February 28, 2013

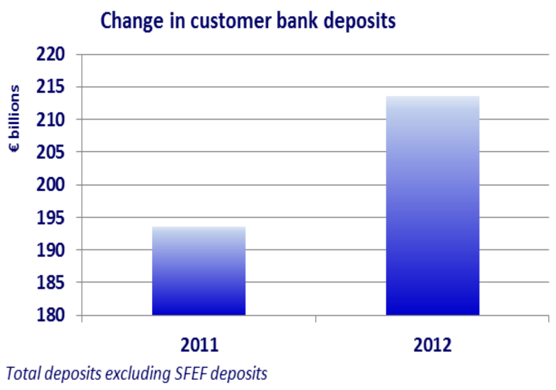
CM11-CIC GROUP
Commercial activity up, results stable, solid financial position affirmed

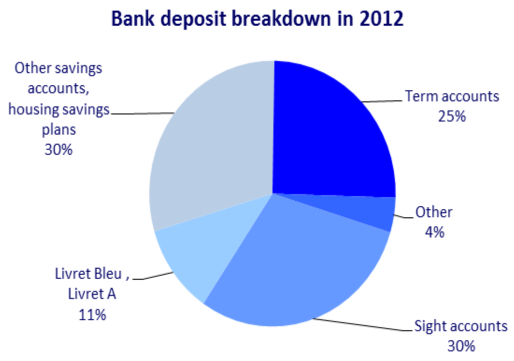
CM11-CIC Group, whose core business is retail banking (75% of NBI), recorded commercial gains and stable financial results while affirming its solid financial position by maintaining close ties to its customers and addressing their concerns.

Commercial activity gains

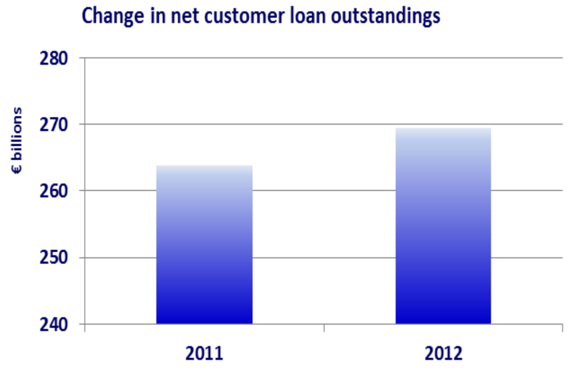
The commercial expansion continued apace in 2012. The Group now has 23.8 million customers, compared with 23.5 million in 2011.

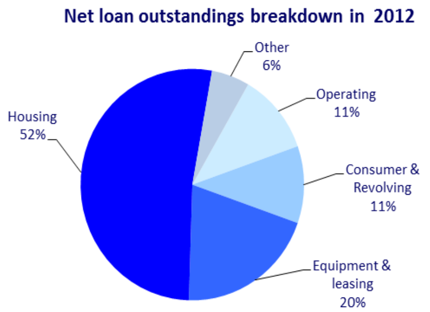
Bank deposits totaled more than €213.6 billion, an 8.8% increase. The nearly €20 billion increase in total deposits resulted primarily from deposits on the Group's Livret Bleu / Livret A savings accounts (+19.5%) and other savings accounts (+10.6%), along with an 8.4% increase in sight deposits.





Total loan outstandings increased by €5.5 billion to €269.4 billion, up 2.1% in gross terms. As in 2011, this increase was driven by investment loans (+€3.1 billion; +7.3% gross) and housing loans (+€3.5 billion; +2.6% gross). It reflects the CM11-CIC Group's longstanding and continuing commitment to supporting the projects of companies and individuals at both the national and regional levels.





These changes brought about a clear improvement in the loan-to-deposit ratio, which stood at 126.1% as of December 31, 2012, compared with 136.3% one year earlier.
In the insurance area, the total number of policyholders increased by 230,000 to 7.9 million. The number of insurance contracts was up by more than 520,000 to 24.8 million, with 80% of this increase generated by non-life policies.

In the services area, telephony, which has more than 1.1 million subscribers, will help to drive the increase in contactless payments. Remote surveillance took in more than 60,000 new customers in 2012 and its subscription portfolio increased by 18%.

Stable financial results

(€ millions)	**2012**	**2011**[1]
NBI	11,462	11,053
General operating expenses	(7,341)	(6,942)
Operating income before provisions	4,121	4,111
Income before tax	2,880	2,718
Net income	1,823	1,805

Total NBI exceeded €11.4 billion, up 1.9% from €11.1 billion in 2011. This increase was mainly due to the gains recorded by the insurance business, while retail banking was affected in 2012 by the increased cost of funds.

General operating expenses totaled €7.3 billion, up from €6.9 billion. Changes in tax and social security regulations (doubling of the tax for systemic risk, increase in the corporate contribution (*forfait social*)) accounted for more than 25% of this increase. These expenses nevertheless remain in check with only a 2.3% increase in 2012 excluding these outside factors.

At constant scope, net provision allocations/reversals for loan losses, which contracted by €395 million, totaled €1,081 million, and reflected a €30 million decrease following the market sale of Greek sovereign debt in the first quarter of 2012. This decrease was largely achieved through a reduction in the provision on Greek sovereign debt established in 2011.

