PRESS RELEASE

Crédit Industriel et Commercial

Paris, July 31, 2014

CIC in the first half of 2014

Solid commercial activity, improved results and financial solidity

Results for the six months ended June 30, 2014[1]

Net banking income	**€2,304m**	➡	A dynamic branch network	**+1%**[2]
Net income	**€694m**	➡	Strong performances	**+65%**[2]
Basel 2.5 CET1 ratio without transitional measures (March 2014)	**10.9 %**	➡	A solid balance sheet	
Business				
Loans	**€139.9bn**	➡	Active financing of the economy	**+3.5%**
Balance sheet deposits	**€116.1bn**	➡		**+7.7%**
Savings managed and in custody	**€238.7bn**			**+7.0%**

CIC has maintained its growth momentum with three objectives: deliver a quality service to its customers, provide better-tailored products by diversifying its offer, and participate in financing the economy in all regions of France. During this period, the number of customers and branches continued to grow, as did loan outstandings, deposits and insurance and service activities (remote banking, remote surveillance and telephony). In these conditions, net income totaled €694m, up 65%.

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1 *Financial statements unaudited but subject to a limited review*

2 *Figures for the six months ended June 30, 2013 used to calculate changes have been restated to neutralize the impact of the removal of CM-CIC Gestion from the consolidation scope at December 31, 2013 and SNC Saint-Pierre at January 1, 2014.*

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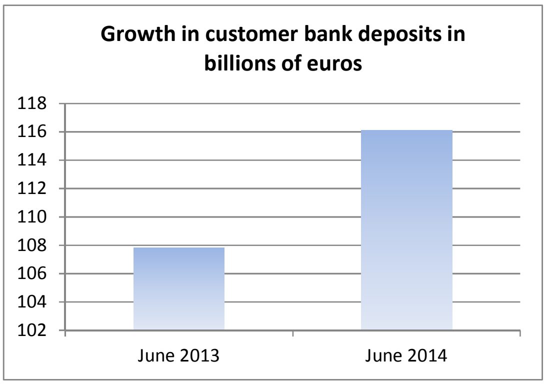
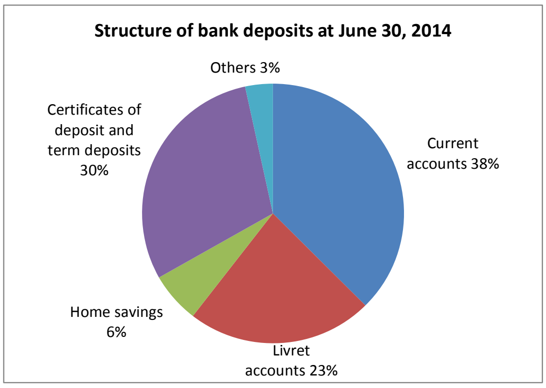
Continued commercial dynamism and support for the economy

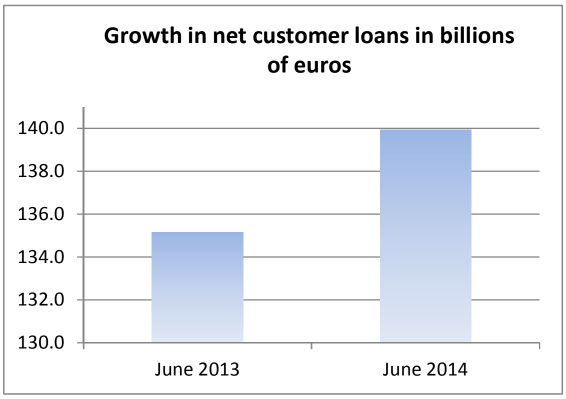
The first six months of the year were marked by the heightened commitment of all staff members and the deepening relationship of trust they have established with their customers, enabling the bank to best serve its client base of private individuals, associations, self-employed professionals and corporates.

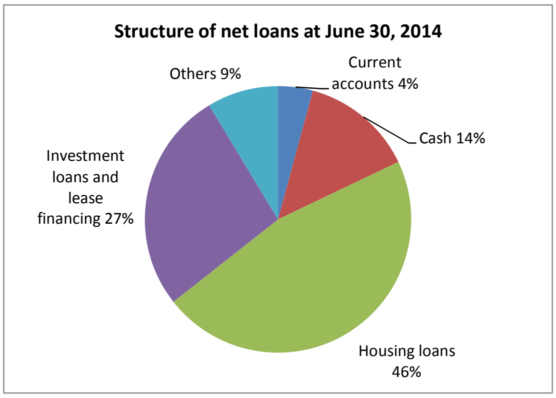
Bank deposits totaled €116.1 billion, up a significant 7.7% from June 30, 2013. The sharpest increases were recorded by current accounts (+11.4%) and certificates of deposit and term deposits (+7.9%).





Total loan outstandings came to €139.9 billion, up 3.5% from June 30, 2013, driven by growth in investment loans, up 4.5% to €28.6 billion, and housing loans, up 2.9% to €65.0 billion.





The loan-to-deposit ratio – the ratio of total net loans to balance sheet deposits expressed as a percentage – continued to improve. It totaled 120.5% at June 30, 2014, compared with 125.4% a year earlier.

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Growth in financial results(3)

(in millions of euros)	June 2014	June 2013	Change 2014/2013	June 2013 restated*	Change* 2014/2013
Net banking income	2,304	2,298	0,3%	2,283	0.9%
Operating expenses	(1,526)	(1,538)	-0,8%	(1,525)	0.1%
Gross operating profit	778	760	2,4%	758	2.6%
Income before tax	822	623	31,9%	621	32.4%
Net income	694	422	64,5%	421	64.8%

*After the restatement of the impact of the removal of CM-CIC Gestion and SNC-Pierre from the scope of consolidation.

