



CRÉDIT AGRICOLE S.A.

Paris, 30 August 2007

Extremely robust earnings growth reflects the Group's new dimension

Second quarter 2007 results

(Q2-07 compared with Q2-06)

▪ Net banking income	€5,271 million (+21.9 %*)
▪ Operating income	€1,522 million (+20.7 %*)
▪ Net income (Group share)	€1,292 million (+20.3 %*)

Half-year 2007 results

(H1-07 compared with H1-06)

▪ Net banking income	€10,286 million (+20.6 %*)
▪ Gross operating income	€3,789 million (+20.7 %*)
▪ Net income (Group share)	€3,947 million (+17.9 %*)
▪ Annualised ROE after tax	15.5%*

Crédit Agricole S.A.'s board of directors, chaired by René Carron, met on 29 August 2007 to review the accounts for the first half of 2007.

Crédit Agricole S.A. generated net income (Group share) of €3,947 million, an increase of 48.7% compared with the same period in 2006. Excluding atypical items (primarily the gain on the disposal of the stake in Intesa in the first quarter and charges for LCL's 2007-2010 competitiveness plan), net income expanded by 17.9%, under the impetus of an excellent performance in the second quarter.

At €1,292 million, net income (Group share) rose by 20.3%* despite a conservative approach to the impacts of the US subprime loan turmoil, thereby confirming the great strength of the Group's profitable growth model. During the second quarter, net banking income reached an all-time high, with a rise of 21.9%* driven by robust business momentum and acquisitions. Operating income advanced by 20.7%*.

The Group is reaping the fruits of its well-diversified model, which cushions economic ups and downs and allows it to adjust proactively to structural trends in each of its business lines, including the turbulent international markets climate owing to the events in the US mortgage market, intense competition in France, and the launch of LCL's competitiveness plan.

* Excluding atypical items.

The contributions from corporate and investment banking and the specialised business lines were up sharply, with increases of 8% and 18% respectively. Corporate and investment banking delivered an outstanding performance, including in the second quarter. The first half was also excellent for the asset management businesses, in terms of both revenues and earnings, while specialised financial services benefited from solid momentum abroad, underpinned by acquisitions. In French retail banking, business continued on a solid trend and net income excluding atypical items (provision for home purchase savings schemes and LCL competitiveness plan) continued to expand steadily in a highly competitive environment. In International retail banking, operating results surged as a result of acquisitions. Emporiki's restructuring plan is moving forward as anticipated, and Cariparma and FriulAdria delivered better-than-expected operational and financial results. On 1 July, as announced, the 173 Intesa branches were switched over, in a feat of technological and managerial skill.

During the first half, the Group continued to diversify its businesses on an expanded scale, especially abroad, in keeping with its 2006-2008 development plan. In addition to International retail banking, all other business lines made acquisitions. In Specialised financial services, after forming the joint venture with Fiat, Sofinco extended its business to Saudi Arabia by creating Sofinco Saudi Fransi and entered into an agreement with ABN AMRO to acquire the Dutch companies Interbank and DMC, which will make Sofinco the leader in the Netherlands. In Asset management, insurance and private banking, CAAM broadened its international reach with the opening of two sales offices (in Sydney and Beijing) and a branch in Frankfurt. CACEIS agreed to take over the custody business of Hypo Vereinsbank (HVB) and announced the signature of an agreement to acquire Olympia Capital International, a group specialising in fund administration services. In private banking, Crédit Agricole Luxembourg acquired Banque Sarasin's operations in Luxembourg. In life insurance, Crédit Agricole SA gained approval to create a subsidiary in Japan, Crédit Agricole Life Insurance Company Japan Ltd. In non-life, Pacifica announced the acquisition of the 60 % of AF IARD that it does not already own from AGF. In capital market activities, Calyon and Société Générale entered into an agreement to merge the brokerage operations of their subsidiaries Calyon Financial and Fimat to create Newedge, a world leader in the brokerage of listed derivatives. Lastly, Crédit Agricole Immobilier acquired two property developers, Monné-Decroix and RSB.

These transactions reflect Crédit Agricole S.A.'s ability to identify opportunities that strengthen and enhance the distribution capacity of each of its business lines.

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At the end of the Board of Directors meeting, René Carron noted "our exceptional robust earnings growth, which, in a less favourable climate, reflects the strength of Group's new scope and momentum".

Georges Pauget said: "The Group reacted rapidly at the very first signs of the turmoil, it adjusted to the situation and it has taken a conservative approach in its accounts. Halfway through implementation of our 2006-2008 development plan, we are ahead of our main goals."

CRÉDIT AGRICOLE S.A. CONSOLIDATED RESULTS

The extremely robust **second quarter results** are in line with those of the preceding periods, despite the conservatively estimated impact of the US subprime loan turmoil. Crédit Agricole S.A.'s net income (Group share) over the quarter was €1,292 million and €1,370 million excluding atypical items (releases of provisions for home purchase savings schemes, impact of Intesa and competitiveness plan), a rise of 20.3% on the second quarter of 2006.

The Group's **net banking income** rose to an all-time high, with a jump of 26.4% on the second quarter of 2006 (up 21.9% excluding atypical items*) owing to strong revenues for the business lines and the beneficial effects of growth by acquisition.

Following the €485 million charge for the bank LCL 2007-2010 competitiveness plan, **operating expenses** rose by 41.7% in the second quarter. **Gross operating income** advanced by 3.5% and by 21.2% excluding atypical items*.

Risk-related costs remained low at 29 basis points, moving in line with business growth.

