

SUPPLEMENT DATED 22 FEBRUARY 2019

TO THE INFORMATION MEMORANDUM DATED 25 JUNE 2018



DEXIA CRÉDIT LOCAL

(a *société anonyme* established under the laws of the Republic of France)

EURO 45,000,000,000

**Guaranteed Euro Medium Term Note Programme
benefiting from an unconditional and irrevocable first demand guarantee
by the States of Belgium, France and Luxembourg**

This Supplement (the “**Supplement**” or the “**Fourth Supplement**”) is supplemental to, and should be read in conjunction with, the Information Memorandum dated 25 June 2018 (the “**Information Memorandum**”, which term, where the context admits, shall include such Information Memorandum as amended and/or supplemented from time to time including, without limitation, by this Fourth Supplement and all references to “this **Information Memorandum**” shall be construed accordingly) prepared in relation to the €45,000,000,000 Guaranteed Euro Medium Term Note Programme (the “**Programme**”) of Dexia Crédit Local (the “**Issuer**”).

The Information Memorandum does not constitute a prospectus as defined in Article 5.4 of Directive 2003/71/EC (the “**2003 Prospectus Directive**”), as amended by Directive 2010/73/EU (the “**2010 Prospectus Directive**” and, together with the 2003 Prospectus Directive, the “**Prospectus Directive**”), and may be used only for the purpose for which it is published. The purpose of the Information Memorandum in relation to Notes is to give information with respect to the issue of Notes. The Notes will be exempt from the Prospectus Directive pursuant to Article 1.2(d) thereof and the Notes will not be treated as being within the scope of the Prospectus Directive. The Information Memorandum has not been, and will not be, approved by the CSSF as complying with the Prospectus Directive.

The Information Memorandum may not be used for any offering to the public or any admittance to trading on a regulated market of Notes in any jurisdiction which would require the approval and publication of a prospectus under the Prospectus Directive or similar document under applicable law.

The Issuer accepts responsibility for the information contained in this Fourth Supplement. The Issuer declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Fourth Supplement is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

Unless the context otherwise requires, terms defined in the Information Memorandum shall have the same meaning when used in this Fourth Supplement.

To the extent that there is any inconsistency between (a) any statement in this Fourth Supplement or any statement incorporated by reference into the Information Memorandum by this Fourth Supplement and (b) any other statement in or incorporated by reference into the Information Memorandum, the statements in (a) above will prevail.

Save as disclosed in this Fourth Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Information Memorandum since the publication of the Information Memorandum.

This Fourth Supplement is available on the Luxembourg Stock Exchange's website (www.bourse.lu).

This Fourth Supplement has been prepared for the purpose of updating the Issuer's information.

Update of the Issuer's information in the section "*Dexia Crédit Local—Recent developments*"

The following paragraph is inserted at the end of the above mentioned section located page 87 of the Information Memorandum:

Prudential requirements applicable to the Dexia Group with regard to solvency as from 1 March 2019

On 14 February 2019, the European Central Bank (ECB) informed the Dexia Group of the qualitative and quantitative prudential requirements with regard to solvency applicable to Dexia SA and its subsidiaries as from 1 March 2019, in accordance with Council Regulation (EU) 1024/2013 dated 15 October 2013. These requirements are based in particular on the conclusions of work carried out by the ECB within the framework of the Supervisory Review and Evaluation Process, (SREP).

The Total SREP Capital Requirement (TSCR) has been set at 11% on a consolidated basis. This level includes a minimum own funds requirement of 8% (Pillar 1) and an additional own funds requirement of 3% (P2R – Pillar 2 Requirement). By including the capital conservation buffer, of 2.5%, as well as the countercyclical buffer relating to exposures in France and the United Kingdom, estimated at 0.35%, this takes the own funds requirement to 13.85%. By way of a reminder, in 2018, the level of Total SREP Capital Requirement applicable to Dexia SA was set at 12.125% (including capital conservation buffer).

In addition the ECB expects Dexia to comply with Pillar 2 capital guidance (P2G) of 1%, to be held over the level of 13.85% and to be made up entirely of Common Equity Tier 1 capital (CET 1).

As a consequence, the minimum level of the CET1 ratio goes to 11.35%, taking account of P2G.

These levels are applicable to Dexia SA and to Dexia Crédit Local, on a consolidated basis, as well as its subsidiaries.