FRENCH NATIONAL COVERED BOND LABEL REPORTING TEMPLATE

CB ISSUER Arkea Home Loans SFH
Reporting date December 2014

1 GROUP LEVEL INFORMATION AND SENIOR UNSECURED RATINGS

1.1

Group	Crédit Mutuel Arkéa
Group parent company	Crédit Mutuel
Group consolidated financial information (link)	http://www.cmarkea.com

1.2

		Rating	Rating Watch	Outlook
Senior unsecured rating (group parent company)	Fitch	NA	NA	NA
	Moody's	Aa3		Negative
	S&P	A		Negative

1.3

		Rating	Rating watch	Outlook
Covered bond issuer rating (senior unsecured)	Fitch	NA	NA	NA
	Moody's	NA	NA	NA
	S&P	NA	NA	NA

1.4

tier 1 ratio (%) (group parent company)	16,1%
as of	30/06/2014

2 COVERED BOND ISSUER OVERVIEW

2.1 **Covered bond issuer**

Name of the covered bond issuer	Arkea Home Loans SFH
Country in which the issuer is based	France
Financial information (link)	http://www.cmarkea.com/fr/investisseurs.html#bonds

Information on the legal framework (link)	link to ECBC website (www.hypo.org) with french SCF/SFH law (english translation) to be added
UCITS compliant (Y / N) ?	Y
CRD compliant (Y / N) ?	N

2.2 **Covered bonds and cover pool**

		Total outstanding	of which eligible entral bank repo-operations
Cover pool	Public sector exposures		
	Commercial assets		
	Residential assets	8 800	
	Substitute assets		
	Total	8 800	

Covered bonds	4 823

2.3 **Overcollateralisation ratios**

	minimum (%)	current (%)
Legal ("coverage ratio")	102,00%	183,31%
Contractual (ACT)	105,00%	182,48%
other		

2.4 **Covered bonds ratings**

		Rating	Rating Watch	Outlook
Covered bonds rating	Fitch	NA	NA	NA
	Moody's	NA	NA	NA
	S&P	AAA	NA	Stable

2.5 **Liabilities of the covered bond issuer**

LIABILITIES	Outstanding
Equity	40
Subordinated debt	
Other non privileged liabilities	
Total equity and non privileged liabilities	40
Covered bonds	4 823
Other privileged liabilities	
Total privileged liabilities	4 823
TOTAL	4 863

2.6 **Information required under article 129(7) CRR**

(i) Value of the cover pool and outstanding covered bonds : *please refer to section 2.2*
(ii) Geographical distribution : *please refer to section 4.3*
Type of cover assets : section 2.2
Loan size : section 4.12
Interest rate and currency risks
hedging policy : section 3.4
assets interest rate and currency : section 4.10
CB interest rate and currency : sections 6.1 and 6.2
(iii) Maturity structure of cover assets and covered bonds : *please refer to sections 3.1, 3.2 and 3.3*
(iv) Percentage of loans more than ninety days past due : *please refer to section 4.1*

2.7 **Compliance with the whole article 129 CRR** N

3 ALM OF THE COVERED BOND ISSUER

3.1 **WAL (weighted average life) of cover pool and covered bonds**

	Expected	Contractual
Public sector		
Residential	68,2	88,7
Commercial		
Substitute assets		
WAL of cover pool	68,2	88,7
WAL of covered bonds	62,7	83,8

3.2 **Expected maturity structure of cover pool and covered bonds**

	0 - 1 Y (years)	1 - 2 Y	2 - 3 Y	3 - 4 Y	4 - 5 Y	5 - 10 Y	10+ Y
Public sector							
Residential	1 171	1 061	953	846	747	2 495	1 526
Commercial							
Substitute assets							
Expected maturity of cover pool	**1 171**	**1 061**	**953**	**846**	**747**	**2 495**	**1 526**
Expected maturity of covered bonds	**1 500**	**0**	**0**	**0**	**10**	**3 009**	**304**

