

CRÉDIT MUTUEL – CIC HOME LOAN SFH

**a French société anonyme à conseil d'administration
(joint-stock company with a Board of Directors)
with capital €220,000,000**

**6 Avenue de Provence
75452 Paris Cedex 9**

Siren no.: Paris Trade and Companies Register no.: 480 618 800

SPECIAL AUDITOR'S CERTIFICATION

**REGARDING COMPLIANCE WITH THE COVERAGE RATIO IN
CONNECTION WITH THE PROGRAM FOR THE ISSUE OF PREFERRED
RESOURCES
OF THE 1ST QUARTER 2019**

Pursuant to Articles L. 513-23 and R. 513-16-IV
of the French Monetary and Financial Code

To the members of the Board of Directors:

In our capacity as special auditor (“contrôleur spécifique”) of Crédit Mutuel - CIC Home Loan SFH and pursuant to the provisions of Articles L. 513-23 and R. 513-16 of the French Monetary and Financial Code, we have verified compliance with the rules related to the coverage ratio specified in Articles L. 513-12 and R. 513-8 of the French Monetary and Financial Code in connection with a quarterly program for the issue of resources with preferred status under Article L. 513-11 of this same code.

In a decision taken on November 21, 2018, the Board of Directors of Crédit Mutuel - CIC Home Loan SFH set the maximum limit of the program for the issue of resources with preferred status under Article L. 513-11 of the French Monetary and Financial Code at €3 billion, or its equivalent in foreign currencies, for the first quarter of 2019.

Article L. 513-12 of the French Monetary and Financial Code stipulates that the total amount of your company's assets must exceed the amount of the liabilities with preferred status under Article L. 513-11 of this code. Moreover, Article R. 513-8 of this code requires that housing finance companies comply at all times with a coverage ratio of assets to preferred resources of at least 105%.

Our duty is to certify compliance with these rules with respect to the quarterly issue program.

Compliance with these rules, as regards the quarterly issue program, was verified on the basis of financial estimates, for the period to date, and financial projections, for the coming period, prepared under your responsibility. The financial projections are based on assumptions regarding the future situation that you considered the most likely on the date on which they were made. This information is attached to this certification.

In fulfilling our engagement, we have carried out the checks we considered necessary in light of the professional policies of the Compagnie nationale des commissaires aux comptes (National Association of Statutory Auditors).

Our work entailed:

- verifying the consistency of the amount of the quarterly issue program with the amount in the minutes of the meeting of the governing body at which these issues were authorized;
- reviewing the process for preparing the financial projections as regards the quarterly issue program, it being noted that since these projections are by definition uncertain, actual results will sometimes vary significantly from the projections;
- verifying the methods used to calculate the coverage ratio resulting from these projections, as provided by Articles 8 and 9 of CRBF Regulation 99-10 and by Instruction 2016-I-09 of the French Prudential Supervisory and Resolution Authority;
- verifying compliance with the rules specified in Articles L. 513-12 and R. 513-8 on the basis of these financial projections.

Our work did not include verifying compliance with the rules specified by Regulation (EU) 575/2013 applicable as of January 1, 2014.

On the basis of our work, we have no observations regarding Crédit Mutuel - CIC Home Loan SFH's compliance with the provisions of Articles L. 513-12 and R. 513-8 of the French Monetary and Financial Code, after considering this quarterly issue program.

This certification is prepared for your benefit and that of the French Prudential Supervisory and Resolution Authority. We assume no liability with respect to any other third party to whom this certification may be disseminated or become available.

This certification is governed by French law. The French courts have exclusive jurisdiction over any dispute, claim or disagreement arising out of our engagement letter or this certification or any matter relating thereto. Each party irrevocably waives its right to contest an action brought before these courts or to claim that the action was brought before a court without jurisdiction or that these courts lack jurisdiction.

Paris, Thursday, January 3, 2019

The special auditor

Fides Audit

represented by Stéphane Massa

€billions	Estimated at November 30, 2018	Projected at March 31, 2019
COVERAGE RATIO	134%	125%
NUMERATOR: Refinanceable amount of the loans provided as collateral & replacement values	(1) and (2) 31.46	(1) and (2) 31.08
DENOMINATOR: Resources with preferred status	(3) 23.55	(4) 24.85

Figures after taking into account:

(1) the limitation in the numerator of the parent company's exposure ratio of 25% of the non-preferred resources (in accordance with Article R. 513-8 of the French Monetary and Financial Code and Article 9 of CRBF Regulation 99-10):

in €millions	Estimated at November 30, 2018	Projected at March 31, 2019
Non-preferred resources	4,048	2,348
of which regulatory cash advance	3,700	2,000
25% limit	1,012	587

(2) The refinanceable amount of the loans provided as collateral, which was determined:

