quentin-en-Yvelines – 78286 Guyancourt Cedex – France*	FULL	100.00	74.99	FULL	100.00	74.99
FRANCE						
ACOUSTB	FULL	100.00	44.55	FULL	100.00	44.55
AIRPORT AERONAUTICAL EQUIPMENT	JOINT ARR.	45.00	33.75	JOINT ARR.	45.00	33.75
AIR'PY	EQUITY (Ass.)	24.50	18.37	EQUITY (Ass.)	24.50	18.37
ATELIER VILLES ET PAYSAGES				FULL	100.00	74.99
BTM / BUREAU TECHNIQUE MÉDITERRANÉE	FULL	100.00	74.99	FULL	100.00	74.99
BUREAU D'ÉTUDES PLANTIER	FULL	100.00	48.74			
CYCLE-UP	EQUITY (JV)	50.00	37.49	EQUITY (JV)	50.00	37.49
EASYTRIP France SAS	FULL	100.00	74.99	FULL	100.00	74.99
EBI / ÉTUDES BÂTIMENTS INGÉNIERIE	FULL	100.00	74.99	FULL	100.00	74.99
EGIS AIRPORT OPERATION	FULL	100.00	74.99	FULL	100.00	74.99
EGIS ASSET MANAGEMENT SOLUTIONS	FULL	100.00	74.99	FULL	100.00	74.99
EGIS AVIA	FULL	100.00	74.99	FULL	100.00	74.99
EGIS BÂTIMENTS	FULL	100.00	74.99	FULL	100.00	74.99
EGIS BÂTIMENTS ANTILLES GUYANE	FULL	100.00	74.99	FULL	100.00	74.99
EGIS BÂTIMENTS CENTRE OUEST	FULL	100.00	74.99	FULL	100.00	74.99
EGIS BÂTIMENTS GRAND EST	FULL	100.00	74.99	FULL	100.00	74.99
EGIS BÂTIMENTS INTERNATIONAL	FULL	100.00	74.99	FULL	100.00	74.99

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
EGIS BÂTIMENTS MANAGEMENT	FULL	100.00	74.99	FULL	100.00	74.99
EGIS BÂTIMENTS MÉDITERRANÉE	FULL	100.00	74.99	FULL	100.00	74.99
EGIS BÂTIMENTS NORD	FULL	100.00	74.99	FULL	100.00	74.99
EGIS BÂTIMENTS OCEAN INDIEN	FULL	100.00	74.99	FULL	100.00	74.99
EGIS BÂTIMENTS RHONE ALPES	FULL	100.00	74.99	FULL	100.00	74.99
EGIS BÂTIMENTS SUD OUEST	FULL	100.00	74.99	FULL	100.00	74.99
EGIS CONCEPT	FULL	100.00	74.99	FULL	100.00	74.99
EGIS CONSEIL	FULL	100.00	74.97	FULL	100.00	74.97
EGIS CONSEIL BÂTIMENTS	FULL	100.00	74.99	FULL	100.00	74.99
EGIS EASYTRIP SERVICES SA	FULL	100.00	74.99	FULL	100.00	74.99
EGIS EAU	FULL	100.00	74.99	FULL	100.00	74.99
EGIS ENGINEERING	FULL	100.00	74.98	FULL	100.00	74.98
EGIS ENVIRONMENTAL INVESTMENT SAS	EQUITY (Ass.)	51.00	38.24	FULL	87.24	87.24
EGIS EXPLOITATION AQUITAINE	FULL	100.00	74.99	FULL	100.00	74.99
EGIS HOLDING BÂTIMENT INDUSTRIE	FULL	100.00	74.99	FULL	100.00	74.99
EGIS INDUSTRIES	FULL	100.00	74.99	FULL	100.00	74.99
EGIS INFORMATIQUE	FULL	100.00	74.99	FULL	100.00	74.99
EGIS INGÉNIERIE	FULL	100.00	74.99	FULL	100.00	74.99
EGIS INTERNATIONAL	FULL	100.00	74.99	FULL	100.00	74.99
EGIS INVESTMENT PARTNERS – France	FULL	100.00	22.50	FULL	100.00	22.50
EGIS MOBILITÉ	FULL	100.00	74.99	FULL	100.00	74.99
EGIS ONE 5	FULL	100.00	74.99			
EGIS PARKING SERVICES France	FULL	100.00	74.99	FULL	100.00	74.99
EGIS PORTS	FULL	100.00	74.99	FULL	100.00	74.99
EGIS PROJECTS SA	FULL	100.00	74.99	FULL	100.00	74.99
EGIS RAIL	FULL	100.00	74.98	FULL	100.00	74.98
EGIS ROAD OPERATION SA	FULL	100.00	74.99	FULL	100.00	74.99
EGIS ROUTE	FULL	100.00	74.99	FULL	100.00	74.99
EGIS STRUCTURES ET ENVIRONNEMENT	FULL	100.00	74.99	FULL	100.00	74.99
EGIS VILLES ET TRANSPORTS (formerly Egis France)	FULL	100.00	74.99	FULL	100.00	74.99
EIP FRANCE III	FULL	100.00	37.57	FULL	100.00	37.57
ENGAGE	EQUITY (Ass.)	25.00	18.75	EQUITY (Ass.)	25.00	18.75

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
ENIA				EQUITY (Ass.)	25.00	18.75
EXYZT	FULL	100.00	44.99			
FLOWERGY Asnières	JOINT ARR.	40.00	30.00			
GCC Rueil COFELY/EGIS	JOINT ARR.	35.00	26.25			
GME IDEX/EGIS	JOINT ARR.	40.00	30.00	JOINT ARR.	40.00	30.00
INGESUD	FULL	100.00	74.99	FULL	100.00	74.99
JEAN MULLER INTERNATIONAL	FULL	100.00	74.99	FULL	100.00	74.99
KIWHI PASS SOLUTIONS	FULL	100.00	74.99	FULL	100.00	74.99
MOOVIA	EQUITY (JV)	30.00	22.50	EQUITY (JV)	30.00	22.50
PARK + PARKINGS SÉCURISÉS POIDS LOURDS	EQUITY (JV)	40.00	30.00	EQUITY (JV)	40.00	30.00
ROUTALIS SAS	FULL	100.00	52.49	FULL	100.00	52.49
SEGAP SA	EQUITY (Ass.)	50.00	37.49	EQUITY (Ass.)	50.00	37.49
SEP EGIS RAIL/SETEC ITS	JOINT ARR.	70.00	52.49	JOINT ARR.	70.00	52.49
SEP NRL	FULL	100.00	74.99	FULL	100.00	74.99
SINTRA	FULL	100.00	74.98	FULL	100.00	74.98
SOCIÉTÉ DU METRO DE MARSEILLE (SMM)	FULL	100.00	74.98	FULL	100.00	74.98
SOCIÉTÉ NOUVELLE INGEROUTE	FULL	100.00	74.99	FULL	100.00	74.99
SOFREAVIA SERVICE SA				FULL	100.00	74.99
TOLLSYS	FULL	100.00	52.49	FULL	100.00	52.49
WIND-IT DÉVELOPPEMENT	FULL	100.00	59.69	FULL	100.00	59.69
INTERNATIONAL						
10 Design USA, Inc.	FULL	100.00	41.24			
10 EUROPE Limited (United Kingdom)	FULL	100.00	41.24	FULL	100.00	41.24
AERIA (Côte d'Ivoire)	EQUITY (Ass.)	28.31	21.23	EQUITY (Ass.)	35.00	26.25
ATTIKES DIADROMES (Greece)	EQUITY (Ass.)	20.00	15.00	EQUITY (Ass.)	20.00	15.00
AUTOBAHN + A8 GMBH (Germany)	EQUITY (Ass.)	5.00	3.75	EQUITY (Ass.)	5.00	3.75
AUTOBAHN + SERVICES GMBH (Germany)	FULL	100.00	50.24	FULL	100.00	50.24
AUTOSTRADA EXPLO EKSPLOATACJA (AESA) (Poland)	EQUITY (JV)	34.71	26.03	EQUITY (JV)	34.71	26.03
BIKE U SP ZOO (Poland)	FULL	100.00	74.99	FULL	100.00	74.99
BONAVENTURA STRASSENERHALTUNG GMBH (Austria)	FULL	100.00	74.99	FULL	100.00	74.99

GROUPS/COMPANIES	31.12.2018			31.12.2017		
	Method	% control	% interest	Method	% control	% interest
CAOG AIRPORT OPERATIONS LTD (Cyprus)	JOINT ARR.	36.00	27.00	JOINT ARR.	36.00	27.00
CENTRE DES MÉTIERS DE L'AÉRIEN (Côte d'Ivoire)	EQUITY (Ass.)	50.00	37.49	EQUITY (Ass.)	50.00	37.49
COMPANY OPERADORA Y MANTENEDORA GOLFO CENTRO (Mexico)	EQUITY (Ass.)	36.50	27.37			
CONTIR SRL (Italy)	FULL	100.00	48.51	FULL	100.00	49.48
DES Autostrada Spain SL (Spain)				FULL	100.00	74.99
EASYTRIP SERVICES CORPORATION (Philippines)	EQUITY (JV)	34.00	25.49	EQUITY (JV)	34.00	25.49
EASYTRIP SERVICES IRELAND LTD (Ireland)	EQUITY (JV)	49.99	37.49	EQUITY (JV)	49.99	37.49
EGIS ALGÉRIE SPA (Algeria)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS BEIJING ENGINEERING CONSULTING (China)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS BULGARIE EAD (Bulgaria)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS CAMEROUN (Cameroon)	FULL	100.00	74.94	FULL	100.00	74.94
EGIS EMIRATES LLC	FULL	100.00	67.49			
EGIS ENGENHARIA E CONSULTÓRIA LTDA (formerly LENC) (Brazil)	FULL	100.00	70.97	FULL	100.00	70.97
EGIS GEOPLAN PVT LTD (India)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS INDIA CONSULTING ENGINEERS PVT LTD (India)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS INDONESIA (Indonesia)	FULL	100.00	41.24	FULL	100.00	41.24
EGIS INFRAMAD (Madagascar)	FULL	100.00	53.24	FULL	100.00	53.24
EGIS INVESTMENT PARTNERS – A8 (Luxembourg)	FULL	100.00	19.73	FULL	100.00	19.73
EGIS INVESTMENT PARTNERS – INFRASTRUCTURE (Luxembourg)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS INVESTMENT PARTNERS – M25 (Luxembourg)	FULL	100.00	15.00	FULL	100.00	15.00
EGIS INVESTMENT PARTNERS PHILIPPINES (Philippines)	FULL	100.00	42.90	FULL	100.00	42.90
EGIS INVESTMENT SARL (Luxembourg)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS KENYA (Kenya)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS LAGAN SERVICES (Ireland)	EQUITY (JV)	50.00	37.49	EQUITY (JV)	50.00	37.49
EGIS MONACO (Monaco)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS PARKING SERVICES BV (Netherlands)	FULL	100.00	56.24	FULL	100.00	56.24
EGIS POLAND SP Zoo (Poland)	FULL	100.00	74.99	FULL	100.00	74.99

