UPDATE OF 2013 SHELF REGISTRATION DOCUMENT

Financial review at 30 june 2014

CRÉDIT AGRICOLE
CORPORATE & INVESTMENT BANK

Update of 2013
Shelf-registration document

FINANCIAL REVIEW

At 30 June 2014

AUTORITÉ DES MARCHÉS FINANCIERS

Contents

1 REVIEW OF OPERATIONS AT 30 JUNE 2014

Crédit Agricole CIB business Review and financial results

➔ ECONOMIC AND FINANCIAL ENVIRONMENT

The first quarter was disappointing. Some economies, namely Germany, the UK and Japan grew faster than expected. Others, like Italy, and to an even greater extent the USA, did much less well. Growth in France was virtually zero, with a GDP up by just 0.05% in the fourth quarter of 2013, and fell short of market expectations. Available indicators for the second quarter are also mixed, with a slowdown in industrial production growth in Europe (and a contraction in France), whilst the USA seems to be strengthening.

The poor numbers for May were due in part to a number of extended public holidays over the month, the effect of which is not corrected in the seasonally adjusted figures. Thus June's figures are likely to show a fairly marked rebound. However, this stuttering performance has led to talk of this as a "pause in the recession" rather than a clear-cut "exit", which in theory is achieved following two quarters of positive growth. The virtuous cycle – in which a recovery in final demand, whether domestic or external drives a recovery in investment which in turn boosts demand – has not begun yet.

Central banks will therefore remain watchful. The Fed is continuing its tapering of liquidity injections into the economy, but its Chairman, Janet Yellen, continues to emphasise the scars that the recession has left, particularly on the labour market, where long-term unemployment is stubbornly high. She is therefore keen to avoid any interest rate shock, which could stunt a still hesitant recovery. The European Central Bank brought out the big guns in June, with a series of unprecedented measures: moving the deposit facility interest rate into negative territory, at - 0.10%, and introducing a programme of long-term refinancing of the banking sector ("TLTROs"). By offering attractive financing to banks which are net lenders, or at least (in southern Europe) slowing the pace of contraction of their balance sheets, the ECB is expecting a relaunch of lending to the economy and, over the medium term, a modest uptick in inflation.

➔ CONSOLIDATED RESULTS

Condensed income statement

in € million	Ongoing activities	CPM and CVA/DVA /FVA[1]	Discontinuing operations	Total CIB	Private banking	Corporate center	CA-CIB	Change H1-14/H1-13[2]
Net banking income	2,079	(191)	(20)	1,868	351	(99)	2,120	9%
Operating expenses	(1,033)		(59)	(1,092)	(267)		(1,359)	0%
Gross operating income	**1,046**	**(191)**	**(79)**	**776**	**84**	**(99)**	**761**	**21%**
Cost of risk	(105)			(105)	(43)		(148)	-44%
Share of net income of equity-accounted entities	86			86			86	18%
Gain/losses on other assets	(1)			(1)	6		5	ns
Pre-tax income	**1,026**	**(191)**	**(79)**	**756**	**47**	**(99)**	**704**	**35%**
Corporate income tax	(275)	66	5	(204)	(8)	31	(181)	34%
Net income from discontinued or held-for-sale operations	2			2			2	ns
Net income	**753**	**(125)**	**(74)**	**554**	**39**	**(68)**	**525**	**38%**
Non-controlling interests					6		6	ns
Net income, Group share	**753**	**(125)**	**(74)**	**554**	**33**	**(68)**	**519**	**39%**

[1] CPM and CVA/DVA/FVA : loan hedges, impact of DVA running and impact of Day one FVA and change in CVA/DVA methodology at Q2-14 for respectively +€1 million, -€38 million and-€153 million in NBI.

[2] On the ongoing activities scope

During the first half of 2014, Crédit Agricole CIB, according to its debt house model, confirmed its strategy, offering its priority customers global solutions within the framework of long-lasting relations.

The economic and financial environment of the first half of 2014 was characterized by a still fragile improvement of the economic conditions with a not homogeneous economic recovery in particular within the Eurozone and a halftone recovery in emerging countries, a low economic volatility and particularly low interest rates as the new measures of easing taken by the ECB last June depicted it. The geopolitical tensions also crystallized around Russia, Ukraine and Iraq. In this uncertain context, interest rate and exchange markets were hesitating.

The first half of the year reflected the dynamism of the businesses of Crédit Agricole CIB with a net banking income of the ongoing activities amounting to €2,079 million, increasing by 9 % comparing to last year.

In a still difficult environment for the fixed income activities, the revenues of capital market activities displayed a good resistance. The investment bank delivered very good performances over the period thanks to all businesses lines in particular to mergers and acquisitions operations.

The financing activities posted a good commercial dynamic and registered an important number of significant transactions over the period. This evolution came along with an increasing liquidity consumption.

The operating expenses of the strategic CIB were stable, demonstrating an efficient control of costs.

The cost of risk of the strategic activities was low over the period with a net charge of -€105 million on the first half-year.

The net income Group share of the strategic activities amounted to €753 million euros, up 39 % compared to last year.

➔ RESULTS BY BUSINESS LINE

Financing

In € million	H1-14[1]	H1-13[1]	Change H1-14/H1-13	Change H1-14/H1-13 at constant rate
Net banking income	1,165	990	18%	20%
Operating expenses	(437)	(433)	1%	3%
Gross operating income	**728**	**557**	**31%**	**33%**
Cost of risk	(104)	(170)	-39%	
Share of net income of equity-accounted entities	86	73	18%	
Gain/losses on other assets	(1)	3	ns	
Pre-tax income	**709**	**463**	**53%**	
Corporate income tax	(183)	(114)	61%	
Net income	**526**	**349**	**51%**	
Non-controlling interests	0	5	ns	
Net income, Group share	**526**	**344**	**53%**	

(1) Restated for the impact of loan hedges on Net banking income for respectively +€1 million and +€15 million for H1-2014 and H1-2013.

The financing activities posted a good dynamics over the period in connection with a good commercial activity and increasing liquidity consumption. Thus, revenues increased by 20 % at constant rate with regard to last year, thanks to the steady business activity as well as the favorable unwinding of a deal on the second quarter (+€92 million impact on the first half of 2014).

The revenues of structured finance were stable with regard to last year with an encouraging flow of transactions from the end of the first quarter. The commercial bank saw its revenues increase by 7.9 % thanks to a very good commercial activity and to some significant one-off transactions over the period.

Operating expenses were stable with regard to last year.

Syndication activities confirmed their good positioning. Crédit Agricole CIB was indeed leader on syndication activities in Europe: 1st position in France and 2nd position on the EMEA and Western Europe zones. Crédit Agricole CIB was also situated at the 2nd position for corporate syndicated loans on the EMEA zone *(source: Thomson Financial)*.

Furthermore, Crédit Agricole CIB stood at the 2nd place as bookrunner for European leveraged loans in the EMEA zone *(source: Thomson Financial)* and maintained its 1st rank on the aircraft financing *(source: Air Finance Database)*.

The cost of risk was low and down 39 % comparing to last year.

The income from equity affiliates increased by 18 % thanks to a favorable evolution of the BSF results.

The net income Group share, excluding loan hedges, amounted to €526 million, up 53 % with regard to 2013.

Capital markets and Investment banking

In € million	H1-14[1]	H1-13[1]	Δ H1-14 / H1-13	Δ H1-14 / H1-13 at constant rate
Net banking income	914	910	0%	1%
Operating expenses	(596)	(600)	-1%	0%
Gross operating income	**318**	**310**	**3%**	**4%**
Cost of risk	(1)	(15)	-93%	
Pre-tax income	**317**	**295**	**7%**	
Corporate income tax	(92)	(90)	2%	
Net income from discontinued or held-for-sale operations	2	(7)	ns	
Net income	**227**	**198**	**15%**	
Non-controlling interests	0	1	ns	
Net income, Group share	**227**	**197**	**15%**	

[1] Restated for CVA/DVA/FVA at H1-14 (CVA/DVA/FVA : impact of running DVA and impact of Day one FVA and change in methodology of CVA/DVA at T2-14 for respectively -€38 million and -€153 million in NBI) and excluding impact of CVA/DVA at H1-13 (DVA impact and change in CVA accounting estimate for -€39 million in NBI).

In a still difficult market environment for fixed income activities and characterized by a low volatility, capital market and investment activities posted a good resistance of revenues with an increase of 1 % at constant rate.

Within the segment Global Markets, the activity was buoyed up on almost all business-lines with an increase of revenues of 4 %, Crédit Agricole CIB being less penalized by the low volatility than its competitors. Revenues were carried in particular by credit activities with a very good performance of the primary as well as by treasury activities in spite of low foreign exchange activities.

The investment bank benefited from a favorable market context and saw its revenues increase by 22 % with regard to last year thanks to significant transactions. Mergers and acquisitions activities were particularly dynamic. Crédit Agricole CIB progressed from the 14th to the 3rd place for completed transactions with any French involvement *(source: Thomson Financial)*, illustrating the strengthening of the Bank's presence alongside its French and foreign major clients in their key mergers and acquisitions transactions.

Besides, Crédit Agricole CIB stood at the 1st position as bookrunner on the global convertible offering in France. Crédit Agricole CIB held its first place as bookrunner on the securitization activities in Europe ABCP *(source: CPWare)* and was situated at the 3rd position on the supranational bond issues and on the agencies bond issues in euros *(source: Thomson Financial)*.

On 6 May 2014, Crédit Agricole CIB finalized the sale to Société Générale of its 50 % stake in Newedge Group, their common brokerage joint-venture, for an amount of €275 million.

The net income amounted to €227 million, up 15 % with regard to 2013.

Discontinuing operations

In € million	H1-14	H1-13	Δ H1-14 / H1-13
Net banking income	(20)	103	ns
Operating expenses	(59)	(85)	-31%
Gross operating income	**(79)**	**18**	**ns**
Cost of risk	0	(30)	ns
Pre-tax income	**(79)**	**(12)**	**x 6.6**
Corporate income tax	5	4	25%
Net income	**(74)**	**(8)**	**x 9.3**
Non-controlling interests	0	(3)	ns
Net income, Group share	**(74)**	**(5)**	**x 14.8**

The revenues of the discontinuing operations on the first half of 2014 amounted to -€20 million, because of additional depreciations on portfolios of European mortgage loans purchased on the secondary market.

Excluding this event, no significant element was to be noted on the first-half year revenues, the year 2013 having been marked by the disposal of assets such as ABS and ABS' CDO given the favorable market conditions.

Operating expenses continued their decrease (-31%), in connection with the disposal of the equity derivatives and commodities activities.

Additional information on the nature of the main exposures are presented in the part "Sensitive exposures based on the Financial Stability Board recommendations" on page 18.

Private Banking

In € million	H1-14	H1-13	Δ H1-14 / H1-13	Δ H1-14 / H1-13 at constant rate
Net banking income	351	372	-6%	-6%
Operating expenses	(267)	(268)	0%	0%
Gross operating income	**84**	**104**	**-19%**	**-19%**
Cost of risk	(43)	(4)	x 10.8	
Gain/losses on other assets	6	0	ns	
Pre-tax income	**47**	**100**	**-53%**	
Corporate income tax	(8)	(19)	-58%	
Net income	**39**	**81**	**-52%**	
Non-controlling interests	6	7	-14%	
Net income, Group share	**33**	**74**	**-55%**	

In a transforming regulatory environment, the revenues of the first half of 2014 are down 6 % with regard to last year. Operating expenses as for them are stable.

The cost of risk is affected by the strengthening of regulatory provisions in Switzerland.

Assets under management at the end of June amount to €95,9 billion versus €93,3 billion at the end of December 2013 and the business line enjoyed net inflows on the half-year.

The net income Group share amounts to €33 million, down 55 % with regard to H1-2013.

Corporate center

In € million	H1-14	H1-13	Δ H1-14 / H1-13
Net banking income	(99)	(393)	-75%
Gross operating income	**(99)**	**(393)**	**-75%**
Pre-tax income	**(99)**	**(393)**	**-75%**
Corporate income tax	31	127	-76%
Net income	**(68)**	**(266)**	**-74%**
Net income, Group share	**(68)**	**(266)**	**-74%**

The net charge of €99 million in net banking income on the first half of 2014 reflects the continuing reduction of our own issuer credit spreads.

Transactions with related parties

The main transactions concluded with related parties are described on the note 2.3 to the consolidated interim financial statements at 30 june 2014.

Outlook for the second half of 2014

There is still uncertainty over the scale of the recovery in advanced economies. In the USA, where there is nevertheless a broad consensus that growth will be strong in 2014 and 2015, there are still doubts about post-recession growth potential. Naturally, these doubts are stronger in Europe: in France and in Italy of course, but even Germany might risk running out of steam due to the weak performance of its partners. Lastly, in Japan, we can't take it for granted that the recovery that has so far been driven by a very accommodating fiscal and monetary policy (named Abenomics after the country's Prime Minister) will continue.

The short term outlook for emerging economies is barely more certain. Chinese growth will remain strong thanks to fine tuning by the Beijing authorities, but at an expected 7.4% in 2014 and 7.0% in 2015, it will remain below the levels of recent years. Brazil and Russia are struggling, and their economies have slowed down sharply. Only a few, notably India and Poland, are seeing growth accelerate.

Despite this divergence, and these uncertainties, we still expect most of the major economies to see growth accelerating over 2014, albeit at different rates: 1.0% in the euro zone, followed by a modest 1.6% in 2015; 1.6% in the USA (despite a very poor first quarter), before 3.3% in 2015. The UK could see growth peak, at 2.9%, in 2014, before easing off in 2015. This soft, fragile recovery has put pressure on bank balance sheets, as illustrated by troubled Portuguese bank Espirito Santo, which is exposed to an economy that has been sorely tested by years of crisis. In order to remove all uncertainty and avoid contagion, the Portuguese government has finally decided to recapitalise the bank directly via a bank resolution fund.

The expected performance of the French economy is a shade below the expected euro zone average of 0.7% in 2014 and 1.4% in 2015. Such figures would only open the way to a very modest fall in unemployment and at best this won't come before the very end of the year. Consumer spending and a moderate rebuilding of inventories will remain the main engines of economic growth, whilst investment will continue to stutter, although competitiveness is likely to get an upward bump in the second half, from the CICE tax credit, and then in 2015 from cuts in social security contributions which were also part of the responsibility pact. There remains the challenge of cutting the government deficit; efforts continue but perhaps, given the unhelpful climate, will need to be stepped up somewhat to reach the 3% of GDP target in 2015.

Under these circumstances it is hardly surprising that currency markets should be timorous. Despite central banks' eagerness to provide forward guidance, markets sense that uncertainty about growth could lead the Fed, and even more so the ECB, to change policy in directions not currently foreseen. As a result, although we are expecting a slow and steady increase in interest rates over the next few months, we believe that we are not yet in a 'normal' situation where solid prospects of growth result automatically in pressure on liquidity and interest rates.

For Crédit Agricole CIB

In the continuity of the medium term plan announced on 20 March 2014 and which presented the strategic orientations of the Crédit Agricole Group to horizon 2016, Crédit Agricole CIB has posted a first half results in line with regards to the definite objectives.

As a matter of fact, the first half of the year was marked by a steady commercial activity both on the capital markets and investment banking and on the financing activities and also by a continuing costs control.

The management of scarce resources also remains a priority for the Bank which puts itself in working order to respect all the constraints to come both in term of ratios of capital and liquidity.

This trend should confirm in the second half-year, illustrating the growth capacity of its "debt house" model.

However, even though the fundamentals are solid, the more and more demanding legal and regulatory environment as well as the geopolitical context characterized by simultaneous international tensions (Eastern Europe, Middle East) could mitigate a little these perspective.

In spite of these uncertainties, Crédit Agricole CIB remains confident and establishes itself as a CIB of European dimension in the service of its clients and of the Crédit Agricole Group.

Risk management

The Crédit Agricole CIB Group is exposed to the following main risks:
• credit risks;
• market risks;
• specific risks presented in the format recommended by the Financial Stability Board;
• structural asset and liability management risks (overall interest rate risk, liquidity risk, currency risk);
• operational risks, legal risks and non-compliance risks.

This information on these categories of risks is part of the condensed interim consolidated financial statements of Credit Agricole CIB at 30 June 2014.

The organisation, the principles and the tools of management and surveillance of risks are described in detail in the 2013 shelf registration document, in the chapter dedicated to risk factors (page 138 to 168).

The risks description and main evolutions noticed in the first half of 2014 are presented below, excluding the sovereign risks in euro zone considered as significant and which evolutions are presented in the note 5.6 of the financial statement.

➔ CREDIT RISK

Principles, methodologies and devices of credit risk measurement are described from pages 139 to 149 of the 2013 shelf-registration document.

It is to be noted that concerning counterparty risks on market transactions, Crédit Agricole CIB uses now the EPE internal model of CACIB for the calculation of the EAD (exposure at default), the ACPR, the French Prudential and Resolution Supervisory Authority, having authorized on 22 May 2014 the use of the EPE internal model of CACIB for the calculation of the capital requirements as regards the counterparty risk on market transactions and of the Var

Scope

The credit risk scope includes commitments excluding derivatives and securities portfolios.
It is to be noted that exposures with counterparties belonging to Credit Agricole Group are not reported in the below tables.

At 30 June 2014, breakdown by geographical zone and by economic sector of loans granted to customers and banks by Credit Agricole CIB (€304 billion versus €291 billion at 31 December 2013) are divided as follows:

Breakdown of counterparty risks by geographical zone

In percentage	30.06.2014	31.12.2013
Rest of Western European countries (excluding France)	27.3%	29.2%
North America	23.7%	21.7%
France	18.8%	21.3%
Asia (excluding Japan)	11.1%	11.4%
Japan	7.8%	5.3%
Africa and Middle-east	5.0%	4.9%
Latin America	3.3%	3.2%
Rest of Europe	2.7%	2.9%
Other and supranational	0.4%	0.1%

Source: risk data (on- and off-balance sheet of customer and banks commercial commitments).

Breakdown of counterparty risks by economic sector

In percentage	30.06.2014	31.12.2013
Central banks	27.6%	26.6%
Energy	14.8%	15.1%
Miscellaneous	12.0%	12.4%
Shipping	5.3%	5.4%
Real estate	4.2%	4.2%
Aerospace	3.9%	4.1%
Heavy Industry	3.5%	3.2%
Construction	3.0%	3.1%
Production & Distribution of consumer goods	2.8%	3.0%
Automobile	2.7%	2.8%
Telecom	2.4%	2.5%
Other financial activities (non-banks)	2.4%	2.2%
Other transport	2.3%	2.4%
Other industries	2.1%	2.1%
Insurance	2.0%	2.1%
Non-commercial services/Public sector/Local authorities	1.7%	1.4%
Food	1.7%	1.7%
Healthcare and pharmaceuticals	1.3%	1.5%
Tourism, hotels and restaurants	1.3%	1.3%
IT/Technologies	1.2%	1.1%
Media/Publishing	0.9%	0.7%
Wood, paper, packaging	0.5%	0.5%
Utilities	0.5%	0.5%

Source: risk data (on- and off-balance sheet of customer and central banks commercial commitments).

Exposure of loans and receivables by customer type

The breakdown of depreciated loans and receivables by economic agent is presented in note 5.3 of the financial statements.

Cost of risk

The cost of risk of Credit Agricole CIB and its main movements are presented in note 3.8 of the consolidated financial statements.

➔ MARKET RISKS

The management framework and the methodology of measurement and supervision of market risks are indicated in pages 149 to 157 of the 2013 shelf-registration document.

Risk management

Methodology and measurement system

No material changes occurred in the methodology of measurement of VaR during the first half of 2014.

Following the entry into force of the text on the "Capital Requirements Directive" (CRD IV) on 1 January 2014, indicators of VaR and Stressed VaR on the "Credit Valuation Adjustment" (CVA) are now calculated and integrated to capital requirements for market risks. The CRD IV introduced a new capital charge for the Credit Value Adjustment (CVA)'s volatility or valuation adjustment of assets labeled as "CVA Risk", which goal is to take into account credit events in the valuation of OTC derivatives. CVA risk is defined as the difference between the valuation without risk and the valuation which takes into account the default probability allowing the calculation of the effective weighted exposure or EEPE (Expected Effective Positive Exposure), in other words the exposure of a portfolio to default risk via a simulation model. According to this directive, institutions allowed to calculate their capital requirements in internal model for counterparty risk and for the specific rate risk, are required to calculate their capital charge regarding the CVA risk in advanced method ("VaR CVA"). It is calculated on the basis of these effective weighted exposures on all OTC derivative transactions handled by CA-CIB (corporate entity) and its subsidiaries excluding intra-group transactions. Finally, the methodology and the device used to estimate the amount of capital requirements is the same as the one used for calculating the market VaR regarding the specific rate risk.

Exposure (Value at Risk)

Crédit Agricole CIB regulatory VaR during the first half of 2014

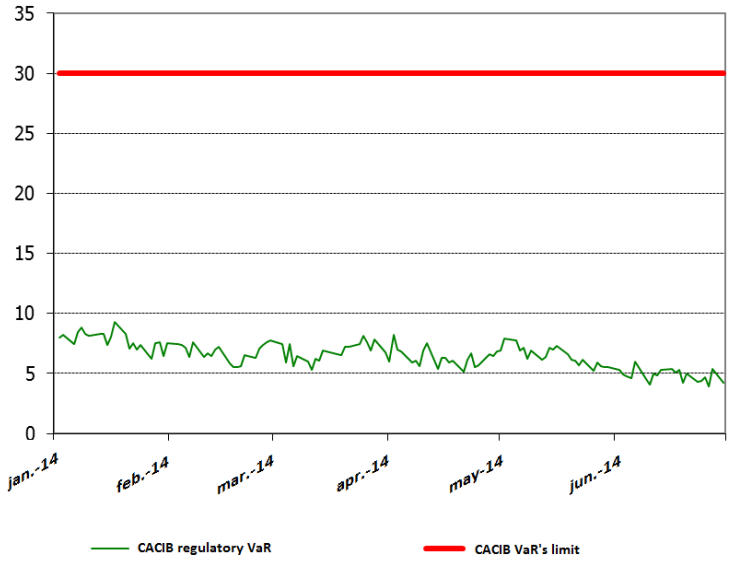
€ million	30/06/2014	Minimum	Maximum	Average H1 2014	31/12/2013
Interest rates	3	3	5	4	4
Equity	1	1	2	1	1
Forex	2	1	4	2	2
Credit	3	3	6	4	6
Compensation	-5				-5
Crédit Agricole CIB	**4**	**4**	**9**	**6**	**8**

Regulatory VaR at the end of the first half 2014 amounts to €4 million, inferior to the limit of VaR settled at €30 million.

During the first half 2014, the Crédit Agricole CIB regulatory VaR is standing at very low levels, reaching historically low levels since the end of May 2014. The decreasing trend of the VaR is mainly due to the reduction of market risk. Indeed, during the period the regulatory VaR has evolved between 4 m€ and 9 m€, to be compared with a limit settled at 30 m€.

Daily change in Crédit Agricole CIB VaR

▷ Crédit Agricole CIB regulatory VaR during the first half of 2014 (in € million)



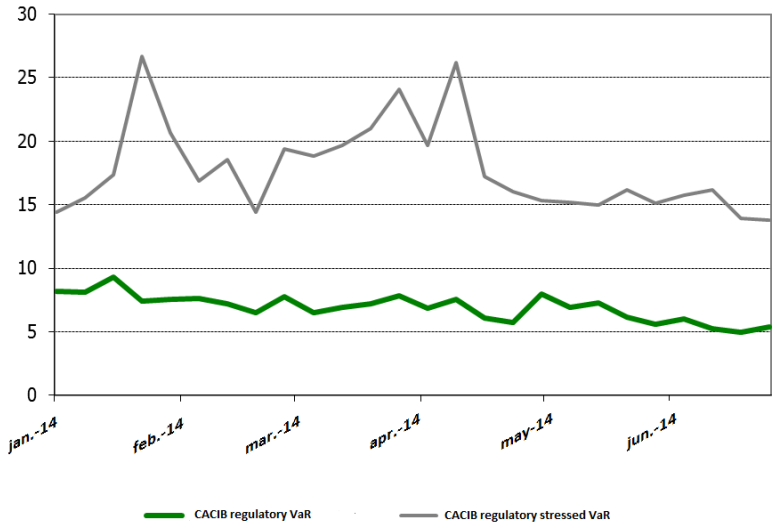
SVaR exposure

Crédit Agricole CIB stressed regulatory VaR during the first half of 2014

In acccordance with the regulatory requirements, the SVaR (Stressed Value at Risk) is produced on a weekly basis.

The stressed VaR didn't change significantly during the first half of 2014.

▷ Crédit Agricole CIB VaR and stressed VaR – 2014 first half (in € million)



Change in stressed VaR (99 %, 1 day)

in € million	30/06/14	Minimum	Maximum	Average	31/12/13
Crédit Agricole CIB stressed VaR	14	14	27	18	15

Other indicators

Capital requirements related to IRC (Incremental Risk Charge)

in € million	30/06/14	Minimum	Maximum	Average	31/12/13
IRC	338	282	386	339	291

IRC didn't change significantly during the first half of 2014.

Capital requirements related to CVA

in € million	30/06/14	Minimum	Maximum	Average	31/12/13
CVA	389	362	410	382	0

➔ SENSITIVE EXPOSURES BASED ON THE FINANCIAL STABILITY BOARD RECOMMENDATIONS

The following disclosures are made in accordance with the recommendations of the Financial Stability Board. They form an integral part of Crédit Agricole CIB's consolidated financial statements for the period ended 30 June 2014 and are covered by the Statutory auditors' report on the interim financial information.

