CRÉDIT AGRICOLE S.A.

PRESS RELEASE

Montrouge, 3 August 2018

Results for the second quarter and first half of 2018

Q2-18: highest net profit[1] since IPO

Crédit Agricole S.A.

Stated net income Group share	Stated revenues	Fully-loaded CET1 ratio
Q2: €1,436m	**Q2: €5,171m**	**11.4%**
+6.4% Q2/Q2	+9.8% Q2/Q2	stable in Q2, well above the MTP target
H1: €2,292m	**H1: €10,081m**	
+4.4% H1/H1	+7.1% H1/H1	

- **Underlying[1] net income[2]** Q2 €1,418m, +19.6% Q2/Q2 (H1: €2,205m, +5.9% H1/H1), **the highest level since IPO**
- **At constant scope and exchange rates[3]**: increase of **+23.8% Q2/Q2** and **+16.1% H1/H1**
- **Earnings per share[1]: Q2 €0.46, +21.3% Q2/Q2**, H1 0.70€, +7.2% H1/H1; **ROTE[1] 13.1% on annualised H1**
- **Contribution to growth by all CASA divisions and the Corporate Centre**, with a particularly high level of profitability in CIB
- **Excellent control of underlying costs excluding SRF[4]:** scissors effect of 4pp Q2/Q2, 5pp at constant scope and exchange rates, improvement in C/I ratio[1] of >2pp Q2/Q2 and nearly 3pp at constant scope and exchange rates
- **Still a very low cost of credit risk, with further decline:** 26bp[5] (-9bp Q2/Q2)
- **Fully-loaded CET1 ratio stable** in Q2 despite the increase in RWA linked to the activity and several jumbo deals in CIB; *Reminder*: target CET1 of 11% in the medium-term plan

Crédit Agricole Group*

Stated net income Group share	Stated revenues	Fully-loaded CET1 ratio
Q2: €2,076m	**Q2: €8,428m**	**14.8%**
-1.4% Q2/Q2	+6.3% Q2/Q2	+20 pb in Q2
H1: €3,505m	**H1: €16,686m**	+530bp above the P2R[6]
-5.4% H1/H1	+3.1% H1/H1	

- Very strong, good quality activity in all business lines: Retail banking, specialised businesses and the Large customers division
- **Underlying[1] net income[2] Q2: €2,056m, +2.0% Q2/Q2** (H1: €3,408m, -7.2% H1/H1 but +3.0% like-for-like[3] and excl. SRF)
- **Acquisitions and partnerships:** good progress made in integration, new operations with the acquisition of Banca Leonardo and announced partnerships in consumer finance with Bankia and bancassurance with Creval
- **Decrease in cost of credit risk** to 18bp[5] (Regional Banks: -€176m in Q2-18, vs. net reversals in Q2-17)

** Crédit Agricole S.A. and Regional Banks at 100%.*

This press release comments on the results of Crédit Agricole S.A. and those of Crédit Agricole Group, which comprises the Crédit Agricole S.A. entities and the Crédit Agricole Regional Banks, which own 56.6% of Crédit Agricole S.A. Please see from p. 15 onwards for details of specific items which, after restatement for the various related intermediary balances, are used to calculate underlying results. A reconciliation between the stated income statement and the underlying income statement can be found from p. 21 onwards for Crédit Agricole Group and from p. 17 onwards for Crédit Agricole S.A.

1 *Underlying, excluding specific items. see p. 15 and following pages for more details on specific items and p. 27 for the ROTE calculation*
2 *Underlying net income Group share*
3 *Constant scope and exchange rates: combining the contributions to underlying income of Amundi and Pioneer and taking account of the amortisation of distribution agreements in Q2-17 and H1-17, excluding the contributions of the three Italian banks in Q2-18 and H1-18 and those of BSF and Eurazeo in Q2-17 and H1-17 and excluding forex effect*
4 *Contribution to the Single Resolution Fund (SRF)*
5 *Average over last four rolling quarters, annualised*
6 *According to pro forma P2R for 2019 of 9.5% as notified by the ECB (excl. countercyclical buffer)*

Crédit Agricole Group

Crédit Agricole Group's second quarter net income was the highest quarterly level since IPO, surpassing the two billion mark, as it did in the second quarter of 2017, to reach €2,076 million. This can be attributed to strong business trends, driven by cross-sales and in particular excellent cost control. It reflects, in respect of underlying income, a positive two-point scissors effect excluding the contribution to the Single Resolution Fund (SRF) and an improvement of more than one point in the cost/income ratio excluding SRF. Most of the Group's business lines contributed to this improvement in operating efficiency, with the exception of retail banking, for which interest margins in France and Italy continued to come under pressure from low interest rates. The Regional Banks nevertheless succeeded in slightly increasing their underlying revenues, while LCL generated underlying revenue growth of +2.1%. The Large customer Division saw a sharp increase in revenues over the quarter of +11%, excluding the forex effect, thanks to excellent business levels in the financing activities. The successful integration of recent acquisitions (Pioneer, the three Italian banks, acquisitions in wealth management) are again set to compensate for the still negative impact of disposals in 2017, notably BSF and Eurazeo. The cost of risk seems to have increased in relation to a very low comparison base in the second quarter of 2017, during which the Regional Banks saw significant provision reversals. The high level of result this quarter is therefore fully attributed to the increase in revenues and the cost control. The fully-loaded Common Equity Tier 1 ratio at end-June 2018 increased by +20 basis points compared to the end of March at 14.8%, 530 basis points above the required regulatory level[7].

In line with the "Strategic Ambition 2020" medium-term plan (MTP), the Group's stable, diversified and profitable business model drove organic growth in all its business lines, largely through synergies between the specialised business lines and the retail networks and ensured a high level of operating efficiency while generating leeway to invest in development.

Acquisitions and new partnerships have been finalised or announced since the last quarterly publication:

- the acquisition of 94.1% of private Italian bank **Banca Leonardo** was finalised on 3 May; it contributed €5.1 billion in assets under management to the wealth management business line;
- new car finance partnerships were signed by **FCA Bank**, the joint venture between CA Consumer Finance (CACF) and Fiat Chrysler, notably with the manufacturer **Aston Martin**;
- **CACF** also announced a **partnership** with banking group **Bankia** in Spain (8.1 million customers) to create a joint venture there to extend CACF's European presence and offer Bankia's customers CACF's personal financing products;
- **CA Assurances (CAA)** put into action its **new strategy to extend its distribution** to partnerships internationally outside the Crédit Agricole Group by signing a **draft bancassurance partnership agreement** with **Credito Valtellinese** (Creval, 1 million customers) in Italy; the exclusive 15-year distribution agreement covering the savings and death & disability products of CA Vita, CAA's wholly-owned Italian subsidiary, will give rise to the acquisition of 100% of the Creval insurance brokerage for €70-80 million; this has already been secured through a 5% stake by CAA in the capital of Creval.

In the second quarter of 2018, Crédit Agricole Group's **stated net income Group share** came to **€2,076 million** versus €2,106 million in the second quarter of 2017.

[7] *According to pro forma P2R for 2019 of 9.5% as notified by the ECB (excl. countercyclical buffer)*

Specific items for the quarter had a limited net impact this quarter on net income Group share, which reached **+€20 million**, notably the cost of integrating Pioneer Investments in Amundi in the amount of -€4 million (-€8 million before tax and minority interests), a provision reversal on the integration costs of the three Italian banks in the amount of +€9 million (+16 before tax and minority interests), a -€5 million fine imposed by the ECB on Crédit Agricole S.A. and two of its subsidiaries for failure to comply with ECB notification deadlines regarding to capital increases and a net balance of +€19 million in recurring volatile accounting items, namely the DVA[8] in the amount of +€8 million and hedges of the loan portfolios of the Large Customers division for +€12 million. **In the second quarter 2017**, specific items had an impact on net income Group share of **+€91 million**, notably a positive impact from the disposal of ownership interests in Eurazeo (+€107 million in equity-accounted entities), a negative effect of the adjustment of liability costs for the Regional Banks coming to -€148 million (-218 in pre-tax revenues), a gain on long-term funding restructuring operation carried out in June 2017 (+26 in net income Group share, +39 in pre-tax revenues), the integration costs of Pioneer Investments in the amount of -€12 million (-24 before tax and minority interests) and a net balance of +€118 million in net income Group share from recurring volatile accounting items, namely issuer spread for -104 before tax, the DVA (Debt Valuation Adjustment) for -13 hedges of the loan portfolios of the Large Customers division for -16 and provisions for home purchase savings plans in the amount of +300.

Excluding these specific items, **underlying net income Group share**[9] was **€2,056 million**, representing an increase of +2.0% compared with the second quarter of 2017. **At constant scope and exchange rates[10]**, the increase in net income Group share was **+4.1%**, reaching as high as +4.8% excluding the contribution to the Single Resolution Fund, which increased sharply this year, and in the second quarter (-€30 million compared with -€10 million in the second quarter of 2017). **This is the highest quarterly net profit since Crédit Agricole S.A.'s IPO**, i.e. before the financial crisis. It is also worth noting that it **surpasses the two-billion-euro mark**, as it did in the second quarter of 2017, but the latter included net provision reversals in respect of the Regional Banks (+€35 million against net provisions of -€176 million in the second quarter of 2018).