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	Method	% control	% interest	Method	% control	% interest
EGIS POLSKA INZYNIERIA Z ORGRANICZONAQ (Poland)				FULL	100.00	74.99
EGIS PROJECTS ASIA PACIFIC PTY LTD (Australia)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS PROJECTS CANADA INC. (Canada)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS PROJECTS INCORPORATION (United States)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS PROJECTS IRELAND (Ireland)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS PROJECTS PHILIPPINES (Philippines)	FULL	100.00	74.99	FULL	100.00	74.99
Egis Projects POLSKA (Poland)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS RAIL ISRAËL (Israel)	FULL	100.00	74.98	FULL	100.00	74.98
EGIS RAIL PTE (Singapore)	FULL	100.00	74.98	FULL	100.00	74.98
EGIS RAIL THAÏLANDE (Thailand)	FULL	100.00	44.99	FULL	100.00	44.99
EGIS RAIL USA INC. (United States)	FULL	100.00	74.98	FULL	100.00	74.98
EGIS ROAD & TUNNEL OPERATIONS IRELAND LTD (Ireland)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS ROAD OPERATION AUSTRALIA PTY LTD (Australia)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS ROAD OPERATION CROATIA (Croatia)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS ROAD OPERATION INDIA (India)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS ROAD OPERATION M40 LIMITED (United Kingdom)	FULL	100.00	74.99			
EGIS ROAD OPERATION PHILIPPINES (Philippines)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS ROAD OPERATION POLOGNE (Poland)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS ROAD OPERATION PORTUGAL (Portugal)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS ROAD OPERATION UK (United Kingdom)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS ROMANIA (Romania)	FULL	100.00	74.99	FULL	100.00	74.99
EGIS TUNEL ISLETMECILIGI A.S. (Turkey)	FULL	100.00	74.99	FULL	100.00	74.99
EGISMEX (Mexico)	FULL	100.00	74.99	FULL	100.00	74.99
ENGLAND TIR SPA (Italy)	FULL	100.00	74.99	FULL	100.00	74.99
EP INFRASTRUKTURPROJEKTENTWICKLUNG (Austria)	FULL	100.00	74.99	FULL	100.00	74.99
FULTON HOGAN EGIS (Australia)	EQUITY (JV)	50.00	37.50	EQUITY (JV)	50.00	37.50
GEBZE IZMIR (Turkey)	EQUITY (JV)	50.00	37.50	EQUITY (JV)	50.00	37.50
HeBra HOLDING GmbH (Germany)	FULL	100.00	74.99	FULL	100.00	74.99

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
HELIOS (UK)	FULL	100.00	74.99	FULL	100.00	74.99
HERMES AIRPORTS LTD (Cyprus)	EQUITY (Ass.)	20.00	15.00	EQUITY (Ass.)	20.00	15.00
ICTAS EGIS (Turkey)	EQUITY (JV)	51.00	38.24	EQUITY (JV)	51.00	38.24
INTERNATIONAL ADMINISTRATIEKANTOOR J.W. VERSLUIS N.V. (Netherlands)	FULL	100.00	74.99	FULL	100.00	74.99
IOSIS MAROC ZFT (Morocco)	FULL	100.00	74.99	FULL	100.00	74.99
ISIS BELGIQUE (Belgium)	FULL	100.00	74.99	FULL	100.00	74.99
ITS ROAD SERVICES LTD (Ireland)	EQUITY (JV)	50.00	37.49	EQUITY (JV)	50.00	37.49
JMI PACIFIC (Thailand)	FULL	100.00	74.99	FULL	100.00	74.99
LEM ANTWERPEN (Belgium)	FULL	100.00	74.99	FULL	100.00	74.99
LEM OOSTENDE (Belgium)	FULL	100.00	74.99	FULL	100.00	74.99
M6 TOLNA USEMELTETO KFT (Hungary)	FULL	100.00	62.99	FULL	100.00	62.99
MIDLINK M7/M8 LTD (Ireland)	FULL	100.00	50.24	FULL	100.00	50.24
NEW MOBILITY VENTURE (Netherlands)	EQUITY (Ass.)	47.50	35.62	EQUITY (Ass.)	47.50	35.62
NORTHLINK M1 LTD (Ireland)	FULL	100.00	50.24	FULL	100.00	50.24
OCACSA (Mexico)	FULL	100.00	69.05	FULL	100.00	56.11
PARACT (Côte d'Ivoire)	FULL	100.00	74.99			
PROJACS INTERNATIONAL B.S.C. (Bahrain)	FULL	100.00	38.24	FULL	51.00	38.24
PROJACS INTERNATIONAL PROJECT MANAGEMENT WILL (Kuwait)	FULL	100.00	38.24	FULL	51.00	38.24
ROAD SAFETY OPERATION IRELAND LTD (Ireland)	EQUITY (JV)	42.00	31.50	EQUITY (JV)	42.00	31.50
SEMALY PORTUGAL (Portugal)	FULL	100.00	74.98	FULL	100.00	74.98
SEMALY UK (United Kingdom)	FULL	100.00	74.98	FULL	100.00	74.98
SOUTHLINK N25 LTD (Ireland)	FULL	100.00	50.24	FULL	100.00	50.24
TEN DESIGN ARCHITECTURE LTD (China)	FULL	100.00	41.24	FULL	100.00	41.24
TEN DESIGN FZ-LLC (United Arab Emirates)	FULL	100.00	41.24	FULL	100.00	41.24
TEN DESIGN GROUP LTD (Hong Kong)	FULL	100.00	41.24	FULL	100.00	41.24
TEN KplusK ARCHITECTS Limited (Hong Kong)				FULL	100.00	41.24
TRANS CANADA FLOW TOLLING INC. (Canada)	EQUITY (JV)	50.00	37.49	EQUITY (JV)	50.00	37.49
TRANSLINK INVESTMENT (Australia)	EQUITY (JV)	50.00	37.49	EQUITY (JV)	50.00	37.49
TRANSPASS BV (Netherlands)	FULL	100.00	74.99	FULL	100.00	74.99
TRANSPASS HOLDING BV (Netherlands)	FULL	100.00	74.99	FULL	100.00	74.99

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
TRANSPASS SERVICES BV (Netherlands)	FULL	100.00	74.99	FULL	100.00	74.99
TRANSROUTE UK LTD (United Kingdom)	FULL	100.00	74.99	FULL	100.00	74.99
TUNNEL NETWORK SERVICES (Australia)	FULL	100.00	74.99	FULL	100.00	74.99
VIA4 SA (Poland)	EQUITY (JV)	45.00	33.75	EQUITY (JV)	45.00	33.75
TRANSDEV GROUP						
Transdev group *Registered office: 32, boulevard Gallieni – 92130 Issy-les-Moulineaux – France*	FULL	100.00	70.00	FULL	100.00	70.00
ALGERIA						
VEOLIA TRANSPORT PILOTE	FULL	100.00	70.00	FULL	100.00	70.00
GERMANY						
AHRWEILER VERKEHRS GMBH	FULL	100.00	70.00	FULL	100.00	70.00
ALPINA IMMOBILIEN GMBH	FULL	100.00	70.00	FULL	100.00	70.00
BAYERISCHE OBERLANDBAHN GMBH IG	FULL	100.00	70.00	FULL	100.00	70.00
BAYERISCHE REGIOBAHN GMBH	FULL	100.00	70.00	FULL	100.00	70.00
BUSTOURISTIK TONNE GMBH	FULL	100.00	70.00	FULL	100.00	70.00
EISENBAHNWERKSTATT-GESELLSCHAFT MBH	FULL	100.00	70.00	FULL	100.00	70.00
GRIENSTEIDL GMBH	FULL	100.00	70.00	FULL	100.00	70.00
HABUS GMBH VERKEHRSBETRIEBE	EQUITY (JV)	51.00	35.70	EQUITY (JV)	51.00	35.70
HEIDENHEIMER VERKEHRSGESELLSCHAFT MBH	FULL	100.00	52.39	FULL	100.00	52.39
KSA VERWALTUNG GMBH AUGSBURG	EQUITY (JV)	49.00	34.30	EQUITY (JV)	49.00	34.30
KSI GMBH & CO.KG AUGSBURG	EQUITY (JV)	49.00	34.30	EQUITY (JV)	49.00	34.30
MITTELRHEINISCHER VERKEHRBETRIEB GMBH				FULL	100.00	63.00
MOVE ON TELEMATIC SERVICE GMBH	FULL	100.00	70.00	FULL	100.00	70.00
NASSAUISCHE VERKEHRS-GESELLSCHAFT MBH	FULL	100.00	70.00	FULL	100.00	70.00
NBRB TEILE UND LOGISTIKGESELLSCHAFT MBH	FULL	100.00	46.69	FULL	100.00	46.69
NIEDERSCHLESISCHE VERKEHRSGESELLSHAFT GMBH	FULL	100.00	59.50	FULL	100.00	59.50
NORDDEUTSCHE VERKEHRSBETRIEBE GMBH	FULL	100.00	70.00	FULL	100.00	45.50
NORD-OSTSEE-BAHN GMBH	FULL	100.00	70.00	FULL	100.00	70.00

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
NORDWESTBAHN GMBH	FULL	100.00	70.00	FULL	100.00	44.80
NUTZFAHRZEUGZENTRUM MITTELRHEIN GMBH	FULL	100.00	70.00	FULL	100.00	66.43
OBERLANDBAHN FAHRZEUGBEREITSTELLUNGS GMBH	FULL	100.00	70.00	FULL	100.00	70.00
OMNIBUS-VERKEHR RUOFF GMBH	FULL	100.00	70.00	FULL	100.00	70.00
OSTSEELAND VERKEHR GMBH	FULL	100.00	70.00	FULL	100.00	70.00
PALATINA BUS GMBH	FULL	100.00	70.00	FULL	100.00	70.00
R M V BETEILIGUNGS GMBH	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
RHEIN-BUS VERKEHRSBETRIEB GMBH	EQUITY (JV)	51.00	35.70	EQUITY (JV)	51.00	35.70
ROHDE VERKEHRSBETRIEBE GMBH	FULL	100.00	70.00	FULL	100.00	70.00
SAX-BUS EILENBURGER BUSVERKEHR GMBH	FULL	100.00	39.20	FULL	100.00	39.20
SCHAUMBURGER VERKEHRS-GESELLSCHAFT MBH	FULL	100.00	35.70	FULL	100.00	35.70
STADTBUS SCHWÄBISCH HALL GMBH	FULL	100.00	70.00	FULL	100.00	70.00
TAETER-TOURS GMBH	FULL	100.00	35.70	FULL	100.00	35.70
TRANS REGIO DEUTSCHE REGIONALBAHN GMBH	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV BAHN GMBH	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV GMBH	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV MITTELDEUTSCHLAND GMBH	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV NIEDERSACHSEN/WESTFALEN GMBH	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV NORD GMBH	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV OSTWESTFALEN GMBH	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV PERSONALSERVICE GMBH	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV REGIO GMBH	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV REGIO OST GMBH	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV RHEINLAND GMBH	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV RHEIN-MAIN GMBH	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV SACHSEN-ANHALT GMBH	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV SERVICE GMBH	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV SERVICE WEST GMBH	FULL	100.00	70.00	FULL	100.00	70.00