Net banking income grew by 0.9%* to €2,304 million. It was notably buoyed by the increased contribution of retail banking, which represented 73% of total net banking income compared with 72% at June 30, 2013.

Operating expenses were stable at €1,526 million (+0.1%*).

As a result, gross operating profit improved by 2.6%* and the cost-income ratio fell to 66.2%* from 66.8% a year earlier.

Net provision allocations/reversals for loan losses practically halved to €79 million from €145 million at the end of the first half of 2013 thanks to a €38 million decrease in the actual net provision for known risks and a €28 million improvement in collective provisions. For customer loans, annualized net additions to/reversals from provisions for loan losses relative to outstanding loans came to 0.18% and the overall non-performing loan coverage ratio stood at 50.2%.

The share of income of companies accounted for by the equity method totaled €123m compared with €7 million a year earlier. This change primarily resulted from the sale of shares in Banca Popolare di Milano (BPM), in which CIC held a 6.6% stake.

Net income stood at €694 million, up 65%.

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[3] *Figures for the six months ended June 30, 2013 used to calculate changes have been restated to neutralize the impact of the removal of CM-CIC Gestion from the consolidation scope (at December 31, 2013) and SNC Saint-Pierre (at January 1, 2014).* ***Restated figures in the press release are signaled by an asterisk.***

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A solid balance sheet

The CET1 capital ratio is estimated at à 11.5% at June 30, 2014 and CET1 (common equity tier 1) prudential capital at €10.5 billion. These calculations exclude transitional measures.

CIC's ratings have not changed since Standard & Poor's assigned a negative outlook to the entities of the Crédit Mutuel-CIC group and 14 other European banks on April 29, 2014. This modification resulted from the European Parliament's approval, on April 15, 2014, of the EU Bank Recovery and Resolution Directive.
CIC's ratings are the following:

	Standard and Poor's	Moody's	Fitch Ratings
Short term	A-1	P-1	F1
Long term	A	Aa3	A+
Outlook	negative	negative	stable

Divisional breakdown of results

Retail banking: CIC's core business

(in millions of euros)	June 2014	June 2013	Change 2014/2013	June 2013 restated*	Change* 2014/2013
Net banking income	1,678	1,648	1.8%	1,633	2.8%
Operating expenses	(1,150)	(1,165)	-1.3%	(1,152)	-0.2%
Gross operating profit	528	483	9.3%	481	9.8%
Income before tax	457	391	16.9%	389	17.5%

*After the restatement of the impact of the removal of CM-CIC Gestion and SNC-Pierre from the scope of consolidation.

Retail banking encompasses the CIC banking network and all specialist activities whose products are mainly distributed through this network: equipment leasing, vehicle leasing with purchase options, real-estate leasing, factoring of receivables, fund management, employee savings plans and insurance.
Deposits[4] increased by 4.8% from a year earlier to €86.8 billion, driven by growth in credit current accounts (+10.2% to €28.4 billion) and term accounts and certificates of deposit (+5.7% to €25.3 billion).

[4] *Outstanding amount at the end of the month.*

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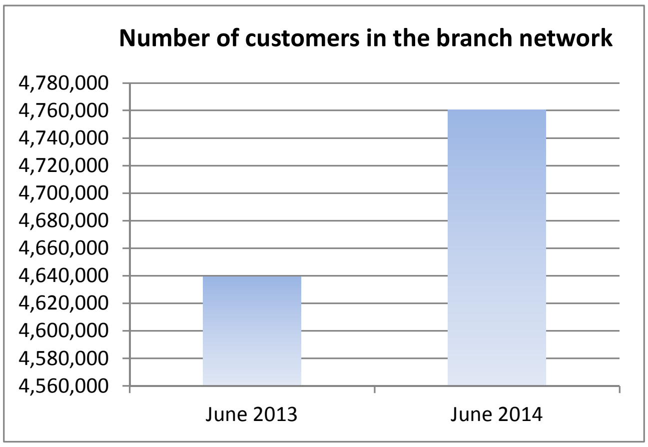
Loan outstandings[4] also increased but at a slower pace, up 2.9%. They totaled €119.3 billion, with growth in housing loans (+2.3%) and investment loans (+4.1%).
Net banking income in retail banking amounted to €1,678 million, up 2.8%*, thanks to an improvement in the net interest margin of almost 7%.
General operating expenses were unchanged* at €1,150 million.
Net provision allocations/reversals for loan losses fell by 4% to €126 million, compared with €131 million in the first six months of 2013.
Thanks to the improvement in net banking income and net provision allocations/reversals for loan losses, income before tax in retail banking came to €457 million, compared with €391 million a year earlier.

The branch network

At June 30, 2014, there were 2,050 branches, of which 14 were opened over the previous year.

The number of customers rose by 91,611 to 4,730,881 (+2.0%).



Loan outstandings[4] rose by 2.0% to €105.5 billion. Investment loans and housing loans grew by 4.1% and 2.3% respectively.
In the first half of 2014, loan origination amounted to €11.2 billion.

Deposits[4] increased by 4.8% from a year earlier to €86.8 billion, driven by growth in creditor current accounts (+10.2%) and strong inflows into term deposits and certificates of deposits during the first six months of the year (outstandings up 5.7%).