In the first half of 2007, Crédit Agricole S.A.'s **net income (Group share)** was €3,947 million, an impressive 48.7% jump on the first half of 2006. This includes gains on dilution and disposal of Crédit Agricole S.A.'s stake in Intesa, which amounted to €1.5 billion in the first quarter, as well as the €485 million charge for LCL's competitiveness plan booked in the same quarter. Excluding atypical items*, the Group also delivered a robust 17.9% increase in net income, yielding annualised ROE of 15.5%. Return on capital allocated to the business lines was 20.8%.

Net banking income was €10,286 million. This 26% increase on the already high year-ago level reflects the business line's organic growth and the development of international retail banking, six months of Emporiki and four months of Cariparma/FriulAdria. NBI was also lifted by a €492 million gain on the disposal of part of Crédit Agricole S.A.'s interest in Intesa Sanpaolo and from the initial dividends received from that entity after it was deconsolidated. Restated for atypical items (gain on disposal booked in the first quarter of 2007, dividend from Intesa, releases of provisions for home purchase savings schemes), NBI would have increased by 20.6%.

Operating expenses came to €6,497 million, including €485 million for LCL's competitiveness plan. Excluding this provision, the 20.5% increase was due to the integration of newly consolidated entities (Emporiki and Cariparma) and robust organic business growth.

Gross operating income was €3,789 million, a rise of 19.3% (20.7% excluding atypical items) and the cost/income ratio was stable at 62.8% (excluding atypical items*).

Risk-related costs (€434 million) remained low; excluding the acquisitions in international retail banking, they were 2.1% higher than in the first half of 2006.

The **earnings contribution of equity affiliates** receded by €241 million year-on-year in the first half, primarily due to the deconsolidation of Intesa.

Net income on disposal of other assets was €1,072 million, including the €1,043 million dilution gain on Intesa registered in the first quarter.

* Atypical items encompass: movements in provisions on home purchase savings plans and Eurazéo's equity-accounted contribution in 2006 and 2007, the impact from Intesa (deconsolidation, gain on dilution and gains recognised in the first quarter of 2007, 2007 dividend), and charges to provisions for the LCL competitiveness plan recognised in the second quarter of 2007.

€M	Q2-07	Q2-06	Δ Q2/Q2	Δ Q2/Q2 excluding atypical items*	H1-07	H1-06	Δ H1/H1	Δ H1/H1* excl. atypical items
Net banking income	5,271	4,171	+26.4%	+21.9%	10,286	8,166	+26.0%	+20.6%
Operating expenses	(3,538)	(2,496)	+41.7%	+22.3%	(6,497)	(4,989)	+30.2%	+20.5%
Gross operating income	1,733	1,675	+3.5%	+21.2%	3,789	3,177	+19.3%	+20.7%
Risk-related costs	(211)	(168)	+25.6%	+25.6%	(434)	(295)	+47.1%	+47.1%
Net operating income	1,522	1,507	+1.0%	+20.7%	3,355	2,882	+16.4%	+17.8%
Equity affiliates	268	327	(18.0%)		647	888	(27.1%)	
Net gain/(loss) on disposal of other assets	5	37	(80.6%)		1,070	40	nm	
Tax	(363)	(488)	(25.6%)		(843)	(959)	(12.1%)	
Net income	1,428	1,383	+3.3%		4,221	2,851	+48.1%	
Net income – Group share	1,292	1,284	+0.6%		3,947	2,654	+48.7%	
Cost/income ratio	67.1%	59.8%	+7.3 pts	+0.2 pt	63.2%	61.1%	+2.1 pts	(0.1 pt)

MARKET CONTEXT

The US subprime loan crisis had a limited impact on Crédit Agricole S.A. Only two business lines are affected – Asset Management and Corporate and Investment Banking.

Crédit Agricole Group's asset management business line does not directly hold any US subprime loan. Its only exposures, which are very limited (€100m), result from multimanagement business

Calyon does not directly hold any US subprime loan. As part of its credit derivatives engineering/distribution business on behalf of customers, Calyon has a portfolio of ABS CDO tranches that are in the structuring phase prior to marketing, as well as CDO tranches not yet sold.

Since the inception of the US mortgage turmoil in February 2007, Calyon has not initiated any new structuring transactions. The ABS' portfolio in stock now contains only €586 million of subprime loans and has been valued conservatively. The amount of mezzanine CDO tranches that are now being marketed is confined to €280 million and have been impaired conservatively: 68% were covered at end-June, resulting in a net exposure of €91 million.

In the second quarter, difficulties encountered in these businesses were more than offset by the performance of the other capital market activities desks. On first analysis, based on trends in July and August, corporate and investment banking activities delivered results similar to those seen in July and August 2006.

FINANCIAL POSITION

At 30 June 2007, Crédit Agricole S.A.'s **capital funds** (Group share) stood at €66.9 billion. **Shareholders' equity** (Group share) amounted to €41.9 billion. The €7.6 billion increase since 1 January 2007 is attributable primarily to the €4 billion share issue at the beginning of the year and to first-half earnings.

Risk-weighted assets were €308 billion at the end of June 2007, a rise of 16.8% during the first half, due mainly to acquisitions (Cariparma and FriulAdria) and organic growth.

As at 30 June 2007, the Group's European solvency ratio was 9.8% and the Tier One ratio was 8.9%.

RESULTS BY BUSINESS LINE

1. FRENCH RETAIL BANKING

1.1. - CRÉDIT AGRICOLE REGIONAL BANKS

During the first half, the Regional Banks continued the development strategy initiated in 2006 to capture market share in the savings and credit market and meet the needs of customers who in many cases use several different banks. The range was enhanced with innovative, targeted offers. These efforts were underpinned by a sustained increase in branch openings, with 57 new locations opened during the first half. The business franchise continued to expand, with 129,000 new accounts opened in the second quarter, for an additional 240,000 accounts since the beginning of the year.