Table 1. Consolidated results of Crédit Agricole Group in Q2-18 and in Q2-17

€m	Q2-18 stated	Q2-17 stated	∆ Q2/Q2 stated	Q2-18 underlying	Q2-17 underlying	∆ Q2/Q2 underlying
Revenues	**8,428**	**7,928**	+6.3%	**8,402**	**7,940**	+5.8%
Operating expenses excl.SRF	(5,141)	(4,987)	+3.1%	(5,149)	(4,960)	+3.8%
SRF	(30)	(11)	x 2.6	(30)	(11)	x 2.6
Gross operating income	**3,257**	**2,930**	**+11.2%**	**3,224**	**2,968**	**+8.6%**
Cost of risk	(397)	(318)	+25.0%	(397)	(318)	+25.0%
Cost of legal risk	(5)	-	n.m.	-	-	n.m.
Equity-accounted entities	80	226	(64.5%)	80	119	(32.4%)
Net income on other assets	17	(1)	n.m.	17	(1)	n.m.
Change in value of goodwill	-	-	n.m.	-	-	n.m.
Income before tax	**2,953**	**2,837**	**+4.1%**	**2,924**	**2,767**	**+5.7%**
Tax	(734)	(654)	+12.3%	(725)	(666)	+8.9%
Net income from discont'd or held-for-sale ope.	(1)	31	n.m.	(1)	31	n.m.
Net income	**2,218**	**2,214**	**+0.2%**	**2,198**	**2,132**	**+3.1%**
Non controlling interests	(142)	(107)	+31.7%	(142)	(117)	+21.7%
Net income Group Share	**2,076**	**2,106**	**(1.4%)**	**2,056**	**2,015**	**+2.0%**
Cost/Income ratio excl.SRF (%)	**61.0%**	**62.9%**	**-1.9 pp**	**61.3%**	**62.5%**	**-1.2 pp**

[8] *Debt Valuation Adjustment, i.e. gains and losses on financial instruments related to changes in the Group's issuer spread*

[9] *Underlying, excluding specific items. See p. 15 and following pages for more details on specific items*

[10] *Constant scope and exchange rates: combining the contributions to underlying income of Amundi and Pioneer and taking account of the amortisation of distribution agreements in Q2-17 and H1-17, excluding the contributions of the three Italian banks and of Banca Leonardo in Q2-18 and H1-18 and those of BSF and Eurazeo in Q2-17 and H1-17 and excluding forex effect*

In the second quarter, **underlying net revenues** increased by **+5.8%** compared to the second quarter of 2017, reaching €8,402 million, with all divisions contributing to growth, including at **constant scope and exchange rates (+3.4%)**, therefore excluding the positive impact of the integration of Pioneer on Asset gathering and of the three Italian banks on Retail banking and restating the second quarter 2017 from the contributions of BSF and Eurazeo. The Insurance business line continued to shore up its reserves (policyholders participation reserve - *PPE*) by applying a low recognition of its financial margin this quarter, although its revenues grew significantly (+6.9%) in relation to a very low comparison base in the second quarter of 2017. Also of note is the very good performance by the Corporate and Investment Banking division, for which net revenues rose by +11% excluding the forex effect, in relation to a high comparison base in the second quarter of 2017. This performance was driven primarily by the Financing activity (+17.3%) which benefited from strong activity levels on its markets, the positive effect of the rise in the oil price on the trade finance activity and several jumbo deals.

The **underlying net revenue of the Regional Banks increased slightly by +0.5%**, i.e. excluding the impact in the second quarter of 2017 of the reversals of provisions on home purchase savings plans (+€125 million) and the adjustment of liability costs (-€218 million). The ongoing low interest rates context continued to weigh on interest margin. This negative development was only partly offset by the increase in commission income (+1% versus the second quarter of 2017), which accounts for more than half of net commercial revenue.

In the second quarter, the Regional Banks received their dividend share from Crédit Agricole S.A. of €1,016 million, compared with €958 million in the second quarter of 2017; this income is nevertheless eliminated from the contribution of the Regional Banks to the Group's accounts.

Underlying operating expenses excluding the contribution to the Single Resolution Fund (SRF) continued to be tightly managed, **rising by +3.8%** in relation to the second quarter of 2017 and by just **+0.8% at constant scope and exchange rates**. The positive scissors effect therefore stands at +2.0 percentage points, and even +2.6 percentage points at constant scope and exchange rates.

The **underlying cost/income ratio excluding the SRF improved therefore by more than one point** to 61.3% compared to the second quarter of 2017, and by nearly 2 points at constant scope and exchange rates. The underlying gross operating income including the SRF contribution increase by +8.6% compared to the second quarter 2017.

The **cost of credit risk** rose by +25.0% to €397 million versus €318 million in the second quarter of 2017. This increase obscures an actual decrease excluding the provision changes recorded by the Regional Banks (notably the net reversals of +€35 million in the second quarter of 2017 versus net provisions of -€176 million in the second quarter of 2018). Excluding these movements, the decrease between the two quarters comes from the specialised business lines of Crédit Agricole S.A., notably the Large customers division. The cost of credit risk relative to outstandings fell again from an already low level to 18 basis points[11] versus 21 basis points in the second quarter of 2017.

Including the contribution of €80 million from equity-accounted entities, down -32.4% due to the deconsolidation of BSF (contribution of €59 million in the second quarter of 2017) and non-material gains or losses on other assets, **underlying pre-tax income rose by +5.7%** compared to the second quarter of 2017, reaching €2,924 million (+6.5% at constant scope and exchange rates).

The capital gain on the sale of Crédit Agricole Assurances' reinsurance subsidiary CARE for €30 million in the second quarter of 2017 (under "Net income from held-for-sale operation") and a sharp increase in the tax expense in relation to a very low base in the second quarter of 2017 (+8.9%) explain the **more modest increase of +2.0% in underlying net income Group share to €2,056 million**.

[11] *Average loan loss reserves over the last four rolling quarters, annualised*

In the first half of 2018, underlying net income Group share decreased by **-7.2%** compared with the first half of 2017 but by just **-2.1% at constant scope and exchange rates** and increased by **+3.0% at constant scope and exchange rates excluding SRF**. Underlying revenues increased by +2.3%, with underlying operating expenses excluding SRF up by +3.2% and the cost of credit risk (excluding an unallocated legal provision of €40 million in the first quarter of 2017) up by +2.8%. At constant scope and exchange rates, underlying revenues and underlying expenses excluding SRF remained nearly stable at +0.2% and +0.4% respectively.

Table 2. Crédit Agricole Group - Stated and underlying results, H1-18 and H1-17

€m	H1-18 stated	H1-17 stated	∆ H1/H1 stated	H1-18 underlying	H1-17 underlying	∆ H1/H1 underlying
Revenues	**16,686**	**16,177**	+3.1%	**16,651**	**16,272**	+2.3%
Operating expenses excl.SRF	(10,484)	(10,193)	+2.9%	(10,483)	(10,161)	+3.2%
SRF	(389)	(285)	+36.2%	(389)	(285)	+36.2%
Gross operating income	**5,813**	**5,699**	**+2.0%**	**5,780**	**5,826**	**(0.8%)**
Cost of risk	(818)	(796)	+2.8%	(818)	(796)	+2.8%
Cost of legal risk	(5)	(40)	(88.5%)	-	(40)	(100.0%)
Equity-accounted entities	179	443	(59.7%)	179	336	(46.8%)
Net income on other assets	38	(1)	n.m.	38	(1)	n.m.
Change in value of goodwill	86	-	n.m.	-	-	n.m.
Income before tax	**5,293**	**5,305**	**(0.2%)**	**5,178**	**5,325**	**(2.8%)**
Tax	(1,501)	(1,442)	+4.1%	(1,492)	(1,489)	+0.2%
Net income from discont'd or held-for-sale ope.	(2)	45	n.m.	(2)	45	n.m.
Net income	**3,789**	**3,908**	**(3.0%)**	**3,684**	**3,881**	**(5.1%)**
Non controlling interests	(285)	(202)	+41.0%	(276)	(210)	+31.1%
Net income Group Share	**3,505**	**3,706**	**(5.4%)**	**3,408**	**3,671**	**(7.2%)**
Cost/Income ratio excl.SRF (%)	**62.8%**	**63.0%**	**-0.2 pp**	**63.0%**	**62.4%**	**+0.5 pp**

During the second quarter, the **Regional Banks** saw continued good business growth, both in loans which were up +6.4% at end-June 2018 in relation to end-June 2017 and in customer savings which increased by +4.3%. As in the previous quarters, growth was particularly strong in home loans (+7.9%), consumer loans (+9.9%), and loans to businesses and professional clients (+8.9%). Life insurance assets under management increased by +1.9%, with the share of unit-linked inflows up by +7.8 points to 25.1% in the first six months in relation to the same period last year.

This commercial performance made a significant contribution to growth in Crédit Agricole S.A.'s business lines, of which they distribute a large number of products as the Group's main distribution network and the leading retail banking network in France.

In the second quarter of 2018, the **contribution of the Regional Banks** to Crédit Agricole Group's **underlying net income Group share** came to **€608 million**, representing a decrease of **-22.2%** compared with the second quarter of 2017, attributable to the aforementioned provision movements.

In the first half of 2018, this contribution reached **€1,195 million**, down also by **-22.2%** for the same reason.

The performance of the other Crédit Agricole Group business lines is described in detail in the section of this press release on Crédit Agricole S.A.

Over the quarter, Crédit Agricole Group's financial solidity remained robust, with a **fully-loaded CET1 ratio[12] of 14.8%**, up by **+20 basis points** compared to end-March 2018. This ratio provides a substantial buffer above the distribution restriction trigger applicable to Crédit Agricole Group as of 1 January 2019, set at 9.5% by the ECB.

The **TLAC ratio** was **21.2%** at 30 June 2018, **excluding eligible senior preferred debt**, versus 21.0% at end-March 2018 and 20.8% at end-June 2017. This level already respects the 2019 minimum requirement of 19.5% without taking into account senior preferred debt, which would be eligible at 2.5% according to the regulatory calculation. The Group **issued the equivalent of €5.9 billion in Tier 2 and senior non-preferred debt** over the first seven months of the year.

The **MREL ratio** stood at circa **13%** at 30 June 2018, or **8.2% excluding eligible senior preferred debt**. Crédit Agricole Group was notified on 8 June 2018 of the immediately applicable minimum required level including eligible senior preferred debt. Crédit Agricole Group complied with this minimum level at 30 June 2018.

The **phased-in leverage ratio**[13] came to **5.4%**, **stable** compared to end-March 2018.

The **liquidity position** of Crédit Agricole Group is solid. Its banking cash balance sheet, at €1,191 billion at 30 June 2018, shows a **surplus of stable funding resources over stable application of funds of €106 billion**, down -€11 billion compared with end-March 2018 and end-June 2017. This surplus exceeded the Medium-Term Plan target of over €100 billion. The surplus of stable funds finances the HQLA securities portfolio generated by the LCR requirement for customer and customer-related activities. The **liquidity reserves**, which include capital gains and discounts on securities portfolios, stood at **€256 billion** on 30 June 2018, covering the level of short-term debt (€106 billion) more than twice over.

Crédit Agricole Group's issuers **issued the equivalent of €18.4 billion in medium to long-term debt** in the first half of 2018, of which 45% was issued by Crédit Agricole S.A. (€8.2 billion) versus just over €36.1 billion for 2017 as a whole. Moreover, Crédit Agricole Group placed €1.9 billion in bonds with its regional banking networks (the Regional Banks, LCL and CA Italia). At end-July 2018, Crédit Agricole S.A. issued a total of €10.1 billion, thus completing 84% of its issuance programme for 2018.