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
TRANSDEV STADT GMBH	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV SUD-WEST GMBH	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV TAUNUS GMBH	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV VERTRIEB GMBH	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV WEST GMBH	FULL	100.00	70.00	FULL	100.00	70.00
VERKEHRSBETRIEB LAHN DILL GMBH	FULL	100.00	70.00	FULL	100.00	70.00
VERKEHRSBETRIEB RHEIN EIFEL MOSEL GMBH	FULL	100.00	70.00	FULL	100.00	70.00
VERKEHRSBETRIEB RHEIN LAHN GMBH	FULL	100.00	70.00	FULL	100.00	70.00
VERKEHRSBETRIEB RHEIN-WESTERWALD GMBH				FULL	100.00	70.00
VERKEHRSGESELLSCHAFT GÖRLITZ GMBH				FULL	100.00	34.30
WEST – BUS GMBH	EQUITY (JV)	49.00	34.30	EQUITY (JV)	49.00	34.30
WURTTEMBERGISCHE BUS-GESELLSCHAFT GMBH	FULL	100.00	70.00	FULL	100.00	70.00
WÜRTTEMBERGISCHE EISENBAHN-GESELLSCHAFT MBH	FULL	100.00	70.00	FULL	100.00	70.00
AUSTRALIA						
ACN 105 260 099	FULL	100.00	70.00	FULL	100.00	70.00
BRISBANE FERRIES	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
BUSLINK VIVO PTY LTD	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
CONNEX MELBOURNE PTY LTD	FULL	100.00	70.00	FULL	100.00	70.00
HARBOUR CITY FERRIES PTY LTD	FULL	100.00	70.00	FULL	100.00	70.00
MAINCO MELBOURNE PTY LTD	EQUITY (JV)	30.00	21.00	EQUITY (JV)	30.00	21.00
METROLINK VICTORIA PTY LTD	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
TRANSAMO AUSTRALASIA	FULL	100.00	66.54			
TRANSDEV AUSTRALASIA PTY LTD	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV AUSTRALIA PTY LTD	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV BRISBANE FERRIES PTY LTD	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV FERRIES SYDNEY PTY LTD	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV LINK PTY LTD	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV MAINTENANCE SERVICES PTY LTD	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV MELBOURNE PTY LTD	FULL	100.00	70.00	FULL	100.00	70.00

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
TRANSDEV NSW PTY LTD	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV NSW SOUTH PTY LTD	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV QUEENSLAND PTY LTD	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV SOUTH WEST PTY LTD	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV SYDNEY FERRIES PTY LTD	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV SYDNEY PTY LTD	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV TSL PTY LTD	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV VICTORIA PTY LTD	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV WA PTY LTD	FULL	100.00	70.00	FULL	100.00	70.00
VIVO CONNECT PTY LTD	FULL	100.00	70.00	FULL	100.00	70.00
AUSTRIA						
TRANSDEV ÖSTERREICH GMBH				FULL	100.00	70.00
BELGIUM						
EUROLINES BELGIQUE	FULL	100.00	70.00	FULL	100.00	70.00
WITTE KRUIS BELGIE BVBA				FULL	100.00	59.89
WITTE KRUIS BELGIË VZW				FULL	100.00	60.49
CANADA						
CITYWAY CANADA	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV CANADA INC.	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV QUEBEC, INC.	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV SERVICES (CANADA) INC.	FULL	100.00	70.00	FULL	100.00	70.00
YORK BRT SERVICES I INC.	FULL	100.00	70.00	FULL	100.00	70.00
CHILE						
REDBUS URBANO SA	FULL	100.00	70.00	FULL	100.00	70.00
REDSUPPORT SPA	FULL	100.00	70.00			
REDVAN SPA	FULL	100.00	70.00			
VEOLIA TRANSPORT CHILE	FULL	100.00	70.00	FULL	100.00	70.00
CHINA						
ANQING ZHONGBEI BUS CO., LTD				EQUITY (JV)	19.88	13.92
NANJING ZHONGBEI				EQUITY (JV)	26.95	18.87

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
COLOMBIA						
BOGOTA MOVIL OPERACION SUR SAS	EQUITY (JV)	50.00	35.00			
BOGOTA MOVIL PROVISION SUR SAS	EQUITY (JV)	50.00	35.00			
CITY MOVIL	EQUITY (JV)	29.05	20.34	EQUITY (JV)	25.52	17.86
CIUDAD MOVIL	EQUITY (JV)	38.50	26.95	EQUITY (JV)	38.50	26.95
CONEXION MOVIL	EQUITY (JV)	33.41	23.38	EQUITY (JV)	33.41	23.38
TRANSDEV COLUMBIA SAS	FULL	100.00	70.00			
SOUTH KOREA						
SEOUL LINE 9	FULL	100.00	30.80	FULL	100.00	30.80
VT RATP KOREA	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
SPAIN						
CGT, S.A., CGEA CONNEX, S.A., MARFINA, S.L., ARANDE, S.L. Y SOLER & SAURET, S.A., UTE LEY 18/1982, DE 26 DE MAYO	EQUITY (JV)	66.00	46.20	EQUITY (JV)	66.00	46.20
DETREN COMPANIA GENERAL DE SERVICIOS FERROVIARIOS, S.L., MARFINA, S.L. Y ARANDE, S.L., UTE, LEY 118/1982, DE 26 DE MAYO	EQUITY (JV)	66.00	46.20	EQUITY (JV)	66.00	46.20
EUROLINES PENINSULAR				EQUITY (JV)	50.00	35.00
MOVEBUS				EQUITY (JV)	50.00	35.00
TRANSDEV ESPANA SLU	FULL	100.00	70.00	FULL	100.00	70.00
VEOLIA TRANSPORTE ESPAÑA SLU	FULL	100.00	70.00	FULL	100.00	70.00
VIAJES EUROLINES				EQUITY (JV)	37.50	26.25
UNITED STATES						
10-10 TAXI AR, LLC	FULL	100.00	70.00	FULL	100.00	70.00
10-10 TAXI FL 1, LLC	FULL	100.00	70.00	FULL	100.00	70.00
10-10 TAXI MN, LLC	FULL	100.00	70.00	FULL	100.00	70.00
10-10 TAXI NY, LLC	FULL	100.00	70.00	FULL	100.00	70.00
10-10 TAXI TX 1, LLC	FULL	100.00	70.00	FULL	100.00	70.00
10-10 TRANSPORTATION, LLC	FULL	100.00	70.00	FULL	100.00	70.00
AIRLINES ACQUISITION CO., INC.	FULL	100.00	70.00	FULL	100.00	70.00
AIRPORT LIMOUSINE SERVICE, INC.	FULL	100.00	70.00	FULL	100.00	70.00
ASSOCIATED CAB, LLC	FULL	100.00	70.00	FULL	100.00	70.00
ATC PARTNERS LLC	FULL	100.00	70.00	FULL	100.00	70.00

GROUPS/COMPANIES	31.12.2018			31.12.2017		
	Method	% control	% interest	Method	% control	% interest
ATC/VANCOM OF ARIZONA, LIMITED PARTNERSHIP	FULL	100.00	70.00	FULL	100.00	70.00
BELLE ISLE CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
BLUE BOOTH INCORPORATED	FULL	100.00	53.20	FULL	100.00	58.95
BLUE VAN JV	FULL	100.00	53.20	FULL	100.00	53.20
BLUE VAN LEASING CORPORATION	FULL	100.00	70.00	FULL	100.00	70.00
CENTRAL CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
CENTURY CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
CHAMPION CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
CHECKER AIRPORT TAXI, INC.	FULL	100.00	70.00	FULL	100.00	70.00
CHECKER CAB ASSOCIATION, INC.	FULL	100.00	70.00	FULL	100.00	70.00
CHECKER YELLOW CAB OF JACKSONVILLE, LLC	FULL	100.00	70.00	FULL	100.00	70.00
CHOICE CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
CIRCLE CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
CLASSIC CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
CLEARWATER TRANSPORTATION, LLC	FULL	100.00	70.00	FULL	100.00	70.00
CLOUD 9 SHUTTLE, INC.	FULL	100.00	70.00	FULL	100.00	70.00
COAST CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
COLONIAL CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
COLORADO AIRPORT SHUTTLE SERVICES, LLC	FULL	100.00	70.00	FULL	100.00	70.00
COLORADO CAB COMPANY, LLC	FULL	100.00	70.00	FULL	100.00	70.00
COLORADO SPRINGS TRANSPORTATION, LLC	FULL	100.00	70.00	FULL	100.00	70.00
COLORADO TRANS MANAGEMENT, LLC	FULL	100.00	70.00	FULL	100.00	70.00
COMPUTER CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
CONNEX RAILROAD LLC	FULL	100.00	70.00	FULL	100.00	70.00
CORDIAL CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
DHTC, LLC	FULL	100.00	70.00	FULL	100.00	70.00
DULLES TRANSPORTATION PARTNERSHIP	FULL	100.00	42.00	FULL	100.00	42.00
ENVIRO CAB, LLC TX	FULL	100.00	70.00	FULL	100.00	70.00
ENVIROCAB, LLC VIRGINIA	FULL	100.00	70.00	FULL	100.00	70.00
GOLDEN TOUCH TRANSPORTATION OF NEW YORK, INC.	FULL	100.00	70.00	FULL	100.00	70.00

GROUPS/COMPANIES	31.12.2018			31.12.2017		
	Method	% control	% interest	Method	% control	% interest
GOLDEN TOUCH TRANSPORTATION OF THE DISTRICT OF COLUMBIA	FULL	100.00	70.00	FULL	100.00	70.00
GREEN TOMATO CARS DC, LLC	FULL	100.00	70.00	FULL	100.00	70.00
GREEN TOMATO CARS VA, LLC	FULL	100.00	70.00	FULL	100.00	70.00
HOUSTON O & M LLC				FULL	100.00	70.00
HUNTLEIGH TRANSPORTATION SERVICES LLC	FULL	100.00	70.00	FULL	100.00	70.00
INTELLIRIDE LLC	FULL	100.00	70.00	FULL	100.00	70.00
JIMMY'S CAB, INC.	FULL	100.00	70.00	FULL	100.00	70.00
KANSAS CITY LIMOUSINE LLC	FULL	100.00	70.00	FULL	100.00	70.00
KANSAS CITY SHUTTLE LLC	FULL	100.00	70.00	FULL	100.00	70.00
KANSAS CITY TAXI LLC	FULL	100.00	70.00	FULL	100.00	70.00
MASSACHUSETTS BAY COMMUTER RAILROAD LLC	FULL	100.00	42.00	FULL	100.00	42.00
MCLEAN CONSULTING, LLC	FULL	100.00	70.00	FULL	100.00	70.00
MINI BUS SYSTEMS, INC.	FULL	100.00	70.00	FULL	100.00	70.00
NATIONAL HARBOR TRANSPORTATION SERVICES LLC	FULL	100.00	49.00	FULL	100.00	70.00
OAK STREET SALES, INC.	FULL	100.00	70.00	FULL	100.00	70.00
PHOENIX TRANSIT JOINT VENTURE	FULL	100.00	57.40	FULL	100.00	57.40
PITTSBURGH CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
PITTSBURGH TRANSPORTATION COMPANY	FULL	100.00	70.00	FULL	100.00	70.00
PITTSBURGH TRANSPORTATION GROUP CHARTER SERVICES, INC.	FULL	100.00	70.00	FULL	100.00	70.00
PROFESSIONAL FLEET MANAGEMENT LLC	FULL	100.00	70.00	FULL	100.00	70.00
PROFESSIONAL TRANSIT MANAGEMENT, LTD	FULL	100.00	70.00	FULL	100.00	70.00
PROFESSIONAL TRANSIT SOLUTIONS LLC	FULL	100.00	70.00	FULL	100.00	70.00
PTM OF ASHEVILLE, INC.				FULL	100.00	70.00
PTM OF ATTLEBORO, INC.	FULL	100.00	70.00	FULL	100.00	70.00
PTM OF BOISE, LLC				FULL	100.00	70.00
PTM OF CAPE COD, INC.				FULL	100.00	70.00
PTM OF DUTCHESS COUNTY, INC.				FULL	100.00	70.00
PTM OF GEORGIA, INC.				FULL	100.00	70.00
PTM OF JACKSON, INC.				FULL	100.00	70.00
PTM OF RACINE, INC.	FULL	100.00	70.00	FULL	100.00	70.00