Summary table of exposures at 30 June 2014:

€ million	Assets under loans and receivables				Accounting category	Assets at fair value			Accounting category
	Gross exposure	Discount	Collective reserve	Net exposure		Gross exposure	Discount	Net exposure	
RMBS	127	(15)	(13)	99	(1)	74	(38)	36	(3)
CMBS	46	(3)	(12)	31		2		2	
Unhedged super senior CDOs*	589	(569)	(20)	0	(2)	1,107	(1,097)	10	
Unhedged mezzanine CDOs	52	(52)		0		298	(298)	0	
Unhedged CLOs	403	(7)	(11)	385		69	(1)	68	
Protections purchased from monolines						68	(43)	25	(4)
Protections purchased from CDPC						5	(1)	4	

(1) *Loans and receivables to credit institutions and to customers - securities not traded in an active market (see note 5.3 to the consolidated financial statements)*

(2) *Loans and receivables to customers - securities not traded in an active market (see note 5.3 to the consolidated financial statements)*

(3) *Financial assets at fair value through profit or loss - bonds and other fixed-income securities and derivatives (see note 5.1 to the consolidated financial statements)*

(4) *Financial assets at fair value through profit or loss - derivatives (see note 5.1 to the consolidated financial statements)*

** The table above presents the CDOs consolidated by Crédit Agricole CIB. To enable the readability of the financial information and the comparability with the previous financial periods, the presentation of the CDOs in consolidated balance sheet is made by refering to the legal structure of these vehicles. The line by line consolidation of each of the underlying assets of these CDOs, mainly RMBS, has no significant impact on the consolidated balance sheet of Crédit Agricole CIB.*

Mortgage ABS

in € million RMBS	United-States 31.12.2013	 30.06.2014	United-Kingdom 31.12.2013	 30.06.2014	Spain 31.12.2013	 30.06.2014
Recognised under loans and receivables						
Gross exposure	27	27	56	55	49	45
Discount*	(21)	(20)	(5)	(3)	(5)	(5)
Net exposure in millions of euros	**6**	**7**	**51**	**52**	**44**	**40**
Recognised under assets measured at fair value						
Gross exposure	37	36	35	33	5	5
Discount	(33)	(33)	(5)	(5)		
Net exposure in millions of euros	**4**	**3**	**30**	**28**	**5**	**5**
% underlying subprime on net exposure	100%	100%				
Breakdown of gross exposure, by rating						
AAA						
AA				3%		
A			100%	97%	97%	97%
BBB					3%	3%
BB						
B						
CCC						
CC						
C	14%	14%				
Not rated	86%	86%				

in € million CMBS	United-States 31/12/2013	 30/06/2014	United-Kingdom 31/12/2013	 30/06/2014	Others 31/12/2013	 30/06/2014
Recognised under loans and receivables						
Net exposure*			10	11	22	20
Recognised under assets measured at fair value						
Net exposure					2	2

** of which € 25 million of collective reserves at 30 June 2014 compared with € 31 million at 31 December 2013*

Purchases of RMBS and CMBS credit protections measured at fair value :

- 30 June 2014: gross exposure = €65 million ; fair value = €49 million.
- 31 December 2013: gross exposure = €59 million; fair value = €51 million.

Real-estate ABS measured at fair value are valued on the basis of date from external contributors.

Methodology used to measure super senior CDOs with US residential mortgages underlyings

Super senior CDOs measured at fair value

The valuation of super senior CDOs was calculated by applying a credit scenario to the underlying (mainly residential mortgages) of the ABSs making up each CDO.

Final loss rates on continuing loans are:

• adjusted according to the quality and origination date of each residential loan
• expressed as a percentage of nominal. This approach allows us to visualize our loss assumptions based on our risk remaining in the bank's balance sheet.

Loss rate on subprime produced in			
Closing date	**2005**	**2006**	**2007**
31/12/2013	50%	60%	60%
30/06/2014	**50%**	**60%**	**60%**

Future cash flows are then discounted on the basis of a rate taking into account the market liquidity.

Super senior CDOs measured at amortised cost

Since the fourth quarter of 2012, they are impaired using the same methodology as the super senior CDOs measured at fair value, with the difference that the obtained future cash flows are discounted based on the effective interest rate at the date of reclassification.

Unhedged super senior CDOs with US residential mortgages underlyings

At 30 June 2014, Crédit Agricole CIB net exposure on unhedged super senior CDOs with US residential mortgages underlying was €10 million (after a collective reserve of €20 million).

Breakdown of super senior CDOs

€ million	Assets at fair value	Assets in loans and receivables
Nominal	**1,107**	**589**
Discount	1,097	569
Collective reserves		20
Net value	**10**	**0**
Net value at 31.12.2013	*10*	*0*
Discount rate*	**99%**	**100%**
Underlying		
% of underlying subprime assets produced before 2006	23%	0%
% of underlying subprime assets produced in 2006 and 2007	36%	0%
% of underlying Alt A assets	3%	0%
% of underlying Jumbo assets	0%	0%

* After inclusion of fully written down tranches

Other exposures at 30 June 2014

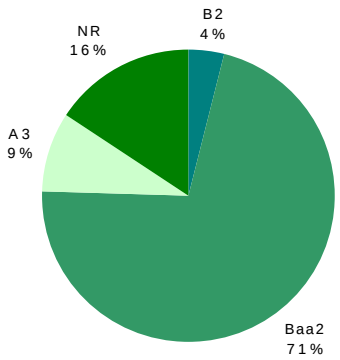
€ million	Nominal	Discount	Collective reserves	Net
Unhedged CLOs measured at fair value	69	(1)		**68**
Unhedged CLOs recognised as loans and receivables	403	(7)	(11)	**385**
Unhedged mezzanine CDOs measured at fair value	298	(298)		**0**
Unhedged mezzanine CDOs recognised as loans and receivables*	52	(52)		**0**

* Mezzanine CDOs tranches coming from the liquidation of CDOs formerly recognised as loans and receivables

Protections on monolines at 30 June 2014

€ million	Monolines to hedge				Total protections acquired from monolines
	US residential CDOs	CDO Corporate	CLO	Other underlyings	
Gross notional amount of purchased protection	56	1,000	266	221	**1,543**
Gross notional amount of hedged items	56	1,000	266	221	**1,543**
Fair value of hedged items	40	1,000	256	178	**1,475**
Fair value of protection before value adjustments and hedges	16	0	10	43	**68**
Value adjustments recognised on protection	(1)		(9)	(33)	**(43)**
Residual exposure to counterparty risk on monolines	15	0	1	10	**25**

Breakdown of net exposure to monolines at 30 june 2014*:



Baa2 & A3: Assured Guaranty
B2: MBIA
N/R: CIFG

* Lowest rating issued by Standard & Poor's or Moody's at 30 June 2014.

Protections purchased from CDPC (Credit Derivative Product Companies)

At 30 June 2014, net exposure to CDPC was €4 million (compared to €10 million at 31 December 2013) mainly on corporate CDOs after a discount of €1 million (same amount as at 31 December 2013).

➔ ASSET AND LIABILITY MANAGEMENT – STRUCTURAL FINANCIAL RISKS

The organisation, the framework and follow up of asset and liability management are described on pages 162 to 166 of the 2013 shelf registration document. There were no significant changes.

Global interest-rate risks

Crédit Agricole CIB exposure did not register any fundamental changes during the first half.

Interest rate gaps at 30 June 2014 are detailed as follow and translate an exposure of the bank to a decrease of interest rates:

€ billion	0-1 year	1-5 years	5-10 years
Average gaps Euro and other currencies	-1.3	0.5	0.4
Average gaps US Dollar	-0.1	0.1	0.1

Liquidity risk

The methodological principles, management and follow up of liquidity risks didn't register any significant evolution since 31 December 2013.

As a reminder, at 31 December 2013, Crédit Agricole CIB liquidity coefficient amounted to 129%.

Exchange-rate risk

The management policy, the follow up and the supervision of exchange-rate risks didn't register any significant changes over the first half of 2014.

Rate and change risks hedging

Within the framework of managing its financial risks, Credit Agricole CIB uses instruments (interest-rate swaps and forex transactions) for which a hedging relation is established based on the management intention that is followed. The 3 types of coverage (fair value hedge, cash flow hedge and investment net of foreign currencies hedge) are described in the 2013 shelf registration document, on pages 165 to 166.

Regarding cash flow hedge, according to IFRS 7, future interests related to balance sheet items under cash flow hedge strategy are detailed, by maturity, in the table below:

30.06.2014				
€ million	≤ 1 year	> 1 year to ≤ 5 years	> 5 years	Total
Hedged cash flows to receive	20	254	258	532
Hedged cash flows to pay	0	0	0	0

➔ OPERATIONAL RISK

Management and operational risks framework are described in the 2013 shelf registration document, on page 166 and did not register material evolutions at 30 June 2014.

➔ LEGAL RISKS

The main legal and tax proceedings outstanding at Crédit Agricole CIB and its fully consolidated subsidiaries are described on pages 167 to 168 of the 2013 shelf-registration document, filed with the AMF on 24 March 2014 under number D.14-0192.

The following developments have occurred since the date of the management report:

- **Bell:** The agreement entered into by the Banks and the Bell Group companies on 19 September 2013 has become final and has been implemented, putting an end to the dispute between the Banks and the Bell Group companies.

As regards the **OFAC case**, the laws and regulations of the United States of America require compliance with economic sanctions imposed by the Office of Foreign Assets Control (OFAC) against certain foreign countries, individuals and entities. The OFAC, the Department of Justice (DOJ), the office of the District Attorney of New York County (DANY) and other American governmental authorities would like to know how certain financial institutions made US dollar payments involving countries, individuals or entities subject to US sanctions.

The Crédit Agricole CIB group and Crédit Agricole S.A. have conducted an internal review of US dollar payments involving such countries, individuals or entities. The conclusions of the review will shortly be shared with the US authorities during meetings at which the bank will be able to present its arguments.
It is not possible at present to know what the outcome of these discussions and presentations will be, or the date when they will be concluded.

If the US regulatory authorities deem it necessary based on the observations made during this review, they may impose enhanced compliance programmes and/or financial penalties, as they have done for other financial institutions.

As regards the **Euribor/Libor and other indices case**, following its investigations and a settlement procedure which did not succeed, on 21 May 2014 the European Commission sent Crédit Agricole CIB and Crédit Agricole S.A. a statement of objections relating to agreements or concerted practices that have the purpose and/or effect of preventing, restricting or distorting competition in Euribor-related derivative products. Crédit Agricole CIB and Crédit Agricole S.A. will respond to the European Commission on these objections within the required timeframe, which has not yet been definitively fixed.

The two class actions in which Crédit Agricole CIB and Crédit Agricole S.A. have been cited along with other financial institutions, both of them as defendants in the "Sullivan" Euribor case and Crédit Agricole S.A. only in the "Lieberman" Libor case, have now entered an active phase in the New York State Court. These are civil actions in which the plaintiffs, considering that they had been victims of Euribor and Libor index fixing, are claiming repayment of the sums they claim to have been unduly charged, plus damages and reimbursement of costs and fees. Both cases are at the preliminary stage. Crédit Agricole CIB and Crédit Agricole S.A. have filed or will file a motion to dismiss.

As regards the **US/Switzerland programme**, in the first paragraph of the section on the US/Switzerland programme in Crédit Agricole CIB's 2013 registration document, the term "residents" is replaced by the term "tax payers".

Any legal risks outstanding at 30 June 2014 that could have a negative impact on the Group's net assets have been covered by adequate provisions based on the information available to the Executive Management.

To date, to the best of Crédit Agricole CIB's knowledge, there are no other governmental, legal or arbitration proceedings (including any such proceedings known by the Company pending or otherwise threatening the Company), which may have, or have had in the past 6 months, significant effects on financial position or profitability of the Company and/or the Group Crédit Agricole CIB.

➔ NON-COMPLIANCE RISKS

Device management, monitoring and control of the non-compliance risks are described in the 2013 shelf-registration document on page 168 and didn't change significantly since 31 December 2013.

However, the first half of 2014 was characterised by compliance procedures following the entry into force of EMIR and the registration of Crédit Agricole CIB with the IRS as "Participating Foreign Financial Institution" (PFFI) as defined by FATCA regulations.

Capital and regulatory ratios

Commission Implementing Regulation (EU) No. 1423/2013 of 20 December 2013 lays down implementing technical standards with regard to disclosure of capital requirements for institutions according to Regulation (EU) No. 575/2013 of the European Parliament and of the Council.

Regulatory background and scope

Scope of application of the capital requirements for the purposes of regulatory supervision

Credit institutions and certain investment activities permitted to provide services and investment activities referred to in Annex 1 of Directive 2004/39/EC are subject to solvency and large exposure ratios on an individual and, where applicable, sub-consolidated basis, although they may be exempted under the provisions of Article 7 of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 (CRR).

The French Prudential and Resolution Supervisory Authority (Autorité de contrôle prudentiel et de résolution – ACPR) has agreed that some of the Crédit Agricole S.A. Group's subsidiaries may benefit from exemption on an individual or, where applicable, sub-consolidated basis. As such, Crédit Agricole CIB has been exempted by the ACPR on an individual basis and thus is only submitted on a consolidated basis.

The transition to CRD4 does not call into question the individual exemptions granted by the ACPR prior to 1 January 2014, based on pre-existing regulatory provisions.

Regulatory scope

Difference between the accounting and regulatory scopes of consolidation

Entities consolidated for accounting purposes, but excluded from the regulatory scope of consolidation of credit institutions on a consolidated basis predominantly comprise ad hoc entities that are equity-accounted for regulatory purposes (special purpose vehicles). These companies do not have any capital shortfalls. In addition, entities consolidated on an accounting basis using proportional consolidation at 31 December 2013 and now equity-accounted in accordance with IFRS 11, are still consolidated proportionally for regulatory purposes. Disclosures concerning these entities and the method used to consolidate them for accounting purposes are presented in the "Scope of consolidation at 30 June 2014" section of the condensed interim consolidated financial statements.

Reform of solvency ratios

Summary of the major changes introduced by Basel 3 (CRD 4) compared with Basel 2

Tightening up the regulatory framework, Basel 3 enhances the quality and level of regulatory capital required and adds new risk categories to the regulatory framework. The legislation concerning the regulatory requirements applicable to credit institutions and investment firms was published in the Official Journal of the European Union on 26 June 2013 (Directive 2013/36/EU and Regulation (EU) No. 575/2013 of the European Parliament and of the Council) and entered into force on 1 January 2014, in accordance with the transitional provisions specified in the legislation.

a) **Solvency ratio numerator**: Basel 3 defines three levels of capital:

- Common Equity Tier 1 capital (CET 1);
- Tier One capital, which consists of Common Equity Tier One capital and Additional Tier 1 capital (AT1);
- total capital consisting of Tier 1 capital and Tier 2 capital.

Capital at 30 June 2014, calculated on a **fully loaded**[1] Basel 3 basis, takes into account the following changes compared with 31 December 2013 on a Basel 2.5 basis:

1. elimination of most prudential filters, in particular as regards unrealised capital gains and losses on equity instruments and available-for-sale debt securities. As an exception, capital gains and losses on cash flow hedges and those arising from changes in the credit rating of the institution (liabilities held at fair value) remain filtered, as are unrealised capital gains and losses on sovereign debt, which remain so while IAS 39 remains in force. In addition, a filter is introduced in respect of the DVA (debit valuation adjustment reflecting changes in the credit rating of the institution related to derivatives held as liabilities on the balance sheet).
2. limited recognition of minority interests in an eligible subsidiary[2] up to the amount of the capital required to cover the subsidiary's capital requirements. This partial derecognition applies to each tier of capital. Furthermore, ineligible minority interests are excluded.
3. deduction from the CET1 of deferred tax assets (DTAs) that rely on future profitability arising from tax loss carryforwards,
4. deduction from the CET1 of negative amounts resulting from any shortfall of provisions compared with expected losses (EL), calculated with a distinction between performing and non-performing loans
5. deduction from the CET1 of deferred tax assets (DTAs) that rely on future profitability arising from temporary differences above an exemption threshold of 17.65%. This exemption threshold, applied after calculation of a 10% threshold, is common to the portion not deducted of CET1 instruments of the financial stakes over 10%. Items not deducted are included in risk-weighted assets (250% weighting);
6. deduction from the CET1 of the CET1 instruments of the financial stakes over 10% beyond an exemption threshold of 17.65%, with treatment identical to that described in the previous point.
7. restriction of the Tier 1 and Tier 2 capital to hybrid debt instruments satisfying the inclusion criteria for Basel 3 eligibility,
8. value adjustments arising from the prudent valuation laid down in the regulatory framework: institutions must adjust the amount of their assets measured at fair value and deduct from their capital any value adjustment arising from the concept of prudent valuation defined in prudential regulation.

In addition, some of these items will be introduced progressively or phased-in as described below in the part "Transitional implementation phase".

b) **Solvency ratio denominator:** Basel 3 introduces changes to the calculation of credit and counterparty risk-weighted assets, and in particular factors in:

- the risk of market price movements in derivatives transactions linked to the credit rating quality of the counterparty (CVA - Credit Valuation Adjustment);
- central counterparty risks (clearing houses);
- external ratings, the reference of which is modified for the calculation of the weighting of financial counterparties under the standardised method,
- an increase in the correlation of default of large financial-sector entities for treatment under the internal ratings-based approach,
- strengthening of detection and monitoring of the correlation risk, ("Wrong Way Risk"),
- preferential treatment of exposures on small and medium-sized firms (SMEs).

[1] as they would be calculated in 2022 after the transition period
[2] Credit institution and investment firms

Furthermore, risk-weighted assets increase with the taking into account of items not deducted from capital according to the exemption threshold (see part "Reform of solvency ratios, point a").

c) Overall, under Basel 3, three levels of solvency ratio are calculated:

- the Common Equity Tier (CET1) ratio,
- the Tier 1 (T1) ratio,
- the total capital ratio.

These ratios are to be phased-in so that the transition from the Basel 2 calculation rules to the Basel 3 rules can be handled progressively.

In addition to the mandatory minimum ratio levels, "capital buffers" consisting solely of Common Equity Tier 1 capital, will be applied to the ratios (see part "Transitional implementation phase") to strengthen the resilience of the banking sector:

- the capital conservation buffer,
- the countercyclical buffer,
- the global systemically important financial institutions (G-SIFIs) buffer, and
- the buffer for systemic risk arising from global systemically important financial institutions.

Transitional implementation phase

To facilitate compliance by credit institutions with the CRD4, less stringent transitional provisions have been provided for:

- Capital ratios before buffers: the minimum CET1 requirement stands at 4% in 2014, rising to 4.5% in subsequent years. Likewise, the minimum Tier 1 requirement stands at 5.5% in 2014, rising to 6% in subsequent years. Lastly, the minimum total capital requirement stands at 8%.
- Gradual introduction of the capital buffers: the capital conservation, countercyclical and G-SIFI buffers will enter into force from 2016 in gradual yearly increments phased in over the period until 2019. The systemic risk buffer may be rolled out from 2014 by a national authority provided that it supplies the European Banking Authority with relevant documentation.
- Progressive introduction of new capital components:

  1. transitional application of prudential filters to <u>unrealised capital gains and losses</u> on available-for-sale assets: in 2014, unrealised capital gains will continue to be excluded from the CET1, before being incorporated gradually (40% in 2015; 60% in 2016; 80% in 2017 and 100% in subsequent years). Conversely, unrealised capital losses are to be included from 2014. In addition, unrealised capital gains and losses on sovereign debt securities are still excluded from capital,
  2. progressive deduction of the partial derecognition or exclusion of minority interests by tranche rising by 20% per annum with effect from 1 January 2014,
  3. progressive deduction of <u>deferred tax assets (DTAs) that rely on future profitability</u> arising from tax loss carryforwards (previously treated as risk-weighted assets with a 0% weighting) by tranche rising by 20% per annum with effect from 1 January 2014. The residual amount (80% in 2014) continues to be handled using the CRD3 method (treatment as risk-weighted assets with a 0% weighting),
  4. progressive deduction of <u>deferred tax assets that rely on future profitability</u> <u>arising from temporary differences</u>: the amount exceeding the exemption threshold, common to financial stakes over 10%, is deducted by tranche rising by 20% per annum with effect from 1 January 2014. The residual amount by which the exemption threshold (80% in 2014) is exceeded continues to be handled using the CRD3 method (treatment as risk-weighted assets with a 0% weighting),
  5. progressive deduction of the CET1 instruments of the <u>financial stakes over 10%</u>: the residual amount by which the exemption threshold is exceeded, common to the deferred tax assets covered in the previous point, is deducted using the same provisions as in the point above. The residual amount by which the exemption threshold (80% in 2014) is exceeded continues to be handled using the CRD3 method (50% deduction from Tier 1 and 50% deduction from Tier 2 capital); the elements covered by the exemption are risk-weighted at 250%,
  6. <u>The hybrid debt instruments</u> that were eligible to capital under Basel 2 and which are no longer eligible as capital owing to the entry into force of the new regulation can, under certain conditions, be eligible to the grandfathering clause. In accordance with this clause, these instruments are gradually excluded over a period of 8 years, with a reduction of 10% per annum. In 2014, 80% of the overall base reported at 31 December 2012 is recognised, then 70% in 2015, etc. The derecognised portion may be recognised in the lowest tier of capital (from AT1 to Tier 2, for example) if it satisfies the corresponding criteria.

Lastly, intangible assets (including goodwill) are to be deducted in full from 2014, in accordance with the national transposition of the transitional provisions.

Solvency ratios at 30 June 2014

The following table shows the CDR4 European solvency ratio, calculated in accordance with the regulations.

(in millions of euros)	30.06.2014 Phased-in	30.06.2014 Fully loaded	31.12.2013 Basel 2
Capital and reserves Group share	14,466	14,466	14,117
(+) Minority interests	71	0	76
(-) Deductions of goodwill and other intangible assets	(1,114)	(1,114)	(1,123)
(-) Shortfall of credit risk adjustments by comparison with expected losses under the internal ratings-based approch deducted from the CET1	(13)	(13)	
(-) Deferred tax assets that rely on future profitability not arising from temporary differences after deduction of the associated tax liabilities	(19)	(97)	
(-) Amount by which the exemption threshold is exceeded for CET1 instruments of financial stakes in which the institution owns a significant holding and of the deductible deferred taxes that rely on future profitability arising from temporary differences	(172)	(860) [1]	
(-) Deduction of UCIT-owned financial institutions	(51)	(51)	
(-) Anticipated impact of prudent valuation	(353)	(353)	
Transitional adjustments and other adjustments applicable to CET1 capital	(323)	(260)	
COMMON EQUITY TIER 1 CAPITAL (CET1)	**12,491**	**11,718**	**13,069**
Ineligible AT1 equity instruments qualifying under grandfathering clause	3,552	0	4,512
Transitional adjustments and other Basel 2 deductions	(268)	0	(1,138) [2]
ADDITIONAL TIER 1 CAPITAL	**3,283**	**0**	**3,374**
TIER 1 CAPITAL	**15,775**	**11,718**	**16,443**
Ineligible equity instruments and subordinated borrowings	30	0	651
Surplus provisions relative to expected losses eligible under the internal ratings-based approach and general credit risk adjustments under the standardised approach	422	422	347
Transitional adjustments and other Basel 2 deductions	(197)	0	(790) [3]
TIER 2 CAPITAL	**256**	**422**	**208**
TOTAL CAPITAL	**16,030**	**12,140**	**16,652**
TOTAL RISK WEIGHTED ASSETS	**117,434**	**117,434**	**110,515**
CET1 Ratio	**10.6%**	**10.0%**	**11.8%**
Tier 1 ratio	**13.4%**	**10.0%**	**14.9%**
Total capital ratio	**13.7%**	**10.3%**	**15.1%**

[1] As a reminder, the CET1 instruments of financial stakes in which the institution has a significant holding amounted to €1,701 million and the deferred taxes that rely on future profitability arising from temporary differences amounted to €1,045 million.

[2] Including -€32 million for securitisations, -€842 million on significant investments in entities of the financial sector which are deductible from capital, and - € 202 million under Marylebone operation.

[3] Including -€32 million for securitisations, -€842 million on significant investments in entities of the financial sector which are deductible from capital, and +€84 millions and 84 million euros on the adjustments of unrealized gains on equity AFS securities (45%).

The fully loaded Common Equity Tier 1 (CET1) capital stood at €11.7 billion at 30 June 2014, down €1.4 billion compared with year-end 2013. The phased-in CET1 capital is €0.8 billion higher than the fully loaded CET1 capital.

- Capital and reserves, Group share used to calculate the fully loaded ratio, excluding the interim result as at 30 June 2014, has been relatively stable over the period. The slight increase (€ 349 million) is the result of the increase in the value of the items included in reserves (OCI), which are subject to prudential filters,

- Deferred tax assets that rely on future profitability are deducted from capital from 1 January 2014. On a fully loaded basis, they amounted to €97 million and only 20% of this amount is included in the phased-in figure
- CET1 instruments of financial stakes over 10% (which were previously 50% deducted from Tier 1 and 50% deducted from Tier 2 capital) are now deducted from Common Equity Tier 1 beyond a certain level of exemption threshold. The amount by which this is exceeded amounted to €671 million on a fully loaded basis and 20% of this amount on a phased-in basis.
- Deferred tax assets that rely on future profitability arising from temporary differences amounted to €1,045 million at 30 June 2014 on a fully loaded and a phased-in basis. Under Basel 3, they are now deducted from CET1 beyond a certain level of exemption threshold. The amount by which this is exceeded amounted to €189 million on a fully loaded basis and 20% of this amount on a phased-in basis.
- Securitisation positions deducted 50% from Tier 1 and 50% from Tier 2 at 31 December 2013 are treated as risk-weighted assets in Basel 3,
- Early adoption of prudent valuation had an impact of €353 million, which was deducted from the CET1

Fully loaded Tier 1 capital came in €4.7 billion below its 31 December 2013 level, and phased-in Tier 1 capital was €0.7 billion below compared to 31 December 2013. This includes the CET1 capital described above and the Additional Tier 1 capital, which underwent the following changes:

- The entire stock of hybrid securities issued by Crédit Agricole CIB was ineligible on a fully loaded basis. On a phased-in basis, the grandfathering provision makes it possible to include an amount of debt of €3.6 billion[(1)], after taking into account a prepayment occurred in the first half of 2014 to € 0.9 billion,
- On a phased-in basis, instruments of financial stakes over 10% are subject to a treatment in Common Equity Tier 1. In phased-in basis, an amount equal to 80% of the exemption threshold excess remains deducted 50% from Tier 1 and 50% from Tier 2.

Fully loaded Tier 2 capital was €214 million higher than at 31 December 2013. Phased-in Tier 2 capital was €48 million higher than at 31 December 2013:

- The entire stock of hybrid securities issued by Crédit Agricole CIB was ineligible on a fully loaded basis. On a phased-in basis, the grandfathering provision makes it possible to include an issue of €30 million,
- the part of unrealized gains or losses on equity instruments for -€84 million has been added to the 80% of the amount exceeding the exemption threshold included at 50% in the Tier2 in phased-in basis (-€268 million).

All in all, total fully loaded capital amounted to €12.1 billion at 30 June 2014 and was €4.5 billion lower than at 31 December 2013. Phased-in total capital was slightly lower than at 31 December 2013.

(1) Amount smaller than permitted under the grandparenting ceiling amount, corresponding to 80% of eligible Tier 1 securities as of December 31, 2012.

Composition and change in regulatory capital

Composition of capital

As stated in the aforementioned point, CRD4 has brought with it some major changes in the composition of capital by tier.