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Dominique Lefebvre, Chairman of SAS Rue La Boétie and Chairman of Crédit Agricole S.A.'s Board of Directors, commented on the Group's first half 2018 results and activity as follows: *"During the first six months, Crédit Agricole Group continued to establish new business relationships, to improve the equipment rates of customers of the Regional Banks, LCL and the international retail banks, announced or finalised acquisitions and strategic new partnerships, demonstrated once again its operating efficiency, reaped the rewards of its prudent risk approach, and further improved its financial solidity. These developments confirm the universal customer-focused banking strategy, underpinned by business lines that are leaders on their markets and efficient retail banks."*

[12] *Including first-half 2018 retained earnings.*

[13] *The leverage ratio amounts to 5.6% subject to the issue by the ECB of an authorisation to exempt exposures linked to the centralisation of deposits with the Caisse des Dépôts et Consignations to take account of Judgement T-758/16 of the General Court of the European Union of 13 July 2018.*

Crédit Agricole S.A.

Highest quarterly underlying net income since IPO

- **Underlying Group net income: Q2-18 €1,418m, +19.6% Q2/Q2, H1-18 €2,205m, +5.9% H1/H1**, highest quarterly level since IPO and highest half-year level since the financial crisis;
- **Annualised underlying ROTE[14] 13.1%,** annualised RONE of all business lines higher than the MTP targets except for Retail Banking (which represents only 17% of consolidated net income excluding Corporate Centre), RONE of the Large customers division 12,8%;
- **Positive contribution to growth by all CASA divisions and the Corporate Centre**, with a particularly high level of profitability in CIB;

Very strong, good quality activity in all business lines

- Acceleration of growth in **loans to businesses** for the Retail banks, good resilience of inflows in **Asset gathering** despite a slowdown, several **jumbo deals** in Financing/Large customers;
- **Underlying revenues up +11.4% Q2/Q2, +7.1% at constant scope and exchange rates**[15], contribution by all divisions and Corporate Centre, sharp increase in Large customers (+11%[10]);

Excellent cost control and further fall in the cost of risk

- **Underlying costs:** +7.4%, **+1.9% Q2/Q2 at constant scope and exchange rates[15] excluding SRF;**
- **Positive scissors effect[15]** in all divisions, >5pp at consolidated level (+2.6pp H1/H1[15]), **improvement in C/I ratio[15]** of nearly 3pp Q2/Q2 (1.5pp H1/H1[15]);
- Further **decrease in the cost of credit risk**: -36.5% Q2/Q2; cost of risk relative to outstandings: 26bp;

Financial solidity confirmed this quarter

- **Fully-loaded CET1 ratio 11.4%**, higher than the MTP target of 11%, stable in Q2, with high capital generation (+22bp) having financed growth in risk-weighted assets linked to activity.

Crédit Agricole S.A.'s Board of Directors, chaired by Dominique Lefebvre, met on 2 August 2018 to examine the financial statements for the second quarter and first half of 2018.

In the second quarter of 2018, stated net income Group share reached €1,436 million versus €1,350 million in the second quarter of 2017.

Specific items for the quarter had **a limited, positive net impact of +€19 million on net income Group share** and included the integration costs of Pioneer Investments at Amundi in the amount of -€4 million (-8 before tax and non-controlling interests), a provision reversal on the integration costs of the three Italian banks for +€8 million[16] (+16 before tax and non-controlling interests), the negative impact from a -€5 million fine imposed by the ECB on Crédit Agricole S.A. and two of its subsidiaries for non-compliance with ECB notification deadlines regarding to capital increases and a net balance of +€19 million in net income Group share from recurring volatile accounting items, namely the DVA[17] in the amount of +€7 million and coverage of the loan portfolios of the Large Customers division for +€12 million. **In the second quarter 2017**, specific items had an impact on

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[14] *See calculation of ROTE p. 25**Erreur ! Signet non défini.**; annualised rate calculated without restating IFRIC21 charges, taking into account AT1 coupons deducted directly from Group net equity; RONE of the divisions and business lines calculated using the same method*

[15] *Constant scope and exchange rates: combining the contributions to underlying income of Amundi and Pioneer and taking account of the amortisation of distribution agreements in Q2-17 and H1-17, excluding the contributions of the three Italian banks and of Banca Leonardo in Q2-18 and H1-18 and those of BSF and Eurazeo in Q2-17 and H1-17 and excluding forex effect*

[16] *Reversal of provisions on termination costs for distribution contracts with external partners, as the fees proved to be lower than anticipated.*

[17] *Debt Valuation Adjustment, i.e. gains and losses on financial instruments related to changes in the Group's issuer spread*

net income Group share of **+€165 million**, including a positive impact from the disposal of interest in Eurazeo[18] (+€107 million in equity-accounted entities), a gain on long-term funding restructuring operation carried out in June 2017[19] (+€26 million in net income Group share, +39 in pre-tax revenues), the integration costs of Pioneer Investments in the amount of -€12 million (-26 before tax and minority interests) and a net balance of +€44 million in net income Group share from recurring volatile accounting items, namely issuer spread for -€97 million before tax, the DVA for -13, hedges of the loan portfolios of the Large customers division for -16 and provisions for home purchase savings plans for +175.

Excluding these specific items, **underlying net income Group share** for the second quarter of 2018 came to **€1,418 million**, an increase of **+19.6%** compared to second-quarter 2017. This is the **highest quarterly underlying net income Group share by Crédit Agricole S.A. since its IPO in December 2001**.

Underlying earnings per share came to €0.46, an increase of **+21.3%** compared with the second quarter of 2017, **+26.5% at constant scope and exchange rates**.

Table 3. Crédit Agricole S.A. - Stated and underlying results, Q2-18 and Q2-17

€m	Q2-18 stated	Q2-17 stated	∆ Q2/Q2 stated	Q2-18 underlying	Q2-17 underlying	∆ Q2/Q2 underlying
Revenues	**5,171**	**4,708**	+9.8%	**5,146**	**4,619**	+11.4%
Operating expenses excl.SRF	(2,966)	(2,795)	+6.1%	(2,974)	(2,769)	+7.4%
SRF	(11)	(10)	+10.3%	(11)	(10)	+10.3%
Gross operating income	**2,195**	**1,903**	**+15.3%**	**2,162**	**1,840**	**+17.5%**
Cost of risk	(223)	(351)	(36.5%)	(223)	(351)	(36.5%)
Cost of legal risk	(5)	-	n.m.	-	-	n.m.
Equity-accounted entities	77	224	(65.4%)	77	117	(33.6%)
Net income on other assets	14	0	x 171.9	14	0	x 171.9
Change in value of goodwill	-	-	n.m.	-	-	n.m.
Income before tax	**2,059**	**1,776**	**+16.0%**	**2,030**	**1,606**	**+26.4%**
Tax	(448)	(321)	+39.6%	(439)	(307)	+43.2%
Net income from discont'd or held-for-sale ope.	(1)	31	n.m.	(1)	31	n.m.
Net income	**1,610**	**1,486**	**+8.4%**	**1,590**	**1,330**	**+19.6%**
Non controlling interests	(174)	(136)	+28.0%	(172)	(145)	+19.3%
Net income Group Share	**1,436**	**1,350**	**+6.4%**	**1,418**	**1,185**	**+19.6%**
Earnings per share (€)	**0.47**	**0.44**	**+6.9%**	**0.46**	**0.38**	**+21.3%**
Cost/Income ratio excl.SRF (%)	**57.3%**	**59.4%**	**-2.0 pp**	**57.8%**	**59.9%**	**-2.2 pp**

This high result can be attributed to a **high level of good quality activity in terms of margins and risks, across all the business lines**, and in particular the Financing/Large customers division which arranged several jumbo deals this quarter and moved up two places to second in the syndicated loans ranking for Europe-Middle East-Africa (EMEA). It can also be attributed, as in previous quarters, to the cross-sales policy between the Crédit Agricole S.A.'s business lines and Crédit Agricole Group's retail banks, including the Regional Banks, as part of the strategy to strengthen cross sales set out in the Medium-Term Plan (MTP). These helped to overcome **a more difficult environment on the market and in the economies** of European countries in general in the second quarter. The high level of profitability is also a reflection of excellent cost control, with particular action taken since the launch of the MTP, and the initial effects of the successful integration of acquisitions, notably Pioneer and the three Italian banks. It benefited from an ongoing low cost of risk, and notably net reversals over the quarter in Financing/Large customers.

[18] *Disposal of 15.42% interest, consolidated using the equity method until disposal in June 2017; see press release of 6 June 2017*
[19] *See press releases of 15, 22, 30 and 31 May and 14 June 2017*

Despite reaching almost +20%, growth in underlying net income Group share was affected by **scope and forex effects**. Although cost savings and cross sales have helped to significantly improve the contributions from Pioneer and the Italian banks since their acquisition, this is not yet sufficient to offset the deconsolidation of the contribution of BSF and to a lesser degree that of Eurazeo. **There was a negative net scope effect** of **-€29 million** on growth between the second quarter of 2017 and the second quarter of 2018. The depreciation of the US dollar and to a lesser extent of other currencies also gave rise to a **negative forex effect** on growth of **-€27 million**, although this was lower than the forex effect seen in the first quarter thanks to a rise in the US dollar. **At constant scope and exchange rates, growth reached +23.8%.** The contribution to the Single Resolution Fund (SRF) was lower this quarter at -€11 million, similar to the level in second quarter 2017 (-10), and required recognition on receipt of final notification from the Fund. **At constant scope and exchange rates[20] and excluding the SRF, growth reached +23.4%.**

In the second quarter of 2018, **underlying revenues** reached €5,146 million, representing an increase of **+11.4%** thanks to a contribution at constant scope and exchange rates by all the business lines and the Corporate Centre. It includes Retail Banking, which showed a slight increase of +0.7% in relation to the second quarter of 2017 despite pressure on interest margin in France and Italy, thanks notably to a good performance by LCL at +2.1% (+4.9% excluding renegotiation fees and early redemptions). Also of note is the very good performance by the Corporate and Investment Banking division, for which net revenues rose by +12.2% excluding the forex effect, in relation to a high comparison base in the second quarter of 2017. This performance was driven primarily by the Financing activity (+17.3%) which benefited from strong activity levels on its markets, the positive effect of the rise in the oil price on the trade finance activity and several jumbo deals. The Net revenues to CIB's risk-weighted assets ratio increased by +60 basis points against the second quarter of 2017 and +50 basis points against the first quarter of 2018. The Insurance business line continued to shore up its reserves (policyholders participation reserve - *PPE*) by applying a low recognition of its financial margin this quarter, although its revenues appears to grow significantly (+6.9%) in relation to a very low comparison base in the second quarter of 2017.