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
PTM OF TUCSON, INC.	FULL	100.00	70.00	FULL	100.00	70.00
PTM OF WAUKESHA, INC.	FULL	100.00	70.00	FULL	100.00	70.00
PTM OF WILMINGTON, INC.				FULL	100.00	70.00
PTM PARATRANSIT OF TUCSON, INC.	FULL	100.00	70.00	FULL	100.00	70.00
RAYRAY CAB COMPANY, LLC	FULL	100.00	70.00	FULL	100.00	70.00
SACRAMENTO TRANSPORTATION, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SAFETY CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SCOUT CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SE FLORIDA TRANSPORTATION, LLC	FULL	100.00	70.00	FULL	100.00	70.00
SECURE CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SELECT CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SENTINEL CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SERENE CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SERVICE CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SFO AIRPORTER, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SHAMROCK CHARTERS, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SHAMROCK LEASING LLC	FULL	100.00	70.00	FULL	100.00	70.00
SHAMROCK LUXURY LIMOUSINE LLC	FULL	100.00	70.00	FULL	100.00	70.00
SHAMROCK TAXI OF FORT COLLINS, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SHUTTLE ASSOCIATES LLC	FULL	100.00	70.00	FULL	100.00	70.00
SHUTTLE EXPRESS, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SHUTTLEPORT ARIZONA JOINT VENTURE	FULL	100.00	45.50	FULL	100.00	45.50
SHUTTLEPORT CALIFORNIA LLC	FULL	100.00	70.00	FULL	100.00	70.00
SHUTTLEPORT CONNECTICUT LLC	FULL	100.00	70.00	FULL	100.00	70.00
SHUTTLEPORT DC LLC	FULL	100.00	70.00	FULL	100.00	70.00
SHUTTLEPORT FLORIDA LLC				FULL	100.00	70.00
SHUTTLEPORT SERVICES ARIZONA LLC	FULL	100.00	70.00	FULL	100.00	70.00
SKYLINE CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SMARTER MOBILITY, LLC				FULL	100.00	70.00
SPENCER LEASING LLC	FULL	100.00	70.00	FULL	100.00	70.00
SPLIT	FULL	100.00	70.00	FULL	100.00	70.00

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
SUN TAXICAB ASSOCIATION, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SUNRISE CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SUPER SHUTTLE INTERNATIONAL INC.	FULL	100.00	70.00	FULL	100.00	70.00
SUPER TRANSPORTATION OF FLORIDA, LLC	FULL	100.00	70.00	FULL	100.00	70.00
SUPERIOR CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SUPERSHUTTLE ARIZONA, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SUPERSHUTTLE ATLANTA, LLC	FULL	100.00	70.00	FULL	100.00	70.00
SUPERSHUTTLE DALLAS FORT WORTH, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SUPERSHUTTLE FRANCHISE CORPORATION	FULL	100.00	70.00	FULL	100.00	70.00
SUPERSHUTTLE INTERNATIONAL DENVER, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SUPERSHUTTLE LAS VEGAS, LLC	FULL	100.00	70.00	FULL	100.00	70.00
SUPERSHUTTLE LEASING, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SUPERSHUTTLE LOS ANGELES, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SUPERSHUTTLE LOUISIANA, LLC	FULL	100.00	70.00	FULL	100.00	70.00
SUPERSHUTTLE OF HOUSTON, LLC	FULL	100.00	70.00	FULL	100.00	70.00
SUPERSHUTTLE OF MINNESOTA, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SUPERSHUTTLE OF PENNSYLVANIA, LLC	FULL	100.00	70.00	FULL	100.00	70.00
SUPERSHUTTLE ORANGE COUNTY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SUPERSHUTTLE RALEIGH-DURHAM, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SUPERSHUTTLE SAN FRANCISCO, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SUPERSHUTTLE TENNESSEE, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SUPERTAXI, INC.	FULL	100.00	70.00	FULL	100.00	70.00
SUPREME CAB COMPANY, INC.	FULL	100.00	70.00	FULL	100.00	70.00
TEMPE ARIZONA VF JOINT VENTURE	FULL	100.00	59.50	FULL	100.00	59.50
THE LIMO, INC.	FULL	100.00	70.00	FULL	100.00	70.00
THE YELLOW CAB COMPANY	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV BUS ON DEMAND LLC	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV NORTH AMERICA	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV ON DEMAND INC.	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV SERVICES INC.	FULL	100.00	70.00	FULL	100.00	70.00
UNIFIED DISPATCH, LLC	FULL	100.00	70.00	FULL	100.00	70.00

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
VEOLIA TRANSPORTATION MAINTENANCE AND INFRASTRUCTURE, INC.	FULL	100.00	70.00	FULL	100.00	49.00
WASHINGTON SHUTTLE, INC.	FULL	100.00	63.00	FULL	100.00	63.00
WIER TRANSPORTATION	FULL	100.00	34.30	FULL	100.00	34.30
YC HOLDINGS, INC.	FULL	100.00	70.00	FULL	100.00	70.00
YELLOW CAB ASSOCIATION, INC.	FULL	100.00	70.00	FULL	100.00	70.00
YELLOW CAB COMPANY OF PITTSBURGH	FULL	100.00	70.00	FULL	100.00	70.00
YELLOW TAXI ASSOCIATION, INC.	FULL	100.00	70.00	FULL	100.00	70.00
ZTRIP, INC.	FULL	100.00	70.00	FULL	100.00	70.00
FINLAND						
TRANSDEV FINLAND OY	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV HELSINKI OY	FULL	100.00	70.00	FULL	100.00	70.00
VEOLIA TRANSPORT ESPOO OY	FULL	100.00	70.00	FULL	100.00	70.00
VEOLIA TRANSPORT VANTAA OY	FULL	100.00	70.00	FULL	100.00	70.00
FRANCE						
AERO PISTE	FULL	100.00	70.00	FULL	100.00	70.00
AEROPASS	FULL	100.00	70.00	FULL	100.00	70.00
AIR PY	EQUITY (Ass.)	24.50	17.15	EQUITY (Ass.)	24.50	17.15
AIRCAR	FULL	100.00	70.00	FULL	100.00	70.00
ALBATRANS	EQUITY (Ass.)	57.55	40.29	EQUITY (Ass.)	57.55	40.29
ALTIBUS.COM	FULL	100.00	46.18	FULL	100.00	46.18
AMBULANCES GUIRADO	FULL	100.00	70.00			
ANTRAS HOLDING	FULL	100.00	69.97	FULL	100.00	69.97
ARTOIS GOHELLE	FULL	100.00	70.00	FULL	100.00	70.00
ARY	FULL	100.00	69.97	FULL	100.00	69.97
ATRIOM DE BEAUVAISIS	FULL	100.00	69.97	FULL	100.00	69.97
ATRIOM DU COMPIÉGNOIS	FULL	100.00	67.13	FULL	100.00	67.13
AUTOBUS AUBAGNAIS	FULL	100.00	70.00	FULL	100.00	70.00
AUTOBUS AURÉLIENS	FULL	100.00	48.77	FULL	100.00	48.77
AUTOBUS DE L'ÉTANG	FULL	100.00	70.00	FULL	100.00	70.00
AUTOCARS ALIZES	FULL	100.00	69.97	FULL	100.00	69.97
AUTOCARS DARCHE-GROS	FULL	100.00	70.00	FULL	100.00	70.00

GROUPS/COMPANIES	31.12.2018 Method	31.12.2018 % control	31.12.2018 % interest	31.12.2017 Method	31.12.2017 % control	31.12.2017 % interest
AUTOCARS DE L'AVESNOIS	FULL	100.00	69.97	FULL	100.00	69.97
AUTOCARS MARNE-LA-VALLÉE	FULL	100.00	70.00	FULL	100.00	70.00
AUTOCARS MARTIN HAUTE TARENTAISE VOYAGES	FULL	100.00	70.00	FULL	100.00	70.00
AUTOCARS MUSSO	FULL	100.00	69.97	FULL	100.00	69.97
AUTOCARS SABARDU	FULL	100.00	70.00	FULL	100.00	70.00
AUTOCARS TOURNEUX	FULL	100.00	70.00	FULL	100.00	70.00
AUXERROIS MOBILITÉS	FULL	100.00	70.00	FULL	100.00	70.00
BAGNEUX URBIS PARK	FULL	100.00	52.50			
BEAUVAISIS MOBILITÉ	FULL	100.00	69.98	FULL	100.00	69.98
BESANÇON MOBILITÉ	FULL	100.00	70.00	FULL	100.00	70.00
BIÈVRE BUS MOBILITÉS	FULL	100.00	70.00	FULL	100.00	70.00
BIO SERVICE LOGISTIQUE	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
BUS EST	FULL	100.00	70.00	FULL	100.00	70.00
CABARO	FULL	100.00	69.97	FULL	100.00	69.97
CAP PAYS CATHARE	FULL	100.00	69.97	FULL	100.00	69.97
CARBU WASH	FULL	100.00	70.00	FULL	100.00	70.00
CARS DU PAYS D'AIX	FULL	100.00	70.00	FULL	100.00	70.00
CEA TRANSPORTS	FULL	100.00	70.00	FULL	100.00	70.00
CENTRALE DE RESERVATION EUROPE AUTOCAR	FULL	100.00	70.00	FULL	100.00	70.00
CFTA	FULL	100.00	70.00	FULL	100.00	70.00
CFTA CENTRE OUEST	FULL	100.00	69.97	FULL	100.00	69.97
CFTA PUY DE DÔME	FULL	100.00	70.00	FULL	100.00	70.00
CFTA RHONE	FULL	100.00	70.00	FULL	100.00	70.00
CIE ARMORICAINE DE TRANSPORTS	FULL	100.00	69.94	FULL	100.00	69.94
CIE DES AUTOCARS DE TOURAINE	FULL	100.00	69.97	FULL	100.00	69.97
CITEBUS DES DEUX RIVES	FULL	100.00	70.00	FULL	100.00	70.00
CITRAM AQUITAINE	FULL	100.00	69.97	FULL	100.00	69.97
CITRAM PYRÉNÉES	FULL	100.00	69.97	FULL	100.00	69.97
CITYWAY	FULL	100.00	70.00	FULL	100.00	70.00
COMPAGNIE DES AUTOCARS DE PROVENCE				FULL	100.00	70.00