[4] *Outstanding amount at the end of the month.*

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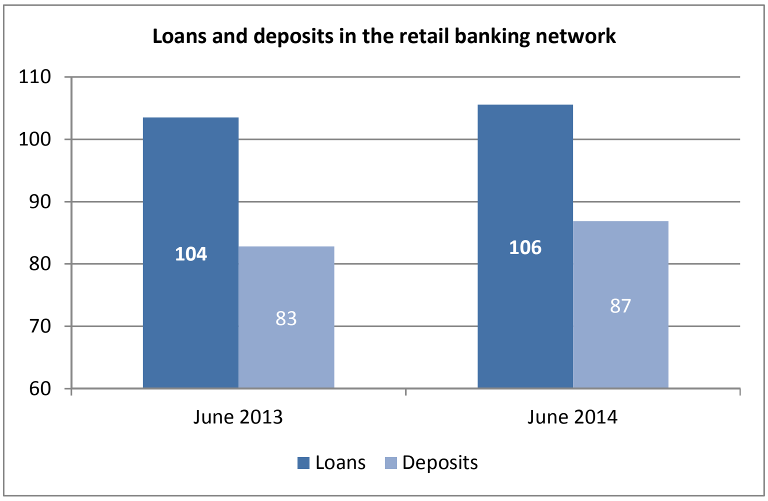

Savings managed[4] and in custody amounted to €56.5 billion, up from €54.6 billion at June 30, 2013 (+3.5%).

The insurance business continued to grow. The number of property and casualty contracts totaled 3,257,474 (portfolio of contracts up 4.2%). Service activities recorded the following growth:

- +5.3% in remote banking with 1,757,961 contracts,
- +8.2% in telephony (369,148 contracts),
- +10.6% in theft protection (82,571 contracts),
- +8.6% in electronic payment terminals (118,458 contracts).

Net banking income in the branch network totaled €1,579 million, compared with €1,532 million a year earlier, with growth of 7.6% in the net interest margin and 1.4% in net fee income.

General operating expenses amounted to €1,185 million, a similar level to that at June 30, 2013.

Net provision allocations/reversals for loan losses were tightly controlled at €124 million, compared with €127 million at June 30, 2013.

Income before tax in the branch network totaled €370 million, compared with €318 million a year earlier.

Retail banking support businesses generated net banking income of €99 million in the six months ended June 30, 2014, compared with €101 million* a year earlier, and income before tax of €87 million, compared with €71 million* a year earlier.

[4] *Outstanding amount at the end of the month.*

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Corporate banking

(in millions of euros)	June 2014	June 2013	Change 2014/2013
Net banking income	155	136	14.0%
Operating expenses	(45)	(47)	-4.3%
Gross operating profit	110	89	23.6%
Income before tax	107	77	39.0%

Loan outstandings[(4)] in corporate banking edged down to €12.9 billion (-3.3%), while outstanding deposits grew by 7.8% to €111.4 billion.

Net banking income rose to €155 million, compared with €136 million a year earlier, thanks to an improvement in the net interest margin. General operating expenses decreased by 4% and net provision allocations/reversals for loan losses stood at just €3 million, compared with €12 million a year earlier.

Income before tax improved by 39%.

Capital markets

(in millions of euros)	June 2014	June 2013	Change 2014/2013
Net banking income	211	282	-25.2%
Operating expenses	(89)	(93)	-4.3%
Gross operating profit	122	189	-35.4%
Income before tax	168	189	-11.1%

The capital markets division generated net banking income of €211 million, compared with €282 million a year earlier. Net provision reversals for loan losses amounted to €46 million on the RMBS portfolio in New York.

Income before tax fell from €189 million at June 30, 2013 to €168 million at June 30, 2014.

[4] *Outstanding amount at the end of the month.*

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Private banking

(in millions of euros)	June 2014	June 2013	Change 2014/2013
Net banking income	235	247	-4.9%
Operating expenses	(176)	(173)	1.7%
Gross operating profit	59	74	-20.3%
Income before tax	62	72	-13.9%

Outstanding balance-sheet deposits(4) in private banking grew by 6.9% to €17.1 billion. Loan outstandings(4) rose by 17.6% to €9.2 billion and savings managed and in custody(4) totaled €78.0 billion.

Net banking income came to €235 million, compared with €247 million a year earlier. Net profit allocations/reversals for loan losses were negative at €3 million at June 30, 2014, compared with €2 million a year earlier.
Income before tax stood at €62 million, compared with €72 million a year earlier.

Private equity

(in millions of euros)	June 2014	June 2013	Change 2014/2013
Net banking income	106	65	63.1%
Operating expenses	(18)	(16)	12.5%
Gross operating profit	88	49	79.6%
Income before tax	88	49	79.6%

Invested assets totaled €1.7 billion, of which €123 million in the first half of 2014.
The portfolio consists of 459 investment lines.
Net banking income stood at €106 million in the six months ended June 30, 2014, compared with €65 million a year earlier. This growth was due to disposals in the first quarter of 2014 that generated more than €40 million of capital gains and the strong performance of financial markets in the midcaps segment.

In conclusion

[4] *Outstanding amount at the end of the month.*

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In a lackluster economic environment, CIC actively participated in financing the economy of France's regions, with loan origination amounting to €11.2 billion in the first six months of the year. The bank continued to develop its commercial activity by offering all its customers, both individuals and companies, products and services that meet their needs. Aided by up-to-the-minute technology, its customer relationships, whether physical or digital, form the linchpin of its strategy.

Financial information at June 30, 2014 comprises this press release and specific information based on the recommendations of the Financial Stability Board and on sovereign risk exposure.
Complete financial information is available on the website: www.cic.fr/cic/fr/banques/le-cic/institutionnel/actionnaires-et-investisseurs under the heading "regulated information" as is published by CIC in accordance with the provisions of article L451-1-2 of the French Monetary and Financial Code and 222-1 and following of the General Regulations of the Autorité des marchés financiers (French financial markets authority - AMF).