[1] *2011 figures take into account IAS 19 amended and the correction of the recognition of the investment in Banco Popular Espanol in accordance with IAS 8, based on NBI of €11,065m, general operating expenses of €6,931m, operating income before provisions of €4,135m, income before tax of €2,768m and net income of €1,843m.*

In addition, the actual net provision for known risks (i.e. excluding collective loss provisions) on customer loans trended favorably, with a gross decline of 5.8%, reflecting solid control in all business lines.
The actual net provision for known risks represented 0.37% of total loan outstandings, a level equivalent to that of 2011. The overall non-performing loan coverage ratio was 64.6% at end-2012, compared with 66.7% in 2011.

Net income totaled €1.8 billion as of December 31, 2012, essentially unchanged relative to 2011.

Solid financial position affirmed

Liquidity and refinancing

In 2012, the CM11-CIC Group's refinancing was carried out in a calmer market environment marked by two distinct periods.

The first part of 2012 was characterized by a continuation of the previous year's tensions resulting from the acute sovereign debt and banking crisis.

Then, political progress complemented by additional European Central Bank measures over the summer gave investors renewed confidence as to the long-term viability of the euro zone.

Thanks to its customer-oriented strategy (retail banking and insurance) and strong fundamentals, the Group was able to maintain its solid credit ratings, thereby winning favor from French and international investors throughout the year.

Structural strengthening of the Group's stable funding and financial assets (€ billions)

Stable funding surplus

The Group has a €7 billion stable funding surplus. The policy implemented for a number or years consisting of strengthening customer deposits and extending the maturity of its market debt has resulted in this surplus of stable funding over stable financial assets, notwithstanding the increase in mandatory balances related to the higher ceiling on Livret A and Livret Bleu savings accounts.

Medium- and long-term refinancing

The bulk of the medium- and long-term refinancing was carried out through funds raised by BFCM.
The efforts to diversify medium- and long-term funding were carried out through:

- documentary preparations for a U.S. Rule 144A securities offering by CM-CIC Home Loan SFH (*Société de Financement de l'Habitat*) aimed at U.S. investors, which led to an offering in the U.S. market at year-end;
- continued Asian offerings in Japan (Samurai and Uridashi) totaling JPY 37 billion with maturities of two, three and five years;
- communications initiatives aimed at international investors based on a strictly adhered-to schedule.

As for noteworthy major offerings, the two transactions performed by CM-CIC Home Loan SFH were:

- €1,250 million at 12 years issued in January 2012 in a challenging market environment and without ECB support.
- USD 1,000 million at five years issued in November 2012 in a US Rule 144A filing and 70% placed with U.S. investors.

For 2013, the medium- and long-term refinancing program amounts to €11 billion, exactly the same amount of medium- and long-term debt coming due during the year. At end-February, just over one-third of the program scheduled for this year had been achieved, at particularly low spread levels.