Tier 1 capital

This includes Common Equity Tier 1 (CET1) and Additional Tier 1 capital (AT1):

A. *Common Equity Tier 1* (CET1)

This consists of:

- issued capital,
- reserves, including share premiums, retained earnings, net income after dividend payments (or provision for dividend payments) and accumulated other comprehensive income, including unrealised capital gains and losses on available-for-sale financial assets, as described in the part on the reform of solvency ratios,
- minority interests, which, as stated in the part "Reform of solvency ratios", are now partially derecognised or even excluded,
- the deductions, apart from the ones stated above in the part "Reform of solvency ratios", include the following items:
    - treasury shares held and valued at their net carrying amount,
    - intangible assets, including start-up costs and goodwill,

B. Additional Tier 1 capital (AT1)

Additional Tier 1 (AT1) capital eligible under Basel 3 consists of perpetual debt instruments without any redemption incentive or obligation (in particular step-up features).

AT1 instruments are subject to a loss absorption mechanism triggered when the CET1 ratio is below a threshold that must be set at no lower than 5.125%. Instruments may be converted into equity or suffer a reduction in their nominal value. Payments must be totally flexible: no automatic remuneration mechanisms, suspension of coupon payments at the issuer's discretion permitted.

Investments in financial-sector entities related to this tier (AT1) are deducted, as are those resulting from the transitional regime rules.

The following table shows the stock of AT1 completed during the first half of 2014 eligible for grandfathering provisions, and those in the stock at 31 December 2013, after maturities and redemptions, but excluding the impact of the cap resulting from the those provisions.

DEEPLY SUBORDINATED DEBT AND PREFERRED SHARES AT 30 JUNE 2014

Issuer	Date of issue	Amount on issue (in millions)	Currency	Call dates	Compensation	Step-up (Y /N)	Regulatory treatment	Eligibility under CRD4 (Y/N)	Coupon suspension conditions	*Write down* condition	Regulatory amount at 30/06/2014 (€ million)	Regulatory amount at 31/12/2013 (€ million)
Deeply subordinated debt												
Crédit Agricole CIB	24/12/2008	1,700	USD	24/12/2013 then quarterly	Libor3M+670 bps	N	T1	N	At the issuer's discretion if no dividend is paid	Occurrence of regulatory event	1,242	1,231
Crédit Agricole CIB	21/12/2005	85	USD	01/01/2016 then annual	Libor12M+150 bps	N	T1	N	Reduction that may lead to suspension in case of insufficient results	Occurrence of regulatory event	62	62
Crédit Agricole CIB	28/09/2007	1,000	USD	01/01/2018 then annual	Libor12M+252 bps	N	T1	N	Reduction that may lead to suspension in case of insufficient results	Occurrence of regulatory event	730	724
Crédit Agricole CIB	04/05/2004	1,260	USD	01/01/2014 then annual	5,96% then starting 01/01/2014 Libor12M+204 bps	Y	T1	N	Reduction that may lead to suspension in case of insufficient results	Occurrence of regulatory event	-	912
Crédit Agricole CIB	21/12/2005	220	USD	01/01/2016 then annual	Libor12M + 90 bps then starting 01/01/2016 Libor12M + 190bps	Y	T1	N	Reduction that may lead to suspension in case of insufficient results	Occurrence of regulatory event	161	159
Crédit Agricole CIB	28/09/2007	590	EUR	01/01/2018	Euribor12M+190bps then starting 01/01/2018 Libor12M+290bps	Y	T1	N	Reduction that may lead to suspension in case of insufficient results	Occurrence of regulatory event	590	590
Crédit Agricole CIB	19/03/2004	500	USD	01/01/2014 then annual	5,81% then starting 01/01/2014 Libor12M+170 bps	N	T1	N	Reduction that may lead to suspension in case of insufficient results	Occurrence of regulatory event	365	362
Crédit Agricole CIB	04/05/2004	470	USD	01/01/2014 then annual	6,48% then starting 01/01/2014 Libor12M+156 bps	N	T1	N	Reduction that may lead to suspension in case of insufficient results	Occurrence of regulatory event	343	340
Newedge	23/12/2008	103	USD	23/12/2013 then quarterly	8,6% then starting 23/03/2014 Libor1M+650 bps	N	T1	N	At the issuer's discretion if no dividend is paid	Occurrence of regulatory event	-	74
Preferred shares (equivalent to deeply subordinated debt)												
Indosuez Holdings II S.C.A	22/12/1993	80	USD	22/12/2008 then at any time	Libor6M+230 bps	N	T1	N	Reduction that may lead to suspension in case of insufficient results		59	58
Total											**3,552**	**4,512**

Tier 2 capital (Tier 2)

They include:

- subordinated debt instruments which must have a minimum maturity of 5 years. They must not carry any early repayment incentives. There are no more distinctions between lower and upper Tier 2 capital, these instruments are subject to a haircut during the five-year period prior to their maturity date,
- the grandfathering provision which is the same as that presented for the AT1 capital above,
- net unrealised capital gains on equity instruments included before tax in Additional capital at a rate of 45% (only on a phased-in basis),
- surplus provisions relative to expected losses eligible under the internal ratings-based approach and general credit risk adjustments under the standardised approach,
- deductions of investments in financial-sector entities related to this tier (predominantly in the insurance sector, since most subordinated banking receivables are not eligible) and those resulting from the transitional regime rules.

The subordinated debt is presented below with the distinction existing at 30 June 2014 between undated subordinated debt and participating notes, on the one hand, and dated subordinated debt, on the other hand.

UNDATED SUBORDINATED DEBT AND PARTICIPATING AT 30 JUNE 2014

Issuer	Date of issue	Amount of issue (in millions)	Currency	Dates of *Call*	Compensation	Step-up (Y / N)	Regulatory treatment	Eligible under CRD4 (Y / N)	Coupon suspension conditions	*Write down condition*	Regulatory amount at 30/06/2014 (€ million)	Regulatory amount at 31/12/2013 (€ million)
Crédit Agricole CIB	12/08/2008	30	EUR	12/08/2003 then at any time	Euribor3M+55 bps	*N*	T2	N	Absence of payable result	Occurrence of regulatory event	30	30
Total											**30**	**30**

REDEEMABLE SUBORDINATED NOTES AT 30 JUNE 2014

Instrument	Issuer	Date of issue	Amount of issue (in millions)	Maturity date	Currency	Dates of *Call*	Compensation	Step-up (Y / N)	Regulatory treatment	Eligible under CRD4 (Y / N)	Coupon suspension conditions	*Write down condition*	Regulatory amount at 30/06/2014 (€ million)	Regulatory amount at 31/12/2013 (€ million)
Redeemable subordinated notes														
TSR	Crédit Agricole CIB	29/03/2006	550	29/03/2018	EUR	29/03/2013 then quarterly	Euribor3M+79bps	Y	T2	N	Occurrence of regulatory event	Occurrence of regulatory event	-	550
TSR	New edge	01/01/2008	25	01/01/2018	EUR	-	Euribor3M+130bps	N	T2	N	N	N	-	25
TSR	New edge	29/12/2006	95	15/12/2016	USD	-	Libor12M+50bps	N	T2	N	N	N	-	41
TSR	New edge	15/12/1994	22	15/12/2014	EUR	-	TAM+49.5bps	N	T2	N	N	N	-	4
Total													**0**	**621**

Reconciliation of accounting and regulatory capital

(in millions of euros)	30.06.2014 Phased-in	30.06.2014 Fully loaded	31.12.2013 Basel 2
EQUITY, GROUP SHARE (CARRYING AMOUNT) [1] [2]	**14,466**	**14,466**	**15,117**
Minority interests	71	0	76
Advance profit distribution			(1,000)
Deductions of goodwill and intangible assets	(1,114)	(1,114)	(1,123)
Unrealised gains/(losses) on change in own credit risk on structured products	516	516	
Unrealised gains/(losses) on change in own credit risk on derivatives	(30)	(149)	
Unrealised gains/(losses) on cash flow hedges	(487)	(487)	
Unrealised gains/(losses) on available-for-sale equity and debt securities filtered under Basel 2	(183)	0	
Transitional regime applicable to unrealised gains/(losses)	(12)	0	
Other regulatory adjustments	0	(12)	
Deferred tax assets that rely on future profitability not arising from temporary differences	(19)	(97)	
Shortfall in adjustments for credit risk by comparison with expected losses under the internal ratings-based approach deducted from the CET1	(13)	(13)	
Amount by which the exemption threshold is exceeded for CET1 instruments of financial stakes in which the institution owns a significant holding and of the deductible deferred taxes that rely on future profitability arising from temporary differences	(172)	(860)	
Early adoption of "*prudent valuation*"	(353)	(353)	
Other CET1 components [1]	(179)	(179)	
Total CET1	**12,491**	**11,718**	**13,069**
AT1 equity instruments	3,552	0	4,512
Transitional adjustments and Basel 2 deductions	(268)	0	(1,138)
Total Additionnal *Tier 1*	**3,283**	**0**	**3,374**
Total *Tier 1*	**15,775**	**11,718**	**16,443**
Tier 2 equity instruments	30	0	651
Surplus provisions relative to expected losses eligible under the internal ratings-based approach	405	405	347
General credit risk adjustments under the standardised approach	17	17	
Transitional adjustments and Basel 2 deductions	(197)	0	(790)
Total *Tier 2*	**256**	**422**	**208**
TOTAL CAPITAL	**16,030**	**12,140**	**16,652**

[1] excluding the first half 2014 net income
[2] including the deduction related to the Marylebone correlation book.

Trends in risk-weighted assets

The following table shows the change in the Crédit Agricole CIB risk-weighted assets during the first half of 2014:

	Amount (in millions of euros)
Risk-weighted assets at 31 December 2013	**110,515**
CRD4 impacts	8,256
of which CVA	*4,006*
of which CCC	*1,415*
Disposal of Newedge	(3,370)
Exemption threshold weighting	4,717
Exchange rate impact (USD)	431
Organic changes and other [1]	(3,116)
Risk-weighted assets at 30 June 2014	**117,434**
of which credit risk	*89,731*
of which credit adjustment risk	*4,006*
of which market risk	*8,486*
of which operational risk	*15,211*

[1] change in exposures and credit migration

Basel 3 risk-weighted assets came to €117.4 billion at 30 June 2014, up 6% compared to their level at 31 December 2013 under Basel 2.5 (€110.5 billion). Changes during the first six months of the year reflected:

- The inclusion of the CRD4 impacts amounting to €8.3 billion, of which €4.0 billion in respect of the CVA and €1.4 billion in respect of the Central Counterparty Clearing
- The 250% weighting of the 15% exemption threshold used (€4.7 billion used)
- The disposal of Newedge inducing a decrease of €3.4 billion
- A foreign exchange impact of €0.4 billion
- And a volume effect of -€3.1 billion with a significant amortization of discontinuing operations.

2 CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2014

Examined by the Board of Directors at its meeting of 31 July 2014

Information required under IFRS 7 is disclosed in the Management Report (pages 18 to 21) and is part of the financial statements.

The consolidated financial statements consist of the general framework, the consolidated financial statements and the notes to the consolidated financial statements.

General framework

➢ LEGAL PRESENTATION OF CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK

Corporate's name: Crédit Agricole Corporate and Investment Bank.

Trading names: Crédit Agricole Corporate and Investment Bank – Crédit Agricole CIB - CACIB

Adress and registered office:
9, quai du Président Paul Doumer
92920 Paris La Défense Cedex - France.

Registration number: 304 187 701, Nanterre Trade and Companies Registry.

NAF Code: 6419 Z (APE)

Corporate form:
Crédit Agricole Corporate and Investment Bank is a French Societé Anonyme (joint stock corporation) with a Board of Directors, governed by the laws and regulations applicable to credit institutions and joint stock corporations and by its Articles of Association.

Since December 2011, Crédit Agricole Corporate and Investment Bank is affiliated with Crédit Agricole S.A. according to the French Monetary and Financial code.

Share capital:

EUR 7,254,575,271

Consolidated financial statements

➢ INCOME STATEMENT

€ million	Notes	30.06.2014	31.12.2013 restated [2]	30.06.2013 restated [2] [3]
Interest and similar income	3.1	2,383	4,850	2,346
Interest and similar expenses	3.1	(1,487)	(2,804)	(1,359)
Fee and commission income	3.2	713	1,473	842
Fee and commission expenses	3.2	(236)	(505)	(348)
Net gains (losses) on financial instruments at fair value through profit or loss	3.3	612	730	477
Net gains (losses) on available-for-sale financial assets	3.4	113	15	(5)
Income on other activities	3.5	40	64	24
Expenses on other activities	3.5	(18)	(75)	(19)
NET BANKING INCOME		**2,120**	**3,748**	**1,958**
Operating expenses	3.6	(1,315)	(2,690)	(1,340)
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	3.7	(44)	(91)	(46)
GROSS OPERATING INCOME		**761**	**967**	**572**
Cost of risk	3.8	(148)	(516)	(219)
OPERATING INCOME		**613**	**451**	**353**
Share of net income of equity-accounted entities		86	127	73
Net income on other assets	3.9	5	1	3
Change in value of goodwill				
PRE-TAX INCOME		**704**	**579**	**429**
Income tax charge		(181)	(153)	(79)
Net income from discontinued or held-for-sale activities		2	156	(7)
NET INCOME		**525**	**582**	**343**
Non-controlling interests		6	22	10
NET INCOME - GROUP SHARE		**519**	**560**	**333**
Basic earnings per share (in €) [1]		1.93	2.08	1.24
Diluted earnings per share (in €) [1]		1.93	2.08	1.24

[1] Corresponds to income including net income from discontinued and held-for-sale operations.
[2] The effects of the change in accounting policy related to new consolidation standards and to IFRS 5 standard's application are detailed in note 9.
[3] The income statement as of 30 June 2013 has not been restated for IFRS 10 standard due to data unavailability.

➢ NET INCOME AND OTHER COMPREHENSIVE INCOME

Amounts are disclosed after tax.

€ million	Notes	30.06.2014	31.12.2013 restated[1]	30.06.2013 restated[1]
Net Income		**525**	**582**	**343**
Actuarial gains (losses) on post-employment benefits		(44)	27	(7)
Gains (losses) on non-current assets held-for-sale				
Pre-tax other comprehensive income on items that will not be reclassified to profit and loss excluding equity-accounted entities		**(44)**	**27**	**(7)**
Pre-tax other comprehensive income on items that will not be reclassified to profit and loss on equity-accounted entities				
Income tax related to items that will not be reclassified to profit and loss excluding equity-accounted entities		**15**	**(11)**	**3**
Income tax related to items that will not be reclassified to profit and loss on equity-accounted entities				
Other comprehensive income on items that will not be reclassified subsequently to profit and loss net of income tax		**(29)**	**16**	**(4)**
Gains (losses) on currency translation adjustment		8	(88)	(18)
Gains (losses) on available for-sale-assets		(7)	10	(58)
Gains (losses) on hedging derivative instruments		216	(416)	(331)
Gains (losses) on non-current assets held-for-sale		16	34	(17)
Pre-tax other comprehensive income on items that may be reclassified to profit and loss excluding equity-accounted entities		**233**	**(460)**	**(424)**
Pre-tax other comprehensive income on items that will not be reclassified to profit and loss on equity-accounted entities, Group share		**32**	**(82)**	**(6)**
Income tax related to items that may be reclassified to profit and loss excluding equity-accounted entities		**(77)**	**126**	**130**
Income tax related to items that may be reclassified to profit and loss on equity-accounted entities			**1**	**(1)**
Other comprehensive income on items that may be reclassified subsequently to profit and loss net of income tax		**188**	**(415)**	**(301)**
Other comprehensive income net of income tax	3.10	**159**	**(399)**	**(305)**
Net income and other comprehensive income		**684**	**183**	**38**
of which non-controlling interests		8	64	11
of which Group share		676	119	27

[1] The effects of the change in accounting policy related to new consolidation standards and to IFRS 5 standard's application are detailed in note 9.

➢ BALANCE SHEET - ASSETS

€ million	Notes	30.06.2014	31.12.2013 restated[1]	01.01.2013 restated[1]
Cash, due from central banks		54,733	56,168	37,259
Financial assets at fair value through profit or loss	5.1- 5.6	294,131	310,293	360,583
Hedging derivative instruments		1,539	1,396	1,833
Available-for-sale financial assets	5.2- 5.4- 5.5- 5.6	26,217	27,750	30,117
Loans and receivables due from credit institutions	5.3- 5.4- 5.5- 5.6	42,507	39,605	54,722
Loans and receivables due from customers	5.3- 5.4- 5.5- 5.6	113,878	109,990	122,983
Revaluation adjustment on interest rate hedged portfolios		20	23	33
Held-to-maturity financial assets				
Current and deferred tax assets		1,298	1,502	2,325
Accruals, prepayments and sundry assets		35,180	39,621	47,461
Non-current assets held for sale		19	268	3,858
Investments in equity-accounted entities		1,642	1,524	1,914
Investment property				
Property, plant and equipment	5.10	380	395	435
Intangible assets	5.10	157	153	143
Goodwill	2.2	956	953	958
TOTAL ASSETS		**572,657**	**589,641**	**664,624**

[1] The effects of the change in accounting policy related to new consolidation standards and to IFRS 5 standard's application are detailed in note 9.

➢ BALANCE SHEET – LIABILITIES AND SHAREHOLDERS' EQUITY

€ million	Notes	30.06.2014	31.12.2013 restated [1]	01.01.2013 restated [1]
Due to central banks		2,088	2,036	1,057
Financial liabilities at fair value through profit or loss	5.1	305,747	322,639	386,005
Hedging derivative instruments		1,098	787	1,060
Due to credit institutions	5.7	66,131	58,072	54,411
Due to customers	5.7	94,917	107,292	105,504
Debt securities	5.8	51,887	41,409	45,210
Revaluation adjustment on interest rate hedged portfolios		72	47	109
Current and deferred tax liabilities		487	482	531
Accruals, deferred income and sundry liabilities		29,621	34,923	44,244
Liabilities associated with non-current assets held for sale				3,718
Insurance company technical reserves		11	11	11
Provisions	5.11	1,354	1,362	1,322
Subordinated debt	5.8	4,164	5,162	5,775
Total liabilities		**557,577**	**574,222**	**648,957**
Equity	5.12			
Equity, Group share		14,985	15,309	15,131
Share capital and reserves		8,160	8,160	8,160
Consolidated reserves		5,815	6,255	6,585
Other comprehensive income		491	353	824
Other comprehensive income on non-current assets held for sale			(19)	(49)
Net income/(loss) for the period		519	560	(389)
Non-controlling interests		95	110	536
Total equity		**15,080**	**15,419**	**15,667**
TOTAL EQUITY AND LIABILITIES		**572,657**	**589,641**	**664,624**

[1] The effects of the change in accounting policy related to new consolidation standards and to IFRS 5 standard's application are detailed in note 9.

➢ STATEMENT OF CHANGES IN EQUITY

€ million	Group share									Non-controlling interests					Total consolidated equity
	Share capital and reserves				Other comprehensive income			Net income	Total Equity	Capital, consolidated reserves and income	Other comprehensive income			Total Equity	
	Share capital	Share premiums and consolidated reserves[1]	Elimination of treasury shares	Total Capital and consolidated reserves	Other comprehensive income on items that will not be reclassified to profit and loss	Other comprehensive income on items that may be reclassified to profit and loss	Total other comprehensive income				Other comprehensive income on items that will not be reclassified to profit and loss	Other comprehensive income on items that may be reclassified to profit and loss	Total other comprehensive income		
Equity at 1st January 2013 published	**7,255**	**7,101**		**14,356**	**(165)**	**940**	**775**		**15,131**	**572**	**1**	**(37)**	**(36)**	**536**	**15,667**
Impact of new consolidation standards (IFRS 10)															
Equity at 1st January 2013 restated	**7,255**	**7,101**		**14,356**	**(165)**	**940**	**775**		**15,131**	**572**	**1**	**(37)**	**(36)**	**536**	**15,667**
Capital increase										8				8	8
Change in treasury shares held															
Dividends paid during the 1st half of 2013										(15)				(15)	(15)
Impact of acquisitions/ disposais on non-controlling interests										(1)				(1)	(1)
Changes due to share-based payments															
Changes due to transactions with shareholders										***(8)***				***(8)***	***(8)***
Change in other comprehensive income					***(4)***	***(295)***	***(299)***		***(299)***			***1***	***1***	***1***	***(298)***
Share of changes in equity of equity-accounted entities						(7)	(7)		(7)						(7)
1st half 2013 net income								333	333	10				10	343
Other changes															
Equity at 30 June 2013 restated	**7,255**	**7,101**		**14,356**	**(169)**	**638**	**469**	**333**	**15,158**	**574**	**1**	**(36)**	**(35)**	**539**	**15,697**
Capital increase										(417)				(417)	(417)
Change in treasury shares held															
Dividends paid during the 2nd half of 2013										(6)				(6)	(6)
Impact of acquisitions/ disposais on non-controlling interests										(59)				(59)	(59)
Changes due to share-based payments															
Changes due to transactions with shareholders										***(482)***				***(482)***	***(482)***
Change in other comprehensive income					***20***	***(81)***	***(61)***		***(61)***			***41***	***41***	***41***	***(20)***
Share of changes in equity of equity-accounted entities						(74)	(74)		(74)						(74)
2nd half 2013 net income								227	227	12				12	239
Other changes		59		59					59						59
Equity at 31 December 2013 restated	**7,255**	**7,160**		**14,415**	**(149)**	**483**	**334**	**560**	**15,309**	**104**	**1**	**5**	**6**	**110**	**15,419**
Appropriation of 2013 net income		560		560				(560)							
Equity at 1st January 2014	**7,255**	**7,720**		**14,975**	**(149)**	**483**	**334**		**15,309**	**104**	**1**	**5**	**6**	**110**	**15,419**
Capital increase										(1)				(1)	(1)
Change in treasury shares held															
Dividends paid during the 1st half of 2014		(1,000)		(1,000)					(1,000)	(8)				(8)	(1,008)
Impact of acquisitions/ disposais on non-controlling interests															
Changes due to share-based payments															
Changes due to transactions with shareholders		***(1,000)***		***(1,000)***					***(1,000)***	(9)				(9)	(1,009)
Change in other comprehensive income					***(29)***	***154***	***125***		***125***			***2***	***2***	***2***	***127***
Share of changes in equity of equity-accounted entities						32	32		32						32
1st half 2014 net income								519	519	6				6	525
Other changes										(14)[2]				(14)	(14)
Equity at 30 June 2014	**7,255**	**6,720**		**13,975**	**(178)**	**669**	**491**	**519**	**14,985**	**87**	**1**	**7**	**8**	**95**	**15,080**

[1] Consolidated reserves before elimination of treasury shares
[2] Sale of Semeru on 1st May 2014.

➢ CASH FLOW STATEMENT

The cash flow statement is presented using the indirect method.

Operating activities are Crédit Agricole CIB's revenue generating activities. Tax inflows and outflows are included in full within operating activities.

Investing activities show the impact of cash inflows and outflows associated with purchases and sales of investments in consolidated and non-consolidated companies, property, plant and equipment and intangible assets. This section includes strategic investments classified as available for sale.

Financing activities show the impact of cash inflows and outflows associated with shareholders' equity and long-term financing.

Net cash flows attributable to operating activities, investment and financing activities of **discontinued operations** are presented under separate headings in the cash flow statement.

Net cash and cash equivalents include cash, debit and credit balances with central banks, and debit and credit sight balances with banks.

€ million	First half 2014	First half 2013 restated (6)	31.12.2013 restated (6)
Pre-tax income	**704**	**429**	**579**
Net depreciation and impairment of property, plant and equipment and intangible assets	43	47	91
Impairment of goodwill and other fixed assets			
Net depreciation charges to provisions	85	192	416
Share of net income (loss) of equity-accounted entities	(86)	(74)	(127)
Net income (loss) on investment activities	102	41	86
Net income (loss) on financing activities	84	184	361
Other movements	330	(386)	(1,471)
Total non-cash and other adjustment items included in pre-tax income	**558**	**4**	**(644)**
Change in interbank items	6,116	4,752	(807)
Change in customer items	(16,351)	7,166	18,622
Change in financial assets and liabilities	10,168	(12,276)	(12,681)
Change in non-financial assets and liabilities	(1,331)	(2,522)	(2,609)
Dividends received from equity-accounted entities		7	11
Tax paid	(27)	787	666
Net increase (decrease) in assets and liabilities used in operating activities	**(1,425)**	**(2,086)**	**3,202**
Cash provided (used) by discontinued activities		(190)	(160)
TOTAL net cash flows from (used by) OPERATING activities (A)	**(163)**	**(1,843)**	**2,977**
Change in equity investments(3)	416	15	(50)
Change in property, plant and equipment and intangible assets	(23)	(45)	(86)
Cash provided (used) by discontinued activities		93	387
TOTAL net cash flows from/(used by) INVESTMENT activities (B)	**393**	**63**	**251**
Cash received from (paid to) shareholders(4)	(1,008)	(7)	(430)
Other cash provided (used) by financing activities(5)	(1,111)	(612)	(719)
Cash provided (used) by discontinued activities		1	1
TOTAL net cash flows from (used by) FINANCING activities (C)	**(2,119)**	**(618)**	**(1,148)**
Impact of exchange rate changes on cash and cash equivalents (D)	**989**	**(726)**	**(2,892)**
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C + D)	**(900)**	**(3,124)**	**(812)**
Opening cash and cash equivalents	**48,668**	**49,480**	**49,480**
Net gain/ (losses) on cash and central banks (assets and liabilities) (1)	54,127	36,199	36,199
Net gain/ (losses) on interbank sight balances (assets and liabilities) (2)	(5,459)	13,281	13,281
Closing cash and cash equivalents	**47,768**	**46,356**	**48,668**
Net gain/ (losses) on cash and central banks (assets and liabilities) (1)	52,639	44,736	54,126
Net gain/ (losses) on interbank sight balances (assets and liabilities) (2)	(4,871)	1,620	(5,458)
NET CHANGE IN CASH AND CASH EQUIVALENTS	**(900)**	**(3,124)**	**(812)**

(1) Consisting of the net balance of «Cash and central banks items», excluding accrued interests.

(2) Consisting of the balance of «performing current accounts in debit and performing overnight accounts and advances» as detailed in note 5.3 and of «current accounts in credit and overnight overdrafts and accounts» as disclosed in note 5.7 (excluding accrued interests).

(3) Change in equity Investments:
This line reflects notably net cash flows related to the sale of its shares in Newedge for €271.6 million, in Immobiliara Colonial for €54.8 million and in Semeru for €34.1 million and to the exclusion from the scope of consolidation of IFUK securities for €39.8 million.

(4) The cash flow from or to shareholders primarily includes dividends paid by Crédit Agricole CIB S.A. to Crédit Agricole S.A. for -€999.5 million and dividends paid to minority shareholders for -€7.8 million.
The main dividends payment to minority shareholders relates to Crédit Foncier de Monaco.

(5) During the first half of 2014, there was no issue of subordinated term debt or bonds. This line mainly includes the repayment of subordinated debt to Crédit Agricole S.A. for €1,027.8 million and the payment of associated interests for €83.5 million.