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CIC's business divisions and principal subsidiaries

CIC

BRANCH NETWORK	100% CIC Nord Ouest	100% CIC Ouest	100% CIC Sud Ouest	100% CIC Est	100% CIC Lyonnaise de Banque
SPECIALIST BUSINESSES	23.5% CM-CIC Asset Management	99.9% CM-CIC Epargne Salariale	100% CM-CIC Securities	99.2% CM-CIC Bail	
	54.1% CM-CIC Lease	95.5% CM-CIC Factor	100% CM-CIC Aidexport		
INSURANCE	20.5% Groupe des Assurances du Crédit Mutuel				
PRIVATE BANKING(1)	100% CIC Banque Transatlantique	100% Banque CIC Suisse	100% Banque de Luxembourg		
PRIVATE EQUITY	100% CM-CIC Capital Finance				
COMMON GROUP RESOURCE UNITS	12.5% Euro Information	Zero capital GIE CM-CIC Titres	Zero capital GIE CM-CIC Services		

(1) The CIC Singapore office also performs private banking activities (on site and via CIC Investor Services Limited in Hong Kong).

CIC

Key figures

(in millions of euros)	June 30, 2014	June 30, 2013	December 31, 2013
Business			
Total assets	242 213	234 273	232 919
Customer loans (1)	139 929	135 163	136 767
Customer deposits	116 089	107 819	112 847
Savings managed and in custody (2)	238 723	223 095	231 077
Number of property and casualty insurance policies (3)	3 257 474	3 125 278	3 171 761
Shareholders' equity			
Attributable to owners of the company	11 748	10 576	11 130
Non-controlling interests	97	102	105
Total	11 845	10 678	11 235

Employees, year end (4)	19 834	20 214	20 083
Number of branches (5)	2 050	2 072	2 067
Number of customers (6)	4 730 881	4 639 270	4 688 233
Private individuals	*3 896 216*	*3 831 924*	*3 872 578*
Corporates and self-employed profiessionals	*834 665*	*807 346*	*815 655*

Financial results

Income statement	June 30, 2104	June 30, 2013 reported	June 30, 2013 adjusted (7)	December 31, 2013
Net banking income	2 304	2 298	2 283	4 466
General operating expenses	(1 526)	(1 538)	(1 525)	(2 888)
Operating income before provisions	778	760	758	1 578
Net provision allocations/reversals for loan losses	(79)	(145)	(145)	(367)
Operating income after provisions	699	615	613	1 211
Net gain/(loss) on disposals of other assets	0	1	1	4
Share of income/(loss) of affiliates	123	7	7	65
Income before tax	822	623	621	1 280
Corporate income tax	(128)	(201)	(200)	(429)
Net income	694	422	421	851
Non-controlling interests	(3)	(3)	(4)	(6)
Net income attributable to owners of the company	691	419	417	845

(1) Including lease financing
(2) Month-end outstandings, including adjusted amount of securities issued in the first half of 2013
(3) Fine-tuned management rules. Adjusted figures for the first half of 2013
(4) Full-time equivalents
(5) Between June 2013 and June 2014: 14 branch openings, 36 closures (of which 11 due to the reorganization of part of the network)
(6) Branch network. Adjusted 2013 figures
(7) Restated for the impact of the removal from the consolidation scope of CM-CIC Gestion and SNC Saint-Pierre.

GROUPE CM11-CIC

PRESS RELEASE

Crédit Mutuel
LA banque à qui parler

Paris, July 31, 2014

Sustained commercial activity, improved results and increased financial solidity

Results for the year ended June 30, 2014[1]

Net banking income	€6,211m	Growth in net banking income	+3.1%[2]
Net income	€1,403m	Good performances	+38.9%
of which, attributable to owners of the company	€1,280m		+40.5%
CET 1 capital adequacy ratio	14.07%[3]	Solid balance sheet	

Business

Loans	€279.2bn	Active financing of the economy	+2.9%
Total savings	€535.8bn		+5.1%
- of which bank deposits	€230.3bn		+7.6%
- of which insurance products	€69.9bn		+1.6%
- of which savings	€235.7bn		+3.9%

Buoyed by the commercial dynamism of its branch networks, the CM11-CIC group recorded an improvement in its business and results in the first half of 2014. Retail banking – its core business representing more than 75% of net banking income – affirmed the relevance of a business model in which closeness and attentiveness to customers play a key role. Thanks to the commitment of all employees and representatives, these results have strengthened the group's financial solidity, a source of security and sustainability.

The qualities of the CM-CIC group are regularly rewarded: "The most recommended network bank in France" by the Boston Consulting Group (December 2013) and the leading position in the "Top French banks" image ranking by the Baromètre Posternak/Ifop (February 2014).