- at 11/30/2018 based on the collateral pledged on 11/13/2018 for €31.001 billion corresponding to the principal balance of the loans at 10/31/2018.
- at 03/31/2019 based on the collateral pledged on 12/11/2018 for €31.001 billion corresponding to the principal balance of the loans at 11/30/2018.

in €millions	Estimated at November 30, 2018	Projected at March 31, 2019
CRD pledged	31,001	31,001
Refinanceable amount of the loans	30,390	30,428

Numerator of the ratio in €millions		
Refinanceable amount of the loans	30,390	30,428
Other eligible assets	61	61
Replacement values used	1,012	587
Total	31,463	31,076

(3) preferred resources of which €23.287 billion correspond to the nominal amount of outstanding bond issues valued in euros at the swap exchange rate
(See Table Nominal amount of outstanding bond issues on November 30, 2018)

(4) - the quarterly limit of €3 billion (or equivalent in foreign currency) set by the Board of Directors on November 21, 2018

- the end of series 29 for €1.7 billion on 02/06/2019

Nominal amount of outstanding bond issues on November 30, 2018

Series number	Nominal amount of issues in original currency	ISIN code	Listing stock exchange	Foreign currency	Nominal amount in euros ALM ⁽¹⁾	Nominal amount in euros Accounting ⁽²⁾	Difference ⁽³⁾	Contractual maturity dates	Extended maturity dates	Self-subscribed issues
29	1,700,000,000	FR0011725407	Euronext Paris	EUR	1,700,000,000	1,700,000,000	-	06/02/2019		NO
18	2,000,000,000	FR0011137926	Euronext Paris	EUR	2,000,000,000	2,000,000,000	-	27/04/2019		YES
25	1,250,000,000	FR0011473495	Euronext Paris	EUR	1,250,000,000	1,250,000,000	-	22/04/2020		NO
11	1,500,000,000	FR0010939207	Luxembourg Stock Exchange	EUR	1,500,000,000	1,500,000,000	-	09/09/2020		NO
14	1,950,000,000	FR0011022094	Luxembourg Stock Exchange	EUR	1,950,000,000	1,950,000,000	-	17/03/2021		NO
31	1,000,000,000	FR0012452217	Euronext Paris	EUR	1,000,000,000	1,000,000,000	-	21/01/2022		NO
23	300,000,000	FR0011223668	Luxembourg Stock Exchange	NOK	39,698,294	30,800,821	8,897,472	22/03/2022		NO
33	1,500,000,000	FR0013113453	Euronext Paris	EUR	1,500,000,000	1,500,000,000	-	12/09/2022	12/09/2023	NO
12	1,650,000,000	FR0010990390	Luxembourg Stock Exchange	EUR	1,650,000,000	1,650,000,000	-	16/01/2023		NO
27	1,350,000,000	FR0011564962	Euronext Paris	EUR	1,350,000,000	1,350,000,000	-	11/09/2023		NO
19	1,250,000,000	FR0011182542	Euronext Paris	EUR	1,250,000,000	1,250,000,000	-	19/01/2024		NO
30	1,000,000,000	FR0011991306	Euronext Paris	EUR	1,000,000,000	1,000,000,000	-	16/06/2024		NO
16	750,000,000	FR0011121185	Luxembourg Stock Exchange	NOK	96,961,862	77,002,053	19,959,809	07/10/2024		NO
34	750,000,000	FR0013236247	Euronext Paris	EUR	750,000,000	750,000,000	-	10/02/2025	10/02/2026	NO
32	1,000,000,000	FR0013065117	Euronext Paris	EUR	1,000,000,000	1,000,000,000	-	07/04/2026	07/04/2027	NO
35	1,250,000,000	FR0013282142	Euronext Paris	EUR	1,250,000,000	1,250,000,000	-	15/09/2027	15/09/2028	NO
36	1,000,000,000	FR0013313020	Euronext Paris	EUR	1,000,000,000	1,000,000,000	-	02/02/2026	02/02/2027	NO
37	1,000,000,000	FR0013332012	Euronext Paris	EUR	1,000,000,000	1,000,000,000	-	30/04/2028	30/04/2029	NO
38	1,000,000,000	FR0013378213	Euronext Paris	EUR	1,000,000,000	1,000,000,000	-	26/10/2028	26/10/2029	YES
39	1,000,000,000	FR0013378239	Euronext Paris	EUR	1,000,000,000	1,000,000,000	-	26/10/2028	26/10/2029	YES

TOTAL	23,286,660,156	23,257,802,875	28,857,281
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(1) Nominal amount in euros ALM: Issues in foreign currencies are valued in euros at the swap exchange rate.

(2) Nominal amount in euros Accounting: Issues in foreign currencies are valued in euros at the exchange rate on the reporting date.

(3) The differences are due to changes between the swap exchange rate on the issue date and the accounting exchange rate on 11/30/2018.