On- and off-balance sheet deposits rose by 7.3% year-on year (compared with growth of 5.6% in the same year-ago period) to €486.3 billion, driven by a sharp increase in money-market products, with a 10.2% advance in passbook accounts, including a 22.1% advance in Sustainable Development accounts, and in demand deposits (up 6.8%). In life insurance, inflows continued to grow at a solid 10.6% with an impressive 81% jump in unit-linked policies year-on-year. Securities (mutual funds and equities) also delivered a handsome performance, with growth of 7.6%.

In lending, loan production continued to run high during the first half, at €33.8 billion, up 2.9% on the very high level in the first half of 2006. It was driven by the residential mortgage market, which accounted for 56% of total production (up 2.6%), as well as loans to businesses (up 16.5%) and farmers (up 5.4%). Loans outstanding rose steadily, to €308.8 billion, up 10% on 30 June 2006.

In the first half of 2007, the consolidated Regional Banks' **net banking income** under IFRS expanded to €5,946 million (excluding dividends and similar income from Crédit Agricole S.A.), or by 2.5% excluding releases of provisions for home purchase savings plans.

In a climate of intense competition and amortisation of old, high-margin loans, the interest margin widened by 0.7%, underpinned by solid results in financial management. Fee income was 5.2% higher than in the first half of 2006, primarily due to continued growth in premium cards and services to small business customers and to the persistently solid momentum in insurance, with a 6.5% rise in fee income.

Despite the aggressive new branch opening programme, **operating expenses** were tightly controlled; they edged up 1.2% to €3,516 million. As a result, the Regional Banks' **cost/income ratio** receded by 0.7 percentage point compared with 2006 to 59.5% (based on NBI excluding dividends and similar income received from Crédit Agricole S.A. and restated for provisions for home purchase savings plans).

Gross operating income rose by an impressive 4.6% year-on-year to €2,430 million (excluding dividends and similar income received from Crédit Agricole S.A.), adjusted for movements in provisions for home purchase savings plans.

The Regional Banks continued their provisioning effort, with **risk-related costs** of €545 million over the first half.

In all, their **contribution to** Crédit Agricole S.A.'s **net income** was 11.8% higher in the first half of 2007 than in the same year-ago period, yielding ROE of 19.3% for the business line (before Crédit Agricole S.A. taxes).

In the **second quarter**, the contribution to Crédit Agricole S.A.'s net income was €136 million, a 52.7% jump on the second quarter of 2006, when the basis of comparison was historically low owing to standardisation of Basle 2 provisions within the Regional Banks.

€m	Q2-07	Δ Q2/Q2	Δ Q2/Q1	H1-07	Δ H1/H1	Δ H1/H1 excl. home savings schemes
Net income accounted for at equity (at 25%)	120	+11.8%	(40.2%)	320	+0.9%	+11.8%
Change in share of reserves	30	x4.3	(70.7%)	143	+33.9%	+33.9%
Income from equity affiliates	152	+32.8%	(51.1%)	463	+9.2%	+17.9%
Tax*	(16)	(36.9%)	(77.3%)	(87)	(0.6%)	(0.6%)
Net income	136	+52.7%	(43.4%)	376	+11.8%	+23.3%

* Tax impact of dividends received from the Regional Banks

1.2. – LCL

During the first half of 2007, LCL gradually began to lay the foundations for its future growth.

- The implementation of the new organisations presented in 2006, the common goal of which is a strong refocusing on the end customer to increase marketing effectiveness, was completed during the second quarter of 2007.
In the branch network, 1,800 out of 14,000 employees were reassigned and 43 new business centres were created alongside dedicated private banking business lines in France's major cities.
- On 1 June, LCL unveiled a competitiveness plan for 2007-2010, aimed at stimulating its development. The purpose of this plan is to lower the cost base and to improve the bank's cost/income ratio by:
 - streamlining administrative functions;
 - rationalising IT expenditure ;
 - optimising the use of operating property in Ile-de-France;
 - enhancing the effectiveness of marketing networks.

The plan will cost a total of €485 million, including €405 million for its human resources component. It will be allocated to the LCL retail banking (€175 million) and proprietary asset management and other activities (€310 million) business lines, based on the projected reductions in costs.

After the plan has been fully implemented, costs are expected to be cut by €300 million a year, or 11% of the 2006 cost base.

- A development plan to be unveiled at the end of the year will contribute two-thirds of the 10 percentage point improvement in the bank's cost/income ratio, with a target of 65%.

In terms of business, these reorganisations are already starting to show results, with 40,000 net new accounts opened in the first half.

Customer deposits were up 5.1% at 30 June 2007, against a rise of 3% at 31 March 2007, to €136.5 billion. On the balance sheet, deposits in passbook accounts surged by 11.2% year-on-year and demand deposits continued to advance (up 2.4% at end-June 2007 following an increase of 1.5% at end-March 2007). The branch network's off-balance sheet inflows were driven mainly by life insurance (up 10.3%).

After an exceptional year in 2006, growth in lending remained brisk, with a 9.5% year-on-year increase at 30 June 2007, even though growth in residential mortgage loans slowed to 11.2% from 23.7% a year earlier. It was also fuelled by a 12.5% rise in loans to business customers.