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[1] *Financial statements unaudited but subject to a limited review. Unless otherwise stated, percentage changes are calculated at constant business scope.*

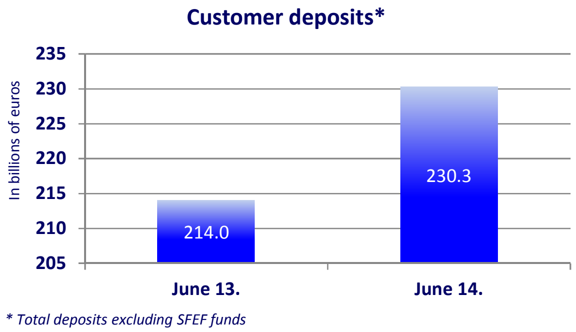
[2] *The changes mentioned are calculated relative to pro forma 2013 financial statements following the adoption of IFRS 10 and 11 on January 1, 2014. The 50%-owned subsidiaries Targobank Spain and Banque Casino are consolidated at present by the equity method.*

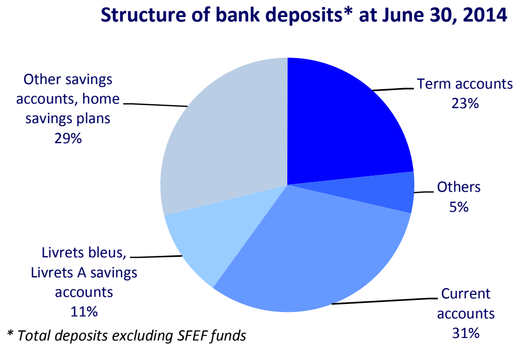
[3] *Provisional CET1 ratio at June 30, 2014 with transitional measures. The provisional fully-loaded CET1 capital adequacy ratio stood at 14.04%.*

Commercial activity

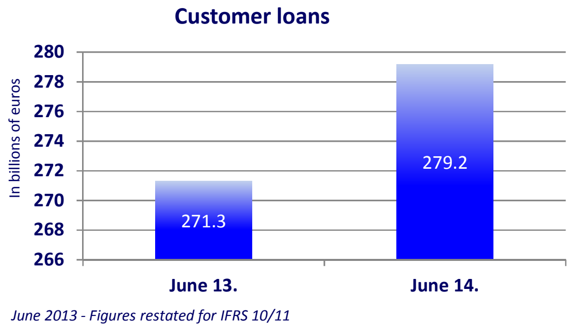
Commercial activity continued to grow in the first half of 2014. The group had more than 22.6 million customers at June 30, 2014, and the CM11 and CIC branch networks won more than 152,000 new customers.

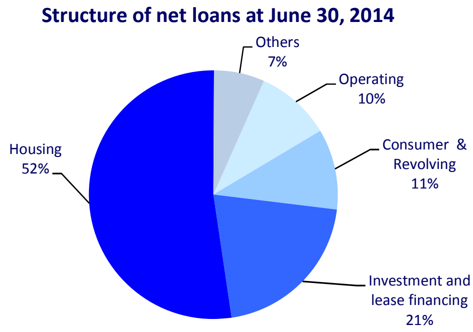
Bank deposits totaled over €230 billion, up 7.6%. The more than €16 billion increase in total deposits resulted principally from higher deposits on current accounts (+13%), home savings accounts (+6.3%), term accounts (+5.6%) and Livret Bleu and Livret A savings accounts (+2.8%).





Total loan outstandings increased by nearly €8 billion to more than €279 billion, up 2.9%. As in the two previous years, this growth was driven by investment loans (+€2.3 billion; +4.9%) and housing loans (+€4.2 billion; +3.0%). In the first half of 2014, loan origination amounted to almost €28 billion. These figures illustrate the CM11-CIC group's longstanding and continuing commitment to supporting the projects of companies and individuals at the regional, national and international levels.

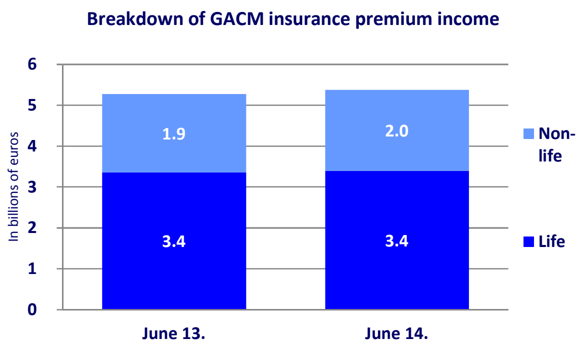


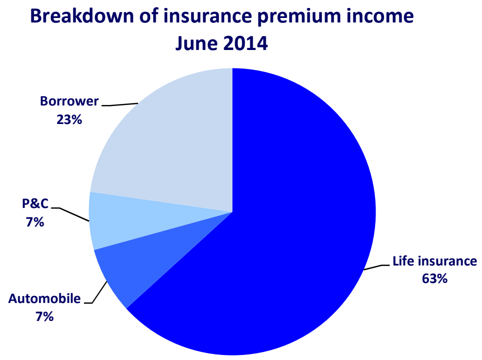


These changes brought about an improvement in the loan-to-deposit ratio to 121.3% at June 30, 2014, compared with 126.8% a year earlier.

At June 30, 2014, the group's immediately available liquidity reserve stood at €90 billion (€79 billion at the end of 2013), providing comfortably more than a year of leeway relative to market funding.

In the insurance business, the number of policies grew by 1% to almost 26 million. Premium income increased by 2.0% to €5.4 billion thanks to strong growth in all business divisions. The automobile and home insurance divisions recorded significant growth, with premium income up 3.3% and 7.6% respectively. These good figures resulted from strong new business production in the Crédit Mutuel and CIC branch networks.





In services, the group stands out for its technological expertise in several areas. With 1.3 million lines (up 8% year-on-year), mobile telephony – the group's third-largest business – is helping to drive the development of contactless payments.
Responding to all its customers' needs for security and concrete energy-saving measures, remote surveillance and home automation are represented by the Euro Protection Surveillance subsidiary, the market leader in France with more than 350,000 subscribers (up 14% year-on-year) and a 35% share of the residential market.