Other notable activity developments among the business lines in the second quarter include:

- **the acceleration of growth in loans to corporates outstanding among the Retail banks in the Group's domestic business markets**, with growth rates of +9% (+8.9% Regional Banks) to +10% (LCL) in relation to 30 June 2017;
- **good inflow levels**, thanks in particular to the life insurance activity (+€1.6 billion of which €1.3 billion in unit-linked policies) and good resilience in Asset management (+€2.6 billion) despite seasonal outflows from cash products (-€5.7 billion) and the slowdown observed on the markets; the net inflows in the second quarter in Asset management was primarily driven by the Retail activity (+€12.9 billion, of which joint ventures +€11.4 billion) and international activity (+€16.4 billion); also of note in the Insurance businesses is the sharp increase in premiums on non-life policies at +7.4%, thanks notably to a +5.4% net increase in the number of contracts to 13 million at end-June in relation to end-June 2017, linked to an improvement in the equipment rate of Retail banking customers (by more than one point in one year for the Regional Banks and LCL);
- **good growth in Specialised financial services outstandings**, both in consumer finance (+5.6% versus end-June 2017 to €85.3 billion), which were driven by partnerships with automotive companies and the Group networks, and in consolidated finance leases (+3.6% to €14.3 billion, and in particular international leases +7.3%).

[20] *Constant scope and exchange rates: combining the contributions to underlying income of Amundi and Pioneer and taking account of the amortisation of distribution agreements in Q2-17 and H1-17, excluding the contributions of the three Italian banks and Banca Leonardo in Q2-18 and H1-18 and those of BSF and Eurazeo in Q2-17 and H1-17 and excluding forex effect*

Since the last quarterly publication, the commentary on the Crédit Agricole Group has included a **series of acquisitions and partnership announcements that will drive activity** in the years ahead, notably:

- the finalisation of the acquisition of **Banca Leonardo**, which contributes assets under management of €5.1 billion to the wealth management activity in Italy;
- the **consumer finance partnership with Bankia** (8.1 million customers);
- the bancassurance partnership between Crédit Agricole Assurances and Credito Valtelinese (1 million customers).

These positive revenue trends were further amplified by an **excellent cost control**. While enabling financing of development, **underlying operating expenses excluding SRF** increased by **+7.4%** versus the second quarter of 2017, but by only **+1.9% at constant scope and exchange rates**, producing a **significant scissors effect** between growth in underlying revenues and in expenses of +4 percentage points and **+5.2 points at constant scope and exchange rates** and thus enabling an **improvement in the underlying cost to income ratio excluding SRF of 2.2 percentage points** versus the second quarter of 2017, at **57.8%**, **2.9 points at constant scope and exchange rates**. All divisions contributed to this good performance, generating a positive scissors effect at constant scope and exchange rates.

The acquired companies, Pioneer and the three Italian banks, which had much higher cost/income ratios than Crédit Agricole S.A. and their corresponding business lines during integration, 63.8% and 118% respectively, have seen a sharp improvement in this ratio since then: Pioneer has now been merged with Amundi, which has an underlying cost/income ratio of 53.0% while the three Italian banks have seen their cost/income ratio decrease from 118% to 80% through cost savings and revenue growth via cross sales.

The **underlying gross operating income** increased then by **+17.5%** compared to the second quarter 2017, **+14.9% at constant scope and exchange rates**.

The cost of risk decreased once again to a very low level of €223 million versus €351 million in the second quarter of 2017, **down -36.5%/-€128 million** versus second quarter 2017, thanks notably to net reversals of Bucket 1 and 2 provisions under IFRS9 in Corporate and Investment Banking (+€46 million compared with a cost of risk in the second quarter of 2017 of -€81 million). The **cost of risk relative to consolidated outstandings[21] stands at 26 basis points**, down -3 basis points versus the previous quarter and down -9 basis points versus the same quarter last year, still below the scenario of 50 basis points in the Medium Term Plan. By business line, in addition to the impact of the aforementioned net reversals in respect of Large customers, the two biggest contributors to this item show contrasting trends, with a sharp decrease for international retail banking (+20.5%), notably Italy, but an increase for Specialised financial services (+8.3%), notably consumer finance (+7.7%). Despite the scope effect related to the three banks, which did not make any material contribution to the cost of risk, the Italian activity saw an improvement in the quality of its assets with a decrease in the NPL ratio from 11.3% at end-March to 10.6% at end-June. The cost of risk relative to outstandings in this business line came out at 78 basis points in average on four quarters annualised, down -9 basis points also compared with the second quarter of 2017. Consumer finance, at 114 basis points (-9 basis points in relation to the second quarter of 2017), has decreased over the last few quarters thanks to the normalisation of the disposals of doubtful loans.

Excluding the positive effect of the sale of the stake in Eurazeo, classified under specific items in the second quarter of 2017, the underlying contribution of **equity-accounted entities** decreased by -33.6% to €77 million. Excluding the loss of the contribution from the stake in BSF, which was partially sold and deconsolidated in the third quarter of 2017, there would have been an increase of +34% thanks to the sharp growth in profitability of the asset management and consumer finance joint ventures.

[21] *Average provisions on loans outstanding over last four quarters, annualised*

Underlying[22] pre-tax income before discontinued operations and non-controlling interests increased by +26.4% to €2,030 million and by **+27.7% at constant scope and exchange rates**. The second quarter of 2017 benefited from low tax on capital gains on the disposal by the Insurance business line, which saw the underlying effective tax rate come out at 20.6%. In the second quarter of 2018, the underlying tax expense therefore increased at a higher pace than pre-tax income, by +43.2% to €439 million. This brought growth in **net income before non-controlling interests to +19.6%**, or +21.8% at constant scope and exchange rates.

Net income attributable to **non-controlling interests** increased in line with underlying income by +19.3%/+€28 million to €172 million, but this obscures two contrasting trends: firstly, the scope effect of the integration of Pioneer in Amundi of +€16 million (the decrease in Crédit Agricole S.A.'s stake in Amundi to 68.5% was already recognised in the second quarter of 2017), and, secondly, the acquisition of non-controlling interests in CACEIS last December which had an impact of -€8 million. After incorporating the latter acquisition, non-controlling interests increased therefore by only +7.6% at constant scope and exchange rates.

Underlying net income Group share increased by **+19.6%** versus the second quarter of 2017 to **€1,418 million**.

In the first half of 2018, stated net income Group share amounted to **€2,292 million**, compared with €2,195 million in the first half of 2017, representing an increase of +4.4%.

Specific items in the first half of 2018 had an impact of **+€87 million** on stated net income Group share. In addition to the second quarter items already mentioned above, the first quarter 2018 items had a positive impact of +€68 million, including the adjustment of negative goodwill recognised at the time of acquisition of the three Italian banks totalling +€66 million, the cost of integrating Pioneer Investments of -€4 million (-€9 million before tax and non-controlling interests), as well as recurring specific items, namely the DVA for +€4 million (+5 before tax) and coverage of the loan portfolios of the Large customers division for +€3 million (+4 before tax). **Specific items from the first half of 2017** had an impact of +€114 million on net income Group share. In addition to the second quarter of 2017 items already mentioned above, they had an impact of -€51 million on net income Group share in first quarter 2017: Pioneer integration costs in the amount of -€3 million, issuer spread in the amount of -4, the DVA for -31, coverage of the loan portfolios of the Large customers division for -15 and provisions for home purchase savings plans for +1.

Excluding these specific items, **underlying net income Group share increased by +5.9%** compared to the first half of 2017, to **€2,205 million**, **the highest half-year level since the first half year 2007, before the financial crisis**. At constant scope and exchange rates, it increased by +16.1% and by +16.6% excluding SRF.

Underlying earnings per share came to €0.70, up **+7.2%** on the first half of 2017, **+19.0% at constant scope and exchange rates**.

Annualised **ROTE** [23] (return on tangible equity Group share excluding intangibles) net of coupons on Additional Tier 1 securities reached **13.1% in the first half of 2018**, a significant increase compared to the first half of 2017 (11.4%). The annualised RONE (return on normalised equity) of all the business lines surpassed the objectives in the Medium-Term Plan, with the exception of Retail banking (which accounts only for 17% of underlying consolidated net income Group share, excluding the Corporate Centre), while annualised RONE of the Large customers division reached 12.8% (excluding the contribution from BSF and without restating first-half IFRIC21 charges).

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[22] *See p. 15 for more details on specific items related to Crédit Agricole S.A.*

[23] *See details on the calculation of the business lines' ROTE (return on tangible equity) and RONE (return on normalised equity) on p.25.*

Table 4. Crédit Agricole S.A. - Stated and underlying results, H1-18 and H1-17

€m	H1-18 stated	H1-17 stated	∆ H1/H1 stated	H1-18 underlying	H1-17 underlying	∆ H1/H1 underlying
Revenues	**10,081**	**9,408**	+7.1%	**10,046**	**9,398**	+6.9%
Operating expenses excl.SRF	(6,076)	(5,791)	+4.9%	(6,075)	(5,759)	+5.5%
SRF	(301)	(242)	+24.5%	(301)	(242)	+24.5%
Gross operating income	**3,703**	**3,375**	**+9.7%**	**3,670**	**3,397**	**+8.0%**
Cost of risk	(537)	(711)	(24.4%)	(537)	(711)	(24.4%)
Cost of legal risk	(5)	(40)	(88.5%)	-	(40)	(100.0%)
Equity-accounted entities	170	439	(61.3%)	170	332	(48.7%)
Net income on other assets	32	(0)	n.m.	32	(0)	n.m.
Change in value of goodwill	86	-	n.m.	-	-	n.m.
Income before tax	**3,450**	**3,063**	**+12.6%**	**3,335**	**2,977**	**+12.0%**
Tax	(810)	(663)	+22.1%	(801)	(681)	+17.6%
Net income from discont'd or held-for-sale ope.	(2)	45	n.m.	(2)	45	n.m.
Net income	**2,638**	**2,445**	**+7.9%**	**2,532**	**2,341**	**+8.1%**
Non controlling interests	(346)	(250)	+38.5%	(327)	(260)	+25.8%
Net income Group Share	**2,292**	**2,195**	**+4.4%**	**2,205**	**2,082**	**+5.9%**
Earnings per share (€)	**0.73**	**0.69**	**+5.4%**	**0.70**	**0.65**	**+7.2%**
Cost/Income ratio excl.SRF (%)	**60.3%**	**61.6%**	**-1.3 pp**	**60.5%**	**61.3%**	**-0.8 pp**

As during the quarter, this performance was achieved through strong growth in net revenues, excellent cost control and a decrease in the cost of risk.

Underlying revenues rose by +6.9% in relation to the first half of 2017, **+3.1% at constant scope and exchange rates**, with a positive contribution from all divisions with the exception of Large customers, which suffered from the decline in the first quarter linked to a very high comparison base in the first quarter of 2017 and a wait-and see approach on the debt markets in the first quarter of 2018. Excluding the forex effect, however, this division's revenue rose by +1.6%.