3.3 **Contractual maturity structure of cover pool and covered bonds**

	0 - 1 Y	1 - 2 Y	2 - 3 Y	3 - 4 Y	4 - 5 Y	5 - 10 Y	10+ Y
Public sector							
Residential	770	753	729	694	658	2 648	2 548
Commercial							
Substitute assets							
Contractual maturity of cover pool	**770**	**753**	**729**	**694**	**658**	**2 648**	**2 548**
Contractual maturity of cov. bonds	**1 500**	**0**	**0**	**0**	**10**	**2 381**	**932**
of which hard bullet	1 500	0	0	0	10	2 381	932
of which soft bullet							

3.4 **Interest rate and currency risks**

Interest rate risk	strategy, limits, counterparties etc (if applicable)	
	Les conditions de fonctionnement d'Arkea Home Loans SFH ne l'exposent pas à un risque de taux. En mode de fonctionnement normal (c'est à dire tant que Crédit Mutuel Arkéa n'est pas en défaut au titre de ses Actifs Eligibles), Arkea Home Loans SFH n'est pas exposé à un quelconque risque de taux dans la mesure où les emprunts, par émissions d'Obligations à l'Habitat, et les prêts consentis par Arkea Home Loans SFH à Crédit Mutuel Arkéa sont parfaitement adossés en notionnel, en taux, en maturité, en devise. Du fait de cet adossement, aucun swap n'est mis en place au niveau d'Arkea Home Loans SFH.	
	Nominal	WAL
Internal	0	0
External	0	0
Currency risk		
	Comme pour le risque de taux, les conditions de fonctionnement d'Arkea Home Loans SFH ne l'exposent pas à un risque de change. Par ailleurs, les émissions et les crédits du pool partagent la même devise (Euro).	
	Nominal	WAL
Internal	0	0
External	0	0

3.5 **Liquid assets**

		Outstanding nominal
ECB eligible internal ABS		
ECB eligible external ABS		
ECB eligible public exposures		
Substitute assets	ECB eligible	
	Other	
Total liquid assets		
% liquid assets / covered bonds		

Liquidity support		comments
% liquidity support / covered bonds		

3.6 **Substitution assets**

	Outstanding	WAL
AAA to AA-		
A+ to A-		
Below A-		
Total		

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4 RESIDENTIAL COVER POOL DATA

4.1 Arrears and defaulted loans outstanding (excluding external MBS)

	% of outstanding residential assets
Current	100%
Arrears	
0-1 months	NA
1-2 months	NA
2-3 months	NA
3-6 months	NA
6+ (Defaulted)	NA
>3 months	NA

4.2 Arrears and defaulted loans outstanding (including external MBS)

Zone	Country	%
EU	France	NA
other	other	NA

4.3 Regional breakdown of assets (excluding external MBS)

Region	%
Alsace	0,06%
Aquitaine	14,64%
Auvergne	2,98%
Basse Normandie	0,44%
Bourgogne	0,09%
Bretagne	64,63%
Centre	0,46%
Champagne-Ardennes	0,08%
Corse	0,07%
DOM - TOM	0,37%
Franche-Comté	0,03%
Haute Normandie	0,22%
Ile-de-France (Paris included)	5,75%
Languedoc Roussillon	0,49%
Limousin	0,13%
Lorraine	0,08%
Midi Pyrenées	1,07%
Nord-Pas-de-Calais	0,18%
Pays de Loire	3,43%
Picardie	0,15%
Poitou - Charentes	2,86%
Provence-Alpes-Côte d'Azur	0,90%
Rhones Alpes	0,89%
other	
No data	

4.4 **Unindexed current LTV (excluding external MBS)**

WA unindexed current LTVs (%)	69,27%

Category		%
LTV buckets	0 - 40	12,19%
	40 - 50	7,66%
	50 - 60	10,00%
	60 - 70	13,00%
	70 - 80	16,86%
	80 - 85	10,72%
	85 - 90	11,90%
	90 - 95	11,48%
	95 - 100	6,19%
	100 - 105	0,00%
	105 - 110	0,00%
	110 - 115	0,00%
	115+	0,00%