Financial results

(in millions of euros)	**June 30, 2014**	**June 30, 2013** Pro forma	**Change %**
Net banking income	6,211	6,023	+3.1%
General operating expenses	(3,900)	(3,848)	+1.4%
Gross operating income	2,311	2,176	+6.2%
Income before tax	1,958	1,602	+22.2%
Net income	1,403	1,010	+38.9%
of which, attributable to owners of the company	1,280	911	+40.5%

At June 30, 2014, the total net banking income of the CM11-CIC group stood at €6,211 million, compared with €6,023 million at June 30, 2013 (+3.1%). This growth was driven by both a sharp improvement in the interest margin in branch networks and the end of the amortization period for goodwill on Targobank Germany. Net commission income was in line with that a year earlier.

General operating expenses totaled €3,900 million, compared with €3,848 million a year earlier (+1.4%). Tight control of these expenses, coupled with growth in net banking income, lay behind the improvement in the cost-income ratio to 62.8%, compared with 63.9% at June 30, 2013.

Net additions to/reversals from provisions for loan losses stood at €433 million, down €106 million (-19.7%). All business lines of the CM11-CIC group contributed to this improvement. The actual net provision for known risks on customer loans fell by €73 million to €439 million. There was a net reversal of collective provisions of €6 million at June 30, 2014.

Overall net additions to/reversals from provisions for customer loan losses stood at 0.33% of loan outstandings, compared with 0.38% a year earlier, and the overall non-performing loan coverage ratio was 67%, compared with 63% in June 2013.

Net income rose by 38.9% to €1,403 million, compared with €1,010 million a year earlier. These first-half results also included one-off items that will not be repeated in the second half of the year, such as the capital gain on the disposal of the entire stake in Banca Popolare di Milano in April 2014 and the end of the amortization period for goodwill on Targobank Germany.

Solid financial position strengthened

At June 30, 2014, shareholders' equity and deeply subordinated securities totaled €35.1 billion and CET1 prudential capital amounted to €25.2 billion[4]. The core equity tier one capital adequacy ratio stood at 14.07%[5], one of the best levels in Europe, facilitating the group's access to the financial markets, the total ratio being 17.70%.

In the first half of the year, rating agencies Moody's and Fitch maintained Banque Fédérative du Crédit Mutuel's long-term rating. As such, the group's ratings remain as high as those assigned to any other French bank.

	Standard & Poor's	Moody's	Fitch Ratings
Long-term rating	A	Aa3	A+
Short-term rating	A-1	P-1	F1
Outlook	Negative	Negative	Stable

[4] *Provisional CET1 prudential capital at June 30, 2014. Provisional Tier one capital amounted to €26.9 billion.*

[5] *Provisional CET1 capital adequacy ratio at June 30, 2014 including transitional measures. The fully-loaded CET1 capital adequacy ratio was 14.04%.*

Results by business line

Retail banking, the core business

Retail banking is CM11-CIC Group's core business and includes the Crédit Mutuel local mutual banks, Banque Européenne du Crédit Mutuel, the CIC branches, CIC Iberbanco, the Targobank branches in Germany and Spain, the Cofidis group, Banque Casino[6] and all the specialized businesses, whose product marketing is performed by the branch networks and which comprise equipment leasing and rentals with purchase options, real estate leasing, vendor loans, factoring, fund management and employee savings.

(in millions of euros)	**June 30, 2014**	**June 30, 2013** Pro forma	**Change %**
Net banking income	4,680	4,604	+1.7%
General operating expenses	(2,965)	(2,942)	+0.8%
Gross operating income	1,715	1,662	+3.2%
Income before tax	1,275	1,178	+8.3%
Net income	843	778	+8.4%

Net banking income totaled €4,680 million in the six months ended June 30, 2014, up 1.7%. This growth was attributable to two favorable trends: that in the interest margin (+3.7%) thanks in large part to the reduction in the interest rate on Livret Bleu and A savings accounts, which lowered the cost of funding, and that in net fee income, which grew by 1.7%, driven by financial commissions, fee income from means of payments and insurance commissions.

General operating expenses remained tightly controlled at €2,965 million (+0.8%), bringing about an improvement in the cost-income ratio to 63.35%. Net provision allocations/reversals for loan losses fell by €33 million (-6.4%) to €475 million thanks to the improvement in risks in the consumer loan business and despite a small increase in the CM11 and CIC branch networks.
Net income totaled €843 million, up 8.4%.

The branch networks

CM11 Groups
The number of customers increased by more than 61,000 to more than 6.8 million.

Loan outstandings grew by €2.7 billion to €107.2 billion (+2.6%), driven by investment loans and housing loans (+2.9%).

Bank deposits increased by more than €2.6 billion, bringing total deposits to more than €86.3 billion. Deposits on current accounts and home savings accounts recorded the strongest growth, up 8.0% and 6.0% respectively.

[6] *Following the adoption of IFRS 10 and 11 on January 1, 2014, the 50%-owned subsidiaries Targobank Spain and Banque Casino are currently consolidated by the equity method.*

Net banking income increased by 0.8% to €1,569 million and general operating expenses rose by 1.2% to €1,037 million. Overall net provision allocations/reversals for loan losses rose by €6 million to €65 million.

Net income totaled €304 million, compared with €306 million a year earlier (-0.9%).

CIC

CIC has 2,050 branches, of which 14 were opened over the past year. It won 91,600 new customers (+2.0%).

Loan outstandings grew by 2.0% to €105.5 billion, driven by housing loans (+2.3%) and investment loans (+4.1%).

Bank deposits totaled almost €86.8 billion at June 30, 2014 (+4.8%), driven by growth in creditor current accounts (+10.2%) and strong inflows into term accounts and certificates of deposit (+5.7%).