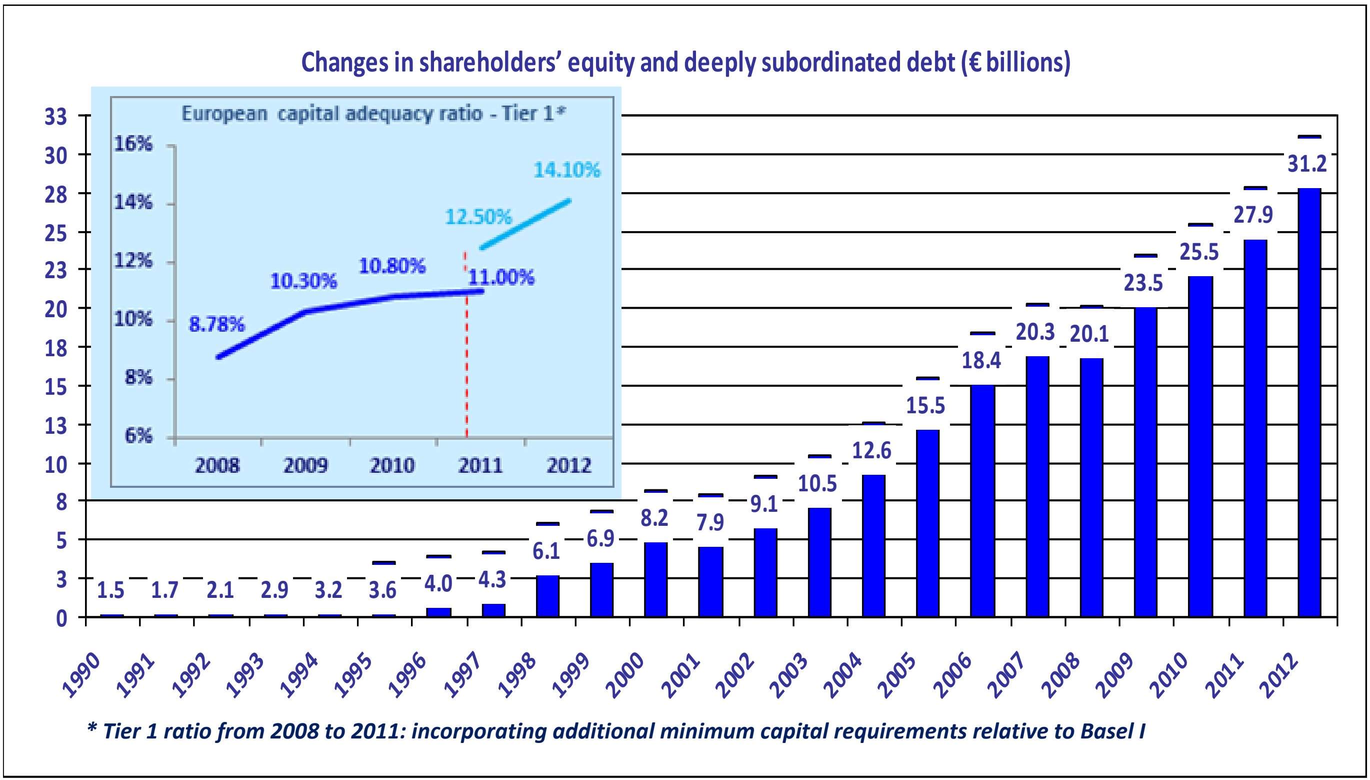
Short-term refinancing

The Group has a €70 billion liquidity reserve (central bank deposits and inventory of discounted ECB eligible notes), which represents 1.3x its market refinancing needs at less than one year (money market and bond amounts due).

The composition and scaling of this reserve are closely monitored. A roadmap was established to satisfy the requirements of Basel III's future liquidity ratios.

Capital adequacy

As of December 31, 2012, shareholders' equity and deeply subordinated securities totaled €31.2 billion and tier 1 regulatory capital was €21.8 billion. The core tier 1 capital adequacy ratio was 14.1%, one of the best in Europe, thereby facilitating access to financial markets.



The bankinsurance activity, which includes the retail banking, insurance and consumer credit business lines, accounts for nearly 80% of CM11-CIC's shareholders' equity and deeply subordinated securities.

The sound financial position was confirmed by the three rating agencies, which maintained the long-term rating level of Banque Fédérative du Crédit Mutuel throughout 2012.

	Standard & Poor's	Moody's	Fitch Ratings
Long-term rating	A+	Aa3	A+

Outlook for 2013

While contending with a number of challenges – economic and social, technological, competitive and regulatory – the CM11-CIC Group has set one priority - to pursue its growth and development, one necessity - to adapt, and one requirement - to maintain its identity.
It will also continue its efforts to strengthen its independence from the financial markets by focusing on bringing in new deposits while continuing to finance the projects of companies and individuals.
With its deep roots and the commitment of its directors and employees, CM11-CIC Group continues to affirm its mutual banking difference, both regionally and nationally, by staying close to its members and customers.

The Group's business lines and main subsidiaries

Groupe CM11-CIC

Banque de détail

Réseaux bancaires

- Groupe Crédit Mutuel 11
  - Caisse Fédérale de Crédit Mutuel
  - Caisses de Crédit Mutuel
  - Périmètre réglementaire Secteur Mutualiste
- CIC
  - CIC Ile de France
  - Banques régionales
- Banque Européenne du Crédit Mutuel
- CIC Iberbanco
- TARGOBANK (Allemagne)
- TARGOBANK (Espagne)

Métiers d'appui

- Groupe Cofidis Participations
- Groupe SOFEMO
- Banque Casino
- CM-CIC Factor
- CM-CIC Bail
- CM-CIC Lease
- CM-CIC Asset Management
- CM-CIC Epargne Salariale
- CM-CIC Immobilier
- Crédit Mutuel-CIC Home Loan SFH

Assurance

- Groupe des Assurances du Crédit Mutuel

Banque de financement

- BFCM – CIC Grands Comptes
- CIC Financements Spécialisés
- CIC Activités internationales Succursales étrangères

Activités de marché

- CM-CIC Marchés
- CM-CIC Securities

Banque privée

- Banque de Luxembourg
- Groupe Banque Transatlantique
- Banque CIC Suisse
- Dubly Douilhet
- CIC Banque Pasche
- CIC Singapour Banque privée

Capital - Développement

- CM-CIC Capital Finance

Logistique

- Euro Information
- GIE CM-CIC Titres
- GIE CM-CIC Services
- EI Telecom
- Euro Protection Surveillance

Retail banking, the core business

(€ millions)	2012	2011	2011 restated[1]	Change[2]
NBI	8,782	9,206	9,231	-6.3%
General operating expenses	(5,713)	(5,484)	(5,469)	+2.8%
Operating income before provisions	3,070	3,722	3,762	-19.4%
Income before tax	2,111	2,879	2,946	-29.1%
Net income	1,361	1,953	2,006	-32.9%

1-After taking into account IAS 19 amended and the correction of the recognition of the investment in Banco Popular Espanol in accordance with IAS 8.
2- Changes at constant scope relative to 2011 restated.