Net banking income, restated for releases of provisions for home purchase savings plans, advanced by 1.8% year-on-year. This growth was due to a respectable 6.8% rise in fee income. Owing to a concern for moderation of pricing, it was driven primarily by the branch network's performance in insurance. The interest margin dipped 3.0% in a persistently difficult interest rate and competitive climate.

Operating expenses remained well under control, edging up 0.5% year-on-year, excluding provisions for the competitiveness plan.

Restated for provisions for home purchase savings schemes and the competitiveness plan, **gross operating income** advanced 4.9% and the cost/income ratio contracted by 0.9 percentage point year-on-year, to 69.2%.

Risk-related costs remained under control at a low €73 million, or 31 basis points of risk-weighted assets compared with 33 basis points at end-2006. As a result, net operating income expanded by 5.3%.

In all, LCL reported **net income (Group share)** of €223 million, down 38.9% year-on-year. Excluding exceptional items (movements in provisions for home savings schemes and competitiveness plan), net income (Group share) was 4.5% higher than in H1 2006. **ROE** was 21.1%.

In the **second quarter of 2007**, **gross operating income** (excluding atypical items) was 4.1% higher than in the second quarter of 2006, owing to a 2% rise in NBI and coupled with excellent control over operating expenses, which edged up 1% from their level in the second quarter of 2006. Once again, was met the target of maintaining a differential of at least 1 point between growth in revenues and expenses.

Risk-related costs remained low at €34 million.

Net income (Group share) was 2.2% higher than in the same year-ago period.

€m	Q2-07	Δ Q2/Q2	Δ Q2/Q2 excl. home savings schemes & plan	H1-07	Δ H1/H1	Δ H1/H1 excl. home savings & plan
Net banking income	934	+1.5%	+2.0%	1,833	(1.5%)	+1.8%
Operating expenses	(785)	+29.9%	+1.0%	(1,427)	+14.6%	+0.5%
Gross operating income	149	(52.8%)	+4.1%	406	(33.9%)	+4.9%
Risk-related costs	(34)	(4.2%)	(4.2%)	(73)	+2.2%	+2.2%
Net operating income	115	(58.9%)	+5.2%	333	(38.7%)	+5.3%
Net income – Group share	73	(61.7%)	+2.2%	223	(38.9%)	+4.5%
Cost/income ratio	84.0%	+18.3 pts	(0.7 pt)	77.9%	+10.9 pts	(0.9 pt)
Allocated capital (€bn)				2.8		
ROE				21.1%		

2. INTERNATIONAL RETAIL BANKING

The international retail banking business line is undergoing rapid transformation following the investments made during 2006. During the first half of 2007, it generated **net income (Group share)** of €222 million, yielding ROE of 18.7%.

Since the end of 2006, its scope of consolidation has been modified appreciably following the transactions in Italy. Banca Intesa S.p.a., which was previously consolidated as an equity associate in this business line, was deconsolidated as from 1 January 2007.

The scope of consolidation has gradually expanded following the acquisitions of the Italian branch network, in keeping with the initially announced plan: acquisition of Cariparma and FriulAdria as of 1 March, acquisition of 29 Banca Intesa branches by FriulAdria on 1 April and, lastly, on 1 July, acquisition of 173 Intesa San Paolo Spa branches by Cariparma.

During the first half, the business of **Cariparma/FriulAdria** was boosted by the inclusion in the scope of consolidation as from 1 April of the 29 additional Intesa branches. This increased the number of branches to 495 as of 30 June 2007 and the total number of customers of the new Italian group to 967,000. Customer deposits advanced to €16.8 billion and loans outstanding expanded to €18.5 billion. The launch in May of three marketing campaigns will further accelerate business development.

Over the period, financial results were in line with expectations. The contribution from Cariparma + FriulAdria during the second quarter was as follows: €314 million to NBI (up 8% on the first quarter of 2007); expenses of €158 million (up 17%) including €15 million in integration-related costs; and €77 million of net income. The combined impact on net income (Group share) of the Italian network over the second quarter exceeded €53 million.

Following its integration phase, **Emporiki** is deploying its transformation programme. During the first half of 2007, the bank began to revive its business momentum, notably via major mortgage lending and consumer credit campaigns. At the same time, it initiated its operational transformation, which is expected to start bearing fruit during the second half.

Net banking income was €240 million in the second quarter and €481 million in the first half. Volume growth offsets pressure on the interest margin.

Expenses came to €169 million in the second quarter and €321 million in the first half. They were contained, given the cost of the transformation process and the increase in the number of employees in the subsidiaries in the Balkans. Emporiki's net income (Group share) of €6 million in the second quarter lifted its contribution to first-half income to €19 million.

Excluding the Group's Italian and Greek networks, the business line generated net banking income of €142 million in the second quarter, up nearly 10% on the same year-ago period. In the first half, NBI rose by 22.9% over its H1 2006 level to €273 million. Expenses increased more rapidly (by 37.5%), reflecting the reinforcement and diversification of the Group's bases abroad.

Even after the deconsolidation of Intesa, which contributed €109 million in the second quarter of 2006, equity affiliates generated very high income of €88 million in the second quarter, underpinned by the significant contribution from BES (€84 million in Q2, €114 million in H1).