(6) The effects of the change in accounting policy related to new consolidation standards and to IFRS 5 standard's application are detailed in note 9.

Notes to the condensed interim consolidated financial statements

➢ Note 1 : Accounting policies and principles, assessments and estimates used

The condensed interim consolidated financial statements of the Crédit Agricole CIB for the period ended 30 June 2014 were prepared and are presented in accordance with IAS 34 (Interim financial reporting) which defines the minimum information content and identifies the accounting and measurement principles that must be applied in an interim financial report.

Pursuant to EC Regulation 1606/2002, the standards and interpretations used to prepare the condensed interim consolidated financial statements are the same as those applied to the Group's financial statements for the year ended 31 December 2013, which were prepared in accordance with IAS/IFRS and IFRIC, including the "carve out" version of IAS 39 as endorsed by the European Union, which allows for certain exceptions in the application of macro-hedge accounting.

These standards and interpretations are supplemented by the provisions of those IFRS as endorsed by the European Union as of 30 June 2014 and that must be applied in 2013 for the first time. These cover the following:

Standards, amendments or interpretations	Date of publication by the European Union	Date of the first application : financial years beginning as of	Applicable by the Group
IFRS 10 on consolidated financial statements	11 December 2012 EU n° 1254/12	1st January 2014	Yes
IFRS 11 on partnerships	11 December 2012 EU n° 1254/12	1st January 2014	Yes
IFRS 12 on disclosure of interests in other entities	11 December 2012 EU n° 1254/12	1st January 2014	Yes
IAS 27 amended on separate financial statements	11 December 2012 EU n° 1254/12	1st January 2014	No
IAS 28 amended on investments in associates and joint ventures	11 December 2012 EU n° 1254/12	1st January 2014	Yes
Amendment to IAS 32 on the presentation of netting of Financial Assets and Financial Liabilities	13 December 2012 EU n° 1256/12	1st January 2014	Yes
Amendment relative to transitory provisions for IFRS 10 Consolidation of Financial Statements, IFRS11 on Joint arrangements and IFRS Disclosures on interests in other entities.	4 April 2013 EU n° 313/2013	1st January 2014	Yes
Amendment to IFRS 10 and 12 relative to investment companies	20 November 2013 EU n°1174/2013	1st January 2014	No
Amendment to IAS 36 relative to disclosures to provide about the recoverable value of non-financial assets	19 December 2013 EU n°1374/2013	1st January 2014	Yes
Amendments to IAS 39 on financial instruments, relative to the accounting and valuation of derivatives' novation and the maintaining of hedge accounting	19 December 2013 EU n°1374/2013	1st January 2014	Yes

The condensed interim financial statements are designed to update the information contained in Crédit Agricole CIB Group's consolidated financial statements for the year ended 31 December 2013 and must be read as supplementing those financial statements. As a result, only the most material information regarding the change in Crédit Agricole CIB Group's financial position and performance is mentioned in these interim financial statements.

The consolidation standards IFRS 10, IFRS 11 and IFRS 12 and IAS 28 amended came into effect on 1st January 2014 and apply retrospectively. They require the nature of equity interests to be reviewed in light of the new control model, changes to the consolidation method in the event of joint control, and disclosures in the notes.

IFRS 10 supersedes IAS 27 and SIC 12 and establishes a common analytical framework for control based on three cumulative criteria:

(1) the holding of power in the relevant activities of the investee ;
(2) exposure or rights to variable returns and;
(3) the ability to use the power over the investee to affect its returns.

The principal impact of the IFRS 10 first-time application is the inclusion within the scope of consolidation of two multi-selling ABCP conduits (LMA and Atlantic) and 16 SPV designed to refinance on the market securitisation transactions on behalf of customers, in Europe and the United States. Indeed, the conduit sponsor and liquidity provider roles played by Crédit Agricole CIB give it directly control on the variability of returns from the business. The liquidity facilities protect the investors from credit risk and guarantee the liquidity of the conduits.

The inclusion of these entities into the scope of consolidation inflated the balance sheet on 1st January 2013 by €8,082 million and did not have a material impact on equity.

IFRS 11 supersedes IAS 31 and SIC 13. It outlines how joint control is exercised through two forms of arrangements: joint operation and joint venture.
In joint operations, the parties must recognize the assets and liabilities in proportion to their rights and obligations. Conversely, joint ventures in which the parties share the rights to the net assets are no longer proportionally consolidated, but are instead accounted for under the equity method in accordance with IAS 28 amended.

At 30 June 2014, Crédit Agricole CIB was a joint venturer in UBAF entity.

The change of consolidation method related to IFRS 11 and amended IAS 28 first-time application, results in accounting in a single line of the balance sheet, income statement and of other financial statements, the proportionate state of the interests held in these entities. The application of this standard is retrospective, 31/12/2013 and 30/06/2013 data for UBAF and Newedge will be restated.

The balance sheet on 1 January 2013 was negatively affected to the tune of €23,058 million while there was no impact on equity.

The main impacts of new consolidation standards are disclosed in note 9 Impacts of accounting changes (new consolidation standards) or other events, and changes in the scope of consolidation in note 11 Scope of consolidation at 30 June 2014.

The new disclosures under IFRS 12 will be communicated on 31 December 2014.

Where the early application of standards and interpretations adopted by the European Union is optional for a period, this option is not selected by the Group, unless otherwise stated.

Moreover, the standards and interpretations published by the IASB, but not yet adopted by the European Union, will not come into force until a mandatory adoption and therefore they are not applied by the Group at 30 June 2014.

This concerns in particular:

Standards, amendments or interpretations	Date of publication by the European Union	Date of the first application : financial years beginning as of	Applicable by the Group
IFRIC 21 interpretation on levies	13 June 2014 EU n° 634/2014	1st January 2015	Yes

IFRIC interpretation 21 gives details on the accounting of levies, taxes and other government charges that fall under IAS 37 Provisions, Contingent Liabilities and Contingent Assets (excluding fines and penalties and excluding corporate income tax governed by IAS 12). In particular, it clarifies:

- The date by which these levies and taxes must be recognised;
- And whether or not the liability can be recognised progressively (spread) over the course of the financial year.

With respect to these clarifications, the application of IFRIC 21 may result in a change in the obligating event triggering the recognition of certain levies and taxes (deferment of the date of recognition from one year to another and/or end of spread over the duration of the financial year). The levies and taxes concerned and the costing of the associated impacts are currently being identified.

The condensed interim financial statements are designed to update the information contained in Crédit Agricole CIB Group's consolidated financial statements for the year ended 31 December 2013 and must be read as supplementing those financial statements. As a result, only the most material information regarding the change in Crédit Agricole CIB Group's financial position and performance is mentioned in these interim financial statements.

By their nature, estimates have been made to prepare the consolidated financial statements. These estimates are based on certain assumptions and involve risks and uncertainties as to their actual achievement in the future. Accounting estimates that require the formulation of assumptions are used mainly in measuring financial instruments at fair value, non-consolidated equity investments, equity-accounted companies, pension plans, other future employee benefits and stock-option plans, permanent impairment of available-for-sale and held-to-maturity securities, irrecoverable debt write-downs, provisions, impairment of goodwill and deferred tax assets.

➢ Note 2 : Significant information for the first half of 2014

The scope of consolidation and its changes at 30 June 2014 are shown in detail at the end of the notes in note 11 « Scope of consolidation at 30 June 2014 ».

2.1 Main structural transactions and material events in the period

Sale of Newedge

The sale of 50% of Newedge to Société Générale was completed on 6th May 2014.

The loss resulting from the fair value measurement of the assets held for sale was recorded in 2013 financial year for an amount of -€162 million. In the first half of 2014, the completion of the sale generated no significant impact on Crédit Agricole CIB's financial statements.

2.2 Goodwill

€ million	31.12.2013 GROSS restated	31.12.2013 NET restated	Increases (acquisitions)	Decreases (disposals)	Impairment losses during the period	Translation adjustments	Other movements	Transfers to current assets held for sale	30.06.2014 GROSS	30.06.2014 NET
Corporate and Investment Banking (excluding brokers)	644	474							644	474
Private Banking	479	479				3			482	482
TOTAL	**1,123**	**953**				**3**			**1,126**	**956**

As part of the interim accounts closing process and in accordance with the Group's methods and principles, given the absence of objective indications of impairment, no additional impairment of goodwill was recorded on 30 June 2014.

2.3 Related parties

Parties related to Crédit Agricole CIB are companies of Crédit Agricole S.A. group, companies of Crédit Agricole CIB Group that are fully consolidated, proportionately consolidated or accounted for using the equity method, and Senior Executives of the Group.

Relations with Crédit Agricole S.A. group

On-and off-balance sheet amounts representing transactions between the Crédit Agricole CIB Group and the rest of the Crédit Agricole S.A. Group are summarized in the following table:

€ million	30.06.2014
ASSETS	
Loans and advances	11,208
Derivatives financial instruments held for trading	36,470
LIABILITIES	
Accounts and deposits	20,072
Derivatives financial instruments held for trading	34,506
Subordinated debts	4,166
FINANCING COMMITMENTS AND GUARANTEES	
Refinancing agreements received	1,274
Other guarantees given	260
Guarantees received	287
Other guarantees received	1,783

The outstandings of loans and advances represent cash relations between Crédit Agricole CIB and Crédit Agricole S.A..

The outstandings of derivatives instruments held for trading mainly represent Crédit Agricole Group interest-rate hedging transactions arranged by Crédit Agricole CIB in the market.

CACIB, 99.9% owned by Crédit Agricole Group since 27 December 1996, and some of its subsidiaries, are part of the fiscal integration group formed at the level of Crédit Agricole S.A..

In this regard, Crédit Agricole S.A. usually indemnifies CACIB S.A. (France) for its own tax losses chargeable to the tax profits of Crédit Agricole Group.

Relations between consolidated companies of Crédit Agricole CIB group

A list of the Crédit Agricole CIB Group's consolidated companies can be found in note 11.

Transactions realized between two fully consolidated entities are fully eliminated.

Outstandings at year-end between fully consolidated companies and equity consolidated companies are not eliminated in the Group's consolidated financial statements.

At 30 June 2014, non-eliminated outstandings with BSF (Bank Saudi Fransi) and UBAF on- and off-balance sheet are:

€ million	30.06.2014
ASSETS	
Loans and advances	6
Derivatives financial instruments held for trading	62
LIABILITIES	
Accounts and deposits	302
Derivatives financial instruments held for trading	110
GUARANTEE COMMITMENTS	
Other guarantees received	9
Other guarantees given	134
Counter-guarantees received	26

Note 3 : Notes to the income statement and comprehensive income

3.1. Interest income and expenses

€ million	30.06.2014	31.12.2013 restated	30.06.2013 restated
Interbank transactions	296	638	249
Customer transactions	1,686	3,631	1,764
Accrued interest receivable on available-for-sale financial assets	206	385	192
Accrued interest receivable on hedging instruments	195	196	141
Finance leases			
Interest income [1]	**2,383**	**4,850**	**2,346**
Interbank transactions	(344)	(654)	(330)
Customer transactions	(354)	(719)	(326)
Debt securities	(514)	(929)	(395)
Subordinated debt	(77)	(248)	(128)
Accrued interest payable on hedging instruments	(200)	(254)	(181)
Finance leases			
Other interest expenses	2		1
Interest expenses	**(1,487)**	**(2,804)**	**(1,359)**
Net interest margin	**896**	**2,046**	**987**

[1] Of which €51 million on individually impaired receivables on 30 June 2014 compared to €54 million on 30 June 2013 and €113 million on 31 December 2013.

3.2 Net fees and commissions

€ million	30.06.2014			31.12.2013 restated			30.06.2013 restated		
	Income	Expenses	Net	Income	Expenses	Net	Income	Expenses	Net
Interbank transactions	9	(16)	(7)	52	(30)	22	14	(23)	(9)
Customer transactions	236	(39)	197	365	(71)	294	199	(34)	165
Securities transactions (including brokerage)	26	(36)	(10)	181	(143)	38	154	(115)	39
Foreign exchange transactions	4	(6)	(2)	7	(10)	(3)	5	(6)	(1)
Derivative instruments and other off-balance sheet transactions (including brokerage)	144	(85)	59	236	(122)	114	130	(78)	52
Payment instruments and other banking and financial services	154	(53)	101	354	(106)	248	201	(82)	119
Mutual funds management, fiduciary and similar operations	140	(1)	139	278	(23)	255	139	(10)	129
Net fees and commissions	**713**	**(236)**	**477**	**1,473**	**(505)**	**968**	**842**	**(348)**	**494**

3.3. Net gains (losses) on financial instruments at fair value through profit or loss

€ million	30.06.2014	31.12.2013 restated	30.06.2013 restated
Dividends received	162	150	127
Unrealised or realised gains(losses) on assets/liabilities at fair value through profit or loss	1,006	585	(492)
Unrealised or realised gains or losses on financial assets/liabilities designated at fair value through profit or loss	(441)	(347)	(375)
Net gains (losses) on foreign exchange transactions and similar financial instruments (excluding gains or losses on hedges of net investments in foreign operations)	(115)	344	1,218
Gains (losses) from hedge accounting		(2)	(1)
Net gains (losses) on financial instruments at fair value through profit or loss	**612**	**730**	**477**

Impacts related to the issuer spread generated on Net Banking Income a loss of -€99 million at 30 June 2014 compared to -€393 million at 30 June 2013 and -€529 million at 31 December 2013.

From 1st January 2014, the impact of the Fair Value Adjustment on uncollateralised derivatives instruments was recognized for an amount of -€167 million.

The impact at 1 January 2013 of the IFRS 13 first-time application within Crédit Agricole CIB amounts to -€132 million in Net Banking income (CVA = -€382 million / DVA = +€250 million).

Net gain (loss) resulting from hedge accounting

Analysis of net gains (losses) from hedge accounting:

€ million	30.06.2014		
	Gains	Losses	Net
Fair value hedges			
Change in fair value of hedged items attributable to hedged risks	150	(213)	(63)
Change in fair value of hedging derivatives (including termination of hedges)	213	(150)	63
Cash flow hedges			
Change in fair value of hedging derivatives – ineffective portion			
Hedges of net investments in foreign operations			
Change in fair value of hedging derivatives – ineffective portion			
Fair value hedges of the interest rate exposure of a portfolio of financial instruments			
Change in fair value of hedged items	55	(8)	47
Change in fair value of hedging derivatives	8	(55)	(47)
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments			
Change in fair value of hedging instrument – ineffective portion			
Total gains (losses) from hedge accounting	**426**	**(426)**	

€ million	31.12.2013 restated		
	Gains	Losses	Net
Fair value hedges			
Change in fair value of hedged items attributable to hedged risks	437	(319)	118
Change in fair value of hedging derivatives (including termination of hedges)	316	(435)	(119)
Cash flow hedges			
Change in fair value of hedging derivatives – ineffective portion			
Hedges of net investments in foreign operations			
Change in fair value of hedging derivatives – ineffective portion			
Fair value hedges of the interest rate exposure of a portfolio of financial instruments			
Change in fair value of hedged items	61		61
Change in fair value of hedging derivatives		(61)	(61)
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments			
Change in fair value of hedging instrument – ineffective portion			
Total gains (losses) from hedge accounting	**814**	**(816)**	**(2)**

€ million	30.06.2013 restated		
	Gains	Losses	Net
Fair value hedges			
Change in fair value of hedged items attributable to hedged risks	383	(338)	45
Change in fair value of hedging derivatives (including termination of hedges)	336	(382)	(46)
Cash flow hedges			
Change in fair value of hedging derivatives – ineffective portion			
Hedges of net investments in foreign operations			
Change in fair value of hedging derivatives – ineffective portion			
Fair value hedges of the interest rate exposure of a portfolio of financial instruments			
Change in fair value of hedged items	18	(11)	7
Change in fair value of hedging derivatives	11	(18)	(7)
Cash flow hedges of the interest rate exposure of a portfolio of financial instruments			
Change in fair value of hedging instrument – ineffective portion			
Total gains (losses) from hedge accounting	**748**	**(749)**	**(1)**

3.4 Net gains (losses) on available-for-sale financial assets

€ million	30.06.2014	31.12.2013 restated	30.06.2013 restated
Dividends received	13	44	12
Realised gains or losses on available-for-sale financial assets [1]	102	43	37
Permanent impairment losses on equity investments	(4)	(72)	(50)
Gains (losses) on disposals of loans and receivables	2		(4)
Net gains (losses) on available-for-sale financial assets	**113**	**15**	**(5)**

[1] Excluding realised gains or losses on permanently impaired fixed income securities recognised as available-for-sale financial assets mentioned in note 3.8 Cost of risk.

3.5 Net income (expenses) on other activities

€ million	30.06.2014	31.12.2013 restated	30.06.2013 restated
Other net income from insurance activities	2	4	
Change in insurance technical reserves	(1)		(1)
Other net income (expense)	21	(15)	6
Net income (expense) related to other activities	**22**	**(11)**	**5**

3.6 Operating expenses

€ million	30.06.2014	31.12.2013 restated	30.06.2013 restated
Employee expenses	(859)	(1,735)	(880)
Taxes other than income or payroll-related	(51)	(96)	(50)
External services and other operating expenses	(405)	(859)	(410)
Operating expenses	**(1,315)**	**(2,690)**	**(1,340)**

Analysis of employee expenses

€ million	30.06.2014	31.12.2013 restated	30.06.2013 restated
Salaries [1]	(634)	(1,278)	(645)
Contributions to defined-contribution plans	(33)	(80)	(38)
Contributions to defined-benefit plans	(6)	(7)	(8)
Other social security expenses	(147)	(299)	(154)
Incentive plans and profit-sharing	(16)	(33)	(17)
Payroll-related tax	(23)	(38)	(18)
Total employee expenses	**(859)**	**(1,735)**	**(880)**

[1] Of which expenses related to shared-based payments for €27.3 million at 1st half 2014 compared to €29.5 million at 1st half 2013 and €56.6 million at 31 December 2013.

3.7 Depreciation, amortisation and impairment of property, plant and equipment and intangible assets

€ million	30.06.2014	31.12.2013 restated	30.06.2013 restated
Depreciation charges and amortisation	**(44)**	**(94)**	**(47)**
- Property, plant and equipment	(26)	(55)	(28)
- Intangible assets	(18)	(39)	(19)
Impairment losses		**3**	**1**
- Property, plant and equipment		3	1
- Intangible assets			
Depreciation, amortisation and impairment of property, plant & equipment and intangible assets	**(44)**	**(91)**	**(46)**

3.8 Cost of risk

€ million	30.06.2014	31.12.2013 restated	30.06.2013 restated
Charges to provisions and impairment losses	**(280)**	**(556)**	**(212)**
Fixed income available-for-sale financial assets		(13)	(9)
Loans and receivables	(234)	(383)	(171)
Other assets	(6)	(10)	(4)
Financing commitments	(1)	(3)	(2)
Risks and expenses	(39)	(147)	(26)
Reversals of provisions and impairment losses	**116**	**346**	**91**
Fixed income available-for-sale financial assets	15	18	3
Loans and receivables	61	290	63
Other assets	1		
Financing commitments	10	4	12
Risks and expenses	29	34	13
Net charges to reservals of impairment losses and provisions	**(164)**	**(210)**	**(121)**
Realised gains or losses on impaired fixed income available-for-sale financial assets	(14)	(13)	
Bad debts written off, not impaired	(18)	(242)	(84)
Recoveries on bad debts written off	73	6	5
Other losses	(25)	(57)	(19)
Cost of risk	**(148)**	**(516)**	**(219)**

3.9 Net gains (losses) on other assets

€ million	30.06.2014	31.12.2013 restated	30.06.2013 restated
Property, plant & equipment and intangible assets used in operations	**6**	**1**	**(1)**
Gains on disposals	6	2	
Losses on disposals		(1)	(1)
Consolidated equity investments	**(1)**		**4**
Gains on disposals		6	4
Losses on disposals	(1)	(6)	
Net gains (losses) on other assets	**5**	**1**	**3**

3.10 Change in other comprehensive income

Below is presented the details of gains and losses on the period, net of tax :

Detail of other comprehensive income

€ million	30.06.2014	31.12.2013 restated	30.06.2013 restated
Other comprehensive income on items that may be reclassified to profit or loss			
Gains and losses on translation adjustments	8	(88)	(18)
Revaluation adjustment on the period			
Reclassified to profit or loss			
Other reclassifications	8	(88)	(18)
Gains and losses on available-for-sale financial assets	(7)	10	(58)
Revaluation adjustment on the period	89	(189)	(75)
Reclassified to profit or loss	(98)	206	21
Other reclassifications	2	(7)	(4)
Gains and losses on hedging derivative instruments	216	(416)	(331)
Revaluation adjustment on the period	216	(416)	(331)
Reclassified to profit or loss			
Other reclassifications			
Gains and losses on non-current assets held for sale	16	34	(17)
Revaluation adjustment on the period		3	(2)
Reclassified to profit or loss		(5)	(5)
Other reclassifications	16 [1]	36	(10)
Other comprehensive income on items (pre-tax) that may be reclassified to profit or loss on equity-accounted entities	32	(82)	(6)
Income tax related on items that may be reclassified to profit or loss excluding equity-accounted entities	(77)	126	130
Income tax related to items that may be reclassified to profit or loss on equity-accounted entities		1	(1)
Other comprehensive income on items that may be reclassified to profit or loss net of income tax	**188**	**(415)**	**(301)**
Other comprehensive income on items that will not be reclassified to profit or loss			
Change in actuarial gains and losses on post-employment benefits	(44)	27	(7)
Gains and losses on non-current assets held for sale			
Other comprehensive income on items that will not be reclassified to profit or loss on equity-accounted entities			
Income tax related to items that will not be reclassified to profit or loss excluding equity accounted entities	15	(11)	3
Income tax related to items that will not be reclassified to profit or loss on equity accounted entities			
Other comprehensive income on items that will not be reclassified to profit or loss net of income tax	**(29)**	**16**	**(4)**
Net other comprehensive income	**159**	**(399)**	**(305)**
of which Group share	157	(441)	(306)
of which non-controlling interests	2	42	1

(1) exclusion of IFRS reserves that may be reclassified to profit or loss following the sale of Newedge.

Detail of tax effects relating to other comprehensive income

€ million	30.06.2014				Change				31.12.2013 restated			
	Gross	Income tax	Net of income tax	Net o/w Group share	Gross	Income tax	Net of income tax	Net o/w Group share	Gross	Income tax	Net of income tax	Net o/w Group share
Other comprehensive income on items that may be reclassified to profit or loss												
Gains and losses on translation adjustments	32		32	32	8		8	7	24		24	25
Gains and losses on available-for-sale financial assets	241	(48)	193	190	(7)	(8)	(15)	(15)	248	(40)	208	205
Gains and losses on hedging derivative instruments	691	(235)	456	452	216	(72)	144	143	475	(163)	312	309
Gains and losses on non-current assets held for sale			0		16	3	19	19	(16)	(3)	(19)	(19)
Other comprehensive income on items that may be reclassified to profit or loss, excluding equity-accounted entities	964	(283)	681	674	233	(77)	156	154	731	(206)	525	520
Other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities	(5)		(5)	(5)	32		32	32	(37)		(37)	(37)
Other comprehensive income on items that may be reclassified to profit or loss	**959**	**(283)**	**676**	**669**	**265**	**(77)**	**188**	**186**	**694**	**(206)**	**488**	**483**
Other comprehensive income on items that will not be reclassified to profit or loss												
Actuarial gains and losses on post-employment benefits	(255)	78	(177)	(178)	(44)	15	(29)	(29)	(211)	63	(148)	(149)
Gains and losses on non-current assets held for sale												
Other comprehensive income on items that will not be reclassified to profit or loss, excluding equity-accounted entities												
Other comprehensive income on items that will not be reclassified to profit or loss on equity accounted entities												
Other comprehensive income on items that will not be reclassified to profit or loss	**(255)**	**78**	**(177)**	**(178)**	**(44)**	**15**	**(29)**	**(29)**	**(211)**	**63**	**(148)**	**(149)**
Other comprehensive income	**704**	**(205)**	**499**	**491**	**221**	**(62)**	**159**	**157**	**483**	**(143)**	**340**	**334**

€ million	31.12.2013 restated				Change				01.01.2013 restated			
	Gross	Income tax	Net of income tax	Net o/w Group share	Gross	Income tax	Net of income tax	Net o/w Group share	Gross	Income tax	Net of income tax	Net o/w Group share
Other comprehensive income on items that may be reclassified to profit or loss												
Gains and losses on translation adjustments	24		24	25	(88)		(88)	(129)	112		112	154
Gains and losses on available-for-sale financial assets	248	(40)	208	205	10	(11)	(1)	(1)	238	(29)	209	206
Gains and losses on hedging derivative instruments	475	(163)	312	309	(416)	138	(278)	(276)	891	(301)	590	585
Gains and losses on non-current assets held for sale	(16)	(3)	(19)	(19)	34	(1)	33	30	(50)	(2)	(52)	(49)
Other comprehensive income on items that may be reclassified to profit or loss, excluding equity-accounted entities	731	(206)	525	520	(460)	126	(334)	(376)	1,191	(332)	859	896
Other comprehensive income on items that may be reclassified to profit or loss on equity-accounted entities	(37)		(37)	(37)	(82)	1	(81)	(81)	45	(1)	44	44
Other comprehensive income on items that may be reclassified to profit or loss	**694**	**(206)**	**488**	**483**	**(542)**	**127**	**(415)**	**(457)**	**1,236**	**(333)**	**903**	**940**
Other comprehensive income on items that will not be reclassified to profit or loss												
Actuarial gains and losses on post-employment benefits	(211)	63	(148)	(149)	27	(11)	16	16	(238)	74	(164)	(165)
Gains and losses on non-current assets held for sale									0	0	0	0
Other comprehensive income on items that will not be reclassified to profit or loss, excluding equity-accounted entities									0	0	0	0
Other comprehensive income on items that will not be reclassified to profit or loss on equity accounted entities									0	0	0	0
Other comprehensive income on items that will not be reclassified to profit or loss	**(211)**	**63**	**(148)**	**(149)**	**27**	**(11)**	**16**	**16**	**(238)**	**74**	**(164)**	**(165)**
Other comprehensive income	**483**	**(143)**	**340**	**334**	**(515)**	**116**	**(399)**	**(441)**	**998**	**(259)**	**739**	**775**

➢ Note 4 : Segment reporting

Definition of business

The naming of Crédit Agricole CIB's business lines corresponds to the Definitions applied within the Crédit Agricole S.A. Group.

Presentation of business lines

Operations are broken down into five business lines.

Financing activities include French and international commercial banking and structured finance : project finance, aircraft finance, shipping finance, acquisition finance, real estate finance and international trade.

Capital markets and investment banking covers capital market activities (treasury, foreign exchange, interest-rate derivatives and debt markets) and investment banking activities (mergers and acquisitions and equity capital markets).