Retail banking is CM11-CIC Group's core business and accounts for nearly 75% of its net income. It includes the Crédit Mutuel local mutual banks, the CIC branches, Banque Européenne du Crédit Mutuel, CIC Iberbanco, the Targobank branches in Germany and Spain, Cofidis, Banque Casino and all the specialized businesses, whose product marketing is performed by the branch networks and which comprise insurance brokerage, equipment leasing and rentals with purchase options, real estate leasing, vendor credit, factoring, fund management, employee savings, telephony, remote surveillance and real estate sales.

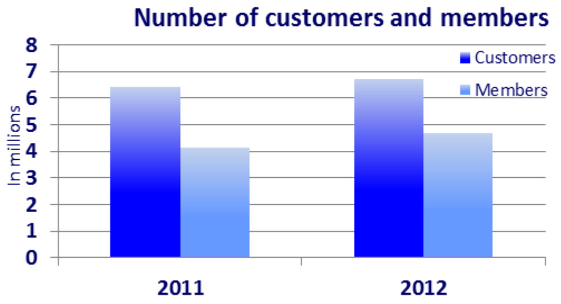
All of these businesses recorded satisfactory commercial performances in 2012. The increase in bank deposits, which was already robust in 2011, ranged between 6.5% and 28.8%. Loan outstandings also rose, albeit at a slower pace (0.5% to 13.7%).

Net banking income decreased from €9,231 million to €8,782 million as of December 31, 2012. This decline was caused by the compression in the net interest margin, given the high level of interest rates on regulated savings and the increased cost of refinancing in the markets (gradual extension of borrowing maturities). Net commission income in 2012 was comparable to the 2011 amount and accounted for more than one-third of this division's NBI. Insurance commissions totaled more than €940 million. Meanwhile, commissions received by the branch networks on remote banking, remote surveillance, real estate transactions and telephony totaled €212 million.
General operating expenses totaled €5,713 million, compared with €5,469 million in 2011. Net provision allocations/reversals for loan losses remained stable *at* €878 million. Net income was €1,361 million, compared with €2,006 million in 2011.

The branch networks

Crédit Mutuel 11 Group

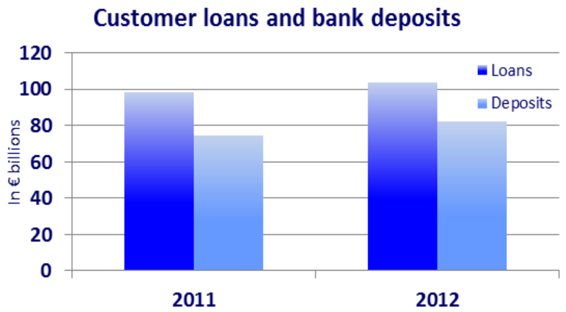
CM11 Group continued to serve the needs of its customers: individuals, associations, self-employed professionals and corporates.
The number of customers increased from 6.4 million in 2011 to 6.7 million at end-2012.



CM11 banking network

Loan outstandings increased by €5 billion to €103.6 billion as of December 31, 2012. At constant scope, equipment loans and housing loans increased by 5.9% and 1.3%, respectively.

Bank deposits increased by nearly €7.7 billion, bringing total deposits to more than €82 billion. The “Livret Bleu” and other savings accounts recorded the strongest increases, rising by 13.2% and 14.3%, respectively.



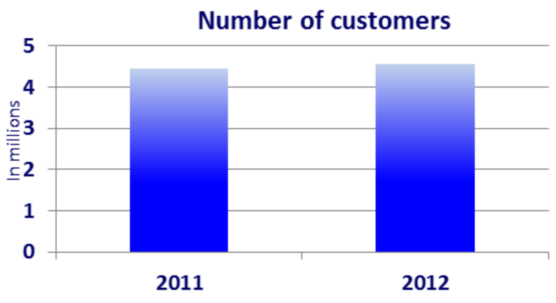
CM11 banking network

As was the case for the overall retail banking segment, the mutual banking segment’s NBI declined in 2012, falling from €3,007 million in 2011 to €2,919 million. The narrowing of margins following the increase in the cost of funds was not offset by the increase in net commission income (2.1% gross increase relative to 2011). The net commission income nevertheless accounted for 36% of NBI.
General operating expenses increased from €1,821 million in 2011 to €1,957 million last year, in part following the creation of 33 new points of sale, notably in the Ile-de-France, Mediterranean and Normandy regions. The actual net provision for known risks was €109 million, unchanged relative to 2011. It remains in check and represented only 0.10% of customer loans.

In an environment marked by slow economic growth and pressure on margins, net income totaled €566 million as of December 31, 2012, compared with €758 million in 2011.

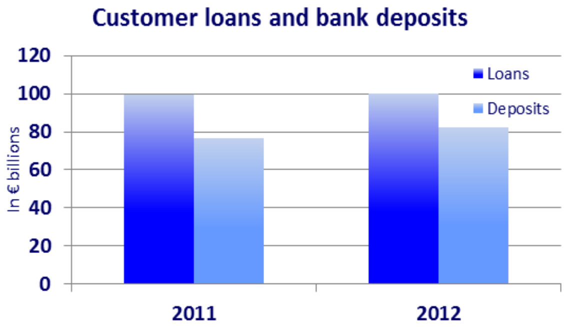
CIC

Retail banking also constitutes the core business of CIC, which continued to improve the quality of its banking network with the creation of 24 points of sale in 2012, notably in the Paris region, Brittany and southwestern France. This growth policy enabled CIC to add 100,000 new customers and surpass the 4.5 million threshold.