Underlying **operating costs** increased by +5.5%, excluding the contribution to the SRF, which increased by a significant +24.5% to €301 million in the first half of 2018 versus €242 million in the first half of 2017. **Expenses excluding SRF remained virtually stable at constant scope and exchange rates, at +0.5%**. Thanks to this positive scissors effect of +1.4 percentage points in underlying terms and +2.6 percentage points at constant scope and exchange rates, the underlying cost/income ratio excluding SRF improved by 0.8 of a percentage point to 61.3% including other first-quarter IFRIC21 expenses and by 1.5 percentage points at constant scope and exchange rates.

The **cost of credit risk excluding unallocated legal provisions** (€40 million in the first half of 2017) decreased by -24.4%/-€174 million compared to the first half of 2017 to €537 million. This decrease is mainly attributable to the Large customers division (-€169 million) and notably the Financing activity, thanks to a large extent to efforts made in the second quarter. The contribution changes of the other activities more or less cancelled each other out: slight increase for Specialised financial services (+7.9%/+€17 million) but a decrease for International retail banking (-15.7%/-€33 million), and virtually no change for LCL.

At the end of June 2018, Crédit Agricole S.A. was highly solvent, with a **fully-loaded Common equity tier 1 (CET1) ratio[24] of 11.4%**, **no change versus end-March 2018**. Capital generation over the quarter (+22 basis points) and a positive impact on OCI reserves (+4 basis points) were almost entirely offset by growth in risk-weighted assets (-28 basis points), with other movements cancelling each other out. Risk-weighted assets amounted to €307 billion at end-June 2018, versus €299 billion at end-March 2018. This growth (+€8 billion) is attributable to the Large customers division, excluding forex effect for +€5.5 billion. However this growth is related to a profitable activity: the ratio between annualised revenues and the average risk-weighted assets of the Corporate and Investment banking increased significantly, +50 basis points between the first and the second quarter of 2018 (+20 basis points for Crédit Agricole S.A. as a whole). It should be noted that at 30 June 2018, the solvency ratios, including the fully-loaded CET1 ratio, were calculated based on a dividend assumption of 50% of stated net earnings per share, i.e. €0.35 per share, which corresponds to €0.23 per share for the second quarter of 2018. In the third quarter, Group equity is expected to increase by +€136 million as a result of the capital increase reserved for employees recognised on 1st August.

The phased-in **leverage ratio[25]** was **4.1%** at end-June 2018 as defined in the Delegated Act adopted by the European Commission.

Crédit Agricole S.A.'s average **LCR ratio** over twelve months stood at **136%** at end-June 2018 (135% related to Crédit Agricole Group), higher than the Medium-Term Plan target of over 110%.

At end-July 2018, Crédit Agricole S.A. had completed **84% of its €12 billion medium-to long term market funding programme for the year**. It raised the equivalent of €2.7 billion in senior preferred debt (uncollateralised) and collateralised senior debt and the equivalent of €5.5 billion in Tier 2 and senior non-preferred debt.

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Philippe Brassac, Chief Executive Officer, commented on the second quarter 2018 results and activity of Crédit Agricole S.A. as follows: *"In the second quarter of 2018, Crédit Agricole S.A. generated its highest level of underlying net income Group share since its IPO. This level has been reached thanks to strong activity trends among its business lines, the support of Crédit Agricole Group's Retail banking networks, the Regional Banks, LCL and the International retail banking, an excellent cost control and a further reduction in its cost of risk, despite a less favourable environment. This performance is all the more praiseworthy given that the simplification of the Crédit Agricole S.A. structure meant it was without the contribution of the Regional Banks, BSF and Eurazeo, which have been sold or deconsolidated following the simplification of the Group structure conducted since 2016 and while recent acquisitions have yet to yield their full contribution following integration. Over the first six months, ROTE largely surpassed the target set out in the Medium-Term Plan and solvency has also been strengthened. Further this excellent quarterly performance, these figures nevertheless confirm that the Group is on an excellent track."*

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[24] *Including first half 2018 retained earnings.*

[25] *The leverage ratio amounts to 4.3% at this date subject to the issue by the ECB of an authorisation to exempt exposures linked to the centralisation of deposits with the Caisse des Dépôts et Consignations to take account of Judgement T-758/16 of the General Court of the European Union of 13 July 2018.*

Corporate social responsibility

Liquidity Green supporting Factor

In order to assist its business lines, Crédit Agricole CIB implemented an initiative under which projects to help combat climate change can benefit from a more advantageous internal funding rate. With the “Liquidity Green supporting Factor” favourable terms can be offered to investors enabling an increase in responsible financing amounts.

Integrated report

Crédit Agricole S.A. published its second Integrated Report – jointly prepared and approved by the Board of Directors – at its Annual Shareholders’ Meeting of 16 May. Prepared based on the recommendations of the IIRC (International Integrated Report Committee), of which Crédit Agricole S.A. has been a member since 2016, it offers a summary account of all the Group's other financial and extra-financial information and of its business model, strategy and key performance indicators. This document reflects the growing pace of integration of CSR in the Group's strategy and different business lines.

Appendix 1 – Specific items, Crédit Agricole S.A. and Crédit Agricole Group

Table 5. Crédit Agricole S.A. - Specific items, Q2-18 and Q2-17,H1-18 and H1-17

€m	Q2-18		Q2-17		H1-18		H1-17	
	Gross impact *	Impact on NIGS	Gross impact *	Impact on NIGS	Gross impact *	Impact on NIGS	Gross impact *	Impact on NIGS
Issuer spreads (CC)	-	-	(97)	(51)	-	-	(105)	(55)
DVA (LC)	10	7	(13)	(8)	15	11	(61)	(39)
Loan portfolio hedges (LC)	15	12	(16)	(10)	20	14	(40)	(25)
Home Purchase Savings Plans (FRB)	-	-	55	34	-	-	55	34
Home Purchase Savings Plans (CC)	-	-	120	79	-	-	122	80
Liability management upfront payment (CC)	-	-	39	26	-	-	39	26
Total impact on revenues	**25**	**19**	**89**	**69**	**35**	**25**	**10**	**21**
Pioneer integration costs (AG)	(8)	(4)	(26)	(12)	(18)	(8)	(32)	(14)
3 Italian banks integration costs (IRB)	16	8	-	-	16	8	-	-
Total impact on operating expenses	**8**	**4**	**(26)**	**(12)**	**(1)**	**(0)**	**(32)**	**(14)**
ECB fine (CC)	(5)	(5)	-	-	(5)	(5)	-	-
Total impact Non-allocated legal risk provisions	**(5)**	**(5)**	**-**	**-**	**(5)**	**(5)**	**-**	**-**
Eurazeo sale (CC)	-	-	107	107	-	-	107	107
Disposal of BSF (LC)	-	-	-	-	-	-	-	-
Total impact on equity affiliates	**-**	**-**	**107**	**107**			**107**	**107**
Change of value of goodwill (CC)	-	-	-	-	86	66	-	-
Total impact on change of value of goodwill	**-**	**-**	**-**	**-**	**86**	**66**	**-**	**-**
Total impact of specific items	29	19	170	165	114	87	86	114
Asset gathering	*(8)*	*(4)*	*(26)*	*(12)*	*(18)*	*(8)*	*(32)*	*(14)*
French Retail banking	*-*	*-*	*55*	*34*	*-*	*-*	*55*	*34*
International Retail banking	*16*	*8*		*-*	*16*	*8*		*-*
Specialised financial services	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Large customers	*25*	*19*	*(29)*	*(18)*	*35*	*25*	*(101)*	*(64)*
Corporate centre	*(5)*	*(5)*	*170*	*161*	*81*	*61*	*163*	*158*

** Impact before tax and before minority interests*

Table 6. Crédit Agricole Group - Specific items, Q2-18 and Q2-17,H1-18 and H1-17

€m	Q2-18		Q2-17		H1-18		H1-17	
	Gross impact *	Impact on NIGS	Gross impact *	Impact on NIGS	Gross impact *	Impact on NIGS	Gross impact *	Impact on NIGS
Issuer spreads (CC)	-	-	(104)	(60)	-	-	(118)	(67)
DVA (LC)	10	8	(13)	(8)	15	11	(61)	(40)
Loan portfolio hedges (LC)	15	12	(16)	(10)	20	15	(40)	(26)
Home Purchase Savings Plans (LCL)	-	-	55	36	-	-	55	36
Home Purchase Savings Plans (CC)	-	-	120	79	-	-	122	80
Home Purchase Savings Plans (RB)	-	-	125	82	-	-	125	82
Adjustment on liability costs (RB)	-	-	(218)	(148)	-	-	(218)	(148)
Liability management upfront payment (CC)	-	-	39	26	-	-	39	26
Total impact on revenues	**25**	**19**	**(12)**	**(5)**	**35**	**26**	**(96)**	**(58)**
Pioneer integration costs (AG)	(8)	(4)	(26)	(12)	(18)	(8)	(32)	(14)
Integration costs 3 Italian banks (IRB)	16	9	-	-	16	9	-	-
Total impact on operating expenses	**8**	**5**	**(26)**	**(12)**	**(1)**	**1**	**(32)**	**(14)**
ECB fine (CC)	(5)	(5)	-	-	(5)	(5)	-	-
Total impact Non-allocated legal risk provisions	**(5)**	**(5)**	**-**	**-**	**(5)**	**(5)**	**-**	**-**
Eurazeo sale (CC)	-	-	107	107	-	-	107	107
Disposal of BSF (LC)	-	-	-	-	-	-	-	-
Total impact on equity affiliates	**-**	**-**	**107**	**107**			**107**	**107**
Change of value of goodwill (CC)	-	-	-	-	86	74	-	-
Total impact on change of value of goodwill	**-**	**-**	**-**	**-**	**86**	**74**	**-**	**-**
Total impact of specific items	**29**	**20**	**69**	**91**	**114**	**96**	**(20)**	**35**
Asset gathering	***(8)***	***(4)***	***(26)***	***(12)***	***(18)***	***(8)***	***(32)***	***(14)***
French Retail banking	***-***	***-***	***(38)***	***(30)***	***-***	***-***	***(38)***	***(30)***
International Retail banking	***16***	***9***		***-***	***16***	***9***	***-***	***-***
Specialised financial services	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***-***
Large customers	***25***	***19***	***(29)***	***(19)***	***35***	***26***	***(101)***	***(66)***
Corporate centre	***(5)***	***(5)***	***162***	***152***	***81***	***69***	***151***	***145***

Appendix 2 – Crédit Agricole S.A.: Stated and underlying detailed income statement