Since the new organization of Crédit Agricole CIB, established in the third quarter of 2012, linked with the adjustment plan, discontinuing activities now include the correlation business, the CDO, the CLO and ABS portfolio, the equity derivatives excluding corporates and convertibles, the exotic interest rate derivatives, and the impaired portfolios of residential underlyings.

These three business lines make up nearly 100% of the Corporate and Investment banking business line of Crédit Agricole S.A..

Crédit Agricole CIB is also active in private banking through its locations in France, Belgium, Switzerland, Luxembourg, Monaco, Spain, and Brazil.

The Corporate Center business line encompasses the non-operational activities of the above business lines, and the impacts linked to the issuer spread of Crédit Agricole CIB.

Operating segment information

Transactions between operating segments are effected at arm's length.
Segment assets are determined from the accounting items of the balance sheet of each operating segment.

€ million	30.06.2014						
	Financing	Capital markets and Investment banking	Discontinuing operations	**Total Corporate and Investment Banking**	Private Banking	Corporate Center	**Total**
Net banking income	**1,166**	**722**	**(20)**	**1,868**	**351**	**(99)**	**2,120**
Operating expenses	(437)	(596)	(59)	(1,092)	(267)		(1,359)
Gross operating income	**729**	**126**	**(79)**	**776**	**84**	**(99)**	**761**
Cost of risk	(104)	(1)		(105)	(43)		(148)
Operating income	**625**	**125**	**(79)**	**671**	**41**	**(99)**	**613**
Share of net income of equity-accounted entities	86			86			86
Net gains/(losses) on other assets	(1)			(1)	6		5
Change in value of goodwill							
Pre-tax income	**710**	**125**	**(79)**	**756**	**47**	**(99)**	**704**
Income tax charge	(183)	(26)	5	(204)	(8)	31	(181)
Net gains (losses) from discontinued or held-for-sale activities		2		2			2
Net income for the period	**527**	**101**	**(74)**	**554**	**39**	**(68)**	**525**
Non-controlling interests					(6)		(6)
Net Income Group Share	**527**	**101**	**(74)**	**554**	**33**	**(68)**	**519**

€ million	31.12.2013 restated						
	Financing	Capital markets and Investment banking	Discontinuing operations	**Total Corporate and Investment Banking**	Private Banking	Corporate Center	**Total**
Net banking income	**2,032**	**1,400**	**132**	**3,564**	**711**	**(529)**	**3,746**
Operating expenses	(865)	(1,193)	(173)	(2,231)	(547)	(1)	(2,779)
Gross operating income	**1,167**	**207**	**(41)**	**1,333**	**164**	**(530)**	**967**
Cost of risk	(368)	(112)	(16)	(496)	(20)		(516)
Operating income	**799**	**95**	**(57)**	**837**	**144**	**(530)**	**451**
Share of net income of equity-accounted entities	127			127			127
Net gains/(losses) on other assets	(1)			(1)	2		1
Change in value of goodwill							
Pre-tax income	**925**	**95**	**(57)**	**963**	**146**	**(530)**	**579**
Income tax charge	(270)	(43)	16	(297)	(27)	171	(153)
Net gains (losses) from discontinued or held-for-sale activities		156		156			156
Net income for the period	**655**	**208**	**(41)**	**822**	**119**	**(359)**	**582**
Non-controlling interests	(11)	(1)	1	(11)	(11)		(22)
Net Income Group Share	**644**	**207**	**(40)**	**811**	**108**	**(359)**	**560**

€ million	30.06.2013 restated						
	Financing	Capital markets and Investment banking	Discontinuing operations	**Total Corporate and Investment Banking**	Private Banking	Corporate Center	**Total**
Net banking income	**1,005**	**871**	**103**	**1,979**	**372**	**(393)**	**1,958**
Operating expenses	(433)	(600)	(85)	(1,118)	(268)		(1,386)
Gross operating income	**572**	**271**	**18**	**861**	**104**	**(393)**	**572**
Cost of risk	(170)	(15)	(30)	(215)	(4)		(219)
Operating income	**402**	**256**	**(12)**	**646**	**100**	**(393)**	**353**
Share of net income of equity-accounted entities	73			73			73
Net gains/(losses) on other assets	3			3			3
Change in value of goodwill							
Pre-tax income	**478**	**256**	**(12)**	**722**	**100**	**(393)**	**429**
Income tax charge	(119)	(72)	4	(187)	(19)	127	(79)
Net gains (losses) from discontinued or held-for-sale activities		(7)		(7)			(7)
Net income for the period	**359**	**177**	**(8)**	**528**	**81**	**(266)**	**343**
Non-controlling interests	(5)	(1)	3	(3)	(7)		(10)
Net Income Group Share	**354**	**176**	**(5)**	**525**	**74**	**(266)**	**333**

➢ Note 5 : Notes to the balance sheet

5.1 Financial assets and liabilities at fair value through profit or loss

Financial assets at fair value through profit or loss

€ million	30.06.2014	31.12.2013 restated
Financial assets held for trading	292,897	309,066
Financial assets designated at fair value through profit or loss	1,234	1,227
Carrying amount	**294,131**	**310,293**
Of which lent securities	-	-

Financial assets held for trading

€ million	30.06.2014	31.12.2013 restated
Loans and receivables due from customers [1]	310	358
Securities bought under repurchase agreements	78,505	90,608
Securities held for trading	48,646	45,304
- Treasury bills and similar items	36,523	34,939
- Bonds and other fixed-income securities [2]	8,592	7,017
- Equities and other variable-income securities [3]	3,531	3,348
Derivative instruments	165,436	172,796
Carrying amount	**292,897**	**309,066**

[1] Including loans being syndicated
[2] Including monetary mutual funds
[3] Including equity mutual funds

Financial assets designated at fair value through profit or loss

€ million	30.06.2014	31.12.2013 restated
Loans and receivables due from credit institutions	1,096	1,087
Securities designated at fair value through profit or loss	138	140
- Bonds and other fixed-income securities [1]		
- Equities and other equity variable-income securities [2]	138	140
Carrying amount	**1,234**	**1,227**

[1] Including monetary mutual funds
[2] Including equity mutual funds

Financial liabilities at fair value through profit or loss

€ million	30.06.2014	31.12.2013 restated
Financial liabilities held for trading	277,416	290,983
Financial liabilities designated at fair value through profit or loss	28,331	31,656
Carrying amount	**305,747**	**322,639**

Financial liabilities held for trading

€ million	30.06.2014	31.12.2013 restated
Securities sold short	35,154	30,246
Securities sold under repurchase agreements	77,342	87,214
Debt securities		
Derivative instruments	164,920	173,523
Carrying amount	**277,416**	**290,983**

Financial liabilities designated at fair value through profit or loss

€ million	30.06.2014		31.12.2013 restated	
	Fair value on balance sheet	Difference between carrying amount and due at maturity	Fair value on balance sheet	Difference between carrying amount and due at maturity
Debt securities	28,331	(516)	31,656	(452)
Total financial liabilities designated at fair value through profit or loss	**28,331**	**(516)**	**31,656**	**(452)**

5.2 Available-for-sale financial assets

€ million	30.06.2014			31.12.2013 restated		
	Carrying amount	Gains recognized in other comprehensive income	Losses recognized in other comprehensive income	Carrying amount	Gains recognized in other comprehensive income	Losses recognized in other comprehensive income
Treasury bills and similar items	12,287	22	5	14,838	18	4
Bonds and other fixed income securities	13,195	97	32	11,959	55	18
Equities and other variable-income securities	224	91	3	379	135	7
Non-consolidated equity investments	511	112	41	574	106	36
Available-for-sale receivables						
Carrying amount of available-for-sale financial assets [(1)]	**26,217**	**322**	**81**	**27,750**	**314**	**65**
Income tax charge		**(61)**	**(14)**		**(49)**	**(8)**
Gains and losses on available-for-sale financial assets recognized in other comprehensive income (net of income tax)		**261**	**67**		**265**	**57**

(1) of which: €99 million related to impaired available-for-sale fixed-income securities;
€419 million related to impaired available-for-sale variable-income securities;
No guarantees received on impaired outstandings;
No significant item less than 90 days past-due;
€366 million in impairment of available-for-sale securities and receivables at 30 June 2014.

5.3 Loans and receivables due from credit institutions and due from customers

Loans and receivables due from credit institutions

€ million	30.06.2014	31.12.2013 restated
Credit institutions		
Loans and receivables	19,937	18,417
o/w performing current accounts in debit	*2,843*	*2,683*
o/w performing overnight accounts and advances	*100*	*173*
Securities bought under repurchase agreements	22,903	21,488
Subordinated loans	14	67
Securities not traded in an active market	9	7
Other loans and receivables	30	30
Gross amount	**42,893**	**40,009**
Impairment	(386)	(404)
Carrying amount	**42,507**	**39,605**

Loans and receivables due from customers

€ million	30.06.2014	31.12.2013 restated
Customers		
Trade receivables	12,640	12,089
Other customer loans	87,156	84,434
Securities bought under repurchase agreements	1,082	1,001
Subordinated loans	126	130
Securities not traded in an active market	11,852	11,089
Advances in associates current accounts	95	93
Current accounts in debit	4,218	4,260
Gross amount	**117,169**	**113,096**
Impairment	(3,292)	(3,107)
Net value of loans and receivables due from customers	**113,877**	**109,989**
Finance leases		
Property leasing	1	1
Gross amount	**1**	**1**
Carrying amount	**113,878**	**109,990**

Loans and receivables due from credit institutions and due from customers by customer type

€ million	30.06.2014				
	Gross outstanding	o/w gross loans and receivables individually impaired	Individually impaired	Collective impairment	Total
Central governments	17,847	458	(315)	(261)	17,271
Credit institutions	39,213	518	(386)		38,827
Central banks	3,680				3,680
Large corporates	93,332	2,879	(1,525)	(1,147)	90,660
Retail customers	5,991	546	(44)		5,947
Total - Loans and receivables due from credit institutions and due from customers [1]	**160,063**	**4,401**	**(2,270)**	**(1,408)**	**156,385**

[1] of which €367 million in restructured (unimpaired) performing loans.

€ million	31.12.2013 restated				
	Gross outstanding	o/w gross loans and receivables individually impaired	Individually impaired	Collective impairment	Total
Central governments	17,287	501	(323)	(254)	16,710
Credit institutions	36,714	646	(404)		36,310
Central banks	3,295				3,295
Large corporates	90,255	2,733	(1,387)	(1,098)	87,770
Retail customers	5,555	611	(45)		5,510
Total - Loans and receivables due from credit institutions and due from customers [1]	**153,106**	**4,491**	**(2,159)**	**(1,352)**	**149,595**

[1] of which €889 million in restructured (unimpaired) performing loans.

5.4 Transferred assets not derecognised or derecognised with ongoing involvement

Transferred assets not fully derecognised on 30 June 2014

Nature of transferred assets	Transferred assets, not fully derecognised									
	Transferred assets					Associated liabilities				
€ million	Carrying amount	o/w securitisation (non-deconsolidating)	o/w securities sold/bought under repurchasement agreement	o/w other	Fair value	Carrying amount	o/w securitisation (non-deconsolidating)	o/w securities sold/bought under repurchasement agreement	o/w other	Fair value
Held for trading	**31,697**		**31,697**		**31,697**	**30,494**		**30,494**		**30,494**
Equity instruments										
Debt securities	31,697		31,697		31,697	30,494		30,494		30,494
Loans and advances										
Designated at fair value through profit or loss										
Equity instruments										
Debt securities										
Loans and advances										
Available-for-sale	**1,899**		**1,899**		**1,899**	**1,886**		**1,886**		**1,886**
Equity instruments										
Debt securities	1,899		1,899		1,899	1,886		1,886		1,886
Loans and advances										
Loans and receivables	**450**	**142**	**308**		**450**	**361**	**142**	**219**		**361**
Debt securities	308		308		308	219		219		219
Loans and advances	142	142			142	142	142			142
Held-to-maturity										
Debt securities										
Loans and advances										
Total transferred assets	**34,046**	**142**	**33,904**		**34,046**	**32,741**	**142**	**32,599**		**32,741**

Transferred assets not fully derecognised on 31 December 2013

Nature of transferred assets	Transferred assets, not fully derecognised									
	Transferred assets					Associated liabilities				
€ million	Carrying amount	o/w securitisation (non-deconsolidating)	o/w securities sold/bought under repurchasement agreement	o/w other	Fair value	Carrying amount	o/w securitisation (non-deconsolidating)	o/w securities sold/bought under repurchasement agreement	o/w other	Fair value
Held for trading	**25,901**		**25,901**		**25,901**	**25,837**		**25,837**		**25,837**
Equity instruments										
Debt securities	25,901		25,901		25,901	25,837		25,837		25,837
Loans and advances										
Designated as at fair value through profit or loss										
Equity instruments										
Debt securities										
Loans and advances										
Available-for-sale	**2,568**		**2,568**		**2,568**	**2,511**		**2,511**		**2,511**
Equity instruments										
Debt securities	2,568		2,568		2,568	2,511		2,511		2,511
Loans and advances										
Loans and receivables	**479**	**91**	**388**		**479**	**372**	**91**	**281**		**372**
Debt securities	388		388		388	281		281		281
Loans and advances	91	91			91	91	91			91
Held-to-maturity										
Debt securities										
Loans and advances										
Total transferred assets	**28,948**	**91**	**28,857**		**28,948**	**28,720**	**91**	**28,629**		**28,720**

5.5 Impairment deducted from financial assets

€ million	31.12.2013 restated	Changes in scope	Depreciation charges	Reversals and utilisations	Translation adjustment	Transfers in non-current assets held for sale	Other movements	30.06.2014
Loans and receivables due from credit institutions	404		2	(21)	2		(1)	386
Loans and receivables due from customers	3,107		287	(123)	23		(2)	3,292
of which collective impairment	*1,353*		*46*		*9*			*1,408*
Available-for-sale assets	507		4	(149)	3		1	366
Other financial assets	32		6	(5)				33
Total impairment of financial assets	**4,050**		**299**	**(298)**	**28**		**(2)**	**4,077**

€ million	01.01.2013 restated	Changes in scope	Depreciation charges	Reversals and utilisations	Translation adjustments	Transfers in non-current assets held for sale	Other movements	31.12.2013 restated
Loans and receivables due from credit institutions	542		2	(120)	(20)			404
Loans and receivables due from customers	3,441	(13)	473	(668)	(118)	(6)	(2)	3,107
of which collective impairment	*1,560*			*(157)*	*(50)*			*1,353*
Available-for-sale assets	533	36	86	(128)	(12)	(6)	(2)	507
Other financial assets	26		10		(1)	(3)		32
Total impairment of financial assets	**4,542**	**23**	**571**	**(916)**	**(151)**	**(15)**	**(4)**	**4,050**

5.6 Exposure to sovereign risk

Significant exposure to sovereign risk

The scope of identified sovereign exposures covers exposures to Government, excluding local authorities.

Exposure to sovereign debt corresponds to an exposure net of impairment (carrying amount) presented both gross and net of hedging.

Banking activity

€ million	30.06.2014						
	Exposures Banking activity net of impairment				Total Banking activity before hedging	Hedging Available-for sale financial assets	Total Banking activity after hedging
	o/w banking portfolio			o/w trading book (excluding derivatives)			
	Financial assets at fair value throught profit or loss	Available-for-sale financial assets	Loans and receivables [1]				
Germany		14			14		14
Belgium		201		628	829		829
Spain							
France		6,294	575	331	7,200	(196)	7,004
Greece *of which maturity before 2020*							
Ireland							
Italy			99		99		99
Japan		2,473		422	2,895		2,895
Portugal				53	53		53
United States				2,452	2,452		2,452
Total		**8,982**	**674**	**3,886**	**13,542**	**(196)**	**13,346**

[1] excluding deferred tax assets

€ million	31.12.2013 restated						
	Exposures Banking activity net of impairment				Total Banking activity before hedging	Hedging Available-for sale financial assets	Total Banking activity after hedging
	o/w banking portfolio			o/w trading book (excluding derivatives)			
	Financial assets at fair value throught profit or loss	Available-for-sale financial assets	Loans and receivables [1]				
Germany				1,650	1,650		1,650
Belgium		114		304	418		418
Spain							
France		9,467	481	584	10,532	(173)	10,359
Greece *of which maturity before 2020*							
Ireland		91			91		91
Italy			141		141		141
Japan		1,053		245	1,298		1,298
Portugal							
United States				2,994	2,994		2,994
Total		**10,725**	**622**	**5,777**	**17,124**	**(173)**	**16,951**

[1] excluding deferred tax assets

For banking activity, the information is presented according to the methodology which was chosen to perform the stress tests at the request of the EBA (European Banking Authority), i.e. a net exposure of impairment and hedging of the counterparty risk.

The policy of European solidarity has led to define a support mechanism to Greece, Portugal and Ireland.

In the absence of default considering the plans put in place, none of these securities have been impaired.

Sovereign debts Banking activities– Changes

Changes in exposure before hedging € million	Outstanding at 31 December 2013 restated	Change in fair value	Recycling of available-for-sale reserves	Accrued interest	Maturing debts	Disposals net of reversals of provisions	Acquisitions	Outstanding at 30 June 2014
Spain								
Greece								
Ireland								
Italy								
Portugal								
Held-to-maturity financial assets								
Spain								
Greece								
Ireland	91			(1)		(90)		
Italy								
Portugal								
Available-for-sale financial assets	**91**			**(1)**		**(90)**		
Spain								
Greece								
Ireland								
Italy	141				(42)			99
Portugal								
Loans and receivables	**141**				**(42)**			**99**
Spain								
Greece								
Ireland								
Italy								
Portugal							53	53
Trading book portfolio (excluding derivatives)							**53**	**53**
Total Banking Activity	**232**			**(1)**	**(42)**	**(90)**	**53**	**152**

Changes in exposure before hedging € million	Outstanding at 1st January 2013 restated	Change in fair value	Recycling of available-for-sale reserves	Accrued interest	Maturing debts	Disposals net of reversals of provisions	Acquisitions	Outstanding at 31 December 2013 restated
Spain								
Greece								
Ireland								
Italy								
Portugal								
Held-to-maturity financial assets								
Spain								
Greece								
Ireland	96	(2)		(3)				91
Italy								
Portugal	146	(4)		(2)		(140)		
Available-for-sale financial assets	**242**	**(6)**		**(5)**		**(140)**		**91**
Spain								
Greece								
Ireland								
Italy	169				(28)			141
Portugal								
Loans and receivables	**169**				**(28)**			**141**
Spain	61					(61)		
Greece								
Ireland								
Italy	47					(47)		
Portugal	27					(27)		
Trading book portfolio (excluding derivatives)	**135**					**(135)**		
Total Banking Activity	**546**	**(6)**		**(5)**	**(28)**	**(275)**		**232**

5.7 Due to credit institutions and to customers

Due to credit institutions

€ million	30.06.2014	31.12.2013 restated
Accounts and deposits	46,342	39,115
of which current accounts in credit	*2,444*	*3,401*
of which overnight accounts and deposits	*5,371*	*4,913*
Securities sold under repurchase agreements	19,789	18,957
Carrying amount	**66,131**	**58,072**

Due to customers

€ million	30.06.2014	31.12.2013 restated
Current accounts in credit	43,125	41,550
Special savings accounts	146	150
Other amounts due to customers	48,657	63,773
Securities sold under repurchase agreements	2,989	1,819
Carrying amount	**94,917**	**107,292**

5.8 Debt securities and subordinated debt

€ million	30.06.2014	31.12.2013 restated
Debt securities		
Interest bearing notes	1	1
Negotiable debt securities	51,886	41,407
Bonds		1
Other debt securities		
Carrying amount	**51,887**	**41,409**
Subordinated debt		
Dated subordinated debt	548	546
Undated subordinated debt	3,616	4,616
Carrying amount	**4,164**	**5,162**

5.9 Information on the offsetting of financial assets and financial liabilities

Offsetting – financial assets

	30.06.2014					
€ million	Offsetting effects on financial assets covered by master netting agreement and similar agreements					
				Other amounts that can be offset under given conditions		
Type of financial instrument	Gross amounts of recognised financial assets before offsetting	Gross amounts of recognised financial liabilities set off in the financial statements	Net amounts of financial assets presented in the financial statements	Gross amounts of financial liabilities covered by master netting agreement	Amounts of other financial instruments received as collateral, including security deposit	Net amount after all offsetting effects
Derivatives	277,131	116,395	160,736	147,941	5,854	6,941
Reverse repurchase agreements	58,312	15,513	42,799	31,074	11,711	14
Total financial assets subject to offsetting	**335,443**	**131,908**	**203,535**	**179,015**	**17,565**	**6,955**

The amount of derivatives subject to offsetting represents 95.86% of the derivatives on the asset side of the balance sheet at the end of the interim reporting period.
The amount of reverse repurchase agreements subject to offsetting represents 41.76% of the reverse repurchase agreements on the asset side of the balance sheet at the end of the interim reporting period.

	31.12.2013 restated					
€ million	Offsetting effects on financial assets covered by master netting agreement and similar agreements					
				Other amounts that can be offset under given conditions		
Type of financial instrument	Gross amounts of recognised financial assets before offsetting	Gross amounts of recognised financial liabilities set off in the financial statements	Net amounts of financial assets presented in the financial statements	Gross amounts of financial liabilities covered by master netting agreement	Amounts of other financial instruments received as collateral, including security deposit	Net amount after all offsetting effects
Derivatives	326,479	158,691	167,788	153,779	5,993	8,016
Reverse repurchase agreements	50,058		50,058	43,380	6,666	12
Total financial assets subject to offsetting	**376,537**	**158,691**	**217,846**	**197,159**	**12,659**	**8,028**

The amount of derivatives subject to offsetting represents 96.33% of the derivatives on the asset side of the balance sheet at the end of the interim reporting period.
The amount of reverse repurchase agreements subject to offsetting represents 44.26% of the reverse repurchase agreements on the asset side of the balance sheet at the end of the interim reporting period.

Offsetting – financial liabilities

€ million	30.06.2014					
	Offsetting effects on financial liabilities covered by master netting agreement and similar agreements					
Type of financial instrument	Gross amounts of recognised financial liabilities before offsetting	Gross amounts of recognised financial assets set off in the financial statements	Net amounts of financial liabilities presented in the financial statements	Other amounts that can be offset under given conditions		Net amount after all offsetting effects
				Gross amounts of financial assets covered by master netting agreement	Amounts of other financial instruments given as garantee , including security deposit	
Derivatives	281,675	116,395	165,280	147,941	8,465	8,874
Repurchase agreements	53,369	15,513	37,856	31,074		6,782
Total financial liabilities subject to offsetting	**335,044**	**131,908**	**203,136**	**179,015**	**8,465**	**15,656**

The amount of derivatives subject to offsetting represents 99.47% of the derivatives on the liabilities side of the balance sheet at the end of the interim reporting period.
The amount of repurchase agreements subject to offsetting represents 37.81% of the derivatives on the liabilities side of the balance sheet at the end of the interim reporting period.

€ million	31.12.2013 restated					
	Offsetting effects on financial liabilities covered by master netting agreement and similar agreements					
Type of financial instrument	Gross amounts of recognised financial liabilities before offsetting	Gross amounts of recognised financial assets set off in the financial statements	Net amounts of financial liabilities presented in the financial statements	Other amounts that can be offset under given conditions		Net amount after all offsetting effects
				Gross amounts of financial assets covered by master netting agreement	Amounts of other financial instruments given as garantee , including security deposit	
Derivatives	332,991	158,691	174,300	153,779	6,813	13,708
Repurchase agreements	58,116		58,116	43,380	7,683	7,053
Total financial liabilities subject to offsetting	**391,107**	**158,691**	**232,416**	**197,159**	**14,496**	**20,761**

The amount of derivatives subject to offsetting represents 100% of the derivatives on the liabilities side of the balance sheet at the end of the interim reporting period.
The amount of repurchase agreements subject to offsetting represents 53.82% of the derivatives on the liabilities side of the balance sheet at the end of the interim reporting period.

Gross amounts effectively offset are derivatives instruments and repurchase agreements treated with clearing houses whose operational rules meet IAS 32R criteria :

• for derivatives instruments, these are the operations treated with the « LCH Clearnet Ltd Swapclear » clearing house offset by currency

• for repurchase agreement, these are the transactions treated with the LCH Clearnet Ltd (Repoclear), LCH Clearnet SA, et Fixed Income Clearing Corporation (FICC) clearing houses offset by currency and maturity.

5.10 Property, plant and equipment and intangible assets (excluding goodwill)

€ million	31.12.2013 restated	Transfers in non-current assets held for sale	Changes in scope	Increases (acquisitions, business combinations)	Decreases (disposals and redemptions)	Translation adjustment	Other movements	30.06.2014
Property, plant and equipment used in operations								
Gross value	1,163			25	(27)	8		1,169
Depreciation and impairment [1]	(768)			(26)	10	(5)		(789)
Carrying amount	**395**			**(1)**	**(17)**	**3**		**380**
Intangible assets								
Gross value	537			22	(8)	1		552
Depreciation and impairment	(384)			(18)	7			(395)
Carrying amount	**153**			**4**	**(1)**	**1**		**157**

[1] Including depreciation on fixed assets lent to third parties.

€ million	01.01.2013 restated	Transfers in non-current assets held for sale	Changes in scope	Increases (acquisitions, business combinations)	Decreases (disposals and redemptions)	Translation adjustment	Other movements	31.12.2013 restated
Property, plant and equipment used in operations								
Gross value	1,237		5	49	(58)	(23)	(47)	1,163
Depreciation and impairment [1]	(802)			(56)	48	16	26	(768)
Carrying amount	**435**		**5**	**(7)**	**(10)**	**(7)**	**(21)**	**395**
Intangible assets								
Gross value	498			52	(9)	(4)		537
Depreciation and impairment	(355)			(39)	9	2	(1)	(384)
Carrying amount	**143**			**13**		**(2)**	**(1)**	**153**

[1] Including depreciation on fixed assets lent to third parties.