CIC banking network

Credit outstandings totaled €100.1 billion, up €800 million relative to 2011. Bank deposits also trended upwards with a 7.5% increase to reach €82.4 billion at end-2012. Savings remained at a level comparable to that of 2011, i.e. €54 billion.



CIC banking network

The banking network's NBI was €2,902 million in 2012, compared with €3,058 million the previous year. This decline was due to both the increase in the cost of funds as well as a decrease in the amount of net commission income. This latter income accounts for more than 45% of NBI. General operating expenses totaled €2.1 billion, while net provision allocations/reversals for loan losses for the retail bank came to €195 million (up €47 million).

The banking network's net income was €384 million, compared with €578 million in 2011.

Banque Européenne du Crédit Mutuel (BECM)

BECM complements the Crédit Mutuel mutual banks and works with the CIC branches in four main markets:

- large and mid-sized corporates,
- real estate development financing, mainly in the residential sector,
- real estate companies that manage rental properties of a residential, commercial or services nature,
- large order-givers with respect to payments, notably in the area of distribution, transportation and services.

Its activity is supported by a network of 50 branches. It has more than 20,800 customers.

Loan outstandings totaled €10.4 billion at end-2012, up 3%. While investment loans were supported by a few acquisition transactions, operating loans were down, reflecting the sluggish status of customer order books.
Meanwhile, working capital requirements were kept in check and many companies have cash surpluses. This situation has a positive impact on the level of total funding, which increased by 16.4% to €8.5 billion. The continued efforts to take in new deposits led to a second consecutive year of robust increases in bank deposits, which rose by 28.8% last year.

As for financial results, the compression in the net interest margin was not entirely offset by the favorable increase in net commission income (gross increase of 21.9%), notably commission income on electronic money and means of payment. As a result, NBI totaled €193 million in 2012, compared with nearly €207 million the previous year.
Over the same period, general operating expenses increased as the branch network expanded. Net provision allocations/reversals for loan losses remained at a historically low level (0.12%). Net income was €66.6 million in 2012, compared with €90 million in 2011.

CIC Iberbanco

With its 21 branches in Ile-de-France, the greater Lyon region and the south of France (Bordeaux, Midi-Pyrénées and Languedoc Roussillon) and 122 employees, CIC Iberbanco acquired nearly 3,400 new customers.
Customer funds invested in savings products increased by 11% to €440 million. Across all lending categories, total outstandings were up 13.7% to €332 million. The insurance and telephony activities are trending favorably, with 14,000 and 2,679 contracts, respectively.

NBI increased by 16% to €19 million. Net income was €1 million in 2012, compared with €0.7 million the previous year.

Targobank Germany

With 343 points of sale, including 11 opened in 2012, and nearly 700 ATMs throughout Germany, Targobank has more than 6,650 employees and 3 million customers.

Loan outstandings continued to increase, rising by 1% to €10.1 billion in 2012. Deposits rose by nearly €1 billion (10%). The bank is taking steps to ensure that its funding and financial assets are well matched, such that the loan-to-deposit ratio was 96% at end-2012.

From a commercial perspective, Targobank continued to work on the development of simple products consistent with its core business. In order to expand its customer base, the bank added auto financing to its product line.
Targobank is also looking to stand out through innovation by offering its German customers the contact-free payment technologies developed by the Group. On August 1, 2012, therefore, the bank became the first financial institution to offer the mobile payment application developed by CM11-CIC in cooperation with the telecommunications operator E-Plus.

Targobank's NBI was €1,298 million in 2012, compared with €1,345 million the previous year. Thanks to stable expenses and a favorable trend in net provision allocations/reversals for loan losses, net income rose by 3.8% to nearly €275 million.

Targobank Spain

(Proportionally consolidated subsidiary whose contribution in the consolidated financial statements represents 50% of its net income)

This general services bank, in which BFCM and Banco Popular Espanol each own a 50% interest, has 125 branches located in Spain's main hubs of economic activity and 235,000 customers, 80% of whom are individuals. It manages 152 ATMs and 125,000 debit/credit cards.

Loan outstandings, the majority of which were housing loans, totaled more than €1 billion. Bank deposits totaled €787 million, including 59% in term accounts.

NBI remained essentially unchanged at €41 million in 2012. The increase in general operating expenses and a significant rise in net provision allocations/reversals for loan losses – mainly due to the application of Royal Decree laws – weighed on net income, which was €0.2 million in 2012, compared with €10 million the previous year.

Retail banking specialized businesses

These businesses include the specialized subsidiaries that market their products using their own online sites and/or through the CM11-CIC Group mutual banks and branches: consumer credit, factoring, receivables management, leasing, fund management and employee savings.
They generated NBI of €1,421 million in 2012, compared with €1,479 million the previous year. The consumer credit division accounted for 82% of this activity.