4.5 **Indexed current LTV (excluding external MBS)**

WA indexed current LTVs (%)	69,20%

Category		%
LTV buckets	0 - 40	13,55%
	40 - 50	7,40%
	50 - 60	9,58%
	60 - 70	12,32%
	70 - 80	16,19%
	80 - 85	9,69%
	85 - 90	10,66%
	90 - 95	10,73%
	95 - 100	9,50%
	100 - 105	0,38%
	105 - 110	0,00%
	110 - 115	0,00%
	115+	0,00%

4.6 **Mortgages and guarantees (excluding external MBS)**

		%
1st lien mortgage with state guaranty		38,72%
1st lien mortgage without state guaranty		0,00%
	Total 1st lien mortgages	38,72%
guaranteed	Crédit Logement	3,48%
	L'Equité - Generali	47,60%
	CNP Caution	10,21%
	other	0,00%
	total guarantees	61,28%

4.7 **Seasoning (excluding external MBS)**

Months	%
< 12	10,92%
12 - 24	13,81%
24 - 36	10,29%
36 - 60	32,38%
> 60	32,60%

4.8 **Loan purpose (excluding external MBS)**

	%
Owner occupied	84,32%
Second home	3,33%
Buy-to-let	12,35%
Other	0,00%
No data	0,00%

4.9 **Principal amortisation (excluding external MBS)**

	%
Amortising	95,80%
Partial bullet	3,90%
Bullet	0,30%
Other	0,00%
No data	0,00%

4.10 **Interest rate type (excluding external MBS)**

	%
Fixed for life	96,70%
Capped for life	3,06%
Floating (1y or less)	0,24%
Mixed (1y+)	0,00%
Other	0,00%
No data	0,00%

4.11 **Borrowers (excluding external MBS)**

	%
Employees	64,55%
Civil servants	18,31%
Self employed	13,70%
Retired / Pensioner	0,00%
Other non-working	1,52%
No data	1,92%

4.12 **Granularity, large exposures and loan size**

Number of loans	186 533
Average outstanding balance (€)	75 863 €

	% of total cover pool
5 largest exposures (%)	0,03%
10 largest exposures (%)	0,06%

	Number of loans	**Outstanding**	**% of total cover pool (outstanding)**
0-200k€	184 726	8 353 582 747	94,93%
200-400k€	1 752	423 428 339	4,81%
400-600k€	55	23 120 512	0,26%
600-800k€	-	-	0,00%
800-1M€	-	-	0,00%
>1M€	-	-	0,00%
TOTAL	186 533	8 800 131 598	100,00%

4.13 **Residential MBS**

	TOTAL	Internal	External
Outstanding	NA		

Internal RMBS DETAILS

Name	ISIN	Outstanding balance	Rating			Year of last issuance	% subordination	% reserve fund	% credit enhancement	Main country (assets)	Originator(s)
			Fitch	Moody's	S&P						
RMBS 1		NA									
RMBS 2		NA									
RMBS 3		NA									
etc…											

External RMBS DETAILS

Name	ISIN	Outstanding balance	Rating			Year of last issuance	Main country (assets)	Originator(s)
			Fitch	Moody's	S&P			
RMBS 1		NA						
RMBS 2		NA						
RMBS 3		NA						
etc…								

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5 PUBLIC SECTOR COVER POOL DATA

5.1 Arrears and defaulted loans outstanding

	% of outstanding public sector assets
Current	
Arrears	
0-1 months	
1-2 months	
2-3 months	
3-6 months	
Defaulted (6+)	
>3 months	

5.2 Geographical distribution and type of Claim

		Exposures to or garanteed by Supranational Institution	Exposures to Sovereigns	Exposures garanteed by Sovereigns	Exposures garanteed by ECA	Exposures to regions / departments / federal states	Exposures garanteed by regions / departments / federal states	Exposures to municipalities	Exposures garanteed by municipalities	Other direct public exposures	Other indirect public exposures	Total	%
EUROPE	France												
	other countries Europe….												
	…………………												
Asia	other countries Asia….												
other continents……	…………………												
Total													

5.3 Geographical distribution and nature of the underlying operation

		Loans	Securities	ABS	Total
EUROPE	France				
	other countries				
	…………………				
Asia	…………………				
	…………………				
other continents	…………………				
Total					

