

**PROSPECTUS SUPPLEMENT N° 2 DATED 30 JUNE 2017
TO THE BASE PROSPECTUS DATED 14 OCTOBER 2016**



Arkéa Public Sector SCF

(société de crédit foncier duly licensed as a French specialised credit institution)

**€10,000,000,000 Euro Medium Term Note Programme
for the issue of *obligations foncières* and other privileged notes**

This second supplement (the "**Second Supplement**") is supplemental to, and must be read in conjunction with, the base prospectus dated 14 October 2016 (the "**Base Prospectus**") and the first supplement to the Base Prospectus dated 24 April 2017 (the "**First Supplement**") prepared with respect to the €10,000,000,000 Euro Medium Term Note Programme (the "**Programme**") for the issue, from time to time, subject to compliance with all relevant laws, regulations and directives, of French law *obligations foncières* (the "**French law Privileged Notes**") or German law registered notes (together with the French law Privileged Notes, the "**Privileged Notes**") by Arkéa Public Sector SCF (the "**Issuer**"). Unless the context otherwise requires, terms defined in the Base Prospectus have the same meaning when used in this Second Supplement.

On 14 October 2016, the *Commission de surveillance du secteur financier* (the "**CSSF**") as competent authority in Luxembourg under the *loi relative aux prospectus pour valeurs mobilières* dated 10 July 2005, as amended (the "**Luxembourg Law**"), which implements Directive 2003/71/EC of the European Parliament and of the Council dated 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading, as amended (the "**Prospectus Directive**"), has approved the Base Prospectus as a base prospectus for the purposes of article 5.4 of the Prospectus Directive.

Application has been made to the CSSF for approval of this Second Supplement as a supplement to the Base Prospectus for the purposes of article 16 of the Prospectus Directive and article 13 of Luxembourg Law. The Base Prospectus so supplemented constitutes a base prospectus for the purposes of the Prospectus Directive.

This Second Supplement has been produced for the purposes of updating the following sections of the Base Prospectus:

- "SUMMARY"
- "*RESUME*";
- "DESCRIPTION OF THE ISSUER"; and
- "GENERAL INFORMATION".

So long as any of the French law Privileged Notes are outstanding, copies of the Base Prospectus, the First Supplement and this Second Supplement will be available for inspection and obtainable, upon request and free of charge, during usual business hours, on any weekday at the registered office of the Issuer (1, rue Louis Lichou, 29480 Le Relecq Kerhuon, France) and at the specified office(s) of the Paying Agent(s). Such documents will also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

The Issuer accepts responsibility for the information contained in this Second Supplement. To the best of its knowledge (having taken all reasonable care to ensure that such is the case), the information contained in this Second Supplement is in accordance with the facts and contains no omission likely to affect its import.

Save as disclosed in this Second Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus.

To the extent that there is any inconsistency between (a) any statement in this Second Supplement and (b) any statement in or, incorporated by reference into, the Base Prospectus, the statement in (a) above shall prevail.

In accordance with article 16(2) of the Prospectus Directive, in case of French law Privileged Notes offered to the public, investors who have already agreed to purchase or subscribe French law Privileged Notes before the publication of this Second Supplement benefit from a withdrawal right within a time limit of two (2) working days after the publication of this Second Supplement if the new factor, mistake or inaccuracy referred to in article 16.1 of the Prospectus Directive arose before the final closing of the offer to the public and the delivery of the French law Privileged Notes (*i.e.* until 4 July 2017 included).

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SUMMARY

On page 8 of the Base Prospectus, the Element B.13 entitled "*Description of any recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency*" set forth in section "SUMMARY" shall be deleted and replaced by the following:

B.13	<i>Description of any recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency</i>	<p>On 18 May 2017, the extraordinary general meeting of Arkéa Public Sector SCF decided to a share capital increase in cash of twenty million euros (€20,000,000) by issuing two million (2,000,000) shares with a par value of ten euros (€10).</p> <p>Crédit Mutuel Arkéa subscribed to all the shares.</p> <p>Arkéa Public Sector SCF's share capital is now fifty millions euros (€50,000,000) since the issuance of the funds deposit certificate by the custodian bank dated 19 June 2017.</p>
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RESUME

On pages 19 to 20 of the Base Prospectus, the Element B.13 entitled "*Description de tout évènement récent propre à l'Emetteur et présentant un intérêt significatif pour l'évaluation de sa solvabilité*" set forth in section "**RESUME**" shall be deleted and replaced by the following:

B.13	<i>Description de tout évènement récent propre à l'Emetteur et présentant un intérêt significatif pour l'évaluation de sa solvabilité</i>	<p>Le 18 mai 2017, l'assemblée générale extraordinaire d'Arkéa Public Sector SCF a autorisé l'augmentation de capital social en numéraire d'un montant de vingt millions d'euros (EUR20 000 000) par l'émission de deux millions (2 000 000) d'actions d'un montant de valeur nominale de 10 euros (€10) chacune.</p> <p>Crédit Mutuel Arkéa a souscrit à l'intégralité des actions.</p> <p>Le capital social d'Arkéa Public Sector SCF est de cinquante millions d'euros (EUR50 000 000) depuis l'émission du certificat de dépôt des fonds par le dépositaire des fonds en date du 19 juin 2017.</p>
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DESCRIPTION OF THE ISSUER

- On page 82 of the Base Prospectus, the first paragraph of the sub-section entitled "*Share capital and Shareholder's undertakings*" set forth in section "DESCRIPTION OF THE ISSUER" shall be deleted and replaced by the followings:

"Share capital and Shareholder's undertakings

Share capital

The Issuer's authorised and issued share capital is fifty million euros (€50,000,000) consisting of five million (5,000,000) ordinary shares with a par value of ten euros (€10) each. "

- On page 87 of the Base Prospectus, the sub-section entitled "Recent Developments" set forth in section "DESCRIPTION OF THE ISSUER" shall be completed by the following paragraph:

"On 18 May 2017, the extraordinary general meeting of Arkéa Public Sector SCF decided to a share capital increase in cash of twenty million euros (€20,000,000) by issuing two million (2,000,000) shares with a par value of ten euros (€10).

Crédit Mutuel Arkéa subscribed to all the shares.

Arkéa Public Sector SCF's share capital is now fifty millions euros (€50,000,000) since the issuance of the funds deposit certificate by the custodian bank dated 19 June 2017."

GENERAL INFORMATION

- On pages 115 and 116 of the Base Prospectus, the last sub-paragraph of the paragraph (2), of section "GENERAL INFORMATION" shall be deleted and replaced by the following:

"For this purpose, on 18 May 2017, the board of directors (*conseil d'administration*) of the Issuer has (i) authorised the issue of *obligations foncières* and other privileged notes under the Programme for maximum nominal amount of €1,000,000,000 (or its equivalent in other currencies) for the period running from 18 May 2017 and ending on 17 May 2018 (included) and (ii) delegated to the chief executive officer (*directeur général*) and the vice chief executive officer (*directeur général délégué*) of the Issuer, the power to issue such Privileged Notes."

- On pages 115 and 116 of the Base Prospectus, paragraph (5), of section "GENERAL INFORMATION" shall be deleted and replaced by the following:

"(5) Except as disclosed in the Second Supplement, There has been no significant change in the financial or trading position of the Issuer since 31 December 2016."