Consumer credit

Cofidis Group

Cofidis Group, which is jointly held with 3Suisses International, creates, markets and manages an extensive line of financial services such as consumer credit, payment solutions and banking services (sight accounts, savings, online trading and investments). In that regard, it has three brands specializing in the marketing of financial products and services:

- Cofidis, a European online credit specialist based in France, Belgium, Spain, Portugal, Italy, Czech Republic, Hungary and Slovakia;
- Monabanq, the CM11-CIC Group's online bank;
- Créatis, a consumer credit consolidation specialist.

Financings rose slightly by 1%, even as consumer credit declined in France, Spain and Portugal, the Group's main markets.

NBI contracted by 5.7% to €1,067 million despite the 1.2% increase in loan outstandings. This decline was due to the lowering of interest rates charged to customers, itself a result of the drop in usury rates on revolving credit in France. For these types of credits, the average customer interest rates are below those of revolving credits despite the increase in new loan approvals since the beginning of the year.

General operating expenses increased by €24 million to €531 million notably as a result of the IT convergence project, which requires investments in the short term.

Net provision allocations/reversals for loan losses contracted by a significant 9.4%, the third consecutive year of declines. The risk prevention initiatives (granting process) are proving effective.

Net income totaled €108.6 million in 2012, compared with €152.8 million in 2011.

Sofemo Group

This company focuses on installment payments and the development of vendor credit. It has 142 employees and more than 476,000 customers.

Loan production totaled €603 million in 2012, compared with €745 million the previous year. Net customer loan outstandings were stable at €1.1 billion.

Financial results were impacted by the relatively unfavorable economic environment. NBI contracted by 9.4% to just under €61 million. Net income was €13.4 million, compared with €15.1 million in 2011.

Banque Casino

(Proportionally consolidated subsidiary whose contribution in the consolidated financial statements represents 50% of net income)

The bank, which has been jointly held alongside Casino Group since July 2011, distributes credit cards, consumer credit and insurance products in the Géant Casino hypermarkets, Casino supermarkets and through the C-Discount vendor site.

After a first half of 2012 marked by the bank's integration into the CM11-CIC IT systems and procedures, its production and profitability indicators rebounded sharply upward in the second half even as the bank was able to tightly control its risks. NBI increased by €38.8 million in 2012, compared with €30.9 million the previous year. Net provision allocations/reversals for loan losses declined by €4 million, although the increase in general operating expenses related to the IT migration project weighed on the net result, a loss of €3 million.

Insurance, the second business line

(€ millions)	2012	2011[3]	Change
NBI	1,412	967	+46.0%
General operating expenses	(356)	(351)	+1.2%
Operating income before provisions	1,056	615	+71.6%
Income before tax	1,015	615	+65.0%
Net income	603	421	+43.3%

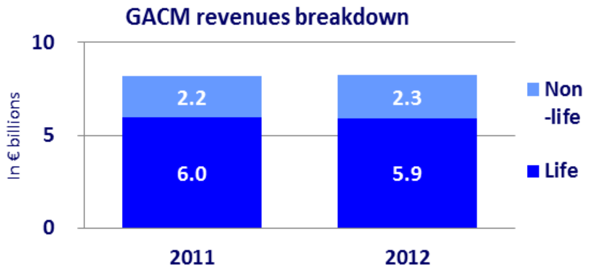
3- Immaterial impact by IAS 19 amended

Crédit Mutuel created and developed bankinsurance starting in 1971. This longstanding experience now enables the insurance activity, which is carried out through Groupe des Assurances du Crédit Mutuel (GACM), to be fully integrated into CM11-CIC Group both commercially and technically.

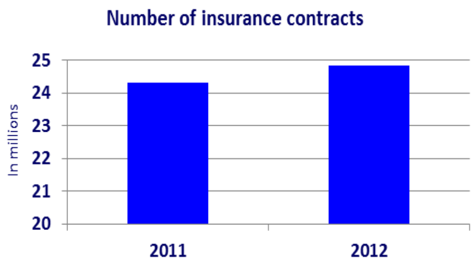
In 2012, GACM strengthened its international presence with the acquisition of Agrupacio Mutua, thereby opening up new growth potential in Spain and providing the Targobank Spain and RACC Seguros branch networks with a comprehensive line of products. Through this new subsidiary, GACM bolsters its know-how in healthcare and is well positioned for the future and the fundamental changes on the horizon for supplementary healthcare coverage.

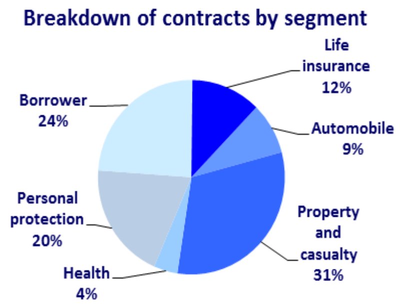
Despite a still uncertain economic environment, GACM maintained its positions and continued to expand its business in France and abroad.
The drop in savings rates and increase in the ceiling on savings accounts weighed on life insurance and capitalization products, thereby limiting the increase in consolidated insurance revenues to 0.7% (€8.2 billion) in a market that was down 4% overall.
Premium income on life insurance and insurance-based savings products fell by 2%, but the net intake remained positive and contributed to the increase in assets under management (+3.7%).