5.11 Provisions

€ million	31.12.2013 restated	Change in scope	Depreciation charges	Reversals, amounts used	Reversals, amount not used	Translation adjustment	Transfer in non-current assets held for sale	Other movements	30.06.2014
Financing commitment execution risks	16		1		(11)				6
Operational risks									
Employee retirement and similar benefits	516		19	(4)	(17)	2		32	548
Litigation	720		37	(35)	(29)	3			696
Equity investments									
Restructuring	10			(1)					9
Other risks	100		17	(12)	(11)	1			95
Total	**1,362**		**74**	**(52)**	**(68)**	**6**		**32**	**1,354**

€ million	01.01.2013 restated	Change in scope	Depreciation charges	Reversals, amounts used	Reversals, amount not used	Translation adjustment	Transfer in non-current assets held for sale	Other movements	31.12.2013 restated
Financing commitment execution risks	18		3		(4)	(1)			16
Operational risks									
Employee retirement and similar benefits	570		31	(51)	(17)	(4)		(13)	516
Litigation	649		181	(4)	(30)	(24)		(52)	720
Equity investments	2				(2)				
Restructuring	13		10	(2)	(1)			(10)	10
Other risks	70		73	(48)	(46)	(1)		52	100
Total	**1,322**		**298**	**(105)**	**(100)**	**(30)**		**(23)**	**1,362**

5.12 Equity

Ownership structure on 30 June 2014

At June 30, 2014, ownership of the Crédit Agricole CIB parent-company's capital and voting rights is as follows:

Crédit Agricole CIB's shareholders	Number of shares at 30.06.2014	% of share capital	% of voting rights
Credit Agricole S.A.	261,514,764	97.33%	97.33%
SACAM Developpement [1]	5,992,478	2.23%	2.23%
Delfinances [2]	1,180,715	0.44%	0.44%
Individuals	16	ns	ns
Total	**268,687,973**	**100.00%**	**100.00%**

[1] Owned by Crédit Agricole Group
[2] Owned by Crédit Agricole S.A. group

The par value of shares is €27. All the shares are fully paid up.

Earnings per share

	30.06.2014	31.12.2013
Net income (Group share) for the period (in million of euros)	519	560
Weighted average number of ordinary shares in issue during the period	268,687,973	268,687,973
Number of potentially dilutive shares		
Weighted average number of ordinary shares used to calculate diluted earnings per share	268,687,973	268,687,973
Basic earnings per share (in euros)	**1.93**	**2.08**
Basic earnings per share from ongoing activities (in euros)	**1.92**	**1.50**
Basic earnings per share from discontinued activities (in euros)	**0.01**	**0.58**
Diluted earnings per share (in euros)	**1.93**	**2.08**
Diluted earnings per share from ongoing activities (in euros)	**1.92**	**1.50**
Diluted earnings per share from discontinued activities (in euros)	**0.01**	**0.58**

Dividends

Dividend paid in respect of year	Net amount € million
2010	955
2011	647
2012	-
2013	1,000

In respect of 2013, the shareholders' meeting of Crédit Agricole CIB voted to distribute €999,519,259.56.

➢ Note 6 : Financing and guarantee commitments

Commitments given and received

€ million	30.06.2014	31.12.2013 restated
COMMITMENTS GIVEN	**138,172**	**149,186**
Financing commitments	**96,112**	**102,336**
. Commitments given to credit institutions	15,597	16,707
. Commitments given to customers	80,515	85,629
Confirmed credit lines	72,679	71,700
- Documentary credits	5,775	6,193
- Other confirmed credit lines	66,904	65,507
. Other commitments given to customers	7,836	13,929
Guarantee commitments	**42,060**	**46,850**
. Credit institutions	4,385	8,358
Confirmed documentary credit lines	2,007	1,781
Other	2,378	6,577
. Customers	37,675	38,492
Property guarantees	1,903	2,481
Other customer guarantees	35,772	36,011
COMMITMENTS RECEIVED	**142,357**	**157,611**
Financing commitments	**31,782**	**52,540**
. Commitments received from credit institutions	27,567	38,886
. Commitments received from customers	4,215	13,654
Guarantee commitments	**110,575**	**105,071**
. Commitments received from credit institutions	6,011	6,081
. Commitments received from customers	104,564	98,990
Guarantees received from government bodies or similar institutions	16,509	16,593
Other guarantees received	88,055	82,397

Financial instruments given and received as collateral

€ million	30.06.2014	31.12.2013 restated
Carrying amount of financial assets provided as collateral (including transferred assets)		
Securities and receivables provided as collateral for the refinancing structures (SFEF, Banque de France, CRH, etc.)	26,967	40,806
Securities lent		
Security deposits on market transactions	15,987	18,699
Securities sold under repurchase agreements	100,120	107,990
Total carrying value of financial assets provided as collateral	**143,074**	**167,495**
Fair value of instruments received as reusable and reused collateral		
Securities borrowed	14	2
Securities bought under repurchase agreements	102,480	113,084
Securities sold short	35,140	30,244
Total Fair value of instruments received as reusable and reused collateral	**137,634**	**143,330**

Guarantees held

The majority of guarantees and enhancements held consists of mortgage lines, collateral or guarantees received, regardless of the quality of the assets guaranteed.

Guarantees held by Crédit Agricole CIB which it is allowed to sell or to use as collateral amount to €138 billion at 30 June 2014 compared to €143 billion at 31 December 2013. They are mainly related to repurchase agreements and securities pledged to guarantee brokerage transactions.

Crédit Agricole CIB policy is to sell seized collateral as soon as possible. Crédit Agricole CIB had no such assets either at 30 June 2014, or at 31 December 2013.

Receivables pledged as collateral

During the first half of 2014, Crédit Agricole CIB did not pledge any receivables as collateral to support Crédit Agricole Group involvement in the refinancing transactions granted by SFEF (Société de Financement de l'Economie Française), compared to €2,124 million in 2013.

Besides, during the first half of 2014, Crédit Agricole CIB deposited €1,016 million of receivables to the Banque de France for refinancing.

At 30 June 2014, Crédit Agricole CIB uses no refinancing granted by the Banque de France.

➢ Note 7 : Reclassification of financial instruments

Principles applied by Crédit Agricole CIB

Reclassifications not included in the "Financial assets held for trading" or "Available-for-sale financial assets" categories were decided upon and implemented in accordance with the terms set forth by the amendment to IAS 39 adopted by the European Union on 15 October 2008. They were recorded in their new accounting category at fair value on the reclassification date.

Reclassification carried out by Crédit Agricole CIB

Pursuant to IAS 39 amendment published and adopted by the European Union on 15 October 2008, Crédit Agricole CIB made reclassifications in the first half of 2014 as allowed by IAS 39 amendment. Information on these reclassifications and on previous year reclassification is provided below.

◆ Reclassifications: type, reason and amount

Crédit Agricole CIB carried out reclassifications in the first half of 2014 from the category “Available-for-sale financial assets” to the category “Loans and receivables”. Reclassification between these two categories is made possible by IAS 39. This involves units in securitisation mutual funds subscribed in connection with financing activities and meeting the definition of “Loans and receivables” category.

These reclassifications were carried out on 30 June 2014.

Reclassifications made previously are reclassifications from the categories “Financial assets at fair value through profit or loss” to the category “Loans and receivables” and relate to loan syndication transactions or securitisation assets.

For the assets reclassified in the first half of 2014, the table below shows their value on reclassification date as well as their value at 30 June 2014, and the value at 30 June 2014 of assets previously reclassified and still in Crédit Agricole CIB assets at this date:

	Total reclassified assets		Assets reclassified in 2014			Assets previously reclassified			
€ million	Carrying amount 30.06.2014	Estimated market value 30.06.2014	Reclassification Value	Carrying amount 30.06.2014	Estimated market value 30.06.2014	Carrying amount 30.06.2014	Estimated market value 30.06.2014	Carrying amount 31.12.2013	Estimated market value 31.12.2013
Financial assets at fair value through profit or loss reclassified as loans and receivables	2,236	2,220	-	-	-	2,236	2,220	2,786	2,755
Financial assets available for sale reclassified as loans and receivables	418	418	418	418	418	-	-	-	-

Change in fair value of reclassified assets recognised in profit or loss

The change in fair value recognised in income or in equity of the assets reclassified in the first half of 2014 is shown in the table below.

	Change in fair value recognised	
in € million	In 2014, at reclassification date	In 2013
Financial assets at fair value through profit or loss reclassified as loans and receivables	-	-
Financial assets available for sale reclassified as loans and receivables	2	-

Contribution of reclassified assets to net income since the reclassification date

Analysis of the impact of the transferred assets:

€ million	Impact on pre-tax income since reclassification date							
	Assets reclassified during the first half of 2014		Assets previously reclassified					
	30.06.2014 Impact		Cumulative impact at 31.12.2013		30.06.2014 Impact		Cumulative impact at 30.06.2014	
	Actual income and expenses recognised	If asset had been retained in its former category (change in fair value)	Actual income and expenses recognised	If asset had been retained in its former category (change in fair value)	Actual income and expenses recognised	If asset had been retained in its former category (change in fair value)	Actual income and expenses recognised	If asset had been retained in its former category (change in fair value)
Financial assets at fair value through profit or loss reclassified as loans and receivables	-	-	(104)	(174)	15	28	(89)	(146)
Financial assets available for sale reclassified as loans and receivables	5	5	-	-	-	-	-	-

Additional information

At the reclassification date, the financial assets reclassified in the first half of 2014 had an actual interest rate of 2.23%, with non-discounted future cash flows estimated at €428 million.

➢ Note 8 : Fair value of financial instruments

Fair value is the price that would be received at the sale of an asset or paid to transfer a liability in an arm's length transaction between market participants at the valuation date.

Fair value is defined on the basis of an exit price.

The fair values shown below are estimates made on the reporting date using observable market data wherever possible. These are subject to change in subsequent periods due to developments in market conditions or other factors.

The calculations represent best estimates. They are based on a number of assumptions. It is assumed that market participants act in their best economic interest.

To the extent that these models contain uncertainties, the fair values shown may not be achieved upon actual sale or immediate settlement of the financial instruments concerned.

8.1 Fair value of financial assets and liabilities measured at amortised cost

Amounts presented below include accruals and prepayments and are net of impairment.

◆ Financial assets recognised at cost on the balance sheet and measured at fair value

€ million	Estimated market value at **30 June 2014**	Quoted prices in active markets for identical instruments: **Level 1**	Valuation based on observable data: **Level 2**	Valuation based on unobservable data: **Level 3**
Financial assets not measured at Fair value on Balance Sheet				
Loans and receivables	**157,605**		**47,727**	**109,878**
Loans and receivables due from credit institutions	**42,507**		**42,498**	**9**
Current accounts and overnight loans	2,943		2,943	
Accounts and term deposits	16,608		16,608	
Securities bought under repurchase agreements	22,903		22,903	
Subordinated loans	14		14	
Securities not traded in an active market	9		0	9
Other loans and receivables	30		30	
Loans and receivables due from customers	**115,098**		**5,229**	**109,869**
Trade receivables	12,623		0	12,623
Other customer loans	85,299		0	85,299
Securities bought under repurchase agreements	1,082		1,082	
Subordinated loans	125		0	125
Securities not traded in an active market	11,727			11,727
Advances in associates current accounts	95		0	95
Current accounts in debit	4,147		4,147	
Held-to-maturity financial assets	0		-	
Total financial assets of which fair value is disclosed	**157,605**		**47,727**	**109,878**

€ million	Estimated market value at **31 December 2013 restated**	Quoted prices in active markets for identical instruments: **Level 1**	Valuation based on observable data: **Level 2**	Valuation based on unobservable data: **Level 3**
Financial assets not measured at Fair value on Balance Sheet				
Loans and receivables	**150,608**		**44,802**	**105,806**
Loans and receivables due from credit institutions	**39,605**		**39,598**	**7**
Current accounts and overnight loans	2,856		2,856	
Accounts and term deposits	15,157		15,157	
Securities bought under repurchase agreements	21,488	0	21,488	0
Subordinated loans	67	0	67	0
Securities not traded in an active market	7			7
Other loans and receivables	30	0	30	0
Loans and receivables due from customers	**111,003**		**5,204**	**105,799**
Trade receivables	12,073			12,073
Other customer loans	82,555			82,555
Securities bought under repurchase agreements	1,001		1,001	
Subordinated loans	130			130
Securities not traded in an active market	10,948			10,948
Advances in associates current accounts	93			93
Current accounts in debit	4,203	0	4,203	0
Held-to-maturity financial assets	**0**		0	
Total financial assets of which fair value is disclosed	**150,608**		**44,802**	**105,806**

The fair value hierarchy of financial assets is broken down according to the general observability criteria of the inputs used for valuation, pursuant to the principles defined under IFRS 13.

Level 1 applies to the fair value of financial assets quoted on active markets.

Level 2 applies to the fair value of financial assets with observable inputs. This includes, in particular, market data relating to interest rate risk or credit risk when the latter can be revalued based on Credit Default Swaps (CDS) prices. Repurchase agreements with underlyings quoted on in active market are also included in Level 2 of the hierarchy, as well as financial assets with a demand component for which fair value is measured at unadjusted amortised cost.

Level 3 indicates the fair value of financial assets with unobservable inputs or for which some data can be revalued using internal models based on historical data. This includes, in particular, market data relating to credit risk or early redemption risk.

◆ Financial liabilities recognised at cost on the balance sheet and measured at fair value

€ million	Estimated market value at **30 June 2014**	Quoted prices in active markets for identical instruments: **Level 1**	Valuation based on observable data: **Level 2**	Valuation based on unobservable data: **Level 3**
Financial liabilities not measured at Fair value on balance sheet				
Due to credit institutions	**66,131**		**66,131**	
Current accounts and overnight loans	7,815		7,815	
Accounts and term deposits	38,527		38,527	
Securities sold under repurchase agreements	19,789		19,789	
Due to customer accounts	**94,917**		**46,115**	**48,802**
Current accounts in credit	43,126		43,126	
Special savings accounts	145			145
Other accounts	48,657			48,657
Securities sold under repurchase agreements	2,989		2,989	
Debt securities	**51,894**		**51,894**	
Subordinated debt	**4,164**		**4,164**	
Total financial liabilities of which fair value is disclosed	**217,106**		**168,304**	**48,802**

€ million	Estimated market value at **31 December 2013 restated**	Quoted prices in active markets for identical instruments: **Level 1**	Valuation based on observable data: **Level 2**	Valuation based on unobservable data: **Level 3**
Financial liabilities not measured at Fair value on Balance Sheet				
Due to credit institutions	**58,072**		**58,072**	
Current accounts and overnight loans	8,314		8,314	
Accounts and term deposits	30,801		30,801	
Securities sold under repurchase agreements	18,957		18,957	
Due to customer accounts	**107,292**		**43,369**	**63,923**
Current accounts in credit	41,550		41,550	
Special savings accounts	150			150
Other accounts	63,773			63,773
Securities sold under repurchase agreements	1,819		1,819	
Debt securities	**41,413**		**41,413**	
Subordinated debt	**5,162**		**5,162**	
Total financial liabilities of which fair value is disclosed	**211,939**		**148,016**	**63,923**

The fair value hierarchy of financial liabilities is broken down according to the general observability criteria of the valuation inputs, pursuant to the principles defined under IFRS 13.

Level 1 applies to the fair value of financial liabilities quoted on active markets.

Level 2 applies to the fair value of financial liabilities with relevant observable inputs. This includes, in particular, market data relating to interest rate risk or credit risk when the latter can be revalued based on Credit Default Swaps (CDS) prices. Repurchase agreements with underlyings quoted in an active market are also included in level 2 of the hierarchy, as well as financial liabilities with a demand component for which fair value is measured at unadjusted amortised cost.

Level 3 indicates the fair value of financial liabilities with unobservable inputs or for which some data can be revalued using internal models based on historical data. This includes, in particular, market data relating to credit risk or early redemption risk.

In some cases, market values are close to carrying amounts. This applies primarily to:

• assets or liabilities at variable rates for which interest rates changes do not have a significant influence on the fair value, since the rates on these instruments frequently adjust themselves to the market rates;

• short-term assets or liabilities where the redemption value is considered to be close to the market value;

• demand liabilities;

• transactions for which there are no reliable observable data.

8.2 Information about financial instruments measured at fair value

Valuation methods

Financial instruments are valued by management information systems and checked by a team that reports to the Risk Management department and is independent from the market operators.

Valuations are based on the use of:

• Prices or inputs obtained from independent sources and/or validated by the Market Risk Department using a series of available sources such as pricing service vendors, market consensus data and brokers;

• Models validated by the Market Risk Department's quantitative teams.

The valuation produced for each instrument is a mid-market valuation, which does not take into account of the direction of the trade, the bank's aggregate exposure, market liquidity or counterparty quality. Adjustments are then made to the market valuations to incorporate those factors, as well as the potential uncertainties inherent in the models or inputs used.

The main types of valuation adjustments are the following:

- Mark-to-market adjustments: these adjustments correct any potential variance between the midmarket valuation of an instrument obtained using internal valuation models and the associated inputs and the valuation obtained from external sources or market consensus data. These adjustments can be positive or negative.
- Bid/ask reserves: these adjustments incorporate the bid/ask spread for a given instrument in order to reflect the price at which the position could be reversed. These adjustments are always negative.
- Uncertainty reserves representing a risk premium as considered by any market participant. These adjustments are always negative.
    - Reserves for parameters uncertainty incorporate any uncertainty that may exist in terms of on one or several parameters used
    - Reserves for model uncertainty incorporate any uncertainty that may exist because of the choice of model used
- The counterparty risk valuation on derivative assets (Credit Valuation Adjustment or CVA) and the risk of non-execution on its derivative liabilities (Debit Valuation Adjustment or DVA or own credit risk)

  The CVA incorporates the credit risk associated with the counterparty (risk of non-payment of sums due in the event of default). It is calculated on an aggregate basis by counterparty according to the future exposure profile of the transactions after deducting any collateral. This adjustment is always negative and is deducted from the fair value of the financial assets.

  The DVA incorporates the risk borne by our counterparties. It is calculated on an aggregate basis by counterparty according to the future exposure profile of the transactions. This adjustment is always positive and is deducted from the fair value of the financial liabilities.

The CVA/DVA is calculated on the basis of an estimate of expected losses based on the probability of default and loss given default. The methodology used maximises the use of observable market inputs. The probability of default is in priority, directly deduced from listed CDS or listed CDS proxies when they are judged sufficiently liquid.

- The Funding Valuation Adjustment (FVA)
  The valuation of uncollateralised derivative instruments incorporates a FVA or Funding Valuation Adjustment related to the funding of these instruments.
  Its first-time application at 30 June 2014 results in the recognition of a loss of -€167 million.

Breakdown of financial instruments at fair value by valuation method

◆ Financial assets measured at fair value

Amounts presented below include accruals and prepayments and are net of impairment.

€ million	Total 30.06.2014	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Financial assets held for trading	**292,897**	**47,936**	**239,738**	**5,223**
Loans and receivables due from customers	310			310
Securities bought under repurchase agreement	78,505		78,505	
Securities held for trading	48,646	47,913		733
Treasury bills and similar securities	*36,523*	*36,523*		
Bonds and other fixed-income securities	*8,592*	*7,859*		*733*
Equities and other variable-income securities	*3,531*	*3,531*		
Derivative instruments	165,436	23	161,233	4,180
Financial assets designated at fair value through profit or loss	**1,234**		**1,096**	**138**
Loans and receivables due from credit institutions	1,096		1,096	
Securities designated at fair value through profit and loss	*138*			*138*
Equities and other variable-income securities	*138*			*138*
Available-for-sale financial assets	**26,217**	**25,611**		**606**
Treasury bills and similar securities	12,287	12,287		
Bonds and other fixed-income securities	13,195	13,165		30
Equities and other variable-income securities	735	159		576
Hedging derivative instruments	**1,539**		**1,539**	
Total financial assets measured at fair value	**321,887**	**73,547**	**242,373**	**5,967**
Transfers from level 1 : Quoted prices in active markets for identical instruments	769			769
Transfers from level 2 : Valuation based on observable data	1,345			1,345
Transfers from level 3 : Valuation based on unobservable data	34		34	
Total transfers to each level	**2,148**		**34**	**2,114**

€ million	Total 31.12.2013 restated	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Financial assest held for trading	**309,066**	**45,327**	**259,622**	**4,117**
Loans and receivables due from customers	358			358
Securities bought under repurchase agreement	90,608		90,608	
Securities held for trading	45,304	45,281	6	17
Treasury bills and similar items	*34,939*	*34,933*	*6*	
Bonds and other fixed-income securities	*7,017*	*7,000*		*17*
Equities and other variable-income securities	*3,348*	*3,348*		
Derivative instruments	172,796	46	169,008	3,742
Financial assets designated at fair value through profit or loss	**1,227**		**1,087**	**140**
Loans and receivables due from credit institutions	1,087		1,087	
Securities designated at fair value through profit and loss	140			140
Equities and other variable-income securities	*140*			*140*
Available-for-sale financial assets	**27,750**	**26,440**		**1,310**
Treasury bills and similar items	14,838	14,838		
Bonds and other fixed-income securities	11,959	11,223		736
Equities and other variable-income securities	953	379		574
Hedging derivative instruments	**1,396**		**1,396**	
Total financial assets measured at fair value	**339,439**	**71,767**	**262,105**	**5,567**
Transfers from level 1 : Quoted prices in active markets for identical instruments	120		120	
Transfers from level 2 : Valuation based on observable data	7,527	3,769		3,758
Transfers from level 3 : Valuation based on unobservable data	72		72	
Total transfers to each level	**7,719**	**3,769**	**192**	**3,758**

Level 2 to Level 1 transfers mainly involve bonds whose characteristics meet the criteria specified for Level 1.
Level 2 to Level 3 transfers mainly involve interest rate derivatives.

◆ Financial liabilities measured at fair value

€ million	Total 30.06.2014	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Financial liabilities held for trading	**277,416**	**35,162**	**236,758**	**5,496**
Securities sold short	35,154	35,154		
Securities sold under repurchase agreements	77,342	1	77,341	
Debt securities				
Derivative instruments	164,920	7	159,417	5,496
Financial liabilities designated at fair value through profit or loss	**28,331**		**23,506**	**4,825**
Hedging derivative instruments	**1,098**		**1,098**	
Total financial liabilities measured at fair value	**306,845**	**35,162**	**261,362**	**10,321**
Transfers from level 1 : Quoted prices in active markets for identical instruments				
Transfers from level 2 : Valuation based on observable data	1,561			1,561
Transfers from level 3 : Valuation based on unobservable data	30		30	
Total transfers to each level	**1,591**		**30**	**1,561**

€ million	Total 31.12.2013 restated	Quoted prices in active markets for identical instruments: Level 1	Valuation based on observable data: Level 2	Valuation based on unobservable data: Level 3
Financial liabilities held for trading	**290,983**	**30,254**	**255,785**	**4,944**
Securities sold short	30,246	30,246		
Securities sold under repurchase agreements	87,214	1	87,213	
Debt securities				
Derivative instruments	173,523	7	168,572	4,944
Financial liabilities designated at fair value through profit or loss	**31,656**		**26,437**	**5,219**
Hedging derivative instruments	**787**		**787**	
Total financial liabilities measured at fair value	**323,426**	**30,254**	**283,009**	**10,163**
Transfers from level 1 : Quoted prices in active markets for identical instruments				
Transfers from level 2 : Valuation based on observable data	8,004			8,004
Transfers from level 3 : Valuation based on unobservable data	79		79	
Total transfers to each level	**8,083**		**79**	**8,004**

Level 2 to Level 3 transfers mainly involve interest rate derivatives and liabilities designated at fair value through profit or loss with a Level 3 embedded derivative.

Level 1 comprises all derivatives quoted in an organized market (options, futures, etc.), regardless of their underlying (interest rate, exchange rate, precious metals, key stock indices), as well as equities and bonds quoted in an active market.

Corporate and government bonds and agencies that are valued on the basis of prices obtained from independent sources and regularly updated are classified in Level 1. This covers all sovereign, agency and corporate bonds held. Issuers whose bonds are not listed are classified in Level 3.

Financial instruments classified in Level 2

The main financial instruments classified in Level 2 are:

- Liabilities designated at fair value through profit or loss

Financial liabilities designated at fair value through profit or loss are classified in Level 2 when their embedded derivative is deemed to be classified in Level 2.

- Over-The-Counter derivatives

The main OTC derivatives classified in Level 2 are those valued using inputs considered to be observable and for which the valuation technique does not generate any significant exposure to a model risk.

Level 2 therefore mainly includes:

- Linear derivative products such as interest rate swaps, currency swaps and forward FX. They are valued using simple models widely used in the market, based either on directly observable inputs (foreign exchange rates, interest rates), or inputs that can be derived from observable market prices (currency swaps);

- Non-linear vanilla instruments such as caps, floors, swaptions, currency options, equity options and credit default swaps, including digital options. They are valued using simple models widely used in the market, based either on directly observable inputs (foreign exchange rates, interest rates, share prices) or inputs that can be derived from observable market prices (volatilities).

- Simple exotic single-underlying instruments such as cancellable swaps, currency baskets of major currencies. They are valued using models that are sometimes slightly more complex but still widely used in the market. The inputs are mainly observable inputs and observable market prices, obtained notably from brokers and/or market consensus data, which can be used to corroborate internal valuations.

Financial instruments classified in Level 3 are those which do not meet the conditions for classification in Level 1 or 2. They are therefore mainly financial instruments with a high model risk or whose valuation requires the use of substantial unobservable inputs.
The initial margin on all new transactions classified in Level 3 is reserved on the initial recognition date. It is reincorporated in net income either progressively over the unobservability period or one-off when all inputs become observable.

Level 3 therefore mainly comprises:

- Securities

Level 3 securities are mainly:
  - unquoted equities or bonds for which no independent valuation is available;
  - ABS and CLO for which an independent valuation is available but not necessarily executable ;
  - ABS, CLO, CDO super senior and mezzanine tranches for which the active nature of the market is not proved.
- Liabilities designated at fair value through profit or loss

Liabilities designated at fair value through profit or loss are classified in Level 3 when their embedded derivative is considered to be classified in Level 3.

- OTC derivatives

Products that are not observable due to their underlying: some instruments, which are mostly classified in Level 2, may be considered to fall within Level 3 due to their underlying currency or maturity. An observability table defines the maximum maturity considered to be observable for each instrument/currency pair. Observability is a function of the input's liquidity and the availability of observable sources enabling its valuation.

Level 3 mainly comprises:

- Exposures to interest rates or currency swaps with a very long maturity;
- Exposures to equities, mainly products on optional markets insufficiently liquid or products indexed on volatility and forward contracts with long maturity;
- Exposures to non-linear (interest rate or forex) instruments with a long maturity on key currencies/indices. It also includes vanilla options and simple exotic derivatives such as cancellable swaps;
- Non-linear exposures to emerging market currencies.