Net banking income in the branch network totaled €1,579 million in the first half of 2014, up 3%.
General operating expenses were stable at €1,085 million. Net provision allocations/reversals for loan losses amounted to €123.5 million in the first half of 2014, down 2.8%.

Net income stood at €237 million, up 14%.

Banque Européenne du Crédit Mutuel (BECM)

Banque Européenne du Crédit Mutuel operates in the corporate market, the real estate development and investment market and the real estate companies market. It serves more than 21,000 customers and has 47 branches (of which 42 in France).

In all markets combined, consumer loans grew by 1.8% to €10.3 billion in the first half of 2014. Likewise, balance-sheet resources continued to grow, up 43.5% to €7.8 billion, generating a fresh reduction in the liquidity gap in the first half of the year.

Net banking income totaled €116.1 million (+17.4%) thanks to growth in the interest margin stemming from the fall in the cost of customer deposits and growth in fee income, especially that relating to loans.

General operating expenses amounted to €41.6 million (-2.3%) and the actual net provision for loan losses stood at €12.4 million (+56.9%).

Income grew by 21.2% to €37.1 million.

Targobank Germany

Targobank’s commercial activity continued to grow in the first half of 2014.

Loan outstandings rose by 5.2% to €10.9 billion.

On the liability side of the balance sheet, growth in customer deposits matched that in loans. Despite the steady fall in interest rates on our deposit products, bank deposits grew by 2.5% to €11.5 billion.
As a result, the loan-to-deposit ratio stood at 97%.

Trends in the wealth management business were similar to those in the first half of 2013. Financial savings grew by 5% compared with December 31, 2013 to €9.4 billion at June 30, 2014.
In particular, Targobank continued to sell the group's collective investment funds in Germany; these funds exceeded €300 million at June 30, 2014.

Net banking income increased by €8.7 million (+1.2%) to €686.3 million thanks to the improvement in loan commissions.

General operating expenses were stable even though personnel charges were inflated by both the increase in the branch tariff (+2.5% at July 1, 2013) and that in headcount linked to the extension of the sales network.

Net provision allocations/reversals for loan losses benefited from a one-time impact, since Targobank sold part of its portfolio of non-performing loans for €6.45 million in May 2014. They totaled €90.2 million.

Net income stood at €136.1 million in the first half of 2014, up 9.4%.

Other retail banking businesses

These businesses generated net banking income of €708 million in the six months ended June 30, 2014, compared with €732 million a year earlier. The consumer credit division accounts for 80% of the revenues of this group.

Consumer credit

Cofidis group
The Cofidis group's business trends are favorable.
In the first six months of the year, despite a decline in amortizable loans in France linked to risk adjustments, outstanding customer loans grew by 1.3% to more than €8.9 billion.

Net interest income increased slightly thanks to growth in loan outstandings and better refinancing conditions. As such, net banking income grew by €13 million to €570 million.

General operating expenses rose by 7.9% to €298 million. This growth was mainly due to higher marketing costs associated with business growth and IT costs connected with the IT migration process.

Net provision allocations/reversals for loan losses decreased by €8 million to €178.6 million.

Net income totaled €62 million, in line with that a year earlier.

Insurance, the second business line

Crédit Mutuel created and developed bankinsurance starting in 1971. This longstanding experience now enables the insurance activity, which is carried out through the subsidiaries of holding company Groupe des Assurances du Crédit Mutuel (GACM) – notably ACM Vie SA, Serenis Vie, ACM IARD, Serenis Assurances, Partners Assurances in Belgium, ICM Life in Luxembourg and Agrupacio AMCI in Spain – to be fully integrated into the CM11-CIC Group.

(in millions of euros)	June 30, 2014	June 30, 2013	Change %
Net banking income	773	768	+0.7%
General operating expenses	(219)	(215)	+2.1%
Gross operating income	553	553	+0.1%
Income before tax	537	509	+5.5%
Net income	337	312	+7.8%

The group's insurance business performed strongly in the first half of 2014 thanks to market growth and solid net inflows into life insurance, and despite an unprecedented number of regulatory and legislative developments.
In this economic environment, with soft growth weighing on the total sum insured and low interest rates squeezing margins, the group generated insurance premium income of €5,375 million, up 2.1%. All business divisions grew, but premium income rose particularly sharply in automobile insurance (+3.3%), with premium income of €402 million in the first half of the year, and home insurance (+7.6%), with premium income of €228 million. Growth in both these segments was almost double the market average and resulted from strong new business production in the Crédit Mutuel and CIC branch networks over the past two to three years. This brisk activity was combined with contained policy cancellation rates.

In the first half of 2014, the CM-CIC branch networks produced 1,584,000 new insurance policies, all products and divisions combined. For major policies alone, production totaled almost 563,000 new policies, up around 2.3% from a year earlier.

This insurance activity made it possible to pay €566 million in commissions to the distribution networks, 3% higher than at the same date in 2013.

In terms of claims, despite the fact that claims frequency was highly contained, margins were squeezed by the fall in discount rates, the increase in the number of bodily injury claims in automobile insurance and the hailstorm episode in France between June 7 and 10.

Net insurance income totaled €773 million, 0.7% higher than in the excellent first half of 2013.
General operating expenses grew by 2.1% to €219 million, resulting in operating income of €553 million, flat compared with a year earlier.
Like last year, this operating income included that of Spanish subsidiary Agrupacio, which contributed €6.2 million in the first half of this year.

The results of equity-consolidated companies remained negative because of ongoing weak performance by Moroccan company RMA in its consolidated 2013 financial statements, received during the first half of 2014. This company made a negative contribution of €25 million, compared with almost €50 million in the first half of 2013.