With its revenues up more than 5.2%, property and casualty insurance continued to be a growth driver. The auto and home insurance segments outperformed the market average with gains of 7.7% and 8.8%, respectively. Personal insurance increased by 3.3%, driven by personal protection and borrower's insurance.



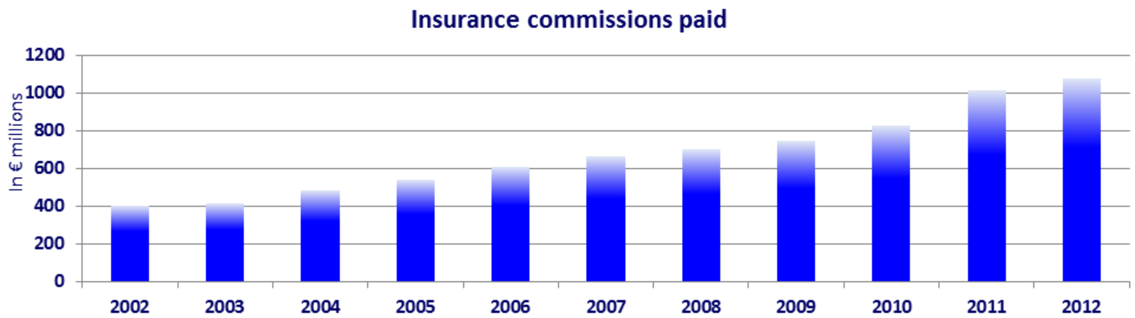
Consolidated insurance revenues totaled €8.23 billion in 2012, compared with €8.16 billion the previous year. GACM had nearly 7.9 million policyholders subscribing more than 24.8 million contracts in 2012, compared with 7.7 million policyholders and 24.3 million contracts the previous year.





Thanks to a generally favorable claims trend and despite the February 2012 cold snap, underwriting income in the property and casualty segment continued to perform well.

Net income from insurance activities totaled €1,412 million in 2012 (compared with €967 million the previous year) after €1,074 million in commissions paid to the branch networks.
Net income was €603 million in 2012, compared with nearly €421 million the previous year despite the higher tax burden.



GACM's shareholders' equity totaled €7.6 billion, up 12.7%. Its sound balance sheet enables it to take up new challenges with full confidence, notably those involving compliance with Solvency 2, whose impacts have not yet been entirely defined.

Corporate banking

(€ millions)	2012	2011[3]	Change
NBI	324	485	-33.1%
General operating expenses	(92)	(83)	+11.0%
Operating income before provisions	232	401	-42.3%
Income before tax	171	369	-53.7%
Net income	131	239	-45.3%

3- Immaterial impact by IAS 19 amended

This division covers the financing of large corporates and institutional customers, value-added financing (project and asset, export, etc.), international activities and financing provided by foreign branches.
In 2012, the business line managed €13 billion in loans (-15.8%) and €5.6 billion in deposits (+25.9%).

Demand for bank financing from large corporates contracted, given their strong net cash positions and deliberate efforts to shift away from bank financing and toward capital markets, as they increasingly took advantage of the rapidly growing bond market.

Crédit Mutuel – CIC's close relations with its customers enabled it to play an active role in numerous bond offerings.

Meanwhile, the Group continued its policy of supporting customers, as evidenced by the growing volume of bilateral loans at the expense of syndicated financings, which fell off considerably.

The Group's sound financial position enabled further growth (more than €5.7 billion) in overall deposits by large corporates and institutional investors.

The sales activity continued to focus on the development of cross-functional know-how, as evidenced in particular by the creation of collective retirement savings plans (*Plans d'Epargne pour la Retraite Collectif - PERCO*), the winning of retirement bonus management contracts in the payroll engineering area and Cofidis' launch of mobile telephone financing for some customers.

The Group continued its expansion into means of payment.
It continued to win a growing number of requests for proposals by large corporates, and in particular institutions, as they adopt means of payment for the Single European Payment Area (SEPA).
It is also developing increasingly sophisticated technological products, which are enabling innovative and/or European-scale electronic money solutions.

NBI contracted from €485 million in 2011 to €324 million last year as a result of lower margins resulting from efforts to boost customer deposits and to better match up asset and liability maturities. The overall net provision allocations/reversals for loan losses increased by €28 million to €61 million. However, the actual net provision for known risks (i.e. excluding collective provisions) remained stable at €47 million. Net income thus came to €131 million in 2012, compared with €239 million the previous year.

Capital markets and refinancing activities

(€ millions)	2012	2011[3]	Change
NBI	603	401	+50.4%
General operating expenses	(196)	(173)	+13.4%
Operating income before provisions	407	228	+78.5%
Income before tax	383	112	+241.9%
Net income	230	61	+277.0%

3-Immaterial impact by IAS 19 amended

The capital markets activities of BFCM and CIC are combined in a single entity, CM-CIC Marchés, which performs CM11-CIC's refinancing and commercial and investment banking activities from offices in Paris and Strasbourg along with branches in New York, London, Frankfurt and Singapore.