Complex derivatives are classified in Level 3 as their valuation requires the use of unobservable inputs. The main exposures involved are:

- Products whose underlying is the difference between two interest rates, such as options, binary options or exotic products. These products are based on a correlation between the two rates, which is considered to be unobservable due to reduced liquidity. The valuation of these exposures is nonetheless adjusted at the month-end on the basis of correlation levels derived from market consensus data;
- Securitisation swaps generating an exposure to the prepayment rate. The prepayment rate is determined on the basis of historical data on similar portfolios. The assumptions and inputs used are regularly checked on the basis of actual prepayments;
- Long-term hybrid interest rate/forex products, such as Power Reverse Dual Currency notes, which mainly involve the USD/JPY currency pair or instruments whose underlying is a basket of currencies. The correlation parameters between interest rates and currencies as well as between the two interest rates are determined using an internal methodology based on historical data. Results are cross-checked against market consensus data to ensure that the overall method is coherent;
- Multiple-underlying instruments generating an exposure to correlations, regardless of the underlyings concerned (interest rates, credit, forex, inflation). This category includes cross-asset instruments such as dual range, emerging market currency baskets, Credit Default baskets. Correlations are determined conservatively as a function of the bank's aggregate exposure, based on historical data. If the diversity of correlations is high, exposures to each of them remain measured.
- Equity correlation and equity hybrid products, whose pay-off depends on the performance of shares or of indexes of a basket (that may not only consist of shares but also other instruments such as commodities indexes). The valuation of these products is sensitive to the correlation between the basket components ; their classification in Level 3 is determined by their maturity, their hybrid nature and the composition of the underlying basket.
- Derivative instruments with interest rate underlyings whose coupon is indexed to the forward volatility (also called "Vol Bonds")
- CDOs based on corporate credit baskets. The valuation model for these products uses both observable inputs (CDS prices) and unobservable inputs (default correlations). For the least liquid Senior tranches, the bank has introduced valuation inputs that are tailored to its assessment of the intrinsic risk of these exposures. Market risk of the CDO derivatives book was sold to a fund managed by Blue Mountain Capital in 2012.
- Market risk on complex equity derivatives portfolios was transferred to a counterparty outside the Group at 31 December 2013.

For most of these products, the table below shows the valuation techniques and the main unobservable inputs with their value interval.

Instrument classes	Carrying amount (€m)		Main product types comprising Level 3	Valuation technique used	Main unobservable inputs	Unobservable data interval
	Assets	Liabilities				
Interest rate derivatives	2,336	3,766	Long-dated cancellable products (cancellable swaps, cancellable zero coupon swaps)	Interest rate options valuation method	Forward volatility	-
			Options on interest rate differentials		CMS correlations	0% / 100%
			Securitisation swaps	Prepayment modelling and discounted future cash flows	Prepayment rate	0% / 50%
			Long-dated hybrid interest rate/exchange rate products (PRDC)	Interest rate /FX hybrid instrument valuation model	interest rate/interest rate correlation	50% / 80%
					interest rate/FX correlation	-50% / 50%
			Multiple-underlying products (dual range, etc.)	Multiple-underlying product valuation model	FX/Equity correlation	-50% / 75%
					FX/FX correlation	-20% / 50%
					Interest rate/Equity correlation	-25% / 75%
					interest rate/interest rate correlation	-10% / 100%
					interest rate/FX correlation	-75% / 75%
Credit derivatives	746	816	CDOs indexed to corporate credit baskets	Correlation projections techniques and expected cash flows modelling	Default correlations	50% / 90%

◆ Net changes in financial instruments measured at fair value according to level 3

Financial assets measured at fair value according to level 3

€ million	Financial assets held for trading					Financial assets designated at fair value through profit or loss		Available-for-sale financial assets		
	Total	Loans and receivables due from customers	Securities held for trading	*Bonds and other fixed income securities*	Derivative instruments	Securities designated at fair value through profit or loss	*Equities and other variable-income securities*	Available-for-sale financial assets	*Bonds and other fixed income securities*	*Equities and other variable-income securities*
Opening balance (01.01.2014 restated)	**5,567**	**358**	**17**	**17**	**3,742**	**140**	**140**	**1,310**	**736**	**574**
Gains or losses for the period	(478)	68	3	*3*	(548)	(2)	*(2)*	1	*(35)*	*36*
Recognised in profit and loss	(501)	*53*	*3*	*3*	*(550)*	(2)	*(2)*	(5)		*(5)*
Recognised in other comprehensive	23	*15*			*2*			6	*(35)*	*41*
Purchases	289				288			1		*1*
Sales	(697)	(155)			(498)			(44)	(1)	*(43)*
Issues										
Settlements	(415)				(115)			(300)	*(252)*	*(48)*
Reclassifications	(379)	39						(418)	*(418)*	
Transfers	2,080		713	713	1,311			56		*56*
Transfers to level 3	2,114		*713*	*713*	*1,345*			56		*56*
Transfers out of level 3	(34)				*(34)*					
Closing balance (30.06.2014)	**5,967**	**310**	**733**	**733**	**4,180**	**138**	**138**	**606**	**30**	**576**

Financial liabilities measured at fair value according to level 3

€ million	Financial liabilities held for trading		Financial liabilities designated at fair value through profit or loss
	Total	Derivative instruments	
Opening balance (01.01.2014 restated)	**10,163**	**4,944**	**5,219**
Gains or losses of the period	(691)	(557)	(134)
Recognised in profit and loss	(691)	*(557)*	*(134)*
Recognised in other comprehensive income			
Purchases	90	90	
Sales	(728)	(353)	(375)
Issues	27		27
Settlements	(71)	(47)	(24)
Transfers	1,531	1,419	112
Transfers to level 3	1,561	*1,423*	*138*
Transfers out of level 3	(30)	*(4)*	*(26)*
Closing balance (30.06.2014)	**10,321**	**5,496**	**4,825**

The net change in fair value of assets and liabilities classified in Level 3 amounts to +€242 million at 30 June 2014 and comprises the following:

- Change in gains and losses of the period for +€213 million
- Net purchases of +€230 million
- Net settlements for -€371 million, largely linked to the deleveraging plan in respect of interest rate activities in run-off
- Reclassifications during the period for - €379 million
- Net transfers of financial instruments in the amount of +€549 million, of which +€713 million related to assets or liabilities recognised as held for trading, -€112 million related to financial liabilities designated at fair value through profit or loss and -€108 million related to Derivative financial instruments held for trading.

The fair value amount (and variation) on these products alone is not however representative. Indeed, these products are largely hedged by others, simpler and individually valued, using data considered as observable. The valuations (and variations) of these hedging instruments, largely symmetrical with those of instruments valued on the basis of data considered as non-observable, do not appear in the table above.

Sensitivity analysis for financial instruments measured using a level 3 valuation model

The use of unobservable inputs introduces uncertainty, which we have assessed below using a sensitivity calculation on instruments valued using these inputs.

Regarding interest-rate derivatives, two key inputs are considered to be unobservable, and hence require instruments valued on them to be classified in Level 3: correlation and prepayment rates (i.e. early repayment).

- Correlation

Many instruments are sensitive to a correlation input. However, this input is not unique and there are many different types of correlation, including:

- Forward correlation between two successive indices in the same currency : e.g. 2-year CMS / 10-year CMS;
- Interest rate/interest rate correlation (different indices): e.g. Libor 3M USD/Libor 3M EUR;
- Interest rate/forex correlation (or Quanto): e.g. USD/JPY –USD;
- Equity/equity correlation;
- Equity/forex correlation;
- Equity/interest rate correlation;
- Forex/forex correlation.

Although correlation positions involving equity indices on Credit & Rate scope have increased, the two key exposures to correlation remain:

- Interest rate/forex correlation, mainly USD/JPY-USD, USD/JPY-JPY on the long-term forex book (ex PRDC) and EUR/GBP-EUR on the Hybrid instruments book;
- Interest rate/interest rate correlation.

  - Prepayment rate

The prepayment rate is the rate of early repayment on securitisation portfolios, whether voluntary or involuntary (default). As the nominal amount of securitisation swaps is adjusted automatically to the nominal amount of the underlying portfolio, with no mark-to market payment, the prepayment rate plays a significant part in their valuation.

However, although this input is not observable, the valuation model used is extremely conservative. The valuation used is defined as the lower of the valuation obtained using the fastest prepayment rate and that obtained using a slower than expected prepayment rate. A «normal» variation in the prepayment rate will therefore have no material impact on the valuation.

The results presented below have been obtained by applying the following shocks:
- Correlations between successive indices in the same currency (i.e. CMS correlations): 3%
- Cross-asset correlations (e.g. Equity/forex or IR/Equity) and between two interest-rate curves in different currencies: 5%

The result of the stress test is then obtained by adding up the absolute values obtained. For each correlation type, we took the absolute values by currency and by book, therefore assuming that the correlations were not correlated among themselves. For the CMS correlations, we considered the various underlyings independently (e.g. 1y10y, 2y10y).

On 30/06/2014, sensitivity to parameters used in the interest rate derivatives models therefore came to **+/- €7.9 million.** The strong reduction compared to 31/12/2013 (€14.4 million) comes for approximately €5.5 million from the strong reduction of the CMS Correlation Euro position. Impacts on the other scopes are significantly more reduced, in particular on LTFX and Hybrid books.

The main contributory factors are:
- Long Term FX: €3.3 million (vs. €3.5 million)
- Hybrid Instruments: €2.9 million (vs. €3.2 million)
- Cross Asset: €1.2 million (stable)

The contributions of the other scopes are relatively low.

The scope excluding interest rate derivatives involves securitisations such as RMBS, CLO and CDO mezzanine tranches: the magnitude of uncertainty is captured via a shock of 1 bp on the credit spreads.

On 30/06/2014, sensibility in the parameters used to value these products is **almost zero**.

8.3 Estimated impact of inclusion of the margin at inception

€ million	30.06.2014	31.12.2013 restated
Deferred margin at January, 1st	**62**	**102**
Deferred margin generated by new transactions during the period	17	15
Recognised in net income during the period		
Amortisation and cancelled/redeemed/expired transactions	(12)	(55)
Effect of parameters or products that became observable during the period		
Deferred margin at the end of the period	**67**	**62**

➢ Note 9: Major impacts related to the application of new consolidation standards (IFRS 10, IFRS 11, IFRS 12)

The impact of the IFRS 10 first-time application is the inclusion into the scope of consolidation of two multi-seller ABCP conduits (LMA and Atlantic) and of 16 SPV designed to refinance on the market securitisation transactions on behalf of customers, in Europe and the United States.

The change in consolidation method related to IFRS 11 and amended IAS 28 first-time application results in accounting in a single line of the balance sheet, income statement and of other comprehensive income, the share of the interests held in these entities. The application of this standard being retrospective, data as of 01/01/2013, 31/12/2013 and 30/06/2013 relating to UBAF and Newedge are restated.

Income statement

Impacts of change in method related to new consolidation standards at 31 December 2013

€ million	31.12.2013 restated	IFRS 10 Impact	IFRS 11 Impact	31.12.2013 published
Interest and similar income	4,850	111	(26)	4,765
Interest and similar expenses	(2,804)	(113)	5	(2,696)
Fee and commission income	1,473		(2)	1,475
Fee and commission expenses	(505)	(4)		(501)
Net gains/ (losses) on financial instruments at fair value through profit or loss	730	8		722
Net gains/ (losses) on available-for-sale financial assets	15			15
Income on other activities	64		(2)	66
Expenses on other activities	(75)			(75)
NET BANKING INCOME	**3,748**	**2**	**(25)**	**3,771**
Operating expenses	(2,690)	(2)	18	(2,706)
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	(91)			(91)
GROSS OPERATING INCOME	**967**	**0**	**(7)**	**974**
Cost of risk	(516)		13	(529)
OPERATING INCOME	**451**	**0**	**6**	**445**
Share of net income of equity-accounted entities	127		12	115
Net income on other assets	1		(18)	19
Change in value of goodwill				
PRE-TAX INCOME	**579**	**0**	**0**	**579**
Income tax charge	(153)			(153)
Net income from discontinued or held-for-sale activities	156			156
NET INCOME	**582**	**0**	**0**	**582**
Non-controlling interests	22			22
NET INCOME - GROUP SHARE	**560**	**0**	**0**	**560**
Basic earnings per share (in €) [1]	2.08			2.08
Diluted earnings per share (in €) [1]	2.08			2.08

[1] Corresponds to income including net income from discontinued and held-for-sale operations.

Impacts of change in method related to new consolidation standards at 30 June 2013

€ million	30.06.2013 restated	IFRS 10 Impact	IFRS 11 Impact	IFRS 5 Impact	30.06.2013 published
Interest and similar income	2,346		(78)		2,424
Interest and similar expenses	(1,359)		42		(1,401)
Fee and commission income	842		(358)		1,200
Fee and commission expenses	(348)		231		(579)
Net gains/ (losses) on financial instruments at fair value through profit or loss	477		(27)		504
Net gains/ (losses) on available-for-sale financial assets	(5)		(2)		(3)
Income on other activities	24		(5)		29
Expenses on other activities	(19)		7		(26)
NET BANKING INCOME	**1,958**		**(190)**		**2,148**
Operating expenses	(1,340)		176		(1,516)
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	(46)		9		(55)
GROSS OPERATING INCOME	**572**		**(5)**		**577**
Cost of risk	(219)		1		(220)
OPERATING INCOME	**353**		**(4)**		**357**
Share of net income of equity-accounted entities	73		1	3	69
Net income on other assets	3				3
Change in value of goodwill					
PRE-TAX INCOME	**429**		**(3)**	**3**	**429**
Income tax charge	(79)		3		(82)
Net income from discontinued or held-for-sale activities	(7)			(3)	(4)
NET INCOME	**343**		**0**	**0**	**343**
Non-controlling interests	10			-	10
NET INCOME - GROUP SHARE	**333**		**0**	**0**	**333**
Basic earnings per share (in €) [1]	1.24				1.24
Diluted earnings per share (in €) [1]	1.24				1.24

[1] Corresponds to income including net income from discontinued and held-for-sale operations.

Net income and other comprehensive income

Impacts of change in method related to new consolidation standards at 31 December 2013

€ million	31.12.2013 restated	IFRS 10 Impact	IFRS 11 Impact	31.12.2013 published
Net Income	**582**			**582**
Actuarial gains (losses) on post-employment benefits	27			27
Gains (losses) on non-current assets held-for-sale				
Pre-tax other comprehensive income on items that will not be reclassified to profit and loss excluding equity-accounted entities	**27**			**27**
Pre-tax other comprehensive income on items that will not be reclassified to profit and loss on equity-accounted entities				
Income tax related to items that will not be reclassified to profit and loss excluding equity-accounted entities	**(11)**			**(11)**
Income tax related to items that will not be reclassified to profit and loss on equity-accounted entities				
Other comprehensive income on items that will not be reclassified subsequently to profit and loss net of income tax	**16**			**16**
Gains (losses) on currency translation adjustment	(88)		58	(146)
Gains (losses) on available for-sale-assets	10		0	10
Gains (losses) on hedging derivative instruments	(416)		(76)	(340)
Gains (losses) on non-current assets held-for-sale	34		0	34
Pre-tax other comprehensive income on items that may be reclassified to profit and loss excluding equity-accounted entities	**(460)**		**(18)**	**(442)**
Pre-tax other comprehensive income on items that will not be reclassified to profit and loss on equity-accounted entities, Group share	**(82)**		**18**	**(100)**
Income tax related to items that may be reclassified to profit and loss excluding equity-accounted entities	**126**		**(1)**	**127**
Income tax related to items that may be reclassified to profit and loss on equity-accounted entities	**1**		**1**	
Other comprehensive income on items that may be reclassified subsequently to profit and loss net of income tax	**(415)**		**0**	**(415)**
Other comprehensive income net of income tax	**(399)**		**0**	**(399)**
Net income and other comprehensive income	**183**		**0**	**183**
of which non-controlling interests	64			64
of which Group share	119			119

Impacts of change in method related to new consolidation standards at 30 June 2013

€ million	30.06.2013 restated	IFRS 10 Impact	IFRS 11 Impact	30.06.2013 published
Net Income	**343**			**343**
Actuarial gains (losses) on post-employment benefits	(7)		(1)	(6)
Gains (losses) on non-current assets held-for-sale				
Pre-tax other comprehensive income on items that will not be reclassified to profit and loss excluding equity-accounted entities	**(7)**		**(1)**	**(6)**
Pre-tax other comprehensive income on items that will not be reclassified to profit and loss on equity-accounted entities				
Income tax related to items that will not be reclassified to profit and loss excluding equity-accounted entities	**3**		**1**	**2**
Income tax related to items that will not be reclassified to profit and loss on equity-accounted entities				
Other comprehensive income on items that will not be reclassified subsequently to profit and loss net of income tax	**(4)**			**(4)**
Gains (losses) on currency translation adjustment	(18)		26	(44)
Gains (losses) on available for-sale-assets	(58)		(4)	(54)
Gains (losses) on hedging derivative instruments	(331)		(25)	(306)
Gains (losses) on non-current assets held-for-sale	(17)		(1)	(16)
Pre-tax other comprehensive income on items that may be reclassified to profit and loss excluding equity-accounted entities	**(424)**		**(4)**	**(420)**
Pre-tax other comprehensive income on items that will not be reclassified to profit and loss on equity-accounted entities, Group share	**(6)**		**2**	**(8)**
Income tax related to items that may be reclassified to profit and loss excluding equity-accounted entities	**130**		**3**	**127**
Income tax related to items that may be reclassified to profit and loss on equity-accounted entities	**(1)**		**(1)**	
Other comprehensive income on items that may be reclassified subsequently to profit and loss net of income tax	**(301)**		**0**	**(301)**
Other comprehensive income net of income tax	**(305)**		**0**	**(305)**
Net income and other comprehensive income	**38**		**0**	**38**
of which non-controlling interests	11			11
of which Group share	27			27

Balance sheet – Assets

Impacts of change in method related to new consolidation standards at 31 December 2013

€ million	31.12.2013 restated	IFRS 10 Impact	IFRS 11 Impact	31.12.2013 published
Cash, due from central banks	56,168		(33)	56,201
Financial assets at fair value through profit or loss	310,293		8	310,285
Hedging derivative instruments	1,396		(4)	1,400
Available-for-sale financial assets	27,750		(59)	27,809
Loans and receivables due from credit institutions	39,605	2	(233)	39,836
Loans and receivables due from customers	109,990	8,263	(211)	101,938
Revaluation adjustment on interest rate hedged portfolios	23		0	23
Held-to-maturity financial assets			0	
Current and deferred tax assets	1,502		0	1,502
Accruals, prepayments and sundry assets	39,621	5	3	39,613
Non-current assets held for sale	268		(24,189)	24,457
Investments in equity-accounted entities	1,524		152	1,372
Investment property			0	
Property, plant and equipment	395		(1)	396
Intangible assets	153		(1)	154
Goodwill	953		0	953
TOTAL ASSETS	**589,641**	**8,270**	**(24,568)**	**605,939**

Impacts of change in method related to new consolidation standards at 1st January 2013

€ million	01.01.2013 restated	IFRS 10 Impact	IFRS 11 Impact	01.01.2013 published
Cash, due from central banks	37,259		(246)	37,505
Financial assets at fair value through profit or loss	360,583		(3,129)	363,712
Hedging derivative instruments	1,833		(9)	1,842
Available-for-sale financial assets	30,117	50	(17)	30,084
Loans and receivables due from credit institutions	54,722	2	(10,876)	65,596
Loans and receivables due from customers	122,983	8,025	(7,550)	122,508
Revaluation adjustment on interest rate hedged portfolios	33		0	33
Held-to-maturity financial assets			0	
Current and deferred tax assets	2,325		(29)	2,354
Accruals, prepayments and sundry assets	47,461	5	(1,700)	49,156
Non-current assets held for sale	3,858		0	3,858
Investments in equity-accounted entities	1,914		545	1,369
Investment property			0	
Property, plant and equipment	435		(31)	466
Intangible assets	143		(16)	159
Goodwill	958		0	958
TOTAL ASSETS	**664,624**	**8,082**	**(23,058)**	**679,600**

Balance sheet – Liabilities and shareholders' equity

Impacts of change in method related to new consolidation standards at 31 December 2013

€ million	31.12.2013 restated	IFRS 10 Impact	IFRS 11 Impact	31.12.2013 published
Due to central banks	2,036			2,036
Financial liabilities at fair value through profit or loss	322,639		21	322,618
Hedging derivative instruments	787		(1)	788
Due to credit institutions	58,072		(337)	58,409
Due to customers	107,292	(7,328)	(30)	114,650
Debt securities	41,409	15,588	(11)	25,832
Revaluation adjustment on interest rate hedged portfolios	47			47
Current and deferred tax liabilities	482		(1)	483
Accruals, deferred income and sundry liabilities	34,923	10	(6)	34,919
Liabilities associated with non-current assets held for sale			(24,189)	24,189
Insurance company technical reserves	11			11
Provisions	1,362		(14)	1,376
Subordinated debt	5,162			5,162
Total liabilities	**574,222**	**8,270**	**(24,568)**	**590,520**
Equity				
Equity, Group share	15,309			15,309
Share capital and reserves	8,160			8,160
Consolidated reserves	6,255		0	6,255
Other comprehensive income	353		0	353
Other comprehensive income on non-current assets held for sale	(19)			(19)
Net income/(loss) for the period	560		0	560
Non-controlling interests	110			110
Total equity	**15,419**			**15,419**
TOTAL EQUITY AND LIABILITIES	**589,641**	**8,270**	**(24,568)**	**605,939**

Impacts of change in method related to new consolidation standards at 1st January 2013

€ million	01.01.2013 restated	IFRS 10 Impact	IFRS 11 Impact	01.01.2013 published
Due to central banks	1,057			1,057
Financial liabilities at fair value through profit or loss	386,005		(1,155)	387,160
Hedging derivative instruments	1,060		(3)	1,063
Due to credit institutions	54,411	20	(4,369)	58,760
Due to customers	105,504	(6,136)	(9,521)	121,161
Debt securities	45,210	14,108	0	31,102
Revaluation adjustment on interest rate hedged portfolios	109			109
Current and deferred tax liabilities	531		(16)	547
Accruals, deferred income and sundry liabilities	44,244	90	(7,929)	52,083
Liabilities associated with non-current assets held for sale	3,718		167	3,551
Insurance company technical reserves	11			11
Provisions	1,322		(37)	1,359
Subordinated debt	5,775		(195)	5,970
Total liabilities	**648,957**	**8,082**	**(23,058)**	**663,933**
Equity				
Equity, Group share	15,131			15,131
Share capital and reserves	8,160			8,160
Consolidated reserves	6,585		0	6,585
Other comprehensive income	824		0	824
Other comprehensive income on non-current assets held for sale	(49)			(49)
Net income/(loss) for the period	(389)		0	(389)
Non-controlling interests	536			536
Total equity	**15,667**			**15,667**
TOTAL EQUITY AND LIABILITIES	**664,624**	**8,082**	**(23,058)**	**679,600**

Cash flow statement

Impacts of change in method related to new consolidation standards at 31 December 2013

€ million	31.12.2013 restated	IFRS 10 Impact	IFRS 11 Impact	31.12.2013 published
Pre-tax income	**579**			**579**
Net depreciation and impairment of property, plant and equipment and intangible assets	91			91
Impairment of goodwill and other fixed assets	0			
Net depreciation charges to provisions	416		(13)	429
Share of net income (loss) of equity-accounted entities	(127)		(12)	(115)
Net income (loss) on investment activities	86		19	67
Net income (loss) on financing activities	361	113		248
Other movements	(1,471)			(1,471)
Total non-cash and other adjustment items included in pre-tax income	**(644)**	**113**	**(6)**	**(751)**
Change in interbank items	(807)		132	(939)
Change in customer items	18,622	(1,450)	167	19,905
Change in financial assets and liabilities	(12,681)	1,530	(35)	(14,176)
Change in non-financial assets and liabilities	(2,609)	(78)	(2)	(2,529)
Dividends received from equity-accounted entities	11		6	5
Tax paid	666		(4)	670
Net increase (decrease) in assets and liabilities used in operating activities	**3,202**	**2**	**264**	**2,936**
Cash provided (used) by discontinued activities	(160)		(50)	(110)
TOTAL net cash flows from (used by) OPERATING activities (A)	**2,977**	**115**	**208**	**2,654**
Change in equity investments	(50)			(50)
Change in property, plant and equipment and intangible assets	(86)		(26)	(60)
Cash provided (used) by discontinued activities	387		5	382
TOTAL net cash flows from/(used by) INVESTMENT activities (B)	**251**		**(21)**	**272**
Cash received from (paid to) shareholders	(430)			(430)
Other cash provided (used) by financing activities	(719)	(113)		(606)
Cash provided (used) by discontinued activities	1		8	(7)
TOTAL net cash flows from (used by) FINANCING activities (C)	**(1,148)**	**(113)**	**8**	**(1,043)**
Impact of exchange rate changes on cash and cash equivalents (D)	**(2,892)**		**52**	**(2,944)**
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C + D)	**(812)**	**2**	**247**	**(1,061)**
Opening cash and cash equivalents	**49,480**		**(2,331)**	**51,811**
Net gain/ (losses) on cash and central banks (assets and liabilities)	36,199		(246)	36,445
Net gain/ (losses) on interbank sight balances (assets and liabilities)	13,281		(2,085)	15,366
Closing cash and cash equivalents	**48,668**	**2**	**(2,084)**	**50,750**
Net gain/ (losses) on cash and central banks (assets and liabilities)	54,126		(38)	54,164
Net gain/ (losses) on interbank sight balances (assets and liabilities)	(5,458)	2	(2,046)	(3,414)
NET CHANGE IN CASH AND CASH EQUIVALENTS	**(812)**	**2**	**247**	**(1,061)**

Impacts of change in method related to new consolidation standards at 30 June 2013

€ million	30.06.2013 restated	IFRS 10 Impact	IFRS 11 Impact	30.06.2013 published
Pre-tax income	**429**			**429**
Net depreciation and impairment of property, plant and equipment and intangible assets	47		(8)	55
Impairment of goodwill and other fixed assets				
Net depreciation charges to provisions	192		3	189
Share of net income (loss) of equity-accounted entities	(74)		(5)	(69)
Net income (loss) on investment activities	41			41
Net income (loss) on financing activities	184	57	(5)	132
Other movements	(386)		14	(400)
Total non-cash and other adjustment items included in pre-tax income	**4**	**57**	**(1)**	**(52)**
Change in interbank items	4,752		(147)	4,899
Change in customer items	7,166	(725)	(1,448)	9,339
Change in financial assets and liabilities	(12,276)	765	736	(13,777)
Change in non-financial assets and liabilities	(2,522)	(39)	1,151	(3,634)
Dividends received from equity-accounted entities	7		7	
Tax paid	787		(4)	791
Net increase (decrease) in assets and liabilities used in operating activities	**(2,086)**	**1**	**295**	**(2,382)**
Cash provided (used) by discontinued activities	(190)			(190)
TOTAL net cash flows from (used by) OPERATING activities (A)	**(1,843)**	**58**	**294**	**(2,195)**
Change in equity investments	15			15
Change in property, plant and equipment and intangible assets	(45)		5	(50)
Cash provided (used) by discontinued activities	93		1	92
TOTAL net cash flows from/(used by) INVESTMENT activities (B)	**63**		**6**	**57**
Cash received from (paid to) shareholders	(7)			(7)
Other cash provided (used) by financing activities	(612)	(57)	3	(558)
Cash provided (used) by discontinued activities	1		(1)	2
TOTAL net cash flows from (used by) FINANCING activities (C)	**(618)**	**(57)**	**2**	**(563)**
Impact of exchange rate changes on cash and cash equivalents (D)	**(726)**		**28**	**(754)**
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C + D)	**(3,124)**	**1**	**330**	**(3,455)**
Opening cash and cash equivalents	**49,480**		**(2,330)**	**51,810**
Net gain/ (losses) on cash and central banks (assets and liabilities)	36,199		(246)	36,445
Net gain/ (losses) on interbank sight balances (assets and liabilities)	13,281		(2,084)	15,365
Closing cash and cash equivalents	**46,356**		**(1,999)**	**48,355**
Net gain/ (losses) on cash and central banks (assets and liabilities)	44,736		(28)	44,764
Net gain/ (losses) on interbank sight balances (assets and liabilities)	1,620	1	(1,972)	3,591
NET CHANGE IN CASH AND CASH EQUIVALENTS	**(3,124)**	**1**	**330**	**(3,455)**

➢ Note 10 : Events after the interim reporting period

No event occurred after the reporting period.