€m	Q2-07	Δ Q2/Q2	Δ Q2/Q1	H1-07	Δ H1/H1
Net banking income	698	x5.4	+47.9%	1,171	x5.3
Operating expenses	(460)	x4.6	+49.5%	768	x4.3
Gross operating income	238	x8.1	+44.9%	403	x9.1
Risk-related costs	(72)	x4.1	+11.2%	(138)	x6.3
Net operating income	166	x13.8	+67.0%	265	x11.6
Equity affiliates	88	(36.6%)	x2.5	124	(52.3%)
Income before tax	254	+67.6%	+89.1%	389	+37.7%
Net income – Group share	148	+4.9%	x2.0	222	(15.6%)
Cost/income ratio	65.9%	(11.2 pts)	+0.7 pt	65.6%	(14.3 pts)
Allocated capital (€bn)				3.0	
ROE				18.7%	

3. SPECIALISED FINANCIAL SERVICES

During H1 2007, the Specialised financial services business line continued to expand, underpinned by acquisitions. It generated **net income (Group share)** of €294 million, a rise of 13.5% on the first half of 2006. This was impacted by change in the scope of consolidation, primarily the consolidation since the end of 2006 of 50% of FAFS, which was since renamed FGAFS (Fiat Group Automobiles Financial Services), which contributed €26 million to the business line's income in the first half.

In factoring, business indicators were very healthy, both in France and abroad. Eurofactor had €20.1 billion in factored receivables, up 23% on the first half of 2006, with 36% generated abroad (a 1 percentage point increase over the year). The sharp rise in net income (Group share) is due to high gross operating income and contained risk-related costs.

In lease finance (€12.6 billion of outstandings at 30 June 2007), net income registered a 19% increase on the first half of 2006 and of 3.4% on the second quarter of 2006, owing to lower expenses and risk-related costs.

In consumer finance, business momentum remained strong, especially abroad. Total production over the first half exceeded €16 billion, including €8.8 billion generated abroad.

Total credit outstandings stood at €56.8 billion at 30 June 2007, up 44.4% year-on-year, primarily due to the consolidation of FGAFS as from the end of 2006. On a like-for-like basis, outstandings expanded by 10.2% year-on-year in the first half, with 22.4% growth outside France and an impressive performance by the Southern European, Mediterranean and Eastern European subsidiaries.

In France, Finaref strengthened and developed its partnerships with Téléshopping via the launch in early May of OKshopping, an m-commerce product that allows customers to pay for purchases over their mobile phone and with Madelios, via the Madelios private label card launched in mid-June.

It continued to extend its international reach with the opening in early July of Sofinco Saudi Fransi, a new subsidiary created by Sofinco and Banque Saudi Fransi (31.1% owned by Calyon) in Saudi Arabia and the announced agreement with ABN AMRO to acquire 100% of the Dutch companies Interbank N.V. and DMC Groep N.V.

The net banking income of the Consumer finance segment came to €629 million in Q2 and €1,245 million in H1, a rise of over 14% on the same year-ago periods.

In all, **net banking income** in Specialised financial services advanced by 11.9% in Q1 and by 12.3% in H1 (up 1.9% like-for-like) to €1,471 million despite a highly competitive climate and a lacklustre market in France.

Operating expenses for the business line advanced by 14.2% and by just 4% on a like-for-like basis, in keeping with growth in consumer finance operations abroad.

Gross operating income came to €689 million in the first half, an increase of 10.3% year-on-year; adjusted for changes in the scope of consolidation it was virtually stable (down 0.5%).

Risk-related costs amounted to €247 million, up 16.2% on the first half of 2006, in keeping with the expanded scope of consolidation. On a like-for-like basis, the increase was 5.3%.

Net income (Group share) for the business line was €142 million in Q2 (up 7.7%) and €294 million in H1, generating return on equity of 21.3%.

€m	Q2-07	Δ Q2/Q2	Δ Q2/Q1	H1-07	Δ H1/H1
Net banking income	743	+11.9%	+2.1%	1,471	+12.3%
Operating expenses	(393)	+15.5%	+1.2%	(782)	+14.2%
Gross operating income	350	+8.1%	+3.1%	689	+10.3%
Risk-related costs	(125)	+12.9%	+2.6%	(247)	+16.2%
Net operating income	225	+5.5%	+3.3%	442	+7.3%
Equity affiliates	1	(21.1%)	(11.8%)	3	+3.2%
Net gain/(loss) on disposal of other assets	4	nm	nm	23	nm
Income before tax	230	+7.0%	(3.7%)	468	+12.8%
Net income – Group share	142	+7.7%	(6.4%)	294	+13.5%
Cost/income ratio	52.9%	+1.6 pt	(0.5 pt)	53.2%	+0.9 pt
Allocated capital (€bn)				3.1	
ROE				21.3%	

4. ASSET MANAGEMENT, INSURANCE AND PRIVATE BANKING

During the second quarter, Asset management, insurance and private banking continued to deliver an excellent performance mirroring that of the first quarter, in terms of business and financial results. Its contribution to Group income rose sharply.

Net new inflows during the first half amounted to €34.2 billion, boosting assets under management (excluding double counting) to €673.9 billion at end-June 2007, with €617.5 billion outside Italy.

Assets under management within the asset management division exceeded €583 billion. Of this, 22% was generated by the CAAM's international entities.

Excluding Italy, AUM moved up 14.8% year-on year (or 14.3% on an unchanged consolidation basis) to €526.7 billion at 30 June 2007. The €36.3 billion increase over the first half was driven by solid business momentum, with net new inflows of €18.7 billion, primarily into specialised and structured funds as well as money-market and bond funds. It was also due to a favourable market impact over the period.

The Group continues to expand abroad. CAAM opened two new sales offices (in Sydney and Beijing) to strengthen its presence in Asia and created a branch in Frankfurt.