These transactions are recorded on two balance sheets:

- at BFCM, for the refinancing business,
- at CIC, for the commercial and investment banking businesses in fixed-income, equity and credit products.

The capital markets activities also include a stock market brokerage activity provided by CM-CIC Securities.

In 2012, NBI totaled more than €603 million, up from €401 million the previous year. General operating expenses increased by more than €23 million (+13.4%), mainly as a result of changing tax and social security regulations. Net provision allocations/reversals for loan losses, which in 2011 included the cost of provisioning Greek sovereign debt risk, contracted by €92 million in 2012 to €24.5 million. Net income totaled €230 million in 2012, up from €61 million the previous year.

Private banking

(€ millions)	2012	2011[3]	Change
NBI	463	431	+7.3%
General operating expenses	(334)	(317)	+5.5%
Operating income before provisions	129	115	+12.4%
Income before tax	106	85	+24.6%
Net income	79	68	+16.9%

3-Immaterial impact by IAS 19 amended

This segment develops know-how in financial management and estate planning, which is provided to business owners and their families and private investors.

The companies making up this business line do business in France through CIC Banque Transatlantique and Dubly-Douilhet SA as well as abroad through the subsidiaries Banque de Luxembourg, Banque CIC Suisse, Banque Transatlantique Luxembourg, Banque Transatlantique Belgium, Banque Transatlantique Londres, Banque Pasche and CIC Private Banking in Singapore.

In 2012, the business line was managing €15.8 billion in bank deposits (up 7.8% year on year),and €7.5 billion in loans, thereby generating €8.2 billion in surplus funds made available to the CM11-CIC Group. Savings totaled €81.7 billion in 2012.

NBI rose by 7.3% to €463 million thanks to the satisfactory net interest income performance, which offset the decline in commission income. Net provision allocations/reversals for loan losses, which were still affected by a residual holding of Greek sovereign debt in the first quarter of 2012, fell by nearly €14 million to €28.8 million. Net income rose by nearly 17% to €79.4 million.

Private equity

(€millions)	2012	2011[3]	Change
NBI	100	93	+7.6%
General operating expenses	(34)	(34)	+1.4%
Operating income before provisions	66	59	+11.1%
Income before tax	66	59	+10.9%
Net income	67	57	+18.0%

3- Immaterial impact by IAS 19 amended

Private equity represents a key division in the Group's commercial strategy by helping to strengthen the equity capital of Crédit Mutuel and CIC's business customers over the medium to long term (seven to eight years). This business activity is carried out by CM-CIC Capital Finance, which has its head office in Paris and satellite offices in Lyon, Nantes, Lille, Bordeaux and Strasbourg, thereby ensuring close ties to customers. As of December 31, 2012, the portfolio consisted of 497 equity investments in companies and a few investment funds.

The sector recorded a slight decline in requests by company CEOs to implement their plans. The division invested €199 million. Some 83% of total assets under management (€1,650 million) are in unlisted securities.

NBI totaled €100 million in 2012, compared with €93 million the previous year, while net income increased by 18% to €67.4 million.

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CM11-CIC (*) Key figures (**)

(in millions of euros)	December 31, 2012 CM11-CIC	December 31, 2011 CM10-CIC
Business		
Total assets	499 227	468 492 [1]
Loans and advances to customers, including finance leases [2]	269 411	263 906
Savings managed and in custody [3]	506 864	459 009
- of which, customer deposits [3]	213 624	193 645
- of which, insurance products	64 640	62 354
Equity		
Shareholders' equity and deeply subordinated debt	31 155	27 987 [1]
Employees, year end [4]	65 863	65 174
Number of branches	4 674	4 608
Number of customers (in millions)	23,8	23,5

Financial results

Consolidated income statement (in millions of euros)	December 31, 2012	December 31, 2011 Reported	December 31, 2011 Adjusted [1]
Net banking income	11 462	11 053	11 065
General operating expenses	(7 341)	(6 942)	(6 931)
Operating income before provisions	4 121	4 111	4 135
Net provision allocations/reversals for loan losses	(1 081)	(1 456)	(1 456)
Operating income after provisions	3 040	2 656	2 679
Net gains/losses on other assets and equity affiliates	(160)	62	89
Income before tax	2 880	2 718	2 768
Corporate income tax	(1 057)	(913)	(925)
Net income	1 823	1 805	1 843
Net income attributable to owners of the company	1 622	1 623	1 660

* Consolidated results of the mutual banks of Crédit Mutuel Centre Est Europe, Sud-Est, Ile-de-France, Savoie Mont-Blanc, Midi-Atlantique, Loire-Atlantique and Centre-Ouest, Centre, Normandie, Dauphiné-Vivarais, Méditerranéen and Anjou, of their common federal bank, and of the Banque Fédérative du Crédit Mutuel and its main subsidiaries, including ACM, BECM, IT companies, CIC, TargoBank Germany, Cofidis, CIC Iberbanco and TargoBank Spain

** Figures not approved by the boards.

1 After taking into account IAS19 amended and the correction of the recognition of the investment in Banco Popular Espanol in accordance with IAS 8

2 Including lease-financing.

3 Issuance by the SFEF is not included in customer deposits

4 Employees at group-controlled entities