➢ Note 11 : Scope of consolidation at 30 June 2014

The scope of consolidation at 30 June 2014 is detailed as follows:

Crédit Agricole CIB Group Scope of consolidation	(a)	Country	Registered office if different from country	Entity type and nature of control	Consolidation method at 30 June 2014	% of control		% of interest	
						30.06.14	31.12.13	30.06.14	31.12.13
Parent company and its branches									
Crédit Agricole CIB S.A.		France		Parent company	Parent	100.00	100.00	100.00	100.00
Crédit Agricole CIB (Dubai)	D3	United Arab Emirates	France	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB (Dubai DIFC)	D3	United Arab Emirates	France	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB (Abu Dhabi)	D3	United Arab Emirates	France	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB (South Korea)		South Korea	France	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB (Spain)		Spain	France	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB (India)		Inde	France	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB (Japan)		Japan	France	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB (Singapore)		Singapore	France	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB (Great Britain)		Great Britain	France	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB (Hong-Kong)		Hong-Kong	France	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB (United States)		United States	France	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB (Cayman Islands)	D3	Cayman Islands	France	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB (Chicago)	D3	United States	France	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB (Taipei)		Taiwan	France	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB (Luxembourg)		Luxembourg	France	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB (Finland)		Finland	France	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB (Vietnam)		Vietnam	France	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB (Germany)		Germany	France	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB (Sweden)		Sweden	France	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB (Italy)		Italy	France	Branch	full	100.00	100.00	100.00	100.00
Crédit Agriciole CIB (Belgium)		Belgium	France	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB (Miami)		United States	France	Branch	full	100.00	100.00	100.00	100.00
Banking and financial institutions									
Banco Crédit Agricole Brasil S.A.		Brazil		Subsidiary	full	100.00	100.00	100.00	100.00
Banque Saudi Fransi - BSF		Saudi Arabia		Associate	equity	31.11	31.11	31.11	31.11
Crédit Agricole CIB Algérie Bank Spa		Algeria		Subsidiary	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB Australia Ltd.		Australia		Subsidiary	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB China Ltd.		China		Subsidiary	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB Services Private Ltd.		India		Subsidiary	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB ZAO Russia		Russia		Subsidiary	full	100.00	100.00	100.00	100.00
Crédit Agricole Luxembourg		Luxembourg		Subsidiary	full	100.00	100.00	100.00	100.00
Crédit Agricole Luxembourg (Spain)		Spain	Luxembourg	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole Luxembourg (Belgium)		Belgium	Luxembourg	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole Switzerland		Switzerland		Subsidiary	full	100.00	100.00	100.00	100.00
Crédit Agricole Switzerland (Hong-Kong)		Hong-Kong	Switzerland	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole Switzerland (Singapore)		Singapore	Switzerland	Branch	full	100.00	100.00	100.00	100.00
Crédit Agricole Switzerland (Bahamas) Ltd.		Bahamas		Subsidiary	full	100.00	100.00	100.00	100.00
Crédit Foncier de Monaco		Monaco		Subsidiary	full	70.13	70.13	68.95	68.95
Finanziaria Indosuez International Ltd.		Switzerland		Subsidiary	full	100.00	100.00	100.00	100.00
Newedge	S2 - D4 - D6	France		Joint venture		0.00	50.00	0.00	50.00
Newedge Financial Singapore Pte Ltd.	S2 - D4 - D6	Singapore		Joint venture		0.00	50.00	0.00	50.00
Altura Markets	S2 - D4 - D6	Spain		Joint venture		0.00	50.00	0.00	25.00
Newedge Broker Hong-Kong Ltd.	S2 - D4 - D6	Hong-Kong		Joint venture		0.00	50.00	0.00	50.00
Newedge Financial Hong-Kong Ltd.	S2 - D4 - D6	Hong-Kong		Joint venture		0.00	50.00	0.00	50.00
Newedge Australia PTY Ltd.	S2 - D4 - D6	Australia		Joint venture		0.00	50.00	0.00	50.00
Newedge Representações Ltda.	S2 - D4 - D6	Brazil		Joint venture		0.00	50.00	0.00	50.00
Newedge Canada Inc.	S2 - D4 - D6	Canada		Joint venture		0.00	50.00	0.00	50.00
Citic Newedge Futures Corp, Ltd	S2 - D4 - D6	China		Joint venture		0.00	42.00	0.00	21.00
Newedge UK Financial Ltd.	S2 - D4 - D6	Great Britain		Joint venture		0.00	50.00	0.00	50.00
Cube Financial Holding Ltd.	S1 - D4 - D6	Great Britain		Joint venture		0.00	50.00	0.00	50.00

Crédit Agricole CIB Group Scope of consolidation	(a)	Country	Registered office if different from country	Entity type and nature of control	Consolidation method at 30 June 2014	% of control		% of interest	
						30.06.14	31.12.13	30.06.14	31.12.13
Newedge Broker India PTE Ltd.	S2 - D4 - D6	India		Joint venture		0.00	50.00	0.00	50.00
Newedge Japan Inc.	S2 - D4 - D6	Japan		Joint venture		0.00	50.00	0.00	50.00
Newedge USA LLC	S2 - D4 - D6	United States		Joint venture		0.00	50.00	0.00	50.00
Newedge Facilities Management Inc.	S2 - D4 - D6	United States		Joint venture		0.00	50.00	0.00	50.00
Newedge (Dubai)	S2 - D4 - D6	United Arab Emirates	France	Joint venture		0.00	50.00	0.00	50.00
Newedge (Hong-Kong)	S2 - D4 - D6	Hong-kong	France	Joint venture		0.00	50.00	0.00	50.00
Newedge (Switzerland)	S2 - D4 - D6	Switzerland	France	Joint venture		0.00	50.00	0.00	50.00
Newedge (Zurich)	S2 - D4 - D6	Switzerland	France	Joint venture		0.00	50.00	0.00	50.00
Newedge (Frankfurt)	S2 - D3 - D4 - D6	Germany	France	Joint venture		0.00	50.00	0.00	50.00
Newedge (Great Britain)	S2 - D3 - D4 - D6	Great Britain	France	Joint venture		0.00	50.00	0.00	50.00
UBAF	D6	France		Joint venture	equity	47.01	47.01	47.01	47.01
UBAF (Japan)	D6	Japan	France	Joint venture	equity	47.01	47.01	47.01	47.01
UBAF (South Korea)	D6	South Korea	France	Joint venture	equity	47.01	47.01	47.01	47.01
UBAF (Singapore)	D6	Singapore	France	Joint venture	equity	47.01	47.01	47.01	47.01
CA Indosuez Private Banking		France		Subsidiary	full	100.00	100.00	100.00	100.00
CA Indosuez Gestion		France		Subsidiary	full	100.00	100.00	100.00	100.00
Ester Finance Titrisation		France		Subsidiary	full	100.00	100.00	100.00	100.00
Brokerage companies									
Crédit Agricole Securities (USA) Inc		United States		Subsidiary	full	100.00	100.00	100.00	100.00
Investment companies									
CA Brasil DTVM		Brazil		Subsidiary	full	100.00	100.00	100.00	100.00
Compagnie Française de l'Asie (CFA)		France		Subsidiary	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB Air Finance S.A.		France		Subsidiary	full	100.00	100.00	100.00	100.00
Crédit Agricole Securities Asia BV		Netherlands		Subsidiary	full	100.00	100.00	100.00	100.00
Crédit Agricole Global Partners Inc.		United States		Subsidiary	full	100.00	100.00	100.00	100.00
Crédit Agricole North America Inc.		United States		Subsidiary	full	100.00	100.00	100.00	100.00
L.F. Investment Inc.		United States		Subsidiary	full	100.00	100.00	100.00	100.00
Indosuez CM II Inc.		United States		Subsidiary	full	100.00	100.00	100.00	100.00
L.F. Investment L.P.		United States		Subsidiary	full	100.00	100.00	100.00	100.00
Crédit Agricole CIB Holdings Ltd.		Great Britain		Subsidiary	full	100.00	100.00	100.00	100.00
Crédit Agricole Private Banking		France		Subsidiary	full	100.00	100.00	100.00	100.00
Crédit Agricole Securities Asia BV (Tokyo)		Japan		Branch	full	100.00	100.00	100.00	100.00
Doumer Finance S.A.S.		France		Subsidiary	full	100.00	100.00	100.00	100.00
Fininvest		France		Subsidiary	full	98.31	98.31	98.31	98.31
Fletirec		France		Subsidiary	full	100.00	100.00	100.00	100.00
I.P.F.O.		France		Subsidiary	full	100.00	100.00	100.00	100.00
Crédit Agricole Securities Taiwan		Taiwan		Subsidiary	full	100.00	100.00	100.00	100.00
Insurance									
CAIRS Assurance S.A.		France		Subsidiary	full	100.00	100.00	100.00	100.00
Other									
CAL Conseil		Luxembourg		Subsidiary	full	99.99	99.99	99.99	99.99
Calixis Finance		France		Controlled structured entity	full	100.00	100.00	100.00	100.00
Calliope srl		Italy		Controlled structured entity	full	100.00	100.00	100.00	100.00
Calyce P.L.C.		Great Britain		Controlled structured entity	full	100.00	100.00	100.00	100.00
CLIFAP		France		Subsidiary	full	100.00	100.00	100.00	100.00
Crédit Agricole Asia Shipfinance Ltd.		Hong-kong		Subsidiary	full	99.99	99.99	99.99	99.99
Crédit Agricole CIB Finance (Guernsey) Ltd.		Guernsey		Controlled structured entity	full	99.90	99.90	99.90	99.90
Crédit Agricole CIB Financial Prod. (Guernsey) Ltd.		Guernsey		Controlled structured entity	full	99.90	99.90	99.90	99.90
Crédit Agricole CIB Financial Solutions		France		Controlled structured entity	full	99.60	99.76	99.60	99.76
Crédit Agricole CIB Global Banking		France		Subsidiary	full	100.00	100.00	100.00	100.00
DGAD International SARL		Luxembourg		Subsidiary	full	100.00	100.00	100.00	100.00
Semeru Asia Equity High Yield Fund	S2 - D4	Cayman Islands		Controlled structured entity		0.00	70.85	0.00	70.85
Himalia P.L.C.		Great Britain		Controlled structured entity	full	100.00	100.00	100.00	100.00
Immobilière Sirius S.A.		Luxembourg		Subsidiary	full	100.00	100.00	100.00	100.00
Indosuez Holding SCA II		Luxembourg		Controlled structured entity	full	100.00	100.00	100.00	100.00
Indosuez Management Luxembourg II		Luxembourg		Controlled structured entity	full	100.00	100.00	99.99	99.99
Island Refinancing Srl		Italy		Controlled structured entity	full	100.00	100.00	100.00	100.00
MERISMA		France		Controlled structured entity	full	100.00	100.00	100.00	100.00
Sagrantino Italy srl		Italy		Controlled structured entity	full	100.00	100.00	100.00	100.00
SCI La Baume		France		Subsidiary	full	100.00	100.00	100.00	100.00
CLSA Financial Products Ltd		Bermuda		Controlled structured entity	full	100.00	100.00	100.00	100.00

Crédit Agricole CIB Group Scope of consolidation	(a)	Country	Registered office if different from country	Entity type and nature of contro	Consolidation method at 30 June 2014	% of control		% of interest	
						30.06.14	31.12.13	30.06.14	31.12.13
Benelpart		Belgium		Subsidiary	full	99.00	99.00	98.46	98.46
Financière des Scarabées		Belgium		Subsidiary	full	100.00	100.00	99.75	99.75
Lafina		Belgium		Subsidiary	full	100.00	100.00	98.80	98.80
Segemil		Luxembourg		Subsidiary	full	100.00	100.00	99.45	99.45
SNGI Belgium		Belgium		Subsidiary	full	100.00	100.00	100.00	100.00
Sococlabecq		Belgium		Subsidiary	full	100.00	100.00	98.80	98.80
Transpar		Belgium		Subsidiary	full	100.00	100.00	99.52	99.52
TCB		France		Subsidiary	full	86.50	86.50	99.68	99.68
Armo-Invest		France		Subsidiary	full	100.00	100.00	99.45	99.45
Calciphos		France		Subsidiary	full	100.00	100.00	99.45	99.45
Miladim		France		Subsidiary	full	99.00	99.00	99.07	99.07
Molinier Finances		France		Subsidiary	full	100.00	100.00	98.68	98.68
SNGI		France		Subsidiary	full	100.00	100.00	100.00	100.00
Sofipac		Belgium		Subsidiary	full	99.00	99.00	99.45	99.45
Placements et réalisations immobilières (SNC)		France		Subsidiary	full	100.00	100.00	99.49	99.49
Crédit Agricole Leasing (USA) Corp.		United States		Subsidiary	full	100.00	100.00	100.00	100.00
Crédit Agricole America Services Inc.		United States		Subsidiary	full	100.00	100.00	100.00	100.00
Crédit Agricole Private Banking Management Company	E2	Luxembourg		Subsidiary	full	100.00	0.00	100.00	0.00
Atlantic Asset Securitization LLC	D5	United States		Controlled structured entity	full	100.00	0.00	0.00	0.00
LMA SA	D5	France		Controlled structured entity	full	100.00	0.00	0.00	0.00
FIC-FIDC	D3	Brazil		Controlled structured entity	full	100.00	100.00	100.00	100.00
Héphaïstos EUR FCC	D5	France		Controlled structured entity	full	100.00	0.00	0.00	0.00
Héphaïstos GBP FCT	D5	France		Controlled structured entity	full	100.00	0.00	0.00	0.00
Héphaïstos USD FCT	D5	France		Controlled structured entity	full	100.00	0.00	0.00	0.00
Héphaïstos Multidevises FCT	D5	France		Controlled structured entity	full	100.00	0.00	0.00	0.00
Eucalyptus FCT	D5	France		Controlled structured entity	full	100.00	0.00	0.00	0.00
Pacific USD FCT	D5	France		Controlled structured entity	full	100.00	0.00	0.00	0.00
Shark FCC	D5	France		Controlled structured entity	full	100.00	0.00	0.00	0.00
Vulcain EUR FCT	D5	France		Controlled structured entity	full	100.00	0.00	0.00	0.00
Vulcain GBP FCT	D5	France		Controlled structured entity	full	100.00	0.00	0.00	0.00
FCT Cablage FCT	D5	France		Controlled structured entity	full	100.00	0.00	0.00	0.00
Vulcain USD FCT	D5	France		Controlled structured entity	full	100.00	0.00	0.00	0.00
Acieralliage EURO FCC	D5	France		Controlled structured entity	full	100.00	0.00	0.00	0.00
Acieralliage USD FCC	D5	United States		Controlled structured entity	full	100.00	0.00	0.00	0.00
Pacific EUR FCC	D5	France		Controlled structured entity	full	100.00	0.00	0.00	0.00
Pacific IT FCT	D5	France		Controlled structured entity	full	100.00	0.00	0.00	0.00
Triple P FCC	D5	France		Controlled structured entity	full	100.00	0.00	0.00	0.00
ESNI (compartiment Cédit Agricole CIB)	E2	France		Controlled structured entity	full	100.00	0.00	100.00	0.00
Elipso Finance S.r.l	D6	Italy		Joint venture	equity	50.00	0.00	50.00	0.00

(a) Legend

Inclusions (E) into the scope of consolidation :

E1 : Breach of threshold
E2 : Creation
E3 : Acquisition (including controlling interests)

Exclusions (S) from the scope of consolidation :

S1 : Discontinuation of business (including dissolution and liquidation)
S2 : Sale to non-Group companies or deconsolidation following loss of control
S3 : Deconsolidated due to non-materiality
S4 : Merger or takeover
S5 : Transfer of all assets and liabilities

Other :

D1 : Change of company name
D2 : Change in consolidation method
D3 : First time listed in the Note on scope of consolidation
D4 : IFRS 5 entities
D5 : Inclusion into scope related to IFRS 10 application
D6 : Change in consolidation method in application of IFRS 11

Statutory auditors' report on the condensed interim consolidated financial statements

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

1 January 2014 to 30 June 2014

To the Shareholders,

In compliance with the assignment entrusted to us by your Shareholders' Meeting, and as required by article L. 451 -1 -2 III of the French Monetary and Financial Code, we have:

• reviewed the accompanying condensed interim consolidated financial statements of Crédit Agricole Corporate and Investment Bank for the period January 1st to June 30th, 2014 as attached to this report ;
• verified the information contained in the interim management report.

Those condensed interim consolidated financial statements were established under the responsibility of the Board of Directors. It is our responsibility, based on our limited review, to assert our opinion on the financial statements.

1. Opinion on the financial statements

We conducted our review in accordance with the professional standards applicable in France. A review consists of making enquiries, primarily of senior management members responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the professional standards applicable in France and therefore provides less assurance than an audit about whether the financial statements are free of material misstatement.

Based on our review, nothing has come to our attention giving us cause to believe that the condensed interim consolidated financial statements are not presented fairly in all material respects in accordance with IAS 34 – Interim Financial Reporting, as adopted by the European Union.

Without qualifying our opinion, we draw your attention to the matters set out in Notes 1 and 9 to the interim condensed consolidated financial statements which describe the effects of the first application of IFRS 10 related to consolidated financial statements, of IFRS 11 related to joint arrangements and of IAS 28 amended related to investments in associates and joint ventures.

2. Specific verification

We have also verified the information provided in the interim management report accompanying the condensed interim consolidated financial statements reviewed by us.

We have no matters to report on the fairness and consistency of this information with the condensed interim consolidated financial statements.

Neuilly-sur-Seine and Paris-La Défense, 7 August 2014

Statutory Auditors

PricewaterhouseCoopers Audit
Catherine Pariset Emmanuel Benoist

ERNST & YOUNG et Autres
Hassan Baaj Valérie Meeus

3 Additional information

Ratings

Ratings	Standard & Poors	Moody's	FitchRatings
Long-term senior unsecured	A	A2	A
Outlook	Negative	Negative	Stable
Last rating action	10/07/2014	29/05/2014	03/07/2014
Rating action type	LT and ST ratings affirmed ; LT rating outlook unchanged	LT rating affirmed ; LT rating outlook changed to negative	LT/ST ratings affirmed ; stable LT rating outlook unchanged
Short-term debt	A-1	Prime-1	F1

Other information regarding the recent evolution of the bank

Composition of the Board at 30 June 2014:

Chief Executive Officer

Jean-Paul Chifflet

Directors

Philippe Brassac
Frank Dangeard*
Marie-Claire Daveu*
Marc Deschamps
Jean-Frédéric Dreyfus**
Fabienne Haas*
François Imbault
Marc Kyriacou**
Michel Mathieu
Anne-Laure Noat*
Nathalie Palladitcheff*
Jean-Pierre Paviet
Jean Philippe
Jean-Louis Roveyaz
François Thibault
Jean-Pierre Vauzanges
François Veverka*

Censor

Edmond Alphandéry

* Independant directors
**Directors representing employees

Audit and risk committee at 30 June 2014:

Chief Executive Officer

François Veverka

Committee members

Marc Deschamps
Anne-Laure Noat
Nathalie Palladitcheff
Jean Philippe

Compensation committee at 30 June 2014:

Chief Executive Officer

Jean-Paul Chifflet

Committee members

Frank Dangeard
Fabienne Haas
Jean-Louis Roveyaz

Composition of the Executive Committee at 30 June 2014:

The composition of the Executive Committee of Crédit Agricole Corporate and Investment Bank at 30 June 2014 is as follows:

Jean-Yves HOCHER	Chief Executive Officer
Paul de LEUSSE	Chief Operationg Officer
Régis MONFRONT	Chief Operationg Officer
Jacques PROST	Chief Operationg Officer
Jean-François BALAŸ	Debt Optimisation & Distribution
Martine BOUTINET	Human Resources
Hélène COMBE-GUILLEMET	Global Investment Banking
Frédéric COUDREAU	Global Operations
Pierre DULON	Global IT
Catherine DUVAUD	Global Compliance
Thomas GADENNE	Global Markets Division
Bertrand HUGONET	Corporate Secretary & Communication
Frédéric MERON	Finance
Daniel PUYO	Risk and Permanent Control
Thierry SIMON	Client Coverage and International Network
Jacques de VILLAINES	Structured Finance

4 General information

Person responsible for the update of the shelf-registration document and for auditing the accounts

→ RESPONSIBILITY STATEMENT

I hereby certify that, to my knowledge and after all due diligence, the information contained in this update to the 2013 shelf-registration document is true and accurate and contains no omissions likely to affect the import thereof.

I hereby certify that, to the best of my knowledge, the condensed interim consolidated financial statements for the first half of 2014 have been prepared in accordance with the applicable accounting standards and give a true and a fair view of the assets, financial position and results of the company and all consolidated activities, and that the half-year management report on page 3 provides a true and fair view of important events that arose during the first six months of this year and of their impact on the interim financial statements, of the main related party transactions, as well as a description of the main risks and uncertainties anticipated during the second half of the financial year.

I have obtained a letter from the statutory auditors, PricewaterhouseCoopers Audit and Ernst & Young et Autres, upon completion of their work in which they state that they have verified the information relating to the financial situation and financial statements provided in this update of shelf-registration document and read the update of the shelf-registration as a whole.

The financial information presented in this document has been the subject of a report from statutory auditors containing an observation, appearing on page 103 of this document.

Courbevoie, 11 August 2014

The Chief Executive Officer of Crédit Agricole CIB

Jean-Yves HOCHER

➔ STATUTORY AUDITORS

PRIMARY STATUTORY AUDITORS

Ernst & Young et Autres
Member of the Ernst & Young network
Member of the Versailles regional association of statutary auditors
Company represented by: Valérie Meeus and Hassan Baaj

Head office :
1-2 Place des saisons
92400 Courbevoie – Paris-La Défense

PricewaterhouseCoopers Audit
Member of PricewaterhouseCoopers network
Member of the Versailles regional association of statutory auditors
Company represented by: Catherine Pariset and Emmanuel Benoist

Head office :
63 Rue de Villiers
92200 Neuilly Sur Seine

ALTERNATE STATUTORY AUDITORS

Picarle et Associés
Member of the Versailles régional association of statutory auditors
Company represented by : Marc Charles

Head office :
1-2 Place des saisons
92400 Courbevoie – Paris-La Défense

M. Etienne Boris
Member of the Versailles régional association of statutory auditors

Head office :
63 Rue de Villiers
92200 Neuilly Sur Seine

LENGHT OF STATUTORY AUDITORS' MANDATES

Ernst & Young et Autres was renewed statutory Auditor for six financial periods by the shareholders' meeting of 9 May 2012.

PricewaterhouseCoopers Audit was renewed Statutory Auditor for six financial periods by the shareholders' meeting of 9 May 2012.

LENGHT OF ALTERNATE AUDITORS' MANDATES

Picarle et Associés mandate as alternate auditors to Ernst & Young et Autres was renewed for a period of six financial periods by the shareholders' meeting of 9 May 2012.

Pierre Coll mandate as Alternate Auditor to PricewaterhouseCoopers Audit expired during the shareholders' meeting of 9 May 2012.

Mr Etienne Boris has been appointed Alternate Auditor to PricewaterhouseCoopers for a period of six financial periods by the shareholders' meeting of 9 May 2012.

Cross-reference table:

The following table indicates the page references corresponding to the main information headings required by regulation EC 809/2004 enacting the terms of the « Prospectus » Directive.

Headings required by regulation EC°809/2004 (Appendix XI)	Page number of this document	Page number of the shelf-registration document
1. Person responsible	108	339
2. Statutory auditors	109	340
3. Risk factors	13 to 24	137 to 168 225 to 235 263 - 264
4. Information about the issuer		
4.1 History and development of the issuer		10 to 12
5. Business overview		
5.1 Principal activities		14 to 18
5.2 Principal markets		14 to 18
6. Organisational structure		13
6.1 Brief description of the Group and the issuer's position within the Group		2 to 3
6.2 Dependence relationships within the Group	48	199
7. Recent trends	12	130
8. Profit forecasts or estimates		N/A
9. Administrative, management and supervisory bodies		54 to 62
9.1 Information concerning members of the administrative and management bodies	105-106	76 to 117
9.2 Conflicts of interest in the administrative, management and supervisory bodies		91
10. Major shareholders	71	264
11. Financial information concerning the issuer's assets and liabilities, financial position and profits and losses		
11.1 Historical financial information(1)		197 to 329
11.2 Financial statements		198 to 288; 292 to 327
11.3 Auditing of historical annual financial statements		289 to 290 328 to 329
11.4 Dates of the latest financial information		197
11.5 Interim financial information	35 to 103	N/A
11.6 Legal and arbitration proceedings	23-24	167-168 ; 332
11.7 Significant change in the issuer's financial or commercial position		332
12. Material contracts		332
13. Third party information and statements by experts and declarations of any interests		N/A
14. Documents on display		333

(1) In accordance with article 28 of EC regulation 809/2004 and article 212-11 of AMF's general regulations, the following are incorporated for reference purposes: the consolidated financial statements for the period ended 31 December 2013, the statutory auditors' report on the consolidated financial statements for the period ended 31 December 2013, the 2013 Business review and financial information, and the Risk factors respectively presented on pages 197 to 290, 119 to 135 and 137 to 168 of Crédit Agricole CIB's 2013 shelf-registration document registered by AMF on 24 March 2014 under the number D.14-0192 and available on the Crédit Agricole CIB website (www.cacib.com).

CRÉDIT AGRICOLE
CORPORATE & INVESTMENT BANK

9 quai du Président Paul Doumer
92920 Paris La Défense Cedex
01 41 89 00 00

www.ca-cib.com

This update of the 2013 shelf-registration document is available on the Crédit Agricole CIB website : www.ca-cib.com