Following the signature of the agreement to unwind the CAAM Sgr joint venture in March 2007, on 27 June, the Group announced the reorganisation of its Italian subsidiary and reiterated its development strategy in Italy with two major focuses:

- retail customers: by redeploying its range across an expanded base via the newly acquired Cariparma and FriulAdria networks and by continuing to spread its reach to external distribution channels;
- institutional investors: by capitalising on CAAM Sgr's image as an innovator offering a competitive product range and by continuing to promote its pension fund range following the pension reform initiated in Italy.

In **financial services to institutions**, CACEIS is encountering commercial successes and delivered solid financial results.

Outstandings expanded by 13% year-on-year even though CACEIS Bank Espana was deconsolidated at the end of 2006. Assets under custody rose by €125 billion since the beginning of the year to €1,911 billion at 30 June 2007. Assets under administration increased by €67 billion over the first half to €928 billion. By the end of the year, CACEIS will take over HypoVereinsbank's (HVB) custody business. This is a major stage in its international expansion. Furthermore, in July 2007, CACEIS announced the signature of an agreement to acquire Olympia Capital International, a group specialised in administration services for alternative products.

In **Private banking**, growth in assets under management accelerated to 15.5% over one year, boosting AUM to €94.8 billion at 30 June 2007. This is an increase of €6.9 billion over the first half, despite the unfavourable impact of the euro/dollar exchange rate. In addition to financial market performance during the first half, this was due to a solid €4 billion advance in new inflows, an increase of 20% on the same year-ago period.

In early July, the regulatory authorities approved the acquisition of Bank Sarasin Europe S.A. (the Luxembourg subsidiary of Banque Sarasin) by Crédit Agricole Luxembourg. This acquisition strengthens the Group's private banking business in Europe and Crédit Agricole Luxembourg now ranks among the top five private banks in Luxembourg, with €15 billion in assets under management. The two entities are scheduled to merge by mid-2008.

Life insurance also continued to deliver a strong performance during the second quarter with premium income of €5.5 billion, bringing the total for the first half to €11.5 billion. While this figure is lower than H1 2006, which was exceptional due to transfers of home purchase savings plans, it is 11.8% higher (on an unchanged consolidation basis) than in H1 2005.

The strategy of refocusing on unit-linked products is paying off: these policies accounted for 24% of savings inflows during the first half, compared with 19% over the full year 2006. Moreover, following intensive sales and logistics efforts, the "Fourgous transfer" campaign, met with resounding success, with €9.4 billion transferred in the first half.

Abroad, on 8 June 2007, Crédit Agricole S.A. obtained approval to create a life insurance company in Japan, Crédit Agricole Life Insurance Company Japan Ltd. This transaction will enable the Group to sell savings products, primarily unit-linked contracts, through partner bank networks in Japan.

In all, mathematical provisions rose by 14.9% over one year to €176.7 billion (10.7% on a like-for-like basis, excluding BES Vida).

In the **non-life insurance market**, business momentum remained solid: Pacifica wrote over 660,000 new policies during the first half of 2007 and premium income was €959 million, 23.3% higher than in the same year-ago period (up 19.1% on an unchanged consolidation basis).

It registered strong growth in traditional insurance (motor, comprehensive household, non-life farm insurance). In addition, its new ranges (comprehensive for small businesses, health for individuals) met with success and got off to an excellent start.

Furthermore, under the terms of the 23 December 2004 preliminary agreement between Crédit Agricole S.A. and AGF, AGF will sell its 60% interest in Assurances Fédérales IARD to Pacifica Subject to approval by the authorities, this will give Pacifica full control over marketing of its non-life insurance range through the LCL branch network.

Momentum across all of these segments generated a robust increase in net banking income for the business line, with an increase of 24.6% year-on-year to €1,148 million in Q2 and of 16.1% (13.1% like-for-like) to €2,207 million in the first half.

Operating expenses advanced by 9.2% year-on-year in H1 2007 but by only 5.8% on a like-for-like basis. Gross operating income was €1,313 million, up 21.4% over one year (up 18.7% like-for-like).

Earnings of equity affiliates advanced from €37 million in H1 2006 to €8 million in H1 2007 owing to the change in the method of accounting for the Portuguese insurance subsidiaries, which are now fully consolidated.

Net income (Group share) for the business line rose by 20.2% year-on-year to €454 million in the second quarter. Over the first half, it expanded by 19.6% year-on-year to €896 million, yielding ROE of 23.8%.

€m	Q2-07	Δ Q2/Q2	Δ Q2/Q1	H1-07	Δ H1/H1
Net banking income	1,148	+24.6%	+8.5%	2,207	+16.1%
Operating expenses	(438)	+13.0%	(3.7%)	(894)	+9.2%
Gross operating income	710	+33.0%	+17.7%	1,313	+21.4%
Risk-related costs	4	nm	nm	4	x4.2
Net operating income	714	+34.0%	+18.4%	1,317	+21.7%
Equity affiliates	2	(93.3%)	(68.9%)	8	(78.4%)
Net gain/(loss) on disposal of other assets	(2)	nm	nm	(2)	(15.0%)
Income before tax	714	+27.7%	+17.3%	1,323	+18.4%
Net income – Group share	454	+20.2%	+3.0%	896	+19.6%
Cost/income ratio	38.2%	(3.9 pts)	(4.8 pts)	40.5%	(2.6 pts)
Allocated capital (€bn)				7.6	
ROE				23.8%	

5. CORPORATE AND INVESTMENT BANKING

H1 2007 was a turbulent period, with the fallout from the US mortgage market turmoil affecting various components of the credit market, coupled with volatile equity markets, higher prices of raw materials (especially oil) and the depreciation in the dollar, which lost 6% against the euro between 30 June 2006 and 30 June 2007.