Table 7. Crédit Agricole S.A. - From stated to underlying results, Q2-18 and Q2-17

€m	Q2-18 stated	Specific items	Q2-18 underlying	Q2-17 stated	Specific items	Q2-17 underlying	∆ Q2/Q2 stated	∆ Q2/Q2 underlying	*Q2-17 scope adj.*	*Q2-18 scope adj.*	*Q2-18 forex adj.*	∆ Q2/Q2 like-for-like
Revenues	**5,171**	**25**	**5,146**	**4,708**	**89**	**4,619**	**+9.8%**	**+11.4%**	***192***	***(62)***	***69***	**+7.1%**
Operating expenses excl.SRF	(2,966)	8	(2,974)	(2,795)	(26)	(2,769)	+6.1%	+7.4%	*(123)*	*53*	*(26)*	+1.9%
SRF	(11)	-	(11)	(10)	-	(10)	+10.3%	+10.3%	-	*(0)*	-	+14.3%
Gross operating income	**2,195**	**33**	**2,162**	**1,903**	**63**	**1,840**	**+15.3%**	**+17.5%**	***70***	***(10)***	***43***	**+14.9%**
Cost of risk	(223)	-	(223)	(351)	-	(351)	(36.5%)	(36.5%)	*(0)*	*3*	*(2)*	(36.9%)
Cost of legal risk	(5)	(5)	-	-	-	-	n.m.	n.m.	-	-	-	n.m.
Equity-accounted entities	77	-	77	224	107	117	(65.4%)	(33.6%)	*(59)*	-	*1*	+35.0%
Net income on other assets	14	-	14	0	-	0	x 171.9	x 171.9	*(0)*	-	*(0)*	x 170.9
Change in value of goodwill	-	-	-	-	-	-	n.m.	n.m.	-	-	-	n.m.
Income before tax	**2,059**	**29**	**2,030**	**1,776**	**170**	**1,606**	**+16.0%**	**+26.4%**	***11***	***(7)***	***41***	**+27.7%**
Tax	(448)	(9)	(439)	(321)	(14)	(307)	+39.6%	+43.2%	*(19)*	*(1)*	*(14)*	+39.2%
Net income from discont'd or held-for-sale ope.	(1)	-	(1)	31	-	31	n.m.	n.m.	-	-	-	n.m.
Net income	**1,610**	**20**	**1,590**	**1,486**	**156**	**1,330**	**+8.4%**	**+19.6%**	***(9)***	***(7)***	***27***	**+21.8%**
Non controlling interests	(174)	(1)	(172)	(136)	9	(145)	+28.0%	+19.3%	*(15)*	*1*	*(0)*	+7.6%
Net income Group Share	**1,436**	**19**	**1,418**	**1,350**	**165**	**1,185**	**+6.4%**	**+19.6%**	***(23)***	***(6)***	***27***	**+23.8%**
Earnings per share (€)	**0.47**	**0.01**	**0.46**	**0.44**	**0.06**	**0.38**	**+6.9%**	**+21.3%**	***(0.01)***	**-**	***0.01***	**+26.5%**
Cost/Income ratio excl.SRF (%)	**57.3%**		**57.8%**	**59.4%**		**59.9%**	**-2.0 pp**	**-2.2 pp**	**63.8%**	**84.3%**		**-2.9 pp**
Net income Group Share excl. SRF	**1,445**	**19**	**1,426**	**1,360**	**165**	**1,195**	**+6.3%**	**+19.3%**	***(23)***	***(7)***	***27***	**+23.4%**

Table 8. Crédit Agricole S.A. – Crédit Agricole S.A. - From stated to underlying results, H1-18 and H1-17

€m	H1-18 stated	Specific items	H1-18 underlying	H1-17 stated	Specific items	H1-17 underlying	∆ H1/H1 stated	∆ H1/H1 underlying	*H1-17 scope adj.*	*H1-18 scope adj.*	*H1-18 forex adj.*	∆ H1/H1 like-for-like
Revenues	**10,081**	**35**	**10,046**	**9,408**	**10**	**9,398**	**+7.1%**	**+6.9%**	**394**	**(115)**	**169**	**+3.1%**
Operating expenses excl.SRF	(6,076)	(1)	(6,075)	(5,791)	(32)	(5,759)	+4.9%	+5.5%	(255)	103	(75)	+0.5%
SRF	(301)	-	(301)	(242)	-	(242)	+24.5%	+24.5%	-	4	-	+23.0%
Gross operating income	**3,703**	**34**	**3,670**	**3,375**	**(22)**	**3,397**	**+9.7%**	**+8.0%**	**139**	**(8)**	**93**	**+6.2%**
Cost of risk	(537)	-	(537)	(711)	-	(711)	(24.4%)	(24.4%)	(2)	7	1	(25.8%)
Cost of legal risk	(5)	(5)	-	(40)	-	(40)	(88.5%)	(100.0%)	-	-	-	(100.0%)
Equity-accounted entities	170	-	170	439	107	332	(61.3%)	(48.7%)	(203)	-	2	+34.2%
Net income on other assets	32	-	32	(0)	-	(0)	n.m.	n.m.	(0)	0	-	n.m.
Change in value of goodwill	86	86	-	-	-	-	n.m.	n.m.	-	-	-	n.m.
Income before tax	**3,450**	**114**	**3,335**	**3,063**	**86**	**2,977**	**+12.6%**	**+12.0%**	**(66)**	**(1)**	**97**	**+17.8%**
Tax	(810)	(9)	(801)	(663)	18	(681)	+22.1%	+17.6%	(38)	(1)	(30)	+15.6%
Net income from discont'd or held-for-sale ope.	(2)	-	(2)	45	-	45	n.m.	n.m.	-	-	-	n.m.
Net income	**2,638**	**105**	**2,532**	**2,445**	**104**	**2,341**	**+7.9%**	**+8.1%**	**(104)**	**(2)**	**66**	**+16.1%**
Non controlling interests	(346)	(19)	(327)	(250)	10	(260)	+38.5%	+25.8%	(26)	(0)	(4)	+15.8%
Net income Group Share	**2,292**	**87**	**2,205**	**2,195**	**114**	**2,082**	**+4.4%**	**+5.9%**	**(130)**	**(2)**	**62**	**+16.1%**
Earnings per share (€)	**0.73**	**0.03**	**0.70**	**0.69**	**0.04**	**0.65**	**+5.4%**	**+7.2%**	**(0.05)**	**-**	**0.02**	**+19.0%**
Cost/Income ratio excl.SRF (%)	**60.3%**		**60.5%**	**61.6%**		**61.3%**	**-1.3 pp**	**-0.8 pp**	**64.6%**	**89.5%**		**-1.5 pp**
Net income Group Share excl. SRF	**2,578**	**87**	**2,491**	**2,429**	**114**	**2,315**	**+6.1%**	**+7.6%**	***(130)***	***(6)***	***62***	**+16.6%**

Appendix 3 – Crédit Agricole S.A.: Income statement by business line

Table 9. Crédit Agricole S.A.: Contribution by divisions - Q2-18 & Q2-17

Q2-18 (stated)							
€m	AG	FRB (LCL)	IRB	SFS	LC	CC	Total
Revenues	**1,388**	**875**	**689**	**695**	**1,531**	**(6)**	**5,171**
Operating expenses excl. SRF	(685)	(576)	(409)	(310)	(801)	(184)	(2,966)
SRF	0	(2)	(5)	(1)	(2)	(1)	(11)
Gross operating income	**703**	**298**	**274**	**384**	**728**	**(192)**	**2,195**
Cost of credit risk	(4)	(56)	(85)	(127)	45	5	(223)
Cost of legal risk	-	-	-	-	-	(5)	(5)
Equity-accounted entities	14	-	-	65	(0)	(0)	77
Net income on other assets	(0)	1	(0)	1	13	(0)	14
Change in value of goodwill	-	-	-	-	-	-	-
Income before tax	**712**	**242**	**189**	**322**	**786**	**(193)**	**2,059**
Tax	(147)	(73)	(54)	(76)	(197)	100	(448)
Net income from discontinued or held-for-sale operations	(0)	(1)	-	-	-	-	(1)
Net income	**564**	**168**	**135**	**246**	**589**	**(92)**	**1,610**
Non controlling interests	(82)	(7)	(36)	(30)	(12)	(7)	(174)
Net income Group Share	**483**	**161**	**98**	**216**	**578**	**(99)**	**1,436**

Q2-17 (stated)							
€m	AG	FRB (LCL)	IRB	SFS	LC	CC	Total
Revenues	**1,151**	**912**	**639**	**690**	**1,370**	**(54)**	**4,708**
Operating expenses excl. SRF	(570)	(591)	(372)	(332)	(729)	(201)	(2,795)
SRF	(1)	1	(0)	(1)	(6)	(3)	(10)
Gross operating income	**580**	**322**	**267**	**357**	**634**	**(258)**	**1,903**
Cost of credit risk	(2)	(56)	(107)	(117)	(81)	12	(351)
Cost of legal risk	-	-	-	-	-	-	-
Equity-accounted entities	8	-	-	49	60	107	224
Net income on other assets	0	0	0	0	0	(0)	0
Change in value of goodwill	-	-	-	-	-	-	-
Income before tax	**587**	**267**	**159**	**289**	**613**	**(139)**	**1,776**
Tax	(100)	(71)	(47)	(70)	(166)	134	(321)
Net income from discontinued or held-for-sale operations	31	-	(0)	-	-	-	31
Net income	**517**	**196**	**112**	**219**	**447**	**(5)**	**1,486**
Non controlling interests	(51)	(10)	(31)	(31)	(16)	3	(136)
Net income Group Share	**466**	**186**	**81**	**188**	**431**	**(2)**	**1,350**

Table 10. Crédit Agricole S.A. : Contribution by divisions - H1-18 & H1-17

H1-18 (stated)							
€m	AG	FRB (LCL)	IRB	SFS	LC	CC	Total
Revenues	**2,855**	**1,734**	**1,366**	**1,383**	**2,862**	**(119)**	**10,081**
Operating expenses excl. SRF	(1,429)	(1,189)	(832)	(668)	(1,583)	(375)	(6,076)
SRF	(3)	(28)	(22)	(17)	(170)	(62)	(301)
Gross operating income	**1,423**	**517**	**512**	**698**	**1,109**	**(556)**	**3,703**
Cost of credit risk	(9)	(107)	(179)	(227)	(19)	3	(537)
Cost of legal risk	-	-	-	-	-	(5)	(5)
Equity-accounted entities	25	-	-	127	1	17	170
Net income on other assets	(0)	2	(0)	1	13	16	32
Change in value of goodwill	-	-	-	-	-	86	86
Income before tax	**1,439**	**412**	**333**	**599**	**1,104**	**(438)**	**3,450**
Tax	(357)	(132)	(101)	(141)	(305)	226	(810)
Net income from discontinued or held-for-sale operations	(1)	(1)	-	-	-	-	(2)
Net income	**1,081**	**279**	**232**	**458**	**799**	**(212)**	**2,638**
Non controlling interests	(155)	(13)	(64)	(64)	(16)	(35)	(346)
Net income Group Share	**926**	**267**	**168**	**394**	**783**	**(247)**	**2,292**

