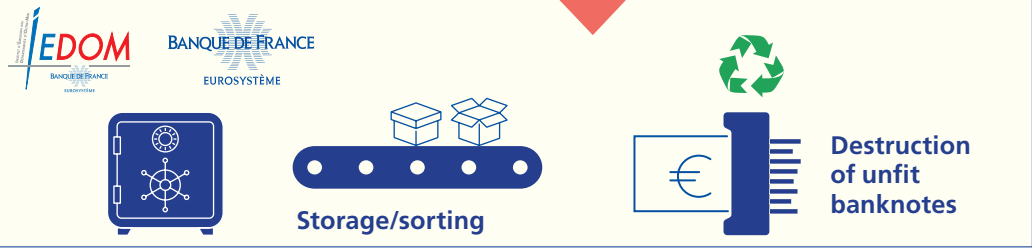


THE BANKNOTE LIFECYCLE

MANUFACTURING



ISSUANCE



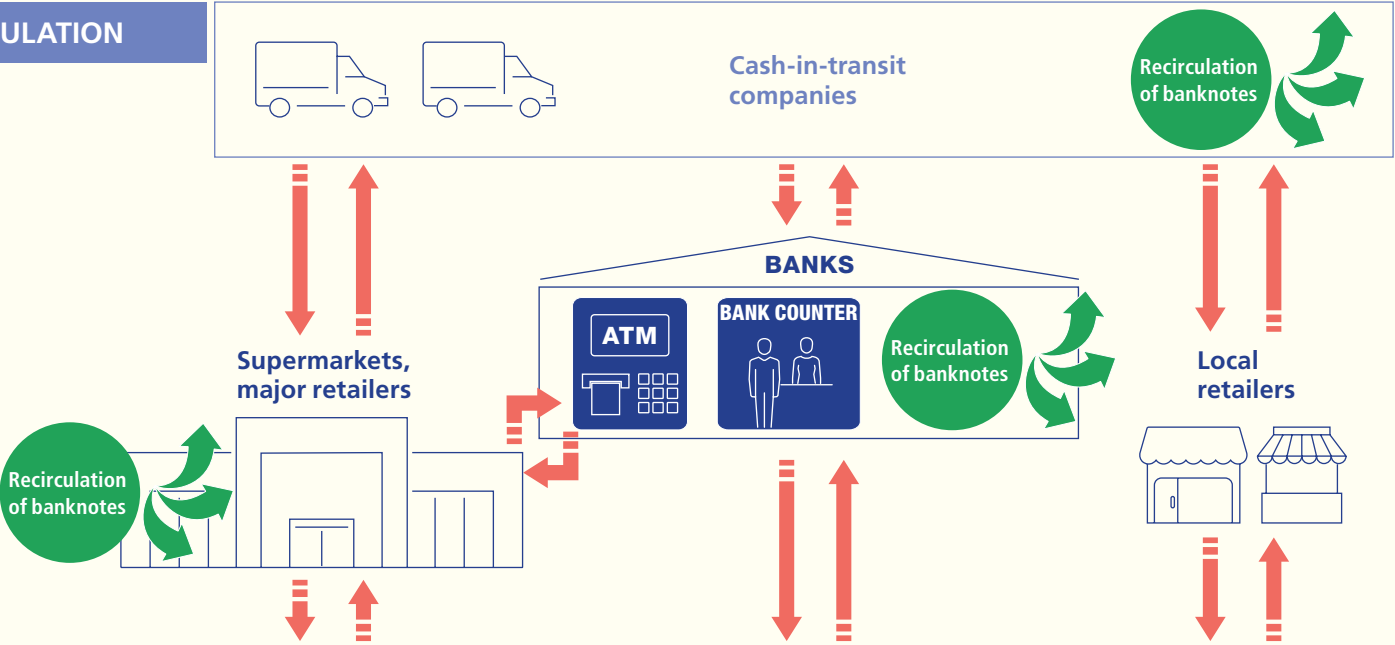
New banknotes are distributed to the Banque de France's 23 cash and cash-management centres and 6 IEDOM branches.
Banknotes lodged by cash-in-transit companies are sorted to detect counterfeits and unfit notes. Unfit banknotes (on average 12% of sorted notes) are destroyed. Fit banknotes are recirculated.

WITHDRAWALS IN 2022
— by volume: 4,024 million
— by value: EUR 107 billion

LODGEMENTS IN 2022
— by volume: 3,641 million
— by value: EUR 96 billion

The volume of banknotes in circulation depends on public demand:
withdrawals generally exceed lodgements at central bank counters, increasing the amount of banknotes in circulation.

CIRCULATION



Banknote lodgements and withdrawals are recorded in the banks' accounts held with the Banque de France. For security reasons, these operations are carried out by cash-in-transit companies, which supply ATMs and bank branches and collect cash received, either from bank branches or directly from retailers.

Some of the collected banknotes (around 49%) are returned to the Banque de France. The others (around 51%) are sorted locally, with 62% of external recycling carried out by cash-in-transit companies. Banknotes that are deemed fit after quality and authenticity checks are put back into circulation.

Banknotes are mainly withdrawn by the public via automated teller machines (ATMs). In 2022, a little over 1 billion withdrawals were made, for a total value of EUR 133 billion. The average withdrawn amount was EUR 116.

GENERAL PUBLIC

Cash settlement accounted for 50% of in-store purchases in terms of volume, and half that in value terms, in France in 2022 (SPACE survey, 2022, European Central Bank), and accounted for around 35% of total transactions by value. Banknotes are also hoarded by the general public as a store of value.