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
COMPAGNIE DES BACS DE LOIRE	FULL	100.00	70.00	FULL	100.00	70.00
COMPAGNIE DES PARCS ET DES PASSEURS DU MONT SAINT-MICHEL	FULL	100.00	69.97	FULL	100.00	69.97
COMPAGNIE DES TRANSPORTS COLLECTIFS DE L'OUEST PARISIEN	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
COMPAGNIE DES TRANSPORTS DE LA PORTE OCEANE	FULL	100.00	70.00	FULL	100.00	70.00
COMPAGNIE DES TRANSPORTS DU PAYS DE VANNES	FULL	100.00	70.00	FULL	100.00	70.00
COMPAGNIE FRANÇAISE DE TRANSPORT INTERURBAIN	FULL	100.00	69.97	FULL	100.00	69.97
COMPAGNIE OCEANE	FULL	100.00	70.00	FULL	100.00	70.00
COMPAGNIE SAINT-QUENTINOISE DE TRANSPORTS	FULL	100.00	69.97	FULL	100.00	69.97
CONNEX LOCATION CARS ET BUS	FULL	100.00	70.00	FULL	100.00	70.00
CONTRÔLE DE STATIONNEMENT EN VOIERIE	FULL	100.00	49.00	FULL	100.00	70.00
COURRIERS DE LA GARONNE				FULL	100.00	69.97
CREUSOT MONTCEAU TRANSPORTS	FULL	100.00	70.00	FULL	100.00	70.00
E.A.P	FULL	100.00	70.00	FULL	100.00	70.00
ECAUXMOBILITÉ	FULL	100.00	69.97	FULL	100.00	69.97
ÉTABLISSEMENTS BREMOND FRÈRES	FULL	100.00	70.00	FULL	100.00	70.00
ÉTABLISSEMENTS MONEGER ET COMPAGNIE	FULL	100.00	69.97	FULL	100.00	69.97
EURE-ET-LOIR MOBILITÉ	FULL	100.00	69.97	FULL	100.00	69.97
EURL LITTORAL	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
EURL MEDISUD	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
EUROLINES FRANCE	FULL	100.00	70.00	FULL	100.00	70.00
FARGO FINANCE	FULL	100.00	70.00			
FLEET ME	FULL	100.00	70.00	FULL	100.00	66.52
FLYBUS	FULL	100.00	70.00			
FOURAS AIX	FULL	100.00	70.00	FULL	100.00	70.00
FRIOUL IF EXPRESS	FULL	100.00	70.00	FULL	100.00	70.00
IBERFRAN	EQUITY (JV)	12.71	8.90	EQUITY (JV)	12.71	8.90
IBEROLINES	EQUITY (JV)	25.42	17.79	EQUITY (JV)	25.42	17.79
INTER PISTES	FULL	100.00	70.00	FULL	100.00	70.00

GROUPS/COMPANIES	31.12.2018			31.12.2017		
	Method	% control	% interest	Method	% control	% interest
INTERVAL	FULL	100.00	70.00	FULL	100.00	70.00
KERDONIS	FULL	100.00	70.00	FULL	100.00	70.00
LAVAL U.P	FULL	100.00	70.00	FULL	100.00	70.00
LES AUTOBUS ARTÉSIENS	FULL	100.00	69.97	FULL	100.00	69.97
LES AUTOBUS DU FORT	FULL	100.00	70.00	FULL	100.00	70.00
LES CARS D'ORSAY	FULL	100.00	70.00	FULL	100.00	70.00
LES CARS ROSE	FULL	100.00	70.00	FULL	100.00	70.00
LES COURRIERS AUTOMOBILES PICARDS	FULL	100.00	68.50	FULL	100.00	68.50
LES COURRIERS DE L'AUBE	FULL	100.00	69.93	FULL	100.00	69.93
LES COURRIERS DE SEINE-ET-OISE	FULL	100.00	70.00	FULL	100.00	70.00
LES LIGNES DU VAR	FULL	100.00	69.96	FULL	100.00	69.96
LES RAPIDES DU VAL DE LOIRE	FULL	100.00	70.00	FULL	100.00	70.00
L'IMMOBILIERE DES FONTAINES	FULL	100.00	70.00	FULL	100.00	70.00
LITTORAL NORD AUTOCARS	FULL	100.00	69.97	FULL	100.00	69.97
MACONNAIS MOBILITÉS	FULL	100.00	70.00	FULL	100.00	70.00
MAINTENANCE, ÉTUDES ET RÉALISATIONS EN CIRCULATION URBAINE ET RÉGULATION	FULL	100.00	70.00	FULL	100.00	70.00
MECA PISTE	FULL	100.00	70.00	FULL	100.00	70.00
MOBILINK (FORMERLY CIOTABUS)	FULL	100.00	70.00	FULL	100.00	70.00
MOBILITÉ ET SERVICES	FULL	100.00	69.97	FULL	100.00	69.97
MOBILITÉ LOGISTIQUE SANTÉ				EQUITY (JV)	50.00	35.00
MONT-BLANC BUS	FULL	100.00	52.42	FULL	100.00	52.42
MOUV'IDÉES	FULL	100.00	70.00	FULL	100.00	70.00
MULHOUSE MOBILITÉS	FULL	100.00	61.49	FULL	100.00	61.49
N'4 MOBILITÉS	FULL	100.00	67.66	FULL	100.00	67.66
NORMANDIE VOYAGES	FULL	100.00	69.97	FULL	100.00	69.97
ODULYS	FULL	100.00	38.50	FULL	100.00	38.50
PARTORPEN SANITRANS	FULL	100.00	70.00			
PASSAGERS PÔLE SERVICES				FULL	100.00	70.00
PAYS D'OC MOBILITÉS	FULL	100.00	70.00	FULL	100.00	70.00
PHOEBUS	FULL	100.00	70.00			
PÔLE ÎLE-DE-FRANCE IMMOBILIER AND FACILITIES	FULL	100.00	70.00	FULL	100.00	70.00

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
PREVOST	FULL	100.00	69.97	FULL	100.00	69.97
PROGETOURS				FULL	100.00	70.00
PROXIWAY	FULL	100.00	69.99	FULL	100.00	69.99
RAMBOUILLET U.P	FULL	100.00	70.00	FULL	100.00	70.00
RAPIDES DE BOURGOGNE	FULL	100.00	70.00	FULL	100.00	70.00
RAPIDES DE CÔTE D'AZUR	FULL	100.00	69.97	FULL	100.00	69.97
RAPIDES DE SAÔNE-ET-LOIRE	FULL	100.00	70.00	FULL	100.00	70.00
RAPIDES DU LITTORAL	FULL	100.00	69.90	FULL	100.00	69.90
RATP DEV TRANSDEV ASIA SA	EQUITY (JV)	50.00	35.00	Equity (JV)	50.00	35.00
RÉGIE MIXTE DES TRANSPORTS TOULONNAIS	FULL	100.00	49.98	FULL	100.00	49.98
RHÔNEXPRESS	EQUITY (Ass.)	28.20	19.74	EQUITY (Ass.)	28.20	19.74
S.E.R.I 49	FULL	100.00	69.57	FULL	100.00	69.57
SAEM DES AUTOCARS ET AUTOBUS AUNIS ET SAINTONGE	EQUITY (JV)	49.98	34.99	EQUITY (JV)	49.98	34.99
SAINT-QUENTIN MOBILITÉ	FULL	100.00	70.00	FULL	100.00	70.00
SANTE MOBILITÉ SERVICES	FULL	100.00	49.00	FULL	100.00	49.00
SARL DELEYROLLE AAAC	EQUITY (JV)	50.00	35.00	EQUITY (JV)	48.00	33.60
SARL GETS	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
SARL MARTEGALES	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
SARL MIDI PROVENCE	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
SARL PATRICK	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
SARL PONT DE L'ARC	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
SARL PROVENCE SECOURS	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
SARL SE LA MIMETAINE	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
SARL SUD LOGISTIQUE	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
SAS AUTONOMIE ET SANTÉ	FULL	100.00	70.00	FULL	100.00	70.00
SAS HOLDING MIMETAINE	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
SCI DU CLOS PIERVIL	FULL	100.00	69.89	FULL	100.00	69.89
SCI LA MARE AU MOULIN	FULL	100.00	70.00	FULL	100.00	70.00
SCI LE PRÉ BOUDROT	EQUITY (JV)	49.00	34.30	EQUITY (JV)	49.00	34.30
SENONAIS MOBILITÉS	FULL	100.00	70.00	FULL	100.00	70.00
SEVM SAS	FULL	100.00	70.00	FULL	100.00	70.00

GROUPS/COMPANIES	31.12.2018 Method	31.12.2018 % control	31.12.2018 % interest	31.12.2017 Method	31.12.2017 % control	31.12.2017 % interest
SITE.OISE	FULL	100.00	46.20	FULL	100.00	46.20
SNC MASSILIA	FULL	100.00	70.00	FULL	100.00	70.00
SOCIÉTÉ AEROPORTUAIRE DE GESTION ET D'EXPLOITATION DE BEAUVAIS	EQUITY (JV)	49.00	34.30	EQUITY (JV)	49.00	34.30
SOCIÉTÉ DE GESTION DE L'AÉROPORT DE LA REGION DE LILLE	EQUITY (Ass.)	34.00	23.80	EQUITY (Ass.)	34.00	23.80
SOCIÉTÉ DE PRESTATIONS TRANSDEV IDF	FULL	100.00	70.00	FULL	100.00	70.00
SOCIÉTÉ DE SERVICES ET D'EXPLOITATION DE GARES ROUTIÈRES	FULL	100.00	70.00	FULL	100.00	70.00
SOCIÉTÉ DE TRANSPORT D'ANNONAY DAVEZIEUX ET EXTENSIONS	FULL	100.00	66.57	FULL	100.00	66.57
SOCIÉTÉ DE TRANSPORTS AUTOMOBILES ET DE VOYAGES	FULL	100.00	70.00	FULL	100.00	70.00
SOCIÉTÉ DES TRANSPORTS BERARD				FULL	100.00	70.00
SOCIÉTÉ DES TRANSPORTS BRIANÇONNAIS	FULL	100.00	70.00	FULL	100.00	70.00
SOCIÉTÉ DES TRANSPORTS DE CALAIS ET EXTENSIONS	FULL	100.00	70.00	FULL	100.00	70.00
SOCIÉTÉ DES TRANSPORTS DE DUNKERQUE ET EXTENSIONS	FULL	100.00	70.00	FULL	100.00	70.00
SOCIÉTÉ DES TRANSPORTS DE L'AGGLOMÉRATION CHALONNAISE	FULL	100.00	56.00	FULL	100.00	56.00
SOCIÉTÉ DES TRANSPORTS DE L'AGGLOMÉRATION THONONAISE	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
SOCIÉTÉ DES TRANSPORTS DÉPARTEMENTAUX DU GARD	FULL	100.00	69.97	FULL	100.00	69.97
SOCIÉTÉ DES TRANSPORTS DU BASSIN CHELLOIS	FULL	100.00	70.00	FULL	100.00	70.00
SOCIÉTÉ DES TRANSPORTS LIBOURNAIS	FULL	100.00	70.00	FULL	100.00	70.00
SOCIÉTÉ DES TRANSPORTS PAR AUTOCARS DE L'OUEST PAYS DE LA LOIRE	FULL	100.00	69.97	FULL	100.00	69.97
SOCIÉTÉ DES TRANSPORTS URBAINS DE DIEPPE	FULL	100.00	70.00	FULL	100.00	70.00
SOCIÉTÉ D'EXPLOITATION DE TRANSPORTS ET DE REPARATIONS AUTOMOBILES	FULL	100.00	70.00	FULL	100.00	70.00
SOCIÉTÉ DU METRO DE L'AGGLOMÉRATION ROUENNAISE	FULL	100.00	70.00	FULL	100.00	70.00
SOCIÉTÉ NIÇOISE D'ENLÈVEMENT ET DE GARDIENNAGE	FULL	100.00	70.00	FULL	100.00	70.00
SOCIÉTÉ NOUVELLE CPL	FULL	100.00	70.00	FULL	100.00	70.00
SOCIÉTÉ NOUVELLE DES AUTOBUS AJACCIENS				FULL	100.00	70.00