H1-17 (stated)							
€m	AG	FRB (LCL)	IRB	SFS	LC	CC	Total
Revenues	**2,401**	**1,816**	**1,246**	**1,375**	**2,791**	**(220)**	**9,408**
Operating expenses excl. SRF	(1,195)	(1,219)	(733)	(684)	(1,542)	(417)	(5,791)
SRF	(3)	(15)	(10)	(14)	(139)	(61)	(242)
Gross operating income	**1,203**	**582**	**502**	**677**	**1,110**	**(698)**	**3,375**
Cost of credit risk	(1)	(104)	(212)	(210)	(188)	4	(711)
Cost of legal risk	-	-	-	-	(40)	-	(40)
Equity-accounted entities	15	-	-	115	129	179	439
Net income on other assets	(0)	0	0	(0)	(0)	(0)	(0)
Change in value of goodwill	-	-	-	-	-	-	-
Income before tax	**1,217**	**478**	**290**	**582**	**1,011**	**(515)**	**3,063**
Tax	(292)	(135)	(91)	(144)	(250)	250	(663)
Net income from discontinued or held-for-sale operations	30	-	0	15	-	-	45
Net income	**955**	**343**	**199**	**452**	**761**	**(266)**	**2,445**
Non controlling interests	(92)	(17)	(57)	(64)	(26)	6	(250)
Net income Group Share	**864**	**326**	**142**	**389**	**735**	**(260)**	**2,195**

Appendix 4 – Crédit Agricole Group: Stated and underlying detailed income statement

Table 11. Crédit Agricole Group - From stated to underlying results, Q2-18 and Q2-17

€m	Q2-18 stated	Specific items	Q2-18 underlying	Q2-17 stated	Specific items	Q2-17 underlying	∆ Q2/Q2 stated	∆ Q2/Q2 underlying	Q2-17 scope adj.	Q2-18 scope adj.	Q2-18 forex adj.	∆ Q2/Q2 like-for-like
Revenues	**8,428**	**25**	**8,402**	**7,928**	**(12)**	**7,940**	+6.3%	+5.8%	***192***	***(62)***	***69***	**+3.4%**
Operating expenses excl.SRF	(5,141)	8	(5,149)	(4,987)	(26)	(4,960)	+3.1%	+3.8%	*(123)*	*53*	*(26)*	+0.8%
SRF	(30)	-	(30)	(11)	-	(11)	x 2.6	x 2.6	-	*(0)*	-	x 2.6
Gross operating income	**3,257**	**33**	**3,224**	**2,930**	**(38)**	**2,968**	**+11.2%**	**+8.6%**	***70***	***(10)***	***43***	**+7.2%**
Cost of risk	(397)	-	(397)	(318)	-	(318)	+25.0%	+25.0%	*(0)*	*3*	*(2)*	+24.5%
Cost of legal risk	(5)	(5)	-	-	-	-	n.m.	n.m.	-	-	-	n.m.
Equity-accounted entities	80	-	80	226	107	119	(64.5%)	(32.4%)	*(59)*	-	*1*	+35.1%
Net income on other assets	17	-	17	(1)	-	(1)	n.m.	n.m.	*(0)*	-	*(0)*	n.m.
Change in value of goodwill	-	-	-	-	-	-	n.m.	n.m.	-	-	-	n.m.
Income before tax	**2,953**	**29**	**2,924**	**2,837**	**69**	**2,767**	**+4.1%**	**+5.7%**	***11***	***(7)***	***42***	**+6.5%**
Tax	(734)	(9)	(725)	(654)	13	(666)	+12.3%	+8.9%	*(19)*	*(1)*	*(14)*	+7.9%
Net income from discont'd or held-for-sale ope.	(1)	-	(1)	31	-	31	n.m.	n.m.	-	-	-	n.m.
Net income	**2,218**	**20**	**2,198**	**2,214**	**82**	**2,132**	**+0.2%**	**+3.1%**	***(9)***	***(7)***	***28***	**+4.5%**
Non controlling interests	(142)	0	(142)	(107)	9	(117)	+31.7%	+21.7%	*(12)*	*1*	*(1)*	+9.8%
Net income Group Share	**2,076**	**20**	**2,056**	**2,106**	**91**	**2,015**	**(1.4%)**	**+2.0%**	***(21)***	***(6)***	***27***	**+4.1%**
Cost/Income ratio excl.SRF (%)	**61.0%**		**61.3%**	**62.9%**		**62.5%**	**-1.9 pp**	**-1.2 pp**	**63.8%**	**84.3%**	**37.7%**	**-1.6 pp**
Net income Group Share excl. SRF	**2,104**	**20**	**2,084**	**2,118**	**91**	**2,027**	**(0.6%)**	**+2.8%**	***(19)***	***(7)***	**-**	**+4.8%**

Table 12. Crédit Agricole Group - From stated to underlying results, H1-18 and H1-17

€m	H1-18 stated	Specific items	H1-18 underlying	H1-17 stated	Specific items	H1-17 underlying	∆ H1/H1 stated	∆ H1/H1 underlying	H1-17 scope adj.	H1-18 scope adj.	H1-18 forex adj.	∆ H1/H1 like-for-like
Revenues	**16,686**	**35**	**16,651**	**16,177**	**(96)**	**16,272**	+3.1%	+2.3%	***394***	***(115)***	***171***	**+0.2%**
Operating expenses excl.SRF	(10,484)	(1)	(10,483)	(10,193)	(32)	(10,161)	+2.9%	+3.2%	*(255)*	*103*	*(77)*	+0.4%
SRF	(389)	-	(389)	(285)	-	(285)	+36.2%	+36.2%	-	*4*	-	+34.9%
Gross operating income	**5,813**	**34**	**5,780**	**5,699**	**(127)**	**5,826**	**+2.0%**	**(0.8%)**	***139***	***(8)***	***94***	**(1.7%)**
Cost of risk	(818)	-	(818)	(796)	-	(796)	+2.8%	+2.8%	*(2)*	*7*	*1*	+1.5%
Cost of legal risk	(5)	(5)	-	(40)	-	(40)	(88.5%)	(100.0%)	-	-	-	(100.0%)
Equity-accounted entities	179	-	179	443	107	336	(59.7%)	(46.8%)	*(203)*	-	*2*	+36.2%
Net income on other assets	38	-	38	(1)	-	(1)	n.m.	n.m.	*(0)*	*0*	-	n.m.
Change in value of goodwill	86	86	-	-	-	-	n.m.	n.m.	-	-	-	n.m.
Income before tax	**5,293**	**114**	**5,178**	**5,305**	**(20)**	**5,325**	**(0.2%)**	**(2.8%)**	***(66)***	***(1)***	***97***	**+0.3%**
Tax	(1,501)	(9)	(1,492)	(1,442)	47	(1,489)	+4.1%	+0.2%	*(38)*	*(1)*	*(30)*	(0.3%)
Net income from discont'd or held-for-sale ope.	(2)	-	(2)	45	-	45	n.m.	n.m.	-	-	-	n.m.
Net income	**3,789**	**105**	**3,684**	**3,908**	**27**	**3,881**	**(3.0%)**	**(5.1%)**	***(104)***	***(2)***	***67***	**(0.8%)**
Non controlling interests	(285)	(9)	(276)	(202)	8	(210)	+41.0%	+31.1%	*(24)*	*(0)*	*(4)*	+19.4%
Net income Group Share	**3,505**	**96**	**3,408**	**3,706**	**35**	**3,671**	**(5.4%)**	**(7.2%)**	***(128)***	***(2)***	***63***	**(2.1%)**
Cost/Income ratio excl.SRF (%)	**62.8%**		**63.0%**	**63.0%**		**62.4%**	**-0.2 pp**	**+0.5 pp**	**64.6%**	**89.5%**	**44.9%**	**+0.1 pp**
Net income Group Share excl. SRF	**4,202**	**96**	**4,105**	**4,207**	**35**	**4,172**	**(0.1%)**	**(1.6%)**	***(128)***	***(8)***	**-**	**+3.0%**

Appendix 5 – Crédit Agricole Group: Income statement by business line

Table 13. Crédit Agricole Group – Contribution by division, Q2-18 and Q2-17

	Q2-18 (stated)							
€m	RB	LCL	IRB	AG	SFS	LC	CC	Total
Revenues	**3,227**	**875**	**714**	**1,385**	**695**	**1,531**	**0**	**8,428**
Operating expenses excl. SRF	(2,145)	(576)	(427)	(685)	(310)	(801)	(196)	(5,141)
SRF	(19)	(2)	(5)	0	(1)	(2)	(1)	(30)
Gross operating income	**1,063**	**298**	**282**	**700**	**384**	**728**	**(197)**	**3,257**
Cost of credit risk	(176)	(56)	(84)	(4)	(127)	45	5	(397)
Cost of legal risk	-	-	-	-	-	-	(5)	(5)
Equity-accounted entities	2	-	-	14	65	(0)	-	80
Net income on other assets	3	1	(0)	(0)	1	13	(0)	17
Change in value of goodwill	-	-	-	-	-	-	-	-
Income before tax	**893**	**242**	**198**	**709**	**322**	**787**	**(198)**	**2,953**
Tax	(285)	(73)	(57)	(147)	(76)	(197)	101	(734)
Net income from discont'd or held-for-sale ope.	-	(1)	-	(0)	-	-	-	(1)
Net income	**608**	**168**	**141**	**562**	**246**	**590**	**(97)**	**2,218**
Non controlling interests	0	1	(29)	(78)	(30)	(0)	(6)	(142)
Net income Group Share	**608**	**169**	**113**	**484**	**216**	**589**	**(103)**	**2,076**