5.4 Regional exposures

	Outstanding balance	%
Alsace		
Aquitaine		
Auvergne		
Basse-Normandie		
Bourgogne		
Bretagne		
Centre		

Champagne-Ardenne		
Corse		
Franche-Comté		
Haute-Normandie		
Ile-de-France		
Languedoc-Roussillon		
Limousin		
Lorraine		
Midi-Pyrénées		
Nord-Pas-de-Calais		
Pays de la Loire		
Picardie		
Poitou-Charentes		
Provence-Alpes-Côte d'Azur		
Rhône-Alpes		
Dom-Tom		
other….		
Total		

5.5 **Interest rate**

	%
Fixed for life	
Capped for life	
Floating	
Mixed	
Other	
No data	

5.6 **Currency**

	%
EUR	
USD	
JPY	
Other	

5.7 **Principal amortisation**

	%
Amortising	
Partial bullet	
Bullet	
Other	
No data	

5.8 **Granularity and large exposures**

Number of exposures	
Average outstanding balance (€)	

5 largest exposures (%)	

10 largest exposures (%)	

	Number of loans	Outstanding	% of total cover pool (outstanding)
0-500k€			
500-1M€			
1M-5M€			
5M-10M€			
10M-50M€			
50M-100M€			
>100M€			
TOTAL			

5.9 **Public sector ABS**

	TOTAL	Internal	External
Outstanding			

Internal ABS DETAILS

Name	ISIN	Outstanding balance	Rating			Year of last issuance	% subordination	% reserve fund	% credit enhancement	Main country (assets)	Originator(s)
			Fitch	Moody's	S&P						
ABS 1											
ABS 2											
ABS 3											
etc…											

External ABS DETAILS

Name	ISIN	Outstanding balance	Rating			Year of last issuance	Main country (assets)	Originator(s)
			Fitch	Moody's	S&P			
ABS 1								
ABS 2								
ABS 3								
etc…								

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6 COVERED BONDS

6.1 Outstanding covered bonds

	2014	2013	2012	2011	2010	2009
Public placement	3 500	3 500	3 000	3 000	1 000	
Private placement	1 323	1 323	1 323	1 293	613	160
Sum	4 823	4 823	4 323	4 293	1 613	160

Denominated in €	4 823	4 823	4 323	4 293	1 613	160
Denominated in USD						
Denominated in CHF						
Denominated in JPY						
Denominated in GBP						
Other						
Sum	4 823	4 823	4 323	4 293	1 613	160

Fixed coupon	4 813	4 813	4 313	4 293	913	
Floating coupon	10	10	10		700	160
Other						
Sum	4 823	4 823	4 323	4 293	1 613	160

6.2 Issuance

	2014	2013	2012	2011	2010	2009
Public placement		500		2 000	1 000	
Private placement			30	1 220	773	160
Sum	-	500	30	3 220	1 773	160

Denominated in €		500	30	3 220	1 773	160
Denominated in USD						
Denominated in CHF						
Denominated in JPY						
Denominated in GBP						
Other						
Sum	-	500	30	3 220	1 773	160

Fixed coupon		500	20	3 220	1 073	
Floating coupon			10		700	160
Other						
Sum	-	500	30	3 220	1 773	160

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unless detailed otherwise
all amounts in EUR millions (without decimals)
percentages (%) with 2 decimals
time periods in months (with 1 decimal)

Group level information, senior unsecured ratings and covered bond issuer overview

1.2 Ratings of the parent company of the group in which the CB issuer is consolidated.

1.3 **Covered bond issuer ratings**
The rating agencies' methodologies ususally take the senior unsecured rating of a covered bond issuer's parent company as a starting point for their assessment of the credit risk of covered bonds.
However, instead of refering to the parent company rating, some rating agencies may issue a "covered bond issuer rating" which is an assessment of the credit quality of a CB issuer's credit quality on an unsecured basis. Generally, a "covered bond issuer rating" is the same as the senior unsecured rating of the CB issuer's parent company although it may be different in some specific cases.
If no "CB issuer rating" has been granted to the CB issuer, "NA" should be indicated.