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
SOCIÉTÉ VAROISE DE TRANSPORTS	FULL	100.00	70.00	FULL	100.00	70.00
SOLEA	FULL	100.00	61.48	FULL	100.00	61.48
STE DES TRANSPORTS DEP DU LOIR-ET-CHER	FULL	100.00	69.97	FULL	100.00	69.97
SUD CARS	FULL	100.00	70.00	FULL	100.00	70.00
SUD EST MOBILITÉS	FULL	100.00	70.00	FULL	100.00	70.00
SURESNES U.P	FULL	100.00	70.00	FULL	100.00	70.00
T.C.R.M TRANSP. COMMUNS REGION METZ	EQUITY (Ass.)	39.96	27.97	EQUITY (Ass.)	39.96	27.97
TIPS	FULL	100.00	65.10	FULL	100.00	65.10
TPMR STRASBOURG	FULL	100.00	69.97	FULL	100.00	69.97
TPMR TOULOUSE	FULL	100.00	69.96	FULL	100.00	69.96
TPMR TOURS	FULL	100.00	69.97	FULL	100.00	69.97
TRANS PROVENCE	FULL	100.00	69.67	FULL	100.00	69.67
TRANS VAL DE FRANCE	FULL	100.00	70.00	FULL	100.00	70.00
TRANS VAL-D'OISE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSAMO	FULL	100.00	66.54	FULL	100.00	66.54
TRANSAVOIE	FULL	100.00	69.65	FULL	100.00	69.65
TRANSDEV	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV AEROPORT CARCASSONNE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV AEROPORT LIAISONS	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV AEROPORT PERPIGNAN	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV AÉROPORT SERVICES	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV AÉROPORT TRANSIT	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV AGGLOMÉRATION DE BAYONNE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV ALBERTVILLE	FULL	100.00	70.00			
TRANSDEV ALPES	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV ALPES-MARITIMES	FULL	100.00	69.98	FULL	100.00	69.98
TRANSDEV ARLES	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV AUVERGNE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV BASSIN D'ARCACHON	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV BRIVE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV BUSINESS INFORMATION SOLUTIONS	FULL	100.00	70.00	FULL	100.00	70.00

GROUPS/COMPANIES	31.12.2018			31.12.2017		
	Method	% control	% interest	Method	% control	% interest
TRANSDEV CARGO	FULL	100.00	70.00			
TRANSDEV CHAMBÉRY	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV CONTRÔLE PREVENTION SÛRETÉ	FULL	100.00	70.00			
TRANSDEV DAUPHINE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV DRÔME	FULL	100.00	70.00			
TRANSDEV DU MARSAN	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV ESPACES	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV EST				FULL	100.00	70.00
TRANSDEV EUROLINES	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV EXPRESS GRAND OUEST	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV EXPRESS RHONE-ALPES AUVERGNE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV EXPRESS SUD OUEST	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV FOUGÈRES	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV GRAND EST	FULL	100.00	69.97	FULL	100.00	69.97
TRANSDEV HAUTE-SAVOIE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV ICM	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV IDF CSP CONTRÔLE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV ILE DE FRANCE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV ISTRE	FULL	100.00	69.97	FULL	100.00	69.97
TRANSDEV LA ROCHELLE	FULL	100.00	70.00			
TRANSDEV LIGNES VOSGES				FULL	100.00	69.97
TRANSDEV LOCATION DE VÉHICULE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV LYS	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV MÉDITERRANÉE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV MONTPELLIER	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV NANCY	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV NÎMES MOBILITÉ	FULL	100.00	70.00			
TRANSDEV NIORT AGGLOMERATION	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV OUTRE-MER	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV PARIS EST	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV PARIS SUD	FULL	100.00	70.00	FULL	100.00	70.00

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
TRANSDEV PAYS D'OR	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV PAYS ROCHEFORTAIS	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV PICARDIE	FULL	100.00	69.97	FULL	100.00	69.97
TRANSDEV POITOU-CHARENTES	FULL	100.00	69.97	FULL	100.00	69.97
TRANSDEV REIMS	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV RHÔNE-ALPES INTERURBAIN	FULL	100.00	69.97	FULL	100.00	69.97
TRANSDEV ROANNE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV ROYAN ATLANTIQUE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV SAINT-DIÉ-DES-VOSGES	FULL	100.00	70.00			
TRANSDEV SAINT-DIZIER	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV SERVICES RÉUNION	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV SHUTTLE FRANCE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV STATIONNEMENT	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV SUD	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV SUD OUEST	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV TREFLE				FULL	100.00	70.00
TRANSDEV URBAIN	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV URBAINS DU VALENCIENNOIS	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV VALENCE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV VICHY	FULL	100.00	70.00			
TRANSÉVRY	EQUITY (Ass.)	44.37	31.06	EQUITY (Ass.)	44.37	31.06
TRANSPORTS DE TOURISME DE L'OCÉAN	FULL	100.00	69.97	FULL	100.00	69.97
TRANSPORTS D'EURE-ET-LOIR	FULL	100.00	69.97	FULL	100.00	69.97
TRANSPORTS DU VAL DE SEINE	FULL	100.00	69.97	FULL	100.00	69.97
TRANSPORTS DU VAL-D'OISE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSPORTS EN COMMUN DE COMBS-LA-VILLE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSPORTS EN COMMUN DE LA RÉGION AVIGNONAISE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSPORTS EN COMMUN DE L'AGGLOMÉRATION ROUENNAISE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSPORTS MARNE ET MORIN	FULL	100.00	70.00	FULL	100.00	70.00
TRANSPORTS PARIS BEAUVAIS	EQUITY (JV)	49.00	34.30	EQUITY (JV)	49.00	34.30

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
TRANSPORTS PUBLICS DE L'AGGLOMÉRATION STÉPHANOISE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSPORTS RAPIDE AUTOMOBILE	FULL	100.00	70.00	FULL	100.00	70.00
URBIS PARK SERVICES SAS	FULL	100.00	70.00	FULL	100.00	70.00
VAD	FULL	100.00	69.97	FULL	100.00	69.97
VAL D'EUROPE AIRPORT	FULL	100.00	70.00	FULL	100.00	70.00
VE AIRPORT	FULL	100.00	70.00	FULL	100.00	70.00
VELOWAY	FULL	100.00	70.00	FULL	100.00	70.00
VEOLIA EDF NICE AUTO PARTAGE	EQUITY (JV)	69.98	48.99	EQUITY (JV)	69.98	48.99
VILLENEUVE MOBILITÉ	FULL	100.00	70.00	FULL	100.00	70.00
VISUAL	FULL	100.00	70.00	FULL	100.00	70.00
VOYAGE ET TRANSPORTS DE NORMANDIE	FULL	100.00	69.97	FULL	100.00	69.97
VOYAGES CROLARD	FULL	100.00	70.00	FULL	100.00	70.00
GUERNSEY						
CAMELBACK INSURANCE LIMITED GUERNSEY	FULL	100.00	70.00	FULL	100.00	70.00
HONG KONG						
HONG KONG ENGINEERING	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
HONG KONG TRAMWAYS LIMITED (MEE)	EQUITY (Ass.)	49.50	34.65	EQUITY (Ass.)	49.50	34.65
VEOLIA TRANSPORT CHINA LTD HK	FULL	100.00	38.50	FULL	100.00	38.50
VT RATP CHINA	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
VT RATP CONSULTING CO. LTD	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
INDIA						
METRO ONE OPERATION	FULL	100.00	26.95	FULL	100.00	26.95
RATP DEV TRANSDEV INDIA	EQUITY (JV)	50.00	35.00	EQUITY (JV)	50.00	35.00
IRELAND						
TRANSDEV DUBLIN LIGHT RAIL LTD	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV IRELAND BUS LIMITED	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV IRELAND LIMITED	FULL	100.00	70.00	FULL	100.00	70.00
ISRAEL						
VEOLIA TRANSPORTATION ISRAEL LTD	FULL	100.00	70.00	FULL	100.00	70.00

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
LUXEMBOURG						
TRANSDEV RÉ	FULL	100.00	70.00	FULL	100.00	70.00
MOROCCO						
TRANSDEV RABAT SALE SA	FULL	100.00	70.00	FULL	100.00	70.00
NEW CALEDONIA						
CARSUD SA (MEE)	EQUITY (Ass.)	27.96	19.57	EQUITY (Ass.)	27.96	19.57
NEW ZEALAND						
TRANSDEV NEW ZEALAND LTD	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV WELLINGTON LTD	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV AUCKLAND LTD	FULL	100.00	70.00	FULL	100.00	70.00
NETHERLANDS						
ABEL TECHNOLOGIE B.V	FULL	100.00	60.49	FULL	100.00	60.49
ACM OPLEIDINGEN BV	FULL	100.00	60.49	FULL	100.00	60.49
ACM ZORGOPLEIDINGEN BV	FULL	100.00	60.49	FULL	100.00	60.49
BEDRIJFSVERVOER LIMBURG BV	EQUITY (JV)	17.28	12.10	EQUITY (JV)	21.60	15.12
CONEXXION MULTIMODAL BV	FULL	100.00	60.49	FULL	100.00	60.49
CONNEXXION FINANCE BV				FULL	100.00	60.49
CONNEXXION MOBILITY SERVICES BV	FULL	100.00	60.49	EQUITY (Ass.)	44.07	30.84
CONNEXXION NEDERLAND NV	FULL	100.00	60.49	FULL	100.00	60.49
CONNEXXION OPENBAAR VERVOER NV	FULL	100.00	60.49	FULL	100.00	60.49
CONNEXXION TAXI SERVICES BV	FULL	100.00	60.49	FULL	100.00	60.49
CONNEXXION TOURS BV				FULL	100.00	60.49
CONNEXXION VLOOT BV	FULL	100.00	60.49	FULL	100.00	60.49
CONNEXXION WATER BV	FULL	100.00	60.49	FULL	100.00	60.49
CONNEXXION ZORGVERVOER B.V.	FULL	100.00	60.49	FULL	100.00	60.49
CONNEXXION ZORGVERVOER ZUID HOLLAND B.V.	FULL	100.00	60.49	FULL	100.00	60.49
COÖPERATIE REGIONAL AMBULANCEVOORZIENING KENNERMERLAND U.A.	EQUITY (Ass.)	43.22	30.25	EQUITY (Ass.)	43.22	30.25
COÖPERATIE RÉGIONALE AMBULANCEVOORZIENING HAAGLANDEN U.A.	EQUITY (Ass.)	21.61	15.12	EQUITY (Ass.)	21.61	15.12
CXX AML MATERIEEL B.V.	FULL	100.00	60.49	FULL	100.00	60.49
DE GROOTH VERVOER BV	FULL	100.00	60.49	FULL	100.00	60.49
EUROLINES NETHERLANDS NV	FULL	100.00	70.00	FULL	100.00	70.00