	Q2-17 (stated)							
€m	RB	LCL	AG	IRB	SFS	LC	CC	Total
Revenues	**3,117**	**912**	**1,145**	**668**	**690**	**1,370**	**26**	**7,928**
Operating expenses excl. SRF	(2,122)	(591)	(570)	(387)	(332)	(729)	(255)	(4,987)
SRF	(2)	1	(1)	(0)	(1)	(6)	(3)	(11)
Gross operating income	**994**	**322**	**574**	**280**	**357**	**634**	**(232)**	**2,930**
Cost of credit risk	35	(56)	(2)	(109)	(117)	(81)	13	(318)
Cost of legal risk	-	-	-	-	-	-	-	-
Equity-accounted entities	2	-	8	-	49	60	107	226
Net income on other assets	(1)	0	0	0	0	0	(0)	(1)
Change in value of goodwill	-	-	-	-	-	-	-	-
Income before tax	**1,029**	**266**	**581**	**171**	**289**	**613**	**(113)**	**2,837**
Tax	(314)	(70)	(100)	(50)	(70)	(166)	118	(654)
Net income from discont'd or held-for-sale ope.	-	-	31	(0)	-	-	-	31
Net income	**715**	**196**	**511**	**121**	**219**	**447**	**5**	**2,214**
Non controlling interests	(0)	(0)	(48)	(25)	(31)	(7)	3	(107)
Net income Group Share	**715**	**196**	**463**	**96**	**188**	**440**	**8**	**2,106**

Table 14. Crédit Agricole Group. : Contribution by divisions - stated - H1-18 & H1-17

H1-18 (stated)								
€m	RB	LCL	IRB	AG	SFS	LC	CC	Total
Revenues	**6,585**	**1,733**	**1,418**	**2,848**	**1,383**	**2,862**	**(143)**	**16,686**
Operating expenses excl. SRF	(4,344)	(1,189)	(869)	(1,429)	(668)	(1,583)	(402)	(10,484)
SRF	(87)	(28)	(22)	(3)	(17)	(170)	(62)	(389)
Gross operating income	**2,153**	**517**	**527**	**1,416**	**698**	**1,109**	**(606)**	**5,813**
Cost of credit risk	(280)	(107)	(179)	(9)	(227)	(19)	3	(818)
Cost of legal risk	-	-	-	-	-	-	(5)	(5)
Equity-accounted entities	7	-	-	25	127	1	19	179
Net income on other assets	5	2	(0)	(0)	1	13	16	38
Change in value of goodwill	-	-	-	-	-	-	86	86
Income before tax	**1,886**	**412**	**347**	**1,432**	**599**	**1,104**	**(487)**	**5,293**
Tax	(690)	(132)	(105)	(356)	(141)	(305)	228	(1,501)
Net income from discontinued or held-for-sale operations	-	(1)	-	(1)	-	-	-	(2)
Net income	**1,195**	**279**	**243**	**1,075**	**458**	**799**	**(260)**	**3,789**
Non controlling interests	(0)	1	(51)	(148)	(64)	1	(24)	(285)
Net income Group Share	**1,195**	**280**	**192**	**928**	**394**	**799**	**(283)**	**3,505**

H1-17 (stated)								
€m	RB	LCL	AG	IRB	SFS	LC	CC	Total
Revenues	**6,647**	**1,816**	**2,392**	**1,302**	**1,375**	**2,791**	**(145)**	**16,177**
Operating expenses excl. SRF	(4,299)	(1,219)	(1,195)	(767)	(684)	(1,542)	(485)	(10,193)
SRF	(43)	(15)	(3)	(10)	(14)	(139)	(61)	(285)
Gross operating income	**2,304**	**582**	**1,194**	**524**	**677**	**1,110**	**(691)**	**5,699**
Cost of credit risk	(81)	(104)	(1)	(215)	(210)	(188)	3	(796)
Cost of legal risk	-	-	-	-	-	(40)	-	(40)
Equity-accounted entities	4	-	15	-	115	129	179	443
Net income on other assets	(0)	0	(0)	0	(0)	(0)	(1)	(1)
Change in value of goodwill	-	-	-	-	-	-	-	-
Income before tax	**2,227**	**478**	**1,209**	**309**	**582**	**1,011**	**(510)**	**5,305**
Tax	(756)	(134)	(292)	(96)	(144)	(250)	231	(1,442)
Net income from discontinued or held-for-sale operations	-	-	30	0	15	-	-	45
Net income	**1,471**	**344**	**947**	**213**	**452**	**761**	**(279)**	**3,908**
Non controlling interests	(1)	(0)	(86)	(45)	(64)	(11)	4	(202)
Net income Group Share	**1,471**	**343**	**861**	**167**	**389**	**750**	**(274)**	**3,706**

Appendix 6 – Method used to calculate earnings per share, net assets per share and ROTE

Table 15. Crédit Agricole S.A. - data per share

(€m)		Q2-18	Q2-17	H1-18	H1-17
Net income Group share - stated		1,436	1,350	2,292	2,195
- Interests on AT1, including issuance costs, before tax		(93)	(96)	(225)	(237)
NIGS attributable to ordinary shares - stated	**[A]**	**1,343**	**1,254**	**2,067**	**1,958**
Average number shares in issue, excluding treasury shares (m)	[B]	2,849.2	2,843.7	2,846.6	2,843.1
Net earnings per share - stated	**[A]/[B]**	**0.47 €**	**0.44 €**	**0.73 €**	**0.69 €**
Underlying net income Group share (NIGS)		1,418	1,185	2,205	2,082
Underlying NIGS attributable to ordinary shares	**[C]**	**1,324**	**1,089**	**1,981**	**1,845**
Net earnings per share - underlying	**[C]/[B]**	**0.46 €**	**0.38 €**	**0.70 €**	**0.65 €**

(€m)		30/06/2018	30/06/2017
Shareholder's equity Group share		57,144	57,371
- AT1 issuances		(5,008)	(5,011)
- Unrealised gains and losses on AFS - Group share		(2,522)	(3,268)
- Payout assumption on annual results*		-	-
Net book value (NBV), not revaluated, attributable to ordin. sh.	**[D]**	**49,615**	**49,092**
- Goodwill & intangibles** - Group share		(17,764)	(15,648)
Tangible NBV (TNBV), not revaluated attrib. to ordinary sh.	**[E]**	**31,851**	**33,444**
Total shares in issue, excluding treasury shares (period end, m)	[F]	2,848.9	2,844.0
NBV per share , after deduction of dividend to pay (€)	**[D]/[F]**	**17.4 €**	**17.3 €**
+ Dividend to pay (€)	**[H]**	**0.00 €**	**0.00 €**
NBV per share , before deduction of dividend to pay (€)		**17.4 €**	**17.3 €**
TNBV per share, after deduction of dividend to pay (€)	**[G]=[E]/[F]**	**11.2 €**	**11.8 €**
TNBV per sh., before deduct. of divid. to pay (€)	**[G]+[H]**	**11.2 €**	**11.8 €**

** dividend proposed to the Board meeting to be paid*
*** including goodwill in the equity-accounted entities*

(€m)		H1-18	H1-17
Net income Group share attributable to ordinary shares	[H]	4,144	3,917
Tangible NBV (TNBV), not revaluated attrib. to ord. sh. - avg***	[J]	30,404	32,382
Stated ROTE (%)	**[H]/[J]**	**13.6%**	**12.1%**
Underlying Net income attrib. to ord. shares (annualised)	[I]	3,971	3,689
Underlying ROTE (%)	**[I]/[J]**	**13.1%**	**11.4%**

**** including assumption of dividend for the current exercise*

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Disclaimer

The second quarter and first half 2018 financial information for Crédit Agricole S.A. and the Crédit Agricole Group comprises this press release and the attached quarterly financial report and presentation, available at https://www.credit-agricole.com/finance/finance/publications-financieres.

This press release may include prospective information on the Group, supplied as information on trends. This data does not represent forecasts within the meaning of European Regulation 809/2004 of 29 April 2004 (chapter 1, article 2, §10).

This information was developed from scenarios based on a number of economic assumptions for a given competitive and regulatory environment. Therefore, these assumptions are by nature subject to random factors that could cause actual results to differ from projections.

Likewise, the financial statements are based on estimates, particularly in calculating market value and asset impairment.

Readers must take all these risk factors and uncertainties into consideration before making their own judgement.

Applicable standards and comparability

The figures presented for the period ending 30 June 2018 have been prepared in accordance with IFRS as adopted in the European Union and applicable at that date, and with prudential regulations currently in force. This financial information does not constitute a set of financial statements for an interim period as defined by IAS 34 "Interim Financial Reporting" and has not been audited.

Note: The scopes of consolidation of groups Crédit Agricole S.A. and Crédit Agricole have not changed materially since the registration with the French market watchdog AMF of the 2017 Registration Document of Crédit Agricole S.A. on 22 March 2018 under the registration number D.18-0164 and the A.01 update of this 2017 Registration Document including all regulatory information about Crédit Agricole Group.

The sum of values contained in the tables and analyses may differ slightly from the total reported due to rounding.

On 1 January 2017, Calit was transferred from Specialised Financial Services (Crédit Agricole Leasing & Factoring) to Retail Banking in Italy. No pro forma data have been prepared in relation to historical data.

Since 1 July 2017, Pioneer has been included in the scope of consolidation of Crédit Agricole Group as a subsidiary of Amundi. No pro forma data have been prepared in relation to historical data. Pioneer Investments integration costs in both the first and second quarter have been restated in specific items, contrary to the treatment applied in both publications made previously. Underlying net income Group share has been adjusted.

Since 26 September 2017, Banque Saudi Fransi (BSF) has been excluded from the scope of consolidation of Crédit Agricole Group further to the disposal of a majority of the holding (16.2% out of the 31.1% held prior to disposal). This subsidiary was consolidated using the equity method. No pro forma data have been prepared in relation to historical data.

Since 21 December 2017, Cassa di Risparmio (CR) di Cesena, CR di Rimini and CR di San Miniato have been included in the scope of consolidation of Crédit Agricole Group as subsidiaries of Crédit Agricole Italy. No pro forma have been prepared in relation to historical data.

Since 26 December 2017, Crédit Agricole S.A.'s stake in CACEIS has increased from 85% to 100%, further to the acquisition of the 15% stake in the company held by Natixis before that date.

Since 3 May 2018, Banca Leonardo has been included in the scope of consolidation of Crédit Agricole Group as a subsidiary of Indosuez Wealth Management. Historical data have not been restated on a proforma basis.

Pioneer Investments' integration costs in both the first and second quarter 2017 have been restated in specific items, contrary to the treatment applied in both publications made previously. Underlying net income Group share has been adjusted.

Financial agenda

7 November 2018	Publication of third quarter 2018 results
14 February 2019	Publication of fourth quarter and full-year 2018 results
15 May 2019	Publication of first-quarter 2019 results
21 May 2019	Annual Shareholders' Meeting in Metz
2 August 2019	Publication of second quarter and first half 2019 results
8 November 2019	Publication of third quarter 2019 results

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