Calyon showed resilience in this difficult climate, owing to a good balance among its businesses, its solid positions in Europe and world-wide, and the good geographical diversification of its revenues.

During the **second quarter**, it delivered a handsome performance, confirming its excellent first-quarter results. Impressive overall momentum, underpinned by Calyon's leading positions in world rankings, generated a solid level of business in both capital markets and financing activities in a persistently low-risk climate.

Net banking income was €1,578 million in Q2 2007, a solid 5.6% rise on Q2 2006 after taking into account the impact of the difficulties in the US mortgage market.

Over the first half, net banking income was €3,197 million, up 14.3% on the same year-ago period at constant exchange rates. It benefited from diversification of the portfolio, further expansion of the customer base and the higher percentage of business generated abroad.

The rise in expenses was slightly lower in the first half at 13.8% at constant exchange rates, primarily reflecting continued investments in staffing and in IT systems.

Gross operating income advanced by 10.1% or by 14.9% at constant exchange rates to €1,327 million and the cost/income ratio was contained to 58.5%, below the 60% target.

Net income (Group share) came to €997 million in the first half, up 8% year-on-year, leading to a ROE of 22.8%.

€m	Q2-07	Δ Q2/Q2	Δ Q2/Q1	H1-07	Δ H1/H1	Δ H1/H1*
Net banking income	1,578	+5.6%	(2.6%)	3,197	+10.7%	+14.3%
Operating expenses	(957)	+10.9%	+4.7%	(1,870)	+11.1%	+13.8%
Gross operating income	621	(1.7%)	(12.1%)	1,327	+10.1%	+14.9%
Risk-related costs	2	nm	nm	16	nm	
Net operating income	623	+1.0%	(13.5%)	1,343	+12.8%	
Equity affiliates	37	(10.0%)	+2.2%	73	(19.7%)	
Net gain/(loss) on disposal of other assets	0	nm	nm	0	nm	
Income before tax	660	+0.9%	(12.8%)	1,416	+10.8%	
Net income – Group share	459	(0.6%)	(14.9%)	997	+8.0%	
Cost/income ratio	60.6%	+2.9 pts	+4.2 pts	58.5%	+0.2 pt	
Allocated capital (€bn)				9.1		
ROE				22.8%		

*At constant exchange rates

Financing activities

In a climate of persistently firm demand and continuous pressure on margins, Financing activities managed to maintain the return on risk-weighted assets owing to good momentum in syndication, which was ranked eighth in the EMEA region and third in Asia (excluding Japan) by IFR/Thomson.

In structured finance, which generated 63% of revenues in Financing activities in Q2 2007, project finance and aircraft and ship finance boosted their net banking income appreciably.

In LBO finance, the portfolio amounts to €4 billion, 95% of which is in senior secured tranches, with an average unit exposure of €30 million. In syndication, the amount outstanding is €1.1bn, and €329 million in collective provisions have been booked for LBOs.

In commercial banking, business was again driven by the international network.

Overall, net banking income, excluding non recurrent gains on restructured debts in 2006, increased by 18% in the second quarter compared to Q2 2006, and advanced by 14.9% at constant exchange rates to €1,210 million.

Gross operating income was €724 million, up 13.9% at constant exchange rates.

As a result, Financing activities retained a very good level of operational efficiency with the cost/income ratio held down to 40.1%.

Risk-related costs reflect the absence of deterioration in the loan portfolio. In Q2 2007 collective reserves were increased to €1,190 millions (up 6% from 31 december 2006), due to the situation on the US mortgage market.

Net income (Group share) amounted to €582 million in the first half of 2007 compared with €543 million a year earlier. After-tax ROE was 17.9%.

€m	Q2-07	Δ Q2/Q2	Δ Q2/Q1	H1-07	Δ H1/H1	Δ H1/H1*
Net banking income	581	(3.4%)	(7.5%)	1,210	+11.4%	+14.9%
Operating expenses	(234)	+7.8%	(7.3%)	(486)	+14.1%	+16.5%
Gross operating income	347	(9.7%)	(7.7%)	724	+9.7%	+13.9%
Risk-related costs	(4)	(73.0%)	nm	10	nm	
Net operating income	343	(6.9%)	(12.1%)	734	+14.0%	
Equity affiliates	35	(16.9%)	(0.6%)	70	(23.0%)	
Income before tax	378	(7.9%)	(11.1%)	804	+9.4%	
Tax	(95)	(9.4%)	(13.5%)	(205)	+17.1%	
Net income – Group share	273	(8.5%)	(11.5%)	582	+7.1%	
Cost/income ratio	40.2%	+4.2 pts	+0.1 pt	40.1%	+0.9 pt	
ROE				17.9%		

* At constant exchange rates

Capital markets and investment banking

In a mixed business climate, Capital markets and investment banking turned in an impressive performance in the first half of 2007. Revenues jumped by 10.2% or by 13.9% at constant exchange rates to €1,987 million.

In Capital market activities, net banking income reached an all-time high of €1,186 million, of which €600 millions in Q2 2007, owing to excellent momentum in the different business lines. Fixed income derivatives enjoyed a Q2 similar to Q1, which increased sharply over the last quarters of 2006, foreign exchange and treasury operations registered their second best quarter after the Q1 2007, equity derivatives continue their trend with a growth by 19% Q2 on Q2. The performance of the Credit & CDO markets was adversely affected by deterioration in the US mortgage market.

The Brokerage division had its best six months ever, with revenues up 22% year-on-year.