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
FUTURE TECHNOLOGY NEDERLAND BV	FULL	100.00	60.49	FULL	100.00	60.49
GVU NV				FULL	100.00	60.49
STAN B.V.	FULL	100.00	60.49	FULL	100.00	60.49
HERMES GROEP NV	FULL	100.00	60.49	FULL	100.00	60.49
HERMES OPENBAAR VERVOER BV	FULL	100.00	60.49	FULL	100.00	60.49
KROON ARBOZAKEN B.V.				FULL	100.00	60.49
OMNITAX BV	FULL	100.00	60.49	FULL	100.00	60.49
OV REGIO LJSSELMOND BV	FULL	100.00	60.49	FULL	100.00	60.49
PARTEXX BV	FULL	100.00	60.49	FULL	100.00	60.49
PERSONEELSVOORZIENING BRABANTS BUSVERVOER BV	FULL	100.00	60.49	FULL	100.00	60.49
PERSONENVERVOER GRONINGEN BV	FULL	100.00	60.49	EQUITY (JV)	28.80	20.16
PERSONENVERVOER VAN DIJK DELFTZIJL BV	FULL	100.00	60.49	FULL	100.00	60.49
PERSONENVERVOER ZUID-NEDERLAND BV	FULL	100.00	60.49	FULL	100.00	60.49
REISINFORMATIEGROEP BV	EQUITY (Ass.)	28.36	19.85	EQUITY (Ass.)	28.36	19.85
ROLINE BV	FULL	100.00	60.49	FULL	100.00	60.49
SCHIPHOL TRAVEL TAXI BV	EQUITY (Ass.)	43.22	30.25	EQUITY (Ass.)	43.22	30.25
STADSBUS GROEP MAASTRICHT NV	FULL	100.00	60.49	FULL	100.00	60.49
STADSBUS MAASTRICHT PARTICIPATIES BV	FULL	100.00	60.49	FULL	100.00	60.49
STAN ECOZORG B.V	FULL	100.00	60.49	FULL	100.00	60.49
STICHTING AMBULANCEZORG NOORD EN OOST GELDERLAND	FULL	100.00	60.49	FULL	100.00	60.49
STICHTING RÉGIONALE AMBULANCEVOORZIENING ZEELAND	FULL	100.00	60.49	FULL	100.00	60.49
TAXI CENTRALE MIDDEN-BRABANT	FULL	100.00	60.49	FULL	100.00	60.49
TBC HOLDING B.V.	FULL	100.00	60.49	FULL	100.00	60.49
TECHNO SERVICE NEDERLAND NV	FULL	100.00	60.49	FULL	100.00	60.49
TRANZER B.V	EQUITY (Ass.)	12.96	9.07	EQUITY (Ass.)	12.96	9.07
VEOLIA TRANSPORT BRABANT N.V.	FULL	100.00	60.49	FULL	100.00	60.49
VEOLIA TRANSPORT FAST FERRIES B.V.	FULL	100.00	60.49	FULL	100.00	60.49
VEOLIA TRANSPORT LIMBURG B.V.	FULL	100.00	60.49	FULL	100.00	60.49
VEOLIA TRANSPORT LIMBURG BUS B.V.	FULL	100.00	60.49	FULL	100.00	60.49
VEOLIA TRANSPORT LIMBURG TOUR	FULL	100.00	60.49	FULL	100.00	60.49

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
TRANSDEV BBA HOLDING BV.	FULL	100.00	60.49	FULL	100.00	60.49
CONNEXXION HAAGLANDEN B.V	FULL	100.00	60.49	FULL	100.00	60.49
TRANSDEV LIMBURG PERSONEEL B.V.	FULL	100.00	60.49	FULL	100.00	60.49
TRANSDEV LIMBURG RAIL B.V.	FULL	100.00	60.49	FULL	100.00	60.49
VERENIGING AMBULANCEZORG REGIO NOORD-HOLLAND NOORD IN COÖPERATIEF VERBAND U.A.	EQUITY (Ass.)	43.22	30.25	EQUITY (Ass.)	43.22	30.25
WITTE KRUIS AMBULANCE BV	FULL	100.00	60.49	FULL	100.00	60.49
WITTE KRUIS AMBULANCEZORG BV	FULL	100.00	60.49	FULL	100.00	60.49
WITTE KRUIS BV	FULL	100.00	60.49	FULL	100.00	60.49
WITTE KRUIS HOLDING BV	FULL	100.00	60.49	FULL	100.00	60.49
WITTE KRUIS MIDELEN BV	FULL	100.00	60.49	FULL	100.00	60.49
WITTE KRUIS ZORG BV	FULL	100.00	60.49	FULL	100.00	60.49
WKA ZEELAND	FULL	100.00	60.49	FULL	100.00	60.49
PORTUGAL						
AUTO VIAÇÃO AVEIRENSE	FULL	100.00	70.00	FULL	100.00	70.00
CAIMA TRANSPORTES	FULL	100.00	70.00	FULL	100.00	70.00
EMPRESA DE TRANSPORTES ANTÓNIO CUNHA	FULL	100.00	70.00	FULL	100.00	70.00
IBERO EUROSUR S.L.				EQUITY (JV)	25.42	17.45
INTERCENTRO	FULL	100.00	33.90	FULL	100.00	33.90
INTERGALIZA	EQUITY (JV)	25.42	17.79	EQUITY (JV)	25.42	17.79
INTERNORTE	FULL	100.00	35.59	FULL	100.00	35.59
MINHO BUS	FULL	100.00	70.00	FULL	100.00	70.00
RODOIARIA DA BEIRA LITORAL	FULL	100.00	70.00	FULL	100.00	70.00
RODOIARIA DO TEJO	EQUITY (JV)	25.42	17.79	EQUITY (JV)	25.42	17.79
RODOVIARIA DA BEIRA INTERIOR	FULL	100.00	70.00	FULL	100.00	70.00
RODOVIARIA DE ENTRE D'OURO E MINHO	FULL	100.00	70.00	FULL	100.00	70.00
RODOVIARIA DO LIS	EQUITY (JV)	25.42	17.79	EQUITY (JV)	25.42	17.79
RODOVIARIA DO OESTE	EQUITY (JV)	25.42	17.79	EQUITY (JV)	25.42	17.79
TRANSDEV DOURO	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV INTERIOR	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV MOBILIDADE	FULL	100.00	70.00	FULL	100.00	70.00

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
TRANSDEV NORTE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV PARTICIPAÇÕES SGPS	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV PORTO	FULL	100.00	70.00	FULL	100.00	70.00
CZECH REPUBLIC						
VEOLIA EUROLINES CZ A.S.	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV CESKA REPUBLIKA SRO	FULL	100.00	70.00			
TRANSDEV MORAVA	FULL	100.00	70.00			
UNITED KINGDOM						
BLAZEFIELD BUSES	FULL	100.00	70.00	FULL	100.00	70.00
BLAZEFIELD TRAVEL GROUP	FULL	100.00	70.00	FULL	100.00	70.00
BURNLEY & PENDLE TRAVEL	FULL	100.00	70.00	FULL	100.00	70.00
CABFIND LTD				FULL	100.00	70.00
COMET CAR HIRE LTD	FULL	100.00	70.00	FULL	100.00	70.00
CONNEX SOUTH EASTERN	FULL	100.00	70.00	FULL	100.00	70.00
GREEN TOMATO CARS				FULL	100.00	70.00
HARROGATE & DISTRICT TRAVEL LIMITED	FULL	100.00	70.00	FULL	100.00	70.00
KEIGHLEY & DISTRICT TRAVEL LIMITED	FULL	100.00	70.00	FULL	100.00	70.00
LANCASHIRE UNITED LIMITED	FULL	100.00	70.00	FULL	100.00	70.00
ROSSENDALE TRANSPORT LTD	FULL	100.00	70.00			
TRANSDEV BLAZEFIELD LIMITED	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV CLAIMS INVESTIGATIONS LIMITED	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV LONDON LTD				FULL	100.00	70.00
TRANSDEV NORTHERN BLUE	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV PLC	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV TRAM UK	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV YORK	FULL	100.00	70.00	FULL	100.00	70.00
TRIDENT HERITAGE LTD				FULL	100.00	70.00

	31.12.2018			31.12.2017		
GROUPS/COMPANIES	**Method**	**% control**	**% interest**	**Method**	**% control**	**% interest**
YORKSHIRE COASTLINER	FULL	100.00	70.00	FULL	100.00	70.00
SWEDEN						
ÅNGFARTYGSAKTIEBOLAGET STOCKHOLM-BILDÖSUND	FULL	100.00	70.00			
BLIDÖSUNDSBOLAGET MANAGEMENT AB	FULL	100.00	70.00			
BLIDÖSUNDSBOLAGET AB	FULL	100.00	70.00			
BUSSDEPÅN I KRISTIANSTAD AB	EQUITY (Ass.)	43.00	30.10	EQUITY (Ass.)	43.00	30.10
GÖTEBORGS-STYRSÖ SKÄRGÅRDSTRAFIK AB	FULL	100.00	70.00	FULL	100.00	70.00
KOMMANDITBOLAGET BUSSNINGEN	FULL	100.00	70.00	FULL	100.00	70.00
MERRESOR AB	FULL	100.00	70.00	FULL	100.00	70.00
PEOPLE TRAVEL GROUP AB	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV NORTHERN EUROPE AB	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV SVERIGE AB	FULL	100.00	70.00	FULL	100.00	70.00
TRANSDEV UPPLAND AB	FULL	100.00	70.00	FULL	100.00	70.00
COENTREPRISE DE TRANSPORT D'ÉLECTRICITÉ GROUP						
COENTREPRISE DE TRANSPORT D'ÉLECTRICITÉ	EQUITY (JV)	29.90	29.90	EQUITY (JV)	29.90	29.90
Registered office: 69-71, rue de Miromesnil – 75008 Paris – France						
AIRTELIS	EQUITY (JV)	29.90	29.90	EQUITY (JV)	29.90	29.90
ARTERIA	EQUITY (JV)	29.90	29.90	EQUITY (JV)	29.90	29.90
CIRTEUS	EQUITY (JV)	29.90	29.90	EQUITY (JV)	29.90	29.90
CORESO	EQUITY (Ass.)	4.78	4.78	EQUITY (Ass.)	4.78	4.78
HGRT	EQUITY (Ass.)	10.16	10.16	EQUITY (Ass.)	10.16	10.16
IFA2	JOINT ARR.	14.95	14.95	JOINT ARR.	14.95	14.95
INELFE	JOINT ARR.	14.95	14.95	JOINT ARR.	14.95	14.95
RTE	EQUITY (JV)	29.90	29.90	EQUITY (JV)	29.90	29.90
RTE IMMO	EQUITY (JV)	29.90	29.90	EQUITY (JV)	29.90	29.90
RTE INTERNATIONAL	EQUITY (JV)	29.90	29.90	EQUITY (JV)	29.90	29.90

GROUPS/COMPANIES	31.12.2018			31.12.2017		
	Method	% control	% interest	Method	% control	% interest
INFRASTRUCTURE & TRANSPORT – OTHER ENTITIES						
VERDUN PARTICIPATIONS 1	EQUITY (Ass.)	49.00	49.00	EQUITY (Ass.)	49.00	49.00
COMPAGNIE NATIONALE DU RHÔNE	EQUITY (Ass.)	33.20	33.20	EQUITY (Ass.)	33.20	33.20
ADL PARTICIPATIONS	EQUITY (Ass.)	24.50	24.50	EQUITY (Ass.)	24.50	24.50
HOLDING INFRASTRUCTURES GAZIÈRES – GRT GAZ**	EQUITY (Ass.)	32.35	32.35			
STOA	FULL	100.00	83.33	FULL	100.00	83.33

* Transfer of assets and liabilities to the Central Sector.

** Joint holding with the Savings Funds and CNP Assurances, which respectively hold 13.25% and 54.4% of HIG.

Consolidation methods:

FULL: Full consolidation

EQUITY (JV): Equity-accounted joint venture

EQUITY (Ass): Equity-accounted associate

JOINT ARR.: Joint arrangement

Statutory Auditors' report on the consolidated financial statements

(For the year ended 31 December 2018)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. 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 engagement entrusted to us, we have audited the accompanying consolidated financial statements of Caisse des dépôts et consignations for the year ended 31 December 2018.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group at 31 December 2018 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Financial Statement and Risk Review Committee (*Comité d'Examen des Comptes et des Risques* – CECR).