2.1 **Covered bond issuer**

2.2 **Covered bonds and cover pool**

<u>Guaranteed loans or mortgage promissory notes :</u>
If the eligible assets are transfered into the cover pool using guaranteed loans (i.e. collateral directive framework) or mortgage promissory notes, the outstanding amount of the eligible assets pledged as collateral of the notes or loans should be indicated instead of the amount of the guaranteed loans.

<u>Asset backed securities :</u>
If eligible asset backed securities are included in the cover pool, the explanations to the reporting should specify whether the information is provided using a look through approach (i.e. underlying assets) or if the outstanding amount of ABS securities held is indicated.

<u>"Of which assets eligible to CB refinancing" :</u>
The outstanding amount of eligible assets including replacement assets shall be filled in.
The eligible amounts only take into account assets which fulfill the legal eligibility criteria to the cover pool.
For residential loans, the eligible amounts are limited to 80% of the value of the pledged property for mortgage loans or of the financed property for guaranteed loans. The legal coverage ratio's weightings of eligible assets are not taken into account in this calculation (e.g. a loan guaranteed by an eligible guarantor with an LTV level below the 80% / 60% cap is entered for 100% of its outstanding amount regardless of the guarantor's rating).

2.3 **Overcollateralisation ratios**

Each issuer shall explain calculation methodology for each OC ratio :
- formulas
- all amounts shall be indicated after taking into account the cover pool's interest rate or currency swaps.
- accrued interest included or excluded ?

The legislation requires that the calculation of the legal coverage ratio be audited semi-annually within a period of three months following the calculation date. As a consequence, the current ratio is provisionnal / unaudited when the report is published. The last audited ratio is provided as an additional information.

Rating agencies : Minimum OC
Issuers shall disclose the highest minimum OC requirement.

3 **ALM**

<u>Contractual maturities :</u>
Contractual maturities are calculated assuming a zero prepayment scenario on the cover pool assets.
For pass through ABS, this assumption is applied to the underlying assets to determine the contractual maturity of the ABS (i.e. contractual maturity is not calculated according to the legal final maturity of the securities).

<u>Expected maturities :</u>
The assumptions underlying the calculation of the expected WAL and expected maturity breakdown shall be disclosed for each element of the cover pool including substitute assets.
Some information should be provided to explain the prepayment assumptions on assets and liabilities.
For substitute assets, it should be explained if these assumptions include asset sales or repo.

3.5 **Liquid assets**

<u>Outstanding</u>
The nominal value of liquid assets shall be reported.

<u>Liquidity support</u>
Provide details on the nature of liquidity support.

3.6 **Substitution assets**
Details of the information provided shall be given in the case of split ratings.

Residential cover pool data

4 Explain for each table which information is included or not included (e.g. external RMBS assets excluded)

The assets backing guaranteed loans (collateral directive framework), mortgage promissory notes and internal ABS shall be disclosed using a look through approach in each table.

4.2, 4.3 **Geographical distribution / regional breakdown**
The geographical breakdown of assets shall take into account the location of the pledged property for residential mortgages and the location of the property which is refinanced by the loan in the case of guaranteed loans. List can be extended by individual issuers where applicable

4.4 **Unindexed current LTV**
Unindexed LTV is calculated on the basis of the current outstanding amount of the loans and the initial valuation / price of the residential assets.

4.5 **Indexed current LTV**
Indexed LTV is calculated on the basis of the current outstanding amount of the loans to the appraised values or prices of the residential assets using an indexation methodology. Details of the indexation methodology shall be provided.

4.6 **Mortgages and guarantees**
Provide a breakdown by guarantee regime in the case of state guarantees

4.10 **Interest rate type**

<u>"Floating"</u> includes loans with with interest rate reset periods exceeding one year (e.g. loan indexed on CMS 5Y with an interest rate reset every five years)

<u>"Mixed"</u> shall be used for loans with a combination of fixed, capped or floating periods (e.g. 10 years initial fixed rate switching to floating).

Public sector cover pool data

5 Explain for each table which information is included or not included.