Net income amounted to €337 million, up 7.8%. The robustness of the group's fundamentals in the insurance business allowed it to absorb a few temporary setbacks that squeezed margins.

Corporate banking

This division covers the financing of large corporates and institutional customers, value-added financing (projects, assets and acquisitions), international activities and financing provided by foreign branches.
At June 30, 2014, this division managed €13.9 billion in loans (+2%) and €7.4 billion in deposits. Savings under management totaled €86.3 billion (+1%).

(in millions of euros)	**June 30, 2014**	**June 30, 2013**	**Change %**
Net banking income	173	151	+14.2%
General operating expenses	(47)	(49)	(3.1%)
Gross operating income	125	102	+22.6%
Income before tax	122	91	+33.7%
Net income	82	61	+35.2%

Capital markets and refinancing activities

CM-CIC Marchés performs CM11-CIC's refinancing and commercial and investment banking activities from offices in Paris and Strasbourg and 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 millions of euros)	**June 30, 2014**	**June 30, 2013**	**Change %**
Net banking income	238	300	(20.9%)
General operating expenses	(97)	(101)	(4.0%)
Gross operating income	140	199	(29.5%)
Income before tax	186	199	(6.2%)
Net income	144	125	+15.8%

Private banking

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

At June 30, 2014, this business managed €9.2bn in loans (+11.5%) and €17.1 billion in deposits (+8.1%), generating a funding surplus of almost €8 billion.

(in millions of euros)	**June 30, 2014**	**June 30, 2013**	**Change %**
Net banking income	235	247	(5.1%)
General operating expenses	(176)	(173)	+1.8%
Gross operating income	58	74	(21.2%)
Income before tax	62	71	(13.2%)
Net income	44	51	(12.0%)

Private equity

Private equity helps to strengthen the equity capital of the business customers of the Crédit Mutuel and CIC networks 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 Bordeaux, Lille, Lyon, Nantes and Strasbourg, thereby ensuring close ties to customers.

Investments total €1.7 billion, of which 83% in unlisted companies. This reflects the CM11-CIC group's commitment to aiding its customers over the long term. The portfolio value stood at €1.9 billion at June 30, 2014.

(in millions of euros)	**June 30, 2014**	**June 30, 2013**	**Change %**
Net banking income	106	65	+64.4%
General operating expenses	(18)	(15)	+14.4%
Gross operating income	89	49	+80.2%
Income before tax	88	49	+79.6%
Net income	89	48	+84.7%

Logistics

This division comprises the purely logistical entities, including operating real estate held in specially designated companies, the Group's IT companies, EI Telecom, Euro Protection Surveillance and others.

(in millions of euros)	**June 30, 2014**	**June 30, 2013**	**Change %**
Net banking income	679	653	+3.9%
General operating expenses	(583)	(564)	+3.2%
Gross operating income	96	89	+8.2%
Income before tax	93	83	+12.8%
Net income	57	46	+24.0%

The companies EI Telecom and Euro Protection Surveillance contributed €13 million (+30%) and €10.1 million (+29%) respectively to the net income of this division.

In conclusion

Despite a low-growth economy, the CM11-CIC group recorded significant growth. In the space of 12 months, its customers' bank deposits grew by 7.6% and loan outstandings by 2.9%.
The group continues to finance the projects of companies and individuals, with almost €28 billion in loans originated in the first six months of 2014. The strong business expansion of the branch networks, combined with double-digit growth in insurance (+2%) and service activities (telephone subscribers up 15% and remote surveillance up 14%), drove a 3.1% increase in net banking income compared with a year earlier.
As a result, net income totaled €1,403 million in the six months ended June 30, 2014, up 38.9%.
These results, together with the solidity reflected in its strong shareholders' equity and good capital adequacy ratio, allow the CM11-CIC group to continue growing and to increase its independence from the financial markets.
Lastly, through daily actions in the field and the involvement of its independent directors elected by its share-owning member customers, the group is pursuing its mutual banking mission in France's regions and nationally, sustaining its recognized service quality and close ties with its customers.

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CM11-CIC (*)

Key figures (**)

(in millions of euros)	June 30, 2014	June 30, 2013 pro forma (1)
Business		
Total assets	532 911	(2) 509 207
Loans and advances to customers, including lease financing (3)	279 208	271 289
Total savings (3)	535 818	509 728
- of which, customer deposits (4)	230 271	214 022
- of which, insurance products	69 853	68 785
- of which, bank financing savings (under management and custody)	235 695	226 921
Shareholders' equity		
Shareholders' equity and deeply subordinated debt	35 119	(2) 33 387
Employees, year end (5)	65 029	64 726
Number of branches	4 527	4 550
Number of customers (in millions)	22,6	22,5

Financial result

Consolidated income statement (in millions of euros)	June 30, 2014	June 30, 2013 pro forma (1)
Net banking income	6 211	6 023
General operating expenses	(3,900)	(3,848)
Operating income before provisions	2 311	2 176
Net provision allocations/reversals for loan losses	(433)	(539)
Operating income after provisions	1 878	1 636
Net gains/losses on other assets and equity affiliates	79	-35
Income before tax	1 958	1 602
Corporate income tax	(554)	(591)
Net income	1 403	1 010
Net income attributable to owners of the company	1 280	911

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

** Figures not approved by the boards.

1 Pro forma 2013: following the adoption of IFRS 10 and 11 on January 1, 2014. The 50%-owned subsidiaries Targobank Spain and Banque Casino are consolidated today by the equity method.

2 Figures at December 31, 2013

3 Including lease financing; .

4 Issuance by the SFEF is not included in customer deposits

5 Employees at group-controlled entities