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules applicable to us, for the period from 1 January 2018 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by article 5(1) of Regulation (EU) No. 537/2014 or the French Code of Ethics *(Code de déontologie)* for Statutory Auditors.

Furthermore, the non-audit services that we provided to Caisse des dépôts et consignations and its controlled undertakings during the financial year that are not disclosed in the management report or in the notes to the consolidated financial statements are as follows:

- PricewaterhouseCoopers Audit: in 2018, the main engagements carried out related to comfort letters for debt issuance programmes and certificates;
- Mazars: in 2018, the main engagements carried out related to comfort letters for debt issuance programmes, certificates, due diligence work and facilitation.

Emphasis of matter

Without qualifying our opinion, we draw your attention to the change in accounting method resulting from the application as from 1 January 2018 of new standard IFRS 9, presented in Note 1 "Summary of significant accounting policies" as well as in the other notes to the consolidated financial statements presenting the figures related to the impact of this change.

Justification of assessments – Key audit matters

In accordance with the requirements of articles L. 823-9 and R. 823-7 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were of most significance in our audit of the consolidated financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the consolidated financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

Impacts of the first-time application of IFRS 9 *Financial Instruments* as from 1 January 2018
(See paragraph 9 "Significant events" and Notes 2.1 to 2.6 to the consolidated financial statements)

Description of risk and main judgements	How our audit addressed this risk
Since 1 January 2018, Caisse des dépôts et consignations (CDC) has applied IFRS 9 *Financial Instruments,* which sets out the new rules for the classification and measurement of financial instruments, as well as a new impairment methodology for financial assets. CDC reviewed the classification of its financial assets and liabilities on the basis of the business model in which they are held and their contractual cash flow characteristics and by applying the elections provided for in the standard. With respect to impairment of financial assets, the new standard expands the scope of assets for which loss allowances must be recognised; loss allowances must now be recognised for expected credit losses on all financial assets, including those for which no credit event has occurred. The amount of expected credit losses is determined to a large extent based on the use of models and inputs, the definition of which has an impact on the amount of loss allowances calculated. Given the significant judgement exercised by management in determining such expected credit losses, the changes resulting from the operational implementation of the new standard (adaptation of the operational mechanism for calculating loss allowances, new information systems, inputs, new control framework) as well as the significant reclassifications, we considered the first-time application of this new standard as of 1 January 2018 to be a key audit matter. The first-time application of IFRS 9 led CDC Group to recognise a negative impact of €90 million, net of tax, in equity, to publish an opening balance sheet at 1 January 2018 and to provide detailed disclosures on the transition from the balance sheet at 31 December 2017 prepared under IAS 39 to the opening balance sheet at 1 January 2018 prepared under IFRS 9 (excluding insurance assets and liabilities).	We assessed the processes implemented by the CDC Group to implement the new standard. We asked our experts to assess the analyses performed and the models used by CDC Group to apply the new IFRS 9 accounting principles. With respect to classification and measurement, our audit work consisted in: • reviewing the analyses performed and the accounting principles defined by the CDC Group; • verifying, based on a sample of contracts, the analysis performed by the CDC Group with respect to the classification of financial assets; • assessing the financial asset management models and evaluating the internal control system governing these models. With respect to expected credit losses, our audit work consisted in: • assessing the compliance of the CDC Group's principles and methods with IFRS 9 by examining the independent review work performed internally, where appropriate; • carrying out a methodological review of probability of default models and internal ratings, as well as a technical review consisting of implementation testing. We also verified the disclosures provided in the notes to the consolidated financial statements with respect to the impacts of the first-time application of IFRS 9.

Fair value measurement of financial instruments
(See Notes 4.1 and 4.3 to the consolidated financial statements)

Description of risk	How our audit addressed this risk
The CDC Group has financial instruments that are measured and recognised at fair value, with changes therein presented through profit or loss or other comprehensive income (to be reclassified or not to be reclassified). The fair value of financial instruments is measured using i) prices taken directly from external data, or ii) valuation techniques, mainly market or income approaches (notably the discounted cash flow and adjusted net asset methods). We considered the fair value measurement of financial instruments to be a key audit matter at 31 December 2018, owing to: • the risk of a material impact on the Group's results, in light of the material nature of this item in the consolidated financial statements; • the significant judgements required in fair value measurement and the use of unobservable inputs; • the sensitivity of values in use for certain inputs. At 31 December 2018, financial assets recognised at fair value through profit or loss stood at €9,692 million and financial assets recognised at fair value through other comprehensive income stood at €34,745 million.	Management has implemented a control system for the identification and operational monitoring of assets recognised at fair value through profit or loss and through other comprehensive income, as well as for the measurement of their fair value. We assessed this system and tested, on a sample basis, the design and operational efficiency of the main key controls, in particular with respect to: • the identification and classification of assets according to the value hierarchy; • the choice of approach for the fair value measurement of financial instruments; • the determination of market inputs (beta and market premium) or market assessments (expected contractual flows, if applicable, discount rate, growth rate, EBIT or EBITDA multiples, etc.). With the guidance of our valuation experts, we reviewed a selection of portfolio holdings at 31 December 2018, and carried out the following procedures: • assessing the inputs used by the Group (including economic scenarios) and performing a critical analysis of the measurement methods used; • verifying the arithmetical accuracy of the measurement models; • assessing the inputs used (discount rate, long-term growth rate, tax rate, sector-specific multiples).

Management of access rights and authorisation levels for IT systems used to prepare financial statements

Description of risk	How our audit addressed this risk
The reliability and security of IT systems plays a key role in the preparation of the annual financial statements of the Central Sector (Section générale) of Caisse des dépôts et consignations. In particular, the implementation of a system for controlling access rights to IT systems and authorisation levels based on employee profiles represents a key control for limiting the risk of fraud or error caused by inappropriate changes to application settings or underlying data. We therefore deemed the management of these access rights, which is of particular concern to Caisse des dépôts et consignations, to be a key audit matter.	Assisted by our IT experts, our work consisted primarily in: • obtaining an understanding of the systems, processes and controls that underpin accounting and financial data; • familiarising ourselves with the internal control system used to monitor the creation, modification or deletion of user access rights to applications and the underlying infrastructure; • testing the effectiveness of the main controls introduced as part of the process for the periodic recertification of access rights, validating the completeness of the scope covered, and testing the key controls introduced by management; • verifying the highest permission level access rights granted to users based on their roles and responsibilities; • guaranteeing the separation of development and production environments; • conducting additional, specific work on access rights.

Measurement of investments in equity-accounted companies
(See Note 4.10 to the consolidated financial statements)

Description of risk and main judgements	How our audit addressed this risk
The "Investments in equity-accounted companies" line in the statement of financial position represents a total of €24.2 billion. As stated in Note 4.10 to the consolidated financial statements, this item comprises investments in associates and joint ventures. The value of investments in equity-accounted companies corresponds to the portion held (percentage interest) in the equity of the corresponding companies plus any goodwill or measurement difference. Their value is tested for impairment on an annual basis, based on various different valuation techniques and macroeconomic assumptions, including: • historical data (equity values, share price); • projected data (projected profit and business plan); • market assumptions, particularly discount rate and perpetual growth rate; Estimating their value requires management to exercise judgement when selecting the inputs to be taken into account for the relevant investments. We therefore deemed the measurement of investments in equity-accounted companies to be a key audit matter.	We assessed the procedures implemented by Caisse des dépôts et consignations to measure the possible need for impairment of investments in equity-accounted companies. Depending on the different methods applied, we: • verified that the historical financial data used corresponded to the data validated by the auditors of the relevant companies; • reviewed the projections used, by ensuring they had been approved by the management teams of the relevant companies, and by assessing their consistency with the assumptions made to produce them and with past performance; • where appropriate, asked our valuation experts to evaluate the macroeconomic assumptions made and the discount rates used. For subsidiaries included in our audit scope, we assessed the consistency of the value of the investments used by Caisse des dépôts et consignations with the conclusions of the auditors of the relevant subsidiaries.

Specific verifications

As required by law and in accordance with professional standards applicable in France, we have also verified the information presented in the management report of the Caisse des dépôts et consignations Group.

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

Report on other legal and regulatory requirements

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of the Central Sector of Caisse des dépôts et consignations by way of the decision of the Chairman and Chief Executive Officer approving the financial statements for the year ended 31 December 2004, for PricewaterhouseCoopers Audit and for Mazars.

At 31 December 2018, PricewaterhouseCoopers Audit and Mazars were in the fifteenth year of total uninterrupted engagement, of which thirteen years since the securities of Caisse des dépôts et consignations were admitted to trading on a regulated market.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for preparing consolidated financial statements giving a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and for implementing the internal control procedures it deems necessary for the preparation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the entity'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 it expects to liquidate the entity or to cease operations.

The Financial Statement and Risk Review Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The consolidated financial statements were approved by the Chairman and Chief Executive Officer.

Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements

Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards 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 taken by users on the basis of these consolidated financial statements.

As specified in article L. 823-10-1 of the French Commercial Code, our audit does not include assurance on the viability or quality of the entity's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgement throughout the audit. They also:

- identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their 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 the internal control procedures 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 internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the consolidated financial statements;
- assess the appropriateness of management's 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 entity's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the entity to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the consolidated financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditors are responsible for the management, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed thereon.

Report to the Financial Statement and Risk Review Committee

We submit a report to the Financial Statement and Risk Review Committee, which includes, in particular, a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Financial Statement and Risk Review Committee includes the risks of material misstatement that, in our professional judgement, were the most significant for the audit of the consolidated financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Financial Statement and Risk Review Committee with the declaration provided for in article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in articles L. 822-10 to L. 822-14 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Financial Statement and Risk Review Committee.

Neuilly-sur-Seine and Courbevoie, 8 April 2019

The Statutory Auditors

PricewaterhouseCoopers Audit		Mazars	
Pierre Clavié	Cyrille Dietz	Gilles Magnan	Jean Latorzeff

Caisse des Dépôts' Business Review and Sustainable Development Report, as well as the financial statements and the Savings Funds Report, are all available on the corporate website at: https://www.caissedesdepots.fr/rapport-annuel-2018

Published by
Groupe Caisse des Dépôts
Corporate Communications Department
Finance Department (contact: Véronique Collet)

Note to the reader
The French version of the 2018 Financial Report includes the audited consolidated financial statements of Caisse des Dépôts Group, the audited financial statements of Caisse des Dépôts Central Sector, and the audited financial statements of the Savings Funds centralised by Caisse des Dépôts. The English version of the report includes solely the audited consolidated financial statements of Caisse des Dépôts Group. The detailed financial statements for the subsidiaries and for other organisations and establishments managed by Caisse des Dépôts are not presented in this report, but in specific reports prepared by those entities.

Production: **HAVAS PARIS**

Photograph credits: Getty Images Artur Debat

This product is made of FSC® certified and other controlled material

MIX
Paper from responsible sources
FSC® C131468
www.fsc.org

Groupe Caisse des Dépôts
56 rue de Lille
75007 Paris
T 01 58 50 00 00
caissedesdepots.fr

Caisse des Dépôts GROUPE

Ensemble, faisons grandir la France