CA Cheuvreux is ranked the No. 2 brokerage in European small caps and among the Top 5 in research in European countries by Thomson Excell. CLSA is ranked first in Asia research by Greenwich Surveys and increased its revenues by 41% Q2 on Q2.

Investment banking also delivered record revenues, with a solid performance in both advisory services and primary equities.

Operating expenses were €1,384 million, up 12.9% at constant exchange rates.

Gross operating income advanced by 16.1% at constant exchange rates to €603 million and the cost/income ratio remained stable at 69.7%.

Net income (Group share) was €415 million, a rise of 9.4% on H1 2006.

On 8 August, Calyon and Société Générale entered into an agreement to merge the brokerage operations of their subsidiaries, Calyon Financial and Fimat, resulting in the creation of Newedge, a world leader in the brokerage of listed derivatives. The new entity is expected to become operational at the beginning of 2008, subject to approval by the supervisory authorities.

€m	Q2-07	Δ Q2/Q2	Δ Q2/Q1	H1-07	Δ H1/H1	Δ H1/H1*
Net banking income	996	+11.6%	+0.5%	1,987	+10.2%	+13.9%
Operating expenses	(723)	+11.9%	+9.3%	(1,384)	+10.1%	+12.9%
Gross operating income	273	+10.8%	(17.1%)	603	+10.5%	+16.1%
Risk-related costs	6	nm	nm	6	nm	
Net operating income	279	+12.8%	(15.3%)	609	+11.4%	
Equity affiliates	2	nm	x2	3	nm	
Income before tax	281	+16.0%	(14.9%)	612	+12.8%	
Tax	(79)	+11.3%	(13.8%)	(171)	+17.0%	
Net income – Group share	185	14.0%	(19.4%)	415	+9.4%	
Cost/income ratio	72.6%	+0.2 pt	+5.9 pts	69.7%	-	
ROE				36.5%		

*At constant exchange rates

6. PROPRIETARY ASSET MANAGEMENT AND OTHER ACTIVITIES

Results for Proprietary asset management and other activities at 30 June 2007 reflect several one-time events.

First-quarter results included the €1,043 million profit on dilution on Intesa following the creation of the new Intesa Sanpaolo S.p.a. and a €448 million gain on disposal of part of Crédit Agricole S.A.'s stake in the new Intesa Sanpaolo Group.

Following these transactions, as of 1 January 2007, Crédit Agricole S.A.'s interest in Intesa Sanpaolo S.p.a. was deconsolidated. As a result, the Q2 2007 results of Proprietary asset management and other activities line also include €222 million in dividends received from Crédit Agricole S.A.'s residual 5.4% shareholding in the Italian group.

The business line's net banking income also reflects lower revenues related to home purchase savings plans (€28 million released from provisions in H1 2007 against €149 million in H1 2006).

Excluding these atypical items*, NBI was €131 million lower than in H1 2006 due to the reduction in income from financial management and even more to the increase in financing costs following the recent acquisitions abroad.

The Private Equity businesses generated net banking income of €100 million in the first half of 2007.

* Atypical items encompass: movements in provisions for home purchase savings plans and the equity-accounted contribution from Eurazéo in 2006 and 2007, the impact from Intesa (deconsolidation, profit on dilution and gains recognised in Q1 2007, 2007 dividend), and provisions for the LCL competitiveness plan booked in Q2 2007.

The business line also incurred a €310 million charge for part of the costs of LCL's 2007-2010 competitiveness plan presented on 1 June of this year.

€m	Q2-07	Δ Q2/Q2	Δ Q2/Q1	H1-07	Δ H1/H1
Net banking income	169	x4.1	(29.1%)	407	nm
Operating expenses	(504)	x2.5	x2	(756)	+99.1%
Gross operating income	(335)	x2.1	x25.6	(349)	(11.4%)
Risk-related costs	15	+26.7%	nm	4	(85.7%)
Net operating income	(320)	x2.2	x13.2	(345)	(6.5%)
Equity affiliates	(13)	nm	+14.9%	(24)	nm
Net gain/(loss) on disposal of other assets	3	nm	nm	1,049	x18.1
Income before tax	(330)	x3.2	nm	680	nm
Net income – Group share	(120)	+12.0%	nm	939	nm

CRÉDIT AGRICOLE CONSOLIDATED RESULTS

During the second half of 2007, Crédit Agricole Group's net income (Group share) was €4,728 million, a rise of 34.5% on the first half of 2006.

This growth was due mainly to the dilution gain on Intesa recognised in the first quarter under Net gains on disposal of other assets and to a 14.4% surge in net banking income, reflecting the solid momentum of the business lines and the gain on the disposal of the Intesa Sanpaolo shares.

Operating expenses advanced by 17.6% due to the integration of newly consolidated entities (primarily Emporiki and Cariparma/FriulAdria) and robust organic growth. They also include the investment in LCL's competitiveness plan.

Total shareholders' equity (Group share) was €65.0 billion at 30 June 2007. The CAD/ESR ratio was 10.4% with a Tier One ratio of 7.8%.

€m	H1-07	H1-06	Δ H1/H1
Net banking income	16,650	14,558	+14.4%
Operating expenses	(10,292)	(8,749)	+17.6%
Gross operating income	6,358	5,809	+9.5%
Risk-related costs	(972)	(914)	+6.3%
Operating income	5,386	4,895	+10.0%
Equity affiliates	188	456	(58.8%)
Net income on other assets	1,042	42	x24.8
Tax	(1,622)	(1,707)	(5.0%)
Net income	4,986	3,686	+35.3%
Net income - Group share	4,728	3,515	+34.5%

* * *

Presentation available on the website: www.credit-agricole-sa.fr

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